



STATE OF DELAWARE
EXECUTIVE DEPARTMENT
OFFICE OF MANAGEMENT AND BUDGET
STATE PLANNING COORDINATION

December 21, 2007

Keith Rudy
McCrone, Inc.
111 S. West Street, Ste. 6
Dover, DE 19904

RE: PLUS review – PLUS 2007-11-02; Peninsula UM Homes, Inc.

Dear Mr. Rudy:

Thank you for meeting with State agency planners on November 28, 2007 to discuss the proposed plans for the Peninsula UM Homes, Inc. project to be located adjacent to the Assawoman Canal and Muddy Neck Road.

According to the information received, you are seeking a site plan review through Sussex County for a 300,000 sq. ft. continuing care retirement community consisting of 260 units, and 115,000 sq. ft. of common area and health care facilities.

Please note that changes to the plan, other than those suggested in this letter, could result in additional comments from the State. Additionally, these comments reflect only issues that are the responsibility of the agencies represented at the meeting. The developers will also need to comply with any Federal, State and local regulations regarding this property. We also note that as Sussex County is the governing authority over this land, the developers will need to comply with any and all regulations/restrictions set forth by the County.

Executive Summary

The following section includes some site specific highlights from the agency comments found in this letter. This summary is provided for your convenience and reference. The full text of this letter represents the official state response to this project. *Our office*

notes that the applicants are responsible for reading and responding to this letter and all comments contained within it in their entirety.

State Strategies/Project Location

- The Office of State Planning and Coordination recognizes the proposed project is located within an Invest Level 2 / Level 3 Area and adjacent to the community of Ocean View's future growth area. At this time this office has no objection to the proposed and asks that the developer continue to work with the community of Ocean View even though the community does not wish to annex this parcel at this time. This partnership will continue to address long and short term service requirements to support the type of care facility proposed at this site. Finally, this office encourages the developer to work with DOT and DNREC to address those concerns identified in this letter with regards to the necessary road improvements and to address any environmental concerns.

Street Design and Transportation

- DelDOT will require the developer to provide a 15-foot wide permanent easement along the Muddy Neck Road frontage for a future 10-foot wide shared use path

Natural and Cultural Resources

- Have all drainage easements recorded on deeds and place restrictions on obstructions within the easements to ensure access for periodic maintenance or future re-construction. Future property owners may not be aware of a drainage easement on their property if the easement is only on the record plan. However, by recording the drainage easement on the deed, the second owner, and any subsequent owner of the property, will be fully aware of the drainage easement on their property.
- Based on the Statewide Wetland Mapping Project (SWMP) maps, no wetlands were mapped on subject parcel. However, it is likely that some unmapped wetlands may be found along and within the ditches that bisect and adjoin this parcel. Therefore, it is strongly recommended that a site-specific field wetlands delineation be conducted using the methodology described in the 1987 United States Army Corps of Engineers (USACE) manual.

The following are a complete list of comments received by State agencies:

Office of State Planning Coordination – Contact: Bryan Hall 739-3090

The Office of State Planning and Coordination recognizes the proposed project is located within an Invest Level 2 / Level 3 Area and adjacent to the community of Ocean View's future growth area. At this time this office has no objection to the proposed and asks that the developer continue to work with the community of Ocean View even though the community does not wish to annex this parcel at this time. This partnership will continue to address long and short term service requirements to support the type of care facility proposed at this site. Finally, this office encourages the developer to work with DOT and DNREC to address those concerns identified in this letter with regards to the necessary road improvements and to address any environmental concerns.

Division of Historical and Cultural Affairs – Contact: Terrance Burns 739-5685

1. In reference to this parcel/property, the State Historic Preservation Office of Division of Historical & Cultural Affairs would like to mention and recommend the following:
2. There is no historic or known Archaeological Site or National Register Property/Site on or within this parcel/property.
3. However, this parcel/property is still in a vicinity where the nature and historic context of the vicinity, area, environment or land cover is primarily agriculture, a portion of forest, a portion of wetlands/wet-woods, and there is a possibility that there could probably be potential archaeological resources on or within parcel/property, or nearby. These archaeological resources could probably be prehistoric-period or historic-period because of the combination of various soil types on the parcel/property, and the nature and historic context of vicinity, area, environment and land cover.
4. If any archaeological resources are found or located, the developer should be aware of Delaware's Unmarked Human Remains Act of 1987, which governs the discovery and disposition of such remains. The unexpected discovery of unmarked human remains during construction can result in significant delays while the process is carried out. Delaware's Unmarked Human Remains Act of 1987 can be found in Title 7, Chapter 53 and Chapter 53 of the Delaware Code.
5. Finally, the State Historic Preservation Office-Division of Historic & Cultural Affairs recommends that prior to any demolition or ground-disturbing activities, or before any construction proceeds the developer may want to hire an archaeological consultant to check or examine this parcel/property for the possibility of any archaeological resources here such as a cemetery, burial ground, or unmarked human remains. If you would like to discuss this information or

recommendation in further detail, contact Mr. Terence Burns at State Historic Preservation Office of Division of Historic & Cultural Affairs at (302) 736-7400 ext.25.

Department of Transportation – Contact: Bill Brockenbrough 760-2109

- 1) The relevant segment of Muddy Neck Road is classified as a local road. DelDOT's policy is to require dedication of sufficient land to provide a minimum right-of-way width of 30 feet from the centerline on local roads. Therefore DelDOT will require right-of-way dedication along the frontage to provide any additional width needed from this project.
- 2) DelDOT will require the developer to provide a 15-foot wide permanent easement along the Muddy Neck Road frontage for a future 10-foot wide shared use path.
- 3) The subject development does not meet DelDOT's current warrants for a traffic impact study (TIS), but would meet warrants contained in a pending revision to our highway access regulations. DelDOT anticipates adopting these revised regulations with an effective date of December 21, 2007. DelDOT is presently developing the rules under which current projects will be grandfathered. Having said that, a TIS was prepared in 2006 for the adjacent Canal Landing development. On April 17, 2007, DelDOT sent the Town of Ocean View comments on that TIS. A copy of those comments is enclosed with this letter. With appropriate adjustments for project size, the developer should expect to be required to participate in the same off-site improvements as Canal Landing as conditions for plan approval.

The pending regulations, mentioned above, provide that in certain circumstances developments generating between 50 and 200 vehicle trips per hour and between 400 and 2,000 vehicle trips per day may pay a fee of \$5.00 per daily trip rather than prepare a TIS. This fee has yet to be approved by the General Assembly and we have not made a final decision as to whether this option would be available to this project. However, at present we believe that the Canal Landing TIS has provided us with sufficient information about the improvements needed in the area. With the developer's payment of the fee just mentioned and appropriate participation in the off-site improvements identified in the Canal Landing letter, we do not anticipate the need for a TIS for this development.

- 4) Because the proposed development would increase traffic in and out of the Canal Landing entrance and Ogre Drive, new entrance permits will be needed for the Canal Landing and Ocean Way Estates entrances on Muddy Neck Road, and it is

possible that additional road improvements will be needed there. The developer's site engineer should contact the DelDOT Subdivision Manager for eastern Sussex County, Mr. John Fiori, to determine whether that is the case. Mr. Fiori may be reached at (302) 760-2260.

The streets in Canal Landing and Ocean Way Estates are privately maintained, but we recommend that the developer contact the developers of those projects to determine what, if any, improvements will be needed between Muddy Neck Road and the site entrances.

- 5) If the developer anticipates using their frontage on Muddy Neck Road for construction access, that should be coordinated with our South District Permits Supervisor, Mr. Gemez Norwood. Mr. Norwood may be reached at (302) 853-1342.
- 6) As proposed, the development would wrap around the south and east sides of a 12-acre church site that would also have access on Ogre Drive. It is recommended that the developer work with the church to develop one or more direct pedestrian paths to connect their properties.
- 7) The developer's site engineer should Mr. Fiori, regarding our specific requirements for access and off-site improvements.

The Department of Natural Resources and Environmental Control – Contact: Kevin Coyle 739-9071

Soils

Based on the Sussex County soil survey update, Hurlock and Mullica were mapped in the immediate vicinity of the proposed construction. Hurlock and Mullica are poorly to very poorly-drained wetland associated (hydric) soils that have severe limitations for development.

Hydric soils typically have a seasonal high water table at or near the soil surface (within one-foot of soil surface or less). Building in such soils is likely to leave prospective residents of this and adjoining properties susceptible to future flooding problems from groundwater-driven surface water ponding, especially during extended periods of high-intensity rainfall events such as tropical storms/hurricanes or "nor'easters." This is in addition to increased flooding probabilities from surface water runoff emanating from future created forms of structural imperviousness (roof tops, roads, sidewalks, and stormwater management structures).

Based on the Chapter 99, Section 16A of the Sussex County Code (paraphrased), lands compromised by improper drainage or flooding potential pose significant threats to the safety and general welfare of future residents and, therefore, shall not be developed. Soils mapped as Hurlock fit the criterion for improper drainage or high flooding potential and should be avoided. DNREC believes that permitting development on such soils would violate the above-stated provision of the Sussex County Code.

Wetlands

Based on the Statewide Wetland Mapping Project (SWMP) maps, no wetlands were mapped on subject parcel. However, it is likely that some unmapped wetlands may be found along and within the ditches that bisect and adjoin this parcel. Therefore, it is strongly recommended that a site-specific field wetlands delineation be conducted using the methodology described in the 1987 United States Army Corps of Engineers (USACE) manual.

Please be advised that nationwide permits have been suspended in Delaware and are pending further coordination with the Corps. Therefore, contrary to past practices, Coastal Zone Management approval can no longer be assumed. Individual certifications must be granted from the DCMP office for each project intending to utilize a Nationwide Permit. For more information on the Federal Consistency process, please contact the DCMP office at 302.739.9283. To find out more about permitting requirements, the applicant is encouraged to attend a Joint Permit Process Meeting. These meetings are held monthly and are attended by federal and state resource agencies responsible for wetland permitting. Contact Denise Rawding at 302.739.9943 to schedule a meeting.

Impervious Cover

Based on information provided by the applicant in the PLUS application form, this project's post-development surface imperviousness is estimated to reach 34 percent. However, given the scope and density of this project (i.e., as viewed from the conceptual project layout) this estimate appears to be a significant underestimate.

The applicant should realize that all forms of constructed surface imperviousness (i.e., rooftops, sidewalks, stormwater management structures, and roads) should be included in the calculation for surface imperviousness; it was unclear from the submittal whether constructed surface imperviousness was comprehensively considered. Nonetheless, it is strongly recommended that the applicant include all of aforementioned forms of surface imperviousness in their finalized calculation for surface imperviousness. This will ensure a realistic assessment of this project's likely post-construction environmental impacts.

Studies have shown a strong relationship between increases in impervious cover to decreases in a watershed's overall water quality. It is strongly recommended that the applicant implement best management practices (BMPs) that reduce or mitigate some of its most likely adverse impacts. Reducing the amount of surface imperviousness through the use of pervious paving materials ("pervious pavers") in lieu of asphalt or concrete in conjunction with an increase in forest cover preservation or additional tree plantings are some examples of practical BMPs that could easily be implemented to help reduce surface imperviousness.

ERES Waters

This project is located adjacent to receiving waters of the Inland Bays designated as waters having Exceptional Recreational or Ecological Significance (ERES). ERES waters are recognized as special assets of the State, and shall be protected and/ or restored, to the maximum extent practicable, to their natural condition. Provisions in Section 5.6 of Delaware's "Surface Water Quality Standards" (as amended July 11, 2004), specify that all designated ERES waters and receiving tributaries develop a "pollution control strategy" to reduce non-point sources of pollutants through implementation of Best Management Practices (BMPs). Best Management Practices as defined in subsection 5.6.3.5 of this section, expressly authorizes the Department to provide standards for controlling the addition of pollutants and reducing them to the greatest degree achievable and, where practicable, implementation of a standard requiring no discharge of pollutants.

TMDLs

Total Maximum Daily Loads (TMDLs) for nitrogen and phosphorus have been promulgated through regulation for the Inland Bays Watershed. A TMDL is the maximum level of pollution allowed for a given pollutant below which a "water quality limited water body" can assimilate and still meet water quality standards to the extent necessary to support use goals such as, swimming, fishing, drinking water and shell fish harvesting. Although TMDLs are required by federal law, states are charged with developing and implementing standards to support these desired use goals. This project is located in the low nutrient reduction area requiring a 40 percent reduction in nitrogen and phosphorus, respectively. Additionally, 40 percent reduction in bacteria will also be required.

Compliance with TMDLs through the PCS

As stated above Total Maximum Daily loads (TMDLs) for nitrogen and phosphorus have been promulgated through regulation for the Inland Bays Watershed. The TMDL calls for a 40 percent reduction in nitrogen and phosphorus from baseline conditions.

Additionally, a 40 percent reduction in bacteria will also be required from baseline conditions. A Pollution Control Strategy (PCS) will provide the regulatory framework for achieving them. Additional nutrient reductions may be possible through the implementation of Best Management Practices such as wider vegetated buffers along watercourses (and wetlands), increasing passive, wooded open space which helps reduce surface imperviousness (i.e., pervious pavers), and the use of green-technology stormwater management technologies.

The Department has developed an assessment tool to evaluate how your proposed development may reduce nutrients to meet the TMDL requirements. Contact Lyle Jones at 302-739-9939 for more information on the assessment tool.

Water Supply

The information provided indicates that Tidewater Utilities will provide water to the proposed project(s) via a public water system. DNREC files reflect that Tidewater Utilities does not currently hold a Certificate of Public Convenience and Necessity (CPCN) to provide public water in these areas. They will need to file an application for a CPCN with the Public Service Commission, if they have not done so already.

Information on CPCN requirements and applications can be obtained by contacting the Public Service Commission at 302-739-4247. Should an on-site public well be needed, it must be located at least 150 feet from the outermost boundaries of the project. The Division of Water Resources will consider applications for the construction of on-site wells provided the wells can be constructed and located in compliance with all requirements of the Regulations Governing the Construction and Use of Wells. A well construction permit must be obtained prior to constructing any wells.

Should dewatering points be needed during any phase of construction, a dewatering well construction permit must be obtained from the Water Supply Section prior to construction of the well points. In addition, a water allocation permit will be needed if the pumping rate will exceed 50,000 gallons per day at any time during operation.

All well permit applications must be prepared and signed by licensed water well contractors, and only licensed well drillers may construct the wells. Please factor in the necessary time for processing the well permit applications into the construction schedule. Dewatering well permit applications typically take approximately four weeks to process, which allows the necessary time for technical review and advertising.

Should you have any questions concerning these comments, please contact Rick Rios at 302-739-9944.

Sediment and Erosion Control/Stormwater Management

A detailed sediment and stormwater plan will be required prior to any land disturbing activity taking place on the site. Contact the reviewing agency to schedule a pre-application meeting to discuss the sediment and erosion control and stormwater management components of the plan as soon as practicable. The site topography, soils mapping, pre- and post-development runoff, and proposed method(s) and location(s) of stormwater management should be brought to the meeting for discussion. The plan review and approval as well as construction inspection will be coordinated through the Sussex Conservation District. Contact Jessica Watson at the Sussex Conservation District at (302) 856-7219 for details regarding submittal requirements and fees.

Because of the parcel's location in an impaired watershed and the amount of impervious surface, consider incorporating more green technology BMPs and low impact development practices to reduce stormwater flow and to meet water quality goals.

The Sediment and Stormwater Management Program ensures sediment and erosion control plans and stormwater plans comply with local land use ordinances and policies, including the siting of stormwater management facilities. However, we do not support placement in resource protection areas or the removal of trees for the sole purpose of placement of a stormwater management facility/practice.

Drainage

- The Drainage Program requests that the engineer take precautions to ensure the project does not hinder any off site drainage upstream of the project.
- Have all drainage easements recorded on deeds and place restrictions on obstructions within the easements to ensure access for periodic maintenance or future re-construction. Future property owners may not be aware of a drainage easement on their property if the easement is only on the record plan. However, by recording the drainage easement on the deed, the second owner, and any subsequent owner of the property, will be fully aware of the drainage easement on their property.

If the construction entrance road for this site crosses the McCabe Tax Ditch, please contact the Drainage Program in Georgetown at (302) 855-1930 to discuss impacts to the McCabe Tax Ditch.

Nuisance Geese

The large lake proposed may attract resident Canada geese and mute swans that will create a nuisance for community residents. High concentrations of waterfowl in ponds create water-quality problems, leave droppings on lawn and paved areas and can become aggressive during the nesting season. Short manicured lawns around ponds provide an attractive habitat for these species. We recommend native plantings, including tall grasses, wildflowers, shrubs, and trees at the edge and within an adequate buffer (15-30 feet in width) around the ponds. When the view of the surrounding area from the pond is blocked, geese can't scan for predators and are less likely to reside and nest in the area of the pond.

At this time, we do not recommend using monofilament grids due to the potential for birds and other wildlife to become entangled if the grids are not properly installed and maintained. In addition, the on-going maintenance (removing entangled trash, etc.) may become a burden to the homeowners association or land manager.

The Division of Fish and Wildlife does not provide goose control services, and if problems arise, residents or the home-owners association will have to accept the burden of dealing with these species (e.g., permit applications, costs, securing services of certified wildlife professionals). Solutions can be costly and labor intensive; however, with a reduction in the size of the pond, proper landscaping, monitoring, and other techniques, geese problems can be minimized.

Air Quality

Once complete, vehicle emissions associated with this project are estimated to be 20.0 tons (39,907.3 pounds) per year of VOC (volatile organic compounds), 16.5 tons (33,040.5 pounds) per year of NO_x (nitrogen oxides), 12.2 tons (24,377.9 pounds) per year of SO₂ (sulfur dioxide), 1.1 ton (2,170.1 pounds) per year of fine particulates and 1,669.1 tons (3,338,193.7 pounds) per year of CO₂ (carbon dioxide).

Emissions from area sources associated with this project are estimated to be 8.0 tons (16,096.4 pounds) per year of VOC (volatile organic compounds), 0.9 ton (1,771.1 pounds) per year of NO_x (nitrogen oxides), 0.7 ton (1,469.8 pounds) per year of SO₂ (sulfur dioxide), 0.9 ton (1,896.7 pounds) per year of fine particulates and 32.6 tons (65,251.3 pounds) per year of CO₂ (carbon dioxide).

Emissions from electrical power generation associated with this project are estimated to be 3.2 tons (6,379.5 pounds) per year of NOx (nitrogen oxides), 11.1 tons (22,189.4 pounds) per year of SO2 (sulfur dioxide) and 1,636.5 tons (3,272,942.4 pounds) per year of CO2 (carbon dioxide).

	VOC	NOx	SO ₂	PM _{2.5}	CO ₂
Mobile	20.0	16.5	12.2	1.1	1669.1
Residential	8.0	0.9	0.7	0.9	32.6
Electrical Power		3.2	11.1		1636.5
TOTAL	28.0	20.6	24.0	2.0	3338.2

For this project the electrical usage via electric power plant generation alone totaled to produce an additional 3.2 tons of nitrogen oxides per year and 11.1 tons of sulfur dioxide per year.

A significant method to mitigate this impact would be to require the builder to construct Energy Star qualified homes. Every percentage of increased energy efficiency translates into a percent reduction in pollution. Quoting from their webpage, <http://www.energystar.gov/>:

“ENERGY STAR qualified homes are independently verified to be at least 30% more energy efficient than homes built to the 1993 national Model Energy Code or 15% more efficient than state energy code, whichever is more rigorous. These savings are based on heating, cooling, and hot water energy use and are typically achieved through a combination of:

- building envelope upgrades,
- high performance windows,
- controlled air infiltration,
- upgraded heating and air conditioning systems,
- tight duct systems and
- upgraded water-heating equipment.”

The DNREC Energy Office is in the process of training builders in making their structures more energy efficient. The Energy Star Program is excellent way to save on energy costs and reduce air pollution. They highly recommend this project development and other residential proposals increase the energy efficiency of their homes.

DNREC also recommends that the home builders offer geothermal and photo voltaic energy options. Applicable vehicles should use retrofitted diesel engines during construction. The development should provide tie-ins to the nearest bike paths, links to mass transit, and fund a lawnmower exchange program for their new occupants.

State Fire Marshal's Office – Contact: Duane Fox 856-5298

These comments are intended for informational use only and do not constitute any type of approval from the Delaware State Fire Marshal's Office. At the time of formal submittal, the applicant shall provide; completed application, fee, and three sets of plans depicting the following in accordance with the Delaware State Fire Prevention Regulation (DSFPR):

- a. **Fire Protection Water Requirements:**
 - Water distribution system capable of delivering at least 1000 gpm for 1-hour duration, at 20-psi residual pressure is required. Fire hydrants with 800 feet spacing on centers.
 - Where a water distribution system is proposed for these types of sites, the infrastructure for fire protection water shall be provided, including the size of water mains for fire hydrants and sprinkler systems.

- b. **Fire Protection Features:**
 - All structures over 10,000 sq.ft. aggregate will require automatic sprinkler protection installed.
 - Buildings greater than 10,000 sq.ft., 3-stories or more, over 35 feet, or classified as High Hazard, are required to meet fire lane marking requirements
 - Show Fire Department Connection location (Must be within 300 feet of fire hydrant), and detail as shown in the DSFPR.
 - Show Fire Lanes and Sign Detail as shown in Delaware State Fire Prevention Regulations. Fire lanes must be provided around 100% of the perimeter of the Health Care facility. Parking is not permitted between any primary fire lane and the building.

- c. **Accessibility:**
 - All premises, which the fire department may be called upon to protect in case of fire, and which are not readily accessible from public roads, shall be provided with suitable gates and access roads, and fire lanes so that all buildings on the premises are accessible to fire apparatus. This means that the access road to the subdivision from the main thoroughfare must be constructed so fire department apparatus may negotiate it.

- Fire department access shall be provided in such a manner so that fire apparatus will be able to locate within 100 ft. of the front door.
- The local Fire Chief, prior to any submission to our Agency, shall approve in writing the use of gates that limit fire department access into the development or property.

d. **Gas Piping and System Information**

- Provide type of fuel proposed, and show locations of bulk containers on plan.

e. Required **Notes**:

- Provide a note on the final plans submitted for review to read “ All fire lanes, fire hydrants, and fire department connections shall be marked in accordance with the Delaware State Fire Prevention Regulations”
- The proposed, specific Use of all the individual buildings.
- Alpha or Numerical Labels for each building/unit for sites with multiple buildings/units
- Square footage of each structure (Total of all Floors)
- National Fire Protection Association (NFPA) Construction Type
- Maximum Height of Buildings (including number of stories)
- Note indicating if building is to be sprinklered
- Name of Water Provider
- Letter from Water Provider approving the system layout
- Provide Lock Box Note (as detailed in DSFPR) if Building is to be sprinklered
- Provide Road Names, even for County Roads

Preliminary meetings with fire protection specialists are encouraged prior to formal submittal. Please call for appointment. Applications and brochures can be downloaded from our website: www.statefiremarshal.delaware.gov technical services link, plan review, applications or brochures.

Department of Agriculture - Contact: Scott Blaier 698-4500

The Delaware Department of Agriculture has no objections to the proposed project. The *Strategies for State Policies and Spending* encourages environmentally responsible development in Investment Level 2 and 3 areas.

This site overlaps the State’s Green Infrastructure Investment Strategy Plan. The Forest layer is present on the entire site. This designation identifies areas of the state that have viable and valuable forest land, as discussed in Governor Minner’s Executive Order

Number 61. Areas such as these should be preserved as such, and not developed for residential use.

Right Tree for the Right Place

The Delaware Department of Agriculture Forest Service encourages the developer to use the “Right Tree for the Right Place” for any design considerations. This concept allows for the proper placement of trees to increase property values in upwards of 25% of appraised value and will reduce heating and cooling costs on average by 20 to 35 dollars per month. In addition, a landscape design that encompasses this approach will avoid future maintenance cost to the property owner and ensure a lasting forest resource. Please feel free to contact the Delaware Forest Service at (302) 698-4500 for more information.

Native Landscapes

The Delaware Department of Agriculture and the Delaware Forest Service encourages the developer to use native trees and shrubs to buffer the property from the adjacent land-use activities near this site. A properly designed forested buffer can create wildlife habitat corridors and improve air quality to the area by removing six to eight tons of carbon dioxide annually and will clean our rivers and creeks of storm-water run-off pollutants. To learn more about acceptable native trees and how to avoid plants considered invasive to our local landscapes, please contact the Delaware Department of Agriculture Plant Industry Section at (302) 698-4500.

Public Service Commission - Contact: Andrea Maucher 739-4247

Any expansion of natural gas or installation of a closed propane system must fall within Pipeline Safety guidelines. Contact: Malak Michael at (302) 739-4247.

Delaware State Housing Authority – Contact Vicki Powers 739-4263

This proposal is for a site plan review of a retirement community consisting of a 115,000 square foot health care facility and 260 apartments on 42 acres, located off Muddy Neck Road near Beaverdam Road and adjacent to the Assawomen Canal near Ocean View. According to the State Strategies Map, the proposal is located in an Investment Level 2 and 3 and environmentally sensitive area. As a general planning practice, DSHA encourages residential development in areas where residents will have proximity to services, markets, and employment opportunities such as Investment Level 2 areas outlined in the State Strategies Map. While the prices of the units are not known at this time, we encourage the applicant to include prices that are affordable to low- and moderate-income households. For informational purposes, the most recent real estate data

collected by DSHA shows the median home price in Sussex County to be \$258,500. However, households earning respectively 100% of Sussex County's median income only qualify for mortgages of \$169,101, thus creating an affordability gap of \$89,399. Households that cannot afford to live in the coastal resort area have been displaced to western Sussex County. The provision of units within reach of households earning at least 100% of Sussex County's median income would help increase their housing opportunities.

DSHA has developed a website, **Affordable Housing Resource Center**, to learn about resources and tools to help create housing for households earning 100% median income and below.

Our website can be found at: www.destatehousing.com "Affordable Housing Resource Center" under our new initiatives.

Department of Education – Contact: John Marinucci 735-4055

This proposed development is within the Indian River School District boundaries. DOE offers the following comments on behalf of the Indian River School District. Because this development is planned to be a deed-restricted active adult community, no further comments are tendered by DOE.

Sussex County – Contact: Richard Kautz 855-7878

The subdivision/resubdivision of two lots from the existing Ocean Way Estates and their subsequent addition to the two lots being created from the existing parcel must be approved by the County Planning and Zoning Commission. Please contact Shane Abbott, 302-855-7886, for an application and processing information.

The Sussex County Engineer Comments:

The proposal is to construct a continuing care retirement community for Peninsula United Methodist Homes, Inc. The project will be located on 42.87 acres of a 54.88 acre parcel. The remaining 12.01 acres is not proposed for development at this time.

The proposed project is within the Bethany Beach Planning Area for sewer service and connection to the sewer system is mandatory. The parcel adjoins the Bethany Beach Sanitary Sewer District and annexation into the district is possible following completion of certain administrative procedures.

The proposed project exceeds system design assumptions for sewer service. However, because of the projects close proximity to pumpstation 100, capacity is expected to be adequate if the project does not exceed its preliminary estimate of 330.67 EDUs. There is excessive capacity in the system that can accommodate the proposed project. The project is required to make its connection in the 15-inch gravity line in Ogre Drive.

There will be adequate capacity for the remaining portion of the parcel if development is in accordance with the South Coastal Area Planning Study Update 2005.

The proposed development will require a developer installed collection system in accordance with Sussex County standard requirements and procedures and the South Coastal Area Planning Study, Update 2005. The Sussex County Engineer must approve the connection point. The Sussex County Engineering Department requires that a Sewer Concept Plan be submitted for review and approval prior to requesting annexation into the Bethany Beach Sanitary Sewer District. The concept plan shall include provisions for an 8-inch connection point extended to the remaining portion of the parcel. Attached is a checklist for preparing conceptual plans. Also attached is the County's policy and steps for extending sewer district boundaries. One-time system connection charges and annual front footage and service charges will apply. Please contact Ms. Janna Wilcoxson at 302 855-7817 for additional information on one-time and annual charges. There will need to be a memorandum of understanding signed prior to annexation, obligating the developer to pay front footage assessment and system connection charges in accordance with County policies and procedures for non-exempt properties.

Following receipt of this letter and upon filing of an application with the local jurisdiction, the applicant shall provide to the local jurisdiction and the Office of State Planning Coordination a written response to comments received as a result of the pre-application process, noting whether comments were incorporated into the project design or not and the reason therefore.

Thank you for the opportunity to review this project. If you have any questions, please contact me at 302-739-3090.

Sincerely,



Constance C. Holland, AICP
Director

CC: Sussex County
Town of Ocean View