

# Who Can Afford to Live in Sussex County?

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Patricia Kelleher

Housing Alliance Delaware

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**League of Women Voters Public Land Use Forum  
Affordable Housing and Substandard Housing Issues**

# There is no where in the U.S. where a minimum wage worker can afford a two bedroom apartment – Out of Reach, 2016, NLIHC

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- Demand for rental housing is at its highest since 1960s
- There is a deficit of **7.2 million** affordable and accessible rental units for the nation's 10.4 million Extremely Low Income (ELI) households –
  - $\frac{3}{4}$ 's of whom are severely cost burdened (spending more than half of their income on housing)  
The Gap, 2016, NLIHC.
- Vacancy rates are at their lowest since 1985; rents have risen 3.5% annually for the past several years

# Delaware is the 12<sup>th</sup> Most Expensive Rental Market in the Nation

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Minimum wage	\$8.25
Average renter wage	\$16.03
Two bedroom housing wage	\$21.70
Average rental cost for 2 BR	\$1,128
Number of renter households	103,775
Number who are cost burdened*	25,521
<b>Deficit of affordable units</b>	<b>- 16,820</b>

\*Paying more than 50% of their income on housing

# How We Pay the Rent in Delaware

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**105** hours per week - the number of hours a minimum wage earner must work to afford a two bedroom apartment at Fair Market Rent

**2.6** full time jobs needed by a minimum wage earner to afford a two bedroom unit at FMR

**Minimum wage earners** work in day care centers, are nurses' assistants, EMT's, the people who prepare and serve food in restaurants, cashiers at the grocery store. They are people we interact with and rely on every day.

# Housing Affordability & Disability

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- Delaware is **one of 17 states** where the average one bedroom rent is higher than monthly SSI payments
- Delaware is **one of only four states** where the one bedroom rent exceeds 100% of SSI in every part of the state
- **107%** is the percentage of the income of a Delawarean living on SSI required for the average efficiency apartment
- **10,372** residents of Delaware live on SSI

# Housing Burden of the Very Poor

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- Of the **103,775** renter households in Delaware:
  - **24,290, or 23%**, are extremely low income
  - **\$24,250, or below** – is the poverty level for a family of four: **\$11,770** is the amount for an one person household
  - **16,820** deficit of affordable and accessible units for extremely low income households
  - **25,521** Delawareans are severely cost burdened paying more than 50% of household income for housing
    - For every **100** E.L.I. households in need, there are only **32** affordable housing units available
  - **8,300** households experience homelessness every year



# Homeownership in Sussex County

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- The median purchase price in Sussex County was **\$312,479** in the third quarter of 2015 –  
DSHA Quarterly Affordability Gap Report
- The amount affordable to a low income worker (at 50% of AMI that would be \$30,900 annually) is **\$101,379**
- The affordability gap = - **\$211,100**
- In 2015, the gap was only **\$168,240**



# Homeownership – Sussex County, continued

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- Homeowners are more cost burdened than the State average
- Elderly homeowners comprise the majority of cost burdened households
- In Western Sussex County, there are far more homeowners living in mobile homes, than the state average, approximately 1 in 5, compared to 1 in 11 for the state. 21% of the overall housing stock is manufactured housing
- Home repair programs will become increasingly important to allow aging in place, as well as programs to modify homes based on changing needs



## Renting in Sussex County

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- The fair market rent for a two bedroom apartment is \$1,012. The rent affordable to a low wage worker is \$464 – therefore the affordability gap is \$548.
- The average wage is \$10.92
- The two-bedroom housing wage is \$19.46
- A minimum wage earner needs to work 94 hours per week to avoid to rent at market rate
- The monthly SSI benefit will not cover the cost of an one bedroom apartment

# The Sussex Housing Group (SHG)

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Housing Alliance Delaware's SHG is bringing a community development focus to affordable housing needs in the County through a collaborative process that focuses resources on one community partner at a time, to garner optimal results. The first project was with Pinetown and we have recently signed a MOU with Mount Joy – both are Impacted Communities as identified in Sussex County's Study. The communities pinpointed their most compelling needs, for instance, street lighting, home repairs, community outreach; the members formulate specific strategies to address those needs.

Members include DCRAC, Discover Bank, First State Community Action Agency, HUD, Milford Housing Development Corporation, Pathways to Success, Public Health, the State Police, Sussex County Community Development and Housing Sussex County Habitat, USDA and WSFS Bank.

# Pinetown Kick-Off, July 2015

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# Pinetown, before...

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# And After

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# Solutions

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- More housing choice and SRAP vouchers
- Incentives for the development of affordable housing
- Develop public/private partnerships
- Creative use of existing programs such as Strong Neighborhoods Housing Fund
- More overall investment in affordable, accessible and supportive housing
- National Housing Trust Fund
- Take part in the Comprehensive Plan Process
- Advocate, advocate, advocate!!!!

# Sussex County's Consolidated Plan

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Sussex County is seeking your input as they develop a new Comprehensive Plan which will be released in 2018. A comp plan, as it is known, is required by state law, and serves as a long-range policy guide for decision-making regarding the future of the natural and built environment of a community. Essentially it is a blueprint for a community. The Plan assesses existing opportunities and challenges for the County, and provides insights regarding how trends are likely to impact future growth and preservation activities. Long-range goals and objectives are identified, as well as strategies for implementation. Comprehensive Plans provide public policy guidance for community elements such as transportation, utilities, land use, recreation, natural resource protection, housing, historic preservation, and economic development.

Your input is essential – please visit the website <http://sussexplan.com/> or call (302) 855-7878 and ask for the Planning Department.

Thank you!

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Patricia Kelleher  
Associate Director  
Housing Alliance Delaware

[dhc@housingforall.org](mailto:dhc@housingforall.org)

(302) 678-2286

[www.housingforall.org](http://www.housingforall.org)