

SPONSOR: Rep. Heffernan & Sen. McDowell Reps. Hensley, Keeley, Ramone, Schwartzkopf, B. Short; Sens. Henry, McBride, Poore, Walsh

## HOUSE OF REPRESENTATIVES 149th GENERAL ASSEMBLY

## HOUSE BILL NO. 454

## AN ACT TO AMEND TITLE 14 OF THE DELAWARE CODE RELATING TO VOLUNTARY SCHOOL ASSESSMENTS.

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

Section 1. Amend § 103(c), Title 14 of the Delaware Code by making deletions as shown by strike through and
 insertions as shown by underline as follows and by redesignating accordingly:

- 3 (c) The Secretary shall calculate a Voluntary School Assessment, which applicants shall have the option of paying
  4 in lieu of any school certification required by § 2661 of Title 9 or § 842 of Title 22. Voluntary School Assessments shall be
  5 calculated on a per unit basis for each project that seeks to pay such assessments in lieu of certification as follows by:
- 6 (1) Calculating the average cost (including land or, if the school district already owned such land, the then-7 fair market value of such land at the time of construction), per child, for the average new public schools (1 elementary 8 school, 1 middle school, 1 high school) constructed with state assistance in New Castle County as determined by the 9 State of Delaware School Construction Technical Assistance Manual prepared by the Delaware Department of 10 Education (as such manual exists as of June 30, 1999, such manual to be updated for purposes of this calculation no 11 earlier than July 1, 2005, and thereafter updated as the Department normally updates such manual);
- (2) Multiplying that number by the local percentage share then required by state law of the local school
  district in order to receive state capital assistance;
- (3) Multiplying the resulting figure by 0.50, representing the average number of school-aged children
  projected to be housed within each residential unit, provided that in no event shall the Voluntary School Assessment
  exceed 5 percent of the total cost of the residential unit. Notwithstanding anything within this Subsection (c) to the
  contrary, the Voluntary School Assessment for a redevelopment plan shall not exceed 2.5 percent of the total cost of
  the residential unit.
- (4) Notwithstanding anything within this Subsection (c) to the contrary, for a redevelopment plan, the
  Voluntary School Assessment calculated pursuant to this Subsection (c) shall not apply to one (1) bedroom units within
  a multi-family structure.

- 22 (5) For purposes of this Subsection (c), a redevelopment plan shall mean a plan that proposes the
- 23 rehabilitation or replacement of existing buildings on previously developed land. Previously developed land is not
- 24 <u>intended to include golf courses and other recreational uses.</u>
- 25 Section 2. Notwithstanding any law and executed Voluntary School Assessment Agreement to the contrary, this
- Act shall be applicable to residential developments recorded on or after January 1, 2017.

## **SYNOPSIS**

This Act promotes diversity of housing in Delaware by acknowledging that not all residential units warrant the same Voluntary School Assessment. Currently, single family residential subdivision projects are subject to the same per unit Voluntary School Assessment as an apartment project, regardless of size and number of bedrooms. The current framework can place an undue burden on multi-family and smaller unit residential projects.

This Act seeks to mitigate this burden for redevelopment plans by eliminating the Voluntary School Assessment for one-bedroom apartment units, such that the per unit Voluntary School Assessment would be charged only for each residential unit containing two or more bedrooms, and further by reducing the Voluntary School Assessment cap to 2.5 percent of the total cost of the residential unit.

This Act further recognizes that relief in support of the above-mentioned policy is most appropriate for redevelopment projects where any financial burden on the school system potentially caused by reducing the Voluntary School Assessment is mitigated by taxes previously paid to the school district for the prior development.