

DELAWARE DOWNTOWN DEVELOPMENT DISTRICTS PROGRAM GUIDELINES



January 2026

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This edition of the Downtown Development Districts Program Guidelines
supersedes all previous editions.

The title of this document is summarized as the *DDD Program Guidelines* in the
DDD Application and other documents.



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DEFINITIONS

Act or The Act	The Downtown Development Corridors and Districts Act of 2025
Central Business District	The area around the downtown portion of the city or town allowing for higher intensity residential uses as well as commercial, office, personal services, governmental, and similar uses intended to serve the community and surrounding areas of the city or town.
Charrette	A multi-day, collaborative planning event that harnesses the talents and energies of all affected parties to create and support a feasible plan that represents transformative community change.
Committee or CCSP	The Cabinet Committee on State Planning Issues
DDD or District	A Downtown Development District (District) established by a local government and designated by the Governor in accordance with the Downtown Development Corridors and Districts Act of 2025.
District Administrator	An individual appointed by the local elected body to be the administrator of the DDD program for that community. The District Administrator will be the chief point of contact for the District and will be responsible for all record keeping and reporting that are required by the program. The District Administrator will supervise and ultimately be responsible for all tasks involved in implementing the local government's DDD program. The District Administrator must be a local government staff person, or an elected or appointed official of the local government.
District Boundary	The boundary of the District which identifies the area which is included in the program, and eligible for the DDD Rebate and other incentives. The District Boundary must include the central business district and conform to the

other guidelines governing the boundary found in Chapter 5 of this document.

District Plan

A plan that identifies the boundaries of a Downtown Development District and includes goals, objectives and strategies for redevelopment of the area. For purposes of the DDD program, the District Plan shall be prepared in accordance with the checklist and application form for the program.

DSHA

The Delaware State Housing Authority

Enclave

A parcel or group of parcels isolated and surrounded by lands that are included in the District.

Key Priority Project

A specific project identified in the District Plan that is considered by the applicant to be a potential catalyst for other redevelopment activities and contribute to superior urban design or other benefits to the District. Key Priority Projects are specific projects that are expected to provide significant positive impacts to the District should they be implemented. These projects will receive priority scoring for funding through the DDD Rebate program, and may receive other benefits, such as enhanced marketing, through the DDD program.

Local Government or Applicant

Municipalities and counties are eligible to apply for Downtown Development District designation. Throughout the application the terms “local government” and “applicant” refer to either the municipality or county that is presenting the application.

Office or OSPC

The Delaware Office of State Planning Coordination

Population

The population of the municipality based on the most recent decennial Census.

CHAPTER 1: PREFACE

The Downtown Development Corridors and Districts Act of 2025 states, “The Office [of State Planning Coordination] is authorized to take such actions as may be necessary or convenient to fulfill its responsibilities hereunder, including, but not limited to promulgating rules and regulations relating to the establishment, amendment, and termination of corridors and districts and providing assistance to municipalities and unincorporated areas in connection with the application process.” (22 **Del. C.** § 1903)

This document and its appendices represent the rules and regulations that govern the establishment, amendment and termination of Districts under the Act. This document also provides guidance and assistance to local governments who are working to prepare applications to become Downtown Development Districts and to Designated Districts as they administer the DDD program in their local communities.

This edition of the Downtown Development Districts Program Guidelines supersedes all previous editions.

The title of this document is summarized as the *DDD Program Guidelines* in the DDD Application and other documents.

CHAPTER 2: GENERAL INFORMATION ABOUT THE DOWNTOWN DEVELOPMENT DISTRICTS PROGRAM

The Downtown Development Corridors and Districts Act of 2025 (the Act) was enacted by the General Assembly to:

- Spur private capital investment in commercial business districts and other neighborhoods;
- Stimulate job growth and improve the commercial vitality of such districts and neighborhoods;
- Help build a stable community of long-term residents by improving housing opportunities; and
- Assist local governments in strengthening neighborhoods while harnessing the attraction that vibrant downtowns hold for talented people, innovative small businesses and residents from all walks of life.

Local governments¹ that wish to take advantage of this program must identify a downtown district in their community and apply for designation. Applications are only accepted during open application periods as designated by the Governor.

Completed applications will be considered by the Cabinet Committee on State Planning Issues (the Committee). The Committee will make recommendations to the Governor, who will then designate one or more Downtown Development Districts in the current program year. Additional Districts may be designated in future program years. The number of Districts is limited to 15 at any one time. District designations last for 10 years, and the Governor can consider up to two five-year renewals.

Selection as a Downtown Development District will entitle private construction projects within the identified District to receive rebates to offset up to 20% of their capital construction costs. There are a host of other benefits that will be described in more detail in other materials. Rebate funds will be administered by the Delaware State Housing Authority (DSHA).

¹ Municipalities and counties are eligible to apply for Downtown Development District designation. Throughout this document, the terms “local government” and “applicant” refer to either the municipality or county that is presenting the application.

CHAPTER 3: APPLICATION PROCESS FOR DESIGNATION AS A DISTRICT

The Governor will announce the opening of each application cycle for the Downtown Development Districts Program. Applications will only be accepted when they are received during an open application cycle. The opening of an application cycle is at the discretion of the Governor.

Local governments interested in having a Downtown Development District designated in their communities must fill out the official application form that is available from the Office of State Planning Coordination. The application form will be specific to that application cycle, and the dates will be clearly marked on the first page of the application.

If the local government previously applied for District designation, the application remains on file at the OSPC for a period of four years. Local governments with active applications on file will be given the option for their original application to be reviewed along with the required supplemental materials to be submitted during the current application cycle, or to submit an entirely new application. Please note that an entirely new application is preferred for clarity and assisting OSPC efficiently review the application documents.

Please keep in mind the following guidelines when completing the application:

- Applications must be submitted by the published deadline. No late submissions will be accepted. To provide a fair review of all applications, no additional materials will be accepted or considered after the deadline.
- The application must be complete for it to be considered for review.
- Required attachments are considered a part of the application. All attachments must be included for the application to be considered complete.
- All applicants must provide a resolution from the local governing body supporting the application and pledging to adhere to the program requirements, local incentive package and District Plan for the duration of the program if designated. The resolution must be acted upon during the current application cycle. Resolutions from previous application cycles will not be accepted.
- All other instructions and requirements found in the official application must be adhered to.
- The Office of State Planning Coordination is a resource to assist the local governments with any questions that arise while filling out the application form. Applicants are urged

to talk with the OSPC early in the application cycle to resolve any questions or issues to ensure that a complete application is submitted.

Once completed applications are received by the Office of State Planning Coordination they will be reviewed by the OSPC and other State agency partners, including DSHA. The review will follow the procedures set forth in the Guidelines Governing the Administration and Review of Applications for Designation as Downtown Development Districts. A copy is included in this document as Appendix 5.

The Cabinet Committee for State Planning Issues will review the applications and any staff reports and/or other information provided by the State Agencies or the OSPC. They will make a recommendation to the Governor regarding which applications, if any, should be considered for designation as new Downtown Development Districts.

Upon receiving the recommendation of the Cabinet Committee, the Governor may designate new Downtown Development District(s) at his discretion.

Upon designation, Districts are in effect for ten years, with two potential five-year renewals, each at the discretion of the Governor. More information about the process for applying for a five-year renewal of an expiring District can be found in Chapter 9, Five-Year District Renewals.

CHAPTER 4: DETAILS ABOUT THE APPLICATION FOR DESIGNATION AS A DISTRICT

There are four primary components of the application for designation as a District:

- The capacity to administer the DDD program if designated;
- The need and impact of the District designation;
- The quality of the District Plan
- The quality of the local incentives offered

Each of these components will now be described in more detail.

Administration of the District

The local government must provide a summary of the resources and staffing that will be available to administer the District if designated. A District Administrator must be appointed by the local elected body, and will be the chief point of contact for the program and responsible for all economic development outreach, marketing, record keeping, and reporting related to the DDD program. Applicants will be evaluated in part on their commitment and ability to provide the resources and staffing necessary to properly administer this program if designated.

The **Administration** section will account for 10% of the consideration given to scoring each application.

Need and Impact

The applicant must describe the need for the economic incentives that will be available in the designated District. The need must be documented using relevant data and other methods. The conditions of the local economy must be based on, but not limited to, the following metrics: unemployment, poverty rate or income, homeownership rates and prevalence of vacant or abandoned buildings. Other metrics may be included to make the case that the proposed District needs the incentives.

In addition, the applicant must describe the potential positive impacts that are likely to accrue due to designation as a District. Applicants are encouraged to describe the impacts using both data and other methods.

The **Need and Impact** section will account for 50% of the consideration given to scoring each application.

District Plan

The local government must present a District Plan that will be used to guide development activities and revitalization efforts in the District. The District Plan is to be a detailed description of the overall strategy for the development of a proposed district.

Local governments must identify proposed Downtown Development Districts in accordance with the Act. The District Boundary must meet the requirements and guidelines found in Chapter 5 of this document. Applicants are encouraged to geographically concentrate the incentives to the greatest extent possible. The size and shape of the proposed District must make sense from an urban planning and revitalization perspective. A map of the District is required as a part of the application.

The applicant must demonstrate that the District Plan is consistent with the local government's certified Comprehensive Plan and the *Strategies for State Policies and Spending* and any other local planning documents or studies that are applicable. Additionally, if other governmental, non-governmental and/or quasi-governmental organizations are involved with revitalization efforts in the downtown area they must be identified and it must be demonstrated that coordination of all activities will be part of the District Plan.

The District Plan should clearly and concisely describe the key actions and strategies that are in place and / or will be used to guide growth and revitalization efforts in the proposed District. The overall vision of the plan, the clarity of actions to be taken, and proof of the ability and the will of the municipality or county and other partners to implement the plan will be key considerations when evaluating this section of the application.

The application should identify **Key Priority Projects** in the District Plan. Key Priority Projects are:

“A specific project identified in the District Plan that is considered by the applicant to be a potential catalyst for other redevelopment activity and contribute to superior urban design or other benefits to the District. Key Priority Projects are specific projects that are expected to provide significant positive impacts to the District should they be implemented. These projects will receive priority scoring for funding through the DDD Rebate program, and may receive other benefits, such as enhanced marketing, through the DDD program.”

Local governments should identify specific Key Priority Projects in their District Plan. These do not have to be active development projects. Rather, they are opportunities recognized through the local government's planning and economic development processes. General or vague descriptions of entire classes of properties or projects do not qualify as Key Priority Projects.

Sample descriptions of Key Priority Projects:

Example description of an acceptable Key Priority Project	Example description of an unacceptable Key Priority Project
The historic home at 123 S. Main Street (parcel number ____) has been vacant for many years. This is a critical corner on our Main Street, and the vacancy is depressing property values and discouraging other investment along the street. This would be an ideal project for a historic renovation and adaptive reuse to commercial and/or office space to add services and employees to our downtown area. The redevelopment will also catalyze investment in other near-by properties along this part of Main Street.	All vacant commercial buildings on Main Street.

In the event of a competitive round of large project applications, DSHA will score proposed projects using the criteria and process that is defined in the “Downtown Development Districts Rebate Program Guidelines.”

The quality of the **District Plan** will account for 20% of the consideration given to scoring each application.

Local Incentives

The local government must detail a package of local development incentives that will apply within the proposed District. These incentives may include, but are not limited to, a reduction in fees or taxes; regulatory flexibility; permit process and licensing reform; special zoning districts; exemptions from local ordinances; streamlined permitting; technical assistance; or grants and loans. The local incentive package should be transparent to applicants, be complementary to the DDD Rebate program, and provide measurable monetary or other value to redevelopment projects in the District that qualify for the DDD Rebate program. It is expected that local incentive(s) will be available to all qualified projects within the District, and not require a discretionary approval or other consideration by the local elected body or town administration. If otherwise, a detailed justification must be provided in the Application, which will be considered as the application is scored. In the case of discretionary incentives the OSPC and Cabinet Committee may propose recommended changes to discretionary incentives to ensure transparency and applicability to as many DDD projects as possible.

These incentives may either be currently in place and in use by the municipality or county or they may be proposed for implementation upon designation as a District.

Upon designation as a District the local government is required to implement the incentive package as described and proposed for the duration of the District designation. Rebate funds

will not be available to projects until the incentive package is adopted by the local government and made available to qualified real property investors.

The quality of the **Local Incentives** will account for 20% of the consideration given to scoring each application.

CHAPTER 5: THE DISTRICT BOUNDARY

Local governments must identify the boundaries of proposed Downtown Development Districts in accordance with the Act and the guidelines found in this document. The District Boundary must include a traditional mixed-use downtown area, commonly known as a Central Business District (CBD)². Local governments are encouraged to geographically concentrate the incentives to the greatest extent possible and should take this into consideration when creating the District Boundary. The size and shape of the District Boundary must make sense from an urban planning and revitalization perspective. The local government must fully describe the rationale for choosing the boundaries as a part of the original application for designation, and for any proposed amendments to the boundary. This description must include a discussion of how the proposed boundary or amendment addresses the primary objectives of the Downtown Development District program, specifically the “Need and Impact” and the goals and objectives found in the local jurisdictions District Plan.

District Size

Maximum District Boundary Size

Population of Local Jurisdiction ³	Maximum Size of District Boundary
Under 9,000	105 acres
9,000 to 30,000	200 acres
Over 30,000 ⁴	275 acres

Note: Existing Districts may apply for Boundary Amendments up to the maximum acreage. See Chapter 8 for more information about Boundary Amendments.

Guidelines for the District Boundary

The District Boundary must adhere to the following guidelines. These guidelines apply to the original District Boundary proposed in an application for designation, and to any proposed amendments to the District Boundary.

- The District Boundary must include the Central Business District (CBD). The CBD should be a primary focus of the District, and surrounding neighborhoods should have a strong relationship to the CBD.
- The District Boundary must be contiguous.

² Central Business District: An area around the downtown portion of the city or town allowing for higher intensity residential uses as well as commercial, office, personal services, governmental, and similar uses intended to serve the community and surrounding areas of the city or town.

³ Population as per the 2020 US Census

⁴ DDD Applications from county jurisdictions are governed by the maximum acreage for over 30,000 population.

- The District Boundary must include the streets and rights-of-way within it. These count towards the maximum acreage.
- Enclaves within the District Boundary are not acceptable.
- The District Boundary shall include entire tax parcels. Partial or split parcels are not acceptable.
- The District Boundary, and amendments to the District Boundary, should not be oriented along commercial corridors without also including surrounding areas and neighborhoods that could also benefit from revitalization. The DDD program is intended to revitalize entire districts, not just corridors.⁵
- Districts should not include suburban style highway corridors and/or land uses such as strip malls, big-box stores, etc.
- Prioritizing, phasing and /or timing of redevelopment activities in different geographic areas of the District is acceptable, and will be considered favorably when it can be demonstrated that this will concentrate the incentives to achieve specific revitalization goals.

District Boundary Map Data

The District Boundary shall be presented on a map or maps that are created using Geographic Information System (GIS) software. The GIS data used to create the boundary must be shared with OSPC for its use in verifying the acreage and integrating into statewide DDD maps and map projects. This data should be shared as a **Shapefile or File Geodatabase** and rendered in **NAD 1983 StatePlane Delaware FIPS 0700 (Meters)**.

The local government shall prepare a map or maps showing the following information as a part of any DDD Application or DDD Boundary Amendment application:

- The District Boundary
- The Future Land Use within the District Boundary as per the adopted and certified comprehensive plan.
- The current Zoning and/or Land Use regulations within the District Boundary
- The Floodplain within the District Boundary
- Any special overlays or districts that are within the District Boundary (e.g. Historic District; special tax district etc.)

It is acceptable to display these data layers on one or more maps, if the information is legible for review and reference purposes.

Other References to the District Boundary

- See Chapter 8 for information about boundary amendments.
- See Chapter 9 for information about revising the District Boundary as a part of the District Renewal process.

⁵ Please see Appendix 3 for information about Downtown Development Corridors.

CHAPTER 6: ADMINISTRATION OF THE DISTRICT

Once designated the local government is responsible for administering the DDD program in their local community. The Downtown Development District Program is a partnership between the State of Delaware and the local governments with Designated Districts. The State provides considerable staff time and technical assistance resources for the program from the OSPC and DSHA and funds the DDD Rebate Program. Local governments with Designated Districts are expected to provide a package of local incentives to complement the DDD Rebate Program. In addition, the local government must expect to expend staff time and other resources to administer the DDD program in their community.

A District Administrator must be appointed by the local elected body. The District Administrator will be the chief point of contact for the program and responsible for all economic development outreach, marketing, record keeping, and reporting related to the DDD program. The District Administrator must be a local government staff person or an elected or appointed official. The District Administrator can be assisted in their tasks by other local government staff or consultants; however, the District Administrator will supervise and ultimately be responsible for all tasks involved in implementing the local government's DDD program.

In the event of a change in the District Administrator it is the responsibility of the local government to inform the OSPC of the change as soon as is practical. The local elected body must officially appoint the District Administrator by resolution as soon as is practical, but no more than two months from the assignment of the new District Administrator.

The following is a summary of some of the tasks the local government and the District Administrator will be responsible for:

Economic Development Outreach and Marketing

The local government is the primary economic development agency responsible for working with property owners and potential investors in their communities. Local governments should be proactive in identifying potential investment opportunities consistent with their District Plan, and are the first point of contact whenever a project is proposed. As such, the District Administrator and other local government staff and consultants must be knowledgeable about the DDD program requirements, the DDD Rebate program, and all local incentives.

DDD Promotional Materials and Website

The local government is required to maintain a website that promotes the DDD program in their community and contains details of all local incentives as well as links to the DDD Rebate program website and other State resources. Other materials promoting the DDD program, such as brochures and targeted marketing campaigns, may also be developed by the local government depending upon local conditions.

Economic Development Assistance to DDD Qualified Real Property Investors

As the first point of contact with potential qualified real property investors, the District Administrator and local government must be prepared to assist the investors. The District Administrator and local government staff are expected to be sufficiently knowledgeable about the DDD Rebate Program to assist investors in completing the application for submission to DSHA. In addition, the District Administrator should be prepared to assist investors with local incentive programs, and local review and approval processes for planning, zoning, building permits and other permits and licenses needed to implement the project.

DDD Program Record Keeping

The District Administrator is responsible for keeping accurate records of all active and potential DDD projects. These records should be coordinated with the DSHA administrators of the DDD Rebate Program. Record keeping must include local incentives granted to each project, including the value and impact of each local incentive.

DDD Reporting to OSPC and DSHA

The District Administrator is responsible for reporting the status, progress and data about the local government's DDD program to the OSPC and/or DSHA upon request and in a timely manner. This information is requested as a part of an Annual Report from each local government which is due to OSPC by July 1 of each year. Additional requests may occur at any time throughout the year. See Chapter 6, Compliance for more information.

Attendance at DDD Workshops and Events

The District Administrator and other local government staff, consultants and elected and appointed officials are expected to attend the annual DDD Workshop. This workshop is hosted by OSPC and DSHA and is an opportunity to discuss important program requirements and updates and share best practices among Districts.

CHAPTER 7: COMPLIANCE

The Downtown Development Corridors and Districts Act of 2025 states, “ Any municipality (or county in the case of an unincorporated area) having a corridor or district within its borders shall be responsible for providing the local incentives specified in its application, providing timely submission of reports and evaluations as required by rule or regulation, implementing an active local development corridor or district program within the context of overall economic and community development efforts, and fulfilling such other responsibilities as may be required by law, rule, or regulation in connection with the corridor or district.” (22 Del. C. § 1905)

The following are the requirements for compliance for municipalities with Downtown Development Districts:

Implementation of Local Incentives

- Upon designation, the local government is required to implement the local incentives that are outlined in the application.
- Each completed application must include a realistic timeline for the implementation of incentives in the event the incentives are not already in place. The incentives are to be implemented in accordance with the timeline, as specified in the application.
- The local government must notify the OSPC in writing when each incentive or incentive package is implemented. The notification must include copies of all relevant ordinances and/or other documentation regarding the incentive.
- The local government must maintain a website that includes up-to-date information on the DDD in general and the local incentives or incentive package available within the DDD.
- Any delay in implementation must be immediately communicated to the OSPC in writing, and that communication must include detailed reasons for the delay and a revised timeline for implementation. The OSPC may, at its discretion, address the matter administratively or forward the matter to the CCSPI for review under the provisions of 22 Del C. § 1908.

Reporting to the OSPC

- Local governments with DDDs shall be required to keep accurate records of development, redevelopment and revitalization activities within their respective Districts. These records shall include the utilization and effectiveness of each local

incentive. The local government is expected to record the monetary or other value of each local incentive applied on a project-by-project basis.

- Local governments shall be required annually (on or before July 1) to report to the OSPC on the activities in and status of the DDD. The report must include detailed data on each local incentive, and its use and/or application on a project-by-project basis in the previous year. The OSPC will provide a template to local governments which demonstrates the format and content of the report.
- Notwithstanding the above, the OSPC may request any information about District implementation, local incentives, or any other related topic at any time from a local government with a DDD. Local governments must provide any requested information in writing to the OPSC in a timely manner.

Responsiveness

The Downtown Development District program is a partnership between the local government and the State. As such, good communication is essential to maintaining an effective partnership. The following shall apply to communications between the local governments and the State regarding the DDD program.

- The OSPC is the primary contact between the local government and the State regarding the District itself. The DSHA is the primary contact between the local government and the State regarding the District Rebate Program.
- The OSPC and/or DSHA can request information from the local government at any time.
- It is the local government's responsibility to respond to all requests for information in writing and in a timely manner. For purposes of this program, a timely manner means that a written response will be provided in no more than 30 days from the receipt of the request. Longer deadlines for more involved data requests may be mutually agreed upon.
- The OSPC and the DSHA will follow the same standards for timeliness, 30 days, when responding to questions or requests from local governments involved in the DDD program.
- If a local government fails to respond in a timely manner to a request for information, the OSPC may continue to work with the local government to address the matter administratively or forward the matter to the CCSPI for review under the provisions of 22 Del C. § 1908.

Formal Review and Termination of Districts

- The OSPC will review any questions or compliance issues that arise and will work in good faith with the local government to remedy the compliance issue. The OSPC may involve DSHA or any other State Agency in the review and resolution of these issues.
- The local government's performance in administration of the District may be reviewed by the Committee at the request of the OSPC. District designation may be rescinded if the local government is not able to administer the DDD program.
- The local government's performance in administering local incentives may be reviewed by the Committee at the request of the OSPC. The District designation may be rescinded by the Committee if the agreed-upon incentive package is not implemented and maintained by the local government.
- At the OSPCs discretion, compliance issues that cannot be resolved administratively will be forwarded to the Cabinet Committee on State Planning Issues for review.
- The CCSPI will follow the procedures set forth in 22 **Del. C.** § 1908 regarding formal review and potential termination of the District.

CHAPTER 8: AMENDMENTS

The Downtown Development Corridors and Districts Act of 2025 states, “A municipality or county may apply to the office to amend the boundaries of a corridor or district or to amend one or more corridor or district incentives, provided that any revised incentive proposed by the municipality or county shall be equal or superior to the incentive for which the amendment is sought. All proposed amendments are subject to approval by the Committee.” (22 Del. C. § 1907)

The following are the requirements for requesting amendments to District boundaries or incentives, as well as procedures for identifying Key Priority Projects:

District Boundary Amendments

The Downtown Development District program is designed to provide designated Districts within local governments where the local government and the State will partner to provide a suite of incentives to encourage redevelopment and revitalization. As such, it is very important that the boundaries for these Districts remain consistent over time to ensure predictability to investors and developers and to concentrate the redevelopment activities so that they may catalyze additional redevelopment.

- Local governments should seek to amend District boundaries sparingly, and only with good cause in response to changing conditions or new opportunities.
- Requests for boundary amendments will be accepted for review annually. The request should accompany the local government’s report on District activity that is to be submitted to the OSPC on or before July 1 of each year.
- The OSPC reserves the right to consider boundary amendments more than once a year on a case-by-case basis.
- Each boundary amendment request must include a map or maps clearly indicating the current boundary and the proposed new boundary. The map or maps must include all the required data layers as specified in Chapter 5, including future land use, zoning, flood plains, and special districts. The map or maps must be created using Geographic Information System (GIS) software, and the GIS data must accompany the request.

- Each boundary amendment request must include a letter or report that clearly states the reasons for the request and the potential positive impacts on the District if the request is granted. The boundary amendment request must address the “Need and Impact” to the District as per the goals of the DDD Program and as identified in the District Plan. In addition, the amendment request must describe how this amendment advances the goals and objectives of the District Plan.
- The total acreage of the District after the amendment must remain within the total acreage allowable for the local government based upon the population of the jurisdiction. OSPC will independently verify the acreage of any request using GIS software before it is forwarded to the CCSPI. Requests for District boundaries that exceed the acreage thresholds will not be forwarded to the CCSPI.
- Parcels should not be removed from the District boundaries in order to amend the boundaries to include different parcels. If the removal of a parcel from the current boundaries is proposed, the OSPC will address these requests on a case-by-case basis. In these cases, it will be essential for the local government to document a property owner’s consent to be removed from the District. The only exception to this is during the District Renewal process. See Chapter 9 for details.
- All guidelines regarding the size and shape of the District apply to any amended boundary the same as they do for the initial boundary requested in the application. See Chapter 5 for more details.
- Upon receipt of a boundary amendment request that meets the requirements above, the OSPC will forward the request to the Cabinet Committee on State Planning Issues for review and consideration in accordance with 22 **Del C.** § 1907. Boundary Amendments that do not meet the guidelines and criteria found in Chapter 5 will be considered incomplete and will not be forwarded to the Cabinet Committee for review.
- If approved, the local government shall provide documentation to the OSPC that the boundary amendment has been approved by the local legislative body. Approval by the local legislative body must be after approval by the CCSPI. The change is not considered to be in effect for OSPC administrative purposes or rebate requests to DSHA until the proper documentation has been received and validated.

Incentive Amendments

The Downtown Development District program is designed to provide designated Districts within local governments where the local government and the State will partner to provide a suite of incentives to encourage redevelopment and revitalization. It is expected that the local government incentives will be robust and meaningful for potential investors and developers in DDDs. The incentives should also be stable and long term to inspire confidence and predictability during the project planning, approval and development cycle. This cycle could take years for complex projects. Even so, the Act provides an opportunity to propose amending incentives to increase their performance and attractiveness. It is also possible to suggest new incentives to improve the attractiveness of the District to investors and developers.

The local incentive package should be transparent to applicants, be complementary to the DDD Rebate program, and provide measurable monetary or other value to redevelopment projects in the District that qualify for the DDD Rebate program. It is expected that local incentive(s) will be available to all qualified projects within the District, and not require a discretionary approval or other consideration by the local elected body or town administration. New or amended incentives or incentive packages that achieve these goals are enthusiastically encouraged by the OSPC and will be favorably recommended to the CCSPI for their consideration.

- Local governments should seek to amend or add local incentives sparingly, and only with good cause in response to poor performance, changing conditions and/or new opportunities.
- Requests for new or amended incentives will be accepted for review annually. The request should accompany the local government's report on District activity that is to be submitted to the OSPC on or before July 1 of each year.
- The OSPC reserves the right to consider new or amended incentives more than once a year on a case-by-case basis.
- The rationale for the new or amended incentive must be clearly stated in writing at the time of the request. Data regarding the utilization and performance of the incentive to be amended must be included and considered as a part of the rationale.
- The proposed new or amended incentives should address how the incentives will be fairly applied to existing investors or developers who may have proceeded with their planning, approval process, or actual construction under the old incentive package.

- Any request for new or amended incentives must place the proposed changes in the context of the entire local government incentive package and demonstrate that, if approved, the resulting new package will be equal to or superior to the previously approved package.
- Upon receipt of a new or amended incentive request that meets the requirements above, the OSPC will forward the request to the Cabinet Committee on State Planning Issues for review and consideration in accordance with 22 **Del C.** § 1907.
- If approved, the local government shall provide documentation to the OSPC that the new or amended incentive has been approved by the local legislative body. The documentation must include all ordinances or other official documents that implement the incentive or incentive package. Approval by the local legislative body must be after approval by the CCSPI. The change is not considered to be in effect for OSPC administrative purposes or rebate requests to DSHA until the proper documentation has been received and validated.
- The OSPC reserves the ability to approve incentive amendments that it deems to be administrative or technical in nature, and have no bearing on the actual incentive benefit to be delivered to investors in the District. Incentive amendments that meet this standard, as determined by OSPC, will not need to be forwarded to the CCSPI.

Adding Key Priority Projects

Districts are encouraged to identify **Key Priority Projects** in the District Plan. Key Priority Projects are:

“A specific project identified in the District Plan that is considered by the applicant to be a potential catalyst for other redevelopment activity and contribute to superior urban design or other benefits to the District. Key Priority Projects are specific projects that are expected to provide significant positive impacts to the District should they be implemented. These projects will receive priority scoring for funding through the DDD Rebate program, and may receive other benefits, such as enhanced marketing, through the DDD program.”

Local governments should identify specific Key Priority Projects in their District Plan. These do not have to be active development projects. Rather, they are opportunities recognized through the local government’s planning and economic development processes. General or vague descriptions of entire classes of properties or projects do not qualify as Key Priority Projects.

Sample Key Priority Project Descriptions

Example description of an acceptable Key Priority Project	Example description of an unacceptable Key Priority Project
The historic home at 123 S. Main Street (parcel number ____) has been vacant for many years. This is a critical corner on our Main Street, and the vacancy is depressing property values and discouraging other investment along the street. This would be an ideal project for a historic renovation and adaptive reuse to commercial and/or office space to add services and employees to our downtown area. The redevelopment will also catalyze investment in other near-by properties along this part of Main Street.	All vacant commercial buildings on Main Street.

In the event of a competitive round of large project applications, DSHA will score proposed projects using the criteria and process that is defined in the “Downtown Development Districts Rebate Program Guidelines.”

- Local governments with existing Designated Downtown Development Districts are encouraged to consider evaluating their District Plan to identify Key Priority Projects. Existing Districts may amend their plans to add Key Priority Projects using these procedures.
- All Districts are encouraged to periodically evaluate potential Key Priority Projects and may amend their plans to add Key Priority Projects throughout the period of District Designation using these procedures.
- Requests for new or amended Key Priority Projects will be considered annually. The request should accompany the local government’s report on District activity that is to be submitted to the OSPC on or before July 1 of each year.
- The OSPC reserves the right to consider new or amended Key Priority Projects more than once a year on a case-by-case basis.
- The rationale for the new Key Priority Project must be clearly stated in writing at the time of the request. The rationale should include a specific location (parcel number or address), a description of how the project will catalyze redevelopment in the District, actions needed to implement the project, and a discussion of challenges or obstacles to project implementation.

- Upon receipt of a new or amended Key Priority Project request that meets the requirements above, the OSPC will forward the request to the Cabinet Committee on State Planning Issues for review and consideration.

CHAPTER 9: FIVE YEAR DISTRICT RENEWALS

From 22 **Del C.** § 1905:

(b) Districts shall be designated for an initial 10-year period. Upon recommendation of the Committee, the Governor may renew districts for up to 2 5-year renewal periods. Recommendations for renewals shall be based on the performance of district responsibilities by the municipality (or county in the case of an unincorporated area); the continued need for such a district; and its effectiveness in creating capital investment, increasing population, creating jobs, improving housing stock, providing enhanced retail and entertainment opportunities, and otherwise improving the quality of life within such district.

Should a designated Downtown Development District wish to apply for a five-year renewal as specified in Delaware Code the following procedures will apply:

Application Period and Deadlines

Districts may only apply for one five-year Renewal at a time. The application period opens three years prior to expiration. The deadline to make an application is six months prior to expiration. Once the application period is open the applications are accepted on a rolling basis and reviewed by CCSPI at their one of their scheduled meetings.

Key Dates

	Second Round** Designated Aug. 2016	Third Round*** Designated Aug. 2019	First Round* Designated Jan. 2015
Applications Open	August 1, 2023	August 1, 2026	January 1, 2027
Application Deadline	February 1, 2026	February 1, 2029	July 1, 2029
District Expires	August 31, 2026	August 31, 2029	January 31, 2030

* Dover, Seaford, Wilmington

** Georgetown, Harrington, Laurel, Milford, Smyrna

*** Clayton, Delaware City, Middletown, City of New Castle

Review and Approval

Applications for five-year DDD District Renewals are reviewed by OSPC, DSHA and other agency partners. The OSPC will prepare a report and recommendation which will be presented to the Cabinet Committee on State Planning Issues (CCSPI). The CCSPI will make a recommendation to

the Governor. The Governor may renew Districts for up to two five-year renewal periods at his or her discretion.

Effective Date and Duration of Renewal

Regardless of when the approval for the renewal is granted by the Governor the extension shall be in effect five years from the original expiration date. As an example, the extensions for any of the first three Districts, if granted, would be in effect from January 2025 through January 2030. Should a District be granted a five-year Renewal there will be an opportunity to apply for the second five-year Renewal starting three years prior to the expiration of the designation.

District Boundary Revisions

As a part of the District Renewal process the local jurisdiction may revise the original District Boundary to meet the redevelopment goals of the next five-year period. The updated District Plan must fully describe the rationale for the revised boundary. The revised boundary must meet all guidelines and criteria for the District Boundary as described in Chapter 5.

It is permissible to remove parcels from the original District Boundary and reallocate that acreage to other areas of the downtown as a part of the boundary revisions during the District Renewal process. Should the local jurisdiction propose removing parcels from the original boundary, the following is required:

- The owners of all parcels that are proposed to be removed from the District Boundary must be noticed of the change via Certified Mail or similar method. The local jurisdiction shall keep receipts or other documentation of this notice and submit it with the District Renewal application.
- All property owners that are proposed to be removed from the District Boundary must be given an opportunity to speak at a public hearing hosted by the local jurisdiction, to be held before the final decision has been reached regarding the revised boundary that is to be proposed as a part of the District Renewal application. Minutes of this public hearing or hearings must accompany the District Renewal application.

Application Criteria

Districts must fill out the “DDD District Designation Renewal Application Form,” included in this document as Appendix 6.

The application process will include these items and criteria:

- A Resolution approving the application for a DDD District Designation Renewal from the local government’s legislative body.
- A summary of the performance of district responsibilities by the municipality.

- A discussion of the continued need for such a district, supported by data and analysis prepared by the municipality.
- An analysis of the district's effectiveness in creating capital investment.
- An analysis of the district's effectiveness in increasing population.
- An analysis of the district's effectiveness in creating jobs.
- An analysis of the district's effectiveness in improving housing stock.
- An analysis of the district's effectiveness in providing enhanced retail and entertainment opportunities
- A summary of how the district has otherwise improved the quality of life within such district.
- An analysis of the effectiveness of the local incentives, which may include a proposed amended or new local incentive package.
- An updated District Plan with a focus on the next five years of district redevelopment, including revised goals, objectives, strategies, and Key Priority Projects.

APPENDIX 1: SAMPLE DISTRICT PLANS

Summary of Plan 1, Town of XYZ – The “Superior” Plan

This is a summary of a hypothetical District Plan that includes the elements that would make such plan an example of a “superior” submission by a municipality or county. It serves to demonstrate how these elements may be combined in a District Plan.

District Description

The Town of XYZ identified a district centered on Main Street, the core of their traditional historic downtown CBD. The town has a population of 15,000 people, so they chose a district of 120 acres that includes their CBD and some adjacent residential areas and connected commercial properties. These areas are all in need of revitalization. The residential neighborhoods are among the poorest in the city and the buildings are mostly in need of repair, which the community feels is hampering economic development activities on the Main Street. The town has worked with the public through a variety of participation activities, including a charrette, to determine the boundaries of the area and the key objectives for redevelopment. The town has been working for years to redevelop a vacant commercial property that they own adjacent to Main Street. In their District Plan this property is identified as a Key Priority Project, and a key component of phase 1 of the plan is to attract a developer to construct the mixed use development on the parcel that they envision.

The town used relevant data to support the need for the creation of the district. With Census and other data they were able to submit verifiable evidence that the proposed District has a high poverty rate, low homeownership, many vacant buildings and a high number of structures with code violations.

The town was able to identify a variety of potential positive impacts, including economic development, increased services for residents, and jobs near transportation and neighborhoods. By attracting more residents the town hopes that more transit will be available downtown as density increases. They also feel that redevelopment of the downtown will increase pride in the community, and in turn, encourage more investment.

Development / Redevelopment Strategy

The District Plan clearly articulates several overarching goals and objectives that will guide the community as it implements the plan. For example, one goal is to increase home ownership

and it is linked to the objective of coordinating homeownership incentives in the District between local incentives, DSHA programs, and the DDD funds.

This town went further by specifying some key actions that will enable the community to achieve these lofty goals. One key action has been already completed. As a result of the charrette the town enacted a form based code and other land use regulation which allows for administrative review of development projects that meet the plan. These regulations greatly reduce the time for approval and do not require public hearings unless the development deviates from the approved development plan and regulations. The public was fully engaged in the development of the plan and regulations through the charrette, and is fully supportive.

An example of another key action is that the town identified several specific projects that are either “shovel-ready” or are on the cusp on being redeveloped if the right incentives are available. In its application, the town described the efforts it would undertake to bring these projects to fruition, which included educating stakeholders on all of incentives available, including local incentives and the DDD program. In addition, the Town identified their Key Priority Project as a future mixed use development that is ready to get started within 6 months. Since the Town controls the property, they will be able to work directly with the future developer to expedite the process.

Of the 120 acres of the DDD, the Town selected a 60-acre area as the first phase. This phase contains the four most important blocks of the CBD, including the above mentioned specific properties and the Key Priority Project. The plan indicates that they intend to concentrate incentives in this area in hopes that new development here will catalyze other redevelopment activities throughout the District in future years.

Local Incentives

The town council has already amended the land use regulations to speed up the land use review process to allow administrative review available for projects that meet the plan. In addition, Council has introduced an ordinance that would waive building permit fees and allow for reduced sewer and water impact fees for projects in the District that are in conformance with the District Plan. The town has also committed to piloting a community policing program in the District and stepping up efforts to enforce code violations against problem landlords.

Consistency with other Planning Documents

The proposed District is in Level 1 in the *State Strategies*, and has been identified in The Town of XYZ’s comprehensive plan as a mixed use downtown area. Other chapters of their comprehensive plan address redevelopment in the downtown and correspond to the goals of

the DDD Program. The Town has been in the process of implementing their comprehensive plan, which has included the charrette and the new form based code and land use regulations recently adopted. This District Plan is presented as an extension of the implementation of the Town's comprehensive plan.

Coordination

The town has established a leadership role to guide the successful implementation of the comprehensive plan, and that team will continue their work by adding on the responsibilities of the DDD program. A key component of the town's approach is working with other governmental organizations, businesses, and non-profits. They have signed agreements with the local Main Street group and a non-profit housing organization to coordinate efforts. In addition, the town has appointed its town planner to be an ombudsman to walk applicants through the development process in the proposed DDD. Other Town departments, such as public works, are actively involved and are working to realign the CIP to prioritize projects in the DDD that will compliment redevelopment efforts.

Discuss Land Use and Urban Design Rules and Regulations

In their application, the town included the text and maps from its comprehensive plan that identified the downtown area and set the goals for redevelopment. The town also provided the report written because of the charette process which detailed desired urban design features, and led to the new land use regulations that have already been adopted. Finally, the town presented the new regulations which are graphic in nature, and give a clear picture of the desired outcomes.

Public Comment and Council Approval

The charrette process used to create the new land use regulations was really a detailed master planning exercise. It included widespread public outreach and many residents and business owners from the downtown participated. As evidenced by a resolution passed unanimously by town council in support of the plan and application, the town received significant "buy-in" with respect to its redevelopment strategy. Land use regulations passed without opposition. There were also public meetings as the District Plan and application were being prepared, and the community is excited to be included in the program and enthusiastically supports the application.

Summary

As you can see, the community is aware of the difficulties faced in their downtown and has taken concrete steps over a period of time to reach solutions to these issues. The District Plan is an extension of these efforts and will add to efforts already underway. The District Plan

contains not only goals and objectives backed up by data, but also some specific projects that members of the community have identified. In short, the Town of XYZ appears to be well positioned to provide leadership for redevelopment activities in their downtown and the DDD program will provide them additional incentives to help further their efforts.

Summary of Plan 2, Town of ABC – The “Less than Ideal” Plan

This is a summary of an imaginary District Plan that does not include the elements envisioned by the DDD Program. Although the municipality has filled out the application and created a District Plan it appears that the community is not well positioned to successfully implement a downtown redevelopment program.

District Description

Even though the Town of ABC has only 9,100 residents, they have selected the maximum size for the District, 170 acres. They only chose to include a small portion of the traditional downtown area, although the rest of the downtown clearly could benefit from redevelopment activities. The boundaries do not have a regular shape, but rather they appear to be gerrymandered to include lower density residential neighborhoods and suburban style strip commercial areas that front the highway.

The town’s overall goals and objectives were very general and it was not clear how, or if, these goals informed the creation of the proposed District. The positive potential impacts were similarly general, and the data did not support the need because the neighborhoods and commercial areas selected did not appear to need redevelopment.

Development / Redevelopment Strategy

The overarching goals and objectives were very general, and the plan did not clearly and concisely describe actions and strategies. Although the goals and objectives were generally applicable to downtown redevelopment, it could not be determined from the application that they were relevant to this town or the areas selected. No specific parcels were identified as being “shovel ready” or otherwise poised to take advantage of the incentives offered under the DDD Program.

The Town selected the maximum acreage, but did not propose any phasing or timing. There are no specific projects mentioned, and the Town is not involved in any specific redevelopment activities at the present time.

Local Incentives

In their application the Town of ABC indicated that they will be exploring a reduction in the building permit fee for projects in the proposed District. However, it is not clear if there is any council support for this proposal because no ordinances have been introduced yet and there is not even a draft ordinance available to attach to the application. The Town indicates that they

are not considering reducing their sewer or water impact fees currently. They did not mention land use regulations or the land use process in their application

Consistency with other Planning Documents

Most of the proposed District is in Level 1 of the *State Strategies*, and portion of the low density residential neighborhood is in Level 2. The Town's comprehensive plan identifies these areas as low density residential and highway commercial. The small portion of the downtown CBD that is in the District is identified for commercial use. It is not clear from the application or the plan how these designations support compact, mixed use development.

Coordination

There are two downtown organizations and a non-profit housing group active within the identified district, all working on different projects. These groups work independently of one another. Although two of the groups have town council members on their boards, the Town is not formally involved with any of these organizations. The application makes no mention of any attempt to coordinate their activities.

Discuss Land Use and Urban Design Rules and Regulations

The land use regulations support low density residential and highway commercial development, not the mixed use development that is discussed in the application. In fact, the small portion of the CBD included in the district is identified as "commercial" which does not allow for residential dwellings in either the plan or the current zoning ordinance.

The zoning ordinance itself was last updated in 1973, and appears to be a traditional Euclidean ordinance that calls for a strict separation of uses. The application makes no mention of revising the ordinance.

Public Comment and Council Approval

It does not appear that the Town of ABC held any public workshops or other outreach efforts as they prepared their application. They did provide minutes to demonstrate that it was an agenda item at a regular council meeting, but there was no public hearing. The town's application did not include a resolution evidencing the town council's support of the plan and application.

Summary

It appears that The Town of ABC is not ready for the program. The area they chose was large, unfocused, not phased, and included areas that do not appear to match the goals of the Downtown Development Districts Program. The goals and objectives are very general and not

specific to the community. It does not appear that the Town is interested in or able to take a leadership role in coordinating with other groups involved in downtown redevelopment. Finally, the Town Council has not provided a resolution supporting the application or any evidence of a meaningful and compelling package of local incentives.

APPENDIX 2: DISTRICT PLAN CHECKLIST

<i>Plan Elements⁶</i>	<i>Content</i>
District Description	<p>Describe:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Citywide map with outlined district <input type="checkbox"/> District map - Districts must be contiguous, and be no more than 105 acres in area for local governments with a population under 9,000 and no more than 200 acres in area for local governments with a population between 9,000 and 30,000 and no more than 275 acres for local governments with a population over 30,001. If using the maximum acreage it is recommended that you identify phasing and prioritization of the area. <input type="checkbox"/> Districts must include a traditional mixed-use downtown area, commonly known as a Central Business District (CBD)⁷. The size and shape of the proposed District must make sense from an urban planning and revitalization perspective. <input type="checkbox"/> The need for the Downtown Development District economic incentives must be documented with the use of relevant data and other methods as discussed in the application. <input type="checkbox"/> Identify the potential positive impacts that are likely to accrue due to designation as a District.
Development/ Redevelopment Strategy	<ul style="list-style-type: none"> <input type="checkbox"/> Describe overall goals and objectives for the selected area. <input type="checkbox"/> The District Plan should clearly and concisely describe the key actions and strategies that are in place and / or will be used to guide growth and revitalization efforts in the proposed District. <input type="checkbox"/> If proposing the maximum acreage, phasing and prioritization is preferable. <input type="checkbox"/> Identify Key Priority Projects. <input type="checkbox"/> List any known projects that can be underway within 6 to 12 months <input type="checkbox"/> Include an implementation timeline.
Local Incentives	<ul style="list-style-type: none"> <input type="checkbox"/> What local incentives will be available to the district upon its designation (e.g., fee or tax reductions, permit or licensing reform ...)? <input type="checkbox"/> Describe how these incentives will work in concert with the Downtown Development District benefits.
Consistency with other planning documents	<ul style="list-style-type: none"> <input type="checkbox"/> The most recently certified comprehensive plan; <input type="checkbox"/> The Strategies for State Policies and Spending; <input type="checkbox"/> local and state land use regulations; <input type="checkbox"/> other overlay district regulations (e.g., historic districts, BIDS, ...)
Discuss land use and urban design rules and regulations that will be applied to the district	<ul style="list-style-type: none"> <input type="checkbox"/> Adequacy of current zoning <input type="checkbox"/> Adequacy of current land use regulations <input type="checkbox"/> Adequacy of current design standards such as historic review overlays, ... <input type="checkbox"/> Map showing current zoning and land use regulations that apply <input type="checkbox"/> Map showing proposed zoning and land use changes needed (if any) to accomplish goals and objectives
Coordination	<ul style="list-style-type: none"> <input type="checkbox"/> Discuss how the local government envisions itself in a leadership role to guide the successful implementation of the District Plan <input type="checkbox"/> If other governmental, non-governmental and/or quasi governmental organizations are involved with revitalization efforts in the downtown area they must be identified and it must be demonstrated that coordination of all activities will be part of the District Plan.
Public Comments	<ul style="list-style-type: none"> <input type="checkbox"/> How will public input be obtained?

⁶ More detailed information on the plan elements can be found in the application document.

⁷ Central Business District: An area around the downtown portion of the city or town allowing for higher intensity residential uses as well as commercial, office, personal services, governmental, and similar uses intended to serve the community and surrounding areas of the city or town.

APPENDIX 3: DOWNTOWN DEVELOPMENT CORRIDORS AND DISTRICTS ACT

In September of 2025 the Downtown Development District Act of 2014 was amended. The new act builds on the success of the Downtown Development Districts Act, Chapter 19 of Title 22 of the Delaware Code, by permitting a municipality with a population of 30,000 or more in the 2020 federal census, which includes Wilmington, Dover, and Newark, to designate an area in the municipality as a "Downtown Development Corridor". This Act also makes technical corrections to conform existing law to the standards of the Delaware Legislative Drafting Manual.

Guidelines and the application process for Downtown Development Corridors are under development, and are not available at the time of publication.

LAWS OF DELAWARE
VOLUME 85
CHAPTER 200
153rd GENERAL ASSEMBLY
FORMERLY
SENATE BILL NO. 33

AN ACT TO AMEND TITLE 22, TITLE 29, AND TITLE 30 OF THE DELAWARE CODE RELATING TO THE DOWNTOWN DEVELOPMENT CORRIDORS AND DISTRICTS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE:

Section 1. Amend Title 22 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

Chapter 19. The Downtown Development Corridors and Districts Act

Section 2. Amend Chapter 19, Title 22 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

Subchapter I. Establishment, Amendment, and Termination of Corridors and Districts

Section 3. Amend § 1902, Title 22 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

§ 1902. Definitions.

As used in this chapter:

(1) “Committee” means the Cabinet Committee on State Planning Issues established ~~pursuant to~~ under § 9101 of Title 29.

(2) “Corridor plan” or “District plan” means the strategic plan or other detailed description of the overall strategy for the development of a proposed corridor or district submitted by the municipality or unincorporated area as part of its application for corridor or district designation.

(3) “Downtown” means that portion of a city, town, or unincorporated area that traditionally comprises its downtown or central business district, as determined by such city, town, or unincorporated area in accordance with guidelines promulgated by the Office.

(4) “Downtown Development Corridor” or “corridor” means an area within a municipality with a population of 30,000 or more based on the 2020 federal census that is designated as a Downtown Development Corridor under this chapter.

~~(4)~~(5) “Downtown Development District” or “district” means an area within a municipality or unincorporated area designated as a Downtown Development District ~~in accordance with the provisions of~~ under this chapter.

~~(5)~~(6) “DSHA” means the Delaware State Housing Authority.

~~(6)~~(7) “Municipality” means any incorporated town or city of this State.

~~(7)~~(8) “Office” means the Office of State Planning Coordination.

~~(8)~~(9) “Unincorporated area” means an area of ~~the~~ this State having a concentration of population that is not a municipality and that is eligible to apply for and receive district designation in accordance with rules promulgated by the Office.

Section 4. Amend § 1903, Title 22 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

§ 1903. Applications for corridor or district designation.

(a) At the request of the Governor, the Office shall solicit applications from municipalities and unincorporated areas to have an area designated as a Downtown Development Corridor or Downtown Development District. Such application shall include a description of the area to be included; the need for corridor or district incentives; the corridor plan or district plan; local incentives offered; and such other information as may be required by the Office.

(b) ~~The Office of State Planning Coordination shall~~ administer the application process and establish criteria to determine what areas qualify as Downtown Development Corridors and Downtown Development Districts. The Office is authorized to take such actions as may be necessary or convenient to fulfill its responsibilities ~~hereunder, including but not limited to~~ under this chapter, including promulgating rules and regulations relating to the establishment, amendment, and termination of corridors and districts and providing assistance to municipalities and unincorporated areas in connection with the application process.

(c) The criteria for designating ~~areas~~ an area as a Downtown Development Corridor or Downtown Development Districts ~~shall include:~~ District must include all of the following:

(1) The need and impact of ~~such a~~ the designation for ~~such the~~ the area, including ~~but not limited to~~ income, unemployment rate, homeownership rate, and prevalence of vacant or abandoned housing units in ~~such the~~ the

municipality or unincorporated area. Need and impact factors ~~shall~~must account for at least 50 percent of the consideration given to applications for corridor or district designation; designation.

(2) The quality of the municipality's or unincorporated area's ~~district plan~~; corridor plan or district plan.

(3) The quality of the local incentives ~~offered~~; and offered.

(4) Such other criteria as may be determined by the Office.

Section 5. Amend § 1904, Title 22 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

§ 1904. Review and approval of applications.

(a) Applications for corridor or district designation ~~shall~~ must be evaluated by the Cabinet Committee on State Planning Issues, which shall recommend to the Governor those applications with the greatest potential for accomplishing the purposes of this chapter.

(b) ~~Upon~~On receipt from the Committee of any recommended application, the Governor ~~may~~; may do any of the following

(1) Designate immediately the recommended area as a ~~district~~; corridor or district.

(2) Designate the recommended area as a corridor or district effective 1 year from the date of ~~such~~ the determination by the ~~Governor~~; or Governor.

(3) Deny ~~such~~ the application.

(c) ~~The initial round of applications shall result in the immediate designation of at least 1 but no more than 3 districts.~~ [Repealed.]

Section 6. Amend § 1905, Title 22 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

§ 1905. Designation, renewal, and amendment of corridors or districts.

(a) ~~No~~ Not more than 15 districts ~~shall~~ may be designated at any 1 time. ~~Designation of the first 3 districts shall include 1 district in each county.~~ Not more than 1 corridor may be designated for each municipality.

(b) ~~Districts shall~~ A corridor or district is to be designated for an initial 10-year period. ~~Upon~~On recommendation of the Committee, the Governor may renew ~~districts~~ a corridor or district for up to 2 5-year renewal periods. Recommendations for renewals ~~shall~~ must be based on the performance of corridor or district responsibilities by the ~~municipality (or municipality, or county in the case of a district in an unincorporated area); area~~; area; the continued

need for ~~such a~~ the corridor or district; and ~~its~~ the corridor's or district's effectiveness in creating capital investment, increasing population, creating jobs, improving housing stock, providing enhanced retail and entertainment opportunities, and otherwise improving the quality of life within ~~such~~ the corridor or district.

(c) Any ~~municipality (or municipality, or county in the case of a district in an unincorporated area)~~ area, having a corridor or district within its borders ~~shall be~~ is responsible for providing the local incentives specified in its application, providing timely submission of reports and evaluations as required by rule or regulation, implementing an active local development corridor or district program within the context of overall economic and community development efforts, and fulfilling such other responsibilities as may be required by law, rule, or regulation in connection with ~~such~~ the corridor or district.

(d) Each corridor or district shall ~~be required to~~ submit regular reports and information to the Office as may be necessary to evaluate ~~such~~ the corridor's or district's effectiveness and compliance with this section.

Section 7. Amend § 1906, Title 22 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

§ 1906. Local incentives.

(a) ~~Any~~ A municipality or unincorporated area ~~submitting an application applying for district designation, or municipality applying for a corridor designation,~~ shall propose local incentives that address local economic and community conditions, and that will help achieve the purposes set forth in § 1901 of this title. ~~Such~~ The local incentives may include ~~but are not limited to~~ a reduction in fees or taxes. In addition, the application may also contain proposals for regulatory flexibility, which may include ~~but are not limited to~~ permit process reforms, special zoning districts, or exemptions from local ordinances.

(b) All incentives proposed in the application ~~shall be binding upon the municipality (or county in the case of an unincorporated area) upon~~ are binding on a municipality or unincorporated area applying for district designation, or municipality applying for a corridor designation, on designation of the corridor or district. The extent and duration of ~~such~~ the incentives ~~shall~~ must be consistent with the requirements of the Delaware Constitution and the United States Constitution.

(c) A municipality or county may establish eligibility criteria for local incentives that differ from the criteria required to qualify for the incentives provided in this chapter.

Section 8. Amend § 1907, Title 22 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

§ 1907. Amendments to corridor or district boundaries and incentives.

A municipality or county may apply to the Office to amend the boundaries of ~~the~~ a corridor or district or to amend 1 or more corridor or district incentives, ~~provided that~~ incentives for a corridor or district designated by the municipality or county, if any revised incentive proposed by the municipality or county ~~shall be~~ is equal or superior to the incentive for which the amendment is sought. All proposed amendments are subject to approval by the Committee.

Section 9. Amend § 1908, Title 22 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

§ 1908. Formal review and termination of corridors or districts.

(a) If a ~~municipality (or a county in the case of an unincorporated area)~~ municipality or county fails to fulfill its obligations ~~pursuant to~~ under § 1905 of this title or as otherwise set forth in this chapter, ~~then~~ the Office may recommend to the Committee that the corridor or district be placed under formal review or that its corridor or district designation be terminated.

(b) ~~Except in instances where a city, town, or~~ Unless a municipality fails to provide local incentives ~~in accordance with~~ under § 1906 of this title ~~hereunder~~, the Office may not recommend any of the following:

(1) Placing ~~any~~ a corridor or district under formal review for at least 2 years following the initial designation of ~~such district; and~~ the corridor or district.

(2) Terminating the designation of ~~any~~ a corridor or district for at least 1 year following the placement of the corridor or district on formal review by the Committee.

(c) ~~In no event shall the~~ The Office may not recommend formal review or termination of ~~any~~ a corridor or district without providing sufficient notice and opportunity to be heard to ~~such~~ the corridor or district.

(d) The Committee may approve any recommendation by the Office to place a corridor or district under formal review or to terminate a corridor's or district's designation ~~upon~~ on the affirmative vote of $\frac{3}{5}$ of the members of the Committee.

(e) The Office may promulgate regulations to authorize the continuation of previously authorized corridor or district incentives for a reasonable period following termination of the ~~district; provided, however, that no new~~

~~incentives shall be~~ corridor or district. A new incentive may not be authorized for any entity after the date of termination.

Section 10. Chapter 19, Title 22 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

Subchapter II. Downtown Development Corridor and District Grants

Section 11. Amend § 1921, Title 22 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

§ 1921. Qualifications for Downtown Development Corridor and Downtown Development District ~~Grants~~.
Grants; definitions.

(a) Subject to the limitations set forth in this subchapter, any qualified corridor or district investor making a qualified real property investment in a corridor or district ~~shall be~~ is entitled to a grant in an amount up to 20% of the qualified real property investments made by ~~such~~ the qualified corridor or district investor in excess of the minimum qualified investment threshold.

(b) For purposes of this ~~chapter~~: subchapter:

(1) “DDC Grant”, “DDD Grant” Grant”, or “grant” ~~shall mean~~ means a Downtown Development Corridor or Downtown Development District Grant ~~as set forth in under~~ subsection (a) of this ~~section hereunder~~.
section.

(2) “Facility” means a complex of buildings, co-located at a single physical location within a corridor or district, all of which are necessary to facilitate the conduct of the same residential, trade, or business use. This definition applies to new construction as well as to the rehabilitation and expansion of existing structures.

(3) “Minimum qualified investment threshold” means the minimum level of qualified real property investments required to be made by a qualified corridor or district investor in a building or facility ~~in order~~ to qualify for a ~~DDD Grant, grant~~, as determined by DSHA. ~~Notwithstanding the foregoing, for the fiscal year ending June 30, 2015, the minimum qualified investment threshold shall be \$25,000 with respect to a single residential or mixed-use building or a facility. No~~ Not more often than once per year, DSHA may amend the minimum qualified investment threshold with respect to uses (residential, commercial, industrial, etc.), types of projects (rehabilitation, new construction, etc.), or other criteria determined by DSHA to be necessary or convenient to accomplish the purposes of this chapter.

(4) “Qualified corridor or district investor” means an owner or tenant of real property located within a corridor or district ~~who that~~ expands, ~~rehabilitates~~ rehabilitates, or constructs ~~such the~~ real property for residential, commercial, ~~industrial~~ industrial, or mixed use. ~~In the case of~~ For a tenant, the amounts of qualified real property investment specified in this section ~~shall relate~~ relates to the proportion of the building or facility for which the tenant holds a valid lease. ~~In the case of~~ For an owner of an individual unit within a “common interest community,” as ~~such term is~~ defined in § 81-103 of Title 25, the amounts of qualified real property investments specified in this chapter ~~shall relate~~ relates to that proportion of the building for which the owner holds title and not to common elements.

(5)a. “Qualified real property investment” means the amount in excess of the minimum qualified investment threshold that is properly chargeable to a capital account for improvements to rehabilitate, ~~expand~~ expand, or construct depreciable real property placed in service during the calendar year within a corridor or district. Specific inclusions and exclusions from the definition of “qualified real property investments” ~~shall are~~ to be determined by DSHA, but ~~such the~~ definition ~~shall~~ must generally include expenditures associated with all of the following:

a.1. Any exterior, interior, structural, ~~mechanical~~ mechanical, or electrical improvements necessary to construct, ~~expand~~ expand, or rehabilitate a building or facility for residential, commercial, industrial, or mixed ~~use~~ use.

b.2. ~~Excavations~~; Excavations.

e.3. Grading and ~~paving~~; paving.

d.4. Installing ~~driveways~~; driveways.

e.5. Landscaping or land ~~improvements~~; and improvements.

f.6. Demolition.

b. Notwithstanding ~~the foregoing, no~~ paragraph (b)(5)a. of this section, an investment in the rehabilitation, expansion, or construction of any building or facility in a corridor or district ~~shall be~~ is not a qualified real property investment unless it is performed in accordance with the corridor plan or district plan.

Section 12. Amend § 1922, Title 22 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

§ 1922. Limitations and conditions.

(a) The availability of ~~Downtown Development District Grants~~ grants in any given year ~~shall be~~ is subject to appropriation by the General Assembly.

(b) In addition to its other powers and responsibilities ~~hereunder~~, under this chapter, DSHA is expressly authorized to establish ~~such~~ other limitations and conditions with respect to grants as may be necessary or convenient to accomplish the purposes of this chapter, including ~~but not limited to~~: all of the following:

(1) Amending the minimum qualified investment ~~threshold~~; threshold.

(2) Establishing caps or limits on ~~DDD-Grants~~ grants available to any qualified corridor or district investor, alone or in combination with other local, state, or federal incentives for any individual building or ~~facility~~ (including but not limited to facility, including state historic preservation tax credits ~~pursuant to under~~ Chapter 18 of Title 30); 30.

(3) Establishing additional qualifying criteria with respect to uses (residential, commercial, industrial, etc.) or types of projects (rehabilitation, new construction, ~~etc.~~); etc..

(4) Incentivizing particular types of uses or projects in 1 or more ~~districts~~; and corridors or districts.

(5) Establishing ~~such~~ other limitations and conditions in 1 or more corridors or districts as DSHA ~~shall determine from time to time~~; determines.

(c) DSHA may not establish or amend the ~~foregoing~~ limitations and conditions ~~no~~ authorized under this section more often than once per year.

Section 13. Amend § 1923, Title 22 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

§ 1923. Policies and procedures for allocation of Downtown Development Corridor Grants and ~~Downtown Development District Grants~~.

(a) Qualified corridor or district investors ~~shall be eligible to~~ may receive ~~DDD-Grant~~ a grant provided for in this chapter to the extent that ~~they~~ the investors apply for and are approved for grant allocations through DSHA.

(b) The accuracy and validity of information on qualified real property investments ~~shall be~~ is subject to verification procedures in accordance with rules promulgated by DSHA on forms supplied by DSHA and in accordance with dates specified by DSHA.

Section 14. Amend § 1924, Title 22 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

§ 1924. Administration.

(a) DSHA ~~shall have~~ has the primary responsibility for administering the ~~DDD Grant program~~ grants program. In connection ~~therewith~~, with administering the grants program, DSHA's powers and duties ~~shall include but not be limited to the following~~; include all of the following:

(1) Adopting ~~such~~ rules and procedures as may be necessary or desirable to effectuate the provisions of this ~~chapter~~; chapter.

(2) Administering, enforcing, and interpreting ~~such the~~ rules and ~~procedures~~; procedures adopted under paragraph (a)(1) of this section.

(3) Allocating grant funds in accordance with the provisions of this ~~chapter~~; and subchapter.

(4) Monitoring the implementation and operation of this subchapter.

(b) Beginning ~~no not~~ later than December 31, 2015, DSHA shall issue an annual report to the Governor and the General ~~Assembly~~ Assembly, with a copy to the Director of the Division of Legislative Services evaluating the effectiveness of the grant program established ~~hereunder~~; under this subchapter.

(c) DSHA may delegate to, and receive assistance from, other entities including the Office, the Division of Small ~~Business~~ Business, and other state agencies in carrying out its responsibilities ~~hereunder~~; under this subchapter.

Section 15. Amend § 9101, Title 29 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

§ 9101. Cabinet Committee on State Planning Issues.

(c) The Committee shall consider matters relating to the orderly growth and development of the State, ~~including, but not limited to~~; including all of the following:

(6) Performing such other duties and responsibilities with respect to the Downtown Development Corridors and Districts Act as set forth in Chapter 19 of Title 22.

(h) The Office of State Planning Coordination shall render local planning technical assistance. The Office of State Planning Coordination may serve as the lead agency to engage other state agencies, local governments, and other governmental and nongovernmental organizations for the purposes of coordinating planning activities, promoting liaison between various state agencies and local governments, building capacity through training and sharing of digital and other information, developing infrastructure plans and master plans, addressing specific growth and design issues, and such other actions as are appropriate to achieve the purposes of this chapter. The Office of State Planning

Coordination shall develop and promote cooperation and coordination among state agencies and local governments to ensure effective and efficient planning and infrastructure investment. The Office of State Planning Coordination may make grants available to county and municipal governments to assist them in achieving any of the objectives outlined in this section, provided that funded activities and deliverables are in compliance and in harmony with the Strategies for State Policies and Spending. The Office of State Planning Coordination shall further have such authority and responsibility with respect to the Downtown Development Corridors and Districts Act as set forth in Chapter 19 of Title 22.

Section 16. Amend § 1812, Title 30 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

§ 1812. Definitions.

The following words, terms and phrases, when used in this subchapter, shall have the meanings ascribed to them herein, except where the context clearly indicates a different meaning (singular includes plural):

(6) “Downtown Development Corridor or Downtown Development District” means an area of a ~~city or town~~ municipality or an unincorporated area that has been designated by the Governor as a Downtown Development Corridor or Downtown Development District ~~in accordance with under~~ Chapter 19 of Title 22.

Section 17. Amend § 1816, Title 30 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

§ 1816. Total amount of credits permitted in each fiscal year; allocation of such credits.

(a) The maximum amount of credit awards under this chapter in any fiscal year shall not exceed \$5,000,000. One hundred thousand dollars of the credit awards in a fiscal year must be reserved for distribution to qualified resident curators. If in any fiscal year there are insufficient qualified resident curators to exhaust this allotment, the unused credit amount will be available in the next fiscal year for award to persons qualifying under § 1813(a)(1) or (2) of this title. In any 1 year, \$1,500,000 of tax credits shall be reserved for projects receiving a credit of not more than \$300,000. In addition, in any 1 year, \$1,500,000 of tax credits shall be reserved for projects located in ~~Downtown Development Districts;~~ Downtown Development Corridors or Downtown Development Districts of which \$500,000 shall be reserved for projects in such corridors or districts receiving a credit of not more than \$300,000. On April 1 of each year, any unused balance of the foregoing pools of tax credits shall be available to any eligible project. However,

should a credit award exceed the actual credit claimed, the amount of the excess credit award shall not be available for a subsequent award.

Section 18. The initial round of applications for Downtown Development Corridors under this Act must result in the designation of at least 1 Downtown Development Corridor.

Approved September 2, 2025

APPENDIX 4: FY26 APPLICATION FOR DESIGNATION AS A DISTRICT

DELAWARE DOWNTOWN DEVELOPMENT DISTRICTS FY26 APPLICATION FOR DESIGNATION AS A DISTRICT



February 4, 2026



Downtown Development Districts

FY26 Application for Designation as a District

How to Use this Application Form

This application is a Microsoft Word document that has been modified so that the text cannot be edited. The fields that can be edited are gray. Please complete the application and return it to us as a Word document.

Many of the fields are questions that ask you to respond in either 100 or 750 words. You might find it helpful to write and edit your responses in a separate Word document and then paste them into the application once they are complete. The 100-word statement is to be used internally for review and in printed materials where we need a concise description of each proposed District. Almost all other questions are suggested to be no more than 750 words. In these responses it is important to clearly and concisely answer each question. Your District Plan can go into much more detail about each topic, and it is appropriate and expected that you will reference your District Plan in these 750-word responses. There is no penalty for exceeding 750 words, but if you find that you are writing much more than that please consider putting additional information in your District Plan.

There are numerous attachments mentioned throughout this application. The most obvious one will be the District Plan. The application also asks for various maps, spreadsheets, letters of support, resolutions and data to be attached associated with particular questions. Please compile all the attachments into one Adobe Acrobat (.pdf) document. It would be wonderful if you could include a

table of contents and organize these attachments in the order of the questions.

It is likely that when you are done with the application form (Word document) and the attachments (.pdf document) the combination of both documents will be larger than 15mb, which is the limit for external email in the State system. Instructions on how to send your application digitally will be forwarded to all jurisdictions at least one month prior to the deadline. If you have your application ready prior to that, please contact Rose Zappacosta (Rose.Zappacosta@delaware.gov) or Jason Vogl (Jason.Vogl@delaware.gov) for instructions on how to submit your completed application.

OSPC will provide technical assistance with Census data and GIS mapping if requested by local governments that can demonstrate the need for the assistance. We will provide assistance to all local governments on the technical aspects of completing this application and transmitting/ uploading finished applications. To request assistance or if you have questions about any part of this application or the program in general, please contact your Circuit Rider Planner at the Office of State Planning Coordination, (302) 739-3090.

Once the application is submitted no other assistance can be provided. The application must be submitted by the deadline of 11:59 pm June 15, 2026. No applications will be accepted after this date.



Downtown Development Districts

FY26 Application for Designation as a District

Section I: General Guidelines

The Downtown Development Corridors and Districts Act of 2025 (the Act)¹ was enacted by the General Assembly in order to:

- Spur private capital investment in commercial business districts and other neighborhoods;
- Stimulate job growth and improve the commercial vitality of such districts and neighborhoods;
- Help build a stable community of long-term residents by improving housing opportunities; and
- Assist local governments in strengthening neighborhoods while harnessing the attraction that vibrant downtowns hold for talented people, innovative small businesses and residents from all walks of life.

Local governments² that wish to take advantage of this program must identify a downtown district in their community and apply for designation. To make an application for designation this form must be completed, supporting materials must be attached, and the entire packet submitted to the Office of State Planning Coordination as detailed herein in order for the request to be considered.

Completed applications will be considered by the Cabinet Committee on State

Planning Issues (the Committee). The Committee will make recommendations to the Governor, who may then designate additional Downtown Development Districts in the current program year. Additional Districts may be designated in future program years. The number of Districts is limited to 15 at any one time. District designations last for 10 years, and the Committee can consider up to two five-year extensions.

Selection as a Downtown Development District will entitle private construction projects within the identified District to receive rebates to offset up to 20% of their capital construction costs. There are a host of other benefits that will be described in more detail in other materials. Rebate funds will be administered by the Delaware State Housing Authority (DSHA).

Applications must be addressed to the Office of State Planning Coordination as follows:

Mr. David L. Edgell, AICP
Director
Office of State Planning Coordination
122 Martin Luther King Jr. Blvd, S.
Dover, DE 19901

**Application Due Date for FY26 Cycle:
June 15, 2026**

¹ This application is specific to the Downtown Development Districts program only. Guidelines for the Downtown Development Corridors program are under development. A separate application for the DDD Corridors program will be available at a later time.

² Municipalities and counties are eligible to apply for Downtown Development District designation. Throughout this document, the terms "local government" and "applicant" refer to either the municipality or county that is presenting the application.

FY26 Application for Designation as a District

Section II: Specific Requirements

Local governments must identify proposed Downtown Development Districts in accordance with the Act. Districts must include a traditional mixed-use downtown area, commonly known as a Central Business District (CBD)³. Districts must be no more than 105 acres in area for jurisdictions with a population under 9,000⁴ persons, no more than 200 acres in area for jurisdictions with a population between 9,000 and 30,000 persons, and no more than 275 acres in area for jurisdictions with a population over 30,001 persons. Applicants are encouraged to geographically concentrate the incentives to the greatest extent possible.

The size and shape of the proposed District must make sense from an urban planning and revitalization perspective. The applicant must fully describe the rationale for choosing the boundaries as a part of this application. Guidelines for preparing District boundaries are found on page 13 of this application in the section titled “Map of the Proposed Downtown Development District.”

A map of the District is required as a part of this application. Local governments must also supply maps showing the future land use and zoning of the district area, and discuss how the plan and land use regulations support the application for the District.

³ Central Business District: An area around the downtown portion of the city or town allowing for higher intensity residential uses as well as commercial, office, personal services,

There are four primary components of the application for designation as a District:

- The capacity to administer the DDD program if designated
- The need and impact of the District designation;
- The quality of the District Plan
- The quality of the local incentives offered

Each of these components will now be described in more detail.

Administration of the District –The local government must provide a summary of the resources and staffing that will be available to administer the District if designated. A District Administrator must be appointed by the local elected body, and will be the chief point of contact for the program and responsible for all economic development outreach, marketing, record keeping, and reporting related to the DDD program. Applicants will be evaluated in part on their commitment and ability to provide the resources and staffing necessary to properly administer this program if designated.

The **Administration** section will account for 10% of the consideration given to scoring each application.

Need and Impact: The applicant must describe the need for the economic incentives that will be available in designated District. The need must be

governmental, and similar uses intended to serve the community and surrounding areas of the city or town.

⁴ Population to be based on the 2020 US Census.

FY26 Application for Designation as a District

documented with relevant data and other methods. The conditions of the local economy, income, poverty, homeownership rates, prevalence of vacant or abandoned buildings and other metrics may be used to make the case that the proposed District is in need of the incentives.

In addition, the applicant must describe the potential positive impacts that are likely to accrue due to designation as a District. Applicants are encouraged to describe the impacts using both data and other methods.

The **Need and Impact** section will account for 50% of the consideration given to scoring each application.

District Plan – The local government must present a District Plan that will be used to guide development activities and revitalization efforts in the District. The District Plan is to be a detailed description of the overall strategy for the development of a proposed district.

The applicant must demonstrate that the District Plan is consistent with the local government's certified Comprehensive Plan and the *Strategies for State Policies and Spending* and any other local planning documents or studies that are applicable. Additionally, if other governmental, non-governmental and/or quasi-governmental organizations are involved with revitalization efforts in the downtown area they must be identified, and it must be demonstrated that

coordination of all activities will be part of the District Plan.

The District Plan should clearly and concisely describe the key actions and strategies that are in place and / or will be used to guide growth and revitalization efforts in the proposed District. The overall vision of the plan, the clarity of actions to be taken, and proof of the ability and the will of the municipality or county and other partners to implement the plan will be key considerations when evaluating this section of the application.

In addition, it is encouraged that the District Plan identify Key Priority Projects⁵ that are intended to catalyze redevelopment activity and provide significant positive impacts to the District.

The quality of the **District Plan** will account for 20% of the consideration given to scoring each application.

Local Incentives – The local government must detail a package of local development incentives that will apply within the proposed District. These incentives may include, but are not limited to, a reduction in fees or taxes; regulatory flexibility; permit process and licensing reform; special zoning districts; or exemptions from local ordinances. These incentives may either be currently in place and in use by the municipality or county or they may be proposed for implementation upon designation as a District. It is expected that local incentive(s) will be available to all

⁵ Key Priority Project: See *DDD Program Guidelines* for more information.



Downtown Development Districts

FY26 Application for Designation as a District

qualified projects within the District, and not require discretionary approval or other consideration by the local elected body or town administration. If otherwise, please provide detailed justification in this application for the discretionary review and approval of specific incentives.

Upon designation as a District the local government is required to implement the incentive package as described and proposed for the duration of the District designation. Rebate funds will not be available to projects until the incentive package is adopted by the local government and made available to the project developer. Changes to the incentive package must be approved by the Committee. The District designation may be rescinded by the Committee if these conditions are not adhered to.

The quality of the **Local Incentives** will account for 20% of the consideration given to scoring each application.

Section III: Application Instructions

Local governments that wish to be considered for designation as a Downtown Development District must fill out the application form for the current FY26 application cycle.

Here are some details about the various parts of the application form:

Check List - self-explanatory.

Information Sheet - The local government must supply the jurisdiction's name,

mailing address, and phone numbers. The applicant must provide the date of the last update of the comprehensive plan and briefly describe the District being proposed. All local governments must complete this form, even those with applications on file from a previous round.

Administration of the District –The local government must provide a summary of the resources and staffing that will be available to administer the District if designated. A District Administrator must be appointed by the local elected body, and will be the chief point of contact for the program and responsible for all economic development outreach, marketing, record keeping, and reporting related to the DDD program. Applicants will be evaluated in part on their commitment and ability to provide the resources and staffing necessary to properly administer this program if designated.

Map of the Proposed District – The local government must submit a map of the proposed District in sufficient detail to clearly identify the boundaries of the District and calculate its area. Maps must be created with GIS software, and the associated computer files shall be shared as a Shape file OR File Geodatabase and rendered in NAD 1983 StatePlane Delaware FIPS 0700 (Meters) to aid our review of the proposal. Districts must be contiguous, and be no more than 105 acres in area for local governments with a population under 9,000 persons, no more than 200 acres in area for jurisdictions with a population between 9,000 and 30,000 persons, and no more than 275

FY26 Application for Designation as a District

acres in area for jurisdictions with a population over 30,001 persons. There are guidelines detailed on page 12 of this application that must be followed when preparing the proposed District boundaries. Applicants must also supply maps showing the future land use and zoning of the district area, and discuss how the plan and land use regulations support the application for the District.

Summary of Need and Impact – The local government must complete this form to summarize the need for District designation and the potential positive impact of the district. Supporting documentation should be attached to this form.

Summary of District Plan – The local government must complete this form to summarize the District Plan for the proposed District. Copies of the District Plan or Plans must be attached to this form, along with any relevant supporting documentation.

Written Documentation from Supporting Organizations – The local government must supply written documentation from other organizations that will be relied upon to implement the District Plan. The documentation must be attached to the “Summary of District Plan” form.

Summary of Local Incentives – The local government must complete this form to summarize the local incentive package to be made available within the District upon designation. The local ordinances (or other regulations or documentation) enabling and governing these incentives must be attached to this form, along with

any relevant supporting documentation. In the case of incentives proposed upon designation, the draft ordinances must be attached.

Legislative Body Resolution – The local government must attach an adopted resolution from the jurisdiction’s legislative body that indicates the local government’s desire to apply for designation as a District, and the local government’s willingness to adhere to the District Plan and the Local Incentives for the duration of the District designation. All local governments must provide a resolution from the legislative body.

Applicants are advised to carefully review the *DDD Program Guidelines* which include additional guidance and information regarding the application preparation and review process.



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Application Cover Sheet and Check List

Jurisdiction Name: _____

Date of Application _____

Date Received _____

Check List for Application Materials

- ☐ Application Cover Sheet and Check List.
- ☐ Information Sheet.
- ☐ Administration of the District summary.
- ☐ Map of the Proposed District (GIS files required).
- ☐ Map of Future Land Use in Proposed District (GIS files required)
- ☐ Map of Zoning in Proposed District (GIS files required)
- ☐ Summary of Need and Impact (with attachments).
- ☐ Summary of District Plan (with attachments).
- ☐ Written Documentation from Supporting Organizations (attachments).
- ☐ Summary of Local Incentives (with attachments).
- ☐ Legislative Body Resolution (attachment).
- ☐ Attended DDD Pre-Application Workshop.

Name of attendee _____



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Information Sheet

Municipality / County: _____

Contact Person for Application	Proposed District Administrator (if different)
Name: _____	Name: _____
Address: _____	Address: _____
Phone: _____	Phone: _____
Email: _____	Email: _____
Signature _____	Signature _____
Date _____	Date _____

Date of certified Comprehensive Plan _____

Population of the municipality or county (as per 2020 US Census) _____

Population of proposed District (based on 2020 US Census Block data) _____

Area of proposed District in acres _____

Area Verified by OSPC Staff _____
OSPC use only



Downtown Development Districts

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Brief description of the proposed Downtown Development District (100 words or less)

Note: this description will be used as a summary for internal review and in printed materials

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Downtown Development Districts

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Administration of the District: 10%

District Administrator: An individual appointed by the local elected body to be the administrator of the DDD program for that community. The District Administrator will be the chief point of contact for the District and will be responsible for all record keeping and reporting that are required by the program. The District Administrator will supervise and ultimately be responsible for all tasks involved in implementing the local government's DDD program. The District Administrator must be a local government staff person, or an elected or appointed official of the local government. See the *DDD Program Guidelines* for more information about the role of the District Administrator.

Name of the District Administrator

Title of District Administrator

☐ By checking here, the applicant acknowledges that the District Administrator will be formally appointed by the local elected body within two months of District designation. By checking here, the applicant also acknowledges that in the event of a personnel change in the District Administrator role the Office of State Planning Coordination will be notified as soon as is practical, and the new District Administrator will be formally appointed by the local elected body within two months.



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Administration of the District - continued

10%

Please describe the staffing and resources that the local government will dedicate to the administration of the Downtown Development District Program in the following areas:

Economic Development Outreach and Marketing

DDD Promotional Materials and Website

Economic Development Assistance to DDD Qualified Real Property Investors

DDD Program Record Keeping

DDD Reporting to OSPC and DSHA

Will the local government be relying upon staff or consultants (or a combination) to perform the above tasks?

What is the expected local government budget (staff time and/or dollars) to be dedicated to the DDD program administration?



Downtown Development Districts

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Map of the Proposed Downtown Development District

Instructions: Prepare a map series for the proposed Downtown Development District. The map must clearly show the boundaries of the District. The area of the proposed District, in acres, must be calculated from the boundaries designated on the map. The following guidelines must be adhered to when preparing the boundaries of the proposed District:

- The maximum size of the District is 105 acres for local governments with populations below 9,000, 200 acres for local governments with a population between 9,000 and 30,000, and 275 acres for local governments with populations over 30,001 (population as per the 2010 US Census).
- The District Boundary must be contiguous.
- The District Boundary must include the streets and rights-of-way within it. These count towards the maximum acreage.
- Enclaves within the District Boundary are not acceptable.
- The District Boundary shall include entire tax parcels. Partial or split parcels are not acceptable.
- The District Boundary, and amendments to the District Boundary, should not be oriented along commercial corridors without also including surrounding areas and neighborhoods that could also benefit from revitalization. The DDD program is intended to revitalize entire districts, not just corridors.
- Districts should not include suburban style highway corridors and/or land uses such as strip malls, big-box stores, etc.
- Prioritizing, phasing and /or timing of redevelopment activities in different geographic areas of the District is acceptable and will be considered favorably when it can be demonstrated that this will concentrate the incentives to achieve specific revitalization goals.

District Boundary Map

The District Boundary shall be presented on a map or maps that are created using Geographic Information System (GIS) software. The GIS data used to create the boundary must be shared with OSPC as a Shape file or Geodatabase and rendered in NAD 1983 StatePlane Delaware FIPS 0700 (Meters). OSPC will use the GIS data in verifying the acreage and integrating into statewide DDD maps and map projects.

The local government shall prepare a map or maps showing the following information as a part of any DDD Application or DDD Boundary Amendment application:



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- The District Boundary
- The Future Land Use within the District Boundary as per the adopted and certified comprehensive plan.
- The current Zoning and/or Land Use regulations within the District Boundary
- The Floodplain within the District Boundary
- Any special overlays or districts that are within the District Boundary (e.g. Historic District; special tax district etc.)

It is acceptable to display these data layers on one or more maps, if the information is legible for review and reference purposes.

☐ District Boundaries Map(s) Attached

☐ GIS data is available and will be electronically transferred to OSPC

Name of person who created the maps: _____

Phone _____ Email _____



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Map of the Proposed Downtown Development District - continued

Describe the rationale for choosing the boundaries of the proposed District (please limit your response to 750 words or less).

Attach a map showing the future land use of the District from the local government's certified Comprehensive Plan.

☐ Map Attached

☐ GIS data is available and will be electronically transferred to OSPC

Attach a map showing the zoning or land use regulations that apply to lands within the District

☐ Map Attached

☐ GIS data is available and will be electronically transferred to OSPC

Attach a map showing the floodplain within the District

☐ Map Attached

☐ GIS data is available and will be electronically transferred to OSPC

Attach a map showing any special overlays or districts that are within the District Boundary.

☐ Map Attached

☐ GIS data is available and will be electronically transferred to OSPC



Downtown Development Districts

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Map of the Proposed Downtown Development District - continued

Discuss how the plan and land use regulations support the application for the District (Please limit your response to 750 words or less).

Are there other special overlays, districts, or areas that intersect the proposed District? Examples of such special areas include historic districts, Business Improvement District (BID) taxing districts, etc. Please describe any of these special areas and how they will interact with the proposed Downtown Development District. Include maps, if applicable. (Please limit your response to 750 words or less).



Downtown Development Districts

FY26 Application for Designation as a District

Summary of Need and Impact: 50%

Instructions: Complete this form to document the need for the District designation and its potential to positively impact your community. Attachments of data and other documentation are required. There is no specific page or word limit on the information that can be attached, **however** please be aware that applications that provide clear and concise documentation that is directly related to the need and impact of the District proposal will be scored the highest.

Please describe the **need for** the Downtown Development District designation in your community (please limit your response to 750 words or less).

--



Downtown Development Districts

FY26 Application for Designation as a District

Summary of Need and Impact – continued

50%

Attach relevant data to that demonstrates and documents the **need** for the Downtown Development District designation.

The following table summarizes the **required** data from the US Census. Input the data into the *FY26 DDD Census Summary Spreadsheet* (available on OSPC website with this application), and attach any other written documentation that can summarize the data. Contact OSPC for assistance with the Census data, if needed.

Required Data from the US Census

The municipality or county as a whole

Median Income	Poverty Rate	Age of Structures	% Homeownership
% Rental	Vacancy	Median Home Value	

The Census Tract(s) that contain the proposed District

Median Income	Poverty Rate	Age of Structures	% Homeownership
% Rental	Vacancy	Median Home Value	% Low / Mod Income

The Census Block(s) that most closely correspond to the proposed District

Total Population	% Homeownership	% Vacancy
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☐ Summary spreadsheet and other documentation attached

Please provide any other data that supports the municipality's application for the District. The following table contains some **suggested** data sources that can serve to supplement the required data. Please attach any that apply, and any other data that is relevant. Cite the source for each dataset.

Suggested Data from a Variety of Sources

Blight	Condemned Properties	Code Violations
Crime Statistics	Economic Analysis	CDBG Program Statistics
Market Studies	Redevelopment Authority Activities	Public Works Projects
Education Data	Infrastructure Condition or Need	Other

☐ Additional data and documentation attached



Downtown Development Districts

FY26 Application for Designation as a District

Summary of Need and Impact – continued

50%

Describe how the attached data demonstrates the **need for** the Downtown Development District designation in your community (please limit your response to 750 words or less).

Describe the **potential positive impacts** of the proposed Downtown Development District designation in your community. Impacts can include economic, social and / or cultural impacts among others. Attach supporting documentation if applicable (please limit your response to 750 words or less).



Downtown Development Districts

FY26 Application for Designation as a District

Summary of District Plan: 20%

Instructions: through this application the municipality or county will be presenting the District Plan that will guide future revitalization, growth and development activities in the District. Upon designation, the local government will be required to adhere to the District Plan in order to qualify for rebates and other incentives. Attach the District Plan, and summarize the content, goals, and objectives in the space provided.

The District Plan Checklist is provided in the *DDD Program Guidelines* document. The proposed District Plan must be prepared in accordance with the Checklist.

Attach the District Plan.

☐ District Plan Attached.

Summarize the content, goals and objectives of the District Plan. (please limit your response to 750 words or less).



Downtown Development Districts

FY26 Application for Designation as a District

Summary of District Plan – continued 20%

Please summarize how the local government envisions itself in a leadership role to guide the successful implementation of the District Plan (please limit your response to 750 words or less).

List primary implementation strategies for the District Plan. (please limit your response to 750 words or less).



Downtown Development Districts

FY26 Application for Designation as a District

Summary of District Plan – continued

20%

Key Priority Project: A specific project identified in the District Plan that is considered by the applicant to be a potential catalyst for other redevelopment activity and contribute to superior urban design or other benefits to the District. Key Priority Projects are specific projects that are expected to provide significant positive impacts to the District should they be implemented. These projects will receive priority scoring for funding through the DDD Rebate program, and may receive other benefits, such as enhanced marketing, through the DDD program. See *DDD Program Guidelines* for more information.

In the following table please summarize the Key Priority Projects that are identified and fully described in the District Plan. Please see *DDD Program Guidelines* for details about how Key Priority Projects should be identified and described in the District Plan.

Project Name	Parcel Number / Location	Summary of Project	Page number of description in District Plan



Downtown Development Districts

FY26 Application for Designation as a District

Summary of District Plan – continued

20%

Are there any known projects or proposals that can be underway within six to twelve months of District designation? If so, please describe here (please limit your response to 750 words):

List any other governmental, quasi-governmental or non-governmental organizations that will be involved in the creation and / or implementation of the District Plan. A Main Street organization would be an example of such an organization. For each organization, describe how the local government will coordinate their activities to encourage revitalization and economic development in the District.

Attach written documentation (in the form of letters of agreement, memorandums of understanding, board resolutions etc) from each of the above listed organizations indicating support for this application to be designated as a Downtown Development District and identifying a willingness to coordinate with the municipal government to implement the District Plan.

☐ Written documentation attached from all other organizations



Downtown Development Districts

FY26 Application for Designation as a District

Summary of District Plan – continued

20%

Describe any actions your local government has taken to ensure energy efficient and environmentally sensitive development, and to prepare for flooding and sea level rise, if applicable. How will these efforts be implemented in the proposed District? (please limit your response to 750 words or less).

Describe how the District Plan is consistent with your certified Comprehensive Plan and the *Strategies for State Policies and Spending* (please limit your response to 750 words or less).

<https://2025-delaware-state-strategies-delaware.hub.arcgis.com/>



Downtown Development Districts

FY26 Application for Designation as a District

Summary of Local Incentives: 20%

Instructions: The municipality or county must complete this form to summarize the local incentive package to be made available within the District upon designation. The local ordinances (or other regulations) enabling and governing these incentives must be attached to this form, along with any relevant supporting documentation. In the case of incentives proposed upon designation, the draft ordinances must be attached.

It is expected that local incentive(s) will be available to all qualified projects within the District, and will not require discretionary approval or other consideration by the local elected body or town administration. If otherwise, please provide detailed justification for the discretionary review and approval of specific incentives.

The following table includes **examples of** local incentives proposed by other applicants.

Examples of Local Incentives

Fee or Tax Reductions	Regulatory Flexibility	Permit or Licensing Reform
Special Zoning Districts	Exemptions from Local Ordinances	Streamlined Permitting
Technical Assistance	Grants or Loans	Other



Downtown Development Districts

FY26 Application for Designation as a District

Summary of Local Incentives - continued 20%

Attach documentation for all Local Incentives

☐ Written documentation attached for all Local Incentives

List the Local Incentives proposed for the DDD. Please detail the geographic extent of each incentive (i.e. is the incentive available throughout the entire jurisdiction, or only in certain geographic areas?)

Local Incentive	Date enacted (or proposed date of adoption)	Geographic area covered (DDD Only, Entire Municipality, or Other - please describe)



Downtown Development Districts

FY26 Application for Designation as a District

Summary of Local Incentives - continued 20%

Please describe how each local incentive will be funded. If the incentive involves a reduction or waiver of taxes or fees, or in-kind services (for example, expedited permitting utilizing existing staff resources) please note that here.

Local Incentive	Funding Source

For each local incentive please summarize the value and/or benefit of the incentive to potential Qualified Real Property Investors. Please be as specific as possible.

Local Incentive	Value and/or Benefit to Investors



Downtown Development Districts

FY26 Application for Designation as a District

Summary of Local Incentives - continued **20%**

For each Local Incentive to be provided, please describe the specifics of how the incentive works (details are needed), and how the incentive encourages economic development and revitalization in your community.

It is expected that local incentive(s) will be available to all qualified projects within the District, and will not require discretionary approval or other consideration by the local elected body or town administration. If otherwise, please provide detailed justification for the discretionary review and approval of specific incentives in this response.

--

Summarize the package of Local Incentives, and describe how these incentives will work in concert with the Downtown Development District benefits to encourage revitalization and economic development in your proposed District (please limit your response to 750 words or less).

--



Downtown Development Districts

FY26 Application for Designation as a District

Legislative Body Resolution

Instructions: Attach a resolution that has been adopted by the legislative body of your municipality or county during the current FY26 application cycle. The resolution must affirmatively indicate that the legislative body supports the application for designation as a Downtown Development District and is willing to adhere to the District Plan and the Local Incentives for the duration of the District designation.

Date of Resolution _____

Resolution Number _____

☐ Resolution Attached.

APPENDIX 5: GUIDELINES GOVERNING THE ADMINISTRATION AND REVIEW FOR DESIGNATION AS DOWNTOWN DEVELOPMENT DISTRICTS

EXECUTIVE DEPARTMENT
OFFICE OF STATE PLANNING COORDINATION
Statutory Authority: 22 Delaware Code, Section 1903 (22 **Del.C.** §1903)

GENERAL NOTICE

PUBLIC NOTICE

Guidelines Governing the Administration and Review of Applications for Designation as Downtown Development Districts

The November 2014 *Register of Regulations* included proposed guidelines relating to the administration and review of applications for designation as Downtown Development Districts (the "Guidelines"). See 18 DE Reg. 359 (11/01/14) (Prop.). As set forth in the Guidelines, public comments were accepted through November 30, 2014. In the November *Register*, the proposed procedures were incorrectly designated as Regulations. For that reason, the Guidelines have been designated for inclusion in the General Notice section of the January 2015 *Register of Regulations*, and will not be included in the Administrative Code. No changes were made to the Guidelines as a result of the public comment period described above.

Guidelines Governing the Administration and Review of Applications for Designation as Downtown Development Districts

1.0 Authority

These guidelines are authorized pursuant to 22 **Del.C.** §1903.

2.0 Background and Purpose

2.1 On June 5, 2014, Governor Markell signed Senate Bill 191, the Downtown Development Districts Act. The purposes of the Act are:

- 2.1.1 To spur private capital investment in commercial business districts and surrounding neighborhoods;
- 2.1.2 To stimulate job growth and improve the commercial vitality of such districts and neighborhoods;
- 2.1.3 To help build a stable community of long-term residents in such districts and neighborhoods by improving housing opportunities for persons of all incomes and backgrounds; increasing homeownership rates; building a diverse array of successful businesses; and reducing the number of vacant houses; and
- 2.1.4 To help strengthen neighborhoods, while harnessing the attraction that vibrant downtowns hold for talented young people, innovative small businesses, and residents from all walks of life.

2.2 Under the Act, the Office of State Planning is responsible for administering the application process. The purpose of these Guidelines is to establish procedures relating to the administration and review of Applications for Designation as Downtown Development Districts.

3.0 Definitions

"Act" means the Downtown Development Districts Act, 22 **Del.C.** §1901 *et seq.*

"Agency Liaison" means the person designated by the Secretary or Director of a Reviewing Agency to fulfill the Reviewing Agency's obligations under §6.0 hereunder.

"Applicant" means any municipality or unincorporated area (as such terms are defined in the Act) filing an Application.

"Application" means the Application for Designation as a Downtown Development District promulgated by the Office in accordance with the Act.

"Central Business District" means an area around the downtown portion of a city or town that allows for higher intensity residential uses as well as commercial, office, personal services, governmental, and similar uses intended to serve the community and surrounding areas of the city or town.

"CCSPI" or "Committee" means the Cabinet Committee on State Planning Issues established pursuant to the Delaware Planning Act, 29 **Del.C.** §9101 *et seq.*

"DDD," "District," or "Downtown Development District" means an area within a municipality or unincorporated area designated as a Downtown Development District in accordance with the Act.

"District Plan" means the strategic plan or other detailed description of the overall strategy for the development of a proposed district submitted by the municipality or unincorporated area as part of its Application.

“Downtown” means that portion of a city, town, or unincorporated area that traditionally comprises its downtown or central business district, as determined by such city, town, or unincorporated area in accordance with guidelines promulgated by the Office.

“Local Incentives” means the incentives offered by an Applicant as part of its Application that address local economic and community conditions, and that will help achieve the purposes set forth in the Act.

“Office” or “OSPC” means the Office of State Planning Coordination.

“Reviewing Agency” means any State Agency assigned by the Office to review and provide comments regarding an Application or any portion thereof.

“Staff Report” means any report prepared by the Office, with assistance from Reviewing Agencies, to aid the Committee in determining which Applications to recommend to the Governor for District designation.

4.0 Responsibilities of Office of State Planning Coordination

In accordance with the Act, the Office:

- 4.1** Shall develop the Application and other supporting materials and information, with input from other state agencies as appropriate;
- 4.2** Shall solicit Applications, at the request of the Governor, from municipalities and unincorporated areas to have areas designated as Downtown Development Districts;
- 4.3** Shall provide assistance to potential Applicants and other stakeholders in connection with the Application process;
- 4.4** Shall evaluate completed Applications and present recommendations to the Committee in accordance with §7.0 below; and
- 4.5** Shall perform such tasks assume such other responsibilities as may arise from time to time in connection with the administration and review of Applications.

5.0 Content of Applications

- 5.1** In accordance with §1903(c) of the Act, the Application shall include but not be limited to the following elements:

5.1.1 Need and Impact

- 5.1.1.1** The Application must require the Applicant to describe the need for the incentives that will be available in the proposed District, and to describe the potential positive impacts that are likely to accrue due to District designation.
- 5.1.1.2** Whenever possible, the Application should require the Applicant to demonstrate need and impact through the use of U.S. Census data or other objective information.
- 5.1.1.3** The Applicant shall be permitted to submit as part of its Application any additional information it deems relevant to demonstrate the need for and potential impact of the proposed District designation.

5.1.2 District Plan

- 5.1.2.1** The Application must require the Applicant to submit a detailed description of the overall strategy for the development of the proposed District, with such maps, descriptions, and other information as the Office may require.
- 5.1.2.2** At minimum, the Application:
 - 5.1.2.2.1** Must require each District Plan to describe the key actions and strategies that will be used to guide growth and revitalization efforts in the proposed District;
 - 5.1.2.2.2** Must require each Applicant to demonstrate that the District Plan is consistent with its certified Comprehensive Plan, the *Strategies for State Policies and Spending*, and any other applicable local planning documents or studies;
 - 5.1.2.2.3** Must require each Applicant to include its Central Business District in its District Plan; and
 - 5.1.2.2.4** Must provide that the proposed District shall be contiguous.
- 5.1.2.3** In addition, the Application must state that Districts shall be subject to maximum acreage requirements as determined by the Office. For the initial round of Applications, Districts shall be subject to the following area limitations, based on the most recent U.S. Census data:
 - 5.1.2.3.1** No more than 85 acres in area for jurisdictions having a population of less than 9,000 persons; and
 - 5.1.2.3.2** No more than 170 acres for jurisdictions having a population between 9,000 and 30,000 persons; and

5.1.2.3.3 No more than 225 acres for jurisdictions having a population greater than 30,000 persons.

5.1.3 Local Incentives

5.1.3.1 The Application must require the Applicant to propose Local Incentives that will help achieve the purposes set forth in the Act, as set forth in §2.1 above. These incentives must address local economic and community conditions, and may include but not be limited to reductions in fees or taxes, permit process and licensing reform, special zoning districts, and exemptions from local ordinances.

5.1.3.2 Upon designation as a District the Applicant shall be required to implement the proposed Local Incentives for the duration of the District designation.

5.1.4 Resolution

5.1.4.1 The Application shall require the Applicant to provide a resolution adopted by its governing body stating that the governing body supports the Application and will adhere to the District Plan and the Local Incentives for the duration of the District designation.

5.1.4.2 Upon the written approval of the Office, the Applicant may provide a resolution adopted by its governing body that deviates from the requirements of §5.1.4.1. In no event, however, shall the requirement to provide a resolution be waived.

5.2 In addition to the above, the Office may include such other provisions and adopt such other requirements in connection with the Application process as may be necessary or desirable in connection with the consideration of Applications, or any of them.

6.0 Initial Review by Office: Comments from Reviewing Agencies

6.1 Immediately following the Application deadline, the Office will conduct an initial review to determine the completeness of each Application and, if necessary, to request and receive additional clarifying information.

6.2 If the Office determines that a Reviewing Agency has expertise relevant to the consideration of any Application, the Office may forward the Application or any portion thereof to the Reviewing Agency for review and comment.

6.3 Each Reviewing Agency will designate an Agency Liaison to serve as the Office's point of contact during the Application process. The Agency Liaison will ensure that the Reviewing Agency reviews and provides comments on the Application in accordance with the deadlines established by the Office. Reviewing Agencies are advised that the Office may request responses on an expedited basis.

6.4 Comments by Reviewing Agencies shall address:

6.4.1 The principal strengths of the Application from the Reviewing Agency's perspective, including those considerations set forth in §8.0 that are within the Reviewing Agency's area of expertise;

6.4.2 The principal weaknesses of the Application from the Reviewing Agency's perspective, including those considerations set forth in §8.0 that are within the Reviewing Agency's area of expertise; and

6.4.3 Such other information as the Reviewing Agency shall determine is relevant to its consideration of the Application and the District Plan and Local Incentives contained therein.

7.0 Staff Reports and Recommendations—Procedure

7.1 Following a review of each Application and comments from Reviewing Agencies, the Office will prepare a Staff Report to assist the Committee in fulfilling its obligations under §9.0 below.

7.2 The Office will summarize or incorporate in the body of each Staff Report those comments from Reviewing Agencies that the Office determines are relevant to its review of the underlying Application. In addition, the Office may attach *verbatim* the comments of the Reviewing Agency as an exhibit to such Staff Report.

7.3 Upon completion of all Staff Reports, the Office will determine which Applications, in its opinion, have the greatest potential for accomplishing the purposes of the Act, as set forth more fully in §2.1 above.

7.3.1 In distinguishing among competing Applications, the Office will evaluate Applications in accordance with the considerations set forth in §8.0 of these Guidelines.

7.3.2 For the initial round of District designations, the Office will make separate recommendations pursuant to §7.3 for each county.

7.4 The Office will present each Staff Report, as well as its recommendations pursuant to §7.3 above, at the next meeting of the Committee. Copies of all Staff Reports, recommendations, and other relevant materials will be provided to members of the Committee at least ten (10) days prior to the date of such meeting.

8.0 Evaluation of Applications

8.1 General Principles

8.1.1 It is understood that Applicants will be given significant flexibility and authority to create a District Plan and propose Local Incentives that best meet the needs of their communities. As a result, each Application will be different, and the evaluation of each Application will require qualitative judgments as well as quantitative factors.

8.1.2 Notwithstanding the above, a substantive framework is necessary to assist the Office and Reviewing Agencies in determining which Applications have the greatest potential for accomplishing the purposes of the Act in accordance with §2.1 above, and to distinguish among competing Applications. To that end, Applications will be reviewed in accordance with the considerations set forth in this section.

8.1.3 Nothing in this section shall be construed to prohibit the establishment or consideration of such other matters as may be necessary or desirable in connection with the consideration of any Application.

8.2 Need and Impact – Need and impact factors will account for 50 percent of the consideration given to each Application. Evaluation of need and impact may include but shall not be limited to the following:

8.2.1 Economic considerations, including median income, poverty rate, and percentage of low- and moderate-income residents or households;

8.2.2 Considerations relating to housing and community conditions, including the number or percentage of vacant or abandoned properties, homeownership and rental rates, median home value, and average or median age of dwelling units or structures;

8.2.3 Other considerations as set forth in the Application pursuant to §5.1.1.2, which may include but shall not be limited to considerations relating to population, crime, and education levels; and

8.2.4 The Applicant's description of the potential positive impacts that are likely to result from District designation.

8.3 District Plan – The District Plan will account for 30 percent of the consideration given to each Application. Evaluation of each District Plan may include but shall not be limited to the extent to which:

8.3.1 The District Plan is consistent with sound planning principles, including the extent to which:

8.3.1.1 The size and shape of the proposed District make sense from an urban planning and revitalization perspective;

8.3.1.2 The District Plan clearly and specifically identifies the types of projects and uses intended to be promoted—and discouraged—within the proposed District, for purposes of administering the DDD Grant Program and otherwise;

8.3.1.3 The District Plan is consistent with the Applicant's certified Comprehensive Plan, the *Strategies for State Policies and Spending*, and any other applicable planning documents or studies;

8.3.1.4 The District Plan is well-coordinated, with clear lines of authority among local government agencies, members of the community, for- and non-profit organizations, and other stakeholders;

8.3.1.5 The District Plan complements and is consistent with existing revitalization efforts, including (if applicable) any historic districts or business improvement districts; and

8.3.1.6 The District Plan promotes energy-efficient and environmentally sensitive development, and addresses the potential effects of flooding and sea level rise as applicable;

8.3.2 The District Plan is likely to leverage significant private funding, including whether District designation is likely to assist or result in specific projects moving forward within the first six (6) to twelve (12) months of District designation;

8.3.3 District designation is likely to benefit a wide variety of stakeholders, including investors and other businesses (large and small, non-profit and for-profit), homeowners, and other stakeholders;

8.3.4 The District Plan evidences input from, and the support of, such stakeholders;

8.3.5 The extent to which the proposed District concentrates benefits in as small an area as possible, which may but shall not be required to include prioritization, phasing, and/or timing of redevelopment activities as appropriate to maximize the effectiveness of District incentives;

8.3.6 The key actions and strategies proposed in the District Plan are realistic in light of existing economic and other conditions;

8.3.7 The District Plan encourages accountability by establishing clear lines of responsibility for the applicant to meet its District obligations; and

8.3.8 The District Plan evidences a strong and sustained commitment of the Applicant to ensure the long-term success of the District, to the extent it is so designated.

8.4 Local Incentives – The Local Incentives shall account for 20 percent of the consideration given to each Application. Evaluation hereunder may include but shall not be limited to the extent to which the proposed Local Incentives:

- 8.4.1 Are coordinated with and integrated into the District Plan, i.e., they support the specific initiatives contained in or contemplated by such Plan;
- 8.4.2 Are likely to leverage significant private funding;
- 8.4.3 Are meaningful and substantial, thereby demonstrating the Applicant's commitment to the success of the proposed District;
- 8.4.4 Are likely to benefit a wide variety of stakeholders, including those stakeholders described in §8.3.3 above;
- 8.4.5 Promote energy-efficient and environmentally sensitive development, and address the potential effects of flooding and sea level rise as applicable;
- 8.4.6 Are user-friendly, easy to understand, and to the extent possible, cut or minimize red tape;
- 8.4.7 Clearly and specifically describe which person(s) are responsible for ensuring that the Local Incentives are available throughout the life of the District; and
- 8.4.8 Are measurable with respect to determining the success or failure of such Local Incentives in accomplishing the purposes of the Act, as set forth more fully in §2.1 above.

9.0 Committee Review of Applications

- 9.1 At a reasonable time following the close of the Application period, a meeting of the Committee will be convened to consider, discuss, and evaluate the Applications.
- 9.2 At such meeting, the Office shall present to the Committee each Application and associated Staff Report, as well as the Office's recommendations in accordance with §7.3 above. The Committee shall give significant weight to the Staff Reports and the recommendations contained therein, but shall not be bound thereby.
- 9.3 At the conclusion of the meeting, the Committee shall recommend to the Governor those applications with the greatest potential for accomplishing the purposes of the Act. In connection therewith, the Committee shall consider the provisions of §§2.1 and 8.0 above.
- 9.4 Recommendations of the Committee shall be made by a resolution adopted by no less than a majority of Committee members present. If the Committee is unable to adopt a resolution at the conclusion of the meeting, the Committee shall defer its recommendations until the next meeting, which shall be scheduled at the earliest possible opportunity in accordance with FOIA. In connection therewith, the Committee may request that the Office provide additional information relevant to its consideration of Applications hereunder.
- 9.5 As soon as is practicable following the date upon which the Committee issues its recommendations, the Office shall forward to the Governor:
 - 9.5.1 All Applications recommended by the Committee in accordance with this §9.0, and any supporting materials submitted by the Applicant in connection therewith;
 - 9.5.2 All Staff Reports prepared by the Office and presented to the Committee in connection with such Applications, including all comments of Reviewing Agencies;
 - 9.5.3 The minutes of the Committee meeting held pursuant to §9.0 above; and
 - 9.5.4 Such other information as the Office or the Committee shall deem relevant, or as otherwise requested by the Governor or his designee(s).

10.0 Review and Designation; Agreements Evidencing Designation

- 10.1 As set forth in §1904(b) of the Act, following receipt of any Application set forth in §9.5 above, the Governor:
 - 10.1.1 Shall approve the Application for immediate designation as a District; or
 - 10.1.2 Shall approve the Application for designation as a District, effective one (1) year from the date of such determination by the Governor; or
 - 10.1.3 Shall deny such Application.
- 10.2 In connection with the Designation of any District hereunder, the Office may require the successful Applicant to execute such documents and enter into such agreements as may be necessary or desirable in connection with such designation and the rights and obligations of the Applicant thereunder.

11.0 Preservation of Applications

- 11.1 Any Application that is not approved for District designation will remain on file with the Office for a period of not less than four (4) years from the date the original Application was filed.
- 11.2 In subsequent Application periods, any Applicant whose Application remains on file will not be required to submit an entirely new Application. Instead, the Office will request that the prior Applicant revise, amend, or supplement only those portions of the prior Application as necessary to update the Application for consideration in the subsequent round of Applications.

- 11.3 Nothing in this section shall prohibit or prevent the prior Applicant from revising, amending, or supplementing such portions of the Application as may be necessary to improve upon the prior Application and to better position the Applicant for District designation in the subsequent round of Applications.
- 11.4 Notwithstanding the foregoing, a prior Applicant seeking to renew its Application in any subsequent round of Applications shall be required to obtain and submit a new Resolution in accordance with §5.1.4 above.

18 DE Reg. 581 (01/01/15) (Gen. Notice)

APPENDIX 6: APPLICATION FOR FIVE YEAR DISTRICT RENEWAL



Downtown Development Districts

Application for District Renewal

District Renewal Application for Expiring DDD Districts

Application Period and Deadlines: The application period opens three years prior to expiration. Applications for extensions must be submitted within 6 months of the current DDD program expiration. Applications are accepted on a rolling basis and reviewed by the Cabinet Committee on State Planning Issues (CCSPI) at their next scheduled meeting.

Application must be accompanied by a Resolution from the legislative body supporting the application for a DDD District Designation Extension, and an updated District Plan.

Review and Approval: Applications for five-year DDD District Renewal are reviewed by OSPC and agency partners. OSPC will prepare a report and recommendation which will be presented to the CCSPI which will in turn make a recommendation to the Governor. The Governor may renew Districts for up to two 5-year renewal periods.

Completed applications should be sent to OSPC@delaware.gov

Completeness: Applications for District Renewal will be evaluated by the Office of State Planning Coordination for completeness upon receipt. Incomplete applications will not be reviewed and will not be forwarded to the Cabinet Committee on State Planning Issues for their consideration. Applicants are encouraged to meet with the OSPC early in the process, and work with the OSPC Principal Planners throughout the application process to ensure a complete and accurate application.

Municipality / County: _____

DDD Program expiration date _____

- Check list:
- ☐ Application Form
 - ☐ Legislative Body Resolution
 - ☐ Updated District Plan

If proposing the removal of parcels from the original District Boundary:

- ☐ Certified Mail Receipts, to owners of all parcels to be removed
- ☐ Public Hearing Minutes, revised boundary meeting



Downtown Development Districts

Application for District Renewal

Contact Person for Application	District Administrator (if different)
Name: _____	Name: _____
Address: _____	Address: _____
Phone: _____	Phone: _____
Email: _____	Email: _____
Signature _____	Signature _____
Date _____	Date _____

Legislative Body Resolution:

The resolution must affirmatively indicate that the legislative body supports the application for the extension of Downtown Development District designation and is willing to adhere to the District Plan and the Local Incentives for the extended duration.

Date of Resolution in support of DDD Extension Application: _____

Resolution number: _____

Program Administration:

Describe any proposed changes in how the DDD program will be administered (such as new organizational structure or personnel to enhance implementation of the DDD program).

--



Downtown Development Districts

Application for District Renewal

Need and Impact:

Describe the impact the DDD program has had on your downtown thus far. In the response, please consider the program's effectiveness in creating capital investment, creating jobs, improving housing stock, increasing residents and visitors, providing enhanced retail and entertainment opportunities, and otherwise improving the quality of life within such district. Refer to the Key Priority Projects identified in the initial DDD program application; Was the District successful in implementing these projects?

Provide justification as to why the program should be extended.

District Plan:

Revise the current District Plan to include the listed items below. The revised plan is intended to supersede the existing one and must be included with the Extension Application. The updated plan should assess progress made since program implementation, reflect relevant changes that may have occurred since plan adoption, and provide up-to-date guidance for redevelopment for the next 5 years and beyond.

District Plan update must include the following:

1. Rationale as to why the five-year extension is necessary and/or desirable to achieve redevelopment goals stated in the District Plan.
2. An evaluation and self-assessment of past program implementation and performance.
3. Updated demographic and redevelopment data, and analysis of that data in the current plan.
4. An evaluation, and revision if necessary, of the vision, goals and strategies for downtown redevelopment.
5. Updated maps that reflect current conditions. Note any changes (within the District) to zoning or to the Future Land Use Map in the adopted comprehensive plan.

Briefly summarize changes made to the plan here:



Downtown Development Districts

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Local Incentives:

List the local incentive package currently in place and briefly assess the effectiveness of each using data from completed projects. Please note any changes proposed to these incentives and describe why the change is needed.

List any new incentive options being proposed and explain how these new incentives will address the goals of the District Plan for the next 5-year period.

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Key Priority Projects:

The DDD application was updated in 2019 to include discussion of Key Priority Projects. These projects were to be identified in the District Plan as potential catalysts for other redevelopment activity or as examples of superior urban design. Key Priority Projects are specific projects expected to provide significant impact to the District when implemented. See *DDD Program Guidelines* for more information. [ddd-program-guidelines-2022.pdf \(delaware.gov\)](https://www.delaware.gov/files/ddd-program-guidelines-2022.pdf)

With this definition in mind, please describe the Key Priority Projects that were implemented during the past 10-year period. Briefly assess their impact and/or describe any barriers to implementation. Moving forward, what are the Key Priority Projects for the 5-year extension?

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District Boundary Revisions:

As a part of the District Renewal process the local jurisdiction may revise the original District Boundary to meet the redevelopment goals of the next five-year period. The updated District Plan must fully describe the rationale for the revised boundary. The revised boundary must meet all guidelines and criteria for the District Boundary as described in Chapter 5 of the *DDD Program Guidelines*.

It is permissible to remove parcels from the original District Boundary and reallocate that acreage to other areas of the downtown as a part of the boundary revisions during the District Renewal process. Should the local jurisdiction propose removing parcels from the original boundary, the following is required:

- The owners of all parcels that are proposed to be removed from the District Boundary must be noticed of the change via Certified Mail or similar method. The local jurisdiction shall keep receipts or other documentation of this notice and submit it with the District Renewal application.
- All property owners that are proposed to be removed from the District Boundary must be given an opportunity to speak at a public hearing hosted by the local jurisdiction, to be held before the final decision has been reached regarding the revised boundary that is to be proposed as a part of the District Renewal application. Minutes of this public hearing or hearings must accompany the District Renewal application.

If the revised District Boundary proposes to remove any parcels from the original District Boundary, please briefly describe the rationale for removing the parcels and where the acreage has been reallocated to:

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If the revised District Boundary proposes to remove any parcels from the original District Boundary, please include the receipts or other documentation of the public notice to all property owners to be removed, as well as the minutes of the public hearing where the boundary revisions were discussed in the District Renewal application.

APPENDIX 7: LINKS TO ADDITIONAL RESOURCES

Delaware Office of State Planning Coordination

<http://stateplanning.delaware.gov/>

Downtown Development Districts Program

<https://stateplanning.delaware.gov/about/ddd.shtml>

Delaware State Historic Preservation Office (SHPO)

<http://history.delaware.gov/>

Tax Credit Program

<http://history.delaware.gov/preservation/taxcredit.shtml>

Delaware State Housing Authority

<http://www.destatehousing.com/>

District Rebate Program

<https://www.destatehousing.com/build/ddd-program/>

Delaware Division of Small Business

<https://business.delaware.gov/>

Delaware Prosperity Partnership

<https://www.deprosperitypartnership.com/>