

RFP FOR PROPERTY AT MAIN STREET AND DEKALB STREET, NORRISTOWN, PA
QUESTIONS AND ANSWERS
JANUARY 11, 2021

ZONING

What can be developed by right on the site?

Please refer to the Norristown Zoning Code for the Town Center ("TC") zoning designation, as amended by Ordinance 20-09, which applies to the entire site.

How does Ordinance 20-09 impact the TC zoning, particularly as it relates to residential use?

According to Ordinance 20-09, residential uses in the TC zoning district with dwelling units located on the second floor and above with ground-floor commercial uses are a conditional use. Subsequent to any award of this RFP, the selected developer will be required to proceed through Municipal Council approval; separate approval by the Zoning Hearing Board is not required.

DEVELOPMENT PROGRAM / USES

What preferences, if any, do the RDA / Municipality have with regard to residential product on the site?

The Municipality and RDA seek a high-quality residential use that both meets the needs of current Norristown residents and attracts individuals working in nearby employment centers such as King of Prussia and Conshohocken. The Municipality is open to multifamily development that offers rental units, ownership units, or a mix of both. The Municipality prefers that residential units developed on the site be market-rate (i.e. not income restricted) but may consider proposals that include workforce (i.e. affordable to residents earning 80-120% AMI) units. There is no specific preferred unit mix. The design of any residential development that achieves higher density than surrounding structures should attempt to maintain the horizontal architectural rhythm of Town Center facades, as detailed in Section 320-132 of the Norristown Zoning Code.

What preferences, if any, do the RDA / Municipality have with regard to commercial product on the site?

Given the centrality of the site within downtown Norristown, the Municipality seeks active commercial uses that will contribute to a vibrant downtown corridor. Retail uses that will serve Norristown residents and also offer unique regional attraction are highly encouraged. There are not any specific commercial uses allowed under the TC District zoning that the RDA / Municipality would discourage in evaluating proposals. The Municipality requires, at a minimum, ground-floor commercial use, and would consider a more extensive commercial program including the upper floors of a project.

What are parking requirements of the site?

The Town Center ("TC") zoning does not require, but does allow, on-site, off-street parking. The TC district is exempt from parking minimums. In order to maximize density, on-site surface parking is discouraged; however, if surface parking is utilized, the design must be in compliance with the standards described in Section 320-131(A)(3) of the TC zoning. The expectation of the Municipality and RDA is that proposals include a definitive parking plan. Creative parking solutions, including on-site structured or surface parking (in compliance with TC zoning), shared parking strategies with existing nearby parking structures, or other solutions, are desirable.

Would the Municipality be amenable to designating a portion of the outdoor space to support pedestrian-focused/transit-oriented design elements?

Yes.

How has COVID impacted the RDA / Municipality's preferences for the development program at this site?

The Municipality invites retail uses that align with changing market dynamics, and encourages flexible and creatively programmed outdoor space at the ground plane, and potentially on upper stories, to achieve safe, activated spaces.

SITE CONDITIONS

What is the condition and status of the existing building on site?

The site contains a three-story, 4,000 square foot attached structure that is currently fully vacant. The ground-floor was previously leased to a commercial retail tenant, and the two upper floors were leased to residential tenants. Preservation of this structure is not required. If maintained, interior repairs, including replacement of portions of interior ceilings and floors, would be necessary. Any demolition work must be planned in order to prevent negative impact to the structural integrity or operations of the adjacent, occupied buildings (325 DeKalb, 327 DeKalb, and 333 DeKalb).

Has any site due diligence been performed on the land?

There are no known environmental hazards on the site. A Phase I environmental report is available upon written request to Rebecca Swanson, Executive Director of the RDA, at rswanson@montcopa.org.

Are there any other reports, such as appraisals, retail studies, or traffic impact studies, that can be shared?

A 2017 retail strategy report prepared by Downtown Works is shared on the Norristown website and can be found [here](#). No other site condition reports are available at this time.

What utilities are available at the site?

Public utilities (including but not limited to water, electric, and sewer) are available to the site.

SURROUNDING USES / IMPACTS

Will any local infrastructure improvements, including lighting or ADA compliant improvements, be required?

No improvements to local infrastructure immediately surrounding the site are required by a developer; however, the RDA / Municipality is open to site plans and project designs that contemplate such improvements.

Are Main Street or Dekalb Street considered township or state roads with additional coordination required during the construction period?

Dekalb Street, as the northbound portion of U.S. 202, is a state road that serves as a major commuter route and vital link for business and industry in the tri-state region. It is recommended that PennDOT be notified of any significant construction activities that could impact access on Dekalb Street. Main Street is a municipality road. Contact information for representatives of PennDOT and the Municipality are available upon written request to Rebecca Swanson, Executive Director of the RDA, at rswanson@montcopa.org.

Are there any architectural features or historical elements that are of particular importance in Norristown that the Municipality and RDA would like to incorporate in the project?

While there are no specific architectural features or elements that the RDA / Municipality seeks to preserve in this project, creative and thoughtful designs that are compatible with the historic character of downtown Norristown are welcomed. Please refer to the Norristown Zoning Code, Section 320-132, for architectural and site design standards for the Town Center ("TC") zoning designation.

What is the anticipated impact of the new Montgomery County Justice Center?

The plan for the \$430 million Justice Center improvements can be found [here](#), and additional details are described in [this article](#). The design, by internationally renowned architecture firm Skidmore, Owings, and Merrill, will modernize existing historic structures and create new space for courthouse operations, as well as public open space. Designs presented to the Municipal Council in September 2020 can be found [here](#).

Planned construction includes the demolition of the brick building adjacent to the site (formerly a Wells Fargo Bank branch) and nearby parking structures within the block, in order to accommodate new underground parking, an expanded public open space along Main Street, and a new 50,000 square foot courthouse addition. The courthouse addition activates the parcel immediately west of the subject site (currently used for surface parking) and improves the streetscape with landscaped frontage adjacent to the subject site's frontage on Main Street. Upon completion, the renovated Justice Center campus is expected to bring jobs previously located elsewhere in Montgomery County back to Norristown.

FINANCIAL CONSIDERATIONS

Can you provide further detail/insight on the price of the land?

In the interest of maximizing flexibility in the proposed development plan, the land purchase price has been left open for respondents to develop an offer price. To the best of the RDA's knowledge, there are no site conditions that would effectuate a price significantly below market value. The offer price will be one of multiple criteria used in the award decision.

What financing programs or other incentives may be available for a project on this site?

- **Montco Forward Loans:** The Montco Forward loan is a revolving loan program administered by the RDA for specific development work. The maximum amount of loan funding through Montco Forward Loans is the lesser of \$1,000,000 and 50% of eligible project costs; consideration will be given to loans above \$1,000,000 on a case-by-case basis after review and approval of the RDA, with additional conditions. Additional information can be found [here](#) and current loan fee information can be found in Section IV of the RDA Fee Schedule [here](#).
- **Commercial Property-Assessed Clean Energy (C-PACE) Financing:** New construction projects that utilize building standards and/or equipment outlined in standards such as LEED and Net Zero Building will be eligible for C-PACE Financing. Up to one hundred percent (100%) of the cost of outlined clean energy projects (referred to as Energy Conservation Measures) will be eligible. The RDA is the administering entity for C-PACE funding in Montgomery County. The Montgomery County C-PACE program is now accepting pre-applications. More details of the C-PACE program can be found [here](#).
- **Redevelopment Assistance Capital Program (RACP) Grant:** RACP is a state grant program for the acquisition and construction of certain economic development projects. To be eligible, a project must exceed \$1 million in costs, have a significant impact on economic activity in the region, and be funded with at least a 50% match. More details of the RACP program can be found [here](#).

- **Local Economic Revitalization Tax Assistance (LERTA):** The Montgomery County LERTA tax abatement offers a graduated, ten-year tax abatement on new assessed improvements. The Montgomery County Commerce Department acts as the liaison between municipalities and developers/investors seeking LERTA benefits. A LERTA application must be approved by the school district, municipality, and county. More details about the required information and documentation, and the application procedures, for LERTA benefits, can be found [here](#).

Contact Rebecca Swanson, Executive Director of the Montgomery County RDA, to learn more about any of the above financing options. In addition to the financing incentives noted above and in the RFP (Section 2.6), respondents are encouraged to include and pursue other local or state financing incentives that may be available.

How will the Municipality and RDA assist in helping secure local and state development incentives?

As the administering entity for the Montco Forward Loan and C-PACE Financing program in Montgomery County, the RDA is available to provide information, answer questions, and support developers through the application process for potential funding through these sources. As a public authority, the RDA is an eligible grantee for state development incentives such as the Redevelopment Capital Assistance Program (RACP) grants. The RDA would serve as a conduit for RACP funds from the Commonwealth to the developer. Funding available through the RDA, such as Montco Forward Loans, could be used towards the local match required for RACP funding.

Would the RDA consider pledging their equity value of the land to syndicate financing?

The RDA will consider supporting developers through creative financing plans.

Corrections/Clarifications:

The RFP stated that the mixed-use project at 118-120 Main Street received Municipal approval for the LERTA tax abatement; the LERTA application has been accepted, but not yet approved.