

Understanding State Housing Finance Agencies: Opportunities for Delaware

Corianne P. Scally, Ph.D.
University at Albany, SUNY

**Delaware Housing Coalition
Housing Policy Round Table
November 20, 2008**

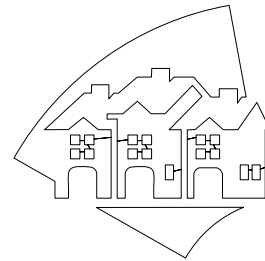
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Presentation Overview

- What are HFAs?
- What roles do they play in state government?
- What short- and long-term opportunities exist for housing innovation in Delaware?
- How can DSHA and its diverse housing partners work together?



HFAs, Quick and Dirty

- Emerged in 1960s as state response to urban housing crisis
- Quasi-independent public agencies
- Financially self-sufficient

- As of 2004:
 - \$192 billion for 2.4 million home loans
 - \$55 billion for 687,000 multifamily units
 - 1.7 million units through LIHTC



Major Roles of HFAs

| | |
|-----------------------------------|--|
| Financer | <ul style="list-style-type: none"> • Bond financing |
| Administrator/ Monitor | <ul style="list-style-type: none"> • Federal: LIHTC, HOME, Section 8, Vouchers, Public Housing, Neighborhood Revitalization • State: Housing trust funds , tax credits, CLTs |
| Planner | <ul style="list-style-type: none"> • Federal: LIHTC QAP, HUD ConPlan, Neighborhood Revitalization • State: Comprehensive Plans |
| Convener/ Coordinator | <ul style="list-style-type: none"> • Interagency |
| Policy Innovator | <ul style="list-style-type: none"> • Reluctant Radicalist • Covert Radicalist • Expert Incrementalist |

Opportunities for Delaware: Short-term Innovations

In this time of fiscal crisis, a focus on prioritizing & tweaking existing programs is most prudent.

- Target existing resources to populations in most immediate, acute need
- Make incremental adjustments to existing policies & programs to achieve goals quickly

Opportunities for Delaware: Long-term Innovations

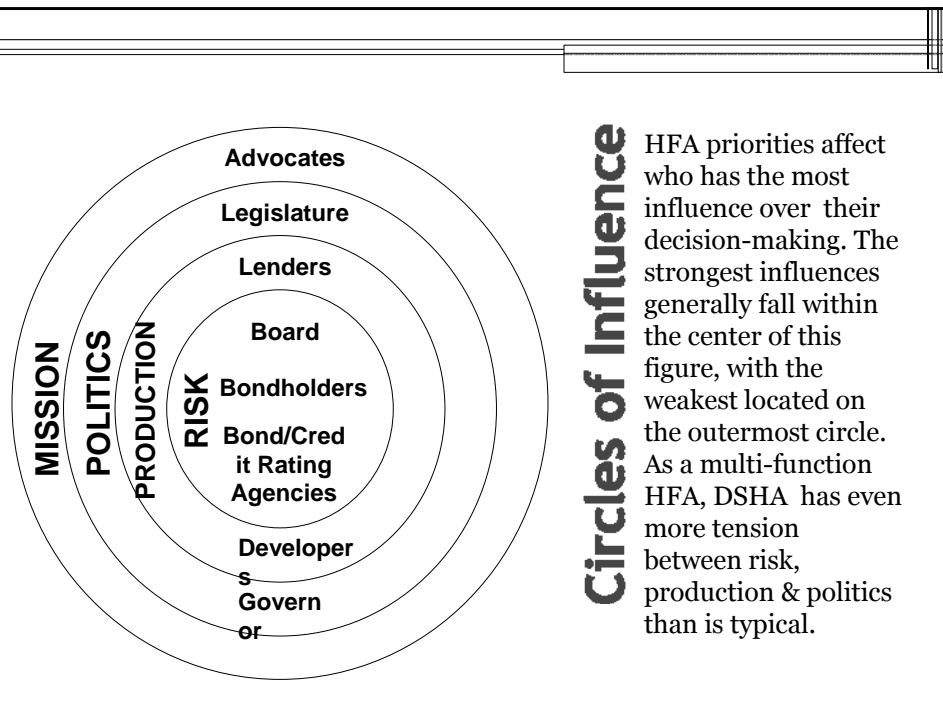
Think more strategically, comprehensively about DSHA & state housing goals

- Agency structure/functions: costs & benefits
- Comprehensive state housing plan
 - Provides goals & priorities to shape future policies and programs
 - Establishes transparency & predictability
 - Develops accountability through evaluation
 - Enables effective coordination between agencies
 - Fosters ownership among diverse partners

Interest Group Compatibilities with HFA Priorities

| INTEREST GROUPS | HFA PRIORITIES | | | |
|-----------------------|----------------|---------------------|---------------------|----------------|
| | Risk-Averse | Production-Oriented | Politically-Engaged | Mission-Driven |
| Advocates | - | - | - | + |
| For-Profit Developers | - | + | - | - |
| Non-profit Developers | - | + | - | + |
| Lenders | O | - | - | - |

Note: “-” means priority is lower for interest group; “+” means it is higher for interest group; “O” means that it is relatively the same for both the interest group and the HFA.



Opportunities for Delaware: Influencing Innovation

- Draw upon strengths of different housing partners
- Find more common ground & build upon it
- Embark upon a multi-interest housing campaign to raise awareness of housing issues statewide
- Push for more “radical” policy innovation based on state housing needs, but understand constraints based on financial risk.

Contact Information

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