

**CITY OF NEWARK
DELAWARE
DIVERSITY AND INCLUSION COMMISSION MINUTES**

October 26, 2021

MEETING CONVENED: 7:02 p.m. GoToMeeting

MEMBERS PRESENT: Sasha Aber, Marihelen Barrett, Jacob Higgins, Tamesha Garnett, Blaine Hackett

Absent: Annalisa Ekbladh, Patrick McCloskey

STAFF: Mike Fortner, AICP, City Planner II, Planning & Development Department
Mary Ellen Gray, AICP, Director of Planning & Development Department
Devan Hardin, Chief Human Resources Officer
Tara Schiano, Deputy City Secretary

1. CALL TO ORDER:

The meeting was called to order by Chairman Blaine Hackett, at 7:05 pm.

2. MOMENT OF SILENCE:

The Chair offered a moment of silence.

3. ROLL CALL

In attendance were Sasha Aber, Marihelen Barrett, Jacob Higgins, Tamesha Garnett and Blaine Hackett. Absent from the meeting were Annalisa Ekbladh and Patrick McCloskey. Staff members in attendance were Devan Hardin and Tara Schiano. Staff members Mike Fortner and Mary Ellen were introduced as guests to discuss an agenda item.

4. APPROVAL OF SEPTEMBER 28, 2021

MOTION BY: MS. ABER, SECONDED BY MR. HIGGINS: TO ACCEPT THE SEPTEMBER 28, 2021 AS RECEIVED.

MOTION PASSED. VOTE 5 to 0.

Aye – Aber, Barrett, Garnett, Hackett, Higgins.

Nay – 0.

Absent – Ekbladh, McCloskey.

5. APPROVAL OF AGENDA

MOTION BY: MS. GARNETT, SECONDED BY MS. BARRETT: TO ACCEPT THE AGENDA AS POSTED.

MOTION PASSED. VOTE 5 to 0.

Aye – Aber, Barrett, Garnett, Hackett, Higgins.

Nay – 0.

Absent – Ekbladh, McCloskey.

6. JOINT PRESENTATION ON THE RENTAL HOUSING WORKGROUP AND RECOMMENDATIONS – Mary Ellen Gray, Director of Planning and Development and Rental Housing Study – Mike Fortner – Planner II, Planning and Development Department (*Presentation entered into the record*)

Mr. Fortner gave a brief overview of the topics he would be presenting. He reported in 2020 Delaware conducted a statewide analysis of impediments to fair housing choices. As detailed in the presentation Mr. Fortner noted the main factors contributing to the impediments of fair housing include:

- Lack of access to opportunity due to high housing costs
- Lack of affordable, accessible housing in a range of unit sizes
- Land use and zoning laws
- Lending discrimination
- Location and type of affordable housing

Noteworthy from a local perspective is the continuing growth of the University of Delaware (UDEL) and the pressure it has placed on the local housing market to our lower income residents and the displacement of residents this issue is causing. Mr. Fortner noted the Newark Housing Authority participants that are offered vouchers have to compete in the college student housing market and it makes them unfeasible for residents to find housing even with a Section 8 voucher as the prices are so high for rental housing.

From a technical perspective restrictive zoning and outdated land use regulations can significantly suppress housing supply, drive up housing costs and widen racial and economic disparities. Despite the large number of apartments due to high student population yet the overall percentage of the City zoned for multifamily is much lower than in Wilmington.

The Comprehensive Development V City of Newark's vision focuses on promoting the following:

- A Healthy and Active Community
- Sustainable Community
- Inclusive Community

The City decided they wanted to a Housing Needs Assessment. After two large projects in the City, the Newark Shopping Center and its associated 300 units and then the Suburban Plaza project, the Retreat also had several hundred units; the City was concerned there may be an oversaturation of housing resulting in vacant housing.

Mr. Fortner noted prior to the 1960's UD students were required to live on campus and sometime in the 1960's UD allowed males to live off campus; following in the 1970's they permitted women to live off campus. When upperclassmen are permitted to live off campus they sought out "work force" houses that were built for modest income families and essentially outpriced the existing modest income families in the market for affordable housing units. As such, he stated those neighborhoods were the most impacted as they became so profitable for renting to college students.

The City believes that by meeting the student housing demand with supply was a way to address affordable housing and by meeting that supply it opens up the housing supply to become available to other people that are not necessarily college students. The alternative to not offering adequate student housing is that students may opt out of living in Newark and will then drive into the City which creates other issues and is not necessarily desirable for our community either.

Chairman Hackett believes that the City is taking on the responsibility for an issue that UD is responsible for. Mr. Fortner reported the Newark Housing Authority is undertaking a redevelopment of sorts and that is for affordable housing and is not a college student targeted development and may be a discussion to detail how the transition is going to happen. Ms. Gray interjected that the Newark Housing Authority project is not the City of Newark's project and they are not the best entity to discuss the project including placement, etc. Newark Housing Authority may be able to participate in the future. Ms. Gray said the City of Newark is not choosing to build student housing; however, the University is choosing to not build housing and the students have to live somewhere so the private market is driving this demand. The City does not propose these developments but rather put together policies to try to encourage other types of housing.

Mr. Fortner stated the UD student enrollment grows at approximately 1% annually. Mr. Fortner detailed the Student Enrollment Pattern as displayed on page 10 of his presentation. Worth noting is UD has been staying neutral in the building of new dorms and are just replacing dorms that need to be rebuilt and are not adding units. Mr. Fortner also elaborated on the Newark Rental Supply of Non Student Rentals which was found on page 12 of his presentation.

The rental housing market in Newark is very tight and added that students need to secure their off campus housing in the fall of the year for the upcoming year (noted on page 14). Mr. Fortner noted in 2021 there are 240 new units in the pipeline (displayed in the chart on page 15) which also lists the projects associated with these new units. 2019 was a heavier year for approvals but that has not historically been the case as seen in the chart.

The second phase of the study details the question deeper and he noted there were four recommendations from the study as listed on the right side of page 17. The recommendations are listed in greater detail starting on 18. They are as follows:

- Expanding the Student Home Ordinance Exemption
- Incentivize the Shift to Non-Student Renters or Owner-Occupants in Targeted Neighborhoods

Detail is provided on the objective and suggestions to make these recommendations successful.

Ms. Gray provided additional information on the Rental Housing Workgroup and Public Engagement of the committees. She added the goals of the workgroup were detailed on page 24 but are as follows:

- Develop and provide rental housing planning, legislative and policy recommendations to City Council.

The desire is to:

- Facilitate increased communication, trust and cooperating amongst stakeholders and the public
- Provide desirable options for all who want to live in the City
- Improve quality of life for all residents of Newark

Ms. Gray added that the workgroup was a well-rounded group of 30 Mayor/Council appointed representatives from a cross section of community representatives. (detailed on page 25). The meetings commenced in April, 2019 and a final presentation was made to Council in late 2019. Ms. Gray provided further detail on the goals of the workgroup as listed on page 27 when they commenced in April of 2019. Ms. Gray provided the links to the project page on page 29 and included additional information including the workgroup's email address. The workgroups met separately as subcommittees and came together periodically to report their findings. Also, included was public engagement of a robust nature including public surveys. The subcommittees were as follows:

- University of Delaware Student Growth Committee – page 33
- Rental Permits Subcommittee – page 34
- Non-Student and Affordable Rental Housing Subcommittee – page 35

Ms. Gray reported the several recommendations that came from discussions including:

- A University of Delaware Student Growth Committee (detailed on page 38-39)
- Rental Permits Subcommittee (detailed on page 40-42)
- Non-Student and Affordable Rental Housing Subcommittee Goals (detailed on page 43-45)

Ms. Gray provided the Action Plan and Policy Implementation Matrix including links on page 48.

The presentation concluded and the chair opened the discussion to questions from the commission. Ms. Aber asked if Thorn Lane Flats were predominantly non-student rentals. Ms. Gray reported this trend to be non-student was encouraged by the management company (The Gallam Group) and is a great example of how communities can transition to non-student rentals. Ms. Aber asked if there were any other incentives offered to landlords to encourage this. Ms. Gray said there were no other incentives being offered at this time. Mr. Fortner offered that frequently developments on the outskirts of the City are more able to do so as students are not generally interested in living so far from campus. Ms. Gray mentioned according to Code an average of 800 square feet per unit is currently required and they are considering relaxing that part of the Code to incentivize landlords to build smaller units to make them more affordable and targeted to non-students.

Ms. Garnett asked for confirmation on the 7,000 units listed that were occupied by undergraduates which totaled 43% and she believed it was stated UD housing was maxed. She asked for clarification. Mr. Fortner said the number was referencing the number of beds that were currently available on the UD campus. He noted he may have misspoke as he was referring to beds, not units. Therefore, 7,000 students live on the campus and the 43% may have been the percentage of undergraduate students. All freshmen live in the dorms and after sophomore year more students live off campus. Ms. Garnett asked if there was a policy in place for UD to ensure that they fulfill all of the beds on campus before allowing students to live off campus. Mr. Fortner said other than freshman having to live on campus there was no requirement to live on campus to his knowledge. She asked if UD had empty beds. Mr. Fortner believed there were no empty beds as sometimes students have to triple room at times.

Chairman Hackett thanked Ms. Gray and Mr. Fortner for their presentation.

7. OLD/NEW BUSINESS

Ms. Schiano reported after speaking to City Secretary Renee Bensley and City Solicitor Paul Bilodeau if a complaint is received it should be provided to the Chairman of the commission in writing. The Chair will then

forward the complaint to the City Secretary and the City Solicitor for further consideration. If the complaint is about a City staff member or similar, the complaint would then be forwarded to the City Manager. Ms. Schiano also reported in the future, when needed, links can be added to the agenda for additional informational items.

MOTION BY MR. HACKETT, SECONDED BY MS. ABER: TO PUT INFORMATIONAL ITEMS ON THE AGENDA WHEN REQUESTED.

MOTION PASSED. VOTE 5 to 0.

Aye – Aber, Barrett, Garnett, Hackett, Higgins.

Nay – 0.

Absent – Ekbladh, McCloskey

Upon further discussion about the complaint process and the recent complaint lodged against several members of the commission, Ms. Aber believed the situation was adequately addressed by the City Solicitor.

Mr. Hackett noted he hoped to have Marene Jordan, Newark Housing Authority attend a future meeting.

Ms. Aber noted the different entities i.e. The City of Newark, UD, Housing Authority are focused on their projects and there was not a lot of overlap. Even though the City recognizes there is a need for housing, the City as a business is not in the business of specifically providing housing; however, the Newark Housing Authority is. UD is able to do whatever they want and she believes there is a gap that is not very cohesive. She believes the Commission needs to look at what options are available to them and who they need to work with.

Mr. Hackett stated he needs to review the presentation in it's entirety to be able to come up with a path forward.

Mr. Hackett suggested in the future that presentations are limited to 20 minutes. Ms. Aber believes it depends on the topic. After brief discussion, the Commission asked if handouts or presentations are available ahead of time, to provide them prior to the meeting. (if feasible).

Ms. Schiano will see if Ms. Gray/Mr. Fortner are available to attend the next meeting.

8. PUBLIC COMMENT

There was no public comment.

9. DATE OF NEXT MEETING: TUESDAY, NOVEMBER 23, 2021

10. ADJOURNMENT

The meeting adjourned at 8:27 p.m.

11. Aye – Aber, Barrett, Ekbladh, Garnett, Hackett, Higgins, McCloskey
12. Nay – 0.

The meeting was adjourned at 8:28 pm.

Tara Schiano
Deputy City Secretary/Administrative Professional II

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