

Meeting Minutes
State College Borough Council
August 14, 2006

The State College Borough Council met in a work session on Monday, August 14, 2006, in the State College Municipal Building Council Chambers, 243 South Allen Street, State College, PA. Ms. Dauler called the meeting to order at 7:30 p.m.

Present Catherine G. Dauler, Council President
Thomas E. Daubert
Ronald Filippelli
Elizabeth A. Goreham
Donald M. Hahn
Craig R. Humphrey
Absent: Jeffrey R. Kern

Also present: Thomas J. Fountaine, II, Borough Manager; Thomas Kurtz, Assistant Borough Manager; Mark A. Whitfield, Director of Public Works; Michael S. Groff, Finance Director; Carl R. Hess, Director of Planning; Cynthia S. Hanscom, Assistant Borough Secretary; members of the media; and other interested members of the public.

PUBLIC HOUR – Hearing of Citizens

Michael Freeman, 723 W. Nittany Avenue and member of the Planning Commission, explained that first floor pedestrian oriented businesses are required in the 100 blocks of South Allen and the 100 blocks of East and West College Avenues. He believed that this area should be expanded beyond Fraser Street to incorporate the planned Fraser Street development. He also noted several first floor retail establishments (such as Nittany Quill and Paul & Tony's) that would be converted from retail space to office uses. In 2002, changes were made to the Zoning Ordinance so that banks, brokers, and medical offices were included in the definition of pedestrian oriented business. He asked that these uses as well as ATMS be eliminated as permitted first floor pedestrian oriented uses. Banks and doctors offices create blank space in the streetscape. When asked if he had discussed this with the Planning Commission, Mr. Freeman noted that he had and it was suggested that Council should first agree that this could be placed on the Commission's work program. Council agreed the Planning Commission should consider the priorities in their work program and determine if a discussion of pedestrian oriented businesses could be incorporated this year.

Open Agenda. Mr. Fountaine said this was Council's opportunity to bring up issues that were not scheduled for a future discussion. He noted that the Council meeting of August 21 would include a presentation on the wireless broadband project in downtown State College by the consultant, Civitium. He asked if Council members had items to consider for discussion at a future meeting.

Ms. Goreham asked that Council include a discussion of a paper verifiable back up system for recounting of votes. The new touch screen electronic voting machines were approved by the Centre County Commissioners in June to be used in the upcoming election in November. Ms. Goreham noted there were concerns nation-wide on the reliability of the machines. As elected officials, Council members should be assured that the election is properly tallied. Council members agreed this was a non-partisan issue that could be discussed at a future work session.

Mr. Daubert asked for an update on College Avenue repaving project and the Pennsylvania Department of Transportation's (PADOT) inability to do a job correctly. He noted that there were some locations along College Avenue where the road was paved and the roadway is at the same level or higher than the sidewalks. Mr. Whitfield indicated those locations where the pavement was above the curb had been repaired. He added there were some areas where only one inch of curb was revealed. Ms. Dauler believed there were some areas where less than one inch of curb was visible. Mr. Daubert asked if there were regulations for curb height. Mr. Whitfield said he was not aware of a regulation applying to minimum height of curbs on state highways. Mr. Daubert said in a heavy rain the water would run from the roadway into the store fronts. He also noted that it was difficult to park on-street because it was impossible to determine the location of the curb. He said that PADOT did a lousy job and the Borough should send them a letter telling them so.

Mr. Daubert also noted that, because the Borough was no longer collecting Business Privilege Tax from the vendors at the Central Pennsylvania Festival of the Arts, he would like to see what the Borough's costs are in both direct costs and in-kind costs for assisting with the event. He noted the Borough could not afford to provide services without some kind of reimbursement. Mr. Fountaine said staff was reviewing this information and would be providing a report when the festival was discussed in 2007.

Mr. Daubert said he continues to receive calls from citizens with questions on smoke detectors. Mr. Fountaine indicated the deadline had passed for rental properties to have smoke detectors

installed in each bedroom. Code officials continue to work on a case by case basis to get problems resolved. He noted that staff has not received inquiries within the last few weeks. Anyone with questions can contact the code office; if they cannot get a satisfactory response, residents or property owners should contact the manager's office.

Urban Village Consultant Recommendation. Council members continued their discussion from the August 7 meeting to hire a consultant for the Urban Village Revitalization Plan. Mr. Fontaine reminded Council that staff was recommending Council award the contract to Delta/EDSA.

Mr. Kurtz presented a slide show on the process for the plan, which included the 2005 Economics Research Associates (ERA) Report, the Request for Proposal, the consultant selection, Phase I (stakeholders consensus), Phase II (action plan) and Phase III (implementation, which is not included in the current scope of work).

Mr. Hess provided detail on client comments on other projects where EDSA and/or Delta were consultants. In some cases either EDSA or Delta worked with another consulting firm. The clients commented that the consultants were professional and worked well in getting stakeholders involved with the process. Many of the projects included a stakeholder consensus building process as well as preservation and revitalization issues. One project included working with off campus and on campus issues.

Mr. Humphrey asked about visualization tools. Mr. Hess indicated that the consultant was able to use computer generated models. Mr. Humphrey also asked what "leverage community" meant. Mr. Hess noted that the consultant was able to use positive features of the community as the basis for the plan.

Mr. Filippelli noted that Phase I would include input from the "neighborhood." He asked how large the neighborhood would be and how the consultants would get the participants to participate. Mr. Hess noted that the actual study area would include a larger area than the Urban Village zoning district, which actually stops at Calder Alley. The study area would include the area up to Highland and incorporate both sides of West Beaver Avenue. The Request for Proposal indicated that the involvement of Penn State University and the neighborhood residents was important as they were both stakeholders. Because the eastern portion of the study area abuts the downtown, Downtown State College Improvement District would also be involved.

Mr. Filippelli said he saw a disconnect in that this area is different than other redevelopment projects. The property owners are already using the area at a profit. It was not a blighted area. There were no properties that had been left vacant. The property owners will be asked to invest money into an area that they perceive to be already developed. It will be asking them to take on some risks. The critical involvement will be the existing land owners. Any part of the process should err on the side of bringing in the property owners to buy into the plan. He asked how Delta would approach involving the property owners. Mr. Hess said there would be focus groups and interviews conducted by the consultant. He agreed that there may be greater weight placed on the comments made by the existing property owners. Mr. Fontaine added that the first phase would include a consensus building process, which was critical. The Borough would need to build consensus for the other phases to work. Clearly, this includes the property owners.

Mr. Daubert mentioned that when Council first reviewed this there wasn't a redevelopment authority. Now that there is an authority, there may not be a need for a consultant for Phase III of the project. If redevelopment implementation occurs, the consultant would be paid 15-18 percent of the cost of the property. If the authority is used, they would not require payment. He believed the goal of the consultant was to get to Phase III because that is where they will make money. Mr. Hess noted that if Phase I and II are not successful, there will not be a Phase III. Also, property owners may coordinate their efforts to come up with funding in other methods that could use the redevelopment authority as a financing mechanism. At this point, it was premature to say that the authority would be the only tool that could be used to implement the plan. Mr. Daubert asked that it be made clear to the consultant that Phase III of the project was not guaranteed. Mr. Fontaine indicated each phase of the project will require approval before the next phase can begin. Even if a redevelopment authority is used, there may be a need for the consultant to provide technical assistance in Phase III. Mr. Daubert questioned the cost of Phase III and Mr. Fontaine indicated that Council would have to consider if the value of the implemented plan for the community would be higher than the cost for the consultant. If the budget does not justify the value, Council can make a decision at that time.

Ms. Dauler commented that Williamsport currently has Delta on retainer and questioned the cost. Mr. Fontaine said he did not know; the consultant may be completing a specific scope of work. He noted the Borough did not ask for an estimate of the cost for Phase III because it was not yet defined. Ms. Dauler said the Delta proposal indicated the cost of Phase III was unknown because it was dependent on how much a developer brings to a project and how much funding would be necessary. Administration of the funds could be a responsibility of the developer. She expressed concern for the cost and would like to have some number if retaining the consultant is necessary. Once Phase II is completed it would be difficult bring in another consultant; therefore, she would like to have some kind of number or estimate for Phase III. Mr. Fontaine said it may be possible to get some estimates from other municipalities that have consultants on retainer;

however, it may not be comparable to what is being done by the Borough. Since none of the consultants were able to quote fees for Phase III, it is open ended at this point and any number provided would not be valid and should not be considered. He added that he did not know if the consultant would administer a grant program. The Borough staff is well-trained in administering grant programs and, depending on the complexity, it may be done internally. He cautioned that existing staff time may be limited and additional consultant work may be needed for certain parts of projects, such as project design. Ms. Dauler commented that she is encouraged that administration of the funds may be done by existing Borough staff. Mr. Hess said, when the public involvement process is required, it is necessary for the consultant to physically be in the State College, which increases the costs.

Ms. Dauler noted the proposed timeline shows that short-term initiatives could be implemented within 12 months, medium-term initiatives could be done within 1-3 years, and long-term initiatives could take longer than 3 years. With all of these initiatives conceivably being included in Phase III of the project, she questioned the long-term need for a consultant. Mr. Hess said the Borough could contract only those initiatives predicated to take 18 month (short-term initiatives). Mr. Fountaine cautioned Council that many of the recommendations would take many years to complete. He did not anticipate there would be a consultant on retainer during that time. There will be specific projects where a consultant may be hired.

Ms. Goreham commented that she could not tell from the presentations that Delta and EDSA worked well together as a team. She felt it was critical that the process include the opportunity for input. She noted that there would be only one meeting before the presentation of Phase I of the plan. Mr. Hess noted the process will be defined by the Borough. The final number of meetings and interviews will be negotiated. He noted that the Request for Proposal indicated the importance of public participation. Ms. Goreham commented the neighborhood needs to feel that they are involved.

Mr. Hahn asked about the grant application to assist in funding the plan. Mr. Hess expected to hear in late September or early October about the award of the grant. Mr. Hahn said he would not want to hold up the process but asked if it would be beneficial to have a 3-member committee of Council work on reviewing the proposals. Mr. Filippelli did not see a need for a committee. Council was concentrating their questions and concerns for the one consultant that was recommended by the review committee. He believed there was enough information provided to vote on which consultant to hire. Mr. Hahn noted that he would be in favor of awarding the contract to Delta/EDSA but believed there should first be a consensus on Council especially as this project requires consensus building for the community. Mr. Hess said Council could conditionally award a contract so that work could begin on putting together the steering committee. Ms. Goreham noted that she would like to be more comfortable before voting to award the contract. Mr. Daubert did not feel that additional time would change anything.

Mr. Daubert said that there were certain things in the written proposal that Council members had asked be changed when preparing the contract. He asked for reassurance that those changes would be made. Mr. Fountaine said, as the client, staff will draft a contract according to the wishes of Council. He hoped that Council had the confidence in staff that they had captured the concerns of Council.

Council members discussed the process for awarding a contract and if a subcommittee of Council would be able to bring something back quickly with draft recommendations. Mr. Hess cautioned Council that because of the holiday schedule and the need to conduct the consensus building process before the end of November, it would be wise to move forward. Mr. Filippelli noted a subcommittee of staff had conducted interviews and further review would be redundant. Mr. Hahn argued that a subcommittee of Council could focus on the concerns that need to be addressed. Mr. Fountaine noted that there seemed to be concern about the process from this point forward rather than the qualifications of the firm. He suggested Council could select Delta/EDSA and then hold a kickoff meeting to address questions about the process. The real issue is whether or not Council wants to accept the recommendation of the selection committee that Delta/EDSA is the best qualified firm. Ms. Goreham remarked that she had only one firm to chose from and did not feel that she had enough information. Mr. Kurtz cautioned that the kickoff meeting would work well in discussing the process issues but felt it was important that the content of the plan not be discussed. The stakeholders could perceive pre-meetings between the consultant and Council as directives being set by Council on the plan; it was important that property owners view their input equal with that of Council.

Citizens Advisory Committee for Finance. Mr. Hahn noted that he asked this item be brought before Council for discussion. His idea was to establish an advisory board for Council and staff to provide expertise and experience on financial issues. Mr. Filippelli asked what issues would be brought before this committee. Mr. Hahn explained that financial issues can be complicated. For example, an ad hoc committee was established to advise Council on the Business Privilege Tax. He saw this committee as providing assistance on tax issues, purchasing policies, and other business matters.

Mr. Daubert said he would be opposed because he believed the primary purpose of Council is to work on financial as well as policy matters. Although there was an ad hoc committee for the Business Privilege Tax, that group had a specific agenda.

Ms. Goreham said a finance committee could be a sounding board for citizens on important economic and financial concerns. Council is asked to make decisions on the balance of taxes and spending and she felt she would benefit from residents' opinions. Many financial issues are changing with the incorporation of the Redevelopment Authority and Council will be looking at a new financial approach.

Mr. Hahn agreed that citizens elect Council to make decisions about finances; however, Council members are drawn in many different directions with other issues such as planning and regional concerns. He believed a committee could assist Council in keeping things moving forward.

Mr. Humphrey asked who would serve on the committee. Mr. Hahn indicated he perceived the committee to be an additional ABC with appointments being made by Council. Mr. Humphrey indicated that the Finance Department presents a quarterly report to Council. If citizens are interested they can attend those meetings.

Ms. Dauler expressed her reluctance to establish another committee when it was not always easy to find people to serve.

Mr. Fountaine suggested, in Council's review of the 2007 budget, they could consider if any of the questions or issues that arise could be resolved with the help of a committee.

Economic Development. Mr. Hahn indicated he had asked this be placed on Council's agenda. He noted that economic development was a two-fold issue. First, he was suggesting the Centre County Board of Realtors prepare a study of real estate advantages in the Borough. Back when the student housing ordinance was passed, it was predicated that the bottom would fall out of the State College real estate market. The reality is that real estate prices have continued to rise. Factors that influence buying a home in the Borough include walking distance, historic character of the home and neighborhood, and low crime rates. Mr. Hahn noted that many realtors feel that the Borough homes should be marketed as an investment rather than homeownership. He would like to see the study used as a tool for realtors to show the advantages of living in the Borough and help them understand the Borough's real estate market.

Mr. Fountaine suggested inviting the president of the Centre County Board of Realtors to join Council in a discussion. Ms. Dauler commented that she liked the idea of engaging the realtors in a positive way. Usually there are contentious issues and this would be an opportunity to participate in a positive dialogue.

Mr. Hahn said the second issue regarding economic development related to a regional clothing retail strategy for the Centre Region. Many shoppers go out of town to buy their clothing. He believed there was a need to promote the local retailers. He felt State College could be advertised as a shopping destination. It would benefit both Penn State as well as bring tourist dollars into the area. He believed this could be done regionally because the department stores would be a major component. The strategy could include a focus on the boutiques in the Borough and department stores in the region.

Mr. Daubert noted that the Downtown State College organization was to be marketing retailers for the downtown. Mr. Filippelli noted that the market will determine the types of shops. Since there are 40,000 students living and going to school within walking distance to the downtown, the students would be the primary focus of retailers. Mr. Fountaine suggested Council raise this issue as part of the renewal plan for the Downtown State College organization.

Discussion of COG Program Plan. Mr. Fountaine said that Council should continue their discussion of the COG Program Plan. COG staff has asked that comments be made on the major issues that affect the preparation of the 2007 COG budget.

The first category was emergency management. Mr. Fountaine noted the Emergency Management Council was strongly recommending the establishment of a contingency fund. He explained the Borough has a contingency fund in the operating budget that could be used in the event of a disaster. The COG budget does not have the same kind of contingencies that are available at the municipal level. Council members agreed it was important to have these funds available should an emergency occur.

Council also discussed budgeting \$25,000 for the development of an additional community emergency shelter and agreed that these funds were needed.

The third item discussed under emergency management was appropriating \$5,000 in connection with the flu pandemic. One Council member was concerned about the shelf-life of items to be purchased. Mr. Fountaine noted the goal was to have the items available; if an outbreak occurs, items such as gloves, masks and soap may be in short supply and difficult to obtain.

The second category was Codes. Council members agreed funds should be provided to replace vehicles and agreed it was timely to consider future needs for additional office space for inspectors. While discussing the office space concerns to accommodate the inspectors, Mr.

Fontaine mentioned that unused space was available in the Municipal Building that could be made available for code officials who work closely with Borough staff.

The next category was the library. Council discussed the additional \$40,000 needed for additional staff hours. It was suggested the library board propose how their budget would reflect the additional expense. Mr. Fontaine announced that Ferguson Township has agreed to provide their full share in 2007 for the library but it was unknown whether or not Halfmoon Township would be contributing.

The only questions under the planning category was how the Department of Environmental Protection reimbursement for the Act 537 plan update should appear in the budget. As suggested in the COG plan, Council members agreed it should be designated to repay a loan from the fire capital fund. Mr. Groff noted the reimbursement may not be available in early 2007; there may be a revenue timing issues in that there is a fire capital expenditure for an aerial truck.

The next category of fire protection included a discussion on the renovation of the office space at the State College Fire Station (400 West Beaver Avenue) to accommodate the fire director, fire administrator, staff assistant and officers. Mr. Daubert remarked the office space was very small. He added the COG Finance Committee was recommending approval. It would be to the Borough's benefit as the building was owned by the Borough but COG would be paying for the renovations.

Council also discussed acquiring property next to the State College Fire Station for expansion. Mr. Daubert reported the COG Finance Committee recommended this not be included in the 2007 COG budget but continue to review possibilities for 2008. Mr. Fontaine urged that discussion continue with this because of the storm water problems in the alleyway.

The next section related to pools and regional parks. Council members agreed that funds should be budgeted in 2007 for the renewal of the Park Forest Pool, which would actually be completed in 2008. Council discussed combining the pools and regional park program but believed that they should be kept separate. When addressing the funding for both the Park Forest and Welch Pool renovations, Mr. Fontaine explained the 2007-2011 Capital Improvement Program would include the Borough's share to cover the annual debt service payment. It was expected a bond would be issued for both projects.

Council members agreed that \$325,000 should be budget for the development of regional parks and agreed the parks and recreation budget should include expenditures for the replacement of park maintenance equipment. It was noted that no funds would be budgeted for the master site plan for the Whitehall Road property. Ms. Goreham expressed concern that future funding for this project would compete for the development of other regional parks.

There being no further items of business, Council adjourned to an executive session at 10:18 p.m.

Respectfully submitted,

Cynthia S. Hanscom
Assistant Borough Secretary