

COUNCIL ON HOUSING  
Public Session via Conference Call  
April 12, 2023

**Motions**

- February 8, 2023 and March 8, 2023 Minutes
- Resolution NO. 639 Owens Manor/Queens Manor Apartments
- Resolution NO. 640 Home4Good Program
- Resolution NO. 641 Pre-Purchase Homeownership Education and Counseling Funding

Doug Motley, Chair, called to order the public session of the Council on Housing meeting at 2:00pm, Wednesday, April 12, 2023. In addition to Mr. Motley, the following Council members were present:

Connie Harrington	Barbara Cool	Francis Julian
Dianne Casey	Lillian Harrison	Vincent White

Amy Walls was present in person at the Delaware State Housing Authority offices in Dover, DE which served as the anchor location for the meeting. All other members of Council appeared via video.

The following council members were absent from the meeting:

Donna Mitchell

**Also attending:**

Stephanie Griffin, DSHA	Debra Miller, DSHA	Candace Collins, DSHA
Alice Davis, DSHA	Brian Rossello, DSHA	Michael Acciani, LNWA
Sean Kelly, LNWA	Wes Stefanick, Delaware Assoc. of Realtors	

**APPROVAL OF MINUTES**

Mr. Julian moved and Ms. Casey seconded that the Minutes of the February 8, 2023 and March 8, 2023 meeting be approved as submitted. The motion was passed.

**DSHA REPORT – Ms. Griffin**

- DSHA had its second budget hearing for its capital funding programs on March 24th. The request before the committee included program allocations for the Affordable Rental Housing Program (ARHP), the Downtown Development District Program (DDD), and the Strong Neighborhood Housing Fund (SNHF).
- DSHA is continuing to engage with the Office of State Planning Coordination around how to leverage the State’s comprehensive plan process as a conduit for removing barriers to affordable housing development.
- To date the Homeowner Assistance Fund (DMRP) has provided \$19,693,778 in assistance to 1,843 households for an average of \$10,686. In addition to the assistance paid, we have \$39,832 allocated for applicants receiving future monthly assistance payments.
- The 2022 DDD Large Project reservation round closed on Monday (03/06). More than 20 reservation applications were received. Staff is completing a preliminary review of the applications for threshold eligibility. Once complete, we will schedule a scoring and ranking review with a goal of announcing reservation awards this spring.
- DSHA’s HOME-ARP Allocation Plan has been approved by HUD. Staff is currently working on the program and application timeline and NOFA, we are targeting a mid- to late-spring release.
- The Housing Needs Survey deadline was last Friday, April 7th. We have received over 2,010

responses to the housing survey. Our contractor, Root Policy Research, has conducted 40 stakeholder interviews and several focus groups to obtain feedback on Delaware's housing needs. We are currently organizing a Spanish-speaking focus group which will take place in late April.

- Southbridge Community Services Building (SBCS)
  - DSHA attended the ribbon cutting for the Southbridge Community Services Building (SBCS), a mixed-use project featuring affordable housing and retail space in Wilmington's Southbridge neighborhood.
  - DSHA employee, Marva Hammond, and her father, Charlie, completed the project. Marva and Charlie purchased a blighted and vacant factory to support their mission to bring affordable housing opportunities to Delaware residents one property at a time. They worked with the Southbridge Civic Association to determine community needs. They created a plan for a mixed-use building featuring ten units of affordable housing paired with commercial space, providing a retail opportunity to serve a local business.
- The 2023-2024 LIHTC application deadline is April 28th at 3:00 p.m. We expect several robust applications to come in and will leverage this opportunity to grow our State's affordable housing stock.

## **COMMITTEE REPORTS**

- OPERATIONS: Ms. Harrington
  - None
- COMMUNICATIONS: Ms. Casey
  - The Committee met with the Governor on March 14, 2023 and personally thanked the Governor for the additional \$30 million housing funding.
  - We discussed the 2022 COH Annual Report and the Governor expressed his interest in seeing a more specific target of needs within the annual report.
  - The Governor inquired as to how we can best meet the needs of the Community, Veteran Homelessness and expressed interest in prioritization of needs tasking.
- POLICY: Mr. White
  - There was a presentation on DSHA mortgage products by Brian Rossello to the committee. Additional detail on the beneficiaries of these products (household size, location, etc.) as well as more general information will be compiled into a more readable document with the goal of following up on policy recommendations.
- LOAN REVIEW:

The committee met April 4, 2023 and reviewed three HDF funding requests for consideration. After due discussion, Loan Review made the following recommendations to Council:

  - Owen Manor/Queens Manor Apartments
    - Owens Manor/Queens Manor Apartments is a leasehold acquisition and rehab of 110 existing units in Dover on approximately 2.35 total acres scattered over 2 separate sites. Properties are stick built construction with vinyl siding and brick veneer. Units will be equipped with gas range/oven, gas water heater, gas furnace for heating, and Energy Star rated lighting, dishwashers, refrigerators, and heat pumps for cooling. Each development will have a community center. The community center at Queen Manor will include generator backup power, kitchenette, nurses' station, and public men's and woman's rooms.
    - This is a senior development that will include thirty (30) Efficiency units, sixty-six (66) one-bedroom units, fourteen (14) two-bedroom units. The Development will meet handicap accessibility requirements with eleven (11) fully accessible units spread throughout the two sites. All units will convert to Project-Based Vouchers under the Rental Assistance Demonstration (RAD) Program. Development will receive a 2023 Tax Credit allocation in

the amount of approximately \$1,223,304 as part of a tax-exempt multifamily bond issue (4% tax credits).

- This request is for: (1) HDF construction lending in the amount of \$2,889,536 at 3% interest for 24 months; (2) HDF second position deferred permanent lending in the amount of \$6,500,000 at 1% simple interest for 30 years; and (3) HOME third position deferred permanent lending in the amount of \$1,000,000 at 1% simple interest for 30 years. The lending limits are \$60k/unit up to \$3.5MM per sit, which is why this HDF loan is \$6.5MM. Additionally, per the QAP, the top ranked 4% application is eligible for an additional \$1MM in HOME funding that is in addition to the DSHA lending limits.
- Based on the information provided in the synopsis and during the discussion, the members of Loan Review agreed to present for the full Council's approval the funding request for: (1) HDF construction lending in the amount of \$2,889,536 at 3% interest for 24 months; (2) HDF second position deferred permanent lending in the amount of \$6,500,000 at 1% simple interest for 30 years; and (3) HOME third position deferred permanent lending in the amount of \$1,000,000 at 1% simple interest for 30 years.

Mr. Julian moved and Mr. White seconded Resolution NO. 639, Owen Manor/Queens Manor Apartments to be approved. The motion was passed with eight (8) votes in favor and no abstentions.

- Pre-Purchase Homeownership Education and Counseling Funding
  - DSHA has traditionally engaged the services of HUD-approved housing counseling agencies by contracting with them to provide one-on-one pre-purchase homeownership education and counseling to homebuyers utilizing DSHA's Down payment assistance programs. Since July 2011, DSHA has administered the Pre-Purchase Homeownership Education and Counseling program with funding from the HDF directly. The program combines all programmatic relationships between DSHA and housing counseling agencies under one master grant agreement, which outlines the responsibilities and obligations of both parties in connection with several DSHA-administered programs. The contract and administrative structure are intended to allow housing counseling agencies to continue to realize fair compensation for the services they provide while reducing their need to dedicate resources to the processes associated with application for funds and reporting on activity.
  - Utilizing data from the previous Federal fiscal year October 1st to September 30th, each housing counseling agency will submit to DSHA their agency's HUD 9902 form to capture the one-on-one pre-purchasing counseling unit count. The numbers reported by all agencies will be added up to form a network total. Each agency's proportion of the network total will be calculated as a percentage to multiply by the total amount of funding available, and to determine that agency's allocation from the HDF grant total.
  - This request is for: (1) HDF grant in the amount of \$300,000 to pay for housing counseling services provided by a HUD-certified housing counselor to homebuyers.
  - Based on the information provided in the synopsis and during the discussion, the members of Loan Review agreed to present for the full Council's approval the funding request for: HDF grant funding in the amount of \$300,000 for FY23.

Mr. Julian moved and Ms. Casey seconded Resolution NO. 641, Pre-Purchased Homeownership Education and Counseling Funding to be approved. The motion was passed with six (6) votes in favor and two (2) abstentions (Ms. Walls and Ms. Harrington).

- Home4Good (Homeless Housing Support)
  - The Federal Home Loan Bank has committed its funding to support homelessness programs and services in Delaware. An annual allocation of \$575,000 from the HDF, combined with an annual allocation of \$500,000 per year from the Federal Home Loan Bank of Pittsburgh, will be used to support the homeless system programs administered by DSHA as the Home4Good program. Since 2018, the Home4Good Program has provided over \$4.5 million in combined funding to support homelessness prevention and diversion, rapid re-housing, and innovation.

- The FHLB has agreed to DSHA’s guidelines, process and procedures under the current Home4Good Housing grant program. Eligible activities include:
  - Homelessness prevention and diversion - \$550,000
  - Rapid Rehousing - \$300,000
  - Innovation – \$225,000
- Home4Good funding will be made available via a Notice of Funding Availability (NOFA) anticipated in May. Threshold eligible applications will be reviewed by a Review Committee that includes representation from the FHLB, DSHA, and Continuum of Care. Once commitments are made, grant agreements between DSHA and the grantees will be executed outlining program goals and objectives, performance standards, and reporting requirements.
- This request is for: (1) HDF grant in the amount of \$1,725,000 (\$575k/year over 3 years) to fund homelessness programs and services for individuals and households at 50% of Area Median Income (AMI) or below that meet program requirements.
- Based on the information provided in the synopsis and during the discussion, the members of Loan Review agreed to present for the full Council’s approval the funding request for: HDF grant funding in the amount of \$1,725,000 over 3 years (\$575,000/year).

Mr. Julian moved and Ms. Casey seconded Resolution NO. 640, Home4Good (Homeless Housing Support) to be approved. The motion was passed with eight (8) votes in favor and no abstentions.

**OLD / NEW BUSINESS:**

- Mr. White shared that the MARC-NAHRO Annual Conference will be at the Chase Center in Wilmington May 8-10, 2023.
- Mr. Motley requested an update on the Area of Opportunity Land Bank program.
- Mr. White shared his plans to complete a two-day walk from Wilmington to Dover to highlight the need for affordable housing.

**ADMINISTRATIVE:**

- Council requests a debriefing on the Housing Needs Assessment when it is further along in the process.
- Council requests updates on the progress of the Home4Good funding and the innovative categories.

**SCHEDULING OF NEXT MEETING**

- The next meeting will be held on Wednesday, May 10, 2:00 p.m. via conference call with the anchor location will be the offices of the Delaware State Housing Authority, 10<sup>th</sup> floor, Carvel State Building, Wilmington, DE

**ADJOURNMENT**

There being no further business to come before the Council, the meeting was adjourned at 2:45 p.m.

Respectfully submitted,

*Candace Collins*

Candace Collins

Note: Copies of materials referenced as “attached” in these Minutes are available upon request.