

Delaware

FY2020 CAPER



Delaware State Housing Authority

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A Supplement to the Five-Year Consolidated Plan 2020-2024 and the Annual
Action Plan FY2020 for Housing and Community Development

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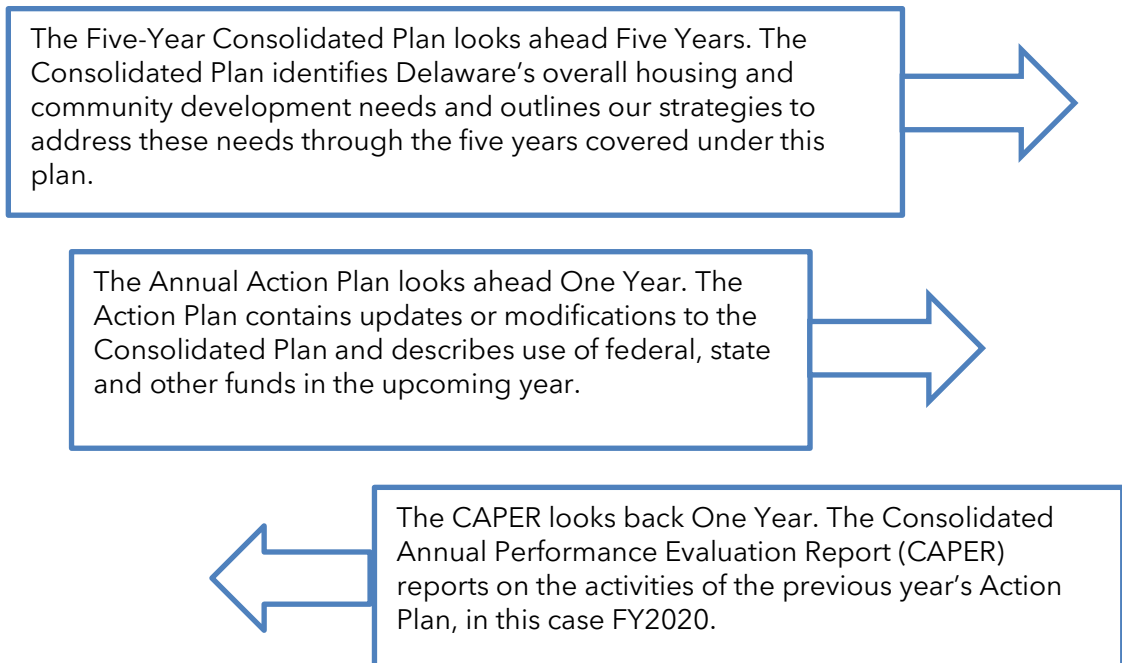
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FY2020 CAPER

Executive Summary

The Delaware State Housing Authority (DSHA) is responsible for preparing Delaware's Consolidated Plan, Annual Action Plans, and Consolidated Annual Performance and Evaluation Report (CAPER). The CAPER is a reporting document, required by the U.S. Department of Housing and Urban Development (HUD), which documents the State's progress in meeting its housing and community development objectives as outlined in the Consolidated Plan and Annual Action Plan.

Delaware State Housing Authority (DSHA) administers four HUD entitlement programs: Community Development Block Grant (CDBG) Program, HOME Investment Partnerships (HOME) Program, Emergency Solutions Grants (ESG) Program, the Housing Opportunities for Persons with AIDS (HOPWA) Program and the Housing Trust Fund (HTF) program. DSHA submits all the required documentation via HUD's Integrated Disbursement and Information System (IDIS) for these programs and other funding, associated with accomplishing the goals set forth in the Consolidated and Annual Plans.



The FY2020 CAPER was prepared pursuant to the Consolidated Plan Regulation 24 CFR 91.520(a), which requires that each jurisdiction that has an approved Consolidated Plan shall annually review and report on the progress it has made in carrying out its Strategic Plan and its Action Plan. Within 90 days of the close of the state fiscal year (July 1, 2020, to June 30, 2021), the state is required to report to the public and to the federal government about the progress made under the one-year Annual Action Plan. The CAPER also recaps the number and characteristics of low-income Delawareans benefiting from these resources.

The public was able to comment on the FY2020 CAPER, from September 10, 2020, through September 27, 2020. Notice of availability of the CAPER was advertised in the Delaware State News and The News Journal. Additional notification was provided through DSHA Highlights with an email subscriber list of approximately 1,400 people. The CAPER is available for download from DSHA's website at

www.destatehousing.com/FormsAndInformation/capers.php

During the state's fiscal year, the world was in the early stages of preparing for, preventing, and recovering from the COVID-19 pandemic. As a result of the COVID-19 virus, many States declared a state of emergency with most shutting down large gathering places and limiting the movement of residents. State and local governments were operating under extenuating circumstances, which had great impacts on the goals set forth in the 2020 Annual Action Plan. DSHA had to reprioritize and began focusing on responding to the new needs of the community. Throughout this CAPER, it is noted how the COVID-19 pandemic impacted programs.

In FY2020 DSHA strategically managed over \$30 M in federal funds through its programs. These funds include:

- \$2,555,301 in CDBG funding that was used to rehab 113 owner-occupied homes and accomplish other community development activities such as demolitions and water/sewer hook-ups;
- \$3,100,000 in HOME funding that was utilized to rehab 34 owner-occupied homes;
- \$2,527,122 in ESG funds that supported 171 beds in homeless shelters and to rapidly re-house 78 households experiencing homelessness;
- \$246,908 in HOPWA funds that provided supportive housing to 39 households with a member with HIV/AIDS.

In FY2020, DSHA utilized its resources to help a total of 1,909 low- and moderate-income households with their housing needs.

CR-05 – Goals and Outcomes

Progress the jurisdiction has made in carrying out its strategic plan and its action plan. 91.520(a)

This could be an overview that includes major initiatives and highlights that were proposed and executed throughout the program year.

The following general goals and strategies are derived from DSHA's strategic planning and public participation process and identified as most effective for addressing Delaware's most pressing housing and community development needs. These strategies serve DSHA as targets for each year's Action Plan and activities. Not all strategies apply to all areas of the State as local conditions and residents determine how best to address the housing and community development needs of each community.

Each successive Action Plan endeavors to reflect and adhere to these strategies in its resource allocation and program planning. The Action Plan for FY2020 allocated the State's resources toward these priorities and achieving the goals set forth in the Consolidated Plan. The planning process for the FY2020 Annual Action Plan took place during the early stages of the pandemic. Many of the goals listed are still true, however other needs arose that took priority to prepare for, prevent and recover from COVID-19.

The State set forth corresponding priorities, as outlined below, to address priority-housing needs:

Priority 1: Create and preserve Delaware's stock of affordable rental housing.

DSHA continued to provide and administer grant and tax credit programs targeted for construction or rehabilitation of quality rental housing for very low-, low- and moderate-income households. The Housing Development Fund (HDF), HOME, and the Low-Income Housing Tax Credit (LIHTC) Programs committed financing in FY2020 to several sites for both rehabilitation and new construction. Sites awarded funding in FY2020 are being counted when they go to construction closing.

During FY2020, Delaware's HOPWA grant was awarded in its entirety, less DSHA administration funds, to the Delaware HIV Consortium, Inc. The Consortium provides rental assistance to low-income persons living with HIV/AIDS and their families in Kent and Sussex Counties, Delaware through a rental assistance voucher program. This grant assisted 39 households (39 individuals with HIV/AIDS) in FY2020.

DSHA is the Public Housing Authority for Kent and Sussex Counties. DSHA manages 500 units of Public Housing located throughout both Counties and 97 units of Section 13 New Construction project-based housing. In addition, DSHA administers 905 Housing Choice Vouchers. Housing Choice Vouchers enable low-income Delawareans to lease privately-owned rental units

from participating property owners. DSHA also managed 50 Family Unification Program (FUP) vouchers, 57 HUD VASH vouchers, and 50 Mainstream 811 vouchers and 811 PRA Demo units servicing 144 families in FY2020. These programs all serve a variety of populations with special needs. The state-funded State Rental Assistance Program (SRAP) was providing rental assistance for 785 households as of the end of FY 2020.

Since the inception of its Moving to Work program, DSHA has successfully provided assistance to 1,015 families to move from assisted to unassisted housing. Since 1999, 305 households have purchased homes and 710 have either begun paying fair market rent at their current unit or moved into non-subsidized housing. In FY2020, 20 households moved to unassisted housing via MTW.

In 2020, DSHA launched a new emergency rental assistance program in response to the COVID-19 pandemic. The Delaware Housing Assistance Program (DEHAP) operated through calendar year 2020 and was relaunched in March 2021 with new federal Emergency Rental Assistance (ERA) funding. The first two iterations of the program in 2020 assisted 4,188 households with over \$14 million in rental assistance.

Assess how the jurisdiction's use of funds, particularly CDBG, addresses the priorities and specific objectives identified in the plan, giving special attention to the highest priority activities identified.

Because decisions about annual production and support are dependent upon the actual needs of the households, non-profits, and local communities served, and as a funding and support the agency. DSHA responds to the requests for assistance and funding proposals presented, we may under or overreach specific projected goals.

CDBG

CDBG funds assisted 108 households with housing rehabilitation, another five (5) housing units received utility hookups. Of these households, 64 included disabled persons and 72 had female heads of household. The FY2020 CDBG Program is on target to accomplish the outcomes outlined in the Action Plan.

\$947,823 in CDBG funding that was used to rehab 108 owner-occupied homes and accomplish other community development activities such as demolitions and water/sewer hook-ups.

As a result of the global pandemic, the CARES Act made available Community Development Block Grant Coronavirus (CDBG-CV) funds across the country. HUD released three tranches of CARES Act funding during the course of the FY2020 period. DSHA was awarded three allocations of funds as follows:

- CV 1 - \$1,471,924
- CV 2 - \$3,228,336
- CV 3 - \$1,880,190

These funds are being utilized across the State to provide subsistence payments, food services and delivery, Hotel vouchers for homeless households and legal services.

The CARES Act also allowed FY2019 and FY2020 CDBG Grantees and Subgrantees to use regular CDBG funds for Public Service activities to prevent, prepare for, and respond to COVID-19. Kent County, Delaware took advantage of this set of HUD waivers to use \$120,600 of its FY2019 allocation, and \$260,000 of its FY2020 allocation to provide Hotel/Motel Vouchers for persons who were homeless due to COVID-19. Emergency Shelters were unable to house homeless persons during COVID-19 due to social distancing requirements, so the homeless had no place to go for shelter, until the Delaware Division of State Service Centers began paying for vouchers to house homeless persons in hotel/motel rooms. This public service activity worked very well, with very little, if any, homeless persons contracting the virus while housed in hotel/motel rooms.

Priority 2: Assist in ending homelessness and ensure that those currently experiencing homelessness and those at risk of homelessness have access to services, including affordable, integrated, supportive housing options, including permanent supportive housing.

DSHA is an active participant in the Continuum of Care and continued to support the activities of Housing Alliance Delaware in its capacity as the statewide Continuum of Care coordinating entity. DSHA worked with various agencies throughout the state that provide permanent housing, transitional housing and supportive services to homeless households. This support facilitates more than \$8 M in federal Continuum of Care funding to address homelessness in Delaware.

Home4Good

Through a partnership with the Federal Home Loan Bank of Pittsburgh, DSHA provides state funding to address homelessness through the Home4Good program. This leverages federal dollars towards rapid rehousing and supports new initiatives such as legal services for eviction prevention, as well as homelessness prevention.

State-Funded Rental Assistance (SRAP)

A partnership between DSHA and several other state agencies, the State Rental Assistance Program (SRAP) provides tenant-based rental assistance to people with very low incomes who may need supportive services and rental assistance to live safely and independently in the community. The SRAP program is a vital part of Delaware's strategies to help people who are at high risk for homelessness or institutionalization make the transition to permanent housing and independent living, avoid becoming homeless or institutionalized, and address the housing and supportive services needs of people who are not homeless but have other special needs. Originally funded in FY2011 with \$1.5 million through the state General Assembly, allocations and other funding amounted to total program expenditures of \$6.9 million in FY2021. The Division of Substance Abuse and Mental Health (DSAMH) has recognized SRAP as a cost-effective and efficient means of meeting its obligations to create additional units of supportive but independent housing in the community as part of its Settlement Agreement with the U.S. Department of Justice. DSAMH has directed additional funds to the SRAP program specifically to serve DSAMH clients, increasing the total number of households that can be served through the program. As of 6/30/2021, 785 households with SRAP vouchers were in leased units in FY21.

Emergency Solutions Grants (ESG) Program

The ESG Program is used to assist in the operating expenses of emergency shelters, improve the quality of emergency shelters, and provide prevention programs, essential social services, and rapid rehousing assistance to homeless individuals and families. During FY2020, ESG funds assisted eight (8) Emergency Shelters serving homeless individuals and/or families who served a total of 835 persons. One (1) organization in Kent and Sussex County was granted funds to provide Rapid Rehousing services and assisted 78 households.

The CARES Act made available an additional \$4 billion in supplemental funding to the ESG (ESG-CV) Program for eligible activities in response to the coronavirus outbreak. HUD encourages approaches that prioritize the unique needs for persons experiencing homelessness. DSHA had two allocations of ESG-CV funds - an appropriation of \$807,114 and a second allocation of \$1,527,664 based on the U.S. Department of Housing and Urban Development (HUD) federal fiscal year 2020 formula distribution. DSHA's priority for the use of these ESG-CV funds will be to assist homeless providers and communities to prepare for, prevent the spread of, and respond to the coronavirus. DSHA will use the ESG-CV CARES funding to support applicants who will work to end or prevent homelessness quickly and as efficiently as possible for all vulnerable populations.

These funds are being used across the state to provide Rapid Rehousing, Shelter Operations, HMIS and Street Outreach. From January 1, 2021 to March 31, 2021 ESG-CV served 1308 persons in Emergency Shelter and Rapid Rehousing programs.

HOPWA

The HOPWA Program is designed to provide eligible applicants with resources and incentives to devise long-term comprehensive strategies for meeting the housing needs of persons with AIDS or related diseases and their families. Delaware HIV Consortium utilized the program funds for payment of project- or tenant-based rental assistance. HOPWA funds assisted 39 households (39 individuals with HIV/AIDS, 66 individuals total) in FY2020.

Since 1997, DSHA has awarded Housing Opportunities for Persons with AIDS (HOPWA) funds to the Delaware HIV Consortium (The Consortium) to operate a Tenant Based Rental Assistance (TBRA) program for low-income persons living with HIV/AIDS in Kent and Sussex Counties, Delaware. The Consortium is a nonprofit agency that is the primary administrator of Ryan White CARE Act dollars used for HIV supportive services in the state of Delaware. The Consortium's mission is to eliminate the spread of HIV/AIDS and to create a seamless continuum of care for all people infected and affected in Delaware. TBRA program staff consists of two full-time employees and one part-time assistant. A Housing Advisory Review Panel, consisting of housing program staff, HIV/AIDS medical case managers, and HOPWA grant administrators acts as a steering committee to review and assess the program's effectiveness.

The CARES Act made available additional funding under the Housing Opportunities for Persons with AIDS (HOPWA) program. The supplemental funds provided under the CARES Act are to be used by HOPWA grantees as additional funding to maintain operations and for rental assistance, supportive services, and other necessary actions, in order to prevent, prepare for, and respond to coronavirus. DSHA received an additional \$45,703, which was used to provide additional services to eligible households.

Priority 3: Assist Delaware families to achieve and sustain homeownership, including homebuyer assistance and rehabilitation assistance for existing homeowners

In FY2020, DSHA assisted 2,075 households to achieve homeownership through its Homeownership Loan Program

The HLP is a statewide program that provides first mortgage financing at below-market interest rates to low- and moderate-income Delaware homebuyers combined with downpayment and settlement assistance. Program income from the Neighborhood Stabilization Programs (NSP) 1, 2 and 3 assisted ten (10) families with financing to purchase homes.

In FY2020, DSHA provided assistance to 142 families to maintain their homes via the CDBG and HOME rehabilitation programs. CDBG also assisted 5 households with utility hookups and zero vacant condemned housing units were demolished. 94 owner-occupied units were rehabilitated or received emergency repairs through the HDF supported State-wide Emergency Repair Program (SERP). The Strong Neighborhoods Housing Fund (SNHF) also provided funding to address 54 vacant and abandoned homes to be rehabilitated or replaced with homeownership.

DSHA assisted 320 families to avoid foreclosure in FY2020 through the Delaware Emergency Mortgage Assistance Program (DEMAP). DEMAP is a loan program that provides Delaware homeowners with assistance in preventing residential mortgage foreclosures that result from circumstances beyond their control, such as temporary loss of employment, illness, or divorce or legal separation. In August 2020, the program was revised and relaunched as a grant program to assist homeowners who had been impacted by COVID-19. 7 households avoided foreclosure through the City of Wilmington avoided tax foreclosure through the Wilmington Senior Tax Assistance Program.

Priority 4: Provide resources for local communities to address community development needs

DSHA has been very effective in facilitating the revitalization of communities in a manner that is sustainable and connection of housing to services, amenities and jobs thereby enhancing the quality of life of Delaware's residents. DSHA has been active in numerous state and regional initiatives to improve planning for affordable housing, healthy and sustainable communities.

Delaware's Growth Management Framework

The FY2020 Action Plan was developed in accordance with the Governor's strategies for growth management. These strategies curb sprawl and redirect growth to areas of the state that can best support it through investments in infrastructure and planning. The provision of quality, safe, affordable housing is essential to the success of the strategy. The State's goal is to encourage the integration of racial and ethnic minorities through its economic and

housing priorities. The key element in the State's strategy is to provide greater choices for all Delawareans with respect to employment and housing. In FY2020, DSHA continued to play an active role in the State land use planning and growth management process and communities. This includes work with local government and organizations to encourage effective affordable housing strategies as part of their comprehensive planning processes and active engagement with the Preliminary Land Use Service (PLUS) process.

Downtown Development Districts and Strong Neighborhoods Housing Fund

DSHA administers the Downtown Development Districts (DDD) rebate program, which offers rebates to developers for investments in real property in designated downtown areas. Following the successful implementation of the NSP program in Delaware, DSHA also established in FY2016 the Strong Neighborhoods Housing Fund (SNHF). Originally funded by one-time mortgage settlement funding, it is now funded on an ongoing basis in the state budget. SNHF provides support for community development initiatives addressing vacant and abandoned properties and revitalizing distressed neighborhoods. In FY20, \$10 million in Downtown Development District (DDD) funds were reserved for 17 large projects and are expected to leverage \$250 million in private investment. In addition, 58 small projects and five large projects were completed in FY20 receiving a total of \$2.6 million. Altogether, approximately \$12.6 million in DDD funds leveraged \$271 million in private investment in the state's most distressed areas. Activities included creating a range of housing opportunities, new businesses, and jobs through new construction, renovating vacant buildings, and supporting historic preservation.

CR-10 – Racial and Ethnic composition of families assisted

Describe the families assisted (including the racial and ethnic status of families assisted). 91.520(a)

	CDBG	HOME	HOPWA	ESG	HTF
White	59	21	26	346	3
Black or African American	54	22	31	535	8
Asian	0	0	1	1	1
American Indian or American Native	0	0	1	2	1
Native Hawaiian or Other Pacific Islander	0	0	0	2	0
Multi-racial	0	0	7	67	0
Total	113	43	66	953	13
Hispanic	3	2	1	84	2
Not Hispanic	110	41	65	869	11

Table 2 – Table of assistance to racial and ethnic populations by source of funds

Narrative

CDBG

CDBG funds assisted 108 households with housing rehabilitation, and another five (5) housing units received utility hookups. Of these households, 64 included disabled persons and 72 had female heads of household.

Of these households, 47 percent of the units assisted were under 30 percent of median income, 34 percent of the units assisted were between 31-50 percent of median income, and 19 percent of the units assisted were between 51-80 percent of median income.

HOME

There were 43 HOME-financed units completed during the reporting period.

There were 34 units of Homeowner rehabilitation in Kent and Sussex Counties. Income ranges of the households benefiting from the assistance for 34 homeowner rehabilitation units included seventeen (17) extremely low-income, ten (10) very low-income and four(4) low-income families. The 9 HOME-assisted rental units completed were occupied by five (5) extremely low-income households, three (e) very low-income household and zero (0) low-income families. Two operating grants of \$100,000 were awarded to a CHDO during FY2020.

ESG

During FY2020, ESG funds assisted 835 people in seven HUD-funded emergency shelters. Of these 835 people, 37% were self-identified as White, 54% as Black or African American, 1% as Asian American, 1% as American Indian or Native American or Alaskan Native, 1% as Native Hawaiian or Other Pacific Islander, 6% as Other Multi-Racial and 0% did not know their race or declined to answer. Of the 853 assisted persons, 9% self-identified as Hispanic and 90% self-identified as Not Hispanic. One percent (1%) did not know their ethnicity or declined to answer.

During FY2020 Rapid Rehousing funds helped 118 people find stable housing. Of these 118 people, 27% were self-identified as White, 65% as Black or African American, 0% as Asian American, 0% as American Indian or Native American or Alaskan Native, 0% as Native Hawaiian or Other Pacific Islander and 8% as Other Multi-Racial. Of the 118 assisted persons, 3% self-identified as Hispanic and 97% self-identified as Not Hispanic.

Additional detail on ESG beneficiary data is included in the attached SAGE report.

HOPWA

In FY2020, HOPWA funding from the DSHA assisted 66 people throughout Kent and Sussex Counties, with 39% of households headed by a White person, 47% headed by a black or African American person, 0% headed by an Asian person, 0% headed by an American Indian or Native American person, and 14% headed by a person of another race. In FY2020, households assisted with HOPWA funding from the DSHA consisted of 0.5% households in which the household head identified as Hispanic, and 99.5% households in which the household head identified as Not Hispanic.

All (100%) households were low income. 64% of households had extremely low incomes at or below 30% of the area’s median income (AMI), 23% had very low incomes at or below 50% of AMI and 13% had incomes at or below 80% of AMI.

HTF

The State committed HTF funds totaling \$2,700,000 during FY2020. The total funds committed included funds for the acquisition and rehabilitation of 69 units (Solomon’s Court, Green Gate, Quaker Arts) of permanent supportive housing and affordable housing in New Castle County.

Other Programs

FHEO comments on DSHA’s FY2016 CAPER requested information on demographics of households served by DSHA’s Homeownership Loan Program and in the housing counseling programs funded by DSHA. DSHA’s Homeownership Loan Program (HLP) is its primary mortgage assistance program. Low mortgage rates and, if needed, down payment and settlement assistance, are offered via our network of partner lenders. This is not funded with CDBG or HOME.

Race and Ethnicity								
Homeownership Loan Program (HLP) HUD FY2020 Demographics	American Indian	Asian	Black	Not Provided	Other	Pacific Islander	White	Grand Total
KENT	0	4	185	15	2	1	252	464
NEW CASTLE	2	18	536	71	17	3	703	1364
SUSSEX	1	12	45	14	3	1	177	247
Grand Total	3	24	766	100	22	5	1132	2075

CR-15 – Resources and Investments 91.520(a)

Identify the resources made available

Source of Funds	Source	Resources Made Available	Amount Expended During Program Year
CDBG	public - federal	\$2,555,301	\$1,974,590.03
HOME	public - federal	\$3,100,000	\$2,404,475.68
HOPWA	public - federal	\$314,048	\$427,393.74
ESG	public - federal	\$234,063	\$217,139.87
HTF	public - federal	\$3,000,000	\$1,997,469.55

Table 3 – Resources Made Available

Narrative

CDBG

The goals of the program are to ensure that the State's CDBG funds will be used to give maximum feasible priority to activities, which will benefit low- and moderate-income families; to aid in the prevention of slums and/or blight; and to meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community and where other financial resources are not available to meet such needs (except that the aggregate use of Title 1 funds received by the State during the period of FY 2019, 2020, and 2021 shall principally benefit persons of low and moderate income in a manner that ensures that not less than 70 percent of such funds are used for activities that benefit low- and moderate-income persons). The CDBG funds shall principally benefit low- and moderate-income persons in a manner that ensures that not less than 70 percent of such funds are used for activities that benefit low- and moderate-income persons. In order to comply with the 70 percent principal benefit requirement, it is further agreed that not less than 70 percent of the FY2020 CDBG Grant funds shall be utilized for activities that benefit low- and moderate-income persons as defined in the CDBG Program Guidelines.

During FY2020, all of the CDBG grants funded have supported at least one of the above objectives. Particularly, because of the program's strong emphasis on housing rehabilitation, which provides 100 percent benefit to low- and moderate-income persons, the total benefit to low- to moderate-income persons well exceeds the program requirements. From July 1, 2020, to June 30, 2021, 108 households (59 under the FY2018 grant program and 49 under the FY2019 grant program) were assisted with housing rehabilitation throughout Kent and

Sussex Counties, 5 households were assisted under the FY2020 grant program with utility hookups.

HOME

The State committed HOME funds totaling \$950,860 during FY2020. The total funds committed included \$500,000 of HOME funds for 34 units of homeowner rehabilitation in Kent and Sussex Counties. Using HOME funds to preserve the physical condition of homeowner occupied units addressed the strategy of assisting homeowners in maintaining their homes.

There was one acquisition/rehabilitation rental development (s) completed with 9 HOME units totaling \$1,851,618 that addressed the dual needs of rehabilitation (Village at Iron Branch) of affordable rental housing.

Two operating grants totaling \$100,000 were awarded to CHDOs during FY2020. Please refer to Appendix for maps of geographic distribution.

ESG

ESG Program funds are distributed on a competitive basis as described in the Policy Manual and Application, which may be accessed at www.destatehousing.com. During FY2020, Delaware received and disbursed \$234,063 in ESG funding to support emergency and shelter services throughout Kent and Sussex Counties.

During FY2020, ESG funds assisted nine (9) Emergency Shelters serving homeless individuals and/or families and one (1) organization providing Rapid Rehousing in Kent and Sussex County. Please refer to table below for break-out of awarded ESG funds.

Sub Grantee	Location	Total Award	No. Beds
Sussex Community Crisis House	Georgetown, Sussex Co	25,000	17
The Shepherd place	Dover, Kent	17,840	30
Whatcoat Shelter	Dover, Kent Co	18,680	45
Casa San Francisco	Milton, Sussex	18,000	12
Catholic Charities	Serves Kent and Sussex Co	71,071	RRH
House of Hope	Cover, Kent Co	15,000	16
Dover Interfaith Mission for Housing	Dover, Kent Co	15,000	28
Safe House	Milford, Kent Co	17,520	16
Abriendo Puertas	Miford, Sussex Co	13,398	7

Housing Alliance of Delaware	Statewide	5,000	HMIS (CMIS)
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HTF

HTF Program funds are distributed on a competitive basis as described in the FY2020 National Housing Trust Fund Allocation Plan, which may be accessed at www.destatehousing.com.

The State committed HTF funds totaling \$2,700,000 during FY2020. The total funds committed included funds for the acquisition and rehabilitation of 69 units (Solomon’s Court, Green Gate, Quaker Arts) of permanent supportive housing and affordable housing in New Castle County.

Identify the geographic distribution and location of investments

Target Area	Planned Percentage of Allocation	Actual Percentage of Allocation	Narrative Description
Delaware Non-Entitlement Areas	100	100	Eligible Areas for DSHA ESG, HOPWA, HOME, and CDBG
Delaware State	100	100	Statewide Programs

Table 4 – Identify the geographic distribution and location of investments

Narrative

100% of CDBG, ESG, and HOPWA will be used in non-entitlement areas. 100% of HOME funds will be used state-wide but primarily in non-entitlement areas. 100% of our federal and state reserves described in this plan will be used state-wide. 100% of HTF will be used state-wide.

Low Income Housing Tax Credit strongly incentivizes applications creating or preserving affordable rental housing in Areas of Opportunity with up to 15 points awarded in the 2018 QAP.

HOME funds are used to fund gaps in LIHTC projects and thereby allocated to support the geographic objectives of LIHTC program.

State Housing Development Fund (HDF) - While it supports projects and activities state-wide, the HDF does allocate funds geographically as follows:

- Like HOME, HDF is used to fund gaps in LIHTC projects when necessary and thereby allocated to support the geographic objectives of the LIHTC program.

- HDF Homeownership Production Program prioritizes homeownership in Distressed Areas. Also, the amount of funding available per unit located in Distressed Areas is increased from \$35,000 to \$50,000.
- HDF Loans (non-LIHTC) ranks applications according to criteria. Rental applications located in Areas of Opportunity receive priority consideration.

Voucher Payment Standards have been increased in ZIP codes across Delaware that contain mostly Areas of Opportunity to help families with vouchers find housing in areas where there is less rental housing, but often higher rents. This applies to DSHA's Housing Choice Voucher program (HCV), Family Unification (FU) program, and State Rental Assistance Program (SRAP).

Leveraging

Explain how federal funds leveraged additional resources (private, state and local funds), including a description of how matching requirements were satisfied, as well as how any publicly owned land or property located within the jurisdiction that were used to address the needs identified in the plan.

CDBG

Neighborhood infrastructure improvements may be leveraged through any combination of the following:

- Local - bonds, in-kind, municipality's general fund and local water and sewer fund;
- State - Delaware Department of Transportation (DOT), Department of Natural Resources and Environmental Control State Revolving Fund and municipal street aid fund; and
- Federal - DOT, EPA, FEMA and USDA.

The uses of CDBG funds for owner-occupied rehabilitation may leverage additional rehabilitation funding from nonprofit, private and public sources; however, this is usually not the case with the exception of a small amount of Housing Preservation Grant funds each year.

HUD requires a one-for-one match on CDBG funds used for state administration in excess of \$100,000. DSHA spent the maximum allowable in state administration for FY2020 and matched the funds in excess of \$100,000. DSHA did not use any program income for administration; therefore, it did not require a match.

The FY2020 Delaware CDBG program guidelines require sub grantees to match their CDBG administration funds one-for-one with local administration funds. Kent and Sussex Counties matched their administration allocations in local funds.

Delaware CDBG program guidelines also require sub grantees to match their CDBG infrastructure project funds with minimum match amounts that vary with the amount of CDBG funds requested. Cash matches may be provided through other sources of funding for the same activity. The following are the CDBG infrastructure match requirements:

Up to \$100,000 requires a 10 percent cash match or a 15 percent in-kind match;

- \$100,000+ to \$200,000 requires a 15 percent cash match or a 20 percent in-kind match; and
- \$200,000+ requires a 20 percent cash match or a 25 percent in-kind match.

HOME

The majority of the State of Delaware's HOME funds are provided to multi-family rental developments in conjunction with the LIHTC Program. During the reporting period, DSHA completed one HOME multifamily development.

The permanent financing breakdown of the one completed HOME-financed multifamily rental developments indicate HOME funds provided 16% of the financing, while 84% of total development costs were provided by other sources including: 71% Low Income Housing Tax Credits; 9% from State proceeds; and 4% from owner funding.

Fiscal Year Summary - HOME Match	
1. Excess match from prior Federal fiscal year	19,941,893.70
2. Match contributed during current Federal fiscal year	0
3. Total match available for current Federal fiscal year (Line 1 plus Line 2)	19,941,893.70
4. Match liability for current Federal fiscal year	290,610.86
5. Excess match carried over to next Federal fiscal year (Line 3 minus Line 4)	19,651,282.84

Table 5 – Fiscal Year Summary – HOME Match Report

Match Contribution for the Federal Fiscal Year								
Project No. or Other ID	Date of Contribution	Cash (non-Federal sources)	Foregone Taxes, Fees, Charges	Appraised Land/Real Property	Required Infrastructure	Site Preparation, Construction Materials, Donated labor	Bond Financing	Total Match
0	0	0	0	0	0	0	0	0

Table 6 – Match Contribution for the Federal Fiscal Year

HOME MBE/WBE report

Program Income - Enter the program amounts for the reporting period				
Balance on hand at beginning of reporting period \$	Amount received during reporting period \$	Total amount expended during reporting period \$	Amount expended for TBRA \$	Balance on hand at end of reporting period \$
1,371,649.68	494,991.04	1,370,257.30	0	496,383.42

Table 7 – Program Income

Minority Business Enterprises and Women Business Enterprises - Indicate the number and dollar value of contracts for HOME projects completed during the reporting period						
	Total	Minority Business Enterprises				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
Contracts						
Dollar Amount	\$2,094,086	0	0	0	0	\$2,094,086
Number	2	0	0	0	0	2
Sub-Contracts						
Number	16	0	0	0	1	
Dollar Amount	\$1,193,784	0	0	0	\$72,182	\$1,121,602
	Total	Women Business Enterprises	Male			
Contracts						
Dollar Amount	\$2,094,086	0	\$2,094,086			
Number	16	0	16			
Sub-Contracts						
Number	16	0	16			
Dollar Amount	\$1,193,784	0	\$1,193,784			

Table 8 – Minority Business and Women Business Enterprises

Minority Owners of Rental Property - Indicate the number of HOME assisted rental property owners and the total amount of HOME funds in these rental properties assisted						
	Total	Minority Property Owners				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
Number	0	0	0	0	0	0
Dollar Amount	0	0	0	0	0	0

Table 9 – Minority Owners of Rental Property

Relocation and Real Property Acquisition - Indicate the number of persons displaced, the cost of relocation payments, the number of parcels acquired, and the cost of acquisition

Parcels Acquired	0	0				
Businesses Displaced	0	0				
Nonprofit Organizations Displaced	0	0				
Households Temporarily Relocated, not Displaced	0	0				
Households Displaced	Total	Minority Property Enterprises				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
Number	0	0	0	0	0	0
Cost	0	0	0	0	0	0

Table 10 – Relocation and Real Property Acquisition

CR-20 – Affordable Housing 91.520(b)

Evaluation of the jurisdiction’s progress in providing affordable housing, including the number and types of families served, the number of extremely low-income, low-income, moderate-income, and middle-income persons served.

	One-Year Goal	Actual
Number of Homeless households to be provided affordable housing units	175	147
Number of Non-Homeless households to be provided affordable housing units	1,300	936
Number of Special-Needs households to be provided affordable housing units	750	39
Total	2,225	1,122

Table 11 – Number of Households

	One-Year Goal	Actual
Number of households supported through Rental Assistance	925	902
Number of households supported through The Production of New Units	175	0
Number of households supported through Rehab of Existing Units	375	151
Number of households supported through Acquisition of Existing Units	750	69
Total	2,225	1,122

Discuss the difference between goals and outcomes and problems encountered in meeting these goals.

Decisions about annual production and support are dependent upon the actual needs of the households, non-profits, and communities served. As a funding and support agency, DSHA responds to the requests for assistance and funding proposals that are presented. Overall, we are meeting or surpassing the projected needs.

During the state’s fiscal year, the world was in the early stages of preparing for, preventing and recovering from the COVID-19 pandemic. As a result of the COVID-19 virus, a majority of

States declared a state of emergency with most shutting down large gathering places and limiting the movement of residents. State and local governments were operating under extenuating circumstances, which had great impacts on the goals set forth in the 2020 Annual Action Plan. During the FY2020 year, the effects of the global pandemic were still being felt. Social distancing requirements for the Coronavirus impacted both CDBG and HOME rehab programs. Neither contractors, nor rehab specialists, were allowed to go into homes to complete applications, inspections, or work for approximately half-a-year, from spring through fall of 2020. This dramatically reduced the number of rehabilitations started and completed for FY2020. The impacts of the pandemic were also felt in the new construction of affordable housing. Construction was halted for a period of time and the cost of labor and materials increased, causing projects to temporarily stop production.

Discuss how these outcomes will impact future annual action plans.

DSHA bases its annual plans on the Consolidated Plan, consultations with local, non-profit and for-profit providers and developers, and the trends of the previous years. Thus, projections may be adjusted, most likely to provide additional resources as available.

As communities continue to prepare for, prevent and recover from the pandemic, DSHA expects to see continued fluctuations in outcomes due to increased cost for labor and materials, increased needs of people at risk of homelessness, and changing guidance on social distancing.

Include the number of extremely low-income, low-income, and moderate-income persons served by each activity where information on income by family size is required to determine the eligibility of the activity.

Number of Households Served	CDBG Actual	HOME Actual
Extremely Low-income (30%)	53	22
Low-income (50%)	38	14
Moderate-income (80%)	22	7
Total	113	43

Narrative Information

Delaware continues to experience more demand for affordable housing than our available resources can provide. The waiting list for DSHA Public Housing and Housing Choice Vouchers currently has over 10,000 families. A recent report from Housing Alliance Delaware (HAD) found in 2020, the state faced a shortage of more than 15,560 affordable rental units for extremely low-income households. The January 2021 point-in-time count found 1579 persons experiencing homelessness that night in Delaware. This is a 35% increase from the 2020 PIT census.

CR-25 – Homeless and Other Special Needs 91.220(d, e); 91.320(d, e); 91.520€

Evaluate the jurisdiction’s progress in meeting its specific objectives for reducing and ending homelessness through:

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

Statewide Coordinated Entry System

Through ESG and state funding, DSHA supports the statewide Continuum of Care’s coordinated entry system (CES), administered by Housing Alliance Delaware (HAD). As part of operating the system, HAD conducts regular outreach to social service agencies, churches, day centers and other places where people experiencing homelessness may seek assistance. Delaware’s CES uses the VI-SPDAT assessment tool to assess households’ needs and determine appropriate referrals and prioritization for rapid rehousing and permanent supportive housing.

Code Purple

With the support of volunteers from across Delaware, Code Purple locations provide safe, warm and short-term housing and hot meals to individuals and families who are homeless when winter-weather conditions make it difficult for anyone to be outside for extended periods. Organized and staffed by volunteers, Code Purple sites typically are located at houses of worship and community shelters. Code Purple sites use volunteers to manage operations, with activation and implementation varying by county and site. Delaware 2-1-1, call center and a mobile app provide information to Delawareans needing to find shelter on the most inclement nights in Delaware. The Delaware Continuum of Care has focused on engaging leadership from local Code Purple and day services/day centers initiatives in the CoC membership and Board to ensure these efforts are coordinated and integrated with the overall homeless assistance system.

Addressing the emergency shelter and transitional housing needs of homeless persons

DSHA administers ESG funds in Kent and Sussex Counties. As the lead agency in this process, DSHA has the opportunity to work closely with the shelters and Rapid Rehousing programs in these Counties. As the focus in the state’s homeless services system is on permanent housing resources, DSHA did not fund the development of new shelters or transitional housing in FY2020.

In addition to shelter-based programs, there are a significant number of non-shelter service providers that target their services to homeless persons or families. These non-shelter services include: day centers, the Code Purple shelters discussed above, substance abuse counseling, mental health counseling, HIV/AIDS testing and

treatment, food and clothing, case management, job training and placement and medical care. State funding administered by other state agencies also supports emergency shelter operations, services, and hotel vouchers for people experiencing homelessness when shelter beds are not available. The state Housing Development Fund has been used to create many of the shelters and other housing facilities serving people who are homeless in Delaware and is available for the new development and rehabilitation of emergency shelter, transitional housing facilities, permanent supportive housing, and other housing.

Delaware has also focused on establishing a strong system of rapid rehousing to help people experiencing homelessness get back into permanent housing. ESG funding as well as state funding support five rapid rehousing providers in Delaware. Two additional rapid rehousing providers specifically use VA Supportive Services for Veterans and their Families (SSVF) funding to assist veterans in Delaware.

Building an inventory of other permanent rental assistance is an important tool in Delaware to reduce chronic homelessness and help people exit homelessness more quickly. In FY2011, Delaware established the State Rental Assistance Program (SRAP), which provides rental assistance to people with disabilities, youth exiting foster care, and families for whom affordable housing is a barrier to reunification, as well as other populations under various special initiatives. Approximately 780 households are receiving SRAP assistance.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: likely to become homeless after being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); and, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs

Delaware invests significant state funding, both administered by DSHA and in other departments such as the Department of Health and Social Services (DHSS) in homelessness prevention. These are discussed in other areas of the CAPER as well, but key initiatives include:

- The Home4Good funding program launched in 2019 increasing funding for homelessness services via investment from the Housing Development Fund and Federal Home Loan Bank of Pittsburgh. \$1.075 million was allocated in 2020. In 2020, seven (7) agencies were awarded funds to address homeless prevention, landlord mitigation and legal services for persons at risk of homelessness due to evictions.
- The State Rental Assistance Program provides rental assistance for approximately 700 households with special needs in Delaware, including people with physical, developmental and intellectual disabilities, mental health needs, youth exiting foster

care and families with child welfare system involvement for whom affordable housing is a barrier to reunification. Priorities include individuals who are exiting institutions, are at risk of entering institutions, and/or are homeless or at risk of homelessness.

- Administering other special voucher programs, including Section 811 Mainstream Vouchers and Family Unification Program vouchers, in partnership with sister state agencies and service providers, and the state funded HomeWorks program assisting families experiencing homelessness in three school districts.
- Administering project-based rental assistance via the Section 811 PRA Demo Program, and units set aside in Low Income Housing Tax Credit projects. 5% of units in all newly financed LIHTC projects must be set aside for special populations, and there are incentives for developers to set aside up to 10% of units.

In all of these initiatives, DSHA works closely with the Department of Health and Social Services, Department of Services for Children, Youth and their Families (DSCYF), service providers, and the Continuum of Care / Housing Alliance Delaware to ensure availability of supportive services, refer eligible households, and set priorities.

One area with particular activity in 2020 was reentry. Delaware first participated in the National Criminal Justice Reform Project (NCJRP) planning process to establish a comprehensive plan to improve reentry and reduce recidivism in Delaware. DSHA staff were active in this process and led the Housing Workgroup of this initiative. This was further moved to implementation with the signing of Executive Order 24 in December 2018 establishing the Delaware Correctional Reentry Commission, which included the Director of DSHA and several other cabinet secretaries and other state leaders. The Commission has a specific set of objectives to improve reentry in the state, which are being addressed by seven subcommittees. DSHA staff co-chair the Housing Subcommittee, which worked to ensure improved pre-release housing planning to reduce releases to homelessness; increase availability of short-term rental assistance; reduce barriers to housing administered by the state's five Public Housing Authorities (PHAs); and improve information about housing resources.

In September 2019, the state's five PHAs were awarded technical assistance from the Vera Institute for Justice to establish a Family Reunification Program to facilitate reentrants' ability to return to family living in PHA-administered housing, and review and revise their policies on access for people with conviction histories and justice system involvement. In July 2020, the five public housing authorities, Delaware Department of Correction, and the Delaware Center for Justice launched the Delaware Family Reentry Pilot (FRP) Program. The program gives individuals recently released from incarceration the opportunity to access safe and stable housing by reuniting with their families who live in public housing. Approved participants will be permitted to live as temporary guests in the designated household for a period of one or two years, depending on their conviction history. Participants who successfully complete the temporary period while remaining in compliance with program guidelines may be officially

added to the household's PHA lease. Initially, the pilot is being offered in properties that are owned and operated by public housing authorities. Early next year, the pilot will expand to Housing Choice Voucher holders.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

Best practices and evidence-based demonstrations call for a transformation of our homeless assistance systems to focus on housing stability and system-wide outcomes. Focusing on housing stability allows communities to focus resources and address a person's long-term service needs, bridging the divide between the homeless assistance system and mainstream systems. DSHA is participating in the CoC's strengthened planning activities to:

- Create a vision for Delaware's homeless assistance system;
- Define Delaware's goals for preventing and ending homelessness;
- Defining the services, models and outcomes to achieve that goal; and
- Implement and improve coordinated entry and assessment.

Delaware has created a statewide Continuum of Care that is aligned with the HEARTH Act regulations in composition and function. The board that governs this group meets regularly and has a System Performance Committee that reviews data and produces an annual System Performance Report. DSHA is an active participant in the CoC membership, Board, and numerous committees.

In FY2020, DSHA:

- Funded Housing Alliance Delaware to support the Continuum of Care, DE-CMIS system, and community planning efforts, as well as to establish a certification and training program for the rapid rehousing providers in the state and other best practices;
- Continued rapid rehousing as a focus of its ESG funding program;
- Allocated state funding to homelessness prevention, rapid rehousing, and other initiatives to build the capacity of Delaware's homeless assistance system and implement the DE-CoC Action Plan to End Homelessness;
- Continued to require that funded agencies be active users of DE-CMIS and the Coordinated Intake system to ensure full participation;

- Continued to require adherence to permanent supportive housing standards and participation in DE-CMIS and coordinated entry for new housing facilities seeking capital funding from DSHA;
- In December 2020, DSHA was awarded nearly \$84,000 in rental assistance and housing vouchers to help 10 veterans at-risk of homelessness. Along with continuing administration of 50 Family Unification Program (FUP) vouchers, Section 811 Mainstream Vouchers and VASH vouchers to add to the state's inventory of rental assistance for populations at risk of homelessness.
- Continued to administer the State Rental Assistance Program, which at any given time assists approximately 750 households at high risk of homelessness or who otherwise may be in institutional settings;
- Participated in numerous planning and implementation efforts related to special populations, including the Delaware Correctional Reentry Commission (DCRC); leadership of the DCRC Housing Subcommittee; Commission on Community-based Alternatives for People with Disabilities; Division of Substance Abuse and Mental Health (DSAMH) Advisory Council, Domestic Violence Task Force Housing Committee, and many others.

CR-30 – Public Housing 91.220(h); 91.320(j)

Actions taken to address the needs of public housing

DSHA last completed a Section 504 needs assessment and transition plan in 1991. On an aggregate basis across all DSHA sites, DSHA's public housing stock meets Section 504 requirements. DSHA has been approved for the Rental Assistance Demonstration (RAD) program for Liberty Court in Dover and 5 scattered sites.

Actions taken to encourage public housing residents to become more involved in management and participate in homeownership

During April and May 2020, Moving to Work participants experienced a 23% unemployment rate due to the COVID pandemic versus the typical unemployment rate of 2-3%. However as of 1/1/2021, MTW participant unemployment rate has been approximately 6%. While that figure is above the normal rate, DSHA MTW participants are still below the state average. DSHA case managers worked closely with residents since the beginning of the pandemic monitoring their employment status and providing assistance with referrals to employment opportunities, job trainings, etc. DSHA will continue to closely monitor this outcome and the on-going effect of COVID restrictions.

Moving to Work

DSHA's MTW program includes its public housing, Housing Choice Voucher, Capital Fund, and Resident Homeownership Programs. The goals and objectives under the DSHA MTW Program are outlined as follows:

To reduce costs and achieve greater cost effectiveness by administrative reforms to the Public Housing and Housing Choice Voucher Programs;

- To give incentives to families who are employed or seeking employment and self-sufficiency; and
- To improve housing options for our residents by offering or coordinating the following resources:
 - a) Homeownership counseling and assistance;
 - b) Budget counseling;
 - c) Fair market housing counseling;
 - d) Assistance obtaining a Low Income Housing Tax Credit Unit;
 - e) MTW Savings Account as income increases;
 - f) Counseling to repair credit problems;
 - g) Financial literacy education;
 - h) Individual Development Accounts (IDA) for approved participants;
 - i) Public Housing Homeownership Program; and
 - j) Resident Homeownership Program.

MTW participants are categorized as Tier I (years 1-5) and Tier II (years 6-7). At the completion of the 7th year, the resident's subsidy ends. As of July 1, 2021, DSHA had 378 MTW Tier I participants and 22 MTW Tier II participants for a total of 400 MTW participants. Since March 2020 when the State of Emergency caused by the COVID-19 pandemic became effective, DSHA MTW participants have been "frozen in place" at their current Tier and year of participation level so that termination of subsidy would not occur due to DSHA MTW time limits. Once DSHA is able to "unfreeze" the participant time limit status, DSHA will adjust each MTW participants' current Tier end date by an additional six (6) months.

For FY2020, the total number of MTW participants that successfully completed the program and moved onto either homeownership or non-subsidized rental housing was 20 households. Thirteen (13) of these households moved into unsubsidized rental housing, and 17 to homeownership or non-subsidized housing.

In FY2020, the number of MTW residents participating in case management services was 400 participants. The primary area of focus for the case manager and resident has been on increasing employment opportunities and credit repair to enable the Tier I resident to move into fair market housing or homeownership. Case managers concentrate on assisting Tier II residents with preparation for the end of their subsidy.

Actions taken to provide assistance to troubled PHAs

Not applicable.

CR-35 – Other Actions 91.220(j)-(k); 91.320(i)-(j)

Actions taken to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment. 91.220 (j); 91.320 (i)

The 2020 Statewide Analysis of Impediments to Fair Housing Choice (AI) identified strategies for DSHA, Consortium partners, sub-grantees, and the Fair Housing Task Force.

DSHA:

- Develop project-based rental assistance to create new permanent supporting housing through LIHTC and other programs.
- Adopt preferences for persons with disabilities, at risk of institutionalization or recently left institutions, in Administrative Plans for housing authorities with no such preferences.
- Continue to increase supply of accessible units by incentivizing the inclusion of additional accessible units in LIHTC developments.

In FY2020, DSHA continued to maximize the State's Growth Management framework to remove or mitigate the negative effects of public policies that may serve as barriers to affordable housing.

Delaware's Growth Management Framework

The Strategies for State Policy and Spending was first adopted in 1999 and is updated every five years by the Governor's Cabinet Committee on State Planning Issues (CCSPI) to coordinate land use decision-making with the provision of infrastructure and services in a manner that make best use of Delaware's natural and fiscal resources. DSHA's Director is a member of the CCSPI and ensures that affordable housing is addressed in the following:

Comprehensive Plans - Communities with populations greater than 2,000 are required to include policies, statements, goals, and planning components that serve to define the community's strategy for providing affordable housing for current and future residents. During FY20, DSHA reviewed and provided feedback to the following draft comprehensive plans: Frankford, Smyrna, Delmar, and Cheswold. DSHA has also been participating in New Castle County's NCC@2050 Interagency Working Group for their Comprehensive Plan update.

Education, Training and Technical Assistance - DSHA offers technical assistance to local governments on various housing challenges and issues facing their communities. In FY20, DSHA partnered with the U of D's Institute of Public Administration to provide a webinar for local officials on 'Anticipating Housing Needs in Your Community During the COVID-19'.

Information on local policies and strategies to mitigate housing problems was provided to 45 attendees. Strategies included: loosening regulations for accessory dwelling units; revisiting definition of 'family' and occupancy limits; and, repealing crime-free ordinances.

Preliminary Land Use Service (PLUS) - Provides for state agency review of major land use change proposals prior to submission to local governments. DSHA participates in this process and as a result, reviews and provides feedback on development proposals from an affordable and fair housing perspective.

Actions taken to address obstacles to meeting underserved needs. 91.220(k); 91.320(j)

DSHA Language Access Plan

DSHA continually reviews Census data and other information to identify populations of people with limited English proficiency as part of its efforts to comply with Executive Order 13166, "Improving Access to Services for Persons with Limited English Proficiency." DSHA has translated all key program materials into Spanish, the second most common language spoken in Delaware after English. During FY2020, DSHA provided language assistance to 162 LEP clients and translated 40 documents and publications. DSHA provides reasonable accommodation for persons with language and/or disability barriers to access program information.

Downtown Development Districts (DDD) Program and Strong Neighborhood Housing Fund (SNHF)

DSHA continued to collaborate efforts across agencies, public and private partners, and communities to support strategic neighborhood revitalization, community and downtown development initiatives such as the Downtown Development Districts and Strong Neighborhoods Housing Fund (SNHF) programs.

In FY20, \$10 million in Downtown Development District (DDD) funds were reserved for 17 large projects and are expected to leverage \$250 million in private investment. In addition, 58 small projects and five large projects were completed in FY20 receiving a total of \$2.6 million. Altogether, approximately \$12.6 million in DDD funds leveraged \$271 million in private investment in the state's most distressed areas. Activities included creating a range of housing opportunities, new businesses, and jobs through new construction, renovating vacant buildings, and supporting historic preservation.

The SNHF is now established as a revolving fund to help redevelop vacant and blighted lots that can have a negative impact on an entire community. In FY20, the SNHF program awarded \$2.8 million to public and private partners in Wilmington, New Castle, Dover and Laurel.

State Rental Assistance Program

A partnership between DSHA and several other state agencies, the State Rental Assistance Program (SRAP) provides tenant-based rental assistance to people with very low incomes who may need supportive services and rental assistance to live safely and independently in the community. The SRAP program is a vital part of Delaware's strategies to help people who are at high risk for homelessness or institutionalization make the transition to permanent housing and independent living, avoid becoming homeless or institutionalized, and address the housing and supportive services needs of people who are not homeless but have other special needs. Originally funded in FY2011 with \$1.5 million through the state General Assembly, allocations and other funding amounted to total program expenditures of \$6.9 million in FY2021. The Division of Substance Abuse and Mental Health (DSAMH) has recognized SRAP as a cost-effective and efficient means of meeting its obligations to create additional units of supportive but independent housing in the community as part of its Settlement Agreement with the U.S. Department of Justice. DSAMH has directed additional funds to the SRAP program specifically to serve DSAMH clients, increasing the total number of households that can be served through the program. As of 6/30/2021, 785 households with SRAP vouchers were in leased units in FY21.

Delaware Section 811 PRA Demonstration Program Award

In 2013, Delaware was awarded a Section 811 PRA Demo grant of \$5.1 million, estimated to create and support 145 units of project-based rental assistance over 5 years. The program was designed to build on the existing SRAP partnerships and infrastructure, to create project-based rental assistance for people with disabilities in integrated settings with supportive services. To speed the creation and occupancy of units, Delaware proposed to structure its Section 811 program to place units in existing DSHA-financed sites (HOME, LIHTC, or HDF) first. To increase inventory over the longer-term, DSHA built incentives into the Qualified Allocation Plans (QAPs) between 2014 and 2020 to produce units through new construction. As of 7/1/2021, DSHA had fully executed Rental Assistance Contract (RAC) documents with 27 participating properties, representing 151 units.

DSHA partnered with Emphasys.com to create a secure, web-based referral system designed to connect applicants for Section 811 housing with available and appropriate Section 811 units. The PAIR (Prescreening, Assessment, Intake and Referral) service interfaces with DelawareHousingSearch.org, the free online housing locator service operated by DSHA and its partners since 2012. Section 811 applicants are placed on a centralized Referral List, while property managers update real-time information regarding unit availability in the housing locator. The PAIR service was officially launched in June 2015. As of 7/1/2021, the Referral List contained 700 applicants, with 106 current tenants housed through the Section 811 referral process.

Delaware Section 811 Mainstream Vouchers

In 2018, DSHA applied for and was awarded 50 vouchers under the HUD Section 811 Mainstream Voucher Program (previously called the 811 Mainstream Voucher Program). These are Housing Choice Vouchers reserved for nonelderly adults with disabilities, with a particular focus on people who are exiting institutions, and people who are experiencing homelessness. In 2020, DSHA was awarded 15 new HUD Mainstream Vouchers through the CARES Act allocation process.

DSHA works with partnering agencies—particularly DHSS and Housing Alliance Delaware (HAD), the entity responsible for managing the coordinated entry system in Delaware—to target Mainstream Vouchers to individuals awaiting supportive housing who are also on DSHA’s existing waiting list for Public Housing. Although coordinated outreach efforts have been slowed due to the coronavirus pandemic, 38 individuals had been placed in housing with a Mainstream Voucher as of 7/1/2021.

Homeownership Rehab and Emergency Repair

DSHA allocates both state and federal (CDBG and HOME) resources to rehabilitation assistance for homeowners. This encompasses both major repairs through CDBG and HOME and emergency repairs funded through state resources. All of these programs allow accessibility modifications as an eligible use and indeed this is a high need and frequent use. Major accessibility modifications are more often through the major repair program, while emergency repair programs often manage smaller accessibility modifications, especially those needed urgently. In FY2020 the social distancing requirements for the Coronavirus took a toll on both CDBG and HOME rehab programs. Neither contractors, nor rehab specialists, were allowed to go into homes to complete applications, inspections, or work for approximately half-a-year, from spring through fall of 2020. This dramatically reduced the number of rehabilitations started and completed for FY2020.

Moving to Work

In FY2020, 20 MTW participants achieved housing self-sufficiency - moving on to either homeownership or non-subsidized rental housing. Seventeen (17) of these participants moved into homeownership and thirteen (13) moved to market rental housing. The MTW escrows accumulated by the residents provided essential funds that helped with closing costs and down-payments for homeownership and security/utility deposits for non-subsidized rental housing. Without these funds, many of the participants would not have been able to make the transition into homeownership or other fair market rental housing.

Accessible Units

In 2010, DSHA added incentives to its LIHTC Qualified Allocation Plan (QAP) for developers to construct fully accessible units beyond the 5% required by Section 504, up to 20% of units in a property. Fully accessible units provide design elements and accommodation for a person with a disability that may include varied cabinet heights, wider hallway width, first floor bathroom and bedroom, and numerous other specifications. These incentives have

resulted in a significant increase in the number of fully accessible units developed via the LIHTC, from previously only the required 5% to now 15 - 20% annually. The State Architectural Accessibility Board reviews all plans and DSHA ensures accessibility compliance at the sites. In FY2020, 43 additional accessible units were completed over the required 5% or 19 units for a total of 62 units, or 19% of the total 328 units.

Actions taken to reduce lead-based paint hazards. 91.220(k); 91.320(j)

The CDBG Program Guidelines reference HUD's lead-based paint regulations and all applicants must demonstrate how the rehabilitation work will be conducted in accordance with these regulations. DSHA also requires any activity funded by the HDF or HOME Program, especially acquisition/rehab activities, to conduct an Environmental Site Assessment Phase 1. Grantees and housing rehabilitation contractors must be trained in lead-safe work practices and HUD's regulations. If lead-based paint is present, then it must be remediated as part of the construction process in accordance with local, state, and federal regulations.

DSHA continually cooperates with the Division of Public Health to facilitate lead-safe work practices training to contractors. Any individual performing lead-based paint activities in the State of Delaware must be certified by the Division of Public Health (DPH). After completing an approved training course, a person wishing to be certified must apply for Certification to DPH. The applicant must then pass the state certification (3rd party) exam. A certification fee is required, and the certification is valid for two years. Grantees are monitored for compliance with lead-based paint regulations and have shown that they are complying.

The Delaware Office of Lead Poisoning Prevention (OLPP) is now part of a new Office of Healthy Environments (OHE) in the Delaware Division of Public Health (DPH). The Healthy Homes and Lead Poisoning Prevention Program (HHLPP) under the OHE completed on-site assessments of housing units, and trained community partners to start their own Healthy Homes programs during FY2020.

All contractors, renovation contractors, maintenance workers who work in pre-1978 housing and child-occupied facilities are required to follow EPA's RRP Rule, as updated.

It should be noted that all housing receiving federal assistance must still comply with HUD's LSHR. HUD's Office of Healthy Homes and Lead Hazard Control (OHHLHC) website provides information on complying with the LSHR and RRP Rule. DSHA notified CDBG and HOME sub grantees about the new requirements and provides technical assistance as needed.

Late in FY2019, the State of Delaware passed HB89, AN ACT TO AMEND TITLE 16 OF THE DELAWARE CODE RELATING TO THE CHILDHOOD LEAD POISONING PREVENTION ACT. This is the bill to restart the Childhood Lead Poisoning Advisory Committee. DSHA was represented on this committee when it began meeting in 2019. The committee has continued to meet throughout 2019 and 2020. In the 2021 annual report the committee developed a comprehensive set of forty-four (44) program and policy recommendations for the Division of Public Health. The advisory committee prioritized the following for Delaware:

- The enactment of policies that mandate and enforce the use of lead safe and lead-free housing certificates.
- Remediation of currently known lead “hot spots”.
- Lowering the threshold for case management and early intervention services for children already poisoned; and
- Increasing the rates of identification for already poisoned children via a blood lead test so that resources can be better allocated for intervention, remediation, and prevention of future poisoning.

Actions taken to reduce the number of poverty-level families. 91.220(k); 91.320(j)

Supporting Community Initiatives

The Housing Development Fund (HDF) provided support to several programs and projects serving low- income households to help them avoid or end their homelessness, build assets, or preserve their homes in FY2020. These included:

Grants to providers of services for homeless and special population clients: In FY2020 the HDF awarded \$500,000 in grants to nonprofit organizations, leveraged by another \$700,000 committed by the FHLBank Pittsburgh, who projected to provide rapid re-housing or homelessness prevention services to over 400 clients.

Grants to housing counseling agencies: DSHA and its partnering state agencies support several financial counseling programs designed to educate and assist low- and moderate-income Delawareans manage their resources and take full advantage of programs that can improve their financial situations. In FY20, the HDF provided \$400,000 to support housing counseling services in Delaware.

Financial assistance to home buyers: Delaware continues to have homeownership rates well above the national average, in part due to the significant support the DSHA provides to low- and moderate-income home buyers. The HDF provides support for DSHA's ongoing downpayment and settlement assistance programs delivered via the Homeownership Loan Program (HLP).

Support for Homeowner Repairs: In FY20, the HDF continued to support the Statewide Emergency Repair Program and offer a pool of funding available for major repairs.

The Neighborhood Assistance Act

DSHA administers the Neighborhood Assistance Act (NAA), a state charity tax credit. Through the NAA companies and individuals within Delaware, which contribute to eligible neighborhood organizations and nonprofits in impoverished areas, are eligible to receive state tax credits worth up to fifty percent of their donation. Organizations must be designated as 501(c)(3) organizations by the Internal Revenue Service and document that they provide neighborhood assistance in an impoverished area, or provide neighborhood assistance for

low- and moderate-income families. In FY2020, the program was again fully subscribed and the full \$1,000,000 in tax credits allocated. DSHA began administering the NAA program in FY08 and since then 59 nonprofit agencies have been approved for programs that benefit the Statewide target population of 80% AMI or less. The NAA program has assisted approved nonprofits in receiving approximately \$15.9 million in contributions from FY08-FY21.

Actions taken to develop institutional structure. 91.220(k); 91.320(j)

DelawareHousingSearch.org

Since 2012, DSHA had worked with a strong network of partners, including Socialserve.com, Inc. (now doing business as Emphasys.com), Wilmington Housing Authority, New Castle County, Kent County, Sussex County, the City of Wilmington, the Delaware Department of Health and Social Services, and Delaware Emergency Management Agency to maintain and promote DelawareHousingSearch.org.

DelawareHousingSearch.org is online and available 24/7 as a free web-based service and supported by a toll-free, multi-lingual call center. Emerging from an exceptionally challenging year, DelawareHousingSearch.org proved to be a critical resource to reach Delawareans in need of housing and other critical community resources. The ongoing public health crisis—and its far-reaching economic impacts escalated the need for housing among many of Delaware’s most vulnerable citizens. During 2020-2021, the service helped to address that need with the following accomplishments:

- Increasing the inventory of rental units by approximately **600**, for a new statewide total of almost **28,000 units** listed.
- Adding new landlords with active user accounts, for a new total of **959**—this is a **5% increase** from the prior year.
- Robust search activity by site users: almost **307,000 searches** for housing have been conducted over the last 12 months, representing a **7% increase** in search activity from the prior year. Those searches resulted in more than **1.2 million pageviews**—a **10% increase** from the prior year.
- Searches for housing in New Castle County increased **17%** from the prior year; searches for housing specifically in the City of Wilmington increased **10%**.
- The “Accessible Housing” tile on the **DelawareHousingSearch.org** homepage received **21% more clicks** between June 2020 and June 2021, compared to the prior year.
- A **COVID-19 resource link** was introduced to the homepage to direct Delawareans toward housing and other community resources made available to address the ongoing impacts of the pandemic.

Actions taken to enhance coordination between public and private housing and social service agencies. 91.220(k); 91.320(j)

DSHA works hard to leverage its limited resources with various community resources and programs. We have developed partnerships with numerous agencies and organizations to provide services and programs that would otherwise require DSHA resources or not be available. Examples of these partnerships include:

- DSHA has signed an MOU with the University of Delaware to provide 4-H programs at three public housing sites. Services include after-school homework assistance and recreation.
- DSHA signed an MOU with Sussex Tech for Adult Education at two public housing sites.
- Children and Families First provides pregnancy testing, family planning material, STD testing, treatment and counseling and also organizes resources for grandparents and relatives raising someone else's children.
- Child, Inc. provides one-on-one case management services upon request or referral and offers parenting classes.
- NCALL provides financial counseling and assists with budgeting and establishing credit.
- First State Community Action Agency provides limited financial assistance, administers the Summer Food Service Program for Sussex County sites and offers employment training at a center in Georgetown.
- Department of Labor provides all aspects of employment training, including assistance preparing resumes and applications, improving interviewing skills, and workplace training. DSHA serves on the Workforce Investment Board for Delaware which administers the state's requirements and initiatives for employment and job training.
- Delaware Technical and Community College, Kent County Poly-Tech, Sussex Tech, Delaware State University - All institutions have various courses available for general education as well as specific job training. They require a minimum number of participants to come to DSHA sites, but individuals can go to the schools for classes. Many courses are free of charge, based on income, or have a small fee. DSHA has installed GED tutorial software at multiple sites. The program is used by instructors giving group instruction and by residents who study independently.
- DSHA participates on the Interagency Council for Adult Literacy. This is a group from various agencies that are working to address literacy issues for Delaware. The group meets regularly and continues to develop and coordinate adult literacy programs for DSHA residents.

Identify actions taken to overcome the effects of any impediments identified in the jurisdictions analysis of impediments to fair housing choice. 91.520(a)

In FY20, the Delaware State Fair Housing Consortium, comprised of all jurisdictions receiving federal housing funds and public housing authorities, adopted the *2020 Statewide Analysis of Impediments to Fair Housing Choice (AI)*. The following goals were identified:

1. Increase the Supply of Affordable Housing in High-opportunity Areas
2. Preserve the Existing Stock of Affordable Rental Housing
3. Prevent displacement of Black and Hispanic low- and moderate-income residents
4. Increase Community Integration for Persons with Disabilities
5. Ensure Equal Access to Housing for Persons with Protected Characteristics, Lower-income, and Experiencing Homelessness
6. Expand Access to Opportunity for Protected Classes
7. Reduce Barriers to Mobility

Each goal identifies strategies, some specific to a geographic area and individual jurisdiction or entity, while statewide strategies, often requiring legislative action, require many partners to advance. The Fair Housing Task Force, composed of Consortium members, housing advocates, and non-profit organizations, acts as a formal statewide advocacy network for fair housing, as well as for addressing statewide strategies. To facilitate collective ownership and share administrative duties, the Task Force has been meeting monthly and responsibilities for preparing for and hosting meetings have been shared among Task Force members

Over the last several meetings, the Task Force and its members:

- Provided outreach on the new *2020 Statewide Analysis of Impediments to Fair Housing Choice* and its findings at several events and various audiences.
- Identified need to actively engage community members, stakeholders, and historically underrepresented groups especially impacted by discriminatory housing policies, to provide their voice and input to influence outcomes.
- identified need to support and partner with existing groups and initiatives underway with similar goals to complement and leverage one another's efforts and amplify impact.
- Identified need to use data to measure, visualize, and communicate their communities' unmet housing needs to inform policy at the state, and local level. Work with partners to find meaningful data and speak with one voice.

In the Appendix, reflects activities for DSHA, Consortium members, and the Fair Housing Task Force, actions in collaboration with following State and non-profit partners.

- Delaware Division of Human Rights
- Housing Alliance Delaware
- The Infrastructure and Environment Subcommittee of General Assembly's African American Task Force.
- H.O.M.E.S. Campaign

Geographic Distribution of Resources

DSHA continues to review all DSHA programs to determine how and where to invest resources to expand housing choice in both Distressed Areas and Areas of Opportunity.

- **Areas of Opportunity** are strong, high value markets, offering economic opportunity, high performing schools, and supportive infrastructure. However, these areas contain little affordable housing. New construction and preservation of affordable housing are prioritized and encouraged.
- **Stable Areas** are middle market areas where a balance of market rate and subsidized housing are supported.
- **Distressed Areas** are highly distressed neighborhoods suffering from blight and concentrated poverty. Strategies focus on stabilizing neighborhoods through increased homeownership, investment in existing homes and commercial areas, and people-based intervention strategies.

In FY20 DSHA revised the Areas of Opportunity using with information from a new 2020 Market Value Analysis, developed by Reinvestment Fund as well as a new 2020 State Strategies layer from the Office of State Planning Coordination. The existing HUD-identified indicator for strong school proficiency was also included.

The Distressed Areas will be updated over the next year using the HUD-identified Racially/Ethnically Concentrated Areas of Poverty (R/ECAPS), and indicators of poor school proficiency to identify Distressed Areas, as well as other indicators.

Program Modifications to Expand Fair Housing Choice

Many modifications have been incorporated in past Consolidated Plans as well as this Consolidated Annual Performance and Evaluation Report (CAPER), as a result of recommendations from the prior Analysis of impediments (AI) and were brought forward in the 2020 AI.

CR-40 – Monitoring 91.220 and 91.230

Describe the standards and procedures used to monitor activities carried out in furtherance of the plan and used to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements

DSHA has the responsibility of monitoring all housing activities covered by the FY2020 Action Plan, whether the activity is conducted directly by a unit of local government, a nonprofit housing agency or by DSHA itself. Monitoring is an ongoing process involving continuous grantee communication and evaluation. The process involves frequent telephone contacts, written correspondence, analysis of performance reports and audits and periodic on-site visits. These processes occur differently for each of the four programs to be discussed.

Due to the pandemic, much of the monitoring of projects was temporarily placed on hold.

CDBG

The monitoring process is divided into two components: regulatory and performance compliance. Monitoring of regulatory compliance includes review of accountability and financial management, environmental impact, labor standards, civil rights and fair housing, acquisition and relocation activities and citizen participation.

Monitoring of performance compliance includes evaluation of project timeliness, components of eligibility and compliance with National Objectives and an assessment of continuing capacity to carry out approved activities.

DSHA applies the following outcome standards:

- At least 70 percent of the funds must be spent on projects that benefit low- and moderate- income persons;
- 100 percent of the funds must be spent on eligible activities;
- 100 percent of the program funds must be obligated to local governments within 15 months of receiving the grant award; and
- DSHA staff uses checklists of all program components during their evaluations. These include: Fair Housing Equal Opportunity (FHEO), Labor Standards, Rehabilitation Checklist, Financial Management Checklist, Section 3 Checklist, and Environmental Review Checklist.

DSHA staff monitors a sampling of rehabilitation activities on an annual basis. This monitoring consists of:

- Review of pertinent files for required documentation, compliance with program regulations and verification of the accuracy of information provided to DSHA;

- A visit to the project site to observe activities and ensure consistency with the application; and
- Results of the monitoring visit are submitted to the grantee generally within fifteen days of the monitoring visit.

In the event of a Determination of Concern, Finding of Deficient Performance or Finding of Noncompliance is indicated the grantee is required to present documentation to address the concern, resolve the deficiency or implement a corrective action plan.

A follow-up visit may be necessary to verify a corrective action or to provide technical assistance. When DSHA's review indicates the grantee has provided satisfactory corrective action, a letter is sent to the grantee stating that the finding(s) have cleared. All findings must be cleared before closeout.

DSHA can bar a grantee from applying for CDBG funds, withhold unallocated funds, require return of unexpended funds or require repayment of expended funds if a grantee fails to provide satisfactory corrective action.

Monitoring – HOME

DSHA ensures that recipients of HOME funds comply with the regulations through various monitoring activities. Monitoring activities include both desk and on-site reviews. Throughout a project, DSHA is committed to ensuring compliance with federal regulations, ensuring production and accountability, and evaluating organizational and project performance.

For HOME, the overall program standards that are addressed and verified include the following:

All projects will meet all of the HOME statutory requirements, and will satisfy all HOME regulations in conformity with the DSHA Program Guidelines;

- Not less than 90 percent of all HOME-assisted units in rental housing projects will rent to a tenant whose income does not exceed 60 percent of AMI at or below the maximum HOME rent limits (65 percent of AMI). In addition, no less than 20 percent of those units will rent to tenants at or below the low HOME rent limits (50 percent of AMI);
- Not less than 100 percent of all HOME-assisted units in homeownership projects (both owner-occupied rehabilitation and down-payment closing cost assistance) will loan or grant funds to homeowners at or below 80 percent of AMI;
 - a) 100 percent of the funds allocated for the previous two (2) program years will be committed to projects by the end of the second year;
 - b) 100 percent of the funds allocated for the previous five (5) program years will be expended by the end of the fifth year; and

DSHA will require any Community Housing Development Organization (CHDO) to reapply for designation upon the event of a material change in the structure of the CHDO or at such other time as required by HUD. In addition, a CHDO must reapply for CHDO certification annually or each time additional CHDO funds are committed to the organization by completing the CHDO Questionnaire. DSHA requires all CHDOs receiving funding to certify that there has been no material change in their status that would affect such funding.

DSHA monitoring can be broken down into the two phases of a typical project: 1) pre-construction and construction, and 2) in-service. Pre-construction and construction stage DSHA ensures each recipient of HOME funding understands the program requirements applicable to their activity. These requirements include, but are not limited to, fair housing, financial management and accountability, environmental impacts, labor standards, procurement, lead-based paint, affirmative marketing, and acquisition and relocation activities. On-site monitoring of an activity during the construction phase occurs to ensure consistency with requirements and identify construction deficiencies. A portion of activity funds are withheld until deficiencies, if any, have been corrected and all program reports have been submitted to DSHA's satisfaction. In service DSHA staff conducts annual on-site reviews of rental housing activities to ensure the activity sponsor maintains the following:

- Correct rent and utility allowance levels for all HOME-assisted units;
- Accurate annual re-certification of tenant income;
- Compliance with Uniform Physical Conditions Standards;
- Compliance with Affirmative Marketing Requirements; and
- Compliance with other requirements of the HOME Program Guidelines.

In addition, DSHA ensures the proper payment of loan installments and escrow deposits, as required in the project's loan documents.

Record Keeping

In accordance with DSHA policy and federal requirements, DSHA has established and maintains records to enable DSHA staff, HUD, auditors, and the general public to determine the status of each HOME project, as well as overall program progress and status. Records are maintained in written and electronic format and are available to the public upon request, subject to the Freedom of Information Act.

Monitoring - ESG and HOPWA

Service providers receiving ESG and/or funds are monitored annually. The annual monitoring visit occurs after the end of the program year and consists of a review of applicable files, programs and processes of the agency. Areas examined include, but are not limited to, organization, environmental, conflicts of interest, insurance coverage, nondiscrimination and drug-free workplace policies, project activities and timelines, financial management and

matching funds, procurement procedures, demographics, essential services, operations, homeless prevention and rehabilitation activities.

Written documentation of any finding(s) is provided to the sponsor identifying areas of noncompliance and the actions required to correct them. Prior to any further grant awards, all finding(s) must be resolved and documented satisfactorily. For ESG and HOPWA, the overall program standards that are addressed and verified include the following:

- All grantees complete Quarterly Performance Reports every three months;
- Not less than 100 percent of the services provided will be services that are eligible by ESG statutes and HUD regulations; and
- Not less than 100 percent of the clients served will be eligible homeless families in accordance with HUD definition.

Citizen Participation Plan 91.105(d); 91.115(d)

Describe the efforts to provide citizens with reasonable notice and an opportunity to comment on performance reports.

The public was able to comment on the FY2020 CAPER from September 10, 2021, through September 27, 2021. Notice of availability of the CAPER was advertised in the Delaware State News and The News Journal. Additional notification was provided through DSHA Highlights with an email subscriber list of approximately 1,400 people. The CAPER is available for download from DSHA's website at www.destatehousing.com/FormsAndInformation/capers.php. A paper copy of the CAPER was available for review at DSHA's main office at 18 The Green.

CR-45 – CDBG 91.520€

Specify the nature of, and reasons for, any changes in the jurisdiction’s program objectives and indications of how the jurisdiction would change its programs as a result of its experiences.

Through the Consolidated Planning process, constituents have confirmed Delaware’s efforts to maintain and improve the quality of life for low- and moderate-income residents. Comments received from citizens have been supportive of the CDBG Program’s housing emphasis and recognize the need to reduce substandard housing for low- and moderate-income persons as a priority. As a result of our experience, the following programmatic change was incorporated into the FY2020 Program Guidelines.

A Section has been amended to simplify the required housing rehabilitation lien periods for CDBG/HOME rehab assistance from those lien periods required in the FY2019 Program Guidelines. With an exception for CDBG-only funded hookups, meter installations, and emergency repairs under \$5,000, the lien terms will be as follows:

For all homeowners regardless of age:

Under \$20,000	5 Years
\$20,000+	10 Years

This change will be effective as soon as DSHA’s Director approves the FY 2020 CDBG/HOME Final Program Guidelines, and will apply to FY2018, FY2019, as well as FY2020 housing rehab projects.

A Section has been amended to increase the estimated cost of rehabilitation for substantial reconstruction from \$25,000 or more, to \$35,000 or more. This change to the Program Guidelines is necessary to allow subgrantees to spend more than \$25,000 in rehab funding per household. Subgrantees must, however, still follow lead-based paint regulations, which require lead-based paint abatement for houses with both lead-based paint and rehab costs over \$25,000.

Owner-Occupied Rehab Programs Streamline

In response to the identified need for a streamlined and more responsive emergency repair process in the state, DSHA issued a NOFA and then contracted with a single provider to administer a Statewide Emergency Repair Program (SERP). In the first year, DSHA set aside \$500,000 in funding from the Delaware Housing Development Fund (HDF) for SERP and directed that 50 percent of the funding awarded to any partner must be directed to homeowners at or below 50 percent of Area Median Income (AMI). The remaining 50 percent had to be directed to homeowners at or below 80 percent AMI. Therefore, all SERP funds were to be used to assist low-income homeowners with emergency repairs that threatened the health or safety of the household’s occupants. DSHA is currently in the second year of a

contract with a single nonprofit provider (Milford Housing Development Corporation) that allows for two 1-year renewals.

In response to the need to address the special repair needs of mobile homes, \$100,000 has been designated for emergency repairs to manufactured homes, through the SERP. In a separate project, not funded by DSHA, a modular home manufacturer in Delaware has partnered with Energize Delaware, the Vermont Energy Investment Corporation and Milford Housing Development Corporation to offer zero energy homes, Ze-Mod homes, as replacements for single-wide mobile homes that are beyond their usefulness. The program is coupled with homeownership education, down payment assistance, and an Energy Efficiency Incentive package. Ze-Mod units are available through the program for households with 120% AMI.

Does this Jurisdiction have any open Brownfields Economic Development Initiative (BEDI) grants?

No

[BEDI grantees] Describe accomplishments and program outcomes during the last year.

CR-50 – HOME 91.520(d)

Include the results of on-site inspections of affordable rental housing assisted under the program to determine compliance with housing codes and other applicable regulations

Please list those projects that should have been inspected on-site this program year based upon the schedule in §92.504(d). Indicate which of these were inspected and a summary of issues that were detected during the inspection. For those that were not inspected, please indicate the reason and how you will remedy the situation.

During FY2020, DSHA did not perform any on-site inspections of HOME-assisted developments, as a result of the pandemic and social distancing requirements. Typically the monitoring includes physical inspections, review of tenant files and records, tenant rents, tenant selection and orientation, leases and security deposits, application processing, affirmative marketing plans, and general management policies. In addition to inspecting tenant incomes and rents, Uniform Physical Condition Standards (UPCS) were used during the units' physical inspection and also for all common areas in HOME-assisted properties. These areas include, but are not limited to, hallways, stairwells, laundry rooms, recreation rooms, lobbies and all exterior areas.

Provide an assessment of the jurisdiction's affirmative marketing actions for HOME units. 92.351(b)

DSHA has adopted affirmative marketing procedures and requirements for all HOME properties consisting of five or more units and requires all such developments to establish a plan to "affirmatively- further" fair housing. The Affirmative Marketing Plan is required to outline the actions the property developer will undertake to provide information and actively promote wider housing opportunities for all persons, while maintaining a nondiscriminatory environment of all aspects of Federally assisted housing during the HOME affordability period. Such actions include but are not limited to: requiring EHO logotype or slogans in all press releases, solicitations and communications; marketing and rental of all housing in accordance with Fair Housing laws, displaying Fair Housing posters in rental offices and on site; and the keeping of adequate records to determine compliance with all Fair Housing laws and requirements.

As part of the application process for the HOME financing, DSHA requires submission of an AFHMP on form HUD-935.2A for each development. DSHA then reviews the Plan to ensure that the Affirmative Marketing Plan addresses the intended use of media, community contacts, and special outreach efforts and complies with other Fair Housing requirements. Incomplete or deficient Plans must be corrected prior to initial closing of the loan. DSHA monitors all completed developments and notifies owners of any corrective actions required to meet the objectives of the approved AFHMP. Failure by the owner to take corrections as directed by DSHA may subject the owner to penalties including withholding of State and Federal funds, disbarment under State and Federal Housing programs and prosecution

under local, State and Federal Fair Housing laws. During the reporting period, one rental development was completed which required Affirmative Marketing actions.

Refer to IDIS reports to describe the amount and use of program income for projects, including the number of projects and owner and tenant characteristics

HOME Program activities completed in IDIS during the reporting period included the rehabilitation of 34 units of owner-occupied housing totaling \$399,784 that promoted affordable housing by both alleviating substandard conditions and assisting owners in maintaining their homes. There was one (1) acquisition/rehabilitation rental development (Village at Iron Branch) completed with 9 HOME units totaling \$1,851,618 that addressed the dual needs of rehabilitation and preservation of affordable rental housing.

Describe other actions taken to foster and maintain affordable housing. 91.220(k) (STATES ONLY: Including the coordination of LIHTC with the development of affordable housing). 91.320(j)

The majority of the State of Delaware's HOME funds are provided to multi-family rental developments in conjunction with the LIHTC Program. During the reporting period, DSHA completed one (1) HOME multifamily development.

The permanent financing breakdown of the one completed HOME-financed multifamily rental development indicate HOME funds provided (16%) of the financing, while 84% of total development costs were provided by other sources including: 71% Low Income Housing Tax Credits; 9% from State proceeds; and 0% permanent loans from other federal sources; and 4% from owner funding.

CR-55 – HOPWA 91.520€

Identify the number of individuals assisted and the types of assistance provided

Table for report on the one-year goals for the number of households provided housing through the use of HOPWA activities for: short-term rent, mortgage, and utility assistance payments to prevent homelessness of the individual or family; tenant-based rental assistance; and units provided in housing facilities developed, leased, or operated with HOPWA funds.

HOPWA CAPER attached in Appendix

Number of Households Served Through:	One-year Goal	Actual
Short-term rent, mortgage, and utility assistance to prevent homelessness of the individual or family	0	0
Tenant-based rental assistance	34	39
Units provided in permanent housing facilities developed, leased, or operated with HOPWA funds	0	0
Units provided in transitional short-term housing facilities developed, leased, or operated with HOPWA funds	0	0
Total	34	0

Table 14 – HOPWA Number of Households Served

Narrative

Since 1997, DSHA has awarded Housing Opportunities for Persons with AIDS (HOPWA) funds to the Delaware HIV Consortium (The Consortium) to operate a Tenant Based Rental Assistance (TBRA) program for low-income persons living with HIV/AIDS in Kent and Sussex Counties, Delaware.

Program beneficiaries must be low-income persons living with HIV disease or be AIDS defined. Total household income must fall within low-to-moderate income limits as defined by HUD. Clients must be referred to the TBRA program by HIV/AIDS case managers who ensure that their clients are receiving proper medical care and supportive services. The Consortium's housing staff screens applications and place eligible clients on the TBRA waiting list, which is updated monthly. Currently, the waiting time for rental assistance is approximately a year or less. Client eligibility determinations are reviewed on a regular basis and those who complete their waiting time and pass the eligibility screening review are interviewed by housing staff. The client is then given a 60-day timeframe to complete the

process of becoming TBRA program participants. Program participants are reassessed for eligibility on an annual basis, through a recertification process involving a reassessment with a medical case manager, an annual housing inspection and a review of client compliance with all HOPWA program requirements.

Assisted households then rent affordable units that meet HUD Housing Quality Standards (HQS) from private landlords within Kent and Sussex Counties. Affordability is determined using HUD Fair Market Rents. Rental assistance is calculated with the same HUD formula used by Public Housing Authorities (PHAs) to determine rent subsidies. The rent subsidy is based upon household income and housing expenses, including rent and utilities, and covers the portion of housing costs in excess of 30 percent of the household's adjusted income, up to full monthly rent. Program beneficiaries must remain connected to HIV/AIDS case management services with access to appropriate health care and support services funded by the Ryan White program and other mainstream service providers.

Annual Performance under the Action Plan

In FY2020 HOPWA funding from the Delaware State Housing Authority provided rental assistance for 39 households, consisting of 39 persons living with HIV/AIDS and 27 other persons for a total of 66 persons assisted. This output is more than the FY2020 HOPWA contract goal of 34 households.

Housing Stability - Of the 39 households assisted in FY2020, 38 households (97%) remained in stable housing: Thirty-Eight (38) in HOPWA-funded TBRA, zero (0) transitioned to private housing, zero (0) had unstable arrangements and one (1) had a life changing event. There was an 98% housing stability outcome performance goal in this category.

Access to Care and Support - All clients are required to be enrolled in HIV/AIDS medical case management during their participation in the TBRA program, in order to be connected to medical care and supportive services consistent with their care plans. In FY2020, all 39 households (100%) had housing plans as part of their case management service plans and all 39 households (100%) had appropriate medical coverage and received a regular source of income. In addition, all 39 households (100%) had contact with both their medical case managers and medical providers consistent with their service plans. These outcomes exceeded the 90% HOPWA performance goal for linkage to medical care and support services.

CR-56 – HTF 91.520(h)

Describe the extent to which the grantee complied with its approved HTF allocation plan and the requirements of 24 CFR part 93.

Tenure Type	0 - 30% AMI	0% of 30+ to poverty line (when poverty line is higher than 30% AMI)	% of the higher of 30+ AMI or poverty line to 50% AMI	Total Occupied Units	Units Completed, Not Occupied	Total Completed Units
Rental	9	0	4	9	0	9
Homebuyer	0	0	0	0	0	0

TABLE 15 – CR-56 HTF UNITS IN HTF ACTIVITIES COMPLETED DURING THE PERIOD

CR-60 – ESG 91.520(g) (ESG Recipients only)

ESG Supplement to the CAPER in e-snaps, see Appendix. Section CR-65 is no longer completed in IDIS. All information is in the attached SAGE report.

CR-65 – Persons Assisted

4. Persons Served

4a. Complete for Homelessness Prevention Activities

Number of Persons in Households	Total
Adults	
Children	
Don't Know/Refused/Other	
Missing Information	
Total	

Table 16 - Household Information for Homeless Prevention Activities

4b. Complete for Rapid Re-Housing Activities

Number of Persons in Households	Total
Adults	
Children	
Don't Know/Refused/Other	
Missing Information	
Total	

Table 17 - Household Information for Rapid Re-Housing Activities

4c. Complete for Shelter

Number of Persons in Households	Total
Adults	
Children	
Don't Know/Refused/Other	
Missing Information	
Total	

Table 18 - Shelter Information

4d. Street Outreach

Number of Persons in Households	Total
Adults	
Children	
Don't Know/Refused/Other	
Missing Information	
Total	

Table 19 - Household Information for Street Outreach

4e. Totals for all Persons Served with ESG

Number of Persons in Households	Total
Adults	
Children	
Don't Know/Refused/Other	
Missing Information	
Total	

Table 20 - Household Information for Persons Served with ESG

Gender-Complete for All Activities

	Total
Male	
Female	
Transgender	
Don't Know/Refused/Other	
Missing Information	
Total	

Table 21 - Gender Information

6. Age–Complete for All Activities

	Total
Under 18	
18-24	
25 and over	
Don't Know/Refused/Other	
Missing Information	
Total	

Table 22 - Age Information

7. Special Populations Served–Complete for All Activities

Number of Persons in Households

Subpopulation	Total	Total Persons Served - Prevention	Total Persons Served - RRH	Total Persons Served in Emergency Shelters
Veterans				
Victims of Domestic Violence				
Elderly				
HIV/AIDS				
Chronically Homeless				
Persons with Disabilities:				
Severely Mentally Ill				
Chronic Substance Abuse				
Other Disability				
Total (Unduplicated if possible)				

Table 23 – Special Population Served

CR-70 – ESG 91.520(g) – Assistance Provided and Outcomes

10. Shelter Utilization

Number of New Units - Rehabbed	0
Number of New Units - Conversion	0
Total Number of bed-nights available	37,960
Total Number of bed-nights provided	22,005
Capacity Utilization	58%

Table 24 – Shelter Capacity

11. Project Outcomes Data measured under the performance standards developed in consultation with the CoC(s)

As part of the ESG Application process, applicants must describe the expected outcomes from the proposed project and if a returning applicant, prior year outcomes. Applicants must include:

- Increased accessibility to affordable housing;
- Overall reduction in the number of persons who experience homelessness;
- Reduction in the length of homelessness;
- Reduction in returns to homelessness;
- Length of time between CMIS referral and assistance.

These outcomes are in line with the CoC's performance standards.

CR-75 – Expenditures

11. Expenditures

11a. ESG Expenditures for Homelessness Prevention

	Dollar Amount of Expenditures in Program Year		
	2018	2019	2020
Expenditures for Rental Assistance	0	0	0
Expenditures for Housing Relocation and Stabilization Services - Financial Assistance	0	0	0
Expenditures for Housing Relocation & Stabilization Services - Services	0	0	0
Expenditures for Homeless Prevention under Emergency Shelter Grants Program	0	0	0
Subtotal Homelessness Prevention	0	0	0

Table 25 - ESG Expenditures for Homelessness Prevention

11b. ESG Expenditures for Rapid Re-Housing

	Dollar Amount of Expenditures in Program Year		
	2018	2019	2020
Expenditures for Rental Assistance	0	0	0
Expenditures for Housing Relocation and Stabilization Services - Financial Assistance	0	67,553.62	0
Expenditures for Housing Relocation & Stabilization Services - Services	0	0	0
Expenditures for Homeless Assistance under Emergency Shelter Grants Program	0	0	0
Subtotal Rapid Re-Housing			

Table 26 - ESG Expenditures for Rapid Re-Housing

11c. ESG Expenditures for Emergency Shelter

	Dollar Amount of Expenditures in Program Year		
	2018	2019	2020
Essential Services	0	0	0
Operations	0	5,024.47	137,650.81
Renovation	0	0	0
Major Rehab	0	0	0
Conversion	0	0	0
Subtotal	0	5,024.47	137,650.81

Table 27 - ESG Expenditures for Emergency Shelter

11d. Other Grant Expenditures

	Dollar Amount of Expenditures in Program Year		
	2018	2019	2020
Street Outreach	0	0	0
HMIS	0	769.18	5,000
Administration	0	15,937.00	0

Table 28 - Other Grant Expenditures

11e. Total ESG Grant Funds

Total ESG Funds Expended	2018	2019	2020
231,935.08	0	89,284.27	142,650.81

Table 29 - Total ESG Funds Expended

11f. Match Source

	2018	2019	2020
Other Non-ESG HUD Funds	0	0	0
Other Federal Funds	0	0	0
State Government	0	0	0
Local Government	0	0	0
Private Funds	0	0	0
Other	0	0	0
Fees	0	0	0
Program Income	0	0	0
Total Match Amount	0	0	0

Table 30 - Other Funds Expended on Eligible ESG Activities

11g. Total

Total Amount of Funds Expended on ESG Activities	2018	2019	2020
	0	0	0

Table 31 - Total Amount of Funds Expended on ESG Activities

Appendix

- a. Maps
- b. Analysis of Impediments to Fair Housing Choice
- c. Community Development Block Grant (CDBG) Performance Evaluation Reports (PR-28)
- d. HOME Reports
 - a. Annual Reporting Forms 40107 and 40107-A
- e. HOPWA Reports
 - a. HOPWA CAPER Measuring Performance Outcomes Form
- f. ESG Sage Reports
 - a. 2020
 - b. ESG-CV 1/1/2020-03/31/2020
- g. Public Notice Advertisement