



Affordable Housing Production Task Force

Thursday, March 13, 2025

10:30 a.m. to 12:30 p.m.

**Haslet Armory, Room 219, 122 Martin Luther King Jr. Blvd, Dover, DE
19901**

Subcommittee Recommendations

<u>SUBCOMMITTEE</u>	<u>RECOMMENDATIONS</u>
Finance & Development	18
Regulatory & Permitting	8
Construction	12
Manufactured Housing	27
Community Focus Groups	6
TOTAL	71



Major Takeaways

- There are specific **types** of residential development we want to encourage
- There are specific **populations** for whom we'd like to target residential development
- There are specific **places** where we'd like to direct new residential development
- There are specific **tools** we'd like to use to encourage new residential development
- There are specific **supports** that are needed to address affordability in the short-term, as well as a
- There is a need for **preservation** of existing affordable housing stock



Types of Development to Encourage

- Diverse Housing Types
 - Accessory Dwelling Units (ADUs)
 - Microunits
 - Single Room Occupancies (SROs)
 - Group Homes
- Manufactured Housing
- Accessible Units
- Higher-storied buildings
- Higher-density projects (including multi-family)
- Small lot (5,000 sq ft) single-family, townhomes, duplex (missing middle)
- Master Plans



Target Populations

- By Income
 - Renter households making up to 80% Area Median Income (AMI)
 - Owner households making up to 120% AMI
- By Need
 - Persons with a range of disabilities
 - Persons in need of supportive housing



Where to Encourage Development

- Investment Levels 1 and 2; and level 3 where infrastructure exists, and/or Local and county growth areas/zones
- Infill parcels
- Vacant/abandoned parcels
- Commercial/retail spaces (conversions to mixed-use)
- Near transit or where transit is planned; *lack of transit should not preclude development
- State-owned properties



Tools to Encourage Development

- Funding
- Local Zoning Reform
- Streamlining the Permitting Process
- Statewide Building, Energy, and Redevelopment Codes
- Strengthen Comprehensive Plan Requirements
- Developer Incentives
- Construction Workforce Development
- Program Optimization/Capacity Building



Funding

- State Funding :
 - \$100 million to DSHA per year for the production of affordable rental housing, with future increases tied to CP
 - Funding must consider the needs of the most vulnerable households/ELI households/households with disabilities
- Work across executive agencies and entitlement jurisdictions to identify and maximize use of federal and state funds that can be used to support housing
- Create a mission-driven public/private development fund to increase the number and volume of low-cost loans for affordable housing developers (similar to the Dallas Housing Opportunity Fund)
- Allow/encourage municipal bond financing for affordable housing developments



Local Zoning Reform

[Insert first sentence of the R&P zoning rec] Local jurisdictions should update their zoning and land use ordinances/regulations to:

- Increase allowable density of residential development ~~in investment levels 1 and 2;~~
- Increase the types of dwellings that are treated as permitted uses ~~in investment levels 1 and 2;~~
- Ensure administrative approval of by-right projects (i.e., those that are “permitted uses” in a given zoning district)
- Reduce/eliminate parking requirements in high density areas, especially those near transit
- Ensure that residential bulk standards do not prevent a developer from developing to the maximum allowable density.
- **Pilot program to assist local governments in implementing zoning reform for affordable housing**



Streamlining the **Approval**/Permitting Process

State agencies and local governments should work together to streamline the **approval**/permitting process for residential development, including:

- Developing maximum timelines for approvals;
- Expediting review of projects that meet affordability criteria;
- Allowing residential developers to utilize “pay for review” processes for various permits (e.g., stormwater permits);
- Waiving fees for projects that meet affordability criteria ~~and that are located in investment levels 1 and 2;~~
- Allowing residential developments in investment levels 1 and 2 that are properly zoned and/or compatible with the jurisdiction’s comprehensive plan to opt out of PLUS review.



Statewide Codes

- Adopt statewide building code ~~and the 2018 energy code~~ for consistency across all jurisdictions
 - Statewide building code should take into consideration the needs of persons with a range of disabilities, and compliance with the ADA
- Establish a redevelopment code that is less onerous and costly for the developers are who renovating existing structures
 - Example: residential redevelopments in New Jersey must adhere to the Uniform Construction Code and Rehabilitation Subcode
- Apply same code for the duration of the project



Strengthen Comprehensive Plan Requirements

- Update comprehensive plan requirements to ensure current and accurate housing data, and that implementation and zoning reforms are supported by goals in the plan. Plans should identify sufficient land for housing in sufficient densities to meet local needs.
- Pilot Program via OSPC to assist local governments in implementing the affordable housing elements of their comp plans via master planning



Developer Incentives

State and local governments should provide incentives to developers to construct affordable housing, including:

- Allowing affordable housing projects to take advantage of the Site Readiness Fund (*state*)
- Fee reductions/waivers (*state or local*)
- Density bonuses (*local*)
- ~~Reduce/eliminate parking requirements (*local*)~~



Construction Workforce Development

- Reduce current journeyman/apprentice ratios required by DOL
- Require construction pathway at all schools
- Change funding structure, amount, for training instruction for apprenticeships
 - Currently funding goes through DOE – recommend shifting funding under DOL



Program Optimization/Capacity Building

DSHA – periodically review programs with stakeholders to optimize effectiveness, including:

- Minimum construction standards
- Waiver process
- Standards for rehab projects
- Cap on the number of LIHTC projects a developer can have in pipeline
- Identifying other barriers to development under our programming
- Identify opportunities for new programming
- Re-evaluate SRAP
- Evaluate ways to recapture or preserve public subsidies in affordable housing projects

DeIDOT – create a committee of subject matter experts to reevaluate the DeIDOT DCM and road design manual to reduce costs



Supports for the Short-Term

Several subcommittees noted the need for immediate/short-term supports to help households afford their current housing.

Recommendations along this line included:

- Funding for a permanent, sustainable statewide emergency rental assistance program
- ~~Legislation to seal certain eviction records~~
- Greater availability of vouchers, including for manufactured homeowners/tenants in manufactured housing communities
- Wrap-around supports for manufactured homeowners/tenants



Preservation

Several subcommittees made recommendations related to preserving current stock, including:

- Applying long-term deed restrictions to RAD conversions
- ~~Instituting a right of first refusal for the sale of multifamily housing that was financed using public subsidies~~
- Expanding availability of home repair programming to manufactured housing

