

To: City of Lewes Planning Commission  
From: David Freed, 95 Henlopen  
Re: Public Comments on Dutchman's Harvest  
Date: July 22, 2019

1. There is no Workforce Housing currently planned at Dutchman's Harvest.

The City of Lewes Comprehensive Plan defines Workforce Housing as affordable to and occupied by households with incomes between 60% and 120% of area median ["AMI"].

The Developer will build and sell 98 units. Anyone can buy his homes without limitation on their income. The Developer's market rate homes don't meet the requirements of the City's Comprehensive Plan. The Planning Commission needs also to ask why would any market rate buyer purchase a home in Dutchman's Harvest with its complicated restrictive covenants that limit where you can work, won't allow you to rent your home, and possibly prevent you from leaving your home to your heirs?

Thirty percent, 42 units, are designated as Diamond State Community Land Trust ["DSCLT"] homes. The DSCLT will serve buyers at or below 60% of AMI. I support building affordable housing for the city's low-income workers, and I enthusiastically support the DSCLT program. But DSCLT's target market doesn't meet Comprehensive Plan requirements, and it won't be the Workforce Housing envisioned by the City's Plan. Even if DSCLT raises the income limits for eligible buyers, it is unlikely that it will build its 42 units of affordable housing. DSCLT has an option and does not commit to buy 42 homes; DSCLT's affordable homes will only be built if it obtains subsidy required by its buyers. Even with the Developer's discount, the DSCLT will still require \$1-\$2 million dollars to subsidize its buyers. How many subsidy dollars have been committed to date for DSCLT's 42 affordable homes at Dutchman's Harvest?

2. Dutchman's Harvest won't reduce traffic and bring many if any City workers close to their jobs. How does broadening eligibility for purchase at Dutchman's Harvest to all workers in Sussex County support the Comprehensive Plan goal to reduce traffic in Lewes? Instead of reducing traffic, Dutchman's Harvest will put 1,000 more cars and trucks onto Savannah Road and Kings Highway. Every one of the cars and trucks that use the Savannah Road entrance and exit will travel along Dutchman's Harvest Roads and will pass in front of multiple buildings and homes. Dutchman's Harvest will bring hundreds of cars and trucks to a new road which runs along the entire southern border of the combined Senior Living-Dutchman's projects and 15 feet from the two Henlopen Gardens Communities. Up to 100 cars will enter and leave these two developments at every shift change at the Senior Living Development; One of these shift changes will be at 6-7 am and another at 10-11 pm. How many of these employees will use the Savannah Road entrance/exit of Dutchman's Harvest?

The Senior Living Project was approved for 420 ADTs which didn't require a Traffic Impact Study. Now, with Dutchman's Harvest, traffic at Kings Highway will increase 55% to 650 average daily trips. Why doesn't this revised traffic projection justify a Traffic Impact Study at Kings Highway?

The Dutchman's Harvest and Senior Living projects could provide at the City's Gateway a road that connects Savannah Road and Kings Highway Road. Instead of requiring that this be road be built now

the City will commit, per recommendation of the City Engineer, to own and maintain a new entrance road to the north of these two sites which will also serve as the east-west connector of Kings Highway and Savannah Road. If the City will own and operate this new road in the future, why not require it in the Dutchman's Harvest site plan, get it built now, and reduce traffic cutting through City of Lewes neighborhoods?

3. Private Roads for Dutchman's Harvest will not work. If the two Henlopen Gardens communities can't afford their roads and had to turn them over to the City to own and maintain, why should anyone think the Dutchman's Harvest Condo will be able to afford its more extensive road system?

How is it supposed to work if this non-profit Condo and for-profit owner have conflicts over their shared roads? Isn't it reasonable to assume there will be disagreements over traffic volume and speed, truck traffic through Dutchman's Harvest to the loading docks of the Seniors Project, competition for parking spaces at the east edge of Dutchman's Harvest, and/or the quality and/or timing of road repairs and replacement by the Condo Association? Who is going to mediate any disputes over shared roads?

How is the Stub Road supposed to transform into a new City-owned road connecting Savannah Road and Kings Highway? The Stub Road is part of the entrance to Dutchman's Harvest. It will be owned as part of the private roads owned by the Dutchman's Harvest Condo. Can anyone provide a reason why the Condo would allow its entrance to be used for this new road? The Condo will never accept a new road that runs immediately to the north of 40 of its owners, 29% of its community. A new road would mean these families would have a major road behind them as well as in front of them. If the roads are private, this future connecting road between Savannah and Kings, which the Developer and City want, will never happen.

4. Parking on the site does not work. No visitor spaces are provided. Where are friends and family supposed to park when they visit Dutchman's Harvest?

The parking scheme is unsafe. Why shouldn't the Developer be required to present a plan that shows the assigned location of each units' parking space and the location of sidewalks? When the Planning Commission gets the Developer's detailed parking scheme I can assure you that it will see that owners will have to cross one or more interior roads and walk considerable distances to get to and from their front door and parked cars. Who would buy a home where parking isn't anywhere close to their front door and where there is no parking for friends and family?

5. The Landscape Plan is unacceptable and not just for the adjacent Henlopen Gardens Communities. Where is the outdoor play space for the children who will live in Dutchman's Harvest? Will the Developer remove the few large trees that already screen Henlopen Gardens from the two developments? Why would any homeowner accept a landscape plan with only a 15-foot buffer on the Developer's property when there isn't room for the homeowner to plant the same 15 feet landscape buffer on his property? How high is the landscape buffer? Will the landscape buffer be the same height for its entire length?
6. The ownership, occupancy and restrictive covenants are so complicated that no one will be able to understand them and implement them.

Dutchman's Harvest proposes 3 different categories of owners and 3 different classes of occupants: DSCLT owners with incomes below 60%, with covenant restrictions for 99 years, and a more limited capacity to pay for Condo Assessments increases if they rise more quickly than incomes; Market-rate owners with unrestricted incomes, with covenant restrictions for only 20 years, and greater capacity to shoulder Condo Assessment increases in the future; and Sussex County Employers who have a third set of requirements and will rent units to their workers who will not have the same financial stake and commitment to long-term tenure as the owners. The Condo, the owners, real estate agents, title companies, and the City of Lewes won't be able to keep straight the differing requirements.

Resale and occupancy restrictions for market-rate buyers are not viable in mixed income housing. There are numerous homes in Sussex buyers that are being built or have already been built that are affordable to market rate buyers.

Investor rentals are not appropriate if the City wants Dutchman's Harvest to remain a homeownership community. Will employers be able to buy an unlimited number of homes for their employees? Is there a maximum number of employer rentals allowed at Dutchman's Harvest? Why haven't the customary strategies for partnering with employers been used including down payment assistance, low or no interest subordinate loans, and grants?

The City of Lewes will never displace an owner who falls out of compliance with the Workforce Housing provisions of the proposed covenants. Does anyone think the City will force the sale of the home owned by an African American mother who gets a better job in Dover, or a Sussex County employee who becomes disabled and has to support himself with Social Security Disability Income, or a 70 year old who purchased when he was 59 and decides to leave the local workforce and retire? If Fair Housing don't give the City pause, the inevitable and predictable community reaction should.

Conclusion: Dutchman's Harvest hasn't been thought through. It will leave the City with unfunded financial and legal liabilities that haven't been fully considered. The restrictive covenants will be unacceptable to first trust lenders, to homebuyers, the secondary market that buys the loans to buyers, and government providers of subsidy. I believe Dutchman's Harvest is a failed project in the making; it will never be built as presented to the Planning Commission.

My entire career of 47 years has been the development, finance, and public advocacy for affordable housing for working families who could not otherwise become homeowners. Homeownership for working families has been my passion; it is my calling. I want to see Workforce Housing built next door to my home and community; Dutchman's Harvest just isn't the way to do it.