

TOWNSHIP OF LOWER MAKEFIELD
PLANNING COMMISSION
MINUTES – MAY 23, 2016

The regular meeting of the Planning Commission of the Township of Lower Makefield was held in the Municipal Building on May 23, 2016. Chairman Tracey called the meeting to order at 7:30 p.m.

Those present:

Planning Commission: John Tracey, Chair
 Dawn DiDonato-Burke, Vice Chair
 Dean Dickson, Member
 Charles Halboth, Member

Others: Gary Smith, Keystone Municipal Services
 Barbara Kirk, Township Solicitor
 Mark Eisold, Township Engineer
 Michael Shinton, Township Traffic Engineer
 Judi Reiss, Supervisor Liaison

Absent: Chad Wallace, Planning Commission Secretary

DISCUSSION OF DRAFT O/R (OFFICE RESEARCH DISTRICT) TEXT AMENDMENT

Mr. Bob Dwyer was present. Mr. Tracey stated he believes that Mr. Dwyer and Mr. Murphy met last week with the Board of Supervisors, and there was a division of the Supervisors as to whether this could be considered Spot Zoning; and he asked that Mr. Dwyer first provide some information as to what the purpose was to meet with the Supervisors and what the outcome was in his opinion.

Mr. Dwyer stated he had met with the Planning Commission over the last several years. He stated in 2012 he was hired by the owners of the Lower Makefield Corporate Center, Equus Properties, which owned the Corporate Center and Floral Vale for thirty years. He stated in 2012 they started realizing significant vacancy rates, and they had asked him to come in and look at the Codes to determine if there was anything they could do to help create a better atmosphere for the Corporate Center. Mr. Dwyer stated he went to the Planning Commission, the Economic Development Committee, and the Township staff; and the Township opted to update the Comprehensive Plan. He stated the Comprehensive Plan is supposed to be updated every ten years and was overdue. Mr. Dwyer stated typically you would never propose a change in Zoning unless it was done consistent with the Comprehensive Plan. Mr. Dwyer stated he worked with the Township Planning Commission for two years at meetings where residents and various other Township Committees came in and provided input for the Comprehensive Plan. He stated the

County Planning Commission was also present at every meeting and developed language and recommendations that were generated as a result of the input they received.

Mr. Dwyer stated at those meetings when the opportunity presented itself he did talk about some of the land use issues that exist in the Township since he was the representative for the largest taxpayer and landowner in the Township; and he advised at that time that the market had changed dramatically. Mr. Dwyer stated he provided numerous articles from a number of sources about the state of the suburban office. He stated they were seeing this first hand; and at that time, their vacancy rates were from 25% to 50%. He stated three years ago he “sounded the alarm” that something had to be done. Mr. Dwyer stated last year his client lost the entire Corporate Center to the bank which took it back. Mr. Dwyer stated his client had tried to solve the high vacancy rate, but they could not do it. He stated it is now being controlled by AIG who he has met with, and they are supportive of any effort the Township can undertake to try to improve the conditions in and around the Corporate Center to try to make it more attractive to tenants.

Mr. Dwyer stated as they went through the Comprehensive Plan Update, the Planning Commission recommended language that is very supportive of what he was proposing. He stated in November of last year he visited the Planning Commission to share his view of how things could be addressed in the Comprehensive Plan. He stated he also felt a need to go before the Board of Supervisors to get their feedback as well. Mr. Dwyer stated while his client no longer owns the Lower Makefield Corporate Center, they do own this property which is down the street; and they have owned the property for many years as an addition to the Corporate Center. He stated they feel that the piece that they now have would be helpful to change the dynamics that now exist at the Corporate Center and Edgewood Village since this property is between those two properties.

Mr. Tracey stated he was on the Planning Commission when they approved and sent forward to the Board of Supervisors the current edition of the long-range plan, and to his knowledge they did not really change the wording to the O/R District; and Mr. Dwyer agreed.

Mr. Tracey asked Mr. Dwyer if he knew the vacancy rate in Floral Vale, but Mr. Dwyer did not know. He stated Floral Vale probably does not have a high vacancy rate, and it is probably 10% to 15%; however, he stated at one point it was over 50% vacant. He stated when his client lost their property, AIG had to discount the rates and bring in a Class B and C tenants which are a lower rate. He stated this will not be at a level as to income production to warrant paying the taxes that they have been paying for years. He added that there have been a number of successful tax appeals over the years, and they are still going forward. He stated AIG will

continue to file them because every year the value of the asset goes down because of the income production that is being generated. Mr. Dwyer stated they want to turn that and make it more attractive to help stem that tide, and to be able to fill the units with Class A tenants to be able to pay the amount of money necessary to maintain a Class A space and attract large, credit-worthy tenants. Mr. Dwyer stated he believes that the Lower Makefield portion is probably 33% to 35% vacant as opposed to 50%; but because the current rents have gone down, the value of the property has gone down. Mr. Dwyer stated they want Class A tenants in the Township since the Class B and Class C buildings become eyesores and do not draw large workforces, rather they draw lower credit-worthy and smaller tenants that pay less money. Mr. Dwyer stated the entire region has over 30% vacancy, and in Newtown and Yardley there is 500,000 square feet of space that has been approved but is not yet built. He stated everyone has space; and as a result, all the values are going down. He stated their objective is to try to turn that around.

Ms. Burke asked if they could apply for a Use Variance; and Mr. Dwyer stated he does not feel that would be the appropriate way to go about it, although it would have been easier. He stated they would have had to prove a hardship, and financial hardship is not justifiable for a Variance. He stated he feels the appropriate way of getting this through is through the Planning Commission and the governing body, and not through a Zoning Hearing Board action. Ms. Burke stated she feels it is the same thing going through this route. She stated Mr. Dwyer had indicated that in order to increase the productivity of the Edgewood Village this would be helpful, and Mr. Dwyer agreed. Mr. Dwyer stated in order to get what he is proposing, he could go in two routes – one of which would be a Variance which would be unlikely since it is taking the power away from the governing body which is the Board of Supervisors, and he does not feel that would be the appropriate step to take. He stated they wanted to follow the proper procedure which is to go to the Planning Commission and work with them on the Comprehensive Plan. He stated he is not suggesting that the Comprehensive Plan stated they should re-zone the property for apartments, but it does suggest that the Township do something in the O/R District to fix it which would help the Corporate Center and Edgewood Village.

Ms. Kirk asked who prepared the proposed Amendment, and Mr. Murphy stated Mr. Murphy, their attorney, prepared it. Mr. Dwyer stated they submitted the Petition in August, but it never got to the point where the Board felt comfortable having a public discussion on it until sometime in the late fall. Mr. Dwyer stated after the Election, they were able to get the Board to agree to move it to a discussion item on the Agenda. Ms. Kirk asked if it is Mr. Dwyer's client's position that this will be presented to the Supervisors in mid-June for review and a vote. Mr. Dwyer stated that was their hope. Ms. Kirk stated she feels procedurally there is an issue since under the Pennsylvania Municipalities Planning Code, if an Amendment to a Zoning

Ordinance is prepared by someone other than a planning agency, it has to be submitted at least thirty days prior to any Hearing to the planning agency for review. Ms. Kirk stated this was not submitted until the beginning of May. Mr. Dwyer stated he would defer to Mr. Murphy and Mr. Truelove, the Township Solicitor, who set the Hearing date. Mr. Dwyer stated he does recognize that both the County and the Township Planning Commissions need to act on this before the Board votes. Mr. Dwyer stated he is not expecting that the Board will vote on this in June, although he was hoping to have a Hearing. He stated Mr. Murphy and Mr. Truelove scheduled the meeting for June 15 before the Board of Supervisors. Mr. Dwyer stated he wanted this to be heard publicly so that people could weigh in. Mr. Dwyer stated they are trying to gather support, address issues, and hopefully ultimately get approval to do something for the sake of Edgewood Village and the Corporate Center.

Mr. Tracey stated he understands that Mr. Dwyer and Mr. Murphy already met with the Supervisors approximately a week ago, and there was a discussion about the whole issue. He stated now Mr. Dwyer is back before the Planning Commission. Mr. Tracey asked Mr. Dwyer if he is on the Board of Supervisors' Agenda for June 15, and Mr. Dwyer stated he is.

Mr. Jeff Benedetto stated this goes back to the Board's April 20 meeting when they discussed this proposal briefly, and the reason it was postponed for a full discussion at that time was because it needed to be advertised. He stated at the April 20 meeting, they voted to advertise the proposed Amendment; and the plan was to have Mr. Dwyer come back for a full discussion which the Board did at their last meeting. He stated the Board was then going to vote on this on June 15. He stated according to the information now provided by Ms. Kirk, it seems that will not be possible.

Ms. Kirk stated based on her prior experience with other Townships, generally whenever there is any revision to a Zoning Ordinance or a Subdivision and Land Development Ordinance, that proposed Ordinance or Amendment is to be submitted to both the local planning agency and the County planning agency at least thirty days before. Mr. Dwyer stated it was submitted to the County Planning Commission. Ms. Kirk stated the Planning Commission review is dated November 15, 2015, and she understands that was an original submission. She stated this revised document is now being presented. Mr. Dwyer questioned what revised document she is referring to. Mr. Dwyer stated they had submitted the Text Amendment to the Township as a Petition, and it was reviewed by the Township staff and the County Planning Commission; and they have that review. Mr. Dwyer stated they have not changed that text. Ms. Kirk stated a response was issued to the Planning Commission under Mr. Dwyer's letter dated May 16, 2016 addressing what the

Bucks County Planning Commission raised back in November. Ms. Kirk stated from November to May is a six month period when it “just sat,” and now it seems that it is being “rushed through.” She stated her only concern is that the Planning Commission is not going to have ample opportunity to thoroughly review what is being presented in order to make a fair and appropriate recommendation. Mr. Dwyer stated there is no intention on his part to rush it through, and he is happy to spend as much time with the Planning Commission talking about it as is necessary. Ms. Kirk stated she has not had any direct conversations with Mr. Truelove about this. Mr. Dwyer stated he was not looking for a vote from the Planning Commission or the Board of Supervisors at the next meeting; rather they are looking to address issues and concerns, resolve them if they can, and ultimately if there is a vote, it will be procedurally correct at the time. He stated he is not looking to usurp the policies and procedures of the MPC.

Ms. Reiss stated she feels that before they show a plan with elevations, etc. an Amendment to the Zoning has to be done long before that. She stated she is seeing Plans, but the Board had not amended the Ordinances. Mr. Dwyer stated a lot of Townships want to see what it is you are proposing before they even consider a Text Amendment. He stated they want to be able to show what the Text Amendment would look like, and what they are showing is what the Text Amendment would allow.

Mr. Tracey asked why the decision was made that multi-story apartment buildings were an appropriate use. He stated he does understand it from an economic point of view as far as being able to make a viable use of a piece of property that they own, but he questions what the thought process was. Mr. Dwyer stated currently the property is Zoned O/R which allows for three-story buildings but at a much higher density. He stated these buildings proposed are much less dense as far as population, traffic, and impervious cover. He stated after attending meetings for almost three years, they analyzed what they could do which they felt would be appropriate to develop their property and help the Village and the Corporate Center. Mr. Dwyer stated the three-story Residential structure will be smaller in size, smaller in volume, will have less parking, will have more open space, will have less traffic, and will be more fiscally sound. He stated it is less dense that what was approved and less dense than what the O/R District would typically permit.

Mr. Tracey stated this Residential use would be locked in between Township Line Road and I-95. He also noted a number of office parks in the area. Mr. Dwyer stated what they are proposing is not dissimilar to the Polo Run, Cornerstone, and Brookstone developments as they also back up to I-95. Mr. Tracey stated if they have children in these apartments, they would also be attending School so there are logistic issues that arise that are more complex than the economics of a development site. Mr. Tracey also stated if they are taking an entire O/R District,

and they are singling out a single parcel to change it to multi-family use, there are a lot of impacts with that which go well beyond the economics. Mr. Dwyer asked what would it be logistically with apartments at this site that would be more difficult than Cornerstone or Polo Run along Township Line Road. Mr. Tracey stated he is concerned with School buses and the traffic on Township Line Road which is already bad. He stated this is also a feeder road into the Newtown By-Pass and I-95, and he feels there are some safety issues which are fairly compelling.

Ms. Kirk asked Mr. Eisold if this is the only general area that is designated O/R in the 2003 Comprehensive Plan, and Mr. Eisold stated he believes it is. Mr. Dwyer stated the first page of the booklet he provided shows the entire O/R District in the Township. He stated everything is developed there except for the Fleming Tract (Shady Brook Farm), the Capstone parcel, and the Prickett property.

Mr. Benedetto asked Mr. Dwyer if it is true that by the end of June, he will not have a stake in this anymore since he understood AIG gave Mr. Dwyer until the end of June. Mr. Dwyer stated his client has owned the property since 2006. He stated it is possible that if he cannot get this done by June, his client may fire him. Mr. Dwyer stated he feels there are developers who would have tried to come in and do this in a couple of months as opposed to a few years like he has. Mr. Dwyer stated he had been respectful, cordial, and open minded about trying to understand the issues. Mr. Dwyer stated Equus owns this property, and they were the largest taxpayer and landowner in the Township for over thirty years; and they were a good neighbor and paid significant taxes every year. Mr. Dwyer stated he wants to do this the way it should be done and to work with the Township trying to understand the issues. He stated what he is proposing is the best idea he could come up with. He stated he is a consultant for Equus.

Mr. Benedetto noted that Mr. Dwyer had discussed a project like this in New Britain when he was before the Supervisors, and he asked to discuss that with the Planning Commission. Mr. Dwyer stated that development is relatively the same size as far as units, and he did provide pictures of the New Britain project which is the exact product and density as he is proposing in Lower Makefield. He stated it is a successful project in New Britain on 202/County Line Road.

Ms. Reiss asked how many two-bedroom apartments they are proposing, and Mr. Dwyer stated it would be half of 192 or approximately 81. Ms. Reiss asked why he feels there will only be thirteen additional children, and Mr. Dwyer stated the back of the Fiscal Impact Report includes a very extensive methodology that the State has created. He stated there are several studies that suggest the same thing which is that one and two-bedroom apartments do not generate a large number of School children. He stated School Districts use this formula as well for their enrollment projections.

Mr. Benedetto asked the acreage of the New Britain project, and Mr. Dwyer stated it is approximately fifteen units per acre and generally the same size as the proposed project. He agreed to provide this information to Mr. Benedetto.

Mr. Dwyer stated he does understand that School-age children is a big issue relative to the Fiscal Impact Report. He stated he is using the National reports. He stated other local Districts have performed studies and they used similar numbers for one and two-bedroom units.

Mr. Tracey asked if there was a Zoning change in the New Britain project; and Mr. Dwyer stated there was not because while it was Office, they allowed for Residential as well.

Mr. Tracey stated he remembers for the years he has been on the Planning Commission that Mr. Dwyer was present waiting patiently through the meetings; however, he feels Mr. Dwyer needs to understand that there is a high degree of angst about this project which is complicated by the fact that the way the proposed Ordinance Amendment is written, it only spotlights this one parcel.

Mr. Dwyer stated he has been involved in re-Zonings for many years and has heard different opinions; but with the Overlay District that they propose and with the Conditional Use, he feels the Spot Zoning aspect can be taken out of it. He stated they did not want to open up the entire O/R District for discussion as to what should be done, although the Board could decide they want to consider that. He stated that would be a much bigger challenge if they would start to consider the Aria property and Shady Brook Farm. Mr. Dwyer stated he feels the Capstone property has the unique ability to help Edgewood Village and the Corporate Center, and it is also a small piece of property. He stated Aria and Shady Brook Farm are much bigger, and they could independently support a mixed use. He stated Capstone has only fourteen acres, and they do not feel a mixed use would work there; and the market would not accept a mixed use on fourteen acres as it would be too small to make it happen. He stated if it were to be across the entire O/R District, that would be different; but even then their property could not have a mixed use although it could have a Retail or Residential component as part of the larger mixed use district. He stated he does not feel they would be able to get someone to look at the entire O/R District. He stated there is a lot of vacant space in the Yardley/Newtown area. He stated there is 500,000 of O/R space that has been approved but not yet built. Mr. Dwyer stated the vacancy rates are over 30% in the area; and while those rates could reduce, they will be reduced by dramatically lowering their rates to the point where it becomes a B and C space. He stated they will also stop attracting National headquarters which is what Class A Buildings are supposed to attract. Mr. Dwyer stated the only viable use they could find for their fourteen acres would be this proposal or strictly Retail which they are fearful would

hurt Edgewood Village and Shady Brook Farm. Mr. Dwyer stated at this location he could not put single-family homes or townhouses there, and they could only do a multi-family. He stated to do a multi-family development the right way, you need to have the critical mass to support it.

Ms. Burke noted an area in Newtown with office condos, and asked why there is a demand there for Commercial. Mr. Dwyer stated there is more demand as you get closer to Newtown since Newtown has amenities that the Lower Makefield Corporate Center does not have. He stated this is where Edgewood Village would come into play by making Edgewood Village more user friendly. Mr. Dwyer stated there are vacancies in Newtown as well. He stated vacancy rates are high everywhere except for in Philadelphia or near train stations. Ms. Burke stated she feels the property in Lower Makefield would be even better since they are right off I-95. Mr. Dwyer stated they have been trying to do this for eight years, and EQUUS owns millions of square feet across the Country. He stated they owned the Corporate Center for thirty years and did a wonderful job of keeping it full; and they have done everything they could to attract tenants but cannot do it.

Mr. Tracey stated when Mr. Murphy and Mr. Dwyer were before the Planning Commission in November, Mr. Murphy made the point that the demographics are changing to the point where younger couples, singles, and young families want to be close to work and be close to a train station. Mr. Tracey stated they are having difficulty now filling the townhomes that are right adjacent to Edgewood Village. He stated he can see having these multi-family homes built adjacent to I-95 would probably work well for commuters; but from a long-range perspective if the demographics are changing that dramatically, then this might only be a stop-gap that works for fifteen years.

Mr. Dwyer stated the only way Edgewood Village is going to prosper is to have pedestrians and activity on the street. Mr. Dwyer stated Mr. Troilo supports the proposal because he recognizes that having some people who could walk into the Village will create some excitement and will pull people in. He stated currently there is not a lot of activity with pedestrians since there is no pedestrian connection into the Corporate Center along Stony Hill Road. He stated he has indicated that they would not be able to do this unless there was a pedestrian connection created.

Mr. Tracey stated the problem is that the traffic is horrendous now. Mr. Dwyer stated he agrees that the speeds need to slow down through the Village as noted in the Edgewood Village Study. He stated the March Associates Study of 2000 also made recommendations similar to what he is proposing which is to make a connection and narrow the cartway width to slow down the traffic. Mr. Dwyer stated they are proposing a pedestrian connection to the Corporate Center which would also allow for people to get from Makefield Glen to Shady Brook Farm on a

bicycle. He stated those living in the Corporate Center and these proposed apartments could also come in to go to DeLorenzo's, and the activity in Edgewood Village would create a "vibe." Mr. Dwyer stated he feels the reason Flowers Field is not really successful right now is because there is not enough activity in front, the homes are priced too high, and no one wants to live in those homes until they see what stores are there. He stated the stores will not be there until they know how the homes are going to develop so there is a Catch 22.

Ms. Reiss stated anyone living where Mr. Dwyer is proposing the homes to be built would have a fifteen minute walk to get to Edgewood Village, and she does not feel people are going to walk there, have lunch, and go back. Ms. Reiss stated this is the suburbs; and she feels that if there were somewhere to shop there, people would drive, park their car, and then walk around.

Ms. Burke stated she does feel that this is a good concept because in Newtown there are people who walk, but her problem is with the one and two-bedroom apartments.

Ms. Kirk asked why they would go to multi-family use as opposed to creating a "Newtown Retail." Mr. Dwyer stated as he noted earlier, if the Board was inclined to be in favor of Retail, that would be a solution; but a mixed use Retail would be difficult. He agreed that they could put a Trader Joe's there, but he questions if that would then jeopardize the Edgewood Village Shopping Center. Ms. Kirk asked if they could do some kind of boutique-style Retail that would be an extension of Edgewood Village. Mr. Dwyer stated if they had 400 acres they could have a mixed use, and possibly Flemings should consider this, but with fourteen acres they could not make a boutique retail that would be successful. Mr. Dwyer stated Mr. Troilo is trying to do it, and cannot get it done because he needs the help that Mr. Dwyer is suggesting.

Ms. Kirk stated she does not feel the Planning Commission has been the provided the opportunity to review all the comments that would be relevant. She stated she does not know whether or not the traffic engineer has been able to generate an updated report as to the traffic impact of this proposed Amendment. She stated she has also not seen anything recent from Bucks County Planning Commission which she feels the Township Planning Commission would like to see and consider. Ms. Kirk stated she does not feel the Planning Commission is equipped with enough of the information in order to make a recommendation. Mr. Dwyer stated he is not requesting a recommendation this evening; and he is only present to have a dialogue, and to be educated, and to the extent he can to educate the Planning Commission as to what the issues are. He stated the Bucks County Planning Commission did review the proposal and made comments, and they can discuss

those if the Planning Commission wishes to now or at a future date. He stated this is also the case with regard to the review by the Township traffic consultant. He stated he feels that this is an important enough issue to go before the Board of Supervisors, and eventually there will be a decision made. He stated he is hopeful that the Township will see the benefits of something being done. He stated this parcel is a unique situation. He stated if there is a desire for mixed use for the entire O/R, he feels they could work on that. He stated he does feel that they could put a Retail use on Capstone, but he was trying to be respectful to the rest of the Township.

Mr. Tracey asked if AIG had any interest in there being a mixed use for their property, and Mr. Dwyer stated he has not talked to them about that. He stated he feels that would be a last resort for AIG, and he feels that they are hoping that things change. Mr. Dwyer stated they do have a relationship with them, and AIG recognizes the need to do something. He stated in the last two years the assessed value of the Corporate Center has decreased between \$1.2 million and \$1.3 million. Mr. Dwyer stated this will continue, and filling those spaces will not stop the Appeals, because an office building is based on the income production; and that is going down.

Mr. Tracey stated he feels the idea at least needs to be considered since Township Line Road is a major feeder road, and the idea of Retail on those parcels should be considered. Mr. Dwyer stated he agrees that Retail would be a solution, and it would help the Corporate Center; but he questions whether it would help Edgewood Village. Mr. Tracey and Ms. Burke both stated they felt it would.

Ms. Kirk stated she was under the impression that Mr. Dwyer was looking for some sort of formal recommendation this evening, and so she had printed out excerpts of the current O/R Zoning District for the Planning Commission so that they could use it as a comparison as to what uses are already permitted by right, by Special Exception, and as a Condition Use, and to compare this to the Plan for Residential versus what is already approved.

Ms. Reiss stated she lives in Lower Makefield, and she would like to support businesses in Lower Makefield Township. She feels there is a lack of retail for people who live in Lower Makefield, and they either have to go to Newtown or usually Princeton, Lawrenceville, or King of Prussia. She stated she is a member of a one hundred person quilt guild, and she has to travel to Pennington, Burlington, or Ambler to make her purchases. She stated quilters do not go to Joanns because of the quality. She stated there are also no children's stores. Ms. Reiss stated there is Macy's at the mall but that is "pretty generic" as well. She stated this is an area where there are a lot of shoppers, and the pursers being carried and shoes being worn are not being purchased at the Oxford Valley Mall. Ms. Reiss stated she feels

Lower Makefield has a great captive group, and these are people who spend money on their children, their family, and themselves. Mr. Dwyer stated he recognizes the demographics of Lower Makefield are phenomenal, and if it was straight Retail it would be a viable model; but if it a mixed use on fourteen acres, he cannot make it work. Mr. Dwyer stated he wanted to make sure that what he was proposing was not disruptive to any other property. He stated he feels if this property were Residential it would provide some help for the Village. Mr. Dwyer stated he would welcome the opportunity to come back to discuss both the Retail and the Residential component. He stated he feels there may be some people who might be opposed to expanding Retail out of Edgewood Village. Mr. Dwyer asked that the Planning Commission review the information he has provided. Mr. Tracey stated they will read that as well as the information on the current Ordinance provided by Ms. Kirk.

Mr. Dwyer stated he will speak to Mr. Murphy who will speak to Mr. Truelove to determine how they should go forward procedurally. Mr. Tracey also asked that they be mindful of Ms. Kirk's comments.

There being no further business, Mr. Halboth moved, Ms. Burke seconded and it was unanimously carried to adjourn the meeting at 8:45 p.m.

Respectfully Submitted,

John Tracey, Chairman