

AN ORDINANCE TO AMEND CHAPTER 8 OF THE CITY CODE TO ESTABLISH AN AFFORDABLE HOUSING TRUST AND A COMMUNITY ADVISORY BOARD

#0199

Sponsor:

Council
Member
Darby

WHEREAS, Wilmington faces an ongoing affordable housing crisis, with rising rents, displacement pressures, and limited access to stable, affordable housing for low- to moderate-income households; and

WHEREAS, Wilmington recognizes the need for dedicated, sustainable funding to preserve, create, and protect affordable housing opportunities; and

WHEREAS, the establishment of an Affordable Housing Trust fund, governed by a community-centered Community Advisory Board, will ensure accountability, equity, and transparency in the allocation of funds; there is a severe shortage of affordable rental and owner-occupied housing within the City for residents having low and moderate incomes; and

WHEREAS, the affordable housing crisis will only worsen due to the overall lack of housing supply, and because housing costs have risen much faster than wages of many City residents; and

WHEREAS, numerous jurisdictions throughout the country have implemented mandatory or voluntary inclusionary zoning policies to set aside a certain percentage of units in a new development as affordable housing for low- and moderate-income households; and

WHEREAS, inclusionary housing programs that are mandatory have proven to be more successful than voluntary programs at generating affordable units; and

WHEREAS, the City has an archaic, dormant section of Code establishing a Low-Income Housing Development Program; and

WHEREAS, City Council believes it is beneficial to City residents to revive this Low-Income Housing Development Program as an Affordable Housing Trust.

NOW, THEREFORE, THE COUNCIL OF THE CITY OF WILMINGTON

HEREBY ORDAINS:

SECTION 1. Chapter 8 of the City Code is hereby amended by deleting Sections 8-156 through 8-165 in their entirety.

SECTION 2. Chapter 8 of the City Code is hereby amended by creating a new Article V – Affordable Housing Trust by adding the following underlined language to read as follows:

ARTICLE V. – AFFORDABLE HOUSING TRUST

Sec. 8-156. – Affordable Housing Trust

The City hereby establishes an Affordable Housing Trust to assist low-income borrowers obtain housing. The Housing Trust should be housed in the Department of Real Estate and Housing. A contribution shall be made for all dwelling units not designated as Inclusionary Housing or similarly affordable. For projects under Ten Million Dollars of permit construction, the contribution shall be Fifteen Dollars (\$15.00) per One-Thousand Dollars (\$1,000.00) of permit construction valuation. For projects exceeding Ten-Million Dollars of permit construction, the contribution shall be Thirty Dollars (\$30.00) per One-Thousand Dollars (\$1,000.00) of permit construction valuation. This fund shall be used to construct, purchase, and maintain permanently affordable homes.

Sec. 8-157. – Priorities.

The Housing Trust will allocate its resources to address specific housing needs within the city. The fund will prioritize the following areas:

1. Development of Housing and Services for People Who Are Homeless. This allocation will be used to fund the creation of permanent supportive housing and services specifically designed for individuals experiencing homelessness. It also will include support services, including
2. Rehabilitation of Affordable Rental Housing. This funding will be used to rehabilitate existing affordable rental units, ensuring that low- and moderate-income families can access safe and affordable housing. Rehabilitation projects will focus on improving the quality, safety, and energy efficiency of existing housing stock.
3. Creation and Maintenance of Homeownership Opportunities. This portion of the fund will be dedicated to supporting first-time homebuyers and creating affordable pathways to homeownership. Funds will support down payment assistance programs, housing education, and other services to ensure more residents have the opportunity to own homes in Wilmington.

4. Flexible Use. The remaining funds will be available for flexible use, allowing the Housing Trust to adapt to emerging needs and opportunities within the community including, but not limited to, rental assistance and relocation funds.

Sec. 8-158. – Community Advisory Board.

- (a) Creation. The Wilmington Housing Trust will be overseen by an eleven-member Community Advisory Board, an independent board created by section 8-403 of the Charter, ensuring that community input, transparency, and accountability guide the fund’s narratives. The Advisory Board shall include other community leaders, housing experts, and stakeholders who are committed to improving the quality of Wilmington residents.
- (b) Composition. The Board shall consist of eleven (11) members, ten (10) of whom shall be appointed by the Mayor.
- a. Three (3) Wilmington residents with lived experience of housing insecurity, eviction, or homelessness, nominated by community organizations.
 - b. One (1) representative from a tenant advocacy or fair housing organization.
 - c. One (1) representative from a community land trust, resident-owned cooperative, or neighborhood-based housing group.
 - d. One (1) representative from a non-profit affordable housing developer.
 - e. One (1) representative from a homeless service or supportive housing provider.
 - f. One (1) representative from a financial institution, CDFI, or philanthropic foundation engaged in housing equity.
 - g. One (1) representative from the public health or social services sector.
 - h. One (1) representative from the Department of Real Estate & Housing.
 - i. One (1) member of Wilmington City Council, appointed by the President of City Council.
- (c) Duration. Members shall serve three-year staggered terms, renewable once.
- (d) Meetings. The Board shall hold at least four public meetings annually, in compliance with 29 Del. C. § 10001, et seq.
- (e) Compensation. The non-City Board members shall receive \$150.00 per Board Meeting. Board members shall also receive \$100.00 per approved training, up to \$600 annually, for participation in capacity-building related to housing policy, finance, fair housing, equity, and public accountability.
- (f) Duties and powers of the Board. The Board shall develop recommendations on revenues, allocations, and projects and advise Mayor, City Council, and relevant City departments on prioritizing the allocation of funds from the Housing Trust Fund, with an emphasis on very low- and low-income households.
- (g) Reporting. The Board shall publish an annual report to City Council on revenues, allocations, projects, funded, and measurable housing outcomes.

Secs. 8-159–165. – Reserved.

SECTION 3. This Ordinance shall become effective immediately upon its date of passage by the City Council and approval by the Mayor.

First Reading.....March 5, 2026
Second Reading.....March 5, 2026
Third Reading.....

Passed by City Council,

President of City Council

ATTEST: _____
City Clerk

Approved as to form this 2nd
day of March 2026

John D. Stant II
Assistant City Solicitor

Approved this _____ day of _____, 2026

Mayor

SYNOPSIS: This Ordinance amends Chapter 8 of the City Code by establishing an affordable housing trust and a community-based oversight Board that is intended to help address the severe shortage of affordable housing in the city.

FISCAL IMPACT STATEMENT: The Office of Management and Budget has reviewed and analyzed this Ordinance, which amends Chapter 8 of the City Code to establish an Affordable Housing Trust Fund and a Community Advisory Board to oversee its administration.

The Ordinance creates a dedicated revenue source for the Affordable Housing Trust through mandatory contributions tied to building permit construction valuation for residential development not designated as inclusionary or otherwise affordable housing. Projects with construction valuation under \$10,000,000 will contribute \$15.00 per \$1,000 of permit construction valuation, and projects exceeding \$10,000,000 will contribute \$30.00 per \$1,000 of permit construction valuation. Revenues to the Trust Fund will fluctuate based on the volume and scale of qualifying development activity within the City and cannot be precisely estimated at this time.

All revenues generated pursuant to this Ordinance will be restricted for use in connection with affordable housing activities as outlined in the legislation, including development of housing for individuals experiencing homelessness, rehabilitation of affordable rental housing, homeownership assistance, and other flexible housing-related purposes. These funds will constitute special revenue dedicated to housing initiatives and will not be available for general fund purposes.

Administrative responsibility for the Trust will be housed within the Department of Real Estate and Housing. Implementation will require staff oversight for revenue coordination, fund management, project underwriting, compliance monitoring, reporting, and support of the Community Advisory Board. According to the Director of Real Estate & Housing, a new position of Administrative Clerk I would be required to handle the projected volume of funds collected and projects financed. The annual cost (salary and benefits) of the new position would be \$76,900.

The Ordinance authorizes compensation for non-City Advisory Board members at \$150 per meeting (minimum of four meetings annually). With nine (9) non-City members eligible for meeting stipends, the estimated annual expenditure for meeting compensation would be approximately \$5,400 (9 members x \$150 x 4 meetings).

The Ordinance further authorizes up to \$600 annually per Board member for approved training. As all eleven (11) Board members (City and non-City) are eligible for training reimbursement, the estimated maximum annual training expenditure would be \$6,600 (11 members x \$600).

Accordingly, the total potential annual Board-related expenditure is estimated at approximately \$12,000 (\$5,400 for meeting stipends plus up to \$6,600 for training), subject to actual attendance and participation levels.

Because revenue generation depends on future development activity and program expenditures will be contingent upon collections and appropriations, the overall net fiscal impact cannot be definitively determined at this time. The Ordinance establishes a dedicated housing revenue stream and associated administrative and oversight costs, the magnitude of which will vary based on economic and development conditions.