

**State College Borough Council  
Work Session  
Monday, August 30, 2004**

The State College Borough Council met in a work session on Monday, August 30, 2004, in the State College Municipal Building's Council Chambers, 243 South Allen Street, State College, PA. Mr. Daubert called the meeting to order at 1:33 p.m.

Present: Thomas E. Daubert, President of Council  
Catherine G. Dauler  
Elizabeth A. Goreham  
Craig R. Humphrey  
Janet K. Knauer  
James H. Meyer

Absent: Jeffrey R. Kern

Also present: Thomas J. Fountaine, II, Borough Manager; Terry J. Williams, Borough Solicitor; Ronald A. Davis, Assistant Borough Manager; Thomas R. King, Chief of Police; Carl R. Hess, Director of Planning/Community Development; Mark S. Henry, Health Officer; Timothy Grattan, Director of Information Systems; Edward C. Holmes, Parking/Facilities Coordinator; Amy R. Miller, Recording Secretary; members of the media; and other interested observers.

**Public Hour.**

**Report from Bryan Cohen on His Summer Internship Program.**

Mr. Fountaine stated that on May 17, 2004, Bryan Cohen was hired as an unpaid summer intern. Bryan was born and raised in State College and graduated from the State College Area high school. After high school Mr. Cohen enrolled at Northeastern University in Boston as a political science major. Before coming back to State College for the summer, Mr. Cohen and the Manager made arrangements for his internship and discussed projects and expectations for the summer. Council asked him to compile a written report on his work and responsibilities while at the Borough. Although a hard copy of the report was not yet available, Mr. Cohen highlighted his work and thoughts on the past summer.

Mr. Cohen said he spoke with Mr. Fountaine about three main projects. First, was to develop a way to get important information out to students. The second was to create a web-site containing this important information, and the third was to develop a plan for students that the Borough could utilize. After gathering all the information, Mr. Cohen chose what he thought was most important and developed a communications plan using a web-page. Mr. Cohen then began working with C-Net to create programming that students could use as a resource. Students were asked questions and then Mr. Cohen went back to staff and filmed the staff member answering the question. Mr. Cohen also worked on the Borough's usage of C-Net and air time that was not being utilized.

Mr. Daubert asked who will see the videos; Mr. Cohen said they will be aired on C-Net. Tapes will also be distributed to groups on campus such as the Off Campus Student Union.

**Economic Development Proposals for a Cinemaplex Project at 118 S. Fraser Street.**

Mr. Fountaine explained the Downtown Vision Plan, published in December 2002, identified a significant economic development project for downtown State College consisting of a cinemaplex or similar destination-style entertainment complex. The Borough, along with the Downtown Improvement District (DID) has been working to develop the incentives for this project. Over the past year, an ad hoc committee of Council, staff and Downtown State College has been meeting to plan for this project. Currently, the ad hoc Committee is working on a proposal for the project to be developed at the site of the former municipal building on South Fraser Street once the building is no longer being used as the temporary site for Schlow Library.

Mr. Fontaine added that there are several options available to the Borough to consider in preparing for this or another economic development project that may be identified for the S. Fraser Street site. Foremost among the decisions that must be made before this project can go forward is the most appropriate process for the Borough to follow in soliciting development proposals for the site.

Mr. Fontaine described the status of the plan to Council and said the plan recommends a cinemaplex development which is consistent with other recent and planned projects in the "Civic District." An ad hoc committee met to plan for the project at the 118 S. Fraser Street site and a committee has secured a cinema operator to own/operate the cinema. The main issue for Council is whether a cinemaplex should be constructed or a mixed use development.

Mr. Fontaine said another item to consider is a single developer. The Borough has four options for soliciting development proposals: (1) Borough may solicit proposals, (2) Borough may delegate this proposal to a redevelopment authority, (3) Borough may lease property, or (4) Borough may partner with DID to develop the project. Mr. Fontaine felt that Council should consider establishing a redevelopment authority to carry out the program and transfer the real estate to the Downtown Improvement District.

Mr. Fontaine continued saying a redevelopment authority could be established by Council. Five citizens of the Borough would be appointed by the Mayor with five year terms. Members would receive no compensation, nor have an interest in any project in which the Authority is involved. Mr. Fontaine said the role of Council would be to conduct a public hearing on the proposal and either reject the plan or approve it.

Advantages of a redevelopment authority are: (1) Council would retain significant project control, (2) greater flexibility is provided in negotiating redevelopment contracts, (3) public interest is protected by requiring extensive public processes, (4) property disposal requirements are removed, (5) it provides for housing, commercial, retail and industrial redevelopment, and (6) it would insulate the Borough. Disadvantages of a redevelopment authority are: (1) Council would turn over some control of the project, (2) the Authority is an independent agency, and (3) the extensive public process takes a lot of time.

Mr. Fontaine said the next step is to decide how to proceed. The process would be to: (1) define the scope of the project, (2) establish a schedule to create a Redevelopment Authority, if preferred, (3) identify and select a single developer, and (4) solicit development proposals.

Mr. Daubert asked Council what they wanted in the scope of the project. If a cinemaplex is still the overall goal, Council needs to make a decision now. Ms. Goreham thought most cinemaplexes are not high revenue makers. Ms. Knauer asked if the project is put out for proposals, and Council decides against a cinemaplex, what would happen. Mr. Hess responded staff would conduct a survey to ask residents what use they recommend. Mr. Daubert recalls Carmike Cinemas stating they will not renew their lease, leaving the Borough in need of a cinema.

Ms. Sparacino said a discussion was held with both Centre Region and Borough residents and they favored another new cinema. Ms. Knauer asked what use would produce the best return on investments. Mr. Hess suggested a real estate professional conduct an analysis for the best use of the property and present his findings to Council. Council could then use the report to aid in their decision.

Mr. Meyers said the location is appropriate for this project because of the new parking garage. He also stated that, if a real estate professional is asked, they will only consider the monetary value. Ms. Dauler agreed and added an option for a cinemaplex could be considered along with mixed use. Mr. Daubert and Mr. Meyer agreed with Ms. Dauler.

Mr. Welch asked if six proposals were received, would Council be required to choose the design they like or would the lower cost design have to be chosen. Mr. Williams replied that Council would be obligated to take the lower proposal if all requirements were met. Ms. Knauer asked if Council could ask for a proposal for mixed use that includes the sale of the

property. Mr. Williams answered yes, but once the property is sold Council will not have a say in how it is used.

Mr. Daubert said this subject needs to be discussed further. Mr. Fountaine agreed and said it will be included on the September 13 agenda.

**List of Priorities and Goals for Council.**

Mr. Daubert said Council asked for time to develop goals and priorities to help guide Council's agenda, assist staff in focusing on priorities in preparing the operating budget, and manage the day-to-day business of the Borough.

Mr. Fountaine asked Council members to participate in a simple process for developing ideas, achieving consensus on goals, and establishing priorities. Council will be asked to answer five questions as follows.

- What specific programs and projects should the borough accomplish in the next five years?
- What specific projects and programs should the borough accomplish in the two years?
- What does the borough do well? (at least five and not more than ten)
- What does the borough need to do better? (no more than ten)
- What programs or services does the borough currently provide that it should stop providing? (no more than ten)

Results will be compiled in a report to be returned to Council.

**Performance Evaluation Update.**

A brief report on the status of the Manager's performance review process will be provided at the next meeting.

There being no further business, the meeting was adjourned to a work session at 2:47 p.m.

Respectfully submitted by:

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Barbara J. Natalie  
Assistant Borough Secretary