



West Chester Business Improvement District

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Height Overlay Discussion Paper

Board of Directors, West Chester Business Improvement District

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Overview

Within the Borough of West Chester is a 45 foot limit for all construction. To accommodate taller structures in certain areas, there are Height Option Overlay Districts that allow 180 feet within most of the area of the Business Improvement District (plus a Governmental Overlay District to accommodate the Justice Center) and 90 feet within a corridor bordered by East Market and East Gay between Walnut and Bolmar with an extension on Walnut to Chestnut.

The West Chester BID was asked by the West Chester Planning Commission to comment on the suggestions of lowering the height options in the downtown area. When considering changes of this nature, it is valuable to have a perspective that includes a viewpoint that is beyond the local historical dynamic. Such a viewpoint includes philosophies of the new urbanism that demands that development be sensitive to the global environment as well as local interests.

The following is a list of discussion points that indicate the purpose of downtown development; the economic impact of a downtown hotel; the obstacles to certain types of development; the historic dynamic of the downtown area; and recommendations.

Purpose of downtown development

The West Chester BID is an advocate of smart growth and high-density development in the downtown. Successful modern urban practices call for mixed-use commercial and residential development that is sustainable both from an economic as well as an environmental point of view. So called *green buildings* that offer highly efficient use of natural resources and replace green space achieve that goal. Further, taller buildings provide the concentration of daytime workers and/or downtown residents that are needed to expand our local economy and help make our local businesses successful.

Additionally, when development occurs, overall taxes paid by commercial property increases and help residential property taxes remain at a more-or-less constant level. As a matter of concern since 1997 (the first year after a re-assessment of county property values) the deficit between major Borough revenues and primary expenses (personnel) has more than doubled from \$1.6 million to \$3.3 million. This has been caused by the explosive growth in Borough personnel medical and pension benefit costs and a lack of tax revenue growth in a town that is essentially 100 percent developed. The ability for the Borough to pay this increasing difference with non-property tax revenue is not sustainable. Without major new commercial construction the alternatives are declining Borough services or steadily rising real estate tax rates.

One answer is to promote high-density development that maximizes downtown's ability to support the local economy and infrastructure. Because virtually all of downtown commercial space is developed, the ability to grow 'out' in the downtown is no longer available. Expansion will occur from the ability to grow 'up'. The BID seeks to encourage good development that both preserves and restores the extant historic buildings and allows new development to take place that is compatible or complimentary with the fabric of the streetscape.

Economic impact of a downtown hotel

The West Chester BID strongly supports the attraction of an urban full-service, quality hotel within the vicinity of the Mosteller Garage. Downtown has a number of attractions that can maintain visitors interest including a museum, railroad excursions, restaurants, galleries, shops and expanding entertainment venues. In order to support such a viable hotel, which is regarded as a hundred rooms or more, the ability to build 'up' is important.

The anticipated impact of such a development can be projected using data from a research brief provided by the Greater Philadelphia Tourism Marketing Commission and economic profiling from Penn State. This data indicates that the average spending for tourist packages is \$722. This includes \$168 for shopping and \$217 for dining per tourist package sold. The average occupancy for hotel rooms in Chester County is about 75 percent. Assuming a 100 room hotel with 1.6 persons staying per room, a downtown hotel would bring an additional 43,800 day/night visits to the downtown. With spending anticipated at a conservative \$200 per day/per person, \$8.8 million in outside funds would be spent. Utilizing the multiplier effect of 2.5 (as indicated by Penn State), the economic impact of such a hotel could be up to \$22 million per year. Such an expansion of the local economy will help preserve small, locally owned businesses that is an attractive component of the downtown.

Obstacles to certain types of development

Certain items already limit the size and scope of development in the downtown. These include parking availability and the ability to acquire parcels with enough space to accommodate a big-box retailer, for example. The need for parking to support a development, whether to meet zoning requirements or for marketability, is of particular importance and will, because of scarcity, limit development. More than zoning code height limits, the requirement to provide parking for major new construction and the necessity to accumulate the needed land limit new construction. As has been increasingly evident with recent developments, the Borough controls whether a development can occur by entering partnerships with the developers to provide their parking requirement in public facilities.

Historical Dynamics

The Historical & Architectural Review Board (HARB) has done an outstanding job in preserving the historical qualities that make West Chester a special destination. They have done so by both encouraging compatible new construction design and protecting historic structures through adaptive reuse. But historic preservation of our town has not happened in a vacuum. It has been able to be accomplished because economic success has made it financially feasible. Without a healthy market for these buildings they would not be preserved.

The 45-foot base height limit recognizes the architectural dynamic of downtown. It

requires set-backs of 15 feet for upper floor construction beyond that point. However, the tallest commercial building is the F & M Building in excess of 90 feet and the tallest historic structure is the Courthouse spire at 121 feet. The new Justice Center is 125 feet.

Downtown streets are one or two travel lanes which provide a pleasant pedestrian quality. The exception is found at the 100 and 200 blocks of West Market Street that has three travel lanes plus two parking lanes. The width of the street helps support the size of the new Justice Center and garage, the largest development in downtown.

The streetscape is generally made up of uninterrupted line of facades, mostly of historically contributing structures. They have been supported by contemporary structures that have become part of the architectural fabric and, in the case of the Bicentennial Garage, complimentary to the historic fabric as it visually connects the F & M Building to the other structures on South High Street.

Recommendations

As pointed out earlier, downtown can and should provide development opportunities that will both promote environmentally efficient structures and enhance the property tax revenue situation in the borough. Constraining such development will shift the tax burden to the residential neighborhoods and potentially force cutbacks in municipal services. Allowing good, high-density development that respects the historic and architectural dynamics of downtown will sustain the tax base and local economy.

Such development may change the skyline of the borough, but it need not change the fabric of the streetscape. The current regulations require a step back of 15 feet to occur between 35 and 50 feet of height. This requirement helps maintain the historical integrity of the streetscape.

If the 180 foot height option zone is to be revised, it should be no less than 135 feet. With the building code and engineering practices now in place, it is unrealistic to believe that structures over 75 feet but under 90 or 100 feet will be constructed. The cost threshold of construction is at the sixth story. Thus, to be cost effective, buildings over five stories need multiple additional floors. This is because building codes (IBC 2003) designate additional requirements for buildings greater than 75 feet which affect systems such as the fire alarm, sprinklers, standby emergency power, and stairways. Five to six stories is also a threshold for many types of elevator technology.

The 90 foot height option overlay district could remain unchanged (although the Planning Commission could consider minor boundary adjustments) because buildings over 75 feet will not likely be built. The BID considers the criteria and conditions associated with the height option zones to be appropriate and allow the Borough to consider factors including shadow analysis, traffic and parking.