






Qualified Allocation Plan (QAP)
2016 *Balanced Housing Opportunities Map*
Reference Guide

OVERVIEW

In order to balance housing investments and encourage the creation of affordable housing opportunities within the State of Delaware in areas that contain little or no affordable housing, but which may offer economic opportunity, proximity to the workplace, high performing schools, or supportive infrastructure, DSHA uses the QAP to incentivize development in Areas of Opportunity.

| AREA | INDICATORS | HOUSING STRATEGY |
|--|--|--|
| Areas of Opportunity  | Housing Markets A, B, and C Strong School Proficiency | Strong, high value markets where new affordable housing opportunities should be supported. |
| Stable  | Housing Markets D, E, and F | Areas where a balance of market rate with subsidized housing should be supported |
| Distressed  | ‘Racially/Ethnically Concentrated Areas of Poverty’ (R/ECAP) Housing Markets G and H Downtown Development Districts Rural Communities | These are areas where development that furthers highly concentrated areas of minorities or poverty should be limited. These same areas should encourage sustainable homeownership. |

Note regarding *State Strategies for Policies and Spending*

DSHA promotes the use of the *State Strategies* by tailoring programs based on its identified Investment Levels. For example: in order for a developer to apply for Low Income Housing Tax Credits, it is a threshold requirement that proposals for newly constructing or rehabilitating affordable rental communities be located in Investment Levels 1, 2, or 3. The Market Areas shown on the *Balanced Housing Opportunities Map* and listed above are only those located within Investment Levels 1, 2, and 3.

DATA LAYER - DEFINITIONS AND SOURCES

Difficult to Develop Areas

- Under Section 42 of the Code, developments located in Difficult Development Areas are allowed to increase their eligible basis up to 130% with DSHA approval only. DDAs are set and published by HUD annually. The map reflects the new DDAs announced by HUD on November 25, 2015.

Downtown Development District

- Highly distressed areas targeted by local governments for redevelopment and designated by the Governor under the Downtown Development Districts Act of 2014.

Market Areas

- As identified in the Market Valuation Analysis, developed by the Reinvestment Fund (TRF), and included in the *Delaware Housing Needs Assessment, 2015 – 2020*

'Racially/Ethnically Concentrated Areas of Poverty' (R/ECAP)

- As defined by U.S. Department of Housing and Urban Development, census tracts with:
 - A family poverty rate $\geq 40\%$ or
 - A family poverty rate $\geq 300\%$ of the metro tract average* (whichever is lower)
 - AND a majority nonwhite population ($>50\%$)

The map reflects HUD-defined R/ECAPS as of November, 2015.

Rural Communities

- Highly distressed predominantly minority communities located in Kent and Sussex Counties typically in isolated areas.

Qualified Census Tract

- Defined in Section 42(d)(5)(C) of the Code means a census tract designated by the Secretary of Housing and Urban Development (HUD) in which 50% or more of households have an income less than 60% of median gross income or in which there exists a poverty rate of 25% or greater. A listing of Qualified Census Tracts is included in the QAP Attachments. The map reflects the QCTs as announced by HUD on November 15, 2015.

Strong School Proficiency

- Areas where students are attending schools achieving a proficiency level of 90% or higher, according to the School Attendance Boundary Information System (SABINS), 2011. Values are percentile ranked and range from 0 to 100. The higher the score, the higher the quality of the school system in a neighborhood. This dataset is maintained by the Minnesota Population Center and the College of William & Mary, and contains school proficiency information on all school districts in Delaware to the Census block-group level. HUD has determined this source as a valid indicator of school performance and contributing factor to a neighborhood's quality.

Transit Service Areas

- As defined by Delaware Transit Corporation (DTC) as of November 2015.