

Building a Foundation For Affordable Housing in Delaware

GUBERNATORIAL COMMITMENT

Specific actions for the next Governor of Delaware:

Support

Prominence: Give a new, pronounced emphasis and energy to affordable housing in state policy.

Funding: Increase the Housing Development Fund (HDF) appropriation by 100% in the first year of the administration, bringing it quickly to an annual appropriation of at least \$20.0 M.

Dedicated Revenue: Find and institute increased dedicated funding for the HDF to reach an annual funding stream of at least \$20.0 M, sending legislation to the Delaware General Assembly in the first legislative session of the new administration.

Strategy

Application: Determine the level of resources to be committed on the basis of a thorough analysis and prioritization of needs.

Annual Plan: Mandate an annual affordable housing plan containing specific, quantitative goals, which report - after having been presented in public forums to solicit comment and correction - is presented to the Governor and Legislature as a commitment to deliver.

Annual Progress Report: Mandate that an annual affordable housing progress report be presented publicly to the Legislature detailing how all funding, including federal, was spent; indicating quantitative outcomes and the meeting of needs as identified in the current five-year housing needs assessment.

Skills

Leadership: Use the office of the Governor to provide a new vision and a new level of leadership for affordable, accessible, integrated communities in Delaware.

Performance: Appoint a Director of DSHA with the authority to imbue it with increased versatility and the vision and management capability to guide it in fulfilling its mission.

Governance: Broaden the authority of the current Council on Housing to provide DSHA with an independent public oversight body - a board of commissioners - with overarching responsibility for all its activities: housing finance, public housing, and community development.

PROVIDE SUPPORT:

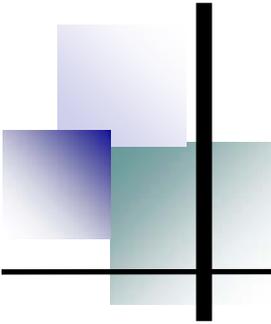
Give affordable housing new and sustained, state-level attention, providing for dedicated resources adequate to the long-term needs.

DEVELOP STRATEGY:

Apply resources according to recognized and prioritized needs, working from a public plan, and measuring progress on the declared goals.

APPLY SKILLS:

Provide leadership, vision, strong management, and independent governance.



Building a Foundation For Affordable Housing in Delaware

AFFORDABLE HOUSING POLICY

The next Governor of the First State must make affordable housing a top priority. This will require conspicuous and conscientious leadership to guide Delaware in developing a 21st Century approach to addressing our critical and growing affordable housing needs.

The Housing Challenge

From Claymont to Selbyville, Delawareans have always expected it would be possible for their children to work and live in the communities they were raised in. That is no longer the case.

Affordable and safe housing is out of reach not only for people with low and very low incomes in expensive urban and resort areas, but increasingly for middle income families throughout the state as well. The unmet need for affordable housing is no longer an issue only for those in poverty or the under employed. It is extending into the broader workforce whose children are college-educated and employed.

Unmet needs have a way of gaining ground on us. Rising housing costs and flat incomes, the emergence of the workforce housing problem, expiring federal subsidies and aging buildings, special housing needs (homelessness, foster care, disability, re-entry), insecurity of tenure of manufactured home owners living in investor-owned communities, the addition of the sub-prime lending deluge to the already daunting number of foreclosures due to hardship, and increasing numbers of housing cost-burdened households among Delaware's poor have all contributed to the current crisis in the affordable housing sector. Therefore, affordable housing requires the next administration to make affordable housing a priority issue with thoughtful policy initiatives and fiscal support that reflect a strategic approach to filling the needs.

Overview

Housing is a basic need that touches us all but

has historically had a role that goes beyond basic shelter requirements. The housing that served as the main building block of the 'American Dream' of the 20th Century can no longer be taken for granted. In addition, homeownership has often been given priority, at the expense of crucial rental and special housing needs.

Affordable housing investment in Delaware has traditionally been in the form of federal pass-throughs. Years of federal retreat from a leadership role in support of affordable housing, combined with erosion of revenues that support available state resources, have resulted in a crisis management approach to affordable housing. Because of the quiet, diffuse, and hidden nature of the affordable housing crisis, it rarely elicits as dramatic a reaction as other issues and consequently receives less attention. Yet it takes a tremendous toll on Delaware families and communities and increases the demand for other social services provided by the state.

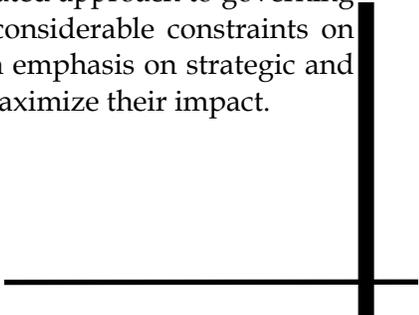
This lack of support for affordable housing (resources, moral leadership, improved policies) perpetuates an equally regrettable lack of strategy. Practically, it has meant the delegation of the affordable housing problem to the small community of housing-related groups, which do not have the resources to "fix" the problem. Those committed to affordable housing "make do," rather than being able to address the problem creatively.

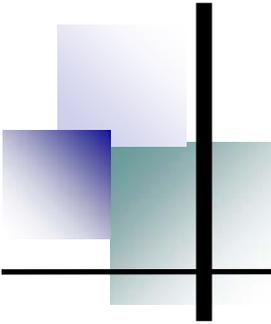
In this environment, the status quo has meant losses for affordable housing annually.

For the Future

Delaware's affordable housing must be adequately funded but also must be made a priority issue as part of an integrated approach to governing through a period with considerable constraints on spending. This means an emphasis on strategic and skillful use of funds to maximize their impact.

Prepared by the Delaware Housing Coalition





Building a Foundation For Affordable Housing in Delaware

AFFORDABLE HOUSING NEEDS

The Affordability Gap

Rising housing costs and flat incomes have led to home prices and rents which have drifted out of reach of many Delawareans throughout the state.

Workforce Housing Needs

Workers in key professions (nurses, EMTs, child care, first responders, teachers) and providers of everyday services (retail, clerical, food service) cannot afford to buy or rent homes in the communities where they work.

Rental Preservation

Expiring federal contracts and aging buildings threaten the loss of rental units to which precious federal subsidies are attached. Once gone, these funds will not return to the state.

Housing cost-burden for the poor

The very poorest Delaware households are paying 50% or more of their income for housing, making it impossible for them to have a home and still meet other basic needs; a desperate and precarious family situation in which child health, school achievement, nutrition, and family stability suffer greatly.

Special housing needs - Homelessness

Delaware needs 2000 new permanent beds in order to reduce the demand on temporary shelters and to begin to address homelessness in a systemic way.

Special housing needs - Disability

People with disabilities need many more opportunities to live in accessible, affordable, integrated communities.

Special housing needs - Foster care

Children aging out of the foster care system require a housing option to aid their transition to becoming independent adults and full members of the community.

Special housing needs - Reentry

Affordable housing is a major obstacle to offenders seeking to reintegrate into community.

Foreclosures

Delaware has set aside inadequate modest resources for citizens who, through unforeseen and unavoidable hardships (related to health, employment, family break-up) , have need of temporary loans.

Sub-prime Lending

The wave of sub-prime and adjustable-rate loans is challenging us with a crisis of far greater proportions and complexity than we had ever anticipated.

Elderly Housing

The elderly are over-represented among the housing cost-burdened and are a significant and growing proportion of the low-income households of the state with insufficient resources to make necessary, essential home repairs; without which they may lose their homes.

Manufactured Housing

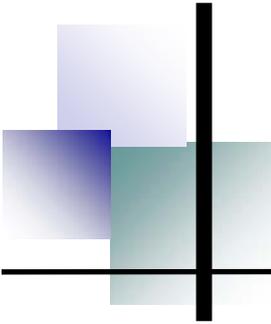
Delaware homeowners, many elderly, live precariously on investor-owned, leased land, facing possible loss of equity, dislocation, increased housing cost burdens, and even homelessness.

Fair Housing and NIMBYism

Open neighborhoods and diverse communities require strong leadership from the very top of state government to counter the misinformed and negative views which fuel local objections (Not In My Back Yard) to decent, accessible, affordable housing.

Prepared by the Delaware Housing Coalition





Building a Foundation For Affordable Housing in Delaware

RESOURCES

- *A Path Forward*
The 2008 report of the Governor's Commission on Community Based Alternatives (CCBA) Available at:
http://www.udel.edu/cds/ccba/pdfs/commission/A_Path_Forward.pdf
- The Five-Year Goals 2008-2012 of the CCBA
Available at:
<http://www.udel.edu/cds/ccba/goals.html>
- *Breaking the Cycle: The Ten-Year Plan to End Chronic Homelessness of the Delaware Inter-agency Council on Homelessness.*
Available at:
<http://www.hpcdelaware.org/>
- *Ex-Offender Reentry in Delaware: A Report of the Delaware Reentry Roundtable*
By Stand Up for what's Right and Just (SURJ) and the Delaware Center for Justice
Available at:
http://www.surj.org/Final%20Reentry%20Report_web.doc
- *Five-Year Housing Needs Assessment, 2008-2012* of the Delaware State Housing Authority (DSHA)
Available at
<http://www.destatehousing.com>
- *Housing Needs of Extremely Low-Income Delaware Households* Available at:
http://www.housingforall.org/index_publications.htm
- *Investing to Meet Delaware's Affordable Housing Need: An Economic Impact Analysis*
Available at:
http://www.housingforall.org/index_publications.htm
- *Lieutenant Governor Carney's Foreclosure Task Force, Interim Report, November 2007.*
Available at:
<http://ltgov.delaware.gov/News/2007/20071220-ForeclosureInterimReportFinal.pdf>
- *Who Can Afford to Live in Delaware? 2007*
A DHC report on housing affordability in Delaware.
Available at:
<http://www.housingforall.org/WhoCanAfford2007%20online.pdf>