

Factor 2: Demonstrated Capacity of the Applicant and Relevant Organizational Staff

a. Past Experience of the Applicant (30 points)

(1) City and Regional Planning

DSHA provides tools and technical assistance to local governments throughout the state to assist them to maintain a balanced housing stock to address the housing needs of their citizens. DSHA has developed a number of resources for local governments to use as they plan around the housing needs of their citizens. These resources are available through our Affordable Housing Resource Center on the DSHA website at: http://www.destatehousing.com/services/ot_toolbox.shtml. In addition to developing and assembling these resources, DSHA staff assists local governments in their planning around the affordable housing needs of their citizens. DSHA staff assisted in the design and implementation of a Moderately Priced Housing Ordinance in Sussex County, and has supported New Castle County in passage of an Accessory Dwelling Unit Ordinance.

In addition to assisting local jurisdictions with housing strategies as part of their land use planning, DSHA is also the consolidated planning entity for Kent and Sussex Counties in Delaware and conducts statewide planning of affordable housing strategies and priorities for numerous federal and state programs. The City of Wilmington and New Castle County are also Consolidated Planning entities, and all of the proposed NSP2 sub-recipients prepare regular Comprehensive Plans for land use, including housing.

(2). Acquisition and Disposition of Foreclosed Real Estate Asked Wilmington for some more #s to get us over 75 to meet threshold

DSHA is a recipient of NSP1 program funding. Through an RFP process, NSP1 funds were awarded to local governments to work with partners to implement neighborhood stabilization strategies in their communities. As the administrator of NSP1 in Delaware, DSHA is monitoring purchase/rehab, financing and other NSP1 activities for an estimated 192 units. The proposed NSP2 sub-recipients – the City of Wilmington, New Castle, Kent and Sussex Counties – are all also NSP1 grantees and as such are actively engaged in the acquisition and disposition of foreclosed real estate.

In particular, the City of Wilmington has been engaged in the acquisition and disposition of foreclosed real estate for over 20 years. In July 2007, the City Department of Real Estate and Housing began to more actively target and acquire properties at monthly County Sheriff Sales as a means of stabilizing neighborhoods. Between July 2007 and July 2009, the City of Wilmington pursued 368 properties at Sheriff Sale, with 65 of these coming into the City's inventory. The City has also acquired numerous properties through REO and short-sale processes.

As part of its disposition process, the Department of Real Estate and Housing (RE&H) formally advertises requests for proposals (RFPs) in local newspapers as well as on the City of Wilmington website. These RFPs are often precipitated by the receipt of a letter

of interest from prospective parties, as RE&H actively markets the disposition effort. If a RFP is determined to be viable, formal development agreements are put in place. Over the past two years, agreements have been reached with various non-profit and private parties for the disposal of 125 properties. The vast majority of these dispositions are for homeownership, either new construction or rehab.

(3) Rehabilitation of Housing

As the Community Development agency for Kent and Sussex Counties, DSHA has years of experience in managing and monitoring rehabilitation of housing in the CDBG and HOME programs. In FY 2008 (July 2007 – June 2008), DSHA's subgrantees (Kent and Sussex Counties) managed the rehabilitation of 111 homes through the CDBG and HOME programs. In FY 2009 YTD (July 2008 - May 2009), 98 homes were rehabilitated, for a total of **209 homes in the past 24 months**. New Castle County also operates several rehab programs for owner-occupied housing.

As administrator of the state's housing trust fund, the Housing Development Fund, DSHA has supported and monitored numerous housing rehabilitation projects, many funded in partnership with New Castle County and/or the City of Wilmington as parts of broader community development initiatives to improve housing stock, revitalize neighborhoods, and reduce vacant properties.

The City of Wilmington also has a very active rehabilitation program. In some cases, the City has elected to handle the redevelopment of for-sale, owner-occupied vacant properties in-house, taking advantage of the depth of experience staff has in the area of rehab. RE&H has a number of rehab programs that it manages and oversees directly, including owner-occupied and investor rehab programs, residential and commercial façade programs, and lead abatement. In addition, RE&H staff provides construction oversight services to many City-supported Low-Income Housing Tax Credit projects. RE&H has staff that is trained in spec writing, contract management, and cost estimating, as well as having certifications in lead testing and abatement. These various skills and experiences have enabled RE&H to be involved in the rehab of 200-300 units in a typical year.

(4) Redevelopment of Vacant Property

As the largest city in the state of Delaware, the City of Wilmington has extensive experience in the redevelopment of vacant property. This has been an important strategy as part of the City's overall community development activities in recent years. In the past two years, the City has funded, monitored or managed the disposal and redevelopment of 125 vacant properties.

(5) Program Marketing and Management of Waiting Lists for Potential Residents

As the central coordinating agency and administrator of Delaware's NSP1, DSHA has initiated and is leading a central marketing campaign for the program, including

billboards, television commercials with Delaware Governor Jack Markell, radio commercials, and printed materials. Local government subgrantees have knowledge in local program marketing and waiting list management from their experience managing housing rehabilitation, downpayment and settlement assistance and other programs.

Beyond NSP1, DSHA markets its own numerous programs, including mortgage assistance, downpayment and closing cost assistance, and many others, and manages waiting lists for its public housing and Housing Choice Voucher programs.

(6) Accessing Operating and Investment Capital

As a whole DSHA manages more than \$1,200,000,000 annually in total financial assets. DSHA has a current fiscal year budget of approximately \$280,000,000 and manages approximately \$47,000,000 in federal programs. DSHA receives approximately \$8 million in State funding and the remainder comes from a combination of other sources including interest payments, bond proceeds and loan repayments.

(7) Working Productively with Other Organizations

As the state of Delaware's lead housing agency, housing finance agency, and community development agency, DSHA has a long history of working productively with other organizations and bringing together and facilitating new partnerships across a range of sectors and interests. In all its programs, DSHA works with numerous partners in the finance industry, nonprofit sector, local government, other funders, and community groups. Some key examples include:

- 1) Delaware Interagency Council on Homelessness – DSHA has been a lead agency and provided staff support and leadership to this group composed of state agencies, nonprofit organization, advocates and others charged with developing and implementing a 10-Year Plan to End Chronic Homelessness. This process has resulted in several new programs, improved communication and cooperation and ultimately a more cohesive and effective system of care for the homeless in Delaware.
- 2) Live Near Your Work Program – DSHA led the development of this unique partnership-driven program, in which local employers provide assistance to employees, matched by DSHA, to help them purchase homes near their place of employment. The program has more than 20 participating employers.
- 3) Neighborhood Stabilization Program – DSHA is administering the Neighborhood Stabilization program at the state level, working with five local jurisdictions in the implementation of local neighborhood stabilization strategies.
- 4) Community Development Block Grant – DSHA administers CDBG funds for Kent and Sussex Counties in Delaware, and has worked productively with both Counties for many years to efficiently and effectively engage in community development activities, particularly housing rehabilitation.
- 5) Lt. Governor's Foreclosure Task Force – DSHA was a lead agency in the Lieutenant Governor's Foreclosure Task Force, created in the early years of the foreclosure crisis. This initiative led to the development and funding of a

foreclosure prevention loan program, successful program development and application to bring the National Foreclosure Mitigation Counseling program to Delaware, partnerships with national initiatives to bring resources to Delaware, such as the 1-800-HOPE-NOW default hotline, and significant improvements in local data collection to guide further efforts.

Other Neighborhood Stabilization Activities

(1) Financing Mechanisms

The Delaware State Housing Authority, as the state's housing finance agency, has extensive experience in the use of financing mechanisms for a variety of purposes and uses. In the past 24 months (July 2007 – May 2009), DSHA's Single-Family Mortgage Revenue Bond program has helped 2,129 Delaware households become homeowners. In addition to the bond program, DSHA also administers closing cost and downpayment assistance programs. In the past 24 months (July 2007 – May 2009), these programs have assisted 938 households. All use soft second mortgages.

As CDBG and HOME entitlement jurisdictions, Delaware's proposed NSP2 subrecipients also have experience in the use of financing mechanisms, particularly soft seconds.

(2) Purchase and Rehab

Addressed above. Say what section

(3) Demolition of Blighted Structures

Not a proposed NSP2 activity for Delaware.

(4) Redevelop Demolished or Vacant Properties as Housing

Addressed above. Say what section

(5) Housing Counseling

All NSP2 homebuyers will receive housing counseling from accredited counseling agencies. DSHA regularly funds and monitors the Delaware Federation of Housing Counselors to provide homeownership counseling to buyers in its bond program (350 in the past two years). In addition, DSHA funds NCALL Research, Inc. to provide homeownership counseling to very and extremely low-income homebuyers using USDA Rural Development loan products (60 in the past 24 months).

Agency members of the Delaware Federation of Housing Counseling will be providing homeownership counseling to NSP2 homebuyers through partnerships with the local government subrecipients. In the past two years (2007 and 2008), member agencies of the Federation have assisted clients to 1,696 completed mortgage closings.

In addition, DSHA manages the National Foreclosure Mitigation Counseling (NFMC) program in Delaware. In this program, nonprofit counseling agencies provide foreclosure prevention education and counseling. In the past 24 months, 580 homeowners have been assisted through the NFMC program.

	FY 2009 YTD (July 2008 – May 2009)	FY 2008 (July 2007 – June 2008)	Total
CDBG/HOME Rehab	98	111	209
Mortgage Revenue Bond Program - Financing	854	1275	2129
NFMC (Foreclosure Prevention Counseling)	471	109	580
Downpayment & Closing Cost Assistance Programs	407	531	938
Homeownership Counseling (NCALL)	30	30	60
Federation of Housing Counselors	658 closings (2008)	1038 closings (2007)	1,696

b. Management Structure (10 points)

(1) NSP2 Management Structure and Organizational Chart

As a small state, Delaware has the ability to address foreclosure on a statewide basis and still make a major impact in those neighborhoods most affected. DSHA is a cabinet level agency reporting directly to the Governor. The NSP2 program would be run from the DSHA Planning and Community Development section with support from the Housing Finance and Financial Management sections. The DSHA Planning and Community Development Section will manage contracts with each County and the City of Wilmington to carry out the activities under NSP2. Each of these units of local government will have staff responsible for NSP. The following people will be the key staff for NSP for each jurisdiction:

Organization: **Delaware State Housing Authority**

Key Staff: Kim Brockenbrough

Title: Director of Planning and Community Development

NSP2 Role: To provide coordination, oversight and direction in the administration of the NSP2

Key Staff: Victoria Powers
Title: Management Analyst II
NSP2 Role: To provide coordination, processes draws, and monitor the NSP2

Organization: New Castle County

Key Staff: Anne Farley
Title: General Manager of Community Services
NSP2 Role: To provide oversight and direction

Key Staff: Carey Casey
Title: Community Services Administrator
Role: To provide coordination between DSHA and non-profit partners and to oversee implementation by the County

Organization: City of Wilmington

Key Staff: Timothy Crawl-Bey
Title: Director, Department of Real Estate and Housing
NSP2 Role: To provide oversight and direction

Key Staff: Susana Casado
Title: NSP Administrator
NSP2 Role: To provide coordination between DSHA and non-profit partners and to oversee implementation by the City

Organization: Kent County

Key Staff: MaryEllen Gray
Title: Division Head – Kent County Division of Planning
NSP2 Role: To provide oversight and direction

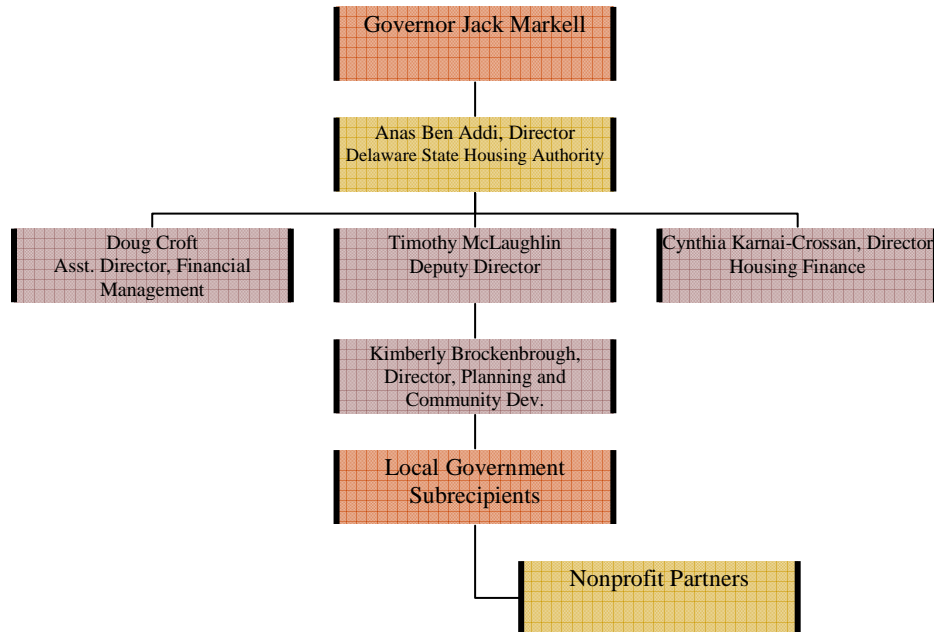
Key Staff: Albert Biddle
Title: Housing & Community Development Supervisor
NSP2 Role: To provide coordination between DSHA and non-profit partners and to oversee implementation by the County

Organization: Sussex County

Key Staff: Brandy Bennett
Title: Housing Coordinator
NSP2 Role: To provide coordination between DSHA and non-profit partners and to oversee implementation by the County.

Key Staff: Bradley Whaley
Title: Assistant Director, Community Development and Housing
NSP2 Role: To provide oversight and direction as well as oversee the financial model

Delaware NSP2 Organizational Chart



(2) References. (Ideas on references welcomed)

Financing References

- (1) Name
Address
Phone
E-mail

- (2) Name
Address
Phone
E-mail

Purchase/Rehab References

- (1) Name
Address
Phone
E-mail

- (2) Name
Address
Phone
E-mail