

FOCUS ON 🔍

## Focus On: Wilmington, Del.

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Wilmington, Del., is one of many East Coast cities that date back to early colonization.

The city played an active role in historic events from the Underground Railroad to both world wars. Wilmington was heavily developed during the industrial revolution, and its shipyards, steel foundries, machinery and chemical producers were vital to both world wars.

Now, the city is propelled forward by a comprehensive development plan called Wilmington 2028. The plan is focused on addressing challenges and preparing for future development. In addition, Wilmington 2028 will shape where and why public and private investment dollars are spent. The comprehensive plan includes the use of historic tax credits, opportunity zones incentive dollars and other tools for rehabilitating and creating affordable housing.

### Challenges with Affordable Housing

All three 9 percent low-income housing tax credit (LIHTC) awards for Delaware were given to developments in Wilmington in 2019. Even though this is positive news for affordable housing developments in Wilmington, it also illustrates the difficulty of developing in Delaware.

“Due to Delaware’s population size, it only receives the minimum amount of LIHTCs every year, around \$3.2 million,” said Ryan Bailey senior developer for Pennrose LLC, which received a 2019 LIHTC allocation for the Riverside development in Wilmington. “That can make it difficult to do large developments like we’re doing. Essentially, only three developments each year get around \$1 million in LIHTCs.”

“To me the biggest challenge is funding,” said John Hill, executive director at Wilmington Housing Authority (WHA). “Until this year, in Delaware, you couldn’t apply for 9 percent LIHTCs back-to-back, and I have to thank the Gov. [John] Carney and the state housing authority for changing that. With such as small state population, we cannot receive additional LIHTCs, so we must resort to other funding sources, which are extremely competitive.”

In addition to developing affordable housing, WHA is working on several ways to improve its ability to provide affordable housing opportunities.

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“We’re working on getting a Moving to Work designation through The U.S. Department of Housing and Urban Development,” said Hill. “We also have a homeownership program that provides supportive services, so residents can increase their independence and reduce their dependence on subsidies. We encourage everyone to increase their income and quality of life. We want people to see a way out and to break the cycle of poverty.”

### Wilmington 2028

“Wilmington has a large minority population and a group that has an extremely high poverty rate,” said Hill. “This makes it more challenging for such families to find really affordable housing. I like the Section 8 rental assistance program, because it allows flexibility for participants to rent affordable homes of their choice in non-traditional areas and we’ve found that people who have more mobility fare better with jobs, income, confidence and overall success.”

Like many other cities, Wilmington has great need for affordable housing. More than 27 percent of households in Wilmington are below the poverty rate—compared to 12.1 percent across the state. According to the United State Census Bureau, the estimated population of Wilmington in 2018 was more than 70,000 residents. The waitlist for public housing through WHA is around 2,000 and the waitlist for Section 8 properties is more than 7,000 families.

An important focus in the Wilmington 2028 plan is revitalizing neighborhoods and the community as a whole. Part of this includes creating more accessible and affordable housing for Wilmington residents.

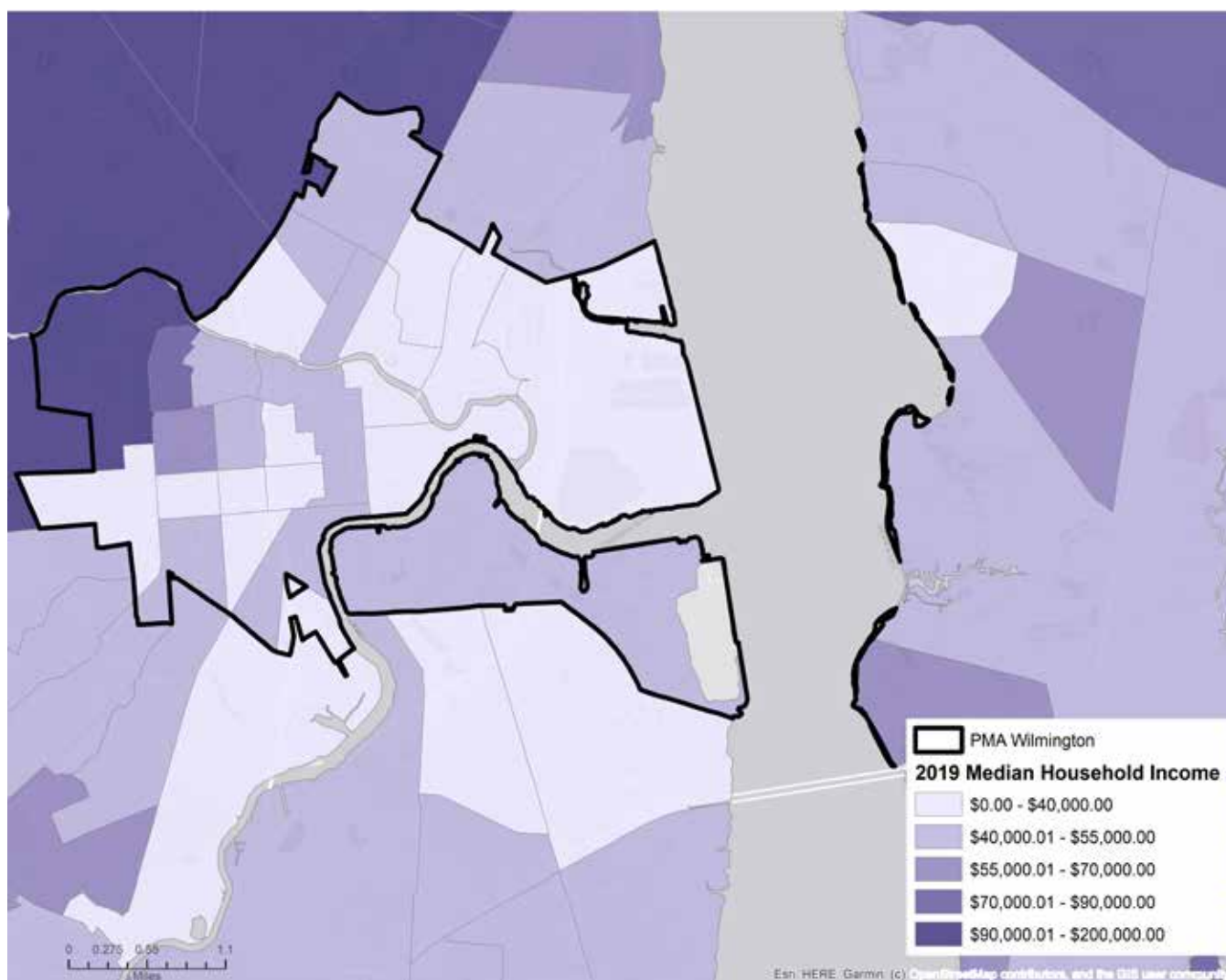
WHA aligned itself with the city’s mission and is working hard not only to increase the availability of affordable housing but also to create opportunities for Wilmington residents to become more independent and thrive in affordable housing.



Image: Courtesy of Pennrose, Inc

**The Riverside development in Wilmington, Del., will reconstruct more than 500 affordable homes and will help revitalize the local community.**

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## Median Household Income in Wilmington, Del.



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### Revitalizing the Community

As a way to work toward this mission, WHA partnered with the city, Eastside Charter School, Kingswood Community Center, REACH Riverside and Pennrose to revitalize the northeast part of Wilmington.

“The REACH Riverside Board is a community leader that has been working to rehabilitate the northern part of Wilmington,” said Hill. “That’s caught on in a big way. The northeast area is one of the most depressed areas of the city. The development isn’t only about housing,

but about improved access to business, services, care facilities, safety and the community as a whole.”

The development is referred to as Riverside, and will be an eight- to 10-phase redevelopment of not only the housing, but the surrounding community as well.

“We launched into a year-long, community-driven master plan for all of it,” said Bailey. “We worked with Purpose Built Communities to create a model not only for the housing portion but for Kingswood Community Center and the Eastside Charter School as well. We’re

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not just looking at the individual housing, we're really looking at the whole neighborhood and what amenities we can bring."

For everyone involved, the Riverside development is about more than just creating housing. The focus is on the community as a whole.

"This redevelopment area is going to go a long way," said Willie Pass, chief operating officer at WHA. "Construction at Riverside and other planned mixed-use developments may also increase property

values near the neighborhood. This revitalization of the northeast area is not only going to impact and benefit affordable housing, it's going to impact lives."

"If they live in a home in Riverside, what can they walk to? What resources are nearby?" said Bailey. "You also don't want to have a hard reinvestment stop where your development ends. If people are living in a house, what's near them that will improve their quality of life? This development plan is by the community and for the community." ♦

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