

Complete DELAWARE Communities SUMMIT 2013

attractive, inclusive, efficient, healthy & resilient places

Summit Proceedings Summary

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event co-sponsored by

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event summary compiled by

Marcia Scott, IPA Policy Scientist

written by

IPA Public Administration Fellows
Jessica Graham, Evan Horgan, Jeremy Rothwell,
Alexa Scoglietti, Nicole Seymour, Verity Watson

prepared by

Institute for Public Administration
School of Public Policy & Administration
College of Arts & Sciences
University of Delaware

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**DELAWARE
ASSOCIATION OF
REALTORS®**
The Voice of Real Estate® in Delaware



Welcome

Jerome Lewis, Ph.D., Director, Institute for Public Administration (IPA), University of Delaware

Connie Holland, Director, Office of State Planning Coordination (OSPC)

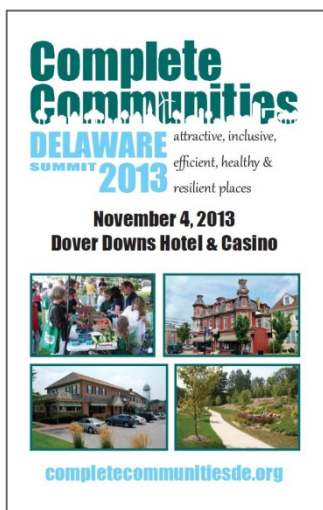
Joe Molinaro, Managing Director, Community Affairs, National Association of REALTORS®

Dr. Jerome Lewis made opening remarks, welcomed attendees to the summit, and thanked IPA staff members who were involved in planning the event. Dr. Lewis acknowledged project sponsors and partners that supported the summit and provide ongoing support for IPA's research, education, and planning initiatives, including the Delaware Department of Transportation (DelDOT), Delaware Office of State Planning Coordination (OSPC), National Association of REALTORS® (NAR), and Delaware Association of REALTORS® (DAR). He also thanked exhibitors who support the Complete Communities initiative and had displays in the hall outside the conference room.

Connie Holland also welcomed participants to the summit and described collective efforts working to create complete communities in Delaware. She explained that complete communities have a number of important characteristics as attractive places to live, work, and raise families. She noted that the event expanded on last year's summit and provided follow up on a series of workshops on state and local government regulatory barriers to complete communities. Ms. Holland said the summit goals were to highlight trends that are driving the appeal of complete communities, highlight "recipes for success" by Delaware municipalities, and showcase planning innovations for complete communities at the federal, state, and local levels. Ms. Holland also mentioned how both OSPC and IPA can be resources for local governments in Delaware that desire to become complete communities. OSPC's mission is to work to improve the coordination and effectiveness of land use decisions made by state and local governments while building and maintaining a high quality of life in the state of Delaware. Together with IPA, OSPC provides planning assistance and training to local governments.



Maria Bynum, Delaware Field Office Director for the U.S. Department of Housing and Urban Development, with her exhibit



Joe Molinaro provided an overview of NAR/DAR's interest in smart growth topics and planning for complete communities. Mr. Molinaro explained that NAR's Smart Growth and Housing Opportunity Programs provide training, grants, and technical assistance on land use regulation to state and local REALTOR® associations. NAR's magazine, *On Common Ground*, highlights research and presents a wide range of views on smart growth issues, with the goal of encouraging dialog among REALTORS®, elected officials, and other interested citizens. Mr. Molinaro then introduced keynote speaker Dr. Jonathan Levine, professor at University of Michigan's Taubman College of Architecture and Urban Planning. Dr. Levine's research focuses on the transformation of the transportation and land use planning paradigm from mobility to an accessibility basis.

Keynote Address

Jonathan Levine, Ph.D., Professor of Urban and Regional Planning, University of Michigan

Dr. Jonathan Levine began his presentation with a question:

Is the monotony of suburban and auto-dependent single-family homes and subdivisions across our landscape a result of market forces, or is this a result of government intervention and planning? In theory, government is supposed to let the market run its course unless there are negative externalities or there is a market failure.



Dr. Jonathan Levine and Dr. Jerome Lewis

He explained that in the suburban community of Fruit Heights, Utah, a developer recognized there was a market demand for townhouses and submitted a proposal for a mix of townhouses, twins, and single-family homes. However, the municipality had a strong preference for single-family homes, and as a consequence, more single-family homes were built. Across the country, this practice has been the rule rather than the exception. Over time, developers will “self-censure”—meaning they will choose not to develop in a community, or will not submit innovative mixed-use proposals, if it will likely result in disapproval. According to Dr. Levine, many developers indicate that they would rather not expend financial resources or work on projects that will not be supported by local governments.

Dr. Levine then questioned whether policy makers and planners are providing any real housing choices for our citizens. He noted that municipal regulations tend to limit the expression of market forces to create complete communities and provide expanded development options. He stressed that no metropolitan region in the country has anything that approaches an actual, free, land use market because of the excessive regulations adopted to preserve parochial interests.

He offered the idea that planning is technically a state function that has been delegated to local governments—and what has been given can be taken away. Oregon, for instance, has stipulated in its state planning code that new development should reduce reliance on the automobile in order to allow transit-oriented development. The state can and has withheld funding to local governments who have violated this rule. Dr. Levine proposed three levels of policy reform through:

- 1) Re-educating municipal policy makers,
- 2) Changing the incentive structure, and
- 3) Establishing regional power sharing.

As an example, Dr. Levine noted that the mixed-use community of West Village in Dearborn, Mich., required more than 55 variances from zoning regulations in order to go forward. Following this experience, the city embarked upon a comprehensive reform of their zoning code. To foster complete communities, municipalities need to shift prevention to active promotion. As for changing the incentive structure, Dr. Levine used both San Francisco’s Bay Area Rapid Transit (BART) and the state of Maryland as examples of regional/state governments that reward local governments with infrastructure funding for concentrating growth in compact corridors. The Oregon Growth Boundary (involving the Portland Metro Authority) and the Ontario Municipal Board were both heralded as models that have helped to shape and guide new development and redevelopment into compact mixed-use nodes.

First Morning Panel

Overcoming Regulatory Challenges to Complete Communities

Moderator: *Ted Patterson, Policy Specialist, IPA, University of Delaware*

Panelists:

Hal Godwin, Deputy Administrator, Sussex County, Del.

Howard Fortunato, Executive Vice President, Home Builders Association of Delaware

Lew Killmer, Council Member and Planning Commission Chair, Town of Bethany Beach, Del.

Moderator **Ted Patterson** stated that as a follow up to the 2012 summit, a series of workshops was held in spring 2013 on “State and Local Government Regulatory Barriers to Complete Communities in Delaware.” The workshops were designed to gain input on what are perceived to be top regulatory barriers to creating complete communities in Delaware, and how those obstacles may be addressed. Members of Delaware’s development community, state- and local- government regulators, planning officials, and policy makers participated in the workshops. Collectively, suggestions made to reduce regulatory barriers include practice/strategies such as: master planning, form-based codes, transit improvement districts (TIDs), zoning amendments that provide for flexibility rather than more stringent requirements (on mixed use, height, parking, density), and improving coordination and consistency among government agencies.

Three panelists then discussed related local needs and best practices. **Mr. Godwin** described residential housing diversity, open space, and mixed-use zoning practices in Sussex County. He also discussed the adoption of the 2012 International Code Council’s (ICC) International Residential Code for one- and two-family dwellings and other programs that better align county development with neighboring jurisdictions and new technologies. Similarly, **Mr. Killmer** mentioned downtown mixed-use zoning in the Town of Bethany Beach, and outlined Design Review Guidelines that provide examples of and options for diverse, high-quality commercial design character, form, and features.



*From left, Hal Godwin,
Howard Fortunato, and Lew Killmer*

Addressing barriers to community resilience, Mr. Godwin outlined Sussex County's expansion of bonding options and extensions for approvals that can sustain projects through economic downturns. Mr. Killmer mentioned Bethany Beach ordinances, developed with robust industry and public participation, which allow renewable-energy use and preserve the tree canopy. Meanwhile, each panelist raised concerns over federal involvement in managing lands and waters, flood mitigation, and construction standards that may impact local land use planning, insurance prices, and/or housing affordability and market value.

Making overall recommendations, **Mr. Fortunato** favored a performance-based, flexible approach over prescriptive regulations, and called for both better communications and a balancing of competing agency interests. The panel agreed that through broad-based stakeholder consultation, municipalities can revise codes to permit more creativity and productivity, remove barriers, and accomplish complete community concepts while retaining essential code elements.

Second Morning Panel

Moving Toward Complete Communities: Local Government Recipes for Success

Moderator and Panelist:

Ann Marie Townshend, Director of Planning and Community Development, City of Dover, Del.

Panelists:

Michael Fortner, Planning and Development Supervisor, City of Newark, Del.

Richard Carmean, City Manager, City of Milford, Del.

David Hugg, Town Manager, Town of Smyrna, Del.

Ann Marie Townshend conveyed that the effective communication with and active involvement of stakeholders in land use planning projects are keys to successful implementation of development projects. Ms. Townshend stressed the importance of balancing a regulatory environment with one that provides flexibility to achieve development that provides a mix of land uses, features good community design, and is aesthetically pleasing. In her role, she strives to attain a common vision among stakeholders when working on a project. She discussed the success the planning department has had in revitalizing downtown Dover, but acknowledges there is still more work to be done in the city.



From left, Ann Marie Townshend, Michael Fortner, and David Hugg

Michael Fortner discussed how the City of Newark requires a mix of land uses to provide a range of housing and commercial development opportunities. He also stated that the City of Newark is trying to create incentives to build new, mixed-use residential and commercial structures downtown—where residential housing is located above or behind first-floor businesses. While Newark is a college town that must address the demand for student rental-housing, it also strives to attract development geared toward homeownership and opportunities that cater to other markets seeking one-bedroom apartments. Mr. Fortner cited the development of Newark's South Main Street as an example of how zoning code amendments achieved a pedestrian-friendly, mixed-use environment. Re-zoning transformed the area from an auto-oriented strip to a more walkable extension of the city's downtown. He stated that the planning department accomplished this through visioning, regulatory changes, and instituting community design guidelines to maintain the city's character and look.

Richard Carmean discussed the success of economic development strategies used by the City of Milford. Mr. Carmean noted that the American Planning Association (APA) recently named Milford's Walnut Street as one of its ten "Great Streets" for 2013. APA recognized Milford's efforts to revitalize the area and generate interest in the area's historic/cultural significance through community involvement and a collective vision. One of Milford's primary economic development strategies has focused on the city's redevelopment of its downtown through its multi-phased Mispillion Riverwalk project. Milford's slogan: "River Town, Art Town, Home Town," reflects the downtown's transformation into a destination for arts, historic interest, and recreation. Mr. Carmean stated that this strategy helped to increase downtown property values and attract new restaurants, arts venues, and even a new microbrewery. He also heavily stressed that success of each economic development project can be attributed to the involvement of stakeholders including city officials, members of the city's planning commission and volunteer boards, the business community, Downtown Milford, local historic societies, and citizens.

David Hugg discussed the Route 13 Corridor Master Plan design process, which actively engaged citizens and other stakeholders. Mr. Hugg stressed the importance of utilizing a design charrette to provide transparency and design options. Land use/transportation planners use visuals and schematics to explain the pros and cons of various design options. Mr. Hugg's "recipe for success" is simple. Get coffee with community members; listen, share knowledge, and understand their concerns. Other advice offered was to ask questions, make design a priority, regularly include civically engaged citizens early in a planning process, and become an active part of a community.

Special Presentation

Community Health Promotion Recognition

Dr. Sandra Hassink, Director of Nemours Childhood Obesity Initiative, *A.I. duPont Hospital for Children* and Chair, Governor's Council on Health Promotion and Disease Prevention (CHPDP)

Richard Killingsworth, Chief of Health Promotion and Disease Prevention, Delaware Division of Public Health

Dr. Sandra Hassink stated that CHPDP, in partnership with the Delaware Division of Public Health, Nemours Health and Prevention Services, and other organizations, established the Recognition for Community Health Promotion Program to highlight health promotion efforts of Delaware municipalities. All Delaware municipalities were eligible to apply. Applicants were evaluated based on their demonstration of effective planning, implementation of best practices, and creation of visionary programs to improve healthy eating, physical activity, and tobacco-free lifestyles.

Richard Killingsworth applauded seven Delaware municipalities that received recognition by Governor Markell and the Council in June and was pleased to once again honor representatives of the awarded towns and cities for making their communities more complete and healthy. He briefly described each jurisdiction's efforts in promoting health among their communities and reasons why they were selected for recognition. During this time, Dr. Hassink presented a decorative road sign to each honoree that indicated their specific award level designation. Honorees for 2013 were the Town of Middletown (gold); City of Seaford (silver); Cities of New Castle, Newark, and Wilmington/South Wilmington (bronze); and Town of Bethany Beach and City of Dover (honorable mention).



Members of the recognized Delaware municipalities,
with Dr. Sandra Hassink (third from left) and Richard Killingsworth (far right).

Lunchtime Keynote Presentation

Real Estate Trends in Delaware: Where Are We Headed?

Paul Bishop, Ph.D., Vice President of Research, National Association of REALTORS®

Dr. Paul Bishop focused his remarks on the short- and long-term trends of the real estate market, both nationally and in Delaware. He noted that the Delaware housing market is making modest gains; however, job growth is not gaining much traction and is not expected to increase in the coming months. Job creation in the state would increase both consumer confidence and income, resulting in a boost to the real estate market. Delaware has a homeownership rate of 74 percent, greater than the national average of 65 percent.

He then shared results from a national survey exploring consumer preferences in terms of housing type, amenities, and location. For example, Dr. Bishop indicated that two survey choices, *privacy from neighbors* and *availability of sidewalks*, were the most frequently selected responses from survey participants about their housing preferences. Respondents also noted the importance of walking to places within their communities, nearby quality public schools, and easy access to highways. When asked about the type of home desired, many respondents indicated a strong preference for single-family, detached homes with large yards. Respondents were then asked if they would make tradeoffs to live in smart growth communities. Trends in responses included giving up large yards and/or large homes for denser areas that would allow more walkability and shorter commutes to work and restaurants.



Dr. Paul Bishop



Question and answer session after Dr. Bishop's presentation

Dr. Bishop concluded his remarks by stressing that while Delaware is only making modest housing gains, the number of new foreclosures is small due to investors purchasing properties. For the state to experience a boost in real estate, focus should be on increasing the availability of sustainable jobs to increase attractiveness and a sense of economic security.

Afternoon Panel

Planning Innovations for Complete Communities

Moderator: *Phil McGinnis, DAR*

Panelists: *Jane Vincent, Mid-Atlantic Regional Administrator, U.S. Department of Housing and Urban Development (HUD)*

David Edgell, Kent County Circuit-Rider Planner, Office of State Planning Coordination (OSPC)

Drew Boyce, Director of Planning, Delaware Department of Transportation (DelDOT)

Brian DiSabatino, President, EDiS Company

Jane Vincent stated that HUD's program goals of creating environmentally, socially, and economically sustainable communities involve partnering with other federal agencies, such as the United States Environmental Protection Agency (EPA) and the Department of Transportation (DOT). HUD's Office of Sustainable Housing and Communities (OSHC) was created in 2010 as part of the Obama Administration's Partnership for Sustainable Communities. HUD's Sustainable Communities Initiative aligns federal investments in housing, transportation, infrastructure, and the environment by leveraging private, philanthropic, and local government funds and catalyzing hubs of opportunity across the country. The Sustainable Housing Initiative advances energy efficiency, green building, and sustainable design in affordable housing.

The Sustainable Communities Initiative provides regional planning grants to build economically viable regions, mitigate sprawl, use resources efficiently, prioritize transportation and housing options, and create a high quality of life that attracts residents and businesses. In addition, the Community Challenge Grant program provides funding to amend or replace local master plans, neighborhood plans, and zoning and building codes. Funds can also be used to foster mixed-use development, adaptive reuse of older buildings, and affordable housing. Other "ladders of opportunity" programs include Promise Zones; CHOICE Neighborhoods; Strong Cities, Strong Communities (SC2), and Moving to Work Program.

David Edgell highlighted four lessons that he has learned after completing a number of successful master plans. The first lesson is to form partnerships with key stakeholders who are involved in the planning process. In the state of Delaware, for example, partnerships have been formed among Metropolitan Planning Organizations (MPOs), DelDOT, OSPC, and local governments. The second lesson is having hard conversations at the beginning of the planning process. It is important to involve the community and engage all stakeholders to form a vision and build agreement for the master plan.

The third lesson is creating a master plan that provides predictability, which is great for developers looking for regions where they can build a sustainable environment for industrial, commercial, residential, or mixed-use development. The final lesson is implementation. A master plan builds on local government comprehensive plans, provides more detailed planning for infrastructure needs, and identifies ideal land use elements needed to attract development. Master plans can implement certified comprehensive plans by detailing infrastructure and service needs to attract more economic development opportunities.



David Edgell

Drew Boyce presented information on DelDOT's transportation improvement districts (TIDs). TIDs are defined as geographic areas designated for securing required improvements to an area's transportation facilities. DelDOT wants to focus on creating comprehensive approaches to transportation facility improvements that incorporate smart-growth principles. TIDs are a more proactive approach to comprehensive, regional, transportation improvements and expansion. DelDOT had previously dealt with population growth by expanding roads. This reactionary approach was unsuccessful because it led to the creation of sprawl.

DelDOT has been working on initiatives to improve links between land use and transportation. TIDs will be created in areas intended for growth (e.g., Levels 1, 2, and 3 in Strategies for State Policies and Spending), and locations identified in comprehensive plans. Mr. Boyce reported that DelDOT will continue discussions with local land use agencies and local governments to work toward establishing a TID agreement and begin modeling efforts.

Brian DiSabatino of the EDiS Company presented plans to develop the Town of Whitehall in New Castle County, Del. The decade-long creation and collaboration in planning the Town of Whitehall has been successful because it incorporates several essential components. Stakeholders and project players are passionate and involved. The master plan responds to Delaware's changing demographics and demands to create great places that are more walkable, reflect new urbanism principles, and are connected—both physically and socially. The Town of Whitehall has been inspired by “great buildings, great places” that have proved to be enduring, sustainable communities, rather than the current pattern of development that has resulted in sterile landscapes.

Mr. DiSabatino attributed form-based codes as vital to the success of master planning and phased-development of the Town of Whitehall. Adoption of form-based codes can facilitate mixed-use development with a pedestrian orientation and range of housing/commercial opportunities. Form-based codes can revitalize downtowns, repurpose suburbs, align rural communities, and enhance connectivity. DiSabatino closed the presentation by saying that New Castle County and other areas in Delaware need to lower barriers to entry for developers in order to promote connectivity, development, and complete communities.

Closing Remarks



Joe Molinaro, Managing Director, Community Affairs, National Association of REALTORS®

Ms. Holland and Dr. Lewis thanked everyone for attending and participating in the Complete Communities Delaware 2013 Summit and reminded participants to complete summit evaluation forms. They also informed participants that an event summary would be available on the Complete Communities website (completecommunitiede.org) and that an online *Delaware Complete Communities Planning Toolbox* will be launched on the site later in December 2013.

Mr. Joe Molinaro provided a brief synopsis of themes heard during the event. He specifically noted best practices that were highlighted and the opportunities for the private and public sectors, business and government officials, and community and civic leaders to work collaboratively to build more complete communities in Delaware.