

**Cabinet Committee on State Planning Issues
Haslett Armory, Room 219
September 30, 2015
Meeting Summary**

Committee Members Present:

Meredith Tweedie, Chair, Office of the Governor, Chair
Connie Holland, Office of State Planning, Director
Anas Ben Addi, Delaware State Housing Authority, Director
Kara Coats for Secretary David Small, Department of Natural Resources and Environmental Control
Terry Pepper for Secretary Lewis Schiliro, Department of Safety and Homeland Security
Brian Maxwell for Director Ann Visalli, Office of Management and Budget
Valarie Watson for Tom Cook, Director of Finance
Kirsten Wolfington for Director Bernice Whaley, Delaware Economic Development Office
Jennifer Cohan, Delaware Department of Transportation
Deb Gottschalk for Secretary Rita Landgraf, Department of Health & Social Services
David Blowman for Secretary Steven Godowsky, Department of Education

Also Present:

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| Herb Inden, OSPC | Leonard Sophrin, City of Wilmington |
| David Edgell, OSPC | Charles Anderson, City of Seaford |
| Dorothy Morris, OSPC | Trisha Newcomer, City of Seaford |
| Miriam Pomilio, OSPC | Dolores Slatcher, City of Seaford |
| Ann Marie Townshend, City of Dover | Susan Love, DNREC |
| Ted Becker, City of Lewes | Sarah Pragg, UofD |
| Lee Huang, Econsult Solutions, Inc. | Andrew Donnelly, Governor's Office |
| Jeff Flynn, City of Wilmington | |

Meredith Tweedie opened the meeting at approximately 1:35 pm with welcome and introductions.

Approval of Minutes

A motion was made by Director Holland to approve the minutes from the previous meeting of January 6, 2015. The motion was seconded by Terry Pepper and with no discussion the motion was unanimously approved.

City of Lewes Municipal Comprehensive Plan extension

The City of Lewes is currently updating their comprehensive plan and has requested a 120 extension from their original due date of October 2015.

Director Holland explained that it was within the purview of this committee to grant an extension to a municipality who has notified the Office of State Planning that the comprehensive plan update guideline cannot be met.

Ted Becker, Mayor of the City of Lewes explained that the update began in 2013 and since that time the town has held no less than 59 meetings. The Planning Commission approved the plan to go to town council in June and it is now being reviewed by council.

However, council does not feel they can look at the plan and have it completed by the deadline of October 2015.

Director Holland stated that the City has asked for a 120 day extension. She questioned if that extension would be enough to get the plan completed. Mayor Becker stated that he felt that a 180 day extension, if approved, would be adequate to complete the plan.

A motion was made by Terry Pepper to approve a 180 day extension to the City of Lewes in regards to their comprehensive plan deadline. The motion was seconded by Secretary Cohan and with no discussion the motion was unanimously approved.

Downtown Development District - Boundary Extensions Requests

Dover

The City of Dover has requested an expansion of their Downtown Development District Boundary by adding 4.29 acres to the original boundary, as shown on the map included in the packet.

Director Holland stated that Dover has been doing great things since they were awarded the DDD designation. Dover has just announced that they are working to purchase abandoned properties which will be a positive step for the City. Dover does meet the guidelines for expansion because their existing DDD is 219.79 acres and they are asking for an additional 4.29. Total with expansion would put the City at 224.68 which is under the allowable 225.

Ann Marie Townshend, the City of Dover Planning Director explained the expansion and the reasoning behind each request. The first is the area on the east side of State Street between Lockerman and the Green. This expansion is being requested because of the inquiries they have received by potential property owners in this area. The second request is for the area along Water Street between State Street and South Governors Avenue. Much of this area is known as State Street Commons, which has been vacant for approximately 10 years. The owners are working to renovate some of this property now and have inquired about the incentives. There is also potential for redevelopment further west on that block.

Questions:

Kirsten Wolfington asked if the City had considered any other areas while they were expanding their boundaries. Ms. Townshend noted that, with these expansions they had reached their limit.

Director Ben Addi asked if there were any activities planned for the expansion along State Street. Ms. Townshend noted that they had no definite activity but they have issued some City incentive approvals for one of the properties but no building plans have been received. In addition, they have had several inquired about the 'parsonage' building and any new tenant would require major renovations.

Deputy Secretary Coats stated, for the record, that some of the DNREC offices were moving into the State Street Commons property and they were excited to be within the DDD.

A motions was made by Director Ben Addi to approve the requested expansion of the Dover Downtown Development District boundaries. The motion was seconded by Terry Pepper and with no further discussion, unanimously approved.

For clarification, Director Ben Addi asked when the approved expansion was effective. Ms. Holland stated that it was effective as of today and the Office of State Planning would ensure that the Housing Authority received the GIS information for the expansion.

Seaford

The City of Seaford has requested an expansion of their current Downtown Development District to include an additional 25.23 acres.

Director Holland commended Seaford for their efforts. Not only have they approved all of their proposed incentives but they have recently given another incentive, which was not included in their original application, and saved a large project developer approximately \$76,000 by waiving sewer and water fees.

Dolores Slatcher thanked the State for doing the DDD program, stating that it has been the best marketing tools that the City of Seaford has had in decades. It has brought interest and investment into the downtown area; not only from new developers but from existing tenants as well. There has been several new businesses and apartments to the downtown area. The expansion is for the main north/south corridor within the City. There are two commercial properties that need help in redevelopment and several residential areas that the City hopes to help with redevelopment through this program.

A motion was made by Deputy Secretary Coats to approve the requested expansion of the Seaford Downtown Development District boundaries. The motion was seconded by chairperson Tweedie and, with no further discussion, unanimously approved.

Wilmington

The City of Wilmington is requesting an expansion of their existing Downtown Development District to include an additional 1.50 acres.

Director Holland stated that when Wilmington received the original DDD designation they were ahead of the curve because they had several projects ready to move forward when they were designated. Wilmington does not meet the guidelines for expansion as the proposed expansion of 1.50 acres for the City of Wilmington would take their district above the allowable 225 acres by .8 acres.

Lenny Sophrin, Planning Director for the City of Wilmington, addressed the committee by responding to a letter that was sent by the Office of State Planning Coordination on April 20, 2015. The letter asked the City of Wilmington to explain how the City is meeting its obligations under the DDD program. Mr. Sophrin introduced Jeff Flynn with the City Economic Development Office to discuss how the City was meeting its Downtown Development District obligations, including implementing the incentives that were promised as part of the City's DDD application.

Chairperson Tweedie noted that there are two separate, but related, issues before the Committee. The first issue is how the City is meeting the incentives and obligations that

it agreed to do as part of being designated as a Downtown Development District. The second issue is the expansion of the existing district.

Mr. Flynn stated that the 45 day permitting process has not happened with any projects at this time because of the 10 projects approved for a grant, 5 completed their City review before the DDD was designated and the other 5 are already in the system at various stages of approval. 1 of the 10 is working with the City to pilot an MOU on the permitting process. Mr. Flynn noted that he was not involved with the application process and when he heard about the 45 day permitting incentive he immediately thought of the challenges but accepted the incentives and decided to find a way to meet that review period, even if it has to be done on a case by case basis.

Director Holland clarified that during the application process the State asked the local jurisdictions what they thought their incentives could be. The State did not mandate that any incentive be included in an application. While the State gave suggestions regarding possible incentives, the State asked that the jurisdictions pick their incentives.

Mr. Flynn stated that the City of Wilmington is aware that changes need to be made to both their comprehensive land use plan and the plan review process. They have hired a consultant to go through the City's process and begin making recommendations on how it can be changed. Until they can get the changes made, they are looking at the DDD reviews on a case by case basis.

Director Ben Addi stated that it was his understanding that the incentive package offered by a jurisdiction were to be granted to any development within the DDD area regardless of grant receipt status; however, from the description it sounded like Wilmington is only offering incentives to the developments that are also receiving grant funding. Jeff confirmed that the incentives are only currently being provided to grant recipients. Director Holland stated that all properties in the designated area should receive the same incentives. Mr. Flynn said that they do not have the numbers but he thinks they are close to meeting the 45 day period at this time but tracking would be a massive change and for now they do not have it ready.

Ms. Holland suggested that the City of Wilmington hire an OMBUDSMAN to help coordinate the review process for the properties in the DDD until the city can complete its process reform.

Deputy OMB Director Maxwell asked how the other two designees handled the review process for properties in the DDD area. Ms. Townshend stated that Dover did not include an expedited process as part of their incentive package and noted that it generally takes about 6 weeks to get to the planning commission if there is a site plan review involved and then about another 2 - 3 months to get to final plan. Turn-around time on a building permit is 2-3 weeks. Ms. Slatcher stated that Seaford does not have a timeline on it but, that the City has relaxed several of the items that would require board of adjustment review--but they also did not put as an incentive because they know that there can be delays beyond the City's immediate control.

Director Ben Addi asked Connie Holland if there was room for the City of Wilmington to negotiate and take the 45 day expedited review out of the application. Lenny stated that

the City did not want to take this incentive off the table as it will push the City to reform their process.

Chairperson Tweedie clarified that the agenda item the table today is the expansion of the DDD. Ms. Tweedie stated that she appreciates the responses provided by the City to talk about how they are meeting their obligations but the Office of State is going to need time to review the response letter.

Regarding the expansion request, chairperson Tweedie asked if Council had approved the expansion request. Mr. Sophrin stated that they had not taken it to Council but assured the committee that City Council would be supportive.

Chairperson Tweedie stated that the Office of State Planning would be in contact with the City of Wilmington regarding how the City is meeting their obligations set forth in the DDD application. For the purposed of this meeting, Ms. Tweedie asked to focus on the agenda item at hand which is the expansion of the district.

This committee does not have the independent authority to approve acreage over 225 acreage. This request, if approved, would take the acreage of the district over the allowable acreage. A discussion followed regarding the fact that the requested expansion would take the City of Wilmington over the allowable amount of acreage and that the City would like the State to be flexible to allow the City to move the boundary lines because there is additional acreage they would like to include. Connie Holland stated that while there might need to be slight modifications to the boundaries, the changes should be vetted through a public process to remain transparent.

Chairperson Tweedie stated that this body does not have statutory authority to approve a footprint beyond the perimeter. There may be a possibility to change the footprint of the district if the consent of council or there may be a possibility to approve the extra acreage. Ms. Tweedie recommended that the committee table this request until more information can be received and the Office of State Planning can review and work with the city.

Mr. Sophrin asked to clarify for the record that the original application was for 223 acres and the expansion is 1.5 acres. Chairperson Tweedie stated it is clear that there is a factual disagreement and that the City and the Office of State Planning would have to work together to determine the exact boundary acreage.

Director Ben Addi asked if the committee could vote on this expansion, provided the City works with the Office of State Planning to determine the numbers and provided the City stay within the 225 acre boundary allowed by the program. Chairperson Tweedie stated that the committee should know exactly what they are voting on so the clear approach would be to table this until the next meeting when all information can be brought to the public.

Chairperson Tweedie stated that the City of Wilmington will need to work with the Office of State Planning in a timely manner to clarify the information needed and if that is done, it may be possible to have another meeting before the December grant deadline.

A motion was made by Terry Pepper to table this application based on procedural questions. The motion was seconded by Brian Maxwell and with no further discussion the motion was carried.

Cabinet Committee on State Planning Issues Annual Report to the Governor

Chairperson Tweedie stated that this is a required report completed each year by the Office of State Planning Coordination with information gathered from local governments and State agencies. Ms. Tweedie asked if any of the agencies needed more time to review and comment. Director Holland asked that all members take the report back to their agencies and look at it one more time before we send to the Governor.

Chairperson Tweedie stated that any substantive issues would require the report to come back to this committee. Secretary Cohan stated that DeIDOT would like the report to include information on the Pedestrian Council. Chairperson Tweedie, for the record, stated that the report will include information on the executive order to create a Pedestrian Council without it coming back to the committee.

A motion was made by Debra Gottschalk to approve the Cabinet Committee on State Planning Issues Annual Report to the Governor with all agencies having until October 9, 2015 to make final comments. The motion was seconded by Valarie Watson and with no further discussion the motion was unanimously approved.

Strategies for State Policies and Spending Update

Chairperson Tweedie discussed that this item was placed on the agenda because the Office of State Planning (OSPC) needs the approval of the Cabinet Committee on State Planning Issues to take this draft update to public meetings. Director Holland noted that the OSPC is responsible for updating this document every five years. Staff has been working on the update for several months and the next step is to take it out to public meetings to get input from the local jurisdictions and the citizens. The draft will then be brought back to the CCSPI before going to the Governor for his approval.

Valerie Watson asked that the Office of State Planning add a link to the document when the draft minutes are posted to the statewide calendar.

A motion was made by Anas Ben Addi to approve the draft document to go to public meeting for comment. The motion was seconded by Secretary Cohan and with no further discussion was unanimously approved.

Public Comment

Chairperson Tweedie asked if any of the members of the public had any comments/questions for this committee.

With no member of the public wishing to speak, the meeting was adjourned at 2:48 PM.

Draft Minutes posted to calendar: 10/8/2015

Minutes approved: 11/19/2015

Final minutes posted to public: 11/20/2015