

**BOROUGH OF WEST READING
PLANNING COMMISSION
MARCH 2, 2022**

The West Reading Planning Commission met for their regular meeting on Wednesday, March 2, 2022 at 6:00 p.m. at Borough Hall with the following persons present: Chair Philip Wert; Vice Chair Christopher Lincoln; Members Jennifer Bressler, Cody Rhoads, Daniel Horman and Kacie Rodriguez (arrived at 6:17); Borough Manager Dean Murray, and Zoning Officer Cathy Hoffman.

Visitors

- Mike Rohrer - SDE Planner
- Mark Boyer - WASD Business Administrator
- Paige West - Reading
- Steve Potteiger - WASD Board Member
- Mark Ratcliffe - WRCRF Executive Director
- Robin Horman - Resident
- Ryan Lineaweaver - Council President
- John Buccinno - NAI Keystone
- Jeremy Zaborowski - Berks County Industrial Development Authority Executive Director

Mr. Wert called the meeting to order at 6:00 p.m. and introduced the members of the Commission in attendance, noting that three of the members are also members of Borough Council.

Public Comment

There was no public comment.

New Business

a. Tax Increment Financing (TIF) discussion with Wyomissing Area School District (WASD) Re: West Reading Shopping Center:

Mr. Wert stated the Borough, County and Wyomissing Area School District are being asked to participate in a TIF for the West Reading Shopping Center. John Buccinno, (NAI Keystone) who represents the owner and a partner, approached several Council members regarding the potential redevelopment of the shopping center site from the ground up. A TIF will need to be obtained in order to finance the portion of the project that would house a parking structure. The Berks County Industrial Development Authority has also been working with the developer to see what the financing for the project would look like if a TIF were to be put into place. The Planning Commission has been provided with much information concerning the proposed project so they are aware of what a TIF entails. Mr. Wert explained that Mr. Buccinno and Mr. Zaborowski had attended a WASD Finance Committee meeting recently and there were some questions that arose from that meeting. He also introduced Mark Boyer, Business Administrator for the WASD as well as Mark Ratcliffe, Executive Director of the WRCRF which is the non-profit group that directs economic redevelopment in the Borough. In discussions with these individuals, it was decided that this Planning Commission meeting would be the appropriate forum to discuss the project and proposed TIF.

Mr. Wert then referred to the Master Plan prepared by Derck & Edson called 'Downtown West Reading', a master plan that was commissioned in 2020 by the WRCRF and has been officially adopted by the Borough as the economic development road map going forward. The goals stated in the plan are the goals of the Borough and one of the main topics discussed in the plan is the redevelopment of the shopping center, which the Borough has discussed for a very long time, although Derck & Edson's renderings in the Plan is merely a suggestion and not specifically the design that the Borough is looking to accomplish. Mr. Wert also noted that if the project is approved for

redevelopment by all parties, it will be the catalyst that opens additional redevelopment for West Reading as a whole. He went on to describe in some detail what the redevelopment of that lot could potentially look like including retail on the first floor along with 192 predominately one and two-bedroom apartments on the upper floors. He noted that the updated existing zoning does not allow shopping centers, gas stations or convenience stores which are legacy uses, and instead continues the more appropriate uses such as those that have been put in place over the last two decades.

Adding new residents to the Borough would add to the Earned Income Tax which the Borough collects currently, and new businesses will add to the Business Privilege Tax. Mr. Buccinno noted that there would be approximately 9,000 to 11,000 sq. ft. of retail with 6,000 to 7,000 sq. ft. of that being allocated for Rite-Aid. This potential revenue source would be split between the Borough and the School District.

Currently, the Central Business District has no requirement for parking for retail space, by design, however new residential development requires 1.5 parking spaces per unit. Therefore, the parking structure itself, would have to have sufficient parking to meet the residential need as well as others for public parking. Mr. Buccinno felt that in this instance, many of those living on the property would not require parking because they would be working locally, such as at the hospital. He indicated that in projects such as this, there is excess parking available that is underutilized. While the project must provide the required number of spaces per zoning requirements, the block of spaces for public use as 'fee' parking would have to be determined. Mr. Wert indicated that relief could be sought from the Zoning Hearing Board to reduce the number of residential spaces if required. He went into detail regarding the existing situation with the owner of the shopping center which allows the agreement to be terminated at any point in time which prevents the Borough from having a long-term parking plan for the downtown area. He added that two parking studies have been completed over the last seven or eight years that have indicated that there is in reality no parking problem in downtown West Reading. The Borough is very concerned about having a long-term parking solution to help manage parking, and a new parking structure would certainly provide this long-term solution.

Mark Boyer, Business Administrator for the WASD asked about the retail space, noting that if Rite-Aid is occupying the bulk of the retail space with only 2000 – 3000 sq ft remaining, what will happen to the businesses in the shopping center. Mr. Buccinno noted that most of the businesses are quasi-retail, mostly 'point of destination' businesses that don't have to be in the center of West Reading. Most are there because the rent is fairly low and will be successful elsewhere. Creating new 'at the street' retail will increase the Borough's retail profile and will be a greater draw from a retail standpoint, and if necessary there is plenty of room to add additional retail into the design.

Mr. Wert noted that a concern had been raised about the possible addition of more children to the school district and noted that because the apartments will be one and two bedrooms, there shouldn't be a significant impact. It was felt that many of the apartments could be occupied by Hospital employees and potentially employees of businesses on the Avenue. Mr. Wert also noted that the students from Drexel are in need of local housing so this project will assist with that need.

Mr. Zaborowski spoke about the public parking at the garage and noted that there are ways of increasing the capacity of public parking by increasing the size of the TIF with the requirement that it is for additional public parking at the garage. He noted that if the existing assessed value is compared to what the new construction will be once completed, it should be cash positive within the first year, i.e., that the TIF would provide far more in property taxes than the annual debt service for the TIF.

Mr. Boccinno noted that due to the size of the project, the construction period would be in the 12-to-18-month range once all of the necessary approvals have been received. Due to the current situation with obtaining construction materials it could take longer however, the TIF wouldn't begin until months after construction began. Mr. Zaborowski added that there are many 'go/no-go' points before all the taxing bodies take on the TIF. He indicated that the next step is to determine if the three taxing bodies are amenable to looking at the TIF which will require each of the boards to appoint one or two representatives to a TIF Committee to discuss possible agreement on three general items:

1. The TIF district itself – where are the physical boundaries; which properties are included.
2. A general consensus for the amount of the TIF and the length of time.
3. Any particular additions such as more public parking beyond the scope of the project.

The TIF Committee would then go back to their respective boards to present the consensus and request a vote of support if they are in agreement. Mr. Zaborowski would then create the TIF plan and shop with banks. The developers would also be represented in the process as they would be part of the cooperation agreement with all of the bodies. This process could take six months to one year to complete because it requires public meetings and approvals. Mr. Boccinno noted that the owner has been working on design and costing however there are some items that need to be dealt with prior to moving forward which will begin once the owner has a sense that the three taxing authorities are in agreement in principle.

A motion was made by Mr. Lincoln and seconded by Mr. Horman, to recommend to Council the appointment of two representatives to a TIF Committee. **Motion carried.**

The visitors left the meeting, and some discussion ensued concerning potential parking needs.

b. West Reading re-development zone expansion discussion:

Mr. Wert said he had met with Ken Pick, Executive Director of the Berks County Redevelopment Authority regarding the re-development zone. Beginning in 2004 through 2006, a redevelopment district was put in place for downtown West Reading, mostly for the redevelopment of the Candlewood Suites property, however that district is still in existence. Currently, Schweitzer's Service Center at 433 Penn Avenue is for sale and there have been some discussions concerning the possible redevelopment of that area including Tulpehocken Avenue (adjacent to Schweitzer's) and potentially the traffic circle. He, Ken Pick and Jim Hartling (consultant to the Wyomissing Foundation and Henry Janssen Foundation) discussed whether or not the Borough's involvement with 433 Penn Avenue made any sense to help realize the redevelopment of the Delaney Circle area, as addressed in the Master Plan. The consensus between Mr. Pick and Mr. Hartling was that it would make better sense to begin the redevelopment at Delaney Circle and not at 433 Penn Avenue. Their reasoning was that the Borough already controls the circle, so it would be more attractive to large scale developers that can work their way back toward Penn Avenue with a plan that more readily fits the Derck & Edson Master Plan. Moving forward with the Delaney Circle model would require these tasks:

1. Map the utilities at Delaney Circle both above and below ground which will become 'no build' areas that can accommodate landscaping and parking.
2. Have a traffic study prepared by a Traffic Engineer to reconfigure traffic flow at the circle and determine the estimated cost of completing these improvements.
3. Go through a redevelopment plan amendment process.

While that proposal would include the parcels at the circle, Mr. Wert felt that it would be appropriate to go down Buttonwood Street, then behind the Fortna building to include those parcels along with the Esterly Concrete site, which are all zoned Light Industrial already. He noted that if the boundaries

of the district are changed now, it is an indication to potential developers that the Borough is interested in the redevelopment of the parcels.

Mr. Wert showed the Commission a plan created in 2006 for the 400 block of Cherry Street that would have straightened the roadway and created much needed parking, however it was not well received by the property owners. He felt that since this plan was so thoroughly rejected it can be removed from the districting because it is probably never going to happen.

Mr. Hartling had recommended the following:

- At the March Planning Commission meeting - general discussion with agreement as to the intent to move forward;
- April and May Planning Commission meetings - review of two amendments; one to the area in need of redevelopment and second to the redevelopment plan;
- Summer – Borough Council review of documents, public notice, approval process; this can probably be accomplished by September; however, it should not move to Council until the engineering studies are completed.

Mr. Lincoln said the traffic at the circle will need to be evaluated because there are six roads coming into that area so unless three or more of them are eliminated, some sort of intersection control will be necessary; most likely a more modern roundabout but the traffic through that area is significant with the truck traffic on Buttonwood Street. He noted that roundabout design is roughly \$100,000 and \$1M for construction. Discussion ensued regarding the utilities that run through and around the circle. Funding was also briefly discussed and Mr. Murray said that there is a joint safety grant opportunity that Wyomissing is proposing. This will be discussed at the next Traffic meeting.

It was recommended that the next step should be to complete a traffic study to see what improvements make sense for the space that is there. An RFP would most likely be the best way to go, given that it is a \$15,000 effort. Mr. Murray indicated that there are funds budgeted, but not specifically for this purpose. The Traffic and Infrastructure Committee will begin discussing this however the first step will be to discuss it with Borough Engineer Tom Unger.

Approval of Minutes

Motion to approve the February 2, 2022 minutes. **Moved** by Ms. Bressler and seconded by Mr. Rhoads.
Motion carried.

Other Business

Mr. Wert also noted that he had spoken with the Borough Solicitor concerning the adoption of the most recent Zoning amendments, which through a simple error was not sent to the Berks County Planning Commission (BCPC) for their review. As a result, it will be sent to the BCPC for review and then re-adopted. It was also noted that the amendments in the ordinance were not significant in nature.

Adjournment

Motion to adjourn the meeting at 7:42 p.m. was made by Mr. Lincoln and seconded by Mr. Horman.

Motion carried.

Respectfully submitted,

Cathy Hoffman
Zoning Officer