

**State College Borough Council  
Work Session  
Friday, March 4, 2005**

The State College Borough Council met in a work session on Friday, March 4, 2005, in the State College Municipal Building's Council Chambers, 243 South Allen Street, State College, PA. Mr. Daubert called the meeting to order at 12:05 p.m.

Present: Thomas E. Daubert, President of Council  
Catherine G. Dauler  
Elizabeth A. Goreham  
Craig R. Humphrey  
Jeffrey R. Kern

Absent : Janet K. Knauer  
James H. Meyer

Also present: Thomas J. Fountaine, II, Borough Manager; Carl R. Hess, Director of Planning; Michele Nicolas, Director of Human Resources; Mark Whitfield, Public Works Director; Mike Groff, Finance Director; Amy J. Story, Borough Engineer; Norma Crater, Accounting Assistant; Alan Sam, Arborist; William McNeal, Assistant Borough Engineer; Joanne Lopinsky, Assistant Zoning Officer; Lu Hoover, Senior Planner; Amy R. Miller, Recording Secretary; members of the media; and other interested observers.

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

**Historic Resources Commission 2005 Work Plan.** Mr. Fountaine explained Council previously discussed the historic preservation ordinance and was unanimous in its opinion to remove it from the HRC work plan. Staff then modified the work plan based on Council's decision. The HRC revisited the 2005 work plan at its February 15<sup>th</sup> meeting and the Commission voted 3-1 to reinsert the historic preservation ordinance in the 2005 work plan. Thus, the HRC directed Ron Madrid, HRC Chair, to prepare an addendum to the work plan which Council received as an attachment to this agenda.

Mr. Madrid explained the Commission had no specific desire to address an historic preservation ordinance, but did not want to eliminate the possibility of an ordinance as the Commission discussed ways to encourage preservation.

Mr. Kern said Council was adamant that the Planning Commission remove historic ordinances and historic district modification from their work plan because there was no support for the proposals on Council and in the community. Given limited resources, Council believed the Planning Commission should spend its time on other, more pressing concerns. Mr. Kern said the controversy over the previous proposed ordinance had divided the community, and he did not wish to bring the issue to the public again. He asked that it be removed from the work plan.

Ms. Goreham agreed with Mr. Kern and said it was unsuitable to advocate for an ordinance at this time.

Ms. Dauler also agreed and said as the liaison to the HRC from Council that Council does not want an ordinance to be the focus at this time. She said it was important that HRC knows it is not only Council that feels this way, but residents as well.

Ms. Goreham suggested continuing the walking tours; the intent is that the neighborhoods would help to coordinate these tours and at least one tour would be given annually.

Mr. Kern referred to item 7, the joint HRC/IFC Fraternity Promotion Projects, and suggested including other citizens to participate in these projects if possible.

**Centre Area Transportation Authority (CATA) Funding.** A briefing paper on transit funding was included with the agenda. Hugh Mose, Executive Director for CATA, provided a brief report to Council on the CATA funding issues. He said that most people were aware of CATA's financial strains in recent years. He noted the state's support, which is the largest single source of income for CATA, has increased by only been two percent the past couple of years while other costs, such as

insurance and fuel oil, have gone up considerably. CATA has responded by cutting service and using reserves from previous years' federal funding. Currently CATA was able to avoid service cuts, but now projections are to carry over only \$125,000 to the next year. This may mean that next year, CATA will need to implement serious service cuts and fare increases. Recently the Governor had identified new state and federal money, normally was designated for streets, roads and bridges, and suggested it be used in communities where money is needed for public transit systems. If this happens, CATA will maintain its current level of service. The Centre Region is a growing community and CATA may be stuck in a position where needs are increasing but funds are not.

Mr. Daubert asked if the board or staff has done anything to prioritize routes rather than cut trips. It seems counter productive to cut the number of trips because people say that buses do not run often enough so they will not use buses at all. Mr. Mose replied there is no plan to eliminate routes at this time because CATA does not wish to tell residents that there will no longer be service in their area. CATA's position is that it is better to provide a skeletal level of service than no service.

Mr. Daubert opined that municipal shares of CATA's local costs should be allocated on the COG formula. CATA should be thought of as regional rather than local. Mr. Mose agreed and said he would like that kind of support as well.

Ms. Goreham noted the shortfall is about \$300,000 to \$350,000 and wondered if Mr. Mose perceives it will be the same amount for each coming year. Mr. Mose believes the gap will be about the same and not much smaller.

Ms. Dauler said she would like to see COG give CATA a much-needed raise. Elected officials could give more support to CATA in terms of dollars.

Mr. Kern said Mr. Meyer asked him to convey his concerns because Mr. Meyer serves on the COG Finance Committee. If CATA is stuck with local shares based on the historic Miller formula instead of the COG formula, then the Borough should consider withdrawing our support for certain routes, let the whole thing go bankrupt for a day, and then pull it back together. Council is probably not prepared to bring the funding issue to a head in that way. Mr. Meyer strongly supported using the COG formula to calculate local shares.

Council agreed to continue its support for a change to the COG formula for CATA funding.

**Atherton Street Light Design.** The Public Works engineering staff presented Council with a new design for street lighting on South Atherton Street from College Avenue to Highland Alley. Staff recommended using a pendant style light fixture. Poles will be staggered approximately 40' apart on each side of the street. A total of fifteen poles and fixtures are proposed. The poles will be set back from the curb line about six feet, meeting PENNDOT criteria and permitting maximum sidewalk width. In the area of the Imperial 400 Motel and Arby's, approximately two feet of additional right-of-way directly behind the sidewalk will be required to install the lights. This will permit the installation of streetlights without encroaching on an already narrow sidewalk.

The poles will be very similar in style to the new poles on Allen Street and the 100 blocks of East and West College Avenue. The poles will be 23 feet high, made of aluminum, and black in color. The pendant fixture will be hung from a six-foot mast arm. The pendant fixture will complement the new downtown fixtures and the globe is very similar in design. The top of the fixture will have a finial similar to that on the new downtown fixtures. Poles will be pre-fitted with banner brackets, sign brackets, and a GFI receptacle for holiday fixtures.

The Zoning Ordinance requires cut-off fixtures and allows for exceptions for period style luminaries with refractive globes and internal cut-off reflectors. The luminary fixture proposed is classified as a cut-off fixture and uses a reflective lens for directing light downward. The internal reflector allows just 2.5 percent of the light above the 90-degree nadir of the fixture.

In 2002, Council selected high-pressure sodium (HPS) bulbs in lieu of metal halide (MH) bulbs for use in the downtown. While MH bulbs provide an aesthetically pleasing blue/white light over the orange tinted HPS, the HPS provides greater and

more consistent lumen output, has twice the life expectancy, and is less costly in terms of maintenance and operation. For the Atherton Street project, if MH bulbs are desired, a 250-watt fixture will be needed. If HPS is the bulb of choice, a 200-watt fixture will be required. The total operating and maintenance cost over the 25-year life of the 15 fixtures for HPS is \$28,200. For MH, the total cost is \$38,160.

Mr. Whitfield said the proposed lights are very similar to those on Allen Street and showed Council detailed pictures of the fixtures. The fixtures are on a 23-foot pole and include a special arm projecting over the curb into the street, therefore projecting light away from private property.

Ms. Goreham stated that high-pressure sodium lights bulbs are more environmentally responsible in terms of pollution created during production and electricity they consume. Mr. Kern agreed and suggested that MH lights not be used.

Council chose a fully enclosed light fixture. Mr. Whitfield said staff can now move forward on the project and will include alternate fixture choices in the bid specifications so that Council can later choose which type of lighting they prefer.

**Central Parklet Lighting.** The Public Works engineering staff is presently designing the proposed path connecting Allen Street to Central Parklet along the Verizon Building. The path way will include decorative, pedestrian-scale lighting. As part of the overall scheme of the area, lights in Central Parklet are also to be replaced. Dan Jones and Mark Battaglia, landscape architects for the project, selected a fixture similar to those installed in Orchard Park. Council was shown a picture of the proposed fixture.

Mr. Whitfield stated the number of lights will remain the same, but keeping in mind the goal is to light the walk, not the sky. Mr. Daubert asked if the lights would be yellow; Mr. Whitfield answered the lights would be white. Mr. Whitfield recommended the use of metal halide for the Parklet. White light is preferred over yellow in parks and other pedestrian areas. Mr. Fontaine added that studies have shown MH lights have a more positive impact on safety, particularly with pedestrians. White lights project a truer color and are the color of choice.

Council agreed on the new fixture chosen for the Parklet; however Mr. Daubert said Council must wait until all members of Council are present to vote on the type of bulbs used.

Mr. Fontaine stated that white light is a truer light but agreed to provide Council with background information on the lights for a future meeting.

**Fourth Quarter Financial Report.** Mike Groff presented an annual financial report for the year ending December 31, 2004. He began by saying the Borough of State College enjoys a sound financial position. One of only twenty some municipalities in the Commonwealth to do so, our Borough has received an AA Bond rating. That rating can be attributed at least in part to the tax increase approved in the 2005 budget. Increasing taxes was a difficult decision, but the rating agencies look at financial performance and view Council's decision as a commitment to maintain the Borough's sound financial position. The favorable bond rating reduces the cost of borrowing money for current and future projects.

Mr. Groff continued that revenues were not met in certain areas such as earned income tax. Departmental earnings were down and expenditures exceeded budget in a few areas. Employee benefits increased by double digits both in health care and pensions. Liability insurance was up, as well as fuel costs. There were also new expenses for the start-up of the Cable Consortium, as well as expenses for hosting the PLCM conference. Fines and costs were below budget. Revenue from the district courts was down, despite the fact that numbers of criminal offenses remained constant.

Mr. Groff continued that in 2004, the General Fund budget programmed the use of reserves in the amount of \$377,000 to balance the budget, as had been done traditionally for a number of years. In spite of that practice of budgeting the use of reserves, the year 2003 was the first year the Borough had actually been required to use money from unreserved funds to balance the budget. Our projection in November, 2004 was to draw almost \$600,000 from reserves to balance the budget

for 2004. When the 2004 fiscal year books were closed, we had an actual draw of \$531,000, less than the projection but \$150,000 more than the budgeted amount. Obviously, the continued use of reserves to balance the budget is of concern.

Mr. Groff's biggest concern was the earned income tax. Having been with the Borough for 32 years, he reported only one time before, in 1996, when the earned income tax revenue failed to grow from one year to the next. The Borough received almost \$270,000 less than the budgeted amount in 2004. Collections were down almost six percent from the 2003 levels. Mr. Groff stated there were several reasons for the decrease; one being that there are fewer Borough residents working. In addition, there are fewer Borough residents working at the University. University withholdings were down one percent; this is not much but a two percent increase had been projected. There were also a number of employers that did not implement the Act 166 withholding provisions in 2003, but did so in 2004. The impact of that delay was not anticipated when revenues were estimated for the budget. Although the change may not be called a trend yet, the facts are distressing.

Mr. Kern asked if the loss of revenue related to fines and meters was due to relaxing of enforcement or to fewer people parking. Mr. Groff said there are fewer people parking downtown and the Borough is writing about 19,000 fewer parking tickets per year. Patronage has declined about 10 percent. Mr. Groff said the Borough has asked the University to eliminate some of the downtown congestion, which, in turn, has decreased the downtown patronage. Mr. Fontaine said the summer parking program cost the Borough about \$20,000 and that was reflected in the revenue. Data for the holiday season was better than summer; a report of the results would be distributed next month. New ways of marketing the downtown needed to be developed.

Mr. Kern said his second question related to the income tax collected in 2003 that the Borough was not owed. Mr. Groff said the Borough has refunded almost \$82,000 more in 2004 than in 2003 due to employers over withholding. Staff did not understand the nature of the problem until individual tax returns were processed during 2004.

Mr. Daubert felt that two or three percent fluctuations were not a serious concern. Mr. Groff agreed but wanted Council to be aware.

**National League Of Cities Congressional Cities Meeting.** Council discussed national legislative priorities in preparation for the National League of Cities Congressional Cities meeting in Washington, D.C. March 12-15. Mr. Daubert stated the Community Development Block Grant (CDBG) and transportation funding are the main topics for discussion at meetings with the Pennsylvania congressional delegation.

Mr. Fontaine distributed a draft document outlining the Borough's position on several federal legislative issue and noted that the items on the list are just suggestions. The single most important issue is the CDBG funding. The Borough has spent about \$1 million per year in CDBG and HOME funds. Information has been compiled as to how the money has been used in State College through social programs, infrastructure improvements, as well as housing projects. Staff is also preparing a synopsis of how CDBG has been used to help people in real life stories in State College. This will be provided to Council at a later date. Pennsylvania Senators Santorum and Specter, along with 53 other senators, have signed a letter going on record that they do not agree with the President's budget proposal for CDBG. The President's proposed budget would eliminate the CDBG program and consolidate the program with 17 other federal programs. Under the President's proposal, the program would also be relocated from the Department of Housing and Urban Development to The Department of Commerce. This would cause the Borough to lose between \$300,000 and \$500,000. Mr. Fontaine added that CDBG provides funding for communities across the Commonwealth, so it affects the entire Pennsylvania congressional delegation.

Mr. Daubert and Ms. Dauler agreed they would speak to Congressman Peterson regarding Amtrak train services and the fact there is only one train per day in each direction departing from Lewistown while there are 11 trains a day that go between Harrisburg and Philadelphia.

Ms. Dauler requested time for Council to read the material and put a plan together for presenting to the Congressman, as well as putting case histories together for reference. Council members who will attend the NLC conference agreed to meet with Lu Hoover at 10:30 am on Monday, March 7 in Room 321 to discuss the critical issues.

**Items of Information.**

Mr. Fontaine mentioned Council's previous discussion of beneficial reuse and asked Council to review the staff comments for accuracy. Mr. Daubert suggested rewording the sentence "Concern was expressed that CBICC would be marketing the water system"; he felt it was not their job.

Council agreed to display children's artwork in the Municipal Building lobby during the month of April.

At 2:26 pm, Mr. Daubert recessed the meeting until 10:30 a.m., Monday, March 7, 2005.

Respectfully submitted by:

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Cynthia S. Hanscom  
Assistant Borough Secretary