

Below is the weekly report for the week ending today, March 8, 2024.

Items for Newsletters:

1. We are working with Fusion Racing to organize the Big Red Truck Pull to benefit AHHL on Sunday, April 28. In addition to the firetruck pull, there will be a chili cook-off between local restaurants and fire houses as well as a beer garden supported by Standard Distributing. 100% of alcohol and chili sales will be donated to the fire station. To date, three teams have registered to compete, and a handful of restaurants have committed to the cook-off. The event has been advertised in newsletters, on social media, on several websites, and via door-to-door outreach.

- o More info: <https://www.adventuresignup.com/Race/DE/Newark/BigRedTruckPull>

2. **CSX Crossing Improvements (Road Closures) **New Dates****

CSX, DelDOT, and Public Works have been working to coordinate planned track improvement in the City that will result in multi-day road closures of North College Avenue, New London Road, and West Main Street. The work involves tie replacements at these three railroad crossings including paving improvements at the New London Ave/West Main Street railroad crossings adjacent to Deer Park. Historically, the tracks near Deer Park Tavern have been a site of incidents where vehicles have errantly turned on to the tracks and become trapped due to the abrupt grade change between the tracks and travel lanes. The planned work includes filling the area adjacent to the track with asphalt at New London Road and West Main Street, which will decrease the likelihood of a vehicle being trapped on the tracks requiring the assistance of Newark Police or AETNA to avoid a collision with an oncoming train. This is an improvement that has been long awaited and will significantly improve safety at this location. CSX will be running trains during the closures to maintain a required level of service, but the exact schedule is currently unknown. The referenced closures are weather dependent and are tentatively scheduled as follows:

North College Avenue – Postponed with no new dates given.

New London Road and West Main Street – Starting Tuesday 3/12/2024 (3-4 day duration).

This work will not be without some disruption to traffic due to the road closures and required pedestrian detours. The approved detour plans have been attached for your reference. We have been coordinating with the University regarding the impact to students during the North College Avenue closure specifically. Pedestrians will not be allowed to use the N. College Avenue crossing during the closure. It should be noted that there may be some pedestrian that are reluctant to follow the detour and chance crossing the tracks in other locations along the rail. We are working with the University to implement creative measures that will avoid this kind of risky pedestrian crossing to the maximum extent practicable.

3. **Free Water for a Year initiative**: There are 2 more chances to win \$1000 worth of free water for anyone who completes a survey before June 2024. Newark Water customers are encouraged to complete the online survey at this link: <https://newarkde.gov/lead> to enter a sweepstakes for free water for a year, up to \$1000 value! The data we collect will help complete a required inventory of service lines and reduce operating costs for the water utility.

4. **Library Ave and Wyoming Road Intersection Crashes**: This intersection continues to experience a high rate of crashes, most recently involving a city vehicle. We are pleased to relay that a Notice to Proceed with safety upgrades at this intersection was given to the contractor on March 7. We will continue to track progress and relay any important milestones.
5. **Asphalt Patching**: Beginning as early as March 11 and lasting through mid-April, City crews will be completing asphalt patching at various locations throughout the City. Each area will take approximately 2 days in order to properly address the base layer and top layer of asphalt. Traffic impacts will be minor and crews will be handling any needed traffic control. Major detours will be signed and posted ahead of the work. District specific concerns will be sent to the Councilperson.
6. **City newsletter**: To sign up for the City's email newsletter, [click here](#).

Public Works

1. **Stormwater Permit**: As previously reported, the City has been issued a general permit through the National Pollutant Discharge Elimination System - Municipal Separate Storm System (NPDES MS4). As part of this permit, we are required to submit a Notice of Intent (NOI) for coverage under a new Phase II Tier I permit. Elements of the NOI include water quality impairments, Total Maximum Daily Load (TMDL) reductions, waste load allocations, and designated uses for the two watersheds located in Newark (White Clay and Christina). We also indicated our intent to co-permittee with the University of Delaware through this NOI submittal. Once the NOI is accepted, we will continue to work on the plan that will set our goals and requirements for the duration of the permit.

Planning and Development

1. **Land Use**
 - a. Director Bensley, Planning Commission Chair Hurd, and Admin Dinsmore attended the "What Does the Housing Crisis Mean in Delaware" training hosted by the Institute of Public Administration at the University of Delaware. The training provided a lot of important information regarding affordable housing-related issues and the slides are attached for review.
 - b. The Planning and Development Department has scheduled additional public meetings to discuss affordable housing and Inclusionary Zoning for the month of March. Staff has been working with the Communications team to publicize the events, which will include creating three separate FB events, posting it on the City's homepage in the news flash section, adding it to social media and sending it out through the app, which will begin next week once materials are finalized. The following meetings have been set:
 - i. Friday, March 15 at 10:00 a.m. – Virtual public workshop targeted to graduate students at the University of Delaware

- ii. Tuesday, March 19 at 7:00 p.m. – In-person and virtual public workshop in the City of Newark Council Chamber
 - iii. Wednesday, March 27 at 7:00 p.m. – In-person public workshop at the Newark Free Library
- c. Staff received three development submissions that have been entered into the review queue:
 - i. Administrative subdivision to consolidate three parcels into one at [750 Library Avenue](#) (second submission) submitted on February 29.
 - ii. Major Subdivision by Site Plan Approval to construct 12 7-bedroom townhouse-style apartments at [118, 120, 126 and 129 Lovett Avenue](#) (first submission) submitted on February 29.
 - iii. Sketch plan for a potential minor subdivision to construct a new two-story 40,374 square foot library with associated parking, landscaping and stormwater management at [750 Library Avenue](#) (first submission) submitted on March 1.
- d. Staff issued a Subdivision Advisory Committee comment letter for the Comp Plan amendment, rezoning and minor subdivision by site plan approval for 5 4-bedroom townhouse-style apartments at [50 and 54 Corbit Street](#) (second submission) on March 1. This plan is tentatively slated for the April 23 Planning Commission meeting (rescheduled from April 2 due to the Council Chamber renovations).
- e. Planning Commission met on March 5. The Commission recommended approval of an amendment to the BB and BC zones to permit hospitals by a 5-1-1 vote, reviewed and discussed a presentation on electric capacity in relation to EV charging stations, and had a preliminary discussion on potential changes to the site plan approval process geared toward redevelopment projects. The Planning Commission will meet next on April 23 instead of April 2 to accommodate the Council Chamber renovations.
- f. The vacant Planner I position is closing on March 8. As of the writing of this report, there are 6 applicants for the position.

2. Code Enforcement

- a. Staff met with the owners of 420 New London Rd. on-site to discuss needed items for compliance due to beginning construction on fire repairs without first obtaining a permit.
- b. Fire Protection Specialists responded to a report of a major deficiency at Newark High School pertaining to their smoke alarms activating in the restrooms. They are pursuing possible fixes to the issues.
- c. Fire Protection Specialists are canvassing Market East Plaza in preparation of annual fire safety inspections. It appears there are several unlicensed businesses operating within this shopping center. Inspections are being scheduled for licensed businesses and violations will be issued for unlicensed businesses to come into compliance.
- d. Property Maintenance accompanied Newark PD to 101 Madison Drive for reports no heat in the residence. The unit was condemned as unfit for habitation. Several violations were written which will need to be abated prior to the lifting of the condemnation.
- e. The Division welcomed Nichol Scheld as the new part-time Administrative Professional I on March 4. With this position filled, the Division is fully staffed for the first time since February 2023.

3. Parking

- a. Passport, the City's Parking App, will increase the customer service convenience fee March 15, 2024 from 25 to 35 cents. The national average is 42 cents per transaction for parking apps, so the City is still below average in pricing with this increase.
- b. T2 Systems had a US service disruption at their T2 Hosting facilities and datacenter partners around 7:30pm on 3/5/24 preventing PA's from writing citations for the rest of the evening. The system was back up and running the following morning.
- c. The vacant FT Parking Ambassador position is closing on March 8. As of the writing of this report, there are 11 applicants for the position. The [PT Parking Ambassador position](#) posting is open until filled.

Finance

1. Recruitment:

- a. Interviews were held for the Accountant II position, which is vacant due to a retirement.
- b. We have filled the new part-time bookkeeper position. Tentative start date will be March 25th.

2. **Wilmington Citizen's Advisory Board:** Director Del Grande attended the City of Wilmington's Utility Citizen's Advisory Board. This is a board seat that belongs to New Castle County.

3. **Labor Negotiations:** Majority of Director Del Grande' time this week was spent on labor negotiation preparation for our union workforce.

4. **Senior Tax Exemptions:** The deadline for eligible seniors to apply for property tax exemptions is April 30th. Please click on this link for more information. New Castle County manages the exemption programs, which the City of Newark mirrors: [Tax Exemptions | New Castle County, DE - Official Website \(newcastlede.gov\)](#)

5. **Pension and OPEB Fund:** We have completed all paperwork necessary to transfer the City's pension and OPEB funds from Vanguard to Charles Schwab. The transfer has not yet been completed as of the morning of March 8th.

Electric

1. **EV Charging Capacity:** At the March 5 Planning Commission Meeting, Director Patel presented and discussed the EV charging requirements and system capacity, emphasizing the 896 Corridor.
2. **EV Charging Infrastructure:** We have made significant progress installing new City owned charging station infrastructure and completed all the necessary work for the Police and City Hall parking lots. We are currently waiting for ChargePoint to schedule the installation of the charging stations. We have also started work on the charging station infrastructure at the yard.

3. **Streetlight Repair on bent Lane:** Our Line crew is currently addressing a street light problem on Bent Lane. Upon thorough examination, we have identified a faulty underground cable that runs between 105 and 107 Bent Lane. We have carefully considered the best possible solution to fix the issue that would allow us to save a very large street tree located along the ideal route for the replacement wire. We have decided to route the new cable around the tree by taking it into the street in the area near the tree. We apologize for any inconvenience caused and appreciate your patience while we work to resolve this matter.

Parks and Recreation

1. **Parks Maintenance:** Staff are preparing landscape beds and horticulture areas for spring plantings throughout the park system. Tree clearing work continues throughout the park and trail system due to high winds and heavy rain this winter
2. **Devon Park Project:** The Devon Park drainage and playground installation project is currently on hold until the area dries out. Currently, the park is too wet and muddy to continue construction.
3. **Newark's Annual Egg Hunt:** The annual egg hunt will be held at White Clay Creek State Park on Saturday, March 23 beginning at 10a.m. All children should bring a basket or bag to collect their goodies. State Park Fees will be in effect. The rain date for the event is March 24 beginning at 2:00. For more information please visit www.newarkde.gov/play

What Does the Housing Crisis Mean for Delaware?

March 6, 2024

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Biden School Housing Team's Work

- Housing Webinar Series
- Healthier Housing Report for Habitat for Humanity Delaware Chapters
- Opening presentation at the 2023 Sussex Today & Tomorrow Conference
- Coordinating and collaborating with
 - Housing professionals
 - State officials
 - Local officials
 - Economic development & business community
 - Federal legislative staff

The Problem

- Delaware is over 18,000 rental units short of where we should be to keep up with market demands (National Low Income Housing Coalition)
- Cost is primarily impacting low and moderate income households and those under 40
- Extremely negative impact on both the local economy and quality of life
- New home sales have increased in recent years (*from Oct 2022*)
 - New Castle County – \$322,100 median sale, increase of 21.5% since 2020
 - Kent County – \$306,000 median sale, increase of 24.9% since 2020
 - Sussex County - \$427,500 median sale, increase of 28.9% since 2020

The Housing Crisis is Multifaceted

1. Homelessness
2. Evictions
3. A lack of affordable housing for low income households
4. A severe rental housing crisis
5. Gentrification and displacement issues in some areas
6. An increasing racial divide in home ownership rates
7. The median price of housing too expensive for the average household
8. Exclusionary zoning
9. There is still a fair housing crisis
10. A lack of housing production
11. There is a jobs to housing location imbalance
12. The jobs being created do not suit the housing being built
13. There is a major problem with sprawl

1. Homelessness

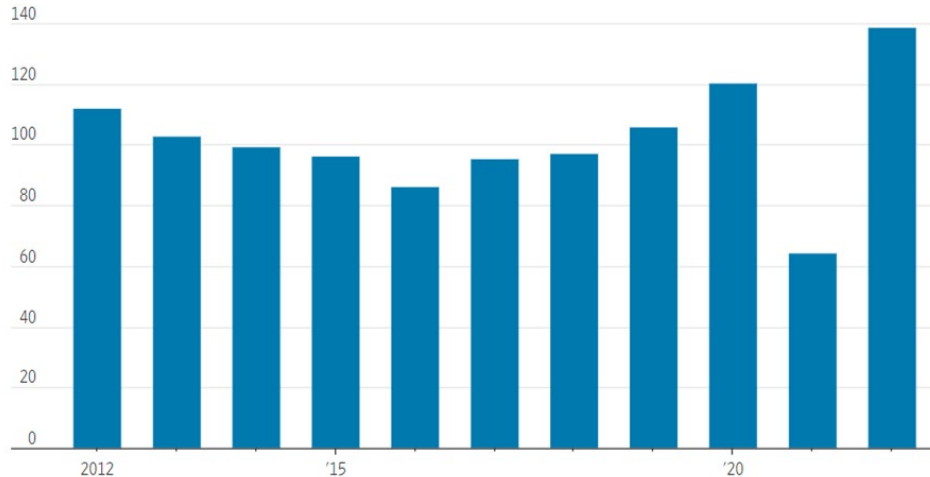
- Over 580,000 homeless nationwide, with 40% unsheltered
- 2023 was a recent record for number of homeless, and 2024 expected to be larger
- Unsheltered homelessness and chronic homelessness is up since 2020
- Pressure on renters is increasing, 12% had their monthly rent increased by at least \$250 after COVID restrictions were taken away in 2022
- Delaware has over 2,300 homeless as of 2022, more than doubling the 1,165 homeless in 2020
- Families with children under the age of 18 have been especially hard hit in Delaware

All data from HUD 2022 report on homelessness and 2022 Delaware Point in Time Homeless Count

1. Homelessness

Chronic homelessness in the U.S.

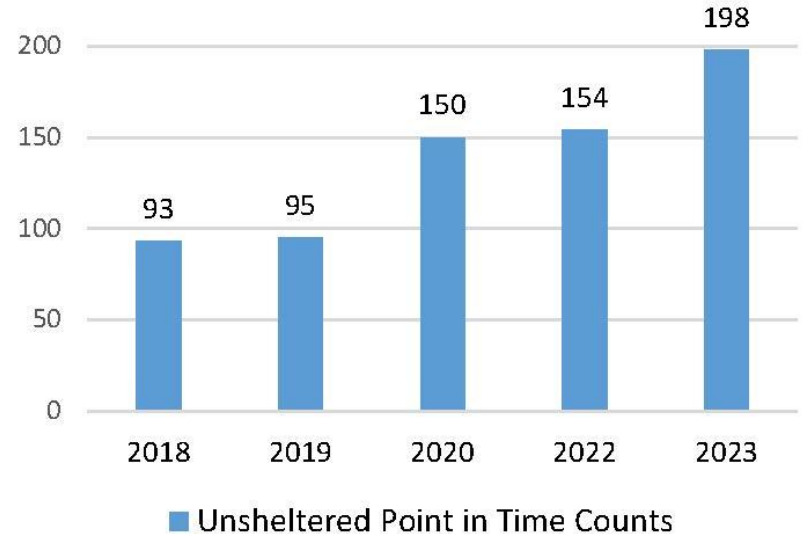
160 thousand people



Note: Chronic homelessness refers to people who have a disabling condition such as a mental illness and have either been unhoused intermittently over three years, or unhoused for a year or more.

Source: Department of Housing and Urban Development point-in-time estimates

Unsheltered Point in Time Counts

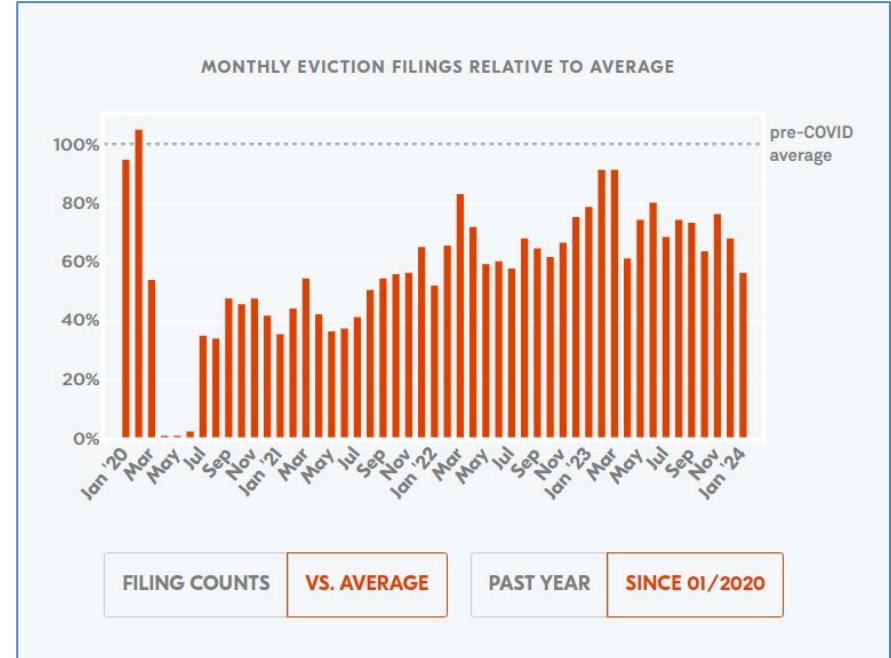
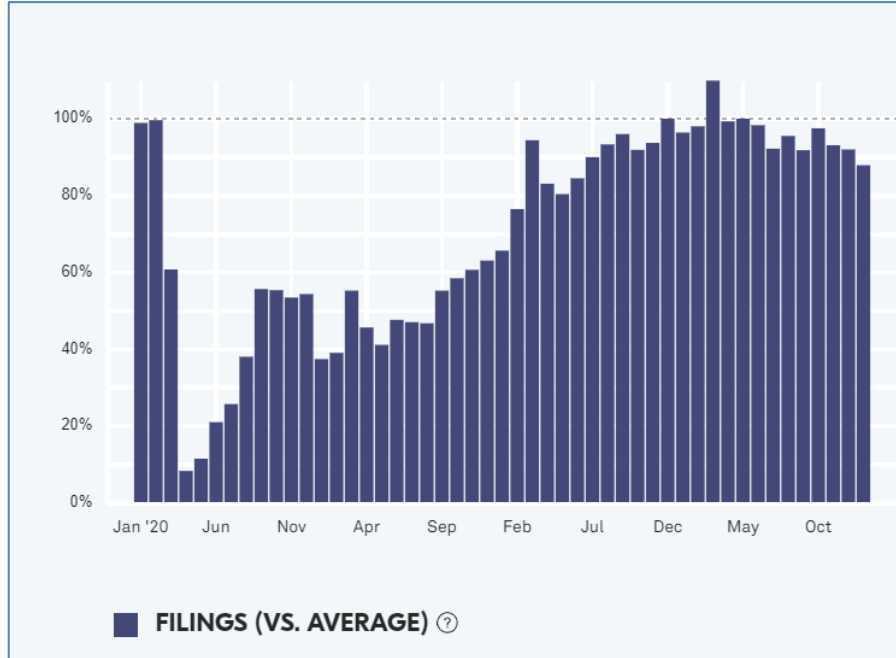


2. Evictions

- Eviction filings have increased back to pre-pandemic levels
- The United States is now rent-burdened nationwide for the first time in recorded history
- Rents have been increasing in the South Atlantic region (including DE) at a higher rate than any other region, largely due to in-migration during COVID
- Credit card debt is skyrocketing to the highest levels ever seen (however delinquencies and household debt are low)
- Delaware legislature has responded with a tenants “bill of rights”
- A UD CCRS study found that prior to the COVID-19 pandemic, Delaware had one of the highest eviction rates in the nation, with around 18,000 evictions filed annually

All data & information from Eviction Lab, Moody's Analytics, Federal Reserve, Delaware Public Media

2. Evictions



Eviction Lab – March 2024, National vs Delaware

3. Lack of Affordable Housing for Low Income Households

- 49% of Americans say that affordable housing is a major problem in their community, up 10% from 2018
- Younger Americans, women, lower income residents, and those living in major cities are more likely to cite housing affordability as a problem
- In 2020, 23% of Americans spent at least 50% of their income on housing
- In Delaware, the National Low Income Housing Coalition estimates that we are over 21,000 units behind where we need to be for extremely low income renters
- Over 30% of the affordable units in Delaware are located in Wilmington, and approximately 67% are located in 8 municipalities that are only 17.6% of the population

All data & information from Pew Research, NLIHC, DSHA

3. Lack of Affordable Housing for Low Income Households

			
Housing Shortage	Homelessness	Housing Poverty	Underfunded Programs
6.8 million more affordable housing units are needed for extremely low income families	580,000+ people are experiencing homelessness on any given night	70% of all extremely low income families pay more than half their income on rent	1 in 4 extremely low income families who need assistance receive it

KEY
FACTS

29,007
OR
27%

Renter households that are extremely low income

-21,197

Shortage of rental homes affordable and available for extremely low income renters

\$26,500

Maximum income for 4-person extremely low income household (state level)

\$54,269

Annual household income needed to afford a two-bedroom rental home at HUD's Fair Market Rent.

77%

Percent of extremely low income renter households with severe cost burden

4. Rental Housing Crisis

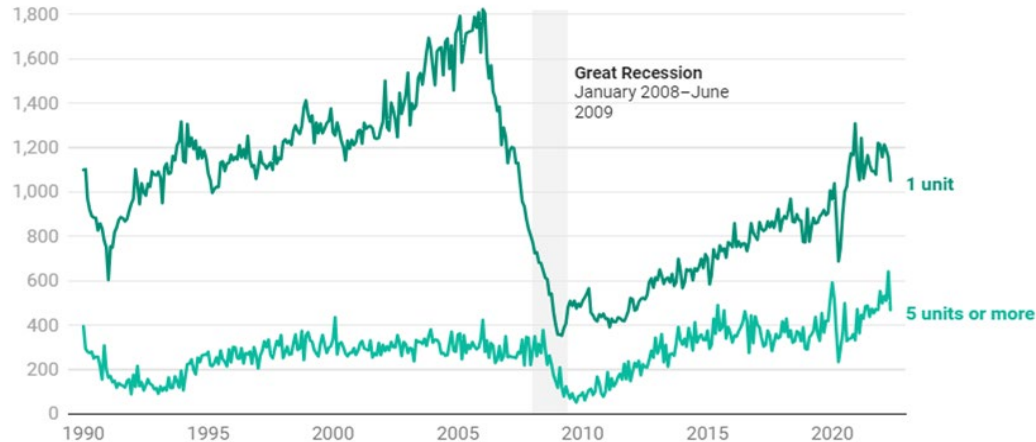
- The average rent in the US has risen 18% over the last 5 years
- When adjusting for population, rental housing production in recent decades has been far below the rates we had in past decades (1960-1990)
- Rental housing vacancies nationwide had dropped to near historic lows by 2022
- The National Multi Housing Council estimates that Delaware will need to build almost 12,000 new market rate rental units between now and 2035 in order to meet demand
- Delaware has a significant lower percentage of multifamily housing than neighboring states, despite having a relatively high urbanized area (18th largest in the country)

All data & information from The Urban Institute, US Census Bureau, Pew Research, NMHC

4. Rental Housing Crisis

New construction dropped dramatically after the Great Recession, reducing the supply of new housing

Number of new privately owned housing projects started by property type, January 1990–May 2022



Hover over or click to see values.

Data are seasonally adjusted.

Chart: Center for American Progress • Source: U.S. Census Bureau, "New Residential Construction Historical Data: Housing Units Started," available at https://www.census.gov/construction/nrc/historical_data/index.html (last accessed August 2022).

4. Rental Housing Crisis

830

New Apartments Needed Annually

Apartment demand is growing and the industry needs to keep up. However, producing enough new apartments to meet demand requires new development approaches, more incentives and fewer restrictions.

Delaware needs to build **830** new apartment homes each year to meet demand. Apartment construction contributes **\$302.7M** to Delaware's economy annually, creating **1K** jobs.

Source: National Multi-Housing Council

5. Gentrification and Displacement Issues

- Community revitalization is good, but not at the expense of the people who have lived in an area for a long time. A balanced approach is needed.
- In places South Wilmington, parts of Newark, and Coastal Sussex gentrification has come up as a major concern.
- The good news is that there are some very good examples of protecting homeowners from being priced out, the bad news is that it is not so easy for renters
- Rent control is one potential method, but applying it is difficult and creates no incentive for property owners to continue improving their property
- Gentrification is a very complex issue, the one thing that can be said definitively about it is that it is NEVER as simple as many characterize it

All data & information from <https://www.vox.com/22629826/gentrification-definition-housing-racism-segregation-cities>

Concentrated poverty is a bigger problem than gentrification

- Neighborhoods where more than 30% of the population qualify as poor are neighborhoods with concentrated poverty.
- These neighborhoods make it even more difficult to get out of poverty, making the problem a permanent one for many families.

Source: Smart City-Memphis

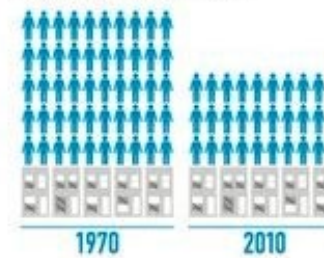
POOR NEIGHBORHOODS STAY POOR

75 percent of high-poverty neighborhoods in 1970 were still high poverty in 2010.



POOR NEIGHBORHOODS DISPLACE PEOPLE

Poor neighborhoods that stayed poor lost 40 percent of their population between 1970 and 2010.



POVERTY IS SPREADING

While poor neighborhoods lose population, they are spreading to more places—there are three times more high-poverty neighborhoods within 10 miles of the central business district than there were in 1970 (<1,100 in 1970/>3,100 in 2010).



GENTRIFICATION IS RARE

Whether a neighborhood remains in concentrated poverty (75%), or becomes a place slightly less poor (25%), the likelihood of a neighborhood rebounding is just 1 in 20.



MORE AMERICANS IN POOR NEIGHBORHOODS

Two million people lived in neighborhoods of concentrated poverty in 1970. Today, there are four million people living in these neighborhoods.



POVERTY GROWS UNSEEN

People easily notice things that change quickly (gentrifying neighborhoods), but tend to ignore slower changes over time (increasing levels of concentrated poverty).



5. Gentrification and Displacement Issues

Positive	Negative
• Reduction in crime • Reduced strain on local infrastructure and services • Increased consumer purchasing power at local businesses • Reduced vacancy rates • Stabilization of declining areas • Increased social mix • Increased local fiscal revenues • Increased property values • Encouragement and increased viability of further development • Higher incentive for property owners to increase/improve housing • Rehabilitation of property both with and without state sponsorship	• Increased cost and charges to local services • Community resentment and conflict • Homelessness • Loss of affordable housing • Displacement through rent/price increases • Decrease in political participation • Commercial/industrial displacement • Unsustainable property prices • Displacement and housing demand pressures on surrounding poor areas • Secondary psychological costs of displacement • Loss of social diversity (from socially disparate to rich ghettos) • Under occupancy and population loss to gentrified area
Source: Lees, Slater & Wyly (2010, p. 196) ; Atkinson & Bridge (2005, p. 5)	

6. An Increasing Racial Divide in Home Ownership

- According to a recent Urban Institute report (The Future of Headship and Homeownership-2021), between 2020-2040 renter household growth will be more than twice the pace of homeowner growth
- As the Baby Boom generation passes on wealth and homes to their children and benefactors, the racial divide will only increase
- Hispanic renter households will grow over 3 times as much as White households & Black renter households will grow almost twice the rate of White households
- To prepare, we need to increase the supply of affordable homes and better tailor these homes to the needs of future owners and renters
- To decrease the racial homeownership gap, a variety of policies must be pursued including implementing programs that sustain homeownership for borrowers with less wealth, especially people of color

All data & information from The Urban Institute

6. An Increasing Racial Divide in Home Ownership

FIGURE 4.12A

Total Owners and Renters, by Race or Ethnicity, 1990–2040

White households (millions)

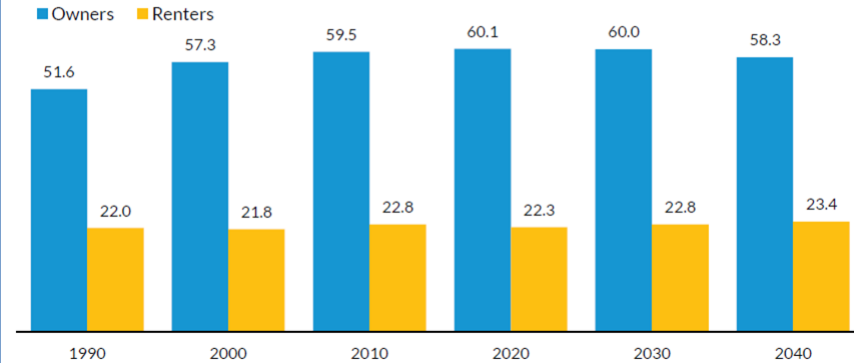
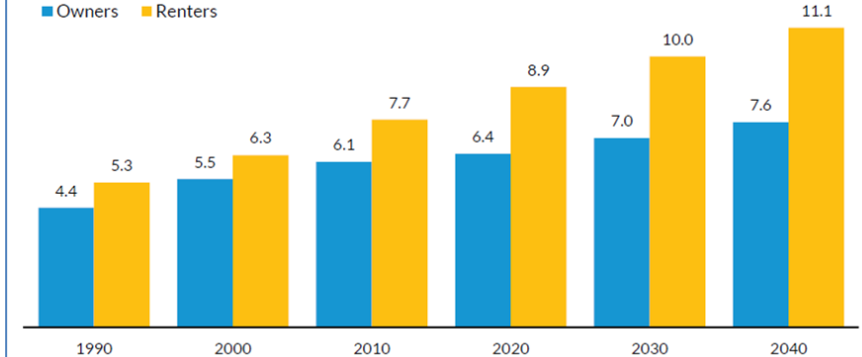


FIGURE 4.12B

Total Owners and Renters, by Race or Ethnicity, 1990–2040

Black households (millions)



All data & information from The Urban Institute

6. An Increasing Racial Divide in Home Ownership

FIGURE 4.12C

Total Owners and Renters, by Race or Ethnicity, 1990–2040

Hispanic households (millions)

■ Owners ■ Renters

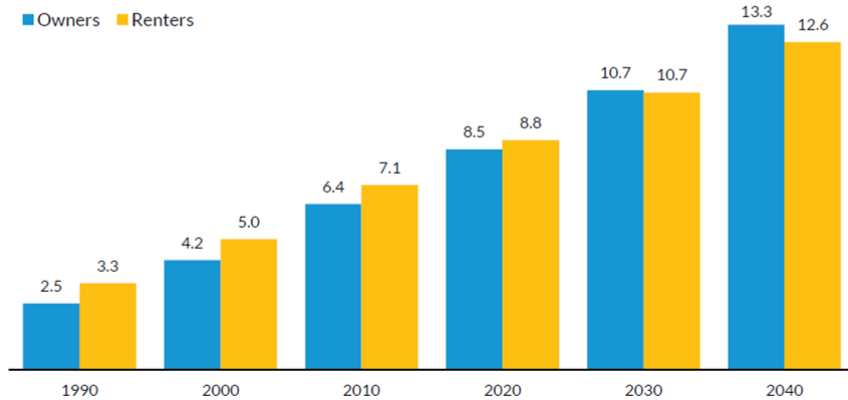
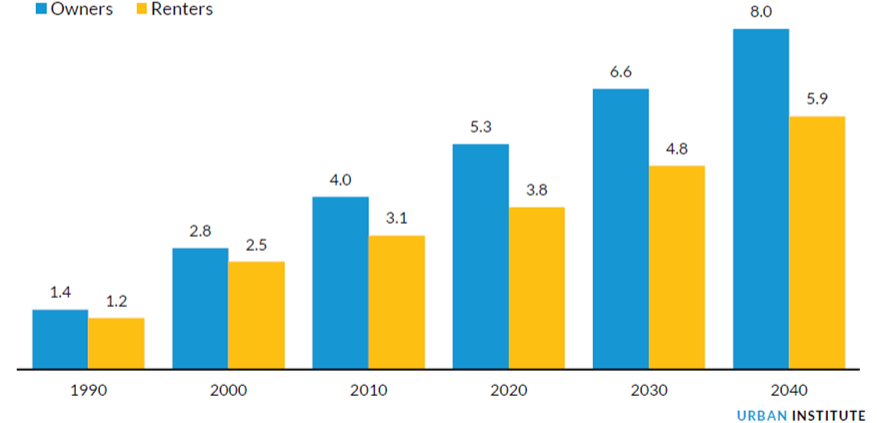


FIGURE 4.12D

Total Owners and Renters, by Race or Ethnicity, 1990–2040

Asian and other households (millions)

■ Owners ■ Renters



Sources: Decennial censuses and Urban Institute projections.

Note: Values for 2020, 2030, and 2040 are projected values.

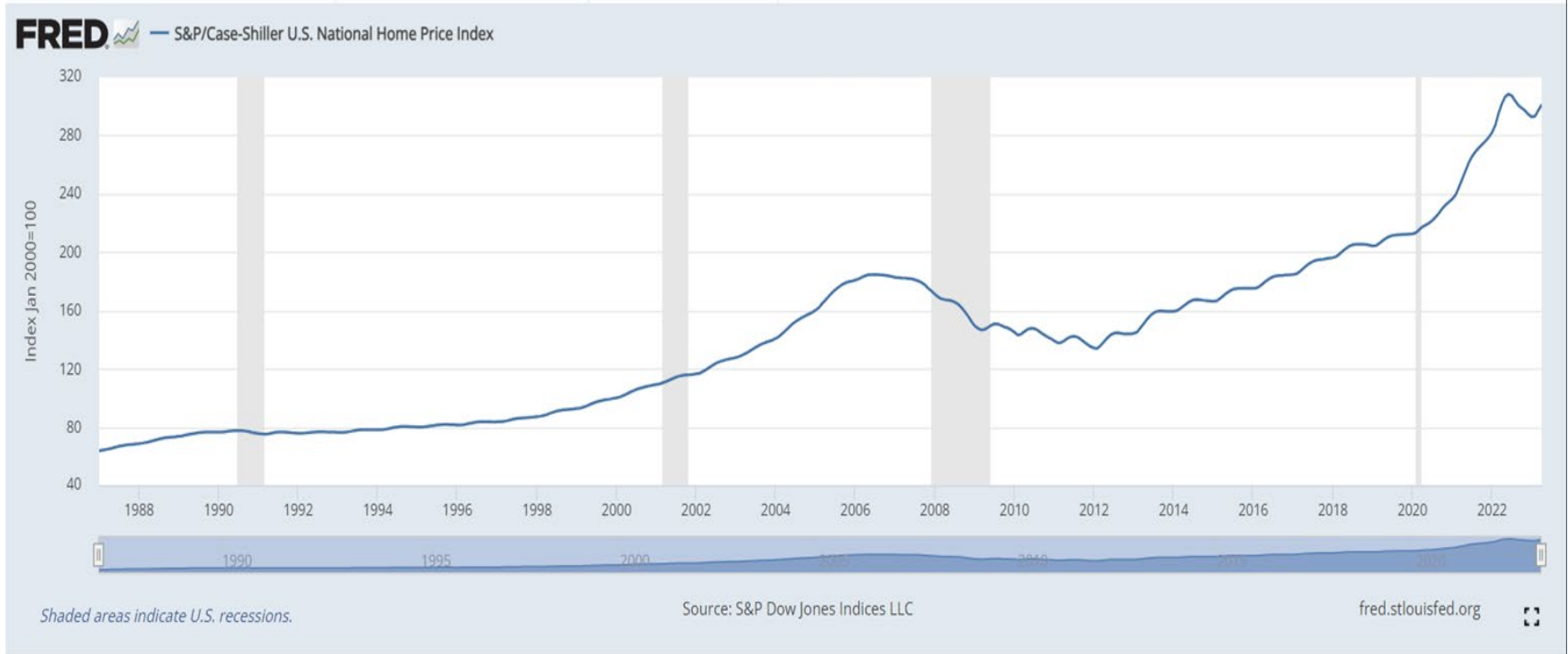
All data & information from The Urban Institute

7. Expensive Median Housing Price

- The price of buying a new home has risen at a much faster pace than median household income in recent years
- This makes it increasingly difficult for first time home buyers and middle income Americans to become homeowners
- Between 1980-2020 the median household income in the US grew by approximately 420%, meanwhile the median sale price of a home grew by 760%. So the price of a new home has grown 81% faster
- This also does not account for regional factors, such as job concentration increasing
- Efforts in the past that focused on making it easier for people to purchase a home through the financial markets alone ended in disaster
- Simply put, we need to build more homes and build a wider variety of homes

All data & information from <https://dqydj.com/historical-home-prices/>

7. Expensive Median Housing Price



7. Expensive Median Housing Price

HPI - projects what a given house purchased at a point in time would be worth today if it appreciated at the average appreciation rate of all homes in the area (FHFA)

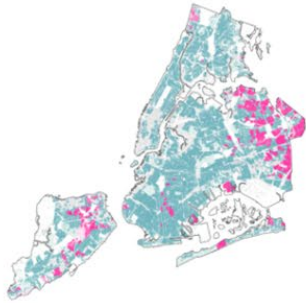


8. Exclusionary Zoning

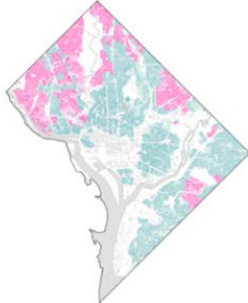
- Exclusionary zoning is often characterized by residential zoning where only single family homes on relatively large lots can be built, this is not the only form of exclusionary zoning
- Single family homes are often designed specifically to be marketed toward wealthier families in an area because of the larger size of the home and property
- Inclusionary zoning is something entirely different, and typically seeks to REQUIRE a certain number or percentage of affordable units
- Mixed income developments are also something entirely different. These are developments that seek to offer a variety of housing types in order to have a wide variety of income levels living in an area
- Many historic cities include naturally occurring mixed income developments, largely because they were necessary in order to house the local workforce

8. Exclusionary Zoning

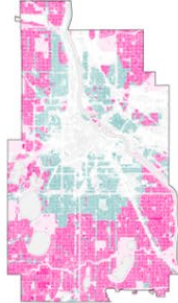
Residential land zoned for: ■ detached single-family homes ■ other housing



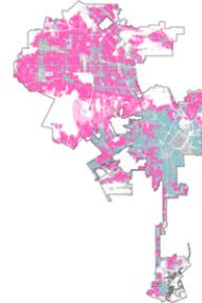
New York 15%



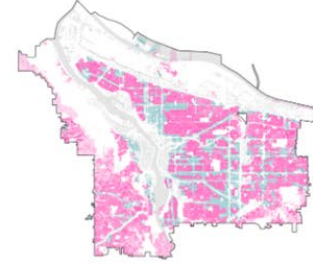
Washington 36%



Minneapolis 70%



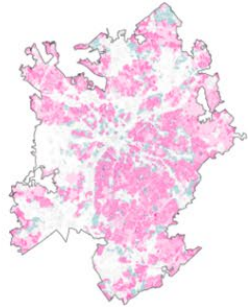
Los Angeles 75%



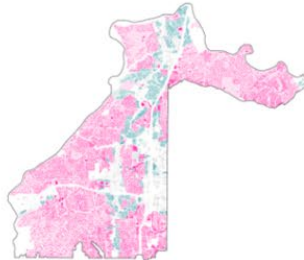
Portland, Ore. 77%



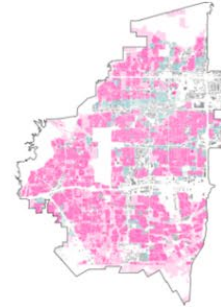
Seattle 81%



Charlotte, N.C. 84%



Sandy Springs, Ga. 85%



Arlington, Tex. 89%



San Jose, Calif. 94%



Provide affordable housing options

Portland's Residential Infill Project

Re-legalizing
"middle housing" citywide



Sightline
INSTITUTE

9. Fair Housing

- Lower income households, disadvantaged individuals, and minority households are often excluded or discriminated against by housing policies, sometimes unintentionally
- Fair housing policies are not only targeted toward race (although race is a major factor), instead they include discrimination in a variety of areas
- By ignoring or not actively addressing fair housing concerns, we make it more difficult for those in need of quality housing the most to access the type of housing they need

9. Fair Housing



10. A Lack of Housing Production

- Simply put, we are not building enough housing units to keep up with market demand and we have not been for decades
- We are also not building a wide variety of housing, which would help meet varying needs
- NIMBYism is a large part of the problem
- In many ways, NIMBYism is understandable because as a society we have been conditioned to protect our homes and their value
- Our local planning processes which often allow anyone to speak protest any time for anything can sometimes make it nearly impossible to address critical community needs
- It is important to understand that the solution to this is NOT to take away local control entirely, instead we need to educate the public and better incentivize local governments to address needs such as affordable housing

10. A Lack of Housing Production

Figure 1: Housing supply and prices



Source: Federal Reserve Economic Data; National Association of Realtors Monthly Supply Data

10. A Lack of Housing Production

FIGURE 1

Housing Construction Has Barely Kept Pace with Household Growth for an Unprecedented Eight Years

Units (Millions)



Notes: Household growth estimates are based on three-year trailing averages. Placements refer to newly built mobile homes placed for residential use.

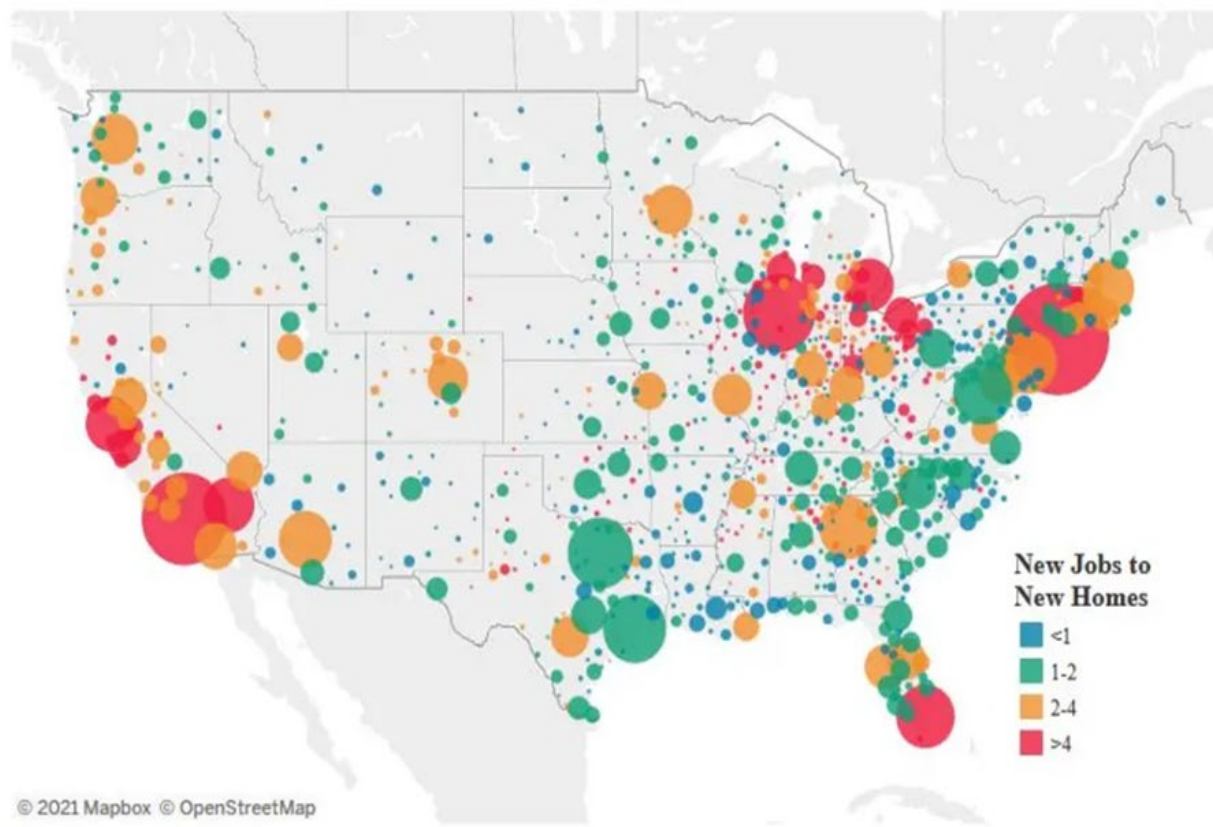
Source: JCHS tabulations of US Census Bureau, Housing Vacancy Surveys and New Residential Construction data.

11. Jobs to Housing Location Imbalance

- Large concentrations of jobs have increasingly been focused more around major metropolitan areas
- This dynamic has made it increasingly difficult for housing markets in those locations to meet the demand (NIMBYism and no available open land)
- People often want to move to where they have the best job opportunities, but if the housing is not available then they may not take a job that could advance their career
- Incentivizing redevelopment at a larger scale can help address this issue
- Remote work also has the potential to help address this issue, although it may also add to SPRAWL which is a longer term problem

New Jobs per New Housing Unit, 2010-2020

(Hover for details)



Data Sources:

US Census Bureau Population & Housing Unit Estimates, 2020 Vintage
Bureau of Labor Statistics Quarterly Census of Employment & Wages

12. New Jobs do not Suit New Housing Development

- Very closely related to the problem in 11, when new jobs are created local markets often don't have the type of housing to meet the demand for these new jobs
- This can work in different ways, an Amazon warehouse might not have enough rental housing nearby, while tech firms & start ups might have an aging housing stock nearby
- In Delaware, many of the new jobs being created are service-oriented and lower paying part-time jobs. Where will these people live?
- More thoughtfulness is needed at the state level to help incentivize the types of housing needed to create an affordable living situation for low wage workers
- The state may incentivize a company to move to Delaware and build a large distribution warehouse, but is it also incentivizing affordable rental options in those areas?

DELAWARE

#21*

In **Delaware**, the Fair Market Rent (FMR) for a two-bedroom apartment is **\$1,183**. In order to afford this level of rent and utilities — without paying more than 30% of income on housing — a household must earn **\$3,944** monthly or **\$47,333** annually. Assuming a 40-hour work week, 52 weeks per year, this level of income translates into an hourly Housing Wage of:

\$22.76
PER HOUR
STATE HOUSING
WAGE

FACTS ABOUT DELAWARE:

STATE FACTS	
Minimum Wage	\$10.50
Average Renter Wage	\$20.67
2-Bedroom Housing Wage	\$22.76
Number of Renter Households	106,038
Percent Renters	29%

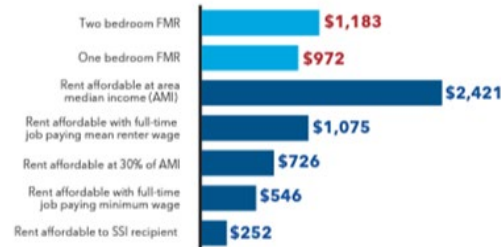
87
Work Hours Per Week At
Minimum Wage To Afford a 2-Bedroom
Rental Home (at FMR)

71
Work Hours Per Week At
Minimum Wage To Afford a 1-Bedroom
Rental Home (at FMR)

2.2
Number of Full-Time Jobs At
Minimum Wage To Afford a
2-Bedroom Rental Home (at FMR)

1.8
Number of Full-Time Jobs At
Minimum Wage To Afford a
1-Bedroom Rental Home (at FMR)

MOST EXPENSIVE AREAS	HOUSING WAGE
Philadelphia-Camden-Wilmington MSA	\$24.96
Dover MSA	\$19.27
Sussex County	\$18.54



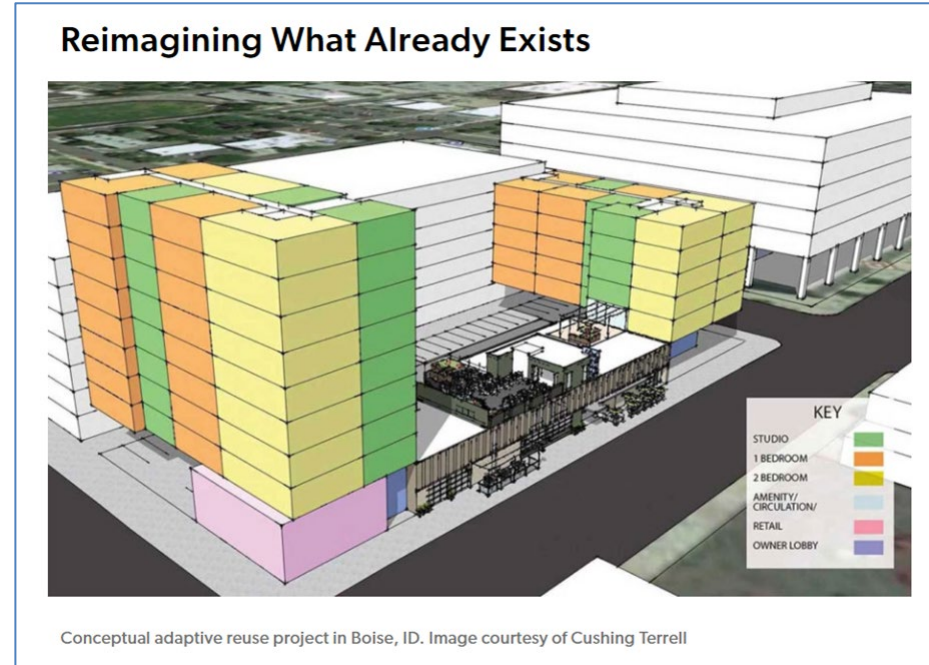
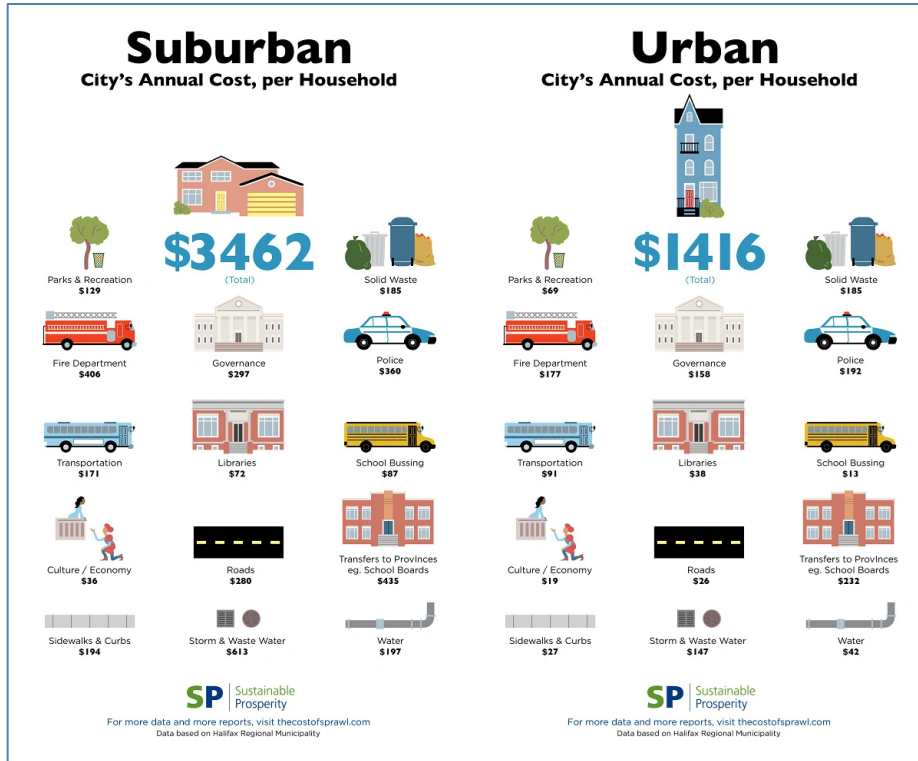
MSA — Metropolitan Statistical Area; HMFMA — HUD Metro FMR Area.

* Ranked from Highest to Lowest 2-Bedroom Housing Wage. Includes District of Columbia and Puerto Rico.

13. Rising Issues with Sprawl

- Urban sprawl is the dynamic that plays out when suburban development spreads outward from a city
- There are multiple problems with sprawl, one is that it is very expensive in the long run
- In Delaware we face an increasingly difficult long term problem in funding infrastructure due to the nature of how the state has developed over time
- Another problem with sprawl is that it destroys our natural areas more quickly
- This is an even greater problem in Delaware as the lowest lying state in the country. allowed in floodplain areas will be increasingly difficult to manage in the future
- Sprawl also has the effect of making the transportation system more dysfunctional because it is more difficult to serve populations that are more spread out
- All of these challenges are coupled with the fact that our state is aging dramatically

13. Rising Issues with Sprawl





— New Privately-Owned Housing Units Started: Total Units



U.S. recessions are shaded; the most recent end date is undecided.

Sources: Census; HUD

fred.stlouisfed.org



Shaded areas indicate U.S. recessions.

Sources: Census; HUD

fred.stlouisfed.org

The Impact on Communities

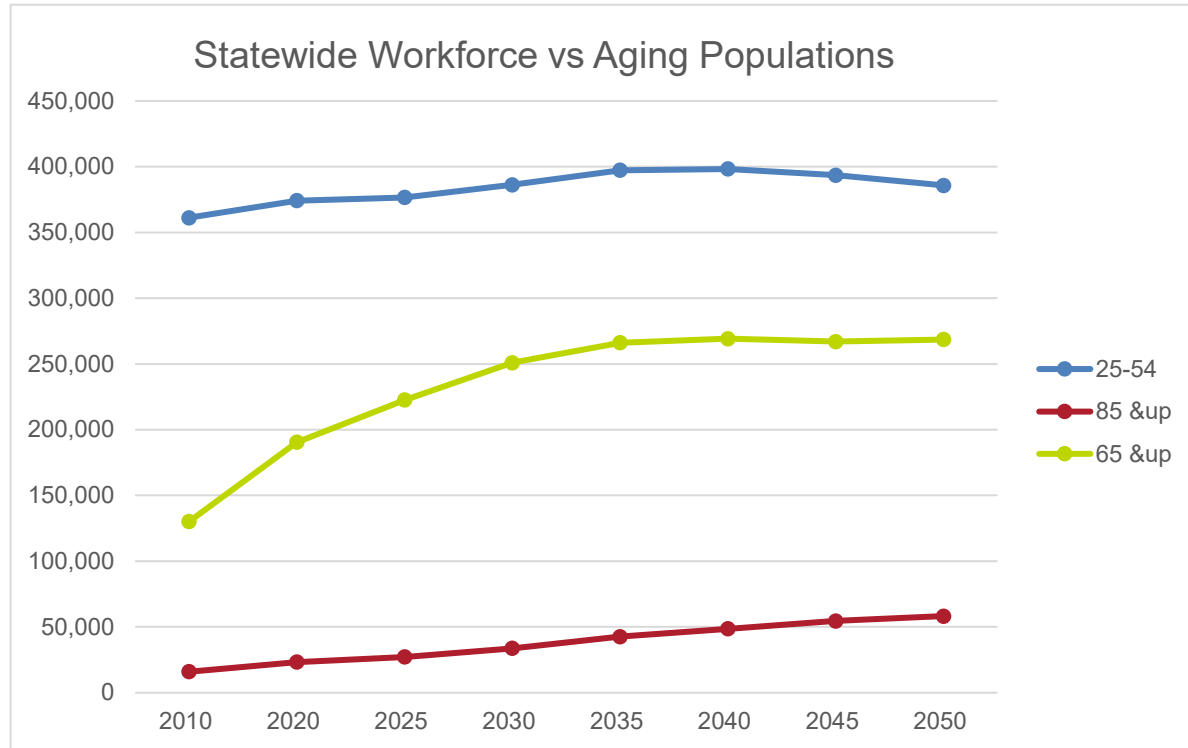
- Many businesses reporting an inability to hire and/or keep employees
- Young professionals are delaying buying a home and establishing families
- Less expendable income for individuals and families to spend
- Housing as a social determinant of health

Housing as a Social Determinant of Health

Housing Impacts Several Factors in Our Lives

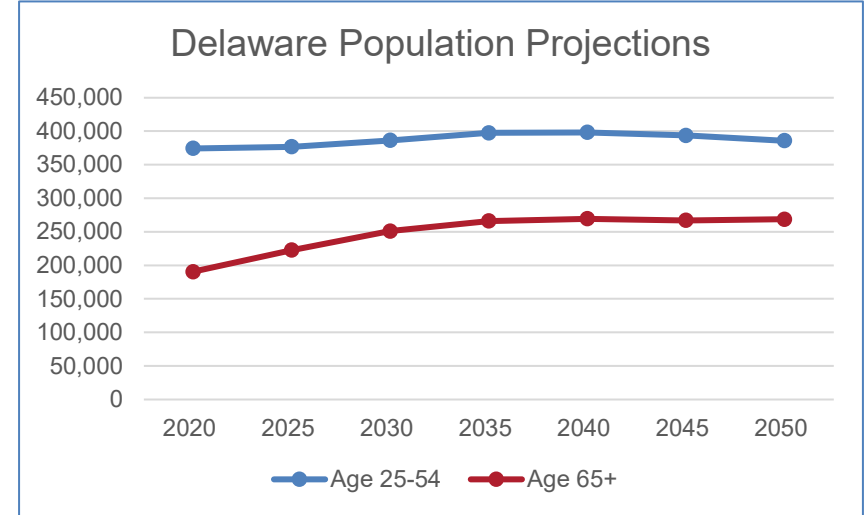
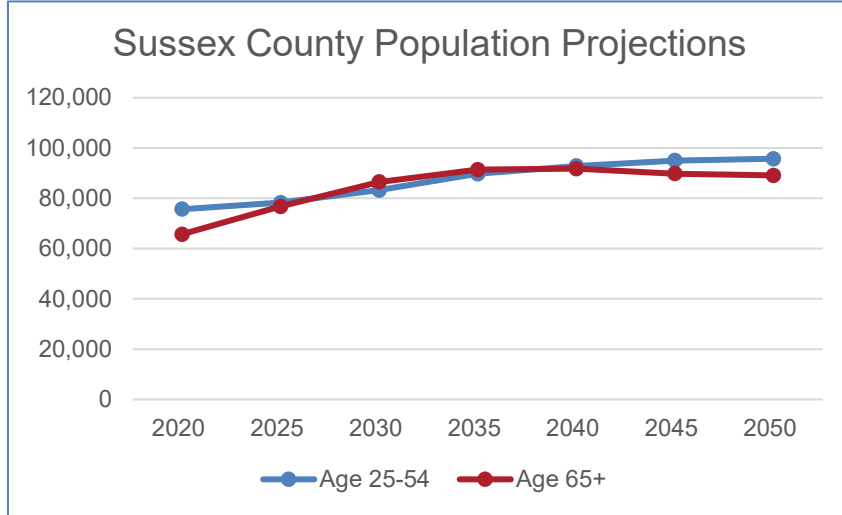
- Jobs
 - Transportation
 - Education
 - Social Networks
 - HEALTH!
- *Housing is a paradigmatic example of a social determinant of health, as it influences and is influenced by structural determinants, such as social, macroeconomic, and public policies, politics, education, income, and ethnicity/race, all intersecting to shaping the health and well-being of populations. It can therefore be argued that housing policy is critically linked to health policy. (National Library of Medicine)*

Delaware is Aging



Sussex County – Continued Growth

- Sussex County's population expected to grow by 23,575 (+19%) between 2025-2035, 62% of that growth will be in the 65+ demographic



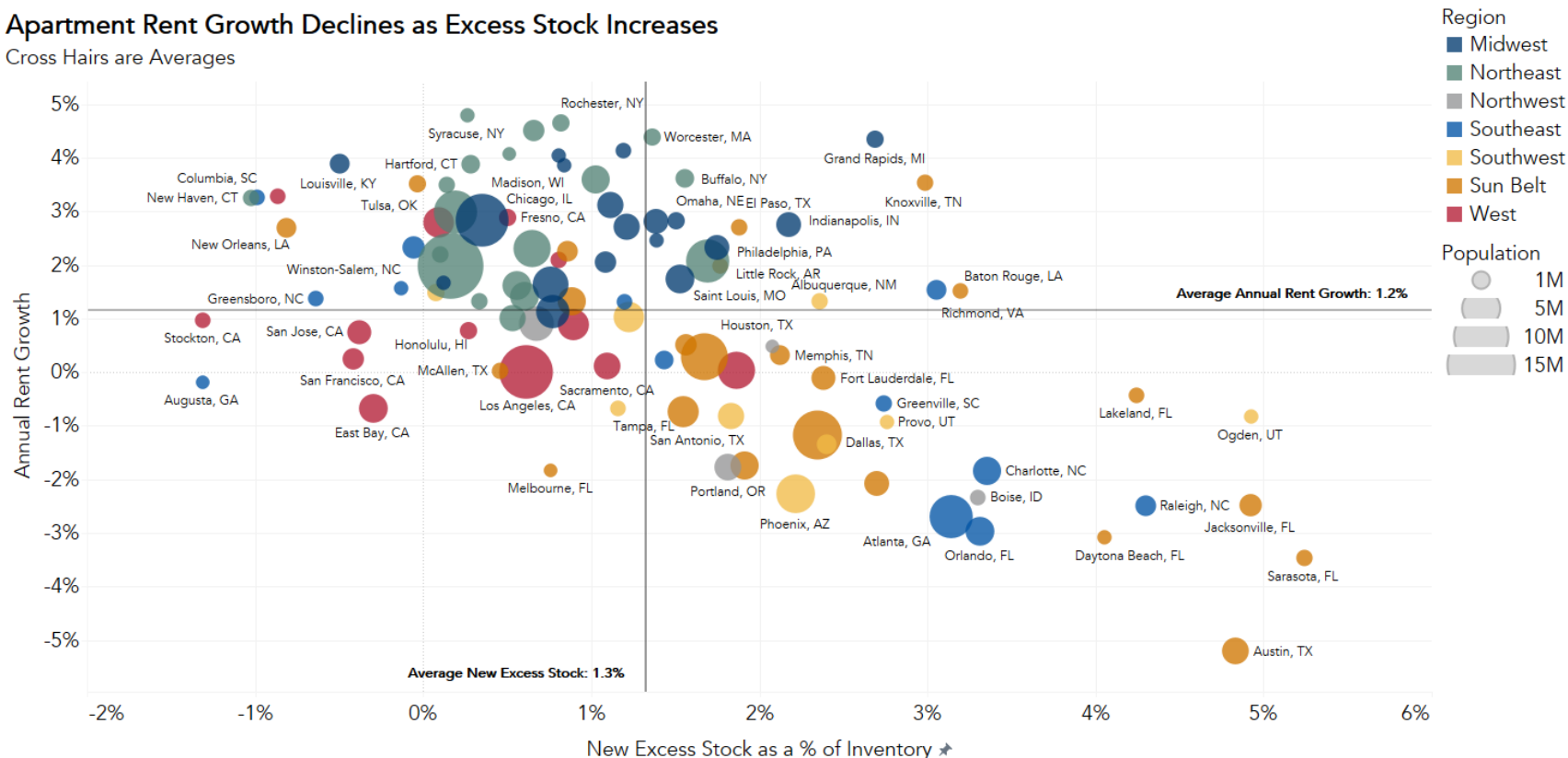
Why Housing Supply Matters!

- A recent study by First American Capital (Xander Snyder) showed that markets that built more units since 2020 also had the most downward pressure on rents and home prices
- One way to measure whether a market is over- or under-supplied is with new excess stock. New excess stock is the quantity of vacant new supply that is left over after all demand is accounted for. New excess stock is calculated as the difference between new apartment deliveries, a measure of supply, and net apartment absorption, a measure of demand. Net absorption is the change in leased apartment units (new and existing) after accounting for both recently vacated and leased units.
- “Apartment rents are already declining in many cities, and those with more construction underway that lack the demand to absorb new deliveries will see rents fall further in 2024. “

Why Housing Supply Matters!

Apartment Rent Growth Declines as Excess Stock Increases

Cross Hairs are Averages



How Can You Help?

- Identify how communities are being impacted
- Share stories and information on how those communities are impacted
- Advocate for solutions
- Advocate for more housing variety and more housing units
- Support state and local efforts to address the housing crisis

Potential Locally-Driven Solutions

- Allow more multifamily housing development through zoning
- Allow accessory dwelling units (sometimes referred to as “granny flats”)
- Advocate for more State and County funding for affordable housing
- Advocate for ALL large developments to include workforce housing units (typically 10-20%)
- Join the YIMBY movement and stop fighting new development that is non-single family

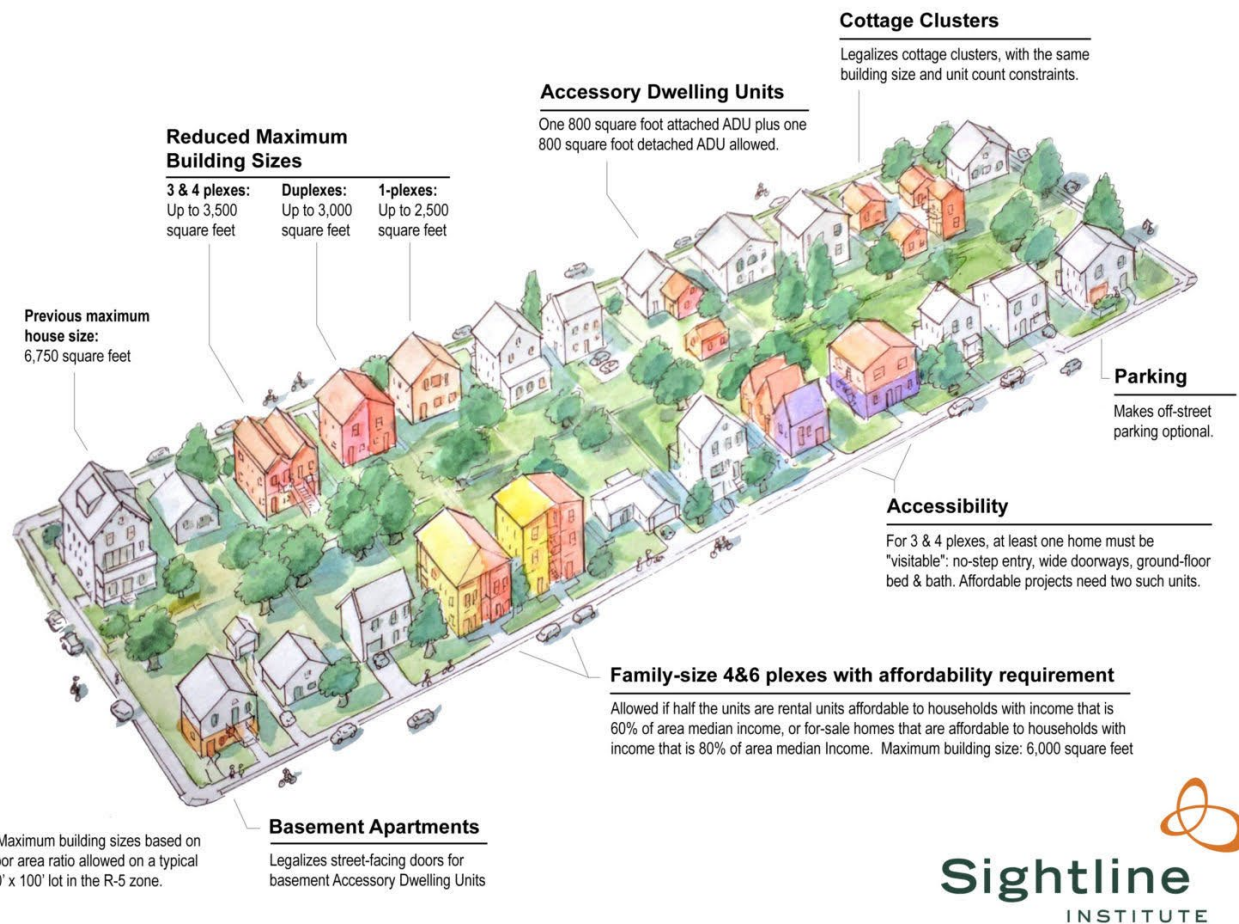
Potential Locally-Driven Solutions

- **Walla Walla, WA** - in 2018 approved zoning reform that streamlines accessory dwelling unit (ADU) regulations, promotes multifamily housing, and effectively upzones the entire community
- **Annapolis, MD** - Inclusionary Zoning
- **Milford, DE** - Eliminated all parking minimums in the C2 zoning district
- **Phoenixville, PA** - Removed parking requirements for specific blocks of the downtown, and all other parking is required to be based on a parking demand analysis, not specific standards



Portland's Residential Infill Project
Re-legalizing
"middle housing" citywide

Provide affordable housing options



Sightline
INSTITUTE

Statewide Options

“The Montana Miracle”

- Governor Gianforte made housing a priority starting in 2021
- A bipartisan housing task force was able to establish proposals that were supported by the conservative Republican-controlled state legislature and were ultimately passed as progressive housing laws
- A series of housing-related bills were successfully passed through the Montana Legislature and signed into law in the 2023 session

“The Montana Miracle”

- **SB 382: “Montana Land Use Planning Act”**
 - This bill seeks to increase local participation in community building by eliminating “last minute veto points that are inconsistent with long range plans.”
 - The most far-reaching bill that centers on new guidelines for land-use planning throughout communities
 - Requires cities that meet certain population standards to, “utilize the land use plan, map, zoning regulations, and subdivision regulations” outlined within the bill
 - Provides strategies for communities to meet population projections
 - Provides for a procedure to review subdivisions and approve final “plats”
 - Provides an appeal process, enforcement mechanisms, and penalties
 - This bill was passed with an immediate effective date “and an applicability date”

“The Montana Miracle”

- **SB 245: Revisions of zoning laws to allow for:**
 - In urban centers with a population of over 5,000, the municipality must allow “multiple unit dwellings and mixed-use development that include multiple unit dwellings” that are located in commercial zones and has a will-serve letter from both a municipal water system and a municipal sewer system.
- **SB 323: Revisions of zoning laws to allow duplex housing in zoning regulations:**
 - In urban centers with a population of over 5,000, the municipality must allow for duplex housing on lots where single-family residency is permitted.
- **SB 406: Prohibits local governments from adopting building codes stricter than statewide building codes**
- **SB 528: Revises municipal zoning laws to allow for accessory dwelling units, with revised regulations and restrictions regarding the creation of accessory dwelling units.**
- **SB 407: Revises zoning laws to prohibit a municipality from using an external board when reviewing permits and/or variances**

Statewide Options

VA Housing Bill 854

- Statewide Housing Study (this is NOT the same as the HUD required fair housing analysis which is done every 5 years by federal standard by every housing authority)
- Passed by the General Assembly in 2020, H.B. 854 asked the Department of Housing and Community Development (DHCD) and Virginia Housing to report on the state of housing in the Commonwealth. A diverse group of housing practitioners from across the state convened to investigate the state's housing needs, evaluate the impact of current initiatives, and propose new recommendations for increasing housing opportunities for all Virginians.

Source: <https://housingforwardva.org/focused-initiatives/hb854-statewide-housing-study/>

Statewide Options

MA House Bill 5250

- Allows courts to require that plaintiffs post a bond for frivolous appeals of municipal zoning decisions, and changes to the Zoning Act to emphasize the development of mixed-use, multifamily, and affordable housing projects, particularly developments close to public transportation)

Source: <https://www.planning.org/blog/9211391/planners-secure-zoning-reform-win-in-massachusetts/>

Statewide Accessory Dwelling Unit Legislation

- **MONTANA SB 528** - The new law will revise municipal zoning codes to allow for a minimum of one ADU on a lot that contains a single-family dwelling. A municipality in Montana may not require additional parking to accommodate the ADU or require fees instead of additional parking.
- **WASHINGTON HB 1110/SB 5190** - This bill states that a city with a population of at least 75,000 must allow at least six of the nine types of middle housing to achieve the unit density required. To fulfill these requirements, a city may allow ADUs or other types of middle housing. This bill states that a city with a population of at least 75,000 must allow at least six of the nine types of middle housing to achieve the unit density required. To fulfill these requirements, a city may allow ADUs or other types of middle housing.

• *Source: <https://www.planning.org/blog/9270835/five-key-adu-state-bills/>*

Statewide Accessory Dwelling Unit Legislation

- **RHODE ISLAND HB 6082** - Bill would allow homeowners to develop an ADU on any lot larger than 20,000 square feet as long as the design meets specified criteria. The bill also prohibits the use of these units as short-term rentals and would streamline the permitting process.
- **COLORADO SB 23-213** - Provision would have required the executive director of the Colorado Department of Local Affairs to create an ADU model code that would allow ADUs in any part of a municipality where detached single-family homes are permitted (bill failed)
- **ARIZONA SB 1117** - Bill would have required municipalities with a population of more than 30,000 people to allow ADUs in all residential zones (bill failed)

Statewide Options

- **NY - The NY Housing Compact**
 - A statewide strategy to address New York's housing crisis, build 800,000 new homes over the next decade to meet the historic shortage, and support New York renters and homeowners as part of the 2023 State of the State.

(Source: <https://www.governor.ny.gov/programs/new-york-housing-compact>)

Potential Community or Regional Solutions

- Form a 501c3 Housing Partnership in order to directly address the crisis
 - Join with local housing advocates to collectively advocate and develop new workforce and affordable housing options in the Rehoboth area
- Successful Examples
 - Housing Forward Virginia (Statewide in Virginia)
 - Tenfold (Lancaster, PA)
 - Vail Housing Partnership (Vail, CO)

Housing Forward Virginia



HousingForward
VIRGINIA

[ABOUT](#) / [TOOLS & RESOURCES](#) / [EVENTS](#) / [CONTACT US](#) / [DONATE](#)

HousingForward Virginia is the Commonwealth's trusted resource for affordable housing data and actionable insights. Advocates, planners, developers, and mission-aligned organizations rely on us to help them build connections and advance their work. With our tools, they're able to better identify needs, influence decision makers, and ultimately increase access to affordable housing for all.

WHAT WE DO

- **Inform** public policy and housing regulations
- **Support** local and regional housing networks
- **Encourage** a healthy lending and financial environment
- **Convene** key stakeholders
- **Provide** leaders with actionable information
- **Explore** innovative methods to reduce housing costs
- **Promote** strategies to preserve affordable housing
- **Shine a light** on racial disparities in housing
- **Assist** with development of equitable housing policy
- **Build** a positive public image for affordable housing

AN APPROACH WITH INTENT

Tenfold

(formerly Lancaster Housing Opportunity Partnership)

WHO WE ARE

Our team is focused on achieving quality, fair and affordable housing that is inclusive to all people. How do we do it?

WE ARE COACHES,

providing a supportive word or guiding hand to help people overcome homelessness, and gain skills to achieve housing stability.

WE ARE EDUCATORS,

offering workshops and counseling services related to homeownership, budgeting, saving, improving credit, debt reduction, navigating landlord-tenant relationships, and more.

WE ARE LENDERS,

equipping first-time homebuyers with closing cost down payment assistance, and developers with funds to increase the supply of affordable housing units.

WE ARE ADVOCATES,

collaborating with key community partners to address critical housing issues and advance fair housing access for everyone.

BROAD CONTINUUM OF SERVICES

Tabor and **LHOP** officially **merged** to become **Tenfold**: a team committed to sparking the power in all people to achieve equity housing and financial security through **a continuum of services.**

EMERGENCY HOUSING

Unlocking a new beginning toward housing stability

SUPPORTIVE HOUSING PROGRAMS

Empowering people to gain new skills so they can obtain and maintain permanent housing through long-term self-sufficiency

LANDLORD/TENANT RESOURCES

Opening doors to equitable housing through our Housing Rights and Resource Center

The Ann B. Barshinger

FINANCIAL EMPOWERMENT CENTER

Unlocking opportunities to navigate a new path forward to housing stability, homeownership, and wealth-building activities through educational and counseling services

COMMUNITY INITIATIVES

Multiplying our impact through collaboration with key community partners

TENFOLD COMMUNITY LENDING

Multiplying homeownership opportunities, and increasing the supply of affordable housing through the development of new housing units

Vail Housing Partnership

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Workforce Housing

Vail Valley Partnership's [board of governors](#) has identified affordable housing as our number one strategic priority area. As locals know, Eagle County's cost of living is higher than many other places. To no one's surprise, housing is the key element pushing Eagle County's overall cost of living above the U.S. average. The Council for Community and Economic Research produces an annual County Cost of Living Index (CCLI) that serves as a measure of relative cost of living between different locations across the county.

Eagle County's cost of living indexes at 176.30 against a nationwide average of 100. In the CCLI, a number above 100 is more expensive than the U.S. average, and a number below 100 is less expensive than the U.S. average. Housing costs in Eagle County, however, are indexed at 340, while most other consumer goods and services in the county fall slightly above or below the U.S. average, making housing the primary driver elevating local living expenses.

Eagle County faces a gap in the availability of ownership and rental housing that is affordable for local residents. Residents are burdened by high housing payments. Employees are forced to commute long distances. According to the annual workforce survey, employers believe that the availability of workforce housing is a critical or major problem in Eagle County. The Eagle County Housing Assessment shows a shortfall of 4,500 units to meet current needs.

Workforce and affordable housing has long been an issue in Eagle County. The difference today is the demographic data clearly shows an increased need for more affordable housing options for the current and future Eagle County workforce. Addressing our affordable housing issue is essential to the continued success and growth of our business community across industry sectors.

In the current Eagle County housing market (2015 full year sales data), the median sales price has risen to \$575,000, close to pre recession levels. In this four-year time period from 2012 to 2016, the area median income (AMI) level has risen 4% while the median sales price of a home in Eagle County has risen 35%. When we look at the current affordability gap we see a \$234,310 gap for that 100% AMI family, and even at 140% AMI, there is still a \$97,600 gap. These new affordability gap numbers point to the increased need for more affordable housing options for the current and future Eagle County workforce.

Currently and anecdotally, units that have been long-term workforce rentals are being removed from that market as they are converted into short-term rentals. This has the potential to grow both catch-up and keep-up needs for workforce housing.

We want to ensure our community can remain competitive to keep locals local and to support our business community. View our [Housing Position White Paper – September 2019](#)

Helpful Links:

[Regional Workforce Housing Report – Jan. 2019](#)

[Housing Task Force](#)[Workforce Housing Coalition \(2017\)](#)[NIMBY Jamboree - Creating a sustainable community](#)[Editorials](#)[Ballot Issue 1A \(2016\)](#)[Eagle County Affordable Housing Programs](#)

Biden School of Public Policy & Administration | www.bidenschool.udel.edu

Models of Developing Workforce Housing

- In the summer of 2023 IPA put together a short report on Case Studies for effective workforce housing models used around the country
- These included
 - Miller's Court in Baltimore
 - MeadowView Condos in Big Sky, MN
 - Newark Teachers Village in Newark, NJ
 - Serramonte del Rey in Daly City, CA (San Francisco metro area)
 - Oxford Mills in Philadelphia, PA
 - Friends Center in New Haven, CN

A policy brief from the
Institute for Public Administration | IPA

UNIVERSITY OF
DELAWARE

Analysis of Models for Workforce Housing Villages

August 2023

SYNOPSIS

Residents and elected officials in Delaware have expressed interest in developing workforce housing for employees in critical jobs that support their local communities. After hearing these desires from communities throughout the state, the University of Delaware (UD) Community Engagement Initiative (CEI) requested for the Institute for Public Administration to identify potential models from around the country for workforce housing developments.

This research defines "workforce housing" as a multifamily housing development or a development with a mixture of housing types in a defined community that is restricted to employees of a community-service-oriented entity or institution (education, health care, local retail, etc.). Typically, these developments are restricted to people earning between 80 percent to 120 percent of the Area Median Income (AMI) levels, which is currently \$62,300 for an individual and \$88,900 for a family of 4 in Delaware, as measured by the U.S. Department of Housing and Urban Development (HUD).

One method for developing workforce housing is to pursue what has been termed a "workforce housing village." These developments are generally specific to a location where a single development is targeted toward that area's workforce, rather than a broader state, county, or municipal program. This report provides six examples of workforce housing villages that communities in Delaware can consider as models for future development.



Prepared by
Institute for Public Administration
Ella Deltz
Summer Undergraduate Biden
School Summer Fellow
Sean O'Neill, AICP
Policy Scientist
In coordination with
Community Engagement Initiative



Miller's Court

- 40 units opened in 2009 in Baltimore, MD
- 85,500 sqft redevelopment of an historic building
- Rental rates range from \$1,048 to \$2,700 depending on the size of the apartment
 - Residents that are teachers receive \$300 to \$600 off their rent





Miller's Court

- Developer: Seawall Development
 - Donald Manekin and Thibault Manekin
- Building bought for \$2.5 million through public and private tax credits
- The total cost of the project was \$21,050,000, largely funded and supplemented by outside sources
- Teach for America was one of the original tenants





MeadowView Condo Development

- Big Sky, Montana, developed since 2018
- 52 studio and two bedroom units, deed restricted only to workers in the area making between 60-150% AMI.
- 7 acres of land (owned by the Big Sky Community Housing Trust)
- The community also has a Down Payment Assistance program which will loan \$20,000 to buyers and repaid upon the sale of property
- Area Housing Action Plan set a goal of developing 250-300 community housing units within 5 years





MeadowView Condo Development

- Rental rates are flexible and determined by the income of specific people living in the space
- Funded through the Big Sky Resort Tax, Yellowstone Club Community Foundation, Moonlight Community Foundation
- For the Downpayment Assistance Program, the NET worth of the purchaser must not exceed 50% of the unit's value
- “Good Deeds” program – allows workers or business owners to buy properties at discounted rates





Newark Teacher's Village

- 203 units in Newark, New Jersey along with 3 different charter schools and a daycare facility, opened 2013-2018
- Mixed-use development, includes 65,000 sqft of retail
- Many amenities for residents – indoor basketball court, lounges, high end appliances, fitness center, yoga studio
- Six total buildings in total, LEED certified
- Variety of local businesses in the retail space, in an Opportunity Zone





Newark Teacher's Village

- Public/private model – developed with investments from Goldman Sachs Urban Investment Group, Prudential Financial, State tax credits and government subsidies
- 70% → for teachers (7-15% off market-rate discount given)
- 20% → for those earning up to 80% of AMI
- 10% → market-rate
- Location provides the ability to get further education, stay longer at work, and be more involved with outside of school activities
- Developed by the RBH group – total project cost was \$150,000,000





Serramonte Del Rey Neighborhood

- Located in Southern San Francisco (Daly City) and opened in 2022
- Approximately 600 units total when complete (at least 122 Units exclusively for local school district) with mix of 1, 2 & 3 bedrooms
- Website provides extensive information on the application process and the priority list for applicants (10 levels of priority)
- Maximum length of tenancy is seven years, after that you are required to find other housing





Serramonte Del Rey Neighborhood

- Rent is automatically deducted from paychecks
- Home ownership options are also planned to be available
- 20% of housing for low to moderate income. The rest will be listed at market rate.
 - Affordable units at 705 Serramonte are 60% teachers/counselors/psychologists and 40% bus drivers/custodians/food service workers/office staff
- Total cost of 705 Serramonte was \$75.5 million, \$33 million from bond approved by community, \$45.5 million borrowed to be paid back with rental income
- School District is the lowest funded in the area, so this development will provide long-term revenue along with maintaining their educational staff





Oxford Mills

- South Kensington in Philadelphia, opened in 2014
- 114 apartment units (79% are affordable)
 - 90 units → affordable up to 80 percent AMI
 - 68 of these 90 are specifically for teachers
 - 24 units → market-rate
- Teachers living in Oxford Mills receive \$200 - \$400 off their rent
- Market rate for these apartments runs from \$1,345 to \$1,995





Oxford Mills

- They are able to offer below market rental rates because of financing subsidies and federal tax credits
- Tax credits reduced the construction costs by about 40 percent
- Developers: D3 Real Estate and Seawall Development
- Location and building's history allowed Oxford Mills to qualify for historic tax credits and new market tax credits (requires the area poverty rate to exceed 20%)





Friends Center for Children

- 4 homes providing free housing for child care and preschool workers in New Haven, CN
- Friends Center for Children is a childcare center and preschool that was struggling to pay workers a living wage. (CN subsidizes cost of child care by 50%)
- Created by donation - through the purchase of 4 homes for \$750,000 made by long-time supporters of the Center
- Two homes within walking distance, one single family and one multi-family home. Provides housing for 4 employees, 12-19 additional units planned but funding needed





Takeaways

- All examples uniquely address the issues and concerns of each area. There is no one perfect model.
- Most of the models focus on the rental market.
- Many of these developments are community-focused with retail, office or other components built in that serve community needs or desires.
- Rental rates include a proportion of market-rate (typically the majority), and also affordable housing. Not all examples have required federal dollars.