

Testimony of Public Record

Submitted at the Joint Hearing

of the

House Transportation Committee
House Commerce and Economic
Development Committee

September 15, 1999

presented by

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Director of Site Engineering
Crown American Realty Trust



CROWN AMERICAN

INTRODUCTION

Good morning, honorable members of the House Transportation Committee and the House Commerce and Economic Development Committee, I am Kevin Evans, Director of Site Engineering for Crown American Realty Trust. With its corporate headquarters in Johnstown, Pennsylvania, Crown American is one of the largest developers of enclosed shopping malls in the Mid-Atlantic region, and is the owner and operator of 17 major retail centers in the Commonwealth of Pennsylvania.

I am here to testify on behalf of the importance of encouraging public / private partnerships to facilitate much needed transportation improvements in the Commonwealth of Pennsylvania, and the economic impacts that are created from these partnerships. To illustrate this point, I will describe some specific examples in which Crown American worked effectively with the Pennsylvania Department of Transportation and local transportation officials to accomplish regional objectives of improving the local road network while creating new opportunities for economic development which generated thousands of new jobs for Pennsylvanians.

SCRANTON / VIEWMONT MALL

In the City of Scranton and Dickson City Borough, Crown American is the owner and operator of the Viewmont Mall and the Viewmont Mall Commerce Center, which combined, comprise over 1.2 million square feet of retail development. Crown American has worked closely with its public partners - the Pennsylvania Department of Transportation, Lackawanna

County, the City of Scranton, the Borough of Dickson City and the Dickson City Borough General Authority – to develop a strategy to improve the local road network while providing an opportunity for the expansion of the Viewmont Mall, Viewmont Commerce Center and additional development planned by adjacent property owners within this growth designated corridor. This public / private partnership resulted in a \$9 million investment to improve the public road system in this area.

First, to provide increased access to the new development in this corridor, Crown American agreed to spend \$3.2 million of its own resources to construct Viewmont Drive, a 1.1 mile, four lane roadway which connects Main Avenue in Dickson City Borough to U.S. Route 6. Today, Viewmont Drive is the primary access road to the Viewmont Mall, Viewmont Commerce Center and Dickson City Crossings. In addition, Crown American agreed to contribute an additional \$1.25 million to widen and re-signalize Main Avenue and to upgrade the ramps on Exit 56 of Interstate 81.

To complement this private investment, PennDOT and the Dickson City Borough General Authority contributed a combined \$4.5 million for improvements to U.S. Route 6 and a one-mile extension from Commerce Drive to U.S. Route 6.

Together, these improvements provided the highway capacity necessary to allow the renovation and expansion of the Viewmont Mall, from a previous level of 724,000 square feet of gross leasable area to its current 900,000 square feet. In addition, these highway improvements also provided much needed access for the opening of the Viewmont Commerce Center – a new

425,000 square foot office and retail development.

Economic Impacts

By allowing this new development to move forward, the investment in the local road system served as an economic stimulus for a region in need of job creation and tax base expansion. Together, the Viewmont Mall expansion and the opening of the Viewmont Commerce Center generated 400 construction jobs that were required during the building phase and an additional 1,100 new employment opportunities for area residents upon completion of construction. These jobs generate an annual payroll in excess of \$19 million and expanded the local and state tax base by generating annual revenue increases of \$1.6 million in property and real estate tax, \$1.7 million in sales tax, \$532,00 in state income tax, and \$300,00 in local withholding taxes.

While this partnership was successful in increasing access and mobility on the local road network, Crown American has continued to work with the Department of Transportation to address traffic congestion along Interstate 81, specifically in the vicinity of Exits 56 and 57. On two occasions, Crown American offered testimony at the State Transportation Commission hearings in support of PennDOT District 4-0's effort to secure funding for the reconstruction of the existing ramps at Exit #56 of I-81.

Proposed Access Ramps

Although we have not been successful to date in securing funding for the Exit #56 project, the Transportation Equity Act for the Twenty-First Century (TEA-21) provided

\$1,275,000 in federal funds for the construction of new access ramps between Exits 56 and 57.

This project is a lower cost alternative to the reconstruction of Exit #56, which is now estimated at \$10 million.

The proposed access ramp project includes the construction of northbound on / off ramps approximately 5,000 feet north of Exit 56 and 3,000 feet south of Exit 57. These ramps would provide direct access to the 180 acre retail center, which consists of the Viewmont Mall, Viewmont Commerce Center and Dickson City Crossings. In addition, a ramp extension would be constructed to the intersection of Viewmont Drive and a new traffic signal would be installed at this intersection.

This appropriation of federal highway funds for this project is an excellent example of how public investment in our roadway system can leverage private investment in a community to foster economic revitalization. The access ramps will provide direct access to the existing retail center while channeling traffic away from Exits 56 and 57. In addition, the new access ramps would provide an opportunity to continue development at the mall and commerce center and adjacent outparcels which have been designated for future development. Combined, this development has the potential of creating 500 new jobs at the center and an additional 200 spin-off jobs. These new jobs would increase annual payroll by \$8 million, resulting in an increase of \$325,000 in local and state tax revenue.

In addition, the project would also provide access to approximately 335 acres of land which has been designated for light industrial, commercial and recreational use in Dickson City

Borough. Development of this property presents an unprecedented opportunity for economic growth and new job creation for the region.

Congestion and Safety Benefits

The primary objective of the new ramp system is to facilitate the region's goal of relieving traffic congestion while promoting economic growth. The new ramps would reduce traffic backup on both Exits 56 and 57 of Interstate 81 during peak hours by providing direct access to commercial areas which are currently serviced by the existing interchanges. An improved traffic system will result in safer access to the center.

To bring this project to fruition, Crown American is prepared to donate all of the right-of-way that would be required during construction. The estimated value of this acreage is \$600,000.

WILLIAMSPORT / LYCOMING MALL

Crown American has also worked effectively with PennDOT in other areas of the Commonwealth to improve the state's highway system while creating new jobs for Pennsylvanians. Another successful public / private partnership was established between Crown American, PennDOT and the Lycoming County Planning Commission to improve the traffic system in the vicinity of the Lycoming Mall. In consultation with the Department of Transportation, Crown American entered into a formal agreement with the Lycoming Planning Commission to form a voluntary public/private partnership to improve access to the mall and create jobs for the region.

As part of this agreement, Crown has made a significant investment in improvements to the local road network, including: the installation of a new traffic signal at the Lycoming Mall Road exit, a new traffic signal at the intersection of S.R. 2036 and S.R. 2014 and the widening of the westbound exit ramp at the Halls Station exit with S.R. 2036. These improvements were completed at a cost of \$425,000.

This partnership continues to this day. Working together, Crown American and the Lycoming County Planning Commission were successful in securing a \$7.875 million federal appropriation for the construction of new exit ramps and a new bridge structure at the Interstate 180 / Lycoming Mall Road Interchange.

These improvements are needed to meet existing traffic demands at this interchange and to accommodate the planned expansion of the Lycoming Mall and adjacent commercial facilities.

In total, the Interstate 180 / Lycoming Mall Road project will provide safer and more efficient access to over 235 acres of land which can be used for either new development or the expansion of existing businesses.

Economic Impacts

Crown American currently owns and operates 900,000 square feet of gross leasable area (GLA) at the Lycoming Mall. In addition, there are seven separately owned outparcel development comprising nearly 200,000 square feet of retail space. This total development provides 1,500 full and part-time positions to local residents. The implementation of the new

ramp system and corresponding road improvements will allow Crown American to develop an additional 500,000 square feet of GLA at the Lycoming Mall. This expansion will create an additional 1,200 full and part-time positions at the mall complex, while simultaneously generating more than 500 spin-off jobs and 300 construction jobs. In total, these jobs will result in \$28 million in new payroll. Upon completion of the expansion, the mall complex will employ approximately 2,700 full and part-time workers.

Local tax revenue will also increase substantially as a result of the mall expansion. Crown's mall expansion would provide annual increases of \$282,000 in local income taxes, \$20,000 in local occupational withholding taxes and \$789,000 in state withholding taxes.

Congestion and Safety Benefits

In addition to creating new job opportunities and increasing tax revenues, the improvements will reduce congestion and greatly improve the safety of the local roadway network. Traffic studies previously conducted by the Lycoming County Planning Commission (LCPC) indicate that these improvements would significantly reduce congestion throughout the project corridor. The project was specifically recommended in the Planning Commission's Phase II Pennsylvania Route 405 Corridor Special Study, which was implemented to address transportation safety and capacity deficiencies throughout Lycoming County.

Finally, the project will significantly reduce travel time to the Lycoming Mall and adjacent commercial facilities, which are currently served by Interstate 180, S.R. 2049, S.R. 2036, S.R. 2014 and Lycoming Mall Road.

CONCLUSION

It is clear that investments in our transportation system can serve as an effective catalyst for economic growth. However, the potential for new job creation and development are best maximized through the pooling of resources between private corporations and public agencies. These public / private partnerships are essential to ensuring that highway improvements are designed to serve the Commonwealth's goal of creating a safer, more efficient transportation network while providing new opportunities for job creation and economic development.

On behalf of Crown American, I would like to thank all of the members of the House Transportation Committee and the House Commerce and Economic Development Committee for the opportunity to speak with you today regarding the value of public / private partnerships in facilitating economic growth along our state's highway system. Crown American looks forward to making future investments toward improving our transportation system and creating new jobs for Pennsylvanians.

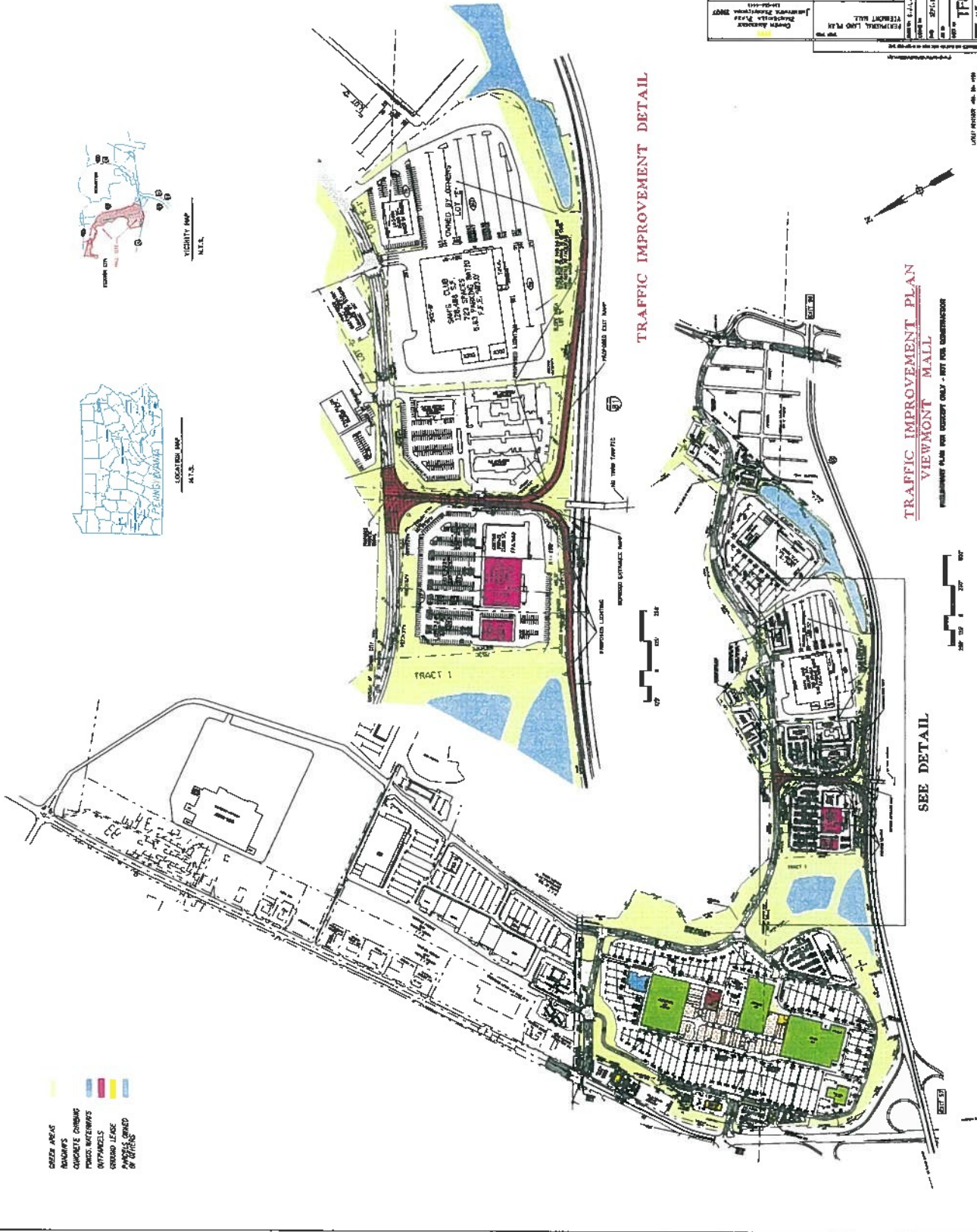
- CREED AREAS
- ROADWAYS
- CONCRETE CURBS
- PERM. WALKWAYS
- OUTFALLS
- GRASS LEASE
- PERMITS OPENED BY OTHERS



LOCATION MAP
N.T.S.



VICINITY MAP
N.T.S.



TRAFFIC IMPROVEMENT DETAIL

TRAFFIC IMPROVEMENT PLAN
VIEWMONT MALL

REVISION PLAN FOR DECKING ONLY - NOT FOR CONSTRUCTION

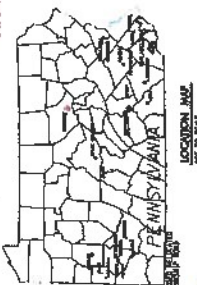
SEE DETAIL

DATE	11/15/07
BY	TFB
PROJECT	VIEWMONT MALL
CLIENT	VIEWMONT MALL
DESIGNER	AMERICAN PLANNING ASSOCIATES
LOCATION	VIEWMONT MALL
SCALE	AS SHOWN
PROJECT NO.	07-111-001
CITY	VIEWMONT, CO.
STATE	CO.
COUNTY	FRONT
PROJECT NO.	07-111-001
DATE	11/15/07
BY	TFB

UNIT: METERS - 1:60

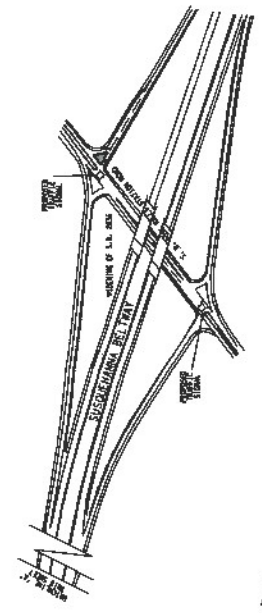


LOCATION MAP



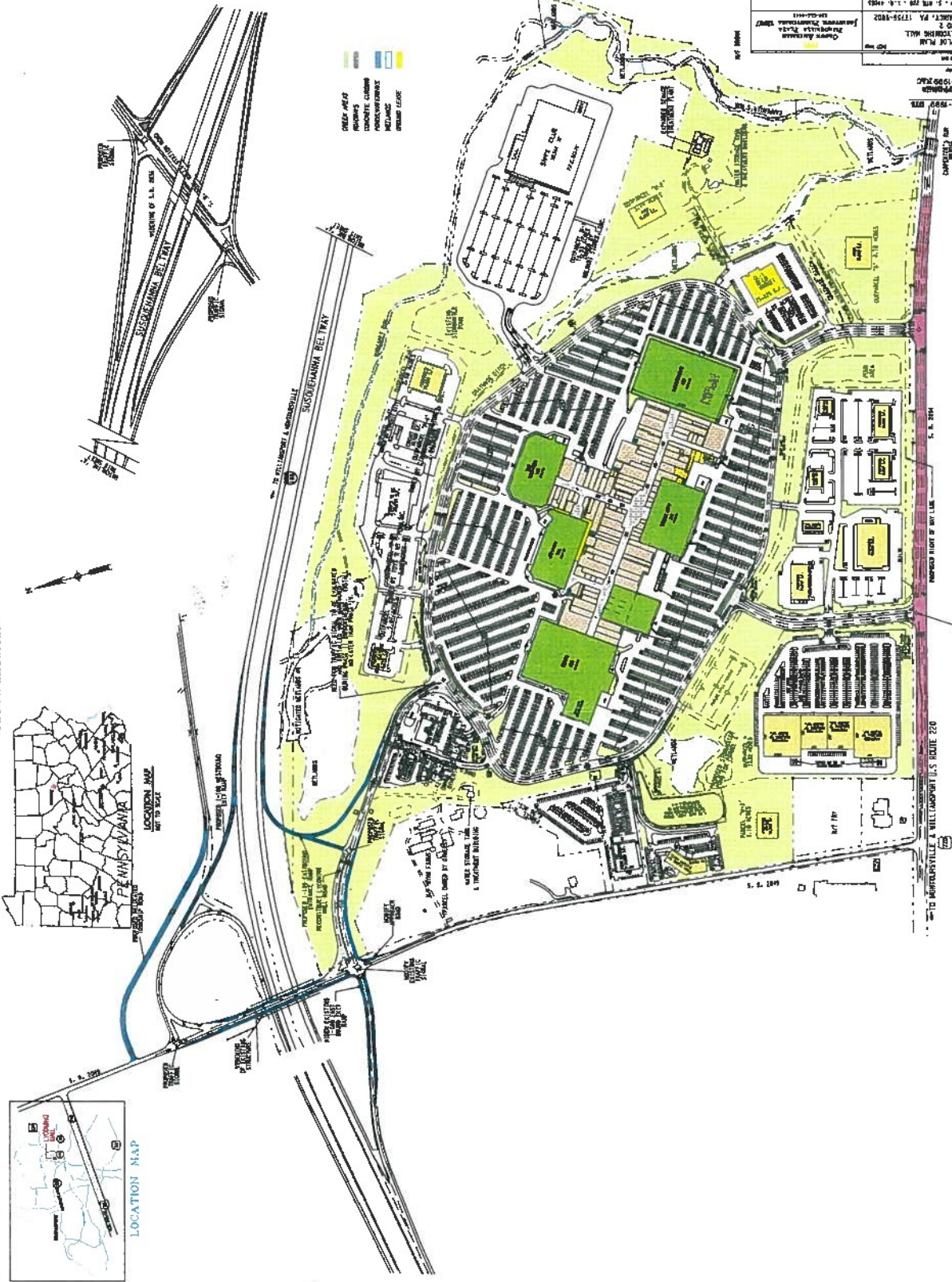
LOCATION MAP

DRAINAGE AREAS
 ASPHALT
 CONCRETE
 GRAVEL
 MEADOWS
 OPEN SPACE



SUSQUEHANNA BELTWAY
 ROUTE 22
 ROUTE 108

ROUTE 22
 ROUTE 108



LEADS PLAN
 REVISION DATE: 08-09-2009
 REVISION: 08-25-2009
 PROJECT: LYCOMING MALL
 CLIENT: CROWTHER AMERICA, P.C.
 DRAWN BY: [Name]
 CHECKED BY: [Name]
 DATE: [Date]

TRAFFIC IMPROVEMENT PLAN
LYCOMING MALL



DISTANCE TO TRAFFIC SIGNAL

ROUTE 22

ROUTE 108

ROUTE 108

ROUTE 22