### Middletown surging again

Jeff Montgomery and William H. McMichael, The News Journal 4:52 p.m. EST November 16, 2014



(Photo: JENNIFER CORBETT/THE NEWS JOURNAL)

Growth is inescapable below the Chesapeake & Delaware Canal.

Population forecasters say about 80 percent of New Castle County's population growth, and more than half the county's new households, will land in the area between 2015 and 2040. The number of people living below the canal is expected to jump from about 61,500 today to 112,900 in 25 years.

Tax-weary refugees from New Jersey, New York and other regions are expected to help fuel the change, accelerating a transformation of the area's once-sleepy town centers.

"Lower, Slower Delaware, it's called, but we're not going to be Slower Delaware any more," said Middletown barbershop owner Charles "Chopper Charlie" Biggs, 78, as he trimmed a customer's hair in his shop along Main Street. "The Slower has been pushed towards Townsend and Smyrna, but they're growing, too."

"You hear people talk and some say they're not for it [growth], but the majority is," Biggs said. "I have a good business, so I'm not complaining."

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Middletown barbershop owner Charles "Chopper Charlie" Biggs cuts the hair of Neal Sentman of Chesapeake City, Maryland, in his shop on Main Street in Middletown last week. "Lower, Slower Delaware, it's called, but we're not going to be Slower Delaware any more," Biggs said. (Photo: KYLE GRANTHAM/THE NEWS JOURNAL)

Signs of a resurgent housing market are noticeable at several big developments, including a ceremonial groundbreaking last week at the long-delayed, 3,500-home Whitehall project between Summit Bridge and the Roth Bridge. A few miles south, work is picking up at the 2,000-home Bayberry North and South complex along Boyds Corner Road.

Middletown, already the state's fastest-growing municipality, may be on the cusp of another boom. Clusters of development drawn up more than a decade ago under the ambitious "Westown" umbrella have started moving again, sometimes with different owners who have different visions, but a shared confidence in growth.

"Things are really breaking loose," said Ken Branner, Middletown's longtime mayor, who watched in 2007-2008 as development came to grinding halt, bankrupting developers and builders alike. "Everything is really coming back."

Middletown stands to gain a big share of the growth as the number of households in southern New Castle doubles to about 41,700 over the next 25 years.

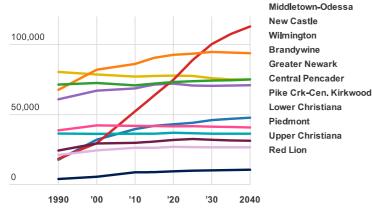
"It's finally growing again," said Bruce A. Ersek, a resident of Spring Arbor, a 55-plus community in west Middletown near Bunker Hill Road. "We were one of the first to buy here, in 2007, and we went through years of very slow development. Nothing was moving."

Along Lorewood Grove Road near Whitehall, longtime resident Alfred Grimminger was upbeat.

"I think it's going to be great in this area, with all the plans they have for making it like villages, where people can live and work and walk," Grimminger said. "As far as the infrastructure, I'm still thinking about that. They need to do something with Lorewood Grove Road, move it out and widen it."

# NEW CASTLE COUNTY POPULATIONS: 1990-2040

Southern New Castle County (Middletown-Odessa) has consistently grown faster than other parts of the county. By 2030, it's expected to have the largest population. (Hover over the lines to see the exact figures for the Census divisions.)



Created with Datawrapper

Source: Delaware Population Consortium, Get the data





Alfred Grimminger walks Friday along what used to be a cornfield but will now become the site of the Whitehall mixed development, just a quarter-mile down the road from his home. (Photo: SUCHAT PEDERSON/THE NEWS JOURNAL)

A five-year slump has already left a backlog of housing lots ready to go, with some 7,998 residential lots approved and awaiting permits and construction south of the canal, and 5,042 more in the north. Another 4,272 countywide are awaiting approval, 2,295 in the south.

Larry Tarabicos, a veteran land-use attorney, said that opportunities below the canal appear to have opened up despite the seemingly ready inventory of new homesites and turnover in older, northern New Castle County communities where populations are aging.

"I think we all knew that if there was going to be some additional development, it was likely going to be south of the canal, and it looks like some of those projects are going to come on board," Tarabicos said.

"A lot of the plans that were approved and were not started were for projects that were going to be more of the \$350,000 to \$450,000 homes, and obviously there's no market for that," he said. "So people [developers] have had to go back and redesign and come in with a different housing product, more in the \$250,000 to \$350,000 range."

There'll be a mix of prices in the upscale "New Urbanite" communities such as Whitehall and Bayberry. Developments in Middletown's Westown will be similarly mixed, but at least one also includes plans for apartments. This concerns nearby residents over the potential for noise, unruly conduct and more traffic.



Evening rush-hour traffic makes its way along West Main Street in Middletown last week. Some Middletown-area residents are worried about the increase in traffic as more housing is built. (Photo: WILLIAM BRETZGER/THE NEWS JOURNAL)

Some residents point out that developers weren't completely frank about their plans.

"They said it was going to be like the townhomes, like you have over there," said Margaret Potent, a Spring Arbor resident, pointing to a group of nearby residences. Instead, the nearby Parkway at South Ridge development will also include apartments, some of them along Merrimac Avenue, just a block away.

The Town Council on Nov. 3 approved preliminary plans that subtracted 65 townhomes and added 156 apartments at the site, bringing the total to 360, tucked inside three-story buildings.

"We asked the reason why they were switching from townhouses to apartments," Potent said, recalling a town hall meeting with city officials and the developer. "And their answer was, 'Well, that's what the economy is asking for now. People are not buying – they're renting.' "



Margaret and Victor Potent stand on the front porch of their home in a 55+ community on Gazebo Lane, near where townhouses and apartments will be built as part of the Parkway development on Middletown's west side. (Photo: WILLIAM H. MCMICHAEL/THE NEWS JOURNAL)

#### Whitehall

Few communities have risen up and evaporated as many times as those envisioned for what is now the Town of Whitehall, a 2,000-acre, multifaceted development off Lorewood Grove Road near the Chesapeake & Delaware Canal, roughly between the Summit and Roth bridges.

The land was once the site of a proposed nuclear reactor complex in the 1970s. Twenty years later the existing Whitehall plot was envisioned as part of a 5,000-acre, modern factory town that would have risen around a computer chip fabrication plant.

The Welfare Foundation, a nonprofit formed by Pierre S. du Pont, has been a leading or majority interest in all of the recent ventures, having acquired nearly 2,000 acres associated with the utility proposals in the 1980s.

Ideas over the last two decades have stressed an anti-sprawl "smart growth" and the creation of communities built from scratch around the idea that people should live near their work, schools, shopping and community centers. Maryland's elaborately planned Kentlands community in Gaithersburg has long stood as the spiritual center of this approach.

By late 2009, advocates won New Castle County approval for new community design rules enabling development of compact, "complete communities that will function as traditional towns." The measures allowed for clustering of homes and different building setback rules that put porches closer to sidewalks, people closer to each other and created walkable connections to centers of work and community life.



A ceremonial groundbreaking was held last week at the long-delayed, 3,500-home Whitehall project between Summit Bridge and the Roth Bridge, near Middletown.(Photo:.)

"This will not be the same-old-same-old housing that you've seen in New Castle County," Tarabicos said in 2011 when county planning officials approved Whitehall. "You will have homes here from \$200,000 up to a million dollars and more. You'll also have rental properties in the same range and breadth.

"So you're going to encourage diversity in housing, diversity in your population and diversity of the people who live in your communities."

Scott Run Business Park, already approved on another part of Whitehall's property, would provide some of the access to jobs associated with the larger community, Tarabicos pointed out. Although right-of-way needs for the proposed U.S. 301 toll road have trimmed some of the original 1.8 million square feet planned for Scott Run, the project remains central to the venture's goal of creating a full-featured community.

## DELAWARE BUILDING PERMITS: 1995 to Aug. 2014

Annual total building permits have nearly recovered to long-term average rates. Most activity in the state's most populous county, New Castle, remains south of the C&D Canal.



Get the d

#### Kentlands

While Whitehall's planners have taken their inspiration from multiple communities, perhaps none have had more impact than Gaithersburg, Maryland's Kentlands.

The development was conceived in the early 1980s and began selling homes in 1991. Kentlands is everything Whitehall aspires to be: a self-contained, walkable/bikeable neighborhood that blends amenities and services with open spaces and a mix of living options built on historical architecture with exacting standards.

"It's a mix of housing types, pedestrian-oriented streets, incredible natural beauty, recreational facilities – places where the community can gather," said John Schlichting, Gaithersburg's director of planning and code administration, a Kentlands resident for the past 22 years.

The final vision for Kentlands grew from an intensive 1988 community planning session that brought planners, city departments and interested architects together to design a community that would have a cozy, neotraditional look and give residents easy access to parks, cultural activities and shopping. Homes are priced "generally higher" than the surrounding neighborhoods, Schlichting said.

It wasn't an instant hit.

"It took close to 10 years to come together," Schlichting said. He attributed that mostly to an early '90s downturn in the real estate market that forced a change in the development, distressing residents who feared the original concept wouldn't survive. Pressure, much of it brought by those same residents, kept the plans on track.

#### Whitehall: next steps

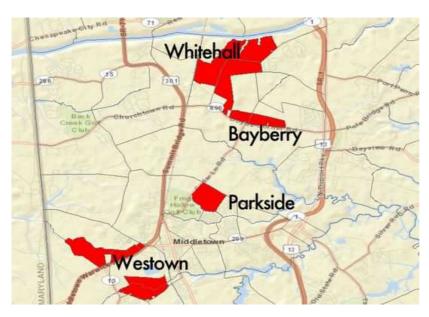
Delaware's version already has been in the works longer, but foundation work will start shortly on the first model homes for the 500-residence Phase 1, said Brian DiSabatino, Whitehall's co-founder. DiSabatino is president of EDIS, a nearly 100-year old Wilmington-based construction and construction management company.

Pricing is expected to be released early next year, with the first move-ins by fall.

"It's been 14 years in the making, 14 years of tedious planning, throwing plans in the trash, pulling out new ones, meeting with the community and government agencies and understanding the market," DiSabatino said.

"We spent a year developing our pattern book, our architectural guidelines. We went around the area and looked at some of the best historical architecture" reflecting Delaware and the region, he said.

Three builders – Benchmark Builders, Murphy Homes and Thompson Communities – were chosen for the project, with buyers choosing home sizes, locations and design features that define everything down to exterior trim.



Big developments in the Middletown area(Photo: Source: Delaware Office of State Planning Coordination)

Current state forecasts anticipate that the 3,500 acres making up Whitehall and nearby developments, including the north section of the large Bayberry community, will bring another 10,000 residents in the next 25 years. Full build-out of Whitehall and Bayberry alone, however, could take those totals higher.

Charles Mulholland, president of the Southern New Castle County Alliance, said celebrations on growth might be premature. Jobs are needed to fulfill this dream.

"Unless they start to diversify the tax base, they're still going in the wrong direction," said Mulholland. "You can't live on just houses. We're long on projects and short on reality. The bottom line is, there's not a lot other than houses below the canal, except for a few jobs in Middletown, and they're pretty sparse."

#### Westown

At its Nov. 3 meeting, the Middletown Town Council voted unanimously to approve preliminary development plans for two significant and long-delayed pieces of Westown – the city's public-private plan for "smart growth" on the city's west side.

As currently formulated, the plans would add a total of 1,196 housing units to Westown. The mix of housing types has drawn concern in at least one of the two areas where the building will take place. Westown 471, as it's now known, will be a mix of 500 single-family homes and 142 townhomes on a tract of farmland on the north side of St. Anne's Church Road, which turns into Levels Road as it extends northwestward toward U.S. 301.

On the west side of U.S. 301, just up the highway, Merrimac Avenue – which didn't even exist when the Westown Master Plan was approved in 2005 – will anchor Parkway at South Ridge. It was originally intended as a mix of condominiums, duplexes and apartments, tucked into a rough rectangle bordered by Merrimac, the Walmart and Kohl's stores along U.S. 301 and Bunker Hill Road.



This vacant land behind Walmart will be developed into apartment housing in Middletown (Photo: JENNIFER CORBETT/THE NEWS JOURNAL)

That formula changed when the council approved a requested reduction of 80 townhouses and the addition of four apartment buildings — giving the development a total of 360 apartments, 162 townhouses and 16 duplexes. Rick Woodin of the Woodin + Associates engineering and planning firm told council members the changes would mean fewer buildings and a smaller footprint on the property.

"So even though there's a few more units, there's less coverage on the ground," he said. "Therefore, there's more open area."

More open area wasn't on the minds of residents who attended the council's Aug. 4 meeting, when the change was first broached. Their concerns centered on the additional apartments. And they persist today.

"Most people are not happy about that fact," said Tom Kedersha, who's lived in the Spring Arbor community, a stone's throw away from the Parkway tract, since 2010. "I'm not happy about it – just because of the nature of apartment living. It's high density. We weren't expecting that sort of thing to happen. There's more potential for kids to be living in the apartments [who] could cut through here and go over to Appoquinimink High School. So there'll be more traffic than there would be if it was just townhouses."

Kedersha said he did not review the comprehensive plan for Westown before buying. The plan spells out residential development plans for the area between Bunker Hill Road and down Levels Road, but makes no mention of apartments.

"We just had knowledge of the plans they had for our community," he said.

Potent, who moved here from the Chicago area 15 months ago with her husband, Victor, expressed concerns about auto traffic on Merrimac. Like Kedersha, the couple said they knew the field across from their front porch – which faces the development sales office's parking lot across the street – would be developed. But plans to build apartments nearby came as a surprise.

"You get more people in a smaller area," she said. Victor said they worry that apartments invite problems.

"He assured us that no, that's not going to happen here," he said, referring to Middletown Mayor Branner, who along with other city officials and the development/construction team met with local residents to discuss the issues. "It's going to be high-end, and they're going to be watching closely how they build them, maintain them, and so forth."



Middletown Mayor Kenneth L. Branner Jr. (Photo: WILLIAM H. McMICHAEL/THE NEWS JOURNAL)

Woodin told the council the market rate would be about \$1,200 per month.

Such assurances aren't satisfying to some, who fear the apartments could even be turned into Section 8 housing – federally subsidized dwellings for low-income families – and their sometimes attendant social issues. Branner says their fears are misplaced.

"People say, 'I lived in New Jersey, and they told me the same thing, and then they did it,' " Branner told The News Journal Friday. "You know what? I've been here 26 years; you either believe me or you don't. It's not gonna happen."

Middletown is not anti-Section 8, the mayor said, noting that the city has three areas so designated. "It's just not a good fit" for Westown, he said.

Branner calls apartments "the biggest need in town. ... And the developers realize it."

Fewer concerns have been publicly expressed about Westown 471, to be built less than a mile to the south of Parkway. Those concerns centered on access roads, not apartments. The original plan called for 108 apartment units; all have disappeared from the amended plan.

"We're not proposing any apartments," said Phil Tolliver of Morris & Ritchie Associates Inc., the architecture, engineering and planning firm for the project, during the Nov. 3 council meeting. He didn't elaborate, and council members seemed satisfied. In the Friday interview, Branner said the answer is simple.

"They would rather sell than rent," Branner said. With the council's approval, the development is another step closer to making that a reality.

"We're looking forward to continuing moving through the final engineering process," Tolliver said Nov. 3. "And we will start construction just as soon as possible."

During a brief interview in his office Thursday, Tolliver emphasized that the process still has to play out. "It could take a year," he said. "This isn't an overnight thing. There's a lot of work to do."

He said he wasn't "at liberty" to be more specific about the development.

### Downtown optimism

Attitudes on growth are mixed in Middletown's traditional core as well.

At Main and Broad streets, Fromage cheese boutique owner Christopher Pride said Middletown's reawakening has come at the right time for the business he launched in 2011.

"Essentially what you had was, I wouldn't say a stagnant community, but things were taking time," said Pride, who retired from a telephone company career and became an entrepreneur. "Now you're starting to see people interested in coming down here. You have the Whitehall thing" and other closer-in projects.



 $\textbf{Christopher Pride owns the Fromage cheese shop in Middletown.} \ (\textit{Photo: KYLE GRANTHAM/THE NEWS JOURNAL}) \\$ 

Pride said downtown businesses now have to have their own followings, rather than being supported by casual traffic and central community life.

"Right now, I have an idea for three or four other businesses, and I'm just waiting for the economy to pick up a little," Pride said.

At Middletown Hardware, owner Jim Smyth said the town's ambitious growth drive had largely wrecked its traditional businesses.

"We have traffic going by, and it backs up, but it's not shopping traffic," Smyth said. "People inside put their blinders on - God forbid they look left or right.

"When they tore up the streets and put in brick sidewalks and lights and trees, everybody who had an everyday business, the drugstore, the bank, the cleaners, they left and went out of town."

A few doors west, Purple Sage Herbs and Gifts owner Elizabeth Barbato said her 10-year-old business has grown with the town, her herb-and-tea business expanding to gifts and holistic health products.

"There have been big changes, but we're doing well," Barbato said. "I've been involved with the Everett Theatre for a long time, and my husband is the projectionist. We're having a little problem getting movies now because of Westown [Theater]. They keep things until the last minute and then it goes on DVD."



Elizabeth Barbato owns Purple Sage Herbs and Gifts in Middletown. (Photo: KYLE GRANTHAM/THE NEWS JOURNAL)

#### Mid-county growth

Some survivors of the real estate "bubble" bust between Westown and Whitehall are seeing signs of progress as well.

Schell Brothers Builders, a household name in Sussex County, found lots for building at Parkside West off Cedar Lane Road in north Middletown. The move started paying back almost immediately, sales manager Vicki King said.

"Despite the fact that we've only been here a few months, we've already sold 13 homes," King said. "That's a tremendous number for not having a model and not having a presence up here."

"We've had a mixture," King added. "Some retired folks, a lot of New Jersey and a lot of New York folks looking here for tax reasons. People from other states are half my customer base."

#### Growth, quantified

Edward Ratledge, a University of Delaware professor and director of the Center for Applied Demography and Survey Research, said that Delaware has resumed growing, albeit slowly.

"We're out of the recession. We have been since 2009," Ratledge said. "It's just that the growth rate has been ponderous. Until the economy starts coming back, I'm not sure what will drive things at this stage.

"A lot of things have changed since the bubble. You can look at the building-permit data. The county has moved back into its long-term average, but that's one-quarter of what was happening in the 2004-2007 time period."

Jay Sonecha, president of Blenheim Homes, said his company was "very pleased" with interest in and sales at Bayberry, where nearly a third of the 900-home Bayberry North project along Boyds Corner Road has been sold since 2012. Bayberry South, a nearly 1,200-home active adult community, opened just six weeks ago.



A Bayberry North model home. (Photo: .)

"We started seeing real activity in Bayberry North. We have nearly 300 homes sold, so we're nearly a third of the way through," Sonecha said. "We're seeing buyers from a very broad range of demographics and origins – Delaware, Maryland, Pennsylvania. People just starting out with families, people moving up, moving down.

"It looks quite healthy," Sonecha said. "It's back to small-town America at Bayberry. I get comments all the time on the architecture, the harmony, the streetscape."

Bayberry's plan has stressed community areas, parks and trails, with a 69-acre community park and 11-acre pond to be completed by the north side. More than half the 850 acres on the south side will be preserved as open space.

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