THE KNITTING MILLS REDEVELOPMENT: HOW TEAMWORK LED TO PROJECT SUCCESS

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Aaron Gantz, MPA, Executive Director of Downtown Revitalization, Greater Reading Chamber Alliance
Joseph Kraycik, P.G., CQA, Senior Consulting Geoscientist, Environmental Standards, Inc.
SITE HISTORY + BACKGROUND

- 53-acre property in Wyomissing and West Reading, Pennsylvania
- Collection of 9 tax parcels with 16 buildings
- Long history of industrial and commercial use
SITE HISTORY + BACKGROUND
TIMING - KEY!

- Stakeholder buy-in early on
- Milestones:
  - Anchor tenant - UGI Energy Services - Delivery by Q2 2019 or ability to terminate
  - Perform All Due Diligence
  - Structure a Leaseback With VF
  - Close on the Property
  - Secure Approvals for all Redevelopment
  - Redevelop Designers Place
  - Perform Demolition
  - Redevelop Blue Building
  - Perform Tenant Improvements
  - Move UGI from Spring Township
JOINT EXPRESS APPROVAL PROCESS

High priority economic development projects

Meeting called by a Berks County Commissioner - led by the Chamber Alliance

All permitting bodies - state + local in one room

Commitment to meeting critical dates
STEP 1 - 202 REDEVELOPMENT
* CRITICAL DATE – 6.30.17 – BEGIN CONSTRUCTION *

VF OCCUPIES 300,000 SF IN WHAT WILL BE UGI HQ
STEP 2a - UGIES REDEVELOPMENT
* CRITICAL DATE – 2.01.18 – BEGIN CONSTRUCTION *
* MAY BEGIN AS EARLY AS 11.1.17*

DEMOLISH 5 BUILDINGS
KEY DATES

FEBRUARY 22, 2017 – ZONING HEARING BOARD
MARCH 25, 2017 – ZONING HEARING BOARD
MAY 15, 2007 – ZHB WRITTEN DECISION
OCTOBER 10, 2017 – FINAL LAND DEVELOPMENT
May 8, 2018

Re: Highway Occupancy Permit EPS Application #137431
Proposed Wawa Food Market
Penn Avenue/N. Park Road/Hill Avenue
Borough of Wyomissing, Berks County

Dear Mr. Boyer:

Equus Capital Partners, Ltd., has informed the Borough of Wyomissing that as part of PennDOT’s review of the above referenced Highway Occupancy Permit Application, PennDOT has requested parking restrictions be imposed along Penn Avenue. Our understanding is that the restriction would remove approximately one quarter of the street parking available on the north side of the 900 block of Penn Avenue and is being requested to allow for an extended left hand turning lane for traffic traveling eastbound on Penn Avenue to turn northbound onto N. Park Road.

The existing parking spaces on this block of Penn Avenue serve the multiple businesses and apartments that are located there. The majority of these properties do not have adequate off-street parking available for their use. The removal of any on-street parking would be detrimental to these property owners and businesses and does not match the economic development goals of the Borough.

Respectfully, the Borough does not support the removal of any parking spaces along the north or south side of the 900 block of Penn Avenue.

We appreciate the Department’s consideration of this matter and look forward to your response.

Sincerely,

[Signature]

Thomas M. Moll
President
Borough Council
PARCEL 9
ENVIROMENTAL DUE DILIGENCE + REMEDIATION

Equus Capital Partners - purchase agreement in 2015 with the intent to redevelop

Environmental Standards - environmental due diligence prior to acquisition

Site-wide Phase I ESA in December 2015

Follow up Phase II activities between December 2015 and March 2018

Assessment and remediation conducted under Pennsylvania’s Voluntary Cleanup Program (Act 2)
ENVIRONMENTAL DUE DILIGENCE + REMEDIATION

- **Parcel 1 - Main VF Outlet Parcel**
  - minor metals impacts
  - achieved a non-residential standard

- **Parcel 8 - Powerhouse Parcel**
  - historic fuel oil release remediated in 2012
  - Additional metals and PAHs identified below non-residential standards

- **Parcel 9 - Former Foundry - Critical Timeline for Future Tenant**
  - Three Areas-of-Concern (AOCs) identified
  - AOC A - arsenic and manganese - pathway elimination
  - AOC B - PAHs - 95% UCL
  - AOC C - arsenic - Pathway Elimination
PARCEL 9 AREAS OF CONCERN
DEMOLITION + REBUILD ON PARCEL 1
CONCLUSIONS

- Environmental assessment set the stage for redevelopment
- Savvy developer who understood the market and was not scared by environmental concerns
- Private/public partnership - developer, municipalities, local politicians, and PA DEP
- $200M project
- 1,100 full time and 1,300 indirect jobs
- $168M projected state revenue