

CITY OF DOVER PROPOSED ORDINANCE #2025-01

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF DOVER, IN COUNCIL MET: 3

That Appendix C Downtown Redevelopment, be amended by inserting the text indicated in bold,
blue, italics, and deleting the text indicated in red, bold, italics strikethrough as follows:

7 ARTICLE I. INTENT

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- 8 The city council has deemed it to be in the best interests of the residents of the city and in
- 9 furtherance of their health, safety and welfare to promote the redevelopment of downtown
- 10 Dover. In order to promote the redevelopment, [the] council has determined that incentives in the
- 11 forms of tax abatements, impact fee waivers and building permit caps should be offered.

12 ARTICLE II. DOWNTOWN DOVER PARTNERSHIP

- (a) The Downtown Dover Partnership shall be established and duly incorporated under the
 not-for-profit corporation provisions of the Delaware General Corporation Law (8 Del. C
 §101 et seq.) for the purpose of fostering redevelopment within the target area.
- (b) Certification of incorporation. The city solicitor, as incorporator of the company, shall
 prepare and cause, or amend, the certificate of incorporation to be filed with the secretary
 of State of Delaware, which certificate shall include those requirements set forth in 22
 Del. C. § 1504, as amended.
- (c) Membership of company and board of directors. The management company shall be a
 corporation comprised of a board of directors established in accordance with the by-laws
 approved by the board of directors, provided that not less than five directors shall own a
 commercial property within the district, or shall be the designee of such owner.
- (d) Company reports. The management company shall file with the finance department and
 with the city clerk a quarterly financial report and shall also provide an annual operating
 report. The city shall annually review the performance of the management company and
- 27 shall prepare for public inspection a report which certifies that the management company
- 28 is in compliance with its enabling ordinance, its certificate of incorporation and bylaws,
- 29 and the provisions of this appendix and 22 Del. C. ch. 15 (22 Del. C. § 1501 et seq.); the
- 30 management company is fiscally sound; and the management company has not
- discriminated against any person based upon race, sex, national origin, religion, age or
 disability.
- 33 ARTICLE *III*. DEFINITIONS
- 34 The following words, terms and phrases, when used in this ordinance, shall have the
- 35 meanings ascribed to them in this article, except where the context clearly indicates a different
- 36 meaning:

- 37 Section 1. Beneficiary of the incentives.
- The *beneficiary of the incentives* shall include the person or artificial entity that receives the incentive and the owner of one-half or greater interest in an artificial entity that receives the incentive.
- 41 Section 2. Downtown Dover Partnership.
- 42 (a) The Downtown Dover Partnership shall be established and duly incorporated under the
- 43 *not-for-profit corporation provisions of the Delaware General Corporation Law (8 Del. C*
- 44 **§101 et seq.) for the purpose of fostering redevelopment within the target area.**

(b) Certification of incorporation. The city solicitor, as incorporator of the company, shall
 prepare and cause, or amend, the certificate of incorporation to be filed with the secretary
 of State of Delaware, which certificate shall include those requirements set forth in 22
 Del. C. § 1504, as amended.

- 49 (c) Membership of company and board of directors. The management company shall be a
 50 corporation comprised of not less than five members or directors respectively who either
 51 own a commercial property within the district, or are the designee of such owner.
- (d) Company reports. The management company shall file with the finance department and
 with the city clerk a monthly financial report and shall also provide an operating report
- 54 *monthly. The city shall annually review the performance of the management company*
- and shall prepare for public inspection a report which certifies that the management
 company is in compliance with its enabling ordinance, its certificate of incorporation and
- 56 company is in compliance with its enabling oralinance, its certificate of incorporation and 57 bylaws, and the provisions of this appendix and 22 Del. C. ch. 15 (22 Del. C. § 1501 et
- 57 bytaws, and the provisions of this appendix and 22 Det. C. Ch. 15 (22 Det. C. 3 1501 et 58 seq.): the management company is fiscally sound: and the management company has not
- *discriminated against any person based upon race, sex, national origin, religion, age or*
- 60 disability.
- 61 Section **2 3**. Eligible project.
- 62 *Eligible project* shall mean a new construction or renovation *that meets the requirements of Article*
- 63 III Eligibility of this Appendix.÷
- 64 (a) Is located within the target area; and
- (b) The fair market value of the materials to be used in and the labor to be performed on
 the project exceeds the sum of \$15,000.00; and
- 67 (c) Is for commercial, office, or a residential use; and
- 68 (d) Conforms to the intent of this ordinance.
- 69 In order for a residential use to be an eligible project, the object of the construction or
- 70 *renovation must be a dwelling unit as defined in article 12 of the City of Dover zoning*
- 71 ordinance [appendix B]. Construction or renovation of accessory buildings as defined in
- 72 *article 12 of the City of Dover zoning ordinance [appendix B] shall not be eligible for*
- 73 development incentives. Construction or renovation which constitutes ordinary replacement or
- 74 *routine maintenance shall not qualify as an eligible project.*
- 75 Section **3 4**. Target area.
- 76 *Target area* shall mean that part of the city more particularly described as follows:
- Beginning at a point at the intersection of the centerlines of North New Street and Clara
 Street south to the intersection of the centerlines of North New Street and Mary Street,

79 east to the intersection of the center lines of North Governors Avenue and Mary Street 80 south to the intersection of the centerlines of Governors Avenue and Cecil Street, east to the intersection of the centerlines of Cecil and North State Streets, then continuing on the 81 82 centerline of North State Street in a southerly direction to the intersection of the centerline of State Street and an extension of the centerline of Delaware Avenue, then continuing on 83 84 the centerline and an extension of the centerline of Delaware Avenue in an easterly direction to the point of intersection of an extension of the centerline of Delaware Avenue 85 and the St. Jones River, then following the centerline of the St. Jones River in a southerly 86 direction to the point of intersection of the centerline of the St. Jones River and the 87 88 southerly property line of lands now or formerly of the Catholic Diocese of Wilmington, being the site of Holy Cross Roman Catholic Church, then proceeding in a westerly 89 direction along said property line to the easterly right-of-way line of South State Street 90 (U.S. Route 13-A), then crossing the right-of-way line of South State Street in a westerly 91 direction and joining the centerline of Hope Street and proceeding in a westerly direction to 92 the centerlines of Hope Street and South Governors Avenue, then proceeding in a southerly 93 94 direction along the centerline of South Governors Avenue to the point of intersection of the 95 centerlines of South Governors Avenue and Dover Street, then proceeding in a westerly 96 direction along the centerline of Dover Street to the point of intersection of the centerlines of Dover Street and Westview Terrace, then continuing in a northerly direction on the 97 98 centerline of Westview Terrace to the point of intersection of the centerline of Westview 99 Terrace and New Burton Road, then proceeding in a northeasterly direction on the centerline of New Burton Road to the point of intersection of New Burton Road and West 100 Street, then continuing in a northerly direction along the westerly right-of-way line of West 101 Street to the point of intersection of the westerly side of the right-of-way of West Street and 102 the northerly property line of lands now or formerly of Dover Rent-All, Inc., then 103 104 continuing in a westerly direction along said property line to the point of intersection of said property line and the lands of Conrail Railroad, then proceeding in a northerly direction 105 along the easterly right-of-way line of Conrail Railroad in a northerly direction to the point 106 of intersection of the centerline of West North Street and then westerly along the centerline 107 108 of West North Street to Clarence Street and north along the center line of Clarence Street to Slaughter Street, and west along the center line of Slaughter Street to Cherry Street and 109 north along the center line of Cherry Street to the intersection with the center line of Lincoln 110 111 Street, west 122 feet to the southeast corner of the property at 826 Forest Street, north along the easterly border of said property, to Forest Street, northwest 287 feet to the 112 intersection of the centerlines of Forest Street, Weston Street, and West Division Street, 113 north 508 feet along Weston Street to the southern border of the All Safe Mini Storage 114 LLC property, east 142 feet to the southeast corner of the All Safe Mini Storage LLC 115 property, north 538 feet to the southwest corner of the H S Mast Company LLC property, 116 117 east along the southern border of H S Mast Company LLC property 680 feet to the eastern side of the Conrail right-of-way, north 359 feet to the edge western terminus of 118 Mary Street, east to the intersection of the centerlines of West Street and Mary Street, east 119 120 27 feet to the western property line of Delaware State University (DSU), north 403 feet along the western border of the DSU property, east 430 feet along the northern border of 121 the DSU property to North Queen Street, north 346 feet to the intersection of the 122 123 centerlines of North Queen Street and Clara Street, and east to the intersection of the 124 centerlines of Clara Street and North New Street. to a point of intersection with an

125	extension of the westerly property line of lands now or of late of Michael Nash, being the
126	site of the former Diamond Ice Company, then proceeding in a northerly direction along
127	the westerly property line of the Nash property and in a line extending to the intersection
128	of the southerly property line of lands now or of late Paul T. and Aiko Moore, and then
129	northwesterly and then northerly along the southern and western property line of the
130	Moore property and extending north to an intersection with the centerline of Lincoln
131	Street, and then easterly along the centerline of Lincoln Street to a point of intersection of
132	an extension of the westerly property line of lands now or formerly of Frank Moore et al.,
133	and then northerly along the western property of Frank Moore et al. and extending to a
134	point of intersection with the centerline of Forest Street, then easterly along the
135	centerline of Forest Street to a point of intersection with an extension of the westerly
136	property of the lands now or formerly of the Salvation Army, and then northerly and
137	easterly along the western and north property line of the Salvation Army property to the
138	point of intersection with lands now or of late Conrail Railroad, then northerly along the
139	westerly property line of Conrail Railroad and extending to a point of intersection with
140	the centerline of West Division Street, and then easterly along the centerline of East
141	Division Street to the intersection of the easterly right-of-way line of Conrail Railroad,
142	and then northerly along the easterly right-of-way line of Conrail Railroad to the
143	intersection of the right-of-way of Conrail Railroad and the northerly property line of
144	lands now or of late of Southern States Cooperative, Inc., then proceeding in an easterly
145	direction a distance of 52.76 feet to the northeasterly corner of the lands now or of late of
146	Southern States Cooperative, Inc., then proceeding in a southerly direction along the
147	easterly property line of lands now or of late of Southern States Cooperative, Inc., to the
148	point of intersection of said property and the centerline of Mary Street, then proceeding
149	in an easterly direction along the centerline of Mary Street to the point of beginning,
150 151	being the point of intersection of the centerline of Mary Street and North Governors Avenue, south along the centerline of North Governors Avenue to the intersection of
151	Avenue, south along the centertine of North Governors Avenue to the intersection of North Governors Avenue and Cecil Street, and west along the center line of Cecil Street
152	through the Wesley College Campus to the point of intersection of Cecil Street and North
155	State Street.
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155	Downtown Development District High Priority Target Area shall mean that area within the
156	Target Area designated as such by the State of Delaware and part of the city more particularly
157	described as bounded by the street center lines as follows:
158	(a) Downtown Development DistrictOriginal High Priority Target Area Designation:
159	(1) From the intersection of the centerlines of North Governors Avenue New Street
160	and Mary Clara Street south to the intersection of the centerlines of North New
161	Street Governors Avenue and Fulton Mary Street, east to the intersections of the
162	center lines of <i>Fulton Mary</i> Street and North <i>Governors Avenue</i> State Street,
163	south to the intersection of the center lines of South State Street North Governors
164	Avenue and Fulton Loockerman Street, east to the intersection of the centerlines
165	of North State Street and Fulton Street, south to the intersection of the
166	centerlines of State Street and Division Street, east to the intersection of the
167	centerlines of Pennsylvania Avenue and Division Street, south to the
168	intersection of the centerlines of Pennsylvania Avenue and Kings Highway,
169	southwest to the intersection of the centerlines of Kings Highway and Reed

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170	Street, east 1,361 along the southern boundary property located at 89 Kings
171	Highway to the westerly edge of Mirror Lake, south along the westerly edge of
172	Mirror Lake to Loockerman Street 201 feet west of the intersection of the
173	centerlines of Loockerman Street and Park Drive, west 1,386 feet along
174	Loockerman Street, south 282 feet to the northeast corner of the property
175	located at 15 East North Street, west 36 feet to the northwest corner of the
176	property located at 15 East North Street, south 73 feet long the westerly border
177	of the property located at 15 East North Street to North Street, west 137 feet to
178	the intersection of the centerlines of State Street and North Street, east 73 feet to
179	the northwest corner of the property located at 7 The Green, south 274 feet
180	along the westerly edge of the property located at 7 The Green to The Green,
181	792 feet along the western portion of The Green to the intersection of the
182	centerlines of South State Street and The Green, south 200 feet past the
183	intersection of the centerlines of South State Street and Water Street to the
184	northeast corner of the property located at 540 South State Street, west 787 feet
185	along the northern border of the property located at 540 South State Street to
186	South Governors Avenue, north 172 feet to the intersection of the centerlines of
187	South Governors Ave and Water Street, west to the intersection of the
188	centerlines of South Queen Street and Water Street, north to the intersection of
189	the centerlines of Queen Street and North Street, west to the intersection of the
190	centerlines of Clarence Street and North Street, north to the intersection of the
191	centerlines of Clarence Street and Slaughter Street, west to the intersection of
192	the centerlines of Cherry Street and Slaughter Street, north to the intersection
193	of the centerlines of Cherry Street and Lincoln Street, west 122 feet to the
194	southeast corner of the property at 826 Forest Street, north along the easterly
195	border of said property, to Forest Street, northwest 287 feet to the intersection of
196	the centerlines of Forest Street, Weston Street, and West Division Street, north
197	508 feet along Weston Street to the southern border of the property located at
198	101 Weston Drive, east 142 feet to the southeast corner of the property located
199	at 101 Weston Drive, north 538 feet to the southwest corner of the property
200	located at 300 Ridgley Street, east along the southern border of property located
201	at 300 Ridgley Street 680 feet to the eastern side of the railroad right-of-way,
202	north 359 feet to the edge western terminus of Mary Street, east to the
202	intersection of the centerlines of West Street and Mary Street, east 27 feet to the
204	western property line of property located at 511 Mary Street, north 403 feet
205	along the western border of the property located at 511 Mary Street, east 430
206	feet along the northern border of the property located at 511 Mary Street to
207	North Queen Street, north 346 feet to the intersection of the centerlines of
208	North Queen Street and Clara Street, and east to the intersection of the
209	centerlines of Clara Street and North New Street. 202 feet and then south 172
210	feet and then west 36 feet and south 73 feet, and west along the right-of-way of
210	North Street for 136 feet, and then south 45 feet along the center line of State
211 212	Street and then east 73 feet along the south right-of-way of North Street and
212 213	then south 71 feet, and then west 11 feet and south six feet and west 20 feet and
213	south 135 feet and west 8 feet and then south 22 feet, then west following the
214 215	centerline of The Green to the south intersection of the center lines of South
213	cemerane of the Green to the south intersection of the center thes of South

216	State Street and The Green, south to West Water Street and south 218 feet and
210	west 205 feet and southwest 41 feet and west 246 feet and north 102 feet and
217	west 205 feet and southwest 41 feet and west 246 feet and southwest 9 feet and west 103 feet and northwest 3 feet and west 40 feet and southwest 9 feet and
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	west 44 feet and north to the intersection of South Governors Avenue and the
220	centerline of West Water Street and west to the intersection of the center lines of
221	West Water Street and South Queen Street, south along the center line of South
222	Queen Street 541.11 feet and then west to the center line of South West Street,
223	and north to the intersection of the center lines of West North Street and South
224	West Street, and west to the intersection of the center lines of West North Street
225	and Clarence Street and north to the intersection of the center lines of Clarence
226	Street and Slaughter Street, and west along the center line of Slaughter Street to
227	Cherry Street and north along the center line of Cherry Street to the
228	intersection with the center line of Lincoln Street, and east along the center line
229	of Lincoln Street to the intersection of the center lines of Forest Street and
230	South West Street, and north along the center line of South West Street to the
231	intersection of the center lines of West Street and West Division Street, and west
232	to the east property line of the Norfolk Southern railroad track, and north along
233	this property line to the intersection with the center line of Mary Street, and
234	west to the intersection of the center lines of Mary Street and North Governors
235	Avenue.
236	(b) Expanded boundary approved by the Cabinet Committee on State Planning Issues,
230 237	effective February 1, 2024:
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238	(1) Beginning at the intersection of S. State Street and Loockerman Street and then
239	t urning east 202 feet along the southern edge of Loockerman Plaza and then
240	t urning north 110 feet to the northern edge of Legislative Avenue and then
241	following the northern edge of E. Loockerman Street 621 feet to the westerly
242	edge of the bridge crossing the St. Jones River at Mirror Lake and then
243	following the westerly edge of Mirror Lake to the boundary of lands of the State
244	of Delaware and then turning west and following the southern boundary of said
245	state lands until the intersection with Kings Highway and then west along the
246	southern edge of E. Reed Street to the original target area boundary and co-
247	located with that boundary south to the point of beginning.
248	(2) Being that the boundary extension encompassing 14 acres is approved by the
240	<i>Cabinet Committee on State Planning Issues.</i>
250	(3) Subject to the condition that no rebates will be granted for expansion of the
251	gross square footage of the building on parcel 2-05-07705-04-5200-00001
252	unless an eligible project(s) mitigates future flood risks and improves the
253	resiliency of the site. Renovations to the existing building may be considered
254	appropriate, at the discretion of the Office of State Planning Coordination
255	(OSPC) and the Delaware State Housing Authority (DSHA).
256	(4) The boundary extension set forth above shall be incorporated into the City of
257	Dover's GIS system as an amendment to the High Priority Target Area (a.k.a.
258	the Downtown Development District).
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260 261	ARTICLE IV III. ELIGIBILITY Section 1. Eligible Project		
262		projects shall include a new construction or renovation which:	
263	<i>(a)</i>	Is located within the target area; and	
264 265	(b)	The fair market value of the materials to be used in and the labor to be performed on the project exceeds the sum of \$5,000.00; and	
266	(c)	Is for commercial, office, or a residential use; and	
267	(d)	Conforms to the intent of this ordinance.	
268 269 270 271 272 273 274	(e)	In accordance with the agreement with the Delaware Office of State Planning Coordination and the Delaware State Housing Authority, no rebates will be granted for expansion of the gross square footage of the building on parcel 2-05-07705-04- 5200-00001 (9 East Loockerman Street) unless an eligible project(s) mitigates future flood risks and improves the resiliency of the site. Renovations to the existing building may be considered appropriate, at the discretion of the Office of State Planning Coordination (OSPC) and the Delaware State Housing Authority (DSHA).	
275 276 277 278	(f)	In order for a residential use to be an eligible project, the object of the construction or renovation must be a dwelling unit as defined in article 12 of appendix B Zoning. Construction or renovation of accessory buildings as defined in article 12 of appendix B Zoning shall not be eligible for development incentives.	
279 280		2 1 . Development incentive ineligibility. otherwise eligible project shall be ineligible for development incentives if:	
281 282	(a)	An application for a building permit for the project was filed prior to the effective date of this ordinance; or	
283 284	(b)	<i>Construction or renovation commenced prior to the effective date of this ordinance; or</i>	
285 286 287	(a) (<i>c)</i> Issuance of the certificate of occupancy and/or the completion and finalization of the building permit occurs before the application for development incentives is received; or	
288 289 290	(b) (<i>d)</i> The subject property is exempt from City of Dover real estate taxes, <i>except in cases where the property is owned by a non-profit organization constructing or renovating a home to be transferred to non-tax-exempt homeowners</i> ; or	
291 292	(c) (<i>e)</i> The beneficiary of the incentives is delinquent on any of the obligations listed in <i>Dover Code, Chapter 1 General Provisions</i> , section 1-13(b).	
293	Section 3	3 2 . Revocation of eligibility.	
294 295 296 297 298 299	The obligation the incer <i>General</i>	be beneficiary of the incentives provided by this Appendix must remain current on all ons due the city. If, at any time after the incentives have been granted, the beneficiary of atives becomes delinquent on any of the obligations listed in <i>Dover Code Chapter 1</i> <i>Provisions</i> , section 1-13(b), the city manager shall revoke the eligibility for any portion centives not yet received by the beneficiary. Notice shall be given to such beneficiary in	

300 ARTICLE IV. DEVELOPMENT INCENTIVES

- 301 Eligible projects within the Target Area shall be eligible for the following development 302 incentives:
- 303 Section 1. Waiver of permit fees.
- Fees for building, plumbing, mechanical, and fire protection permits shall be waived for eligible projects. *Waivers do not apply to sign permits*.
- 306 Section 2. Waiver of impact fees.
- 307 Eligible projects shall qualify for city *water and wastewater* impact fee waiver of the cost of 308 such fees. *The city cannot waive Kent County impact fees*.
- 309 Section 3. Abatement of property taxes on the value of improvement.
- 310 Eligible projects shall receive property tax waivers for a period not to exceed ten years so
- that improvements to the properties made in accordance with the intent of this ordinance will not
- be taxed for a period of time not to exceed ten years from the date of the making of the
- improvements. The said ten-year period will commence with the date of issuance of a building
- 314 permit.
- Eligible projects within the High Priority Target Area shall also be eligible for the following incentives:
- 317 Section 4. Business license fee waiver.
- 318 Businesses that open within or relocate to the Downtown Development District on or after
- 319 March 1, 2015, shall be eligible for a waiver of all city business license fees associated with the
- 320 business for a period of three years. Eligible businesses are still required to obtain the
- 321 required city business licenses.
- 322 Section 5. Rebate of the buyer's portion of the real estate transfer tax.

423 •-For properties which have transferred on or after March 1, 2015, the property owner shall be

324 eligible for a rebate of the buyer's portion of the real estate transfer tax upon issuance of a

325 certificate of occupancy, provided that a certificate of occupancy is issued for improvements to

- the property within five years of the payment of the real estate transfer tax.
- Businesses that open within or relocate to the high priority target area on or after
 March 1, 2015, shall be eligible for a waiver of all city business license fees
 associated with the business for a period of three years. Eligible businesses are still
 required to obtain the required city business licenses.

331 ARTICLE V. ADMINISTRATION

- 332 The city manager and his/*her* staff shall develop the administrative procedures *and*
- 333 application forms necessary to implement this ordinance. If a potential beneficiary of the
- 334 incentives submits an application for incentives after a fee has been paid, except as otherwise
- 335 provided in this appendix, the city will not issue a refund of fees paid. The city manager and
- 336 *his staff shall promulgate reasonable standards to be used in determining whether an eligible*
- 337 *project shall receive development incentives and, if so, which incentives shall be granted.*
- 338 Administrative staff shall review applications for development incentives and grant incentives
- 339 to eligible projects. Applicants shall be notified of the action taken on their applications by
- 340 *mail.*

341	ARTICLE VI APPEALS		
342 343 344 345	Applicants denied development incentives shall have the right to appeal the decision to the city council within 30 days from the date <i>that the notification was sent to the applicant of mailing of the formal notification</i> . Such appeal shall be in writing, signed by the owner of the property in question, and filed with the city clerk.		
346 347 348 349 350	ARTICLE VII. SEVERABILITY AND EFFECTIVE DATE Section 1. Severability. Should any section or provision of this ordinance be declared to be unconstitutional or otherwise invalid, such decision shall not affect the validity of the ordinance as a whole or any part thereof other than the parts so declared to be unconstitutional or invalid.		
351	Section 2. Effective date.		
352	This ordinance shall be effective as of January 1, 1991.		
353			
354	SYNOPSIS		
 355 356 357 358 359 360 361 362 363 364 365 	The purpose of this ordinance is to codify the updated boundary of the Downtown Development District (DDD) approved by the State of Delaware. The amendments to Appendix C include: The description of the Downtown Dover Partnership (DDP) is moved from definitions to its own article. The description of the Board of Directors make-up references the DDP by-laws and maintains the requirement that at least five (5) members represent downtown property owners. It also reduces the frequency for the DDP to submit financial reports to City Council from monthly to quarterly and reduces the frequency of operational reporting from monthly to annually.		
366 367 368 369 370 371 372	The ordinance moves the details of incentive eligibility requirements from definitions to the article on eligibility. It modifies the "Target Area" to encompass the entire DDD area. It renames the "High Priority Target Area" to "Downtown Development District" an references the State designation. It modifies the DDD boundary to align with the updated DDD boundary approved by the State of Delaware.		
373 374 375 376 377	The ordinance clarifies that the ineligibility of tax-exempt properties does not apply to non-profits building or renovating houses that will be transferred to non-tax-exempt owners. It also clarifies that the City cannot waive Kent County impact fees and that permit fee waivers do not apply to sign permits.		
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379 380 381	<u>Actions History (Most recent first)</u> 01/28/2025 – Scheduled for Introduction - Council Committee of the Whole/Legislative, Finance and Administration		

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