

# **Delaware State Housing Authority**

## **A Look At The Neighborhood Revitalization Fund**

### **WHAT IS THE NEIGHBORHOOD REVITALIZATION FUND?**

The Neighborhood Revitalization Fund was enacted into law in June, 1995 by the 138th General Assembly as part of Governor Carper's 21st Century Fund. The purpose of the Neighborhood Revitalization Fund is to support the revitalization of communities and preserve the affordable housing stock for low and moderate income families by rehabilitating substandard houses in selected communities throughout the State.

### **HOW DOES THE PROGRAM WORK?**

Selection of the communities are based on their housing rehabilitation needs and the neighborhood revitalization plans. The Neighborhood Revitalization Fund provides grants with a lien on the property for 3, 6 or 10 years and **three percent** interest rate loans with principal and interest deferred until the property is sold, title is transferred or the property is no longer the borrower's primary residence. Investor loans are also at three-percent with interest only being paid monthly. Grants and Loans will be provided up to a maximum of \$35,000 per home for owner occupants and \$25,000 per unit for investors. Neighborhood Revitalization Fund grants/loans can be used to help owners repair heating, electrical, plumbing, roofing and structural problems in addition to other safety and health hazards necessary to bring a property up to the standards of State and local housing codes. The money may also be used to finance the cost of making a unit handicapped-accessible.

### **WHO IS ELIGIBLE?**

Within the selected communities, individual homeowners who meet program eligibility requirements will be able to borrow funds directly from the Delaware State Housing Authority. Low to moderate income homeowners (owner-occupants), and investors (investor-owners) renting to low income persons, will be eligible to borrow funds, but under different terms.

### **IS MY PROPERTY ELIGIBLE?**

Single family homes and rental properties of any size, in a selected community are eligible for the assistance. The program provides funds for the repairs necessary to bring the property up to State and local housing code standards, or making the property handicapped-accessible.

Mobile homes are eligible, subject to several criteria. The mobile home must have the wheels, axles and hitch removed and must be affixed to a permanent foundation. The grant/loan funds may be used to provide a permanent foundation for the unit. The homeowner must own the land and the mobile home must be the homeowner's primary residence. The mobile home must be newer than 1976 or possess a BOCA sticker.

### **HOW DO I QUALIFY?**

The terms and maximum grant/loan amount for owner occupants will be based upon the homeowner's income at time of application. Income as a percent of median income is based on family size and county location. Homeowners earning 80% or less than the median income will be able to receive up to \$35,000 to repair their property. Homeowners earning more than 80% and less than 115% of median will be pre-qualified to see how much of the rehabilitation cost can be borrowed using Delaware State Housing Authority's Housing Rehabilitation Loan Program. This program is a 3% amortizing loan with a 15-year term and a maximum amount of \$35,000. Principal and interest repayments on loans from the Housing Rehabilitation Loan Program are due monthly. The remainder of the rehabilitation cost can be borrowed using the Neighborhood Revitalization Fund up to a combined maximum for the two loans of \$35,000.

Investors will also be pre-qualified by first using the Delaware State Housing Authority's Housing Rehabilitation Loan Program and the remainder of the rehabilitation cost will be borrowed from the Neighborhood Revitalization Fund. Current income limits are shown in the charts below.

Income Limits by Family Size

80% of Median Income

	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>
New Castle County	\$36,960	\$42,240	\$47,520	\$52,200	\$57,040	\$61,280
Kent County	\$27,200	\$31,120	\$34,960	\$38,880	\$42,000	\$45,120
Sussex County	\$25,040	\$28,640	\$32,160	\$35,760	\$38,640	\$41,520

115% of Median Income

	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>
New Castle County	\$53,130	\$60,720	\$68,310	\$75,900	\$81,995	\$88,090
Kent County	\$39,100	\$44,735	\$50,255	\$55,890	\$60,375	\$64,860
Sussex County	\$35,995	\$41,170	\$46,230	\$51,405	\$55,545	\$59,685

The following are the thirty-eight approved communities for funding under the Neighborhood Revitalization F

**New Castle County**

Appoquinimink Development	\$ 250,000
Brack-Ex, Roselle, Forest Park	\$ 250,000
Brookmont Park Community Association	\$ 150,000
Browntown/Hedgeville	\$ 700,000
Canby Park	\$ 200,000
Community Coordinating Council	\$1,800,000
Dunleith, Garfield Park, Overview Gardens, Belvedere, Minquadale	
Community Partners	\$ 200,000
Delaware City	\$ 600,000
Edgemoor Gardens	\$ 275,000
Harlan Park	\$ 150,000
Hickman Row	\$ 150,000
Inter-Neighborhood Foundation/Brandywine Gateway Neighbors	\$ 350,000
Knollwood Civic Association	\$ 325,000
Latin American Community Center	\$ 390,000
Ninth Ward Civic Association	\$ 200,000
Overlook Colony	\$ 250,000
Quaker Hill Historic Society	\$ 200,000
Rosehill Civic Assoc.	\$ 250,000
Simonds Gardens	\$ 250,000
Town of New Castle	\$ 100,000
Union Park Gardens	\$ 200,000
West Center City Neighborhood Planning Advisory Committee	\$ 350,000
West End Neighborhood House	\$ 250,000
Westside Neighborhood Revitalization Corp.	\$ 250,000
Westview/Tuxedo Park Civic Associations	\$ 190,000

**Kent County**

Capitol Park Civic Association	\$ 475,000
City of Dover	\$ 535,000
Harrington Civic Association	\$ 525,000
Kent Acres Civic Association	\$ 350,000
Town of Houston	\$ 200,000

**Sussex County**

Coverdale Crossroads, Lucas Dev., Pine Town, Slaughter Neck, New Hope	\$ 325,000
Historic Georgetown Association	\$ 250,000
Town of Blades	\$ 400,000
Town of Laurel	\$ 250,000
City of Milford	\$ 250,000
West Rehoboth	\$ 70,862
City of Seaford	\$ 250,000

**Statewide Pool of Funds**

\$ 839,000

**21ST CENTURY  
NEIGHBORHOOD REVITALIZATION FUND  
MEETING DATES AND LOCATIONS**

**NEW CASTLE COUNTY**

April 12, 2001 - 6:00 p.m. - 8:30 p.m.

Carvel State Office Building  
Second Floor Auditorium  
820 N. French Street  
Wilmington, DE

**Directions:** Corner of 9th and French Streets, Wilmington

**KENT COUNTY**

April 17, 2001 - 4:00 p.m. - 6:30 p.m.

DelTech Terry Campus  
Downes Lecture Hall  
1832 N. DuPont Highway  
Dover, DE

**Directions:** At the intersection of Rt. 13 and Denny's Road between Dover and Smyrna - Turn right if coming from Northern Delaware or turn left if coming from Southern Delaware.

**SUSSEX COUNTY**

April 19, 2001 - 3:00 p.m. - 5:30 p.m.

DelTech Owens Campus  
Auditorium  
Rt. 18, Georgetown, DE

**Directions:** At the intersection of Rts. 113 & 18 - Turn left if coming from the Millsboro area or turn right if coming from the Dover area.

# GUIDELINES & PROCEDURES

## GRANT/LOAN TERMS & ELIGIBILITY FOR OWNER-OCCUPANTS

### **Grant/Loan Terms**

- ! Grants/Loans will be made directly to the owner of record of the property.
- ! The mortgage securing the Neighborhood Revitalization Fund grant/loan will be a lien on the property.
- ! The loan-to-value of the property will not be considered on Grants. Loan-to-value for loans will be 100% of the after-rehabilitation appraised value, including any liens on the property and the Neighborhood Revitalization Fund loan.
- ! The terms and maximum grant/loan amount will be based upon the homeowner's income at time of application. Income as a percent of median income is based on family size and county location. *(See Appendix A for Owner-Occupant Income Limits)*

### **Gross family income which is 80% or less of median:**

Owner occupants will be eligible for a grant with a lien term as follows:

- , Up to \$15,000 = 3 years lien
- , \$15,001 to \$25,000 = 6 years lien
- , \$25,001 to \$35,000 = 10 years

If the property is sold, title is transferred or no longer primary residence before lien term is up, a pro-rated portion of grant amount remaining on lien term will be due.

Grant recipients are required to participate in a Home Maintenance Counseling session provided by Delaware State Housing Authority (DSHA).

The maximum grant amount is \$35,000.

### **Gross family income which is more than 80% and less than 115% of median:**

Borrowers will be pre-qualified to see how much of the rehabilitation cost can be borrowed using Delaware State Housing Authority's Housing Rehabilitation Loan Program. This program is a 3% amortizing loan with a 15-year term and a maximum amount of \$35,000. Principal and interest repayments on loans from the Housing Rehabilitation Loan Program are due monthly.

The remainder of the rehabilitation cost can be borrowed using the Neighborhood Revitalization Fund up to a combined maximum for the two loans of \$35,000. The Neighborhood Revitalization Fund loan will be at a 3% interest rate with principal and interest deferred until the property is sold, title is transferred or property is no longer the borrower's primary residence. Therefore, the borrower is only making monthly payments towards the funds borrowed from the Housing Rehabilitation Loan Program.

# **UNDERWRITING GUIDELINES FOR OWNER-OCCUPANTS**

## Employment/Income Source

- ! One year employment history *AND/OR*
- ! Other verifiable source of income (i.e. child support, alimony, pension, social security, rental income, interest income, disability income, unemployment compensation).

## Credit

### **Grants/Loans**

- ! All existing mortgage payments, sewer and water charges, real estate taxes and hazard insurance premiums must be current and income must be sufficient to continue payment of the charges.
- ! Homeowner must provide proof of hazard insurance coverage at loan closing. Some homeowner may not have insurance coverage at the time of application or may not be able to obtain insurance due to the property condition. Rather than discourage these owners from participating, proof of insurance would be due by settlement. Homeowners must provide annually to Delaware State Housing Authority, proof of adequate insurance coverage for the term of the outstanding principal.

### **For Loans Only**

- ! Borrower must demonstrate responsibility for debt(s) incurred.
- ! Borrower must have at least one favorable credit rating in the last year, demonstrating debt(s) was/were paid as agreed. However, persons with little or no credit history are still eligible for consideration.
- ! Borrower must provide a satisfactory, specific written explanation for all collections, charge-off accounts, bankruptcies and judgements. All unpaid consumer debt collection accounts must be satisfied or have a current consistent payment plan in place.
- ! Borrower must not have current or previous foreclosure activity.

# UNDERWRITING GUIDELINES

## FOR

## OWNER-OCCUPANTS

(Continued)

### Mobile Homes

! Mobile homes are eligible if the above criteria and the following criteria are met:

- 1) A mobile home must have the wheels, axles and hitch removed and the unit must be affixed to a permanent foundation. Neighborhood Revitalization Fund grants/loans may be used to provide a permanent foundation for the mobile home.
- 2) Borrower must own the land.
- 3) The mobile home must be newer than 1976 or possess a BOCA sticker to be eligible for the program.
- 4) The mobile home must be the owner's primary residence. Mobile homes used for rentals are ineligible.

### Loan Fees

! \$30,000 will be set aside by Delaware State Housing Authority to establish a fee pool for owner-occupant borrowers. This will prevent owner-occupant borrowers from having to provide up-front fees, which would likely lower borrower participation. A portion of the up-front fees will be added back into the grant/loan and the fee pool will be reimbursed at closing. For the grant recipient, \$40 for a lien search and \$4 per credit report is due to be paid at closing.

! Estimated loan fees:

#### **Credit Report** -

\$4 - \$8 (credit report provided by DSHA through the on-line service with Trans-Union). To be paid by grant recipient.

#### **Appraisal** -

\$200 - \$450. **(Multi-family dwellings are slightly higher)** NRF deferred loan, HRLP & Investor loans

**Legal Fees** - \$75 Document preparation fee for NRF, HRLP & Investor loan.

#### **Recording Fees** -

\$24 for grants to \$138 for loans depending on owner-occupant or investor and county involved. (Investor recording fees are higher due to recording of Rent Regulatory Agreement).

#### **Lien Search** -

\$40

#### **Work Write-up & Inspections** -

\$115 to \$135 depending on the county for the work write-up, plus \$38 to \$53 per follow up inspection also depending on the county. (Multi-family dwellings are slightly higher because they are based on a per unit charge.)

#### **Electrical Inspections** -

\$45

**LOAN TERMS AND ELIGIBILITY**  
*for*  
**INVESTOR-OWNERS**

Loan Terms

- ! Loans will be made directly to the owner of record of the property.
- ! The mortgage securing the Neighborhood Revitalization Fund loan will be a lien on the property.
- ! The maximum loan-to-value of the property will be 90% based on the after-rehabilitation appraised value, including any liens on the property and the Neighborhood Revitalization Fund loans.
- ! Investor must rent to tenants earning less than 80% of median income by family size and County location. *(See Appendix B for Tenant Income Limits)*
- ! Investors will be pre-qualified to determine how much of the rehabilitation cost can be borrowed using the Delaware State Housing Authority's Housing Rehabilitation Loan Program at an interest rate of 3% with a 15-year term. Maximum loan amount is \$25,000 per unit. Principal and interest repayments on loans from the Housing Rehabilitation Loan Program are due monthly.
- ! The remainder of the rehabilitation costs can be borrowed using the Neighborhood Revitalization Fund. Combined total of both loans cannot exceed \$25,000 per unit. The interest rate will be 3% for the Neighborhood Revitalization Fund loan with the principal deferred until the property is sold, title is transferred or no longer rented to low income families.
- ! Interest only will be paid monthly on the Neighborhood Revitalization Fund loan for as long as the loan remains outstanding.
- ! Principal will be due in full when the property is sold, transferred, or no longer rented to low income families.
- ! Loan fees will be paid up front by the investor but can be added into the loan at closing, if desired.

**UNDERWRITING GUIDELINES**  
**FOR**  
**INVESTOR-OWNERS**

- ! An investor's credit rating should include at least three good credit references, showing obligations have been paid as agreed, with no late payments. At least one of these ratings should be from a mortgage or installment loan.
- ! All existing mortgage payments, sewer and water charges, real estate taxes and hazard insurance premiums must be current and rental income must be sufficient to continue payment of the charges.
- ! Borrower must provide proof of hazard insurance coverage at loan closing. Some borrowers may not have insurance coverage at the time of application or may not be able to obtain insurance due to the property condition. Rather than discourage these borrowers from participating, proof of insurance will be due by settlement. Borrowers must provide annually to Delaware State Housing Authority, proof of adequate insurance coverage for the term of the outstanding principal.
- ! In the event of sale or transfer of the property, loans are assumable by borrowers earning less than the 115% of (HUD) median income and who will occupy the property as their primary residence. Borrowers must also meet other program criteria. All assumptions are subject to approval by Delaware State Housing Authority.
- ! Poor credit ratings, such as judgements, bankruptcy, collection accounts or accounts 30 days or more past due within the past two years, may disqualify an applicant. All derogatory credit will require a satisfactory, specific written explanation by the investor and all outstanding collection accounts and judgements must be satisfied.

**UNDERWRITING GUIDELINES**  
**FOR**  
**INVESTOR-OWNERS**  
**(CONTINUED)**

Tenant Monitoring

- ! Investors will sign a Rent Regulatory Agreement which stipulates that the investor agrees to rent to tenants with incomes less than 80% of median income by family size and county location. The income limits are determined periodically by HUD and are subject to change. The Agreement further stipulates that the property must be used for low income rental for as long as the mortgage is outstanding or 15 years, whichever is greater. This document is recorded with the mortgage.
  
- ! The investor may charge gross monthly rents that are reasonable and customary for the area. The rents, however, cannot exceed the Fair Market Rents for the number of bedrooms as determined by HUD. These rents include all utilities. If tenants pay any utilities, a utility allowance will be calculated and deducted from the Fair Market Rents shown on Appendix B.
  
- ! The investor must provide to Delaware State Housing Authority, on an annual basis, the following tenant monitoring information:
  - 1) Income (check stub, verification of employment, social security, etc.)
  - 2) Rent
  - 3) Family statistics
  - 4) Copy of the lease
  - 5) Proof of hazard insurance on the property
  - 6) Unit size
  
- (Delaware State Housing Authority will spot check the accuracy of the monitoring information with the tenant.)**
  
- ! If the property is sold to an owner-occupant who assumes the Neighborhood Revitalization Fund loan, the Rent Regulatory Agreement is not released and would reactivate if the property is resold to another investor. The Rent Regulatory Agreement would continue in effect for the remainder of the agreed upon terms of the loan. The new investor would be required to comply with the Agreement and submit monitoring information to Delaware State Housing Authority.

# **LOAN PROCESSING PROCEDURES**

## **FOR**

### **OWNER-OCCUPANTS & INVESTOR-OWNERS**

- ! Once a community is selected, a loan officer will begin the loan application process.
- ! The loan officer will tour the home to check the property's condition.
- ! The loan officer will make a visual inspection of the property prior to any work write ups. The purpose of the inspection is to determine if the condition of the property would require more funds than would be available from the program(s) for rehabilitation. A determination will also be made if the property condition could be improved by a general clean up of the property or by referring the homeowner to a program for maintenance counseling.
- ! The scope of the rehabilitation work will be limited to those items necessary to bring the property up to State and local housing codes or make it accessible to handicapped or elderly residents. Examples include, but are not limited to, heating systems, plumbing, electrical, roofing, windows and doors. Cosmetic items will be ineligible for the program.
- ! The loan officer will then assist the homeowner in filling out the loan application, including documentation needed to complete the loan process. The loan officer will advise or assist the homeowner in correcting or explaining any adverse credit.
- ! After the loan officer receives all requested information from the homeowner, the loan officer will contact the home inspector to prepare a comprehensive work specification and cost estimate. A copy of the work specification will be sent to three to four contractors, chosen by the homeowner, for bids. The loan officer will also forward a copy of the work specifications to the appraiser, and order the appraisal FOR LOANS ONLY.
- ! When the bids are received, the loan officer will assist the homeowner in reviewing the bids and in selecting a contractor.
- ! When the grant/loan package is complete, it will be underwritten by the Delaware State Housing Authority. If approved, a settlement date will be set with the homeowner and the loan officer.
- ! Settlement will be completed with the assistance of the loan officer. The homeowner will have a three day right of recession, during which time the homeowner can cancel the grant/loan. After the recession period is concluded, the contractor and inspector are notified that work is to proceed.
- ! The inspector will monitor the work as it progresses and will approve, with the concurrence of the homeowner, all payments made to the contractor. When the work is complete, a final request for payment will be submitted. A completion certificate, all applicable warranties and any special system approvals must be attached to the request for payment.

**21ST CENTURY**  
**NEIGHBORHOOD REVITALIZATION FUND PROGRAM**

**APPLICATION QUESTIONNAIRE #1**  
**THE COMMUNITY PROFILE**

*(Please attach additional sheets to answer questions, if needed)*

- 1. Name of Community Resident Group (civic association, neighborhood organization or maintenance organization):**

**# Address/Location:**

**# Contact person's name(s) and telephone number(s):**

**# Describe the group, including but not limited to: purpose; structure (officers, bylaws); frequency of meetings; dues; budget; history; accomplishments.**

**2. In general, describe the demographic make-up of the community, including but not limited to: age of the residents; employment; family structure; education; approximate income level.**

**3. Describe the type of housing in the community; total number of housing units; number of housing units in need of rehabilitation; approximate age of the housing.**

**4. Describe the existence of the following: recreational and/or park facilities; availability of day care, job training, social services, or senior services if applicable to the residents; employment opportunities or the availability of transportation to employment centers.**

**5. Describe any businesses located within the community.**

# APPLICATION QUESTIONNAIRE #2

## THE REVITALIZATION PLAN

*(Please attach additional sheets to answer questions, if needed)*

**1. Describe the community's revitalization needs, which include, but are not limited to:**

# General housing

# Housing rehabilitation

# Business development

# Business maintenance

# Community services, such as recreational facilities, and beautification

**Revitalization needs (cont'd)**

# Human services, such as day care

# Crime prevention/reduction

# Infrastructure, such as sidewalks, street lights, sewer and water

# Other (if so, please use additional sheet)

**2. Describe the community's revitalization goals and specific plans to achieve these goals to meet the needs identified in Question #1.**

**3. Describe any efforts currently underway that address the revitalization needs identified in Question #1, including the community residents' involvement in these efforts.**

**4. Describe the physical boundaries of the area from which the residents will be eligible to apply for the rehabilitation funds.**

**5. Describe how housing rehabilitation funds from the Neighborhood Revitalization Fund will help the community achieve its revitalization goals.**

**6. Indicate whether the community has been a recipient of other private or public sector funds or manpower efforts to improve the community (i.e. Habitat for Humanity; beautification programs; State or local housing rehabilitation programs; infrastructure improvement programs; recreational programs; social service programs). If so, please describe the work that was done and by what organization(s).**

**7. Describe the plan to market and/or advertise the Neighborhood Revitalization Fund Program to community residents.**

**8. Explain how inquiries from residents will be handled.**

**9. Explain who will be responsible for handling resident inquiries. List names and length of residency within the community.**

## **FACT SHEET**

Community Description

Evidence of Housing Rehabilitation Needs

Potential for Sustained Revitalization

Evidence of Existing Services/Opportunities to the Community

Strength of Community Resident Group

Marketing Plan of the Community Group

Revitalization Plan

Revitalization Projects underway or in place by the Community

Local Government Endorsement and/or Support

## ***EXAMPLE OF A COMPLETED APPLICATION***

### **21ST CENTURY NEIGHBORHOOD REVITALIZATION FUND PROGRAM**

#### **APPLICATION QUESTIONNAIRE #1 THE COMMUNITY PROFILE**

*(Please attach additional sheets to answer questions, if needed)*

**1. Name of Community Resident Group (civic association, neighborhood organization or maintenance organization):**

Gateway Civic Association

**# Address/Location:**

Gateway Park, Newtown, DE  
On Crosswalk Blvd. --- Located 2 miles southwest of Dover

**# Contact person's name(s) and telephone number(s):**

James Jones, President of Civic Association  
(302) 275-1942

**# Describe the group, including but not limited to: purpose; structure (officers, bylaws); frequency of meetings; dues; budget; history; accomplishments.**

The purpose of the organization is to ensure properties in the neighborhood are maintained and to provide social activities for the families. We have meetings monthly. Our dues are \$20 a year. Payment of the dues are voluntary with approximately 80% of the community residents paying. The funds are mainly used for snow removal and several social events a year: 1) Easter Egg Hunt 2) community picnic and 3) visit from Santa. The funds are also used to maintain the common area which is available for use by all of the residents. A portion the funds go to maintaining and purchasing equipment for a crime watch program run by the civic association. The civic association has been in existence for years. Our successful crime watch program has been active for 4 years and is manned by volunteers from the community. Volunteers cut the grass, and plant flowers and bushes in the common areas. A sign at the entrance of our community is also maintained. Residents of the community volunteer and are elected annually to act as president, vice president, secretary/treasurer. A copy of the civic association by-laws are attached.

**2. In general, describe the demographic make-up of the community, including but not limited to: age of the residents; employment; family structure; education; approximate income level.**

The community is mainly made up of families with middle-aged parents. Most of the residents work in the retail business. Most of the households have 2 children. Many of the households are single parent families. Most of the adults in the neighborhood have a high school education or a GED. Source for this information is from a survey done by the civic association officers.

Census Tract information for 502.02 received from Kent County Planning.

- 788 households
- 56.9% with High School Degree
- 4.9% with Bachelor's Degree
- 4.2% unemployment rate
- Median income \$26,595
- Poverty status is 18.4% for all populations
- Poverty status is 28.5% for persons over age 65
- Poverty status is 37.9% for female head of household
- 13.1% are female head of household
- Main occupations - administrative support services and production
- 8.6% lack plumbing or kitchen facilities
- Homeownership rate is 42.4%

**3. Describe the type of housing in the community; total number of housing units; number of housing units in need of rehabilitation; approximate age of the housing.**

The majority of the homes in the community are 3 bedroom, 1 bath homes, built on a concrete slab. There are 90 homes in the community. Approximately 20 homes are in need of some visible exterior rehabilitation work. Another 15 may only require interior rehabilitation. The homes in the community average 40 years old.

**4. Describe the existence of the following: recreational and/or park facilities; availability of day care, job training, social services, or senior services if applicable to the residents; employment opportunities or the availability of transportation to employment centers.**

There is a small park in the common area which is maintained with the community dues. The park has swings, a sliding board, a sandbox, and a basketball court. There are job training centers, day care centers and social service providers in Dover, which is approximately 2 miles away. A bus is available to pick up the few senior citizens who live in the community and transport them back and forth to the Modern Maturity Center. There are a number of factories, stores and new construction sites in the area where residents can seek employment. These vary in distance from 1 mile to 20 miles. There is no public transportation in the immediate vicinity, but most residents have a least 1 car available to them. Other than in Dover, employment opportunities near the community are limited to three small retail stores. Two residents in the community offer day care for three children each.

**5. Describe any businesses located within the community.**

At the entrance of the community there is a small strip shopping center that houses a convenience store, a video store and a barber shop.

## APPLICATION QUESTIONNAIRE #2 THE REVITALIZATION PLAN

*(Please attach additional sheets to answer questions, if needed)*

### 1. Describe the community's revitalization needs, which include, but are not limited to:

#### # General housing

- Approximately 15% of the homes are used as rental properties by absentee landlords. Half of these properties are in need of some repair. The goal of the community would be to have the rental properties eventually sold to homeowners.

#### # Housing rehabilitation

- 20 houses are in need of exterior rehabilitation; 7 of these are rental properties. Another 15 homeowners have indicated that they could use interior rehabilitation work done to their homes.

#### # Business development

- The area needs a major food store. A convenience store is located at the entrance to the neighborhood, however the prices are very expensive. Many residents do shop in the convenience store for items needed on a daily basis because of having only one car in the family.

#### # Business maintenance

- The three retail stores at the entrance to the neighborhood are convenient to the residents and all offer evening hours. Beautification efforts to the front of the stores may improve the appearance of the strip shopping center.

#### # Community services, such as recreational facilities, and beautification

- Applied for funds under the Community Redevelopment Fund for the building baseball field in the neighborhood's common area. Will know by December 31, 1995, if the project will be funded.

#### # Human services, such as day care

- Need affordable day care close to or in the neighborhood. A number of women don't work because of the lack of affordable day care in the area. Also, would like to have youth/teen recreational programs provided in the neighborhood to keep the youth/teen busy. An organized baseball or basketball league is needed, particularly during summer months.

### Revitalization needs (cont'd)

#### # Crime prevention/reduction

- Although we have a successful crime watch program, the addition of street lights would help in even further reducing crime and vandalism.

**# Infrastructure, such as sidewalks, street lights, sewer and water**

- As mentioned above, street lights would improve the neighborhood.

**2. Describe the community's revitalization goals and specific plans to achieve these goals to meet the needs identified in Question #1.**

- Our immediate goals are to rehabilitate the homes in our community so that the residents can be proud of where they live. If we can have all or almost all of the homes in the community well maintained, we would hope that new developments would be constructed in the area, which would in turn bring new business and employment for our residents. We would like to have a larger recreation area for both children and adults to socialize, creating a stronger community.

The officers of the civic association have been surveying the residents of the neighborhood to determine the level of interest in applying for rehabilitation loans and for maintaining, on a volunteer basis, a new baseball field. It was generally felt by the officers that a high level of interest exists for repair loans and residents would be willing to increase annual dues by \$5, if necessary, to maintain the baseball field.

**3. Describe any efforts currently underway that address the revitalization needs identified in Question #1, including the community residents' involvement in these efforts.**

We have contacted our state legislators, to see what funds would be available for street lighting. Our 10 crime watch volunteers work very closely with the Delaware State Police. Volunteers drive around the neighborhood between 9:00 p.m. and 1:00 a.m. Thursday, Friday and Saturday nights. Approximately 5 residents volunteer their time to maintain the common areas and to plant trees, shrubs and flowers. If a home is not kept clean of debris or abandoned cars, etc., the resident is first contacted by mail. If no action is taken, a personal visit by members of the association is made to their house. As a last resort, if necessary, the county inspection agency is called for assistance.

**4. Describe the physical boundaries of the area from which the residents will be eligible to apply for the rehabilitation funds.**

There are five blocks in the community. Each block has 10 houses on each side. The homes that need visible exterior rehabilitation are dispersed throughout the neighborhood as follows:

Country Way	7
Wenard Drive	3
Spencer Place	5

Toucan Drive	1
Town Place	<u>4</u>
	20

**5. Describe how housing rehabilitation funds from the Neighborhood Revitalization Fund will help the community achieve its revitalization goals.**

The residents cannot afford market rate bank loans to rehabilitate their homes on their own. The Neighborhood Revitalization Fund monies will give us the ability to make the repairs to our homes. Hopefully the renovations to the homes in the community will help to draw businesses, jobs and other services to the community.

**6. Indicate whether the community has been a recipient of other private or public sector funds or manpower efforts to improve the community (i.e. Habitat for Humanity; beautification programs; State or local housing rehabilitation programs; infrastructure improvement programs; recreational programs; social service programs). If so, please describe the work that was done and by what organization(s).**

Some of the residents have been able to obtain funds from the Community Development Block Grant Program from Kent County for rehabilitation of their homes. We have requested and hoped to obtain funds for street lights through our State Senator. An application for \$50,000, under the Community Redevelopment Fund, for a baseball field was submitted in October 1997.

**7. Describe the plan to market and/or advertise the Neighborhood Revitalization Fund Program to community residents.**

The civic association officers would hand deliver, to each home in the neighborhood, a flyer announcing the program and the benefits to individual homeowners and the community as a whole. Absentee landlords would be sent a copy of the flyer. In addition, we would hold community meetings as needed to explain the program to the residents.

**8. Explain how inquiries from residents will be handled.**

Residents will be able to call the President and Vice President about the program and its benefits. Detailed questions on program guidelines will be referred to DSHA.

**9. Explain who will be responsible for handling resident inquiries. List names and length of residency within the community.**

The President and Vice President will be primarily responsible for resident inquiries.

James Jones, President -- Has lived in neighborhood for 14 years.  
Sandra James, Vice President -- Has lived in neighborhood for 6 years.

## Gateway Civic Association

### Community Description

Gateway covers only four streets: Prospect, Lakeview, Seneca and Rodman Road. The boundaries are from South Union Street and New Road, bordering on the City line before entering Elsmere.

### Evidence of Housing Rehabilitation Needs

There are approximately 275 homes in Gateway; all homes are 3 bedroom, 1 bath and 1 car garage brick townhouses. Most were built in 1946 as part of post war development. Gateway Estates has been identified by the City of Wilmington as an Historic District. A survey conducted by the community association indicates that approximately 30 homes could benefit from rehabilitation.

### Potential for Sustained Revitalization

There is easy access to public transportation with DART bus service readily available. Also, Lincoln Street connects this area with many other locations throughout the City. A number of small businesses are located within a quarter of a mile from the community. Representative Houghton and Senator Marshall have provided funds of over \$40,000 to replace /maintain curb and sidewalks over the last three years. The association has lobbied for and received a new and improved bus shelter.

### Evidence of Existing Services/Opportunities to the Community

Day care providers are located within a mile of the community. The Boys & Girls Club and Senior Center is located adjacent to Gateway. They offer swimming, tutoring, arts and crafts, computer learning and athletic programs. The Senior Center serves over 1,800 seniors. The Southwest Community Center, located at 10 S. Franklin Street, provides information and referral services and an outreach worker visits homes in Gateway once a week.

### Strength of the Community Resident Group

The association has been in existence since 1960. It is one of the oldest community associations in the City of Wilmington and is very active. Meetings are held monthly.

### Marketing Plan of the Community Group

Special newsletters will be delivered to each resident announcing the program. Members of the Revitalization Committee will have names and telephone numbers listed for further information. Local cable access channels will be used to advertise the program.

### Revitalization Plan

Improve the condition of the homes in the community. Ensure that all rental properties are registered with City of Wilmington's L & I Department. Request the City to prepare a traffic study to determine a more effective and safe way for traffic to flow in and out of the community. Develop a Crime Prevention and Block Watch Program. Expand participation of the youth in the community at the Boys and Girls Club. Meet with

owner of vacant strip shopping center across from the community to help identify prospective operators for stores. Maintain relationship with state legislators to ensure repairs as necessary are made to sidewalks.

### Revitalization Projects Underway or in Place by the Community

The community is looking at identifying all rental properties in the community. The association leaders are surveying the residents to determine traffic concerns. The received \$1500 for Crime Prevention and Block Watch programs. The community has been successful in having 5 abandoned vehicles removed from residence yards. These also forced a vacant eyesore property into sheriff sale with private owner now renovating it. They also publish a monthly newsletter to residents. The community sponsors the following activities: annual picnic, Christmas party for children, Halloween parade.

### Local Government Endorsement and/or Support

The Police Department, License and Inspections Department and the Transportation Department are working with the Association to help them resolve various issues in their plan.

## PROPOSAL SUBMISSION OVERVIEW

**Community resident groups, or governmental entities and private organizations representing a community resident group, are eligible to apply. Although governmental entities are not eligible to receive a set aside of funds, they are encouraged to identify and assist in completing an application for communities they feel are in need of housing rehabilitation.**

The Delaware State Housing Authority will provide technical assistance to applicants during the application process.

Proposals from communities must include a comprehensive plan to revitalize the community, which includes not only housing rehabilitation but other revitalization efforts, as well. The proposal must demonstrate the benefit to, and the commitment of, the community at-large, rather than only a few residents.

Applicants must submit responses to the attached Community Profile and Revitalization Plan questionnaires enclosed in this packet. The Community Profile questionnaire asks for general information about the community. The Revitalization Plan questionnaire includes questions about the community's specific plans for revitalization and program marketing. For some communities, some of the questions may not be applicable. However, applicants are encouraged to answer as many questions as possible.

Applications are due to the Delaware State Housing Authority, 820 North French Street, Wilmington, Delaware 19801, by 4:00 p.m. on **Thursday, May 31, 2001**. Questions can be answered, or assistance provided in completing your proposal, by contacting Bernadette McCabe at (302) 577-5001 in Wilmington or (302) 739-4263 in Dover.

**GENERAL OVERVIEW**  
OF THE  
DELAWARE STATE HOUSING AUTHORITY'S  
**NEIGHBORHOOD REVITALIZATION FUND**  
A PROGRAM FUNDED UNDER THE STATE'S 21ST CENTURY FUND

The Neighborhood Revitalization Fund was enacted into law in June, 1995, by the 138th General Assembly as part of Governor Carper's 21st Century Fund. The purpose of the Neighborhood Revitalization Fund is to support the revitalization of communities and preserve the affordable housing stock for low and moderate income families by rehabilitating substandard houses in selected communities throughout the State.

A community is defined as a group of people living in contiguous housing units within a particular area under more or less similar conditions (i.e. infrastructure, socioeconomic backgrounds).

Through a competitive process, the Delaware State Housing Authority and the State Council on Housing is selecting communities to receive allocations under the Neighborhood Revitalization Fund. Selection of the targeted communities will be based on their housing rehabilitation needs and neighborhood revitalization plans. Allocation amounts for selected communities will be based on the estimated number of homes in need of housing rehabilitation, up to a maximum of 35 homes per community in one funding round.

Within the selected communities, individual homeowners who meet program eligibility requirements will be able to receive a grant or loan directly from the Delaware State Housing Authority. The NRF grant will place a lien on the property depending on the amount of money borrowed: **Up to \$15,000 = 3 year lien; \$15,001 to \$25,000 = 6 year lien; \$25,001 to \$35,000 = 10 year lien.** An NRF loan is at a 3% interest rate, with repayment deferred until transfer or sale of the property, or the property is no longer the borrower's primary residence. Grants/Loans will be provided up to a maximum of \$35,000 per home. Low to moderate income homeowners (owner-occupants), and investors (investor-owners) renting to low income persons, will be eligible to borrow funds, but under different terms.

Once allocation awards are made, Delaware State Housing Authority will be responsible for assisting community residents in completing grant/loan applications and undertaking all grant/loan processing responsibilities. The community's resident group will be responsible for promoting utilization of the program to its residents.

Program details can be found in the Neighborhood Revitalization Fund [Guidelines and Procedures](#) portion of this packet.

## **SELECTION CRITERIA & PROCEDURES**

Communities will be ranked based on the following criteria:

- 1) evidence of housing rehabilitation needs;
- 2) comprehensiveness of the revitalization plan, including evidence of other revitalization activities planned or underway;
- 3) potential for sustained revitalization;
- 4) evidence of the commitment of the community residents to the revitalization effort;  
and
- 5) strength of the community's resident group and their plan for program marketing.

Applications will be ranked against others from their county, with the goal of setting aside funds for a community(ies) in each county.

The Delaware State Housing Authority and representatives from the Council on Housing will evaluate eligible applications. Evaluation will include a tour of the eligible communities and a brief oral interview with their community resident groups.

Eligible applications will be submitted to the local government entities for comment. Local governments will have 30 days to respond. The comments will be taken into consideration when evaluating these communities for funding.

## **ROLE OF THE COMMUNITY**

While the Neighborhood Revitalization Fund does not require communities to match the funds received, those communities selected will be ones which can demonstrate their commitment to the revitalization effort, as well as evidence of other revitalization activities underway such as economic development, crime prevention or neighborhood beautification. Each community resident group will outline its plans for revitalizing its community by completing the Revitalization Plan questionnaire enclosed in this application packet.

In addition, once selected, the community resident group will have the responsibility of promoting the program to the residents. These responsibilities include, but are not limited to, the following:

- ! Promoting utilization of the Neighborhood Revitalization Fund to residents within the community;
- ! Organizing informational meetings for the community residents;
- ! Referring interested residents to the loan officer to make loan application;
- ! Assisting the loan officer with obtaining information on rental properties within the community, particularly those with absentee landlords;
- ! Promoting the importance of ongoing home and neighborhood maintenance to residents of the community in order to preserve the revitalized condition of the community; and
- ! Meeting annually with the Delaware State Housing Authority, once all loans are made and all work is complete, to discuss ongoing revitalization issues.

At any time during the processing of the loans to the community residents, should the community resident group not carry out its responsibilities, the set aside of funds could be re-allocated.