

# **FY 2025 Operating Budget Presentation**

**Delaware State Housing Authority**

**February 8, 2024**



# ABOUT DELAWARE STATE HOUSING AUTHORITY (DSHA)

- Our mission is to efficiently provide, and to assist others to provide quality, affordable housing opportunities and appropriate supportive services to low- and moderate-income Delawareans.
- Core DSHA Services:
  - Homeownership
  - Rental Housing
  - Community Development



# NATIONAL PERSPECTIVE

## 10 States People Are Leaving:

1. California
2. New York
3. Illinois
4. Pennsylvania
5. Massachusetts
6. Washington
7. Colorado
8. Indiana
9. Michigan
10. Wisconsin

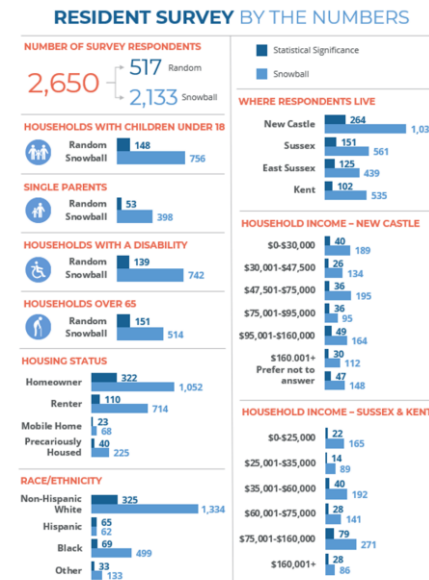
## 10 States People Are Moving To:

1. Texas
2. Florida
3. South Carolina
4. North Carolina
5. Georgia
6. Tennessee
7. Nevada
8. Maine
9. Delaware
10. Idaho

*\*Forbes. September 4, 2023. <https://www.forbes.com/home-improvement/features/states-move-to-from/>*

# LOCAL PERSPECTIVE: HOUSING NEEDS ASSESSMENT

- **Purpose:**
  - Typically commissioned by local governments and housing agencies
  - Help understand current and projected housing costs and needs
  - Inform planning, programming, and funding requests
- **Third-party consultant:** Root Policy Research
- **Methodology:**
  - Demographic data
  - Housing production data
  - Housing cost data
  - Stakeholder interviews
  - Focus groups
  - Housing survey



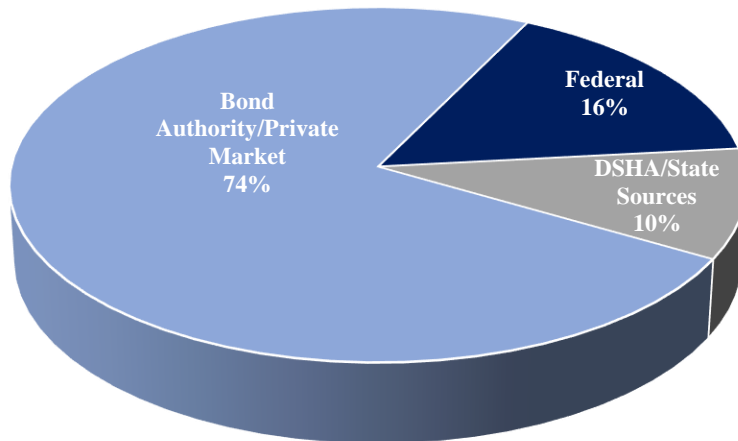
# LOCAL PERSPECTIVE: HOUSING NEEDS ASSESSMENT

- **Notable Findings:**

- High level of **cost burden** among renters.
- Current **housing supply is becoming increasingly unaffordable** for renters aspiring to homeownership.
- Building permits indicate **a continuing trend of developing single-family detached homes, which are unaffordable** for many Delawareans.
- **Support for diverse housing types varies**, but is generally highest among lower-income households and renters.
- **Certain populations have disproportionate housing needs:** Black households; households with disabilities; immigrant households; and single parent households.

# REINVESTING IN DELAWARE

**Program Funding: \$290 million**



## General Fund:

Housing Development Fund (HDF)	\$4,000,000
State Rental Assistance Program (SRAP)	\$4,000,000
Total General Fund:	\$8,000,000

## Bond Bill:

Affordable Rental Housing Program	\$6,000,000
Downtown Development Districts	\$5,500,000
Strong Neighborhoods Housing Fund	\$4,000,000
Total Bond Bill:	\$15,500,000
DSHA Budget Request	\$23,500,000

*\*Not inclusive of one-time \$30,000,000 supplement*



**\$4,000,000  
REQUESTED**

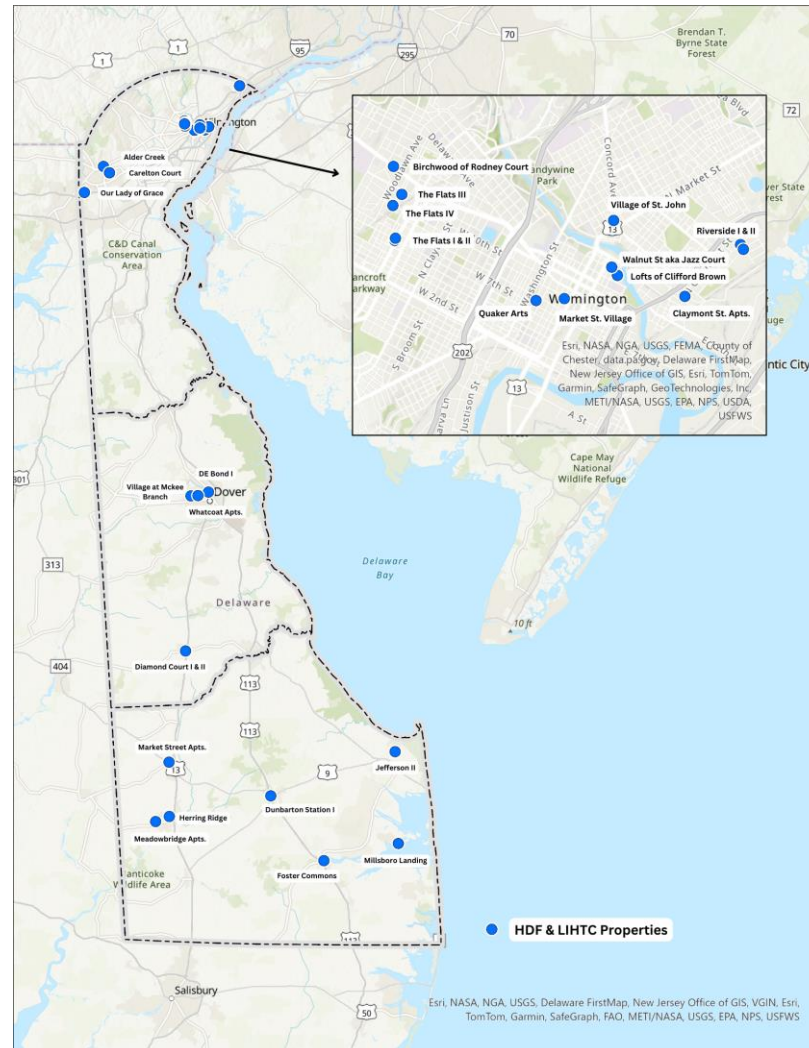


## **FINANCING FOR THE FUTURE**

# **HOUSING DEVELOPMENT FUND**

- Approximately \$19.4 million leveraged \$32.2 million in LIHTC equity in FY2023
- HDF also leveraged about \$44.4 million in private lending and other funding sources in FY2023
- Total leverage of HDF is nearly \$4 of investment for every \$1 of state funds provided

# HOUSING DEVELOPMENT FUND PROJECTS 2013 - 2023



# HOUSING DEVELOPMENT FUND PROJECT: CHRISTIANA VILLAGE



**WILMINGTON | NEW CASTLE COUNTY**  
76 LIHTC Units

# HOUSING DEVELOPMENT FUND PROJECT: OWENS/QUEENS MANOR



**DOVER | KENT COUNTY**  
110 LIHTC Units

# HOUSING DEVELOPMENT FUND PROJECT: DIAMOND COURT I & II



**HARRINGTON | KENT COUNTY**  
66 LIHTC Units



## **SUPPORTING AT-RISK RESIDENTS**

# **STATE RENTAL ASSISTANCE PROGRAM**

- Helps low-income individuals who require affordable housing and supportive services to live safely and independently in the community
- Program participants contribute 28% of their monthly income for rent, and SRAP subsidizes the remaining portion
- Applications must be referred to DSHA by DHSS or DSCYF

A photograph on the left side of the slide shows a young woman in a light-colored uniform, likely a caregiver or social worker, standing and smiling while assisting an elderly woman. The elderly woman is seated and looking up at the caregiver with a smile. The caregiver is holding the handle of a walker for the elderly woman.

**\$4,000,000  
REQUESTED**

## State Rental Assistance Program

Partner	Population
Base Program	
DHSS	DSAMH – Mental Health Disabilities DSAAPD – Physical Disabilities DDDS – Developmental/Intellectual Disabilities
DSCYF	Youth exiting out of foster care Family reunification
Special Initiatives	
School Districts	Families with school-age children (HomeWorks) experiencing homelessness
Group Violence Intervention (GVI)	High-risk individuals with previous involvement in gun crimes

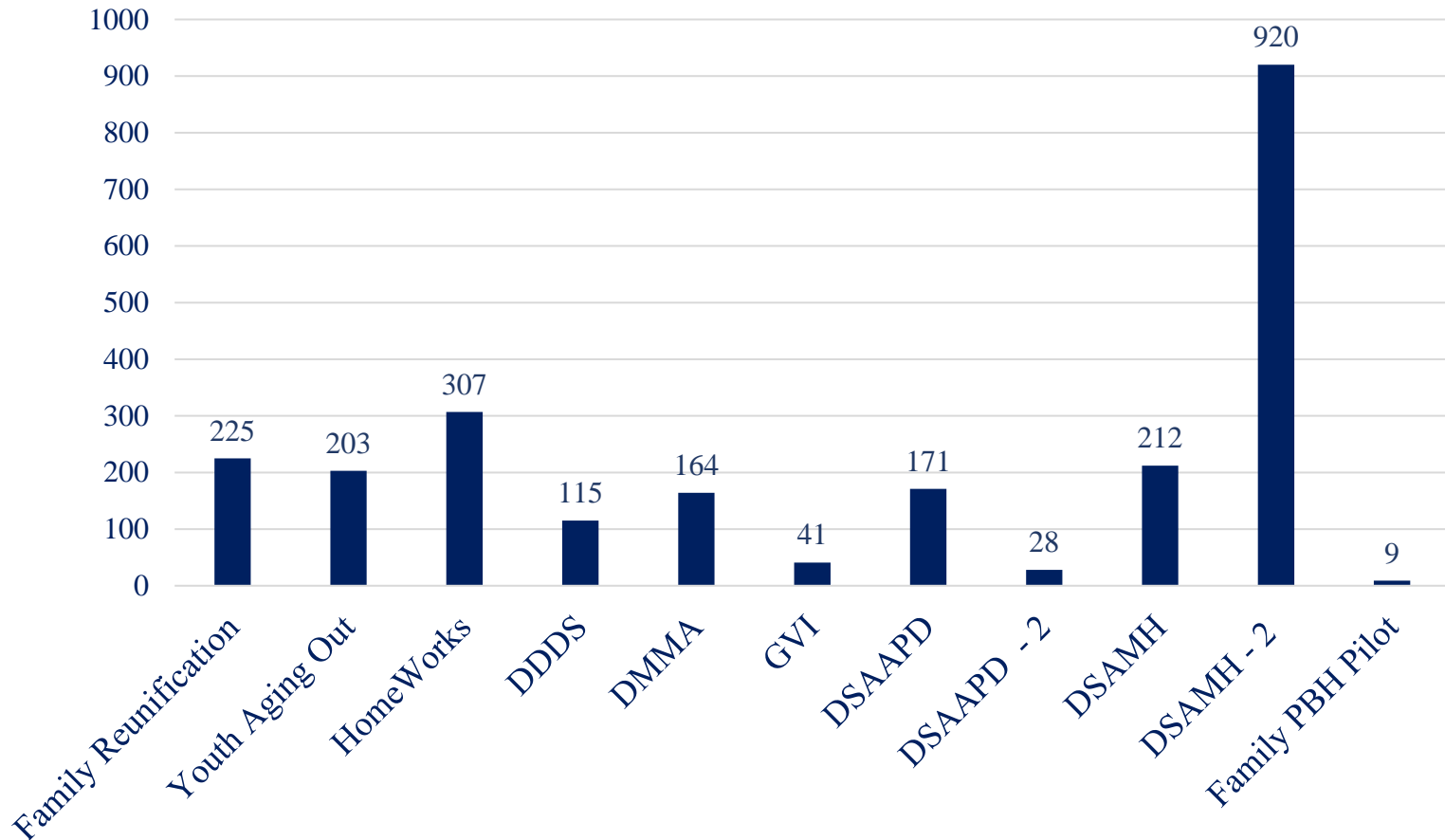


## SUPPORTING AT-RISK RESIDENTS

- 2,395 households assisted (units leased) since the launch of the program in 2011
- HomeWorks supported a family homelessness initiative in Christina School District and also worked in both Capital and Seaford School Districts

# STATE RENTAL ASSISTANCE PROGRAM (SRAP)

Households Assisted Since 2011: 2,395 as of 12/31/2023



# SUMMARY OF BUDGET REQUEST

## General Fund:

Housing Development Fund	\$4,000,000
State Rental Assistance Program	\$4,000,000
Total General Fund:	\$8,000,000

## Bond Bill:

Affordable Rental Housing Program	\$6,000,000
Downtown Development Districts	\$5,500,000
Strong Neighborhoods Housing Fund	\$4,000,000
Total Bond Bill:	\$15,500,000

<b>DSHA Budget Request</b>	<b>\$23,500,000</b>
----------------------------	---------------------

*\*Not inclusive of one-time \$30,000,000 supplement*

# SUPPLEMENTAL FUNDING

DSHA received \$48.25 million in State and Local Fiscal Recovery Funds (SLFRF) authorized by the American Rescue Plan Act (ARPA) and \$30 million in state dollars from the State of Delaware. These dollars are being used to fund programs related to economic development and affordable housing programs:



## Catalyst Fund

\$16.8 Million  
58% Committed

Supporting  
50 units



## Accelerator Fund

\$20.2 Million  
68% Committed

Supporting  
455 units



## Preservation Fund

\$6.75 Million  
95% Committed

Supporting  
199 Units

# SUPPLEMENTAL FUNDING

DSHA received \$48.25 million in State and Local Fiscal Recovery Funds (SLFRF) authorized by the American Rescue Plan Act (ARPA) and \$30 million in state dollars from the State of Delaware. These dollars are being used to fund programs related to economic development and affordable housing programs:



## **Market Pressure Relief Fund**

\$4.3 Million  
100% Committed

Supporting  
440 Units



## **Tenant Rent Reporting Pilot**

\$200,000  
161 Enrolled

Applications  
Closing in March



## **Closing Cost & Downpayment Assistance**

Delaware Diamonds  
147 Families  
\$2,148,000

Home Sweet Home  
180 Families  
\$2,160,000

*\*2023 Only*

# SUPPLEMENTAL FUNDING MOVING FORWARD

- **\$26 million remaining** (\$13.6 in ARPA and \$13.1 in State Funds) to be spent by 2025
- Proposed uses:
  - **Mixed Income Market Fund** (FKA the MR Accelerator Fund} to target slightly higher income levels (65% - 100% AMI) as that is identified as a critical need
  - **Continue the Catalyst Fund** past the December 2024 commitment deadline as there is a robust pipeline for the program
  - **Offer another Special 4% LIHTC Round**, like the special round offered in the fall of 2023.
  - **Offer another round of downpayment and closing cost assistance** (Launched in January)

# HOMEOWNERSHIP

DSHA helps people achieve homeownership, which supports families, strengthens communities, and makes our state a better place to live.

- **Kiss Your Landlord Goodbye in 2023**
  - 749 families benefit from DSHA programs
  - \$6,384,294 in downpayment and closing cost assistance distributed
  - 657 first-time homebuyer's tax credits distributed
  - \$193,323,877 in mortgages were financed



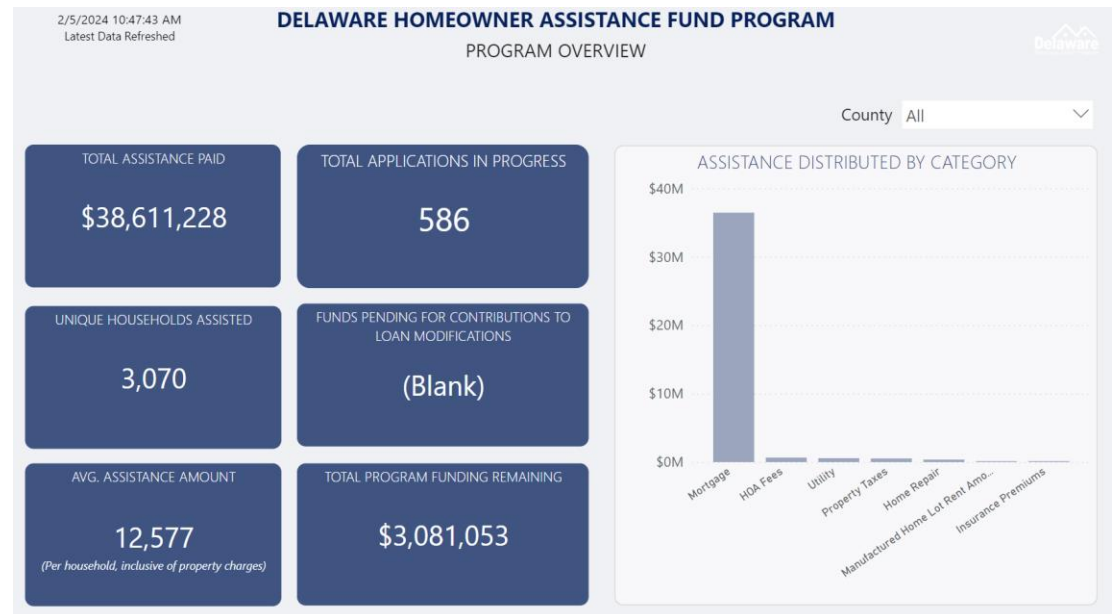
Mike Webb and fiancé Nicole Moore,  
Delaware Diamonds Recipients

# DELAWARE MORTGAGE RELIEF PROGRAM

DSHA received \$50 million in Homeowner Assistance Funds from the U.S. Treasury Department. These dollars are being used to assist Delawareans facing foreclosure or mortgage delinquency.



The Perez Family and Sabrina Hawkins, DEMRP Program Specialist





**Eugene R. Young, Jr., Director**

**18 The Green  
Dover, DE 19901**

**(302) 739 – 4263  
[www.destatehousing.com](http://www.destatehousing.com)**



# APPENDIX



# STATE RENTAL ASSISTANCE PROGRAM (SRAP)

Vouchers Issued/Leased as of 12/31/2023: 794

