

**Planning and Zoning Commission Meeting  
May 23, 2019 @ 7:00pm**

In attendance were Town Manager Debbie Botchie; P&Z Chairman Pat Plocek; P&Z Secretary Marshall Gevinson; Commissioners Cathy Scheck, Glen Faden, Tim Roe; GMB Representative Andrew Lyons, Jr.; Town Code & Building Official Eric Evans, and Town Clerk Matt Amerling.

1. **CALL TO ORDER:** P&Z Chairman Pat Plocek called the meeting to order at 7:00 p.m.
2. **ROLL CALL:** Mr. Plocek stated all were present.
3. **PLEDGE OF ALLEGIANCE**
4. **ADOPTION OF MINUTES**
  - A. May 9, 2019

P&Z Commissioner Cathy Scheck motioned to adopt the May 9, 2019, P&Z minutes. P&Z Commissioner Glen Faden seconded the motion. Motion carried 5-0.

5. **NEW BUSINESS**

- A. Review and discuss a concept site plan submitted by Ocean Atlantic Companies, LLC, located on the Northwest Side of Roxana Road; Tax Map Parcel #134-15.00-93.01; 32.750+/- acres; zoned Master Planned Community.

Proposed project: 216 Apartment Units  
220,245 Sq. ft. Assisted Living Facility

*Synopsis:* The applicant wishes to discuss the concept site plan for the project with the Commission before submitting the preliminary site plan to get feedback, comments, and recommendations.

Mr. Greg Tobias, of Ocean Atlantic Companies LLC, stated he is here tonight to present the two-hundred-sixteen (216) apartment units in Millville by the Sea (MBTS), next to the Beebe property, and there will also be a senior housing facility, which is a combination of independent living, assisted living and memory care. Mr. Tobias stated the amenities included on the apartment side will be a clubhouse, pool, tot lot, dog park, a grilling station and an outdoor lounge area with a fireplace. Mr. Tobias stated the senior housing has full restaurants, a pub, a movie theater, and a salon. Mr. Tobias further stated the types of units in the apartments offered will be thirty-six (36) of the three bedroom, two bathroom units, with about twelve-hundred (1200) square feet, and the rent is one-thousand-three-hundred-ninety-five dollars (\$1395) per month; the two (2) bedroom, two (2) bathrooms are nine-hundred-twenty (920) square feet – the porch and storage add about one-hundred-seventy (170) square feet so the numbers projected are not exactly correct – and around one-thousand-one-hundred-ninety-five dollars (\$1195) per month; and the one (1) bedroom, one (1) bathroom units have six-hundred-ten (610) square feet. Mr. Preston Schell, of Schell Brothers, stated the rents are today's market rents as if the building was done and complete today, but if the building is done in two (2) to three (3) years from now, he would expect those rents to go up.

Mr. Tim Metzner, of Davis, Bowen & Friedel Inc., stated the site is located on the western side of Roxana Road, and there is one (1) site entrance located along Roxana, which will divide the assisted living facility from the apartment units; and there is a circular drive aisle around with the apartment buildings focused toward the center where there is a stormwater management pond which will be used as an amenity. Mr. Metzner stated the clubhouse is located in the very front of the entranceway so that will be the first thing people see when they come in; and water and sewer will be served by Sussex County and Tidewater Utilities. Mr. Schell stated there is also a walking trail within the woods next to the property, which is a very common design for Ocean Atlantic, which consists of generally having the stormwater management pond in the middle and the buildings are “back-loaded and front-facing,” so the master bedroom and main living area looks out toward the middle so residents have a great view, and walking trails are common in all of their communities and rather than have the trails simply stay next to the buildings, they try to wrap the central pond with most of the trail and, if there are woods nearby, have some of the trail go through the woods. Mr. Schell stated there will be a little timber bridge over one small portion of wetlands on the wooded site but this is a common theme. Mr. Schell stated the site plan being shown today is the applicant’s current plan, but the applicant has an outstanding offer to Beebe to buy about five (5) acres of their land; so the applicant can turn the southern wing of the assisted living facility and instead stretch it out to the west and onto Beebe’s property, so more units are overlooking the woods instead of the utility lines. Mr. Schell stated they don’t have that locked up yet, so this is the correct site plan to show, but it is a possibility. Mr. Tobias stated another aspect they do is have the buildings either back up to the stormwater pond or to the woods so the main living areas can have a nice view.

Mr. Schell stated everything shown tonight are all market-rate projects in that the developer is charging as much for rent as they feel the market will bear. Mr. Schell showed a slide of their first project, Beach Plum Dunes (in Lewes), and invited anyone – especially P&Z members and Council members – to visit any of the projects shown tonight and see how things look and work. Mr. Schell stated there are Cape Henlopen High School teachers who live there, as well as two (2) Delaware State Police (DSP) officers – and in four (4) years’ time, there haven’t been any reports of crime within the units; people love the police parking their cars where everyone can see them and think it’s a great deterrent. Mr. Schell stated Beach Plum Dunes is very similar in design to what is being proposed for tonight’s application. Mr. Schell stated there are a lot of retirees who live there and most are renters by design, not by necessity, which means someone says they want to live in Lewes right now but may move out to California to be closer to family; so the freedom of being able to move out and not have to worry about putting my home on the market and waiting for it to sell, is a nice, great alternative to owning a house/unit. Mr. Schell stated Schell Brothers treats its tenants just as well as its homeowners – throwing parties for them, holding events, being invited to the Schell-Ocean Atlantic events, etc. Mr. Tobias stated people also tend to stay; the average tenure at the apartment complexes is four (4) years which is basically twenty-five percent (25%) of the year in turnover, which is very, very low for any type of apartments. Mr. Schell stated he doesn’t know if it would be the same in Millville, but he would expect it to be fairly similar but Lewes is about fifty percent (50%) non-workforce and fifty percent (50%) workforce. Mr. Schell stated the project tonight is a three (3)-story, twenty-four (24)-unit building and the parking wraps around the community. Mr. Schell stated the pet-friendly buildings are the ones which have balconies facing out toward open

space where no one is residing – that way, people don't hear any noise – but the problem is about sixty percent (60%) of the tenants in other projects own pets and with this project, there are far more buildings facing the central pond, so Ocean Atlantic may take some of those buildings facing the central pond and make them pet-friendly buildings. Mr. Schell stated there are little pet stations and dog parks in the community to make them pet-friendly. Mr. Schell stated they also build decks on the upper floors to not have open slats because people would let their pets out on the deck and when pets relieved themselves, the drippings would fall to the deck below, so this will be a closed-slat deck. Mr. Schell stated the community will have a small fitness facility with new equipment, and if the pool here is like the one in Lewes, it won't get used very much. Mr. Schell stated he was told the “fifty-five plus'ers (55+)” usually don't go voluntarily to lay out in the sun and the people under fifty-five (55) who are working are too busy with work and other things to use the pool. Mr. Schell stated a pool will be installed but he doesn't think they've ever had all of their lounge chairs full since the Lewes property opened. Mr. Schell stated he is a big fan of wood-burning fireplaces so they generally put one of those in, and they'll bring gas to the area just in case they want to convert later.

Mr. Schell stated the next slide is for Carillan Woods, in Long Neck, which is an “age-targeted” – not “age-restricted” – rental community, has four (4) stories and it has elevators; by the way, all of the buildings have elevators in them and the ones in Millville will too. Mr. Schell stated Carillan Woods has a walking trail like previously discussed, which goes around the central pond, stretches out into the wooded area and back to the development. Mr. Schell stated every unit in the Millville buildings gets its own storage space which is not a part of the unit so everyone will have a six-foot by ten-foot (6'x10') non-climate controlled storage unit for things such as bikes, beach chairs, the kind of stuff you don't want to bring inside your unit. Mr. Schell stated this also cuts back on having bikes littered all along the front grass patches of the buildings. Mr. Schell stated it may be a lot of storage space but it's enough to keep a certain amount of things in there and out of your unit. Mr. Schell stated the storage doesn't raise the rent, it comes with the unit. Mr. Schell stated the Millville building project has the same layout of floors like Carillan Woods but, unlike Carillan, Millville would be a twenty-four (24)-unit building without the fourth floor. Mr. Schell stated the units have full-size washer and dryer, and the kitchens have granite countertops. Mr. Schell stated they generally do walk-in closets, although not every room gets a walk-in closet. Mr. Schell stated there are one-bedroom units because, according to the Carillan Woods units, they are in high demand in this area.

Mr. Schell stated, in terms of their senior living facilities, the first one is currently under construction in Rehoboth Beach, and it's strictly independent living. Mr. Schell stated senior living can be made up of independent living – people who are generally mobile, can get around, need minimal care, but still want to live in a facility which is highly “amenitized,” and where they can do a lot nearby. Mr. Tobias stated there will be a restaurant and pub on the premises so they can have a meal plan. Mr. Schell stated the food is really good, and they partnered with Greg and Rita Stevens, of a company called Vantage Point Retirement Living, for top quality senior living. Mr. Schell stated, with regards to the senior living they're building, his mom would gladly live in this project because of its interior design and how nice it is. Mr. Schell stated another good reason this would be next to Beebe here in Millville is because Beebe is the applicant's partner; Beebe leases space on the ground floor of the applicants' senior living buildings and provides physical therapy, some types of

medical services, and will do some skilled nursing. Mr. Schell stated the project in Millville is bigger – with about one-hundred-eighty-five (185) units – than the one in Rehoboth, which has eighty-five (85) units. P&Z Commissioner Cathy Scheck asked how many people are projected to live in the Millville assisted living facility. Mr. Tobias stated the design is for one-hundred-seventy (170) but he doesn't know for sure. Mr. Schell stated when they designed the Lewes one, there was an expanded wing which they plan on building in the future, but the initial leasing activity for the Millville one and the one in Rehoboth is strong enough, they'll most likely build it up front, but it's very likely for this (Millville) project they'll take one wing and factor in the parking, the traffic generation, etc., so the applicant doesn't have to come back to the Town and get it separately approved. Mr. Schell stated they most likely will not build that wing up front and wait and see what the leasing activity is like. P&Z Commissioner Glen Faden asked if in the assisted living facility there will be a skilled nursing as well as memory care. Mr. Schell stated there will be some skilled nursing in the Lewes buildings but they don't know what the case will be in Millville yet because there is a whole different kind of licensing and regulations which come into play when you are advertising that; so if they could get Beebe to provide skilled nursing-like services without having to fully register that would be good. Mr. Schell stated there are a lot of added-on expenses with having skilled nursing in the building and it gets a lot more expensive so they're not sure it will happen in the Millville project. Mr. Schell stated they will get a professional market study done and they feel comfortable enough to know the market is there to come in and discuss with the Town to propose it on the site plan but when it comes to how many units, how many memory care, assisted living, etc., whether there is skilled nursing provided or not will be based on a professional market study.

P&Z Secretary Marshall Gevinson asked if there will be walking paths within or around the assisted living facilities. Mr. Schell stated they will connect a trail to the ones provided around the apartment buildings and use a surface which would accommodate those living in the senior living building. Mr. Schell stated the one problem is the applicant is land constrained because Beebe doesn't want any land connectivity or shared entrances (with this project). Ms. Scheck stated it seems like that's a missed opportunity with Beebe being so close. Mr. Schell stated he's not showing any other walking amenities to the senior living building until they know they can get the five (5) additional acres from Beebe for the moving of the wing. Mr. Schell stated at some time they will put in trail connectivity if they are stuck with this current plan. Mr. Gevinson asked what percentage of handicapped parking will there be for this project. Mr. Tobias stated the Code dictates they have three (3) for the twenty-four (24) units. Mr. Schell stated the handicapped spaces at Beach Plum Dunes (in Lewes) don't get used. GMB Representative Andrew Lyons Jr. stated the applicant will have to meet the Americans with Disabilities Act (ADA) requirements for the number of handicapped spaces available. Mr. Schell stated there is also a percentage of their units which are fully ADA compliant, wheelchair-accessible. P&Z Chairman Pat Plocek stated there is a difference between wheelchair-accessible and being designed for a person in a wheelchair, such as the height of countertops, entrance widths, etc. Mr. Schell stated yes, for these particular units, they are designed for a person in a wheelchair. Ms. Scheck asked if the applicant considered having visiting family suites or accommodations separate from the assisted living. Mr. Schell stated he hasn't thought about it but his grandparents lived in a senior living facility in Kansas City, and that's where he stayed when he visited them. Mr. Schell stated he brought it up to Greg Stevens for the Rehoboth project, who said they don't do that and visiting family would just stay somewhere nearby; but Mr. Schell

agrees it's something they should look at for this project.

Mr. Lyons stated this is a concept plan so he's done a small review of the plan and has some small clarification for P&Z. Mr. Lyons stated he has spoken with Davis, Bowen & Friedel and there are some slight changes from the data column and some of the numbers shown on the plan and it was just a typing error. Mr. Lyons stated also the area shown in the top of the plan is not the applicant's property but the neighbor's property. Mr. Lyons stated this is proposed to be in the Town Center district of MBTS so it does have to meet the performance standards of the Town Center. Mr. Lyons stated because it is in the Town Center district, unfortunately, the open space requirement is twenty-five percent (25%), the residential is fifteen percent (15%), and employment is twenty-five percent (25%); and it looks like the plan meets those requirements but it's not broken down to be able to tell exactly but it can be something for the preliminary plan review. Mr. Lyons stated another is in the performance standards and has to do with the sidewalks. Mr. Lyons stated the sidewalks should be twelve (12) feet wide and he knows the applicant has walking trails, but when the performance standards were originally written, it was with a more "downtown area" in mind. Mr. Lyons further stated there is a bit of flexibility with this issue since there is a walking trail and there is an assisted living facility there rather than a downtown area. Mr. Schell asked when he will know whether they need to put in twelve (12)-foot sidewalks. Mr. Lyons stated it will be an issue for the preliminary review and Town Council. Town Manager Debbie Botchie stated because these development standards were created back in 2014, when the master plan was still considering the "downtown area," things have since changed and the downtown area is not going to happen; so, in the development standards, Council does have flexibility with this aspect. Ms. Botchie asked if, for an apartment area, the applicant could show the regular width sidewalks, and request Council to waive the sidewalk width for this particular project. Mr. Lyons stated yes, but he's not sure about the assisted living area because there are different setback rules from the right-of-way in the Town Center district. Mr. Lyons stated it's difficult because in the Code, these are rentals and the applicant has more than two (2) families, so the applicant has to meet the subdivision code. Mr. Schell stated, for purposes of clarity, if either the twelve (12)-foot sidewalks or setbacks from the right-of-way are not waived, he will not be pursuing this project because they can't have 12-foot sidewalks. Mr. Schell stated the building barely meets fire code because the closest you can be to a primary fire lane is ten (10) feet, and the furthest you can be is forty (40) feet; but the Fire Marshal wants – what he calls – "unfettered access" to a minimum of fifteen (15) feet perimeter around the building so the building is as far away from the primary fire lane as it can legally be while still providing the fifteen (15) feet of unfettered access. Mr. Schell stated they couldn't do a twelve (12)-foot sidewalk and push the building further from the primary fire lane because they would violate fire code and the building would be pretty unattractive if the whole front of it was just concrete, and it wouldn't make any sense. Ms. Botchie agreed. Mr. Plocek stated a suggestion of the applicant's representatives sit down with the Town to go through all the items which need to be adjusted and bring back the adjustments to P&Z rather than "piece-mealing" one at a time.

Mr. Lyons stated another option is to do an update to the design standards. Ms. Botchie stated there has been talk of doing that many times. Mr. Lyons stated the master planned community (MPC) Code basically lays out what can be in the design standards, and the design standards for the MPC will override a lot of the Code. Mr. Lyons stated an update to

the design standards would eliminate a lot of these issues. Mr. Schell stated it makes more sense to update the design standards rather than waivers because the vision of what was going to happen back when those design standards were put in place is different than where the market has led it. Mr. Schell stated he thinks it would be “cleaner and safer” to simply adjust the design standards than to waive various standards which are no longer relevant. Mr. Lyons stated the design standards are such that they can be updated for that reason. Ms. Botchie stated this is not the only issue the Town has found with the design standards in the five (5) years since the standards were signed. Mr. Plocek stated it’s fine to also go this route and meet with the Town to see which standards need adjusting and amending, send it back to P&Z, and P&Z will review it, and if P&Z agrees, it would go before Council for final approval, which would be at a public hearing. Mr. Schell stated he is open to going the route of asking for waivers but that can sometimes be better challenged in court than simply changing the design standards. Ms. Botchie stated, from doing this for many years, it is cleaner to change the design standards.

Mr. Gevinson stated with the increase in population with these apartments and the assisted living, it seems Route 17 will be jammed up and Mr. Gevinson asked if the applicant is requesting DelDOT to do any extended survey in the future as to what the travel on that route will be. Mr. Gevinson stated if people try to go toward Route 26 to shop and go to work, they’ll have a “hell of a time” trying to make a left-hand turn on Rt. 17. Mr. Schell stated they will have to work with DelDOT on their traffic generation and making sure the roads can handle the volume of vehicles. Mr. Gevinson asked how the applicant will be heating the complex. Mr. Schell stated they will use an electric heat pump. Mr. Plocek stated the traffic impact study dates back to 2005 for that area and, being way over ten (10) years old, it should be updated. Mr. Plocek stated with this type of development, Mr. Plocek knows there will be a lot of citizens coming in to look at this and one of the first things they’ll talk about is the generation of traffic. Mr. Plocek further stated if the applicant has the study done prior to the meetings, the Town could bring the study forward and show the public what the study says in terms of what does or does not need to be done for this type of development. Mr. Lyons stated the traffic study was done with the full density of MBTS so this plan and survey does meet the density of MBTS for the residential uses; so the study is still valid in and of itself. Mr. Lyons stated the applicant has also gone through the Preliminary Land Use Service (PLUS) scenario so the applicant has talked to DelDOT and DelDOT has been reviewing this plan, and there are items from the PLUS comments on improvements which the applicant has to contribute to – if not, put in the full improvement on big items on Route 17. P&Z Commissioner Tim Roe stated there is talk of a roundabout for freeflowing traffic because there will be a big increase. Mr. Schell stated he believes the amount of traffic they’re generating is the less than what was assumed to be generated in the original plan for this area in the original traffic impact study (TIS). Ms. Botchie stated yes, it is, because the density has decreased, so what is going to happen is MBTS developers have to take their plan back through PLUS because it has been so long and MBTS’s master plan has changed three (3) times. Ms. Botchie stated the applicant tonight has gone through PLUS, and Beazer has to also go to PLUS because their new project abuts Route 17. Ms. Botchie stated with the applicant’s comments and MBTS’s new comments, hopefully this will generate something DelDOT can help us out with, and DelDOT would have to contribute to the new improvements. Mr. Schell stated it’s a little complicated because there’s some question, regarding DelDOT, whether this is a master developer, MBTS issue and something they’re obligated to do in development of their ongoing master plan; or is

this an issue which is trying to kind of be pushed off on us (the applicant) who's buying seventeen (17) acres of a six-hundred (600) acre project. Mr. Schell stated they are having those kinds of discussions with the seller, and Ocean Atlantic is willing to play their part but the one thing they are trying to avoid happen is being the entity which either DeIDOT or the master developer says "let's make Ocean Atlantic do it." Mr. Schell stated, at that point, they will say "no, these are obligations you guys committed to in the 2014 TIS and you are obligated to this. We can discuss how to maybe share in it but we don't want it to become our responsibility." Ms. Botchie stated she understands what Mr. Schell is saying and that's what's been going on in here for the last few weeks too. Ms. Botchie stated DeIDOT is trying to locate their agreements; it seems they're in different areas within the building, and these agreements between DeIDOT and the developers show the offsite improvements they have to do when they get to "X, Y, Z" – the Town has not seen that and the Town needs those. Ms. Botchie stated MBTS is the one who had the TIS done and they're the ones who have to go back now because they've had three (3) major revisions. Mr. Gevinson stated he understands "it's in DeIDOT's lap right now," but just thinks DeIDOT needs a push to get this study done because there are just too many cars which will have to make a left and it will increase the likeliness of an accident. Mr. Tobias stated it is highly likely they would have an acceleration and deceleration lane with the complex's entrances. Mr. Schell stated remember Ocean Atlantic is the long-term facilitators and owners of this facility so it's not like a typical developer where they sell the units, there's a problem and it's not their problem anymore. Mr. Schell further stated it is Ocean Atlantic's problem. Mr. Plocek stated traffic will be a key issue when this goes to public hearing.

Mr. Plocek stated, regarding historic sites, Mr. Plocek thinks they should be shown on the applicant's site plan, as well as how the applicant will be addressing them. Mr. Plocek stated he knows State and/or County will hit up the applicant with how they're treating these historic sites but it would be good to reference them on the plan and how they're being addressed. Mr. Schell stated they may have to do what's called a Phase 2 archeological study and they're trying to determine it now. Ms. Botchie stated she has gone through some of the report and more of the stuff is on the Powell Farm side, by the wetlands. Mr. Faden stated it looks like the PLUS review which needs to take place – and with all the other State agencies – that Davis, Bowen & Friedel has gotten the PLUS comments. Mr. Metzner stated yes. Mr. Faden stated the items addressed in these comments should be reviewed because there is some good information here the State will require the applicant to do and it covers everything – including traffic – which has to do with the site. Town Code & Building Official Eric Evans asked if the numbers of units on the presentation are exact numbers or a proposal. Mr. Schell stated this is the exact number as of today, but if there's something that needs to be changed, they can do that, but will do it knowing they have to change the units and if the number of units changes from two-hundred-sixteen (216), they'll know they have to come back before P&Z and Council.

Mr. Plocek stated he feels with the apartment complex the applicant needs some kind of athletic court – such as tennis courts, bocce ball, etc. – to keep residents active and would be a selling factor for the applicant. Mr. Plocek stated all trails should meet ADA standards at all times in terms of grading, width, etc. Mr. Plocek further stated fortunately, a lot of land around here is flat so grading is usually not an issue, but if there is grading difference, it should be addressed. Mr. Plocek stated he understands from the presentation that Beebe is not interested in connecting trails and entrances at this point, but he would recommend the

applicant to consider running the trails to show a possible future entrance or connection road between the assisted living facility and the emergency center. Mr. Plocek stated there are a lot of nurses who take walks during their breaks, and the road is not just for connecting the assisted living to the hospital but people who work at the hospital and live in the apartment complex can go back and forth without having to go out onto Route 17. Mr. Schell stated it will be easier to do these things if Beebe sells Ocean Atlantic the four (4) or five (5) acres, because of where it's located, it would be easier to have opportunities for the connection. Mr. Plocek stated there should be some walking path along Route 17 with these projects. Mr. Lyons stated there should be a multi-modal path. Mr. Schell stated yes, DelDOT is making them put in a shared-use path which is about ten (10) feet wide. Mr. Schell stated he hopes those so eager to speak about this application and project will take time to visit Ocean Atlantic's other projects and see for themselves how Ocean Atlantic does business and how they build, and see the kinds of people who live in these facilities. Mr. Schell stated come by any of the other sites and just ask what kind of people live in the units, what's the building like, etc.

Ms. Botchie asked if the facility will be offering shuttle services. Mr. Schell stated the senior living facility does, it comes with their rent, but they would rather lobby the Delaware Authority for Regional Transit (DART) to put a bus stop near their projects because the cost can be very high, and most people either drive their own car or don't take public transportation enough to want to pay the extra money for always having a shuttle on hand. Ms. Botchie stated she is meeting with DART soon because it's a very needed service here. Mr. Schell stated they are willing to have a condition with approval of this application to make room for a bus stop along Route 17 as a place for DART to stop.

**6. CITIZENS PRIVILEGE**

There were no comments.

**7. ANNOUNCEMENT OF NEXT MEETING**

Mr. Plocek stated the next P&Z meeting will be on Thursday, June 13, at 7 p.m.

**8. ADJOURNMENT**

Ms. Scheck motioned to adjourn the meeting at 8:20 p.m. Mr. Faden seconded the motion. Motion carried 5-0.

Respectfully submitted and transcribed  
by Matt Amerling, Town Clerk