



# Newark Rental Housing Workgroup

*Final Draft Report | July 13, 2020*

Prepared for the City of Newark, Delaware by



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## 1. Project Introduction

The City of Newark is a diverse community with a high demand for rental housing by different demographic groups. This demand encompasses student housing as well as non-student housing, which impacts students as well as other community members seeking affordable, convenient, and good-quality housing options. According to the 2017 Rental Housing Needs Assessment, currently over 70% of the City's rental housing market is occupied by students attending the University of Delaware.<sup>1</sup> This affects availability of affordable, convenient, and good-quality housing options within the City of Newark. It also creates a demand for student and rental housing in neighborhoods that are traditionally owner-occupied.

In many situations, housing diversity can benefit the community. However, some neighborhoods have been affected when their neighborhood rental housing falls into disrepair, properties are ill-maintained, parking becomes congested, or noise levels exceed normal expectations. Policies that improve the availability, diversity, and quality of rental housing can help preserve traditional neighborhoods and offer better options for those who seek rental housing.

The establishment of a Rental Housing Workgroup to study issues related to rental housing and develop recommendations for City Council to consider for implementation was approved by City Council in early 2019. This Workgroup is comprised of diverse people representing different stakeholder groups in the City of Newark (see page 7 of this report for a complete roster). Workgroup members collaborated to identify

### Mission of the Rental Housing Workgroup:

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

### Workgroup Objectives:

- 1. Facilitate increased communication, trust, and cooperation amongst stakeholders and the public.**
- 2. Provide desirable options to improve availability, diversity, and quality rental housing for all who want to live in the City of Newark.**
- 3. Improve the quality of life for all residents of Newark.**

<sup>1</sup> *Rental Market Needs Assessment for the City of Newark*, URBAN PARTNERS (2017)  
<https://newarkde.gov/DocumentCenter/View/5515/Phase-One-Findings?bidId=>



and discuss issues and to consider and build consensus around a diverse set of recommendations.

## **Understanding Housing Needs of University of Delaware Students**

Housing needs often differ depending on student type. For instance, the needs of a graduate student who may have a family are much different than those of an international student or a young undergraduate. These graduate students could be working adults who are not looking for a rental, or online students who don't necessarily need housing. Students who live nearby in other major cities and commute to Newark for class must also be considered. Undergraduate students are more likely to be looking for places to live off campus that are within walking distance to the campus or Main Street/downtown amenities. Additionally, leasing period expectations may differ between student groups, particularly international students who may have different timeframe considerations than other students.

The University of Delaware's total student population number reflects all students, even if they are not attending classes on the Newark campus. This includes students enrolled in the online graduate program and those enrolled in programs at the Georgetown, Dover, and Wilmington campuses. Additionally, the University hosts an English Language Institute (ELI) program whose students are not counted as part of the total student population. The University hosts about 100 of these students on campus, while others are housed in a community program overseen by the ELI at The Waverly formerly known as The Retreat, which is a student housing community in Newark, and through a homestay program. At the completion of the program each year, about 200 students get matriculated into the University population and become a part of the undergraduate student population.

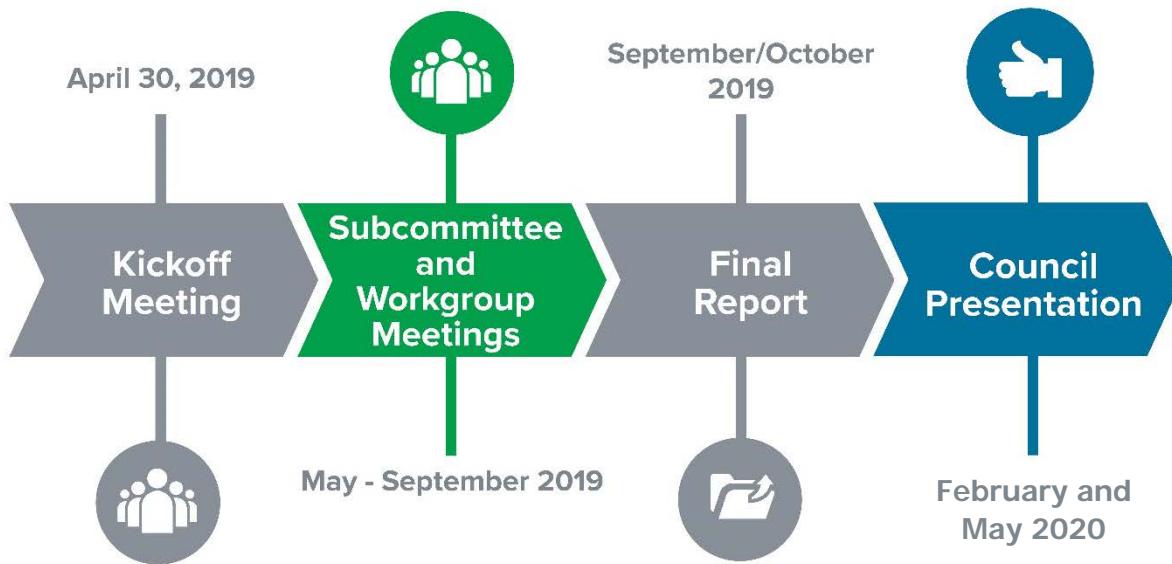
Fall 2018 enrollment at the University of Delaware was 24,120 students, with 19,060 of those students considered undergraduates. Projections of the number of undergraduates by 2021 show a slight increase with an estimate of 19,500 expected students.<sup>2</sup> There are 7,415 total spaces on campus designed to house students, with 42% of full-time undergraduate students housed on campus in 2018.

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<sup>2</sup> Trustees Hold Semiannual Meeting (2019): <https://www.udel.edu/udaily/2019/june/board-of-trustees-spring-meeting/>

## 2. Methodology

### Workgroup Structure

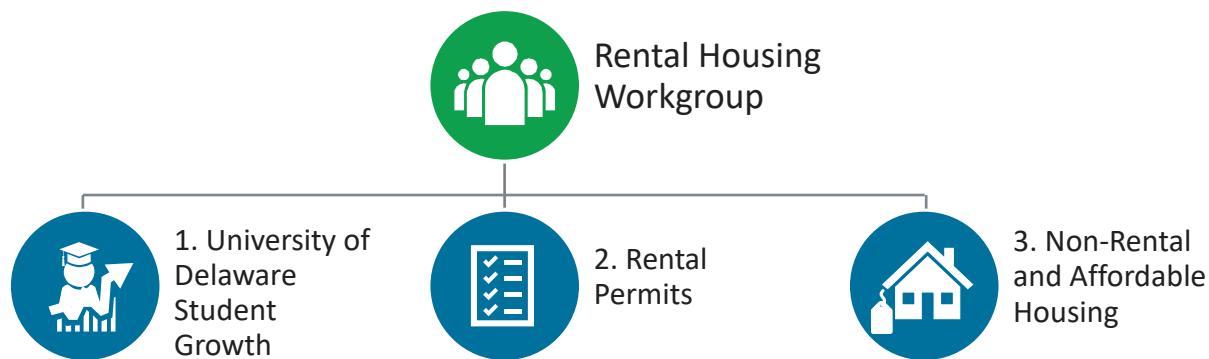


The Rental Housing Workgroup first met in April 2019 to begin developing recommendations for Council consideration on the issues of quality, diversity, and availability of rental housing. At the first kickoff meeting, the Workgroup divided into three subcommittees that would meet separately from the full Workgroup and target a specific topic to develop recommendations. Recommendations were developed collaboratively by Workgroup members and shared publicly for interested community members to review and comment. Additionally, all meetings of the Rental Housing Workgroup were advertised and open to the public.

## Workgroup Subcommittees

The Workgroup is divided into three subcommittees to best target specific areas of concern. Each subcommittee came up with their own focus areas, goals, and recommendations that were then discussed with the rest of the Workgroup to reduce redundancy.

Three subcommittees were formed, and the Workgroup members were divided among the subcommittees. Subcommittees discussed topics in depth and developed recommendations, which were then shared with the whole Workgroup for input and consensus. The subcommittees are as follows:



### 1. University of Delaware Student Growth



The University of Delaware Student Growth Subcommittee is focused on university and community relations, and how administrative actions can be taken in order to best preserve that relationship and prepare for future growth in the university.

#### Goals of the University of Delaware Student Growth Subcommittee include:

1. Develop community relations campaign in partnership with City of Newark and University of Delaware
2. Gain a better understanding of what rental properties are available and what development projects are in the pipeline
3. Gain a better understanding of UD current student population and expected population and campus growth

## 2. Rental Permits



The Rental Permits Subcommittee is focused on inspections, enforcement/fines and fees, and student home/exempt zone homes within the City of Newark.

### Goals of the Rental Permits Subcommittee include:

1. Make rental properties safe for all tenants by ensuring interior inspections take place on a regular basis
2. Look into revisions or incentives that allow for better enforcement or provide benefits that encourage compliance before enforcement is necessary. Revisit fine/fee structure, timing, etc.
3. What is a student? Ordinance is challenging to enforce due to the Family Educational Rights and Privacy Act that protects the privacy of student education records. Consider upping exempt zone home occupancy to condense student population and free up rental homes for additional populations

## 3. Non-Student and Affordable Housing



The Non-Student and Affordable Housing Subcommittee is focused on zoning modifications, City of Newark programs, and private developer/landlord initiatives.

### Goals of the Non-Rental and Affordable Housing Subcommittee include:

1. Better understand rental housing demand in Newark
2. Identify opportunities for rent-burdened families to find rental housing within City limits
3. Identify opportunities to collect revenue and incentivize diverse and affordable housing options

## Rental Housing Workgroup Meeting Schedule

Meeting	Date
Workgroup Meeting #1 (Kickoff)	April 30, 2019
Subcommittees 1 and 2 Meeting #1	May 14, 2019
Subcommittee 3 Meeting #1	May 16, 2019
Subcommittees 1 and 2 Meeting #2	June 11, 2019
Subcommittee 3 Meeting #2	June 13, 2019
Workgroup Meeting #2	June 26, 2019
Subcommittees 1 and 2 Meeting #3	August 13, 2019
Subcommittee 3 Meeting #3	August 15, 2019
Workgroup Meeting #3	August 28, 2019
Workgroup Meeting #4	October 16, 2019
Council Presentation Preview	October 28, 2019
Workgroup Meeting #5	November 14, 2019
Council Presentation	February 3, 2020
Workgroup #6 Meeting	March 12, 2020
Final Council Presentation	May 18, 2020

## Workgroup Members

The Workgroup was made up of a diverse representation of stakeholders from the City of Newark, each with a different perspective on issues of student housing demand, rental housing management, and supply of non-student and affordable housing. For a complete roster of all workgroup members, see page 7.

The Mayor-appointed Workgroup Chair was Marguerite Ashley, who was responsible for providing advisory support for Workgroup efforts and final recommendations. Additionally, each subcommittee had a chair who was responsible for being the group spokesperson to the Workgroup during Workgroup meetings. Subcommittee Chairs included Michele Kane, University of Delaware (University of Delaware Student Growth), Adam Fahringer, City of Newark (Rental Permits), and Dr. Freeman Williams, Newark, Delaware Branch NAACP (Non-Rental and Affordable Housing). These positions were filled by a vote from colleagues at the first Workgroup meeting



**City of Newark  
Rental Housing Workgroup**

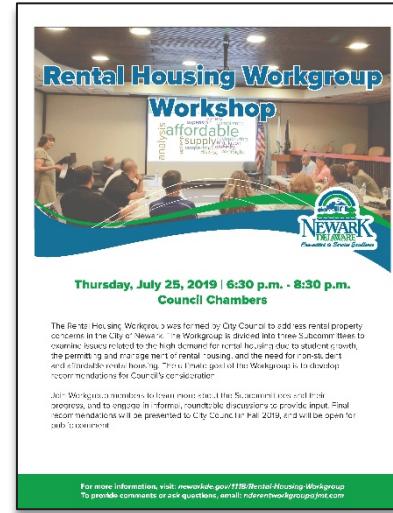
Name	Affiliation	Subcommittee
Lt. Dennis Aniunas	Police Department, City of Newark	Rental Permits
<b>Marguerite Ashley</b>	<b>Mayor's Representative</b>	<b>Workgroup Chair, Non-Student Rental/Affordable Housing</b>
James R. Creque III	District 4 Representative	Rental Permits
Jeff Dixon	District 6 Representative	Rental Permits
Matt Dutt	Multifamily housing landlord	Rental Permits
Sgt. Greg D'Elia	Police Department, City of Newark	Rental Permits
<b>Adam Fahringer</b>	<b>Property Maintenance Inspector, City of Newark</b>	<b>Rental Permits, Chair</b>
Dorothy Fisher	Graduate Student Government, University of Delaware	University of Delaware Student Growth
Mike Fortner	City Planner, City of Newark	Non-Student Rental/Affordable Housing
Meghan George	Housing Manager, Newark Housing Authority	Non-Student Rental/Affordable Housing
Carla Grygiel	Executive Director, Newark Senior Center	Non-Student Rental/Affordable Housing
Pastor Blaine A. Hackett	Senior Pastor, St. John African Methodist Church in Newark	Non-Student Rental/Affordable Housing
Kevin Heitzenroder	Student housing developer	University of Delaware Student Growth
Kevin Hudson	District 1 Representative	
Tina Jackson	District 2 Representative	University of Delaware Student Growth
Vinny Jackson	Office of Conduct, University of Delaware	Rental Permits
<b>Michele Kane</b>	<b>Residence Life and Housing, University of Delaware</b>	<b>University of Delaware Student Growth, Chair</b>
Lt. Mike Maier	Police Department, University of Delaware	University of Delaware Student Growth
Kevin Mayhew	Landlord's Association	Rental Permits
Meghan Mullenix	Student Representative, University of Delaware	University of Delaware Student Growth
Justin Murray	Property Management inspector, City of Newark	Non-Student Rental/Affordable Housing
Stephanie Petersen	Code Enforcement Manager, City of Newark	Rental Permits
Tim Poole	Code Enforcement Officer, City of Newark	Rental Permits
Dr. Lonnie Rector	District 3 Representative	Non-Student Rental/Affordable Housing
Katie Rizzo	Office of the Dean of Students, University of Delaware	University of Delaware Student Growth
Ryan Straub	Property Maintenance Inspector, City of Newark	Non-Student Rental/Affordable Housing
<b>Dr. Freeman Williams</b>	<b>Newark NAACP</b>	<b>Non-Student Rental/Affordable Housing, Chair</b>

## Public Engagement

Throughout the course of developing recommendations, there were a variety of opportunities for interested citizens to interact with the Workgroup, be kept up to date on project status, and provide feedback and input. Public engagement opportunities included a public workshop, public comment period after each meeting, and a survey requesting feedback on specific recommendations. Additionally, a detailed webpage on the City of Newark's website contains information such as Workgroup rosters, meeting agendas, and meeting minutes, and a Workgroup email address existed where people could submit questions and comments.

### 1. Rental Housing Workgroup Public Workshop

A Newark Rental Housing Workgroup Public Forum was held on July 25, 2019 from 6:30 to 8:30 pm in Council Chambers. The purpose of this workshop was to give community members a chance to learn more about each Subcommittee and their progress, and to engage in informal, roundtable discussions to ask questions and provide input. An overview handout was made available to update the public on Workgroup background and progress (see Appendix B). Each subcommittee had several representatives on hand to answer any questions. The forum attracted approximately 20 interested community members.



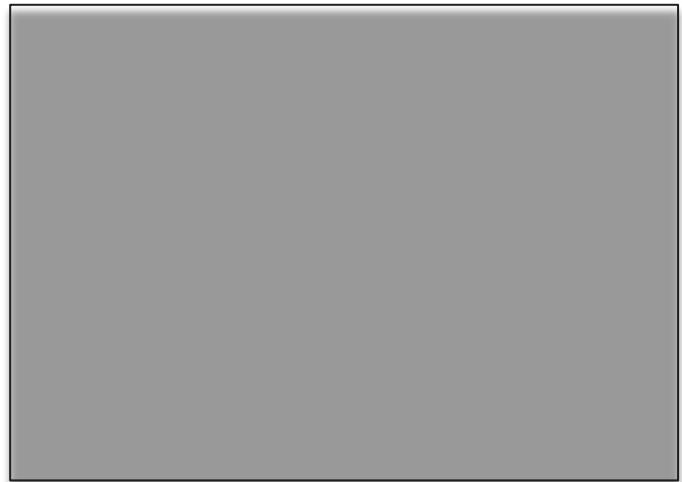
### 2. Public Comment Period

All meetings of the Newark Rental Housing Workgroup and the Subcommittees were open and advertised to the public through the City of Newark website. At the conclusion of each subcommittee and Workgroup meeting, there was a public comment period in which interested community members could ask questions, give feedback, and voice opinions concerning matters that were discussed over the course of the meeting. A Workgroup email address was also established and monitored for public questions and comments.

### 3. Public Survey

The purpose of the Rental Housing Survey was to solicit feedback and input from the community on the Workgroup's draft recommendations. It was open from September 15<sup>th</sup> to October 14, 2019 and received 378 responses. The Workgroup reviewed the feedback and incorporated it into the presentation of recommendations to the City Council.

The public survey was widely publicized in order to maximize responses. In addition to being promoted through workgroup members, email blasts, on social media, and the Newark Post, the survey was promoted at the 2019 Newark Community Day, held on Sunday, September 15, 2019 on the University of Delaware Green. At Community Day, paper copies of survey and tablets to take the survey were available, as well as info cards that provided community members with directions on how to take the survey at home. A copy of the distributed survey and survey results can be found in **Appendix A.**



## 3. Issues and Recommendations

### Tools for Implementation

Recommendations require different tools for implementation, including code modifications, administrative practices, communication efforts, and partnerships with different entities. Code modifications are amendments with changes or additions to the City Code and would require a legal review and City Council approval. Administrative practices are focused on improving efficiency and effectiveness of the City's management tools. These would not require a legal review, but may require adjustments in the City's operating budget, policies and procedures, and an approval by the City Council. Communication efforts are efforts to disseminate information to the general public, which can be done through media relations, social media, on the City's website, newsletters, and other communication channels. Finally, some recommendations will require partnerships with entities other than the City of Newark, such as the University of Delaware (UD), the Landlords Association, the Newark Senior Center, faith-based organizations, and for- and non-profit affordable housing developers. Through this Workgroup process, some partnerships have already begun. Together, these tools will be helpful in implementing the Workgroup recommendations and promoting and ensuring the creation of a diverse housing stock and upkeep of properties.

### Subcommittee Recommendations

The following Subcommittee Recommendations have been crafted through careful consideration and discussion of the Workgroup members. Each Recommendation describes an overarching issue with a recommended solution. Additionally, recommendations have been broken down by type: administrative, changes to the City Code or Comprehensive Plan, and those that do not require any action by the city of Newark. To facilitate movement and accountability, each recommendation also calls out the lead entity responsible for carrying out the recommendation with key partners that should be targeted in order to ensure success.

#### University of Delaware Student Growth Subcommittee



**1.1. Issue:** Students living off campus may be disobeying rules, may not maintain their properties well, or may be disruptive, disorderly, or incompatible to the surrounding community.

**Recommended Solution:** Institute a community relations campaign to help students living off campus to understand expectations and common courtesies as a community member in the City of Newark.

- a. City and UD to collaborate on publishing a “Good Neighbor Guide” available online and as a pamphlet that can be distributed through the UD Office of the Dean of Students, at Student Centers, by Landlords, in Libraries, and at the City’s Municipal office.
- b. The University’s Student Government Association can establish a “Neighborhood Ambassador” program to serve as a point person to help organize community events for students living off campus.
- c. UD’s Division of Student Life can periodically post social media messages with brief reminders about good neighborly behavior. For example: “It’s been 2 weeks since you moved in. If your landlord doesn’t maintain the grass, is it time to mow your lawn?”
- d. Include reference to educational materials discussed in Recommendation 2.1.

**Type of Recommendation:** Administrative

**Lead Responsibility:** University of Delaware

**Key Partners:** City of Newark – Communications

**1.2. Issue:** City Planners and developers are seeking better data to help better understand the market demand for student housing. Data is not readily available about where students live off campus. It is not known how many students live in the City of Newark versus outside the city limits, or how many students are enrolled.

**Recommended Solution:** UD to improve available data about student enrollment numbers and students living off campus.

- a. UD can issue a voluntary student survey to gain a better understanding of where students live and their housing choice preferences. This survey can provide better data to help refine future housing policies and outreach campaigns, and the data can be shared with the City of Newark and the public.

**Type of Recommendation:** Administrative

**Lead Responsibility:** University of Delaware

**Key Partners:** City of Newark – Planning and Zoning

**1.3. Issue:** It is difficult for students to find information about rental housing opportunities without a single source for housing availability, and students feel pressure to secure housing too early in the school year.

**Recommended Solution:** Improve the process to disseminate information about available rental housing opportunities with more concise, aggregated information for people seeking rental housing.

- a. UD will confirm contract obligations with “Places4Students.com” to clarify how much information UD is able to provide regarding other 3<sup>rd</sup> party advertising sites.
- b. The UD Classifieds and “Good Neighbor Guide” noted above may consider accepting advertisements by landlords, lawn care services, cleaning services, etc. to help provide information about available housing and maintenance services available to renters.
- c. The UD “Good Neighbor Guide” noted above can include information about the timeframe to find rental housing and note that it can happen later in the school year.

**Type of Recommendation:** No Action needed by City of Newark

**Lead Responsibility:** University of Delaware

**Key Partners:** Private sector rental referral services

**1.4. Issue:** Permanent residents can find it difficult to obtain information about the owner of rental properties and the status of code enforcement complaints.

**Recommended Solution:** Improve the ability for the general public to find out information regarding rental property ownership.

- a. Confirm with the City’s legal counsel if the City can lawfully share code enforcement information publicly online so that the public can check on status of code enforcement complaints.
- b. If legally allowable, provide information online about location of permitted rental properties and contact information for owners/permit holders on the City’s website. Consider presenting the information in a more user-friendly and searchable format such as spatially mapped similar to the zoning map already online.
- c. Code Enforcement may investigate improving current reporting system software/platform or procuring new to better document, report, and track rental permits, violations, leases, billing, related data, and information.

**Type of Recommendation:** Administrative

**Lead Responsibility:** City of Newark – City Solicitor, Code Enforcement, and Communications

## Rental Permits Subcommittee



**2.1. Issue:** There are concerns about the safety of rental properties that have not been inspected in a while/on a regular basis since interior inspections are often denied by tenants (often on the advice of the property owner/landlord.)

**Recommended Solution:** Improve the rental inspection program to include:

- a. A marketing and educational component about safety.
- b. Promote voluntary interior inspections and develop a “what to expect” document for explaining the inspection purpose and process.
- c. Provide a publicly available list of properties that have been interior-inspected. Initially, the information provided will be current status, and as data is collected over time, may show the property’s inspection record over a 5-year period.
- d. Confirm with the City’s legal counsel if the City can publicly share inspection records.

**Type of Recommendation:** Administrative

**Lead Responsibility:** City of Newark – City Solicitor, Code Enforcement, and Communications

**2.2. Issue:** The current Student Home Classification Ordinance is meant to limit the density of students within traditional, family-focused neighborhoods by restricting the number of tenants and proximity to other Student Homes. Exempted areas do not require a student Home classification and are typically neighborhoods with a high population of students. However, the Student Home Classification Ordinance has deterred but not completely prevented encroachment of Student Homes into non-exempt areas. The City is unable to enforce the Student Home Ordinance because inspectors are unable to confirm if tenants are students. When the ordinance was adopted, the City was able to obtain enrollment information from UD. However, UD is no longer able to provide this due to the Family Educational Rights and Privacy Act that protects the privacy of student education records. Furthermore, tenants may be students at other institutions or may be part-time students.

“Family” is currently defined in the City Code as “One or more related individuals customarily and permanently living together as a single housekeeping unit and using certain rooms and housekeeping facilities in common”. The terms “related”, “unrelated”, and “student” are currently not defined, which can further complicate the City’s ability to enforce this law.

**Recommended Solution:** City Solicitor will reassess the Student Home Classification Ordinance and consider revisions/updates to make it more effective within current legal parameters. Considerations may include:

- a. Change the word “student” to “unrelated persons”
- b. Clarify definition of related and unrelated persons in City code
- c. Exempt Zone Home Occupancy – increase occupancy on exempt streets based on what’s allowable specific to each home’s square footage and number of bedrooms

**Type of Recommendation:** Changes to City Code

**Lead Responsibility:** City of Newark – City Solicitor, Zoning, Code Enforcement, and Communications

**2.3. Issue:** Currently, property owners/landlords are only notified when their tenants are in violation of the City’s noise ordinance, and not when other issues occur.

**Recommended Solution:** Expand Property Maintenance Code section 404.8.3.D to include all civil violations from the Unruly Social Gathering Ordinance in addition to noise. These include:

- a. Underage drinking
- b. Publicly urinating
- c. Littering
- d. Standing on roofs
- e. Disorderly premises
- f. More than 150 people present without a permit
- g. Obstruction of public rights-of-way
- h. Public drunkenness
- i. Fights
- j. Criminal mischief
- k. Drug use
- l. Trespassing on neighboring property

**Type of Recommendation:** Changes to City Code

**Lead Responsibility:** City of Newark – City Solicitor and Code Enforcement.

**2.4. Issue:** There is no process in place to review and assess a property owner's/landlord's "performance" before issuing a new or renewing an existing rental permit.

**Recommended Solution:** Improve policy on enforcement of repeat offenders.

- a. Investigate feasibility/legal means of penalizing property owners for repeat code and criminal offenses
- b. Reassess current fee structure and consider escalating fines for repeat offenders and problem properties that require excessive enforcement
- c. Reject any annual rental permit renewal requests for properties that have outstanding late fees, liens with the City of Newark, or have not passed an annual inspection.

**Type of Recommendation:** Changes to City Code

**Lead Responsibility:** City of Newark – City Solicitor and Code Enforcement.

**2.5. Issue:** The current rental permit late fee is also five times the amount of most other City services/permit late fees.

**Recommended Solution:** Consider reducing rental permit late fees from 25% to around 5%, like other City permit late fees. ~~Recommendation to consider reducing rental permit late fees has been dropped. No change to current city code or administrative policies.~~

**2.6. Issue:** The City's permit invoicing and inspections program is currently managed by property and is inefficient to track invoicing, payments, and inspections for landlords who own multiple properties.

**Recommended Solution:** Consolidate bills and inspections for owners of more than 1 rental property

**Type of Recommendation:** Administrative

**Lead Responsibility:** City of Newark – Code Enforcement.

## Non-Student and Affordable Housing Subcommittee



**3.1. Issue:** There is limited availability of good-quality, affordable (below-market rate) rental housing within the City of Newark for rent-burdened families, and new development is typically not addressing the lack of affordable housing.

**Recommended Solution:** Amend zoning code to include an inclusionary zoning ordinance requiring new housing development to include affordable housing measures, especially for rental housing such as:

- a. Requiring new housing development to include a percentage of housing units as affordable housing, or
- b. Requiring new housing development pay a fee-in-lieu if affordable housing development is not provided. The fee could be collected by the City of Newark and used to fund affordable housing initiatives.
- c. Allow for density bonus if affordable units are included in new housing developments
- d. Incorporate deed restrictions to ensure that recipients of affordable housing units meet Newark Housing Authority low income requirements for eligibility.

**Type of Recommendation:** Changes to City Code

**Lead Responsibility:** City of Newark – City Solicitor, Zoning, Development Review, and Finance

**Key Partner:** Newark Housing Authority

**3.2. Issue:** There is limited availability of market-rate rental units for non-student renters within the City of Newark, and new development is typically not addressing the lack of non-student housing.

**Recommended Solution A:** Amend zoning codes to allow Accessory Dwelling Units (ADUs) at single-family, owner-occupied homes. The Workgroup recommends the following parameters for consideration:

- a. The property must be owner-occupied.
- b. Tenants should be non-transient and include a definition for transient and non-transient tenants within the City's Code.
- c. There should not be a requirement for family-member tenancy in the ADU.
- d. Limit the percent of housing square footage that can be considered an ADU rental unit and the number of ADUs per property.

- e. Limit advertising signage to ensure that the property maintains a residential character
- f. Limit the number of tenants in the ADU by square footage of the unit.
- g. Do not include additional parking requirements for the lot.
- h. Ensure all other setback and architectural design requirements for the residential zone remain applicable to the property order to maintain neighborhood character.
- i. Consider whether the ADU must be attached or if detached is acceptable.

**Recommended Solution B:** Amend zoning codes to allow Duplex or Semi-Detached housing in areas with single-family zoning. Incorporate architectural guidelines that ensure the building setbacks, parking, height, and mass are complimentary to the surrounding neighborhood.

**Type of Recommendation:** Changes to City Code

**Lead Responsibility:** City of Newark – City Solicitor, Planning and Zoning, and Development Review.

**3.3. Issue:** Many homes in traditionally owner-occupied neighborhoods have transitioned into rental homes affecting community cohesion.

**Recommended Solution:** Develop a program to support transitioning rental units into owner occupied homes through a housing purchase incentive program.

- a. Reinstate a program similar to the City's previous Promoting Owner-Occupancy of Homes (POOH) program. This program was suspended in 2017 and had provided zero-percent interest loans with no pre-determined payback period to people who want to buy rental properties in the city. Program was capped at \$250,000 per year, loans distributed on a first come, first serve basis.
- b. Consider renaming or rebranding the program when rolling out.
- c. Incentives may be in the form of reduced mortgage rates, tax abatement, waiving development/permit fees, and/or grants or low-interest loans for property renovations.
- d. Consider utilizing the proposed Inclusionary Zoning Ordinance fee-in-lieu revenues.
- e. Consider including a requirement to live in the home for a designated period of time.
- f. Redact any rental permit previously granted.

**Type of Recommendation:** Administrative

**Lead Responsibility:** City of Newark – Finance

**3.4. Issue:** The City of Newark has limited funding to implement new housing and affordable housing initiatives.

**Recommended Solution:** Identify additional federal, state, and private funding sources for affordable renter and home ownership programs.

- a. Partner with the Diamond State Community Land Trust, Habitat for Humanity, or other affordable housing developers to purchase and manage homes to renovate and sell to qualifying families. This can promote owner-occupancy of homes and prevent inventory from turning into rental stock.
- b. Identify vacant properties owned and maintained by the City for new affordable housing development opportunities.
- c. Consider utilizing a new revenue source from a potential inclusionary zoning ordinance with fee-in-lieu structure.

**Type of Recommendation:** Administrative

**Lead Responsibility:** City of Newark – Finance, Planning, and Development Review

**3.5. Issue:** Certain neighborhoods with good-quality rental housing opportunities have a negative stigma from the general public and are considered unsafe or undesirable to live.

**Recommended Solution:** Work with Civic Associations and Public Safety Officials to improve safety and increase neighborhood appeal for non-student renters.

- a. Collaborate with the Newark Partnership, [The Newark Police Athletic League](#) and active civic associations and home-owner associations to organize and promote community events. These events may include block parties, movie nights, organized community clean-up days, and other recreational activities that promote community involvement.
- b. Police presence should be increased in neighborhoods to promote a sense of safety.
- c. If no civic association represents a certain area, encourage neighborhoods and provide guidance to establish civic associations.
- d. Encourage forming new neighborhood watch groups.

**Type of Recommendation:** Administrative

**Lead Responsibility:** City of Newark – Police and Parks and Recreation

**Key Partners:** Newark Partnership, established civic associations, community leaders

**3.6. Issue:** Lack of student housing density within core downtown areas where most students prefer to live has increased demand for student rental housing within Newark's central neighborhoods that were traditionally owner-occupied communities. Downtown should be developed to attract both student and non-student residents and visitors.

**Recommended Solution:** Increase development density within the downtown core to allow more mixed-use, commercial, and housing development (including student and non-student housing and amenities) in areas within close proximity to the University. Implement the proposed zoning density increases within Newark's Focus Areas to allow more infill development of higher density development.

- a. Incorporate land use and density revisions in the City's Comprehensive Plan and Zoning ordinance within designated Focus Areas.
- b. Ensure the Focus Areas include housing diversity, commercial areas, and community amenities to promote economic growth and activity in summer months when there are typically fewer students in Newark.
- c. Utilize streetscape design standards promote transportation patterns in the downtown core to prioritize pedestrian, bicycle, and transit trips to help reduce traffic congestion and parking demand.

**Type of Recommendation:** Changes to City Code and Comprehensive Plan

**Lead Responsibility:** City of Newark – Planning

## Recommendation Feedback from the Public Survey

As previously mentioned above, a Rental Housing Survey was conducted to solicit feedback and input from the community on the Workgroup's draft recommendations. It was open from September 15<sup>th</sup> to October 14, 2019 and received 378 responses. Approximately 80% of survey respondents are residents of the City of Newark, and only 18% of respondents own rental property in the City. The majority of respondents were not students, with only 13% of survey takers attending the University of Delaware. District 1 had the largest turn out of respondents with 22%, followed by District 3 with 14% and District 2 with 11%. Additionally, 16% of respondents did not know what City of Newark Council District they reside.

### ***University of Delaware Student Growth Recommendation Summary***

Recommendations by the University of Delaware Student Growth Subcommittee were favored by the majority of survey respondents. 75% of survey respondents supported the

subcommittee recommendation of the institution of a community relations campaign to help students living off campus to understand expectations and common courtesies as a community member in the City of Newark. Those who disagreed or were unsure of an opinion cited reasons such as doubting the effectiveness of such a campaign in influencing student behavior and believed that these are items that the landlord should already be relaying to the tenant upon property rental. Approximately 70% of survey respondents agreed that the ability for the general public to find out information regarding rental property ownership should be improved. Additionally, 65% of respondents agreed that the University of Delaware should improve available data about student enrollment numbers and students living off campus via a voluntary student survey and that the process of disseminating information about available rental housing opportunities should be improved.

### ***Rental Permit Recommendation Summary***

Many of the recommendations by the Rental Permits Subcommittee had similar survey response trends to that of the University of Delaware Student Growth Subcommittee. 70% of respondents agreed with the improvement of the rental inspection program, while 75% agreed with the need to improve the policy on enforcement of repeat property owner/landlord offenders who violate code enforcement, etc. Additionally, 66% of respondents agree that Property Maintenance Code section 404.8.3.D should be expanded to include all civil violations from the Unruly Social Gathering Ordinance in addition to noise.

The Rental Permits Subcommittee also recommends changes to the Student Home Ordinance, in which the majority of respondent's support. 68% of participants agree that the 20-year-old Student Home Ordinance should be reassessed to determine its current effectiveness. Additionally, 65% of respondents agree that the word "student" should be replaced with "unrelated persons," since the definition of student in the ordinance is broad and cannot be confirmed by tenants or the University. However, only 48% of respondents agreed that the allowable occupancy in homes on exempt streets should be increased to be based on a home's square footage and number of bedrooms instead of the current system of "allowable number of unrelated individuals." 42% disagreed completely, while 10% did not have an opinion. Comment themes included many citing that exempt streets need to be reviewed altogether, the definition of a bedroom is unclear, and that there are many spillover effects, such as parking and increased garbage that must be considered.

When asked about bill and inspection consolidation for owners of more than 1 rental property, only 51% of respondents agreed. 26% disagreed, while 23% did not have an opinion. Many cited that this would be beneficial as long as it doesn't cost the City more time or money, while others said that it's up to the property owners to keep track of their properties. Survey respondents were also divided in regard to the idea of reducing the rental permit late fees from 25% to around 5%, like other City permit late fees. 41% agreed to the change, while 45% saw it

unnecessary. 14% of respondents did not have an opinion. Many questioned what these funds are used for or agreed to reduce, but not as drastically. Others also commented that there was no reason to reduce, and that it needs to remain high in order to keep landlords on task with inspections and renewing rental permits.

### ***Non-Student and Affordable Housing Recommendation Summary***

Similar response trends were observed regarding the recommendations of the Non-Student and Affordable Housing Subcommittee. Recommendations focused on improving safety and neighborhood appeal for non-student renters (63%), identifying additional federal, state, and private funding sources for affordable renter and home ownership programs (67%), and developing a program to support transitioning rental units into owner occupied homes through an incentive program (63%) were all met with majority support.

A few of the Non-Student and Affordable Housing Subcommittee recommendations were much closer in terms of public support. For example, the recommendation to amend the zoning code to include an inclusionary zoning ordinance requiring new housing development to include some affordable housing measure for rental housing was met with a 40% support and 42% opposition. 18% of respondents did not have an opinion on the matter. Common comment themes supported the need for affordable housing in Newark, but also questioned whether this would just make housing cheaper for college students. Likewise, the recommendation to amend the zoning code to allow duplex or semi-detached housing in areas with single-family zoning was met with mixed support. 46% of participants were not in favor of this change, while 43% supported and 11% had no opinion. Many comments cited the fear that this undermines the point of zoning, but others agreed that this would provide expanded housing opportunities and allow for affordable housing.

Additionally, amending the zoning code to allow Accessory Dwelling Units at single family, owner-occupied homes was met with 47% support and 35% opposition. The recommendation to increase development density within the downtown core to allow more mixed-use, commercials, and housing development in areas within close proximity to the University had 45% support and 42% opposition.

## 4. Prioritization

Prioritization of recommendations is key in developing an action plan that ultimately leads to recommendation implementation. Many elements were considered in prioritizing these recommendations, including:

- Recommendation Type
- Lead Responsibility
- Key Partners
- Public Survey Result
- Level of Difficulty
- Magnitude of Impact

Recommendations that were deemed to have a high magnitude of impact with a low level of difficulty are ranked as high priorities – ideally, implementation of these items will be of quick reward with easy effort. Those recommendations that are deemed to have a high magnitude of impact but require medium to high levels of difficulty have been addressed as medium to low rankings overall. These action items will more than likely take a longer time to implement and therefore the reward will not be as evident as quickly. The complete prioritization matrix can be found on the following pages.

	Number	Issue	Recommendation	Subcommittee Goal	Rec. Type	Public Survey Result	Level of Difficulty	Magnitude of Impact	Suggested Priority Ranking
<b>University of Delaware Student Growth</b>	1.1	Students living off campus may be disobeying rules, may not maintain their properties well, or may be disruptive, disorderly, or incompatible to the surrounding community.	Institute a community relations campaign to help students living off campus to understand expectations and common courtesies as a community member in the City of Newark. a. City and UD to collaborate on publishing a "Good Neighbor Guide" available online and as a pamphlet that can be distributed through the UD Office of the Dean of Students, at Student Centers, by Landlords, in Libraries, and at the City's Municipal office. b. The University's Student Government Association can establish a "Neighborhood Ambassador" program to serve as a point person to help organize community events for students living off campus. c. UD's Division of Student Life can periodically post social media messages with brief reminders about good neighborly behavior. For example: "It's been 2 weeks since you moved in. If your landlord doesn't maintain the grass, is it time to mow your lawn?" d. Include reference to educational materials discussed in Recommendation 2.1.	Develop community relations campaign in partnership with City of Newark and University of Delaware (UD)	Administrative	Positive	N/A	Low	<span style="color:red;">N/A</span> <u>C Medium</u>
	1.2	City Planners and developers are seeking better data to help better understand the market demand for student housing. Data is not readily available about where students live off campus. It is not known how many students live in the City of Newark versus outside the city limits, or how many students are enrolled.	UD to improve available data about student enrollment numbers and students living off campus. a. UD can issue a voluntary student survey to gain a better understanding of where students live and their housing choice preferences. This survey can provide better data to help refine future housing policies and outreach campaigns, and the data can be shared with the City of Newark and the public.	Gain a better understanding of UD current student population and expected population and campus growth	Administrative	Positive	N/A	Low	<span style="color:red;">N/A</span> <u>H High</u>
	1.3	It is difficult for students to find information about rental housing opportunities without a single source for housing availability, and students feel pressure to secure housing too early in the school year.	Improve the process to disseminate information about available rental housing opportunities with more concise, aggregated information for people seeking rental housing. a. UD will confirm contract obligations with "Places4Students.com" to clarify how much information UD is able to provide regarding other 3rd party advertising sites. b. The UD Classifieds and "Good Neighbor Guide" noted above may consider accepting advertisements by landlords, lawn care services, cleaning services, etc. to help provide information about available housing and maintenance services available to students.c. The UD "Good Neighbor Guide" noted above can include information about the timeframe to find rental housing and note that it can happen later in the school year.	Gain a better understanding of what rental properties are available and what development projects are in the pipeline	Administrative	Positive	N/A	Low	N/A

	Number	Issue	Recommendation	Subcommittee Goal	Rec. Type	Public Survey Result	Level of Difficulty	Magnitude of Impact	Suggested Priority Ranking
Rental Permits	1.4	Permanent residents can find it difficult to obtain information about the owner of rental properties and the status of code enforcement complaints.	<p>Improve the ability for the general public to find out information regarding rental property ownership.</p> <ul style="list-style-type: none"> <li>a. Confirm with the City's legal counsel if the City can lawfully share code enforcement information publicly online so that the public can check on status of code enforcement complaints.</li> <li>b. If legally allowable, provide information online about location of permitted rental properties and contact information for owners/permit holders on the City's website. Consider presenting the information in a more user-friendly and searchable format such as spatially mapped similar to the zoning map already online.</li> <li>c. Code Enforcement may investigate improving current reporting system software/platform or procuring new to better document, report, and track rental permits, violations, leases, billing, related data, and information.</li> </ul>	Gain a better understanding of what rental properties are available and what development projects are in the pipeline	Administrative	Positive	Medium	Medium	Medium
	2.1	There are concerns about the safety of rental properties that have not been inspected in a while/on a regular basis since interior inspections are often denied by tenants (often on the advice of the property owner/landlord.)	<p>Improve the rental inspection program to include:</p> <ul style="list-style-type: none"> <li>a. A marketing and educational component about safety.</li> <li>b. Promote voluntary interior inspections and develop a "what to expect" document for explaining the inspection purpose and process.</li> <li>c. Provide a publicly available list of properties that have been interior-inspected. Initially, the information provided will be current status, and as data is collected over time, may show the property's inspection record over a 5-year period.</li> <li>d. Confirm with the City's legal counsel if the City can publicly share inspection records.</li> </ul>	Make rental properties safe for all tenants by ensuring interior inspections take place on a regular basis	Administrative	Positive	Medium	Medium	Medium
	2.2	The current Student Home Classification Ordinance is meant to limit the density of students within traditional, family-focused neighborhoods by restricting the number of tenants and proximity to other Student Homes. Exempted areas do not require a student Home classification and are typically neighborhoods with a high population of students. However, the Student Home Classification Ordinance has deterred but not completely prevented encroachment of Student Homes into non-exempt areas. The City is unable to enforce the Student Home Ordinance because inspectors are unable to confirm if tenants are students. When the ordinance was adopted, the City was able to obtain enrollment information from UD. However, UD is no longer able to provide this due to the Family Educational Rights and Privacy Act that protects the privacy of student education records. Furthermore, tenants may be students at other institutions or may be part-time students.	<p>City Solicitor will reassess the Student Home Classification Ordinance and consider revisions/updates to make it more effective within current legal parameters. Considerations may include:</p> <ul style="list-style-type: none"> <li>a. Change the word "student" to "unrelated persons"</li> <li>b. Clarify definition of related and unrelated persons in City code</li> <li>c. Exempt Zone Home Occupancy - increase occupancy on exempt streets based on what's allowable specific to each home's square footage and number of bedrooms</li> </ul>	Explore the effectiveness of and potential revisions to the Student Home ordinance to facilitate enforcement	Changes to City Code	Positive Overall, Split regarding 2.2.b, and contentious within the Workgroup	High	High	Medium

	Number	Issue	Recommendation	Subcommittee Goal	Rec. Type	Public Survey Result	Level of Difficulty	Magnitude of Impact	Suggested Priority Ranking
	2.3	Currently, property owners/landlords are only notified when their tenants are in violation of the City's noise ordinance, and not when other issues occur.	Expand Property Maintenance Code section 404.8.3.D to include all civil violations from the Unruly Social Gathering Ordinance in addition to noise.	Look into revisions or incentives that allow for better enforcement or provide benefits that encourage compliance before enforcement is necessary. Revisit fine/fee structure, timing, etc.	Changes to City Code	Positive	Medium	High	High
	2.4	There is no process in place to review and assess a property owner's/landlord's "performance" before issuing a new or renewing an existing rental permit.	Improve policy on enforcement of repeat offenders. Improve policy on enforcement of repeat offenders. a. Investigate feasibility/legal means of penalizing property owners for repeat code and criminal offenses b. Reassess current fee structure and consider escalating fines for repeat offenders and problem properties that require excessive enforcement c. Reject any annual rental permit renewal requests for properties that have outstanding late fees, liens with the City of Newark, or have not passed an annual inspection.	Look into revisions or incentives that allow for better enforcement or provide benefits that encourage compliance before enforcement is necessary. Revisit fine/fee structure, timing, etc.	Changes to City Code	Positive	Medium	High	High
	2.5	The current rental permit late fee is also 5 times the amount of most other City services/permit late fees.	<u>Recommendation to reassess rental permit late fees has been dropped. No changes to current code or administrative policies. Consider reducing rental permit late fees from 25% to around 5% similar to other permit late fees</u>	N/A	N/A	N/A	N/A	N/A	N/A
	2.6	The City's permit invoicing and inspections program is currently managed by property and is inefficient to track invoicing, payments, and inspections for landlords who own multiple properties.	Consolidate bills and inspections for owners of more than 1 rental property	Look into revisions or incentives that allow for better enforcement or provide benefits that encourage compliance before enforcement is necessary. Revisit fine/fee structure, timing, etc.	Changes to City Code	Split / Neutral	Medium	Low	Low

	Number	Issue	Recommendation	Subcommittee Goal	Rec. Type	Public Survey Result	Level of Difficulty	Magnitude of Impact	Suggested Priority Ranking
Affordable and Non-Rental Housing	3.1	There is limited availability of good-quality, affordable (below-market rate) rental housing within the City of Newark for rent-burdened families, and new development is typically not addressing the lack of affordable housing.	<p>Amend zoning code to include an inclusionary zoning ordinance requiring new housing development to include affordable housing measures ----especially for rental housing-- such as:</p> <ul style="list-style-type: none"> <li>a. Requiring new housing development to include a percentage of housing units as affordable housing, or</li> <li>b. Requiring new housing development pay a fee-in-lieu if affordable housing development is not provided. The fee could be collected by the City of Newark and used to fund affordable housing initiatives.</li> <li>c. Allow for density bonus if affordable units are included in new housing developments</li> <li>d. Incorporate deed restrictions to ensure that recipients of affordable housing units meet Newark Housing Authority low income requirements for eligibility.</li> </ul>	Identify opportunities to collect revenue and incentivize diverse and affordable housing options	Changes to City Code	Negative, but close split (42% Don't Support, 40% Do)	High	High	Medium
	3.2.A.	There is limited availability of market-rate rental units for non-student renters within the City of Newark, and new development is typically not addressing the lack of non-student housing.	<p>Amend zoning codes to allow Accessory Dwelling Units (ADUs) at single-family, owner-occupied homes. The Workgroup recommends the following parameters for consideration:</p> <ul style="list-style-type: none"> <li>a. The property must be owner-occupied.</li> <li>b. Tenants should be non-transient, and include a definition for transient and non-transient tenants within the City's Code.</li> <li>c. There should not be a requirement for family-member tenancy in the ADU.</li> <li>d. Limit the percent of housing square footage that can be considered an ADU rental unit and the number of ADUs per property.</li> <li>e. Limit advertising signage to ensure that the property maintains a residential character</li> <li>f. Limit the number of tenants in the ADU by square footage of the unit.</li> <li>g. Do not include additional parking requirements for the lot.</li> <li>h. Ensure all other setback and architectural design requirements for the residential zone remain applicable to the property order to maintain neighborhood character.</li> <li>i. Consider whether the ADU must be attached or if detached is acceptable.</li> </ul>	Identify opportunities to collect revenue and incentivize diverse and affordable housing options	Changes to City Code	Positive	Medium	Medium	Medium
	3.2.B.		Amend zoning codes to allow Duplex or Semi-Detached housing in areas with single-family zoning. Incorporate architectural guidelines that ensure the building setbacks, parking, height, and mass are complimentary to the surrounding neighborhood.				Split	Medium	Medium

	Number	Issue	Recommendation	Subcommittee Goal	Rec. Type	Public Survey Result	Level of Difficulty	Magnitude of Impact	Suggested Priority Ranking
	3.3	Many homes in traditionally owner-occupied neighborhoods have transitioned into rental homes affecting community cohesion.	<p>Develop a program to support transitioning rental units into owner occupied homes through a housing purchase incentive program.</p> <p>a. Reinstate a program similar to the City's previous Promoting Owner-Occupancy of Homes (POOH) program. This program was suspended in 2017 and had provided zero-percent interest loans with no pre-determined payback period to people who want to buy rental properties in the city. Program was capped at \$250,000 per year, loans distributed on a first come, first serve basis.</p> <p>b. Consider renaming or rebranding the program when rolling out.</p> <p>c. Incentives may be in the form of reduced mortgage rates, tax abatement, waiving development/permit fees, and/or grants or low-interest loans for property renovations.</p> <p>d. Consider utilizing the proposed Inclusionary Zoning Ordinance fee-in-lieu revenues.</p> <p>e. Consider including a requirement to live in the home for a designated period of time.</p> <p>f. Redact any rental permit previously granted.</p>	Identify opportunities to increase home ownership with rent to own programs and conversion of rental units to owner-occupied homes	Administrative	Positive	High	Medium	Medium
	3.4	The City of Newark has limited funding to implement new housing and affordable housing initiatives.	<p>Identify additional federal, state, and private funding sources for affordable renter and home ownership programs.</p> <p>a. Partner with the Diamond State Community Land Trust, Habitat for Humanity, or other affordable housing developers to purchase and manage homes to renovate and sell to qualifying families. This can promote owner-occupancy of homes and prevent inventory from turning into rental stock.</p> <p>b. Identify vacant properties owned and maintained by the City for new affordable housing development opportunities.</p> <p>c. Consider utilizing a new revenue source from a potential inclusionary zoning ordinance with fee-in-lieu structure.</p>	Identify opportunities to collect revenue and incentivize diverse and affordable housing options	Administrative	Positive	High	High	Medium
	3.5	Certain neighborhoods with good-quality rental housing opportunities have a negative stigma from the general public and are considered unsafe or undesirable to live.	<p>Work with Civic Associations and Public Safety Officials to improve safety and increase neighborhood appeal for non-student renters.</p> <p>a. Collaborate with the Newark Partnership and active civic associations and home-owner associations to organize and promote community. These events may include block parties, movie nights, organized community clean-up days, and other recreational activities that promote community involvement.</p> <p>b. Police presence should be increased neighborhoods to promote a sense of safety.</p> <p>c. If no civic association represents a certain area, encourage neighborhoods and provide guidance to establish civic associations.</p> <p>d. Encourage forming new neighborhood watch groups.</p>	Identify areas to improve safety and increase neighborhood appeal for non-student renters	Administrative	Positive	Low	High	High

	Number	Issue	Recommendation	Subcommittee Goal	Rec. Type	Public Survey Result	Level of Difficulty	Magnitude of Impact	Suggested Priority Ranking
	3.6	Lack of student housing density within core downtown areas where most students prefer to live has increased demand for student rental housing within Newark's central neighborhoods that were traditionally owner-occupied communities. Downtown should be developed to attract both student and non-student residents and visitors.	Increase development density within the downtown core to allow more mixed-use, commercial, and housing development (including student and non-student housing and amenities) in areas within close proximity to the University. Implement the proposed zoning density increases within Newark's Focus Areas to allow more infill development of higher density development. Increase development density within the downtown core to allow more mixed-use, commercial, and housing development (including student and non-student housing and amenities) in areas within close proximity to the University. Implement the proposed zoning density increases within Newark's Focus Areas to allow more infill development of higher density development. a. Incorporate land use and density revisions in the City's Comprehensive Plan and Zoning ordinance within designated Focus Areas.b. Ensure the Focus Areas include housing diversity, commercial areas, and community amenities to promote economic growth and activity in summer months when there are typically fewer students in Newark.c. Utilize streetscape design standards promote transportation patterns in the downtown core to prioritize pedestrian, bicycle, and transit trips to help reduce traffic congestion and parking demand.	Identify locations to increase development density and support diverse rental housing development	Changes to City Code and Comprehensive Plan	Positive, but close split (45% Support, 42% Do Not)	High	High	Low - await to implement during the next update of the City's Comprehensive Plan

## 5. Best Practices Analysis

Integral to the success of the Workgroup was ensuring that all members understood current and past Newark housing programs, as well as had familiarity with best practices from other jurisdictions around topics such as rental permits, inspections, student behavior, etc. Each subcommittee reviewed best practices to help formulate ideas on how programs could be shaped in a way to benefit the City of Newark. The following is a summary of current programs in Newark and other best practices presented to the Workgroup for consideration. A summary of best practices from other jurisdictions can be found in **Appendix C**.

### City of Newark Programs

#### 1. Newark Housing Authority (NHA)

The mission of the Newark Housing Authority (NHA) is to provide safe, decent, and sanitary housing for very low- to moderate-income families, the elderly, and persons with disabilities. The NHA manages resources efficiently, consistent with the highest ethical standards and free from discrimination. In doing so, the NHA seeks to empower residents and clients to reach self-sufficiency and make the transition to non-subsidized housing.<sup>3</sup>

At this time, the NHA housing portfolio includes 36- senior 1 bedroom units, 18-scattered sites ranging from 2-4 bedrooms, 56- affordable units at the Alder Creek development ranging from 1 to 4 bedroom units, and 209 vouchers.<sup>4</sup> However, only 88 vouchers are being utilized due to the high rental costs in Newark, resulting in 121 unused vouchers.<sup>5</sup>



#### NHA Programs At A Glance

**Housing Choice Voucher Program:** eligible families are given the opportunity to rent from a private landlord. The participant's rental amount is calculated based on anticipated gross household income; the family pays up to 40% of their household income as rent and is responsible for a Security Deposit.

**Public Housing Program:** provides decent and safe rental housing for eligible low- to moderate-income families, the elderly, and persons with disabilities.

<sup>3</sup> Our Mission - Newark Housing Authority (2017) <https://newarkhousingauthority.net/about/our-mission/>

<sup>4</sup> Programs & Properties - Newark Housing Authority (2017) <https://newarkhousingauthority.net/programs-properties/>

<sup>5</sup> Ibid.



**Affordable Housing at Victoria Mews in Newark.** Source: *Fairville Management Company*

In addition to the affordable housing units offered by NHA at Alder Creek, there are a variety of other affordable housing options in Newark. These include 104 units at Victoria Mews, 150 units at Main Towers, and Section 8 units at Marrows Courts for Seniors.

NHA operates a waiting list for its programs. At this time, there are 579 Seniors (62+ years of age) and 445 families on the Low-Income Public Housing waitlist, and an additional 638 families on the Section 8 Voucher Program waitlist.<sup>6</sup>

Each NHA program shares a set of eligibility guidelines determined by a specific set of factors. Applicants must be considered a family per the standards established by the United States Department of Housing and Urban Development (HUD) and NHA, fall into HUD-specified eligible income limit brackets for their family size, be U.S. citizens or eligible immigrants, and meet the NHA's and HUD's standards for acceptable current or past behavior in all family members as some of the eligibility requirements. Eligible applicants are placed in suitable housing or on a waiting list under each program after successful completion of the application.



**Affordable Housing at Main Towers in Newark.** Source: *apartments.com*



**Affordable Housing for Seniors at Marrows Court.** Source: *apartments.com*

<sup>6</sup> Newark Housing Authority

## Student Eligibility and the NHA Section 8 Voucher Program

NHA's policy on student eligibility under the Section 8 voucher program is modeled after restrictions determined by HUD's Section 327 of Public Law 109-115 and implementing regulation at 24 CFR 5.612.

Per 24 CFR 5.612, *If a student enrolled at an institution of higher education is under the age of 24, is not a veteran, is not married, does not have a dependent child, and is not a person with disabilities receiving Housing Choice Voucher (HCV) assistance as of November 30, 2005, the student's eligibility must be examined along with the income eligibility of the student's parents.*<sup>7</sup>

NHA uses definitions established by [FR 4/10/06, p. 18148], section 102 of the Higher Education Act of 1965, section 3(b)(3)€ of the 1937 Act, and specific NHA policy definitions to determine what constitutes elements such as *dependent child, independent student, institution of higher education, parents, person with disabilities, and veteran*. These definitions inform decisions regarding determining student eligibility and parental income eligibility.

In order to determine student eligibility, NHA must determine whether the student is subject to the eligibility requirements contained in 24 CFR 5.612. If the student is subject to those restrictions, NHA must then ensure that *(1) the student is individually eligible for the program, (2) either the student is independent from his/her parents or the student's parents are income eligible for the program, and (3) the "family" with which the student is applying is collectively eligible for the program.*<sup>8</sup>

If a student who is subject to the 5.612 restrictions but did not satisfy the definition of *independent*, NHA will then determine the income eligibility of the student's parents by obtaining income declarations and certifications of income from the parent(s).<sup>9</sup>

## 2. Community Development Block Grants

Administered by HUD, the Federal Housing and Community Development Act of 1974, as amended, created a new Community Development funding program. As part of an "Urban County," the City of Newark receives Community Development Block Grant (CDBG) funds

<sup>7</sup> Section 327, Public Law 109-115 / CFR 5.612

<sup>8</sup> 3-II.E. Students Enrolled in Institutions of Higher Education [24 CFR 5.612, FR Notice 4/10/06]

<sup>9</sup> NHA Policy Re: 3-II.E. Students Enrolled in Institutions of Higher Education [24 CFR 5.612, FR Notice 4/10/06]



annually through New Castle County by an entitlement formula based on population. Under this program, the City of Newark must submit a yearly application to HUD through New Castle County for Community Development Program activities.

The objective of this program is “the development of viable urban communities by providing decent housing in a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income.”<sup>10</sup> In order to qualify for community development funding, all projects and activities must principally benefit low and moderate persons (80% of Area Median Income), aid in the prevention or elimination of slums and blight, and meet other Community Development needs having particular urgency, such as floods or disasters.<sup>11</sup> Examples of eligible activities include public facilities and improvements, economic development, economic opportunities for low and very low income persons, and public services.

The City of Newark has used CDBG funds to operate the Newark Senior Center’s Senior Home Repair Program, which provides free minor home repairs to income eligible senior citizens who are homeowners in the city. Likewise, Newark has established the Home Improvement Loan Program, in which local homeowners, who meet CDBG income requirements, are given loans to help preserve and rehabilitate their homes. Additionally, CDBG funds work with the Newark Façade Improvement Program which was established to help local small businesses to preserve and rehabilitate the exteriors of commercial properties, to preserve the economic vitality of needed commercial services, and improve the appearance of the downtown business district.

## Current City of Newark Programs & Ordinances

### 1. Unruly Social Gathering Ordinance

Bill 19-05, also known as the “Unruly Social Gathering Ordinance,” was passed by Newark City Council on March 11, 2019. The bill aims to reduce incidences of partying in Newark by creating a civil ordinance in which groups of people drinking underage, publicly urinating, littering, standing on roofs without a permit or committing any other criminal act that “threatens the health, safety, and quiet order of the city,”<sup>12</sup> can be charged with a civil violation for an “unruly social gathering.” Under this new ordinance, it is a civil violation for any person or organization to allow, host, or permit an unruly social gathering, which is defined as any gathering of four or more people where three or more public nuisance behaviors are occurring. Penalties for

<sup>10</sup> Federal Housing and Community Development Act of 1974, as amended

<sup>11</sup> CDBG Program – City of Newark <https://newarkde.gov/327/CDBG-Program>

<sup>12</sup> Ordinance No. 19 – City of Newark <https://newarkde.gov/DocumentCenter/View/11863/9D>

offenses are monetary and include hours of community service, depending on whether it is the first, second, third offense, etc.

The ordinance was created in response to “super-parties” and the large crowds and noise that comes with them. The minimum of four or more people was selected as it mimics a similar law of the same purpose in Baltimore County, Maryland and due to the fact that the City of Newark defines a riot as having three or more people.

## **2. Noise Ordinance**

The city of Newark has recently updated its noise ordinance to cap the sound limit at 42 decibels between the hours of 1 a.m. and 5 a.m. Current noise ordinance regulations allows for a maximum of 57 decibels between 7 a.m. and 9 p.m., and a cap of 50 decibels between 9 p.m. to 1 a.m. As it is a criminal charge, penalties for breaking the noise ordinance include monetary fines and potential jail time, depending on the number of offenses that have been earned. The noise ordinance is born from the City of Newark’s finding that excessive levels of sound are detrimental to the physical, mental, and social well-being of the citizens of the City of Newark as well as to their comfort, living conditions, general welfare, and safety.<sup>13</sup>

## **Past City of Newark Programs**

### **1. Promoting Owner-Occupancy of Homes (POOH)**

Created in 2005, the Promoting Owner-Occupancy of Homes (POOH) program provided zero-percent interest loans with no pre-determined payback period to people who wanted to buy rental properties in the city, therefore encouraging the owner-occupancy of homes. The POOH program was capped at \$250,000 per year, with loans being distributed on a first-come, first serve basis. However, the program was suspended in May 2017. While many loans had been given out under the program, few had been repaid.

## **Other Delaware Programs and Best Practices**

### **1. Wilmington’s Public Nuisance Property Program**

The City of Wilmington’s public nuisance properties program took effect on September 1, 2009. Legislation passed by City Council on July 9, 2009 established a point system to provide for a better accounting of nuisance calls, creating a standard that offers a fair and equitable system

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<sup>13</sup> Chapter 20A: Noise – Municode, Newark, Delaware

[https://library.municode.com/de/newark/codes/code\\_of\\_ordinances?nodeId=CH20ANO](https://library.municode.com/de/newark/codes/code_of_ordinances?nodeId=CH20ANO)



for dealing with properties that denigrate the city's neighborhoods. The program is aimed at creating accountability for those who live or own properties where violations occur.

Types of properties that the ordinance applies to include residential properties (rental or owner-occupied), licensed commercial business establishments, and other establishments (public or private) that are not subject to local licensing provisions. The following are individuals that may be held liable for maintaining or conducting a public nuisance: property owners, occupants, lessors, lessees, licensees, agents in charge of or in possession of the property, and any person having interest in the property.

Under the program, points are assessed each time the City or police takes enforcement action against a property in the City and can be done with or without a conviction or an arrest. The number of points assessed depends on the severity of the incident. For example, a sanitation violation is only assigned one point, while an offense involving a weapon is assigned eight points. If multiple violations of the law occur during one incident, only the highest point value of a single violation will be assessed.

When a property accrues twelve or more points within a six-month period, or eighteen or more points within a twelve-month period, the property is deemed a "public nuisance" and subject to the abatement provisions of the ordinance.

Upon becoming a "public nuisance," the Commissioner of Licenses & Inspections is authorized to temporarily close the property; suspend or revoke any operating license or permit issued by the City relating to business or trade for up to six months; issue a criminal summons, or any combination of actions. A fine of up to \$1,000 for the first offense, up to \$2,500 for the second offense, and up to \$5,000 for the third and subsequent offenses are penalties for failure to comply with any order issued by the Commissioner.<sup>14</sup>

Nuisance property owners have the right to appeal an order of closure, suspension, or revocation by filing a written applicant for the Licenses & Inspections Review Board within 10 business days. The Review Board is made up of five City of Wilmington residents who volunteer



**Example of a Public Nuisance Property in Wilmington, Delaware.** Source: [delawareonline.com](http://delawareonline.com)

<sup>14</sup> *Public Nuisance Properties – City of Wilmington* <https://www.wilmingtonde.gov/government/city-departments/department-of-licenses-and-inspections/public-nuisance-properties>

to serve as board members.<sup>15</sup> This appeal acts as a stay of an order until a decision has been rendered by the Review Board.

## 2. Sussex County Inclusionary Housing Programs

### Sussex County Moderately-Priced Housing Unit (MPHU) Program

The Sussex County Council adopted the MPHU Program in January 2006 in order to combat the growing housing affordability crisis in the area. The goals of the program are to:

- Facilitate construction of moderately priced housing for people who live and work in Sussex County.
- Provide incentives for developers to construct moderately priced housing voluntarily.
- Promote an efficient and consistent regulatory environment.<sup>16</sup>

There are particular program parameters that exist with MPHU Program. Development thresholds include the requirement of at least 35 owner-occupied units that must be located in growth areas as defined by the Sussex County Comprehensive Plan, or land designated in a town's comprehensive plan as lying with the town's growth and future annexation area. Additionally, 15% of units must be affordable to households at 50-125% of HUD's area median income. Incentives for developers include a 20-30% density bonus that is income targeted, with expedited review and full utilization of zoning designated.

**Application Process:** To be an eligible homebuyer, the applicant must be the primary occupant in this primary residence. Applicant must also have lived and worked in Sussex County for at least one year. In order to apply, interested applicants must attend an MPHU orientation session that is offered by the County Department of Community Development & Housing. Following the orientation session, applicants must receive at least 8 hours of pre-purchased homeownership counseling and be granted a certificate of completion. Once obtained, an application can be submitted, along with documentation of income, employment, and residency.

**Approval Process:** Applicants will be notified within 30 days of the Department's receipt of the application. If eligible, the applicant will receive a Certificate of Eligibility, with a one-year expiration date.

**Buying Process:** Eligible buyers will be notified of available MPHU homes via email, mail, notices on the program website, and notices in the local newspaper. To submit for a

<sup>15</sup> Summary of Substitute 1 to Ordinance No. 09-007, Public Nuisance – City of Wilmington  
<https://www.wilmingtonde.gov/home/showdocument?id=122>

<sup>16</sup> Summary- Sussex County's Moderately Priced Housing Unit Program: Sussex County, DE  
<https://sussexcountyde.gov/sites/default/files/PDFs/MPHU%20Summary%204.23.13.pdf>

unit, interested buyers must complete and return a Lottery Entry Form by the date indicated on the notice and include documentation of evidence of mortgage pre-approval for an amount sufficient to purchase the home under consideration, certificate of completion from a certified homeownership education program, and documentation of current income, employment, and residency.

The Department will then hold a lottery of eligible buyers per home and will notify applicants whether or not their name has been drawn. The potential buyer must respond to the sales offering from the builder within a specified timeframe and then fulfill all legal requirements to complete the sale.

### **Sussex County Rental Program**

The Sussex County Council approved the Sussex County Rental Program (SCRP) in December 2008. This program was created in response to the significant lack of affordable rental housing in the County with the goal of stimulating the provision of affordable rental housing for residents with low and moderate incomes. Since new development is not adequately addressing the rental housing needs of the low- and moderate-income residents and workforce, the program provides density bonuses and expedited review for developers who agree to make 12.5% of units in a rental housing project affordable. However, the program has had a very low success rate over the last decade. In 2016, the County amended the program to set fixed rental rates based on bedroom size, using 50% of the area median income.<sup>17</sup>

## **3. New Castle County Programs**

### **Workforce Housing Program**

The Workforce Housing Program in New Castle County is an initiative designed to provide an opportunity for middle income households to purchase or rent affordable new construction units in the county. It is important to note that this initiative does not use federal, state, or county funding to accomplish the goal of affordable housing for county residents.

To participate in the program, the household must meet income requirements based on size. Housing counseling must also be completed in order to participate in the program. The price to rent or a purchase a unit is based on Area Median Income as well as other housing costs.

To help ensure continued affordability during the term of the program, there are deed restrictions and a buyer's agreement that impose restrictions on the home. Some of these restrictions limit refinancing and the use of the home to owner occupancy only during the

<sup>17</sup> Ordinance NO. 2474 (2016) – Sussex County, Delaware

[https://sussexcountyde.gov/sites/default/files/ordinances/Rental.Program.Ordinance.Final\\_110116.pdf](https://sussexcountyde.gov/sites/default/files/ordinances/Rental.Program.Ordinance.Final_110116.pdf)

affordability period, limit future sale prices of the home during the affordability period to income eligible, qualified buyers, and also authorize annual monitoring for compliance to these restrictions. In return, the builder offers additional incentives for participating in the program.<sup>18</sup>

### Housing Choice Voucher (HCV) Program

The Newark County Housing Choice Voucher Program is the federal government's major program for assisting very low-income families, the elderly, and the disabled in affording decent, safe, and sanitary housing in the private market. Individuals are able to find their own housing (single-family homes, townhouses, or apartments) since housing assistance is provided on behalf of the family or individual.<sup>19</sup>

The housing choice vouchers are administrated locally by the New Castle County Housing Authority and are federally funded by HUD. This program helps to house over 1,700 families throughout New Castle County, except within the city limits of Wilmington and Newark because they have their own public housing authorities.

## 4. Diamond State Community Land Trust

The Diamond State Community Land Trust is the nation's first statewide community land trust, whose mission is strengthening of Delaware communities by creating an inventory of permanently affordable homes. Using the leasehold form of home ownership, the Diamond State Community Land Trust is able to provide homes that are secure and inheritable as well as affordable upon their resale to the next homebuying family.<sup>20</sup>

Land is first acquired by the Diamond State Community Land Trust, therefore removing it from the real-estate market. The land is then held "in trust" forever for the benefit of the community by ensuring that it will always remain affordable for homebuyers. Although the land is owned by the Land Trust, the home that is on the land is sold to an income qualified buyer and the land is leased through a 99-year renewable ground lease. This ground lease connects the homeowner to the community and to keeping the house permanently affordable by including a resale formula that determines the home's CLT sale price and the homeowner's share of the home's increased value at the time of sale.

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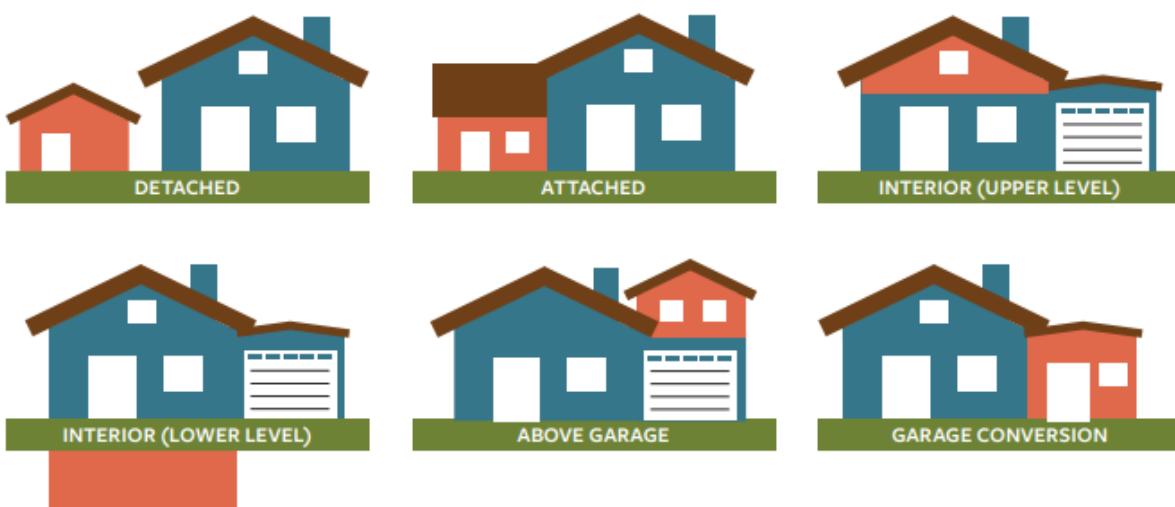
<sup>18</sup> Workforce Housing Program – New Castle County: <https://www.nccde.org/504/Workforce-Housing-Program>

<sup>19</sup> Housing Choice Voucher Program – New Castle County: <https://nccde.org/467/Housing-Choice-Voucher-HCV-Program>

<sup>20</sup> About Us – Diamond State Community Land Trust: <https://www.diamondstateclt.org/about/>

## 5. Accessory Dwelling Units (ADUs) in Delaware

Accessory dwelling units (ADUs) – also referred to as accessory apartments, second units, or granny flats – are smaller, independent residential dwelling units located on the same lot as a stand-alone (i.e., detached) single-family home. ADUs are equipped with kitchen and bathroom facilities and can be converted portions or additions to new or existing homes, new stand-alone accessory structures, or converted portions of existing stand-alone accessory structures.



**Accessory Dwelling Units come in many shapes and sizes** *Source: AARP*

ADUs offer many benefits to communities. Not only do they offer the potential to increase housing affordability for both homeowners and tenants, they also help to increase a community's housing supply. ADUs also allow for elderly and/or disabled persons to stay near family as they age while also facilitating better use of the existing housing fabric in established neighborhoods. Many cities and counties across the country are realizing the benefits of ADUs and are indicating support of ADUs in their plans by adopting zoning regulations that permit ADUs in low-density residential areas.

Although there are many restrictions against ADUs in Delaware, there are exceptions that allow them under certain circumstances. A summary of current ADU standard by Delaware County is found below. Note that many jurisdictions within the state have gone on to prohibit ADU construction.

County	Allows ADUs	Exceptions
New Castle	Yes	Detached ADU must be on a 2 acre or more lot
Kent	Yes	Attached only and ECHO (Elder Cottage Housing Opportunity) units
Sussex County	Yes	ADU cannot have kitchen

## New Castle County & ADUs

New Castle County's ADU Program has been in place since 2007 to help meet the needs of families looking to house multiple generations at one location, to help make home ownership more affordable for some older property owners, and to contribute to creating a balance of housing options in New Castle County.

Per the program, an ADU may be constructed within the home or as an attached addition to the home. However, there are strict guidelines that must be followed, as defined in *New Castle County Code Chapter 40 Section 03.410(H)*:<sup>21</sup>

- Only one ADU is permitted per single-family residential detached lot.
- Only one home occupation is permitted per residential lot.
- Once the ADU is established, the primary structure cannot be used for apartment conversion, and only one dwelling unit may be rented.
- The property owner must occupy and reside in either the principal dwelling unit or the ADU.
- One additional off-street parking space is required for the ADU
- Detached ADUs may only be located on lots that are greater than two acres.



**An attached ADU over a detached garage.** Source:  
<https://www.landisconstruction.com/detached-accessory-dwelling-visualizations-zta-19-01-proposal-montgomery-county-md/>



**The lower level of this house has been transformed into an ADU.** Source:  
<http://www.hasson.com/blog/2018/07/7-homes-sale-portland-area-secondary-living-quarters/>

<sup>21</sup> Building Permit Requirements: ADU – New Castle County:

<https://nccde.org/DocumentCenter/View/395/Accessory-Dwelling-Unit-Permit-Requirements-PDF>

## 6. Next Steps

The recommendations represent diverse and wide-ranging efforts to provide a comprehensive array of actions to improve availability, diversity, and quality of rental housing within the City of Newark. The Workgroup has collaborated to build a group consensus around these recommendations for consideration by the Newark City Council. The City Council members will have the opportunity to consider and decide which recommendations can and should be implemented and how and when they may be implemented.

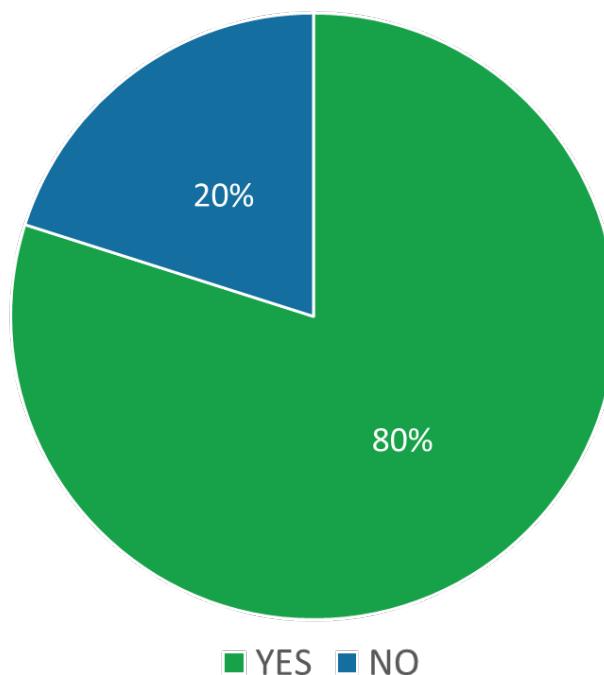
# APPENDICES

## Appendix A: Summary of Public Survey Results

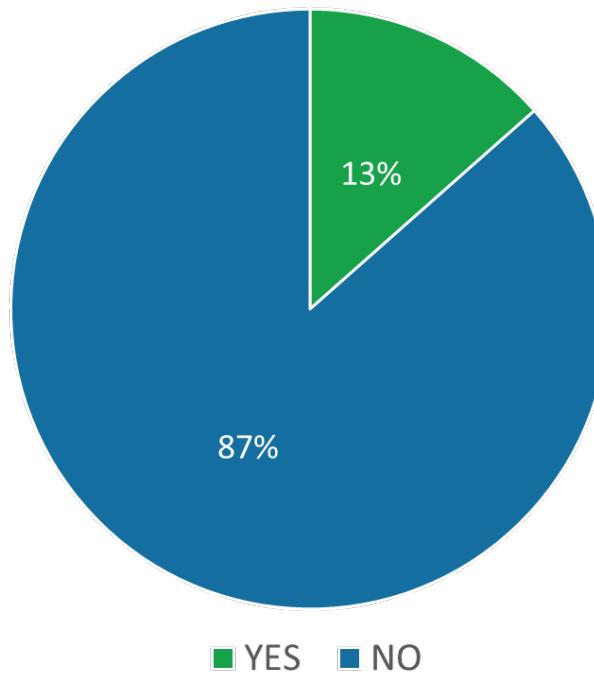
### Overview

- Survey was open from September 15 – October 14, 2019
- 378 responses were received
- Promoted through the following methods:
  - Community Day, September 15, 2019
  - Email blast to stakeholders and meeting attendees
  - Workgroup member promotion (Landlord's Association, NHA)
  - Newark Post
  - Social media

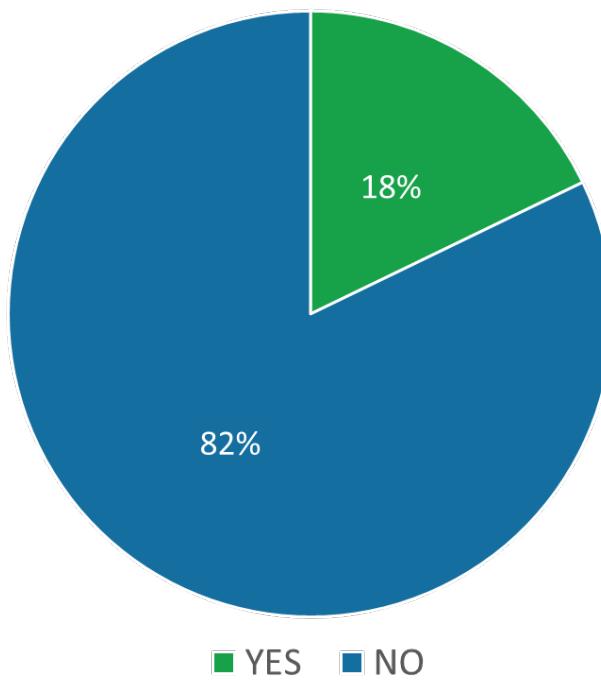
1. Are you a resident of the City of Newark?



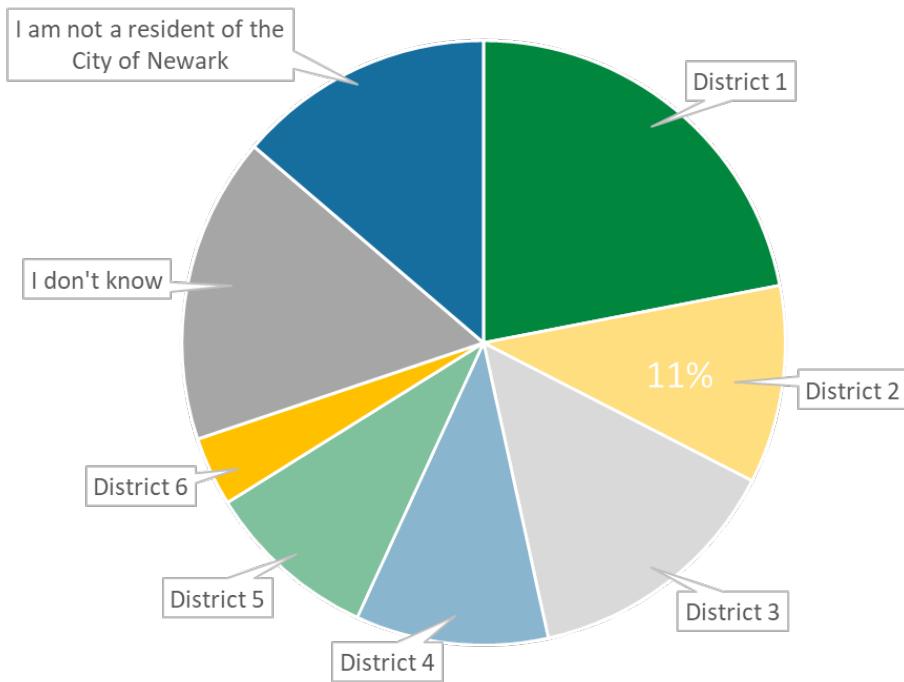
2. Are you a University of Delaware Student?



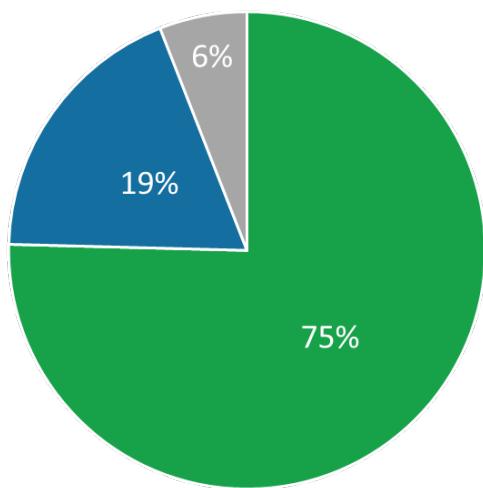
3. Do you own rental property in the City of Newark?



4. Please select which City of Newark Council District you reside in.



5. Do you support the following University of Delaware Student Growth Subcommittee recommendation? Institute a community relations campaign to help students living off campus to understand expectations and common courtesies as a community member in the City of Newark.

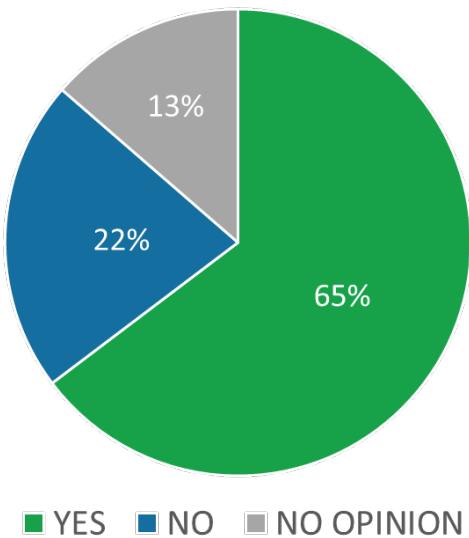


■ YES ■ NO ■ NO OPINION

Common Comment Themes:

- Doubtful that a campaign would make any difference in student behavior.
- This should be the responsibility of the University of Delaware.
- These are items that the landlord should relay to the tenant upon property rental.

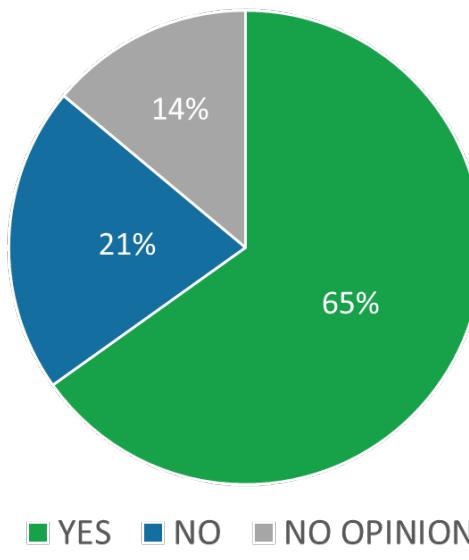
6. Do you support the following University of Delaware Student Growth Subcommittee recommendation? UD to improve available data about student enrollment numbers and students living off campus via a voluntary student survey.



Common Comment Themes:

- The survey should be made mandatory.
- UD should already have this information and be publicly sharing it.

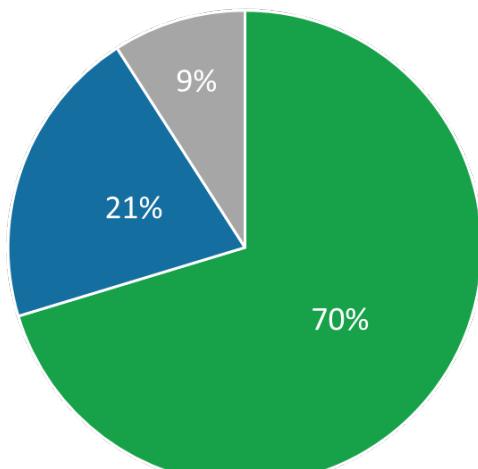
7. Do you support the following University of Delaware Student Growth Subcommittee recommendation? Improve the process to disseminate information about available rental housing opportunities with more concise, aggregated information (“one stop shop”) for people seeking rental housing.



Common Comment Themes:

- This information should be made available to the public, and not just the student population.
- The information is already out there.
- Increase accountability for landlords, could be an area to review them as well.

8. Do you support the following University of Delaware Student Growth Subcommittee recommendation? Improve the ability for the general public to find out information regarding rental property ownership.

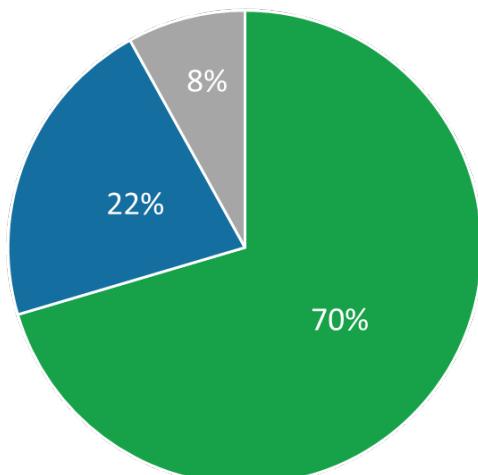


■ YES ■ NO ■ NO OPINION

Common Comment Themes:

- Landlords need more accountability for their tenants and property upkeep.
- Information is already available, need to inform the public how to use websites that already exist.
- Increase accuracy of data.

9. Do you support the following Rental Permits Subcommittee recommendation? Improve the rental inspection program to include: a safety marketing/educational component; promote voluntary interior inspections; develop a “what to expect” document to explain inspection purpose/process; and provide a publicly available list of properties that have been interior-inspected.

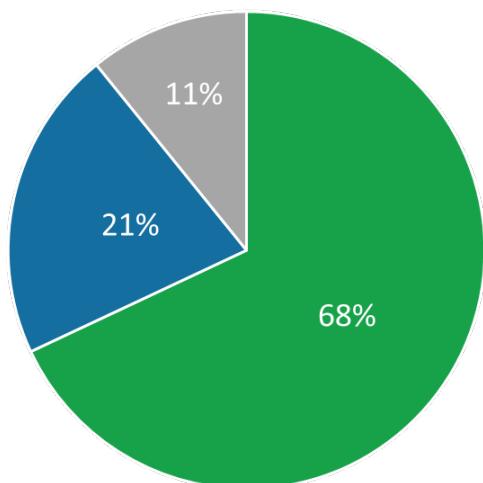


■ YES ■ NO ■ NO OPINION

Common Comment Themes:

- Inspections should be made mandatory and include exterior inspections.
- Timing of the inspection is key e.g., before re-leasing or tenant occupancy.
- Could be a marketing tool for landlords who comply and have properties that are kept up.
- Inspections are cumbersome and expensive, government should not be involved.

10. Do you support the following Rental Permits Subcommittee recommendation? Reassess the 20-year-old Student Home Ordinance (which regulates permits for single family homes occupied by more than two college students, outside of Newark's central core) to determine its current effectiveness.

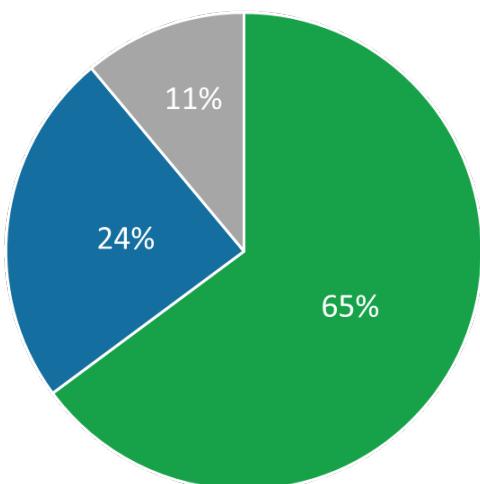


■ YES ■ NO ■ NO OPINION

Common Comment Themes:

- 20 years is too long without an update.
- Not sure how effective it is now.
- Stronger enforcement is needed.
- Do not promote rentals in primarily residential family occupied homes through a reassessment.
- Eliminate the ordinance entirely, reassess the legality.

11. Do you support the following Rental Permits Subcommittee recommendation? Also related to the Student Home Ordinance – replace the word “student” with “unrelated persons” since the definition of student in the ordinance is broad and cannot be confirmed by tenants or the University.

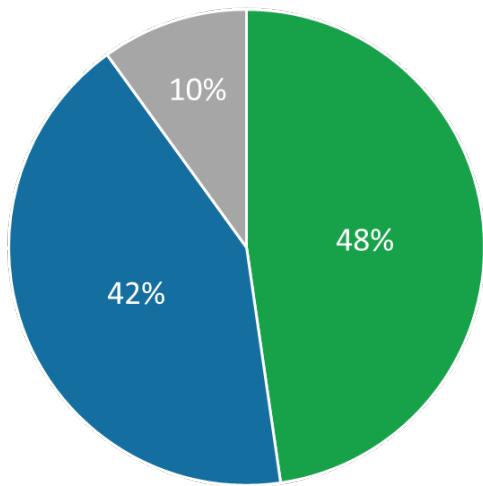


■ YES ■ NO ■ NO OPINION

Common Comment Themes:

- Assess the legality of this change.
- Better define “student” instead.
- Melding too much into personal life.
- Effectiveness of enforcement.

12. Do you support the following Rental Permits Subcommittee recommendation? Also related to the Student Home Ordinance – increase allowable occupancy in homes on exempt streets to be based not on a specific “allowable number of unrelated individuals,” but rather based on a home’s square footage and number of bedrooms.

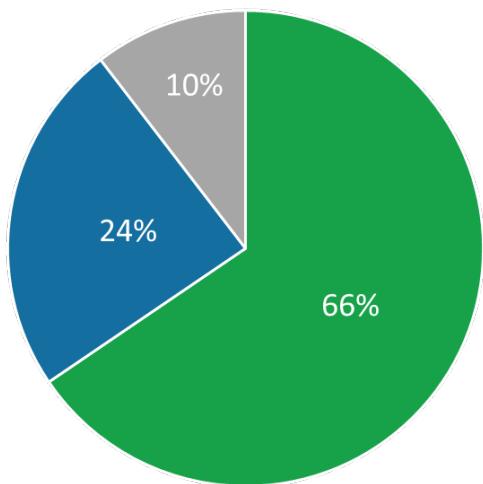


Common Comment Themes:

- Exempt streets need to be reviewed.
- Too subjective - what is the definition of a bedroom?
- What about the spillover effects - parking, increased garbage, etc.
- Enforcement is key.
- Fear that this is going to just pack more students into single family homes.

■ YES ■ NO ■ NO OPINION

13. Do you support the following Rental Permits Subcommittee recommendation? Expand Property Maintenance Code section 404.8.3.D to include all civil violations from Unruly Social Gathering Ordinance in addition to noise (underage drinking, littering, fights, etc.)

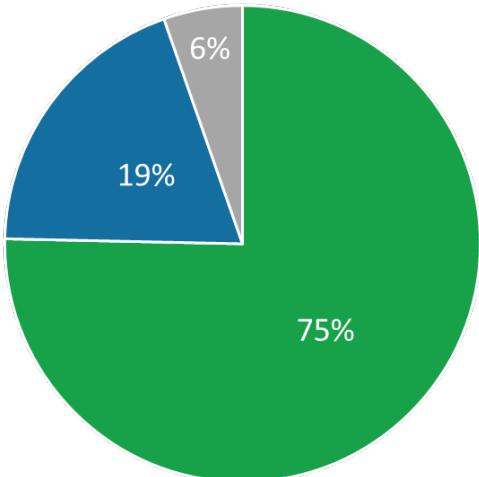


Common Comment Themes:

- What is the Code/Ordinance?
- Current enforcement is an issue.

■ YES ■ NO ■ NO OPINION

14. Do you support the following Rental Permits Subcommittee recommendation?  
Improve policy on enforcement of repeat property owner/landlord offenders to include penalization and escalating fines.

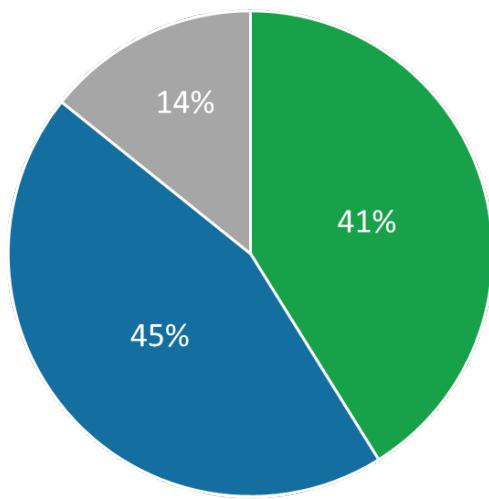


■ YES ■ NO ■ NO OPINION

Common Comment Themes:

- Property owners/landlords should be held responsible.
- The City makes visits, but nothing is done.
- Current enforcement is an issue.
- Landlords are not responsible for the behavior of their tenants.

15. Do you support the following Rental Permits Subcommittee recommendation?  
Consider reducing rental permit late fees from 25% to around 5%, like other City permit late fees.

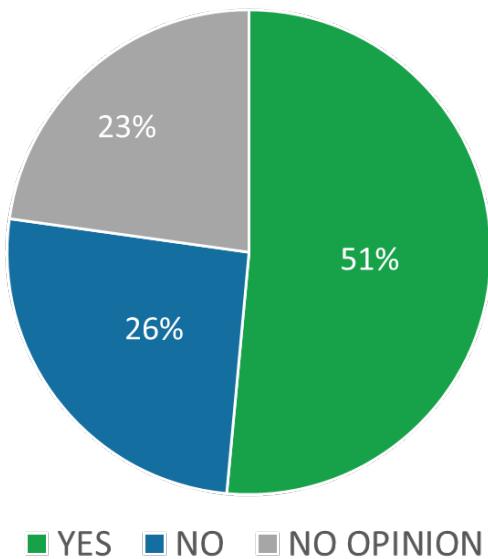


■ YES ■ NO ■ NO OPINION

Common Comment Themes:

- No reason to reduce, just pay on time.
- Needs to remain high to keep landlords on task with inspections and renewing rental permits.
- Reduce, but not as drastically.
- What are funds used for?

16. Do you support the following Rental Permits Subcommittee recommendation? Consolidate bills and inspections for owners of more than 1 rental property.

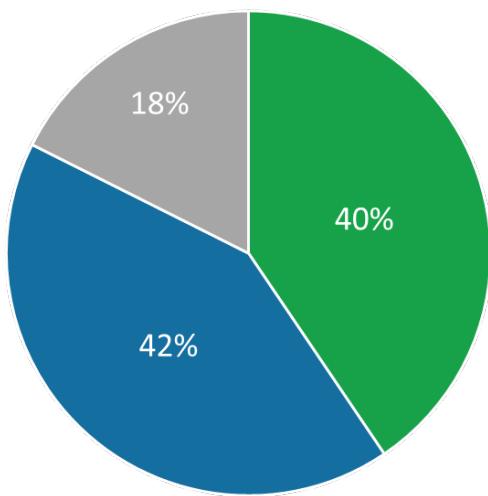


■ YES ■ NO ■ NO OPINION

Common Comment Themes:

- As long as it doesn't cost the City more time or money.
- It's up to property owners to keep track of their properties.

17. Do you support the following Non-Student and Affordable Housing Subcommittee recommendation? Amend zoning code to include an inclusionary zoning ordinance requiring new housing development to include some affordable housing measure for rental housing such as percentage of units made affordable, fee-in-lieu, and density bonuses.

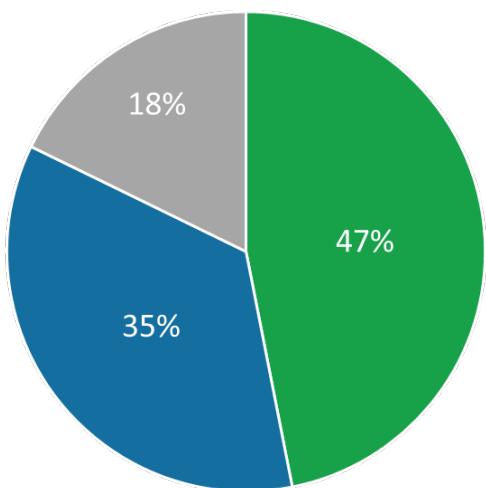


■ YES ■ NO ■ NO OPINION

Common Comment Themes:

- Need for affordable housing in Newark.
- Would this just make apartments cheaper for college students?
- What is the definition of "affordable housing"?
- Developers will just pay the fee-in-lieu. Where is that money going?

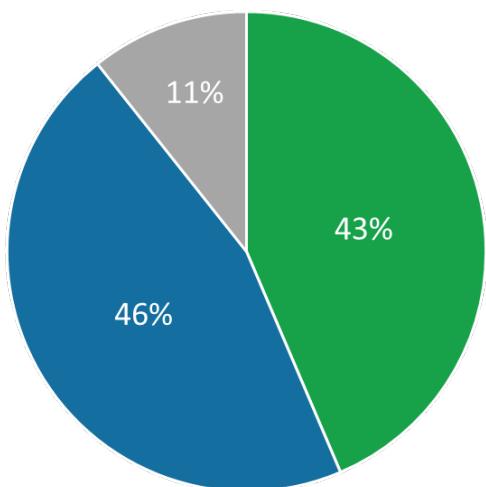
18. Do you support the following Non-Student and Affordable Housing Subcommittee recommendation? Amend zoning code to allow Accessory Dwelling Units (ADUs) at single-family, owner-occupied homes with parameters such as limited number of tenants, tenants must be non-transient, attached or detached, architectural guidelines, etc.



■ YES ■ NO ■ NO OPINION

Common Comment Themes:

- What are ADUs? Need more information.
- Keep it for family, not general rental housing.
- Limit the percentage of ADU permits.
- Architectural standards are key.
- How will this be enforced?

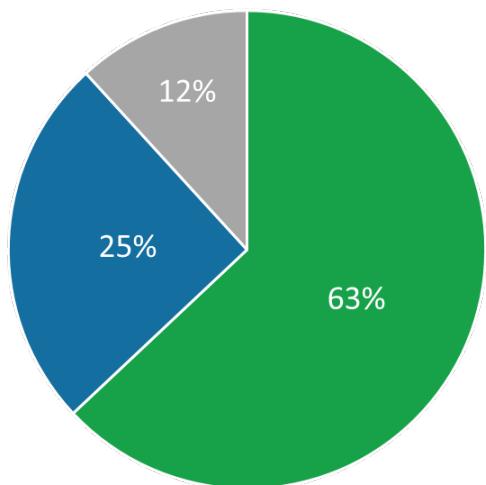


■ YES ■ NO ■ NO OPINION

Common Comment Themes:

- Undermines the point of zoning - single family home areas should remain that way.
- Would provide expanded housing opportunities and allow for affordable housing.
- Need more information to understand the consequences.
- Could apply just for new developments and neighborhoods.

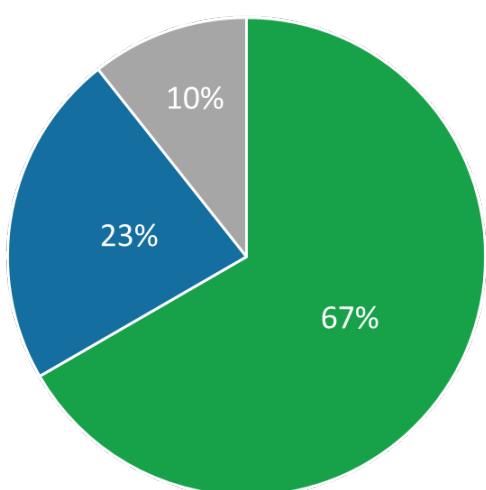
20. Do you support the following Non-Student and Affordable Housing Subcommittee recommendation? Develop a program to support transitioning rental units into owner occupied homes through an incentive program.



■ YES ■ NO ■ NO OPINION

Common Comment Themes:

- City already tried this with the POOH program and it did not work.
- Where is the money coming from?
- Would help families and the City.
- Does the City really need to be involved with this?
- Supply and demand issue must be resolved.

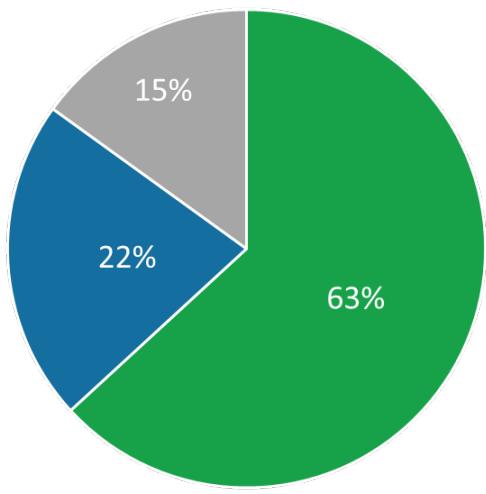


■ YES ■ NO ■ NO OPINION

Common Comment Themes:

- People in need of funds are not aware they are available.
- For home ownership, but not rentals.
- The more assistance, the better.

22. Do you support the following Non-Student and Affordable Housing Subcommittee recommendation? Officials to improve safety and increase neighborhood appeal for non-student renters through increased civic engagement and events.

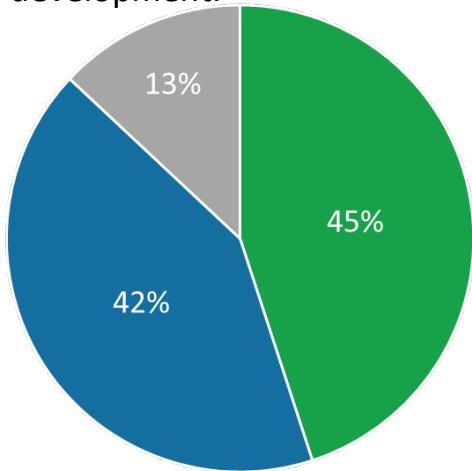


■ YES ■ NO ■ NO OPINION

**Common Comment Themes:**

- Skeptical of effectiveness.
- Need better code enforcement.
- Safety events – yes, civic events, no. The City already hosts events.
- Need more information and examples.

23. Do you support the following Non-Student and Affordable Housing Subcommittee recommendation? Increase development density within the downtown core to allow more mixed-use, commercial, and housing development (including student and non-student housing and amenities) in areas within close proximity to the University. Implement the proposed zoning density increases with Newark's Focus Areas to allow more infill development of higher density development.



■ YES ■ NO ■ NO OPINION

**Common Comment Themes:**

- Newark road infrastructure cannot handle any more density.
- Preferable to increase density at downtown core. Will pull students away from residential areas.
- What are the Focus Areas?
- Affordable housing and mixed-use must be incorporated.

24. Please provide any additional thoughts, ideas, comments, etc. about the Rental Housing Workgroup and/or these recommendations:

Common Themes:

- General appreciation for looking into these issues.
- Needed to allow for more time and advertisement so that people could come to Workgroup and Subcommittee meetings (i.e. not during the workday.)
- Parking and traffic concerns must also be addressed as consequences of recommendations.
- There needs to be a discussion of how to support density increases.
- Better enforcement of laws and regulations that are already in place.
- The University should have increased involvement and awareness of student housing needs/trends both on-campus and within City limits.
- Better accountability for both student renters and landlords.
- Availability of affordable housing is an issue for **all** parties involved.
- Shift the rental market focus away from undergraduate students; consider graduate students, families, etc.

## Appendix B

### Handout from Rental Housing Workgroup Public Workshop – Page 1



#### About the City of Newark Rental Housing Workgroup

The City of Newark Rental Housing Workgroup (the Workgroup) was formed in Spring 2019 with the main goal of developing and providing rental housing planning, legislative, and policy recommendations to City Council. Subgoals include:

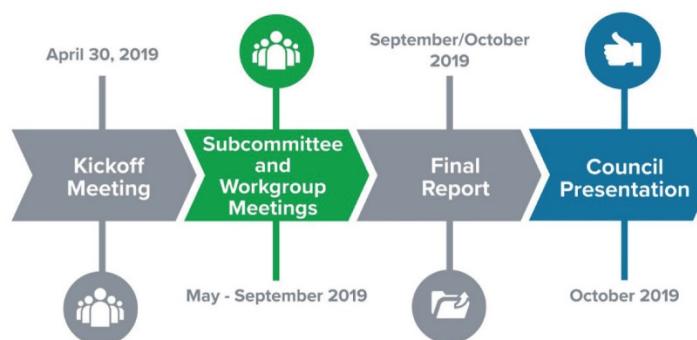
- Facilitating increased communication, trust and cooperation amongst stakeholders and the public
- Providing desirable options for all who want to live in the City of Newark
- Improving quality of life for all residents of Newark

The Workgroup is Chaired by Marguerite Ashley (Mayor's Representative), and split into 3 subcommittees:

- University of Delaware Student Growth: chaired by Michele Kane, University of Delaware Residence Life and Housing
- Rental Permits: chaired by Adam Fahringer, City of Newark Property Maintenance Inspector
- Non-Student and Affordable Housing: chaired by Freeman Williams, Newark NAACP

All members were appointed by the Mayor, City Council, and City Planning staff.

The Workgroup and subcommittees have been meeting on a monthly basis to identify issues and develop recommendations. Below is the Workgroup's overall timeline:



#### 1. University of Delaware Student Growth Subcommittee

The subcommittee has drafted the following recommendations to date:

- Institute a community relations campaign utilizing key players: City of Newark, Downtown Newark, and University of Delaware
- Incentivize development around job centers, like the STAR Campus, to encourage more opportunities to live and work in Newark
- Reference Newark student and residential population data and projections when approving residential development projects to ensure proposed capacity is fulfilling a need

## Handout from Rental Housing Workgroup Public Workshop – Page 2

### 2. Rental Permits Subcommittee

The subcommittee has drafted the following recommendations to date:

- Rental Inspection Program
  - Develop education component
  - Develop a “what to expect” document/inspection list
  - Make interior inspections voluntary
  - Reduce rental permit late fees to around 5% (currently 25%)
- Do away with Student Home Classification Ordinance
- Exempt Zone Home Occupancy - increase occupancy on exempt streets based on what’s allowable specific to each home’s square footage and number of bedrooms
- Code Enforcement to work more closely with landlords to investigate and discuss violations that tenants may be responsible for before issuing fines/citations
- Police
  - Expand code/provision 404.8.3.D to include all misconduct
  - Improve process in place for landlords to report damage they believe was caused by tenants
- University of Delaware - assign a Blue Hen Ambassador to work with representatives from the landlords’ group

### 3. Non-Student and Affordable Housing Subcommittee

The subcommittee has drafted the following recommendations to date:

- Develop inclusionary zoning model to help rent-burdened families find good quality rental housing and incentivize more diverse and affordable housing stock options
- Revise zoning codes to allow Accessory Dwelling Units at owner-occupied homes
- Re-instate the Promoting Owner-Occupancy of Homes (POOH) or similar program, to increase home ownership. Consider using inclusionary zoning fee-in-lieu structure for program revenue.
- Identify additional federal, state, and private funding sources for affordable renter and home ownership programs
- Work with the Workgroup and Public Safety officials to improve safety and increase neighborhood appeal for non-student renters

### Workgroup Next Steps

The remaining meeting schedule is as follows, the exact date to present the recommendations to City Council is to be determined, but expected to take place in October 2019.

Meeting	Date
Subcommittees 1 and 2 Meeting #3	August 13, 2019
Subcommittee 3 Meeting #3	August 15, 2019
Workgroup Meeting #3	August 21, 2019
Workgroup Meeting #4	September 25, 2019
Public Meeting #2	TBD Fall 2019
Council Presentation	TBD October 2019

For more information, please visit: [newarkde.gov/1118/Rental-Housing-Workgroup](http://newarkde.gov/1118/Rental-Housing-Workgroup)  
or email questions/comments to: [nderentworkgroup@jmt.com](mailto:nderentworkgroup@jmt.com)



## Appendix C

### Best Practice Analysis from Other Jurisdictions

#### 1. Sacramento, California: Rental Housing Inspection and Self-Certification Program

The Rental Housing Inspection Program (RHIP) was designed to inspect all residential rental properties within the unincorporated area of Sacramento County on a routine basis to assure the overall quality of the rental unit meets the requirements of the Health and Safety Code.<sup>22</sup>

Under the program, owners of rental properties are required to submit a Rental Housing Program Registration Form for each rental property owned. Once the property is registered, there is the initial inspection of the exterior and interior of the rental unit by a licensed inspector. If no violations are found, the inspector will provide an approved checklist to the property owner and tenant, and no further inspections are needed. The property then qualifies for "Self-Certified" status. Once under Self-Certified status, the owner is required to inspect the property on an annual basis while making any necessary repairs to ensure no new violations. The Rental Housing Program randomly inspects 10% of self-certified properties annually. If the property is found to be in compliance, it remains in the Self-Certification Program; if not, it is no longer eligible and will be subject to annual inspections.

For those properties with violations within the initial inspection, the inspector issues the property owner a list of items to be corrected and 30 days to bring the property into compliance. If violations still exist after the 30 days, the property becomes in-eligible for self-certification and is subject to annual inspections.

#### 2. State College, Pennsylvania: Ordinances and Community Outreach

##### A. Inclusionary Housing Ordinance (August 2011)

Historically, the State College, PA lacks adequate housing for middle- and lower- income workers and families due in part to inflated housing prices driven largely by Pennsylvania

<sup>22</sup> *Rental Housing Inspection Program – Sacramento County* <https://code-enforcement.saccounty.net/Programs/pages/rhip.aspx>



#### RHIP Benefits

- Promotes safe rental housing that meets health standards
- Maintains and increases property values
- Preserves neighborhoods and quality of life
- Reduces deteriorating rental housing
- Encourages annual self-certification inspections by rental property owners
- Fosters a partnership between property owners, tenants, and the City of Sacramento

State student's presence. The passing of an inclusionary housing ordinance makes the area more accessible to people of all income categories.

This ordinance requires that new housing developments of at least six units include a 10 percent allocation of inclusionary housing – housing that is in reach of those in the middle, low, or very low economic classes. This housing may be built on project site location or elsewhere at an approved location. Instead of building inclusionary housing, developers may pay the Borough a comparable-in-value in-lieu fee. This revenue goes toward current Borough-led efforts in affordable housing, such as the State College Community Land Trust. As of 2016, all developers have paid the in lieu fee of building affordable units.

### **B. Nuisance Property Ordinance**

This ordinance provides an opportunity for residents to bring their concerns to the Borough about properties adversely affecting their neighborhoods and eliminates on-going nuisances caused by irresponsible residents or property owners. Tactics such as persuasion, mediation, warnings, enforcement, and fines are used to enforce the system. A point system tracks the violations at each property over a rolling 12-month period, with each violation that occurs given a point value from one to three based on its severity. Once five points are accumulated, a problem property notice is sent to the property owner and a corrective action plan is requested. The property owner must then schedule a meeting with the appropriate Borough official within 15 calendar days of the notice and submit a draft corrective action plan within 30 calendar days of the notice. Non-compliance may lead to rental permit suspension for a set period of time. All records of points are publicly available and are listed by property.

### **C. Living in One Neighborhood (LION) Bash**

The mission of Living in One Neighborhood (LION) is to enhance the unique town-grown relationship between Pennsylvania State and the Borough of State College by providing residential community members with robust experiences that bring students, permanent residents, and community leaders together for healthy dialogues.<sup>23</sup> Every fall, State College hosts a block party and community resource fair in downtown with games, activities, music, and entertainment to foster these relationships between students and other community members. It is also a great opportunity for new students to find access to local resources to help them meet their needs while living in State College and learn about community organizations that they can become part of.



<sup>23</sup> Lion Bash – Downtown State College: <https://www.downtownstatecollege.com/event/lion-bash-2/>

### **3. Towson, Maryland: The Big Event**

The Big Event is an annual Towson University student led service effort with the purpose of saying “thank you” to the local Towson community. The event helps to promote unity within Towson by organizing hard working volunteers to assist homeowners or local non-profit organizations with tasks such as trash pickup, landscaping, or painting. Homeowners or organization leaders must register their project in advance and then provide all necessary supplies to students once they arrive on site.

### **4. Morgantown, West Virginia: Homecoming Program**

The Morgantown Homecoming Program (MHP) was developed by the Fairmont-Morgantown Housing Authority (FMHA) in 2005 in response to a request by residents to assist in the stabilization and preservation of the near campus neighborhoods that were at risk of being taken over by the student rental market. Due to increasing student presence and larger employers moving in, families were finding it difficult to compete for single family housing in some Morgantown neighborhoods. As a result, MHP was developed to promote homeownership and housing choice in the near campus neighborhoods.<sup>24</sup>

Targeted neighborhoods are chosen, and MHP purchases, improves, and converts existing rental units or existing owner-occupied home into single-family owner-occupied homes with a deed restriction for owner-occupancy. The program then leases the homes to families who have completed homeownership counseling and will eventually sell the units to these participating families once they are considered mortgage worthy. Recently, West Virginia University partnered with Morgantown to provide forgivable down payment assistance for university employees who participate in the program.

### **5. Montgomery County, Maryland**

#### **A. Inclusionary Zoning: Moderately Priced Dwelling Unit Program**

Montgomery County’s Moderately Priced Dwelling Unit (MPDU) Program is one of the nation’s first mandatory inclusionary zoning laws. It was implemented in 1973 with the goal of providing a full range of housing choices in the county for all incomes, ages, and household sizes. A MPDU is a county government-regulated unit that is required to be affordable to households earning 65 percent of area median income for garden-style apartments and 70 percent for high-rise apartments.<sup>25</sup> First-time home buyers who have a moderate household income are considered eligible to buy both new and resale townhomes and condominiums.

<sup>24</sup> Morgantown Homecoming: <http://morgantownhomecomingwv.com/about/index.php>

<sup>25</sup> Housing – Montgomery County Planning <https://montgomeryplanning.org/planning/housing/>

To apply for the program, buyers must be able to qualify for a mortgage, pay a down payment, pay settlement fees, and pay the monthly mortgage payment, utilities, and other costs. Furthermore, owners are responsible for all maintenance, improvements, and condo and homeowner association fees, if applicable. MPDU homes have controls on them, for either 15 or 30 years. During this time period, there are rules that state that the owner must occupy the home as his or her primary residence, the home may not be rented out, no other property in the Washington Metro area may be purchased in that time period, and other regulations that affect how and when the property is sold.

The MPDU program is a way to promote property ownership in Montgomery County at a reduced price. Additionally, MPDU owners can deduct mortgage interest and real estate taxes from their income tax, and through a standard 30-year fixed rate mortgage, the owner's monthly payment will not increase each year.

### **B. Housing Initiative Fund**

The Housing Initiative Fund (HIF) is a locally funded housing trust fund that receives revenue from a variety of sources, including loan repayments and 2.5 percent of the County's Property Tax revenue. The Housing Opportunities Commission, nonprofit developers, experienced rental property owners, and for-profit developers take advantage of this fund to renovate distressed properties, preserve the affordability of units, create housing for residents with special needs, create mixed-income communities, and make sure that housing programs build neighborhoods and not just housing units.

HIF funding is available throughout the year and can be used from predevelopment, bridge, acquisition, and permanent financing. Having this money available year-round allows affordable housing developers to better respond to opportunities in the real estate housing market.

### **C. Workforce Housing Program**

The Workforce Housing (WFH) program provides rental and for sale housing serving households up to 120% of the area median income. While this program is voluntary for private developers, the inclusion of WFH units can be offered as a public benefit used to achieve higher densities in CR zones. The county requires WFH units as a condition of development agreements related to the use of county owned land used for housing.

Additional goals of the WFH include increasing the availability of housing in the County for public employees and other workers whose income cannot support the high cost of housing that is located close to their workplace, assisting county employers in reducing critical labor shortages of skilled workers by providing housing close to where they work,

and reducing traffic congestion by shortening commute distances, to name a few.<sup>26</sup> Certain restrictions, such as those found in the MPDU Program, apply to the workforce housing program in order to help keep the homes affordable.

#### D. Accessory Dwelling Unit Legislation

Zoning Text Amendment 19-01 was passed July 2019, which removed significant barriers for homeowners who wish to build Accessory Dwelling Units (ADUs) on their property. An ADU is a second, separate living unit on a lot zoned for single unit development and can be built by converting a basement into an apartment, adding on an addition to an existing house, building an apartment over a garage, converting an existing shed or detached garage, or building a new backyard cottage. This is different from renting out a part of a house because it is a totally separate living unit with its own entrance, bathroom, and kitchen.<sup>27</sup> This update to the zoning code now allows ADUs in three residential zones of the county.

ADUs have become a popular solution for families who have relatives who want to live independently, but close by. Additionally, the income provided by renting an ADU out can help seniors age in place or allow new families to be able to afford to buy a home in increasingly expensive areas. ADUs also provide a more affordable option for people who are seeking to rent in many areas by increasing the supply of housing and reducing the pressure on rents across the County.<sup>28</sup>

It is important to remember that all ADU legislation is different, and each comes with different building and parking standards in order to maintain consistency in neighborhood character and not impact adjacent properties adversely.

### 6. Prince George's County, Maryland: HOME Investment Partnership

The HOME Investment Partnerships Program is administered by the Department of Housing and Community Development's (DHCD) Housing Development Division. It is intended to assist Prince George's County in expanding the supply of decent, safe, and affordable housing for low and very low-income families.

Each year, Prince George's County is eligible to receive approximately \$3.5 million from a Federal Housing and Urban Development (HUD) appropriation. This amount takes into

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<sup>26</sup> *Workforce Housing Program* – Montgomery County Department of Housing and Community Affairs  
<https://www.montgomerycountymd.gov/DHCA/housing/singlefamily/workforce/>

<sup>27</sup> *Council Approves Zoning Change for Accessory Dwelling Units* Montgomery County  
<https://content.govdelivery.com/accounts/MDMONTGOMERY/bulletins/2536c8d>

<sup>28</sup>Ibid.

consideration the relative inadequacy of the housing supply, the incidence of poverty, and its fiscal distress.

Through this program, non-profit and for-profit developers are encouraged to produce and rehabilitate housing, assist first-time homebuyers to purchase homes, acquire or improve group homes for special populations and assist Community Housing Development Organizations to create and support housing opportunities for households of limited income.<sup>29</sup> Financial assistance is provided to eligible projects and beneficiaries in the form of interest bearing loans.

## **7. Howard County, MD: Moderate Income Housing Unit (MIHU) Program**

The MIHU Program is an inclusionary zoning program that requires developers of new housing in specific zoning districts to sell or rent a portion (generally 10-15%) of the dwelling units to households of moderate income. The code does not set any minimum threshold, so it's unclear if a residential development of less than 10 units, for example, would qualify. MIHU homes should be integrated as part of the overall development. Meaning that homes must be on the same site, using the same types of units as the rest of the development, and evenly distributed throughout the development. However, developers may request permission for options to build off site or at a different ratio. This allows for developers to purchase and rehab additional properties to meet the MIHU requirement

This program does not provide any Low-Income housing unit requirements. It is targeted at moderate income, which is defined as household income less than 80% of the Howard County median income for units for sale and household income less than 60% of the Howard County median income for rental units. Income caps are updated periodically, and most recently updated in January 2020.

MIHUs are sold or rented at affordable prices and rents set by Howard County Housing. Open enrollment periods for the MIHU homeownership program are held quarterly. Any person or family can apply to buy an MIHU, provided their household income does not exceed the program maximums. Tenants must apply to the County DHCD, and if no units are available will be placed on a waitlist or into a lottery.

### **Alternative Compliance Methods**

***Substitute Housing*** - A developer may provide substitute units by purchasing, rehabilitating, and offering for sale existing housing units that are located throughout the County.

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<sup>29</sup> *Home Investment Partnership* – Prince George's County MD  
<https://www.princegeorgescountymd.gov/1108/HOME-Investment-Partnership>

***Offer to Low-Income Purchasers*** - A developer may substitute units by offering one-third of the moderate-income housing units required under this subtitle to eligible low-income purchasers who shall have an annual household income of up to 60 percent of the median income.

***Fee In-Lieu*** - A developer may also pursue a Fee In-Lieu as an alternative compliance method.

## **8. Affordable Central Texas**

Affordable Central Texas (ACT) is a 501(c)(3) not for profit dedicated to providing solutions to affordability issues across greater Austin. A dedicated group of Austin professionals established ACT in 2016 and launched its first investment fund, the Austin Housing Conservancy.

The Austin Housing Conservancy is a private equity open end fund that invests equity from high net worth individuals, foundations, banks, and institutional investors primarily in existing multifamily communities targeted at workforce individuals and families. This fund “bends the cost curve” by limiting rent rate increase to Austin area wage growth. The fund targets geographically diverse locations with access to transit, good schools, green food choices, and health care and focuses on multifamily housing that serves individuals and families that earn between 60% - 120% of median income to preserve them as affordable units.<sup>30</sup> The end objective is to provide stable housing to individuals and families to allow them to achieve improved health, educational achievement, and lower stress and obesity rates.

## **9. UniverCity Neighborhood Partnership: Iowa City, IA**

The UniverCity Program in Iowa City creates homeownership opportunities in neighborhoods near the downtown and University of Iowa campus. The focus area of this program are areas that retain a single-family character and a demand for single family housing, but also have a large rental population. The UniverCity Program is dedicated to ensuring that neighborhoods surrounding the downtown core and campus remain safe, attractive, and affordable places to live and work for homeowners and renters.

Under the partnership, homes are purchased by the city, rehabilitated (up to \$50K), and then resold for up to \$235,000. Although renovation costs are not included in the final sales price, they are forgiven once the home has been owner-occupied for five years. These renovated homes are sold to households that meet income guidelines, with some preference given to University of Iowa employees. To ensure that these homes remain owner occupied, deed restrictions are placed on UniverCity Neighborhood Partnership properties for 30 years. The program is funded through a \$1.25 million I-Jobs grant, a \$200,000 contribution from the

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<sup>30</sup> Affordable Central Texas – Giving City Austin <https://www.givingcityaustin.com/tag/affordable-central-texas/>

University, \$100,000 from Iowa City Housing Authority, and a \$2.6 million low-interest mortgage loan pool provided by lenders.<sup>31</sup>

## **10. Homebuying Assistance: Burlington, VT**

The Community & Economic Development Office, in conjunction with the Champlain Housing Trust in Burlington, Vermont, have a program that helps low and moderate-income homebuyers purchase duplexes in the City. Under this program, homebuyers of multi-unit properties (up to four units total), are provided no interest down-payment assistance loans of \$10,000. However, the homebuyer must reside onsite, displace no existing tenants as a result of the purchase, and retain the affordability of rental units for a five-year period. The borrower must secure primary financing from the lender, and at the time of closing, either the borrower or tenant household income must be no more than 80% of the median income for Burlington. Priority for this program is given to first time homebuyers.<sup>32</sup>

While this model does not attempt to return entire properties to homeownership, it acknowledges the large size of many of the homes in the target areas and the income potential that these rental properties have. It seeks to control pricing of rental units while also inserting on-site owner oversight.

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<sup>31</sup> About the UniverCity Program – Iowa City Government <https://icgov.org/UniverCity>

<sup>32</sup> Buy a Home – The City of Burlington <https://www.burlingtonvt.gov/CEDO/Buy-a-Home>



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