



Delaware Housing Coalition

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Press Release

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FOR IMMEDIATE RELEASE

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WHO CAN AFFORD TO LIVE IN DELAWARE? 2012 – 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. The 2012 edition has just been issued and is online now. Some of its findings include:

Housing Burden Among the Very Poor

- ◇ Of the 89,373 renter households in Delaware, 24,002 are severely cost-burdened, spending more than 50% of their income for housing.
- ◇ Of the severely cost-burdened renter households, 97% (23,165) have very low incomes, below 50% of area median income (AMI) and 71% (17,049) have extremely low incomes, below 30% of area median income (AMI).
- ◇ There are 23,039 extremely low-income renter households in Delaware. 74% (17,049) of extremely low-income households are severely cost-burdened.
- ◇ For every 100 extremely low-income households (those at or below 30% of the area median income), there are only 33 units affordable and available.

Special Housing Needs

- ◇ There are 4,500 households with at least one nonelderly member with a disability with worst case housing needs and 1,600 households with an elderly member with a disability with worst case needs.
- ◇ Approximately 1,000 Delawareans annually continue to be identified as sheltered 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.
- ◇ 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 \$744 in Sussex County to \$803 in Kent County to a high of \$1,075 in New Castle.
- ◇ A worker in Delaware must earn \$18.65 per hour—or \$38,784 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 \$274 to \$464) 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 \$435 to \$766.
- ◇ 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. 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.

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

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 2011, the median purchase price for a house in Delaware ranged from \$165,000 in Kent County to \$255,000 in Sussex.
- ◇ Median household income in Delaware ranges from \$62,600 in Sussex County to \$81,500 in New Castle.
- ◇ In Delaware in 2011, foreclosure filings dropped to 5,112 from a record high of 6,457 the year before. This was still a 356% increase from 1,434 in 2000.

The Economy

- ◇ Between 2006-2010, 11.0% of Delawareans lived below the poverty level which was \$23,050 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.