

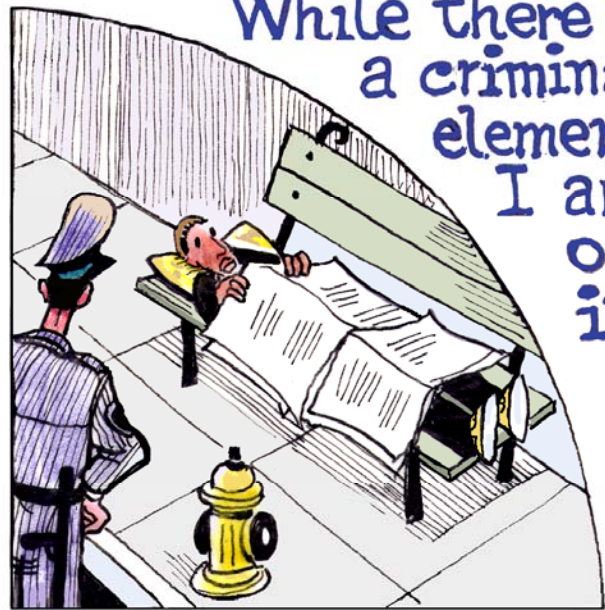
The Housing Journal

Published by the Membership of the Delaware Housing Coalition

“While there is
a lower
class,
I am
in
it;”



“While there is
a criminal
element
I am
of
it;”



“While
there’s
a soul
in prison ...”



“... I
am
not free.”
Eugene Debs



The Housing Journal

Spring/Summer 2006
The Delaware Housing Coalition
www.housingforall.org
Email: dhc@housingforall.org



DHC is a nonprofit, tax-exempt organization. Our United way (Delaware) non-member designated giving number is 09294.



IN THIS ISSUE

Homelessness and Healing	3
Thoughts on the HDF	8
Gratitude	11
National CLT News	12
Sussex MPHU	13
Day for Housing 2006	14



EDITORIAL

Layout and Editing
Ken Smith

Copy and Circulation
Linda Cloud, Joan Edwards

Contributors
Marlena Gibson, David Miller, Gina Miserendino, Michael Skipper, Ken Smith

Graphics
Khalil Bendib

Office

PO Box 1633
Dover, DE 19903-1633
Phone: 302/678-2286
Fax: 302/678-8645



Board of Directors

Don Blair
Dr. Karen Curtis
Lorraine deMeurisse (Vice President)
Helen Drayton
Deborah Gottschalk
Fernando Guajardo
Leslie Holland (Treasurer)
Sheera Lipshitz
Dorothy Medeiros (President)
Joe Myer
Veronica Oliver (Secretary)
Ray Paylor
Jim Peffley
Roxie Sturgis
Norma Zumsteg



The Housing Journal is published by the Delaware Housing Coalition to promote thought, discussion and action on housing issues. Readers' contributions of all forms are warmly encouraged.



The MISSION of the Delaware Housing Coalition is to advocate for safe, decent and affordable housing throughout the state. Our goal is to affect, impact and shape the environment relating to housing. We are committed to fostering the growth and long-term flourishing of grass roots constituencies which develop their power; nurture their own problem-solvers and leaders; and work together to change the conditions which prevent them from obtaining safe, decent and affordable housing.

Cover:
"Where There is a Lower Class",
Khalil Bendib,
2006



Homelessness and Healing

David Miller

The poor and persecuted we meet are living human beings, not an abstracted class that includes only those of the poor and persecuted who fit partisan criteria.

- Jim Corbett, *Goatwalking*¹

S came to Clairvaux Farm in southern Cecil County, Maryland, in the winter of 2005. First losing her job, then her apartment, S ended up on the streets. She was 58 years old and desperate; she spoke of having no hope. It was not until she pulled a black and white kitten, as homeless and alone as she, from a thorny thicket near the farm that S turned a corner. She announced that the cat was a sign from God. Here was a creature that needed care or it would die. S had something to live for.

Slowly, she began putting the pieces of her life back together again. After some rest, S became more active on the Farm. She showed herself to be a reliable cook for the community and became a stabilizing presence in the farm's family house which houses women and children. Shelter workers at the farm had only one complaint about S – her fierce devotion to the worst kind of horror films. On one occasion S rebutted complaints about the films by explaining: "I find that I gotta watch a horror film once an' awhile or I just lose it."

After a few months at the Farm, S started full time work at a large retail store in Elkton, Maryland. Less than two months after that, she moved out on her own. It was no small accomplishment. Take home pay from her \$7.25 hourly wage barely covered housing expenses, much less everything else. S wanted to room with a family member to cut down on expenses, but it was difficult to find affordable housing within walking distance to her work. Finally, she settled on a small apartment and the plan to room with a family member did not materialize. She was on her own: no car, no medical insurance, no savings . . . just her apartment, a job, an adopted stray cat and now four kittens.

In the summer of 2005 S was hospitalized. In her hospital bed she

looked again like the exhausted, frightened person who first came to the Farm. She did not have much to say, and wasn't going to say everything anyway. She did say, "People down at the Farm bitch all the time about life there and want to get out to be on their own, but I'll tell you, out here it's no fun either. Other than work there's nothing to do. You don't know anybody, and the ones you do know are just lookin' to drink."

A Problem Bigger Than Housing

There is more to S and to her circumstances than a brief narrative can convey. But her story is common enough and the issues it raises – limited access to affordable housing, low wages, insecure employment, lack of medical coverage, shallow or non-existent social networks, the emotional trauma of being homeless, and despair – affect the lives of many people in our society. Once you

work in a shelter and drive residents to their part time jobs as restaurant help or retail workers, it is not possible to frequent lower-end eateries or shop in giant retail outlets without asking yourself: "Is the person serving me able to make ends meet? Is she sleeping on a friend's couch? Is he staying at a shelter?"

These questions extend our understanding of a problem that is bigger than housing. Think about an iceberg. The portion of an iceberg we see above the water's surface is typically only ten percent of the ice block's actual size. What is beneath the water, and so hidden from our casual view, is the rest of the story.

If the visible homeless in our midst are the tip of the iceberg,² what can we expect to find beneath the surface? We find a larger group of men, women, and children, veterans, the employed, and the educated, living on the cusp of a housing crisis.



The bus stop at Meeting Ground's Clairvaux Farm

Homelessness in Cecil County

The findings of a recent study and analysis of homelessness in Cecil County, Maryland, illustrates the point in several ways. The study itself, “Cecil County Homeless Study 2004-2005: A Survey and Analysis of Homelessness in Cecil County,” was commissioned by Meeting Ground, a private, non-profit group dedicated to serving people suffering from homelessness and its aftermath in Cecil County. Salisbury University’s Center for Family and Community Life prepared the study.³

Situated at the north end of Maryland’s eastern shore, Cecil County is a rapidly growing county that forms part of the I-95 corridor and is adjacent to New Castle County, Delaware. The estimated population of the county in 2003 was 92,746. On the basis of a point-in-time study carried out January 24-31, 2005, the Salisbury report estimates that there were between 85 and 106 homeless individuals in Cecil County during that period [p 74]. In a county of this size it is hard to get the public’s attention by pointing to 85-106 people who don’t have a place of their own to lay their heads at night. Statistically the number is small enough that aberrant behavior alone may account for it. But it is important to remem-

ber, first, that the Salisbury study was a point-in-time analysis during a winter month, and second, that simply surveying shelter providers or visiting a few of the usual locations where mostly homeless men congregate cannot produce a total count of people experiencing homelessness. During 2004 shelters and other service providers in Cecil County provided shelter to 821 men, women, and children; they also turned away 1,044 homeless men and women who were looking for shelter due to a lack of space.⁴ Certainly, some of those turn-a-ways were duplications, but it is clear too that there are people who are not being seen or accounted for.

On top of that, the Salisbury study points to an equally alarming issue for the county through a brief discussion of what it calls the “near-homeless.” This group, “conservatively” estimated at approximately 4,700 people in Cecil County, includes individuals and families who “have serious problems finding and maintaining housing” [76]. That number amounts to more than 5 percent of the county’s estimated population in 2003.

Who are the near-homeless? People who are “doubled-up” in living arrangements with friends or

relatives [76]. It is also clear that many working at low wage jobs are staying in cheap motels or hotels for months at a time since they can’t afford first and last month rent. Shelter workers in the county have first hand experience with families as large as seven or eight people staying in a single motel room. In Cecil County alone the study identified 1,566 “low-income renters” (i.e., families with income falling below 30 percent of the area median income), “but only 845 rental units are ‘affordable and available’” in the county. That means the county has a shortage of 720 low income units [pp. 19, 72].

The study highlights the importance of the “housing wage” as another indicator of affordable housing. The housing wage is defined as the wage a family must earn to afford the average two-bedroom apartment. The federal standard used for affordable housing, as a percentage of income, is 30 percent. Given that and the costs of renting two bedroom apartments in Cecil County, it takes an annual income of \$30,840 (or an hourly wage, working full time, of \$14.83) to secure affordable housing in the county [pp 20-21].⁵ It is interesting to note that the Maryland Department of Planning calls housing affordable when it can be secured at 35 percent of income. Even using that more generous percentage, 23% of Cecil County renters, and 27% of statewide renters, spent *more than* 35% of income on renter costs [p 18].

In fact, the study quotes the Maryland Department of Housing and Community Development when it stated in 2004 that “on average, 21% of all Maryland households could not afford even an efficiency unit in the county in which they live without paying more than 30% of their income in rent.” So it “is not just a problem affecting the poorest of the poor; it also impacts working families with secure jobs and multiple incomes” [p 19].⁶

This information shows that a large group of low income renters in Cecil County are at risk for not being able to secure affordable housing [p 73]. It also shows, in general terms, that housing has itself become a



Children of Clairvaux Farm

chronic source of economic pressure for an increasing number of people.

That said, the report concludes that economic hardship is not the primary cause of homelessness in Cecil County. Based on face to face interviews with 75 homeless men and women, the study determined that eighty percent of those interviewed “appear to have severe emotional/mental health issues; some have a history of substance abuse, and most have a significant history of homelessness” [p. 76]. Indeed, a group of “key informant community stakeholders,” ranging from Department of Social Services personnel to shelter providers, a journalist, and a county commissioner, seemed to agree that the issues of substance abuse, mental health, and a cluster of “personal characteristics” such as poor work ethic, weak life skills and low life expectations were the most significant factors contributing to homelessness [pp 45, 73]. Yet interviews with a small sample of previously homeless individuals suggest that economic factors such as high rent, “not enough money,” and job opportunities, played a significant part in contributing to homelessness [pp 51, 74].

The Whole Homeless Person

It is common to see “causes of homelessness” pitted against one another as a contest between personal failings or weaknesses and economic hardship related to a lack of affordable housing and low wages. But there is no reason that we should not hold both components together when exploring the causes of homelessness and their solutions. In fact, that may be the only way we can hope to see a person who is homeless as a whole human being. This is especially the case when dealing with families experiencing homelessness since children in these families are often saddled with additional emotional and economic disadvantages that cannot fairly be described as personal weaknesses or character flaws.

Speaking of children, the Salisbury report is nearly silent on the subject. None of the 75 interviews were with children, and based on the data the study used, no children were included in the estimate of 85-106

homeless persons for the County in January 2005. It is certainly the case that each of the shelters providing data for the survey had children as residents during that time.

Meeting Ground’s Clairvaux Farm, one of three facilities operated by the group, usually has a census of at least ten children. At one point in October 2005, Clairvaux Farm sheltered 41 residents, 17 of whom were children under 18 years of age. These children are in various stages of emotional, mental, and physical development, and while adults may marvel at a child’s resilience, how is it possible to determine the effects of living without a home in a child’s life? Carl Mazza, who founded Meeting Ground in 1981, regularly tells visitors and churches that being homeless is “emotionally traumatic.” If it is that way for adults, how much more for children?

“Root Shock”

Social psychiatrist Mindy Thompson Fullilove coined the term “root shock” to describe “the traumatic stress reaction to the destruction of all or part of one’s emotional ecosystem.” (And what is “home” if not an “emotional ecosystem.”) Root shock is further “a profound emotional upheaval that destroys the working model of the world that had existed in the individual’s head.”⁷ Fullilove’s focus is on the effects of urban renewal, a nationwide program dating from 1949 to 1973 that resulted in the destruction of more than 2,500 neighborhoods and the displacement of one million people.⁸ Most of these neighborhoods were poor and considered “blighted” by outsiders. Their destruction paved the way for economic development, but also resulted in the destruction of the most affordable housing available in many cities. When a social scientist such as Christopher Jencks identifies “promising explanations” for the widespread rise of homelessness in the early 1980s, one explanation he offers is “the destruction of skid row,”⁹ a thesis that is supported by Fullilove’s independent work. From Jenck’s point of view, the loss of blighted districts meant the destruction of affordable SROs and cheap hotels. Sources of housing that provided a modicum of

privacy and independence for the poor. From Fullilove’s perspective, the loss of such districts meant the elimination of real neighborhoods, places where culture, cuisine, language, and heritage are learned and exchanged.

While Fullilove’s work is not directly addressing urban or rural homelessness, she does set forth the provocative thesis that “displacement” will be an enduring characteristic of the twenty-first century. It is a problem that must be solved. So her work does help us understand homelessness in fresh ways. Our lives are a series of connections to people, places, buildings, traditions. When those connections are ripped asunder, it is more than just a personal problem. Consider the now famous butterfly analogy used in chaos theory: a seemingly minor event in one corner of the world can set off a series of interconnected developments that reach literally around the world.

People who lose their place, or their home, have the “working model” of their world upended. Children in families that experience homelessness may suffer that calamity, or they may never develop an ordered sense of a “working” world. One educator writing on the effects of homelessness in rural communities supports this view when she writes:

Housing shelters humans from the elements, but homes provide more. The social construct of “the home” describes the physical and emotional space needed for sustaining a private life. In educationally relevant terms, homelessness deprives children of the security they need to be themselves. Rural homelessness, which undermines the conditions of learning, is just one of the many serious threats that poverty inflicts on children’s ability to learn.¹⁰

Places of Healing

From this perspective the children, women, and men dealing with homelessness cannot be treated simply as clients in need of services nor as objects of charity. Even education, as

powerful a tool as it is for improving life, hardly offers a full solution. At stake is what a man living at Clairvaux Farm asked me on a cold February night last winter. Speaking of Clairvaux Farm he asked: "Does anyone get healed here?" It was not a question I could answer, nor was it a question that let the Farm or Meeting Ground off the hook. But it is the seed question for us. What happens to people whose lives are traumatically upended? What steps do government, schools, businesses, non-profits, religious communities, and individuals take toward helping people who experience homeless, or near-homelessness, heal? More importantly, what actions are these entities willing to take to make our society more secure so that fewer and fewer people will be displaced or made homeless?

As a society, we have accepted that social phenomena – like segregation, urban renewal, even the building of an interstate highway system – have dramatic effects on individuals and families. There is a willingness to provide some assistance to help individuals recover from set-backs. What we are less willing to accept is a social process of healing: of helping people find their way back to models of a working world, of a working individual life. We still cleave to the notion that healing is a private matter, even when we are broken as a result of social and political events. For sure, none of us can heal another person, but when individuals desire healing, they need a place where that healing can begin and be sustained. A place where their whole lives, including their housing needs, come together, at least for a time.

A woman at Clairvaux Farm described it like this: "I can breathe now. Before I got here I couldn't breathe, couldn't think about anything but today. Now I can think not just about tomorrow – I can think about next week, or next month. I couldn't do that before."

This image of breathing, of being able to catch one's breath, to rest and think about what is next, is part of what anyone needs following a massive disruption of life. Homelessness is not solved simply by providing housing. In fact, losing one's dwell-

ing place is usually the last stage of a long series of losses. The path to restoration and reintegration involves connecting with a basic community. Most of the people who come to Clairvaux Farm have lost their community or network of support, if they ever had one. And it is not that they simply lack the ability to sustain friendships or family. Yes, social dysfunction exists, but just as much, we meet people who have been scattered and left to fend for themselves as our economy carries on its way through cycles of boom and bust, while city hall scrabbles to hook up with the next best thing.

What is important is being re-rooted, resettled into some kind of basic community. At Clairvaux Farm we see a number of people responding positively simply to the sense of community that they find there. It is not therapy, or religion, or life skills that first sets them on their way. It is being included in something, being recognized. What is needed, then, since no one wants to live in a traditional shelter forever, is a way of maintaining the rooted-ness, the connection with others that offers personal hope, joy, friendship, and understanding.

Since people suffering from homelessness are by definition unsettled, it is difficult to maintain the ties that bind. While the goal is reintegration to mainstream life, is it natural to think that everyone will simply move beyond the community that participated in helping them begin that reintegration? And further, healing is not an instantaneous event. It takes time – often years.

"Community Kitchen"

For that reason Meeting Ground has been active in looking for ways to engage former residents, the previously homeless, or the near-homeless in meaningful, lasting relationships. There are two important examples that will be mentioned here. The first, called the Community Kitchen, now has a life of its own and is maintained through the support of many partners. It works like this: Every Friday soup and sandwiches are served for lunch, usually at the Elkton Presbyterian Church. The food is donated and served by a variety of

congregations and groups. The food is offered without price. The "Cecil County Homeless Study" shows that over 90% of the homeless respondents it interviewed used the Community Kitchen as a resource. Furthermore, the Kitchen was rated number one as the service respondents believed was helpful and would use again [pp 63, 82]. The Salisbury study could not point to reasons for the Kitchen's success since that was beyond the study's scope.

What is evident at the Community Kitchen, however, is that people are able to gather freely and without many rules. People may sit anywhere and there is no hierarchy of tables or persons. It's a regular gathering place for some, and the food is always good. Someone prays at the beginning of the meal, but otherwise very few announcements are made. It is a low-demand, high yield environment for the people that use it. It doesn't solve many problems, but it contributes to a sense of being together.

A second example of sustaining community ties is Meeting Ground's more recent effort to add a staff position and programming to provide after care for children and families that have experienced homelessness. As noted above, many children have received shelter through Meeting Ground. The time these children stay at Clairvaux Farm or Wayfarers House in Elkton, Maryland, often coincides with a period of upheaval and "root shock" in their lives. They experience not only physical poverty, but emotional isolation. Our goal is to help these children and their families begin the process of re-rooting and recovering a workable life. To this end, we hope to remain partners with and mentors to these families and their children over the course of many years.

An Inhabited Town

These attempts at sustaining a basic sense of community with one another are core components of dealing with homelessness. While we need government, need medical and therapeutic professionals, need schools, businesses, churches, and other non-profits, it is also the case that we need places of several different kinds that

can for a time provide concrete shelter and meaningful opportunities for individuals and families to begin healing. Very few people “graduate” straight-away into self-reliance from homelessness.

That is why places that offer this kind of hospitality, a setting where healing and the recovery of a working vision of life can begin, need financial and community support. The “Cecil County Homeless Study” calls for an “integrated community-wide approach featuring broad participation by mainstream public agencies” [p 78]. That approach is needed and many have worked toward it for a long time now. Services alone, though, are not the answer. People who suffer homelessness need both a place to begin again and a renewed experience of basic community. In truth, we need more places like this in our midst.

On Thanksgiving night 2005 a few residents and guests gathered at Clairvaux Farm for a brief service. Words from Psalm 107 were read.

Some wondered in desert wastes,
 finding no way
 to an inhabited town;
 hungry and thirsty,
 their soul fainted within them.
 Then they cried to the Lord
 in their trouble,
 and he delivered them
 from their distress.
 God led them by a straight way,
 until they reached
 an inhabited town.

It was explained that these words were originally addressed to people returning home from a period of exile in a foreign land. The way home meant crossing a broad and hostile desert. It was a journey full of threats, including disorientation, hunger, thirst, even death. To make their way across the wilderness, travelers would need to find refuge – shelter, food, water, rest – in the scattered, inhabited towns that were willing and able to provide hospitality. As these simple words of explanation were offered, residents participating in the service begin to speak.

David R. Miller, along with his wife Carol Lena and sons Jonas and Zeb, were Brethren Volunteer Service (BVS) workers from the Church of the Brethren. They recently spent a year working as full time volunteers at Clairvaux Farm, a transitional housing shelter in southern Cecil County, Maryland.



Some simply said “yes”; others volunteered, “That’s happened to me,” or “I’ve been there.”

That Thanksgiving night was unusually cold and a fierce wind blasted the Delmarva Peninsula. People were glad to be inside. Guests and shelter workers in the room

worshiped not by closing their eyes, but by opening their ears to hear not a preacher, but a congregation of witnesses who knew what it meant to cross a deserted place, who knew the necessity of reaching “an inhabited town” that could help. ☪

Notes

1. Jim Corbett, *Goatwalking: A Guide to Wildland Living A Quest for the Peaceable Kingdom* (New York: Viking, 1991), 162. The quote is from “A View From the Border” produced by the Tucson Ecumenical Council’s Task Force on Central America.
2. Counting the homeless is a notoriously difficult task, complicated due to the competing definitions of what constitutes homelessness. The number of people who are homeless at any given point in time nationwide ranges from at least 400,000 to 800,000. That extends to between 2.3 and 3.5 million people experiencing homelessness annually (or something like 1% of the country’s population); 39% of those people are children under 18 years of age (and 42% of the children are five or under). See www.nationalhomeless.org/publications/facts/How_Many.pdf and www.nationalhomeless.org/publications/facts/Whois.pdf
3. *Cecil County Homeless Study 2004-2005: A Survey and Analysis of Homelessness in Cecil County*, May 2005. The full study is available online at www.meetingground.org. Page numbers of all subsequent citations from this study are in brackets and included in the text.
4. “Annual Report on Homelessness Services in Maryland: Fiscal year 2004,” Department of Human Resources, pp 18-19. Or www.dhr.state.md.us/transit/pdf/ann2004.pdf.
5. The National Low Income Housing Coalition reports in *Out of Reach 2005* that Cecil County’s housing costs continue to climb ever higher. For example, the housing wage for a two bedroom apartment – at the federal government’s affordable housing standard – has jumped in 2005 to \$18.21 an hour for full time employment. That comes to an annual salary of \$37,880. See the report at www.nlihc.org/oor2005/.
6. Quotes taken from Maryland Department of Housing and Community Development, “Blueprint Maryland” January, 2004, p 8.
7. Mindy Thompson Fullilove, *Root Shock: How Tearing Up City Neighborhoods Hurts America, and What We Can Do About It* (New York: One World Ballantine Books, 2004) pp 11, 14.
8. *Ibid.* p 4.
9. Christopher Jencks, *The Homeless* (Cambridge, Massachusetts: Harvard University Press, 1994) pp 61ff.
10. Yvonne M. Vissing, “Homelessness Is a Problem in Rural Communities,” taken from, Jennifer A. Hurley, ed., *The Homeless: Opposing Viewpoints* (San Diego: Greehaven Press, Inc, 2002) p 35.

Thoughts on the Housing Development Fund

Michael Skipper

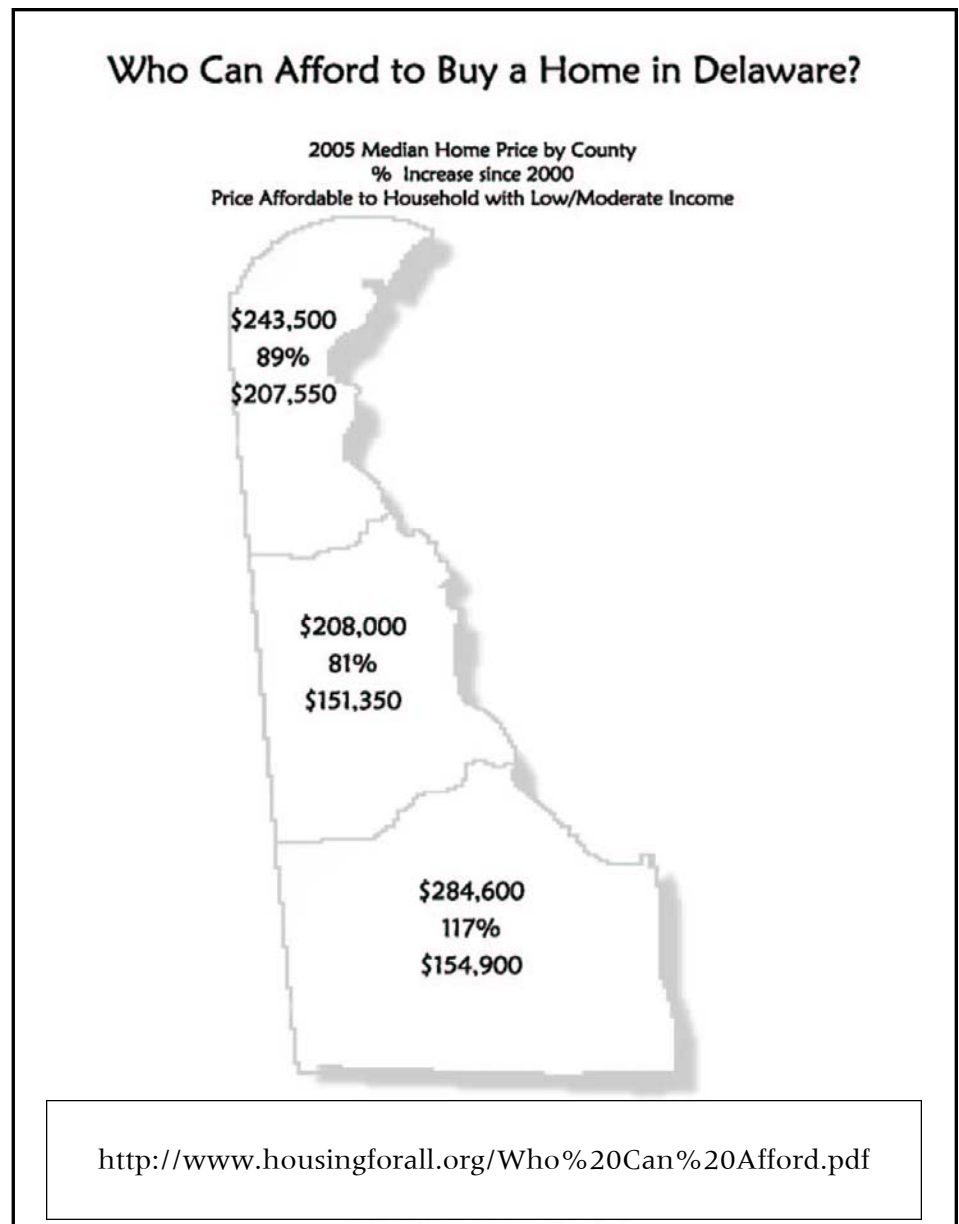
Thank you for the opportunity to participate in this annual Day for Housing, a day set aside to focus on the housing needs of the citizens of Delaware. My goal today is twofold: 1) to briefly describe the role of the Housing Development Fund in fostering the development of affordable housing in the State of Delaware, and 2) to advocate for and describe potential uses for an additional \$8 million to be allocated by the State Legislature to the Fund in this budget year.

The Housing Development Fund is the primary local, state-controlled and -funded source for affordable housing development. A handout in your package describes the HDF, and a recent article by Marlena Gibson in The Housing Journal gives a background on its use. I will just highlight a few things. The Fund receives annual funding from two sources: approximately \$1 million from a surcharge on recording fees and an annual allocation from the State Legislature as recommended through the Governor's budget. This annual allocation has typically been in the range of \$3 to \$4 million. In addition, the Fund recycles principal and interest payments on its outstanding loans and investments and receives fees for new projects. The Delaware State Housing Authority and the Council on Housing administer the fund. As of June 30, 2005, the fund had \$134 million in assets, primarily comprised of approximately \$90 million in long-term mortgages for multi-family rental projects.

Use of the HDF

Low Income Housing Tax Credits

Historically, approximately 80% of the HDF resources have been used to develop multi-family rental housing, primarily through the Federal Low Income Housing Tax Credit program for households making 50 to 60% of median income, approximately \$25,000 to \$45,000 per year. A typical project is new construction or rehabilitation of a 40 to 50-unit apart-



ment complex with financing provided in three layers: a first mortgage from a private lender, a second mortgage from the HDF or Federal HOME funds, and tax credit equity from private investors. For example, over the past 10 years, over 3,200 rental units have been developed in cooperation with Delaware Community Investment Corporation, a 35-member bank consortium, which has provided over \$175 million in private funds

through long-term, below market loans and equity investments. This private funding has provided a leverage of \$3 to \$4 for every dollar from the HDF.

Other Uses

DSHA has also provided leverage through the HDF for:

- down payment and settlement assistance for first-time homebuyers
- grant support for housing counsel-

ing

- grant support for nonprofit housing developers and organizations such as the Homeless Planning Council
- support for local housing initiatives such as the Wilmington Housing Partnership RISE initiative

DSHA and the Council on Housing have done a commendable job of leveraging the resources available to them through the HDF. A recent study commissioned by DHC, *Investing to Meet Delaware's Affordable Housing Needs: An Economic Impact Analysis*, estimates that, through this type of leverage, the State receives back \$7 for every \$1 it invests in affordable housing through taxes, wages, economic development and other revenue sources. However, there are significant gaps in housing which need to be addressed.

Need for Additional Funding

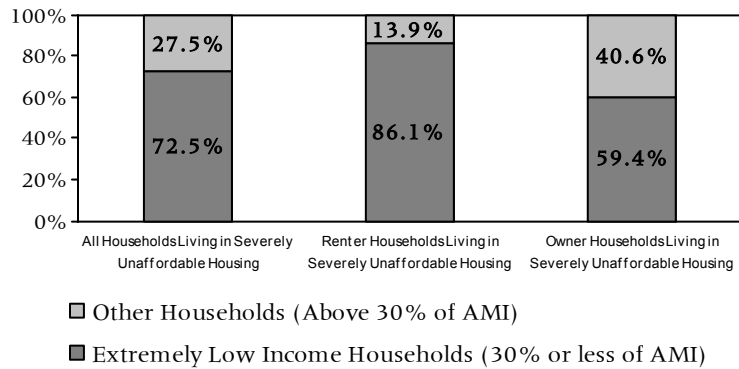
The audience today represents housing professionals in the full spectrum of housing needs, including emergency shelters for the chronic and temporary homeless, transitional housing, nonprofit and for profit developers of affordable rental housing, homeownership counseling agencies, special needs housing agencies, affordable housing managers, and nonprofit and for profit developer of affordable for-sale single family housing. Each one of us can see need for more funding for our specific area. Let me just highlight two and then list a few others.

Lower Income Rental Housing

The tax credit program I described earlier has been used very effectively to produce rental housing for households making \$25 to \$40 thousand per year. But what about workers making \$15 to \$20 thousand including individuals in service, retail, or light manufacturing jobs making minimum wage or up to \$13 an hour? The 2003-2007 Housing Needs Assessment prepared for DSHA estimated a need for 1,800 units of rental housing for people making less than 30% of area median income or about \$20,000 per year. In the past 3 years, only a handful of units have been completed through the HDF.

In order to build this kind of unit, much deeper subsidies are required

Extremely Low Income Households in Delaware Living in Severely Unaffordable Housing, 2003



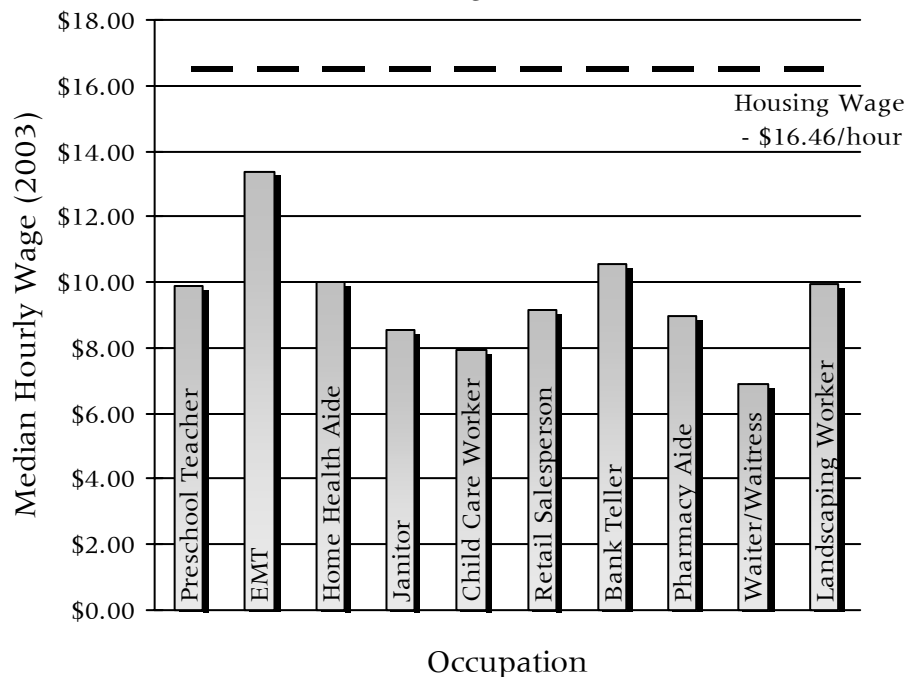
Source: National Low Income Housing Coalition (2005)

so that rents can be lower from the tax credit unit range of \$600 to \$700 a month to the \$400 to \$500 range. That requires more direct dollars in the form of grants or long-term loans with no repayment, a logical use for the HDF if more funds were available. Lower income rental housing could also potentially be adapted to meet other identified specialized needs for persons with mental health or substance abuse issues, or developmental disabilities.

Affordable Workforce For-Sale Housing

A second growing need is for affordable for-sale housing for our basic workforce. First responders, teachers, service workers, state and county employees and trades workers are encountering greater difficulty in finding decent, affordable places to live near their work. Low interest rates, rising construction costs, consumer demand for newer, bigger houses and tighter and more expensive building restrictions have driven for-sale hous-

Median Wage of Selected Occupations and Housing Wage



Source: Out of Reach 2005, National Low Income Housing Coalition and DE Department of Labor, Office of Occupational and Labor Market Information.

Who Can Afford to Rent in Delaware?

2005 Fair Market Rent for a 2-Bedroom Apartment
Full-time Jobs Necessary at Minimum Wage to Afford 2-Bedroom Apartment
Rent Affordable to Extremely Low-Income Household



<http://www.housingforall.org/Who%20Can%20Afford.pdf>

Need for Creative Use of New Funds

Today we are advocating for an additional \$8 million beyond the budgeted \$4 million allocation for the Housing Development Fund. How could it be used?

First, the expansion of existing programs which address housing needs, such as:

- Rental assistance for targeted populations
- Expanded support of homeownership counseling and support programs
- Expanded down payment and settlement assistance programs to help bridge the gap for home purchase

Second, an even greater and potentially more beneficial use is to stimulate the rehabilitation of substandard housing or produce new lower-income rental house and for-sale housing. Such steps might include:

- Subsidies or incentives for developers producing quality, affordable housing
- Expanded incentives for major employers to provide subsidies for workforce housing
- Development of design and production standards for quality reduced-cost housing with potential fee reduction incentives for developers
- Research and development of zoning and regulatory changes to facilitate production of quality affordable housing
- Set-aside or inclusion standards which require affordable housing as part of subdivision or new project approvals in exchange for incentives for developers

I recognize that some of these proposals are controversial and costly. But which is more costly in the long run? Quality, affordable housing or the burden of homelessness and substandard, crowded housing?

ing prices upward much more rapidly than incomes. Many of us as homeowners have benefited from this increase, but where do our children live, where do the people we work with live?

There are many ways to measure this, but for example a teacher or state employee making \$34,000 a year could afford a mortgage of about \$175,000 if they had not debt. However, if they owe \$350 a month for a car and a student loan, the mortgage amount would be reduced to \$130,000. A survey of housing in the State of Delaware shows median house prices

above \$200,000 with very few if any houses below \$150,000. The consistent message from homeownership counseling agencies is that potential homeowners qualify to buy a house but can not find a house in their price range. The result is that people make hard choices: rent longer, move further away from work compounding traffic issues, move out of the state or perhaps never move to Delaware to begin with. Businesses have more difficulty finding workers and the state economy suffers.

Michael Skipper has been actively involved in various aspects of community development for 18 years. He is currently Community Development Manager with WSFS Bank and focuses on lending and economic development issues affecting low- and moderate-income communities in Delaware.

Our Request: \$8 million

In summary, the HDF is working, especially in the production and preservation of multi-family rental housing for a narrow range of potential renters. Dollars allocated by the Legislature are spent wisely and produce a multiplier effect of up to \$7 for each \$1 allocated through the local economy.

But the needs are greater, especially for the sustained rehabilitation of substandard housing and the production of new affordable lower-income rental and moderately priced for-sale housing. As a start our request today is that the Legislature appropriate an additional \$8 million to the Housing Development Fund in this year's budget.

Thank you.



GRATITUDE

We deeply appreciate the contributions and new and renewing memberships of the following people and groups:

° Advanta National Bank ° Carol Barnett ° Kim Brockenbrough ° Carrie Cale ° Beverly Cherchio ° Cornerstone West CDC ° Karen Curtis ° Delaware Coalition Against Domestic Violence (DCADV) ° Delaware Community Investment Corporation (DCIC) ° Delaware National Bank ° Lorraine deMeurisse ° Deutsche Bank Trust Company Delaware ° Jane Dilley ° Discover Bank ° Evangelical Lutheran Church in America (ELCA) ° FannieMae Delaware Community Partnership Office ° Nancy Gardner ° Habitat for Humanity of New Castle County ° Leslie Holland ° Homebuilders Association of Delaware ° Homeward Bound, Inc. ° Homeless Planning Council of Delaware ° HSBC ° Hudson Jones Jaywork & Fisher ° Karen Kollias ° League of Women Voters ° Leon N. Weiner & Associates ° Sheera Lipshitz ° Meeting Ground ° Helen Miserendino ° Lisa Miserendino ° National Alliance for the Mentally Ill in Delaware (NAMI-DE) ° NCALL Research, Inc. ° New Castle County Office of Community Services ° Betty Obst ° Darlene St. Peter ° Shirley Seibert ° Althea Short ° State of Delaware ° Ivar Stakgold ° Roxie Sturgis ° Patricia Todd ° United Way of Delaware ° Voces Sin Fronteras ° Jane C. Wright Vincent ° WSFS Bank ° YWCA of Delaware °



Visit Us on the Web!

Community Land Trusts in National News

Marlena Gibson

Burlington CLT Named Housing Heros Award Recipient

Citizens Bank Vermont has named Burlington CLT as the recipient of its 2006 Housing Heros Award. The Housing Heros award was designed to spotlight housing development that demonstrates innovative solutions, effective use of resources, leadership and strong fiscal responsibility. During its 22-year history, BCLT has created nearly 900 permanently affordable homes throughout Northwest Vermont. City's Edge is its newest development in South Burlington. City's Edge contains 60 condominium homes in one building that is part of a larger mixed-use development. Thirty-one of the new condos will remain perpetually affordable through the land trust. The new homes were developed through a public-private partnership between BCLT, the City of South Burlington and the development corporation that owned the land, Farrell & Morrissey Development Corp. (<http://www.bclt.net> and <http://www.citizensbank.com>)

San Francisco Approves Seed Funding for Real Ownership Opportunities for Tenants Project

In early April 2006, the San Francisco Board of Supervisors voted unanimously to fund a Real Ownership Opportunities for Tenants project. The city will provide a \$1 million seed fund for cooperative conversions of multifamily buildings under the community land trust model. This startup funding will also provide gap financing for the San Francisco CLT's first cooperative conversion, the Fong Building. The Fong Building is home to 21 rental units and commercial space on the edge of Chinatown in San Francisco. This will be the San Francisco CLT's first project. (<http://www.sfclt.org>)

City of Irvine, CA Creates CLT with 10,000 Unit Goal


Over the past 35 years the City of Irvine, California has been a leader in producing affordable housing. Irvine adopted one of the country's first inclusionary zoning ordinances, which as since produced 3,100 affordable homes. These homes were produced with 30-year affordability periods, many of which are beginning to expire. In March, the Irvine City Council voted unanimously to create a community land trust and to establish a goal to create nearly 10,000 permanently affordable housing units by 2025 – this will represent 10% of the City's total housing stock. (<http://www.ci.irvine.ca.us>)

Washington State Highlights CLTs Nationally, in Delaware

In April 2006, *My View*, the newsletter of the director of Washington State Housing Finance Commission's, focused on community land trusts. In it Director Kim Hermann highlighted the the work of the ten community land trusts in the state of Washington, in cities, towns and rural communities.

The newsletter included interviews with local and national CLT practitioners and experts.

The emergence of the Diamond State CLT was brought up for favorable mention as one of several regional CLTs (others being in Florida and Chicago) in development.

My View is available online at <http://www.wshfc.org/Newsletter/Apr2006/print.pdf> 



Neighborhood town homes held by the Portland Community Land Trust

Work Force Housing Program for Sussex County

Gina Miserendino

Sussex County has just passed an ordinance which, through voluntary participation by developers, has the potential of increasing the stock of housing affordable to households within the range of 80% to 125% of median income. The ordinance also provides for twenty-year period during which the units developed will remain affordable to that income range.

Economic Integration

The Moderately Priced Housing Unit (MPHU) Program, also referred to as Inclusionary Zoning or Workforce Housing, is a tool for local municipalities or states to work toward addressing the need for low- and moderately-priced housing in their communities. Based in philosophy, as well as practice, on the notion of strong public /private cooperation, the MPHU helps address communities' need for affordable housing and balancing placement of such units to create more economically-integrated communities.

In addition to building needed affordable housing focused in development areas, the MPHU has a positive impact on land use and the environment in that it reduces driving distances to the workplace and can decrease the amount of more rural land and subsequent infrastructure needed for development. Employers benefit as well, having access to workers in the area who do not have long commutes to modest-paying jobs.

A Proven Method

There is a great need for this and complementary programs because recent economic growth has not benefited all families equally. While family incomes have risen modestly, the price of day to day necessities such as transportation, health insurance and day care have outpaced low- and moderate-income families' gains. The price of housing has skyrocketed making affordable

The Moderately Priced Housing Unit Program Sussex County, Delaware

The following people, among others, played an important part in bringing the new MPHU program to the light of day. Congratulations and thanks!

- * Bill Lecates, Director, Sussex County Department of Housing and Community Development
- * Bob Stickles, Sussex County Administrator
- * Lauren Alberti, Sussex County Board of Realtors
- * Rich Collins, Positive Growth Alliance
- * Joe Conaway, Sussex County Association of Towns
- * Bernice Edwards, First State Community Action Agency
- * Richard Faull & Kevin Gilmore, Habitat for Humanity of Sussex County
- * Dawn Poczynek-Holdridge, Delaware FannieMae Community Partnership Office
- * Karen Horton, Delaware State Housing Authority
- * Russell Huxtable, Milford Housing Development Corporation
- * Ruth Briggs King, First State Manufactured Housing Association (now with Sussex County Board of Realtors)
- * Karen Kollias, NCALL Research
- * Darin Lockwood, Meridian Architects and Engineers
- * Van Milligan, Sussex County Building Inspector
- * Bob Minutoli, Developer
- * Gina Miserendino, Delaware Housing Coaliton
- * Nicole Riddick, Sussex County Department of Housing and Community
- * Deborah Wilkins Schiffer, Inter Faith Mission of Sussex County
- * Anne-Marie Townshend, State Office of Planning Coordination (now with City of Dover Department of Planning)
- * Mike Tyler, Citizens Coalition of Sussex County

housing virtually an unattainable goal.

Similar programs have successful track records in Montgomery County, Maryland which has the oldest such ordinance (est. 1974), as well as throughout the country from California and New Mexico to Vermont. MPHU ordinances work by government allowing developers of a minimum number of new units a density bonus if they include a prescribed percent of low- to moderately- priced homes mixed among the development. This is to reward, or ensure a profit to builders who participate and help the municipality reach an affordable housing objective. Some allow for a land donation in lieu of affordable units in the development under some circumstances although this is not

generally recommended. Affordable units are blended within the development with exteriors matching the market rate houses. They differ only by size and level of amenities. There is range for a control period from five years to perpetually-affordable on the affordability of the MPHU's.

The MPHU Program recently initiated in Sussex is a tangible step toward creating homeownership opportunities for families in the 80% - 125 % of area median income, which currently translates to an income range of \$55,100 to \$68.875 for a family of four.

Developer applications for the first round offer the county the opportunity to build 550 moderately affordable units. ☞



2006

From Hockessin and Claymont to Millsboro and Rehoboth, three dozen organizations and many of their members converged on Dover on March 22 to make legislators more aware of the mounting housing problems which beset Delawareans.

Organized by the board and staff of DHC, the “Day for Housing” included a kickoff and orientation in the Public Archives Building, the building of a small ‘house’ on the legislative mall, a “housing for all” pep rally, lunch, and visits to legislators.

Participants were equipped with

DAY FOR HOUSING 2006
FUNDING, LEGISLATIVE, AND POLICY PRIORITIES

Please keep in touch with our public servants in Dover about these issues.

AFFORDABLE HOUSING

Increase the HDF to \$12 million next year

DOMESTIC VIOLENCE

New law to protect tenant victims of domestic violence

FAIR HOUSING

Eliminate housing discrimination based on sexual orientation (HB 36)

Eliminate housing discrimination based on source of income

MANUFACTURED HOUSING

Rent History Disclosure Act (SB 208)

Creation of a Manufactured Housing Board (SB 209)

Resident Notification Law (SB 211)

Rent Justification Law (SB 212)

Affordable, accessible and integrated housing in all Delaware communities!



information on a number of housing related issues that are being brought before the General Assembly and had “visiting cards” on each issue to leave for absent legislators, along with “house” cookies.

A major and longstanding concern of the state’s affordable housing community has been the need to increase significantly the state’s Housing Development Fund (HDF), which has continued to be under-funded relative to the burgeoning needs.

Along with more adequate funding, the groups supported a new law to protect tenant victims of

domestic violence, fair housing ordinances to end housing discrimination based on sexual orientation (HB36) and on source of income, including Section 8 vouchers.

They also supported several legal changes to improve the precarious situation of owners of manufactured housing on leased land. These include a “rent History Disclosure Act” (SB208), the creation of a Manufactured Housing Board (SB 209), a Resident Notification Law (SB 211), and a Rent Justification Law (SB 212).





- * Appoquinimink Development, Inc.
- * ARC of Delaware
- * Better Homes of Seaford
- * Brandywine Counseling, Inc.
- * Brookview Tenant Council
- * Community Legal Aid Society
- * Cornerstone West CDC
- * DE Coalition Against Domestic Violence
- * DE Community Reinvestment Action Council
- * DE Manufactured Home Owners Association
- * DE Rural Housing Consortium
- * DE State Wide Association of Tenants
- * Delmarva Rural Ministries
- * Diamond State CLT
- * First State R. C. and D. Council, Inc.
- * Freedom Center for Independent Living
- * Hockessin Community Center Housing
- * Homebuilders Association of DE
- * Homeless Planning Council
- * Housing Opportunities of Northern DE
- * Inter Faith Mission of Sussex County
- * League of Women Voters (DE)
- * Leon N. Weiner and Associates
- * Lutheran Office on Public Policy
- * Milford Housing Development Corporation
- * Millsboro Housing for Progress
- * NAMI DE
- * NCALL Research
- * Neighborhood House
- * Office of Community Services
- * State Council for Persons with Disabilities
- * Voces Sin Fronteras (Voices Without Borders)
- * West End Neighborhood House
- * West Rehoboth Community Land Trust
- * YWCA

Many Thanks
 to Our
 Day for Housing 2006
 Co-Sponsors!

 See You at the
 Day for Housing 2007!



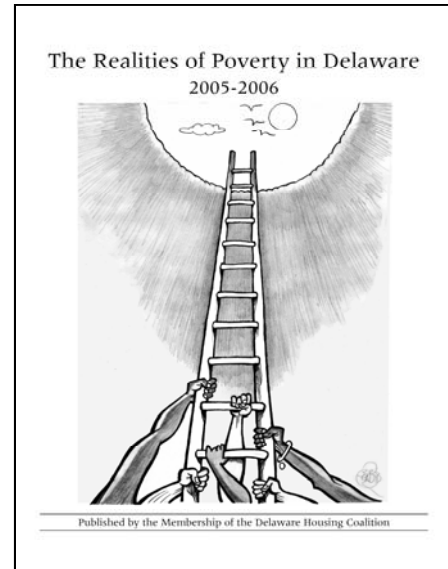
The Realities of Poverty in Delaware 2005-2006

Now Available on DHC's Website at:

<http://www.housingforall.org/rop%200506.pdf>

Articles on:

- * The HIV/AIDS Epidemic in Delaware
- * Health and the Homeless
- * Prisons, Poverty and Homelessness
- * Community Participation
- * Land Use and Affordable Housing
- * Inclusionary Zoning
- * Challenges and Limitations of Homeownership
- * Wealth Inequality
- * Education
- * Immigration



A limited number of hard copies are available by contacting DHC at 302/678-2286, x. 202.

DELAWARE HOUSING COALITION
P.O. Box 1633, Dover, DE 19903-1633
Phone: 302/678-2286
Fax: 302/678-8645

NONPROFIT ORG
US Postage
PAID
Permit No. 111
Dover, DE 19901