

From the Field

DE Coalition Holds “Day of Housing,” Releases New Report

On May 9, the Delaware Housing Coalition (DHC) held its third annual “Day for Housing.” Highlights included the endorsement by 42 organizations of the Coalition’s proposal for a \$15 million affordable housing fund and the release of a new report, “Who Can Afford to Live in Delaware?” detailing the affordable housing gap and measures to address it.

The “Day for Housing” included a march and lobby day at the state legislature. About 250 residents of public housing and manufactured homes and currently and previously homeless people joined service providers, bankers and housing developers to voice their concerns to elected representatives about the need to fund affordable housing programs to adequately to keep pace with the demand. DHC has recommended \$15 million in next year’s state budget for the affordable housing fund. Governor Ruth Ann Minner is proposing just under \$12 million for the fund. Missing from the governor’s proposal are funds to begin the implementation of a 10-year plan to end chronic homelessness in Delaware.

“We are trying to get the appropriation up to \$15 million,” Ken Smith, Executive Director of DHC, said. “We have gotten several hundred letters from homeless people, and we are lobbying for the last \$3 million to bring the total up to help us fulfill the 10-year state plan on homelessness.”

DHC’s new report, “Who can afford to live in Delaware?” addresses the daunting odds that many working people face in finding and keeping adequate rental housing.

“We found that the median income in two out of three counties is inadequate to purchase the median priced home,” Smith said. “A large and growing number of very low income and extremely low income people are paying more than 50% of their income on rent. About 86% of the fastest growing occupations do not pay wages that can afford people to rent a two-bedroom apartment.”

DHC and its partners are addressing the affordable housing gap for a variety of low income renters. Along with the housing fund, concerned advocates are also preparing for a rent justification bill in the General Assembly for manufactured home residents.

“It hasn’t been introduced yet, but the Delaware Manufactured Home Owners Association intends to make it mandatory that rent increases cannot exceed Social Security increases,” Gina Miserendino, Grass Roots Policy Project Coordinator, DHC, said. “We

are also advocating for a Right of Notification Bill for manufactured housing residents that would give them a right to form a cooperative with a right to purchase in the event that investors want to sell off the property.”

The outcome of these advocacy efforts will be known by June 30, when the current legislative session ends. Meanwhile, DHC and concerned partners will continue to educate the public about the affordable housing gap and inadequate budget allocations.

“In a year when there are very high price tags for prisons and highways, we are not having good revenue indicators for housing,” Smith said.

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Resources

NHC Releases Tools on Shared Equity

A new report from the National Housing Conference (NHC) describes several shared equity models that communities can employ to keep homeownership both affordable and rewarding as home prices rise more rapidly than incomes and the per-household cost of homeownership assistance increases. The online resource not only introduces advocates and practitioners to various shared equity models, but also provides a set of online tools to help them understand and assess their options.

Among the tools, *Getting Started*, an online shared equity tutorial, illustrates the benefits of shared equity strategies through an interactive presentation. *Preservation of Affordable Homeownership: A Continuum of Strategies* describes a variety of program models that can be used, ranging from those that emphasize individual asset building to those that emphasize long-term affordability. Building on this, the report titled *Shared Equity, Transformative Wealth* compares the outcomes of various programs along the continuum under different economic scenarios, including: slowly and rapidly rising housing prices, falling prices and rising mortgage interest rates. To supplement the reports, NHC also provides an interactive spreadsheet, which allows users to submit local data and see how various shared equity strategies would work based on area home prices and other factors.

In general, shared equity maintains affordability through two basic mechanisms: 1) by using resale restrictions to preserve the affordability of subsidized units over time or 2) by mandating that the original subsidy be returned to the public agency

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