

Summer 2008

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Old Landing II Receives National Tax Credit Award



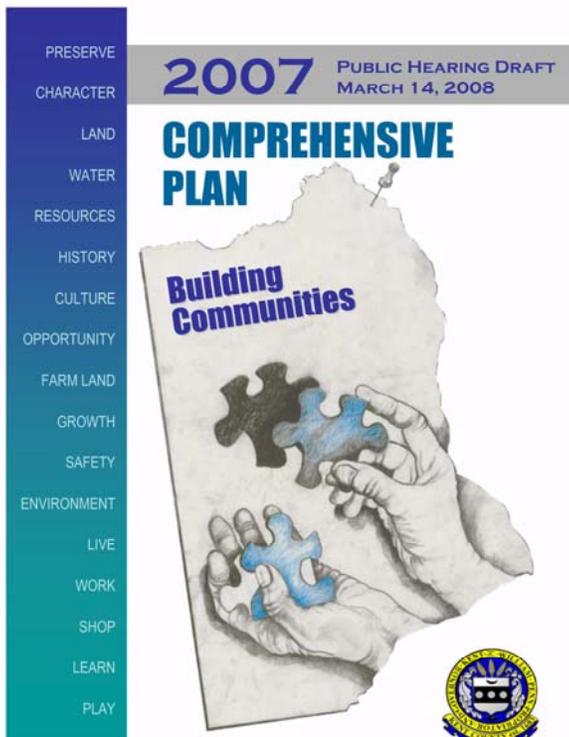
In early May the Affordable Housing Tax Credit Coalition (AHTCC) announced the winners of its 14th Annual Charles L. Edson Tax Credit Excellence Awards. This award is presented to the most outstanding Low Income Housing Tax Credit properties in six categories and celebrates the best in affordable rental housing development. Old Landing II Apartments, recently developed by Millsboro Housing for Progress (MHP) in Millsboro, DE, won the award for the best rural housing tax credit community.

This year, the Coalition received an incredible number of entries—43 applications from 23 states. A panel of five judges selected six first place finishers and 9 honorable mentions. Each winner received a \$5,000 grant to bring additional services, facilities, or amenities to the development for the benefit of its residents. All of the Edson awards were presented at a Capitol Hill luncheon ceremony on Wednesday, June 11, 2008.

Old Landing II consists of 30 rental units, 6 of which are subsidized to reach extremely low income families and individuals. Partnering with MHP to make this community a success are NCALL, Delaware State Housing Authority, Enterprise Community Investment, Inc., and DeSabatino Construction. The DSHA nominated Old Landing II for this prestigious award. Congratulations MHP!!



NCALL's Deputy Director Assists with Kent County Comprehensive Plan



Karen Speakman, NCALL's Deputy Director, served on the Kent County (DE) Comprehensive Plan Working Group. The Working Group was comprised of 29 individuals with a variety of interests including citizens, environmentalists, affordable housing, engineers, developers, attorneys, builders, and state agencies. From June 2007 through March 2008 meetings were held to wrestle with various chapters of the plan such as land use, community design, community facilities, transportation, economic development, housing, natural resources, agriculture, and historic preservation. Most of the committee was concerned about the recent growth in Kent County and wanted to find ways to reduce growth and create sustainable communities. The chair, Gregg Moore stated, "Each came with our own causes and perspectives for what needed changing; but to a person, all

could agree and understand the need for a plan that would best suit the majority of our residents and all were willing to bend to provide a product that was not designed to serve a special interest to the detriment of our county community."

A majority of the focus by the community has been on the creative land use chapter, where growth zones were established with various densities. The existing transfer of development rights mechanism was enhanced, enabling developers to purchase development rights from willing sellers in order to achieve greater densities on another property in the growth zone.

Due to some opposition, the plan has been tabled and a revision is being considered.

A number of excellent affordable housing policies and recommendations have been included:

1. Encouraging an expansion of housing types, such as apartments, townhouses, duplexes, and single-family detached dwellings, to serve a diverse population;
2. Maintaining or improving the condition of the housing stock throughout the County without causing displacement.
3. Revise the Transfer of Development Rights program to provide additional incentives for participation within areas identified for development and foster the creation of mixed income communities.

4. Establish a mandatory inclusion-ary zoning program containing incentives such as density bonuses and/or reduction/deferment of impact fees, targeting units for low- and moderate-income households, and providing long-term affordability of the units via resale controls or rent/income restrictions to ensure an affordable housing inventory.
5. Explore code revisions and incentives to promote construction of environmentally friendly "green" buildings and Energy Star efficiencies.
6. Establish housing programs for down payment and settlement assistance for first time homebuyers which require non-profit housing counseling and an emphasis on partnering with other County employers.
7. Establish a partnership with the Diamond State Community Land Trust to ensure long-term affordable homeownership opportunities.
8. Establish a County affordable Housing Trust Fund.

Karen Speakman shared, "Serving on the Working Group was a pleasure. Sharing housing initiatives embarked on elsewhere was appealing. I appreciated the give and take of the group and the respect given to each member's opinion and thoughts." A Comprehensive Plan is only a useful tool if the recommendations are implemented and NCALL will continue to be a part of Kent County's implementation process.

Joe Myer Provides Congressional Briefing

On behalf of the National Rural Housing Coalition, NCALL's Joe Myer joined a group of rural housing providers on March 12 presenting a Congressional Briefing on rural housing issues.

Held in the House Rayburn Office Building, speakers briefed legislative staffers about issues and programs such as farmworker housing, self-help housing, and rental housing. Myer spoke about how the foreclosure problem is impacting rural

Delaware and the nation providing information from our own Lt. Governor's Foreclosure Task Force and the Housing Assistance Council.

The briefing was well attended and Congressman Castle's Chief of Staff, Mike Quaranta, was present and shared some of the related policy steps the Congressman is taking leadership on.

Governor Minner Signs Council on Housing Legislation

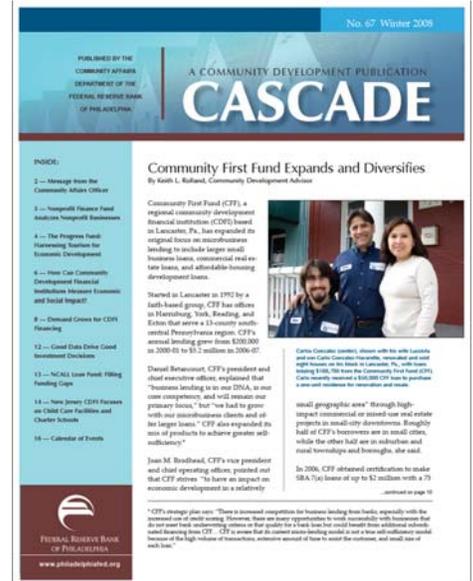


Pictured around the Governor left to right are: Ken Smith, Delaware Housing Coalition; Joe Myer, NCALL; Michael Skipper, WSFS; and Susan Starrett, Homeless Planning Council of Delaware.

Delaware Governor Ruth Ann Minner met with representatives of the Delaware Housing Coalition's Housing Policy Roundtable on February 6 to talk about housing conditions and resources needed this leg-

islative session. While there, Governor Minner signed a bill into law that enhances the membership and operation of the DSHA's Council on Housing.

NCALL Loan Fund Featured in *Cascade*



The Winter 2008 edition of *Cascade*, the Federal Reserve Bank of Philadelphia's Community Development Publication, featured an article about NCALL's Loan Fund. The article, entitled "NCALL Loan Fund: Filling Funding Gaps" highlighted growth over the last several years, capitalization strategy, investors, and the successful partnership with Discover Bank. The article can be accessed by visiting the "Loan Fund" page of NCALL's website, www.ncall.org, or visiting the Federal Reserve Bank of Philadelphia's website.

Neighborhood Assistance Act

Certain contributions from Delaware businesses and individuals to NCALL, qualify for a DSHA Neighborhood Assistance Act tax credit of up to 50% on state income taxes. NCALL would welcome use of this tax credit to support our affordable housing work.

HUD Funds Rural Initiative



Pictured: John Bravacos, HUD Region III Director; Diane Lello, HUD Field Office Director; Joe Myer, NCALL's Executive Director; Senator Tom Carper; Representative Mike Castle; and Nadab Bynum, HUD CPD Director.

NCALL's FY 2007 Rural Housing and Economic Development application was awarded funding for 36 months of housing services. These resources will be utilized for Homeownership Counseling, Housing Development, Asset Management and Capacity Building in Sussex County. This project will support rural housing activities and economic development to take place within the three communities of Georgetown, Sea-

ford and Millsboro. Poverty and unemployment rates from the 2000 U.S. census were determining factors. Two of the three communities have poverty rates twice the national average.

The goal of this RHED program is to develop a number of affordable family and elderly units while assisting local households to access them.

NCALL Continues CHDO Technical Assistance

NCALL has been awarded a new cooperative agreement from HUD to provide technical assistance to nonprofit organizations in Delaware designated as Community Housing Development Organizations (CHDOs) by the Delaware State Housing Authority, New Castle County, and the City of Wilmington. NCALL has been a longstanding single-state intermediary providing services in Delaware with the goal of providing capacity building and housing development assistance. We at NCALL look forward to providing these services over the coming year.

Chandler Heights Ribbon Cutting

NCALL, along with community and government leaders, celebrated the May ribbon cutting for the renovation of Chandler Heights I, an 88 unit family apartment community sponsored by Better Homes of Seaford, Inc.



Loan Fund Leverages Additional Resources

The NCALL Loan Fund Committee held its April meeting in Wilmington, DE. The event was hosted by Interfaith Community Housing of Delaware, Inc. The Committee had the pleasure of visiting several of the affordable housing projects on which the Loan Fund and Interfaith are working together. But the success of these projects is dependent upon more than the great working relationship between Interfaith and the Loan Fund. The success also depends on the leveraging of additional resources which allow these projects to come to fruition.

Two of the sites visited were homeownership projects. The recently completed Madison Street project consists of five newly constructed townhomes. The New Hope Place townhomes in Southbridge will be 15 newly constructed townhomes. These homes will be a valuable part of the revitalization of the West Center City and Southbridge sections, respectively, of Wilmington. The Loan Fund is pleased to be a part of this community development effort, but because of the size of the loans, the Loan Fund sought the participation of NHTSA-CDFI. This NeighborWorks America affiliate is providing more than \$2 million of much need additional financing.

The Committee also visited the multi-family rental community known as Arbor Place. Interfaith owns both Arbor Place I and Arbor Place III. The Loan Fund had previously been involved in the renovation of Arbor Place I (45 units). The Fund successfully negotiated the participation of two lenders in that deal: Deutsche Bank and National Capital Corporation. Now, Interfaith has approached the Loan Fund for financing for Arbor Place III (25



Interfaith Community Housing of Delaware developed these five newly constructed townhomes on Madison Street in Wilmington's West Center City. The NCALL Loan Fund partnered with NHTSA-CDFI to provide the construction financing for this project. These 3-bedroom, 2 1/2-bath townhomes are now on the market for \$149,900.

units). The Fund has initiated conversations with The Reinvestment Fund to provide a loan participation.

The Loan Fund leverages other resources as well. The Loan Committee also met that day with Jeremy Nowak, president and CEO of The Reinvestment Fund (TRF). Like NCALL, TRF is a certified community development financial institution (CDFI). Mr. Nowak founded TRF more than 20 years ago and he spoke with the committee about the challenges faced by CDFIs today. There were discussions about best practices, infrastructure issues and other topics that are important to CDFI Boards, Loan Committees and decision makers. The committee valued Mr. Nowak's sharing of his knowledge and experience.

NCALL is grateful for the opportunity to work with Interfaith Community Housing on multiple projects as together we leverage valuable resources that are critical to community development success.

NCALL's Loan Fund Committee

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NCALL Offers Default and Foreclosure Services



NCALL's Karen Speakman presenting at a recent foreclosure prevention press conference held by Senator Carper and Lt. Governor Carney.

Due to the number of Delaware households facing mortgage default and foreclosure, NCALL is now offering mortgage default and foreclosure mitigation statewide. A fundraising effort to support these services has started and thus far, NCALL has received funding from the Speer Trust Commission, NeighborWorks and Citi Foundation. These funds have enabled NCALL to shift two homeownership specialists to providing foreclosure mitigation counseling as well as NCALL's *Growing Your Money* classes (financial literacy.)

With foreclosure filings increasing at a substantial rate in all counties, Delaware households are facing difficulties sustaining their homes. Whether due to current economic times, not receiving homeownership education, opting for undesirable mortgage products, or experiencing hardships beyond their control, NCALL wants to be responsive to the Delaware community.

To share the magnitude of the mortgage crisis, according to foreclosure filings from the Superior Court, fore-

closures for May 2008 statewide are up 87% from May 2007. For the 11 months that ended on May 31, 2008 they are up 35% statewide. For Sussex County the statistics are even worse, 139% increase for May and 61% increase for the last 11 months.

Contacts and requests for NCALL's Default and Foreclosure Prevention Counseling have been increasing since mid-2007 with the full magnitude of the problem not expected until later this year and in 2009. NCALL assists the families by ascertaining the reason for delinquency or default and the family's financial situation. The possibility of a workout with the mortgage lender is examined as well as what other options the family has such as refinancing, applying for a DEMAP loan, selling their house, etc. There is not just one solution.

Karen Speakman, NCALL's Deputy Director has advice for any family who is becoming delinquent in their mortgage payments, "Do not wait to ask for help. The sooner this crisis is faced and dealt with, the better. Often families wait too long and come to NCALL when facing a sheriff's sale of their house. Then it is too late for us to help them. So don't wait to call NCALL – we are available to assist you."