



City of Wilmington HOME-ARP Allocation Plan

WILMINGTON, DE

HOME-ARP Allocation Plan

Substantial Amendment

January 2026

HOME-ARP ALLOCATION PLAN AMENDMENT

Introduction

In accordance with [Notice CPD-21-10](#), the City of Wilmington is submitting a Substantial Amendment to its HOME-ARP Allocation Plan to carry out activities and establish preferences not previously described in the Plan. Specifically, this amendment proposes the addition of a preference for [Qualifying Population 2](#) (QP2), *individuals and families at risk of homelessness*, and [Qualifying Population 4](#) (QP4), *other populations for whom providing supportive services or assistance under Section 212(a) of the National Affordable Housing Act (42 U.S.C. § 12742(a)) would prevent homelessness or address the greatest risk of housing instability*, for HOME-ARP Supportive Services projects.

In addition, the amendment includes a budget revision to reallocate HOME-ARP funds from Administration to Supportive Services in order to support these activities.

This proposed amendment is informed by updated data, both quantitative and qualitative and described in detail below. The City's HOME-ARP Allocation Plan, originally submitted and approved by HUD in March 2023 established a priority need to increase investment in supportive services across all HOME-ARP Qualifying Populations (QPs). In response to evolving community needs and the growing importance of homelessness prevention strategies, the City is reallocating HOME-ARP funds to further advance these strategies and more effectively address the needs of HOME-ARP QPs.

Supportive Services

HOME-ARP funds may be used to provide a broad range of supportive services to qualifying populations. These supportive services include homelessness prevention services, as described in Section VI.D.3. and D.4 of [Notice CDP-21-10](#). Under this substantial amendment, the City will allow for the provision of supportive services to qualifying populations including but not limited to case management, financial assistance, and short-term and medium-term financial assistance for rent.

Preferences

In accordance with Section IV. Qualifying Population, Targeting and Preferences of [Notice CDP-21-10](#), "a Participating Jurisdiction (PJ) may establish reasonable preferences among the QPs to prioritize applicants for HOME-ARP projects or activities based on the PJ's needs and priorities, as described in its HOME-ARP allocation plan." Eligible HOME-ARP QPs* include the following:

1. Homeless, as defined in 24 CFR 91.5 Homeless (1), (2), or (3)

2. At risk of Homelessness, as defined in 24 CFR 91.5 At risk of homelessness
3. Fleeing or Attempting to Flee, Domestic Violence, Dating Violence, Sexual Assault, Stalking, or Human Trafficking, as defined by HUD. See the HOMEARP Notice for specific references.
4. Other populations, where providing supportive services or assistance under section 212(a) of NAHA (42 U.S.C. 12742(a)) would prevent the family's homelessness or serve those with the greatest risk of housing instability

*Veterans and Families that include a Veteran Family Member that meet the criteria for one of the qualifying populations described above are eligible to receive HOME-ARP assistance. For the full definitions of each QP, see [Notice CPD 21-10](#).

The substantial amendment will include the establishment of preferences for the supportive services activities. The preferences will include QP2 and QP4. There will be no method of prioritization. Households who qualify as QP 2 or QP 4 will be added to a project specific waiting list in chronological order of applications. All other QPs will have access to the supportive services activities but will be served in chronological order after the preference QPs.

Rational for Proposed Change in the City's HOME-ARP Allocation Plan Updates to the Needs Assessment and Gaps Analysis

Since the City's HOME-ARP Allocation Plan was submitted to HUD, the City of Wilmington has experienced an increase in eviction activity, further heightening the risk of housing instability among low-income households. As documented in the original Allocation Plan, Delaware continues to face a significant shortage of affordable housing. From 2023-2024, the average length of stay in shelter was over 99 days across the CoC. Extended lengths of stay place additional pressure on limited shelter and service capacity, reducing system turnover and limiting access for households newly at risk of homelessness.

Homelessness prevention is a critical strategy for mitigating these system pressures by stabilizing households before a housing crisis occurs. An effective and efficient homeless response system requires alignment across prevention, shelter, and rehousing interventions. Homeless prevention supports this alignment by reducing entries into homelessness where possible.

Delaware's ongoing affordable housing crisis, marked by high rental costs, a limited supply of units affordable to low- and moderate-income households, and insufficient housing stabilization resources, continues to exacerbate homelessness risk statewide. Since 2023, homelessness has increased over 27% across Delaware. Without adequate prevention and supportive services, many households experience prolonged housing instability, overcrowding, or unsheltered homelessness.

To assess the need to reallocate HOME-ARP funds to Supportive Services and to establish a preference for QP 2 and 4, the City analyzed more recent Homeless Management Information System (HMIS) data, in conjunction with local eviction filing data. This analysis confirms the need for expanded homelessness prevention and supportive services to better address the risks faced by HOME-ARP QPs.

At Risk of Homelessness as defined in 24 CFR 91.5

System performance data indicates a growing number of households entering homelessness for the first time, underscoring the importance of prevention and stabilization strategies. In its 2024 System Performance Measures, Housing Alliance Delaware reported that 83.4% of individuals entering the

homeless response system had no prior experience of homelessness, **an increase from 68% in 2018**. This trend suggests that more households are becoming newly vulnerable to housing instability and entering the system without prior engagement with homelessness services.

HMIS data for the State of Delaware further demonstrate elevated risks of housing instability following system exit. While Delaware’s HMIS data is at the state level, many of the services are located within the City of Wilmington. In calendar year 2025, 978 households exited into temporary housing arrangements rather than permanent housing, which may indicate an increased likelihood of housing instability or returns to homelessness. Individuals who exit homelessness into temporary or emergency housing situations often require additional assistance and supportive services to achieve long-term housing stability. Based on 2025 HMIS data, approximately 28% percent of individuals exited the system to a hotel or motel and 69% are staying with family temporarily. Stakeholders consistently emphasized the need for wraparound supportive services, such as case management and stabilization assistance, to prevent individuals and families from returning to homelessness.

Additional demand for housing stabilization services is reflected in Delaware 211 data. More than 40% of housing-related calls received between May 2024 and May 2025 were requests for rental assistance.

Table 1: Temporary Exit Destinations of People Experiencing Homelessness

Temporary Exit Destination	Count
Host Home (non-crisis) (HUD)	3
Hotel or motel paid for without emergency shelter voucher	281
Moved from one HOPWA funded project to HOPWA TH (HUD)	10
Residential project or halfway house with no homeless criteria	7
Staying or living with family/friends, temporary tenure	677
Transitional housing for homeless persons (including homeless youth)	0

Other populations where providing supportive services or assistance under section 212(a) of NAHA (42 U.S.C. 12742(a)) would prevent the family’s homelessness or serve those with the greatest risk of housing instability

As part of the Needs Assessment and Housing Market Analysis for the City’s 2025–2029 Consolidated Plan, Comprehensive Housing Affordability Strategy (CHAS) data indicate that housing cost burden is widespread in Wilmington. An estimated 39.2 percent (39.2%) of households are cost-burdened, with particularly high impacts among households earning between 30% and 80% of Area Median Income (AMI). Housing instability is even more acute among lower-income households, as 20.8 percent (20.8%) of all households are severely cost-burdened, disproportionately affecting households with incomes at or below 50% AMI.

Stakeholder input further reinforces these data findings, citing a persistent lack of affordable housing options for low- and moderate-income households. While households with special needs and those

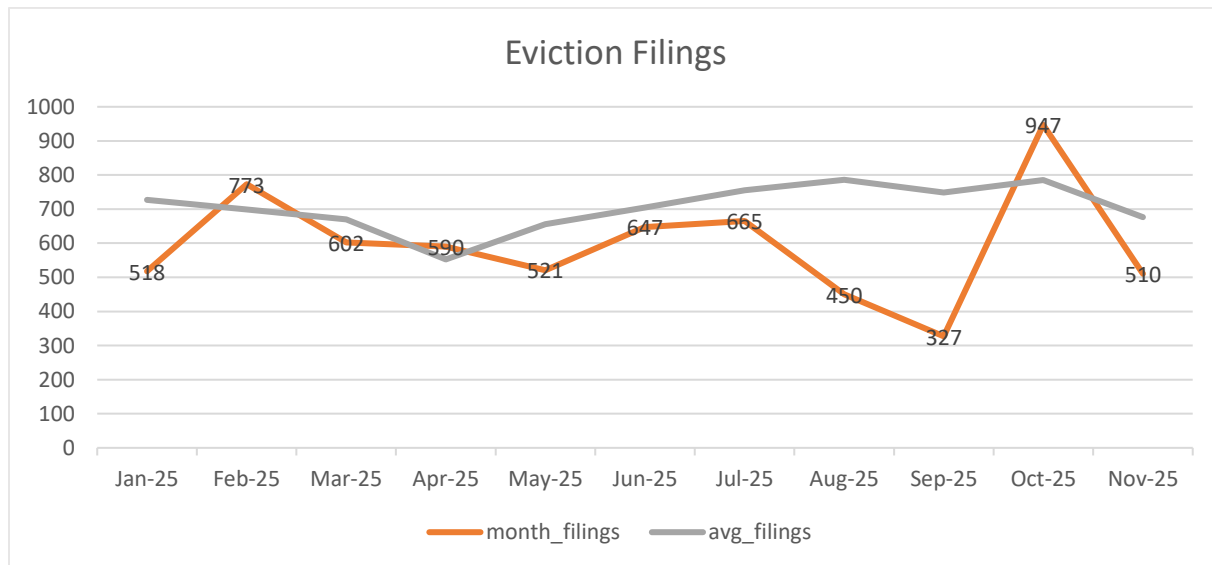
already experiencing homelessness remain at significant risk, stakeholders also identified growing housing instability among working households that do not traditionally qualify for homelessness assistance. These include middle-income workers such as teachers, police cadets, childcare providers, and other essential workers whose housing stability has been undermined by rising rents and limited affordable housing supply.

Evictions

Data indicates that evictions are not only a consequence of economic hardship but also a significant driver of homelessness. National research shows that nearly 50 percent¹ of adults experiencing homelessness report eviction or rent-related challenges as a contributing factor to their housing instability. Local data reflects this trend. According to data from [Eviction Lab](#), eviction filings in the City of Wilmington increased in 2025, with 947 filings recorded in October alone, representing a 21% increase over the baseline level of 785 filings.

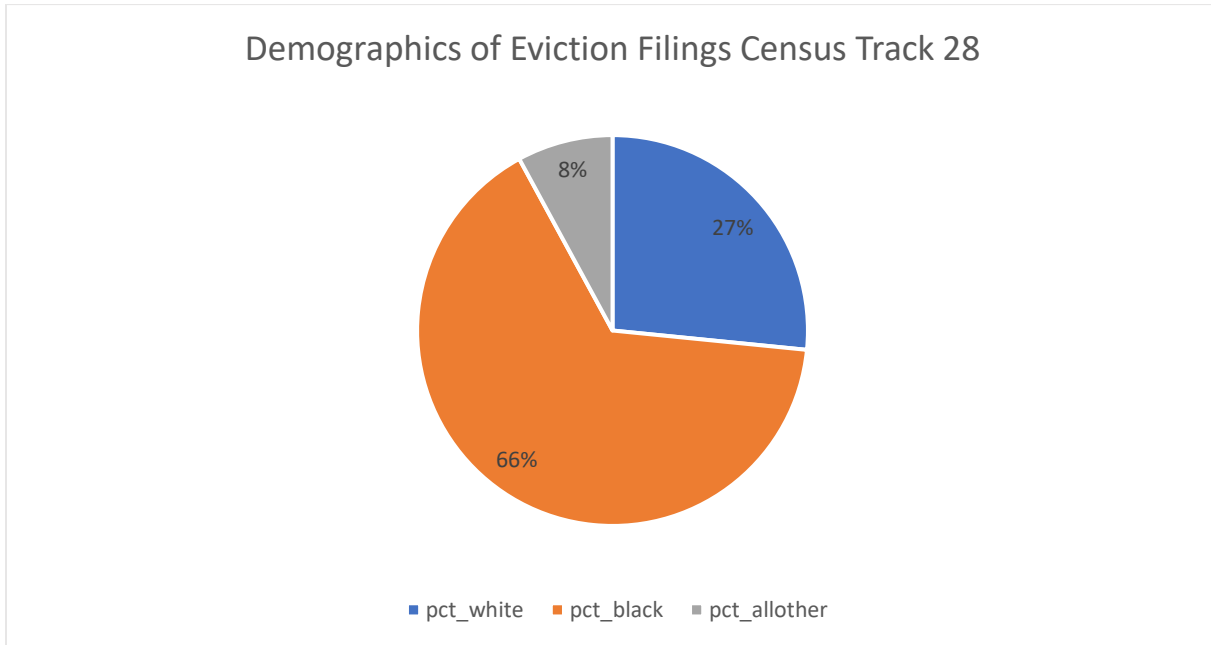
Eviction activity is not evenly distributed across the City. Census Tract 28 has one of the highest concentrations of eviction filings and is home to a population that is approximately 66% Black, 26% White, and 8% individuals of other races. These patterns underscore the disproportionate impact of eviction and highlight the need for homelessness prevention and supportive services to stabilize households most at risk of displacement.

The threat of eviction is not limited to households with the lowest incomes. According to the Housing Alliance of Delaware, while eviction has long been a challenge for low- and extremely low-income renters, the economic impacts of the COVID-19 pandemic and subsequent increases in housing costs have placed additional households at risk. Many moderate-income households now face significant housing cost burdens that leave them vulnerable to eviction despite not traditionally qualifying for the lowest-income assistance programs. This trend reinforces the need for homelessness prevention strategies that address housing instability across a broader range of income levels.



Source: *Eviction Tracking*. Eviction Lab. <https://evictionlab.org/eviction-tracking/wilmington-de/>

¹ [“Tracking the COVID-19 Economy’s Effects on Food, Housing, and Employment Hardships,”](#) CBPP.



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HOME-ARP Activities

Table 15. Use of HOME-ARP Funding

	Funding Amount	Percent of the Grant	Statutory Limit
Supportive Services	\$150,000		
Acquisition and Development of Non-Congregate Shelters			
Tenant Based Rental Assistance (TBRA)			
Development of Affordable Rental Housing	\$ 1,785,618		
Non-Profit Operating		0 %	5%
Non-Profit Capacity Building		0 %	5%
Administration and Planning	\$ 165,109	7 %	15%
Total HOME ARP Allocation	\$ 2,100,727		

Describe how the PJ will distribute HOME-ARP funds in accordance with its priority needs identified in its needs assessment and gap analysis:

Based on the HOME-ARP updated data, the City of Wilmington will distribute HOME-ARP funds to address rising housing instability, increased eviction risk, and gaps in homelessness prevention and stabilization services. Data shows growing numbers of first-time entrants into homelessness and increasing number of eviction filings further supporting the priority need for “increased investment in supportive services.”

Describe how the characteristics of the shelter and housing inventory, service delivery system, and the needs identified in the gap analysis provided a rationale for the plan to fund eligible activities:

The City will prioritize HOME-ARP funding for Supportive Services and reallocate funds from Administration to Supportive Services. The City will target these resources by establishing preferences for Qualifying Population 2 (households at risk of homelessness) and Qualifying Population 4 (other households at greatest risk of housing instability) to prevent homelessness and reduce returns to the homeless response system.

Public Participation Materials

[to be inserted upon completion of 15-day public comment period]