

**Meeting Agenda**  
**State College Borough Redevelopment Authority**  
**September 26, 2018**  
**Room 241 / 12 p.m**

- I. Call to Order**
  - II. Roll Call**
  - III. Approval of Minutes**
  - IV. Chair Report**
  - V. Public Hour - Hearing of Citizens**
  - VI. Economic Development**
    - A. State College Town Centre Update
  - VII. Financial Issues**
    - A. August 2018 Expense Voucher Approvals
  - VIII. Community Development**
    - A. A. Neighborhood Sustainability Program (NSP): Student Home License Purchase Program
  - IX. Official Reports and Correspondence**
    - A. Borough Council
    - B. Planning Commission
    - C. Staff Reports
  - X. Upcoming Meetings**
  - XI. Adjournment**
- Documents:**

[Complete Redevelopment Authority Agenda - September 26, 2018.pdf](#)

**Meeting Agenda  
State College Borough Redevelopment Authority  
September 26, 2018  
Room 241 / 12 p.m.**

**I. Call to Order**

**II. Roll Call**

Sally Lenker, Chairman  
Colleen Ritter, Vice-Chairman  
Mark Huncik  
Rebecca Misangyi  
James Shincovich

**III. Approval of Minutes – August 22, 2017**

**IV. Chair Report**

**V. Public Hour - Hearing of Citizens**

**VI. Economic Development**

A. State College Town Centre Update

Representation from Highland Holding Group, the RDA-approved developer for the State College Town Centre project, will provide the Board with an update on Scenario One (redevelopment of the two Borough-controlled properties).

Redevelopment Authority Action: The RDA board should provide staff and the developer with feedback to assist in refining the development proposal.

**VII. Financial Matters**

A. August 2018 Expense Voucher Approvals

A recommendation of the Borough's 2017 audit was for the Redevelopment Authority (RDA) to begin to formally approve expenses. Beginning July 1, 2017, the RDA started approving expenditures at their regularly scheduled meetings.

Redevelopment Authority Action: The RDA should review and approve the August 2018 expenditures.

## **VIII. Community Development**

### **A. Neighborhood Sustainability Program (NSP): Student Home License Purchase Program**

Board members discussed preliminary program concepts for a Student Home License Purchase program at the June and August 2018 meetings. Staff will highlight areas needing final input.

Redevelopment Authority Action: The RDA should provide staff with decisions on pricing and target areas for an initial program mailing in October 2018.

## **IX. Official Reports and Correspondence**

### **A. Borough Council**

### **B. Planning Commission**

### **C. Staff Reports**

## **X. Upcoming Meetings**

October 24, 2018 at 12:00 p.m.

## **XI. Adjournment**

*The Redevelopment Authority will adjourn to an Executive Session to discuss Real Estate matters.*

**Meeting Minutes  
State College Borough Redevelopment Authority  
August 22, 2018**

The State College Borough Redevelopment Authority (RDA) met on Wednesday, August 22, 2018 in the Municipal Building, 243 South Allen Street. Chairman Lenker called the meeting to order at 12:01 p.m.

**Members Present**

Sally Lenker, Chairman; Colleen Ritter, Vice-Chairman; Mark Huncik, Rebecca Misangyi, and James Shincovich

**Others Present**

Ed LeClear, Planning Director; Jenna Wargo, Planner; Rhonda Johannensen, Planner-Redevelopment Specialist; and Judy Altieri, Office Manager

**Approval of Minutes**

Ms. Ritter motioned to approve the meeting minutes from June 27, 2018. Mr. Shincovich seconded the motion, which was unanimously approved.

**Chair Report**

No report given.

**Public Hour**

No one was in the audience who wished to speak on items not on the agenda.

**Financial Issues**

June & July 2018 Expense Voucher Approvals

Ms. Lenker asked staff to provide a key (or legend) so the Authority knew what expenses went with each house. Mr. LeClear stated a key would be provided at the next meeting.

Mr. Huncik asked if the specifics for each property could be displayed, regardless of the homes active or sold status. Mr. LeClear noted that level of detail was not available through the monthly voucher report, but those details had been reported annually to the Real Estate Advisory Committee (REAC). He reminded the RDA that detail would be made available once the REAC had received the information.

Mr. Huncik then questioned the electrical usage at 720 West Foster Avenue, noting it was excessively high. Mr. LeClear indicated there had been a lot of activity the last couple of months, but he would investigate. He also stated if the billing was an estimate, some money would be returned at sale.

Ms. Misangyi questioned the professional development expenses. Mr. LeClear noted the expense was for a week-long real estate class. He continued, adding the Borough had solicited and interviewed several vendors for the Town Centre proposal.

Mr. Huncik made a motion to approve the expenses for June and July 2018. Ms. Misangyi seconded the motion, which was unanimously approved.

## **Economic Development**

### State College Town Centre Update

Mr. LeClear indicated he recently spoke with the developer and they were working on a preliminary site plan, anticipating an October 1 submittal to Borough Council (BC). Once BC accepted the developer's intent and preliminary plans, then the RDA would work on the real estate agreement/transfer between the RDA and the developer.

## **Community Development**

### Neighborhood Sustainability Program (NSP): Student Home License Purchase Program

Mr. LeClear indicated staff had completed some calculations for review. He added staff was also working on an interview script for landlords.

After review of the calculations, Ms. Venegoni, 323 West Fairmount Avenue, expressed some concern about the amount (\$10,000 per tenant or \$30,000 max per house), would not nearly be enough to buy out most landlords. However, she liked this idea better than buying houses that were usually subsidized as another rental.

The RDA continued reviewing the details of the calculations, asking questions on how the calculations were completed. After a thorough explanation of the math, Ms. Johannesen asked the RDA if they were willing to pay more for highly desired properties.

Ms. Lenker confirmed that grandfathered student rentals, where up to five tenants legally occupied a home, would not be offered \$50,000.

Ms. Johannesen noted during the first round, the \$30,000 per household would be the maximum offered and would not be negotiable. Mr. LeClear added the purchase program was not guaranteed, would be contingent upon an appraisal, and offered on a first-come, first-served basis.

Several RDA members agreed with the approach and added a time frame for the acceptance of an offer be set, so staff had the ability to move on to another property.

Mr. LeClear reminded the RDA real estate transactions required staff to act quickly, but any negotiations that should be considered could be brought back to the RDA. He also added as the program was rolled out, perhaps there would be issues not thought of the RDA would have to consider.

Mr. Huncik confirmed the new student home rental purchase program was in addition to the current NSP program. Ms. Johannesen stated the buying/selling of homes affecting the cash flow and this program would offer more control over the funds. Mr. LeClear noted the buyout program would run through a system of checks and balances, to keep an eye on the funds, and the Borough would have the right of refusal.

Ms. Lenker suggested staff target certain areas and give priority to the landlords who took the base rate.

Mr. LeClear reminded the RDA that BC had an option to end the NSP program next April and because there were several new Council members, he expected there to be a lot of questions regarding the Line-of-Credit (LOC), which was on a four-year cycle. The Borough was aware the program was a sinking fund and there would always be costs incurred. The question was how deeply in debt Council wanted to go. He added if the program continued, staff had identified some grant programs that could be used to help with the program's sustainability.

Mr. Shincovich suggested trying to rank the homes into multiple categories to allow staff the ability to offer more for a highly desired home. He also liked the idea of targeting specific areas within the neighborhoods.

Mr. LeClear presented a map, which displayed 68 of the likely to target student homes. He added the program could not possibly fund all the homes and all the student rentals in the Borough had been verified during a lengthy review process.

Several RDA members suggested approaching only a few properties at time. Discussion continued regarding the number of pre-existing, non-conforming student rentals. Mr. LeClear stated they were all pre-1978 and reminded the RDA the programs goals were not necessarily to displace students and remove all student rentals. The focus was on maintaining some diversity, trying to keep the tipping point under control.

Mr. Huncik suggested the non-conforming issue could be addressed through zoning. He also suggested displaced students could be accommodated in the new developments.

Ms. Johannesen brought the discussion back to the governance of the program, suggesting it be first come, first serve, starting with a limited prioritized mailing, but they also needed a maximum amount that could be spent. Did the RDA want to look at the

over-occupied rentals, which could expend the funds much quicker or limit the outreach to \$30,000? She added offers would be followed up with a phone call and a thorough review as noted above.

The RDA confirmed over-occupied (grandfathered) rentals would be set aside for now and staff should concentrate on a small batch, limited mailing of homes (in both ranges 15-20% and 20-25%). Ms. Johannesen noted property owners would have a limited time to respond to the initial offer through mail. She also stated not every property owner would be interested in the program, but the Borough wanted to be sure to put their best foot forward with the new program.

The Authority liked the idea of targeting a small batch of homes to be sure kinks were worked out, also stating the maximum offer was \$30,000 (\$10,000 per tenant) without the possibility of negotiation.

Beth Richards, from Kissinger, Bigatel and Brower, stated most home owners, who needed capital would likely be more interested in selling their home if they needed the cash flow. She also stated neighbors talk, and she wondered if some folks might get frustrated with the program if they wanted to participate but were never approached.

Ms. Venegoni, noted her home was situated on an R2 block that was tipped, and the program would not be able to help her block. She added most landlords with student rental licenses could rent to families just as easily, but most were unwilling to give up the student home license. Lastly, she added the program did not guarantee a family would move in and an empty house might remain an empty house on a block (turning it into an Airbnb).

Ms. Johannesen reiterated a well-capitalized owner would not be interested in the program, but someone else, who had deferred maintenance because of cash flow issues, might be ready to jump on the program.

Ms. Richards stated the new high-rise developments might tip the scale and the Borough may not have to pay \$10,000 per tenant.

Mr. Huncik noted the extinguishing of a student rental might help to provide a more fluid market for short-term rentals, which might cause other issues in a neighborhood.

Mr. LeClear reminded the RDA the initial Homestead Improvement Program's goal was to extinguish all rentals but was later changed to focus on student rentals after 1.5 years.

Ms. Misangyi stated most neighborhoods want diversity, i.e., families, young professionals.

Mr. Huncik wondered about the demand for non-student rentals in the Borough neighborhoods. Ms. Wargo indicated there was a demand, but most young professionals could not afford to live there.

Mr. LeClear added the program may help to shift the market and staff had had conversations with local employers and First-Time Homebuyers. There could be a strong rental market for folks willing to walk to work, to campus, etc.

Mr. Shincovich stated many bad rentals were the result of the tenants having a bad landlord. Mr. LeClear stated the 2017 revised Property Maintenance Code was helping with the issue and several fraternities had lost their occupancy rights.

Ms. Richards stated not all student homes were bad, and she had several clients who were interested in purchasing them, but the prices were so high. She wondered if the Borough was successful in extinguishing a few more, if the prices would continue to go up.

Steven Bodner, from Re/Max Centre Realty, noted parents trying to purchase homes for their son/daughter while attending school, thought of those properties as investments. He added some individuals, including young professionals, might be more interested in the condos and high rises downtown because there was not anything to maintain.

Mr. LeClear stated staff had the information they need to continue to march forward and they would present some numbers at the next meeting. He also noted the Real Estate Advisory Committee did not make decisions about the program, but they could offer comments for consideration.

## **Official Reports and Correspondence**

### Borough Council

Mr. LeClear stated the Historical and Architectural Review Board (HARB) would become effective on October 1 and planned to meet the first Tuesday in November 2018. The design guidelines had been adopted and the application fee was set at \$50. He added the Mayor Hahn would not be able to veto an already adopted ordinance.

Ms. Wargo added she would be working with and providing some training to the HARB members throughout October.

### Planning Commission

No report given.

### Staff Reports

No report given.



## **Upcoming Meetings**

September 26, 2018 at 12:00 p.m.

## **Adjournment**

With no further business to discuss, Chairman Lenker adjourned the meeting at 1:14 p.m. The Authority then met in Executive Session to discuss real estate matters.

Respectfully submitted

Judy Altieri  
Office Manager

# SCB RDA Voucher Report

Check Date Range: 8/1/2018 to 8/31/2018

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VENDOR NAME	ACCOUNT DESCRIPTION	DESCRIPTION	ACCOUNT	CHECK NO	AMOUNT
ONE TIME PAY	SECURITY DEPOSITS	SECURITY DEPOSIT-245 E HAMILTON AVE	B114-00-00-00-0000-000-25020 - NSP08	36964	3,500.00
<b>Check Number 36964 Total:</b>					<b>3,500.00</b>
S C BOROUGH GENERAL FUND	SOLID WASTE DISPOSAL	REFUSE - 7/1/18 - 12/31/18 - LOGAN AVE	B114-14-42-00-0000-000-73365 - NSP07	36973	343.00
S C BOROUGH GENERAL FUND	SOLID WASTE DISPOSAL	REFUSE - 7/1/18 - 12/31/18 - 245 E HAMILTON	B114-14-42-00-0000-000-73365 - NSP08	36973	274.00
S C BOROUGH GENERAL FUND	SOLID WASTE DISPOSAL	REFUSE - 7/1/18 - 12/31/18 - 720 W FOSTER	B114-14-42-00-0000-000-73365 - NSP10	36973	171.50
<b>Check Number 36973 Total:</b>					<b>788.50</b>
SHARON ERGLER, PETTY CASH	PROGRAM SUPPLIES/ACTIVITIES	REIMB PETTY CASH	B114-14-42-00-0000-000-66238 - NSP06	36975	8.07
SHARON ERGLER, PETTY CASH	PROGRAM SUPPLIES/ACTIVITIES	REIMB PETTY CASH	B114-14-42-00-0000-000-66238 - NSP06	36975	9.99
SHARON ERGLER, PETTY CASH	PROGRAM SUPPLIES/ACTIVITIES	REIMB PETTY CASH	B114-14-42-00-0000-000-66238 - NSP06	36975	23.30
<b>Check Number 36975 Total:</b>					<b>41.36</b>
STATE COLLEGE BORO WATER AUTH	WATER AND SEWER	230 LOGAN AVE - 5/14 - 6/25 - 0 MGAL	B114-14-42-00-0000-000-73366 - NSP07	36982	23.59
<b>Check Number 36982 Total:</b>					<b>23.59</b>
COLUMBIA GAS OF PENNSYLVANIA	NATURAL GAS	6 CCF - 720 W FOSTER - 7/12 - 7/20	B114-14-42-00-0000-000-73362 - NSP10	37022	24.76
<b>Check Number 37022 Total:</b>					<b>24.76</b>
WEIS MARKETS INC	MEALS & MEETINGS	ABC MEETING SUPPLIES	B114-15-44-00-0000-000-66227	37087	14.17
<b>Check Number 37087 Total:</b>					<b>14.17</b>
CENTRE CO RECYCLING & REFUSE AUTH	SOLID WASTE DISPOSAL	JULY - REFUSE	B114-14-42-00-0000-000-73365 - NSP08	37111	30.82
<b>Check Number 37111 Total:</b>					<b>30.82</b>
COLUMBIA GAS OF PENNSYLVANIA	NATURAL GAS	7 CCF - 245 E HAMILTON - 7/3 - 8/2	B114-14-42-00-0000-000-73362 - NSP08	37121	27.20

# SCB RDA Voucher Report

Check Date Range: 8/1/2018 to 8/31/2018

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VENDOR NAME	ACCOUNT DESCRIPTION	DESCRIPTION	ACCOUNT	CHECK NO	AMOUNT
<b>Check Number 37121 Total:</b>					<b>27.20</b>
HOLOBINKO CONSORTIUM, LLC	REPAIRS & MAINT - BUILDINGS	CLEANING - 234 LOGAN AVE	B114-14-42-00-0000-000-70372 - NSP07	37136	650.00
<b>Check Number 37136 Total:</b>					<b>650.00</b>
LOWE'S COMPANIES INC	PROGRAM SUPPLIES/ACTIVITIES	VARIOUS SUPPLIES	B114-14-42-00-0000-000-66238 - NSP08	37147	70.03
<b>Check Number 37147 Total:</b>					<b>70.03</b>
MCCARTNEY'S	OFFICE/MISC. SUPPLIES	OFFICE SUPPLIES	B114-15-44-00-0000-000-65210	37148	15.00
<b>Check Number 37148 Total:</b>					<b>15.00</b>
WEST PENN POWER COMPANY	ELECTRICITY	120 KWH-230 LOGAN AVE-6/23-7/25	B114-14-42-00-0000-000-73360 - NSP07	37186	20.63
<b>Check Number 37186 Total:</b>					<b>20.63</b>
CITIBANK, N.A.	PROGRAM SUPPLIES/ACTIVITIES	SMOKE ALARMS	B114-14-42-00-0000-000-66238 - NSP09	37226	285.93
<b>Check Number 37226 Total:</b>					<b>285.93</b>
LOWE'S COMPANIES INC	PROGRAM SUPPLIES/ACTIVITIES	CO ALARM, DEHUMIDIER	B114-14-42-00-0000-000-66238 - NSP09	37233	327.51
<b>Check Number 37233 Total:</b>					<b>327.51</b>
NATIONAL COUNCIL FOR COMMUNITY DEVELOPMENT	PROFESSIONAL SERVICES	TECHNICAL ASSISTANCE - JULY	B114-15-44-00-0000-000-67310	37235	6,000.00
<b>Check Number 37235 Total:</b>					<b>6,000.00</b>
ONE TIME PAY	SECURITY DEPOSITS	REFUND - SECURITY DEPOSIT	B114-00-00-00-0000-000-25020 - NSP07	37240	715.00
<b>Check Number 37240 Total:</b>					<b>715.00</b>
ONE TIME PAY	SECURITY DEPOSITS	REFUND - SECURITY DEPOSIT	B114-00-00-00-0000-000-25020 - NSP07	37241	715.00
<b>Check Number 37241 Total:</b>					<b>715.00</b>
ONE TIME PAY	SECURITY DEPOSITS	REFUND - SECURITY DEPOSIT	B114-00-00-00-0000-000-25020 - NSP07	37248	520.00
<b>Check Number 37248 Total:</b>					<b>520.00</b>

# SCB RDA Voucher Report

Check Date Range: 8/1/2018 to 8/31/2018

VENDOR NAME	ACCOUNT DESCRIPTION	DESCRIPTION	ACCOUNT	CHECK NO	AMOUNT
AMAZON CAPITAL SERVICES, INC	MEALS & MEETINGS	COMPOSTABLE HOT CUP	B114-15-44-00-0000-000-66227	37294	19.49
<b>Check Number 37294 Total:</b>					<b>19.49</b>
COLUMBIA GAS OF PENNSYLVANIA	NATURAL GAS	4 CCF - 230 W LOGAN - 7/12 - 8/10	B114-14-42-00-0000-000-73362 - NSP07	37310	22.51
COLUMBIA GAS OF PENNSYLVANIA	NATURAL GAS	2 CCF - 308 W PROSPECT - 8/1 - 8/10	B114-14-42-00-0000-000-73362 - NSP09	37310	20.27
<b>Check Number 37310 Total:</b>					<b>42.78</b>
					13,831.77
<b>Fund B114 Total:</b>					<b>13,831.77</b>
<b>Grand Total</b>					<b>13,831.77</b>