

MISSION

The statutory mission of the Delaware State Housing Authority (DSHA), under Title 31, Chapter 40, is to efficiently provide, and to assist others to provide, quality affordable housing opportunities and appropriate social services to responsible low- and moderate-income Delawareans.

High-quality housing affordable to households at a variety of income levels and related services is a fundamental part of a thriving state economy and key component of family and community quality of life. DSHA's activities impact Delaware from the macro level of serving as a catalyst for private investment and economic growth to the micro level of families who are able to access safe, decent and affordable housing in healthy communities.

CORE SERVICES

DSHA's core services fall in two broad categories, each of which includes a variety of specialized programs:

- **Homeownership:** Assist low- and moderate- income (up to 115 percent of median family income) Delawareans in becoming homeowners and maintaining their homes.
- **Rental Housing:** Provide affordable rental housing assistance benefiting low-income (up to 80 percent of median family income) Delawareans to create new or rehabilitate/preserve existing affordable housing units.

DSHA provides these core services through its roles as a housing finance agency, public housing authority for Kent and Sussex Counties, and planning and community development agency. As a **Housing Finance Agency (HFA)**, DSHA:

- Issues tax-exempt bonds to create below-market rate mortgages for low- to moderate-income homebuyers and second mortgage assistance loans;
- Finances the construction and rehabilitation of multi-family affordable rental sites;
- Administers the federal Low Income Housing Tax Credit Program, including compliance monitoring of site operations;
- Leads the planning and provision of foreclosure prevention services including the Delaware Emergency Mortgage Assistance Program (DEMAP);
- Provides loans and grants to bring single-family homes up to code; and
- Administers federal rental subsidy contracts and compliance monitoring for 4,467 units of housing statewide.

As a **Public Housing Authority** for Kent and Sussex Counties, DSHA:

- Participates in the Moving To Work demonstration, which time limits subsidy benefits and promotes self-sufficiency for our clients;
- Owns and operates 10 public housing sites; and
- Manages \$6.5 million in federal operating subsidy associated with approximately 900 Housing Choice Vouchers

Finally, as the **Planning & Community Development Agency** for the state of Delaware, DSHA:

- Conducts the statewide housing needs assessment and Consolidated Plan;
- Administers federal/state programs such as HOME, Community Development Block Grant, Emergency Shelter Grants Program, and the Housing Development Fund; and
- Manages the Neighborhood Stabilization Program through the Housing and Economic Recovery Act (HERA).

VISION FOR DSHA

The Delaware State Housing Authority is the leading provider of affordable housing resources in Delaware, working with public and private partners to deliver high-quality, sustainable affordable rental and homeownership opportunities. We do so in the most efficient and fiscally responsible way while maintaining the highest level of responsiveness to our clients and partners, responding to changing housing needs and varying levels of government support with creative and cost-effective solutions.

Many aspects of this vision are already a reality. To ensure that DSHA can maintain and achieve this vision, we are embarking on an operational agenda to:

- **Advance Technology:** To be as efficient as possible, implementing cutting edge and innovative solutions to working with partners, customers, and sharing and storing information;
- **Customer Service:** To be a true partner to our customers and Delawareans; with accessible, user-friendly services responsive to their needs;
- **Professional Development:** To employ a diverse, entrepreneurial and problem-solving staff, succeeding by promoting and rewarding creativity, leadership, and continued training;
- **Organizational Management:** To maintain DSHA's status as a highly efficient, stable organization with sustainable operations focused on efficiency and, where possible, self-sufficiency.

To focus our work, resources and energies in the coming two years, DSHA has identified priority items within its core business areas of Rental Housing and Homeownership for FY 2010 and 2011:

Rental Housing

- 1) To preserve the affordability and physical condition of Delaware's existing affordable housing stock.
- 2) To review and modify DSHA's Moving to Work program to ensure continued program success.
- 3) To identify and secure sustainable sources of revenue for the Housing Development Fund and rental housing financing.

Homeownership

- 1) To reduce the impact of the foreclosure crisis on Delaware's households and communities.
- 2) To identify sustainable sources of revenue and resources for DSHA homeownership assistance programs.

These priority items exist within DSHA's broader five-year strategic plan for FY 2009 – 2013, which encompasses strategies and objectives for the full range of DSHA's activities.

DSHA Five-Year Strategic Plan FY 2009 – 2013

FY 2010 & 2011 Summary

| Advancing & Sustaining Homeownership | Affordable Rental Housing | Operational Efficiency and Sustainability |
|---|--|---|
| <p align="center">Strengthen communities and promote asset development by helping Delaware families to achieve and sustain homeownership.</p> | <p align="center">Preserve and expand Delaware’s stock of affordable rental housing and provide rental housing assistance to low-income households.</p> | <p align="center">Ensure efficiency, responsiveness to needs, and long-term sustainability of DSHA’s operations.</p> |
| <p><u>New Homeowners</u></p> <ol style="list-style-type: none"> 1) DSHA will assist first-time homebuyers with below-market mortgage financing (<i>FY 2010: 750; FY 2011: 800</i>) and downpayment, settlement and other assistance (<i>FY 2010: 412; FY 2011: 437</i>). 2) In FY 2010, DSHA will explore alternatives to the traditional bond model of first-time homebuyer financing and assistance, and prepare a plan for program sustainability and long-term funding strategies. 3) DSHA will assist first-time homebuyers achieve successful homeownership with homeownership counseling (<i>FY 2010: 380; FY 2011: 380</i>). <p><u>Foreclosure Prevention & Recovery</u></p> <ol style="list-style-type: none"> 4) DSHA will provide statewide leadership and coordination for the state’s foreclosure prevention and mitigation activities, including: <ol style="list-style-type: none"> a) Bringing foreclosed-upon homes back to active use annually through the Neighborhood Stabilization Program (<i>FY 2010: 50; FY 2011: 50</i>); b) Ongoing outreach and education initiatives, including data collection, analysis, and deforeclosurehelp.org; c) Assisting households at risk with DEMAP loans to prevent foreclosure (<i>FY 2010: 70; FY 2011: 70</i>). d) Providing foreclosure prevention counseling through the NFMC program to households in default (<i>FY 2010: 350</i>). 5) In FY 2010, DSHA will plan for the future of its foreclosure prevention programs and strategies, including review of existing programs’ target market, services, needs, necessary resources, and long-term funding strategies. <p><u>Rehabilitation</u></p> <ol style="list-style-type: none"> 6) DSHA will assist households with emergency repairs (<i>FY 2010: 250; FY 2011: 250</i>) and major rehabilitation (<i>FY 2010: 162; FY 2011: 162</i>). 7) In FY 2010, DSHA will review the HRLP, its relationship to other homeowner rehab programs, needs, and necessary and available resources. | <p><u>Preservation of Existing Affordable Rental Housing</u></p> <ol style="list-style-type: none"> 1) DSHA will complete its multi-year preservation program with the projected refinancing/rehab of at least five sites (<i>FY 2010: 197 units; FY 2011: 375 units</i>) 2) 100% of Project-based Section 8 contracts set to expire in FY 2010 & 2011 will be renewed. DSHA will conduct compliance monitoring for over 6,000 LIHTC and DSHA-financed units, including 65 annual audit reviews and 86 inspections. 3) In FY 2010, DSHA will investigate challenges associated with 40% of project-based Section 8 portfolio expiring from 2011 – 2014 and identify strategies for implementation in FY 2011. 4) DSHA will inventory Delaware’s preservation needs and risks (<i>FY 2010</i>) and prepare a statewide preservation strategy including identifying resources and partnerships (<i>FY 2011</i>). <p><u>Affordable Rental Housing for Low-Income Households</u></p> <ol style="list-style-type: none"> 5) DSHA’s Housing Choice Voucher program will maintain a utilization rate of at least 95% and public housing occupancy and rent collection rates will remain at or above 98%. 6) DSHA will review (<i>FY 2010</i>) and modify (<i>FY 2011</i>) its Moving to Work program to increase participation and ensure continued success. 45 households are expected to move from assisted to unassisted housing annually. <p><u>Preventing and Addressing Homelessness</u></p> <ol style="list-style-type: none"> 7) DSHA will provide rental assistance to households at risk of homelessness (<i>FY 2010: 135; FY 2011: 135</i>), operational assistance to emergency shelters (<i>FY 2010: 150 beds; FY 2011: 150 beds</i>), support to the state’s Continuum of Care, and homelessness prevention and rapid rehousing assistance to households (<i>FY 2010: 400; FY 2011: 400</i>). <p><u>Increased Resources for the HDF and Rental Housing</u></p> <ol style="list-style-type: none"> 8) DSHA will increase repayments to the HDF by changing equity distribution rules for LIHTC projects and initiating first-position lending (<i>FY 2010</i>). 9) DSHA will explore multi-family bonds (<i>FY 2010</i>) and establish a rehab loan program (<i>FY 2011</i>) as a resource for future preservation projects. 10) DSHA will identify (<i>FY 2010</i>) and pursue (<i>FY 2011</i>) an increased dedicated source of revenue for the HDF. | <p><u>Use of Technology</u></p> <ol style="list-style-type: none"> 1) In FY 2010, DSHA will expand use of digital records retention and paperless operations. 2) DSHA will initiate (<i>FY 2010</i>) and implement (<i>FY 2011</i>) a planning process to re-vision DSHA’s website and associated opportunities for increased functionality. 3) DSHA will ensure full use of its core software MITAS with our partners for maximum efficiency in housing finance and LIHTC/HDF compliance monitoring. <p><u>Customer Service</u></p> <ol style="list-style-type: none"> 4) In FY 2010, DSHA will implement an agency-wide system to track constituent contacts. 5) In FY 2010, DSHA will implement a semi-annual Housing Development Fund application process with online access. 6) In FY 2011, DSHA will create and implement an updated agency message for marketing and media, and associated outreach/awareness campaign. <p><u>Professional Development</u></p> <ol style="list-style-type: none"> 7) In FY 2010, DSHA will complete implementation of ABRA human resources management software, and update policies, procedures & job descriptions. 8) In FY 2011, DSHA will institute a formal professional development program. 9) In FY 2011, DSHA will conduct internal and external compensation review. <p><u>Organizational Management</u></p> <ol style="list-style-type: none"> 10) In FY 2010 and 2011, DSHA will explore opportunities to leverage private resources to support some programs. 11) DSHA will control or reduce its cost of bond issuance and maintain or improve its issuer rating of Aa1. 12) In FY 2010, DSHA will establish a risk management policy and a balanced budget/unreserved fund balance policy and in FY 2011, establish real time reporting of program balances. |