

HOUSING SUPPLY & AFFORDABILITY IN DELAWARE

DELAWARE STATE HOUSING AUTHORITY
JULY 2023

Site Plan for Our Lady of Grace

The image shows a circular inset containing a detailed architectural site plan for a residential development. The plan includes building footprints, parking lots, walkways, and landscaping. The text 'HOUSING SUPPLY & AFFORDABILITY IN DELAWARE' is prominently displayed in white on a yellow background to the right of the site plan. Below the site plan, the text 'DELAWARE STATE HOUSING AUTHORITY JULY 2023' is written in white. At the bottom of the circular inset, the caption 'Site Plan for Our Lady of Grace' is written in a smaller font.

FRAMING THE ISSUE

Forbes: 10 States People Are Fleeing And 10 States People are Moving To July 2023

Top 10 States People are Fleeing:

1. California
2. New York
3. Illinois
4. Pennsylvania
5. Massachusetts
6. Washington
7. Colorado
8. Indiana
9. Michigan
10. Wisconsin

Top 10 States People are Moving to:

1. Texas
2. Florida
3. South Carolina
4. North Carolina
5. Georgia
6. Tennessee
7. Nevada
8. Maine
9. Delaware
10. Idaho

MISMATCH – Supply and Demand

Household Composition – 1960 to 2021

	United States				Delaware	
	1960	1980	2000	2020	2019	2021
Couple with children	44	31	24	19	16	15
Couples Only	31	30	28	30	32	32
Single Parent w/ children	4	7	9	9	9	9
Other Family	6	6	7	9	9	9
Single Person	13	23	26	28	28	29
Unrelated Roomates	2	4	6	7	6	6

Source: U.S Census, 2021 5-Year ACS, Tables S1101 and pbr.org Resource Library

- 1 in 4 households are single persons
- Traditional families are a very small portion of today's households
- Non-traditional households are increasing

MISMATCH – Supply and Demand

Housing Units by Housing Types – 1910 to 2019

Type	DELAWARE		2010		2015		2019	
	#	%	#	%	#	%	#	%
Single-Family Detached	230,363	57.8	242,617	58.5	255,555	59		
Single-Family Attached/ Townhomes*	64,835	16.3	67,265	16.2	74,356	17.2		
Small Multifamily (3-19 unit building)	47,053	11.8	49,303	11.9	48,076	11.2		
Large Multifamily (20+ unit building)	17,072	4.3	17,778	4.3	20,665	4.8		
Other (RV, mobile home, boat, etc)	39,440	9.9	37,338	9	34,543	8		
Total Units	398,866	100	414,416	100	433,195	100		

*Includes attached homes and duplexes

Source: U.S Census, 2010, 2015 2019 5-Year ACS, Tables B25024

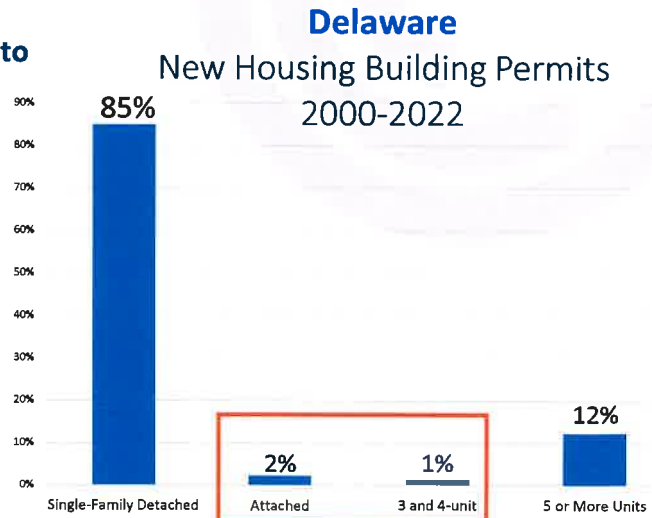
MISMATCH – Supply and Demand

Residential new construction continues to be single-family detached houses

Since 2000,

- **85%** of all houses built have been single-family detached
- **Less than 3%** have been attached or units in 3- and 4-unit buildings

OUTCOME:
One-size-fits-all option regardless of income, ability, or stage in life.



Source: US Census Bureau Building Permits Survey
<https://www.census.gov/construction/bps/definitions/>

RESULTS

Shortage of Middle Housing

- “Missing” because until WWII, these housing types were in almost every residential district in every community
- Designed to be compatible in scale and style with rest of neighborhood
- Duplexes, townhouses, bungalow courts
- Smaller footprint located in walkable urban context



Source: Daniel Parolek, AIA, “Missing Middle Housing, Responding to the Demand for Walkable Urban Living”. Available at www.missingmiddlehousing.com

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RESULTS

Most affordable housing in Delaware is concentrated in a few areas...

Municipality	Percent of Housing Stock that is Subsidized*
Laurel	45%
Seaford	22%
Bridgeville	13%
Milford	13%
Wilmington	13%
Georgetown	10%

*Includes public housing, federal Low-Income Housing Tax Credit (LIHTC) Program housing, and other types of housing subsidized by HUD
 Source: Delaware State Housing Authority (2023).

RESULTS

Workers can't live where they work...

Commute Times, Median Wages, and Fair Market Rents, by Workplace Geography

Location	Percent of workers that spend 30+ minutes commuting to work	Percent of workers that spend 45+ minutes commuting to work	Fair Market Rent (FMR) for a 2-bedroom apartment	Median earnings	Annual income needed to afford a 2-bedroom apartment at FMR
Bethany Beach	48.7	10.2	\$1,330	\$30,564	\$53,200
Dover	27.1	11.2	\$1,180	\$41,774	\$47,200
Georgetown	35.1	12.9	\$1,050	\$39,314	\$42,000
Lewes	43.9	18	\$1,390	\$36,830	\$55,600
Middletown	45.2	18.4	\$1,570	\$37,661	\$62,800
Milton	37.9	15.6	\$1,130	\$37,419	\$45,200
New Castle	40.3	18.8	\$1,390	\$44,375	\$55,600
Rehoboth Beach	32.8	14	\$1,330	\$38,425	\$53,200
Smyrna	30	14.1	\$1,230	\$40,465	\$49,200

Sources: U.S. Census Bureau (2021). *Means of Transportation to Work by Selected Characteristics for Workplace Geography, 2021 American Community Survey 5-Year Estimates.*; U.S. Department of Housing & Urban Development, *FY2023 Small Area FMRs*. Retrieved from: https://www.huduser.gov/portal/datasets/fmr/fmrs/FY2023_code/select_Geography_sa.odn

WHY IS THIS HAPPENING?

- **Restrictive Zoning codes and outdated land use regulations**
 - Single-family makes up vast majority of residential zoned land
 - It is the safe bet for developers
- **Powerful organized community opposition groups**
- **Proposing alternative housing types involves a risky complex public process**
 - Increases development timeline and therefore the cost of housing
 - Often stops housing types from occurring



MOVING FORWARD

UD's Institute for Public Administration conducted a 20-year review of Delaware's Strategies for State Policies & Spending

Recommendations re: affordable housing supply:

- Incentivize developers with density bonuses in exchange for a minimum percentage of affordable units
- Minimize exclusively single-family detached zoning in Investment Level 1 and 2 Areas

How do we get there?

We need allies!

- Continued conversations with the community and impacted stakeholders will be necessary to effect changes at the local level

