

NEW CASTLE COUNTY HOME-ARP Allocation Plan

Submitted to HUD as a Substantial Amendment to the
Approved 2021 Annual Action Plan

Consultation

Section 1: Describe the consultation process including methods used and dates of consultation

See Appendix A for all Stakeholder Consultation materials. Stakeholder comments received throughout the various sessions and individual meetings are summarized below and referenced throughout the Needs Assessment & Gaps Analysis section.

New Castle County collaborated with the City of Wilmington and Delaware State Housing Authority in the stakeholder consultations conducted for the HOME-ARP program. The three entities represent the three HOME Participating Jurisdictions (PJs) in the state, and the state represents one Continuum of Care (CoC) for all jurisdictions. In many cases, the same stakeholders cover more than one PJ's service area, most without regard for the jurisdictional boundaries that separate them.

Together, the three jurisdictions engaged in an extensive stakeholder consultation process over the course of five months beginning in June 2022. The first round of consultations focused on identifying the Qualifying Populations (QPs) and their unmet housing and service needs. In addition to meetings scheduled by the PJs for this purpose, the PJs identified other organizations that provide services to the QPs and met monthly or quarterly on a regular basis. Requests were made to be a part of the agendas of these meetings, an effort that broadened stakeholder participation throughout the state. For all stakeholder sessions, a PowerPoint presentation on the HOME-ARP program was presented followed by a series of questions meant to engage participants in identifying the unmet needs among the QPs they served. Details of Round 1 are included in the chart below.

Date	Method	Participant Stakeholders	Agency/Organization Type <i>(required stakeholders in italics)</i>
All Stakeholders June 13, 2022 12:00-1:00 pm	GoToMeeting virtual session	21	<i>Homeless service providers, Private organizations that address disability rights, Continuum of Care, Public agencies that address the needs of the QPs, Public housing authority, Community development organization, Affordable housing developer</i>
All Stakeholders June 14, 2022 2:00-3:00 pm	GoToMeeting virtual session	27	<i>Homeless service providers, Private organizations that serve the needs of the QPs, Public agencies that address the needs of the QPs, Public housing authority, Business</i>

Housing Alliance Delaware - Sussex Housing Group June 16, 2022 10:00-11:00 am	ZOOM virtual session	21	<i>Private organizations that address the needs of the QPs, Continuum of Care, Public agencies that address the needs of the QPs</i>
State Council for Persons with Disabilities June 27, 2022 1:00-1:30 pm	ZOOM virtual session	24	<i>Public agencies that address the needs of the QPs, Public/private organization that address civil rights, fair housing and disability rights</i>
Housing Alliance Delaware - Delaware Affordable Housing Coalition July 7, 2022 10:00-11:00 am	ZOOM virtual session	8+	<i>Private organizations that address the needs of the QPs, Continuum of Care</i>
Delaware CoC – Quarterly Meeting July 20, 2022 11:00 am-12:00 pm	ZOOM virtual session	12+	<i>Continuum of Care, Private organizations that address the needs of the QPs, Public agencies that address the needs of the QPs, Public housing authority, University, State elected official</i>
Housing Alliance Delaware - Community Development Network July 28, 2022 2:00-3:00 pm	ZOOM virtual session	13+	<i>Continuum of Care, Private organizations that address the needs of the QPs</i>

A second round of stakeholder sessions was scheduled in October to provide a summary of the stakeholder comments and the data needs analysis. Each session began with a PowerPoint presentation summarizing key findings from the stakeholder consultations and the data analysis. Details of Round 2 are included in the chart below.

Date	Method	Participants Stakeholders	Agency/Organization Type <i>(required stakeholders in italics)</i>
All Stakeholders October 3, 2022 10:00-11:30 am	GoToMeeting virtual session	10	<i>Public agency that serves the needs of the QPs, Private organizations that address the needs of the QPs</i>
All Stakeholders October 6, 2022 2:00-3:30 pm	GoToMeeting virtual session	3	<i>Private organizations that address the needs of the QPs</i>
Housing Alliance Delaware - CoC Quarterly Meeting October 19, 2022 10:00 am-12:00 pm	ZOOM virtual session	13+	<i>Continuum of Care, Public agencies that provide services to the QPs, Private organizations that provide services to the QPs</i>

Two surveys were conducted for the plan. One was conducted in August 2022 among residents of the Hope Center, an emergency non-congregate shelter facility in New Castle County. A key finding from the survey was that all residents wanted to move elsewhere with 96% reporting they were working on a plan to do that. In order to move on, 52% said they needed a place they could afford to live and 17% wanted a job that could pay their rent and expenses. More than half (52%) wanted to remain in New Castle County

but outside of Wilmington, 26% wanted to live in Wilmington. Two respondents wanted to live in Kent County, one in Sussex County and two wanted to move out of state.

A stakeholder survey was distributed to all stakeholders on the master list used for this planning initiative. Among several questions, respondents were asked to identify the highest priority needs among the Qualifying Populations. For persons experiencing homelessness, affordable rental housing (99%), permanent supportive housing (87%), and supportive services (77%) ranked highest. For persons at risk of becoming homeless, affordable rental housing (94%), tenant-based rental assistance (81%), and supportive services (77%) ranked highest. Among victims of, or persons attempting to flee from, domestic violence, dating violence, sexual assault, stalking, or human trafficking, affordable rental housing (85%), supportive service (74%), and permanent supportive housing (71%) were identified as priorities. For other Qualifying Populations, affordable rental housing (89%), permanent supportive housing (79%), and tenant-based rental assistance (74%) were noted as the highest priorities.

Survey results are included in Appendix A.

Section 2: List the organizations consulted and summarize feedback received and results of upfront consultation with these entities.

A list of all invited stakeholders is included in Appendix A. Also included in Appendix A are summaries of the comments received during each stakeholder consultation session.

All required stakeholder categories were engaged either through group stakeholder sessions, regular meetings of organizations serving the QPs, individual interviews, or via e-mail to obtain data.

The general themes and trends that emerged from the stakeholder sessions include the following:

- More affordable and accessible rental housing for households up to 50% AMI is needed outside of Wilmington
- Many landlords refuse to accept Housing Choice Vouchers for higher market rents and refuse to rent to tenants with criminal histories, evictions, poor credit, and released offenders
- There is an inadequate level of supportive services that increases the potential for returning to homelessness
- The level of Housing Choice Vouchers is inadequate to serve individuals and families in need of subsidized rental housing
- There is an inadequate inventory of Emergency Shelter beds for individuals and families in crisis, especially those fleeing domestic violence
- More supportive services are needed to keep people housed—benefits navigator, mental health, financial counseling, employment training, education, case management, personal care providers, transportation, legal
- There is a lack of affordable housing developers along with obstacles to developing multi-family housing (i.e., public opposition and restrictive zoning)
- Permanent Supportive Housing, including for the chronically homeless, is needed with more units accessible for persons with disabilities and with visitAble features
- Permanent affordable rental housing is needed across DE to house individuals and families who have rental subsidies and access to supportive services

Public Participation

[To be completed following the 15-day public comment period and public hearing.]

See Appendix B for evidence of Public Participation conducted for the plan.

Section 1: Describe the public participation process, including information about and the dates of the public comment period and public hearing(s) held during the development of the plan.

- ***Date(s) of public notice:*** Click or tap to enter a date.
- ***Public comment period: start date*** - Click or tap to enter a date. ***end date*** - Click or tap to enter a date.
- ***Date(s) of public hearing:*** Click or tap to enter a date.

Describe the public participation process:

Enter narrative response here.

Section 2: Describe efforts to broaden public participation.

Enter narrative response here.

Section 3: Summarize the comments and recommendations received through the public participation process either in writing, or orally at a public hearing.

Enter narrative response here.

Section 4: Summarize any comments or recommendations not accepted and state the reasons why.

Enter narrative response here.

Needs Assessment and Gaps Analysis

This section presents the results of the HOME-ARP qualifying populations' needs and gaps analysis, drawing on statewide HMIS data, Point-In-Time (PIT) count information, public federal data sources, and state or local sources as available. Where appropriate, this information is contextualized with feedback from stakeholders within New Castle County's and the statewide Continuum of Care's service system. When possible, the City of Wilmington was excluded from this analysis since it is a separate HOME-ARP participating jurisdiction from the remainder of New Castle County. Where separate analysis was not possible, it is indicated within the analysis narrative.

Section 1: Housing Inventory

Delaware, like many states, has a shortage of affordable housing resources. In New Castle County, 41% of entries to homeless service clients remain in the system for six months or longer. Longer lengths of stay may increase the need for beds, as there is less movement for new clients to be able to use those resources. Currently, there are not enough permanent housing resources available through the Continuum of Care in New Castle County to house everyone who is experiencing homelessness.

Table 1: New Castle County Homeless Needs and Gaps Analysis

	Current Inventory	Homeless Population		
	# Beds	Total	Fleeing Domestic Violence	Veterans
Emergency Shelter	973			
Transitional Housing	82			
Permanent Supportive Housing	98			
Rapid Re-Housing	68			
Other Permanent Housing	0			
Unsheltered Count		205	11	23
Sheltered Count		1,138	24	39

Data Sources: 1. HMIS; 2. Continuum of Care Housing Inventory Count (HIC) 2021

New Castle County also has a need for affordable housing for other household types. The shortage of units both affordable and available for renter households at 0-30% AMI and 31-50% AMI increases housing insecurity and rent pressure on extremely low-income households.

Within New Castle County's rental housing inventory, there is a housing gap for households at 0-30% and 31-50% AMI (see Table 2). Analyzing the household occupancy of rental units by income tier provides additional information. According to CHAS data, there are 15,585 renter households at 0-30% AMI. For this income tier, there is a total of 7,490 rental units affordable to this group of households. However, only 3,905 of the 7,490 units are occupied by 0-30% AMI households. The remaining 3,585 units are occupied by households with incomes above 30% AMI. ***This results in a housing gap of 11,680 rental units affordable to 0-30% AMI renter households.***

Moving up the income spectrum, there are 10,615 renter households at 31-50% AMI. For this income group, there is an over-supply of 13,039 units that are affordable to them. However, only 2,725 of the 13,039 units are occupied by 31-50% AMI households. The remaining supply of 10,314 units is occupied by households of other income tiers, likely including some of the 0-30% AMI households who are living in units outside of their income tier which would cause them to be cost-burdened. ***This results in a housing gap of 7,890 rental units affordable to 31-50% AMI renter households.***

Table 2: New Castle County Non-Homeless Housing Needs and Gaps Inventory

Renter Households	0-30% AMI	31-50% AMI
Total Households	15,585	10,615
Affordable Housing Units	7,490	13,039
Units Occupied by Appropriate Income Tier	3,905	2,725
Units Occupied by Other Income Households	3,585	10,314
Gap	11,680	7,890

¹ Number of housing units occupied by a household of the same income tier (i.e., a 0-30% AMI household occupies a unit that is affordable to a 0-30% AMI household)

² Number of housing units occupied by a household that is not of the same income tier (i.e., a 0-30% AMI unit is occupied by a household above 30% AMI)

³ Total Number of Households minus Units Occupied by Appropriate Income Tier equals the number of units needed to house the balance of the households within that income tier that are occupying units affordable to households above their income tier (i.e., the housing gap).

Data Source: 2014-2018 Comprehensive Housing Affordability Strategy (CHAS)

Section 2: Size and Demographics Composition of Qualifying Populations

To analyze the size and demographic composition of qualifying populations, the Homeless Management Information Systems (HMIS) data for calendar year 2021 was analyzed. While Delaware operates as a unified Continuum of Care statewide, the location of clients was determined by the project location in HMIS to understand needs specifically in New Castle County. HMIS data was supplemented with other state reports as appropriate for each qualifying population.

1. Homeless as defined in 24 CFR 91.5 (only homeless categories 1, 2, 3)

Based on 2021 HMIS data, there are 1,308 people from 624 households experiencing homelessness in New Castle County (see Table 3). There are significant racial disparities who experience homelessness in New Castle County, as Black/African American individuals are overrepresented in homelessness. Additionally, people experiencing homelessness in New Castle County are more likely than the general population to have a disabling condition, which may point to the need for additional permanent supportive housing and supportive service resources.

Table 3: Demographics in the Homeless Population, New Castle County

	Homeless Population	General Population
Male	46%	49%
Female	54%	51%
Transgender or Gender Non-Conforming	<1%	
White	23%	70%
Black/African American	74%	23%

American Indian, Alaskan Native, or Indigenous	1%	1%
Asian/Asian-American	1%	7%
Native Hawaiian, or Other Pacific Islander	1%	<1%
Hispanic/Latino	10%	10%
Under 18	49%	21%
18-24	8%	9%
25-54	35%	40%
55 and over	8%	29%
Veteran	5%	5%
Disabling Condition	27%	11%
<i>Of those who had a disabling condition:</i>		
Physical Disability	29%	
Substance Use Disorder	16%	
Developmental Disability	13%	
Unaccompanied Youth	1%	

The average length of stay in the homeless service system is approximately six months. For those fleeing domestic violence, living with a disabling condition, or in a single-person household, the length of stay increased. This may be in part due to the shortage of affordable housing, as well as unmet permanent supportive housing resources for people with disabilities.

Table 4: Length of Stay by Subpopulation

<i>Subpopulation</i>	<i>Average Length of Stay (Days)</i>	<i>Median Length of Stay (Days)</i>
Total Population	183	144
Fleeing Domestic Violence	205	178
Veterans	172	128
Disabling Condition	196	156
Single Households	202	133
Households w/ 2 or More Members	175	148

Approximately 63% of individuals experiencing homelessness were a member of a family household. Of family households, 13% entered the homeless service system from unsheltered living situations, compared to 40% of single-person households. This may indicate a need for greater prevention resources for families. Additionally, 41% of family households contained a member with a disability compared to 57% of single-person households.

Table 5: Household Size & Demographics

<i>Household Size</i>	<i>Percentage of Homeless Population</i>	<i>Distribution of Disabling Condition by Household Size</i>
1	38%	46%
2	20%	22%
3	15%	12%
4	16%	11%
5	6%	4%
6+	5%	6%

Veterans: Of the 62 veterans in HMIS in New Castle County projects in 2021, the demographics are as follows:

- 61% were Black/African-American/African, 34% were White, 3% were Alaska Native/Indigenous, 2% were Asian/Asian-American
- 81% Male, 19% Female
- 5% were Hispanic/Latin(a)(o)(x)
- 73% had a disabling condition and of those that have a disabling condition:
 - 29% have a physical disability
 - 13% have a substance disability
 - 2% have a developmental disability

People with Disabilities: There were 300 individuals in HMIS who had any disabling condition in 2021. Of these individuals, 29% had a physical disability, 16% had a substance-related disability, and 13% had a developmental disability. The disability type for the remaining individuals is not known. Of all individuals who have a disabling condition, their demographics are as follows:

- 50% were female, 50% were male, and less than 1% were transgender or gender non-binary
- 60% were Black/African-American/African, 36% were White, 2% were Alaska Native/Indigenous, 2% Asian/Asian-American, less than 1% Native Hawaiian or Pacific Islander
- 8% were Hispanic/Latin(a)(o)(x)
- 15% were under the age of 18; 5% were between the ages of 18-24; 56% were between the ages of 25-54; 22% were older than 55

2. At Risk of Homelessness as defined in 24 CFR 91.5

HMIS data for New Castle County showed that 12 people entered into homeless situations from institutional settings, while 24 people exited into institutional settings and an additional 242 people moved into temporary housing accommodations, which may indicate a greater risk of returning to homelessness. Of these individuals, the demographic information is as follows:

- 59% are under 25 years of age, 34% are between the age of 25-54, 6% are over the age of 55;
- 43% are male, 57% are female, less than 1% are transgender/non-binary/questioning;
- 24% have a disabling condition and of those who have a disabling condition:

- 37% have a physical disability;
- 21% have a substance use disorder; and
- 21% have a developmental disability.
- 80% are Black/African American/African, 18% are White, 2% are Asian/Asian-American, and less than 1% are Native Hawaiian/Pacific Islander or Indigenous/Alaska Natives
- 5% are veterans
- 70% of the at-risk population belongs to a household of more than one person.

Table 6: Household Size of At-Risk Population

<i>Household Size</i>	<i>Percentage of Homeless Population</i>
1	30%
2	20%
3	15%
4	16%
5	6%
6+	5%

3. *Fleeing, or Attempting to Flee, Domestic Violence, Dating Violence, Sexual Assault, Stalking, or Human Trafficking, as defined by HUD in the Notice*

According to an [annual report](#) for FY2021 from the Domestic Violence Coordinating Council, in 2021, there were 22,745 combined criminal and non-criminal domestic violence incidents reported in Delaware with 1,756 calls to the Domestic Violence Hotline in New Castle County. There were 627 survivors sheltered in New Castle County (including the city of Wilmington); 12 were male, 330 were female, and 285 were children.

Survivors of domestic violence were also identified in HMIS. This is likely an undercount of those needing housing since domestic violence agencies do not participate in HMIS due to Violence Against Women Act regulations. In New Castle County, 117 domestic violence survivors were identified in HMIS in 2021; of which, 41 were currently fleeing domestic violence. Their demographics were:

- 12% Male, 88% Female
- 22% under 18, 15% aged 18 to 24, 54% aged of 25 to 54, and 10% over the age of 55
 - 3% unaccompanied youth
- 83% African American/Black, 17% White
- 10% Hispanic Latin(o)(a)(x)
- 27% had a disabling condition
- 22% were fleeing individually, 12% with 1 household member, 20% with 2 household members, 32% with 3 household members, 5% with 4 household members, and 10% with 5 household members

There is limited data regarding individuals fleeing or attempting to flee human trafficking within Delaware. Data from the Human Trafficking Hotline indicates that there were 27 human trafficking cases reported in 2020 with 52 calls from victims and survivors. Of the 27 cases, 24 involved sex trafficking, 24 reported the survivor was female, and 14 cases involved a minor. The 2022 Annual Report of the Delaware Anti-Trafficking Action Council (DATAC) provided some demographic data on victims of human trafficking. In 2021 there were nine juvenile victims in New Castle County. All victims were non-Hispanic females, and most were white. They ranged in age from 13-17 years of age.

4. Other populations requiring services or housing assistance to prevent homelessness and other populations at greatest risk of housing instability, as defined by HUD in the Notice

At Greatest Risk of Housing Instability: HUD defines those at greatest risk of housing instability to be households whose annual income is 0-30% AMI and who experience severe cost burden (i.e., paying more than 50% of monthly household income toward housing costs). According to CHAS data, there are 11,520 households in New Castle County (excluding the city of Wilmington) at 0-30% AMI paying more than 50% of their income towards rent. Additionally, the HUD notice includes households with an annual income of 0-50% AMI and meeting one of the conditions in paragraph (iii) of the “at-risk” of homeless definition as an eligible ‘other population’.

In New Castle County, 1,160 households with annual incomes 0- 50% AMI experienced 1 of 4 housing problems, meeting one of the conditions in paragraph (iii) of at risk of homelessness. Additionally, 11,810 households were experiencing severe housing problems.

The New Castle County 2020-2024 Consolidated Plan defines households who face eviction or have been evicted as at risk of homelessness.¹ Based on data from [Eviction Lab](#), 16.6 evictions were filed for every 100 renter households in New Castle County in 2018. However, in light of the increased housing instability of Covid-19, this number is estimated to be much higher. In 2018, 12.1% of renter households were also threatened with eviction.

Disabled and Elderly populations: There are a growing number of persons with cognitive and physical disabilities who require supportive services within their homes to continue living independently. This includes low-income persons with HIV/AIDS who may need specialized healthcare, approximately 2% of the population receiving Supplemental Security benefits due to disability, and 34% of adults over 65 years of age with a disability. Historically, many of these residents lived in an institutional setting to receive needed services. This has shifted to housing strategies that prioritize living as independently as possible, which includes permanent supportive housing within group homes and individual homes integrated with neighborhoods using housing assistance vouchers. In addition to expanding housing choice and quality of life for people with disabilities, providing housing assistance and community-based services is typically far more cost-effective than institutional services.

¹ <https://www.newcastlede.gov/DocumentCenter/View/37917/2020-Consolidated-Plan-Five-Year-Strategic--Annual-Action-Plan>, pp.29

Section 3: Current Resources Available to Assist Qualifying Populations

There are currently 973 emergency shelter beds, 98 Permanent Supportive Housing units, 82 Transitional, and 68 Rapid-Rehousing beds for individuals experiencing homelessness in New Castle County with the number of emergency shelter beds increasing significantly in 2022 by 707 beds due to the worsening housing crisis and the opening of NCC Hope Center.

As of 2021, 3% of the population of Delaware benefited from HUD assistance with the average wait time for households receiving a voucher being 31 months. According to the Center on Budget and Policy Priorities, 27,900 people in 13,300 Delaware households used federal rental assistance to afford housing through the following methods:

- 5,000 households using Housing Choice Vouchers
- 1,900 households using public housing placements
- 4,400 households using project-based Section 8
- 700 for households using supportive elderly and disabled rental assistance (Section 202 and 811)
- 1,300 households using USDA Rural Rental Assistance.

Of those who utilize federal rental assistance, 70% are seniors or people with disabilities and 64% of assisted people are in families with children.

Between September 2021 and June 2022, 8,916 New Castle County households (consisting of a total of 21,842 persons, including those in Wilmington) participated in Delaware's ERAP. Of those applicants, 6,919 were approved (77.6%) while 1,997 were not able to receive assistance (22.4%). The average household size of applicants was 2.45 persons, and the average of the head of household was 41.0 years. Most applicants were Black/African American (72.5%) followed by Whites (15.9%) and Hispanics (10.1%).

Table 7: ERAP Utilization Demographics in New Castle County

Race/Ethnicity	#	%
White	1,414	16%
Black / African American	6,464	73%
Asian	69	1%
Native Hawaiian or Other Pacific Islander	14	<1%
American Indian or Alaska Native	24	<1%
Biracial/Multi-racial	350	4%
Other/Unspecified	580	7%
Hispanic or Latino	903	10%

The average New Castle County ERAP recipient was renting a 1.4-bedroom apartment with a monthly rent of \$831. With applicant households earning \$1,474 in monthly income on average, these households were spending 56.4% of their income on rent alone, indicating severe levels of cost burden. This

household income equates to about 23.2% AMI. Additionally, 37.8% of applicants were unemployed, having been unemployed for an average of 355 days at the time of applying. On average, applicants were approved to receive \$5,336 for rent and utilities, covering approximately 6.5 months of rent. New Castle County applicants typically had four months in arrears, and approximately 12.3% of applicants had received an eviction notice.

Section 4: Describe the Unmet Housing and Service Needs of Qualifying Populations

The following section describes unmet needs in New Castle County based on current available data.

1. Homeless as defined in 24 CFR 91.5

[2022 statewide PIT Count data](#) suggest that 2,369 people were experiencing homelessness on a given night, the highest PIT Count in Delaware to date. This number has more than doubled since the previous PIT count in January 2020, and the number of people experiencing homelessness has been increasing since 2019. Although the unsheltered count has not increased since 2020, the number of households with children experiencing homelessness has almost tripled since 2020, going from 136 families to 389 families; and the number of veterans experiencing homelessness increased to its highest numbers since 2016 (93 households). However, the percentage of people experiencing homelessness in New Castle County decreased while Kent and Sussex Counties increased. In the years prior to the Covid-19 pandemic, nearly 60% of all people experiencing homelessness on the night of the PIT were in New Castle County, but in 2022, this number decreased to 38%.

Homelessness has increased across all age groups since 2019 and the number of households with children experiencing homelessness increased for the fourth year in a row and has nearly tripled throughout the course of the pandemic. As a result, one in three people experiencing homelessness on the night of the 2022 PIT was a child under the age of 18.

Supportive Services

New Castle County's homelessness service providers offer a range of services including food, housing, and household goods "closets"; primary medical care, dental care, and home health services; job training and placement and financial literacy; integrated mental health and substance abuse treatment; childcare services; and other services prescribed by individualized case management.

Permanent Housing

According to 2021 HMIS data, over 135 people qualify for permanent supportive housing by having a disabling condition and experiencing homelessness for more than 12 months. However, the county only has 98 permanent supportive housing beds, the majority of which are likely already filled. The Corporation for Supportive Housing estimates that there is a need for 2,009 additional supportive housing units across the state.²

² <https://cshorg.wpengine.com/supportive-housing-101/data/>

Elderly Populations

According to a statewide Housing Needs assessment,³ Delaware is a fast-growing state compared to national averages, with the growth attributable to new retirees moving into Delaware from out of state. Demographic changes influence housing needs. Households are getting smaller, adults remain single for longer and there are more couples with no or few children, leading to an increase in single-person households and small families.

Households are also aging as the Baby Boomer generation ages into their senior years. For seniors, housing maintenance was identified as a key issue in New Castle County's Comprehensive Plan. Elderly households with disabilities are more likely to live below the poverty level. There is currently a three-year waiting list for subsidized housing for adults over the age of 65.

The demand for rental housing at 0-30% AMI for senior populations (based on HUD CHAS data) in New Castle County (including Wilmington) is 256 units, and another 151 units for households at 31-50% AMI.⁴

Persons with Mental, Physical, and/or other Developmental Disabilities

Mental health issues were identified as a major concern, particularly for the homeless population. In addition, homeless service providers often do not have the expertise or capacity to meet the needs of homeless clients who are diagnosed with severe mental illness. Wrap-around services are necessary to ensure stability in housing is achieved.

According to 2021 HMIS data, people with disabling conditions exited into permanent housing situations at a lower rate (44%) when compared to people without disabilities (57%). In addition, people with disabilities are more likely to exit into homeless situations at a rate of 18% compared to the 10% rate of people without disabilities.

2. At Risk of Homelessness as defined in 24 CFR 91.5

According to the [New Castle Consolidated plan](#), the following conclusions relative to housing needs in New Castle County for all household types were identified:

- 16.5% of county households are cost-burdened
- The following household types experience one or more housing problems at disproportionate levels: Hispanic households at 30-50% AMI, Black/African American households 50-80% AMI and Hispanic households 80-100% AMI
- The following household types experience one or more severe housing problems at disproportionate levels: Hispanic households at 0-30% AMI, 30-50% AMI and 80-100% AMI
- No racial/ethnic groups are disproportionately cost-burdened, however, 20.1% of Hispanic households pay more than 50% of their income on housing.

In a recent [US Census Bureau Household Pulse Survey](#), an estimated 30,100 households in Delaware were behind on their housing payments from March 30 through April 11, 2022. In May 2022, 22,008

³ http://destatehousing.com/FormsAndInformation/Publications/2014_housing_needs_full.pdf

⁴ http://destatehousing.com/FormsAndInformation/Publications/2014_housing_needs_full.pdf

households in Delaware had no confidence in their ability to pay for housing and 4,358 households thought they were somewhat or very likely to leave their home due to eviction or foreclosure.

[A 2015-2020 Statewide Housing Needs Assessment](#) found there was a significant need for more rental housing and physically smaller, more affordable housing. This is due in part to trends of a growing senior population, aging family members living with younger generations, and smaller family sizes in general.

Short-Term Crisis Services and STRMU

New Castle County is a member of the state-wide CoC. There are limited homelessness prevention activities within the county. Currently, there are three short term crisis alleviation services (i.e., security deposits, utility payments) and short-term (up to three months) rental assistance to help those threatened by homelessness to remain in their homes. In addition, the state's Emergency Rental Assistance Program (ERAP) is no longer available. The 6,919 program recipients who received assistance may continue to be at risk of eviction if their rents have increased and/or their employment situations have not improved.

Fair Housing and Housing Stock

DSHA's 2020 Delaware Statewide [Analysis](#) of Impediments to Fair Housing Choice addressed housing options related to income and ethnicity. This analysis highlighted that New Castle County is the most populous and most diverse of Delaware's three counties. The City of Wilmington is home to more of the minority population and displays high levels of segregation. The housing stock in Wilmington is more likely to be older, multifamily units, while homes in the suburbs tend to be newer, single-family detached homes. Outside of the city, 2.1% of housing is publicly supported (i.e., Section 8, public housing), while 16% of the housing in the city is subsidized.

Deteriorating Housing Stock

Much of the state's rental housing stock is aging and may be at risk of becoming substandard or losing affordability as demand exceeds supply. The housing stock in New Castle is also old and deteriorating – 11% of the housing stock was built before 1934 and only 3% of the housing stock in New Castle County was built in 2014 or later. This is a significant issue among Delaware's subsidized rental housing stock, where more than 3,000 subsidized units are over 25 years old and have not been substantially renovated, equivalent to approximately 30% of all subsidized housing stock.

In northern New Castle County, the housing stock is much older than the state average – over 60% of the homes were built before 1970. Alternately, housing in the southern portion of the county is significantly newer, with 80% of the housing developed after 1980 and 40% built in the last 10-15 years. Delaware has an estimated 18,000+ substandard housing units that are vacant and abandoned, occupied but in unlivable conditions, or occupied and in disrepair. Many of these homes are manufactured/mobile homes and are in distressed urban areas.⁵

⁵ http://destatehousing.com/FormsAndInformation/Publications/2014_housing_needs_full.pdf

Table 8: New Castle County Substandard Housing Units & Characteristics

Substandard Housing Units	3,912
Lacking complete plumbing facilities	501
Lacking complete kitchen facilities	1,250
No telephone service available	2,784

Data source: ACS Data 2020 5-Year Estimates Data Profiles

Rental Affordability

The following tables summarize rental housing affordability related to income for a single person and a four-person household. Table 9 demonstrates the distribution of renters spending more than 30% of their income on housing costs. Thirty percent (30%) is the threshold where households are considered cost burdened. Much of the highest concentration of rent disparities is found north of the C&D Canal, though almost all of the county has a percentage of renters experiencing rent burdens. Further, an estimated 14% (27,000) of households in New Castle County are extremely cost-burdened, meaning they spend 50% or more of their household income on housing. Indeed, a minimum wage worker in Delaware (\$8.25) would need to work 113 hours per week to afford the 2-bedroom Fair Market Rent (FMR) of \$1,211 in New Castle County, according to the [Delaware State Housing Authority](#).

Table 9: Housing Affordability by Income 1-person household (AMI=\$66,200*)

Income Limits		Rent**
<30% AMI	\$0 - \$19,860	\$497
30-50%	\$19,861 - \$33,100	\$498 - \$828
50%-80%	\$33,101 - \$52,960	\$829 - \$1,324
80%-100%	\$52,961 - \$66,200	\$1,325 - \$1,655

*Philadelphia-Camden-Wilmington, PA-NJ-DE-MD MSA

** Rent, utilities affordable at 30% of gross household income

*** Mortgage affordable at 3.5 times gross household income

Source: 2021 HUD Income Limits, Novogradac Income and Rent Calculator

Table 10: Housing Affordability by Income for a Family of 4 (AMI=\$94,500*)

Income Limits		Rent**
<30% AMI	\$0 - \$28,350	\$709
30-50%	\$28,351 - \$47,250	\$710 - \$1,181
50%-80%	\$47,251 - \$75,600	\$1,182 - \$1,890
80%-100%	\$75,600 - \$94,500	\$1,891 - \$2,363

*Philadelphia-Camden-Wilmington, PA-NJ-DE-MD MSA

** Rent, utilities affordable at 30% of gross household income

*** Mortgage affordable at 3.5 times gross household income

Source: 2021 HUD Income Limits, Novogradac Income and Rent Calculator

3. Fleeing, or Attempting to Flee, Domestic Violence, Dating Violence, Sexual Assault, Stalking, or Human Trafficking, as defined by HUD in the Notice

According to a [2017 report](#) from the Delaware Coalition Against Domestic Violence, domestic violence programs, law enforcement, victim advocates, social service providers, therapists, and victims/survivors, housing was the greatest identified need for domestic violence survivors. This includes (in order of need): available transitional housing, more available subsidized housing, lower private market rents, increased shelter space, hotel funds, and longer shelter stays. Similarly, when identifying what forms of direct assistance were most needed, rent was the most selected answer followed by payment of back utility bills, groceries, and other supportive services (e.g., job training and assistance, childcare, attorney fees, security deposits, phone cards).

4. Other populations requiring services or housing assistance to prevent homelessness and other populations at greatest risk of housing instability as defined by HUD in the Notice

There are two public housing authorities serving low-income residents in New Castle County outside of the City of Wilmington: Newark Housing Authority (NHA) and New Castle County Housing Authority (NCCHA). NCCHA administers 1,825 Housing Choice Vouchers, 20 Veterans Administration Supportive Vouchers (VASH), and 39 Emergency Housing Vouchers outside of Wilmington and Newark. NHA owns and manages 54 public housing units and administers 209 Housing Choice Vouchers. NHA also has general oversight over mixed affordable housing development which offers 42 public housing units and 14 project-based Section 8 units.

The following table includes housing choice voucher information by AMI income brackets, household type, and race and ethnicity.

Table 11: Public Housing and Housing Choice Voucher Waiting Lists, 2018-2019

Total Households	1,691	100.00%
Income Level		
Extremely low income (0-30% AMI)	1,302	77%
Very low income (31-50% of AMI)	287	17%
Low income (51-80% of AMI)	102	6%
Household Type		
Families with Children	1,317	78%
Elderly Families	244	14%
Families with Disabilities	456	27%
Race and Ethnicity		
Black	1,386	82%
White	288	17%
Other Race	17	1%
Hispanic*	117	7%

Section 5: Identify Gaps Within the Shelter, Housing Inventory, and Service System

Additional Housing for People Experiencing Homeless

In New Castle County, an estimated 15% of people experiencing homeless are unsheltered, indicating that additional emergency beds and units are needed. In addition, the number of unhoused people is likely much higher – in rural areas, unhoused individuals will seek shelter in the woods, abandoned farm buildings, or couch-surf, indicating a “hidden homeless population” not captured by PIT counts that perpetuate a cycle of scarcity.

Furthermore, between 2016 and 2020, Delaware’s total homeless population increased by 9% and there was a 35% increase in homeless persons in 2021 on the night of the PIT count, with the unsheltered population increasing by nearly 200%. Family households experiencing homelessness have increased by 35% and chronic homelessness has increased by 230% within the past five years. Although the amount of rapid re-housing, transitional housing, and emergency shelter beds has increased over the past three years, the number of Permanent Supportive Housing beds has been declining in Delaware, despite the increase in chronic homelessness and the 97% bed utilization rate on the night of the PIT count within New Castle County. Similarly, there were no available rapid-rehousing units or other permanent housing units as project utilization rates within New Castle County were at 100%. Based on these trends, additional rapid re-housing, permanent housing, and permanent supportive housing units should be allocated to ensure the needs of the qualifying populations can be met.

Rental Assistance

The wait times for households to receive their first housing voucher in Delaware remains long – individuals must wait for an average of 31 months across the state struggling to find affordable housing before receiving Housing Choice Vouchers. There is a shortage of nearly 20,000 rental units for extremely low-income renter households in Delaware.

Housing Stock

According to 2020 ACS data, there were 224,242 rental housing units in New Castle County with 67,243 renter-occupied units. Housing is dominated by single-family detached units, which account for over 50% of the overall housing stock. The second largest group, single-family attached units, represents an additional quarter leaving only a quarter of the housing stock to multifamily units.

Public Housing

According to the [HUD Public Housing Dashboard](#), in the state of Delaware, there are 4,552 public housing residents. Of these residents, 47% are children and 29% are elderly or have a disability. The current Management Assessment Occupancy Rate (MASS)⁶ is 93.70%. This means the public housing units in Delaware are incredibly close to being fully occupied.

Section 6: Additional Characteristics Associated with Instability and Risk of Homelessness

The threat of eviction is also present for households that do not have the lowest incomes due to the increased housing cost burden. According to Housing Alliance Delaware, although eviction has long been a struggle faced by low- and extremely low-income renters, the economic impact of the pandemic has impacted many households who do not fall into the lowest incomes but have a housing cost burden that puts them in danger of eviction. Nearly 50% of renter households between 51-80% AMI spend more than 30% of their income on housing costs and utilities. As rents continue to increase, this population will become more vulnerable to housing instability.

Approximately 27% of all households across Delaware are asset-limited, income-constrained, and employed (ALICE) compared to the national average of 29%. These households often have unmet needs as they fall below traditional poverty measures but do not earn enough to be financially secure. According to the 2019 ALICE data, 36% of households in New Castle County fall below the threshold of being able to afford basic necessities, slightly lower than the national average.⁷

[ALICE](#) (Asset Limited, Income Constrained, Employed) data shows that 55,014 households within New Castle County earn more than the federal poverty level, but less than the basic cost of living for the county. Additionally, 61% of households are below the ALICE in Wilmington. The cost of household essentials (housing, childcare, food, transportation, health care, a smartphone plan, and taxes) are rising. While the number of households in poverty has stayed relatively flat from 2007 to 2019, the number of ALICE households has continued to increase as a result of rising costs and stagnant wages. Furthermore, these rates may vary depending on household composition:

⁶ Occupied Public Housing units divided by available units (units leased + units not leased) equals the occupancy rate of public housing

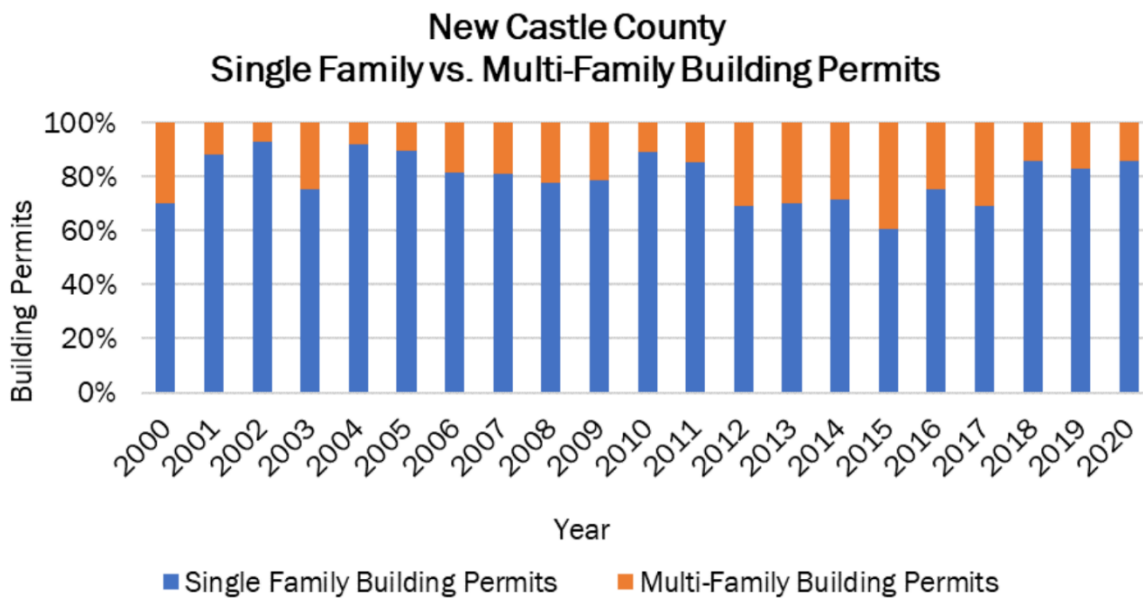
⁷ <https://www.unitedforalice.org/state-overview-mobile/Delaware>

Table 12: ALICE and Poverty Rates in New Castle County by Household Type

Household Type	Above ALICE Threshold	Poverty	Below ALICE Threshold
Under 25 Years	781	2,873	781
Over 65 Years	33,434	5,291	16,644
Families with Children	32,966	6,038	10,268
Married	44,003	3,751	7,997
Single Female-Headed Families	6,435	8,234	8,091
Single Male-Headed Families	3,269	1,120	3,609

Overcrowding

Additionally, as outlined in the 2015-2020 Statewide Housing Needs Assessment, families in New Castle are getting smaller but there tends to be more “doubling up,” where multiple families are living in one home. The housing crisis has led to fewer households achieving homeownership, shifting demand to smaller, more affordable homes and rental housing. New home construction in New Castle County is dominated by single-family detached dwellings, as shown in DHSAs’s Housing Production Report, creating a mismatch between available housing and the needs of the community.



Source: DSHA Housing Production Report

Section 7: Priority Needs for Qualifying Populations

Based on the preceding information, the priority needs among the qualifying population include, but are not limited to:

- Increased affordable housing—smaller units for low-income and moderate-income households and at risk and other populations
- Housing rehabilitation for other populations
- Increased permanent supportive housing and permanent rental housing for individuals experiencing homelessness
- Increased tenant-based rental assistance for all QPs
- Increased supportive services for people with disabilities, and survivors fleeing domestic violence/human trafficking

Section 8: Explain How the PJ Determined the Level of Need and Gaps

The following resources were utilized to determine the level of need and gaps:

- 2021 HMIS Data from DE-500 (County Level Data)
- [Point-in-Time Count and Housing Inventory Count Data, 2020-2021](#) (County Level Data)
- Comprehensive Housing Affordability Strategy Data, 2014-2018 Delaware (County Level Data)
- HUD's [Public Housing Dashboard](#)
- Center on Budget and Policy Priorities' [Federal Rental Assistance Fact Sheets](#)
- National Alliance to End Homelessness's [State and CoC Dashboards](#)
- National Low Income Housing Coalition's 2021 [Out of Reach](#) and [Housing Needs](#) Reports
- [2020 American Community Survey Demographic and Housing Estimates](#)
- The Housing Alliance of Delaware's [2021 Housing and Homelessness Report](#)
- United for ALICE's [2021 Report](#)
- Domestic Violence Coordinating Council's [Annual Report Fiscal Year 2021](#)
- National Human Trafficking Hotline's [Statistics by State](#)
- HUD's LIHTC Database
- Sussex County's [Housings Needs & Market Analysis](#)
- Delaware Statewide [Housing Needs Assessment 2015-2020](#)
- DSHA 2020 [Statewide Analysis of Impediments to Fair Housing Choice](#)
- Delaware Coalition Against Domestic Violence's [Domestic Violence Needs Assessment](#)
- Corporation for Supportive Housing's [Supportive Housing Need Assessment](#)
- Princeton's [2021 Eviction Lab Data](#)

HOME-ARP Activities

Section 1: Describe the method(s) that will be used for soliciting applications for funding and/or selecting developers, service providers, subrecipients and/or contractors:

New Castle County will utilize open, competitive solicitations for applications through a Request for Proposals (RFP) and create additional application processes, if necessary, all of which will be in alignment with HOME and OMB regulations, as well as county procurement rules and processes. Information on the qualified populations and pertinent preferences and program requirements will be included at the time of application solicitation, submission, and review. In order to be as efficient as possible with the funds, existing solicitation methods will be used to accept applications for HOME-ARP funding. Applicants will be provided with documentation on HOME-ARP specific requirements as supplements to these existing processes prior to the time of application or during the application process. In addition, the county will modify any grant or contract agreement templates and monitoring policies and processes accordingly to ensure compliance with HOME-ARP.

In addition to soliciting applications through a HOME-ARP RFP, the county may provide HOME-ARP funding to developers that have applied, or will apply, for Low-Income Housing Tax Credit (LIHTC) projects proposed where an unmet need for Qualifying Populations was identified through the needs assessment.

The RFP for the development of affordable rental housing will include bonus points that leverage other resources, such as project-based rental assistance. Proposals will be evaluated according to criteria such as organizational or developer experience, capacity, demonstrated effective grant management experience, services offered, housing need, project readiness, and leveraged resources, among other factors. The RFP process for both eligible activities will be finalized once HUD approves the state's Allocation Plan.

2. Describe whether the PJ will administer eligible activities directly:

New Castle County will administer its HOME-ARP activities.

3. If any portion of the PJ's HOME-ARP administrative funds are provided to a subrecipient or contractor prior to HUD's acceptance of the HOME-ARP allocation plan because the subrecipient or contractor is responsible for the administration of the PJ's entire HOME-ARP grant, identify the subrecipient or contractor and describe its role and responsibilities in administering all of the PJ's HOME-ARP program:

No HOME-ARP administrative funds have been provided to a subrecipient or contractor prior to HUD's acceptance of the HOME-ARP allocation plan.

Table 15. Use of HOME-ARP Funding

	Funding Amount	Percent of the Grant	Statutory Limit
Supportive Services	\$ 2,371,350		
Acquisition and Development of Non-Congregate Shelters			
Tenant Based Rental Assistance (TBRA)			
Development of Affordable Rental Housing	\$ 750,000		
Non-Profit Operating		0 %	5%
Non-Profit Capacity Building		0 %	5%
Administration and Planning	\$ 550,826	15 %	15%
Total HOME ARP Allocation	\$ 3,672,176		

4. Describe how the PJ will distribute HOME-ARP funds in accordance with its priority needs identified in its needs assessment and gap analysis:

The HOME-ARP budget was driven by the priority needs identified as a result of stakeholder consultation and thorough data analysis. New Castle County's budget reflects the planned development of affordable rental units and the provision of supportive services. This decision was based on the following priority needs:

- Increased permanent supportive housing and permanent rental housing for individuals experiencing homelessness
- Increased supportive services for people with disabilities, and survivors fleeing domestic violence/human trafficking

The county will allocate \$750,000 toward the development of affordable rental. Another \$2,371,350 in HOME-ARP funding will be used to provide supportive services for qualifying populations. The remaining 15% of the HOME-ARP grant will be allocated to program administration.

5. Describe how the characteristics of the shelter and housing inventory, service delivery system, and the needs identified in the gap analysis provided a rationale for the plan to fund eligible activities:

The need to increase the inventory of affordable rental units in New Castle County is based on:

- An unsheltered count of 205 homeless persons identified during the 2021 PIT count
- The average length of stay in homeless shelters of 183 days with longer stays for persons fleeing domestic violence (205), single-person households (202), and persons with disabling conditions (196)
- An average wait time of 31 months across Delaware for families waiting for public housing
- Over 135 people qualifying for PSH by having a disabling condition and experiencing homelessness for more than 12 months. However, the county only has 98 PSH beds, the majority of which are likely already filled.
- An increase in chronic homelessness and a 97% bed utilization rate on the night of the PIT count within New Castle County

HOME-ARP Production Housing Goals

1.Estimate the number of affordable rental housing units for qualifying populations that the PJ will produce or support with its HOME-ARP allocation:

New Castle County proposes to develop 10-15 affordable rental housing. This estimate may change depending on project applications and the layering of other funding sources.

2.Describe the specific affordable rental housing production goal that the PJ hopes to achieve and describe how the production goal will address the PJ's priority needs:

New Castle County estimates the development of 10-15 affordable rental housing units for Qualifying Populations to address the priority needs as outlined in the plan. These units will increase the inventory of deeply affordable housing with the goal of:

- Assisting persons who are staying in emergency shelters for several months due to a lack of affordable rental housing, in particular persons fleeing from domestic violence, single-person households and persons with disabling conditions
- Providing permanent housing with wrap-around supportive services for persons such as the 135 individuals who were identified as qualifying for PSH by having a disabling condition and experiencing homelessness for more than 12 months

Preferences

1. Identify whether the PJ intends to give preference to one or more qualifying populations or a subpopulation within one or more qualifying populations for any eligible activity or project:

New Castle County will provide access for all Qualifying Populations but will include a preference for homeless individuals and families, giving them priority for admission above all other Qualifying Populations. All other Qualifying Populations will be served on a first-come, first-served basis (i.e., in chronological order).

2. If a preference was identified, explain how the use of a preference or method of prioritization will address the unmet need or gap in benefits and services received by individuals and families in the qualifying population or subpopulation of qualifying population, consistent with the PJ's needs assessment and gap analysis:

Referral Methods

1. Identify the referral methods that the PJ intends to use for its HOME-ARP projects and activities. PJs may use multiple referral methods in their HOME-ARP program.

(Optional):

New Castle County will use Coordinated Entry in conjunction with additional methods in identifying persons and families to be referred to the HOME-ARP project since the CoC CE does not accept all HOME-ARP Qualifying Populations. In an effort to reach all Qualifying Populations and provide them with access to the HOME-ARP activity, the county will require the activities to use additional referrals from outside organizations. These may include Delaware 2-1-1, existing shelter providers with waiting lists, among other entities. The referral method will be finalized as part of the implementation process and through the development of a policy and procedure manual to administer the HOME-ARP activity.

2. If the PJ intends to use the coordinated entry (CE) process established by the CoC, describe whether all qualifying populations eligible for a project or activity will be included in the CE process, or the method by which all qualifying populations eligible for the project or activity will be covered. (Optional):

See response to #1.

3. If the PJ intends to use the CE process established by the CoC, describe the method of prioritization to be used by the CE. (Optional):

See response to #1.

4. If the PJ intends to use both a CE process established by the CoC and another referral method for a project or activity, describe any method of prioritization between the two referral methods, if any. (Optional):

See response to #1.

Limitations in a HOME-ARP Rental Housing or NCS Project

1. Describe whether the PJ intends to limit eligibility for a HOME-ARP rental housing or NCS project to a particular qualifying population or specific subpopulation of a qualifying population identified in section IV.A of the Notice:

New Castle County will not include any limitations for eligibility to its HOME-ARP activities.

2. If a PJ intends to implement a limitation, explain why the use of a limitation is necessary to address the unmet need or gap in benefits and services received by individuals and families in the qualifying population or subpopulation of qualifying population, consistent with the PJ's needs assessment and gap analysis:

Not applicable.

3. If a limitation was identified, describe how the PJ will address the unmet needs or gaps in benefits and services of the other qualifying populations that are not included in the limitation through the use of HOME-ARP funds (i.e., through another of the PJ's HOME-ARP projects or activities):

Not applicable.

Appendix A: Stakeholder Consultation Materials

Appendix B: Public Participation Materials

[to be inserted upon completion of 15-day public comment period and public hearing]