

**Fort Carson Regional Growth Plan
Housing Partnership Group Meeting Summary
September 1, 2009
Pikes Peak Area Council of Governments (PPACG)**

Attendees:

- Heidi Aggeler, BBC Research & Consulting (BBC)
- Teresa Cramer, Pikes Peak United Way 211
- Kate Hatten, PPACG
- Bruce Martin, Aspen View Homes
- Carl Schueler, City of Colorado Springs
- Dave Smedsrud, City of Fountain
- Jerry Stafford, Fort Carson Housing
- Sarah White, PPACG

Phase 2 Update/Status:

Sarah White started introductions and briefly explained PPACG's data gathering efforts including surveys collected at the local Fort Carson Mountain Post Welcome (MPW).

Heidi Aggeler gave an overview of the material provided to the attendees (attached).

These documents included the following:

- A September 1, 2009 BBC memorandum regarding preliminary housing market findings and progress update;
- A draft of the Housing Market Analysis for the Phase 2 report;
- Appendix A of a June interim report explaining the Fort Hood survey results; and
- A comparison of the two MPW survey results.

Demographics:

Ms. Aggeler reviewed the BBC memo, discussing the primary scope of the housing task and BBC's progress towards achieving those outputs. BBC is working with Experian to obtain better information regarding soldier credit data. These data would be amalgamated and would not contain individuals' name or personal. The Experian data will be used in the housing affordability analysis to help determine what percentage of soldiers may not be able to purchase a home because of credit issues.

BBC is continuing to develop a growth model for the Phase 2 Plan. The model will categorize soldiers by unit, rank, accompanied, unaccompanied and dependents living or not living with soldier. This will help determine where the soldiers will most likely seek housing off-post based on affordability and other factors. Housing location will, in turn, affect other services, including transportation and education.

Qualitative data, such as where soldiers will want to live because of specific needs or preferences, will come out of BBC's focus group interviews with family readiness groups scheduled in October. The interviews will also help assess what soldiers and their

families need in terms of workforce training for the spouse, child care, financial assistance, etc.

BBC will develop a more broad housing analysis for the region beyond just Fort Carson. The draft of the Housing Market Analysis provided by Ms. Aggeler will be a companion piece to the Housing Modeling section of the final report.

Ms. Aggeler reported that there was 75% overlap of soldiers who filled out both MPW surveys at Fort Hood and Fort Carson. This is beneficial for BBC to evaluate how the soldiers who moved from Fort Hood are adapting and what their current needs are. As indicated in BBC's MPW comparison (attached), more E1-E5 soldiers filled out the surveys at the Fort Hood MPW than the Fort Carson MPW. Although BBC is less confident about the total number of soldiers who attended the Fort Carson MPW, the results seem more representative of the people who are moving to Fort Carson now than the Fort Hood survey. Most people indicated they are renting off-post and are satisfied with where they are living; 65% said they are living off-post by choice. The majority of respondents said they do not have any intention of buying in the Fort Carson area and when asked why they did not want to purchase a home, the majority said they just do not want to at this time. The main issue seems to be the uncertainties faced by soldiers and families regarding deployments. The majority of soldiers are young, and many have children between ages 0-4. Although family sizes are not especially large, they are young families with the potential to grow, possibly impacting schools in the future.

BBC is comparing the MPW survey and DEERS data to the data from the 2008 Niehaus Housing Market Analysis. The DEERS data list rank, street name, zip code, marital status, number and location of dependents. However, the DEERS data need to be reconciled with actual numbers of soldiers at Fort Carson. Once the data are validated, PPACG will map where Fort Carson soldiers are currently living in order to help predict the areas most likely impacted in the region with the new growth.

As indicated in BBC's draft Housing Analysis, the areas around Fort Carson are the most populated with military and have the most affordable homes. It was noted that a map showing soldier location would be useful to include in the report. Additional maps will be added to the report.

Open Discussion

The majority of soldiers surveyed at the MPWs indicated they desire to rent or own single family homes. There is still little data regarding supply for single family rental units in the area, although BBC does have a good understanding of the price points for detached single family units (average \$1,300) and townhomes (average \$1,000). Rental vacancies are still high, but decreased in the 2nd Quarter. Although the Security/Widefield/Fountain areas experienced the biggest drop, vacancy rates are still high at 16.2%. Colorado Springs has a 9.8% vacancy rate.

Bruce Martin reported that, after an initial “rush”, Aspen View Homes has experienced a 50% reduction in families looking to purchase homes. He indicates that most military families are seeking price points around \$170,000; they also want ready homes now and don’t want to wait for construction. He also stated that existing homes in the Fountain/Security/Widefield area within the price points of \$170,000-\$180,000 and in good condition sell quickly. However, providing an inventory of new homes is not possible because of financing limitations and the fact that homebuilders are not in a position to build spec homes. It appears that the price point (i.e., a monthly payment that matches BAH) is more of a deciding factor for people regarding home price.

Carl Schueler asked why the return of the 2nd BCT isn’t impacting the home purchasing market. Jerry Stafford noted that one factor is the fact that the soldiers are too uncertain about their futures to invest in a home, as many may be PCSing to other locations and others may not be sure of future deployment requirements.

Ms. Aggeler asked the group for input regarding a housing affordability calculator. The benefit of a calculator would include educating families seeking to stay within their BAH limit about affordability factors. Some partnership group members expressed less interest in micro-level information of an affordability calculator, but are more interested in aggregate information regarding housing affordability for military families. It was also noted that an affordability calculator may benefit renters, in addition to home buyers. It is also anticipated that the Experian data will help determine what percentage of the soldiers can actually buy a home based on credit scores.

Mr. Martin stated that a number of potential buyers in the military who have approached him claimed to be stuck in a long term lease and could not purchase a home until their 1-2 year lease ended. The group wondered if landlords or property managers offer incentives for entering into long-term leases, such as lower rents. PPACG will follow up with the Apartment Association of Southern Colorado to obtain more information regarding this issue.

Teresa Cramer reported an increase of military calls to 211 for financial and utility assistance. She asked whether Fort Carson/Army offered financial assistance and/or utility assistance. Ms. Aggeler explained the post does have a financial assistance program, but it is unclear whether the soldiers or their spouses know of or wish to seek that assistance.

Phase 1 Recommendations:

Sarah White provided the group a copy of the Phase 1 recommendations and asked them to review them and send her suggestions, comments and/or revisions via email at swhite@ppacg.org.

It was suggested that one recommendation be included for Fort Carson to continuously process and collect demographic data of their soldiers. Fort Carson should provide such

data to the external communities to prepare for troop growth/reduction and to PPACG to enter into the projection model.

Other Business:

Sarah White briefly mentioned the Making Home Affordable program, a federal assistance program for homeowners seeking to renegotiate or reduce the interest rates on their home loans. Details about the program can be found at <http://makinghomeaffordable.gov/>.

PPACG and BBC will provide additional information in the next couple of months, for the housing and other sectors. These updates and draft documents will be presented to the partnership groups and the CDMC.

Upcoming Meetings:

The CDMC is scheduled to meet on September 16, 2009 at 3:00 pm.
The next Housing Partnership meeting will be rescheduled and information provided via e-mail.

The meeting was adjourned at 4:30pm.