



TOWNSHIP OF ABINGTON

Office of the Township Manager

MEETING NOTES

September 28, 2021, 7:30 a.m.

TO: Richard J. Manfredi, Township Manager

DATE: SEPTEMBER 28, 2021

SUBJECT: EDC MEETING

REFERENCE: EDC MEETING VIA ZOOM – PREIT PRESENTATION

ATTENDEES: EDC Members: Doug Callantine, Chairman, Rob Reich, Elizabeth Smith, Bruce Goodman, Wendy Klinghoffer, Linda Millevoi, Chris Lionetti, James Marshall, Michael McPaul, Naish Patel, Dr. Margo DelliCarpini, Chancellor of Penn State Abington, Commissioner Vahey, Liaison

Others: Commissioners Spiegelman, Thompson and Myers, Township Manager Manfredi, Fire Marshal Rohrer, County Planner Mike Narcowich, Zoning Officer Shawn Littlefield, and Administrative Manager Maria Wyrsta,

SUMMARY: AS FOLLOWS

General Discussion:

Consider Approval of Minutes:

Minutes from the April 27, 2021, meeting was approved.

Review and consider grant request for Razzi Radiator and AC:

Razzi Radiators and AC has submitted a Town Revitalization Partnership Grant to complete the project at 2832 Limekiln Pike, North Hills in which the work was completed by a contractor in the amount of \$8,500, and under the terms of the program, an applicant can apply for a grant up to \$4,000 matching grant.

Mr. Reich commented that after review, it seems to be deferred maintenance and the workmanship does not look good and not really within the spirit of the grant program.

Commissioner Vahey commented that he appreciates that concern; however, the purpose of the grant program is to make sure the Township's business districts look fresh and inviting, so whatever the need, we should support it. Also, the Razzi family are both Abington Township residents and business owners, and while he does not have a vote in this matter, he supports it.

Commissioner Thompson agreed with Commissioner Vahey noting that the Razzi's family business has been located on Limekiln Pike for decades, and while this grant may not be in the true spirit of sprucing up the streetscape, anyone driving down Limekiln Pike can see the "For Sale" and "For Rent" signs lined up where former small businesses have closed. He does not want to see the Razzi business leave as they have been a good community member and great neighbor, and he encouraged approval of this grant.

Ms. Liz Smith made a MOTION, seconded by Chris Lionetti to approve grant request for Razzi Radiator and AC in the amount of \$4,000.00.

MOTION was ADOPTED 10-1. Mr. Rob Reich opposed.

Review the requested and submitted petition to amend the Township's Zoning Ordinance by PREIT:

Mr. Callantine noted that we all know the Willow Grove Mall has been an important asset in the Abington community since the early 1980's, and even before the mall was built, this site has been an important commercial use within the Township for the past 100 years.

The focus of the EDC's involvement in this process is to evaluate the economic benefits both from a revenue standpoint and cost standpoint for the Township. We are not evaluating the site zoning or the development plans for the project, per say, as that will be done by the Zoning Hearing Board and/or the Planning Commission, although the EDC needs to understand the scope of the project and proposed renovation.

In addition, we need to evaluate the as-is conditions for the mall as well as the range of possible future renovations or redevelopment of the site. Understanding the current situation of the mall is important to determine the best course of action regarding a renovation, a redevelopment of the property. We should also understand the experience and capabilities of the current owner and any proposed development partner in executing this proposed plan.

Members of PREIT in attendance: Mr. Dan Herman, Sr. Vice President of Development, Mr. Rudolph Alberts, Sr. Vice President of Asset Management, and Ms. Heather Crowell, Executive Vice President of Strategy Communications. Also, Mr. Peter Angelides, President of E-Consult Solutions, Inc.

Members of Bel Canto in attendance: Ms. Jennifer Nevitt, President and Mr. Tom Leonard, Chairman.

PREIT is seeking approval from Abington Township for proposed development for a 365-unit apartment building as part of its effort to reset the mall's future through continued transformation into a multi-use community. Willow Grove Park is key to the future economic vitality of Abington Township, and the creation of a comprehensive community will preserve and enhance tax revenue and jobs; ensuring the vitality of a historic focal point in the community; and drive increased sales within the various businesses by expanding the customer base.

History of Willow Grove Park Mall was presented noting that over the past 20 years, PREIT has invested over \$100 million dollars into this asset bringing in new tenants to the mall and landlord work tenant allowance, doing everything possible to make it viable, and it needs to evolve, so the next step in that process is to introduce additional uses including, but not limited to, multifamily.

Proposed is to amend the Township's Zoning Ordinance to permit multifamily within the district and PREIT has engaged with the Bel Canto Team to seek development of one apartment building of 365 units located in the Bloomingdale's parking field approximately on the northeast corner of the overall mall property and proximate to what is currently a stormwater management basin. The addition is necessary because those living onsite could walk to the retailers and restaurants within the community. The proposal is a concept plan and details still need to be worked out, but by adding multifamily use will help enhance the overall environment in supporting the existing tenants especially dining and entertainment, and due to its proximity to the SEPTA stations, this would become a TOD (Transit-Oriented Development) creating a pedestrian-friendly environment.

Also proposed is to use the existing pond to handle stormwater management and enhance it by installing a walking path along the pond, adding landscaping and hardscaping, creating a park that would be part of the neighborhood, becoming a sense of place for Abington Township.

Facts supporting proposed development were presented noting that construction of the multifamily building would add approximately 600 construction jobs and incremental taxes based on the new building will add approximately \$1.3 million dollars annually; parking ratio will decrease down to 3.9/1,000 ratio; and proposed is one, five-floor apartment building of 365 units, and total investment including hard and soft costs is approximately \$100 million dollars.

Economic impact analysis was presented noting that for both the Township and School District it is a net positive in that additional revenues from the development will exceed extra expenses, and the driver is property taxes. Overall investment of approximately \$100 million dollars will translate to an assessed value of \$30-\$40 million dollars translating into property taxes of approximately \$149,000-\$190,000 for the Township and \$1million for the School District. Also, new residents will be paying earned income tax as well as local services tax. Expenses estimated at \$170,000 with potential increase in police and fire calls.

Questions/concerns raised by members of the EDC were about the increased enrollment of school children impacting the School District as result of this development becoming at-capacity and the need for redistricting as well as the possibility of building another school. The applicant was invited to present their plan to School Board officials.

Also, the amount of business privilege taxes earned at the property currently v. what they might be under proposed renovation, which should be included as an impact as part of the revenue as well as building permit fees that would be paid in conjunction with this project; what the estimated total tax revenue to the Township from the mall itself is currently; and will the land the apartments will built upon be sold to the developer?

The applicant indicated their desire to keep Bloomingdale's, so they are willing to reinvest in that store from the multifamily transaction and reset the store making it a state-of-the-art department store. Taxes to the Township presently for the mall parcel are \$490,000 based upon current investment and tax rate, and this parcel will be on the Bloomingdale's tax duplicate and not on the mall; also, the land will be sold to the developer.

Jennifer Nevitt, Bel Canto, indicated that they are a privately held family firm with a specific business model and very particular on what they invest in long-term. The Willow Grove Mall demographic is a transit-oriented community, and most residents in today's economy want to walk, and there is an abundance of demand coming into this region who will seek rental housing.

In summary, the applicant requested to include multifamily as a permissible use in the district, and it applies to one building consisting of 365 units.

The EDC requested that PREIT provide further detail as presented by E-Consult Solutions, Inc. including whether there will be any business privilege tax that would benefit the Township as well as any other types of revenue benefitting the Township, and further detail on how expenses were calculated. Also, requested was a comparison of an as-is circumstance v. the proposed.

Information requested from PREIT will be reviewed by the EDC who agreed to meet again on October 12, 2021, at 7:30 a.m. to then consider making a recommendation to the Board of Commissioners.

Public Comment:

Lora Lehmann, resident, expressed concern about the grant to Razzi; also, about additional buildings being built.

Natalie Pawell, resident, expressed concern about the amount of additional traffic in an already congested area where roads are not wide enough, and intersections cannot handle it. Also, this development will not generate as much taxes as light industrial, and it will put more of a drain on Township's services.

Paul Morse, resident, suggested the EDC pursue whether there will only be one building built. Also, he expressed concern about increased enrollment of school children impacting the School District, and he requested a copy of the information as presented.

Michael Pawell, resident, commented that the impact on the School District is underestimated, and the ratio of expenses compared with revenue from taxes will not benefit the Township, so light industrial would be more advantageous.

Action Items and Responsibility:

EDC will review additional information from PREIT and then meet again on October 12, 2021, to make recommendation to the Board of Commissioners.

Meeting adjourned at 8:53 a.m.

Liz Vile, Minutes Secretary