Three Changes That Drive Density

Downtown District rewrite · current C-1, C-2, and C-3

What we now call the Commercial District (C-1, C-2, C-3) is proposed to be renamed the **Downtown District (DT)**. This Edition 1 review isolates three code changes that most affect parking demand, building size, and height. Source: Dover, Kohl & Partners Version 1.0, dated 9/8/2026.

1. Parking minimums cut or removed in the Downtown District

Proposed § 270-35-D replaces the citywide "2 spaces per dwelling" rule with much lower downtown ratios. On B-Street and C-Street, multi-family buildings would have no parking requirement.

Use (proposed Table 270-35-D)	Minimum spaces
Single-family, duplex, townhouse	2.0 / unit
Multi-family apartments — general	1.0 / unit
Multi-family in DT District	0.5 / unit; none on B-Street and C-Street
ADU or any residential unit under 525 sf	None, if dedicated workforce housing and not a short-term tourist rental
Tourist / rooming / boardinghouse	1 per rental room + 2 for resident family
Hotel, motel, or inn	0.5 per rental room + 3 employee spaces (was 1 per room + 2)
Office, public buildings, clubs, institutions	1 per 400 sf GFA (unchanged formula)

The draft also drops minimum parking for uses in the first two blocks of Rehoboth Avenue and allows shared-parking and bike-space substitutions elsewhere.

2. FAR eliminated in the Downtown District

Historically the City used floor area ratio (FAR) citywide — residential and commercial — to cap buildable square footage and manage density and architectural character. Proposed § 270-93-C removes that tool downtown.

- Lot coverage = building footprint ÷ gross lot area.
- Maximum coverage by street type: A and B 95%; C and D 80%; E 70%.
- FAR is not required anywhere in the Downtown District.

Without FAR, the remaining bulk limits are height, coverage, setbacks, and parking. On a typical downtown lot those limits allow far more floor area than today's commercial FAR 2.0 (and the tighter residential-floor rules that sit with it).

3. Height raised to 50 feet on A-Street and B-Street

After Star of the Sea was built, the City set a 42-foot commercial maximum in the 1970s to keep Rehoboth from becoming Ocean City. Proposed § 270-93-E raises the cap on the Boardwalk and east Rehoboth Avenue.

	A Boardwalk	B Reh. Ave E	C Wilm./Balt.	D Reh. Ave W	E Lake/Chr.
Overall height max	50 ft	50 ft	42 ft	42 ft	36 ft
Overall height min	24 ft	24 ft	—	—	—
Height to eave max	35 ft	35 ft	35 ft	35 ft	24 ft
1st floor at street (commercial / residential)	24" max / 24" min	24" max / 24" min	24" max / 24" min	none / 24" min	none / 24" min

What these three changes do together

As explained by City staff during the Master Plan presentation at the Commissioners meeting on September 18, 2026, these proposed changes **increase the need for additional on-street parking that is not available** — and thus will require the City to build a parking garage.

The same package — no FAR, 95% coverage on A/B streets, 50-foot height, and little or no required on-site parking — changes the economics of tearing down a one- or two-story building.

- Today's FAR cap is the main brake on total floor area. Remove it and height plus coverage become the brake.
- A 50-foot building can be three to four stories. Combined with 95% coverage on A- and B-streets, replacement buildings can reach on the order of 19,000 square feet on lots that now hold much smaller structures.
- Lower or zero parking minimums make those larger buildings cheaper to entitle. The parking load shifts to the curb, public lots, and — if staff is correct — a future garage.
- A-Street (Boardwalk) and B-Street (east Rehoboth Avenue) are where all three changes stack. C- and D-streets stay at 42 feet; E-streets drop to 36 feet.

Why FAR was used — and what replaces it

FAR was the City's tool to limit people and bulk without dictating every architectural detail. The draft substitutes form rules (street types, frontage types, materials, window percentages) for that number. Form rules can keep a building looking "Rehoboth." They do not, by themselves, cap how many square feet of lodging, dining, or apartments sit behind the façade.

A later edition of this analysis will walk through proposed § 270-93-A (street-type overview) and show how those form rules, with FAR gone, encourage replacement of existing one- and two-story structures.

Questions for the next draft

- If multi-family on B-Street and C-Street needs no parking, where do those cars go on a July weekend?
- Is 19,000 square feet on a rebuilt downtown lot an intended outcome, or an unintended one of dropping FAR?
- Does a municipal garage need to be funded and sited before parking minimums are removed?
- Should workforce-housing ADUs that get free parking be barred from short-term rental in the zoning text, not only in a parking footnote?
- On A- and B-streets, is 50 feet compatible with the 1970s decision to stop at 42 feet after Star of the Sea?