

AFFORDABLE HOUSING PRODUCTION TASK FORCE FINAL REPORT

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Contents

Glossary of Terms	5
Executive Summary	8
Introduction.....	9
Housing Needs Assessment	9
Housing Costs & Affordability	9
Task Force Findings and Recommendations	12
Findings	12
Types of Residential Development to Encourage	12
Target Populations	12
Locations to Encourage Development	13
Recommendations	13
Objective 1: Increase/expand funding opportunities for affordable housing.....	14
Objective 2: Implement local zoning reform	14
Objective 3: Streamline the approval/permitting process	15
Objective 4: Adopt a statewide building code	16
Objective 5: Strengthen comprehensive plan requirements	16
Objective 6: Provide incentives to developers for affordable housing units	16
Objective 7: Develop construction workforce pipeline	16
Objective 8: Assist in the purchase of manufactured housing communities by homeowners.17	
Objective 9: Optimize and improve the capacity of existing programs/processes	17
Additional Considerations	18
Supports for Short-term Affordability Needs	18
Preservation Strategies.....	18
DSHA Acknowledgements.....	19
Appendices	20
Background.....	20
Enabling Legislation	20
Selection of Members	20
Task Force Members	20
Subcommittee Members	21
Public Participation.....	21
Process and Timeline	21

Subcommittees.....	22
Regulatory & Permitting Subcommittee	22
Subcommittee Charge.....	22
Members	22
Meetings	22
Approved Recommendations.....	22
Finance & Development Subcommittee.....	23
Subcommittee Charge.....	23
Members	24
Meetings	24
Approved Recommendations.....	24
Construction Subcommittee	25
Subcommittee Charge.....	25
Members	26
Meetings	26
Subcommittee Recommendations.....	26
Manufactured Housing Subcommittee	27
Subcommittee Charge.....	27
Members	27
Meetings	27
Subcommittee Recommendations.....	27
Community Focus Groups Subcommittee	30
Subcommittee Charge.....	30
Members	31
Meeting:.....	31
Subcommittee Recommendations.....	31

Fellow Delawareans,

This report represents the collective work of our 20-member, bipartisan Affordable Housing Production Task Force (AHPTF). It outlines ways in which the State and local governments, along with our private-sector partners, can increase the production of affordable rental units and homes in Delaware.

The task force held its first meeting in August 2024 following the passage of House Bill 442. Since then, the full body and its five subcommittees have met numerous times to determine the best steps for our state moving forward.

According to the latest [DSHA Statewide Housing Needs Assessment](#), to keep up with household growth through 2030, the state will need to add an average of 2,400 units per year, with at least half of them being affordable housing units. At the same time, 50% of renters in Delaware are cost burdened, and homeownership rates continue to decline. The number of Delawareans experiencing homelessness also is on the rise.

When we formed the AHPTF, we were just at the beginning of our legislative path toward reducing homelessness and ensuring that every Delawarean could afford a roof over their head. While there is still much work to be done, the participants of this task force have helped to clarify that path.

The members of the task force and its subcommittees included state and local officials, state agencies, housing-focused organizations, homebuilders, community members, and multiple other representatives from the housing sector. Each of those individuals understood the gravity of the situation we, as a state, are in, and each brought their own expertise and resources to the discussion. Members of the public, many of whom have felt the effects of our affordable housing shortage, brought their passion and real-life experiences to the table, helping us understand which areas of our state needed critical attention on this front, and how we could best serve them.

As AHPTF Co-Chairs, we would like to formally thank everyone who took part in these meetings for their tireless work and dedication. We are so grateful that you took the time to contribute so much to this cause.

Now as policymakers, it is time for us to take action and use this report as a guide to inform our decisions moving forward.

Sincerely,

Matthew Heckles, DSHA Director



Sen. Russ Huxtable



Rep. Kendra Johnson



Glossary of Terms

Accessory Dwelling Unit (ADU): A self-contained independent dwelling on the same lot as a single family home. ADUs can be detached from or attached to the primary home.

Affordable Housing: Housing is affordable when housing costs (rental and utility costs or combined mortgage, property taxes, and required insurance) are no more than 30% of a household's gross annual income.

- Affordable housing for renters generally receives a subsidy to allow units to be rented at or below fair market rent for income qualifying households or receives a rental voucher allowing a household to pay no more than 30% of its monthly income toward housing.
- Affordable housing for homeowners is sold to and occupied by qualified households and is typically subject to a resale restriction for a certain time period.

Area Median Income (AMI): The median income for households based on household size and geographic area. The U.S. Department of Housing and Urban Development (HUD) establishes the AMI each year and determines eligibility for housing programs according to income categories.

- Households earning less than 30% of AMI are considered "extremely" low income.
- Households earning between 31 and 50% of AMI are "very" low income.
- Households earning between 51 and 80% of AMI are "low" income.
- Households earning more than 80% are considered "moderate" income.

By-Right Approval (also known as Permitted Use or as-of-right): Granted when a development proposal strictly conforms to zoning and building codes and, thus, qualifies for construction without requiring discretionary approval.

Comprehensive Plan: An officially adopted plan presenting the community's vision for the future, with long-range goals and objectives for all activities for orderly growth and development. It incorporates land intensities; land subdivision; circulation; and community facilities, utilities and services.

Cooperative (co-op) Housing: A form of homeownership where residents collectively own and occupy a specific unit. Members purchase stock in the cooperative, which owns the land, building, and common areas. Owners do not own their units outright.

Cost burden: Occurs when a household spends more than 30% of its income on housing costs. When a household experiences cost burden, the housing is not considered "affordable." Severe cost burden occurs when a household spends more than 50% of their income on housing costs.

Density: The number of dwelling units per gross acre.

Disability: An individual with a physical or mental impairment that substantially limits one or more major life activities of such individual, has a record of such an impairment, or is regarded as having such an impairment.

Discretionary Review: Requires an appointed or elected body of officials to decide whether to proceed with a development. Discretionary approval is usually reserved for development proposals that don't conform to zoning or building codes, but other regulatory triggers can also create the need for a discretionary approval process.

Duplex: Two attached dwelling units in a single structure that function independently of each other.

Dwelling Unit: Consists of one or more rooms that contain lawful cooking and sanitary facilities, inhabited by one or more persons living together and maintaining a common household in a residential building or residential portion of a building.

Group Home: A residence located in traditional neighborhood that serves those in need of additional support. Group homes strive to provide an authentic living environment while still maintaining the level of support needed for individuals to thrive.

Households: People occupying a housing unit and can include related family members and unrelated people living and cooking together as a single housekeeping unit.

Housing Choice Voucher (HCV): Typically refers to the program funded by the federal government, which is designed to assist very low-income households, the elderly, and the disabled to afford safe, and decent housing in the private market. This is done through vouchers that pay approximately 70 percent of the monthly rent and utilities for eligible renters.

Infill Development: Construction of buildings or other facilities on underused or vacant land in existing urban areas. This type of development encourages density near or on existing utility and transportation infrastructure.

Manufactured Home: A dwelling unit built to the Manufactured Home Construction and Safety Standards (HUD Code), and in the controlled environment of a manufacturing plant. It is then transported in one or more sections on a permanent chassis.

Master Plan: A document that outlines, both narratively and visually, the overall development concept of a particular area. The master plan ensures coordinated development over time and space, often embedding policies, land uses, pathways, and infrastructure frameworks guiding public and private development.

Microunit: Small apartment, typically 350 square feet or less in size. A micro unit is essentially a refined version of a studio apartment. It can include their own private bathroom and kitchenette spaces or share communal spaces that can include larger kitchens, living areas, community rooms, decks, or other areas.

Missing Middle Housing: The range of housing types between single-family detached houses and mid-to-high-rise apartment buildings. Examples include duplexes, triplexes, townhomes, and more. In this context, “middle” references the size and type of a home, relative to its location – in the middle – on a housing scale spectrum.

Multifamily: A building containing three or more dwelling units, excluding attached townhouse units on individual lots.

Third-Party Review: Expands the capacity for plan review and site inspections to accommodate increased levels of housing production by allowing private-sector parties to perform inspections that would otherwise be performed by state and/or local agencies.

Rezoning: The act of changing a land's use classification to a different classification, with regulations permitting the applicant's desired use.

Single-family home: A standalone residential structure on a lot designed for occupancy by one household.

Single-Room Occupancy (SRO) unit: A small, 200- to 350-square-foot rented room containing a sink and stove with a shared bathroom. Located in a rooming house, these units provide a valuable source of affordable housing for individuals and can serve as an entry point into the housing market.

Supportive Housing for Persons with Disabilities (Section 811): A federal program that assists low-income individuals with significant and long-term disabilities to live independently in the community by providing affordable housing linked with voluntary services and supports.

Small-lot housing: One dwelling unit on a lot smaller than 5,000 square feet.

Shovel-ready site: A construction project that is considered to be at an advanced enough stage of development for building to begin soon. The term generally implies that front-end planning is complete, and zoning and approval permits are in place.

Tax Increment Financing: A public financing method used to subsidize redevelopment, infrastructure, and other community-improvement projects. The basic principle of TIF is to use the future gains in taxes to finance the current improvements that will create those gains. When a public project, such as a new road or school, is carried out, there is an increase in the value of surrounding real estate, and can stimulate additional development. This increased site value and investment generates increased tax revenues. The increased tax revenues are the "tax increment."

Townhouse: One of a series of three or more attached similar dwelling units, located on separately owned lots or on a single lot, separated by common party walls without openings extending from basement to roof, and where each unit has its own external entrance.

Traffic Impact Studies: A comprehensive analysis of the traffic effects of a proposed development or infrastructure project.

Universal Design: The design and production of buildings and products that promote equal opportunity for use by individuals, whether or not they have a disability. Visitability is a movement to change construction standards so that new housing is designed to allow people with mobility impairments to live in units and visit others.

Vacant Units: Units which are not inhabited by a person as a primary residence. This includes units which have been rented or sold but the new renters or owners have not moved in, units that are for rent or for sale, for seasonal/ recreational use, and for migrant workers who are not currently occupying the unit.

Executive Summary

The Affordable Housing Production Task Force was created to recommend strategies for how the State and local governments can increase the supply of housing that is affordable to Delawareans across the income spectrum. Approximately 45,000 housing units are needed to address current shortages in the rental market and to keep up with population growth through 2030.

The Task Force acknowledges that the scale of this problem will require cross-sector action and involvement. In order to meet the challenge ahead of us, we must create an environment that encourages new investment and reinvestment in housing, and that mitigates risk for those seeking to develop and/or manage housing units.

The Task Force believes that the following high-level objectives will create the environment needed to increase housing supply generally, and affordable housing supply in particular:

- Objective 1: Increase/expand funding opportunities for affordable housing;
- Objective 2: Implement local zoning reform;
- Objective 3: Streamline the approval/permitting process;
- Objective 4: Adopt a statewide building code;
- Objective 5: Strengthen comprehensive plan requirements;
- Objective 6: Provide incentives to developers to create affordable housing units;
- Objective 7: Develop the construction workforce pipeline;
- Objective 8: Assist in the purchase of manufactured home communities by homeowners;
- Objective 9: Optimize and improve the capacity of existing programs/processes.

These objectives are described further in the report below, along with supporting information and concrete strategies for implementation. Additionally, the Appendices contain detailed information about the Task Force's five subcommittees, which approved subcommittee-level recommendations that informed the nine objectives listed above.

Introduction

Housing Needs Assessment

The Delaware State Housing Authority (DSHA) published a statewide [Housing Needs Assessment](#) (HNA) in 2023 to provide data on current and projected housing costs and needs. The HNA identified a shortage of almost 20,000 rental units that are priced to be affordable to households making between 0 and 50% of Area Median Income (AMI). Additionally, the study found that the for-sale housing market is out of reach for most buyers, with only 20% of home sales in 2022 priced to be affordable to buyers below 120% AMI.

Further, the HNA projected a need for 24,400 additional units (including ownership and rental units) to keep up with population growth through 2030. This brings the total housing needs to approximately 45,000 units.

Housing Costs & Affordability

During the task force subcommittee meetings, it was important to understand the households most impacted by the housing shortage, as well as the limitations of the private market to produce housing that is affordable. DSHA staff produced Table 1 below to show household income as a percentage of AMI for Delaware and all three counties. This information was then used to demonstrate the maximum monthly housing costs each income range can sustain (see Table 2).

Table 1.

Household Income as a Percentage of Area Median Income, by State and County, 2023

Percentage of AMI	Delaware	New Castle County	Kent County	Sussex County
30% AMI	\$23,450	\$26,800	\$19,720	\$21,350
50% AMI	\$39,100	\$44,650	\$32,700	\$35,600
60% AMI	\$46,920	\$53,580	\$39,240	\$42,720
80% AMI	\$62,550	\$71,400	\$52,300	\$56,900
100% AMI	\$78,200	\$89,300	\$65,400	\$71,200
120% AMI	\$93,840	\$107,160	\$78,480	\$85,440

Source: 2023 HUD Median Income Limits for a 2-Person Household
<https://www.huduser.gov/portal/datasets/il.html#year2023>

Table 2.**Maximum Affordable Housing Costs by Percentage of AMI, by State and County, 2023**

Percentage of AMI	Delaware	New Castle County	Kent County	Sussex County
30% AMI	\$586	\$670	\$493	\$534
50% AMI	\$978	\$1,116	\$818	\$890
60% AMI	\$1,173	\$1,340	\$981	\$1,068
80% AMI	\$1,564	\$1,785	\$1,308	\$1,423
100% AMI	\$1,955	\$2,233	\$1,635	\$1,780
120% AMI	\$2,346	\$2,679	\$1,962	\$2,136

Source: 2023 HUD Median Income Limits for a 2-Person Household; Delaware State Housing Authority

Notes: Assumes that housing costs equal 30% of gross monthly income; housing costs include rent and utilities (for renters), and mortgage, utilities, property taxes, and insurance (for homeowners).

DSHA staff then used the maximum monthly housing costs from Table 2 to estimate the maximum home loan amounts and purchase prices that buyers could afford based on household income (see Table 3 below). These estimates are based on the assumptions noted in the left-most column of the table.

Table 3.**Maximum Home Loan Amounts and Purchase Prices**

Assumptions		Percentage of AMI	Delaware	Maximum Loan Amount	Max Sales Price	New Castle County	Maximum Loan Amount	Max Sales Price	Kent County	Maximum Loan Amount	Max Sales Price	Sussex County	Maximum Loan Amount	Max Sales Price
FHA*	6.50%	30% AMI	\$586	\$92,711	\$96,074	\$670	\$106,500	\$109,845	\$493	\$77,997	\$80,826	\$534	\$84,484	\$87,548
Term	30 years	50% AMI	\$978	\$154,730	\$160,342	\$1,116	\$176,563	\$182,967	\$818	\$129,416	\$134,110	\$890	\$140,807	\$145,914
Taxes	\$2,500	60% AMI	\$1,173	\$185,581	\$192,312	\$1,340	\$212,002	\$219,691	\$981	\$155,204	\$160,834	\$1,068	\$168,969	\$175,097
Home Insurance	\$900	80% AMI	\$1,564	\$247,441	\$256,416	\$1,785	\$282,406	\$292,649	\$1,308	\$206,939	\$214,445	\$1,423	\$225,134	\$233,299
Down Payment	3.50%	100% AMI	\$1,955	\$309,302	\$320,520	\$2,233	\$353,284	\$366,098	\$1,635	\$258,674	\$268,056	\$1,780	\$281,615	\$291,829
30% Max Income to Housing Cost		120% AMI	\$2,346	\$371,162	\$384,624	\$2,679	\$423,846	\$439,219	\$1,962	\$310,409	\$321,668	\$2,136	\$337,938	\$350,195

Source: Delaware State Housing Authority.

The estimates underscore the finding from the 2023 HNA that most homes for sale in Delaware are only affordable to buyers making more than 120% AMI.

The housing cost and affordability data produced by DSHA contrasts starkly with the reality of construction costs. Task Force Member and Construction Subcommittee Chair Mike Riemann shared a case study of the costs that go into the development of a typical single-family home in Sussex County, Delaware (see Table 4 below). The case study is intended for illustrative purposes only, and is based on the assumption that the home would have 2,000 sq ft and be located on a 1/5th acre lot in Sussex County.

Table 4. Case Study for Single Family Home Costs in Sussex County

SUSSEX COUNTY

Cost to build 3 bedroom, 2,000 sq ft on 1/5th acre lot

Lot Preparation Costs		Home Construction Costs		Total Project Cost	
Site Acquisition	\$38,661	Permits, Connection Fees/Tax	\$24,007	Lot Preparation Costs	\$156,491
Site Work	\$107,467	Carrying Costs/Overhead	\$39,000	Home Construction Costs	\$318,080
Fees/Soft Costs	\$10,363	Soft Costs	\$1,512		
		Major Systems	\$6,595		
		Sticks and Bricks	\$246,966		
Total Lot Preparation Costs	\$156,491	Total Home Construction Costs	\$318,080	Total Project Cost	\$474,571

*An additional \$18,982 Realty Transfer Tax is applied at closing in addition to the above costs.

Mr. Riemann noted that approximately one-third of the cost to build the home is spent on acquiring and preparing the lot before actual construction begins. The estimated total construction cost in the case study (\$474,571), excluding the realty transfer tax, far exceeds the maximum loan amounts and purchase prices affordable to buyers making 120% AMI in all three counties and in the state (see Table 3 above).

Task Force Findings and Recommendations

The findings and recommendations contained in this section were adopted by the full Task Force on a consensus basis.

Findings

The findings of the Task Force were informed by the Housing Needs Assessment, research conducted by DSHA staff on behalf of the subcommittees, as well as insights and discussions among subcommittee members based on their individual areas of subject matter expertise.

In total, the five subcommittees voted to approve 71 recommendations. Collectively, these recommendations revealed the following:

- 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 *locations* where new residential development should be directed; and
- There are specific *objectives* and *tools* that are recommended to achieve the desired residential developments.

Types of Residential Development to Encourage

The types of residential developments recommended by the subcommittees include the following:

- Diverse housing types, including, but not limited to:
 - accessory dwelling units (ADUs);
 - microunits;
 - single room occupancies (SROs);
 - group homes;
 - small lot (5,000 sq ft.) single family homes;
 - townhomes;
 - duplexes; and
 - other “Missing Middle” housing types;
- Manufactured housing;
- Housing designed to be accessible to those with different abilities (Universal Design);
- Multifamily units, including:
 - Higher-storied residential buildings;
 - Higher-density projects;
 - Small multifamily units compatible with neighborhood scale;
- Housing developments in master-planned areas that have shovel-ready sites.

Target Populations

Although the charge of the Task Force was to recommend ways to increase the supply of housing that is affordable to households across the income spectrum, specific populations were identified as needing special considerations. Specifically, the Community Focus Groups Subcommittee

highlighted the need for residential developments to accommodate the needs of persons with a range of disabilities, as well as for persons/households in need of supportive housing.

Additionally, for the purposes of expediting or incentivizing affordable housing development, the Task Force recommends defining affordable housing developments as those in which units are priced to be affordable to renter households making up to 80% AMI, or owner-occupied households making up to 120% AMI.

Locations to Encourage Development

The locations where residential development should be directed include:

- State Strategies Investment Levels 1 and 2, and Investment Level 3 where infrastructure exists or is planned, and/or is within local and county growth areas/zones;
- Infill parcels where infrastructure exists;
- Vacant/abandoned parcels where infrastructure exists;
- Commercial/retail spaces (e.g., conversions to mixed-use);
- Near transit* or where transit is planned; and
- State-owned properties.

*Task Force members noted that while locating housing near existing or planned transit service may be ideal, a lack of transit options should not preclude residential development, or otherwise be used to justify the denial of residential development.

Recommendations

Collectively, the HNA, housing cost and affordability research, and the work of the subcommittees underscore the need to increase housing supply to rebalance the market and bring housing costs down for Delawareans. At a high level, this can be achieved by structuring the underlying regulatory environment so that it is easier to develop diverse housing types that meet the needs of households across the income spectrum.

It is also clear that, even with regulatory reforms, public investment will be needed to ensure affordability of and access to housing for the state's lowest-income households.

The recommendations from the subcommittees coalesced around several overarching **objectives**, as well as specific **tools** or **strategies** to achieve those objectives. The objectives include:

- Objective 1: Increase/expand funding opportunities for affordable housing;
- Objective 2: Implement local zoning reform;
- Objective 3: Streamline the approval/permitting process;
- Objective 4: Adopt a statewide building code;
- Objective 5: Strengthen comprehensive plan requirements;
- Objective 6: Provide incentives to developers to create affordable housing units;
- Objective 7: Develop construction workforce pipeline;
- Objective 8: Assist in the purchase of manufactured home communities by homeowners; and
- Objective 9: Optimize and improve the capacity of existing programs/processes.

Objective 1: Increase/expand funding opportunities for affordable housing

Significant investments are needed to address current affordability challenges and meet projected housing demand. The Finance & Development Subcommittee estimated that it would take **\$100 million** of state funding annually for affordable rental housing production for a period of 30 years to address the existing shortage of affordable rental units, without considering the investment necessary to produce units for affordable homeownership or units for special populations. The Subcommittee estimated that this amount of public funding would leverage additional private capital by at least a one-to-one ratio in the form of investments, loans and grants.

The Task Force recommends the following tools/strategies for increasing/expanding affordable housing funding:

- The state should provide \$100 million to DSHA per year for the production of affordable housing, with future increases tied to Consumer Price Index; such funding must consider the needs of the most vulnerable households/extremely low income 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); and
- Maximize the utilization of bond financing for the production of affordable housing and to support the infrastructure necessary to develop such units, including:
 - Maximizing DSHA's share of state bond issuances to ensure that resources are available for housing production and home purchases.
 - Allow/encourage municipal bond financing, including the use of general obligation bonds, special tax districts, and tax increment financing, for affordable housing developments and their infrastructure.
- Public/private joint ventures with developer or non-profit organizations.

Objective 2: Implement local zoning reform

The subject of zoning and land use was discussed by all five subcommittees, and there was unanimous consensus that changes are needed at the local level to enable more diverse housing types, smaller units, higher densities, and make the residential development process faster and more predictable. Local zoning ordinances in large part encourage sprawl and limit the ability to provide affordable housing.

The Task Force recommends creating a legislative framework to spur local-level zoning and land use reform in order to increase affordable housing production. Under the framework, the state should establish minimum requirements for local governments to follow with respect to zoning and land use. Local governments should be given the flexibility to choose from a list of strategies created by the state that are designed to meet/exceed the minimum requirements. The framework should include both incentives for local governments to comply, such as qualifying for a

greater percentage of the available state funds committed to affordable housing, as well as a state-level enforcement mechanism to address noncompliance and ensure that local housing needs are met.

For local jurisdictions with a population greater than 2,000, minimum criteria should be established to incentivize development within priority growth areas, including the following:

1. Areas within municipal boundaries;
2. Areas designated as growth areas within the local jurisdiction's comprehensive plan with access to public sanitary sewer; or
3. Areas where greater than 50% of any parcel is within State Strategies for Spending Investment Levels 1, 2, or 3.

Within the aforementioned areas, the following minimum standards should be implemented:

1. Establish a minimum density of not less than 24 units per acre for any zoning district which permits multifamily units.
2. Establish a minimum density of not less than 4 units per acre for single family detached/attached zoning districts.
3. Establish minimum lot sizes of not greater than 5,000 square feet for single-family detached residential units.
4. Establish height limits of not less than 60 ft. for zoning districts which permit multifamily.
5. Otherwise ensure that local government bulk standards enable development to occur at the minimum density specified.
6. Establish a by right administrative review process for residential development within the aforementioned areas without the need for a rezoning, conditional use or other discretionary approval.

The Task Force further recommends creating a pilot program to provide technical assistance to local governments to facilitate implementation of the minimum requirements to encourage the production of affordable housing.

Objective 3: Streamline the approval/permitting process

The Task Force recommends that state agencies and local governments work together to streamline the approval/permitting process for affordable housing development, including:

- Developing maximum timelines for approvals of projects;
- Expediting review of projects that meet affordability criteria;
- Allowing residential developers to utilize third-party "pay for review" processes for various permits (e.g., stormwater permits);
- Waiving fees for projects where a portion of the units meet affordability criteria; and
- 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.

Objective 4: Adopt a statewide building code

The Task Force Recommends the adoption of a statewide building code to ensure consistency across the 57 municipalities and three counties. The building code should take into consideration the needs of persons with a range of abilities, and compliance with the ADA. When approving a project, a local jurisdiction should consistently apply the version of the building code in effect at the beginning of the project through its conclusion.

Objective 5: Strengthen comprehensive plan requirements

The Task Force recommends updating municipal comprehensive plan requirements to achieve the following outcomes:

- Ensure that plans are informed by current and accurate housing data;
- Ensure that zoning reforms and implementation strategies are supported by the goals outlined in the plans; and
- Ensure that plans identify sufficient land for the development of housing in sufficient densities to meet area needs as identified in the Housing Needs Assessment.

Objective 6: Provide incentives to developers for affordable housing units

Multiple subcommittees recognized the need to provide incentives to developers to construct affordable housing units¹. Further, members of the Finance & Development Subcommittee highlighted the necessity of engaging private/market-rate developers in order to meet current and expected demand for units that are affordable to low- and moderate-income households.

The Task Force recommends that the State and local governments offer the following incentives to developers for the construction of affordable housing units:

- Allow residential projects to take advantage of the Site Readiness Fund (*state*);
- Allow residential projects to take advantage of the Transportation Infrastructure Investment Fund (TIIF)(*state*);
- Fee reductions/waivers (*state and/or local*);
- Waive Traffic Impact Studies for residential projects located in Investment Levels 1 and 2 (*state*); and
- Density bonuses (*local*).

Objective 7: Develop construction workforce pipeline

To ensure a sufficient construction workforce, the Task Force recommends the following strategies:

¹ For the purposes of this recommended objective, “affordable housing units” means units priced to be affordable to renter households making up to 80% AMI, or owner households making up to 120% AMI.

- Reduce the current journeyman/apprentice ratios required by the Delaware Department of Labor;
- Require a Construction career pathway at all schools in Delaware; and
- Change the funding structure and amount for training instruction for apprenticeships so that the funding is allocated to and administered by the Delaware Department of Labor.

Objective 8: Assist in the purchase of manufactured housing communities by homeowners

The Task Force recommends providing the following supports to ensure that a homeowner or a homeowners' association has knowledgeable guidance if they desire to purchase a manufactured housing community or land for manufactured housing:

- Advisory services for acquisition of a manufactured home community; and
- State financial assistance for the acquisition of an existing manufactured housing community.

Objective 9: Optimize and improve the capacity of existing programs/processes

The Subcommittees recommended optimizing and/or increasing the capacity of certain state programs and processes related to residential development, specifically those housed within DSHA and the Delaware Department of Transportation.

The Task Force recommends that DSHA periodically review financing and subsidy programs with stakeholders to optimize effectiveness. Specifically, the following items should be reviewed and/or taken into consideration:

- Minimum construction standards;
- The waiver process;
- Standards for rehabilitation projects;
- The cap on the number of Low Income Housing Tax Credit (LIHTC) projects a developer can have in pipeline at one time;
- Identifying other barriers to development under DSHA programming;
- Identifying opportunities for new programming;
- Identifying opportunities to educate more developers about DSHA products;
- Working with the Delaware Department of Health and Social Services to develop supportive housing for people with disabilities;
- Re-evaluating the State Rental Assistance Program (SRAP); and
- Evaluating ways to recapture or preserve public subsidies in affordable housing projects.

The Task Force further recommends that DelDOT create a committee of subject matter experts to reevaluate the DelDOT Development Coordination Manual and Road Design Manual in order to reduce costs associated with developing housing.

Additional Considerations

In addition to the objectives and tools/strategies to increase housing supply, the subcommittees recommended specific *supports* to address affordability challenges in the short-term, as well as strategies to achieve *preservation* of existing affordable housing stock.

Supports for Short-term Affordability Needs

Several subcommittees noted the need for immediate/short-term supports to help households afford their current housing. **The Task Force recommends the following strategies to address current affordability needs, but acknowledges that there may be other strategies worth pursuing:**

- Funding for a permanent, sustainable, statewide emergency rental assistance program;
- Greater availability of housing vouchers;
- Utilization of a shallow subsidy voucher program to support cost burdened tenants; and
- Wrap-around supports for all renters.

Preservation Strategies

Preserving existing affordable housing stock for low- and moderate-income households is critical, as the loss of such housing would add to the already significant shortage of affordable units. **The Task Force recommends pursuing the following strategies to facilitate preservation:**

- Continue to make available home repair programming to owner-occupants of all housing types, including manufactured housing;
- Ensure the availability of home repair programming for manufactured homeowners and persons with disabilities; and
- Apply long-term affordability strategies to subsidized housing.

DSHA Acknowledgements

We want to thank every single person who served on the task force as a co-chair, member, subcommittee chair and subcommittee member. Your dedication is the reason this task force was so meaningful; thank you for doing the work and showing up ready to make a difference.

We had many attendees, advocates and members of the public who showed up at meetings to listen, to offer thoughts, and to make public comment. Your words and ideas matter and we thank you for being part of this process.

Our thanks, also, to guest presenters, who gave so willingly of their time and talents to help us form ideas and solutions.

Legislative Hall and DSHA staff, we thank you for being there for every meeting; for helping prepare, for taking notes, for fixing (or at least trying to fix) all the technical issues, and for keeping everyone on task.

And finally, our biggest thank you to DSHA Chief Strategy Advisor Caitlin Del Collo. From working with Representative Johnson and Senator Huxtable to put this legislation forth, to willingly volunteering to staff this task force, you have been the driving force behind its success, and we are all incredibly grateful to you.

Appendices

Background

Enabling Legislation

The Affordable Housing Production Task Force (AHPTF) was established via [House Bill 442](#) to make recommendations on how the State and local governments can increase the supply of housing that is affordable to households across the income spectrum. The legislation, sponsored by Representative Kendra Johnson and Senator Russ Huxtable during the 152nd General Assembly, passed unanimously in both chambers.

The bill required the Task Force to create five subcommittees to address the following issue areas: regulatory and permitting; finance and development; construction/workforce development; manufactured housing; and community focus groups. Detailed information about the work of the subcommittees, including approved subcommittee recommendations, can be found below.

The bill required the Task Force to report its findings to the Governor and General Assembly by March 1, 2025. However, [House Bill 30](#) was passed to extend the reporting deadline to April 7, 2025, at the request of the Co-chairs based on feedback from the subcommittees, because they needed more time to formulate and approve recommendations to send to the full Task Force for its consideration.

Selection of Members

Task Force Members

The AHPTF was chaired by Representative Kendra Johnson, Senator Russ Huxtable, and DSHA Director Cynthia Karnai, who was replaced by Director Matthew Heckles in March 2025. These three chairs were joined by the following members, all selected based on criteria outlined in HB 442.

State Senator Gerald Hocker

State Representative Jeff Hilovsky

David Edgell, Office of State Planning Coordination

Dayna Cobb, Division of Climate, Coastal & Energy **replaced by Kimberly Cole in February 2025*

Kevin Spence, Delaware League of Local Governments

Wes Stefanick, Delaware Association of Realtors

Debra Burgos, Delaware Apartment Association

Mike Riemann, Home Builders Association of Delaware

Jerry Heisler, Reybold Group

Karen Speakman, NeighborGood Partners

*Korey Thompson *Resigned, effective 2/6/25*

Kevin Smith, Habitat for Humanity of New Castle County

Amy Walls, Discover

Rachel Stucker, Housing Alliance Delaware

Sarah Keifer, Kent County Levy Court
Preston Schell, Ocean Atlantic Companies
Pamela Scott, Saul Ewing LLP

Subcommittee Members

HB 442 also prescribed the composition of the subcommittees. Specifically, the bill required that each subcommittee be chaired by a member of the task force and have no more than nine members. Further, each subcommittee was required to have representation from specific entities and/or stakeholder interests. Subcommittee membership lists can be found in the appendices below.

Public Participation

DSHA created a website for the Affordable Housing Production Task Force and has kept the site regularly updated with all meeting information, agendas and minutes, public comments, and supporting documentation. All information may be found at [Housing Production Task Force - State of Delaware - Delaware State Housing Authority](#).

Process and Timeline

Task Force and subcommittee meetings were held all over the state at various times and in various locations, always with a hybrid format, making the meetings easily accessible statewide. The Task Force met a total of six times, beginning with the first meeting that was held on August 29, 2024. Subcommittees began meeting in October 2024 and worked through January/February 2025 to produce recommendations pertaining to the overall task force charge, as well as their respective subcommittee charges.

Collectively, the five subcommittees approved a total of 71 recommendations. Those recommendations were then summarized and synthesized into overarching themes for the full Task Force's consideration. The Task Force approved nine objectives that embody the themes from the subcommittee recommendations.

Subcommittees

The following sections provide detailed information about the composition and work of the five subcommittees, including recommendations approved by those subcommittees. Subcommittee recommendations were not fully vetted or approved by the Task Force; however, they did inform the overall findings and recommendations that were approved by the Task Force at the final meeting held on March 20, 2025.

Regulatory & Permitting Subcommittee

Subcommittee Charge:

- Required representation from:
 - Delaware Department of Transportation (DelDOT)
- Required to review the following topics:
 - Zoning (permitted uses, conditional uses, inclusionary zoning, density bonuses)
 - Design & Site Requirements (setbacks, minimum and maximum lot sizes, maximum building heights, parking requirements)
 - State and Local Building Codes

Members:

- **Chair – David Edgell, Office of State Planning Coordination**
- Susanne Laws, DelDOT
- Sarah Keifer, Kent County
- Mike Riemann, Home Builders Association of Delaware
- Charuni Patibanda-Sanchez, New Castle County
- Sean Kelly, Leon Weiner & Associates
- Jon Horner, Schell Brothers
- Dr. Michele Williams, Fuller Center for Housing of Delaware
- Tracy Surles, Woodlawn Trustees

Meetings:

- | | | |
|----------------------|-------------------|----------------------|
| 1. October 30, 2024 | 10:30am – 12:00pm | Haslet Armory, Dover |
| 2. November 21, 2024 | 10:30am – 12:00pm | DSHA, Middletown |
| 3. December 23, 2024 | 10:30am – 12:00pm | Haslet Armory, Dover |

Approved Recommendations:

- I. Expand expedited state and local permitting for affordable housing projects, including:
 - Collaborate with local governments to establish maximum timelines for approvals;
 - Expand the use of expedited reviews for affordable housing projects through DelDOT;
 - Expand the use of “pay for review process” for developers of affordable housing;
 - Consider fee waivers for projects serving households at 60% AMI and below;
 - Utilize the Transportation Improvement Districts (TIDs) expedited process;
 - Allow developers of affordable housing to "pay for review" for stormwater permits; and
 - Develop criteria for what constitutes an affordable housing project for the purposes of expedited review.

II. Implement a zoning reform framework that provides for both incentives ("carrots") and enforcement mechanisms ("sticks"); such framework should establish statewide minimum requirements for local governments to follow, while offering local governments a menu of options from which to choose. The minimum requirements should include: density, bulk standards, and the development of an administrative approval process for by-right projects.

III. Task the Surplus Property Commission and state agencies with reviewing their real property holdings and identifying which (if any) properties would be suitable for affordable housing development; create a process to enable the development of those properties into affordable housing.

IV. Create incentives at the state and local level for the private market to redevelop parcels, including commercial and office parcels, into residential housing.

V. Investigate feasibility of allowing affordable housing projects to take advantage of the Site Readiness Fund and the Transportation Infrastructure Investment Fund (TIIF), and if not feasible, create analogous programs.

VI. Adopt a statewide building code and a statewide energy code so there is consistency across all jurisdictions. Additionally, establish a redevelopment code that is less onerous and costly for the developers who are renovating existing structures.

VII. The State should create a pilot program in the Office of State Planning Coordination (OSPC) to assist local governments and other stakeholders in developing master plans, particularly to implement the affordable housing elements of their comprehensive plans. The pilot should include sufficient funding and resources to ensure that OSPC has the capacity to provide or contract out for technical assistance to the local governments.

VIII. Update the comprehensive plan requirements for housing to ensure that local plans have accurate and current housing data, and that implementation and zoning reforms are supported by data and goals in local comprehensive plans. Additionally, the plans should include sufficient land identified for housing in sufficient densities to meet the housing needs of the community.

Finance & Development Subcommittee

Subcommittee Charge:

- Required representation from:
 - The Federal Home Loan Bank of Pittsburgh
 - A Community Reinvestment Act (CRA) office
- Required to review the following topics:
 - Dedicated funding sources for affordable housing
 - Developer incentives for constructing affordable housing
 - Prioritizing infill development
 - Cost sharing
 - Legal and financial tools to promote affordable homeownership (to include deed restrictions, community land trusts, and workforce housing)

- Surplus land and land donations
- Grant opportunities

Members:

- **Chair – Amy Walls, Discover**
- Fred Banuelos, Federal Home Loan Bank of Pittsburgh
- Kevin Smith, Habitat for Humanity of New Castle County
- Wes Stefanick, Delaware Association of REALTORS
- Karen Speakman, NeighborGood Partners
- Preston Schell, Schell Brothers
- Dionna Sargent, Cinnaire
- Matt Parks, Discover
- Marva Hammond, Southbridge Community Services, Inc.

Meetings:

- | | | |
|----------------------|-------------------|--------------------|
| 1. October 22, 2024 | 10:30am – 12:00pm | DSHA, Dover |
| 2. November 22, 2024 | 10:30am – 12:00pm | DSHA, Middletown |
| 3. December 17, 2024 | 10:00am – 11:30am | DelDOT, Georgetown |
| 4. January 13, 2025 | 1:00pm – 3:00pm | DSHA, Wilmington |

Approved Recommendations:

- The state should appropriate \$100 million to DSHA annually to support production of affordable housing (with units that are affordable to households making up to 120% AMI for homeownership, and up to 80% AMI for rental), and index future increases to the Consumer Price Index.
- DSHA should research the cost of increasing the supply of affordable housing to meet the housing needs identified in the 2023 Statewide Housing Needs Assessment; additionally, future needs assessments should provide cost estimates for addressing any housing needs identified.
- The Office of State Planning Coordination should work with local governments and other stakeholders to develop a statewide accelerator program for residential projects that meet certain density and affordability criteria. The program should include, but not be limited to:
 - Expedited reviews/permits, fee reductions, and/or waivers;
 - Assistance with financing and grants;
 - and a study to identify where the actual bottlenecks are in the process.
- The state should identify all federal and state funds across executive branch agencies that are being used and can be used to support housing, to coordinate and maximize the availability and use of those funds.
- DSHA should periodically review its financing and housing programs with stakeholders to ensure that products and programs are optimized and effective.
- The state should encourage bond financing for affordable housing at the county/local government level.
- A third party should perform a competitive wage analysis of DSHA staffing to best attract and retain the talent necessary to engage in the financial transactions and underwriting that

the state finance agency delivers; additionally, DSHA should assess capacity needs to effectively execute its programs. If necessary, the state should provide funding to address any gaps identified by the third-party analysis.

- Create more incentives to promote infill development and redevelopment that includes a component of affordable housing (meaning affordable to households making up to 80% of AMI for rentals and up to 120% of AMI for homeownership) in State Strategies Level 1 and 2 areas. This may include expedited review/permits, fee reductions and/or waivers, and assistance with financing and grants.
- Increase the AMI for eligible homebuyers to 120% AMI for the exemption established via SS1 for SB 87 (152nd GA).
- Encourage all the Delaware public housing authorities (PHAs) to continue to review and create incentives to engage developers and landlords to accept Housing Choice Vouchers.
- Develop a mission-driven public/private development fund modeled after the Dallas Housing Opportunity Fund that leverages state funding with private and philanthropic capital to increase the number and volume of low-cost loans and grants available to affordable housing developers. Create a strategic partnership with philanthropic organizations and facilitators of philanthropy (e.g., Philanthropy Delaware).
- DSHA should create additional opportunities to collaborate with developers, community-based organizations and local governments, which may include: conferences, webinars, technical assistance, reference materials, and other training. A reboot of the Governor's conference on housing is strongly suggested.
- Apply long-term deed restrictions (in perpetuity) or a Community Land Trust (CLT) model for all Rental Assistance Demonstration (RAD) conversions (public housing to LIHTC).
- Encourage Delaware's public housing authorities and entitlement agencies to institute a right of first refusal for the sale of multifamily rental housing above 4 units that is developed using public subsidies to qualified affordable housing developers, if the project and its funding sources allow.
- Standardize the definition of affordable housing for government programs to mean housing that is affordable to households making up to 80% AMI for rental units and up to 120% AMI for homeownership units.
- Reduce the realty transfer tax (RTT) to 1% for owner-occupied homebuyers with incomes at or below 120% AMI.
- Redetermine the cap on the number of projects a developer can have in the pipeline at one time for 4% and 9% LIHTC projects, and examine DSHA's share of the bond cap authority to maximize housing production

Construction Subcommittee

Subcommittee Charge:

- Required representation from:
 - Delaware Workforce Development Board
 - Architectural Firms
 - Civil Engineering Firms
 - General Contractors
- Required to review the following topics:

- Workforce development
- Innovative home construction methods

Members:

- **Chair – Mike Riemann, Home Builders Association of Delaware**
- Joanna Staib, Delaware Workforce Development Board
- Kevin Wilson, Architectural Alliance, Inc.
- Kevin Gilmore, Sussex County Habitat for Humanity
- Nick DeFrancesco, Benchmark Builders
- Rosalyn Keesee, Design Collaborative
- Zach Crouch, Davis, Bowen & Friedel, Inc.
- Dev Sitaram, ATWELL, LLC
- Deb Finocchiaro, Leon Weiner & Associates

Meetings:

- | | | |
|----------------------|-------------------|-------------------------|
| 1. October 25, 2024 | 10:00am – 11:30am | Legislative Hall, Dover |
| 2. November 22, 2024 | 1:30pm – 3:00pm | DSHA, Middletown |
| 3. December 9, 2024 | 10:30am – 12:00pm | Legislative Hall, Dover |

Subcommittee Recommendations:

- Update construction material requirements by building type and height (e.g., allow use of mass timber in higher storied buildings).
- Add residential housing to eligible uses for Site Readiness Fund.
- Exempt from PLUS process residential projects constructed in State Investment levels 1 and 2 that are properly zoned and/or consistent with the local comprehensive plan.
- Waive all impact and permit fees for residential redevelopment of previously developed sites that are now vacant or abandoned, for any units that are priced to be affordable to households making up to 80% AMI for rentals and up to 120% AMI for homeownership.
- Adopt a statewide building code.
- Utilize 2018 IECC (not 2021).
- Pass legislation or executive order that requires any new regulation which adds costs to housing to be offset by relaxing other regulations.
- Change the current funding structure for the related training instruction for apprenticeships, moving it to a general budget line item under the DOL Division of Apprenticeships with a minimum budget of \$4 million. Create a matching grant process for additional funding above \$4 million.
- Reduce current journeyman/apprentice ratios required by DOL.
- Require construction pathway to be offered at all high schools.
- Create a committee of subject matter experts, including representatives from the private sector, to reassess the DSHA minimum construction standards to better align with minimum building codes and industry standards, and reevaluate the waiver process. This should also include creation of separate standards for existing rehab projects.
- Create a committee of subject matter experts including representatives from the private sector to reassess the DELDOT DCM and road design manual to reduce costs

Manufactured Housing Subcommittee

Subcommittee Charge:

- Required representation from:
 - Delaware Manufactured Home Owners Association
 - Delaware Manufactured Home Relocation Authority
 - First State Manufactured Housing Association
- Required to review financial options for increasing the supply of manufactured housing, including resident-owned manufactured home communities.

Members:

- **Chair – Jerry Heisler, Reybold Group**
- Robert Tunnell, First State Manufactured Housing Association
- Erin Lee, Delaware Manufactured Home Owners Association
- Greg Sutton, Delaware Manufactured Home Relocation Authority
- Fred Neil, Dover City Council
- Dr. Stephen Metraux, University of Delaware
- Matt Kraeuter, Great Outdoor Cottages
- Mimi Rayl, WHA Commissioner, DE NAHRO Board Member

Meetings:

1. October 29, 2024	10:00am – 12:00pm	Legislative Hall, Dover
2. November 19, 2024	10:00am – 12:00pm	Legislative Hall, Dover
3. December 18, 2024	10:00am – 12:00pm	Tatnall Building, Dover
4. January 22, 2025	12:00pm – 2:00pm	Tatnall Building, Dover
5. February 18, 2025	10:00am – 12:00pm	Legislative Hall, Dover

Subcommittee Recommendations:

Recommendations were grouped into four categories based on the impacted stakeholder(s):

1. Manufactured Homeowners/Potential Manufactured Home Buyers

- a. **Wrap Around Support Services:** This legislation would provide wrap around services for manufactured homeowners, as well as existing and future affordable housing owners/renters. The support provided would relate to medical services, food, financial/budgeting assistance, and other needs which promote housing security.
- b. **Chattel vs. Real Property:** The purpose of this legislation is to ensure that manufactured homes (HUD homes), if placed on a permanent foundation and on a fee simple lot, are treated as real property, and on leased land can receive a leasehold deed.
- c. **Home Improvement Grants for HVAC, Exterior Roofing and Siding:** A change in the state law broadening of grant program eligibility to include manufactured homeowners for maintenance of their homes. These grants would be to provide home improvement funds for HVAC, exterior roofing and siding to manufactured homeowners, so the unit stays intact and the longevity of the unit increases.
- d. **Establishment of a Voucher Program for Manufactured Housing for HUD and non-HUD housing:** The purpose of this legislation is to create an affordable housing trust

fund that would have two components. The first component would provide vouchers to individuals and families with incomes less than 40% AMI, and the second would provide grants to encourage the building of more affordable housing.

- e. Voucher Information for Manufactured Housing Homeowners: This legislation would have a dual purpose. The first is to provide information to manufactured homeowners about what a voucher is, how to apply for a voucher and what to expect from the State's voucher program for manufactured housing. The second part of the legislation would enhance the amounts for vouchers as a homeowner becomes financially more house burdened/insecure.
- f. Tie Down Grants for Manufactured Homeowners – Eligibility for Vouchers: To provide funding for tie down systems for manufactured homeowners so they are eligible for vouchers.
- g. 10-Year Tax Abatement on New Manufactured Homeowners with Incomes Less than 40% AMI: A homeowner who buys a manufactured home with an income of less than 40% AMI of the State would receive a 10-year tax abatement for both County and School District tax assessments.
- h. Video/PowerPoint Presentation for All New Homeowners of Manufactured Homes in Manufactured Home Communities: Upon signing a lease, a new manufactured homeowner would view a PowerPoint/video presentation of their responsibilities and rights under the laws of the State of Delaware.
- i. Petition for Receivership: To provide for the Chancery Court of Delaware to handle receivership of a manufactured home community.
- j. Solar Farm Subsidization for Manufactured Home Residents: To enable manufactured home communities to establish solar farms within the community to reduce overall electrical costs. These solar farms would be installed in excess open space or on adjacent properties if available.
- k. First Time Buyers Program for Manufactured Home: DSHA would develop a first-time homebuyer program for manufactured housing purchases with a low down payment requirement and a low interest rate.

2. Land/Community Owners

- a. Landowner/Community Management Education: To have the managers of manufactured home communities go through an initial management certification program. The program would include a once-a-year refresher and an-every-five-year recertification to ensure that the managers of a community understand the State Code and the obligations that are required.
- b. Landlord Essential Services Requirement: The landlord will hire a third party to produce a property condition report based on ASTM International guidelines to ensure essential services are provided to the manufactured homeowner.
- c. Grandfather Existing Manufactured Homeowners to the Current Rent Control Structure Requirements and Rental Assistance Program: Existing homeowners in a manufactured home community, as of the date of the proposed legislation, would be grandfathered in to the current law, and they would be protected by the existing rent control requirements and rental assistance program.

3. Developers

- a. Zoning Regulations and Manufactured Home Communities: To permit manufactured housing communities in any residential zoning district, as long as there is public water and sewer, or a community septic system regulated by the State of Delaware and operated by an unrelated third party, and private water system regulated by the Department of Public Health and operated by an unrelated third party.
- b. Zoning Regulations for Manufactured Home Communities: The purpose of this proposed legislation is to permit Manufactured Housing in any residential zoning district and, with that, create an oversight process and/or design-based regulations of homes placed in existing subdivisions to ensure that the architecture of the existing surrounding community is preserved. Additionally, the home shall be placed on a permanent foundation and meet any standard required by the community. Any deed restriction that excludes manufactured housing will be considered discriminatory and null and void by this legislation.
- c. Requirement of an Engineering Plan, in lieu of a Zoning Plan, to build a Manufactured Home Community: Based on another recommendation, a land developer can bypass a zoning and just do a record plan with conforming engineering requirements as long as: (1) the land has a community septic system run by a third party and under DNREC review on a three-year basis, or public sewer; and (2) the land has a private well under third-party control and reviewed regularly by the Department of Public Health or public water.
- d. Traffic Impact Studies and Manufactured Home Communities: To revise the level of service standards for traffic impact studies related to new manufactured home communities when they include at least 20% inclusionary affordable housing with a median income at or less than 40%. If the proposed community meets this criteria, it would be exempt from a traffic impact study and any level of service requirements and/or contributions for traffic improvement districts (TID). This exemption would apply to fee-simple lots where more than one HUD home is creating a smaller community.
- e. Exemption of Affordable Housing from the Voluntary School Assessment: Exempt affordable housing projects (meaning projects in which at least 20% of units are priced to be affordable to households making up to 80% AMI from the Voluntary School Assessment.

4. Overall Industry

- a. Financial Advisor for Homeowner or Homeowners Association Acquisition of Manufactured Home Communities: This legislation would have the State provide a financial advisor to assist manufactured homeowners or homeowners association in a given manufactured home community to purchase the community.
- b. Manufactured Housing Advisory Committee: Creation of a manufactured housing advisory committee of which members will consist of a person from each of the following: Attorney General Ombudsman, Delaware State Housing Authority, Delaware Manufactured Home Relocation Authority, First State Manufactured Housing Association and Delaware Manufactured Home Owners Association,

House of Representatives, Delaware Senate, Governor's office, Delaware Department of Health and Social Services, and DNREC. Meetings would also be open to the public for comment. The group would listen to both homeowners and landowners to try to resolve concerns which either party might have and to facilitate and ensure that agencies are acting on the needs of both homeowners and landowners.

- c. State Financial Assistance for Homeowner or Homeowners Association Acquisition of Land for Manufactured Housing Communities: At times, manufactured-home community landowners desire to sell their communities. Under Title 25, Chapter 70, Subchapter 4, Right of First Offer, if a community owner intends to sell their community, they must offer it to the homeowners or homeowner association first. There is a strict procedure in that part of the Code (which is attached) for selling a community. To assist the community owners in purchasing the community, the State would have a financial very low interest rate loan program and/or grant.
- d. Quarterly Legislative Committee on Affordable Housing to Listen to Manufactured Home Community Landowner and Homeowner Concerns: To have a continuous forum to listen to manufactured housing concerns for both landowners and homeowners in Legislative Hall, which would be chaired by the chairs of the Housing Committee of the Senate and House. It would meet on a quarterly basis, with two additional representatives from the manufactured housing industry and the homeowners.
- e. Establish a Study Group for Private/Public Partnership for Joint Ventures with Community Owners on Public Lands: Development of a study group to look at opportunities where a private/public partnership can be created to utilize municipal, County or State lands to be developed as a manufactured housing community, where the rental rates will be controlled and the homeowners can be managed well by an established manufactured housing firm.
- f. Study Group to Evaluate the Use of Recreational Vehicles ("RV") as an Alternate Year-Round Housing Source: The purpose of this study group would be to see if RVs are an acceptable method of year-round housing, which, if they are, would create an additional source of even less expensive housing, and portable, for use in Delaware.
- g. Private/Public Partnership to Change Perception of Manufactured Housing in the State of Delaware: Delaware State Housing Authority, First State Manufactured Housing Association, and Delaware Manufactured Homeowners Association would work together with a grant from the State and First State Manufactured Housing Association to build positive perceptions regarding manufactured housing communities and manufactured homes.

Community Focus Groups Subcommittee

Subcommittee Charge:

- Required representation from:
 - Individuals over 55
 - Individuals with disabilities
 - Veterans

- Victims of domestic violence/sexual assault/human trafficking
- Behavioral health & substance use disorder counselors
- Cost-burdened residents
- Required to review the following:
 - Supportive services needed by the populations whose interests are represented on the subcommittee
 - Barriers to accessing housing experienced by such populations

Members:

- **Chair – Rachel Stucker, Housing Alliance Delaware**
- Lillian Harrison, Elevated Community Development Corporation
- Sheila Grant, AARP
- Ed Gootzait, State Council for Persons with Disabilities
- Porsha Harvey, Catholic Charities
- Nick Beard, Delaware Coalition Against Domestic Violence
- Karen Records, Division of Substance Abuse and Mental Health
- Patrice Gibbs, Delaware Center for Homeless Veterans
- Sarah Rhine, CLASI

Meetings:

1. October 24, 2024	2:30pm – 4:00pm	DSHA, Wilmington
2. November 14, 2024	1:00pm – 2:30pm	Haslet Armory, Dover
3. December 17, 2024	1:00pm – 2:30pm	DelDOT, Georgetown

Subcommittee Recommendations:

1. DE should take immediate action to increase the stock of supportive housing. It should do the following to ensure that more supportive housing is developed:
 - a. The incoming Governor should direct DHSS and DSHA to work together to evaluate needs and to create and implement an ongoing supportive housing development plan/strategy.
 - i. DSHA and DHSS should be charged with working together to identify housing and services funding (state and federal) that can be used for supportive housing development and operations in DE.
 - ii. SRAP should be evaluated to determine if it meets the needs of Delaware’s most vulnerable renters, and to ensure that it provides high quality supportive housing in a manner that is accessible and results in housing stability for the target populations served. An increase in funding for SRAP should be considered, as its funding has not been increased for many years, to keep up with housing costs. SRAP is serving fewer people each year as housing costs increase.

b. DE should match the federal National Housing Trust Fund allocation to DE each year with state dollars (approx. \$3million/year).

c. DSHA should ensure that HUD Section 811 units are being developed and/or preserved.

2. The State's FY26 budget should include funding to implement a statewide emergency rental assistance program for households in rental arrears that is sustainable, predictable, and accessible for renters facing eviction or displacement due to unpaid rent.

3. Delaware's land use regulations and funding mechanisms should allow for high density and infill/adaptive re-use housing development, especially near transit hubs, including micro-units, single room occupancy units, shared housing, and ADUs. Any residential projects taking advantage of higher densities should include units that meet the affordability needs of vulnerable populations that are being kept out of the current rental market.

a. Delaware should pass a law ensuring that all jurisdictions allow ADUs to be built. ADUs can be important housing options for seniors, as well as their caregivers, allowing more seniors to age in place and/or live with relatives.

b. Delaware should pass a statewide law that prohibits local jurisdictions from having/enforcing local laws that prohibit more than a certain number of unrelated people from living together, as these laws prevent low-income people from renting rooms/living in shared housing, which may be their only affordable rental option.

4. The Governor's Office should engage partners across multiple sectors to implement a workforce development strategy for human/social services workers and care workers. Examples of partners include DOE, DOL, MCOs, institutions of higher education, nonprofits, & DHSS. Special attention should be given to training, continuing education and competitive pay & wages.

5. Legislation should be passed to immediately seal eviction filings that did not result in a judgement, and to automatically seal any eviction record after 7 years. Further, landlords must be prohibited from considering any sealed eviction records obtained via third-party sources.

6. This subcommittee endorses the Construction Subcommittee's recommendation to adopt a statewide building code, and further recommends that any future statewide building code incorporate best practices to ensure that new construction is built to meet the accessibility needs of people across a range of disabilities. Such consideration should ensure compliance with the ADA.