DOVER HUMAN RELATIONS COMMISSION

The Dover Human Relations Commission (DHRC) meeting was held on March 10, 2015 at 5:17 p.m. with Chairman Wilson presiding. Members present were Mr. Henderson, Mr. Roach, Mr. Ruane, Ms. Smith, Mrs. Sadusky, and Ms. Stewart. Mr. McGiffin and Ms. Hicks were absent.

AGENDA ADDITIONS/DELETIONS

Mr. Henderson moved for approval of the agenda as presented, seconded by Ms. Smith and unanimously carried.

Presentation - Delaware Department of Justice, Office of Civil Rights and Public Trust

Ms. Smith introduced Deputy Attorney General Allison Reardon and advised members that Ms. Reardon was recently appointed as Director of the Delaware Department of Justice Office of Civil Rights and Public Trust, noting that this Office was designed to be a safe haven where the public can go to understand their rights in terms of housing, education, employment, and many other areas, and is also to be an advocate when there is a conflict of interest between the Department of Justice and the public.

Ms. Reardon advised members that she had been with the Department of Justice for 23 years, having started in the 1980s as a child support prosecutor. She stated that she went into private practice for approximately five (5) years and then returned to the State in a number of different capacities. Ms. Reardon indicated that she had worked with the State Human Relations Commission in the past and had also represented the Department of Labor, the Department of Finance, the Division of Professional Regulation, and a number of other State agencies.

Ms. Reardon stated that Attorney General Matthew Denn selected her to head up the newly created Office of Civil Rights and Public Trust and she was focused on getting it started in the right direction. The Office was now staffed at the level that is anticipated for the foreseeable future with two (2) attorneys, Ms. Reardon and one (1) additional Deputy Attorney General, two (2) public outreach and research specialists, and three (3) investigators. Ms. Reardon stated her hope that the Office could now move forward doing the business that they are charged with, noting that complaints were starting to come in more frequently since the Office was becoming known.

Ms. Reardon explained that the Office is responsible for various areas of statutory oversight, protecting the rights and liberties of Delawareans, and enforcement of related laws. It will be involved in discrimination cases, focusing on pattern and practice cases, and will not look at individual cases where there is already a place to have those concerns addressed, such as the Human Relations Commission and the Department of Labor. She advised members that the Office of Civil Rights and Public Trust refers people to appropriate government resources and is looking for referrals from the State Human Relations Commission, Dover Human Relations Commission, and other organizations that see pattern and practice type cases that her Office would take charge of. The Office will also look into protecting the educational rights of children with disabilities, although they had not yet officially started in that track, and will enforce the laws designed to ensure citizen trust in government, such as those pertaining to election and campaign finance violations and governing the use of public funds and public contact. She indicated that they had already seen some complaints involving elections, as well public funds and conduct. Ms. Reardon explained that they would also focus on criminal prosecution of State and municipal actors who violate the public trust by engaging in criminal conduct, such as theft and bribery. She noted that they would work in collaboration with

a number of other agencies, including the Public Integrity Commission, the State Auditor, and the Election Commissioner, and indicated that the Office is in the process of scheduling meetings to meet with those various agencies and individuals to see how they can work together.

Ms. Reardon explained that there might be an appearance of conflict if the Department has a prosecutorial role and relationship with an entity when conducting some investigations, for example, the use of deadly force by police officers, and this function of review had been shifted to the Office of Civil Rights and Public Trust. She advised members that she would be the person responsible for determining whether or not the use of force was justified, along with Chief Deputy Attorney General Danielle Gibbs. Ms. Reardon stated that she will write the associated reports and make decisions, which she indicated was an important issue and big responsibility that she would not take lightly. Having previously served in the Civil Division and as the former State Solicitor, Ms. Reardon stated that she provided legal advice to State agencies, noting that a State agency is often the subject of a criminal, ethics, or other violation. She noted that it is very difficult to be in the position of providing advice on both sides of the fence, and explained that the Office of Civil Rights and Public Trust would perform investigations, which would take away the conflict of interest that Justice Department attorneys often feel when they have to represent one (1) of the entities that is the subject of an investigation.

Ms. Reardon informed members that her Office was also embarking on educational programs and hoped in the very near future to reach out to various organizations with common interests. For the past two (2) months, her staff had been talking with offices of civil rights in surrounding states to fold some of their experience into the developing Office. They had talked to such offices in Massachusetts and New York and were continuing to reach out to other states to benefit from their experiences and to further their mission of protecting civil rights and public trust.

Ms. Reardon advised members that the Office's webpage can be accessed through a link on the Delaware Attorney General's website, and includes a contact information and an online complaint form.

Noting that the 50th anniversary of the 1965 Voting Rights Act was approaching, Mr. Henderson expressed concern that it was currently difficult for people to vote. He noted that license renewal now requires a birth certificate and other things and felt that some people, including the elderly and those who are not organized, may experience difficulty with this. Mr. Henderson expressed concern that this is a civil rights issue driven by politics, noting that Delaware had fallen in line with this and that some licenses state that they are not a valid ID for government. He questioned what Ms. Reardon's feelings were on this matter. Responding, Ms. Reardon stated that she had not looked into this specific issue or how it would affect people's ability to vote. She stated her belief that a federally compliant driver's license is a federal requirement; however, she was glad that Mr. Henderson brought this matter to her Office's attention.

Ms. Smith requested clarification regarding Ms. Reardon's request for DHRC commissioners to share cases with her relating to pattern and practices. In addition, she noted that Ms. Reardon had served as a former protector of State agencies, and indicated that solid relationships are built with such protectors. She asked that Ms. Reardon explain the process of what she had formerly done versus what she was now assigned to do.

In regard to patterns and practices, Ms. Reardon stated that the Office was looking for certain situations. For example, she explained that if the DHRC received complaints that an apartment complex was routinely denying access to a particular race or gender, the Office would want to know about it. However, if one (1) person complained, they would be referred to the State Human Relations Commission to file a complaint and receive assistance. Ms. Reardon indicated that it would be helpful if the City or State Human Relations Commission reported to them if a number of similar cases builds up so it could be determined if this was a pattern and practice case.

In regard to Ms. Smith's question pertaining to the protection of State agencies, Ms. Reardon stated that she is responsible for issues pertaining to police shootings. She stated that she had never advised the police or worked with them on a daily basis in what they do as law enforcement officers, although attorneys under her supervision had worked with the State police and other police agencies; therefore, she felt that she could be independent in her assessment of situations. Ms. Reardon stated that it might be a little more difficult in a situation where a child has been abused in a State facility and this may have to be reviewed; however, she felt that protocols and laws would be in place. She would not be talking directly with the attorney representing that agency and would make her own assessment for her Office on the occurrence. She reminded members that the Office was still in its infancy and all protocols were not yet in place but were being worked on.

Referring to Ms. Reardon's comment about being involved with children with disabilities, Mr. Roach inquired if this pertained to mental health, school, or community issues. Responding, Ms. Reardon stated that they were looking at all types of complaints, for example, whether children with Individualized Education Programs (IEPs) were being treated fairly and if their concerns were being heard. She stated that the Office would be driven by what they hear from constituents and that these would also be issues pertaining to pattern and practice.

Mr. Ruane questioned when the Office would become involved in issues related to use of excessive force by police. He indicated that in the past there had been a perception that some of the investigating parties within the Attorney General's Office had entered into related decision making, perhaps because of their own groundwork with police. In response, Ms. Reardon stated that the Attorney General is sensitive to the fact that a number of investigators had developed relationships with police officers over the years. She explained that the investigators assigned to her Office would work exclusively with her Office and would not be on the ground with the police in other matters. She stated that if there were a police shooting and someone was injured or killed, an investigator would go to the scene, perform their own assessment and prepare a report for her, then she would issue a public report.

Mr. Ruane questioned the level of involvement of the local police force and if it would be a routine practice for those cases to be moved up to the Attorney General's level rather than being handled by the City police. Responding, Ms. Reardon indicated that a separate attorney who is not in an oversight position of personnel in the Criminal Division would now be involved in the review. She indicated that the Attorney General's Office had held that oversight role in recent history, noting that they had monitored and written reports on shootings involving injury or death for years, and their website contains a number of related decisions rendered by former Chief of Staff Timothy Mullaney. She stated that this responsibility would now be shifted away from those who have a closer relationship with the police.

Noting that Ms. Reardon had mentioned that she foresaw problems related to elections, Ms. Smith requested that she elaborate. Responding, Ms. Reardon stated that, historically, there had been complaints involving elections, for example, laws relating to electioneering within a certain perimeter. She stated that her Office would be charged with ensuring follow-up on those complaints.

Mrs. Sadusky advised members that inmates in State prisons who feel they are being treated unfairly must address this within the prison or pay money for an outside lawyer. She explained that this may relate to issues such as prosecution for wrongful death or improper health care, and questioned if this was an issue that Ms. Reardon's Office could address. Responding, Ms. Reardon stated that the Office's role on that issue had not been explored and she was unsure if there were partner organizations that would be better suited for that.

Mr. Ken Abraham, 430 Kings Highway, stated that he is a retired lawyer and serves as President of Citizens for Criminal Justice. He explained that he was familiar with the practice, pattern, and policy term, noting that it is a legal term that provides common sense meaning to a series of abuses or violations that might trigger an investigation under appropriate circumstances. Mr. Abraham questioned who the other deputy in the office was, and Ms. Reardon stated that it was Mr. Dennis Kelleher.

Mr. Abraham stated that he wished to follow up on Ms. Sadusky's question regarding prisons, noting that he had a good look at what goes on in the Delaware Department of Corrections (DOC) and there were serious problems in the State of Delaware. He indicated that he did not know what partner agencies Ms. Reardon was referring to and expressed his opinion that nobody was doing anything about the cesspool of crime that exists in Delaware, stating that he was not talking about the prisoners. He expressed his hope that Ms. Reardon's Office would become involved. Mr. Abraham stated that he had contacted the U.S. Department of Justice, claiming a pattern, practice, and policy of serious abuse and criminal violations, and had received a form letter from them stating that they only investigate claims of pattern, practice, or policy, which were the very words he had used. Since that time, he stated that he had received three (3) such form letters in response to follow-up complaints. Mr. Abraham expressed his hope that the Office would do what it is designed to do and wished them success.

Referring to Ms. Reardon's comments regarding a lack public trust, Mr. Abraham stated his observation, based on being immersed in these matters over the last eight (8) years locally and nationwide, that the effect of the many problems in the criminal justice system, including prison abuse, was the erosion of public trust in government officials. He indicated his belief that Ronald Shoup, an inmate in the Delaware DOC, was murdered, explaining that the death certificate indicated homicide at the hands of DOC staff through blunt force trauma. Mr. Abraham inquired if a decision had been made on this matter.

Mr. Reardon stated that she had previously responded to Mr. Abraham's email regarding this matter and, as she indicated in that response, this was an active case and she could not comment on it. She stated that Mr. Abraham had emailed her this question repeatedly and that this would be her response to all such emails.

Mr. Abraham stated that he would probably continue to send emails about once per month.

Ms. Cynthia Smith, Felton, Delaware, questioned who protects whistle blowers from retaliation, how Ms. Reardon's Office would be transparent in regard to cases being investigated, and if information would available on their website. Ms. Smith also expressed concerns with regard to the Freedom of Information Act (FOIA), stating that there were problems with a lack of transparency. She felt that there was a conflict of interest in Ms. Reardon's Office and that if they were representing the public, they should use an outside, independent investigator so that there would not appear to be bias in the office. Ms. Smith expressed her opinion that law enforcement, social services, and the judiciary were three (3) important agencies that must work together. Ms. Smith indicated that false allegations should also be addressed. She stated the desire to avoid becoming another Ferguson, Missouri. She concurred with Ms. Reardon's comments about patterns, stating the desire to know how much racial profiling is happening in Delaware and how many minority arrests. Ms. Smith felt it important to expose corruption and desired to leave the room knowing that there is protection, although she acknowledged the desire for transparency. Noting that she was a survivor of domestic abuse, she questioned what happened to funding in the Violence Against Women Act. Ms. Smith indicated that she had heard that Family Court wants a new building; however, she felt they should be merged together. Ms. Smith stated that the State actors are playing games with the people's livelihood and families, and emphasized the importance of discipline, transparency, and oversight in the judiciary.

Ms. Denise Tolliver, Camden, Delaware, stated that there was a series of rape cases in the Caesar Rodney School District spanning a number of years and questioned, when there is a pattern such as this, what the Office of Civil Rights and Public Trust would do to help the families in situations where the kids are systematically being abused by teachers. Responding, Ms. Reardon stated that this would cross over into a number of areas, including criminal prosecution and the Family Division to assist with children who are being abused. She felt that if a public school teacher was abusing a child, this would be an issue of public trust and would be looked at by her Office.

Ms. Tolliver questioned what would cause the Office to act, since she estimated that the most recent case was less than three (3) months ago. In response, Ms. Reardon stated that she had been in this Office for two (2) months; therefore, she was not familiar with this case. Ms. Reardon explained that her Office is closely monitoring what is happening around them and there is nothing that would prevent them from opening their own inquiry into a matter, if they determine that it is appropriate.

Ms. Tolliver questioned if a citizen could file a complaint on behalf of children if they are not involved in the actual crime. Ms. Reardon stated that if her Office cannot help the person who files a complaint, they would try to direct the complainant to the appropriate resource, such as Family Court or the Family or Criminal Divisions of the Attorney General's Office. She reiterated that she did not know all the answers and was still learning.

Ms. Tolliver questioned the composition of Ms. Reardon's team in terms of ethnic background and diversity. In response, Ms. Reardon stated that there are two (2) women, one (1) of her investigators is an African American female, and there are four (4) white males. Ms. Tolliver suggested greater diversity in the office. Ms. Reardon agreed and stated that they would continue to build this as positions are added.

Mr. Raymond Paylor, Dover, questioned what the steps in the complaint process are once a complaint is accepted by the Office of Civil Rights and Public Trust. Responding, Ms. Reardon stated that constituents are initially directed to file an online complaint form and two (2) public outreach and research specialists work with them to pool together as much information as they can. The complaint is then assessed by one (1) of the attorneys to determine whether or not it is something that is within the responsibilities of the Office and what needs to be done.

Chairman Wilson expressed thanks to Ms. Reardon for enlightening members on the mission of the newly created Office and stated his hope that they would be effective in Dover and throughout the State.

Presentation - Downtown Development District Incentives

Mr. William Neaton, Economic Development Manager, reviewed a presentation regarding the City of Dover Downtown Development District (DDD) ***(Attachment #1)***, which included information pertaining to the program incentives. Mr. Neaton informed members that this was one (1) of the most important revitalization efforts in the history of the downtown area. He explained that approximately one (1) year ago, Governor Markell added $7M the budget to revitalize downtown districts. The legislation was approved unanimously by the General Assembly in June 2014 and it was determined that three (3) cities in Delaware would be designated to utilize these funds for both large projects, with over $250,000 being invested, and small projects, involving investment under $250,000. There was an extensive application process and cities had to show the need and impact of the funds for the downtown area, develop a district plan demonstrating how the funds would be used, and develop additional local incentives above and beyond what the State was suggesting.

Mr. Neaton advised members that applications were reviewed by a cabinet committee and by the State Planning Office. The City of Dover's 300-page plan drew on two (2) plans that the City had utilized in the past: 1) the Dover Transit Center Neighborhood Plan and 2) the Restoring Central Dover Plan. He explained that the Dover Transit Center Neighborhood Plan was developed in partnership with the Dover/Kent County Metropolitan Planning Organization (MPO) approximately six (6) years ago, and involves the area surrounding the Transit Center on Queen and Water Streets as well as the downtown area. In reference to the Restoring Central Dover Plan, Mr. Neaton stated that a $75,000 planning grant was received from Wells Fargo, with the National Council on Agricultural Life and Labor Research (NCALL) as the lead agency. Numerous partners were involved in this initiative, including the Downtown Dover Partnership (DDP), faith-based participants, and the City of Dover. He stated that many good things came out of this plan, which was completed in the Fall of 2014, and an application had been submitted to reapply for an implementation grant.

Mr. Neaton stated that on January 11, 2015, Governor Markell announced District Designations for the cities of Wilmington, Seaford, and Dover. Mr. Neaton explained that this was a ten-year designation; therefore, it would be a long-term fix and Dover would be able to apply for funding for ten years. He stated his understanding that the Governor would recommend another round of $7M for the upcoming budget year.

Mr. Neaton informed members that the Dover DDD includes 220 acres in the Central Business District and adjacent neighborhoods. He explained that this area has an 84% rental rate and stated the need to balance this with more owner-occupied housing. Mr. Neaton stated that Dover's plan has two (2) revitalization components, a residential component and a commercial component. He noted that this is a high-crime area with 49 vacant buildings in the District. Mr. Neaton stated that the City was looking at strengthening code enforcement throughout the City, especially in this area. He advised that 25 buildings that did not meet code requirements had been demolished, nine (9) additional buildings were considered dangerous, and part of the revitalization would target these buildings.

Mr. Neaton explained that incentives would include cash rebates on construction costs, fee waivers, tax abatements and credits, historic tax abatements and credits, and facade improvement and architectural grants. Mr. Neaton explained, for example, that an applicant with a $100,000 commercial remodeling project would pay $25,000 out of pocket and would be eligible for a 20% cash rebate from the State on the remaining $75,000, which would amount to $15,000. In addition, Kent County had allocated $200,000 to match all incentives up to $10,000; therefore, the applicant would receive a total of $25,000 in State and County rebates.

In regard to City incentives, Mr. Neaton stated that building permit fees as well as sewer and water impact fees would be waived for DDD approved projects. He explained that the City's water and sewer impact fees are $4,000 for each equivalent dwelling unit (EDU), and a building constructed with two (2) bathrooms would have two (2) EDUs, amounting to $8,000 in water and sewer impact fees which would be waived. In addition, business license fees for new businesses would be waived for three (3) years in the DDD. The City would also rebate transfer fees once a certificate of occupancy is obtained for a building that is being purchased and remodeled.

In regard to tax benefits, Mr. Neaton informed members that the City would provide tax abatement on the value of improvements for ten years. As an example, he explained that if an owner of a building with a tax base of $200,000 completed $100,000 worth of improvements, typically the tax base would increase to $300,000; however, with this incentive, the City would continue to use $200,000 as the tax base for ten years. Mr. Neaton stated that there are also State historic preservation tax credits and City tax credits for historic properties.

Referring to homeownership incentives, Mr. Neaton stated that the City was offering a five (5) year phase-in for property taxes for owner-occupied homes in the DDD. In addition transfer taxes would be waived for first-time homebuyers in the DDD. Mr. Neaton explained that the City has had a down payment assistance program for first-time homebuyers for many years. He stated that on March 9, 2015, the Parks, Recreation, and Community Enhancement Committee had recommended that City Council approve $60,000 to continue this program through Community Development Block Grant (CDBG) funding.

Mr. Neaton indicated that the Downtown Dover Partnership (DDP) was offering funding for architectural design assistance. He explained that the DDP would fund 100% of the first $1,000 used for this purpose and would provide a 50% match for additional fees up to $5,000. It was hoped that this would assist new owners in bringing buildings up to code. Mr. Neaton stated that the DDP had

a facade improvement program for a number of years and would provide rebates for this purpose as well. In addition, he noted that the Sustainable Energy Utility was reducing the cost of energy audits from approximately $400 to $50 and would also provide rebates for energy efficiency improvements. Mr. Neaton reiterated that strong code enforcement was needed to make sure that buildings are brought up to code.

Mr. Neaton reviewed an example of the value of incentives for a sample project with an initial construction cost of $350,000, noting that this project would qualify for incentives valued at $147,034, which would be approximately 40% of the cost. He noted that the expectation was that this would result in developers bringing forward projects that were previously postponed and starting development downtown.

Mr. Kirby Hudson, Assistant City Manager, advised members that two (2) workshops were scheduled for March 11, 2015 at 11:00 a.m. and 4:00 p.m. which would provide more detailed information regarding the DDD program. He indicated that three (3) similar workshops were held last month and attendance averaged 40 people; therefore, approximately 140 developers and investors had come to see the types of redevelopment incentives being offered in downtown Dover.

Mr. Hudson expressed his feeling that a key component of making the project work was cleaning up the area. He felt that all of the incentives and programs to spur development and redevelopment would not mean a thing unless this is done. Members were provided a flyer to be distributed to encourage residents to perform basic property maintenance for spring ***(Attachment #2)***. Mr. Hudson noted that the flyer provided a synopsis of the types of code violations that code enforcement staff would be looking at.

Mr. Hudson advised members that he was the former City Manager for the Town of Cobleskill, New York. He indicated that he was new to the City of Dover; however, he quickly realized that there are a number of properties in the DDD in major disarray, reiterating that 84% of the properties were rental units, and there were 49 vacant buildings and 25 vacant lots that have become havens for dumping. Mr. Hudson stated that residents must be held accountable for bringing these properties up to code. He advised that the City would like to start a campaign and let everyone know in advance that Dover was fortunate enough to be designated as one (1) of three (3) cities to receive this opportunity. He stated that the City would use this to its advantage, and for those people who did not want to clean up their act, the City would help them to do so. Mr. Hudson stated that this would be done fairly, consistently, and by the book.

Mr. Ruane questioned if owners of multiple rental units had been identified and been given an invitation to meet with the City to incentivize them, so that there would be direct targeting of some of the ownership, rather than a general invitation. Mr. Ruane stated that he would like to see those people who are used to getting away with doing the wrong thing being targeted. In response, Mr. Neaton stated that in one (1) instance a person who has owned numerous properties had come to the City and met with the City Manager, the Assistant City Manager, the Director of Planning and Community Development, and Mr. Neaton to discuss what they could do to upgrade and how these incentives would impact them. Mr. Neaton indicated that he did not know how many property owners own multiple locations but assumed that there were a number of them.

Mr. Ruane strongly suggested getting this into place because he felt that individuals would make the effort to make improvements; however, in the past there were difficulties with those who own multiple properties.

Mr. Henderson stated that Mr. Matt Haley had planned to do quite a bit for Dover, including putting in a restaurant, before tragically being killed. He asked if that situation had been addressed. In addition, he questioned if there would be gentrification in the DDD and expressed concern about the poor, transient, and non-home owners in the area and where they would go if the area is upgraded.

Mr. Hudson explained that, by the broken window theory, properties that are in disarray, with boarded houses, broken windows, and abandoned cars, are the most targeted for criminal activity. He indicated that this program would do two (2) things: 1) bring local and out-of-town people to look at incentives throughout the State, County, and City, so that they would know the area is open for redevelopment business; and 2) clean up the area, which would also help to take care of some of the crime. If a property is picked up and remains clean, facade improvements are made, and new lighting is installed, this would demonstrate that people care about their property and criminal activity would move to another area. Mr. Hudson felt that if the root of the problem is not taken care of, efforts would only amount to putting cosmetics on the problem. He stated that property owners must be made to maintain properties and they were not being asked to do anything beyond what a normal person would do.

Mr. Henderson stated that most of the people who live in this area cannot afford property and that he respected broken areas because he grew up in broken areas. He asked that the City look after the needs of the people who will be displaced, and suggested trying to keep those who live outside of the District from building liquor stores in the community, as well as stores that have no nutrition and sell no vegetables to children. He stated that some people have no choice but to buy these items because that is all that is available. Mr. Henderson stated that it was easier to put up a liquor store than a church in this community. Responding, Mr. Hudson stated that there is a list of businesses that are not allowed or eligible for funding, including tattoo parlors, liquor stores, gentleman's clubs, etc.

Mr. Scott Koenig, City Manager stated that gentrification had been discussed and that it was important to lay the groundwork to avoid that reality. He stated that in this area of the City, there would either be progress and people would want to live and do business there, or it would become the hollow heart of the City. Mr. Koenig advised members that nothing good is happening on vacant property and in vacant buildings from a community standpoint. He stated that this is a difficult subject because, as people come in and refurbish, rebuild, or build new structures, gentrification is an accusation that will have to be dealt with. Mr. Koenig indicated that the question is how to develop a full palette of affordable housing or offer pathways for homeowners who may not have economic backgrounds or means to keep their property or maintain it in the future. Mr. Koenig stated that the program does not provide all the answers. He noted that some property owners had attended the workshops and questioned what would be done for them; however, this program, as set up, was not the answer to their questions. These individuals would have to be directed to other programs or opportunities, and this had been discussed at the staff level.

In response to Mr. Ruane's question regarding multiple property owners, Mr. Koenig stated that strategies were being developed internally to address those owners with whom the City has had difficulty in the past. He noted that the DDD designation was received in early January, only eight (8) weeks ago. Mr. Koenig advised that the positive promotion campaign was being done right now. He stated that it was important to get the projects moving forward, the interest level up, and projects in the queue at the State because, in some ways, this is a competition for $7M of State money to be directed to the private sector. Mr. Koenig reminded members that the City or State cannot make application for these projects and it is not money that is in the City's coffer, noting that the City incentives actually take away potential revenue from the City. He explained that this is a long-term strategy to redevelop, refurbish, and reinvigorate this area of the City and there would not be not an instantaneous economic benefit to the City.

Mr. Koenig explained that if the City did not promote and get this program moving, the City would be incurring a lot of costs for code enforcement, policing, and other things that are not necessarily contributing to the overall community. He reiterated that the program was in its early stages and there had been staff-level discussions about developing public strategies for addressing concerns and getting buy-in from the community and groups like the DHRC that this is a good program for the City. Mr. Koenig indicated that there would be some potentially unintended consequences to adjust for as the program is implemented.

Mr. Koenig emphasized that the objective was not to push the problem somewhere else, so that at the end of the 10-year designation these 220 acres would be doing we1l, but things would be made worse immediately outside of the 220 acres. He stated the need for the DHRC and community organizations to understand that there are some potential negative effects and a need to figure out strategies on how to mitigate them and to achieve the goals of the entire palette; commercial, residential, low-to-moderate income, and potentially low-income housing, so that those who deserve to be there would not be pushed out.

Mr. Henderson stated that this was exactly what he wished to hear.

Mr. Ruane stated that one (1) of the purposes of the DHRC is to promote diversity and social inclusion and he felt that all of the commissioners would be supportive of a program like this. He reassured Mr. Koenig that the questioning should not be seen as negative or discouraging. He felt that the program was an attempt to improve the economic program in the City and to provide better housing, which are goals that the DHRC supports. He felt that this was a good program and that the DHRC would like to support it.

Mr. Koenig stated that City staff had not known how to work with the Commission on common subjects; however, that staff needed the DHRC's help and was asking for it by providing the presentation. He indicated that staff would like continued dialogue, advice, and ideas coming from the Commission to help to make this a successful plan. Mr. Koenig stated that when the City went to the cabinet committee on State Planning for its application, one (1) of the strong points of the application was the City's organizational capacity to make the plan successful. Several background plans had been completed with ideas and potential solutions to problems. In the application, the City was also brutally honest in stating that in this 220 acres there has been a high crime problem, a high

rental rate problem, and a desire for additional home ownership. Mr. Koenig felt that these were goals that the DHRC would have for this community and expressed the desire to use the DHRC to partner in making this a successful program.

Commissioner Smith stated her agreement; however, she felt it important to understand the strategy, stating her feeling that the strategy was not completely laid out. She referenced Mr. Henderson's concern regarding a group of people that will be displaced and would have to move elsewhere. She felt it important to understand what is being endorsed before endorsing it. She suggested that this might mean having a conversation and helping to support staff in creating that strategy. Ms. Smith explained that she has a former client who is a contractor that has built many of these properties throughout the State and kept them affordable and is very familiar with how to navigate these difficult waters, and perhaps someone like that could be brought to the table. Speaking for herself, she stated that she did not want to back something that she was unclear on, or that those who are moving it forward are unclear on.

Ms. Stewart inquired if any projects had come forward yet. Responding, Mr. Koenig advised that the projects are submitted directly to the State.

Mr. Neaton stated that one (1) large project, in excess of $250,000, had been submitted and staff was currently working with half a dozen other projects. He explained that those applying for small projects will perform the renovations and repairs, and then submit their expenses to the Delaware State Housing Authority. Applicants for larger projects must submit a reservation for funds and those reservations would be due on March 20, 2015.

Mr. Ruane questioned if there is a citizens advisory group, including residents, associated with the program. Responding, Mr. Koenig stated that there was not and that staff was looking for advice on how to get the correct messages out to the development community and the community in general. He noted that these things must be discussed because, while staff may think that the message is clear and correct, it may have to be adjusted if something is missing.

Chairman Wilson suggested holding a special DHRC meeting to discuss this issue in terms of strategies. He stated his feeling that it would be a good move to clean up the entire City, not just that target area. He indicated that clarity is extremely important and the idea of defining strategies that will not overlap one another, as far as the what the DHRC was doing versus the City and any other group within the City. He was in favor of Mr. Ruane's suggestion to have a group of people that represents the community be part of the initiative, noting the importance of hearing from those in the target area so they know what is going on and for transparency.

Mr. Ruane informed members that the DHRC Government Policy, Programs, and Practices Committee would have their first meeting with a group of senior City employees to begin examining the City's organization in terms of the status of its diversity and its role in promoting diversity and social inclusion in the Dover community on Friday, March 13, 2015, from 2:00 to 3:00 p.m. in the City Hall Conference Room. Mr. Wilson expressed his hope that many of the Commissioners could attend this important meeting.

Mr. Henderson moved for adjournment, seconded by Mr. Roach and unanimously carried.

Meeting adjourned at 6:42 p.m.

Cecil C. Wilson
Chairman

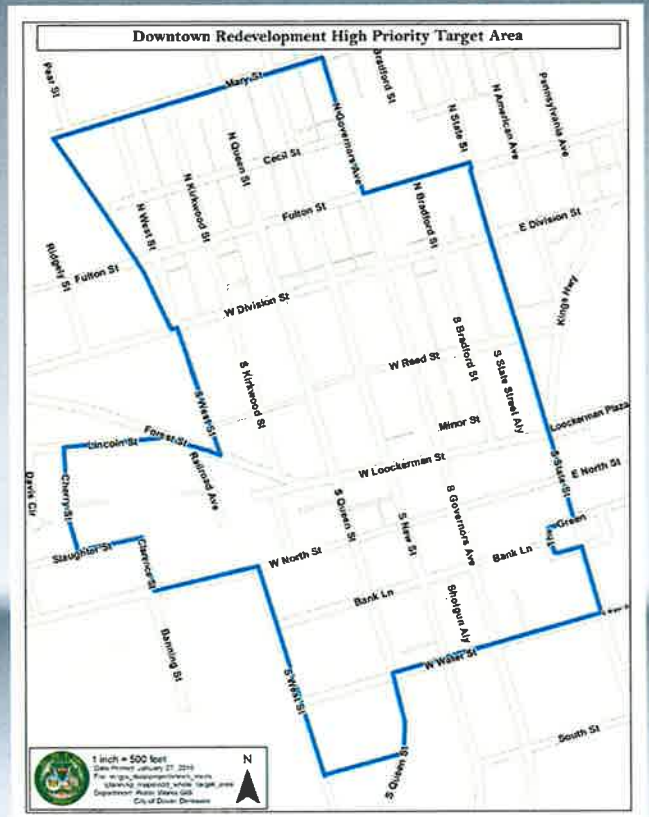
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Attachments
Attachment #1 - Presentation - City of Dover Downtown Development District
Attachment #2 - Flyer - Basic Property Maintenance for Spring

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Downtown Development Districts
State of Delaware

City of Dover
Downtown Development District



ATTACHMENT #1
DHRC COMMITTEE MEETING 3/10/2015

Downtown Development District Act

- Approved unanimously by General Assembly in June 2014
- Designation of Downtown Development Districts (no more than 3 in first year)
- Funding of Downtown Development District Grants ($7 million appropriated for FY15)

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Selection of Districts

- Application Process
  - Need and Impact
  - District Plan
  - Local Incentives
- Reviewed by Cabinet Committee on State Planning Issues

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Dover's Downtown Development District Plan



Selection of Districts

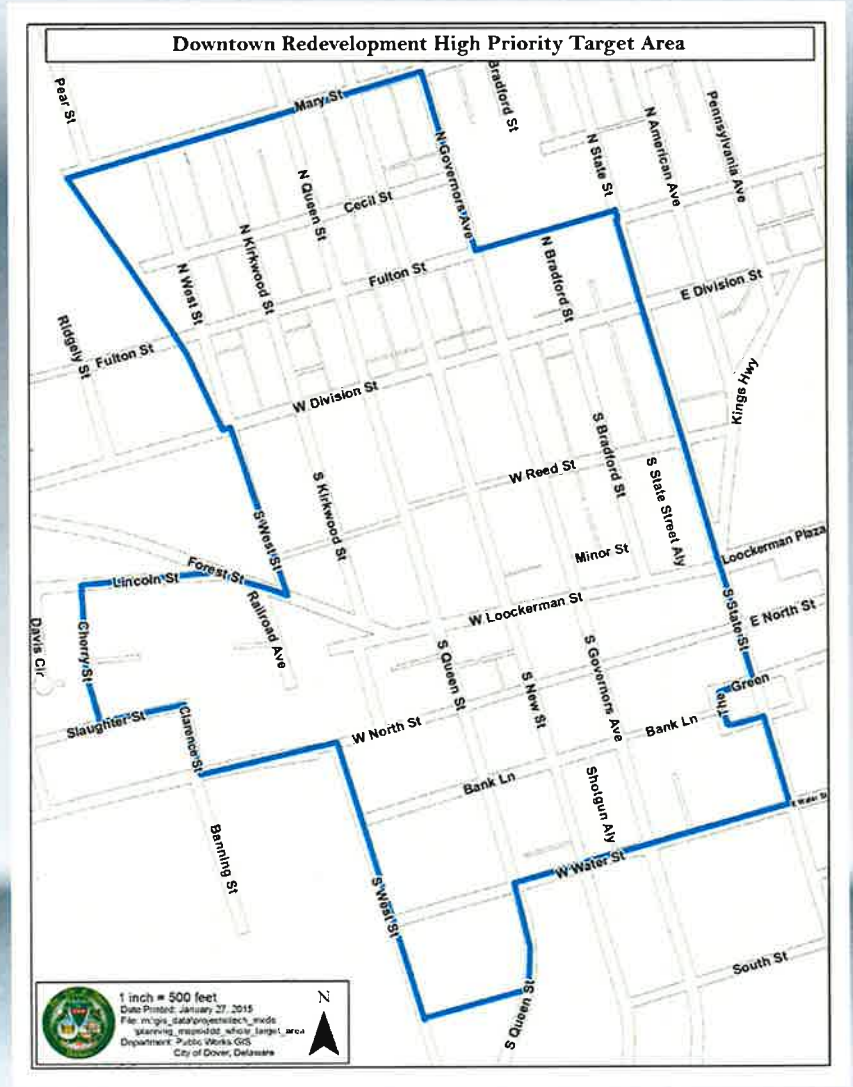
- January 11, 2015 Governor Markell announced District Designations
  - Wilmington
  - Dover
  - Seaford

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Dover's Downtown Development District

- Includes Central Business District and Adjacent Neighborhoods
- Need demonstrated
  - 84% rental rate
  - High crime concentrations
  - Vacancy
  - Condemned Buildings



What Does This Mean?

- Cash Rebates on Construction Costs
- Fee Waivers
- Tax Abatements and Credits
- Façade Improvement and Architectural Grants



And More!!!

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Cash Rebates

- State of Delaware - **20% cash rebates** (once rebate amount reaches $500,000, percentage decreases)
- Kent County will match State rebate up to **$10,000**
- Capital construction costs only
- Rebate eligible for costs over $25,000

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Fee Waivers – City of Dover

- Building Permit Fees
- Sewer and Water Impact Fees (City only)
- Business License Fees for New Businesses (3 years)

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Tax Benefits

- Rebate of buyer transfer tax at Certificate of Occupancy
- Tax abatement on the value of improvements for 10 years
- State Historic Preservation Tax Credits
- City Tax Credits for Historic Properties

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Homeownership Incentives

- Property tax waiver for owner-occupied homes
  - Phase in over 5 years
  - Must stay in home for 4-year period
- Transfer tax waiver for first-time buyers
  - Seller also eligible in District
- May be eligible for Dover First Start down payment assistance

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Other Incentives

- Downtown Dover Partnership
  - Architectural assistance up to $5,000
  - Façade Improvement Grant Program
- Sustainable Energy Utility
  - Reduced cost energy audits
  - High rebates for energy efficiency improvements

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Strong Enforcement

- Increased incentives will be coupled with increased accountability
- Code enforcement and policing

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Incentive Value Example

Construction Cost $350,000	Value of Incentives	Timing
State Rebate	$ 65,000	At C.O.
County Rebate	$ 10,000	At C.O.
Building Permit Fee	$ 2,417	Permit Issuance
Water& Sewer Impact Fee (2 EDU's)	$ 8,000	At C.O.
Tax on Value of Improvement	$ 22,883	Over 10 years
Business License	$ 5,634	Over 3 years
Transfer Tax	$ 5,100	At C.O.
Architectural Fee Rebate	$ 5,000	At C.O.
Façade Improvement Grant	$ 2,000	Upon Completion
City Historic Prop. Tax Credit	$ 6,000	Over 10 years
State Historic Prop Tax Credit	$ 15,000	Over 10 years
	$ 147,034	

Spring!

I am sure everyone is excited after what has seemed to be a never ending winter!

With Spring like weather we wanted to remind you of a few simple tips that will perk up the outside of your homes, and clean up the winter blues!

Whip your house into shape!

Clear winter yard debris, and take a look around.

Roof Shingles ok?

Cracked or peeling paint?

Is your siding missing, loose or broken?

Do your bushes and trees need trimming?

All overgrowth must be cut back (in the alleys too!)

Clean the winter dirt off your windows.

Clean off your porches and decks - check for loose nails, peeling paint, broken or rotted boards.

Check your fence! Is your fence in need of repair, replacement or painting?

All vehicles must be parked on hard paved surfaces.

(No vehicles are allowed to park in the grass)

These are just a few ideas on what you can do to bring back that curb appeal to your home, and hopefully your neighbors will follow!