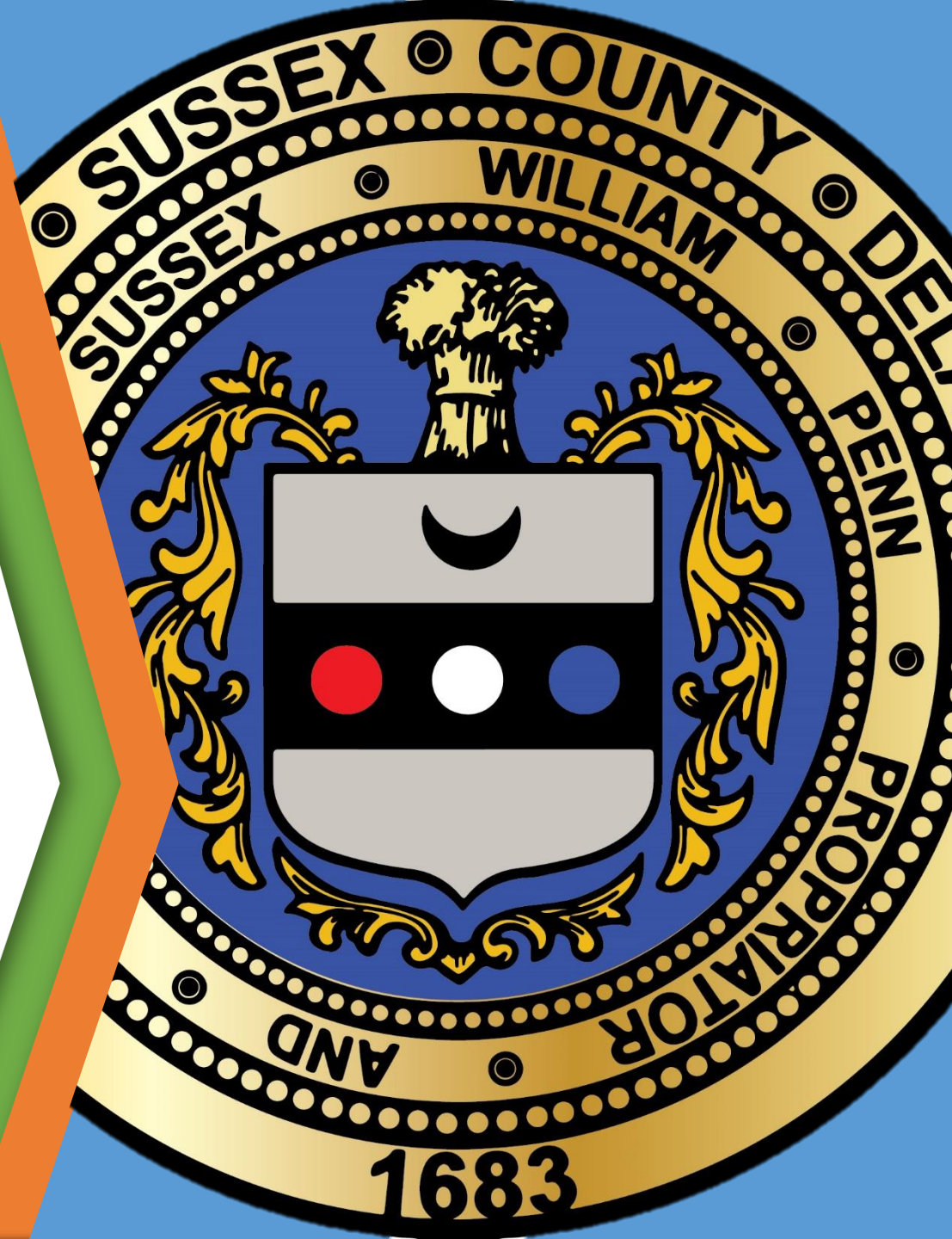




Housing Initiatives

Rehoboth Beach/Dewey Beach Chamber of Commerce
May 11, 2022




Sussex County Housing Landscape

FY2020	FY2021	FY2022
24 Major Subdivision Applications Received	34 Major Subdivision Applications Received	29 Major Subdivision Applications Received to Date
941 Lots Proposed	1,836 Lots Proposed	3,381 Lots Proposed to Date
11,264 Building Permits Issued	15,395 Building Permits Issued	TBD










Future Land Use Map






Sussex County Comprehensive Plan
THE SUSSEX PLAN

2045 Future Land Use Map


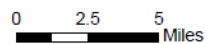

Growth Areas

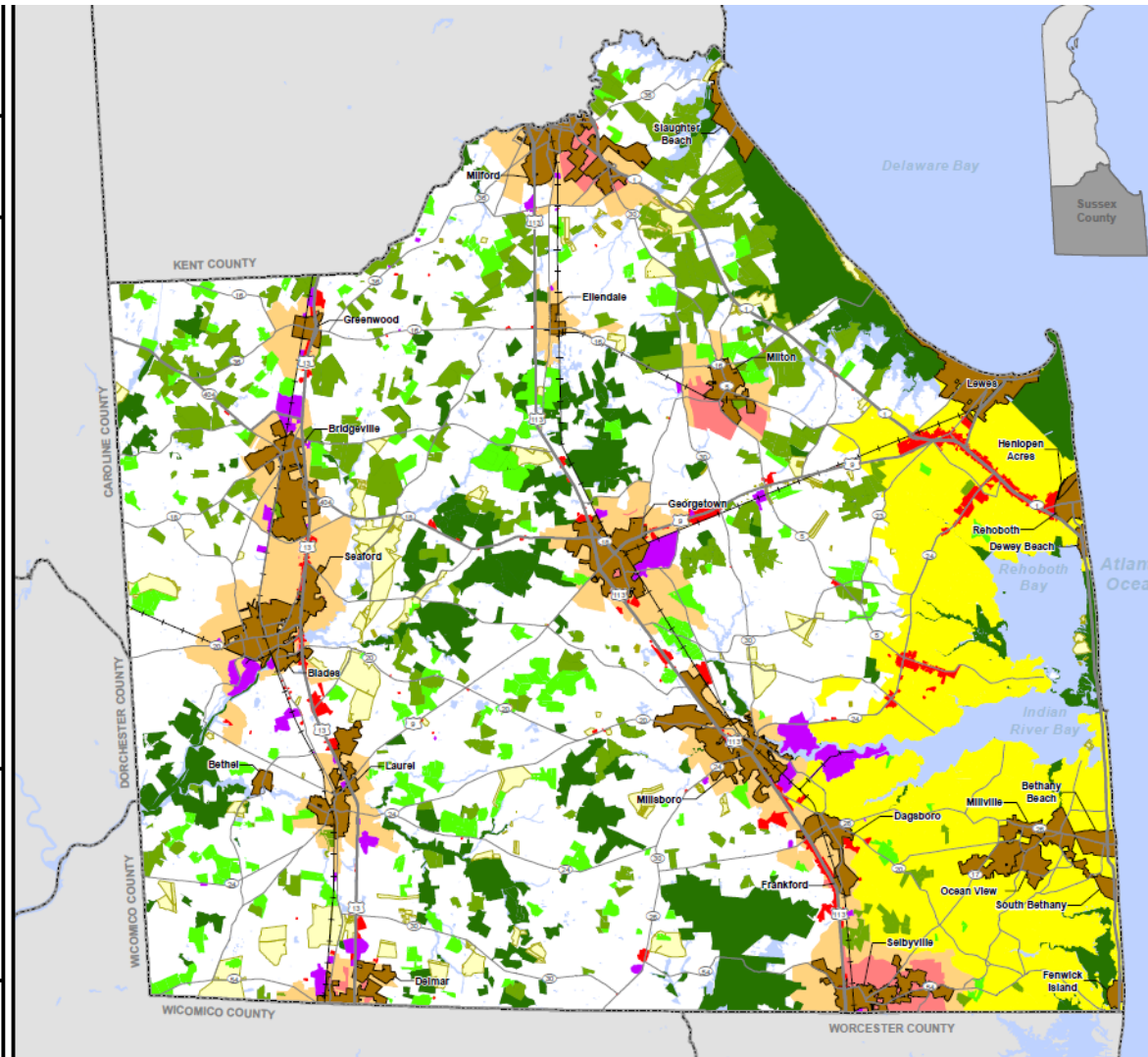
-  Municipalities
-  Town Center
-  Developing Area
-  Existing Development Area
-  Coastal Area
-  Commercial
-  Industrial Area

Rural Areas

-  Low Density
-  Protected Land
-  Ag. Preservation District
-  Ag. Preservation Easement

Sources: DE FirstMap, Sussex County Mapping Dept. Land Use Data from 2008, State Forest Data from 2013, Forest Conservation Easements Data from 2016, Municipal Annexation Areas 2016



Comprehensive Plan,
2019



Sussex County Workforce Housing Need



Dolles
SALT WATER TAFFY

A large, orange, cursive sign for 'Dolles' is mounted on a metal frame against a blue sky. Below it, a smaller orange banner with white text reads 'SALT WATER TAFFY'.

Judge POP CORN Crisp Taffy

The storefront of the Dolles shop is visible, featuring a blue awning and large windows. The text 'Judge POP CORN Crisp Taffy' is written in red and blue above the entrance. People are seen walking in front of the shop, and a street lamp is visible on the right.

Housing Opportunities & Market Evaluation (HOME)

- 2018 Comprehensive Plan
 - Comp Plan spurred significant public engagement
 - Substantial input related to the lack of affordable & workforce housing in Sussex
- Planning & Zoning Commission and County Council supportive of finding solutions
- CD&H received approval from County Council in October 2018 to do an RFP for an outside consultant to do housing study
- April 2019 – Contracted with LSA Planning
 - Housing Needs & Market Analysis
 - Economic Feasibility Analysis
 - Housing Opportunities and Market Evaluation



Housing Opportunities & Market Evaluation (HOME)

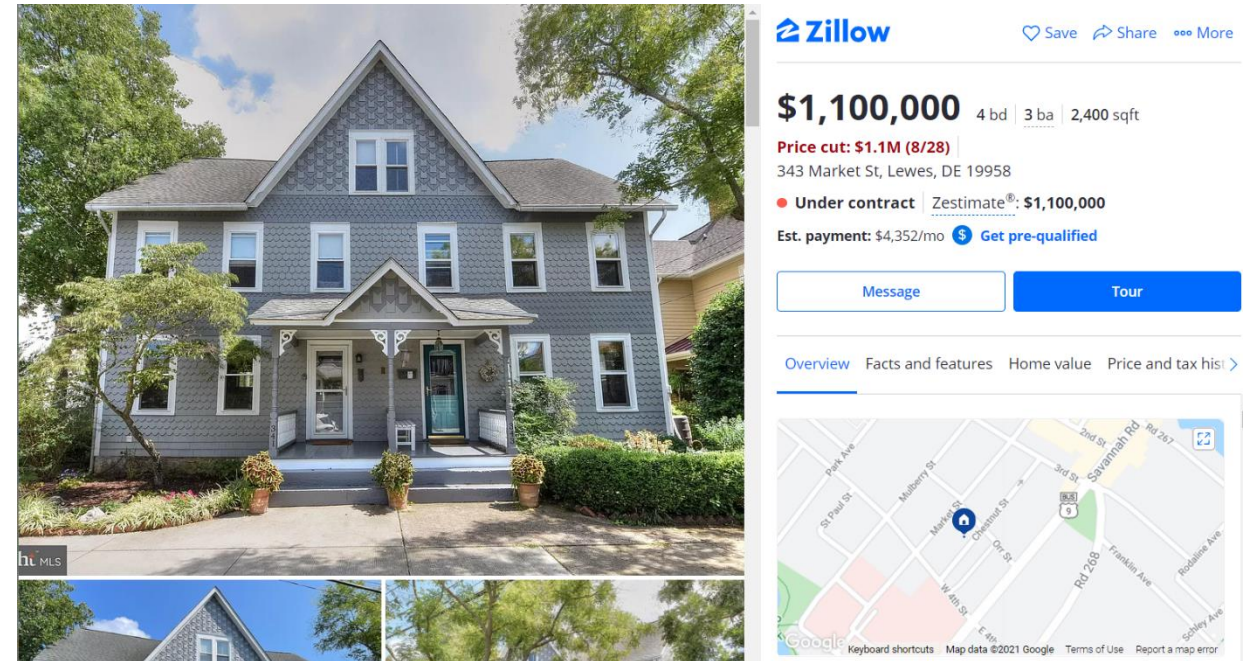
- Deliverable 1: Housing Needs & Market Analysis
 - *Sussex economy is highly dependent on tourist-supporting industries, including Accommodations and Food Services and Retail Trade sectors. Jobs in these trades account for 31% of total employment in the County alone. However, pay is typically lower on average (less than \$20,000/year) and workers in these sectors face limited affordable housing choices in the County.*



Housing Opportunities & Market Evaluation (HOME)

• Deliverable 1: Housing Needs & Market Analysis

- *About 30% of all Sussex County households – 48% of renters and 26% of homeowners- are housing cost burdened, spending 30% or more of their income each month on housing costs.*
- *The number of lower-cost homes- with rents and prices that are affordable to nearly half of Sussex County's workforce- has either declined or is not growing as quickly as higher-cost housing.*
- *In for-sale market, homes valued less than \$300,000 make up less of the owner-occupied homes, declining from 68% in 2012 to 56% in 2017. During the same period of time, homes valued over \$400,000 are increasing and representing a larger portion of the housing stock, representing 26% of owner-occupied homes, up to 10% since 2012.*



Zillow Save Share More

\$1,100,000 4 bd | 3 ba | 2,400 sqft

Price cut: **\$1.1M (8/28)**

343 Market St, Lewes, DE 19958

• Under contract Zestimate®: **\$1,100,000**

Est. payment: \$4,352/mo [Get pre-qualified](#)

[Message](#) [Tour](#)

[Overview](#) [Facts and features](#) [Home value](#) [Price and tax history](#)

Map showing location on Market St, Lewes, DE.

- **As of March 31, 2022, Zillow.com reports that Sussex County's typical home value is \$427,642. This is a 28.0% increase from this time last year and a 51% increase from 5 years ago.**



Housing Opportunities & Market Evaluation (HOME)

- Deliverable 1: Housing Needs & Market Analysis

- *In the rental market, median gross rent in the County has risen 10% since 2012 with the greatest increases among units priced between \$1,000 and \$1,500. While Western Sussex County has lower median rents than Eastern Sussex County, the median rent in Western Sussex County has increased at a faster rate in the last several years than it has in the Eastern part of the County.*



Coastal Tide, Lewes

2BR = \$1,695

Apartments.com, accessed 2/28/22



The Oaks, Georgetown

2BR = \$1,373



Villages of Stoneybrook, Seaford

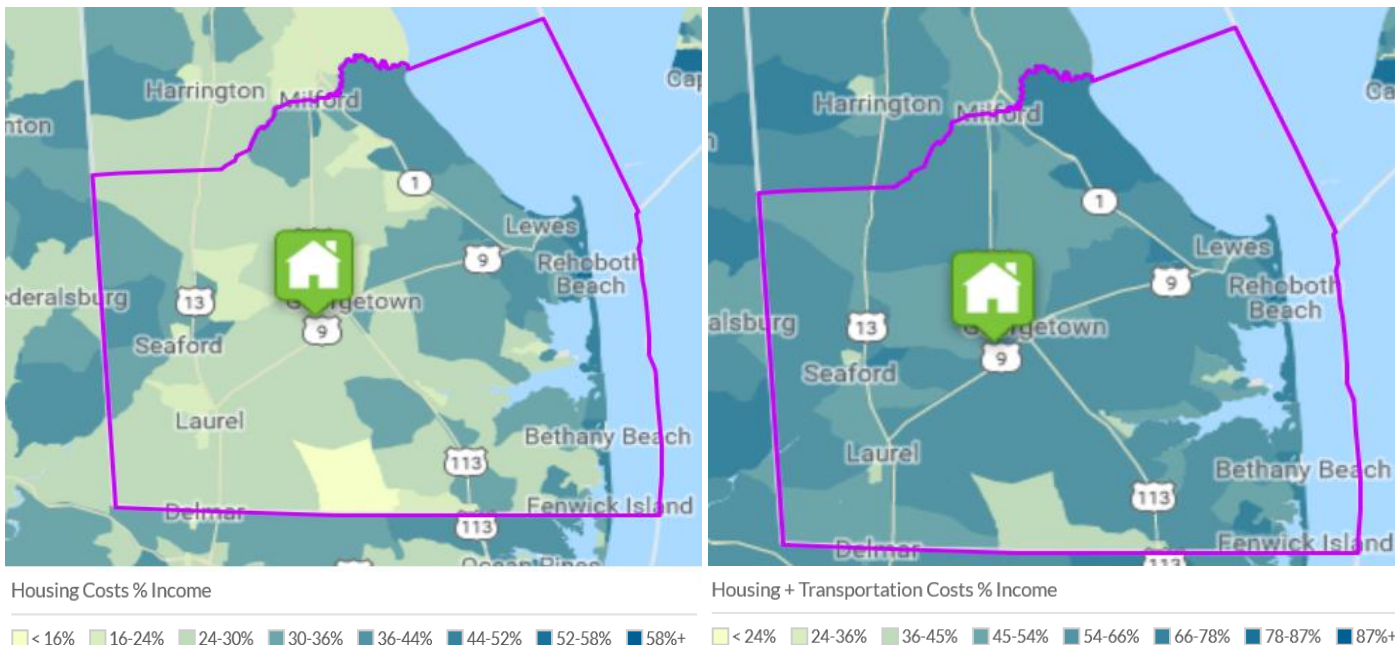
2BR = \$1,295



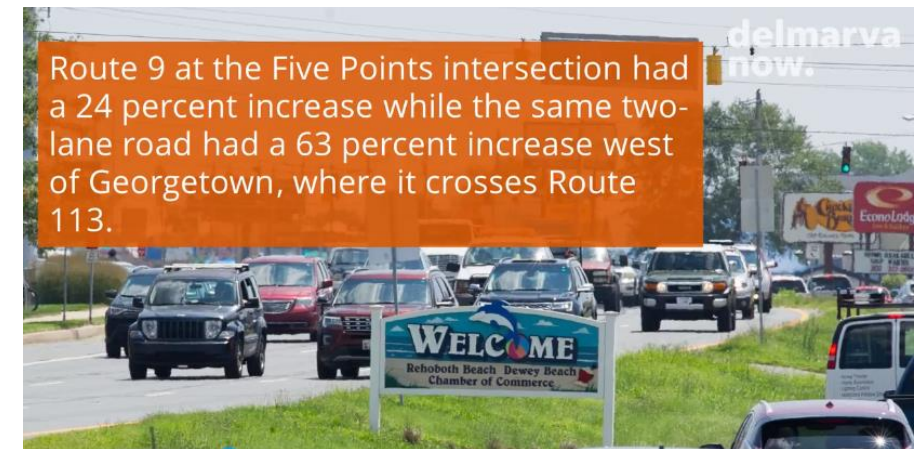
Housing Opportunities & Market Evaluation (HOME)

• Deliverable 1: Housing Needs & Market Analysis

- *Housing and transportation data suggest that many households move further away from neighborhoods near jobs, services, and other amenities in order to afford housing. In doing so, some households will spend a disproportionately higher amount on transportation costs, outweighing any savings gained from living in lower cost areas in the County. The average Sussex County household spends 30% of their income on housing costs. With transportation factored in, households spend 56% on average for both housing and transportation.*



Source: Center for Neighborhood Technology H + T Index



DelDOT Study 2010-2016
DelmarvaNow.com, 2018



Affordable Housing Need

- Housing Alliance Delaware issued their annual report titled, *Housing and Homelessness in Delaware: Crisis to Recovery (2021)*. The report specifies that:
 - In Sussex County, there was an 103.2% increase in rent and a 65.4% increase in median income from 2000 to 2019.
 - In Sussex County, the 2021 Housing Wage is \$18.56. This is the amount that a full-time worker must earn hourly to afford a 2-bedroom apartment at fair market value (\$965). The current minimum wage is \$9.25.
- The creation of affordable housing units has not kept pace with demand and has been further hindered by COVID-19. Demand for affordable housing is likely to increase as the COVID-19 crisis reduces incomes and prohibits renters from transitioning to homeownership.
- COVID-19 and concurrent housing boom have drastically increased the prices of construction materials, while consequently reducing the available supply of many items. This has impacted the overall cost of housing, making it that much more unattainable for low- and moderate-income households already priced out of the market.



In Summary

- There is a significant need for **rental housing affordable to working households in Sussex County with incomes below \$35,000**. The affordability level translates to homes (including apartments) that have rents of \$875 or less.
- In addition, there is a substantial **gap in for-sale homes affordable to moderate-income households who can afford to pay up to \$200,000 for a home**.



Sussex County
Housing Programs &
Initiatives

A stylized house icon in shades of blue, with a dark blue outline and a light blue fill. The window is represented by two dark blue horizontal bars. Below the house, the text 'EQUAL HOUSING OPPORTUNITY' is written in a dark blue, sans-serif font. The house icon is partially obscured by a green and orange chevron shape on the left side of the page.

EQUAL HOUSING
OPPORTUNITY

Housing Opportunities & Market Evaluation (HOME)

Final Recommendations

- Strategy 1: Modify the Zoning Code to Promote Housing Affordability in Growth Areas Identified in the Comprehensive Plan
 - 1.1: Update the Existing Bonus Density Programs
- Strategy 2: Establish a Local Housing Trust Fund
- Strategy 3: Preserve the Existing Supply of Affordable Housing



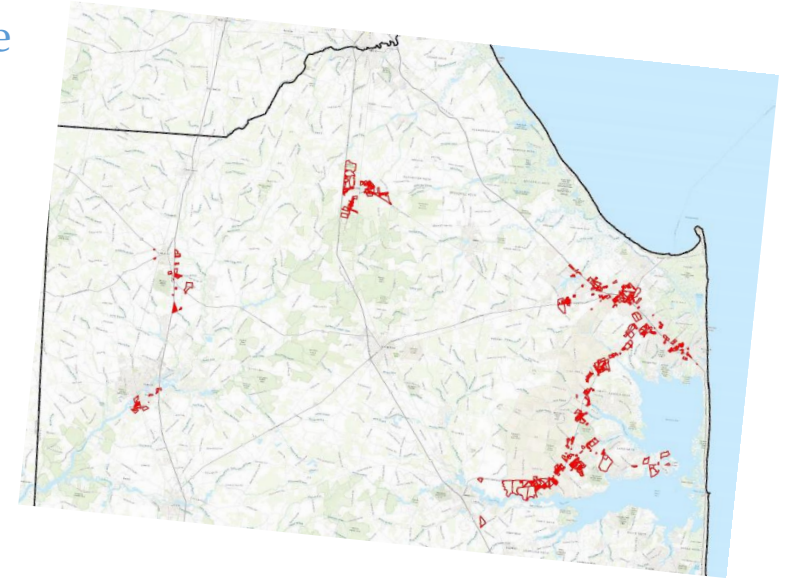
Housing Opportunities + Market Evaluation

Sussex County, Delaware
November 2019



Workforce Housing Initiative

- Modifications to existing SCRP Ordinance (Chapter 72) AND Zoning Code
- Goals
 - Incentivize Developer Participation
 - Offer creative solutions that generate workforce housing opportunities
 - Promote good design features
 - Increase availability of diverse housing options
 - Reduce NIMBYism
- How did we get here?
 - LSA Study - Economic Feasibility Analysis
 - Comprehensive Plan
 - Developer Input
 - Coastal Tide - Full Cycle (Development, Construction, Lease-up)
- Internal County working group prepared proposed recommendations for County Council to consider that incorporates LSA recommendations related to density and reducing barriers to multi-family development.
 - Creates an administrative review process for participants and 12-units/acre by-right, if eligibility criteria are met
 - Ordinance introduced to County Council March 2022
 - Planning & Zoning Public Hearing - April 28th
 - County Council Public Hearing - June 28th (tentative)



Sussex County Rental Program – Coastal Tide



COMMUNITY HIGHLIGHTS

- Refreshing Pool
- Fitness and Wellness Center
- Pet Friendly
- Smoke Free Apartments
- Walking Trail
- Clubhouse
- Garage Rentals
- Movie Screenings
- Coffee and Tea Bar
- On-site management
- 24 Hour On Call Maintenance
- Online Rental Payments
- Pool Table
- Location, Location, Location
- 10 Minutes to the Beach
- 5 Minutes to Shopping

AVAILABLE ON SITE SERVICES

- Concierge
- Dog walking
- Valet Trash

MIRROR Virtual Personal Training Available

Weight Training, Kickboxing, Cardio & Strength, Pilates, Yoga, Meditation, Stretch, Dance Cardio and more.

CLUB HOUSE

POOL

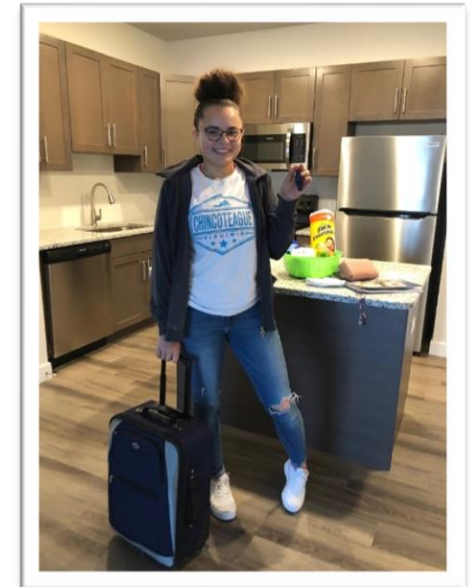
BUILDING 1 33524
BUILDING 2 33524
BUILDING 3 33520
BUILDING 4 33526
BUILDING 5 33534
BUILDING 6 33540

POOL PHOTO

- 4/6 Buildings Constructed
 - Next Building – Summer 2022
- 18/26 SCRP units leased

Bedroom-Size	1 BR	2 BR	3 BR
Rent (does not include utilities)	\$590	\$705	\$815

- Rents are calculated using 50% AMI and fixed based on bedroom size.
- Data is based on 2021 HUD AMI Income Guidelines for Sussex County, DE.



“The Sussex County Rental Program has had an extremely positive impact on my children and myself! Being a single mom of two teenagers and previously living in a two-bedroom one bath “low income “ apartment, we were so happy and thankful to be able to move into a three bedroom, two bath brand new apartment with a washer and dryer (not coin operated in a separate building) and amenities like the pool and fitness center here at the Coastal Tide Apartments! Our old apartment served its purpose and of course we were happy to have a roof over our heads, but crime was slowly increasing in the past few years, and I wanted better for my kids - as they are kind and not at all materialistic and I just felt that they deserved more....

We feel blessed to be able to live in such a nice place at and I am happy that it was made affordable for me on my fitness instructor / retail income. I was constantly looking for a better place for us but even two bedrooms in this area were out of my reach.... And that still leaves someone sleeping in the living room (me) haha. And we would like to get a dog in the near future, so we are glad they allow pets here...

I know many hard-working people who would greatly appreciate and benefit from this program.

~ Coastal Tide Tenant



FY2022 Housing Trust Fund Initiative

Original Program	ARPA-Expansion	Updates
Direct Buyer Assistance <ul style="list-style-type: none"> Under 80% AMI - \$10,000 	Direct Buyer Assistance <ul style="list-style-type: none"> <65% AMI - \$30,000 66-99% AMI - \$20,000 100-120% AMI - \$10,000 	Currently accepting applications! Buyers must first attend pre-purchase homeownership counseling through a HUD-approved counseling agency
Development Loan Fund <ul style="list-style-type: none"> \$100,000/project or \$10,000/unit with a cap of \$100,000 Funds available 1x/year 5-year loan, 0% interest Deed restrictions – 20 yr. h/o and 30 yr. rental 	Development Grant Fund <ul style="list-style-type: none"> \$500,000/project or \$50,000/unit with a cap of \$500,000 Funds available 2022 & 2023 Grant Deed restrictions – 20 yr. h/o and 30 yr. rental 	Funding Round 1 – \$3 million - applications were due 4/29 https://Sussexcountyde.gov/housing-trust-fund



FY2021 Income Limits for Sussex County, DE						
% AMI	1	2	3	4	5	6
65%	\$34,190	\$39,065	\$43,940	\$48,815	\$52,780	\$56,680
100%	\$52,600	\$60,100	\$67,600	\$75,100	\$81,200	\$87,200
120%	\$63,120	\$72,120	\$81,120	\$90,120	\$97,440	\$104,640

**Note: Program available only until December 2024 or when funding is no longer available*



Sussex County Emergency Repair Program



- Primary Uses

- Households with no running water
- Households with no heat
- Households in need of handicap accessibility
- Households with leaking roof
- Households with electrical issues
- Households with plumbing issues

- Prioritization

- Individuals with disabilities
- Individuals 65+ years of age
- Households at or below 30% AMI

Project *using County Fiscal Years	Funding Amount	Households Assisted
FY18 Emergency Rehab	\$175,000	104
FY19 Emergency Rehab	\$250,000	119
FY20 Emergency Rehab	\$250,000	134
FY21 Emergency Rehab	\$250,000	110
FY22 Emergency Rehab	\$300,000	In progress



Questions?

Mark G. Schaeffer

Sussex County Council, District 3

mschaeffer@sussexcountyde.gov or (302) 855-7743

