



## Delaware Housing Coalition

P.O. Box 1633 • Dover, DE 19903-1633

(302) 678-2286 • FAX (302) 678-8645

[www.housingforall.org](http://www.housingforall.org) • [www.whynimby.org](http://www.whynimby.org)

### Press Release

Contact: Gina Miserendino

Phone: (302) 678-2286 x1

FOR IMMEDIATE RELEASE

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### **Who Can Afford to Live in Delaware? Released Today by Delaware Housing Coalition**

DOVER, DE. **Who Can Afford to Live in Delaware?** is an annual publication of the Delaware Housing Coalition that reviews the state of housing affordability in Delaware. In addition to the review by housing sector, the report includes a discussion of housing and the economy and a set of policy recommendations.

The 2011 edition has just been issued and is online now. Some of its findings include:

#### Housing Burden Among the Very Poor

- There are almost 28,000 extremely low-income (ELI) households in Delaware who are cost-burdened, paying more than 30% of their income for housing.
- Among the ELI households, over half -- 14,414 - are in owner-occupied units.
- There are over 14,300 ELI renter households who are severely cost-burdened, paying over 50% of their income for housing.

#### Special Housing Needs

- Approximately 1,400 Delawareans annually continue to be identified as homeless on any particular night, with 6,000 state residents experiencing homelessness during the year.
- The efficiency apartment housing wage is \$14.23 for Delaware, the equivalent of an annual salary of \$29,599, and 196% of the federal minimum wage of \$7.25.
- A disabled person dependent on SSI cannot afford an efficiency (zero-bedroom) apartment anywhere in the state.
- As of December 2011, Delaware will still need over 1400 beds (crisis, supportive housing, and rental subsidy) in order to house the 2,000 individuals who are most in need and most at risk of homelessness.
- A high proportion of low-income elderly renters (58%) and homeowners (67%) also have other housing problems.
- Over 15,000 very low-income elderly households (both renter and owner) have housing cost burdens above 30% of their incomes.
- And more than 7500 have severe cost burdens above 50% of their income.
- About 70,000 Delawareans live in 41,000 manufactured homes.
- These comprise 10% of Delaware's housing stock. In Delaware 50% of manufactured homeowners live on leased land, a higher rate than national estimates of 30-35%.
- Approximately 25,000 Delaware households are "at risk" due to housing cost burdens or other serious housing problems.

#### Renters

- The Fair Market Rent for a two-bedroom apartment ranges from a low of \$750 in Sussex County to \$812 in Kent County to a high of \$1,077 in New Castle.
- A worker in Delaware must earn \$18.74 per hour-or \$38,979 annually-to afford a modest two-bedroom apartment.
- 54% of Delaware renters can not afford a two-bedroom apartment in their county. In all three counties, monthly two-bedroom fair market rents far exceed (by a range of \$286 to \$474) rents affordable to extremely low-income households, as well as minimum-wage workers.
- For individuals who rely on Supplemental Security Income (SSI), rents exceed income by a range of \$548 to \$875.
- Delaware has an immediate and pressing need for at least 13,422 rental units affordable to ELI households, whether through project-based or tenant-based assistance.

#### Board of Directors

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**Dedicated to making affordable housing available in every Delaware community and to all Delawareans.**

- At least 1,132 of these are needed as new subsidized units to be added to Delaware's housing stock.
- Between 2000 and 2008, Delaware lost 9,460 affordable rental units while it gained 25,150 high-end units.

#### Equitable Housing Distribution

- In 2000, 156 of 317 census tracts (49%) had clear deficits of rental housing units that are affordable and available to extremely low-income households.
- There is a net need for 9,186 assisted housing opportunities throughout the state, redistributed in a manner which better satisfies the Fair Share Housing Measure.
- The effect of new multifamily housing on the values of existing single family properties is a subject of great concern, but the body of research on the issue fails to show any negative impact on those properties.

#### Homeownership

- In late 2010, the median purchase price for a house in Delaware ranged from \$190,000 in Kent County to \$236,000 in Sussex.
- House price increases since 2000 range from 50% in New Castle to 73% in Kent. Median household income in Delaware ranges from \$61,800 in Sussex County to \$80,400 in New Castle.
- In Delaware in 2010, foreclosure filings totaled 6,457, close to a 5% increase over the previous year's number, which was 6,157, and a 450% increase from 1,434 in 2000.

#### The Economy

- In 2009, 11.3% of Delawareans lived below the poverty level which was \$22,050 for a family of four.
- Eight of the ten top growth occupations (2008-2018) in Delaware do not pay a median wage adequate to rent a two-bedroom unit (FMR) in any county.
- Every dollar spent on affordable housing stimulates additional spending, resulting in at least \$7 of additional economic activity.
- There are very few state expenditures that can match the amount of new tax revenue generated by an investment in affordable housing, including tax cuts and transportation.
- Reductions in poverty correlate historically with real increases in the minimum wage. Income inequality plays a major role in the production and perpetuation of harmful social conditions.

**Who Can Afford to Live in Delaware?** is available by going to the homepage of the Delaware Housing Coalition.

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The Delaware Housing Coalition (DHC) is a statewide organization dedicated to making affordable housing available in every community and to all Delawareans.