

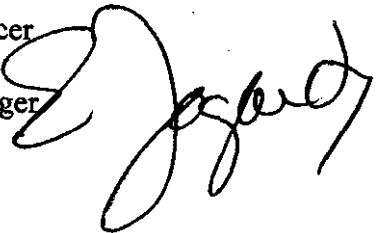


Department of Land Use

MEMORANDUM

To: Christopher Bullock, President, New Castle County Council Members, County Council

Copy: Thomas P. Gordon, County Executive
David Grimaldi, Chief Administrative Officer

From: Eileen P. Fogarty, Land Use General Manager 

Date: May 26, 2015

Subject: Annual Report: The Redevelopment Program
Calendar Years 2002 through 2014

The New Castle County Department of Land Use is pleased to submit an Annual Report to County Council regarding an analysis of the use and effectiveness of the Redevelopment Program in New Castle County, Delaware. This report is prepared pursuant to former Section 40.08.130 B 6 (h) of the New Castle County Code.

PURPOSE

The primary purpose of the original ordinance and of subsequent amendments is to establish a review and approval process for the redevelopment of any existing nonresidential former code (or pre-former code) development without the need to fully comply with the UDC and without the need to obtain substantial variances from the BOA. The process acknowledges that it is in the best interest of the public and county to permit under certain situations and conditions the redevelopment of an already developed site, when a variety of design improvements elements are identified and proportionally improved. A credit is given to existing GFA and additional GFA is permitted if the UDC site capacity calculations in Article 5 permit. Redevelopment, reinvestment and improvements to older commercial, office, industrial centers in areas where infrastructure and an established populations base exists, will eliminate or reduce the potential abandonment of the property and increase the opportunity for positive enhancement of the area.

CODE AMENDMENTS

Ordinance 01-098. Adopted by County Council in April 2002, the original legislation is intended to make more efficient use of existing infrastructure and should provide an attractive alternative to development in undeveloped areas. The amendment provides incentives to property owners to redevelop older, unmarketable, run-down, legally nonconforming nonresidential sites, while encouraging extensive public input in the process to identify the

nonconforming design elements determined to be the most desirable by the surrounding community.

Ordinance 03-069. Adopted by County Council in October 2003, this text amendment added state documented and defined “brownfiled sites” to the redevelopment process. Under the redevelopment process, a site capacity analysis is waived, impact fees are waived, permits TOA’s for majors and that a TIS is required only if required by DeIDOT, and permits offices and other mixed uses in the I zoning district.

Ordinance 04-054. Adopted in July 2004, this ordinance recognized that with only four new redevelopment plans over the past four years, that additional incentives were necessary. Some of the changes adopted included: allowing legally established square footage (whether existing or proposed) to be used, minor clarifications were made to the definition of minor and major plans as related to redevelopment, allowed up to 50K of GFA provided the floor area ratio is not exceeded, and expanded permitted uses in the I and HI zoning districts for redevelopments.

Ordinance 06-007. Concerned that the number of redevelopment plans submitted was still well below what was anticipated, County Council adopted this ordinance in March 2006. Amendments included: allowing redevelopment plans to be reviewed outside of the triannual rezoning process for other rezonings; applying the brownfield benefits to all redevelopments; eliminating the site capacity analysis; providing a 25% density bonus; eliminating all impact fees except for sewer; and allowing DeIDOT to determine need for TIS.

Ordinance 06-060. Adopted in September 2006, this was an omnibus amendment that recognized that sewer impact fees were applicable to any site and as such removed the language from the redevelopment section.

Ordinance 08-001. Adopted in March 2008, this ordinance added extractive use site to eh redevelopment process and required a site capacity analysis to determine permitted GFA. It also clarified that no new conformities and no expansions to existing nonconformities fould occur.

Ordinance 10-113. This was a comprehensive republication of the entire County Code and made only formatting and other content neutral changes.

Ordinance 11-020. Adopted in July 2011, this amendment clarified several issues including: limiting development to only nonresidential uses and sites; removed the phrase “or was approved for this site”; prohibiting redevelopment plans from also seeking BOA variances; clarifying LOS and TIS issues; modifying the relative importance of certain design element improvements to 50 %; and other minor formatting changes.

REDEVELOPMENT PLANS

Following adoption of Ordinance 01-098 and during the period of Calendar Years ’02 through ’14, the New Castle County Department of Land Use received 87 redevelopment plans. The chart below shows the distribution received over the past 13 years and the number today that are classified as active, recorded, withdrawn or expired.

Redevelopment Plans – Received and Recorded														
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	Totals
Received	5	3	5	9	12	16	13	9	5	6	2	2	0	87
Recorded	0	3	3	7	6	9	13	5	9	6	5	3	3	72

Redevelopment Plan Summary (2002 through 2014)					
Status	No.	Total Acres	Total GFA	Brownfield	Industrial
Recorded	72	892.37	6,801,462	5	15
Active	1	3.57	24,950	0	0
Withdrawn	4	93.31	1,667,959	0	0
Expired	10	45.16	267,112	0	1
Totals	87	1,034.41	8,761,483	5	16

Of the three plans recorded in 2014, only one has proceeded to having building permits issued. The Dupont Pioneer Stine Haskell Greenhouse Plan (2013-0710-S) is redeveloping parcel 2 to reconstruct 221,405 GFA of previously demolished GFA and to add 50,000 new GFA in the I zoning district.

Two additional redevelopment plans have been submitted in 2015. They are:

- 2015-0007-S, 698 Naamans Road, PMIG DPNJ LLC (TPN: 06-047.00-296). A minor plan to redevelop the CR zoned parcel with a 4,335 sf convenience store with car wash and gas pumps 0.90 acres.
- 2015-0089-S, CRODA Inc. at 315 Cherry Lane (TPN: 10-016.00-002). A minor plan to redevelop a portion of the HI zoned property with a 6,500 sf expansion within the 128.87 acres.

Both plans are in the active review status at this time.

INVESTMENT AND REINVESTMENT OPPORTUNITIES

The Redevelopment Program is intended to facilitate and encourage reinvestment into an area for the purposes of retaining the viability of previously developed sites. Due to the potential for a significant return on capital investment, the program in New Castle County generated a considerable interest among developers and businesses between 2005 and 2011. While the

numbers of new applications have dropped significantly in recent years, there is evidence of a marked increase in the average assessed value of redeveloped properties, the benefits to reinvestment on previously developed sites, and Brownfield sites. The average assessed value of completed redevelopment projects in New Castle County increased by approximately 400%.

PLAN REVIEW COMPONENTS

Upon submission of a redevelopment plan, the Department reviews the design improvement table and the types and amount of improvements proposed by the plan. To date, the Department has been very capable of anticipating the expected land use concerns of the surrounding community and suggesting changes to the plan that better reflect those concerns. As such, the proportional design element improvement table continues to address the issues and there have been non complaints on its use and functionality. The improvements table has built-in flexibility and allows improvements to be tailored to the circumstances and needs of each property. The majority of improvements have included landscaping, buffers, parking and curbing, and stormwater management.

SUMMARY

While the economy may have played a role in the significant reduction of redevelopment plans submitted to the department after 2011, the adoption Ord. 11-020 which prohibited redevelopment plans from also seeking Board of Adjustment variances may have had more of an impact. Adopted in July 2011, Ord. 11-020 established a noteworthy change in the review process by disallowing any plan to be submitted as a redevelopment plan if variances of any kind were also necessary. Only six new plans have been submitted in the past 3 ½ years.

Regardless of the lack of recent plans, reactions over the years to the final product have been positive. Numerous sites have successfully undergone the metamorphosis from a previously developed site into a production business organization that has the capacity to create and retain more employment opportunities, provide a greater property assessment, and stimulate other reinvestment opportunities in the neighboring communities.

The Department is confident that the results of the redevelopment ordinance and its subsequent changes are positive and that the interests of the applicant and the community have not been compromised. However, as with any provision of the UDC, the Department will continue to carefully monitor its usage and application. The lack of recent applications is troubling and it is expected that the Department will be developing strategies with the help of its UDC consultants (as reported in the New Castle County Department of Land Use Action Plan and Work Program). The goal will be to better incentivize and yet protect the community in the next 8-12 months to provide creative opportunities for economic development and revitalization.

The Department appreciates this opportunity to report on the activities of New Castle County's redevelopment program. We believe that the program has proven to provide continuing opportunities for reinvestment in established communities, while balancing the needs and desires of the surrounding area.