21st Century ROAD to Housing Act

Delaware impact

- Recent analysis places the estimated shortage of affordable housing units in Delaware at over 14,000 units. A full-time worker in the state would need to earn $32.20 an hour, or more than 2 full-time minimum wage jobs, to afford the average two-bedroom rental home. Approximately 49% of Delaware renter households spend more than 30% of their income on housing costs.

- Development of pre-approved building plans or pattern books to expedite local project approval can generate savings of up to $10,000 for construction of a $500,000 single-family home, and more for a small multi-unit building. Delaware has already begun to provide assistance to implement these reforms, and the law authorizes a grant program to help communities across the country develop pattern books to streamline and expedite local construction processes.

- The law will increase the Public Welfare Investment (PWI) cap from 15% to 20%, meaning banks can invest more in affordable housing projects, including by purchasing Low-Income Housing Tax Credits. In 2024, over 42% of investments in housing credits were made by banks nearing their 15% PWI cap. This increase will allow these banks to invest billions more in community development projects, unlocking much-needed capital for developers.

- The law will equip Delaware's local governments with the guidelines they need to modernize outdated laws, cut red tape, and build more housing. Federal frameworks will help Delaware municipalities continue their land use reform efforts through best practices and technical assistance.

- The law will establish competitive grant programs for Delaware and its local governments to develop and implement housing plans. The program will help states, cities, urban counties, and regional planning agencies strengthen housing plans, update zoning codes, increase inspection capacity, reduce barriers to housing supply, and better coordinate housing with transportation and community development goals.

- This law will reduce the required frequency of board meetings for stable, established credit unions, from 12 times a year to 6. This will free up time and resources for credit unions to focus on their core mission of providing services and fair lending in Delaware.

- The law will implement numerous reforms to the HOME Investments and Partnerships program, making it easier to construct new affordable housing. In FY26, Delaware received $4.4 million in HOME funding, and the state has built or preserved over 3,000 homes since HOME was first authorized.

- The law will make new construction an eligible use under the Community Development Block Grant, adding more resources for housing construction. In FY26, Delaware received $7.8 million in CDBG funds

- The law will provide a pathway to preserve nearly 400,000 USDA-supported affordable rental homes for families across rural America, including 1,631 units in rural Delaware.

- Delaware communities are working to address abandoned and blighted residential, commercial, and industrial properties. For example, cities like New Castle have established programs to reduce blight by 53% in recent years. The law will provide grants and forgivable loans for whole-home repairs, and grants for communities to convert blighted commercial and industrial properties into attainable housing.

- While Delaware is facing a housing supply shortage, many communities are implementing innovative reforms to reduce barriers and build more homes. If they continue to expand housing supply, communities across Delaware may be eligible for federal housing and infrastructure funds to reward growth and incentivize further action.

- As of the most recent count, Delaware saw over 2,000 residents enter into homelessness in one year. On any given night in 2024, 1,358 Delaware residents experienced homelessness. The law will help communities respond to homelessness by increasing funding for emergency shelter beds.

- One in 16 households in Delaware reside in a manufactured home as of 2024. With the removal of the chassis requirement, new homebuyers will see as much as a $10,000 decrease in the purchase price of these homes.

- Over 61,000 veterans live in Delaware. Multiple provisions of ROAD will benefit Delaware's veterans, including provisions to help increase access to veterans homeownership assistance and a provision to make it easier for veterans receiving disability income to qualify for rental assistance.

- Black-owned homes in Delaware have been chronically undervalued, with Black-owned homes in Wilmington and neighboring areas being appraised more than 25% lower than similar homes owned by white families. The law will help combat bias in appraisals, ensuring all homeowners receive a fair valuation on their home.