

Meeting Minutes
State College Borough Council
Work Session
Friday, October 21, 2005

The State College Borough Council met in a work session on Friday, October 21, 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 12:06 p.m.

Present: Thomas E. Daubert, President of Council
Catherine G. Dauler
Elizabeth A. Goreham
Craig R. Humphrey
Jeffrey R. Kern
Richard L. McCarl
James H. Meyer

Also present: Thomas J. Fountaine, II, Borough Manager; Carl R. Hess, Planning Director; Michael S. Groff, Finance Director; Amy R. Miller, Recording Secretary; members of the media; and other interested observers.

Public Hour. John Simbeck, 601 W. College Avenue, spoke on the pedestrian problems related to the pedestrian signs in the downtown. People cross too freely on the streets. He knows of two individuals who struck students with their cars; fortunately no one was injured. Mr. Simbeck felt the signs give pedestrians the idea they have the right of way in traffic everywhere. Mr. Meyer and Mr. Kern agreed. Ms. Dauler said enforcement would alleviate the problem. Mr. Fountaine said Borough staff will review the signs.

Ryan Bennington, 325 S. Garner Street, believed the signs were a great addition. However, placements of signs were poor; specifically the one located at College Avenue and Hiester Street.

Presentation by Auditor. Rob Lent from Maher Duessel presented highlights of the 2004 annual audit performed for the Borough. He also updated Council on new federal audit and accounting standards from the national Governmental Accounting Standards Board (GASB) that must be followed by all governments. There were no disagreements with Borough management or difficulties performing the audit.

Mr. Lent then highlighted financial statements and the management discussion analysis report. Mr. Lent said the next implementation would involve assigning retroactive values to the Borough's infrastructure from 1980 through 2003. The estimate should include items such as sewers in addition to determining the life and value of a street. Mr. Whitfield said determining those figures should not be difficult because all data is recorded.

Mr. Lent mentioned that CDBG projects and HOME programs are considered major projects because of the amount of funding involved. The federal government requires major projects over \$500,000 be audited. He complimented Borough staff on tracking federal dollars.

Financial highlights showed a decrease of assets from depreciation. In addition, the Borough's expenditures exceeded revenue in the General Fund. The fund balance from the General Fund showed an increase of prepared assets on balance sheets from 2003 and 2004. Prepaid funds should not be considered as available funds to spend. Excluding transfers, the variance between budget and actual was only minimal. Transfers out were almost a million dollars over budget.

Mr. Kern questioned fund balances of the pension trust funds. Mr. Lent said governmental accounting is different from corporate accounting in that accumulated vacation and sick leave is already recorded and considered.

Mr. McCarl asked where pension funds are kept. Mr. Groff replied the pension funds are invested through the International City/County Management Association Retirement Corporation (ICMA-RC); pension funds are fiduciary funds which cannot be used for other obligations.

In conclusion, Mr. Groff told Council that all issues raised by Maher Duessel have been addressed.

Urban Village Market Feasibility Study. Last month the consultant for the Urban Village study presented the final report to a joint session of the State College Borough Council and the Ferguson Township Board of Supervisors. Council was then asked to review the document and prepare any final comments for the consultant. The Planning Commission also reviewed the report. Staff then prepared a document listing all comments and questions that were raised during the planning process. Council was asked to prepare final comments for the consultant prior to publication of the final report, which is expected to be received on November 21.

Mr. Daubert was concerned about the project because critical areas border Ferguson Township. Mr. Fontaine said there were five phases to this project: three were in the Borough; phase four included areas in both the Borough and Ferguson Township; and the fifth phase is in Ferguson Township. Mr. Fontaine and Mr. Hess believed the plans would move forward jointly, but the Borough would be able to move faster independently on areas in the Borough.

Mr. Daubert requested comments from Council members. Ms. Goreham suggested creating condo buy-ins which would create a good foundation for the project to build upon. She felt Railroad Avenue should be made a high priority for a pedestrian walkway.

Mr. McCarl felt uneasy with the whole project. He was concerned that Ferguson Township might back out of the project. He believed homeowners who will be affected by the development should be involved in the planning process. Mr. McCarl was not opposed to redevelopment, but was skeptical that the plans would succeed. He was also concerned with the meaning of some terms used in the plan; terms such as 'pull factor', 'walking distance market area' and 'green space'.

Mr. Hess said an agreement could be made jointly with Ferguson Township. Ferguson Township would cooperate in the project if they identified a benefit to their community. Mr. Hess stated that the point of developing the UV area was not to bring in commercial property that would compete with the downtown or Nittany Mall. He also said the Borough's intention was not to encourage the sale of O.W. Houts but to decide what should be on the site should the Houts family sell.

Mr. Kern said he would like the report to emphasize buy-ins and the mechanisms to find ways to cooperate with Ferguson Township. He also felt landowners need to become major participants in the project.

Mr. Daubert was opposed to demolishing and redeveloping the UV as residential.

Mr. Fontaine reminded Council the report offers the consultant's professional opinion. The consultant recommended that a redevelopment plan be adopted, but mechanisms need to be articulated for plan implementation.

Ms. Dauler reminded Council that the market study is just part of the next phase. The master plan should be considered in broader terms. It was Ms. Dauler's hope that restoration would take place rather than demolition and rebuilding; there may be tax credits available for restoration.

Mr. Fontaine said the consultant's idea of a master plan is a document that can be used to attract national-scale developers' interest in redevelopment of the UV District as well as to invite development proposals.

Mr. Kern suggested moving ahead on the project. He was concerned that if Council did not take action until after the upcoming elections, educating new Council members might delay the next phase of the project.

COG General Forum Agenda of October 24, 2005. Mr. Daubert highlighted agenda topics.

At the forum Mr. Meyer said he would question the Musser Gap land purchase to be given to the Department of Conservation and Natural Resources and the Bureau of Forestry. Ms. Goreham said the land is important to the water supply. Mr. Fontaine said both the Water Authority and Clearwater Conservancy had agreed to contribute toward the purchase.

Mr. Fontaine said the Transportation Commission asked Council to vote to send the Eastern Inner Loop question back to municipalities for further discussion to allow the Transportation Commission additional review time. Mr. Daubert said the executive committee wanted to dismiss the motion and asked Council if they were in favor of dismissing the proposal. Council agreed to dismiss the motion on the grounds that it was too much money to spend for 45 minutes of daily rush hour traffic.

Borough/University Liaison Meeting of November 18, 2005. Council was asked to submit possible agenda items for discussion at the next meeting but no later than November 7.

Items of Information. Council agreed to add noon work sessions on November 16, November 30 and December 14 for budget discussions.

There being no further business the meeting adjourned at 2:24 pm.

Respectfully submitted by:

Cynthia S. Hanscom
Assistant Borough Secretary