

UPPER MERION TOWNSHIP BOARD OF SUPERVISORS
WORKSHOP MEETING
FEBRUARY 14, 2013

The Board of Supervisors of Upper Merion Township met for a Workshop Meeting on Thursday, February 14, 2013, in the Township Building. The meeting was called to order at 7:30 p.m., followed by a pledge of allegiance.

ROLL CALL:

Supervisors present were: Greg Philips, Erika Spott, Greg Waks, Bill Jenaway and Carole Kenney. Also present were: David Kraynik, Township Manager; Joseph McGrory, Township Solicitor; Dan Russell, Director, Parks and Recreation; Judith A. Vicchio, Assistant Township Manager.

CHAIRMAN'S COMMENTS:

Chairman Waks reported on an Executive Session held prior to this meeting dealing with legal matters and will resume following the workshop meeting.

DISCUSSIONS:

UPDATE ON COMMUNITY CENTER - ARCHITECTURAL FIRM

Mr. Dan Russell, Parks and Recreation Director, indicated he and Joe Powell have been meeting weekly to review Community Center design in conjunction with the feasibility study approved by the Board of Supervisors. They are also working closely with Ken Ballard from Ballard King Associates who is under contract to put together a business plan.

Mr. Joe Powell, Buell, Kratzer and Powell, stated the project involves the stabilization, reclamation and transformation of the building. He explained the process with a deteriorating building on a difficult site and pointed out the importance of understanding what the building is about, what the building will provide and how it should be organized in such a way that it works for all the program elements and is true to the feasibility study.

Highlights of Mr. Powell's presentation:

- In order to get a more elegant entry the upper level parking was flattened out, maintaining 113 of the 114 cars. There are three "lay-by" spaces, thereby increasing the number of spaces by two.
- Stormwater management, plantings, and a meadow for the senior garden club have been incorporated as well as a green roof for the addition.
- upper level plan is not much different from the programmatic diagram provided at last September's meeting.

- Instead of seniors and recreation having a separate entrance thereby losing 40 parking spaces, a plan has evolved so that everyone parking on the upper level will come in at the same place, with seniors going to the right and those coming for recreation going to the left. There will be an elevator and stairs down to the main arena level.
- Upper Merion Township offices would be located on the upper level and proposed banquet facility would be located on the opposite side.
- overflow parking entrance would rise up along the side of the building
- fitness room would have a view into the main arena.
- There will be some classrooms, art room, cooking class room, lockers, bathroom facilities, crafts, music and a large aerobic space on the main level.

Mr. Powell narrated an animation of the transformation.

Mr. Philips asked about the budget status. Mr. Powell responded instead of the \$5.5 million, the preliminary numbers they ran currently take it to about \$7.5 million and with some tightening up it could be brought down closer to \$7 million or less.

Mr. Waks asked about the time line. Mr. Powell responded it can be ready for bid by the end of April. It will be about a nine month construction project because of the addition.

Mr. Powell stated he would like to propose putting together an early demolition package and getting rid of everything that is not needed.

Mr. Jenaway asked if grants and other funding resources are being investigated. Mr. Russell stated there have been preliminary discussions with Jerry Jamison from T&M Associates to look at possible opportunities not only for this project, but also for the trail project which is a separate matter. Mr. Jenaway stated he would like to see funding research expedited even beyond what T&M is doing.

A discussion followed about the various scenarios associated with the Stixx as well as related cost and design options.

Mr. Waks asked what specifically caused the cost overrun. Mr. Powell responded the site was never part of the project which accounts for the \$1 million and he budgeted more for the addition to the front. Originally the idea was to stay with what was there.

Mr. Jenaway explained the benefits of a center core concept where one comes into a control point and then is moved into either the senior area, or down to the lower level to the main floor, or to one of the other use areas. With controlled access and controlled security people are routed efficiently and it provides for a more fluid environment.

Mr. Powell discussed the banquet room on the upper level east which sits by itself as its own entity. He pointed out Ken Ballard emphasized if the lessees are not permitted to bring in and serve alcohol for their functions it is a waste of space.

Mr. Russell noted the way it is designed it is going to be a high end banquet facility to attract weddings, retirement parties, etc. He indicated Ken Ballard made the point without alcohol, 40% of potential clients for a banquet facility will walk away. High revenue potentials are being looked at in some of these spaces mainly because there is no indoor aquatic center. The indoor aquatic center and fitness facility are two main revenue producers, and the third would be the full service banquet facility. Mr. Russell said that is why they explored and brought up the need and want for a banquet facility which was included in the feasibility study. It was also in the feasibility study as well.

Mr. Philips asked who would run the banquet facility. Mr. Russell responded this is all part of the plan Ken Ballard is putting together for staffing.

Returning to the alcohol issue, Mr. Russell stated staff has researched with Ken Ballard's help how other municipalities handle it. Some municipalities have a list of preferred caterers that would have the liquor license and liquor control that actually provide the alcohol and also provide the township with a certificate of liability insurance so that the township is not involved in the distribution or handling of liquor. The resident or user would not have to go with the caterer on the preferred township list, but they would have to meet certain criteria as far as liquor licenses and insurance.

Mrs. Kenney asked about the banquet room capacity. Mr. Powell responded it would probably be about 120.

Mr. McGrory asked if there is enough parking for the banquet and the rest of the facility. Mr. Powell responded there is not enough parking just for the facility regardless if anything else goes on. As the project develops the turnover and the distribution of parking is something that will have to be very well considered.

Mr. Powell asked if it is likely the handling of alcohol would be permitted in a township facility.

Mr. Philips made the point he is still trying to get used to the idea of having a banquet facility at all.

Mr. Jenaway indicated that it is his understanding that in its day when the fireplace was functioning, this facility was a center of banquet and event activity. He was told there were many events with 75-100 people there.

Mr. Waks asked about current places in the township where banquets can be held. Mr. Jenaway responded two of the fire stations can handle 100 plus and

a couple of the churches, and in comparing prices there will be church and fire halls versus the hotels.

Mr. McGrory suggested having staff check out the insurance coverage for banquet use. Mr. Kraynik noted several members of the Insurance Trust have several member municipalities with rental facilities. Mr. McGrory asked if these facilities permitted alcohol. Mr. Kraynik responded in the affirmative.

Mr. Jenaway commented the larger issue to be addressed is the fact that the township has a policy where there is no alcohol on township property.

Mr. Powell stated there are options other than the banquet concept. He said there is a need for two exercise type rooms. After discussions with Ken Ballard they came up with the idea of taking the aerobics room in the back room of the main floor and moving that upstairs if the township decides against the banquet space which is could be a valuable space for something else.

Mr. Russell pointed out a banquet facility brings in the second highest revenue to the facility if it is run right.

Mr. Philips commented, "the issue is if it is run right" because when caterers come in they expect a certain amount of clean, operable equipment. Someone has to go in there and make sure it is ready for the next event since there could be two back to back banquets in the same day.

Mr. Jenaway stated there could be as many as three banquets on some Saturdays.

Mr. McGrory asked if alcohol contributes to 40% of revenue. Mr. Jenaway responded in the affirmative and indicated it may be higher.

Mr. Waks asked about the status of the business plan. Mr. Russell responded Ken Ballard is waiting for a decision on the alcohol policy and the banquet facility as well as the outcome with the Stixx before he completes the business plan.

Mr. Jenaway commented not all caterers have caterer liquor licenses and that will be an issue as to the number of caterers that could come in there and what they can or cannot provide. Mr. Jenaway also said he is assuming the cooking facilities are basically warming facilities and would not involve cooking.

Mr. Jenaway recalled facilities that were looked at in other areas; they all said snack bars which were a major revenue driver and could be second or third highest. Mr. Jenaway asked if there will be a snack bar. Mr. Russell responded not at that level, but something more like a Pro Shop smoothie station. Mr. Russell indicated there would be some vending options in the lobby area and a small area within the fitness center component, but not a big concession.

Mr. Philips pointed out it does not have to be a very big space, but it is a big revenue generator.

From the Public:

Mr. Howard Lori, lives across the street from the proposed Community Center, stated he is concerned about the impact on the surrounding residents because of lack of parking for various events as well as possible light spillage. Mr. Powell responded the light would be contained so that it does not spill up high and stays low within the tree line.

Mr. Waks stated he would like to have Ken Ballard at the March 7th workshop meeting for some ideas on how the numbers crunch with various options, and it was agreed to have Mr. Ballard conference in on the meeting.

Mr. Waks stated with Rambler ridership up significantly he is also wondering how many people might come using the Rambler as opposed to driving. Mr. Russell stated staff could talk to Rob Henry, especially if this building is going to possibly be a Rambler stop.

Mrs. Spott commented she would inside on that [a Rambler stop].

Mr. Russell stated another option for consideration would be to work out an arrangement with the school district to utilize the parking both at Caley and the middle school for overflow parking if there are large tournaments and events and also use this facility as a drop off for after school children. Mr. Russell noted when school is over for the day, this could be the destination for children for Park and Recreation activities, tutoring and things of that nature.

From the Public:

An unidentified person in the audience had questions about how the Senior Center would be moved both physically and financially, and she was informed the discussion would be resumed at the March 7th workshop meeting.

KOP BID PRESENTATION - LAND USE AND ZONING CONCEPTS

Mr. Eric Goldstein, Executive Director, King of Prussia Business Improvement District (BID) stated for the better part of the past year and a half, King of Prussia's District Board of Directors, Land Use and Zoning Committee, have been working closely with Rob Loeper, Township Planner, Leo Bagley, Montgomery County Planning Commission, King of Prussia commercial property owners, Looney Ricks Kiss (LRK), and Simone Collins to study ways for reimagining and reinventing the Suburban Metropolitan (SM) Zoning District in the 202 corridor in King of Prussia. The project was initiated since the BID

believes that the commercial office sector in King of Prussia is struggling to compete in the 21st century and that competitor office locations around the region are increasingly winning the battle for tenants, employees and investment. Along Route 202, past development patterns turned Upper Merion Township's main street into a parking lot that lacks a cohesive sense of place, lacks desire for pedestrian activity, and lacks the mix of land uses that make a place vibrant and attractive.

The BID believes that working closely with the township there is a window of opportunity in place to make some changes that will once again make King of Prussia a premier place for commercial office and mixed use development.

Mr. Pete Simone, Simone Collins, presented an overview of the concepts for improving the zoning code in the SM District Business Park and along the 202 corridor. He stated Simone Collins has been working with the Township Planner, the BID and LRK for the last 18 months and they have done some initial planning and envisioning. In addition they have looked at the economic analysis and have developed a preliminary draft ordinance.

The BID is involved in rebranding the entire Business Park from a single use environment to more of a multi-use live, work, play type of place. LRK has selected a few appropriate areas where upzoning can be done to get higher quality uses in a couple areas along Route 202. Concurrently the BID is working on new Gateway studies in three locations. The first one is at First Avenue, North Gulph where the casino is located where a new entry is to be built later this year as a start to the rebranding effort. Route 202 could be a thriving commercial corridor aligned with attractive, compact mixed use development. They also envision a greater cohesive main street character along Route 202. The BID has already started with the median improvements, making it more pedestrian friendly and showcasing the 202 corridor as the gateway into the township. The Business Park in the First Avenue corridor is envisioned as a higher quality office park, with class A office and residential uses, multi-story buildings, parking and public spaces that showcase great design and incorporate high quality sustainable building materials and practices as well as site based amenities to attract desirable clients.

Mr. Simone stated the SEPTA study looks to bring passenger service on the High Speed Line to stop somewhere in the Mall and possibly at First Avenue. Rather than wait several years for that to happen, the BID wants to make sure they are proactive and put the zoning in place to attract new high quality development. The areas LRK have looked at are along Route 202, the First Avenue corridor and are located in the SM District that combines the existing AR and AR-1 into a larger SM District. Along Route 202 they have looked at a couple of discreet areas along 202 where rather than a new ordinance they are looking at an overlay district. The existing zoning would stay intact and then the overlay would be placed on top of it to allow other uses.

Mr. Simone stated Simone Collins has done some yield tests based upon

different scenarios and they know the rezoning concept is solid and works. There is enough preliminary ordinance prepared to work with the Township Planner and Township Solicitor.

Mr. Simone said the area now has few landscape amenities and for the most part the architecture is quite unremarkable. One of the sketches LRK prepared was a concept showing what might happen for a mixed use district that becomes a more desirable location and with the idea of the transit station on First Avenue where the passenger rail makes access to both there and the Mall a lot easier for more people. There are also things the BID is looking at in conjunction with the county such as the idea of a westbound slip ramp off of the turnpike that would enter the Business Park probably at First and Moore Avenues and would stimulate new development. There is so much more that could be done from an aesthetic and environmental viewpoint such as infiltrating stormwater back into the ground, and redesigning streets to accommodate pedestrian, bicycles, bus users and motor vehicles.

Mr. Simone stated their goal is to transform the Business Park that has fallen behind the curve into something that is more vibrant and a place where people who live want to be with high quality aesthetics, landscape and architecture. Working with the Township Solicitor and Township Planner, they hope to move this forward to a point where they could come back to the Board of Supervisors with a more formal presentation.

Mr. Waks noted staff are in the process of undergoing a review of all township codes, and offered some comments about First Avenue and the need for significant redevelopment in that area. He favors the idea of a mixed use community there with the ability to walk and bike. He also supports consideration of the road diet with potentially narrowing First Avenue and Moore Road into fewer lanes to allow for bicycle lanes and sidewalks. He suggested reaching out to some of the local community associations for ideas or at least make sure they are aware of what is envisioned. Mr. Waks recalled an article that appeared in the *Philadelphia Inquirer* about five to ten years ago wherein it discussed how the township development was done in piecemeal fashion, and this is about addressing things that should have been addressed many years ago.

Mrs. Kenney asked for clarification about the slide wherein Mr. Simone discussed the yield studies done with mathematical models. She asked for a more detailed explanation of what that entails, what was considered and what the results were. Mr. Simone responded they first tested the zoning first proposed by LRK. They looked at a number of parcels, how much those properties could bear and still be aesthetically pleasing by using such things as closer road to building setbacks; limiting the amount of parking in front by trying to get parking around the back or sides. He used Route 202 as an example. He said on one side of Route 202 on the east side there are residents and it is necessary to be very conscious of those residential properties. If buildings go up in height, it has to be very modest. On the other side of Route 202 without residential uses there is an opportunity to go a little higher. Mr. Simone indicated they looked at aspects of

structured parking for the non-residential side of Route 202 and the First Avenue corridor. He explained structured parking can help increase yields and make some of the high profile projects more viable. They basically did what a developer would do. They looked at various parcels and tried to take typical parcels and see how many square feet of office, retail would fit to see if the LRK concepts would pass that sort of litmus test and they felt they did. Working with the township it would be important to see how much development is desired, how it should be mixed, what the yield should be, and what type of building heights. These studies were done in house to look at these elements and test them.

Mrs. Kenney asked if yield is being used in terms of square footage. Mr. Simone responded in the affirmative.

Mrs. Kenney noted there have been a number of redevelopment and new businesses coming into the township recently and asked about the current vacancy rate in the Business Park and if it is higher now, steady, lower than it was and how it fits in with building new buildings and having new space to rent. Mr. Simone responded the idea is not necessarily to build more office space; it is to give property owners the flexibility to be able to respond to market conditions that they currently do not have in the Business Park right now. Mr. Simone said there are a lot of commercial office vacancies in the Business Park. He explained the issue is not so much vacancy rates; the issue is that property owners are literally giving away very good quality class A and class B square footage for \$12, \$13 and \$14 a square foot which is not the trend that is desired in Upper Merion Township. The idea is to make the zoning more flexible so that some of the empty commercial office buildings could potentially be 200, 250, 300 units of luxury condominiums or apartments and then those people would have the opportunity to walk two blocks to their job instead of getting in their car and driving everywhere. Mr. Simone also noted industrial, class C and flex space are generally low vacancies, class A is pretty high, but the rents are too low and class B is higher than class A.

Mr. Philips commented he does not favor overlay districts, especially when they are not compatible and he asked why not just rezone. Mr. Simone responded they can look at that option, but felt because of the variety of uses and the variety of districts in those two sections of Route 202, it might be easier just to do an overlay because a lot of non-conforming uses are created when a rezoning is done. He said they thought they picked a way that might be preferable, but they will explore both.

Mr. Philips commented from his standpoint rezoning "drives the ship" to redevelopment. Overlay provides an option that may or may not be viable for the developer. Mr. Simone responded this is a normal point of discussion in various projects - do you rezone or do an overlay and the pluses and minuses have to be weighed.

Without saying he agrees with it, Mr. McGrory stated a text change can be done to accomplish what is desired with an overlay. There can be bonus

provisions for redevelopment property and conditional use standards to accomplish what they want to do. He said you want an incentive for someone to demolish a property and put in something new.

While understanding the accommodation of more walking and biking capability, Mr. Jenaway expressed concern over the idea of restricting the width of First Avenue without some other kind of alternate roadway around it. He said there are not enough arterial roadways to make some of these ideas happen.

Mr. Jenaway stated an influx of people will also increase demand on a variety of infrastructure, and it is important to understand what those impacts are and prepare for them accordingly. Mr. Jenaway pointed out the importance of public safety impact assessments which deal with various things in addition to roadway safety issues such as the potential demands for police services and EMS as a result of increased density of people and properties. He emphasized these are the kinds of impacts to be considered in going forward.

Mr. McGrory stated it is possible to accomplish what is desired for the streetscape, bike and walking paths and keep First Avenue in its current condition. He said he has been working on many ordinances involving streetscaping, walking paths and certain light standards that satisfy what is desired.

Mr. Waks stated the future width of the number of lanes on First Avenue and Moore Road would depend on the balance that is struck between commercial in any future redevelopment and residential. The reason the BID is interested in the road diet is no one is on this road on Saturday and Sunday because it is entirely commercial. If the BID were to come in with a plan for significant redevelopment toward the side of residential then that would change the balance.

Mr. Jenaway noted another consideration is that the young population cannot afford to live in Upper Merion Township and the right balance of housing costs is needed so that people working in new commercial businesses can afford mortgages to live here.

Mr. Philips asked if there is a need in Upper Merion for more residential housing and if a study has been done to forecast future needs. Mr. Simone responded the need exists now. He said a market study on residential housing has not been done; however, 50,000 people commute into this township every day from the outside. Studies and surveys show that two thirds of those people are driving over 30 minutes, and one third are driving over 45 minutes. Mr. Simone said there is not a huge amount of housing for them here.

Mr. Philips asked if Mr. Simone was referring to affordable housing or luxury housing. Mr. Simone responded luxury apartments and luxury condominiums which would appeal to the workforce in the Business Park.

With regard to building heights, Mr. Simone stated generally there is going to be more height in the First Avenue corridor, probably no increase in height along Route 202 next to the residential, and possibly a slight increase in height on the other side.

Mr. McGrory commented “shadow houses” will be done at some point as a test for building heights to see what impact there is on an existing feature adjacent to it.

Mr. Waks asked if the studies will include projected development on the golf course, traffic etc. Mr. Simone responded in the affirmative and said that will occur when they get to a point where they are doing traffic studies.

Mr. Simone stated they would like to move from concepts into reality relatively soon within a zoning ordinance or two zoning ordinances because once they are in place it is still going to take a long time for the market to respond.

Mr. Simone asked about the timing since they have done a lot of preliminary work on the zoning language and want to move that quickly and begin that whole public process of getting that approved so they can begin to market this opportunity. He said there is a pent up demand that is immediately going to respond and time is of the essence to get the zoning completed.

Mr. McGrory suggested and explained a two-track system so that he and the Township Planner would work with the BID as if it is an amendment to the soon to be newly adopted zoning code. Mr. McGrory believes it should be done concurrently and not let one process slow down the other one and that should satisfy the BID’s concern.

Mr. McGrory pointed out there is no such thing as a code that is going to address everything because it is an evolving process. Mr. McGrory stated in most of the municipalities he has worked there will be at least two or three zoning amendments a year. It is an evolving process. He reiterated completing the zoning update; not necessarily incorporating the BID’s elements yet, and if it happens to line up with approved zoning code it can always be integrated easily. He emphasized he would keep them as two separate processes.

CITIZEN BOARD LIAISONS

After a brief discussion among his colleagues, Mr. Waks stated he would be liaison to the Community Fund Board when it forms, Mr. Philips will be the liaison to both Uniform Construction Code and Property Maintenance Boards of Appeals when they form, and Mrs. Spott will be liaison to the Human Relations Commission.

ADJOURNMENT:

It was moved by Philips, seconded by Mr. Jenaway, all voting “Aye” to

adjourn the workshop meeting at 9:30 p.m.. None opposed. Motion approved 5-0.

DAVID G. KRAYNIK
SECRETARY-TREASURER/
TOWNSHIP MANAGER

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Minutes Approved:
Minutes Entered: