

COUNCIL ON HOUSING  
Public Session  
North Lake Village Apartments  
Middletown, Delaware  
August 12, 2015

**Motions**

- Approval of the June 10, 2015 Minutes
- Election of Officers

**Important Dates**

- September 9 – next Council on Housing meeting
- September 11 – HDF Non-Tax Credit final applications due
- November 3 – Public budget hearing 1:00 p.m. at Legislative Hall

Mr. Peters, Chair, called to order the public session of the Council on Housing at 2:00 p.m. on August 12, 2015. In addition to Mr. Peters, the following Council members were present:

Francis Julian	Ruth Sokolowski
Hugh Leahy	Norma Zumsteg
Corrine Massey	

The following Council members were absent and excused from the meeting:

Rob Harra	Donna Mitchell
Connie Harrington	Vincent White

Also attending:

Anas Ben Addi, Director, Delaware State Housing Authority (DSHA)  
Lynda Blythe, Administrative Specialist III, DSHA  
Susan Eliason, Director of Housing Development, DSHA  
Marlena Gibson, Director of Policy and Planning, DSHA  
Matthew Heckles, Director of Housing Finance, DSHA

**DSHA REPORT** – Mr. Ben Addi

- Low Income Housing Tax Credits (LIHTC)
  - July 2 – ranking results for the LIHTC Qualified Action Plan (QAP) were announced
  - 9% credits - 8 applications, totaling 270 units, were received
    - Three projects ranked high enough for funding:
      - Marydale Retirement Village – preservation (Wilmington)
      - Our Lady of Grace – new creation (Newark)
      - Whatcoat Village – preservation (Dover)
  - 4% credits – 2 applications were received but rankings were not finalized

- Housing Development Fund
  - Tax Credit and Non-Tax Credit requests are separate rounds with separate steps
    - Tax Credit
      - April – applications are received
      - July – announcement of rankings
      - Underwriting begins
      - September – discussions begin for next year’s QAP
      - October – developer meeting
      - December – formal hearing and issuance of the draft QAP
      - January – QAP will be published for April application deadline
    - Non-Tax Credit – now a two-step application process
      - Proposals – description of applicant’s request
        - July – proposals due
          - 52 proposals received
          - 46 proposals were approved to move forward to the application phase (some organizations have multiple applications)
        - July-August – DSHA mandatory meetings with applicants
        - September 11 – final applications due
        - September-October
          - Applications reviewed
          - Applications presented to the Council on Housing (COH) Loan Review committee for recommendation of approval/disapproval
          - October – or within 90 days of application receipt
            - Applications are presented to the entire COH, at their regularly scheduled meeting, for their recommendation to DSHA’s Director
            - Applicants are encouraged to attend the meeting
            - Grant Agreements are prepared and executed by approved applicants
- SRAP (State Rental Assistance Program)-Department of Education (DOE)
  - In conjunction with the Christina School District, the program was created to assist in keeping homeless children in their current school district
  - 105 applications were received with 93-95 going through for a one year period, six-month extensions could be granted if necessary
  - \$1 million has already been spent; an additional \$500,000 is also available and more is being requested from the Governor and General Assembly
  - School District staff coordinated the program and continues to identify those families who will be able to get back on their feet or others who might need help
  - Unfortunately, budget cuts have moved those staffers to other positions
  - Non-profit organizations are being contacted to continue the program while working with the School District
- Downtown Development Districts
  - DSHA received \$8.5 million from the Bond Bill while only requesting \$7 million for this program
  - Staff is gearing up for the next round and has met with all three districts to obtain feedback about the previous round

- The small set asides will probably change as a result of feedback received
  - Applicants were doubtful that funds would be available after their money was spent due to the ‘first come, first served’ process
  - Light reservations will now be available for six months but building permits must be in hand when the reservation is made
  - An additional six months could be granted on a case-by-case basis if necessary and progress is demonstrated. This will not be an advertised feature
  - Those projects not receiving an extension can still apply at their completion for funding
- Large set asides have one year to start the project and three years to complete it
- Budget
  - A new budget cycle is being started
  - The public budget hearing will be at 1:00 p.m. on November 3, 2015 at Legislative Hall
  - An interim meeting will be held with OMB in September in preparation for the November 3<sup>rd</sup> meeting
  - The Governor will announce the new budget a week after the state of the state address in January 2016
- Strategic Planning
  - Should be completed by the end of August
  - Highlights will be presented during the DSHA report at the September Council meeting

## **APPROVAL OF MINUTES**

Mr. Julian moved, and Mr. Leahy seconded, that the Minutes of June 10, 2015 meeting be approved as presented. The motion was passed unanimously.

## **COMMITTEE REPORTS**

### **OPERATIONS** – Mr. Peters for Ms. Harrington

Election of Officers – Nominations previously presented were: Mr. Peters as Chair and Mr. Leahy as Vice Chair. There being no additional nominations, upon motion by Mr. Julian, and seconded by Ms. Sokolowski, the motion was unanimously approved. The terms will expire June 2017.

Conflict of Interest forms – All forms must be completed and returned to Ms. Blythe by the September meeting.

### **HOUSING POLICY** – Mr. Leahy

The committee, comprised of Mr. Harra, Mr. Leahy, Mr. Peters ex officio, Mr. White, Ms. Zumsteg, and assisted by Ms. Gibson, met on July 8 and 29. The current charter and policy criteria were reviewed at those meetings and proposed revisions were presented at this time. Two areas of particular concern were how to:

1. Increase access to homeownership for first-time and low-income homebuyers, including innovations in housing finance delivery
2. Invest in the state's housing stock to improve homes in substandard condition and neighborhoods where such conditions are concentrated

Current recommendations for action by the Governor, General Assembly, the Director of DSHA, and other local, county, and state officials were reviewed along with suggestions for revisions/additions.

The suggested revised statements and recommendations will be incorporated into a draft of the Annual Report which will be emailed by Ms. Gibson to all Council Members for their review prior to the September 9<sup>th</sup> meeting. Voting on the report is anticipated at the September meeting.

### **DSHA HOMEOWNERSHIP PROGRAMS Presentation – Mr. Heckles**

Using the attached handout, the current priorities of DSHA's financing programs as well as program changes made March 2015 was discussed. A review of loan volume and distribution from January to June 2015 was also given. New programs instituted:

#### **Home Purchase Rehab for 203(k) Mortgages**

1. A new home purchase rehab loan program for lenders offering up to \$10,000 for down payment closing costs for first time homebuyers.
2. Existing stock purchasers could receive a loan for the financing of first mortgages and up to \$35,000 to make necessary rehab repairs.
3. Downpayment/Settlement Assistance loans are available for up to \$10,000.

#### **DSHA – Paid Mortgage Insurance Loan**

Lenders can offer DSHA-Paid Mortgage Insurance loans which will reduce monthly payments compared to conventional loans.

Mr. Heckles will prepare flow charts for a future meeting to explain the workings of the various financing options.

### **ADMINISTRATIVE MATTERS**

Ms. Gibson stated training for Mr. Harra, the newest Council member, will be held before year's end. The date and time will be emailed to all Council members who will be welcome to attend.

**SCHEDULING OF NEXT MEETING**

The next meeting will be held on September 9, 2015 at 2:00 p.m. at Luther Towers, Dover, DE.

**ADJOURNMENT**

Upon motion by Ms. Sokolowski, and unanimously approved, the meeting was adjourned at 3:45 p.m.

Respectfully submitted,

A handwritten signature in cursive script that reads "Lynda T. Blythe".

Lynda T. Blythe

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