

2018 Workforce Housing Program Annual Monitoring Report

<u>Name of Project:</u>	Bayberry North Middletown, Delaware
<u>Description of Location:</u>	Council District 12. Bayberry North is located on Boyd's Corner Road, a ½ mile west of Route 13. DART has added a bus route (47) to serve this location, however, times are limited to one bus in the AM/PM. There are also Park & Ride facilities located close by.
<u>Property Owner:</u>	VBN, Inc. & Farm Land Holdings, LLC (Jay Sonecha) 220 Continental Drive, Suite 410 Newark, DE 19713

<u>Number of Units Approved:</u>	951
<u>Number of Units Completed:</u>	656
<u>Percentage of Total Units Completed:</u>	68.9%
<u>Workforce Housing (WFH) Units Required:</u>	39
Workforce Housing Units Sold:	0
Workforce Housing Units Rented:	37
<u>Percentage of WFH Units Completed:</u>	94.8%

**as of September 30, 2018*

On May 11, 2018, Tasheena Friend and Stephanie Rizzo, Department of Community Services, performed the annual monitoring inspection along with Lauren Annal, Blenheim Homes. Previous inspections included only one unit of each model type. However, at time of inspection, approximately 32 Workforce units were complete. Therefore, it was decided to inspect six (6) properties, which is about 20% of the available units.

Three (3) three-story townhouses, the Novella models, were inspected. These units are approximately 1,800 square feet, and have three bedrooms with two and a half bathrooms. There is also a one-car garage. These models rent for around \$1,550 a month. The addresses inspected and how residency was qualified were:

- 2106 Audubon Trail – Delmarva utility bill
 - 2116 Audubon Trail – VACANT (approved tenant moving in – lease received)
 - 2135 Audubon Trail – Water Utility bill and copy of photo ID
-

Two (2) carriage townhouses, The Bainbridge model, were inspected. These units are approximately 1,810 square feet, and have three bedrooms and two and a half bathrooms. There is a one-car garage in the rear of the property with access via an alleyway. It also has a full unfinished basement. These models rent for around \$1,650 a month. The addresses inspected and how residency was qualified were:

- 2216 S. O'Keeffe Lane – Piece of mail
- 2224 S. O'Keeffe Lane – Piece of mail

The last address inspected was 634 Socrates Street. This is a two-story single family house, the Bancroft model, which is approximately 2,100 square feet. It has four bedrooms and two and a half bathrooms. There is a two-car garage and full unfinished basement. This model is rented for \$1,950 a month. The tenant was unavailable during inspections but residency was confirmed with a utility bill. The house was in excellent condition.

Photos and floor plans of Bayberry North are attached to this report.

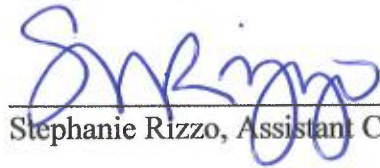
Key Issues and Recommendation:

Bayberry North only offers rentals. There is a high demand for rental housing in the Middletown area. There are usually 3-4 applications received for each rental. Often inquiries are received from homebuyers asking about Workforce Housing in Bayberry. They are disappointed to hear only rentals are available.

Workforce Housing on-site rentals on individual lots have raised a concern. A Buyer's Agreement and Exhibit to the Deed is recorded when a Workforce Housing property is sold to a Workforce Housing income qualified buyer. Because Workforce Housing on-site rentals on a builder's lot never changes hands, these documents do not get recorded. If one of these units is sold without New Castle County's knowledge, it is possible a title search may not reveal the restrictions. All owners of Workforce Housing developments with on-site rentals on individual lots were notified about the concern and were requested to file the appropriate language on the deed. The actual language to be recorded is currently being reviewed by the Department of Law.

Current Maximum Affordable Rent Chart is attached.

Completed by:



Stephanie Rizzo, Assistant Community Services Administrator

Date: 10/10/18

Reviewed and approved by:



Marcus Henry, General Manager

Date: 10/10/18

Photos of Bayberry North



Novella Model

Basement

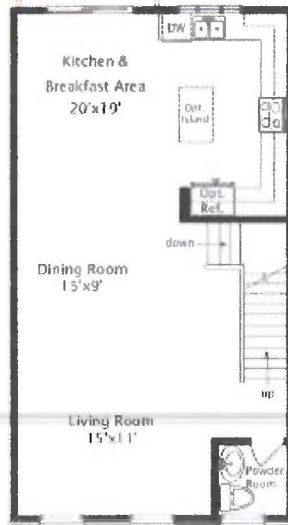
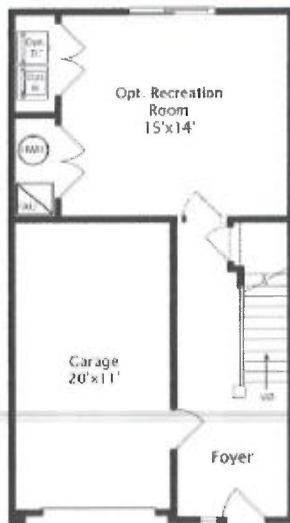
No options selected.

First Floor

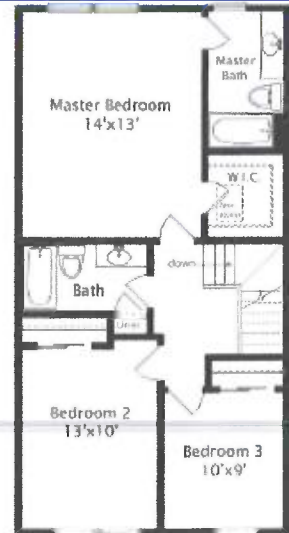
No options selected.

Second Floor

No options selected.



Elevation 1



Elevation 1



Bainbridge Model

First Floor

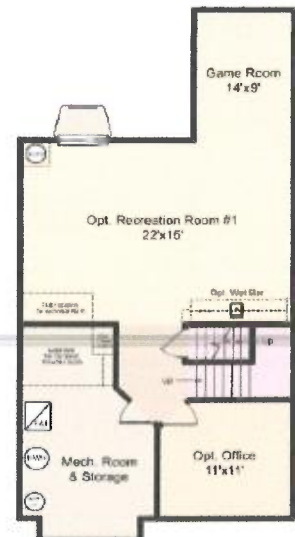
No options selected.

Second Floor

No options selected.

Basement

No options selected.



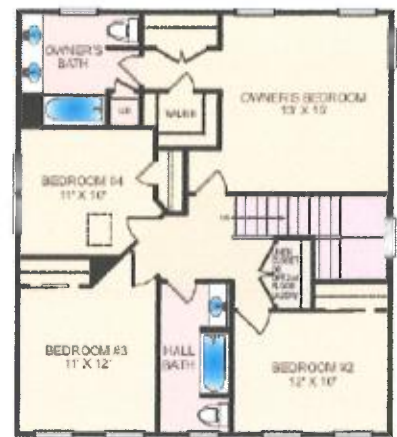


Bancroft Single Family

First Floor



Second Floor



Basement





Entrance Sign



Produce Stand at Entrance



Community Park



"Lake" House/Club House



Open Space



Open Space



Ongoing Construction

Bayberry North Maximum Affordable Rent Chart

Income Level	120%	120%	120%	120%	120%	120%
Bedroom Size	Studio	1	2	3	4	5
Household Size	1	2	3	4	5	6
Annual Income	\$ 73,440.00	\$ 84,000.00	\$ 94,440.00	\$ 104,880.00	\$ 113,280.00	\$ 121,680.00
Annual Income/12X30%	\$ 1,836.00	\$ 2,100.00	\$ 2,361.00	\$ 2,622.00	\$ 2,832.00	\$ 3,042.00
Affordable Rent Rounded Down to Nearest \$10	\$ 1,830.00	\$ 2,100.00	\$ 2,360.00	\$ 2,620.00	\$ 2,830.00	\$ 3,040.00

ALLOWANCE FOR TENANT FURNISHED UTILITIES AND OTHER SERVICES IS NOT REFLECTED IN ABOVE AMOUNTS.
THE CHART WILL BE COMPLETED FOR EACH UNIT BASED ON UNIT SIZE, TYPE AND UTILITIES AND SERVICES NOT PROVIDED BY LANDLORD.
Please contact New Castle County Department of Community Services for determination of utility allowance for each unit.

Affordable Rent Chart for: **Bayberry North (Townhouse)**

Approved by:


Marcus Henry, Department of Community Services General Manager

Date:

7/17/14

Allowance for Tenant Furnished Utilities & Other Services calculated by HAPPY Software for New Castle County Department of Community Services on an annual basis, effective July 1st each year; Rents Rounded Down to Nearest \$10. Allowance for Sewer Service Charge is determined by New Castle County based upon prior year average sewer service charge for New Castle County.

TENANT PAID UTILITIES	Studio	1 BR	2 BR	3 BR	4 BR	5 BR
Heating - Natural Gas				\$ 66.00		
Cooking - Electric				\$ 17.00		
Other Electricity				\$ 58.00		
Air Conditioning				\$ 18.00		
Water Heating - Electric				\$ 23.00		
Water				\$ 85.00		
Sewer				\$ -		
Trash Collection				\$ -		
Range/Microwave				\$ -		
Refrigerator				\$ -		
Other - Specify				\$ -		
Total Tenant Paid Utilities				\$ 267.00		
30% Affordability Level				\$ 2,820.00		
Maximum Amount (after deduction of tenant paid items)				\$ 2,353.00		
MAXIMUM RENT Rounded Down to Nearest \$10				\$ 2,350.00		

Affordable Rent Chart for: **Bayberry North (Single Family)**

Approved by:


Marcus Henry, Department of Community Services General Manager

Date:

7/17/14

Allowance for Tenant Furnished Utilities & Other Services calculated by HAPPY Software for New Castle County Department of Community Services on an annual basis, effective July 1st each year; Rents Rounded Down to Nearest \$10. Allowance for Sewer Service Charge is determined by New Castle County based upon prior year average sewer service charge for New Castle County.

TENANT PAID UTILITIES	Studio	1 BR	2 BR	3 BR	4 BR	5 BR
Heating - Natural Gas					\$ 90.00	
Cooking - Electric					\$ 21.00	
Other Electricity					\$ 72.00	
Air Conditioning					\$ 38.00	
Water Heating - Electric					\$ 28.00	
Water					\$ 96.00	
Sewer					\$ -	
Trash Collection					\$ -	
Range/Microwave					\$ -	
Refrigerator					\$ -	
Other - Specify					\$ -	
Total Tenant Paid Utilities					\$ 343.00	
30% Affordability Level					\$ 2,830.00	
Maximum Amount (after deduction of tenant paid items)					\$ 2,487.00	
MAXIMUM RENT Rounded Down to Nearest \$10					\$ 2,480.00	