



RENTAL HOUSING WORKGROUP MEETING

Council Chambers

June 26, 2019

AGENDA

- ▶ **Introductions**
- ▶ **Rental Housing Workgroup Background**
- ▶ **Subcommittee Report Outs:**
 - ▶ **University of Delaware Student Growth**
 - ▶ **Rental Permits**
 - ▶ **Non-Student and Affordable Rental Housing**
- ▶ **Group Discussion**
- ▶ **Next Steps**
- ▶ **Public Comment Period**



Introductions

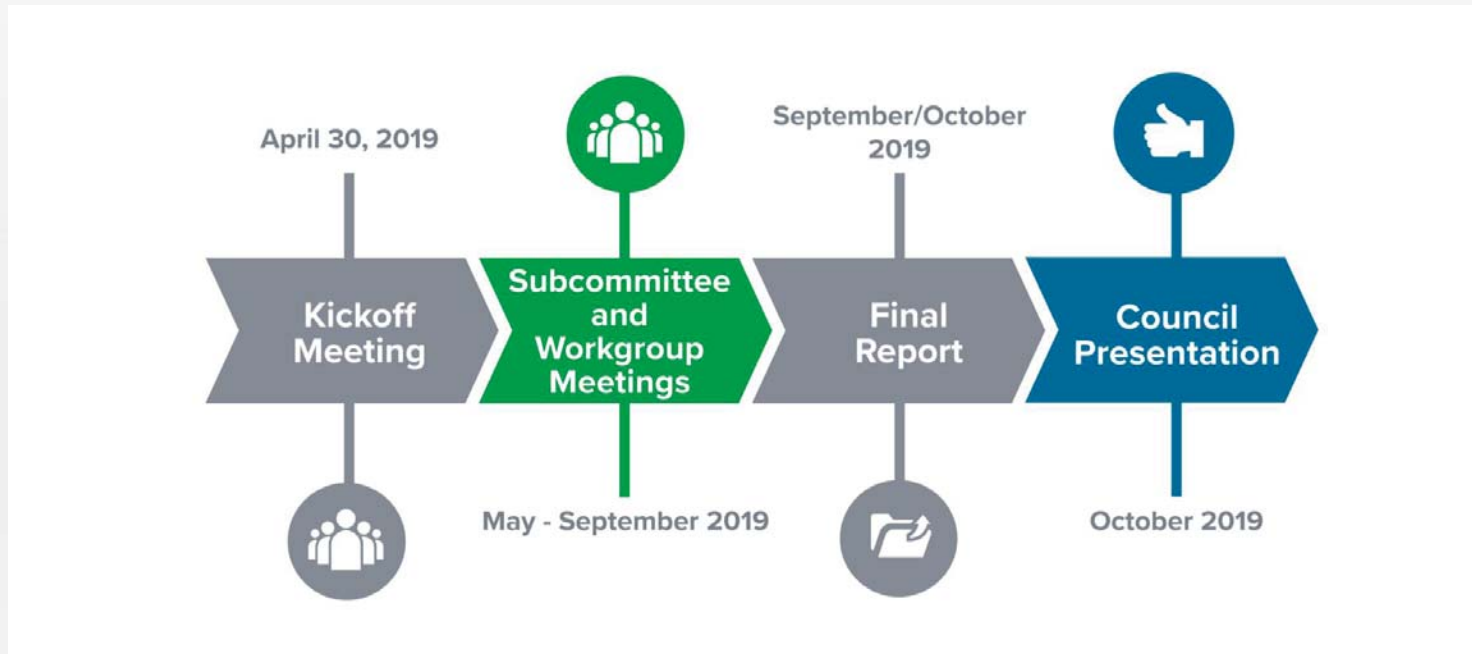


Rental Housing Workgroup Background

GOALS AND OUTCOMES

- ▶ **Develop and provide rental housing planning, legislative, and policy recommendations to City Council**
 - ▶ Facilitate increased communication, trust and cooperation amongst stakeholders and the public
 - ▶ Provide desirable options for all who want to live in the City of Newark
 - ▶ Improve quality of life for all residents of Newark

WORKGROUP TIMELINE



ROLES AND RESPONSIBILITIES

- ▶ Workgroup Chair - provides advisory support for Workgroup efforts and final recommendations
- ▶ Subcommittee Chairs - group spokesperson to Workgroup
- ▶ Consultant Support - facilitation and technical support

Using just 1 word, describe what the current state of the rental market in Newark needs/is lacking:

 Poll locked. Responses not accepted.



Using just 1 word, describe the biggest obstacle to implementing changes that would better the state of the rental market:

 Poll locked. Responses not accepted.



Using just 1 word, describe how you envision the future of the rental market in Newark:

 Poll locked. Responses not accepted.



Using just 1 word, describe what is needed/how we get there:

 Poll locked. Responses not accepted.





UD Student Growth Subcommittee

UNIVERSITY OF DELAWARE STUDENT GROWTH SUBCOMMITTEE

- ▶ Rental Housing Needs Assessment analysis
- ▶ University projections for growth
- ▶ Student housing impacts in the City
- ▶ University's obligations for student housing
- ▶ Locations for student housing

SUBCOMMITTEE GOALS

- ▶ 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

STUDENT POPULATION

- ▶ 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)

HOUSING TRENDS

▶ Graduates

- ▶ Commuting in from major cities
- ▶ Online students
- ▶ Single family homes, students with families
- ▶ Want to live in mature communities away from the students they teach

▶ Undergraduates

- ▶ Want to live close to campus
 - ▶ Shuttle buses offered by University, prefer convenience of walking and biking
- ▶ Single family homes



STUDENT HOUSING

- ▶ First year students are required to live on campus, upper division housing is available
 - ▶ Full-time, undergraduate students housed on campus: 42%
- ▶ There is no current, tentative, or finalized plan in place for University of Delaware to develop additional housing
 - ▶ Current capacity can house approximately 7,400
- ▶ Design capacity and extension capability allow for some flexibility



RECOMMENDATIONS

- ▶ 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

RENTAL PERMITS SUBCOMMITTEE

- ▶ Rental inspections – potential revisions to ordinance
- ▶ Policing of rental properties
- ▶ Role of University Police, Newark Police, and Newark Code Enforcement
- ▶ Nuisance properties
- ▶ Fees
 - ▶ Property maintenance violations
 - ▶ Review of fines and citations

SUBCOMMITTEE FOCUS AREAS AND GOALS

▶ Focus Areas:

- ▶ Inspections
- ▶ Enforcement/Fines and Fees
- ▶ Student Home/Exempt Zone Homes

▶ Goals:

- ▶ 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.

RESEARCH

- ▶ Proactive Rental Inspection Programs (PRIP) case studies – no “one size fits all” inspection programs
- ▶ What Code Enforcement’s system/software can accommodate – storing leases, generating list of inspected properties by year, etc.
- ▶ UD Office of Conduct initiatives and updates

RECOMMENDATIONS

- ▶ **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**

RECOMMENDATIONS

- ▶ **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



Non-Student and Affordable Rental Housing

COMBINED SUBCOMMITTEE GOALS AND TOOLS

▶ Goals:

- ▶ 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

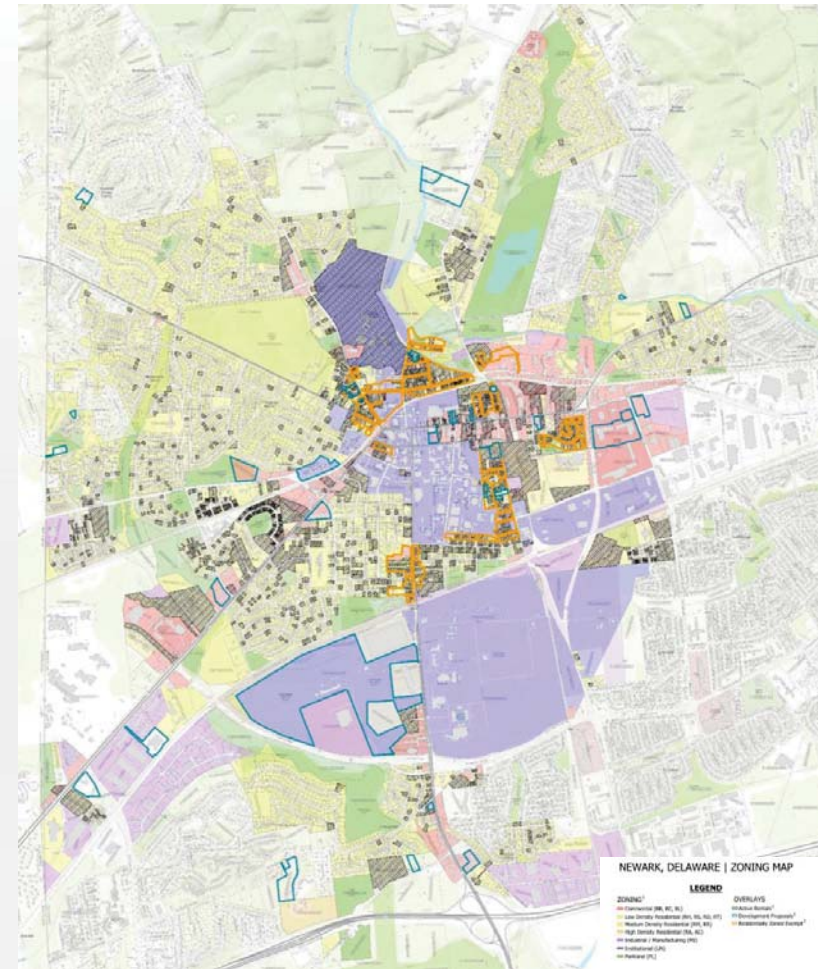
▶ Tools:

- ▶ Zoning Modifications
- ▶ City Programs
- ▶ Private Developer/
Landlord Initiatives

ZONING RESEARCH

► Best Practices

- Inclusionary Zoning Models: require or encourage new residential developments to make a certain percentage of housing units affordable to low- or moderate- income residents
 - State College, PA: Current 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
 - Developers may avoid building the inclusionary housing if they pay the borough a comparable-in-value in-lieu fee. This revenue will be put toward current borough-led efforts in affordable housing, such as the State College Community Land Trust
 - Prince George’s County, MD: Administered by DHCD’s Housing Development Division to assist the County in expanding the supply of decent, affordable housing for low and very low-income families
 - County is eligible to receive approx. \$3.5 million annually from a Federal Housing and Urban Development (HUD) appropriation



ZONING RESEARCH

▶ Best Practices

- ▶ Accessory Dwelling Units: smaller, independent residential dwelling unit located on the same lot as a stand-alone single-family home
 - ▶ New Castle County: Allowable – one unit per single family home
 - ▶ City of Wilmington: Allowable – up to 3 non-transient boarders
 - ▶ City of Dover: Allowable – count as 1.5 units in overall dwelling unit per acre computation within new single-family unit developments. Generally approved as part of the planned development approval process. Not allowed otherwise. The intent is to allow them on a limited basis.
 - ▶ Kent County: Allowable – one unit per lot; property owner must be an occupant. Elder Cottage Housing Opportunity (ECHO) also allowed. Parking is required.



Image: Delaware State Housing Authority, *Accessory Dwelling Units*

CITY PROGRAM RESEARCH

▶ Newark Housing Authority

▶ Housing Choice Voucher Program

- ▶ Gives families the opportunity to rent from a private landlord. Anticipated gross household income is used to calculate rental amount. The family pays up to 40% of their household income as rent and is responsible for the full security deposit. NHA administers funds received from HUD and distributes them in the form of Housing Choice Vouchers to eligible families.

▶ Public Housing Program

- ▶ Provides decent and safe rental housing for eligible participants (owned and operated by NHA)



CITY PROGRAM RESEARCH

▶ Best Practices

▶ Rental Unit to Owner-Occupied Housing

▶ Morgantown, WV

- ▶ Existing homes are purchased and rehabilitated by the City in designated areas
- ▶ Rent to Own Model: leases the home to families who had completed homeownership counseling and eventually, sell the units once participating families were considered mortgage worthy
- ▶ WVU has partnered with the City in providing forgivable down payment assistance for university employees who participate in the program

▶ Iowa City, IA

- ▶ City purchases home, rehabs (up to \$50K) and then sells home for up to \$235,000
- ▶ Renovated homes are sold to households that meet income guidelines, with some preference given to University of Iowa employees
- ▶ Deed restrictions are placed on UniverCity Neighborhood Partnership properties to ensure they remain owner occupied for 20 years

▶ Hot Spot Policing – how to change perceptions of communities

- ▶ Collaborate with Workgroup to determine where hot spot policing in Newark already exists

RECOMMENDATIONS

- ▶ 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



Workgroup Discussion

DISCUSSION POINTS

- ▶ Thoughts/comments on each subcommittee's recommendations?
- ▶ Additional recommendations for each subcommittee to think about/consider?
- ▶ Common themes?
- ▶ Focus for August subcommittee meetings

UD STUDENT GROWTH RECOMMENDATIONS

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NON-STUDENT AND AFFORDABLE HOUSING RECOMMENDATIONS

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Next Steps

MEETING SCHEDULE

Meeting	Date
Workgroup Meeting #1 (Kickoff)	April 30, 2019
Subcommittees 1 and 2 Meeting #1	May 14, 2019
Subcommittees 3 and 4 Meeting #1	May 16, 2019
Subcommittees 1 and 2 Meeting #2	June 11, 2019
Subcommittees 3 and 4 Meeting #2	June 13, 2019
Workgroup Meeting #2	June 26, 2019
Subcommittees 1 and 2 Meeting #3	August 13, 2019
Subcommittees 3 and 4 Meeting #3	August 15, 2019
Workgroup Meeting #3	August 21, 2019
Workgroup Meeting #4	September 25, 2019
Council Presentation	TBD October 2019

NEXT STEPS

- ▶ Subcommittee Meetings
 - ▶ ~~Meeting 1 – Identify issues and goals~~
 - ▶ ~~Meeting 2 – Review existing conditions, opportunities, and constraints~~
 - ▶ Meeting 3 – Develop strategies and recommendations

- ▶ Workgroup Meetings
 - ▶ ~~Meeting 2 – Review subcommittee goals and existing conditions, opportunities, and constraints~~
 - ▶ Meeting 3 – Review subcommittee recommendations
 - ▶ Meeting 4 – Discuss final recommendations to present to Council

Public Comment Period

You can also email comments to:
interentworkgroup@jmt.com



Rental Housing Workgroup Public Workshop

**Thursday, July 25, 2019
Council Chambers
6:30 – 8:30 p.m.**



Thank You!

Please visit:

<https://newarkde.gov/1118/Rental-Housing-Workgroup>
for more information

Email questions or comments to:

nderentworkgroup@jmt.com