



HOUSING
ALLIANCE
DELAWARE

2021 Report

www.housingalliancede.org/

HOUSING AND HOMELESSNESS IN DELAWARE

Crisis to Recovery

There is a housing crisis in Delaware, and it is not new. Thousands of families are financially burdened by the cost of rent. Thousands more experience homelessness each night, or live in crowded or substandard housing. The coronavirus pandemic has made Delaware's housing crisis visible, and worse. Thousands of low and middle-income households lost employment, and from Q1 2020 to Q1 2021 home prices increased by more than 14% in the Wilmington metro-area.

In 2021 there was a 35% increase in homelessness on the night of the Point in Time Count. More than 500 children under the age of 18 were sleeping in homeless shelters or hotels and motels due to a lack of safe housing. In FY21, Housing Alliance Delaware was contacted by 9,500 households experiencing homelessness or a housing crisis. Of those households, 2,400 reported that they were unsheltered, sleeping in a car, park, or other place not meant for human habitation.

Our community continues to respond to the housing crisis that was exacerbated by COVID-19. Millions of coronavirus relief dollars have been paid out to keep people safely sheltered in hotels and motels, prevent evictions, and help families move from homelessness to housing. Our community has come together and accomplished many things that seemed impossible. But the impacts of COVID-19 are not behind us; they remain before us.

We have a once in a generation opportunity to invest in solutions. Delaware has received significant resources from the CARES Act and the American Rescue Plan (ARP) to respond to and recover from the impacts of COVID-19. In ARP funds alone, the state has been awarded \$925million, with counties and local jurisdictions receiving another \$435million. These funds can be used to address housing and homelessness. To date, only \$56 million has been dedicated to affordable housing, with the state and most jurisdictions declining to make a public commitment of funding to solving the crisis.

We must recover from the pandemic by literally building. Building affordable housing units. Building a service delivery system that safely meets the needs of all who need shelter. And building the will of our public officials to take bold action. We must move from crisis response to recovery and build something better. I believe that transformative change is possible.

This year's report is focused on providing data about the problems before us, and recommending legislative and policy solutions can be put into place to ensure that Delaware meets the challenges and opportunities of this moment.

Housing Alliance Delaware is thankful to our many partners and friends throughout the state who continue to work one household at a time, and one housing unit at a time, to solve this problem. Thank you for your dedication and service to our communities.



A blue ink handwritten signature of Rachel Stucker, consisting of stylized initials and a long horizontal stroke.

Rachel Stucker, Executive Director
Housing Alliance Delaware



HOUSING ALLIANCE DELAWARE

Housing Alliance Delaware's mission is to advance housing opportunities, end homelessness, and promote vibrant communities.

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DEFINITIONS



AFFORDABLE HOUSING

Housing costs (rent or mortgage and utilities) is no more than 30% of a household's gross income.



AREA MEDIAN INCOME (AMI)

Set according to family size and varies by region.



CHRONICALLY HOMELESS

Individuals who have a disability and also have: 1) been continuously homeless for at least as year; or 2) experienced homelessness at least four times in the last three years for a combined length of time of at least a year.



COST BURDENED

HUD defines cost-burdened families as those “who pay more than 30 percent of their income for housing” and “may have difficulty affording necessities such as food, clothing, transportation, and medical care.” Severe rent burden is defined as paying more than 50 percent of one's income on rent.



DELAWARE HOUSING ASSISTANCE PROGRAM (DHAP)

Delaware's rental assistance program and the program that will administer all of the federal Eviction Rental Assistance (ERA) funds in Delaware.



DELAWARE MORTGAGE ASSISTANCE PROGRAM (DMAP)

Delaware's mortgage assistance program and the program that will administer all of the federal Mortgage Assistance in Delaware.



DELINQUENT/SERIOUSLY DELINQUENT

Under 24 CFR § 203.330 “any mortgage account is delinquent any time a payment is due and not paid”; a seriously delinquent account is usually defined as over 90 days or more past due or an account in which the borrower has filed bankruptcy and has missed a payment.



DOUBLED-UP

Doubled up households are households with one or more adults in addition to the head of household and spouse or partner living in the same home, not out of choice but due to lack of other housing options.



EXTREMELY LOW-INCOME (ELI)

Household income is less than the poverty level or less than 30% of the AMI.



FAIR MARKET RENT (FMR)

Determined by HUD on an annual basis to reflect the cost of shelter and utilities for standard rental units.



HOMELESS

Individual or family who lacks a fixed, regular, and adequate nighttime residence and is sleeping in a homeless shelter or temporary housing for people experiencing homelessness, or is unsheltered.



HOUSING COSTS

For a renter, housing costs include rent and utilities. It may also include rental application fees, security deposits, moving costs, insurance, and other rental fees. For a homeowner, housing costs will include the principal and interest on a mortgage and utility costs. It may also include a variety of other items such as insurance premiums, property taxes, homeowner's association fees, and housing repairs.



HOUSING WAGE

The estimated hourly wage a full-time worker must earn to afford decent, affordable FMR housing.



LOW-INCOME

Household income is less than 80% of the AMI.



UNSHELTERED

A person or family that is sleeping outdoors or other place not meant for human habitation, such as car, park, abandoned building, etc.



VERY LOW-INCOME

Household income is less than 50% of the AMI.



WORKFORCE HOUSING

Workforce Housing often means households making 80% to 120% of the AMI. But by limiting the definition this way, it indicates that households making less than 80% AMI are not working. In Delaware, many households work and remain at 30% AMI. Workforce housing should be for all of Delaware's workforce.

PART ONE: HOMELESSNESS

Demonstration of Need: There is not a question of whether or not there is a crisis of housing instability and homelessness in Delaware—it is widely accepted that this is true. The question is: **how big is the need, and how do we fix the problem?**

In FY2021 (7/1/20 – 6/30/21), Centralized Intake, the Delaware Continuum of Care’s coordinated entry program, was contacted by 9,355 households experiencing a housing crisis. [Figure 1 – Living Situations]

Of these households, 2,044 or 22% self-identified as being without safe shelter - sleeping on the streets, in cars, in parks, abandoned buildings, or other places not meant for human habitation during the COVID-19 crisis. Another 2,340 or 25% households self-identified as living temporarily with family or friends due to a lack of other safe housing options.

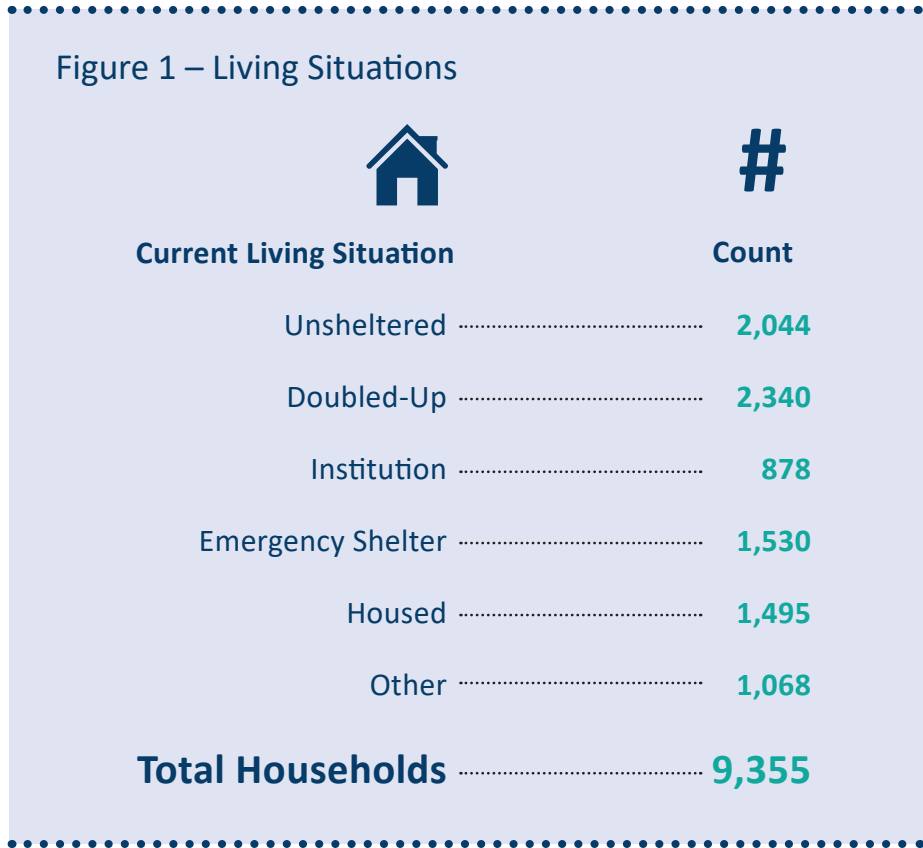
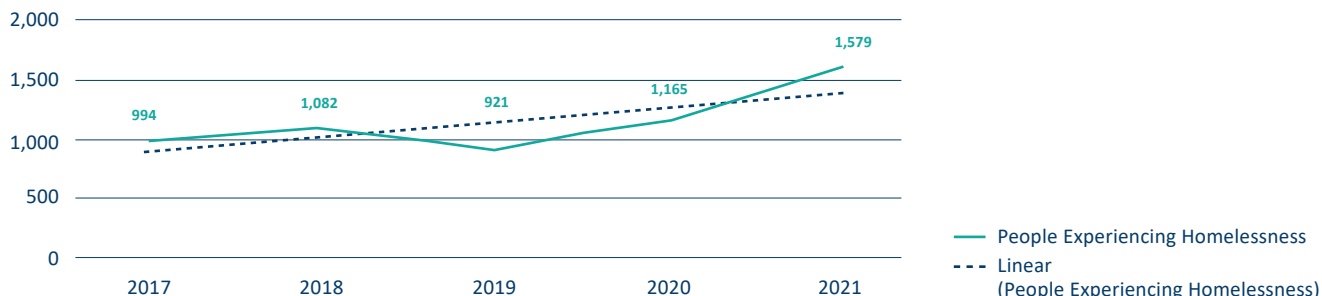


Figure 2 – Point in Time Count: 2017 - 2021



Point in Time Count

In a year that produced many shocking outcomes, perhaps the most shocking was a 35% increase in homelessness on the night of the Point in Time Count (PIT) in January 2021. This increase is attributed largely to growth in homelessness among families with children, and should make Delaware stand up and demand a solution to the real and present housing crisis facing our communities. [Figure 2 – Point in Time Count: 2017 - 2021]

It is important to note that the 2021 PIT¹ did not include a count of people experiencing unsheltered homelessness—it was only a count of sheltered people and families. If the 2021 PIT count had included people who were unsheltered, the increase in homelessness would have been even higher, and would have likely shown a more significant increase among adult-only households. As data collected though other systems indicates, adult-only households are disproportionately

represented in the unsheltered population. During January 2021 alone, the month of the PIT Count, Centralized Intake was contacted by 197 households that reported they were sleeping outdoors or in another place not meant for human habitation (car, park, etc.). These households were primarily adult-only households. [Figure 3: Point in Time Count 2019 – 2021: Household Type]

Unlike other years, during the 2020-2021 winter season, there was funding to house homeless individuals and families in hotels and motels. This was in addition to cold weather beds made available by Code Purple.² The Hope Center, a large non-congregate shelter in New Castle County, also opened to help meet the need for safe shelter throughout the winter season, during which COVID cases and hospitalizations in Delaware were increasing rapidly.

The 2021 PIT enumerated 465 sheltered homeless people (adults and children) in Sussex County—a county that only has 25 units year-round of congregate

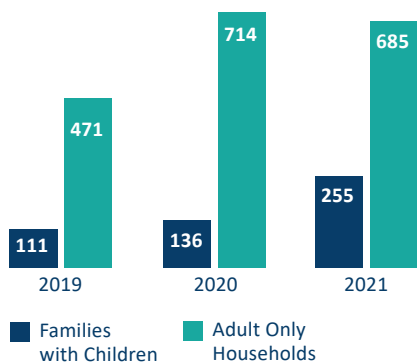


Figure 3. Total number of households experiencing homelessness in Delaware.

Point in Time Count 2019 – 2021: Household Type

¹A count of people experiencing homelessness on a single night in January, as required by HUD.

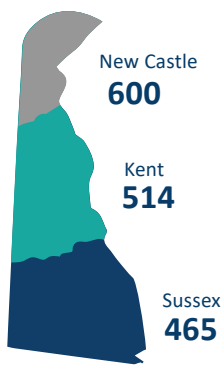


Figure 4. Homelessness in Delaware by County

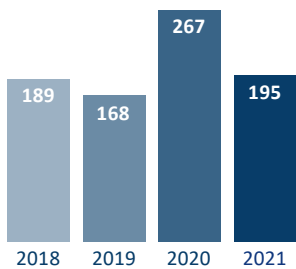


Figure 5. Number of Chronically Homeless Individuals

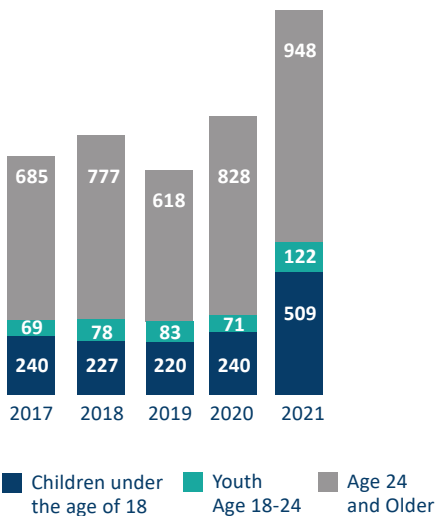


Figure 6. 2020 Pit Count, Population by Age

emergency shelter beds. This high count is largely due to the number of people being accommodated in Code Purple congregate shelters and hotels and motels by local non-profits and the Department of Health and Social Services. [Figure 4: Point in Time Count 2021: Homelessness by County]

One particularly vulnerable subpopulation that was largely undercounted in the 2021 PIT are people experiencing chronic homelessness. People experiencing chronic homelessness often need intensive services and supports to exit homelessness and remain stably housed, and are more likely than other subpopulations to experience unsheltered homelessness. Nationwide, 19% of the homeless population experiences chronic homelessness. In 2020, 267 people (23% of the total count) were experiencing chronic homelessness in Delaware on the night of the PIT, compared to 195 people (8% of the total count) in 2021. [Figure 5: Point in Time Count 2018 – 2021: Chronic Homelessness]

All people experiencing homelessness are vulnerable; children particularly so. Historically, because of resources directed towards homeless children and families, families have been able to exit homelessness more quickly and successfully than single homeless individuals. This year, however, families accounted for the largest portion of the increase in homelessness. This is largely due to a confluence of factors;

the economic and health impacts of the COVID-19 crisis, the lack of available affordable housing in Delaware, and an increase in non-congregate homeless shelter for this population.

Prior to the pandemic, many poorly or unstably housed families seeking housing or shelter assistance were unable to access emergency shelter, or chose not to do so. Additionally, prior to the pandemic, living in crowded conditions with family or friends did not pose an immediate risk to health. The COVID-19 crisis provided increased access to safe, temporary shelter and long-term shelter stays for families experiencing homelessness in the form of hotel and motel stays. Families with children were also prioritized for access to hotel and motel sheltering during this time. This access meant that more families were counted on the night of the PIT count. In 2021, the largest increase in homelessness was among children under the age of 18.¹ [Figure 6: Point in Time Count 2017 – 2021: Age]

Although there has been an increase in homelessness overall, there have been certain subpopulations that have seen a greater reduction in homelessness than others. One of these subgroups is Veterans.³ Thanks to efforts to end homelessness among Veterans in Delaware, which began in 2016 under the Mayor’s Challenge to End Veterans Homelessness, Delaware has not seen a significant increase in homeless veterans.³ However, this subpopulation

²Emergency shelter space provided when the temperature drops below 32 degrees—often in community buildings and churches.

³Resources directed towards the population include: Veterans Affairs Supportive Housing (VASH) vouchers, Supportive Services for Veteran Families (VA-funded rapid re-housing and homeless prevention), and Delaware Joining Forces.

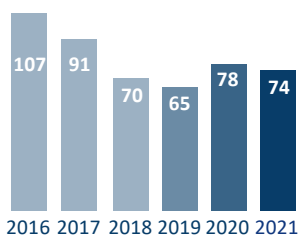


Figure 7.
Veterans Experiencing Homelessness

has not seen a significant reduction over the past four years either. [Figure 7: Point in Time Count 2015 - 2021: Homeless Veterans]

Statewide coordination continues to occur on an ongoing basis to monitor homelessness among veterans. Monthly meetings include Housing Alliance Delaware and veteran homeless assistance providers, including Centralized Intake staff, the local VA, SSVF (Supportive Services for Veteran Families) providers, Grant per Diem programs, and other veteran homeless assistance providers. Delaware’s by-name-list of homeless veterans in Delaware is managed by Housing Alliance Delaware. In August 2021, there were 57 veterans experiencing homelessness in Delaware, with 4 veterans experiencing unsheltered homelessness.

Discussion

Delaware does not have sufficient, accessible resources to address the emergency shelter needs of people experiencing homelessness in Delaware. The number of emergency shelter beds, both cold-weather beds, temporary beds, and year-round beds, decreased in Delaware in 2021. During the winter of 2020-2021, hundreds of households were sheltered through the use of hotel/motel placements generally referred to as hotel “vouchers” administered by the Department of Health and Social Services (DHSS) in response to the COVID-19 crisis. However, people in our state continued to experience unsheltered homelessness.

An emergency shelter is a critical life-saving crisis intervention. The importance of proving safe shelter to people in need cannot be overstated. However, shelter is not the solution to homelessness. The only solution to homelessness is permanent, safe, stable housing.

There is a shortage of nearly twenty-thousand rental units for extremely low-income renter households in Delaware. Within this existing shortage, there has been tightening of the rental market due to COVID-19, resulting in fewer available units and increased rents. Delaware’s affordable housing shortage impacts the ability for households to exit homelessness, even when they have support and financial resources to do so.

In 2021 there was a significant increase in Rapid Re-Housing (RRH) assistance for homeless households with funds allocated to HUD through the CARES Act. This federal relief funding more than tripled Delaware’s annual homeless assistance allocations from HUD.⁴

RRH programs provide housing identification, move-in assistance, temporary rental assistance and case management supports to help homeless households move quickly into housing and stabilize in housing. On July 31, 2021, 364 homeless households were being served by Delaware’s RRH program (including RRH for veterans/SSVF). 207 of those households—or 57%—had exited homelessness and moved into rental housing, while 43% remained homeless.

In 2020, the coronavirus put people experiencing homeless at extremely high risk for contracting and spreading

There is a **shortage** of nearly **twenty-thousand rental units** for extremely low-income renter households in Delaware.

It is not okay,
and never has
been okay, that
**thousands of
people are
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communities.

COVID-19. Congregate shelter was not a safe and appropriate way to address the housing needs of our homeless neighbors. In many ways, this past year provided our state with a wake-up call that de-normalized congregate sheltering as a “common-sense” response to homelessness.

Delaware continues to face a public health crisis. At the time of publication, according to the Center for Disease Control and the Delaware Department of Health and Social Services, community transmission of coronavirus is high throughout the state.

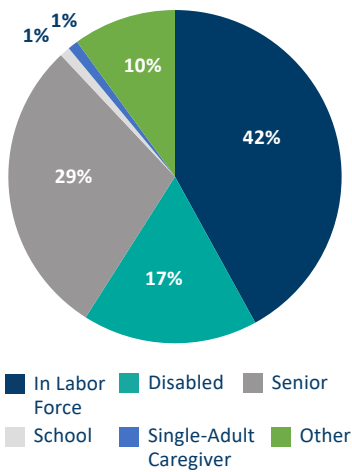
It is not okay, and never has been okay, that thousands of people are homeless and sleeping in shelters in our communities. Housing is a vital condition of health, and all people in our communities deserve access to decent stable housing – not only for their own well-being, but that of our whole community.

⁴HUD funding for RRH increased in 2020/2021 through supplemental HUD Emergency Solutions Grant (ESG) resources provided as part of the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act.



PART TWO: RENTAL HOUSING

Housing was a haven for many during the pandemic—a place to remain safe, to work, and to attend school. However, access to safe, affordable rental housing became nearly impossible for some households. This past year has shown us the impact that a single catastrophic event can have on the housing stability of lower-income renter households in Delaware.



Rental Affordability

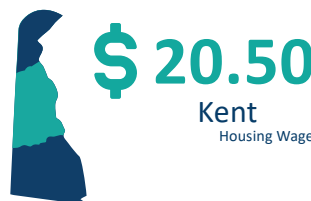
In Delaware there is both a housing crisis and an income crisis, particularly in 2021 when many households simply did not earn enough income to enter the market rate rental market. In Delaware the housing wage is \$22.52 an hourⁱⁱ. Meaning that a household must earn at least \$46,846 annually to afford a two-

bedroom rental unit at fair market rentⁱⁱⁱ, or work 2.4 full time jobs at the current Delaware minimum wage of \$9.25.⁵ [Figure 8 Extremely Low-Income Renter Households] [Figure 9 Housing Wage By County]

Figure 8.
Extremely Low-Income Renter Households

⁵In 2021 Delaware passed legislation to increase the minimum wage gradually over the next five years to \$15 an hour—but at the time of the publication of this report minimum wage remains at \$9.25

Figure 9 – Housing Wage By County



The increase in housing costs compared to the increase in incomes is another striking representation of the gap between housing costs and income. In New Castle County, the median monthly rent in 2000 was \$640 and in 2019 it was \$1,163; the median annual family income went from \$62,144 to \$91,568 in the same time. This is a 73.6% increase in rent

and a 47.3% increase in income.^{iv} This disparity is similar in Kent County where there was an 80.2% increase in rent and a 52.5% increase in median income, and Sussex County where there was a 103.2% increase in rent and a 65.4% increase in median income.^v [Figure 10 Income and Rent]

Figure 10 – Percentage Increase in Income and Rent from 2019 to 2020

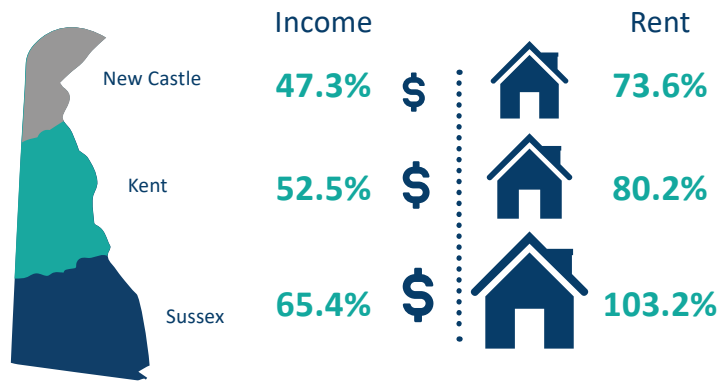


Figure 11 – Delaware Rental Housing Costs

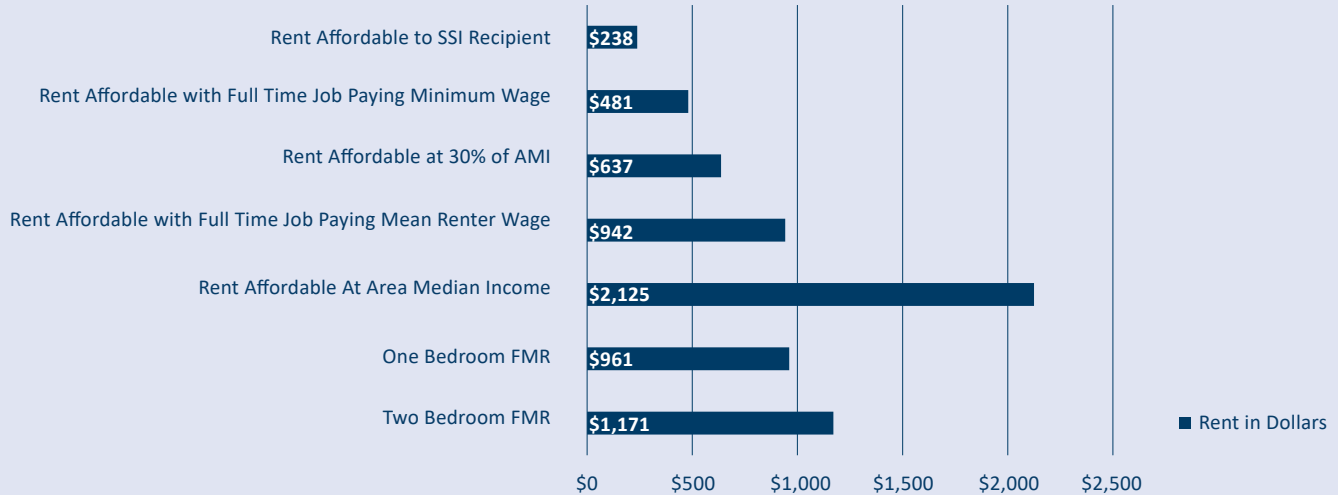
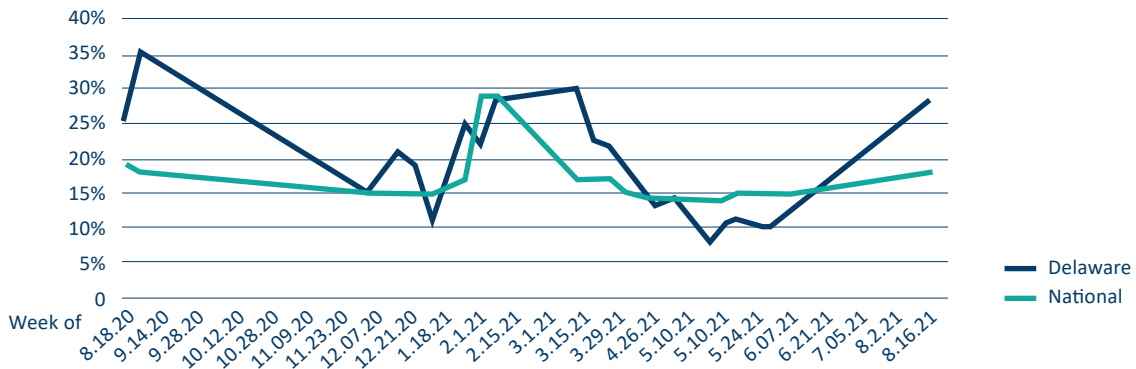


Figure 12 – Delaware Rent Debt



The difference in the growth between rental costs and household income is unlikely to change. In fact, it is likely that in 2021 rental increases will far outpace the increase in income. “So far in 2021, the national median rent has increased by a staggering 11.4 percent. To put that in context, in the pre-pandemic years from 2017-2019, rent growth from January to July averaged just 3.3 percent.”^{vi} Delaware’s rental market in 2021 mirrors the nationwide trend. Rental costs have risen and even outpaced the rental cost increases seen

in other states in the region. The “highest increase in the average rent in the Mid-Atlantic region was the 8-percent gain in the Dover metropolitan area, which also had the lowest vacancy rate in the region during the first quarter of 2021, at 1.6 percent.”^{vii} As of July 2021, there are an estimated 14,000 households in Delaware behind on rent with an estimated total rent debt of \$38,500,000.^{viii} [Figure 11 Delaware Rental Housing Costs] [Figure 12 Delaware Rent Debt] [Figure 13 Rental Facts]

Figure 13 – Rental Facts

Rental Market	2010 (%)	2019 (%)
Rental Vacancy Rate	9.4	6.8
Occupied Rental Units by Structure		
Single-Family Attached & Detached	37.7	35.8
Multifamily (2–4 Units)	16.3	13.0
Multifamily (5+ Units)	43.6	48.9
Other (Including Mobile Homes)	1.5	2.3

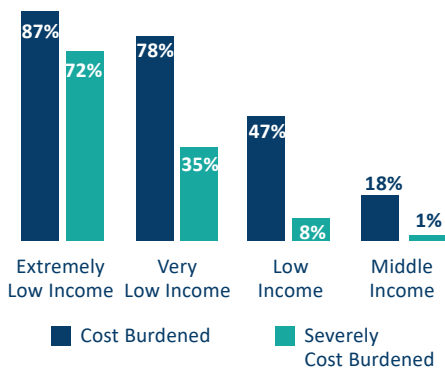


Figure 14.
Housing Cost Burden by Income Group

In 2019, more than three-fifths of renters nationwide earning less than \$25,000 were severely cost burdened, and one-sixth of renters earning \$25,000–49,999 were cost burdened.^x While 80% of households earning less than \$25,000 experienced a cost burden (moderate or severe), 70% of renter households earning between \$25,000 and \$34,999, and nearly 50% of renters earning between \$35,000 and \$49,999 were also at least moderately burdened.^x

Delaware tracks with this nationwide trend; 87.2% of extremely low-income households, or those earning less than \$26,000, are cost burdened.^{xi} [Figure 14 Delaware Housing Cost Burden by Income Group]

Access to Rental Housing

In addition to income, there are a number of barriers to rental housing for low- and extremely-low income renters.

One of the biggest barriers is the ability to utilize government rental assistance. In Delaware there is no Fair Housing protection for renters based on Source of Income. In other words, landlords CAN discriminate against rental applicants based on their need to pay for a portion of their rent with government rental assistance. This type of housing discrimination limits access to areas of

opportunity for many low-income renters, and therefore has a disproportionate impact on Black and Hispanic renter households.

Often low-income minority households end up paying unreasonably high rents for substandard housing and are confined to rental opportunities in zip codes with high rates of concentrated poverty. According to Delaware’s “2020 Statewide Analysis of Impediments to Fair Housing Choice,” many of Delaware’s communities continue to be segregated by race/ethnicity. The report also highlighted that there is a “great need for the construction of more affordable housing in high opportunity areas in order to break down some of these barriers and increase access to opportunity.”^{xii}

In addition to discriminatory practices, credit history and criminal background checks affect households’ ability to move to areas of opportunity. These checks are required at both market rate and subsidized rental properties. Background check requirements and application fees can create additional financial burdens for rental applicants, which can make moving (and moving to areas of opportunity) prohibitively costly.⁶

Households with poor credit or histories of justice system involvement often pay multiple application fees for rental units and still face rejection. There is no law requiring landlords to look past the

⁶For example, a state criminal background check conducted by the Delaware State Police costs \$52.00, and this cost can be passed onto the tenant. In addition, many landlords subscribe to credit bureaus and pass on these costs to tenants. Although landlords are limited in the amount they may charge for application fees, this is not enough to ensure access to low-income tenants.

⁷See https://safehousingpartnerships.org/sites/default/files/2017-05/SHP-Homelessness%20and%20DV%20Infographic_1.pdf.

⁸This is not a report of individuals actively fleeing domestic violence, although some may be included in this count.

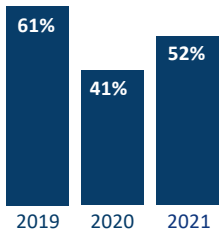


Figure 15. Percentage of the Adult Homeless Population that are Survivors of Domestic Violence by Year

credit or criminal history of an applicant. In fact, these screenings are part of the application process for private, subsidized and public housing. Potential policy solutions to the barriers created by credit and criminal background checks are discussed below as “Policy Solutions.”





Additionally, Delawareans of all income levels experience traumatic events such as the loss of a household member or violence in the home, but households that are cost burdened have a much more difficult time entering the rental market. In particular, households that have experienced Domestic Violence may have a difficult time gaining access to the rental market due to both poor credit and criminal histories AND a housing cost burden.⁷ This is concerning for many reasons, but especially in a year that the PIT count found an increase in

people experiencing homelessness who reported that they were survivors of domestic violence.⁸ [Figure 15 Survivors of Domestic Violence]

Evictions

Nationwide, more than half of all renter households lost income between March of 2020 and March of 2021.^{xiii} Many cost burdened households in Delaware currently face housing instability, displacement, and/or the prospect of eviction. However, Delaware has not yet faced the “tsunami” of evictions that many predicted. [Figure 16 State Facts re: Income]

Figure 16 – Income Facts for the State of Delaware

	2019	2020	2021
 Minimum Wage	\$8.75	\$9.25	\$9.25
 Average Renter Wage	\$17.40	\$17.83	\$18.11
 Two Bedroom Housing Wage	\$21.97	\$21.96	\$22.52
 Number of Renter Households	101,259	103,457	104,542

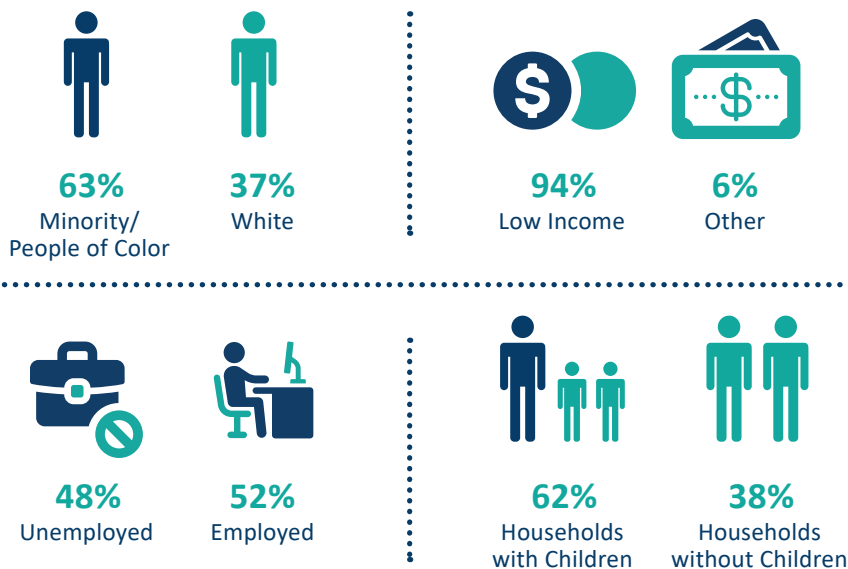
Due to the eviction protections in place in 2020 and 2021, there have been fewer evictions filed with the Justice of the Peace Court in Delaware than many feared. Pre-pandemic, Delaware had approximately 18,000 eviction filings annually. As of September 2021 there have been approximately 9,000 evictions filed in Delaware in the 19 months since March 2020, a more than 50% decrease in eviction filings. This is a drastic reduction in eviction filings,^{xiv} and Delaware should be proud that, due to eviction protections in place locally and the distribution of more than \$30 million in rental assistance since 2020, more households have not been impacted.

However, “those behind on rent are overwhelmingly low-income households

who experienced job and income losses during the pandemic.”^{xv} Without additional protections in place for tenants, households that were already cost burdened face an even greater risk of eviction in 2021. [Figure 17 Characteristics of renters behind on rent]

Although eviction has long been a struggle faced by low- and extremely-low income renters, the economic impact of the pandemic has crept up the income ladder and many households who do not fall into the lowest incomes have a housing cost burden that puts them in danger of eviction.^{xvi} The economic impact of the COVID-19 pandemic affected not only low- and extremely-low income renters; eviction is now a threat even for households that do not fall into

Figure 17 – Characteristics of renters behind on rent



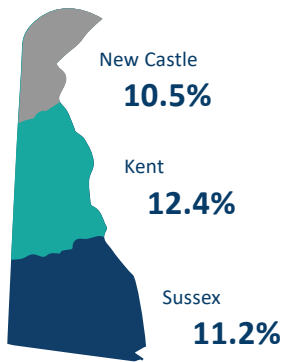


Figure 18. Food Insecurity Rate by County

the lowest incomes due to increased housing cost burdens. Many households who were living one crisis away from loss of housing stability have lived through a year of crisis with loss of income, higher household costs,⁹ increased health care costs, rising child care costs, and a general increase in cost of living expenses.¹⁰ [Figure 18 Food Insecurity Rate by County]

In Delaware, three things were in place in 2020/2021 that prevented eviction filings and judgments of possession, two of which are no longer in place. First, the state of emergency in Delaware allowed evictions only if they were “in the interest of justice.” Delaware courts utilized this state of emergency order to prevent unnecessary eviction actions from proceeding through the courts. Second, the Center for Disease Control initiated an eviction moratorium for COVID-19 affected households to prevent the spread of disease. Tenants affected by

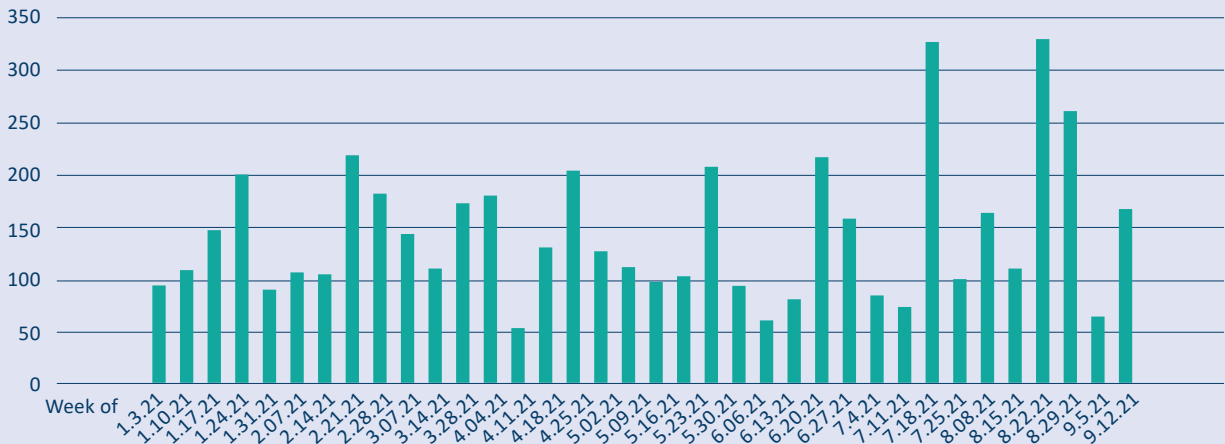
COVID-19 could fill out a CDC declaration and provide it to their landlord to prevent eviction. Third, Delaware initiated a robust, federally funded rental assistance program that is administered by the Delaware State Housing Authority.

Beginning in July 2021, some eviction prevention measures in Delaware started to erode. On July 13, 2021, Governor John Carney lifted the state of emergency. In doing so, he eliminated any state-level protection for renters facing eviction. The “interest of justice” standard is no longer in place in Delaware courts. Immediately following the lifting of the emergency order - from July 18th through the 25th - a total of 328 evictions were filed in Delaware, more than any other previous week in 2021.^{xvii} Eviction filing levels have since returned to approximately 100 to 200 a week – well below pre-pandemic levels. [Figure 19 Eviction Data]

⁹Many household sought utility assistance in 2021.

¹⁰In July of 2021, the Department of Labor reported that the Consumer Price Index rose 5.4 percent in one year, the highest inflation rate in 13 years.

Figure 19 – 2021 Evictions Filed by Week



In Delaware zip codes where there are **higher populations of Black residents**, there are also **higher rates of eviction**.

On July 31, 2021, the CDC eviction moratorium ended¹¹ and then, and few days later on August 3, 2021, it was extended until October for areas with “pervasive spread” of the COVID-19 Delta variant.^{xviii} Delaware was a state fully protected by the CDC moratorium extension due to pervasive spread of COVID-19 in the state. However, on August 26, 2021, the Supreme Court issued a ruling that invalidated the federal eviction moratorium. Although the CDC moratorium was not widely used in Delaware by tenants (as there were very few CDC declarations filed) the moratorium appears to have acted as a deterrent to filing eviction cases.

Although these two protections are no longer in place, Delaware received over 354 million in federal rental relief dollars.¹² The Delaware State Housing Authority uses these dollars to provide rental assistance payments (including rent and utilities), as well as other housing stabilization services to Delaware households who owe rental arrears or are unable to pay rent. If utilized as intended, this program is sufficiently funded to prevent mass evictions in Delaware. These funds are able to provide up to 15 months of rental payments directly to landlords if the tenant qualifies. This amount of assistance is unprecedented, and the hope is that the infusion of these dollars will prevent the eviction “tsunami” or mass displacement predicted early in the pandemic. As of September 2021,

Delaware has distributed more than \$31 million dollars of federal rental assistance (including CARES and ARPA) to COVID-19 impacted renter households in need through the Delaware Housing Assistance Program/Emergency Rental Assistance Program, administered by the Delaware State Housing Authority.^{xix}

It is imperative that DE-HAP funds continue to be targeted to those who are most in need in order to have the most impact.¹³ Even though households with higher incomes have experienced a housing cost burden in 2021, these funds should not be targeted to higher income households. In addition to economic disparity, the racial and ethnic disparities of those facing eviction are stark. In Delaware zip codes where there are higher populations of Black residents, there are also higher rates of eviction.^{xx} Black Female headed households face the highest rates of eviction both nationwide and in Delaware. And minority students in Delaware (Black, Latinx, Asian, American Indian, Hawaiian/Pacific Islander, and multi-racial) are up to 2.15 times more likely to experience housing instability than their White counterparts.^{xxi}

Policy Solutions

Housing Development

Before exploring policy solutions, it is important to note that development of more affordable housing is the one

¹¹Note that prior to July 2021, there was little to no use of the moratorium in the Delaware Courts with only 18 cases utilizing the CDC moratorium as a defense in the entire time it remained in place.

¹²Coronavirus Aid, Relief, and Economic Security (CARES) Act (2020), The Coronavirus Response and Consolidated Appropriations Act (2021), and the American Rescue Plan (ARP) Act (2021)

¹³See the National Low Income Housing Coalition library of materials on this topic: <https://nlihc.org/tags/emergency-rental-assistance>.

2021 Rental Households: **104,542** households in Delaware are **rental** households— **29%** of the population —**27,524** of those households are **extremely low-income** households

foundational answer to Delaware’s affordable housing and homelessness crisis. An immediate and substantial infusion of cash and resources into housing development would be a considerable step towards addressing the needs of low- and extremely-low income Delawareans. This investment in housing could come through a number of programs but, put simply, housing is expensive to develop. It is imperative to provide both support and incentives to developers to assist in affordable housing development, AND money to bridge the gap between housing costs and what low- and extremely-low income households can afford to pay.

Whether housing is developed from the ground-up or created from existing infrastructure,¹⁴ Delaware must make substantial investment in affordable housing as a critical part of its recovery from COVID-19. The state is able to do so through direct allocation of American Rescue Plan Act dollars to affordable housing development.

The past year has brought a lot of unprecedented events. Unprecedented deaths. Unprecedented homelessness. Unprecedented housing un-affordability. But it has also brought an unprecedented investment of federal dollars to the state that have been used, and can continue to be used, to address Delaware’s housing crisis.

As discussed here, some of these dollars have gone to rental assistance. Some have been allocated directly to help people and families experiencing homelessness. However, more than 1 billion dollars in American Rescue Plan Funds remain unallocated¹⁵, and are at the discretion of the state, counties, and local municipalities to spend. Delaware faces a once in a lifetime opportunity to make a truly impactful and thoughtful allocation of funds to housing—the most basic human need.

Rental Affordability

Delaware must guarantee access to safe, affordable rental housing for all households through access to rental assistance for all households that qualify. As stated above, this is partially solved for by increased investment in affordable housing development, which allows for decreased housing costs for consumers.

Delaware households that qualify for government rental assistance should receive it. It is possible that Congress will move towards provision of housing assistance as an entitlement at the federal level in the coming years. This would mean that households that qualify for federal housing programs like Section 8 would be guaranteed recipients. This guarantee of federal government rental assistance would change the affordable housing landscape. However, the state must not wait to see

¹⁴Housing does not have to look the same for every household. Innovative housing development projects, like those that turn hotels into housing, should be considered as a tool for addressing the shortage of affordable units in Delaware. https://endhomelessness.org/resource/hotels-to-housing-case-studies/?utm_source=Master+Email+List&utm_campaign=8b3248bdfd-bestpracticestuesday&utm_medium=email&utm_term=0_1cf64328bb-8b3248bdfd-270583113

¹⁵“American Rescue Plan Summary,” September 2021, Claire DeMatteis, Special Assistant to the Governor.

Providing immediate rental assistance is a critical intervention that will save thousands of households from falling over the edge, but it will not solve Delaware's affordable housing crisis.

if the federal government steps in—low-income households in Delaware need assistance now.

There is currently one state-funded rental assistance program in Delaware, the State Rental Assistance Program (SRAP). SRAP provides housing vouchers to approximately 800 low-income and vulnerable households.¹⁶ This program is not an entitlement, and has no open waiting list. Households referred to the SRAP program must be referred by the Delaware Department of Health and Human Services or the Delaware Department of Services for Children, Youth, and Their Families-Division of Family Services. SRAP vouchers provide targeted rental assistance to people exiting or at risk of admission to state long-term care institutions, youth exiting foster care, and families in need of reunification. These vouchers are further targeted towards households who make 40% of the state median income which is a population that has particular trouble accessing the rental market. Delaware should be applauded for the creation and implementation of a state rental assistance program. The goal is for this program to receive additional funding so that more extremely low-income households can receive a stable housing subsidy.

In addition to the SRAP program, through the Coronavirus Aid, Relief, and Economic Security (CARES) Act (2020), The Coronavirus Response and Consolidated Appropriations Act (2021), and the American Rescue Plan (ARP) Act (2021), Delaware State Housing Authority

first received a portion of unallocated relief dollars and, then, 354 million dollars directly allocated to provide rental assistance payments. Delaware provides rental assistance to Delaware households through the Delaware Housing Assistance Program (Delaware's version of Emergency Rental Assistance.)

This money was allocated in direct response to the need of many landlords when renter households were unable to continue rental payments throughout 2020 and 2021. The Emergency Rental Assistance (ERA) dollars are paid directly to landlords, and can cover the entire amount of monthly unpaid rent. These payments can cover rental arrears or future rent due for up to 15 months.

The ERA program was built to provide landlords with rental payments, and therefore allow tenants to remain stably housed. It does not, however, provide a permanent solution for households that will be unable to rectify their current economic situation before the ERA money is exhausted (like those that have lost income or are caring for a sick family member.) In addition, many tenants exited rental housing where they owed rent in arrears. This debt, often thousands of dollars, remains a burden that tenants will carry with them and cannot be paid through ERA funds. A judgment for the debt owed will affect the credit and income (due to wage garnishment) of the leaseholders and it will make it even harder for these households to secure new housing.

Providing immediate rental assistance is a critical intervention that will save

¹⁶Note that, combined, Delaware's Public Housing Authorities administer approximately 5,549 federal housing vouchers (see Assisted Housing: National and Local, <https://www.huduser.gov/portal/datasets/assthg.html>)

Race in particular is a critical factor to consider with regards to **Source of Income protections**.

thousands of households from falling over the edge, but it will not solve Delaware’s affordable housing crisis. As discussed above, the rental market is poised to leave many Delaware households out in the cold. Delaware must put a plan into place to continue to provide rental assistance after the expiration of the Emergency Rental Assistance dollars—whether it be through federal rental assistance programs like Section 8 or state programs like SRAP—households that are cost burdened must continue to receive financial support.

Access to Rental Housing

Source of Income Protections

Creating a Source of Income protection for government sponsored housing assistance is recommended in Delaware’s “2020 Statewide Analysis of Impediments to Fair Housing Choice”^{xxii} and the Infrastructure and Environment Subcommittee of the African American Task Force^{xxiii} as a critical tool for promoting fair housing in Delaware. Delaware cannot afford to continue allowing landlords to discriminate against people who are unable to pay rent without the use of government rental assistance. Many households in Delaware face a large rent burden and rental assistance simply fills the gap between income and housing costs.

The Delaware Fair Housing Act¹⁷ prohibits discrimination on the basis of Source of Income.^{xxiv} However, the same act allows landlords to discriminate against renters that participate in any

sort of “government-sponsored rental assistance program.”^{xxv} The law should be amended to include protections for rental assistance programs. A bill amending the Source of Income protections, Senate Bill 90, is currently introduced and tabled in the Senate Housing Committee awaiting a vote in the 2022 legislative session. Households that receive government rental assistance already face many obstacles to obtaining housing. Landlords who refuse to accept rental assistance should not be one of those obstacles.

Source of Income protections must be passed in Delaware to “mitigate some of the negative consequences” of discrimination.^{xxvi} Under the Fair Housing Act, landlords are prohibited from refusing to rent to an applicant based on race, color, national origin, sex, religion, disability, and familial status. However, voucher holders are not protected—allowing landlords to turn them away. This disproportionately affects members of protected classes—families with children, racial and ethnic minorities, and persons with disabilities—all of whom make up the majority of voucher holders in Delaware.^{xxvii}

Race in particular is a critical factor to consider with regards to Source of Income protections. The majority of housing voucher holders in Delaware are Black and Hispanic, therefore, discrimination against voucher holders results in a disproportionate impact on minority households.

In addition to equal access to housing, the inclusion of government rental assistance protections in the Source of Income law opens up more housing

¹⁷Section 4601, Title 6 of the Delaware Code

Prior to 2020,
**17 out of every
100 Delaware
households had
an eviction filed
against them** for
possession of the
property.

opportunities to renters, providing low-income renters with the choice to move to areas that are not areas of concentrated poverty. Neighborhoods with a lower poverty rate are healthier, provide better educational opportunities for children, and may provide economic benefits to families.

Research supports and affirms the benefits of Source of Income legislation for renters who are Housing Choice Voucher holders. There is a higher rate of voucher utilization and more movement to high opportunity areas in geographies that have source of income laws.^{xxviii}

The dual goals of Source of Income protections - discourage discrimination and allow for housing mobility - outweigh any arguments against the legislation. One such argument is that rental assistance programs take away the ability of landlords to screen potential tenants. This is untrue; landlords are still able to determine a potential renter's ability to pay rent or comply with lease terms. However, landlords are prohibited from rejecting potential tenants solely on the grounds that they will pay rent using government funded rental assistance.

Tenancy Background Checks

Many landlords receive years of criminal, credit, and rental histories summarized in a simple form with a computer-generated opinion of whether the applicant will be a "good" tenant. Landlords seek to minimize risk by conducting screening, but the current background check system can blacklist renters who may, in fact, be good tenants. First, companies that produce rental background checks for a fee often produce reports riddled with errors. Next, even with correct reporting,

the indication that someone is a risky tenant is often based on information that does not paint the full picture of the tenant's criminal, credit, or rental history. Current tenant-screening systems creates unnecessary barriers to housing.

The filing of an eviction, whether or not it is done properly or has merit, can follow a tenant for their lifetime. Prior to 2020, 17 out of every 100 Delaware households had an eviction filed against them for possession of the property.^{xxix}

Delaware must adopt a rule that would allow for tenants to request the removal of eviction cases that are filed against them and then immediately dismissed by the landlord. It is not unusual for tenants to have numerous evictions filed against them without merit. For example, unintended consequences can result from use of automated filing systems to file failure to pay rent cases. A tenant who puts a check into the mail slot of the property manager's office on the first of the month could have a case filed by the automated system and then quickly dismissed for lack of a legal claim. However, the eviction case filing will create issues on a tenancy background check.

Delaware does not currently have a limit on the look-back period for rental history. Landlords should be limited to consideration of only recent rental history and there should be an opportunity for tenants to request shielding or removal of rental history from their records.

Delaware must set guidelines for how and when credit can be used as a reasonable basis for denial of housing. Additionally, landlords should be asked to seek other information about a tenant's

Criminal background checks have a disproportionate impact on racial and ethnic minorities.

financial health or ability to make rental payments beyond a reported credit score. A tenant should be presumed to be in financial health if they are engaging in credit or financial counseling services. Credit scoring models used to screen tenants should also look at cash flow and payment history.¹⁸ There is a direct correlation between income, race and credit.^{19xxx} Many Americans gain inherited or generational wealth through homeownership, and a history of denying access to homeownership to racial and ethnic minorities²⁰ has resulted in the present denial of access to rental housing based on race. Therefore, although credit is meant to be an unbiased analysis of financial health, it is inherently biased and produces poorer outcomes for certain groups over others.

Nationally, over 77 million Americans, or 1 in 3 adults has a criminal record.^{xxxi} Denial of housing based on criminal backgrounds preemptively denies many potential renters from access to rental opportunities. There is a direct correlation between race and tenants with criminal histories. Criminal background checks have a disproportionate impact on racial and ethnic minorities.²¹ Therefore, when addressing the impact of criminal background checks, access to housing should be considered through a similar lens as access to employment—which

has established that in accordance with Title VII of the Civil Rights Act of 1964, employers should consider three factors before rejecting an applicant based on a criminal background check. These factors are: (1) Nature and gravity of the offense; (2) Time that has passed since the offense; and (3) Nature of the job.^{xxxii} These factors prohibit a job applicant's rejection based on a criminal background unrelated to the occupation.

This analysis could be applied to housing. Policies can be enacted in Delaware that would ensure that applicants are not denied housing due to criminal history UNLESS the applicant has a conviction related to their ability to safely occupy housing. There is precedent under federal law for denial of housing to those whose conduct threatens the safety of other residents.^{xxxiii} For example, a criminal conviction for the manufacture or production of methamphetamine on the premises of federally assisted housing can result in the denial of access to housing^{xxxiv} but a simple drug possession charge should not. If all applicants to rental housing were automatically considered eligible and the burden was on the landlord to prove ineligibility based on safety, this would open up housing opportunities to almost all renters with criminal histories.

¹⁸FinReg Labs, a nonprofit data testing center, found that cash-flow underwriting (an analysis of how much money is in your bank account on any given day) was more predictive if current financial stability than traditional FICO scoring.

¹⁹The Consumer Financial Protection Bureau found that: "Almost 30 percent of consumers in low-income neighborhoods are credit invisible and an additional 15 percent have unscored records. These percentages are notably lower in higher-income neighborhoods. For example, in upper-income neighborhoods, only 4 percent of adults are credit invisible and another 5 percent have unscored credit records." And "Blacks and Hispanics are more likely than Whites or Asians to be credit invisible or to have unscored credit records."

²⁰ Through redlining, discriminatory lending, and outright discrimination.

²¹There is a well-documented racial disparity in the enforcement of laws—Black and Hispanic males are more likely than any other racial group to have a criminal background. However, a criminal background does not indicate an inability to pay rent or predict future criminal behavior—using it to determine the value of an applicant legitimizes police decision-making and entrenches the criminal justice system in the decisions made around access to housing.

The economic crisis has left many Delawareans **without the resources to pay for housing costs.**

The barrier of background checks could easily be remedied with a “universal” background check system that all landlords would be mandated to accept as proof of credit and criminal background. Such a system would not need to be a replacement for individual background checks by landlords, but it would allow tenants to have control over their information. It would allow for a one-time payment through a state agency that would provide state police, credit bureau, and information showing indicators of financial health. It would not only remove the financial barrier; it could be used to provide correct and relevant information necessary to make an informed decision about the potential tenant. It would also address the inaccuracies found in the background checks of some commercial providers.

In addition to the implementation of a simpler and more accurate background check system, the state should consider expanding access to subsidized housing for individuals with criminal records or poor credit histories. There should be state-funded financial incentives for landlords to accept individuals with poor credit or criminal histories²² like tax incentives or access to landlord mitigation fund dollars.

Changes to Delaware Landlord/Tenant Code to Promote Housing Stability

In addition to legislative initiatives such as Source of Income and Right to Counsel, the Delaware legislature has the opportunity to consider how to put legislative guiderails in place to increase housing stability and decrease homelessness.²³ Delaware should have the goal of preventing potentially justiciable events from destabilizing a household. Housing Alliance Delaware recommends immediate action on the following five items that would have a direct impact on housing stability for renters.

Protection from Eviction for Minimal Rental Arrearages or Rent that can be Paid by DEHAP

The legislature should prohibit the filing of evictions for rental arrearages (or arrearages less than a certain amount) AND prohibit the filing of evictions for failure to pay rent unless the landlord has applied to receive rental assistance from the Delaware Housing Assistance Program (DEHAP).

²²As outlined by the HUD guidelines for access to public housing, criminal histories unrelated to ability to safely maintain housing should not be considered.

²³In addition to the suggestions listed here, the Delaware General Assembly Created the African American Task Force to address issues of racial disparity in the state. The Infrastructure and Environment Subcommittee of the task force advanced a list of recommended actions around housing to the Task Force on July 19th 2021. All of the recommended actions should be supported by the Task Force and made part of the State Legislative Agenda.

Landlords should be prohibited from taking any retaliatory action against a tenant who has been unable to meet their rental obligation in 2020 or 2021.

The economic crisis has left many Delawareans without the resources to pay for housing costs. Both landlords and tenants were impacted by sudden unemployment and inability to pay rent. To ensure that landlords receive rental payments and tenants maintain housing stability, the Delaware State Housing Authority administers a 354-million-dollar DEHAP program that pays rental arrearages directly to landlords. Landlords should apply for the substantial rental assistance available to cover the costs of rent before resorting to legal action for loss of rent.

In addition, landlords should not be able to evict tenants for rental arrearages incurred during the pandemic. These debts can and should be paid, but the landlord should not be able to file a possessory action. In other words, a landlord should only be able to sue a tenant for nonpayment of past rent—not evict them into homelessness.²⁴ This minimum rental arrearage is part of the Right to Counsel Bill, Senate Bill 101. Under Senate Bill 101 landlords could no longer take possession for less than \$500 in unpaid rent.

Reasonable Limits on Rent Increases

Delaware must put a limit on rent increases. Although landlords are entitled to compensation for rental units, it is unreasonable for landlords to substantially or unreasonably increase rent—particularly when so many households lost income due to a public health crisis. In other words, there would be a section of the Delaware Code that

states that rent may not increase more than a reasonable amount when a lease is renewed. Delaware must put restrictions on rental increases and establish that rent may not increase more than one time over a twelve-month period.

Before the COVID-19 crisis, approximately 76% of extremely low-income renters in Delaware were cost burdened. COVID-19 resulted in loss of income for many renters making it even more difficult for the renter to pay rent. Even with the benefits of rental assistance paid to the landlord through DEHAP, many rental households struggle to pay for basic expenses.

Landlords may raise rental prices to cover costs, to force the tenant to seek other housing, or to receive greater rental assistance payments from the Delaware State Housing Authority. While landlords should not be restricted from instituting a reasonable rent increase, this increase must not be excessive or create an undue burden.

Prohibition of Retaliatory Actions

Landlords should be prohibited from taking any retaliatory action against a tenant who has been unable to meet their rental obligation in 2020 or 2021. Retaliation includes: termination or non-renewal of the rental agreement; increase in rent, charges, or other obligations imposed on the tenant; reduction in services provided to the tenant; or other adverse, hostile, or unwanted conduct.

If added to the current Delaware Code, whenever a landlord tried to take

²⁴Eric Dunn, in his August 6th ShelterForce article entitled “How State and Local Governments can Avoid Mass Evictions” suggests that one way to prevent eviction is to make the full payment of rent from August 2021 forward an absolute defense to eviction.

The filing of the eviction alone is a barrier to housing.

retaliatory action, the tenant would “be entitled to recover 3 months’ rent or treble the damages sustained by tenant, whichever is greater, together with the cost of the suit but excluding attorneys’ fees.”^{xxxv} Providing this protection to a tenant is a substantial protection in a year where many tenants may have failed to make a rental payment.

Landlords are receiving significant financial benefit from the rental assistance available in Delaware under the DEHAP. Tenants must not be retaliated against if rental assistance is sought and paid. In addition, a tenant must not face any retaliatory action based on their inability to pay rent during the crisis.

Prevention of Lasting Effects

Tenants should not face a lasting impact or long-term housing instability if they: terminate the lease early due to inability to pay, face eviction for inability to pay, or experience change in household composition due to the COVID-19 crisis. In addition, no landlord should be permitted to retaliate against a tenant in arrears by reporting or threatening to report the tenant to a credit reporting agency. The lasting effects of eviction filings are significant, and the power that a landlord has over a tenant’s rental history and a tenant’s credit report can have devastating and lasting consequences.^{xxxvi}

Mandatory Pre-Filing Diversion Program

Finally, Delaware should put a thoughtful and mandatory pre-filing diversion program into place for landlords and renters. This program should divert most eviction cases from the courthouse and into mediation programs. It should be mandatory for landlords and provide meaningful assistance and to provide information about diversion to tenants. Similar to what the Foreclosure Mediation Program has demonstrated, the success rate of programs implemented with good communication and intensive interventions is significant. The creation and provision of these services should be funded and mandated by the state.

Meaningful Assistance

Intervention Before Justiciable Event

Delaware is currently working to enact a Right to Counsel Statute, which will be extremely meaningful for tenants who are in danger of losing their housing if enacted. However, Delaware also must consider how to put support into place for tenants before they reach the crisis level event of eviction.

When a tenant has a pending eviction, they have already lost housing stability whether or not they have yet been physically evicted. The filing of the eviction alone is a barrier to housing.

²⁵For tenants, justiciable events could range from housing conditions that must be addressed, to catastrophic life events like domestic violence or injury, to changes in neighborhood conditions/change in rental ownership/increase in rents.

When people with complex and chronic challenges move into supportive housing, their use of homeless shelters, emergency department, crisis services, jails, and other public services decrease – ultimately resulting in cost savings to these other public systems.

The impact of eviction filings is discussed in more detail in other sections. But, considering the impact, Delaware must put preventative measures into place so that most tenants never reach the steps of the courthouse. Interventions must occur at or before a justiciable event occurs.²⁵

One such program should be a repair program targeted towards rental units in Delaware. A thoughtful program that addresses housing conditions would address financial stability of both landlords and tenants. Similar programs implemented elsewhere, allow for the repair and preservation of the affordable rental unit AND provide a way for the household to remain in the unit long-term. A Delaware rental repair program would address the need for landlords to receive repair assistance for rental units currently in disrepair. It would connect the tenant with appropriate interventions to address the health and safety needs created by the housing condition. And, it would provide for rent stabilization after repair to ensure that the unit remained affordable. This type of program, which combines elements to create housing stability for landlords and tenants, is a proactive way to address potentially justiciable events and an extremely meaningful form of landlord/tenant assistance.

In addition to a repair program, a program like the current DEHAP program that pays future rent provides meaningful assistance to both landlords and tenants. By helping tenants with both rental arrears and future payments, the

program can help tenants avoid the filing of an eviction for failure to pay rent and ensures housing stability. Similarly, rental assistance in the form of rental payments, vouchers or project-based assistance that ensures that the unit remains affordable²⁶ and assists the landlord with a stable source of rental income.

Housing Navigation and Stabilization Services

The state of Delaware, all three counties, and local municipalities have received American Rescue Plan (ARP) Act funds. An eligible use of these funds includes “...supportive housing, and to improve access to stable, affordable housing among unhoused individuals;...Housing vouchers, residential counseling, or housing navigation assistance....”^{xxxvii}

ARP Act funds should be used to provide two different types of housing supports: housing navigation services AND intensive housing stabilization services.

Housing navigation services are a one-time limited intervention that may include some basic case management and housing navigation to assist the household to access rental housing in an area of opportunity. This service paired with existing services like DEHousingSearch.org will help to facilitate the use of government rental assistance and will assist households to locate safe, affordable housing. Investment of ARP Act dollars in programs that provide supportive services like housing navigation, housing counseling, or moderate case management is important. This investment would allow

²⁶A tenant that utilizes most government rental assistance programs is required to pay a portion of their income in rent. If the tenant’s income changes, their tenant contribution to the rent changes. Therefore, they are in less danger of eviction.

Access to free legal services for those who are facing eviction can mean the difference between maintaining housing and becoming homeless.

households who are eligible and require services to gain access to housing.

For people with chronic and complex needs, such as those with long histories of homelessness and serious mental illness, addiction, physical or developmental disabilities, chronic health conditions, or histories of victimization or trauma, additional housing stabilization supports may be needed to help them live safely and stably in community-based rental housing. For this population, supportive housing is the solution.

Supportive housing combines deeply affordable housing with services that help people who face the most complex challenges to live with stability, autonomy and dignity. Housing is structured as tenancy, where residents pay rent and have the same rights a responsibilities as anyone else in rental housing. Residents are linked to intensive case management and voluntary, life-improving services like health care, workforce development, child welfare, and other community-based supports that prioritize housing stability and promote client choice, community inclusion.²⁷

High quality supportive housing differs from other types of supportive living options in the community, such as group homes or treatment programs, in that the primary focus is stable rental housing. Supports are offered and intensive case management is provided, but tenancy is not based on compliance with services or programs. Rather tenancy is based on the residents' ability to follow the requirements of a standard lease

agreement, and they are provided with assistance to do so. In other words, high quality supportive housing is implemented using high fidelity Housing First, an evidenced-based model that works to end homelessness.

In addition to solving the housing problem, supportive housing has been shown to generate cost saving to public systems. When people with complex and chronic challenges move into supportive housing, their use of homeless shelters, emergency department, crisis services, jails, and other public services decrease – ultimately resulting in cost savings to these other public systems.²⁸ This is found to be true in both urban and rural communities.

In Delaware, supportive housing is extremely limited in supply, and is not sufficient to meet the need. On the night of the 2021 Point in Time (PIT) Count, 195 people were experiencing chronic homelessness in Delaware's homeless shelters. In January of 2021, Delaware's coordinated entry system, Centralized Intake, was contacted by 197 households that reported they were sleeping outdoors or in another place not meant for human habitation (car, park, etc).

In order to make progress in supportive housing, Delaware's Department of Health and Social Services, more specifically the Division of Substance Abuse and Mental Health (DSAMH), must invest in homeless street outreach housing stabilization services that are housing focused and implemented in accordance with evidence based

²⁷<https://www.csh.org/supportive-housing-101/>

²⁸<https://d155kunxf1aozz.cloudfront.net/wp-content/uploads/2018/06/Cost-Effectiveness-FAQ.pdf>

²⁹<https://www.samhsa.gov/homelessness-programs-resources/grant-programs-services>

Delaware is equipped to implement **creative solutions** to its affordable housing problem

practices, such as housing first and harm reduction. A number of federal resources, in addition to ARP funding, can be leveraged through the Substance Abuse and Mental Health Administration, to provide housing stabilization and homeless outreach services, such as PATH, CABHI, and GABHI funding.²⁹

Right to Counsel

Access to free legal services for those who are facing eviction can mean the difference between maintaining housing and becoming homeless. The well documented negative consequences of eviction on families and communities include educational impacts for children, increased poverty, increased medical expenses, and an overall increased cost to the state.^{xxxviii}

During the 2021 legislative session, Senate Bill 101, which provides the right to counsel for tenants facing eviction, was introduced and passed in the Senate. It was tabled in the House Housing and Community Affairs Committee and will be revisited in 2022. If passed, Delaware will join many other jurisdictions, including neighboring Philadelphia and Baltimore, in providing tenants with access to legal services.

However, the impact of providing counsel extends beyond simply providing services within the courtroom. A report on the economic impact found that for “every dollar the State of Delaware invests in providing free representation to eligible tenants through a right to counsel, the state may reduce social safety net

responses to disruptive displacement by at least \$2.76.”^{xxxix} In other words, this legislation is both the promotion of housing stability and a cost savings to Delaware. Primarily because, according to the recent STOUT Report, eviction is the main reason individuals enter into the homeless shelter system.

Included in the Right to Counsel Legislation, SB 101, is the right of redemption. The right of redemption, discussed above as the payment of rental arrearages, allows for tenants to avoid judgment if the landlord received the full amount of rent in arrears before the eviction occurred. This part of the legislation is extremely important to the housing stability of renters in Delaware.

Landlords who file evictions based on a tenant’s failure to pay rent should be made whole. However, if they are made whole at any time before the execution of the judgment, the landlord should be prevented from taking possession of the property. This should apply if either the tenant, the Delaware State Housing Authority, or any other agency, is able to pay all rental arrearages, court costs and fees to landlord. Under federally allocated COVID-19 Emergency Rental Assistance, Delaware was allocated 354 million dollars to make rental payments to landlords. Landlords who have the opportunity to recoup rental arrears and costs should not be permitted to evict the tenant and his/her family.

Finally, perhaps the most impactful part of the Right to Counsel Legislation would be a potential rule change that would allow for non-attorney advocates

Changes in **zoning ordinances** would make a large impact on access to affordable housing in Delaware.

to represent tenants in eviction court. Currently, a landlord may be represented in court by a non-attorney but a tenant must secure legal counsel. If Delaware is able to make changes to Rule 55 and Rule 57 to allow for non-attorney advocates, this could allow for well-trained community advocates to provide tenants with support throughout the eviction process and to assist tenants in court. This rule change alone could have a tremendous positive impact on the ability of tenants to navigate the eviction process, to access resources, and to avoid homelessness.

Creative Solutions

Community Ownership

Delaware is equipped to implement creative solutions to its affordable housing problem. One such solution lies in the opportunity for community ownership of housing. Joint ownership, through land trusts or through shared tenant ownership, allows for both the creation and the long-term preservation of affordable housing.

Community land trusts are meant to serve the needs of a community and are often related to the creation and preservation of affordable housing. When a community land trust purchases the land used to develop housing, they do so to ensure the collective benefit for the community. When working to ensure housing affordability, community

land trusts separate the ownership of the land from the ownership of the housing. The housing is typically owned by an individual household, but the land remains in trust for period of time (usually 100 years) and, consequently, there are restrictions on the sale of the property. This ensures that the property remains affordable even as market rate prices increase. And, the land trust can intervene if the homeowner is struggling to pay the mortgage—reducing foreclosure rates and providing community stability. Long term stewardship of land by community land trusts only works when the community land trust itself has a great deal of longevity and stability to provide the long-term community support necessary for the model to be effective. Delaware’s state-wide land trust, Diamond State Land Trust, is not as financially robust as it needs to be to successfully facilitate and expand the use of this model throughout the state. Therefore, investment in Diamond State Land Trust should be part of Delaware’s solution for creating and stabilizing affordable housing.

Community ownership does not have to come only in the form of a land trust, it can also come in the form of traditional co-op housing in which the tenants pool resources to maintain shared rental housing properties. Or, it can come in the form of tenant owned property. In Delaware, it certainly could be both. Cities like Wilmington support the population and properties that lend themselves more to co-op ownership³⁰ and rural areas, like western

³⁰Larger multi-unit buildings are able to support limited-equity cooperatives in which multiple households are co-owners. Each household purchases a “share” equal to their housing unit, then then each household gets a vote in building governance. Resources of all owners are pooled for necessary maintenance and repairs. Often, the affordability of the housing is preserved by restrictions on the sale of the units.

Sussex County, would be served by joint ownership of land that supports homeowners in manufactured housing communities.

Both land trusts and community ownership of property are increasingly used to advance homeownership in communities of color. The housing market itself will not further racial justice—creating community ownership models does. Minority lenders have been advocating for and creating community land trusts to serve targeted communities in cities like New York, Washington D.C., and Baltimore. Cooperatives have created and preserved affordability and stability for communities in these same cities. There is even a growing number of places that are pairing the land trust and cooperative models together to increase and preserve affordability. Targeted efforts to ensure affordability for minority racial and ethnic communities must be part of the policy solution in Delaware.

Zoning-In Affordable Housing

Changes in zoning ordinances would make a large impact on access to affordable housing in Delaware. Local zoning often prohibits multifamily housing, multi-generational housing, accessory dwelling units, high density housing, cottages or tiny homes. All of these restrictions are in response to the housing market, a NIMBY voter base, and often chalked up to a goal of economic development. However, these zoning restrictions are not responsive to the needs of local residents. Zoning that places restrictions on affordable housing should be immediately addressed. Changes to zoning should include: prohibiting any unreasonable restriction on development of multifamily housing; automatic approval for accessory dwelling units that are constructed according to pre-approved compliant plans; eliminating minimum square footage requirements except those made for public health reasons; eliminating caps on costly parking requirements; eliminating “character,” “overcrowding,” and “undue concentration of population,” from the language of zoning ordinances.³¹

³¹See the amazing legislation recently passed in Connecticut: <https://www.desegregatect.org/hb6107>.

PART THREE: HOMEOWNERSHIP

Access to Homeownership - In the “**U.S. house prices rose 12.6 percent from the first quarter of 2020 to the first quarter of 2021.**”^{xi} House prices in the Wilmington metro area rose 14.4%^{xli}, and in Sussex County, the steady rise in home prices over the past few decades has resulted in an increase in home values of roughly 330%.^{xlii32}

The increase in home price is due partly to less housing inventory overall. The lack of inventory can be attributed to increased demand. Overall, in the mid-Atlantic region, housing inventory

declined 12% between February 2020 and 2021.^{xliii} [Figure 20 Quarterly FHFA House Price Index] [Figure 21 Affordable and Available Homes per 100 renter households]

Figure 20 – 2019-2020 FHFA Delaware House Price Index

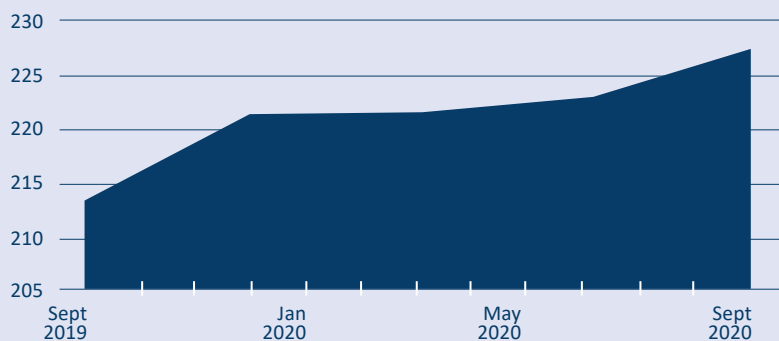
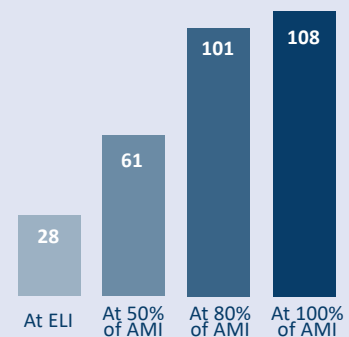


Figure 21 – Affordable and Available Homes per 100 Renter Household



³²By comparison, New Castle County values have gone up only 207% during that same period of time.

The lack of housing, combined with the raise in the price of housing, created a market reaction and Delaware saw a 20% regional increase in the building of single-family homes in 2021.^{xliv} In Delaware, there was an increase of 540 permitted single-family homes, a 35% increase over the previous year.^{xlv} Nearly three-fourths of that increase occurred in Sussex County and 12% can be attributed to Dover.^{xlvi} Despite this increase in housing construction, the building permits issued in Delaware are primarily for single unit single-family construction (7,101 out of 8,455 total)^{xlvii} and are primarily for construction of homes that do not meet

the needs of low-income households—such as the building of half-million-dollar homes in Sussex County. There has been no increase in building permits issued for construction of multifamily units, a number that stands at a stark 973 permits statewide for the development of 77 structures.^{xlix} The overall lack of multifamily building permits is a concern as multifamily construction, particularly the construction of condos, are generally more affordable homeownership options³³ than single family homes. [Figure 22 US Census New Housing Units: Building Permits] [Figure 23 Annual Residential Home Sales]

Figure 22 – New Housing Building Permits: US Census Bureau Building Permits Survey

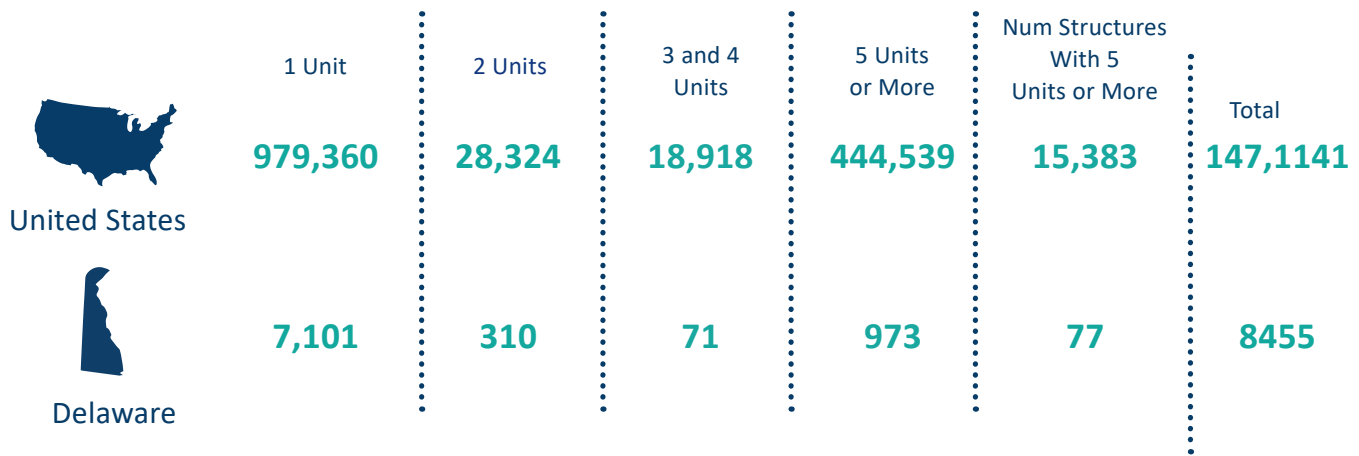


Figure 23 – Annual Residential Home Sales

Wilmington Home Sale Facts (through December 2020)



³³Multi-family housing development often also produces a more affordable rental unit.

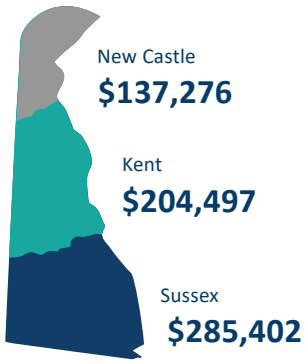
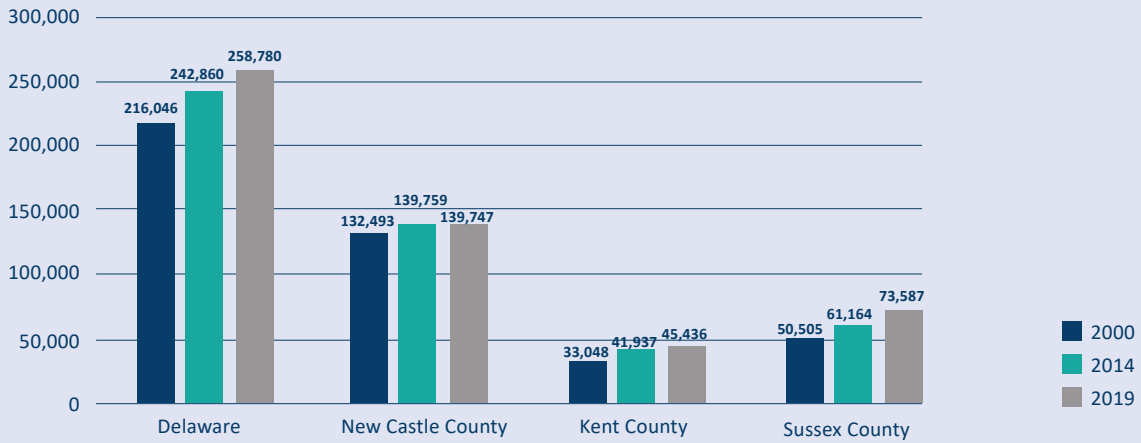


Figure 25.
Affordability Gap

In addition to a lack of housing stock, even with historically low interest rates, mortgage credit has been difficult for low-income households to access. The increase in prices necessitates an increase in down payments and this, alone, creates a barrier for households. The frenzy of home buying and home building in Delaware in 2021 has not benefited low-income households. Without access to a subsidy for single-family construction³⁴,

low-income households, and particularly households of color³⁵, are being excluded from building stability and wealth through homeownership in Delaware.¹ [Figure 24 Quarterly Homeownership Rate] [Figure 25 Homeownership Gap]

Figure 24 – Homeownership Rate 2000, 2014, and 2019



³⁴Like homes built by NCALL, Habitat for Humanity and Milford Housing Development Corporation which ensure affordability by leveraging state dollars, federal dollars and volunteer hours to bring down the final mortgage cost for the homebuyer.

³⁵Inequities in economic opportunity have created a racial gap in homeownership.

Foreclosure Filings and Sheriff Sales: In the first quarter of 2021, **one in every 1,705 homes in Delaware faced foreclosure.**

Foreclosure/Forbearance

As access to homeownership has become more difficult, many households are facing the loss of homeownership through foreclosure.

Many low-income homeowners spend the majority of their household income on mortgage payments and housing repair. Household wealth and the cost burden carried by a household is an indicator of risk for housing instability. Extremely cost burdened, low-income households are at particularly high risk of foreclosure when faced with a crisis such as the loss of a job or a large medical cost.

When Delaware's State of Emergency was lifted in July of 2021, some households were no longer eligible for forbearance.³⁶ As a consequence, Delaware now has one of the highest rates of foreclosure filings in the nation at a rate of one in every 4,206 housing units.ⁱⁱ However, despite a high rate of filing in 2021, many federal protections remain in place for homeowners until January 1, 2022.³⁷

One indicator of homeowners facing foreclosure are whether the homeowner is seriously delinquent in their mortgage payments. Nationwide, in the first quarter of 2021, 4.6 percent of all mortgages were seriously delinquent mortgages. Although this is a decrease compared to the 5.2 percent rate in the final quarter of 2020, it stands in stark contrast with a rate of 1.4 percent in the first quarter of 2020.ⁱⁱⁱ So, although serious delinquency rates dropped nationwide in the first quarter of 2021³⁸, they remained high.ⁱⁱⁱⁱⁱ

Even with a high delinquency rate and a high foreclosure rate compared to other states, the full weight of the foreclosure crisis has yet to hit Delaware. A large number of households remain in forbearance³⁹ and, therefore, it is unclear what the true impact of the foreclosure crisis will be when the federal moratorium on foreclosure expires. What is clear is that households who have been unable to quickly exit forbearance are more likely to face foreclosure, and many households may be feeling hopeless.

Homeowners who have experienced loss of income or increased costs while in forbearance, may face another financial hurdle as they exit forbearance. Nationwide, over 22% of borrowers⁴⁰ who have utilized the full 18 months of forbearance have less than 10% equity in their homes.^{iv} In other words, people who have been unable to pay their mortgage due to prolonged financial hardship have also lost nearly all of the equity in their homes. These homeowners are at a distinct disadvantage when seeking to sell a home or leverage equity for repair or loan. Consequently, if a homeowner on a limited income was unable to pay their mortgage during the COVID-19 crisis, they may no longer consider their home an asset. One possible outcome is that homeowners without equity may choose to sell their homes, seeing the current housing market as an advantage. However, divesting homeowners of their homes means that they will walk away from a lifetime of investment without equity and, likely, with bad credit and

³⁶Households reaching the full 18 months of forbearance.

³⁷CFPB Effective August 31st to December 31st 2021.

³⁸Delinquency rates did not drop for FHA and VA loans during this time period.

³⁹2.3 million borrowers in forbearance that have yet to resume their mortgage payments.

⁴⁰This number is higher at over 36% for FHA and VA loan holders.

Figure 26 – Delaware Homeownership Rates, by Race or Ethnicity

	1990	2000	2010	2020	2030	2040
Total	70.3%	72.3%	72.0%	72.3%	72.6%	72.2%
White	74.9%	79.2%	80.2%	82.4%	82.5%	81.8%
Black	49.1%	50.8%	52.4%	51.4%	56.7%	62.0%
Hispanic	41.6%	42.0%	46.1%	53.3%	56.2%	56.4%
Other	59.5%	54.1%	58.7%	57.9%	55.7%	53.8%

other debts. The loss of homeownership among low-income households will be a devastating loss of generational wealth and many of the households will be unable to find alternative affordable housing in the rental market.

The American Rescue Plan Act monies allocated to the Delaware State Housing Authority include 5 million dollars to assist struggling homeowners avoid foreclosure or forced sales by making mortgage payments or reducing outstanding principal. The Delaware Mortgage Assistance Program (DMAP) will provide a much needed safety net for some homeowners and for manufactured home owners who were ineligible for forbearance programs—but it may not be sufficient funding to fully address the foreclosure crisis facing the state.⁴¹ However, there is hope that the DMAP program, paired with other social service programs, like credit counseling services, homeowner repair, utility assistance and

other homeowner assistance will ensure that Delaware homeowners do not lose their homes due to the economic impact of the coronavirus pandemic.

Policy Solutions

Access to Homeownership

Delaware’s homeownership rate has steadily increased since 2018. Delaware had a homeownership rate of 71% in 2018, 73% in 2019, and nearly 78% in 2020.⁴² However, access to homeownership is becoming more and more difficult for low-income households as the cost of homes increase. Many low-income households are priced-out of homeownership opportunities, and people of color are underrepresented in Delaware’s high homeownership rate with a gap of approximately 30% in homeownership rates between White and Black households.⁴² [Figure 26 Homeownership by Race]

⁴¹It is likely that the price tag to keep homeowners from losing their homes will be many times the 5 million allocated if many homeowners exit forbearance owing 18 months of mortgage payments and nearly 5% of all mortgages are seriously delinquent. In Delaware, where an average mortgage payment is approximately \$1,500 dollars a month and there are approximately 320,000 homeowners—if 5% of all mortgage holders owe three months of mortgage payments, it would be approximately seventy-two million dollars just to make all seriously delinquent mortgages current. See <https://www.census.gov/quickfacts/DE>.

⁴²According to the Analysis of Impediments, White residents in every Delaware jurisdiction have the highest levels of homeownership compared to residents of other races. In Delaware approximately 69% of the population is White and 22% of the population is Black.

The Housing Development Fund, used to bridge the gap between the **cost of development and affordability, has been flat-funded for decades.**

The only way to produce more affordable homeownership opportunity is to provide incentives for affordable housing development. The need for development subsidy is currently unmet by state and federal programs. The American Rescue Plan Act provides an opportunity for funds go directly into a fund for investment in affordable homeownership production. While Delaware has a Housing Development Fund, that fund has been flat-funded since its creation in the 1980's. Delaware must increase investments in housing development to catalyze the development of affordable homeownership opportunities.

Even with subsidy, the construction cost of building a single-family home may put homeownership out of reach for many potential buyers. Even as “affordable” houses are built,⁴³ many households, particularly first-time homebuyers, will need additional assistance. Programs like credit counseling programs, housing counseling programs, and homeowner support programs are essential to helping low-income homeowners enter the market.

In Delaware, there are a number of highly qualified HUD certified housing counselors^{lvii} —but not nearly enough. There are financial counseling programs like United Way's StandByME^{lviii} —but not with the capacity to help all of those who need it. There are programs though HUD, like the Family Self-Sufficiency Program^{lix}, that targets rental households in an effort

to increase earned income and move from rental housing to homeownership—but this program is limited in scope. There are Self-Help homeownership programs^{lx} though Federal agencies such as HUD and the US Department of Agriculture utilized in Delaware⁴⁴—but not to a scale that allows for a substantial impact or increase in homeownership among lower income households.

Although there are a number of homeownership assistance programs that exist, they do not fulfill the need, leaving many Delaware households without a path to homeownership. Homeownership programs on local, state and national level must be thoughtfully enhanced to increase access.

In addition, there should be assistance to low-income households who, historically, have been unable to access homeownership due to the difficulty of accumulating savings. The creation of a more robust down payment assistance program, coupled with a well-funded Individual Development Accounts (IDA's), would provide access to homeownership for many additional households.

Mortgage Assistance Payments

In 2020, the Delaware Mortgage Assistance Program operated using Coronavirus Aid, Relief, and Economic Security (CARES) Act funds to provide up to \$10,000 in mortgage assistance to homeowners. This money was essential for many Delaware homeowners. The

⁴³Housing construction costs alone are nearly \$200,000 in all three counties.

⁴⁴For example, Milford Housing Development Corporation provides a Self-Help Homeownership Program. <http://milfordhousing.com/what-we-do/build-your-own-home/>

⁴⁵FHA forbearance cannot extend beyond June 30, 2022 but must be applied for by September 30, 2021; CFPB protection is in place for most mortgage holders until December 31st, 2021.

funds were exhausted by December of 2020. In 2021, the safety net created by mortgage assistance is even more critical, mainly because the period of forbearance will draw to a close for many homeowners on December 31, 2021.⁴⁵

The American Rescue Plan (ARP) Act provided up to \$9.961 billion dollars to states to provide relief to homeowners. Delaware received 5 million dollars to create a homeowner assistance fund. The purpose of the fund is to “prevent mortgage delinquencies and defaults, foreclosures, loss of utilities or home energy services, and displacement of homeowners experiencing financial hardship.”^{lxix} The Delaware State Housing Authority will administer the fund, but at the time of publication has not yet released information on the application process. Regardless of the process to receive mortgage assistance, the DMAP funds, like rental assistance funds, must be targeted to those most in need and there must be a way to fairly distribute funds to the most impacted households.

In addition to direct mortgage assistance payments, there should be continued support for programs that help to address the foreclosure crisis. Delaware currently has a robust foreclosure mediation program in place that provides both Housing Counseling and Legal assistance.⁴⁶ The intent of the program

is to prevent foreclosure for Delaware households.⁴⁷

Home Repair & Energy Efficiency

Delaware must coordinate and increase access to home repair. Many homes affordable to low- and extremely-low households are substandard⁴⁸; low and extremely-low income households are often forced to live in unhealthy housing.⁴⁹ Housing with lead exposure, mold, and environmental toxins is not safe. Many low- to extremely-low income households present with or develop health conditions that can be linked directly to the condition of their housing.⁵⁰

Delaware has a number of home repair programs for homeowners that provide a range of services—but in some major repair programs, repairs are offered as a loan. Therefore, they exclude any homeowner that owes money on their home (mortgage, tax or utility bills). These barriers should be removed. In addition, there is not a repair program that has the funding to tackle the nearly thirteen-thousand substandard homes in Delaware, some of which may need costly repairs. Home repair for all substandard homes may carry a high price tag of hundreds of thousands of dollars but its savings may span a number of sectors—including healthcare.

⁴⁶The Delaware Residential Mortgage Foreclosure Mediation Program has had high participation and positive results in 2021.

⁴⁷Delaware reports a 61% success rate for households that participate in the mediation process.

⁴⁸Delaware State Housing Authority’s Housing Fact Sheet finds that there are 18,322 estimated substandard housing units across the state; 12,788 of those are owner occupied.

⁴⁹In addition to the potential lead paint hazards found in 48% of homes in Delaware, many of the currently affordable housing is in locations that lack access to healthy food, transportation, economic opportunity and healthcare.

⁵⁰An estimated 40% of pediatric asthma cases can be attributed to conditions in the home.

⁵¹<https://www.energizedelaware.org/>

In addition, many low-income households face high utility costs and poor energy efficiency. Additional state support should be provided for programs like the ones created by Energize Delaware⁵¹ to address all issues within a household—from lighting to energy loss to poor ventilation. These programs have a positive impact on the financial stability of households and are long-term solutions to an already existing problem.

Home repair is expensive, but a significant investment is necessary to ensure that Delaware families live in safe and healthy homes.

ⁱMetraux, Steve, et al., An Overview of Family Homelessness in Delaware: A Report to Housing Alliance Delaware. University of Delaware Center for Community Research and Service. (2021, September).

ⁱⁱOut of Reach: The High Cost of Housing. National Low Income Housing Coalition. (2021, July 14). <https://reports.nlihc.org/oor>

ⁱⁱⁱOut of Reach: The High Cost of Housing. National Low Income Housing Coalition. (2021, July 14). <https://reports.nlihc.org/oor>

^{iv}Local Housing Solutions: Housing Needs Assessment. Local Housing Solutions. PolicyMap. (2021) <https://www.localhousingolutions.org/housing-needs-assessment>

^vLocal Housing Solutions: Housing Needs Assessment. Local Housing Solutions. PolicyMap. (2021) <https://www.localhousingolutions.org/housing-needs-assessment>

^{vi}Chris Salviati, et al. "Apartment List National Rent Report." Apartment List. (2021). <https://www.apartmentlist.com/research/national-rent-data>

^{vii}HUD PD&R Regional Reports: Region 3: Mid-Atlantic, First Quarter 2021. Housing and Urban Development. (2021 April.) <https://www.huduser.gov/portal/periodicals/USHMC/reg//MidAtlantic-RR-1Q21.pdf>.

^{viii}National Equity Atlas. (2021). <https://nationalequityatlas.org/rent-debt>

^{ix}The State of the Nation's Housing. Joint Center for Housing Studies of Harvard University (2021, June). <https://www.jchs.harvard.edu/state-nations-housing-2021>.

^xThe State of the Nation's Housing. Joint Center for Housing Studies of Harvard University (2021, June). <https://www.jchs.harvard.edu/state-nations-housing-2021>.

^{xi}Out of Reach: The High Cost of Housing. National Low Income Housing Coalition. (2021, July 14). <https://reports.nlihc.org/oor>

^{xii}2020 Statewide Analysis of Impediments to Fair Housing Choice. Delaware State Fair Housing Consortium. (2020, November).

^{xiii}The State of the Nation's Housing. Joint Center for Housing Studies of Harvard University (2021, June). <https://www.jchs.harvard.edu/state-nations-housing-2021>.

^{xiv}Eviction Tracking: Delaware. Eviction Lab. (2021). <https://evictionlab.org/eviction-tracking/delaware/>

^{xv}National Equity Atlas. (2021). <https://nationalequityatlas.org/rent-debt>

^{xvi}The State of the Nation's Housing. Joint Center for Housing Studies of Harvard University (2021, June). <https://www.jchs.harvard.edu/state-nations-housing-2021>.

^{xvii}Eviction Tracking: Delaware. Eviction Lab. (2021). <https://evictionlab.org/eviction-tracking/delaware/>

^{xviii}Order Under Section 361 of the Public Health Service Act (42 USC 264) and 42 Code of Federal Regulations 70.2 Temporary Halt in Residential Evictions in Communities with Substantial or High Levels of Community Transmission of COVID-19 to Prevent the Further Spread of COVID-19. Center for Disease Control and Prevention Department of Health and Human Services. (2021, August 3.) <https://www.cdc.gov/coronavirus/2019-ncov/communication/Signed-CDC-Eviction-Order.pdf>

^{xix}NLIHC ERA Spending Tracking. National Low Income Housing Coalition. (2021). https://docs.google.com/spreadsheets/d/1RnHX7Ld7KJ_jgJ8Sk52xjCygYRETWU-OthOGE3uduHM/edit#gid=1432075608

^{xx}The Economic Impact of an Eviction: Right to Counsel Delaware. STOUT (2021, May 3). Finding that: Zip codes in Delaware with higher proportions of Black residents have higher eviction rates. While poverty rate, number of rental units, and proportion of Black residents all influence the eviction rate in a given zip code, the proportion of Black residents is the greatest predictor of eviction rate.

^{xxi}Aviles, Ann et al. Using Youth Risk Behavior Survey data to analyze housing instability among Delaware public school students. Journal of Children and Poverty. (2020, August.)

^{xxii}2020 Statewide Analysis of Impediments to Fair Housing Choice. Delaware State Fair Housing Consortium. (2020, November).

^{xxiii}<https://legis.delaware.gov/TaskForceDetail?taskForceId=435>

^{xxiv}Del. Code tit. 46 § 4601 Declaration of purpose and construction.

(b) Except as exempted by § 4607 of this title, it shall be unlawful:

(1) To discriminate in the sale or rental, to refuse to sell or rent, to refuse to negotiate for the sale or rental of, or otherwise make unavailable or deny, a dwelling to any person because of race, color, national origin, religion, creed, sex, marital status, familial status, source of income, age, sexual orientation, gender identity or disability.

^{xxv}Del. Code tit. 46 § 4607 Exemptions in certain situations.

(j) A landlord is not required to participate in any government-sponsored rental assistance program, voucher, or certificate system. A landlord's nonparticipation in any government-sponsored rental assistance program, voucher, or certificate system may not serve as the basis for any administrative or judicial proceeding under this chapter.

- ^{xxvi}Tighe, J. Rosie, et. al. Source of Income Discrimination and Fair Housing Policy. *Journal of Planning Literature*. Vol 32(i) 3-15 (2017). <https://journals.sagepub.com/doi/pdf/10.1177/0885412216670603>
- ^{xxvii}A Pilot Study of Landlord Acceptance of Housing Choice Vouchers. U.S. Department of Housing and Urban Development; Office of Policy Development and Research. (2018). <https://www.huduser.gov/portal/sites/default/files/pdf/Landlord-Acceptance-of-Housing-Choice-Vouchers.pdf>
- ^{xxviii}Freeman, Lance. The Impact of Source of Income Laws on Voucher Utilization and Locational Outcomes. Department of Housing and Urban Development. (2011, February). https://www.huduser.gov/publications/pdf/freeman_impactlaws_assistedhousingrcr06.pdf
- ^{xxix}Eviction Lab: Eviction Rate. <https://evictionlab.org/map/#/2016?geography=states&bounds=-135.278,23.002,-52.459,56.364&type=er&choropleth=pro&locations=10,-75.427,38.822>
- ^{xxx}Data Point: Credit Invisibles. The Consumer Financial Protection Bureau Office of Research. (2015, May). https://files.consumerfinance.gov/f/201505_cfpb_data-point-credit-invisibles.pdf
- ^{xxxi}Barriers to Work: People with Criminal Records. National Conference of State Legislators. (2018). <https://www.ncsl.org/research/labor-and-employment/barriers-to-work-individuals-with-criminal-records.aspx>; Rodriguez, Michelle and Emsellem, Maruice. 65 Million Need Not Apply: The Case for Reforming Criminal Background Checks for Employment. The National Employment Law Project. (2011, March). https://s27147.pcdn.co/wp-content/uploads/2015/03/65_Million_Need_Not_Apply1.pdf
- ^{xxxii}Delaware Licensing and other Barriers to Growing Occupations. National Employment Law Project. (2020). <https://s27147.pcdn.co/wp-content/uploads/Delaware-Barriers-to-Growing-Occupations-Fact-Sheet-12-2020.pdf>
- ^{xxxiii}24 CFR § 982.553
- ^{xxxiv}24 CFR § 982.553
- ^{xxxv}Del. Code tit. 25 §5516
- ^{xxxvi}Potential Additions to the Delaware Code Title 25:
- § 5710. Prohibition of Lasting Impact: Termination of Tenancy
- (a) Within one year after the end of the covered period, if a tenant terminates a rental agreement and surrenders possession of the residential rental premises for reasons related to COVID-19, including diminished income or other economic impacts, the tenant shall not be liable for any remaining rental payments under the lease or any early termination fee. For the purposes of this section, the tenant shall be presumed to have surrendered possession for reasons related to COVID-19 where: (1) the tenant notifies the landlord within 7 days of vacating of a reason related to COVID 19; (2) the tenant vacated involuntarily or at the request of the landlord; or (3) the landlord had actual knowledge, or was in possession of other information from which a reasonable person would believe, that the tenant vacated for a reason related to COVID-19.
- § 5711. Prohibition of Lasting Impact: Shielding of Filed Evictions
- (a) (1) Subject to paragraph (2) of this subsection, any eviction filed within the covered period or within one year of the covered period shall remain shielded from public view. (3) Any eviction based on violent or dangerous criminal activity that resulted in a judgment against the tenant will remain public record.
- § 5712. Prohibition of Lasting Impact: Rental Admission Screening
- (a) No landlord shall charge or collect any rental application fees during the covered period.
- (b) A landlord may collect a refundable deposit to hold a vacant unit for an applicant whose application for tenancy is being considered. The deposit shall not exceed 50% of the monthly rent for the premises and shall be refunded within 1 business day of the denial of the tenant’s application.
- (c) No landlord shall deny admission to rental housing or take any adverse action against a rental applicant because of (1) a COVID-19 related rental arrearage, (2) the applicant’s early termination of a rental agreement within the covered period, (3) an eviction proceeding brought against the applicant during the covered period.
- § 5713. Prohibition of Lasting Impact: Reporting to Credit Agencies
- (a) (1) Subject to paragraph (2) of this subsection, no landlord may retaliate against a tenant in arrears during the covered period by reporting or threatening to report the tenant to a credit reporting agency. (3) Any cause of action that resulted in a judgment against the tenant will remain enforceable.
- § 5714. Prohibition of Lasting Impact: Changes to Household
- (a) Upon the death or incapacity of the primary leaseholder the landlord shall permit any other persons occupying residential premises to remain in possession of the premises upon the same terms as in the rental agreement with a residential tenant who dies or becomes incapacitated during the covered period until the later of: (1) the expiration of the rental agreement, or (2) the end of the covered period.
- (b) No landlord shall deny permission for a person to join the household of an existing tenant during the covered period unless the denial is required by other law.
- ^{xxxvii}31 CFR Part 35 RIN 1505-AC77. Department of Treasury. (2021). <https://public-inspection.federalregister.gov/2021-10283.pdf>

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