



Delaware Housing Coalition

P.O. Box 1633 • Dover, DE 19903-1633

(302) 678-2286 • FAX (302) 678-8645

www.housingforall.org

October 23, 2007

Anne Farley, General Manager
Department of Community Services
New Castle County
77 Reads Way
New Castle, DE 19720

SUBJECT: Administrative Manual, NCCo Housing Trust Fund

Dear Ms. Farley:

The Delaware Housing Coalition (DHC) is pleased to be able to comment on the draft administrative manual for the newly established county housing trust fund. We appreciate the work that has gone into planning and designing this new affordable housing tool.

DHC has the following specific comments and recommendations.

A. Everyone Deserves a Decent Affordable Place to Live (page 6)

1. We understand the definition of Workforce Housing being used but wonder if it is necessary to reach all the way up to 120% of county median income, given the statistics on housing affordability which seem to indicate a leveling off of need in the area of homeownership above 100% of AMI.
2. We also think that very low-income (below 50% of AMI) and extremely low-income (below 30% of AMI) need special mention and programmatic attention in the administrative manual, especially since this document codifies the operation of the housing trust fund (HTF).

B. Objectives (page 6)

We think it is important for an express purpose of the HTF to be "to preserve existing affordable housing units," (perhaps as #2). This should be repeated under "Trust Fund Uses" on page 14.

C. Summary (page 7)

We think that, along with an internal administrative working group, the HTF needs an external oversight component with authority, at the least, to review the work of the HTF and to advise the working group and the County Executive, perhaps also making its own report to County Council. This entity should be mentioned in this section and described in the body of the manual. It could be composed of citizens and representatives of community groups, including banks, advocates, existing tenants and owner occupants of affordable New Castle County units, the faith community, builders, and others.

Definitions (page 8)

1. "Eligible Applicant": Please add "community land trusts." Also, please do the same under first paragraph of page 18, "Funding Process."
2. Please add a definition of "extremely low-income."

E. Grants (page 11)

We wonder if the "unusually strong low-income orientation" required for grants can be elaborated on without tying the County's hand.

F. Funding Sources (page 13)

We think that "dedicated revenue sources" should be at the top of this list, even if none are envisioned at this time. While not an administrative issue, this is a key point from the policy perspective.

F. Affordability Controls (page 15)

It would be good to allow some flexibility in the mechanism for resale restriction, in the event that you choose to make use of ground leases, for example, through a sub-contract with a community land trust. The first point might read, as follows:

- for-sale units shall be restricted by deed (or by similar means) to resale to eligible households for no less than twenty (20) years.

A similar change should be made to the section on page 19 on "Affordability Term."

G. Fund Administration (page 16)

An external oversight board would be involved in parts of points 1 through 4 here and should be explicitly mentioned here and on the next page (e.g., "Conflict of Interest").

H. "Mobile" Homes (page 33)

It would be good to change references to "mobile homes" to "manufactured homes."

In conclusion, the Delaware Housing Coalition has most concern about inclusion of language establishing a community oversight entity to help inform the work of the New Castle County Housing Trust Fund and about setting operational objectives and program priorities which lean sufficiently in the direction of meeting the needs of the County's citizens who are most in need, especially the very low-income and extremely low-income households.

Kind regards,

Ken Smith
Director

cc: Charles Baker
Councilman Hollins
County Executive Coons