

**Meeting Minutes**  
**State College Borough Council**  
**February 4, 2008**

The State College Borough Council met in a regular meeting on Monday, February 4, 2008, in the State College Municipal Building, 243 South Allen Street, State College, PA. Mayor Welch called the meeting to order at 7:30 p.m.

Present: Bill Welch, Mayor  
Elizabeth A. Goreham, President of Council  
Ronald L. Filippelli  
Donald M. Hahn  
Theresa D. Lafer  
Silvi Lawrence  
Peter Morris  
James L. Rosenberger

Also present: Thomas J. Fountaine, II, Borough Manager; Terry J. Williams, Solicitor; Thomas S. Kurtz, Assistant Borough Manager for Community Services; Carl R. Hess, Planning Director; Roger Dunlap, Assistant Borough Manager for Budget and Administration; Mark Whitfield, Public Works Director; Art Caccavale, Parking Manager; Michael Groff, Finance Director; Thomas King, Chief of Police, Beth Johnston, Human Resource Director; Herman Slaybaugh, Zoning Officer; Mark Henry, Health Officer; Amy R. Miller, Recording Secretary; members of the media; and other interested observers.

**Public hour.** There were no comments from the public.

**Consent Items.** Mr. Hahn moved and Mr. Rosenberger seconded a motion to approve the following consent items. The motion passed unanimously.

- Approve a resolution for the destruction of records in the Health Department.
- Reappoint Robert F. Schmalz to the University Area Joint Authority for a five-year term ending on January 6, 2013.
- Award a tree pruning bid for all blocks except "E" to Dincher and Dincher in the amount of \$35,845.00.
- Approve the use of Council Chambers for a public announcement for Friends of Jennifer Mann on Thursday, February 7.

#### GENERAL POLICY AND ADMINISTRATION

**Resolution to Authorize the Advance Refunding of the 2004 Bond Issue.** Mr. Fountaine said Council is asked to consider a Resolution authorizing the refinancing or advance refunding of a portion of the Borough's 2004 General Obligation Bond Issue. He noted that the proposed refunding may take place when the present value of the debt service savings to the Borough is at least 3 percent of the refunded principal amount, net of issuance costs, and the Resolution authorizes staff to undertake the advance refunding when market conditions enable the targeted savings to be realized.

Mr. Groff introduced Chris Gibbons, from Concord Public Finance, who has served as financial advisor for the Borough for 10 years.

For the benefit of new Council members, Mr. Gibbons explained his role as an independent financial advisor to the Borough in the issuance of municipal debt, reviewed the current market conditions, and explained the rationale for adopting the Resolution.

Mr. Rosenberger asked what was included in the 3 percent cost savings; Mr. Gibbons replied that the cost savings is a net savings of all issuance costs including bond discount, insurance and advisory, legal, and rating agency fees.

Ms. Goreham asked what the Borough should hope for in terms of the stock market; Mr. Gibbons said if the interest rates go down, then the Borough should refinance.

Mr. Hahn confirmed that the present conditions favor refinancing and the resolution would enable the Borough to act quickly to get the best rate possible. Mr. Gibbons said he agreed and that he would not recommend refinancing if the rate gave us a 2.5 percent saving because there is only one opportunity available to refinance a bond.

Mr. Hahn moved and Mr. Morris seconded a motion to enact the resolution for advance refunding. The motion passed unanimously.

**Easement Agreement with the University Area Joint Authority (UAJA)** Mr. Fountaine said Council is asked to consider executing an easement agreement between the Borough and the University Area Joint Authority (UAJA). He noted that the easement is for the installation of a gravity sanitary sewer line across the former Borough landfill, which will allow for gravity flow of sewage and eliminate the Douglas Drive pump station. He added that the installation of the line will follow the valley line of the property and will not impact existing refuse cells.

Mr. Hahn moved and Mr. Morris seconded a motion to approve the easement agreement. The motion passed unanimously.

Ms. Goreham asked how deep the sewer line would be; Mr. Whitfield answered 4-5 feet deep.

## PLANNING AND ZONING

**Report from the Planning Department on the West End Revitalization Plan.** Mr. Hess said in May 2007 Council accepted the West End Revitalization Plan that was prepared by the consulting team of Delta Development Group and EDSA as the master plan to guide future development/redevelopment in the West End, also known as the Urban Village. He added that in July 2007 the Borough contracted with the consulting team to complete the initial five implementation tasks in the West End Revitalization Plan. For the benefit of new Council Members, Mr. Hess then presented an overview of both the evolution of the West End master plan project and the process the Borough anticipates following in the immediate future. He explained the 25 year history of the urban village/west end and how the neighborhood's boundaries with the University and Ferguson Township were also considered in the plan. Mr. Hess said the area has not seen much change since the 1930s. He noted that results from the Market Feasibility Study showed the neighborhood to be stable and most redevelopment was slated north of the alley on the campus side of West College Avenue. He noted that Council adopted the Master Plan which was included in the 2008 Capital Improvement Program as a ten year program with a \$3 million proposed budget.

Mr. Rosenberger questioned the meaning of "fostering partnerships". Mr. Hess replied that the consultants are trying to get feedback from property owners for their insights on proposed development.

Mr. Filippelli asked if the historic properties on College Avenue create a hindrance to the planned development. Mr. Hess said the Master Plan has most development slated for north of College Avenue because historic preservation is key to development. Mr. Filippelli added that the historic properties are mostly rented and preservation would become a problem because of their historic designation and altering the facades or uses would be prohibited. He asked where the incentive for development would be. Mr. Hess answered that the Plan's intent for College Avenue is to retain the buildings, which would slow down redevelopment in this area. He added that there must be an economic incentive which could be done through allowing changes in use and tax credits.

Mr. Hahn said one key factor is to get buy-ins from property owners. He asked what the property owner reaction to the zoning ordinance was. Mr. Hess said there was more feedback regarding the redevelopment. He added that the Planning Commission has been working to get the property owners involved in the redevelopment plan.

Mr. Morris questioned if at some point tax increment financing (TIF) would be required for the infrastructure to complete the redevelopment. Mr. Hess said for this purpose TIF has not yet been considered. He added that assuming a redevelopment area would be created and TIF would be a benefit, then it could be considered. Mr. Morris then asked if a resident has a single family home would they be forced to sell out. Mr. Hess said the intent for the rezoning is to encourage single property owners to develop as they wish and not be required to sell to large developers.

Mr. Filippelli asked what the major reason for lack of redevelopment was previously in this area. Mr. Hess said one reason was the costs of rents per square foot. He noted that it was more beneficial to rent first floors rather than turn the space into commercial property because costs for commercial rehab are much greater and would create economic hurdles.

Ms. Lafer inquired if commercial properties on the ground floor of the West End are prohibited. Mr. Hess said commercial properties are allowed on the corners, but safety issues mean we should limit mid-block commercial use. He added that the district is focused more on residential use.

Mr. Morris said with new West End development, the plan may help to bring more doctors and dentists offices back into the downtown.

Mr. Hahn asked if the original Urban Village prohibited commercial development. Mr. Hess answered yes, but when prohibition of commercial use lifted around 2000 there was a beginning of limited commercial uses in the area.

Ms. Goreham asked if the Master Plan will incorporate a “going greener” effort. Mr. Hess said the Borough is encouraging going green and has spoken to the consultants about ways to achieve this.

**Rezoning Request for 1300 South Allen Street.** Mr. Fontaine said on November 5, 2007, Council received a request from Fedon-Marcon-Fedon Partnership to rezone their property at 1300 S. Allen Street [located at the southwest corner of the intersection of Waupelani Drive and South Allen Street to planned commercial 2 (CP2)]. The partnership recently purchased the property from Easter Seals. Council referred the request to the Planning Commission at their meeting of January 14 for review and recommendation and asked for the opportunity to discuss the rezoning at a future meeting.

Mr. Hess said when the Borough receives a request for a zoning change, the adjacent properties are studied. He noted that the property is currently zoned R2 residential but was not used as such. The new owners intend to rent the building as professional office space but parking is a limiting factor. Mr. Hess added that Planned Commercial 2 (CP2) allows for a mix of uses such as multi-family residential and a wide range of commercial and offices uses. He noted that the Centre Regional Planning Commission (CRPC) recommended Planned Commercial 1 (CP1) as an alternative at the adjacent property owners’ request. However, he noted the State College Borough Planning Commission voted to recommend the rezoning from R2 to Planned Office (PO) as opposed to either CP1 or CP2. He added that staff recommends PO because rezoning to PO would have fewer impacts on the surrounding neighborhood while allowing the owner to use the property for uses similar to those usually occupying the building since it was constructed.

Mr. Hess noted that the current sight distance at the intersection of South Allen Street, Waupelani Drive, Aikens Place and South Atherton Street is undesirable and is scheduled for improvements this coming summer.

Dick Gold, 134 East Doris Avenue, asked Council to consider that the area surrounding 1300 South Allen Street is possibly the largest site of affordable housing in the Borough and asked that every effort be made to refrain from zoning commercial development.

Mr. Filippelli said he agreed with Mr. Gold. He asked what options the new owners have without rezoning the property. Mr. Hess replied that three duplex lots were an option, an office building or retaining the property as a daycare. However, he noted that with a street realignment, the play area for a daycare would be eliminated.

Ms. Lafer asked about the traffic counts in the area. Mr. Hess replied that once a specific use is identified a trip distribution analysis would determine the impact of traffic. Ms. Lafer said residents expressed to her that they were concerned about an increase in traffic should the building become an office building.

Mr. Hahn asked Mr. Hess to address the issue of spot zoning. Mr. Hess expressed his opinion that the Planned Office recommendation is not spot zoning. Mr. Hess said one factor is that there is a mix of uses in the vicinity of the property.

Ms. Lawrence said she agreed with Mr. Hess. She said she is also concerned with the costs associated with the proposed intersection improvements. She also noted that the new owners bought the property knowing the property was zoned R2.

Mr. Fontaine said a public hearing is scheduled for March 3 as well as a neighborhood presentation on February 28 to provide information on the recommended rezoning.

## OFFICIAL REPORTS AND CORRESPONDENCE

**President’s Report.** Ms. Goreham stated following this meeting Council would hold an executive session to discuss litigation. She added that after Council’s work session on January 18, 2008, Council also met in an executive session to discuss litigation.

**Staff/Committee Reports.** Mr. Fontaine said last year the Borough participated in the National Citizen Survey in a joint effort of the International City/County Management Association and the National Research Center, Inc. and results were presented to Council in November 2007. He added that staff is in the process of completing the next community survey which would be geared more to localized issues. He asked for Council’s input in identifying areas to be incorporated in the survey and return items to him by February 11.

He also noted that a letter was mailed recently to neighborhood associations to assist in obtaining volunteers to serve on focus groups as part of the Greenhouse Gas Mitigation Plan. He said the information is also posted on the Borough’s website as a new flash item. Mr. Fontaine requested Council submit potential volunteers for the focus group to him by February 15. Mr. Goreham stated that Council should participate in the selection of volunteers for the focus groups.

There being no further business, the meeting adjourned to an executive session at 9:15 p.m. to discuss litigation.

Respectfully submitted by:

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Cynthia S. Hanscom  
Assistant Borough Secretary