



Newark Rental Housing Workgroup Workgroup Meeting #2 – June 26, 2019 Meeting Notes

Workgroup Members in Attendance

Mary Ellen Gray, City of Newark

UD Student Growth Subcommittee

Kevin Heitzenroder
Tina Jackson
Lt. Michael Maier

Rental Permits Subcommittee

Adam Fahringer, Chair
James R. Creque III
Matt Dutt
Kevin Mayhew
Tim Poole

Non-Student and Affordable Rental Housing Subcommittee

Dr. Freeman Williams, Chair
Marguerite Ashley, Workgroup Chair
Mike Fortner
Meghan George
Carla Grygiel
Pastor Blaine A. Hackett
Justin Murray
Ryan Straub

Members of the Public in Attendance

Glenn Schmalhofen

Opal Palmer

Stephanie Petersen, Manager of Code Enforcement, City of Newark

Marene Jordan, Newark Housing Authority

Caitlin Martha Olsen, UD Government and Community Affairs

Subcommittee Report Outs

- **UD Student Growth Subcommittee** – Kevin Heitzenroder, presenter
 - Subcommittee Goals Include:
 - Develop community relations campaign in partnership with City of Newark and University of Delaware
 - Gain a better understanding of what rental properties are available and what development projects are in the pipeline
 - Gain a better understanding of University of Delaware current student population and expected population and campus growth
 - Reviewed student enrollment statistics and projections.
 - University of Delaware total student enrollment figures include students from all campuses: 24,120
 - Does not include English Language Institute (ELI) students
 - Does include online graduate students/Professional & Continuing Education students
 - Newark student population in 2018:
 - Undergraduate: 18,221
 - Graduate: 4,164
 - Total: 22,385
 - Projected total undergraduate population in 2021: 19,500 (total includes satellite campus students)



- Undergraduate students have different preferences than students who take classes remotely, at other campuses, Graduate students, or at the English Language Institute – these are groups that typically prefer to live off campus and potentially outside of Newark
- Has the enrollment for the 2019 Freshmen class been finalized? Yes, class size is 4,250 students
- Subcommittee Recommendations include:
 - Institute a community relations campaign utilizing key players: City of Newark, Downtown Newark, and University of Delaware
 - Incentivize development around job centers, like 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
- **Rental Permits Subcommittee** – Adam Fahringer, presenter
 - Subcommittee Goals Include:
 - Make rental properties safe for all tenants by ensuring interior inspections take place on a regular basis
 - 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.
 - What is a student? Ordinance is unenforceable as is. Consider upping exempt zone home occupancy to condense student population and free up rental homes for additional populations.
 - Discussion regarding the Blue Hen Ambassadors and what their role is versus that of the social media team
 - “Interior Inspections” are voluntary: what if the landlord wants the inspection done but not the tenant?
 - This could perhaps be a part of the lease agreement
 - Not fair for landlords to not be on the inspection list if they wanted their properties to be inspected, but tenants refused
 - Have inspectors considered conducting inspections before students move in? The dept. does not have the capacity to handle that many inspections at once, need to spread them out throughout the year to manage.
 - Subcommittee Recommendations Include:
 - 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



- **Affordable and Non-Student Rental Housing** – Dr. Freeman Williams, presenter
 - The Affordable Housing and Non-Student Rental Housing subcommittees decided to merge since much of the goals and discussion overlapped.
 - Subcommittee Goals Include:
 - Better understand the full range of rental housing demand within Newark
 - Identify more opportunities to help rent-burdened families find good quality rental housing that accepts Newark Housing Authority (NHA) vouchers inside City limits
 - Identify opportunities to collect revenue and incentivize more diverse and affordable housing stock options
 - Identify areas to improve safety and increase overall neighborhood appeal for non-student renters
 - Identify locations to increase development density and support more diverse rental housing development
 - Identify opportunities to increase home ownership with programs to help renters become homeowners and to convert rental units into owner-occupied homes
 - Discussion regarding zoning modifications including incorporating new language for Inclusionary Zoning and Accessory Dwelling Units
 - Inclusionary Zoning would require affordable rental units to be developed and integrated into housing developments. Example ordinance was reviewed from State College, PA – some aspects of that ordinance may work but Newark would need to develop their own version
 - Reviewed current and former City programs including current Newark Housing Authority housing assistance programs and a previous program to support home ownership – the Promoting Owner-Occupied Homes (POOH) program.
 - Subcommittee Recommendations include:
 - Develop an 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 with a defined structure for unit size, number of tenants, parking, architectural design, etc.
 - Re-instate the Promoting Owner-Occupancy of Homes (POOH) or similar program, to increase home ownership with programs to help renters become homeowners. Consider using Inclusionary Zoning Fee-in-Lieu structure for revenue to support program.
 - Identify additional federal, state, and private funding sources for affordable renter and homeownership programs
 - Work with the Workgroup and Public Safety officials to improve safety and increase overall neighborhood appeal for non-student renters

Open Discussion

- Major theme across all subcommittee report outs: increased density, particularly where students want to be. This could free up family homes in neighborhoods.
- What would be appropriate incentives for the UD Student Growth Subcommittee's second recommendation to incentivize development around job centers?
 - Could be tax credits or density bonuses



- Concern over availability of space to increase affordable housing stock
- What is causing the stigma of “student housing”?
 - Market is driven by a student rush for securing a lease far in advance
 - Most desirable units for students are leased a year in advance, however, more units remain available in further out locations less desirable to undergraduate students
 - Most family rentals do not have to or want to sign a lease 1+ years out, like students do for the following year
- Main goal is to create diverse communities with a variety of housing choices
- Many would like to see more people living in Newark full time, and acknowledge many students are here temporarily and leave after graduation.
- Increasing density in areas close to the campus could help balance the market.

Student Growth Subcommittee: Recommendations Feedback

- Many similarities between Rental Permits recommendation to create education component regarding renter education, etc. with the student housing community relations campaign
- Possible opportunities with the Downtown Newark Partnership

Rental Permits Subcommittee: Recommendations Feedback

- Some felt the Student Home ordinance is written to be exclusionary to non-student renters making it more difficult for non-students to find good quality housing.
 - Prior to the ordinance, it was common to have more tenants in one home. After the ordinance passed, the market demand increased for rental homes and created a vacuum that caused a large shift in the number of rental homes to accommodate students with lower density allowed in a single home.
 - Some felt that increasing density in homes could be problematic, and it would be more desirable to increase number of units in the downtown area rather than increasing the number of tenants in a unit.
- Potentially doing away with the Student Home Classification Ordinance could cause issues within the community who feel it offers some protection to preserve family-oriented and more diverse neighborhoods.
- The Exempt Zone Home Occupancy – consider revising to allow some increased occupancy based on square footage, number of bedrooms, parking, etc., not solely based on a 3 or 4-person occupancy.
- Consider reducing or removing parking requirements to allow for more density and to promote more active transportation (biking, walking, transit, etc.) rather than single occupancy car trips
- Identified some similarities with the non-student and affordable housing group regarding how to define limitations

Non-Student and Affordable Rental Housing Subcommittee: Recommendations Feedback

- Discussion regarding the concept of inclusionary zoning and what types of communities would be considered inclusionary, and what type of market demand would support them.
 - Goal is not to create segregated communities of only students or non-students, or to separate affordable housing from market rate housing.



Action Items/Follow Up

- A request was made for the UD Student Growth subcommittee to look into the current enrollment numbers
- There will be a Rental Housing Workgroup Public Workshop on Thursday, July 25th at Council Chambers from 6:30 – 8:30 p.m.
- Next subcommittee meetings will be used to refine strategies and recommendations