

New Castle City Planning Commission Meeting
Minutes
February 22, 2016 -- 6:30 p.m.
City of New Castle Town Hall

Members Present: Michael Quaranta, Chair
David Baldini, Vice Chair
David Bird
Joseph DiAngelo
Jonathan Justice
Josephine Moore
Gail Seitz
Florence Smith

Members Absent: Vera Worthy

Also present: Chris Rogers, City Planner
Deborah Turner, Stenographer

The meeting was called to order at 6:30 p.m. Roll call followed.

Minutes – A motion was made and seconded to approve the 1/25/16 minutes as amended. Motion approved.

Downtown Development District Update

Chris Rogers, a principal planner with AECOM, introduced himself and provided a brief background of his credentials. He provided the status of the Downtown Development District (DDD). A task force has been formed and they are preparing for the First Friday Art Loop and March Into Downtown event in the City on March 4th. There are plans to showcase downtown businesses during the event. The task force hopes to talk with visitors to get their thoughts about the City and encourage their participation in the online survey. Staff from AECOM will be in the library and will have a couple of computers to assist with the survey and answer questions about the DDD project. The deadline for the online survey is 3/11/16. Arrangements have been made with the library for people who do not have access to a computer.

Mr. Rogers and City Council President Linda Ratchford visited 18 City businesses to hand out information about the March event, the DDD planning process, and how to showcase their business during the event. Postcards will be handed out noting businesses participating in the event and any special offers they may have that day. If visitors go to five (5) businesses they can submit their postcards for a chance to win a gift card. The task force has met with the Historic New Castle Roundtable and representatives from two local media firms to discuss how best to advertise and market the event and the City.

AECOM and the task force will meet on 3/23/16 to refining goals and objectives they have been asked to work on. Results of the online survey will be provided at the meeting. The intent is to prioritize stated goals and objectives and develop ways to implement same. Information will be submitted to the State by June for DDD designation. Timeline for response from the State is unknown.

Mr. Bird asked how many projects will be funded noting that funding for one project for each county was previously awarded. Mr. Rogers said they are still looking at what funding might be provided through the General Assembly, but thinks they will choose one project per county again, but cannot confirm at this time.

Mr. Bird asked about a proposal submitted for an Innovation Center and whether it received funding under the DDD. Mr. Rogers is unsure if New Castle County is submitting a DDD for the Innovation Center, but they are in the planning process of developing ways to improve the Route 9 corridor (pedestrian, transportation) between Wilmington and the City of New Castle (unincorporated area). It is known as the Route 9 Corridor Master Plan and is being funded by WILMAPCO. Mr. Rogers stated that the legislation deals with cities and towns; he is unsure if an unincorporated area qualifies for a DDD.

Ms. Seitz inquired how the State determines the funding that might be awarded as part of the planning process. Mr. Rogers said that cities are not eligible for funding as part of the DDD. The purpose of the DDD is to refine planning to encourage redevelopment in our cities and towns. The advantage of receiving the designation is that businesses and homeowners would be eligible for grants from the State to redevelop their property. If you invest more than \$25,000 you are eligible for a rebate on that investment. Rebates are based on investment ranges. There is a cap on funding and must be consistent with the plan. Minimum investment is \$25,000. Businesses and homeowners must demonstrate a need and a good plan. It is very competitive.

Mr. Baldini asked what the benefits are with being designated a DDD. Residents and business owners need to understand what benefits are available to them. Mr. Rogers said they are trying to make as many businesses aware of the DDD plan. Mr. Quaranta asked if residences can be turned into commercial use or remain a private residence.

Mr. Rogers said the program recognizes both. Eligible residential owners must be consistent with the plan. The task force will determine where the lines will be drawn to create the district.

Mr. Quaranta talked about where the district will be located. It is from Ferry Cut-off down Delaware Street (map circulated to commissioners). It includes some, but not all, of the gateway district. There is a limit to the number of acres (85 acres) that can be included in a DDD. Mr. Rogers said the district must be contiguous. There are three distinct areas – northern and southern gateways and downtown along Delaware Street. It is consistent with the DG intent that was meant to bring the outer gateway areas into the downtown and make it a more unified area.

Mr. Quaranta said the Planning Commission's role has changed from what we discussed at our last meeting. Discussion included creating a committee of stakeholders and commissioners to gather more information to make recommendations to City Council. City Council wants to move quicker. No subcommittee will be formed. The Planning Commission has been asked to continue gathering information and commissioners were encouraged to ask for speakers/information about different choices we may or may not want to make to the plan. City Council will do the same.

Another meeting will be scheduled to review the draft plan. Information will be shared with the Planning Commission and City Council. City Council will decide what will be submitted to the State for consideration.

Mr. Quaranta summarized issues raised by Commissioners:

- Ratio of rental properties and multi-family homes on the market; what is a healthy mix? How does construction of 200 additional apartments (3 previous approved applications) fit? Many believe that renters do not get involved like homeowners.
- Management companies versus property owners of apartment units – management companies that manage different properties. Is there a difference in care, upkeep, and maintenance of properties when the owner is also the management firm or the owner hires an outside firm to handle management? Some think if properties are turned over to management companies out of the area they will care about occupancy rates and maintenance and care would go down versus those properties managed by the actual owners of the property.
- To date three applications have been approved by the Planning Commission that represents an addition of about 200 apartments in the southern gateway. If all three projects are built the combined investment is about \$40 million. One of the proposed buildings includes space for commercial development. The Planning Commission envisioned mixed use in the Downtown Gateway District.
- What, if anything, should be done to adjust the zoning in the DG Zoning District?

Kevin Wolfgang, President and CEO of Evergreen Apartments, and Past President of the Delaware Apartment Association talked about renters versus ownership.

(Mr. Wolfgang is a stakeholder in the multi-family industry. He does not have any stake, interest or influence with real estate development in the City.) He would like to see the City become more dynamic, have more businesses, and be a walkable city. Multi-family projects are massive and comprehensive. His management company gets involved with communities by providing move-in packs with information about local businesses, coupons to businesses, area amenities, and knowledge of community events. There is an economic investment with homeowners but renters want to see a community that is engaged.

Mr. Wolfgang spoke about the ratio of renters versus home owners. There will be a certain percentage of people who want to rent homes, ex.-younger people. He thinks that renters prefer to live in communities that are professionally managed as opposed to a home. A critical mass needs to be present in order for the community to be successful. There will be people who are in their older years who are looking for the kind of character that New Castle provides. A more vibrant community is needed for businesses to thrive. Mr. Quaranta reminded about the St. Peter's Triangle project being an example of older citizens wanting to remain in the City.

Mr. Bird asked if there is any timeframe when a project is presented to when it is realized. Mr. Wolfgang said if there is an interest in developing properties, they have established partners (engineers, construction, insurance, lenders) and the process can move along quicker once governmental regulations have been satisfied. Mr. Bird asked about a project

getting approvals but nothing else happens. Mr. Wolfgang said that it does happen for various reasons (can be risky, various investors, resources), i.e., economic.

According to Mr. Wolfgang there are numerous types of investments and resources available. His firm takes a long-term approach. They provide affordable housing and invest heavily in respective communities. Renting is a choice; people do not want the economic commitment of owning a home. Young people like renting; they find it more difficult to be a first-time home owner. The majority of people who rent in New Castle do so because they can and not because they have to rent.

**Mr. Quaranta spoke of the number of houses that have been on the market in the City for a period of time. Trends
As for management versus owner-managed properties,**

Mr. Bird raised the topic of commercial development. He wonders if tenants of the approved 200 apartments will attract businesses. Mr. Wolfgang said there is no concrete answer whether residential comes first or if commercial should come first. He used Wilmington's Waterfront (restaurants, valet parking) as an example. The developer created a critical mass that allowed the Waterfront to take off. There is no set timeframe – if a project is successful there will be word of mouth advertising, businesses benefit and may expand, and other businesses are attracted to the City. Much depends on the success of the projects. He projected that once there is 80% occupancy of apartments the City should see things begin to move.

Jack Garniewski, investor of properties in the City of New Castle, provided his background and spoke of his experience of owning rental properties in the City. He said that people need to be present in order for businesses to be attracted. There is a challenge of keeping people in town once they come for events. He thinks there is a community here that will support businesses. The City needs to attract businesses to the community and investors who understand older structures and who believe in the community.

As for whether commercial should come before residential or the reverse, Mr. Garniewski said that critical mass needs to be present. Challenges for businesses is having people to support those businesses.

Mr. Baldini asked Mr. Garniewski what businesses want in the City. He said the biggest concern is parking in the downtown. The DDD will provide incentive to investors. There is a lot to be developed on 7th Street.

Concluding comments from Commissioners – Mr. Bird thanked all the speakers for their views. He suggested it would be helpful to get a view from property owner(s) in the Downtown Gateway; they have invested financially and may have different viewpoints.

Commissioner's Comments

Mr. Baldini – As we get more information we need to determine who the stakeholders are and how are we getting ready for the next challenge of the Comprehensive Plan (Plan).

Demographics in the Plan are from 2000. The City is changing and we need to start to capture information better. Capture the data and update the "To Do" list. We talked about talking to the communities. What other open areas/parcels can be developed? We should be proactive rather than reactive. Information in the 2009 Update may not be relevant. A lot of the City is now in the flood plain. The 2004 Plan does not reflect this. He thinks where we are going in the net 3-5 years is in flux. What was a good idea yesterday may not be feasible tomorrow.

Comments from the Public

Chris Castagno – About 13 years ago (2003) City Council and the community wrote the *Blueprint for New Castle in the Modern Era*. It is relevant to where the City is going, from the ground up in every community and input was included in the 2004 Comprehensive Plan and updated in 2009 with no major changes to date. It called for the redevelopment of what are now the DG (Downtown Gateway) zones. The idea was to extend the urban environment out (DG District) and create communities with connections to amenities we already have (parks, commercial district, parking). We did not want to create County-like suburban, wholly-contained communities. He thanked everyone for continuing efforts with connectivity, our vision and the Comprehensive Plan.

Budget Statement – Distributed to Commissioners.

The Planning Commission's next meeting is 3/28/16. A Downtown Development District update will be on the agenda for this meeting. There being no further business the meeting was adjourned 8 p.m.