

# LEWES FUTURES CAN



## Greater Lewes Foundation 2007 - 2017



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*“Lewes has so far resisted touristy kitsch, somehow retaining its easy charm and friendly mid-Atlantic vibe, complete with long vowels, rustling corn fields and a dreamy slow pace.”*

Source: Fred Bierman, The New York Times, 9/07/2007

**Foreward**

The Greater Lewes Foundation (GLF) serves as the region’s community foundation. The mission of the organization is to maintain and improve the quality of life in the greater Lewes region. During its first six years of existence the GLF has assisted with a number of projects of importance to the Greater Lewes Community. The most visible effort has been as the fiscal agent for the Lewes Canalfront Park. This current GLF effort, *Lewes FutureScan*, is being conducted with the support of the University of Delaware Sea Grant Marine Advisory Service.

The goal of the project is to enable regional non-profits, businesses, service providers, city officials, residents and others to envision the challenges and opportunities that Lewes and the region will face during the next decade (2007 – 2017). The project is being supported by a generous grant from the Delaware River and Bay Authority and additional support has been provided from the University of Delaware Sea Grant Program and the University’s Coastal Community Enhancement Initiative.

## Introduction

The city of Lewes Comprehensive Plan identifies six critical issues that must be addressed to maintain the current community character and quality of life for residents.

They include:

- Implementing protections for historic resources.
- Preserving and enhancing access to the water (canal and bay) and

encouraging appropriate water-based businesses.

- Ensuring availability of affordable housing.
- Working with various public and private agencies and revising codes to preserve lands in, and surrounding, Lewes.
- Updating parking and pedestrian regulations.
- Reviewing and revising the zoning and subdivision codes to minimize land uses that are incompatible with Lewes and its core values.

These issues along with the city’s six core values are the driving force behind the *Lewes FutureScan* project. The City of Lewes developed a set of core values to help guide decisionmaking in the community. These core values are important as growth continues to impact the community. The core values are:

- Lewes has a special and historic relationship with the sea.
- Lewes is a community of diversity.
- Lewes values its human town scale and sense of face-to-face intimacy that is characteristic of its quality of life.
- Lewes is a town of busy days and quiet nights.
- Lewes recognizes and maintains its internal communities.
- Lewes has unique historical origins and strives to highlight its

heritage through building design and architectural preservation.

The project has a number of defined stages: (1) to gather information via interviews and research; (2) to synthesize and compile an initial report outlining basic facts, information and key issues about the community; (3) to conduct a “charette” with community leaders to weigh-in on the key issues; (4) to hold a series of meetings with residents of the greater Lewes area to seek input and consensus on issues of importance; and (5) to prepare a final report that articulates a community vision.

### **The Greater Lewes Region**

Much of the growth in Sussex County is occurring outside of the municipal boundaries of the 26 towns, including Lewes. For example, U.S census data showed that town and city population growth between 1990 and 2000 was about 25% (31,202 to 39,009), but growth in the unincorporated areas of the county was almost double, at 47% (82,027 to 120,775). With the knowledge that the future growth that may impact the City of Lewes will be outside of its borders, there is a need to define the greater Lewes region. One definition may be defined by using the 19958 zip code (See Figure 1.). It is an area that extends north of the City of Lewes to the Red Mill Pond area and south to the Angola region on Rehoboth Bay. This entire area is served by the Lewes Post Office located in downtown

Lewes and a small satellite office near the Five Points intersection (Nassau Post Office). Much of the recent and proposed development that may impact the City of Lewes in future years has occurred, and will occur, in this region (See Appendix 2.). Therefore, what occurs in this greater Lewes region is of great concern to local Lewes officials and community leaders.

The 19958 zip code which includes the City of Lewes had a total of 13,949 residents according to the 2000 U.S. Census. The estimated population in 2005 was 15,415 persons; a 10.5% increase from 2000. The zip code has a median age of 49.7 years versus the town’s 54.9 years. There are an estimated 10,196 houses/condos in the zip code with an average of 2.2 residents in each occupied home. The median value of homes in the zip code in 2005 was \$288,677. The estimated household income in 2005 was estimated to be \$47,856.

### **Lewes, Delaware**

Lewes is the oldest town in Delaware. It was founded in 1631 and incorporated in 1818. Lewes was the site of Delaware’s first European settlement and has long called itself “The First Town in the First State”. The town sits at the mouth of the Delaware Bay and is known for its many historic homes and buildings, as well as for its quiet bayfront beach (See Figure 2.).

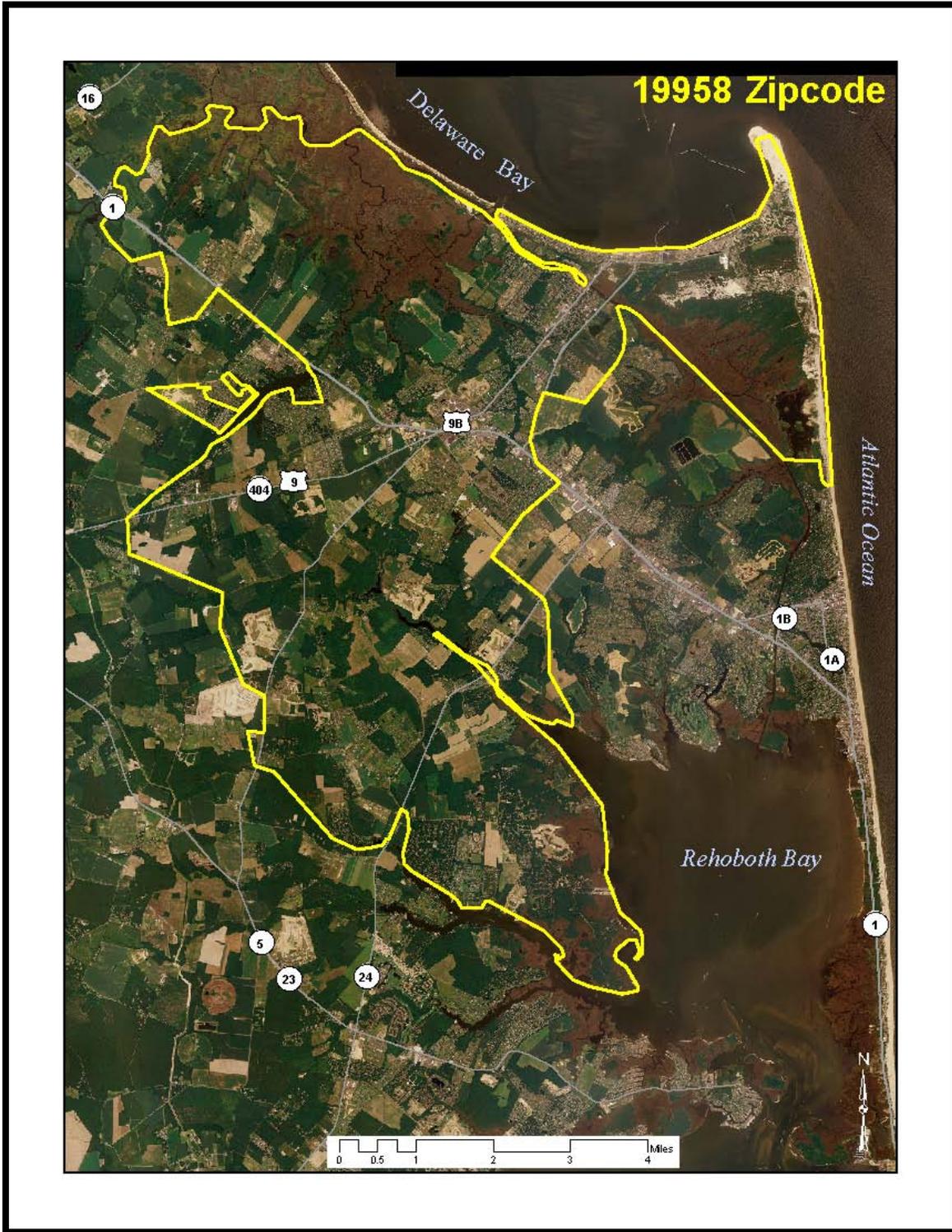


Figure 1. Map of 19958 zip code area.



Figure 2. Map showing City of Lewes Limits.

Lewes' resident population has been growing steadily through the years, and the period from 1990 – 2005 saw a 36% increase in population from 2,295 to 3,116. Lewes' resident population is the greatest of any of the coastal towns in Delaware (Table 1).

Town	1990	2000	2005
Lewes	2,295	2,932	3,116
Rehoboth Beach	1,234	1,495	1,556
Dewey Beach	204	301	311
Bethany Beach	326	903	943
South Bethany	148	492	514
Fenwick Island	186	342	357

The age of Lewes residents is generally similar to that of residents in the other coastal communities in Delaware. But typically higher than the county and state averages. According to 2000 U.S. Census estimates, 33% of the residents of the city were 65 years of age and older. Children under the age of 19 made up only 15% of the total population (Table 2).

Age Range	0-19	20-29	30-44	45-64	65+
% of Population	15%	6%	15%	32%	33%

Residents in the city are well off, with median household incomes substantially higher than the US average. In 2000, the City of Lewes had a median household income of \$48,707, with 6.6% of households having incomes in excess of \$150,000.

The Delaware Population Consortium (DPC) estimates population growth for each county in Delaware, by age and race, but does not estimate growth for any of the municipalities in Sussex County. The DPC estimates that 25% of the population in Sussex County will be 65 years and older by 2020. Even though projections are not available for Lewes, and the 19958 zip code area, assumptions can be made. 2000 U.S. Census data estimated that Lewes had 33% of its residents age 65 and older. By using appropriate growth rates developed by DPC estimates can be projected for the City of Lewes and the region. If the assumptions are accurate, Lewes could have almost 40% of its population in the 65+ age range by 2020, and the zip code region would have 33% of its population in the 65+ category (See Table 3.).

### Land Use – Parks

Tourism is Lewes' largest economic force. So said Mayor Jim Ford and city manager Tom Wontorek in their interview May 22, 2007. Visitors flock to the city for its quaint shops, its bed-and-breakfast inns and its history. And of course, for its parks, the largest one of which is Cape Henlopen State Park — what park administrator Patrick

<b>Table 3. Population Projections for Residents 65 Years and Older (2000 – 2020)</b>			
	<b>2000</b>	<b>2005</b>	<b>2020</b>
<b>Sussex County</b>	157,459	176,192	226,766
Age 65+	29,681	35,650	57,814
% of Total	19%	20%	25%
<b>Lewes</b>	2,932	3,110	3,529*
Age 65+	977	1,057*	1,376*
% of Total	33%	34%*	39%*
<b>19958 Zip Code</b>	13,949	15,415	17,154*
Age 65+	3,826	4,316*	5,661*
% of Total	27%	28%*	33%*

\*Assumed growth of population 65 and older based on projections for Sussex County.

Cooper calls “Delaware’s National Park” — at the confluence of the Delaware Bay and the Atlantic Ocean.

According to its mission statement, the purpose of 5,200-acre Cape Henlopen State Park is to “preserve the Cape’s sensitive ecosystem and honor its rich coastal history, while providing its visitors with environmentally sustainable recreational, interpretive and cultural experiences.” The mission is first to preserve the park, then to allow people to enjoy it, Charles Salkin, director of the state Division of Parks and Recreation, said. The park, which features ocean and bay beaches as well as dunes and forests, camping and fishing, gets about 1.5 million visitors a year, with about 300,000 a month during the summer.

Cooper, in an interview June 19, 2007 mentions several problems the

park is facing. Erosion of the main beach means that the swimming area will have to be spread out further, to allow for enough room, he said. To accommodate for eroded beaches, the park will need to “make a strategic retreat,” Salkin added, moving its manmade dune line westward. Beach replenishment funds may be available for Herring Point, south of the swimming area and site of a surf fishing area and a scenic overlook. The state is studying the effects of boat traffic and erosion at the park’s Beach Plum Island, on the northwest side of Lewes from the cape.

Another problem, Cooper said, is the park’s aging infrastructure. Many of its buildings and its sewer lines were constructed as part of the World War II-era Army base, Fort Miles, and need to be repaired or replaced.

David Ennis, governmental relations consultant, is worried that, as the population of Sussex County increases, more people will flock to Cape Henlopen State Park. As it is, the park’s parking lots sometimes reach capacity during the summer and hopeful beachgoers have to be turned away. Ennis questions the park’s decision not to increase parking.

The park is dependent on the area’s retirees, Cooper said. Retirees make up to 60 percent of the park’s workforce, he said, and tend to be more dependable than other employees. In addition, retirees are also a large part of the Friends of Cape Henlopen State Park, a friends group which sponsors fundraisers through the year to benefit

the park, and of the Fort Miles Historical Society. The historical society, said Dr. Gary Wray, former president of the Cape Henlopen School District and a member of the historical society, is “very excited” about the park’s history and its connection to the old Army base. That group also holds fundraisers to benefit the Fort Miles Historical Area, part of Cape Henlopen State Park.

New to the city is the Lewes Canalfront Park, which was dedicated in June 2007. The park is on nearly four acres along the Lewes and Rehoboth Canal, just east of where the Lightship Overfalls is docked. Phase II of the park, expected to be complete by the end of 2008, will be right next door, at the site of the parking lot for the state’s boat ramp into the canal. The boat ramp will remain as a launching area for canoes and kayaks, but its current paved parking area will become the park’s village green. The state is completing construction of a new, larger boat ramp at the northwest end of town on the Broadkill River, about 200 yards from the Roosevelt Inlet. This is planned to open in 2009 or 2010.

The Canalfront Park is “green”: Its walkways are permeable, limiting contaminant-laden runoff into the canal, and the park has “rain gardens,” slightly sunken areas planted with water-tolerant plants. All of the park’s plants are native to the Sussex coastal region, meaning that they will thrive in the park’s natural conditions — windy, salty, sometimes dry and sometimes flooded.

The design of the park came about as a result of several public meetings, during which citizens said what they would like the park to look like. But not everyone is completely pleased with the outcome: Mike DiPaolo, director of the Lewes Historical Society, wonders whether the park shouldn’t feature replicas of buildings that lined the canal when it was the center of town industry. He is also concerned that the park does not have enough parking spaces.

Of course, there is Lewes Beach, the publicly-owned stretch of beach along the Delaware Bay. Erosion here is not so much a problem, said Mayor Ford, because the beach is protected from the ocean. It is here, said Ennis, that beachgoers who are turned away when Cape Henlopen State Park is full end up. Parking here too is a problem, he said: when the metered parking lot at the beach is full, people end up on the narrow streets of Lewes Beach, looking for parking and then looking for access to the beach.

## **Land Use – Zoning**

City Councilman Victor Letonoff said that he ran for office because he believed the city was in a transitional stage where the best path forward would be accomplished by long-term vision and planning. He indicated in his August 30, 2007 interview that he was most interested in preserving the city’s core values, especially keeping its “busy days and quiet nights.” Developer Preston Schell believes that every effort to maintain Lewes’ special character should be made. That character is due

largely, he said, to the city's geography, with water on one side and agriculture on the other. The best way to accomplish what Letonoff and Schell both want, perhaps, is through zoning. The city of Lewes' zoning ordinance lays out 13 separate districts, each with unique parameters regarding the development allowed there.

The city's zones are: open space, old town, Lewes Beach residential, outer ring residential, old town development district, open space community development district, commercial core, commercial business, a commercial residential district at Lewes Beach, a second commercial/residential district on Savannah Road, university or college, community facilities and industrial.

In general, the stakeholders who were interviewed look at zoning as protection for the integrity of the city. John Hughes, secretary for the state's Department of Natural Resources and Environmental Control, said that Lewes is unique partly because of its "real downtown," something that is worth protecting. He suggested that the city try to include more land in its open space district, perhaps charging a one-percent transfer tax to purchase green space. He also spoke in favor of protecting historic areas with special zoning and architectural review of any new construction.

Mayor Jim Ford indicated that the state's Livable Delaware plan, which is supposed to encourage preservation of open space and prevention of sprawl, is not much help to municipalities. Livable

Delaware has put a lot of responsibility on localities, added Kay Carnahan, chairwoman of the Lewes Planning Commission, but she added that the state has been able to provide the city with good advice. Both Ford and Lewes Historical Society director Mike DiPaolo spoke in favor of the old town district; DiPaolo added that the city may need to institute a special building code as regards the old town district.

## **Open Space Protection**

In a survey of Lewes residents conducted in 2003 by the University of Delaware Sea Grant Marine Advisory Service to support the update of the city's comprehensive plan, 89% of those responding said that the City of Lewes should develop procedures to protect open space. Even more, 93%, agreed that protection of open space would enhance property values and quality of life in town.

Green areas in Lewes are protected under the city's open space district zoning. It is the intent of that zone to, according to the zoning ordinance, "preserve the physical diversity and the harmonious relationship of the city of Lewes with its natural environment by setting aside some lands as free from urban development."

An existing, natural state is permitted in an open space district. In addition, non-commercial parks and recreation facilities are permitted. In open space districts along the Lewes-Rehoboth Canal, docks and piers are permitted, as are bulkheads to prevent

erosion. Lots in the open space district must be 10,000 square feet or larger.

## **Protecting the Historic District**

The old town residential district applies to the residential area that surrounds the downtown shopping district on three sides. The zoning is intended to: preserve face-to-face intimacy in an urban setting; preserve architecturally diverse but harmonious streetscapes; allow for yards that are appropriate to older, densely-settled sections of the city yet meet minimum requirements for light, air and open space; make a substantial number of legally recorded small lots conforming; and allow for compact, urban, residential area with convenient commercial and public services available to many residents by walking or biking. Minimum lot size for a house is 5,000 square feet, and for attached living units, 2,500 square feet per unit. Building height in general cannot exceed 30 and ½ feet and front-yard and back-yard setbacks are 15 feet for all dwellings.

The intent of the old town development district is to enable the city to “develop new neighborhoods that reflect the urban design and scale of the old town residential district.” In addition, the city has historic preservation regulations that went into effect in July 2004. The regulations provide for a seven-member historic preservation commission that reviews the construction or alteration of any building in the city’s historic district that would affect the exterior appearance of the structure.

Nearly 80% of the people who responded to the university survey supported using building design and architectural protection to preserve the historic character of the city. An additional 74% supported special ordinances for the historic district. Chamber of commerce director Betsy Reamer agrees. It is the historic district, she said, that energizes the city.

## **Protection of Lewes Beach**

Separated by the Lewes-Rehoboth Canal from Lewes proper, Lewes Beach, which borders the Delaware Bay, has a unique look and feel. As such, it has its own protective zoning ordinance, designed to recognize its distinctive character. The zoning is also intended to “preserve physical and visual access by the public to the beaches and marshes surrounding this area.” In general, multi-family dwellings are prohibited. The area is reserved primarily for single-family, detached homes. Churches, schools, libraries and noncommercial parks are also allowed. Seventy percent of the people who responded to the university survey supported special regulations to protect the architectural heritage of Lewes Beach.

## **Annexation**

Everybody’s talking about Showfield. The 600-unit development planned for land at Freeman Highway and Gills Neck Road comes up in interview after interview with Lewes’ stakeholders. While not all of the 230 acres that could be used for the development is in the city, developers

are requesting annexation of the part of the property that is currently outside city limits. Showfield will mean a 20-percent increase in users of the city's electricity, said Board of Public Works general manager Ken Mecham. He anticipates that the city, with the help of improving technology, will be able to handle that increase without additional staff.

Superintendent of the Cape Henlopen School District, George Stone, is worried about additional traffic that the development, and other developments being talked about for Freeman Highway, will mean for students and teachers trying to get to the high school. To add to the school district's concerns, developers of Showfield predict that the community will mean 300 new students, Mayor Jim Ford said.

Dennis Forney, publisher of the Cape Gazette, wonders what will happen to the existing Menhaden Mansion on Gills Neck Road. It would make for a good museum, he said, and is a state and local resource.

Developer Preston Schell believes that the annexation process through which Showfield is going is open and inclusive. As part of that annexation process, said Mayor Ford, the city is looking at what city services will be provided versus what services the Showfield community will provide. City water wells and well recharge areas in the area of Showfield have to be protected, said planning commission chairwoman Kay Carnahan. In addition, walking and biking paths to connect the

community to Lewes proper have to be considered, she said.

Even when the topic isn't specifically Showfield, the stakeholders still talk about annexation. Mayor Ford said that annexations bring additional costs to the city and at the same time generate revenue for the city.

Victor Amey, president of Cadbury at Lewes, a nursing home just outside city limits, said that developers of the facility never considered requesting annexation. County sewer was available, he said, and since all Cadbury residents are 70 and older, they thought the city would not want to "annex a community of such narrow demographics."

Gary Stabley, chairman of the board of public works, said that the city's increased capacity at its wastewater treatment plant, its virtually unlimited supply of fresh water, its good roads, and its police and fire departments put it in a good position when talking with developers who want to annex.

Schell said that Lewes missed out on opportunities to annex land 15 to 20 years ago. But John Hughes, secretary of the state's Department of Natural Resources and Environmental Control, said flatly that annexation is not good for the city.

And many stakeholders worry about growth in unannexed areas. Carnahan complained that the county "doesn't have a plan or a vision" and is "making stuff up as they go." The county is approving development in

Lewes' back yard at a speed that makes the planning commission uncomfortable, she added.

Charles Salkin, director of the state Division of Parks and Recreation, wants Lewes and Sussex County to work together on a land-use plan for the region. There need to be a unified strategic plan and a common vision, he said.

Schell encouraged city leaders to work with the Townsend family, who own land not in the city and is currently slated for several residential developments. Its influence on the City of Lewes may exceed all other forces combined, he predicted. And Gary Wray, former president of the Cape Henlopen School Board, said that the district plans to follow Schell's advice and work with the Townsend family during development of the Townsend farm. The farm is directly across Freeman Highway from the Cape Henlopen High School.

The city's comprehensive plan, adopted in October 2005, identifies three main areas that the city should annex (See Figure 3.):

- Land west of Kings Highway, north of Clay Road and east of Canary Creek. The area, approximately 400 acres, includes Cape Henlopen High School and the city's wellfield. About 40 acres of the land would be available for new development.
- Land north and west of Gills Neck Road, excluding the Zwaanendael Farms Agricultural Preservation District.

- Land west of Canary Creek, north of Clay and Old Orchard roads and northeast of Black Hog Gut. The comprehensive plan indicates that the city would prefer that the nearly 800 acres thus described be preserved. About half of the property is wetlands.

Of the people who responded to the survey of Lewes residents conducted in 2003, 59% agreed or strongly agreed that the city should annex adjacent unincorporated areas to help manage growth and improve local decision-making. Seventy percent agreed or strongly agreed that the city should develop a policy and priorities for annexation of adjacent properties and enter into discussions with property owners on their interests.

## Housing

Lewes, said Cape Gazette publisher Dennis Forney, needs more affordable housing. Gary Wray, former president of the Cape Henlopen School Board, agrees. Affordable housing doesn't exist in Lewes, he said. The district occasionally loses teachers because they can't afford to live in Lewes, Wray said, and his own daughter, who graduated from Cape Henlopen High School in 1995, lives in Milford because housing there is cheaper. The area needs workers' housing, added secretary of the state Department of Natural Resources and Environmental Control John Hughes. Not just \$1.5 million homes.

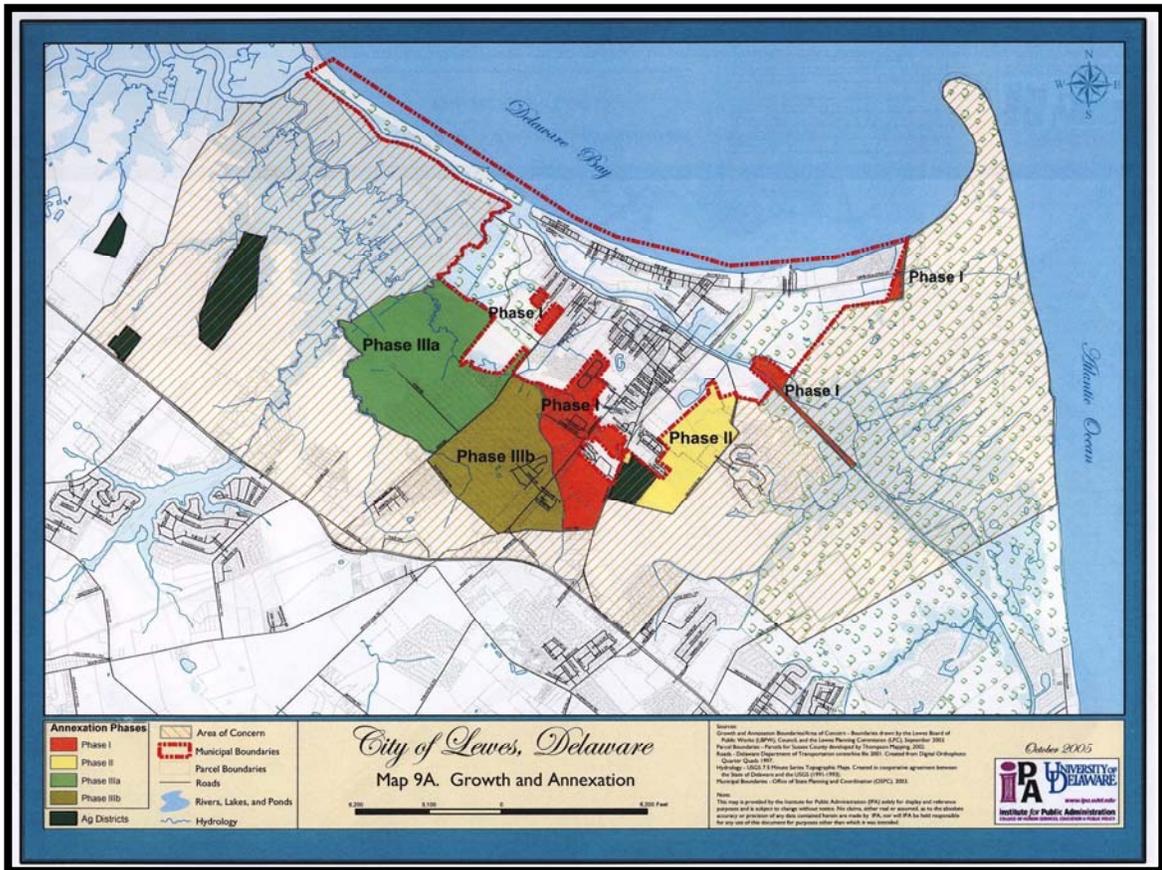


Figure 3. Annexation map of Lewes.

Fifty-eight percent of residents responding to the 2003 survey agreed or strongly agreed that the city should encourage the development of housing that provides for a range of incomes and allows people who work in town to live in town. “Who is going to end up owning the expensive homes that are being built?” wondered Kay Carnahan, chairwoman of the Lewes Planning Commission. As of the 2000 census, Lewes had 2,363 homes, 1,622 of which were single-family, detached (Table 4).

In 2005, when the city’s comprehensive plan was completed, the median price of a housing unit, including townhouses, in Lewes was \$241,500. That compared to \$130,400 in the state as a whole and \$122,400 in the county. Based on a funding formula from the Delaware Housing Authority, a family that wants to buy that \$241,500 home would need an income of about \$64,000. According to the 2000 census, the median household income in Lewes in that year was \$48,707. A household with that level of income could qualify for a \$161,000 mortgage.

<b>Table 4. Lewes Housing Unit Change (1990 – 2000)</b>			
	<b>1990</b>	<b>2000</b>	<b>% Change</b>
Housing Units	1,953	2,363	21%

For low-income families, Lewes is home to 72 state-subsidized (Section 8) housing units at the Jefferson Apartments on Kings Highway and another 65 subsidized units reserved for the elderly at Huling Cove on Savannah Road. Just outside Lewes are 214 low-

income apartments at East Atlantic, Mills Landing, Savannah West and Savannah East. Some of these units are reserved for the elderly. Harbour Towne has 40 units for low-income elderly residents.

According to the Lewes Long Range Plan, the city has several undeveloped parcels of land that could be used for affordable housing: the city-owned parcel between Savannah Road and Market Street on Lewes Beach, the city-owned parcel between American Legion Road and Cape Henlopen Drive, and the parcel behind the library, fronting on Freeman Highway and Monroe Avenue. However, the city’s comprehensive plan cautions, “given the high demand for high-end and seasonal units in Lewes, it is clear that in order to be successful, any new affordable housing units would need to be controlled by a government or quasi-government entity to assure that the units remain affordable and available to those who need them.”

In early 2006, the Sussex County Council approved an ordinance that allows the county, in developments that are outside of the city limits, to trade up to a 3-percent increase in permitted housing density for a developer’s promise to make 15% of a development’s homes moderately priced. The county is also able to expedite the permit process for developments with moderately priced units and considers waiving fees that would apply in developments without such units. In addition, such developments can qualify for a relaxation of standard county requirements – for example, in the

required number of parking spaces. Exactly what and how such requirements could be relaxed is not spelled out in the proposed ordinance — each individual request goes before the county council. The county’s building code still applies.

## Transportation

Talk to anyone in eastern Sussex for more than five minutes, and chances are traffic — how long the last trip to the grocery store took, or how hard it was to find a parking space at the outlets — will come up. Especially in Lewes, attractive to out-of-towners because of its shopping, restaurants, beach, hospital, library and post office, congested highways are something everyone talks about.

“Traffic is nuts,” Patrick Cooper, administrator of Cape Henlopen State Park, said in an interview on June 19, 2007. And if it was warm and sunny that late spring day, he was probably right. The last state traffic count, done in 2006, showed that Savannah Road, one of two main roads coming into town from Route 1, had an annual average daily traffic count of nearly 11,000 between Wescoats Corner and the city limits. That’s including winter days, when traffic is nothing like what it is in the heat and rush of summer, and is expected to increase to 17,000 by 2030.

Kings Highway, also measured in 2006, had an annual average traffic count of nearly 17,000 (from Dartmouth Drive to Clay Road) and nearly 16,000 from Clay Road to the city limits. By

comparison, Route 1, from Kings Highway to U.S. 9, saw an average of 44,000 cars a day, Pilottown Road from Savannah Road to New Road, about 5,150 cars a day and Wolfe Neck Road, from Route 1 until it dead ends, nearly 2,000 cars a day.

Traffic can be so congested that the Delaware Department of Transportation is concerned about accessibility to Beebe Hospital, according to Ralph Reeb, director of planning for DelDOT. The agency has recommended to Beebe that it move some of its services out of the congested downtown. In 2003, the hospital opened the Beebe Health Campus on Route 24 to provide outpatient care for patients in the region.

Indications are that the situation on the roads will only get worse. More people — at least until, as Cape Gazette publisher Dennis Forney suggests society “stops being auto-centric” — will mean more cars. And the population of Sussex County, which has grown 38% since 1990, to 157,000, is expected to grow to 253,000, by 2030.

As for the population of greater Lewes, Lewes postmaster George Tutlane said that the post office has been notified that by 2011, it should expect to handle another 3,400 deliveries per day than it does now — that’s on top of an increase of 3,000 deliveries, to more than 14,000, from 2001 to 2007 (This estimate for increased delivery represents the entire 19958 zip code area.).

In the 2003 survey conducted by the University of Delaware, 79% of the people responding said that somehow achieving roads that are not congested is very important or extremely important. The huge majority, 85%, said that seasonal traffic causes congestion.

George Stone, superintendent of the Cape Henlopen School District, is also worried about traffic congestion. He said in an October 10, 2007 interview that the residential and commercial development planned along Kings Highway could make it more difficult for teachers and students, almost all of whom arrive at Cape Henlopen High School by vehicle, to get there in the mornings and to leave in the evenings.

Several road-improvement projects are in the works. DelDOT expects to have its plans to improve New Road complete by the end of 2008. Expected cost of the project is \$14 million. Reeb said that the state will start acquiring land for the project in fiscal 2009.

Ted Bishop, assistant director for planning for DelDOT, is talking with developers who plan to improve land along Kings Highway and Freeman Highway. Those developers, he said, will pay for the “lion’s share” of improvements on those roads made necessary by their developments.

DelDOT is also conducting a traffic study of Plantations Road, from Five Points to Delaware 24. But not everyone is optimistic that the state will be able to fix Lewes-area roads. Kay

Carnahan, a member of the Lewes Planning Commission, said flatly in a May 30, 2007 interview, “DelDOT is broke.” She predicted that because of the agency’s fiscal problems, Kings Highway won’t get the attention it needs. And the widening of New Road “may now be a pipedream,” she said.

Of course, Lewes remains a very walkable and bikeable city. Retired people in particular, said Reeb, can “use bikes and get around without cars.” And the 4-mile Junction and Breakwater bike trail means that cyclists can get from Lewes to Rehoboth without resorting to Route 1.

But not all are happy about the way of the path. People at first were excited about it, said Salkin, “but it is disappointing because it goes through a big, sub-development,” Hawkseye, he added. “The first mile of what was hoped to be rural is now through the suburbs.”

## **Cape May-Lewes Ferry**

Lewes is also accessible by water. The Cape May-Lewes Ferry brings passengers, as well as, in many cases, their cars, across the Delaware Bay to coastal Sussex from New Jersey. The ferry runs year-round and May through October operates a shuttle service from the Lewes terminal to downtown Lewes and to the outlet center on Route 1 near Rehoboth.

The ferry service has five ferries, each capable of carrying 800 passengers and 100 automobiles. From its founding in 1965, it saw a nearly-steady increase

in passengers through 1999, when it handled 1.3 million passengers and 400,000 vehicles.

In 2000, though, ridership started to drop. That drop became even more drastic in 2004, so that now, according to James Johnson, chief executive officer of the authority, the ferry loses \$8 million a year. Possible reasons for the drop in the number of passengers, according to a market study report prepared for the Delaware River and Bay Authority in 2005, include the ferry's limited food service, increased fares, a slowing economy, the new Route 1 going north from Dover, making travel toward New Jersey easier, and the fact that gambling, in the form of slots, is available in Delaware.

As might be expected, the ferry is busiest during the summer, and it is also during the summer that it has seen its greatest decline in passengers. Ridership in January has remained fairly steady this decade: 33,153 in 2001 and 35,656 this year. Ridership in July, however, has dropped nearly 20 percent, from 320,874 in 2001 to 252,418 in 2006. Passenger numbers in August have seen a similar drop, from 359,118 in 2001 to 284,248 in 2006 (See Figures 4 and 5.).

## **Parking**

No matter how the cars get to Lewes, whether they come by road or by ferry, they need someplace to park. In interview after interview with the city's stakeholders, parking came up as a major problem. David Ennis, former state legislator and governmental

relations consultant, wondered whether Cape Henlopen State Park shouldn't be willing to put in more parking. The park, which has pledged not to sacrifice any more park land for parking lots, is considering some day having to shuttle people in from remote parking areas.

The park's main parking lots can accommodate 2,346 cars. When they reach capacity, the park has to be shut down. "We want visitors, but not their cars," said Charles Salkin, director of the Delaware Division of Parks and Recreation.

Gary W. Stabley, chairman of the city's Board of Public Works, views the lack of parking as "the city's greatest unsolved problem" and thinks perhaps a system of parking permits is the answer. Betsy Reamer, director of the chamber of commerce, said that the problem is year-round, not confined to the busy summer season. Mike DiPaolo, director of the Lewes Historical Society, while praising the parking meters that still nickels and dimes as an "overlooked charm," wondered whether designers of the new Canalfront Park shouldn't have included in their plans more room to accommodate cars.

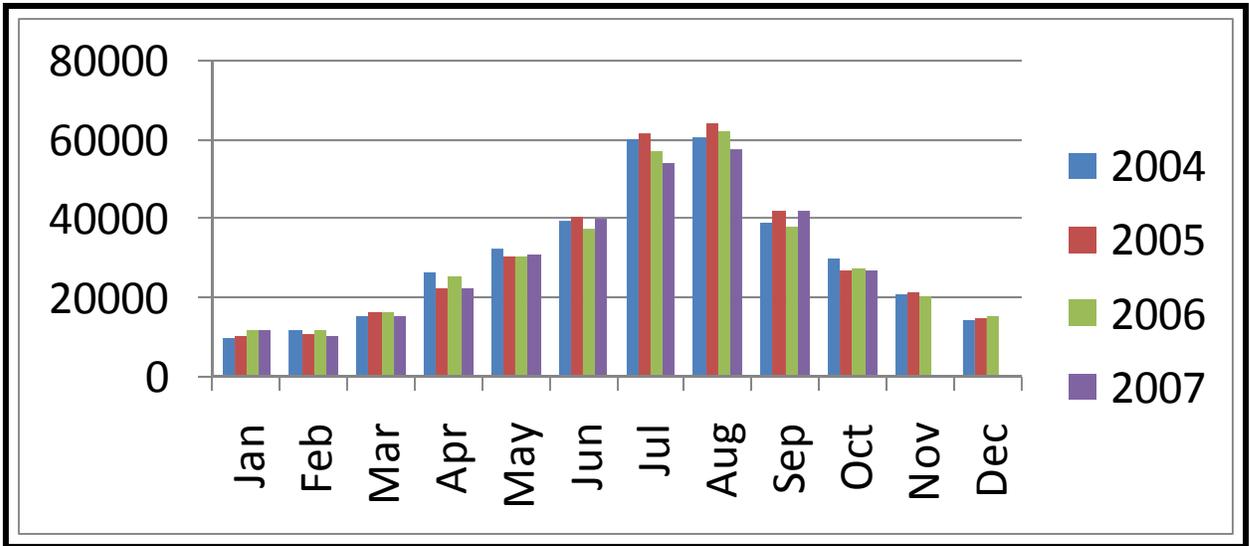


Figure 4. Cape May - Lewes Ferry Vehicle Traffic (2004 – 2007)

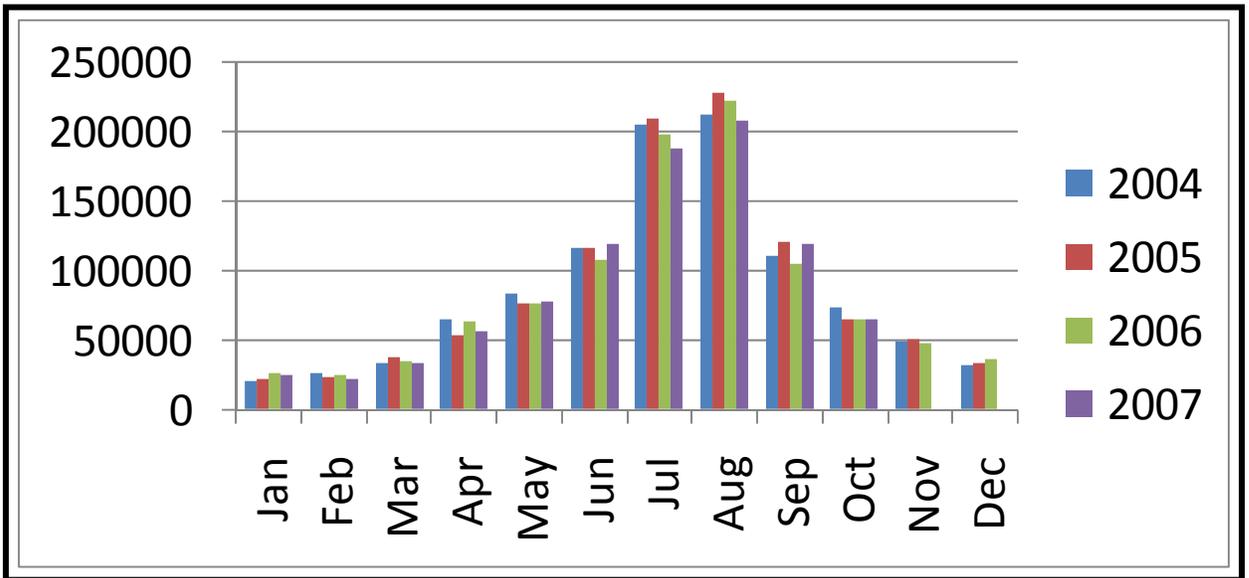


Figure 5. Cape May - Lewes Ferry All Passengers (2004 – 2007)

Chrys Dudbridge, director at the Lewes Public Library, is concerned that limited parking at that facility will eventually mean that not everyone will be able to visit there. And developer Preston Schell suggested that the city consider building a multi-story parking garage next to Second Street.

In addition to on-street parking, Lewes has five municipal parking lots on West Third Street, at the 1812 Park, at Lewes Beach at the end of Savannah Road and two lots on Cape Henlopen Drive.

## **Pedestrian Walkability**

According to one of the core values of Lewes, DE, the residents of Lewes value “its human town-scale and sense of face-to-face intimacy that is characteristic to its quality of life”. A large part of that human town-scale is the ability of the residents to walk or bike to most areas in the town. Pedestrian walkability is also a tenet that is included in Governor Minner’s Livable Delaware initiative. DelDOT shows that while the number of people walking to work has decreased over a 10-year period (1990-2000) the number of people in Sussex county walking to work actually increased. This value is important to the residents of Lewes, but new development has been slow in acknowledging it.

In resident interviews conducted in 2003, a number of residents noted that there was a scarcity of walkable and bikeable paths in Lewes, and the areas that were available were in need of repair. In the city’s comprehensive plan

it was noted that new regulations to ensure the proper repair and upkeep of sidewalks might also be needed.

Open space is a large part of the walkability of Lewes. The provision of open space and congregation areas for the residents helps facilitate the walkability of the town, and provides an area specifically for that use. Residents have expressed concern that development is overtaking the current available open space, and is not making provisions for new areas of open space.

Traffic is also a large concern for the walkability of Lewes. Increased traffic and increased speeds of drivers are making it more dangerous for pedestrians around Lewes. The comprehensive plan also noted that the parking and pedestrian regulations need to be updated.

There have been several projects in the past few years that have been aimed at improving the walkability of Lewes. As noted earlier, the completion of the Junction and Breakwater bike path, which the residents of Lewes strongly supported, was a major accomplishment. There are plans to create a section of bike trail from Nassau Road to the City of Lewes, which will be included in the proposed American Discovery Bike Trail. DelDOT is also including plans for improved pedestrian safety. The Canalfront Park is creating large amounts of open space for the residents to gather, which will help facilitate the walkability of the community.

Because the ability to walk around Lewes is so important to the residents, and is included in the core values of the town, new development needs to include measures to increase/improve the ability to walk around Lewes. Reviews of planning documents (PLUS plans) for Lewes need to also take into account pedestrian walkability when providing comments to developers. If this value is taken into account during the planning stages of development, the “face-to-face intimacy” of Lewes will remain intact, and possibly improve.

### **Economic development**

Lewes is a tourist town. Its comprehensive plan admits it, its mayor admits it, the other stakeholders admit it. Even so, says the city’s comprehensive plan, the Lewes economy is “more diverse than the other nearby beach communities, giving it a unique character.”

Counting its hotel rooms, bed-and-breakfast rooms and 855 houses that, according to the 2000 census are used seasonally, the city can welcome about 3,400 visitors at any given time, more than its population. Tourists are attracted to Lewes by nearby beaches, the Cape May-Lewes Ferry, Cape Henlopen State Park, fishing, historic attractions and shopping. In addition, three conference facilities, the Virden Retreat and Conference Center at the University of Delaware College of Marine and Earth Studies, the Biden Conference Center at Cape Henlopen State Park and the Inn at Canal Square, attract a number of visitors. And the city hosts several popular annual events,

including the Great Delaware Kite Festival every Good Friday, the British motorcar show, an annual garden tour, Boast the Coast and Coast Day, and the Christmas parade. The Lewes Historical Society hosts two craft fairs a year as well as antique shows and sales, farmers markets, and an annual Christmas house tour.

The city’s economy is dominated by the retail sector, including a healthy downtown. The downtown has many unique and valuable assets, when judged against standards set by National Main Street. Those assets include pedestrian orientation, relationship to the sea, historic architecture and natural resources.

The economy also features maritime activities, including charter-boat sport fishing, headboat fishing, storage and servicing of large recreational boats and launching of trailered boats, and is home to the base of operations for the Delaware Bay and River pilots, the Lewes Yacht Club, a U.S. Coast Guard station and the University of Delaware’s College of Marine and Earth Studies (including an oil-spill recovery vessel).

The city is also home to Beebe Hospital, what Lewes’ comprehensive plan calls “Sussex County’s principal medical facility.” The hospital was the primary reason the Society of Friends elected to put its Cadbury at Lewes nursing home near Lewes, said Victor Amey, Cadbury president.

There is some office activity, primarily doctors and other medical

services attracted to the area by Beebe, some real estate and financial services and other professionals like architects and attorneys. There is very little industrial activity in Lewes other than SPI Pharma (formerly Barcroft), an Associated British Foods company that makes ingredients for medicines.

About 43% of the people working in Lewes provide professional services (lawyers and doctors). About 30% work in retail, 10% in construction, 4% in public administration (city, county, state or federal), 3% in providing services for other businesses, 3% in manufacturing, 3% providing personal services, 2% in finance, insurance and real estate and 2% in transportation, communications and public utilities.

Despite a healthy economy, job opportunities in Lewes are limited, said Mayor Jim Ford, with little blue collar job opportunities left. The primary job opportunities in the area are in health care and hospital work, real estate and chicken processing, he said. He hopes that shipping along the Delaware Bay, and jobs that that would bring, will increase.

Gary Wray, former president of the Cape Henlopen School Board, sees lots of job opportunities, albeit relatively low paying ones. Many workers, including teachers, have two or three jobs, he said. "The hospitality industry is a great employer," he said. "If you want a job and are prepared to work, you can find a job. It is much better here than in other places. Kids here aren't limited."

Kay Carnahan, chairwoman of the Lewes Planning Commission, would like to see more year-round, less unusual shops along Second Street. But she praises the business community for helping merchants in need, pointing to its assistance in finding alternative retail and business space after the recent fire at Haversham Peddler. And she worries that the houses that are being built in Lewes are too expensive for employees in the town to buy. "Who is going to end up owning the expensive homes that are being built?" she wondered.

John Hughes, secretary of the state Department of Natural Resources and Environmental Control, would like to see the University of Delaware establish a full campus in the area of its College of Marine and Earth Studies. That would attract people to town during the off-season, he said, and would be a source for summer employees for area stores and restaurants.

And Dennis Forney, publisher of the Cape Gazette, would like to see Lewes put in the infrastructure for wireless Internet connections through the city. Doing that would enable more people to work at home, he said, reducing traffic.

## **City Services**

With its new wastewater treatment plant online, the City of Lewes has twice the treatment capacity it had with its old plant. In addition, said Ken Mecham, manager of the city's Board of Public Works, the new \$12 million plant is fully compliant with wastewater discharge standards. The new plant

processes 1.5 million gallons of waste a day, double what the old plant could do. It is also designed so that it can easily be expanded to do another 750,000 gallons a day, Mecham said. With an additional \$3 million investment, it could handle all the additional wastewater that would be generated if all the areas in the comprehensive plan were annexed and developed, he added.

Construction of the new plant is one example of how the city's Board of Public Works, which oversees water, wastewater and electric services as well as road maintenance, serves the city well, said board chairman Gary Stabley. The board has a forward perspective, he said, that allows it to plan in a non-political way for the growth that will come.

Developer Preston Schell agrees that the Board of Public Works, as well as the Lewes City Council, are using good judgment in running the city. Members are willing to turn to outside experts when the complexity of a subject exceeds their understanding, he said.

The board did just that when it commissioned an engineering firm to recommend sewer charges for prospective service areas. This was in response to the cost of the treatment plant improvements, Mecham said, and the board's desire to spread that cost out over a larger number of users. The board is also working on a five-year budget, and plans to work out a 10-year budget next year. This budgeting process is forcing the board to think long-term, Mecham said.

Beginning in December, customers of the Lewes Board of Public Works are getting full-page bills instead of the postcard bills they used to get. In addition to information about the charges, the bills include news from the board. The new bills also feature different paying options, Mecham said.

Lewes buys its power from one wholesale provider and sells it to its customers at cost. Last year, Mecham said, the city had the lowest electric rates in the state. In order to help keep prices down, the board buys its power in thirds, he said, instead of all at once, so that it can take advantage of good prices if they come along. For a small additional cost, 21 cents per kilowatt hour, the city offers its customers green energy — power generated by non-fossil-fuel-burning plants.

The board tries to stay on top of what other energy-related agencies are doing, Mecham said. It is a member of the American Public Works Association, which includes 40,000 municipal water systems, and the Water and Environmental Federation, which deals with issues about wastewater. At the same time, the board remains nonpolitical, Mecham said. It is not necessarily pro-growth, he added, but it wants if possible to benefit from additional customers sharing the costs of services.

Other services in the city include its schools, of course, and the Lewes Public Library. The Cape Henlopen School District is growing, said superintendent George Stone, with the student

population expected to grow from 4,410 this school year to 5,310 in 2017. A new Cape Henlopen High School is currently under construction. When complete, it will have room for 1,650 students, said board president Gary Wray, making it the first school in the Delaware to be built for more kids than are initially going into it. It will also be green, tightly insulated with geothermal heating.

With the opening of the new high school, the current ninth-grade campus in the old Lewes High School will be vacant. Wray said that the 1921 structure, renovated in the 1980s, is in good shape and the district is considering several uses for it, including a charter school or a magnet school. It could also remain in use by the University of Delaware's Lifelong Learning program, he said.

As for the library, director Chrys Dudbridge said that it too is growing, with the second highest utilization rate in the state, based on the number of books in the collection and the number of lendings. This is accomplished with a relatively small staff, she said, and a corps of dedicated volunteers. The library is working to reach beyond the older, mostly white population that uses it now, Dudbridge said. Its use by children is minimal, she said, while many older people combine trips to Beebe Hospital and the library. Dudbridge said that she sees an increasing demand among library users for additional services. She encounters people who have left high property tax areas to come to Sussex County and yet

expect the same services that were available in their former communities.

In planning for the future, the library is looking for ways to serve readers without making them actually visit the facility. The library may be too small to accommodate increasing numbers of people, she said, and the parking lot too small to accommodate increasing numbers of cars.

## Conclusions

This report presents information that helps to characterize the current atmosphere of the City of Lewes, and the surrounding region, with regards to growth and development. It is based on interviews of key community leaders, as well as factual information that was obtained from a variety of reports and planning documents.

The report will be disseminated to local officials and key stakeholders for their review prior to a visioning charette that will take place in February 2008. Key themes from this report will form the basis of the charette and further discussion, dialogue and debate will occur.

The final product, after stakeholders and local residents provide input, will be a visioning document that looks 10 years into the future and addresses important factors to help maintain the quality of life the area now enjoys.

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## APPENDICES

## Appendix 1. Stakeholder Interview List

<b>Appendix 1. Stakeholder Interview List</b>	
Victor Amey President and CEO Cadbury at Lewes	Victor Letonoff City Council Member, City of Lewes
Ted Bishop Assistant Director of Planning, DeIDOT	Ken Mecham General Manager, Board of Public Works, City of Lewes
Kay Carnahan Chair, Lewes Planning Commission	Betsy Reamer Executive Director Lewes Chamber of Commerce
Patrick Cooper Park Administrator, CHSP	Ralph Reeb Director of Planning, DeIDOT
Michael DiPaolo Executive Director, LHS	Charles Salkin Director, DNREC Delaware Division of Parks and Recreation
Chrys Dudbridge, Director Lewes Public Library	Preston Schell Owner, Ocean Atlantic Companies
David Ennis Governmental Relations Consultant	Edward Simon Delaware Economic Development Office
Jim Ford, Mayor City of Lewes	Gary Stabley Chairman, Board of Public Works City of Lewes
Dennis Forney, Publisher Cape Gazette Newspaper	George Stone Superintendent, CHSD
Jeffrey Fried President, Beebe Hospital	Tom Wontorek City Manager, City of Lewes
John Hughes Secretary, Delaware DNREC former Mayor of Rehoboth Beach	Dr. Gary Wray Former President, Cape Henlopen Board of Education
Jim Johnson Executive Director, DRBA	

**Appendix 2. Current and PLUS Review Projects in Greater Lewes Area**

<b>Name of Project</b>	<b>Acreage</b>	<b>Number of Units</b>	<b>Commercial/ Residential</b>
Breakwater		195	Residential
Cadbury	35	150	Residential – Assisted Living
Canary Creek Village	70	129	Residential
Dove Knoll	86.53	103	Residential
Governor’s	186.56	472	Multi-Family Residential
Graves Property	107	526	Both
Hawkseye		162	Residential
Henlopen Landing	29	138	Residential
Heritage Village	44.8	147	Residential
Holiday Park	(16,000 s.f.)	176	Both
Hunter’s Walk		178	Residential
Land of Givens	49.37	115	Residential
Lewes Shores Estates	81.05	60	Residential
Nassau Gardens	1.24	14	Residential
Nassau Grove	112	351	Residential
Ridings	221	225	Residential
Senators	119.14	242	Residential
Showfield	230	600	Residential
Stony Creek	47	90	Residential
Sussex West	20.79	82	Residential
Townsend Village Center	68.30 (520,000 s.f.)	48	Residential/Commercial/Retail
Vineyards at Nassau Valley	82	927	Residential/Retail