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**MERCHANTVILLE REDEVELOPMENT COMMITTEE  
MINUTES**

Committee Meeting #5  
June 29, 2015 6PM  
Merchantville Borough Hall

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Attendees:

Ted Brennan, Mayor	Pete Burgess
Bill Lammey	John Rehill
Mike McLoone	Marvin Gaskill
John Forberger	Ryan Middleton
Marge Disch	Janet Stevens
Bob Gick	Rick Ragan, RDG
Bill Walker	Mara Wuebker, RDG

Handout: Potential Development Costs

## **1. REVIEW OF PUBLIC FEEDBACK**

### Public Workshop

Mara asked for feedback from the committee on the Public Workshop. It was believed that they had a good turnout and that the discussion was beneficial. She gave an overview of the discussion from the public workshop for those members of the public who were not there: Everyone in attendance at the workshop said they wanted to see changes in the redevelopment area. No one wanted to leave as is. Everyone except one person liked at least one concept. This person didn't want to see any residential in the downtown. A member of the public expressed concerns about adding apartments and needing to increase tax rates – felt too many apartments in Borough already. There was also a consensus that if were to make Chestnut one way it should be westbound towards Centre Street. Most people liked Concept 4 the best, the idea of creating a destination – piazza- unique pedestrian friendly space – a space that can be used for multiple purposes. Everyone wanted to see Park Ave/Chestnut intersection improved, but not all in agreement whether should be roundabout – concerns about pedestrians' usage and safety.

The group discussed some surprises from the public workshop: For example, the recommendation that there be no parking in front of businesses, turning Chestnut into a cul-de-sac. The suggestion that only the façade of PNC Bank be kept, as it is believed would be too costly and too cumbersome for a redeveloper to do. Agreement that Chestnut could be turned into one-way (everyone either 'agreed' or 'somewhat agreed').

## Chestnut Ave:

This led to discussion of the email from a member of the public that was forwarded to committee members that expressed concerns about the effect on NJ Transit bus route, and also the impact on the large volume of school buses that travel on the road. A member who lives on the street said that it was not true that everyone agreed at the public workshop. He said he purposely remained silent on the question at the workshop. He wanted to see what everyone else felt about it before he voiced his concerns. He does not think it should be turned into a one-way street. He feels that angled parking would not be consistent with historic character – that it would have negative impact on the street. It has taken a long time to get the street to where it is now aesthetically, and he thinks that the one-way street may negatively affect real estate values. Another neighbor also expressed that she did not want to see Chestnut Avenue turned into a one way street. She and her husband often park on the street and are concerned that their cars would get hit from cars backing out of the angled parking. Mara stated that there is the opportunity to do back-in angled parking, like in Philadelphia at Head house Market area (2<sup>nd</sup> and South). There is parallel parking and back-in angled parking.

There was a discussion about NJ Transit correspondence. Mara read the email form NJ Transit representative, which stated “if the roadway is closed to eastbound traffic, trips traveling in this direction could probably travel one block further south on Center street and turn left on Park Avenue; however, this intersection is pretty tight and we would have to do a safety evaluation of the turn. If traffic was closed off traveling westbound, it would pose significant problems for us. The intersection is too small and the angle is far too acute for a 40’ bus to make a right turn.” There was a discussion that people felt that making a left hand turn at the center street/park avenue intersection for a bus would be difficult. A member of the public discussed the traffic volumes from a 2006 Amercom study and discussed how they would have to be absorbed by other streets.

Other Public Outreach Feedback: At the birthday celebration/music fest table, a lot of people stopped by and viewed the concepts. Most people said they liked Concept 4, the Piazza, the best. Mara received phone call from a member of the public who suggested a rooftop restaurant and there was a discussion that the building would need to be fairly high (three stories or more) to see the tree top/skyline view. He also suggested a conference center. There was a discussion that a hotel/conference center would require a lot more parking.

There was a discussion about the Facebook feedback – most people like concept 4 the best. The group discussed comments from a local architect, Greg LaVardera, about developing the site in small chunks so have more control and more ability to respond to changing market conditions. He also expressed concerns for using established geometric pattern of downtown. He provided his site study for the area that shows narrow and deep lots with buildings be parallel to Centre St with fronts on angle along Park. The concept was very similar to Concept 2. Mara discussed that our concepts could easily be changed to be parallel to Centre Street to get more commercial square footage, but this would eliminate some of the parking spots behind the building. Also, the storefronts would have awkward angle. Some of the angled storefronts along West Park are not actually historical – they are newer additions built that way. There was a discussion about NJ Transit corridor that the Borough does not own so no buildings are being shown on in this area at

this time. The Borough wants to seek permission to build in this area from NJ Transit, but they are being very strict now about relinquishing any assets.

## **2. ANALYSIS OF PROPOSED SQUARE FOOTAGE, NUMBER OF DWELLING UNITS, AND POTENTIAL DEVELOPMENT COSTS**

As one of the goals of this study is to come up with a plan that is financially feasible for a Redeveloper, RDG analyzed potential development costs. Concept 3 and Concept 4 had similar commercial and residential square footages so used that as example. It looked like it could be financially feasible based upon the rough numbers. They identified anticipated site improvement costs (grading, pavers, lighting, asphalt, water and sewer extension and connections, landscaping, sidewalks, etc). They also looked at hard and soft costs of construction. It was estimated to cost about \$3.4 million for the piazza and a new PNC rear addition. He explained the minimum monthly rent that would need to be collected from the tenants to make it work - \$1685 per month for retail space and \$1276 for condo/apt space. PNC addition would require more monthly rent from tenant because of additional costs associated with rehab and demolition of part of the building. He suggested that the average sales price of the townhouses be \$360,000, but it was the general consensus of the group that the estimated sale price for a townhouse was too high. Most people felt it would have to be closer to \$275,000.

There was a discussion of the Borough using any monies received from purchase of townhouse lots to offset some of the other costs, like the original outlay costs for the site, or the costs associated with the ‘community –centered’ space of the piazza.

## **3. SELECTION OF PREFERRED CONCEPT(S)**

There was not an overall consensus on the most preferred concept. While most members liked Concept 4, they felt that there should be more square footage associated with the Piazza commercial space, that the paver area could be reduced, and that there could potentially be third floors on the buildings to make the most use out of it, since nearby buildings are that high. Originally it was assumed there would be 3<sup>rd</sup> story dwelling units when doing a parking analysis for this concept, but then it was realized that the residential would eat up all of the parking shown on the site. There was the suggestion of keeping the same number of dwelling units, but adding a third story (with 1.5 story lofts with porches overlooking the piazza) so there would be same number of dwelling units. This was felt would be marketable to same type of people who are interested in Lumbyards in Collingswood. There was also the suggestion of increasing the height of the first floor commercial space so that the commercial space would create an impact. The race track example in Cherry Hill was used – even though some are one stories - they had more substantial appearance and impact. There was the suggestion of adding more commercial square footage to concept 2 so there would not be gaps.

Another member suggested removing parking in between PNC Bank and Cigar Alley and doing infill there instead. Alternately, there was some discussion from public about if keep parking lot, restrict it handicapped or employee parking only. Another member suggested keeping the pedestrian alley, but reducing the size of it and putting in a narrow infill building. Another member is concerned that we may go through this entire process assuming commercial, but that in the end only a residential developer is going to want to develop here.

This led to the discussion about how closely a Redeveloper will need to follow the vision illustrated in the chosen concept that will be attached to the Redevelopment Plan. The Mayor feels that it should not have to be strictly adhered to –he feels there should be some flexibility for the redeveloper. This is what the committee also heard from the developer who came to speak with the group. There was a discussion about the PNC building and the Mayor expressed that everything is being considered at this point. If a redeveloper wanted to demolish the building and replace it with 2 smaller, more usable structures that fit into the character, scale, and rhythm of the downtown, that would be acceptable to him. Mara suggested that, given her experience with the Master Plan, that the Borough should involve the HPC with this decision sooner in the planning and decision-making process, rather than waiting to the time that decision to demolish has been made. It is a recommendation in the Historic Preservation Plan Element. She also suggested that since there appears to be water damage, that the Borough consider putting on a temporary protection measure – like a tarp on the roof, until a decision has been made one way or the other. The Mayor is concerned about spending any more money on the building. As of now, it doesn't cost the Borough much, other than taking space of a building that could be generating taxes. However, there was a substantial initial cost in acquisition of the building and surrounding lots. He wants someone else to spend the money on it.

### Parking

There was a discussion about parking needs. One of the members stated that the train station has been using a lot of the parking in parking lot and that parking has not been an issue because the medical office building is mostly vacant and the PNC bank is vacant, but he thinks that parking is going to become more of an issue when space gets utilized. He suggests that other land uses on other blocks, like Blue Monkey, be considered when doing a parking analysis. Mara said she did a parking analysis of all the concepts, but they all assumed use of Verizon parking lot, angled parking on Chestnut, and a few more spots on Park – with assumption that Park Ave would be widened. She explained that there has to be a cut off at some point when doing an analysis and that there are several flaws with a land use type of parking analysis, including the fact that it's always in flux - uses are always changing and that you can assume one type of use in the parking analysis, but another type of use may actually move in as a tenant. There are different parking standards in the zoning ordinance for restaurants, retail, and office. The current restaurant parking is steep – 1 parking space per 3 seats. The Borough's parking standards are also more akin to suburban parking standards, which is not realistic for a downtown environment. The Mayor stated that he has worked for several urban communities, and all of them grant parking variances, it's commonplace for downtowns.

Mara discussed that there are statutory elements that need to be articulated in the Redevelopment Plan, including whether there will be changes to underlying parking requirements, permitted uses, height requirements, as well as circulation, population density, etc. All of these will need to be flushed out and we will need to decide how flexible it will be. It was suggested that there be a range for commercial square footage and residential density.

#### **4. UPDATES (If any)**

1. Verizon and/or Grace Episcopal Church Parking Lots- Verizon has tentatively agreed to the parking plan rendered by RDG. They need to work out the details of maintenance, cost, etc.
2. Environmental Contamination – waiting to hear back from Environmental Planner
3. Demolition/Acquisition – Received bids for demolition, but did not include consideration of asbestos issues. Will need to go out to rebid. In the meantime, someone is going to be leasing the EMT building for a brewery. The hope is that he will be successful and then move into another area in the downtown or in the Redevelopment Area at a later point.
4. Bike Path Extension into Pennsauken – Pennsauken received a \$750,000 grant to extend bike path, but still working out ability to use with NJ Transit.
5. NJ Transit former railroad property – no current discussions, but the Mayor would like to have future discussions. Now NJ Transit is not relinquishing any assets.
6. Liquor License/Annual Concessionaire’s Permit – So long as land is owned by Borough, it can issue concessionaire’s license. This may be a possibility for redevelopment area.
7. Circulation (NJ Transit Bus Route) – explained above.

#### **5. NEXT MEETING DATE**

The Mayor asked RDG to amend some of the concepts to reflect the discussion tonight and do a presentation to Council to get their feedback. He also wants to hold another committee meeting before then, if possible. Mara will send around potential dates via email. Mara reminded the committee that since the project is being sponsored by a grant, there is a grant deadline of next June. There will be various steps that need to take place between now and then, including drafting the Plan, reviewing design standards, zoning standards, and it will need to be introduced like an ordinance and go to Planning Board for approval with consistency with Master Plan.