

# Bellefonte Waterfront District Revitalization Plan



April 2011

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## ACKNOWLEDGMENTS

Bellefonte Borough would like to express its deep appreciation and gratitude for the contributions and efforts of the many individuals and organizations that contributed their time and talents to this project.

### ELECTED OFFICIALS

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#### *BELLEFONTE BOROUGH COUNCIL*

- Stanley Goldman, Bellefonte Borough Mayor
- Frank Halderman, Council President
- Vana Dainty, Council Vice President
- Alex Novak
- Paul DeCusati
- Gaye B. Dunne
- Robert Taylor
- Thomas Wilson
- Joe Biegle
- William Hay

### STEERING COMMITTEE

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- Renee Brown – Bellefonte Borough Council
- Vana Dainty – Vice President, Bellefonte Borough Council
- Robert Dannaker – Bellefonte Borough Planning Commission
- Richard Fornicola – Waterfront Property Owner
- Wendy Fultz – Cool Beans
- Stanley Goldman – Mayor, Bellefonte Borough
- Erin Hammerstadt – HARB Consultant & Preservation Pennsylvania
- Don Holderman – Assistant Manager, Bellefonte Borough
- Gary Hoover – Bellefonte Chamber of Commerce
- Kim Kowalyck – Café on the Park
- Samuel McGinley – Northwest Savings Bank
- Gregory Wendt – M&T Savings Bank
- Kim Wheeler – PA Department of Economic and Community Development

### STAFF

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- Ralph Stewart, Borough Manager
- Don Holderman, Assistant Borough Manager
- Lori Walker, Finance Director

**CONSULTANTS**

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- Delta Development Group, Inc.
- EADS Group
- Reynolds, Smith and Hills, Inc.

This document was prepared with significant funding from Bellefonte Borough and the Pennsylvania Department of Community and Economic Development.

## INTRODUCTION

Bellefonte Borough suffered a significant loss in 2006 when the historic Bush House Hotel was lost to a devastating fire. The Borough, however, recognizes that this loss creates an opportunity for redevelopment of the waterfront district located in historic downtown Bellefonte. The area considered in this study is located between High and Lamb Streets, along North Water Street. The area lies along Spring Creek and is anchored by the Gamble Mill restaurant on the north and the Match Factory complex on the south. The central area of the district, Tallyrand Park, offers a unique amenity within the Borough for recreation and community events. The site is ideally situated for mixed-use development that could include a hotel, restaurant, retail, and other amenities that would support the commercial core of downtown Bellefonte.

Bellefonte Borough regards the waterfront district as a key component to the overall development of the downtown, including the commercial core district along High and Allegheny streets. The Borough has adopted new zoning in the waterfront district that will accommodate mixed-use redevelopment. Extensive renovation of the Match Factory facility has been done, with the final phase yet to be completed. The owners of the Bush House property have indicated an interest in rebuilding their restaurant in Bellefonte. The Borough recognized that in order to encourage development in the waterfront district, there was a need to evaluate the feasibility of development of the site. The scope of this study addressed several questions that are necessary to guide the proposed development:

- What is the feasibility of building construction within the floodplain areas of the site?
- What types of development can be supported by the market?
- How will development of the waterfront district tie in with the core business district?
- What actions need to be taken to achieve the goals of the master plan?

The issues that Bellefonte Borough is confronting are not unlike those faced by many communities in Pennsylvania. Local elected officials and residents alike are seeking economic development opportunities, but they are cognizant that these opportunities mean change. Bellefonte Borough, with guidance from the project Steering Committee and input gathered through a series of public meetings, has undertaken the task of addressing the issue of change for the Borough by developing a plan that will guide where and how such change can occur and the effects that change can have upon the community as a whole. The goal of the waterfront revitalization study was to create a plan that will provide a tool that the Borough can use to entice the development community to complete projects in the district, realize the rebirth of the waterfront, create jobs, and contribute to the economic well-being of the community.

## HISTORY

Bellefonte's initial settlement traces back to 1745, with the first recorded land being purchased from Native Americans and the layout for the town completed in 1795. While iron works were responsible for the rapid growth and development in the town's first 60 years, it was political influence garnered during that time that enabled it to survive the decline of the iron industry. Bellefonte became the county seat for Centre County, and by 1849 had the distinction of being the home of seven governors from three states.

This era of great prosperity was accompanied by the construction of architecturally significant Victorian houses, hotels, and a variety of industrial establishments. Many of the Victorian residences in Bellefonte have been restored, providing an inviting ambiance and historic character throughout the community. Three primary sites that are located within the waterfront district are reflective of Bellefonte's history and will be key in the revitalization of the district.

### BUSH HOUSE

The Bush House, a significant landmark local hotel in the waterfront district, was tragically destroyed by fire in 2006. Built in 1868, it was one of the first hotels in the country to have electric lights. Notable guests to the establishment included Thomas Edison. In more recent times it housed Schnitzel's restaurant, a local favorite gathering place, and was a preferred spot for a variety of receptions and events. The property was a complete loss and is now a vacant lot.



BUSH HOUSE HOTEL



2006 BUSH HOUSE HOTEL FIRE



BUSH HOUSE DEMOLITION SITE

**MATCH FACTORY – AMERICAN PHILATELIC SOCIETY**

The Match Factory was the home of the Pennsylvania Match Company from 1900-1947. At one time, this thriving industry was one of the eight largest producers of wooden matches in the United States. The Match Factory complex includes several buildings located along Spring Creek and bordering Tallyrand Park. After the business closed, the Match Factory buildings sat vacant for over 50 years. In 2002, the complex was purchased by the American Philatelic Society (APS). The APS has completed renovations of two of the buildings. One is used as the APS international headquarters, and the other contains leased commercial space. It is the intent of the APS to continue renovation and rehabilitation of the remaining buildings in the complex.



MATCH FACTORY COMPLEX PRIOR TO RENOVATIONS



CURRENT VIEW OF AMERICAN PHILATELIC SOCIETY

**EAGLE SILK MILL**

The Eagle Silk Mill building is located adjacent to the Bush House site on the bank of Spring Creek. Over the years, this was the site of several industrial concerns undertaken by several different property owners. The initial use, beginning in 1920, was as a silk mill. The silk industry went into decline during the Great Depression, and the silk mill ceased operation and was sold in 1938. Subsequently, in 1939, it became a metal manufacturing facility. Building additions were constructed at the north and south ends of the complex in the 1960s. The property was sold again in 1997 and is currently used for material storage. Still known as the “silk mill” by local residents, the location of the building in the floodplain immediately adjacent to Spring Creek presents a significant obstacle for redevelopment in the waterfront district and renovation of the structures. Much of the property currently is vacant.



AERIAL VIEW OF SILK MILL COMPLEX

## PROJECT APPROACH

### PROJECT OVERVIEW

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In response to the change in the business mix and the devastating fires that have impacted the business climate in the waterfront district and the commercial core of the downtown area, Bellefonte Borough has been proactive in developing a plan that can be used to revitalize the waterfront district. In 2009, the Borough applied for and received funding from the Pennsylvania Department of Community and Economic Development to assist in the preparation of a Waterfront District Revitalization Plan. The purpose of the plan is to study the feasibility of redevelopment in the waterfront district and to establish the framework for specific goals, actions, and funding strategies to implement the plan's recommendations.

Borough Council retained the professional services of Delta Development Group, Inc., of Mechanicsburg, Pennsylvania, to prepare a revitalization plan and implementation strategy for the Bellefonte waterfront district. Additional professional services were provided by the EADS Group and Reynolds, Smith and Hills, Inc.

The objective of the Bellefonte waterfront district redevelopment planning effort was to complete a well-defined, comprehensive revitalization plan that provides a series of specific desired outcomes with goals and action steps that move the community toward success.

## **PUBLIC INVOLVEMENT**

In order to ensure that the revitalization plan represents consensus among community members, the planning process included multiple approaches to garner input from key stakeholders, business representatives, and the public.

### **STEERING COMMITTEE**

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The planning team took a collaborative approach in the planning study process. In order to create a plan that would reflect the interests, values, and goals of the community, it was important to involve Borough officials and key stakeholders throughout the study and planning process. The project Steering Committee was appointed by the Borough and was instrumental in building community consensus and support for the project. This support will continue to be critical as the Borough moves forward with the project implementation, building partnerships and securing potential public funding for the redevelopment of the waterfront district.

A 13-member Steering Committee was appointed with the charge to do the following:

- Serve as a resource for ideas and approaches
- Provide direction to the consultants
- Review material prepared by the consultants
- Provide input on proposed strategies and actions
- Participate in the public input process
- Provide updates to Council
- Review and comment on the final plan and advise Council of the Committee's recommendations

### **PUBLIC MEETINGS**

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During the planning process, Bellefonte Borough held two public meetings to solicit input into the development of the waterfront revitalization plan. The first public meeting, held on September 24, 2009, provided an overview of the project and solicited input from the community to identify their thoughts about the strengths, weaknesses, opportunities, and threats the community will face in the redevelopment of the waterfront district.

On January 28, 2010, a second public meeting was held to present the findings and recommendations of the revitalization plan study. The planning team presented an overview of the results of the market and floodplain analysis and presented concepts for the waterfront revitalization plan, including a river walk and conceptual site plan for facilities development. Attendees were invited to comment on the various elements of the plan.

Both of the public meetings were well attended and generated significant comments and concerns for consideration in the planning process. All of the public input gathered at these meetings was vetted through the Steering Committee, Borough staff, and the consultant team, and was germane to the recommendations contained in this report.

**STAKEHOLDER INTERVIEWS**

Statistical analysis can provide key benchmarks to guide decisions on the revitalization of the waterfront district. However, it is equally important to understand public knowledge, experience, and perceptions, and capture the innovative ideas of local community members. Engaging these key stakeholders early in the planning process offers a better understanding of the needs and desires of the community and contributes to public support of the project.

The consultant team conducted in-depth interviews with local property owners, business owners, and representatives of other key organizations that contribute to community economic development and tourism efforts.

A summary of the responses to the stakeholder questions follows:

**1. As a property owner, why do you think the waterfront district should be revitalized? What opportunities does it present to you as a property owner?**

- The Bush House was more than a loss to the community in terms of a thriving business. We lost a landmark and a gateway that defined Bellefonte. The revitalization effort is critical to increase business/retail development and increase pedestrian traffic in town.
- The site is located at a key intersection. Redevelopment creates the opportunity to make the community better.
- Redevelopment of the waterfront will increase property values and the tax base in general. Opportunities exist for additional retail venues, a hotel, and a restaurant.
- Redevelopment of the waterfront represents a great opportunity for economic development and tourism.
- It will provide a centerpiece for the revitalization of downtown Bellefonte.
- It will provide an improved quality of life and generate more tax revenue for the Borough and the County.

**2. What are the characteristics (physical, social, cultural, etc.) that you as a property owner identify with the waterfront district? Do these characteristics resonate throughout the Borough and beyond to surrounding areas?**

- Wholesome American town, Bellefonte could become the cultural center for the County with entertainment, additional retail, or commercial venues and become an anchor for the downtown.
- The history of the area makes it attractive. Opportunities to capitalize on this exist for sports use, fishing, a slalom run, and dining. There is support for the redevelopment of the Bush House.
- The watercourse, the park, the historical architecture, and the scale of the town are all attractions. The fact that Bellefonte is non-student-oriented makes the town attractive to many.
- There is a great sense of history – it is appreciated by the community and the general area residents.
- Tallyrand Park, train station, big trout in Spring Creek
- Walkability

**3. What do you see as the potential catalysts and obstacles to revitalizing the waterfront district? (In other words, what does the waterfront district have “going for it” that sets it apart from other areas in the Borough?)**

- Change is one obstacle. In general, some of the locals are concerned with the unknown. They would rather see the vacant lot than something they don't yet know about being placed there. Another obstacle is DEP and other regulations. Anything new at this location will have to endure the obstacles of regulations that did not exist at the time the original Bush House was constructed. The local Historical and Architectural Review Board (HARB) is another obstacle. The HARB has really lost its way and in some cases overreached in the protection of all things “historic” regardless of their actual historic significance. The HARB has placed so many obstacles on property owners that drive up costs and has not been flexible enough to find common ground where appropriate.
- A catalyst is Borough funding. A potential obstacle is preparing a doable plan and attracting a developer to carry it out.
- A catalyst is the proximity to PSU and the attractiveness of that to developers. Obstacles are the floodplain and parking.
- A catalyst is the aesthetics of the waterfront district – that sets it apart from other areas. A potential obstacle may be local attitudes and the political climate for taking bold actions.
- Catalysts are open space and the potential for redevelopment of vacant land and buildings. An obstacle is the trouble Bellefonte faces with how to revitalize the downtown area.
- A catalyst is the walkable nature of the area. Obstacles are flood risk and the potential lack of parking.

**4. What are the most important trends occurring in the waterfront district and Borough, especially those trends which impact the downtown? What are some of those impacts?**

- Before the park was created, this end of town had a dry cleaner, a beer distributor, and a grocery store, all of which generated a lot of traffic for the downtown. The challenge will be to find complementary mixed uses that encourage individuals to patronize the local downtown. Most communities that are fortunate to have a water feature really attempt to maximize its potential draw, and in those cases where they have been successful, people and businesses thrive and then become an engine to attract additional business development.
- Property revitalization by the river will enhance the attraction of the town and will draw people to the downtown.
- Expanding the park and adding benches and lighting will have a definite impact, as well as the investment by the national Philatelic Society to have its headquarters in the district.
- I see no trends. There is a plan – it just needs implemented.

**5. What opportunities do these development trends present toward revitalizing the waterfront district?**

- It really is dependent upon what can be done to meet the flood control requirements that will determine the fate of the redevelopment of the waterfront.
- Redevelopment will ratchet up development within the entire town and will create an excellent climate for investment within the community.
- It creates the correct climate to promote the reuse and redevelopment of the properties located there.

**6. What transportation linkages should be made between the waterfront district and other areas within the Borough?**

- The one thing that could be addressed is better signage from major routes to inform people about Bellefonte as a historic community. There are a few billboards on Route 322 but not much else leading people to Bellefonte as a destination. One concern is that the old Lambs Street Bridge had beams with holes so high water could pass through. The new bridge has a concrete beam that drops even lower and in effect will become a dam in major flooding events.
- Four issues stand out: 1) parking; 2) establishing a shuttle or trolley between the waterfront area and the main business district; 3) creating a pedestrian-friendly crossing at High Street; and 4) signage.
- The waterfront district must complement the main business district. Things must be done to make this transition seamless.
- This seems OK to me as is.
- Walkways for pedestrians

**7. What top three issues would you like to see the revitalization strategy focus on? Please explain.**

- 1. Economic development – focus on jobs even if they are service-sector opportunities  
2. Beautification – strive to fit these different uses together in such a way to create a gateway for Bellefonte  
3. Parking and overall costs associated with attracting a developer in making an investment
- 1. Redevelopment of the Bush House lot  
2. Finding the resources to fund redevelopment  
3. Recommending the appropriate planning and marketing
- 1. Attracting a hotel/convention facility  
2. Creating a cultural center  
3. Creating a farmers market
- 1. Define what could be successful  
2. Establish that the recommendations are economically viable  
3. Suggest what combination of businesses would work best for the district
- 1. New jobs  
2. Rehabilitation of existing structures  
3. Connection of adjoining parcels

**8. What is your vision for the waterfront district?**

- A place that draws people to Bellefonte in the way the Bush House did. People made regular visits to Bellefonte just to have lunch or walk in the park. It would be nice to see something that had more opportunities in the evening hours to draw people that could help downtown merchants.
- Improving the gateway to Bellefonte and attracting a new restaurant and other attractions
- Developing a hotel / conference center to promote tourism and business development
- Adding more green space, redevelopment of area properties, additional residential and commercial properties, a hotel, and a general combination of uses

**9. How could you contribute to the planning and/or implementation of the revitalization plan? What challenges would you face?**

- Responses to this question indicated an overall willingness to contribute individual effort to implementing a plan. Integration of various plan components was identified as a challenge.

**10. Are you currently involved in any projects that could have an impact on the waterfront district revitalization?**

- Responses to this question indicated that there is activity occurring that would have a positive impact on the development of the waterfront district, and that private investment is being made in area properties.

**STRENGTHS, WEAKNESSES, OPPORTUNITIES, THREATS (SWOT) ANALYSIS**

A SWOT Analysis is a tool often utilized in assessing the opportunity for and probability of change. This tool is based upon the following attributes and challenges that exist in the current environment in the community. Participants are asked to respond to the following. What are the:

- S** Attributes that are perceived **STRENGTHS**
- W** Attributes that are perceived **WEAKNESSES**
- O** Legitimate **OPPORTUNITIES**
- T** Real or potential **THREATS**

Based upon the responses to the SWOT discussion, a list of general themes will typically emerge that can be utilized in the planning process. In the SWOT analyses conducted in Bellefonte with the Steering Committee and the first public meeting, the following strengths, weaknesses, opportunities, and threats were identified.

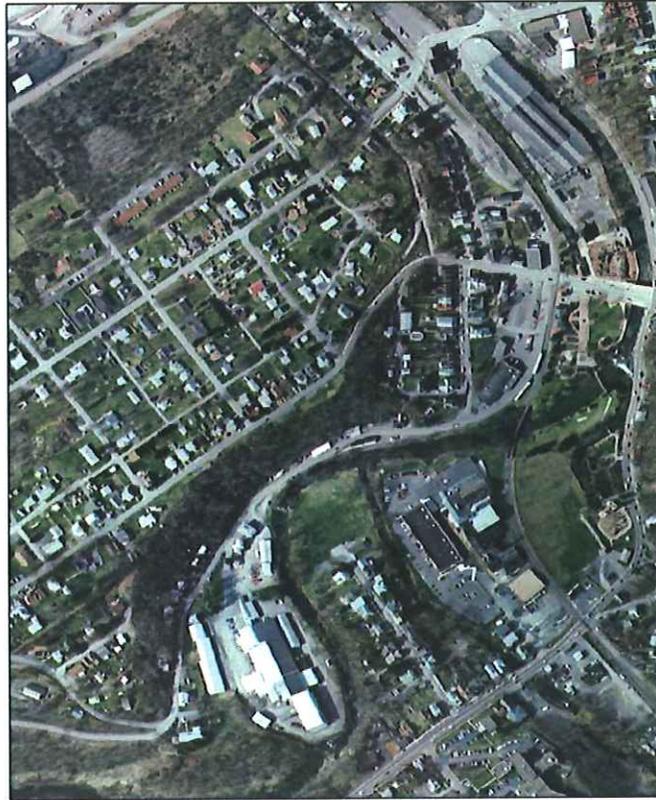


<b>STRENGTHS</b>	<b>WEAKNESSES</b>	<b>OPPORTUNITIES</b>	<b>THREATS</b>
Spring Creek and outdoor beauty	No hotels and loss of core business	Garman Theater	Economic conditions
Tallyrand Park	Lack of streetscape improvements and pedestrian amenities	Innovative partnerships	Flooding
History and architectural integrity of Bellefonte's buildings	Floodplain and environmental issues	New residential development	
Vistas, water sports and outdoor recreation	Lack of gateway into downtown Bellefonte	Place for large gatherings	
Active arts community	Lack of funding	Local lending institutions	
Proximity to I-80 and Penn State University			

## STUDY AREA

### LOCATION

The area considered in this study is located between High and Lamb Streets, along North Water Street. The area lies along Spring Creek and is anchored by the Gamble Mill restaurant on the north and the Match Factory complex on the south. Tallyrand Park is situated in the central area of the district, tying the commercial anchors at each end of the district together. The study area is bordered by West Lamb Street on the north, West High Street on the south, Water Street on the east, and Dunlap Street on the west.



AERIAL VIEW OF STUDY AREA

## CURRENT CONDITIONS

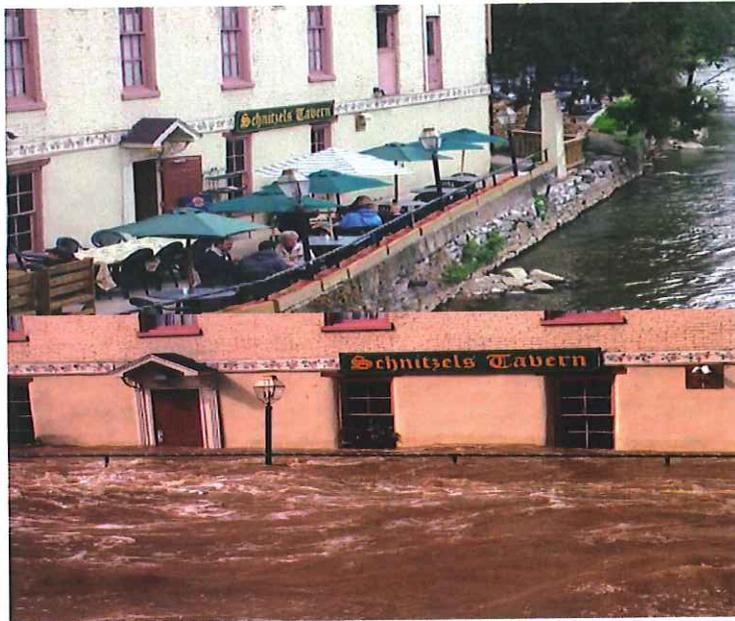
The current mix of uses within the waterfront district includes a vacant lot, site of the former Bush House, and several underutilized buildings alongside several thriving commercial enterprises, including the Café on the Park, Gamble Mill restaurant, and Victorian Sign Company. Tallyrand Park and the Match Factory facility anchor the area to the south and the Gamble Mill restaurant anchors the area to the north. The SEDA COG Joint Rail Authority line and a residential neighborhood border the study area to the west, along Dunlap Street, and Spring Creek is situated along the eastern edge of the study area.



AERIAL VIEW OF REDEVELOPMENT SITE AT INTERSECTION OF HIGH AND WATER STREETS

Spring Creek is the significant feature of the study area. Together with the open space of Tallyrand Park, these two features create a focal point for development opportunities in this area of the Borough. In recent years, additional parcels have been acquired by the Borough to expand the park, and a plan has been developed that includes pedestrian access from Gamble Mill, at the northern end of the district, through the park to the Match Factory/American Philatelic Society site to the south.

While the presence of Spring Creek provides an amenity to the study area, it also creates a significant challenge from the presence of the floodplain area. The study area has experienced flooding at various times throughout its history, with the most recent event occurring in 2004, when flood waters rushed over the banks of the creek. The existing retaining wall along the stream in the study area is insufficient to protect the redevelopment site in the event of a significant flooding event.



BUSH HOUSE TERRACE AND 2004 FLOOD CONDITIONS

The primary redevelopment site within the study area, the former Bush House site, is situated at the intersection of High Street and Route 150. Route 150 is the primary transportation artery entering the Borough from the south. This intersection serves as a gateway into the core downtown commercial district and provides access to the site.

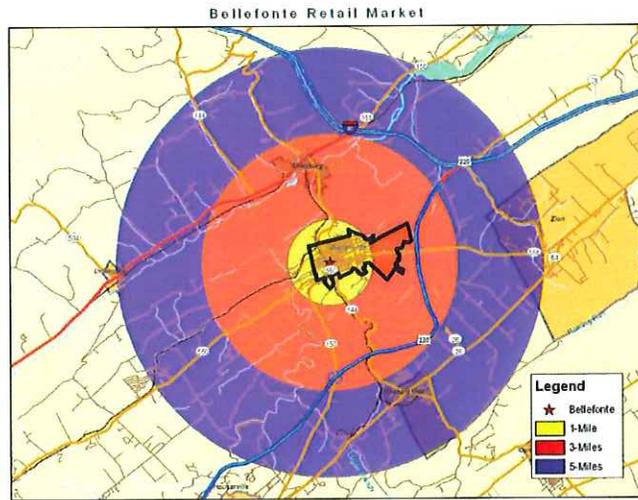


INTERSECTION - HIGH AND WATER STREETS

**MARKET CONDITIONS**

**DEMOGRAPHIC AND ECONOMIC TRENDS**

Demographic and economic trends are useful to consider in preparing a market assessment for the waterfront district<sup>1</sup>. The data to be considered include historical trends and future projections for population, households, age distribution, race/ethnicity, employment, and incomes.



Current and potential effects of these demographic and economic trends on retail market opportunities will be discussed. This information sets the market context for more detailed evaluations of retail sales and waterfront district potentials.

The report will analyze and compare historic trends and future projections for the following areas:

- 0- to 1-mile ring from the intersection of High Street and Water Street (1-mile)
- 0- to 3-mile ring from the intersection of High Street and Water Street (3-mile)
- 0- to 5-mile ring from the intersection of High Street and Water Street (5-mile)
- Belleville
- Centre County (CC)
- Pennsylvania (PA)
- United States (US)

Because the waterfront will draw the largest number of customers from the 1-mile market area, the study will analyze this area more intensely to determine how the trends and projections will impact opportunities.

<sup>1</sup> Information in tables and graphs comes from the US Bureau of Census, 2000 Census of Population and Housing, ESRI Forecasts for 2008-2013.

**POPULATION COMPARISON, ANNUAL RATE OF CHANGE**

During 2000 to 2008, Bellefonte experienced a loss in population, and it is expected that this trend will continue through 2013. The annual rate for 2008 to 2013 is projected to be a negative rate, or -.13%. The 1-mile market area has also experienced a slight loss in population, but will experience a slight increase in population from 2008 to 2013; the annual rate is projected to be .01%. Centre County will experience a growth rate of .53%, and the US will experience a growth rate of 1.23% during this same time period.

<b>POPULATION (2000, 2008, 2013 PROJECTION) AND ANNUAL RATE OF CHANGE</b>							
	<b>1-MILE</b>	<b>3-MILE</b>	<b>5-MILE</b>	<b>BELLEFONTE</b>	<b>CC</b>	<b>PA</b>	<b>US</b>
2000 Population	6,277	12,530	21,082	6,395	135,758	12,281,054	281,421,906
2008 Population	6,261	12,838	22,391	6,236	145,103	12,631,267	309,299,265
2013 Population	6,265	13,071	22,900	6,197	149,009	12,836,126	328,770,749
2008-2013 Annual Rate	.01%	.36%	.45%	-.13%	.53%	.32%	1.23%

**HOUSEHOLDS AND FAMILIES**

As with population, households in the 1-mile market area are growing at a smaller rate than those in other market areas.

The composition of the households in the 1-mile area is changing as well. During the period of 2000 to 2008, the 1-mile area lost 45 families; it is expected to lose another 32 families during the period of 2008 to 2013.

<b>HOUSEHOLDS AND FAMILIES</b>							
	<b>1-MILE</b>	<b>3-MILE</b>	<b>5-MILE</b>	<b>BELLEFONTE</b>	<b>CC</b>	<b>PA</b>	<b>US</b>
2000 Households	2,765	5,202	7,747	2,796	49,323	4,777,003	105,480,101
2008 Households	2,817	5,467	8,347	2,775	53,475	4,973,714	116,384,754
2013 Households	2,843	5,618	8,614	2,779	55,447	5,079,458	123,932,585
2008-2013 Annual Rate (HH)	.18%	.55%	.63%	.03%	.73%	.42%	1.26%
2000 Families	1,576	3,351	5,212	1,603	28,501	3,208,388	71,787,347
2008 Families	1,531	3,388	5,436	1,506	29,782	3,256,360	78,006,259
2013 Families	1,499	3,398	5,488	1,460	30,147	3,270,264	82,172,624
2008-2013 Annual Rate (Family)	-.42%	.06%	.19%	-.62%	.24%	.09%	1.05%

**HOUSING UNITS: OWNER-OCCUPIED, RENTER-OCCUPIED, AND VACANT**

Each market area has experienced a change in occupancy with regard to owner-occupied versus renter-occupied. Each area will add housing units to the market; however, the rate of absorption is anticipated to decrease in each area, more notably in the 1-mile area and in Centre County.

From the period of 2000 to 2008, the 1-mile market area added 139 units into the marketplace. Forty-one units became owner-occupied, 12 became renter-occupied, and 86 units became vacant. Projections for 2008-2013 indicate that another 67 units will be added. Owner-occupied units will decrease by 15 units, 40 units will be added to the rental market, and an additional 42 units will become vacant.

Comparing the demographics for the 1-mile area to the entire Bellefonte area, we can conclude that the area outside of the 1-mile core area has a higher percentage of renter-occupied housing.

HOUSING UNITS							
	1-MILE	3-MILE	5-MILE	BELLEFONTE	CC	PA	US
2000 Owner Occupied	1,447 (49.3%)	3,241 (59.4%)	5,305 (65.4%)	1,382 (46.8%)	29,664 (55.8%)	3,407,088 (64.9%)	69,774,594 (60.2%)
2008 Owner Occupied	1,488 (48.4%)	3,449 (58.8%)	5,811 (65.1%)	1,360 (45%)	32,314 (55.0%)	3,536,012 (63.9%)	78,778,690 (60.6%)
2013 Owner Occupied	1,473 (46.9%)	3,512 (57.7%)	5,949 (64%)	1,339 (43.7%)	33,028 (53.6%)	3,582,164 (62.9%)	83,167,308 (59.8%)
2000 Renter Occupied	1,317 (44.9%)	1,937 (35.5%)	2,393 (29.5%)	1,412 (47.8%)	19,670 (37.0%)	1,370,185 (26.1%)	35,698,629 (30.8%)
2008 Renter Occupied	1,329 (43.2%)	2,017 (34.4%)	2,535 (28.4%)	1,415 (46.8%)	21,209 (36.1%)	1,438,753 (26.0%)	37,569,375 (28.9%)
2013 Renter Occupied	1,369 (43.6%)	2,106 (34.6%)	2,668 (28.7%)	1,440 (47%)	22,429 (36.4%)	1,497,789 (26.3%)	40,749,199 (29.3%)
2000 Vacant	170 (5.8%)	278 (5.1%)	414 (5.1%)	156 (5.3%)	3,828 (7.2%)	472,478 (9.0%)	10,431,418 (9%)
2008 Vacant	256 (8.3%)	399 (6.8%)	580 (6.5%)	248 (8.2%)	5,288 (9.0%)	558,900 (10.1%)	13,649,773 (10.5%)
2013 Vacant	298 (9.5%)	468 (7.7%)	679 (7.3%)	285 (9.3%)	6,162 (10%)	615,062 (10.8%)	15,159,258 (10.9%)

**MEDIAN HOME VALUE**

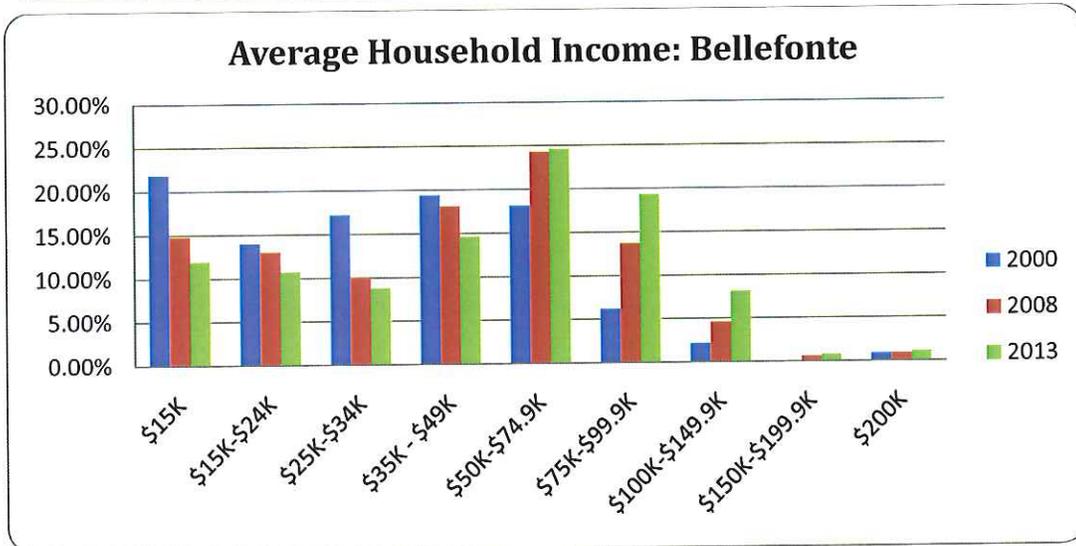
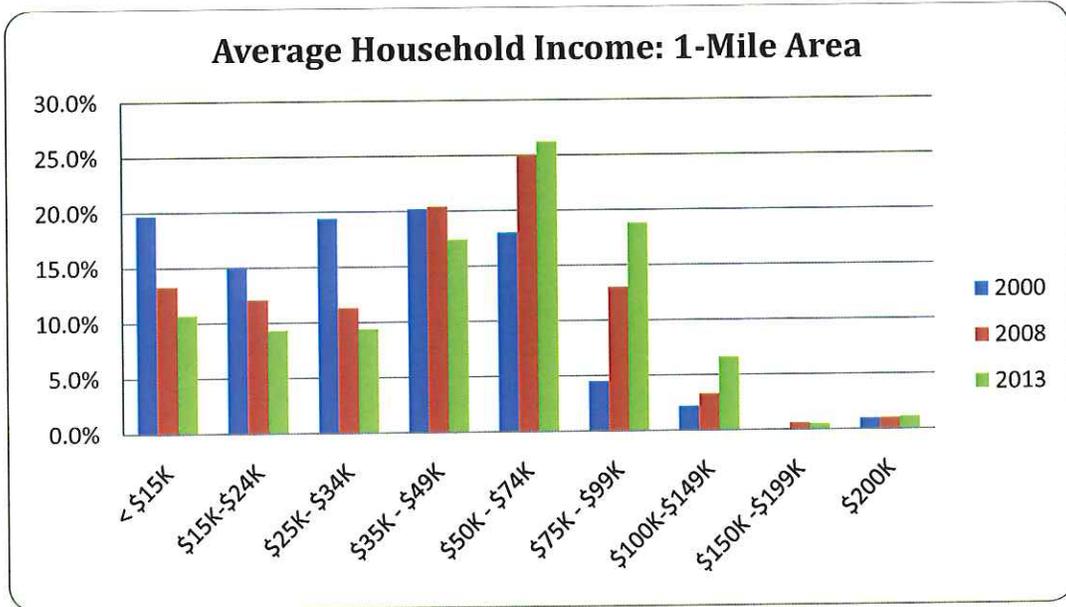
Median home values have increased from 2000 to 2008, and will continue on this trend through 2013. In the 1-mile market area, the median home value was \$94,835 in 2000. It is projected that by the year 2013, the median home value will increase to \$166,784.

<b>MEDIAN HOME VALUE</b>							
	<b>1-MILE</b>	<b>3-MILE</b>	<b>5-MILE</b>	<b>BELLEFONTE</b>	<b>CC</b>	<b>PA</b>	<b>US</b>
2000	\$94,835	\$96,752	\$95,573	\$99,067	\$109,434	\$94,817	\$111,833
2008	\$157,624	\$161,007	\$159,517	\$165,720	\$180,810	\$167,832	\$182,960
2013	\$166,784	\$170,871	\$169,335	\$176,633	\$191,106	\$178,582	\$192,192

**AVERAGE HOUSEHOLD INCOME**

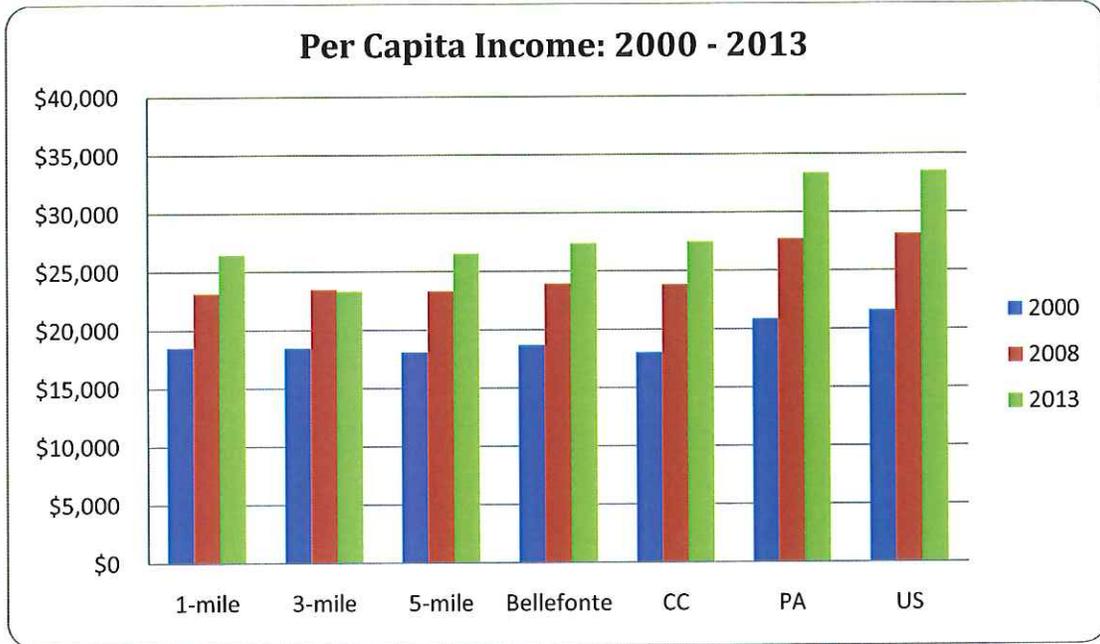
Household incomes represent the source of consumer buying potential. In the 1-mile market area, the average household income will rise from \$40,596 in 2000 to a projected \$58,701 in 2013. The good news for this market area is that the percentage of households with household incomes below \$15,000 decreased from 19.7% to 13.3% from 2000-2008. It is projected that this trend will continue, and that by 2013, only 10.7% of the households will be earning less than \$15,000.

With respect to the higher income household brackets, each bracket will increase in the number of households earning the specific wage range. For example, in 2000, 4.5% of the households were earning between \$75,000 and \$99,999. By the year 2013, it is anticipated that the percentage of households will increase to 18.8%. The same is true of the entire Belleville area.



**PER CAPITA INCOME**

The per capita income has also increased over the past decade and will continue this trend through the year 2013. Although Centre County and the 1-mile market area have a larger percentage of white-collar workers, the per capita income is lower than that of Pennsylvania and the US.



**2008 EMPLOYED POPULATION: 16+ BY OCCUPATION**

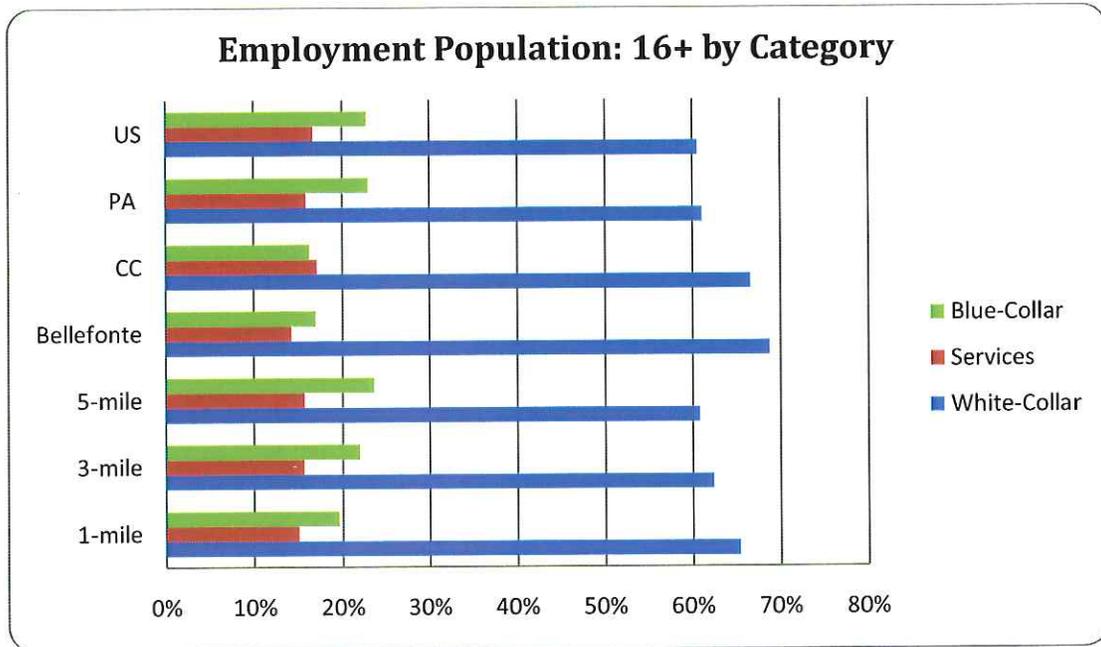
In 2008, 65.4% of the employed population in the 1-mile market area was employed in white-collar jobs, while 61.6% of the employed populations in Pennsylvania were in white-collar jobs, and 60.6% of the employed populations in the US were employed in white-collar jobs.

With respect to the service industry, the following is true:

- 1-mile market area - 15% are employed in the service industry
- PA - 15.9%
- US - 16.7%

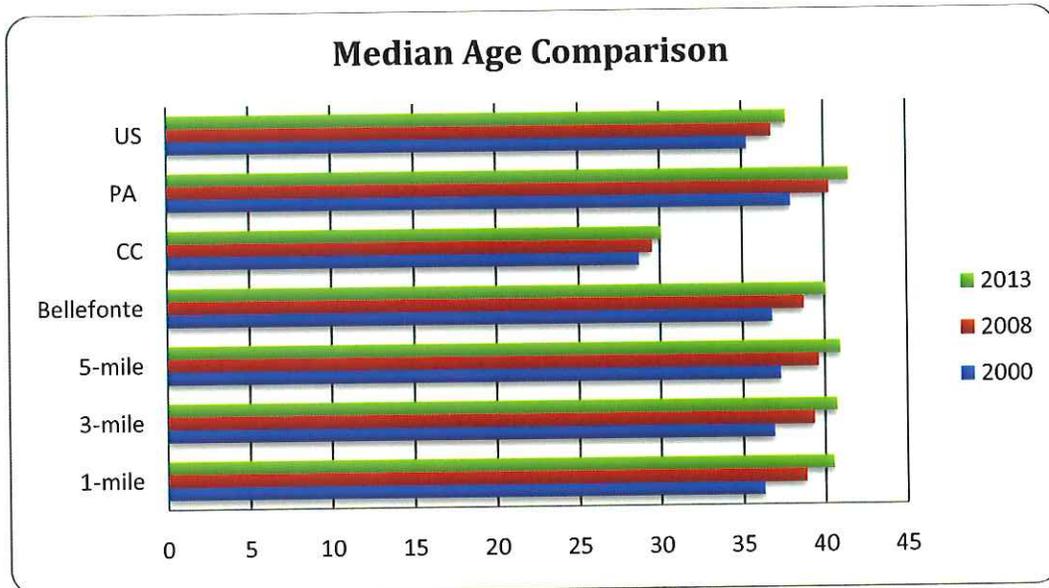
With respect to blue-collar jobs, the following is true:

- 1-mile market area - 19.6% are employed in blue-collar jobs
- PA - 23%
- US - 22.8%



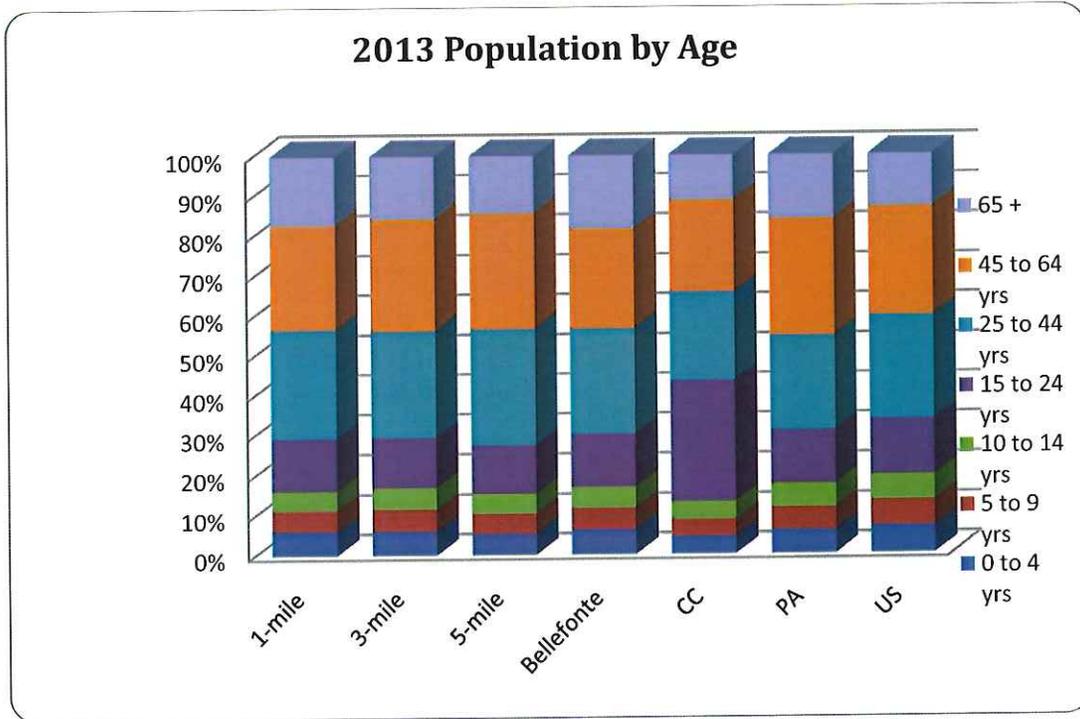
**MEDIAN AGE COMPARISON**

The following chart provides information on median age, comparing the immediate market area to Centre County, Pennsylvania, and the US. In 2013, the median resident age in the 1-mile market area will be 40.5 years, as compared to Pennsylvania, where the median resident age will be 41.5 years.

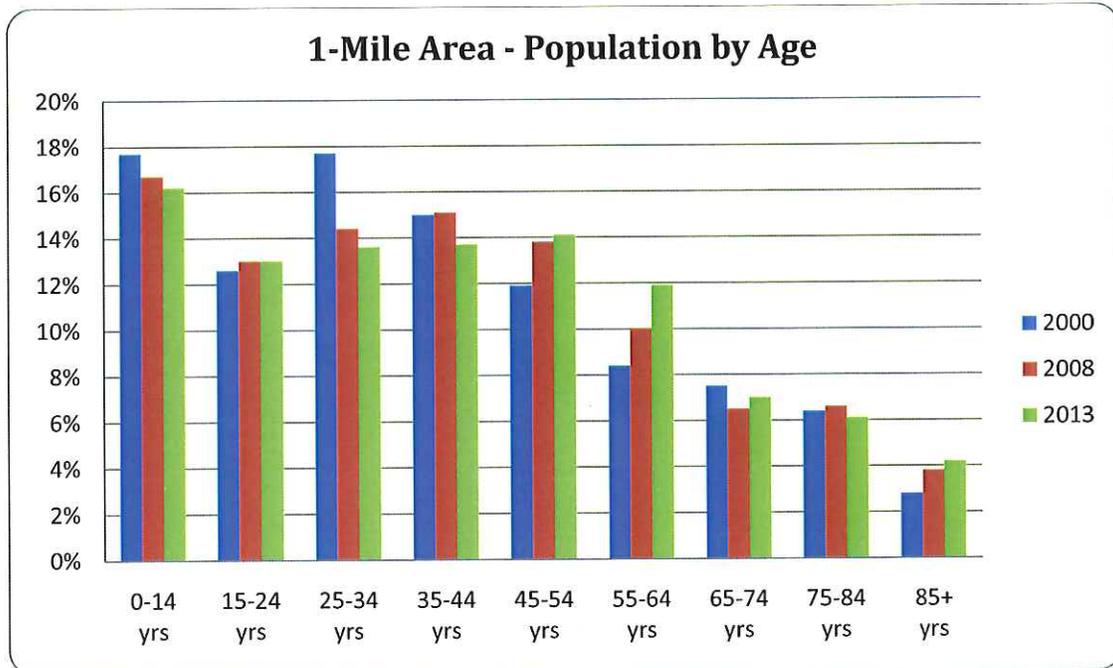


**POPULATION BY AGE**

By the year 2013, the demographic makeup of the 1-mile market area will be similar to the makeup of the US, but notably different than that of Centre County. By 2013, it is projected that a large percentage of residents in the 1-mile market area will fall between the ages of 25 and 44 (27.3%), and 45 and 64 (26%). In the US, 26.1% will fall between the ages of 25 and 44, and 27.1% will fall between the ages of 45 and 64. In Centre County, 30.3% of residents will fall between the ages of 15 and 24, 22.1% will fall between the ages of 25 and 44, and 22.9% will fall between the ages of 45 and 64.

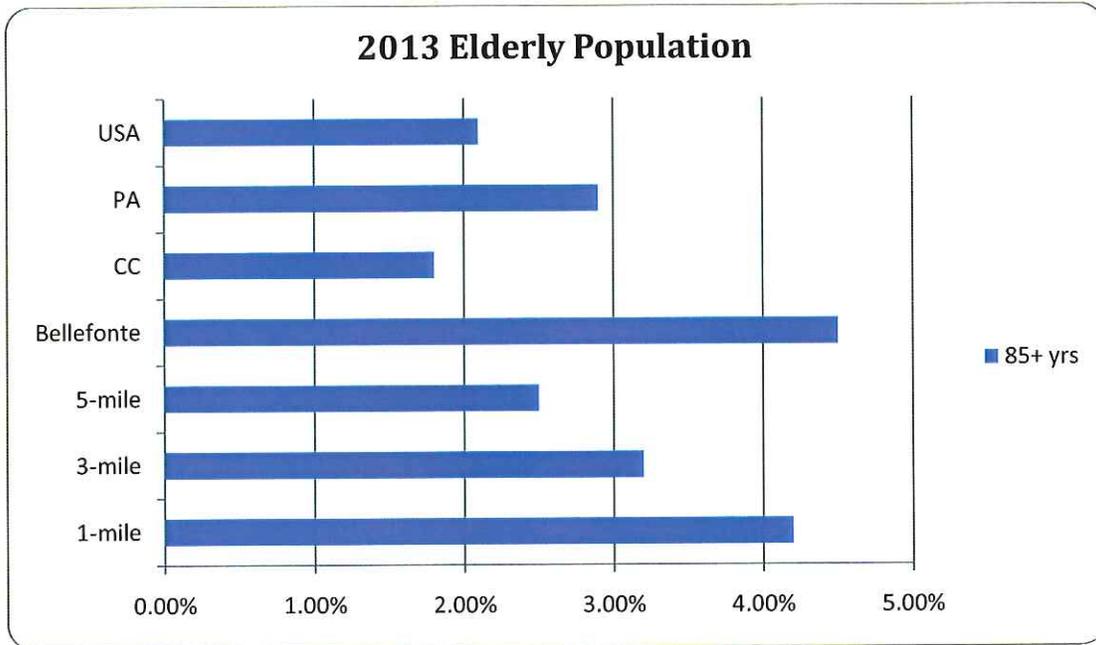


Notable population changes are occurring in the 1-mile market area. From the period of 2000 to 2013, the percentage of the population in the 0-14 age group will change from 18% to 16%, and the percentage of the population in the 25-34 age group will change from 18% to 14%. The percentage of the population in the 35-44 age group will increase from 12% to 14%, and the population in the 55-65 age group will increase from 8% to 12%. The population is shifting from younger to older age groups.



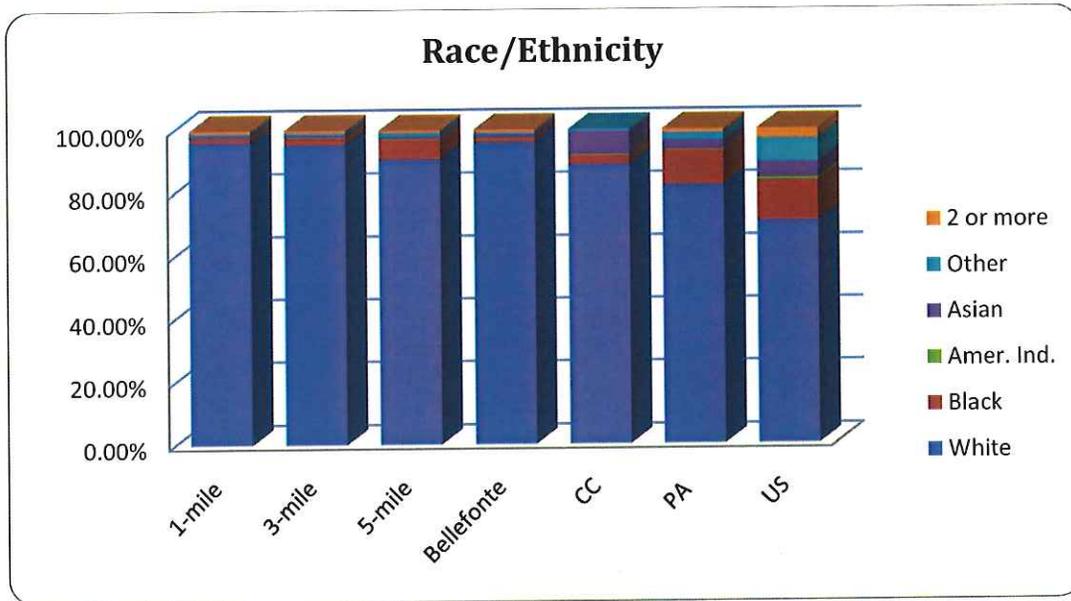
**THE ELDERLY POPULATION**

The 1-mile market area has a larger percentage of elderly than Centre County; over 4.1% of the 2013 population will be over the age of 85. In Centre County, this number drops to 1.8%.

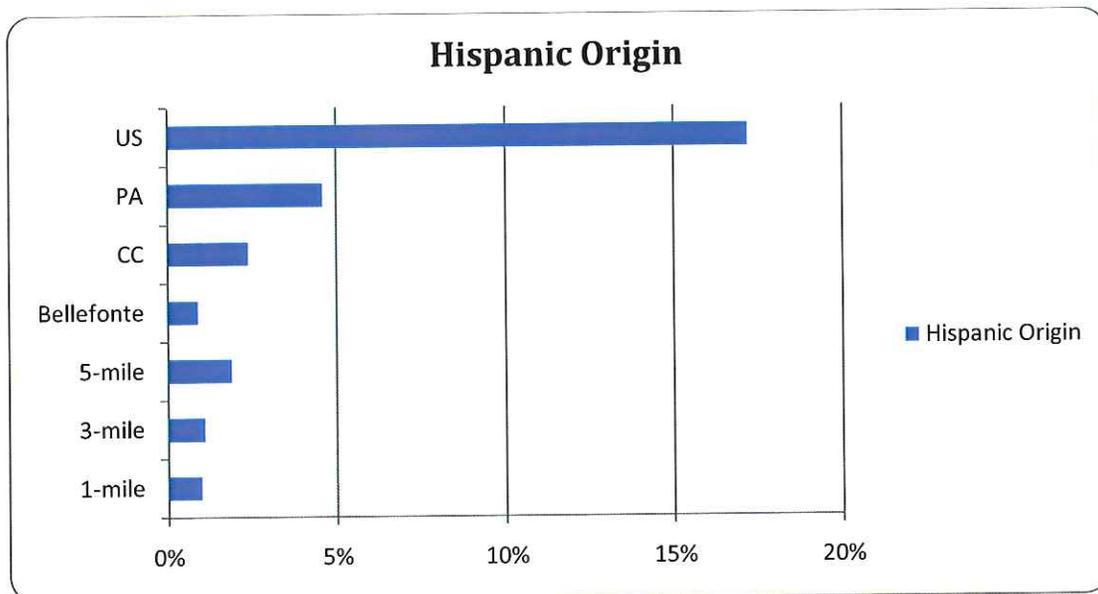


**2013 POPULATION BY RACE/ETHNICITY**

The following graphs depict the race/ethnicity of the market areas. The 1-mile market area is predominately white, with a diversity index of 9.2. The diversity index of the 5-mile market is 20.6, and the diversity indexes of Centre County, Pennsylvania, and the US are 27.8, 37.3, and 63, respectively. The diversity index measures the probability that two people from the same area will be from different race/ethnic groups.



Persons of Hispanic origin may be of any race. The following provides a comparison of each region with respect to Hispanic origin. The 1-mile market area has a lower percentage of persons who are of Hispanic origin, as compared to Centre County, Pennsylvania, and the US.



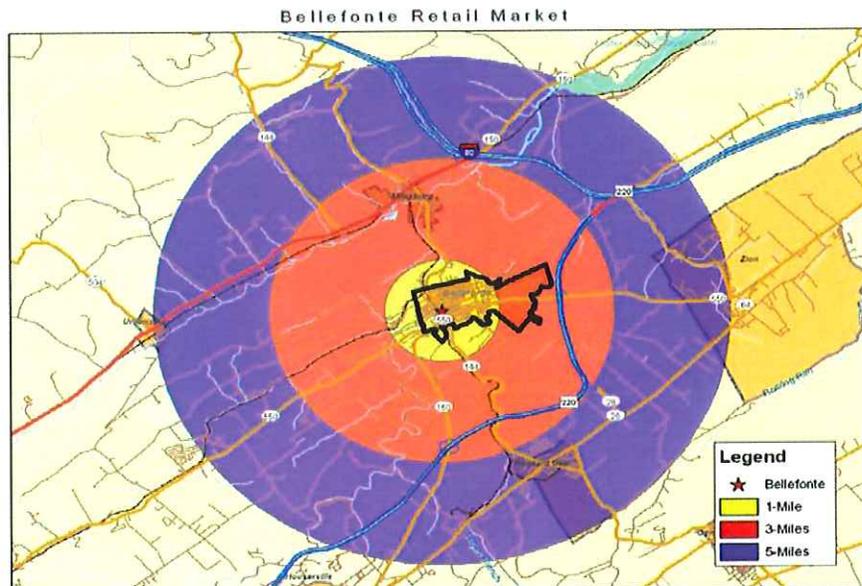
## RETAIL GAP ANALYSIS

The study of supply and demand in the Bellefonte market area will provide critical information in determining the potential for new and expanded retail opportunities. This section of the market analysis will discuss “leakage” in the market areas, where market demand is greater than the supply; and “surplus” in the market areas, where the supply is greater than the demand. The source of data in this report has been ESRI and infoUSA®.

This report will assist in identifying opportunities by retail sector to determine if Bellefonte is meeting the local demand. The report will identify merchandise or services missing in the Bellefonte market, and will also assist in developing future marketing campaigns to attract customers to Bellefonte.

**Data Note:** The Leakage/Surplus Factor presents a snapshot of retail opportunity. This is a measure of the relationship between supply and demand that ranges from +100 (total leakage) to -100 (total surplus). A positive value represents leakage of retail opportunity outside the trade area. A negative value represents a surplus of retail sales, a market where customers are drawn in from outside the trade area. The Retail Gap represents the difference between Retail Potential and Retail Sales. ESRI uses the North American Industry Classification System (NAICS) to classify businesses by their primary type of economic activity. Retail establishments are classified into 27 industry groups in the Retail Trade Sector, as well as four industry groups within the Food Services and Drinking Establishment subsector.

### *DRIVE TIME MAP*



The map above denotes the market area analyzed in this report. The center of all drive time rings is located at 300 High Street, Bellefonte.

**5-MINUTE DRIVE TIME AREA**

The 2009 population of the 5-minute drive time market area is approximately 8,523. The 2009 median disposable income is \$37,260. There are a total of 96 retail trade and food and drink businesses in the 5-minute drive time market area; 74 are retail trade, and the remaining 22 are food and drink establishments. Overall, the total retail potential is \$78,700,486 (demand) and the retail sales are \$240,345,842 (supply), resulting in a retail surplus of \$161,645,356.

INDUSTRY SUMMARY	DEMAND	SUPPLY	RETAIL GAP	LEAKAGE/SURPLUS FACTOR	NUMBER OF BUSINESSES
Total Retail Trade, Food and Drink	\$78,700,486	\$240,345,842	<b>-\$161,645,356</b>	<b>-50.7</b>	96
Retail Trade	\$67,309,560	\$228,276,349	<b>-\$160,966,789</b>	<b>-54.5</b>	74
Total Food and Drink	\$11,390,926	\$12,069,493	<b>\$678,567</b>	<b>-2.9</b>	22

Although the Total Retail Trade and Food and Drink Industry depicts a retail surplus, there are subcategories within a few of the industry groups that do have leakage. These categories could represent small retail opportunities in Bellefonte.

5 MINUTE DRIVE TIME: RETAIL INDUSTRY GROUPS WITH LEAKAGE					
INDUSTRY GROUP	DEMAND	SUPPLY	RETAIL GAP	LEAKAGE/SURPLUS	NUMBER OF BUSINESSES
Home Furnishing Stores	\$678,583	\$34,186	\$644,397	90.4	0
Electronics and Appliance Stores	\$2,227,689	\$281,004	\$1,946,685	77.6	2
Grocery Stores	\$11,284,488	\$4,402,276	\$6,882,212	43.9	5
Clothing Stores	\$2,457,419	\$169,041	\$2,288,378	87.1	3
Shoe Stores	\$350,211	\$0	\$350,211	100	0
Books, Periodicals and Music	\$723,945	\$0	\$723,945	100	0
Full-Service Restaurants	\$8,701,900	\$4,751,853	\$3,950,047	29.3	12
Drinking Places – Alcoholic Bev	\$210,299	\$0	\$210,299	100	0



**10-MINUTE DRIVE TIME AREA**

The 2009 population of this market area is approximately 16,709. The 2009 median disposable income is \$40,020. There are a total of 146 retail trade and food and drink businesses in the 10-minute drive time market area; 114 are retail trade, and the remaining 32 are food and drink establishments. Overall, the total retail potential is \$152,594,156 (demand) and the retail sales are \$288,927,447 (supply), resulting in a retail surplus of 136,333,291.

INDUSTRY SUMMARY	DEMAND	SUPPLY	RETAIL GAP	LEAKAGE/ SURPLUS FACTOR	NUMBER OF BUSINESSES
Total Retail Trade and Food and Drink	\$152,594,156	\$288,927,447	\$-136,333,291	-30.9	146
Retail Trade	\$130,524,643	\$272,006,538	\$-141,481,895	-35.1	114
Total Food and Drink	\$22,069,513	\$16,920,909	\$5,148,604	13.2	32

Again, the overall Retail Trade and Food and Drink industry summary depicts a surplus factor of -30.9, but there are industry groups that do provide opportunities for small retail expansion. Those with the highest potential include the following:

10-MINUTE DRIVE TIME: RETAIL INDUSTRY GROUPS WITH LEAKAGE					
INDUSTRY GROUP	DEMAND	SUPPLY	RETAIL GAP	LEAKAGE/ SURPLUS FACTOR	NUMBER OF BUSINESSES
Electronics and Appliance Stores	\$4,316,999	\$425,649	\$3,891,350	82.1	4
Grocery Stores	\$21,777,947	\$6,425,171	\$15,352,776	54.4	8
Clothing Stores	\$4,770,571	\$2,011,578	\$2,758,993	40.7	5
Shoe Stores	\$670,343	\$138,878	\$531,465	65.7	0
Sports/Hobby	\$1,166,742	\$531,723	\$635,019	37.4	8
Books, Periodicals and Music	\$1,371,537	\$278,752	\$1,092,785	66.2	0
Full-Service Restaurant	\$16,861,441	\$7,807,819	\$9,053,622	36.7	17

**15-MINUTE DRIVE TIME AREA**

The 2009 population of this market area is approximately 59,225. The 2009 median disposable income is \$37,741. There are a total of 484 retail trade and food and drink businesses in the 15-minute drive time market area; 368 are retail trade, and the remaining 116 are food and drink establishments. Overall, the total retail potential is \$419,509,141 (demand) and the retail sales are \$705,890,420 (supply), resulting in a retail surplus of \$286,381,279.

The 15-minute drive time includes the areas of the Centre Region which provide big box retail, the Nittany Mall, and a large number of restaurant establishments. Bellefonte should focus on the 0-10-minute drive time area as the target market; the Centre Region should be viewed as the secondary market.

INDUSTRY SUMMARY	DEMAND	SUPPLY	RETAIL GAP	LEAKAGE/ SURPLUS FACTOR	NUMBER OF BUSINESSES
Total Retail Trade, Food and Drink	\$419,509,141	\$705,890,420	-\$286,381,279	-25.4	484
Total Retail Trade	\$358,037,783	\$596,712,945	-\$238,675,162	-25.0	575
Total Food and Drink	\$ 61,471,358	\$109,177,475	-\$ 47,706,117	-28.0	116

**BELLEFONTE**

**ESTIMATED DEVELOPMENT POTENTIAL BY RETAIL INDUSTRY SUBSECTOR**

INDUSTRY SUMMARY	RETAIL GAP	TYPE OF SHOPPING CENTER <sup>1</sup>	CATEGORY DESCRIPTION <sup>2</sup>	MEDIAN SALES (PER SQUARE FOOT OF GLA <sup>3</sup> )	ESTIMATED DEVELOPMENT POTENTIAL (IN SQUARE FEET OF GLA)
Electronics/Appliances	\$3,891,350	Super Community/Community	Electronics- General	\$302.20	12,877
Grocery Stores	\$15,352,776	Super Community/Community	Supermarket	\$487.75	31,477
Clothing Stores	\$2,758,993	Super Community/Community	Mixed Apparel	\$268.71	10,268
Shoe Stores	\$531,465	Super Community/Community	Family Shoes	\$189.77	2,801
Sporting Goods	\$635,019	Super Community/Community	Sporting Goods - General	\$220.87	2,875
Books, Periodicals and Music	\$1,092,785	Super Community/Community	Books	\$246.02	4,442
Full-Service Restaurants	\$9,053,622	Super Community/ Community	Restaurant with Liquor	\$357.98	25,291
<b>Total</b>	<b>\$33,316,010</b>				<b>90,029*</b>

**Notes:**

1) The retail industry recognizes five types of shopping centers, which are defined by the tenant mix, gross leasable area, and primary market area. The International Council of Shopping Centers (ICSC) endorses these industry classifications, which include the following:

SHOPPING CENTER TYPE	TENANT MIX	RANGE IN SIZE (SF)	PRIMARY TRADE AREA
Super Regional Center	Tenant mix mirrors central business district of major metro area. Principal tenants: at least 3 full-line department stores.	626,987 - 1,489,961 sf	5 - 25 miles
Regional Center	Tenant mix mirrors central business district of small city. Principal tenants: 1 or 2 full-line department stores.	325,659 - 1,122,395 sf	5 - 15 miles
Super Community/Community Center	Wide range of goods and services, including convenience goods. Principal tenant: discount department store or supermarket.	109,195 - 376,200 sf	3 - 6 miles
Neighborhood Center	Primarily convenience goods with a supermarket as principal tenant.	38,431 - 90,146 sf	3 miles
Convenience Center	Like the neighborhood center, provides for the sale of convenience goods, but lacks a major anchor tenant.	10,631 - 27,661 sf	Less than 3 miles

2) Category Descriptions directly from the Dollars and Cents of Shopping Centers® / The SCORE® 2008 jointly published by the Urban Land Institute and the International Council of Shopping Centers.

3) The median sales per square foot of GLA is based on the selected Type of Shopping Center and Category Description as published in the Dollars and Cents of Shopping Centers® / The Score® 2008.

\* Figures vary slightly due to rounding.



**HOSPITALITY MARKET ASSESSMENT**

The Bush House was the only hotel located in downtown Bellefonte. The loss of the Bush House due to a fire in 2006 has created a gap in the ability to address the hospitality needs in the Borough. During the course of the planning study, the need for a hotel in downtown Bellefonte was cited repeatedly as a priority consideration for the revitalization plan. The following analysis reviews the trends in the Centre Region hotel industry in order to understand the hospitality market in the Centre Region. It should be noted that the figures below do not include the two newest hotels added to the Centre Region market.

<b>CENTRE REGION HOTEL/MOTEL OCCUPANCY RATES</b>											
	<b>JAN 2009</b>	<b>FEB 2009</b>	<b>MAR 2009</b>	<b>APR 2009</b>	<b>MAY 2009</b>	<b>JUNE 2009</b>	<b>JULY 2009</b>	<b>AUG 2009</b>	<b>SEPT 2009</b>	<b>OCT 2009</b>	<b>Nov 2009</b>
% Hotels Reporting	100%	96.29%	93.04%	96.75%	96.75%	100%	100%	93.18%	96.75%	96.75%	95.74%
Percentage Occupancy	32.68%	51.36%	53.33%	58.22%	61.04%	66.16%	68.87%	71.51%	61.28%	71.85%	51.21%
Minimum Reported Average Daily Revenue (ADR)	\$38.43	\$43.74	\$47.15	\$45.44	\$49.70	\$43.36	\$42.63	\$42.66	\$53.06	\$46.08	\$50.41
Average Reported ADR	\$77.26	\$87.73	\$88.36	\$95.82	\$105.57	\$88.18	\$96.71	\$95.82	\$146.32	\$121.50	\$130.54
Maximum Reported ADR	\$160.11	\$160.04	\$169.06	\$189.67	\$221.19	\$193.19	\$207.26	\$200.78	\$314.71	\$243.32	\$259.09
Revenue Per Room	\$25.25	\$45.05	\$47.12	\$55.78	\$64.44	\$58.34	\$66.41	\$68.52	\$89.67	\$87.29	\$66.85



The strongest months in the hotel industry in the Centre Region were June through October, when the percentage of occupancy was the highest. This was largely due to the following factors:

- Commencement (May/August) at Penn State University (PSU); move-in weekend at PSU
- PSU sports camps (June through August)
- PSU home football games (September through November)
- Central Pennsylvania Festival of the Arts (July)

### **BELLEFONTE'S TARGET MARKET**

Bellefonte could benefit from the overflow of visitors and tourists to the Centre Region on high-volume weekends, but it must also strive to create its own niche and serve the needs of another primary market. Bellefonte should capitalize on its prime location and natural resources such as Spring Creek to attract and serve a market separate from that of the Centre Region.

### **BUSINESS TRAVELERS**

Business travelers could represent a large portion of the lodging demand. They include people traveling on business representing commercial, industrial, and government organizations.

The American Philatelic Society (APS), located in the six-acre Match Factory Campus, has over 44,000 members in more than 110 countries. The APS is the largest nonprofit society in the world for stamp collectors. According to director Ken Martin, the APS attracts both Centre County residents and nonresidents. Over 1,000 nonresidents visit the APS each year. These guests spend at least one night in Centre County, using the hotel facilities in the Centre Region or a bed and breakfast in Bellefonte. These guests have requested better accommodations while visiting.

The Match Factory Campus also offers meeting room space that could be used to attract small conferences to Bellefonte. A large 2,500-square-foot main meeting room, and a number of small meeting rooms, could host conferences for 50 to 75 people.

### **TOURISM**

Along with the APS, genealogical researchers account for 6,000 to 7,000 visitors per year to the Centre County Library and Historical Museum. Bellefonte is also host to a number of special events:

- Victorian Christmas Arts and Crafts Show
- Family Fall Festival
- Jazz Festival
- Summer Sounds from the Gazebo
- Arts and Crafts Fair
- Car Cruise

**SPORTS AND LEISURE**

**FLY FISHING**

Noted as the Best Fly Fishing Town in Pennsylvania in 2009 by the members of FlyFish.com, Bellefonte is positioned to capitalize on this target market. Bellefonte, with its easy access to Routes 80, 220, and 199, can market itself to fly fishing enthusiasts in New York, New Jersey, Maryland, Ohio, and West Virginia. According to the American Sportfishing Organization, these states have anywhere from 376,000 anglers to over 1,000,000 anglers. The chart below notes the number of freshwater fishing days for both resident and nonresident anglers.

STATE	TOTAL ANGLERS	NONRESIDENT ANGLERS	TOTAL FISHING DAYS	TOTAL NONRESIDENT FISHING DAYS	FRESHWATER ANGLERS	FRESHWATER FISHING DAYS
Pennsylvania	994,000	164,000	17,967,000	839,000	914,000	14,456,000
New York	1,153,000	221,000	17,060,000	2,100,000	741,000	10,994,000
New Jersey	654,000	197,000	8,820,000	984,000	243,000	3,646,000
Maryland	645,000	242,000	8,223,000	2,470,000	364,000	4,799,000
Ohio	1,256,000	112,000	16,318,000	1,178,000	982,000	12,827,000
West Virginia	376,000	86,000	6,885,000	443,000	376,000	6,885,000
United States	29,952,000	6,494,000	470,594,000	52,380,000	25,035,000	419,547,000

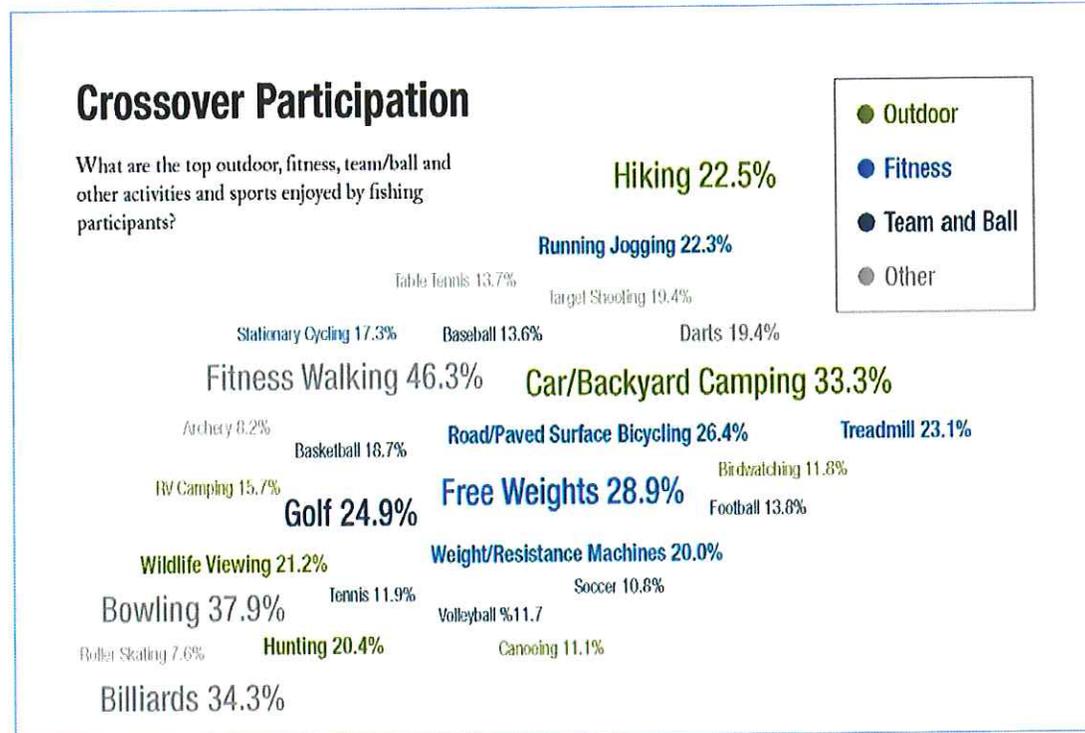
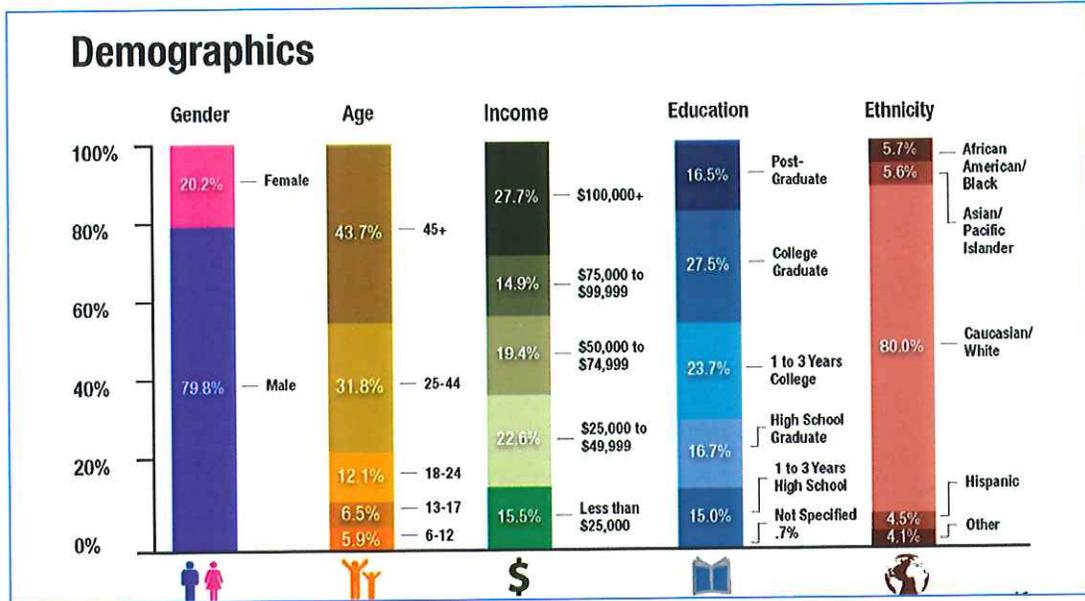
The American Sportfishing Organization also provides details on U.S. angler expenditures by category (2006 figures). All anglers spend a total of \$1,975,434,417 on lodging. Taking into account that there are a total of 29,952,000 anglers in the United States, each angler is therefore spending \$65.95 per year for lodging.

TRAVEL EXPENDITURE	ALL ANGLERS	NONRESIDENT
Food	\$4,327,090,008	\$1,043,271,201
Lodging	\$1,975,434,417	\$1,006,056,956
Airfare	\$406,896,869	\$183,156,732

The Recreational Boating and Fishing Foundation reports that fly fishing attracts the smallest number of freshwater anglers: 5,900,000 in 2008, or 20 percent of the total anglers. Taking all information into consideration, the following figures become evident:

<b>TOTAL NONRESIDENT ANGLERS IN PENNSYLVANIA</b>	164,000 anglers
<b>TOTAL NONRESIDENT FLY FISHING ANGLERS IN PENNSYLVANIA</b>	32,800 anglers
<b>FLY FISHING ANGLERS ATTRACTED TO BELLEFONTE – 25%</b>	8,200 anglers

DEMOGRAPHICS OF ANGLERS, CROSSOVER PARTICIPATION



Source: Recreational Boating and Fishing Foundation, 2008.

The Recreational Boating and Fishing Foundation provides the demographic information of fly fishing anglers, the large majority of whom are white males over the age of 25. Anglers also participate in golf and hiking. Hotel packages that promote the golf courses and trails in the region will also attract this target market.

CROSSOVER PARTICIPATION ACTIVITY	PERCENTAGE
Fitness walking	46.3%
Hiking	22.5%
Golf	24.9%
Wildlife viewing	21.2%

### **FLAT BOTTOM KAYAKING, SLALOMS, AND PADDLING CAMPS**

Basic paddling camps are held in Bellefonte during the summer and fall months. These camps are directed by Dr. David Kutz, who has been instructing kayaking and canoeing for 54 years. He works as a trained regional coach for the USA Canoe/Kayaking organization, the representative in canoeing and kayaking for the U.S. Olympics team. He is a three-time National Doubles Canoe Champion in Slalom with Les Bechdel, and also a National Masters Kayaking Champion. He created the Sunnyside Paddling Park in Bellefonte in 1965, where many champions first honed their skills in paddling, and he continues to maintain the park as a top model training park in the United States. He is currently a member of the National Slalom Committee and is Chairman of the Junior Olympic Program in the United States.

The following events are held in Bellefonte:

- August Dog Days Slalom – Sponsored by Tussey Mountain Outfitters ([www.whitewaterslalom.us](http://www.whitewaterslalom.us))
- October – Bellefonte Slalom ([www.whitewaterslalom.us](http://www.whitewaterslalom.us))
- Red Moshannon Down River Race – Acts as a qualifier for the Junior Olympics in Whitewater

Tussey Mountain Outfitters suggests that kayaking brings another 2,000 visitors to Bellefonte per year.

## FLOODPLAIN

### BACKGROUND



In order for any development to occur within the waterfront district site, the challenge of the flood-plain needed to be addressed and possible solutions to address this challenge explored. The project site was once an active part of the Bellefonte commercial district. The Bush House, which once hosted a number of hotel rooms and a restaurant with an outdoor café, burned to the ground in 2006. Redevelopment has not occurred on this site due to flooding issues. The project will provide flood abatement in order to allow this site to be redeveloped. The existing stone wall has become deteriorated, and for public safety purposes needs to be

replaced. The project will also provide a river walk intended to minimize the impact of redevelopment on Spring Creek. Lastly, the revitalization plan will also provide on-site flood abatement improvements to provide pad-ready redevelopment sites.

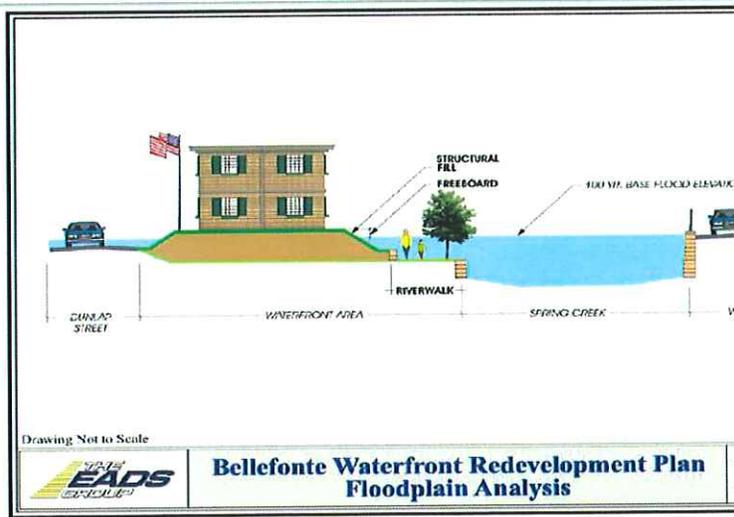
The proposed project is located along Spring Creek in the Borough of Bellefonte, Centre County, Pennsylvania. The waterfront redevelopment site is comprised of three separate parcels, two of which have existing structures located on them. The analysis presented in this report will consider each parcel separately; however, the options presented herein can be utilized for each.

The Federal Emergency Management Agency (FEMA) has a Flood Insurance Study (FIS) for Centre County (Exhibit B). The FIS was most recently updated on May 4, 2009, which replaced a prior study dated August 1976. FEMA has a detailed study of Spring Creek and has mapped the majority of the waterfront redevelopment site within its designated Special Flood Hazard Area (SFHA), which includes a regulatory floodway and the 100-year and 500-year floodplains. The project is located on two FEMA Flood Insurance Rate Maps (FIRM), 42027C0366F, and 42027C0367F, both dated May 4, 2009 (Exhibits C and D).

### FLOOD ABATEMENT OPTIONS

For the purposes of this analysis, several options were considered for flood abatement within the project location. These options included the placement of structural fill to elevate structures, elevation of future structures by the use of structural support members, construction of a floodwall or levee system, a system of removable floodgates, and the floodproofing of existing and proposed structures.

PLACEMENT OF FILL



The placement of fill within the 100-year floodplain was the first option analyzed as part of the waterfront revitalization plan. The proposed structures would be placed on a prepared filled pad that would be placed at an elevation equal to one foot above the 100-year Base Flood Elevation (BFE) at the most downstream point of the building or surveyed metes and bounds description of the property to be removed from the floodplain. A graphic depiction of fill placement is included in Exhibit E. For more

detailed information see *FEMA Technical Bulletin 10-01: Ensuring that Structures Built on Fill In or Near Special Flood Hazard Areas are Reasonably Safe From Flooding* (Exhibit A) or visit the FEMA Web site at the following link (<http://www.fema.gov/pdf/fima/tb1001.pdf>).

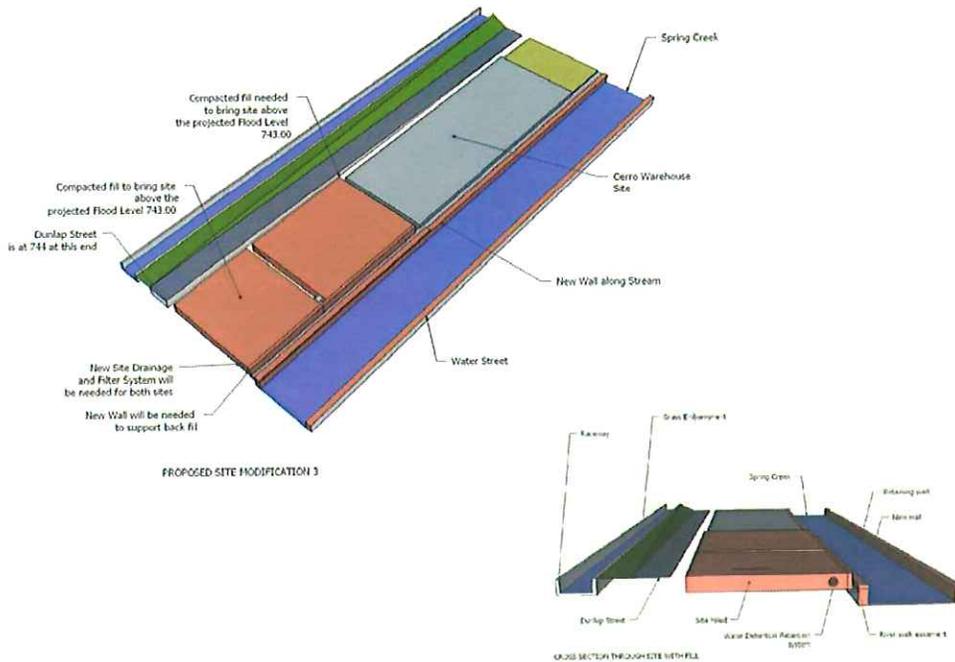


DIAGRAM OF SITE SHOWING FILL METHOD

STRUCTURE ELEVATION

The second option is the elevation of the structures using a system of piers, posts, piles, columns, or shear walls. The bottom of the elevated structure would then be required to be at an elevation equal to or above the 100-year BFE with freeboard. With the structures elevated, the bottom elevations could be utilized for parking. During periods of anticipated high flood flows, the parking areas would be closed and vehicles moved. A full graphic depiction of structure elevation is included in Exhibit F.

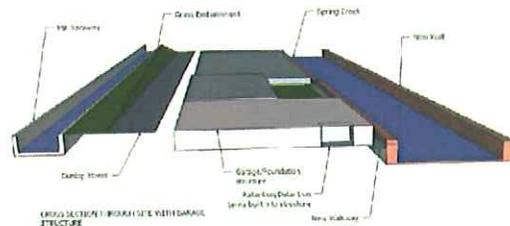
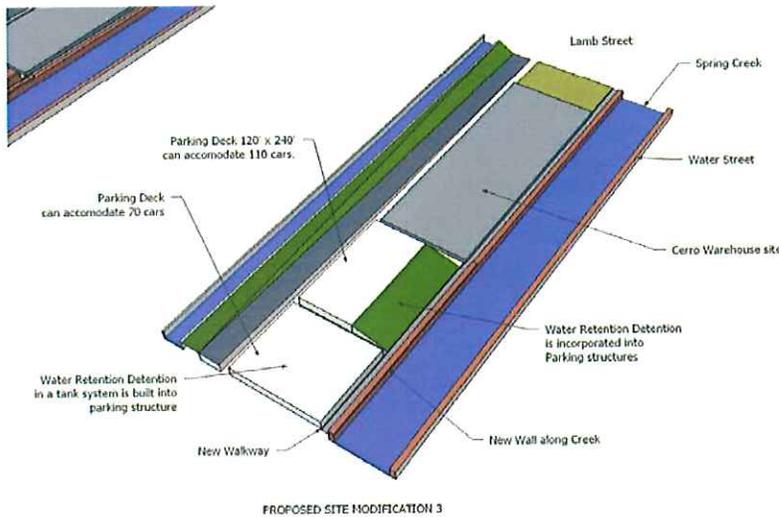
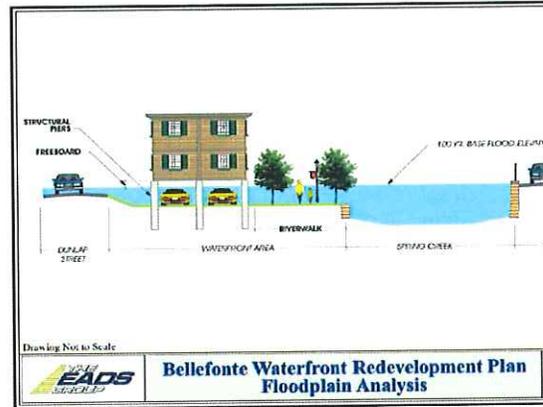


DIAGRAM OF SITE SHOWING STRUCTURE METHOD

**FLOODWALL/LEVEE**

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The third option is the construction of a series of floodwalls and/or levees that would eliminate the ability of Spring Creek to flood the waterfront development area. The floodwall/levee would require substantial resources to ensure that the area was reasonably safe from flooding, including a detailed hydrologic and hydraulic study and years of federal, state, and local government involvement throughout the process. This option was eliminated in the preliminary stages of this analysis due to cost, agency coordination, and lack of public support. For more information about levees and FEMA levee certification, review the Levee System Information Resources at the following Web Site: [http://www.fema.gov/plan/prevent/fhm/lv\\_intro.shtm](http://www.fema.gov/plan/prevent/fhm/lv_intro.shtm).

**FLOODPROOFING/FLOODGATES**

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The last option considered for the waterfront redevelopment area was a system of floodgates and/or floodproofing of the structures. Several floodgate/flood panel manufacturers and associated flood protection systems were investigated as part of this analysis. While potentially cost-effective in the short term, long-term maintenance and implementation of the protection systems would be problematic. Additionally, the necessary appurtenances that would be required to implement the flood protection measures would severely impact the aesthetic appeal of any potential development.

Floodproofing of any existing structures can be a way of mitigating the flood impacts without large structural modifications. Floodproofing can be used as a way to preserve the existing buildings in the redevelopment area that may have historic or other intrinsic values. Floodproofing may only be applied to nonresidential structures. FEMA allows a new or substantially improved nonresidential building to have a lowest floor elevation below the BFE provided that the building has been designed, constructed, and certified to be floodproofed and meets established criteria. Additional information can be found in *FEMA Technical Bulletin 3-93: Non-Residential Flood proofing – Requirements and Certification* (<http://www.fema.gov/pdf/fima/tb1001.pdf>)

**CONCLUSION**

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It is recommended that the developer request a Conditional Letter of Map Revision (CLOMR-F) from FEMA to ensure the proposed development will meet all FEMA regulations prior to construction, regardless of the option or combination of options of flood abatement that are chosen. Upon completion of the project, the property owner and/or developer will request a Letter of Map Revision (LOMR-F) to indicate whether the filled land is outside of the SFHA. After FEMA has revised the FIRM, the community is no longer required to apply the minimum National Flood Insurance Program (NFIP) floodplain management standards to any structures built on the land, and the mandatory flood insurance purchase requirements no longer apply. The CLOMR-F and LOMR-F process requires the use of FEMA's MT-1 Application Forms for Conditional Letters of Map Amendment (CLOMAs), Final Letters of Map Amendment (LOMAs), Letters of Map Revision Based on Fill (LOMR-Fs), and Conditional Letters of Map Revision Based on Fill (CLOMR-Fs), which can be found at the following Web site: [http://www.fema.gov/plan/prevent/fhm/dl\\_mt-1.shtm#1](http://www.fema.gov/plan/prevent/fhm/dl_mt-1.shtm#1).

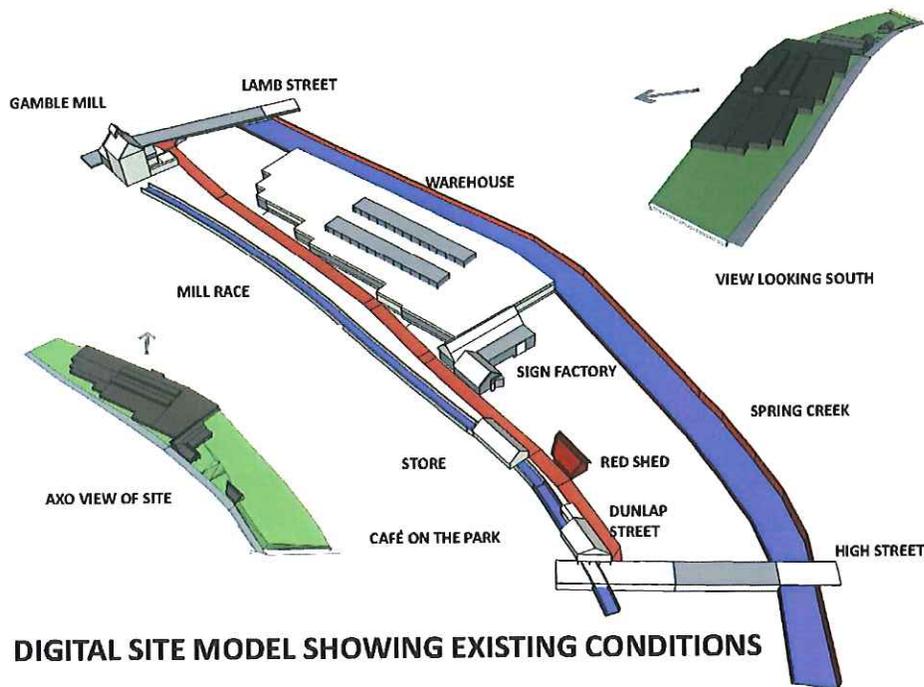
## WATERFRONT DISTRICT VISION

A vision of the Waterfront District Revitalization Plan evolved during the planning process by a combination of data analysis, evaluation of physical conditions, and gathering of input from property owners, residents, municipal officials, and other interested community members. A recurring theme expressed throughout the planning process was the desire to create a destination that will attract visitors from outside of the community as well as from Bellefonte. It will be a place that is a vibrant mix of commercial and residential uses, open space, and tourism-related activities that complement and connect the waterfront district to the downtown commercial core.

The revitalization effort for the Waterfront District will be focused on the area between Lamb Street and High Street.

### TARGETED AREA FOR REVITALIZATION

The targeted redevelopment site includes the three underutilized properties located between High Street and Lamb Street, Dunlap Street and Spring Creek. Current uses include a warehouse that suffered some structural damage by Hurricane Ivan in 2004, the Sign Factory, and the former Bush House site. This area is flanked by Bellefonte anchors that include the Gamble Mill Restaurant, downtown Bellefonte, Talleyrand Park, Café on the Park, and Spring Creek. This area was the focus of the community during the revitalization planning process. The stakeholders, steering committee, and community members all desire to see this site become the priority for the Borough of Bellefonte. Achieving redevelopment on this site will help strengthen the downtown core of Bellefonte, create a focal point for the Borough, and encourage additional redevelopment activity in the Waterfront District.



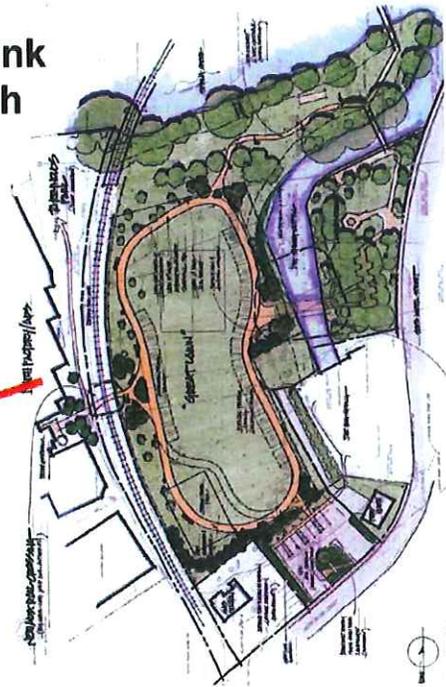
**DIGITAL SITE MODEL SHOWING EXISTING CONDITIONS**

**TALLEYRAND PARK AND THE REDEVELOPMENT SITE**

Talleyrand Park provides an amenity to the site not often found in many urban cores or small downtowns. Started by volunteers almost 40 years ago, the Park has provided a natural resource in the heart of downtown Bellefonte. The Park offers both passive and active recreation, and creates an intimate setting for families, visitors, downtown employees, and residents. Linking the redevelopment site with Talleyrand Park is a major objective of the Waterfront District Revitalization Plan. This can be achieved through the construction of a river walk and a pedestrian square at High Street.



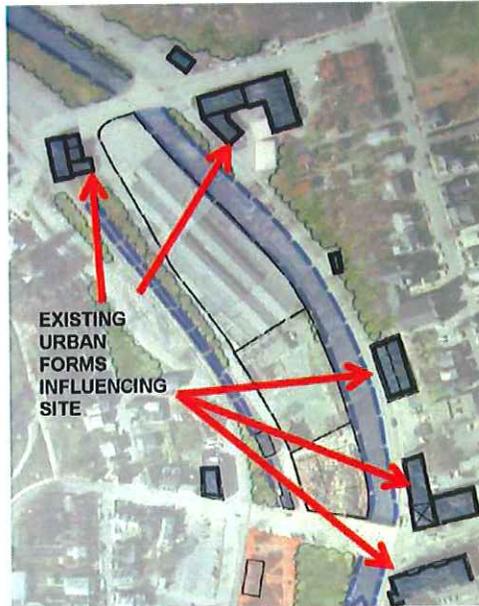
**Trail Link through Site**



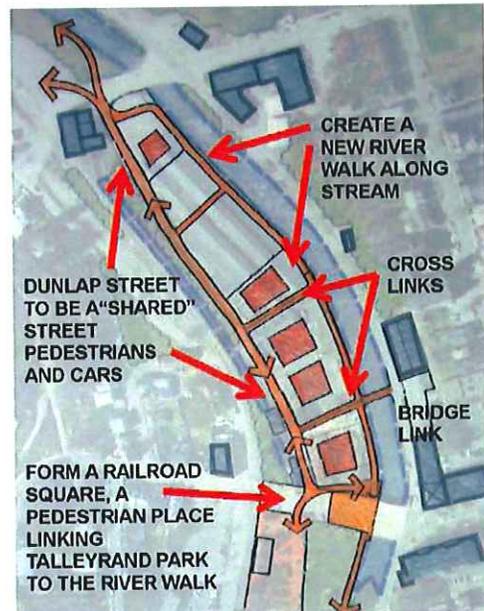
**Talleyrand Park**

**CREATING LINKAGES: CREATING A SENSE OF PLACE**

Additional linkages include streetscape improvements that create wonderful public space and provide a pedestrian passage ways. These improvements include the construction of a pedestrian only passage way on Dunlap Street, as well as cross links between development parcels. A Railroad Square at High Street will provide a pedestrian place that also serves as a link to Talleyrand Park and to the River Walk.



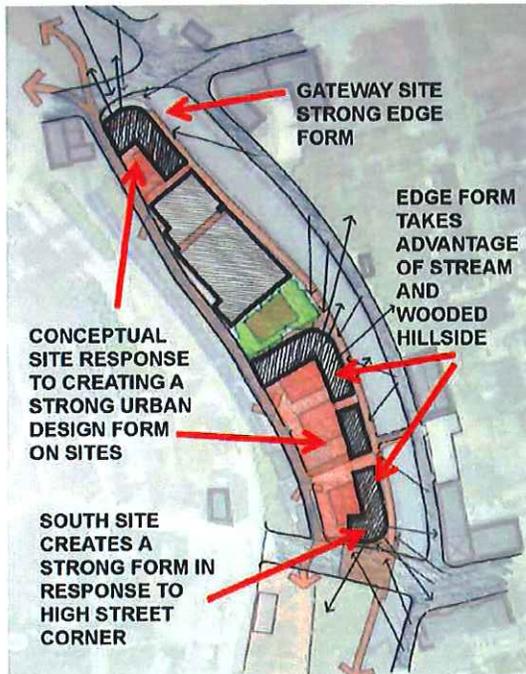
**URBAN FORMS**



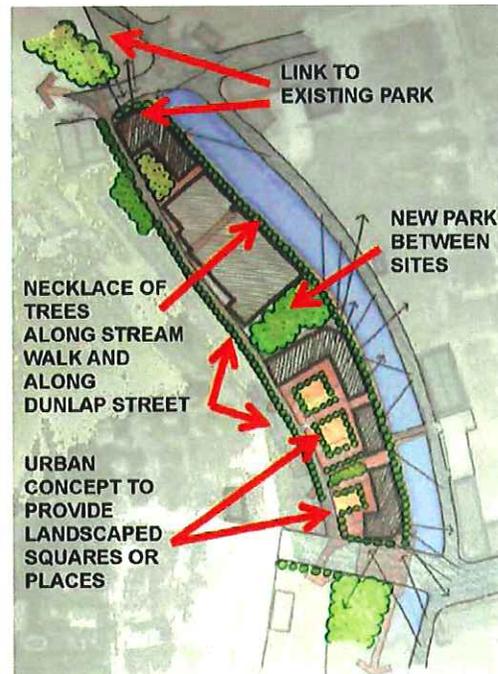
**PLACES & LINKS**

**ADDING AMBIENCE WITH LANDSCAPING**

Trees and other green amenities will be added to provide green corridors, landscaped squares, and a new park between the redevelopment parcels. Street trees will add ambience to the site, create additional linkages, and provide shade in the summer. The trees will also be used to define the public space.



**URBAN FORM**

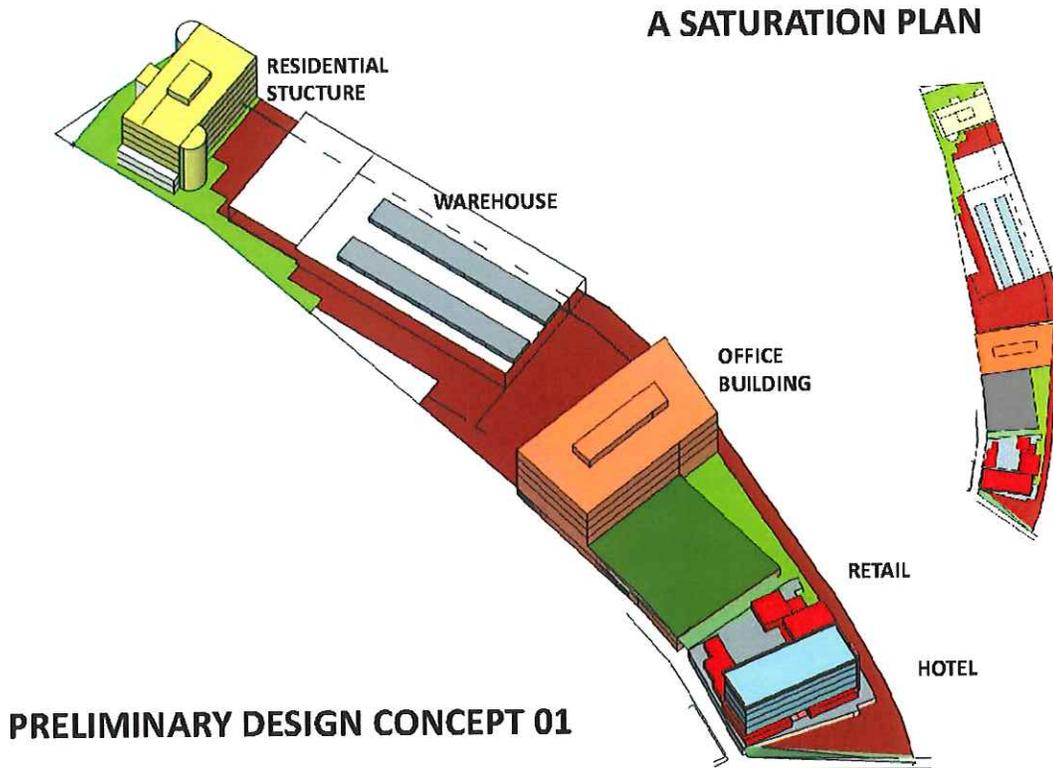


**LANDSCAPE CONCEPT**

**REVITALIZATION MASTER CONCEPT PLAN**

The revitalization master concept plan provides for redevelopment opportunities, flood mitigation and public amenities. The Plan builds upon the natural assets of the Borough such as the Talley Rand Park and Spring Creek, and creates additional opportunities to accentuate these resources. Dunlap Street would become a pedestrian walkway open to service vehicles only. An 18 foot River Walk easement along Spring Creek is proposed in order to provide a public amenity and to protect Spring Creek from the proposed redevelopment. Other easements include:

- On site easements to alleviate flooding. These would extend across each of the three properties between the River Walk and Dunlap Street.
- Park easement on the center of the site to provide a public amenity and natural erosion control
- Walkway easement at High Street between Talleyrand Park and the River Walk.



**SATURATION CONCEPTS**

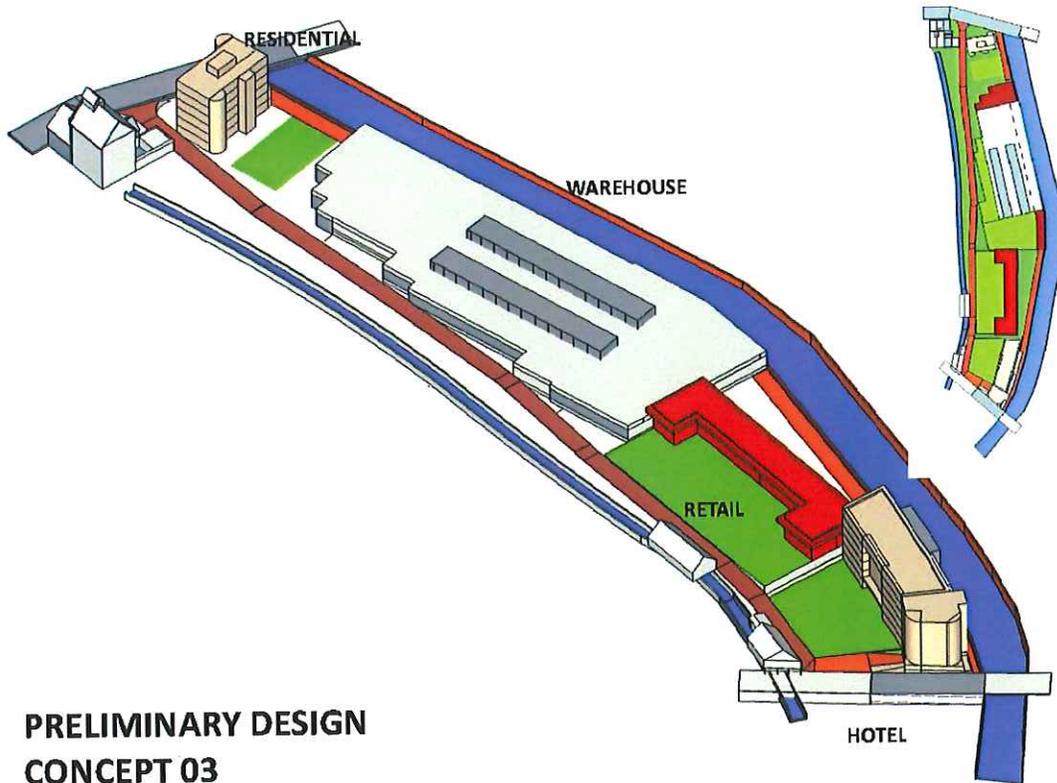
The following images depict how the uses recommended from the market assessment can appropriately fit onto the revitalization site. The images are for illustration purposes. It is recommended the Borough move forward with one overall development plan in order to maintain the integrity of the redevelopment plan.

**CONCEPT ONE**

In the first concept a residential structure is positioned as the Lamb Street Gateway. The warehouse is left intact. An office building with public space would be the central focus point. A hotel would be located at the High Street location. Located adjacent to the hotel would be new retail space.

**CONCEPT TWO:**

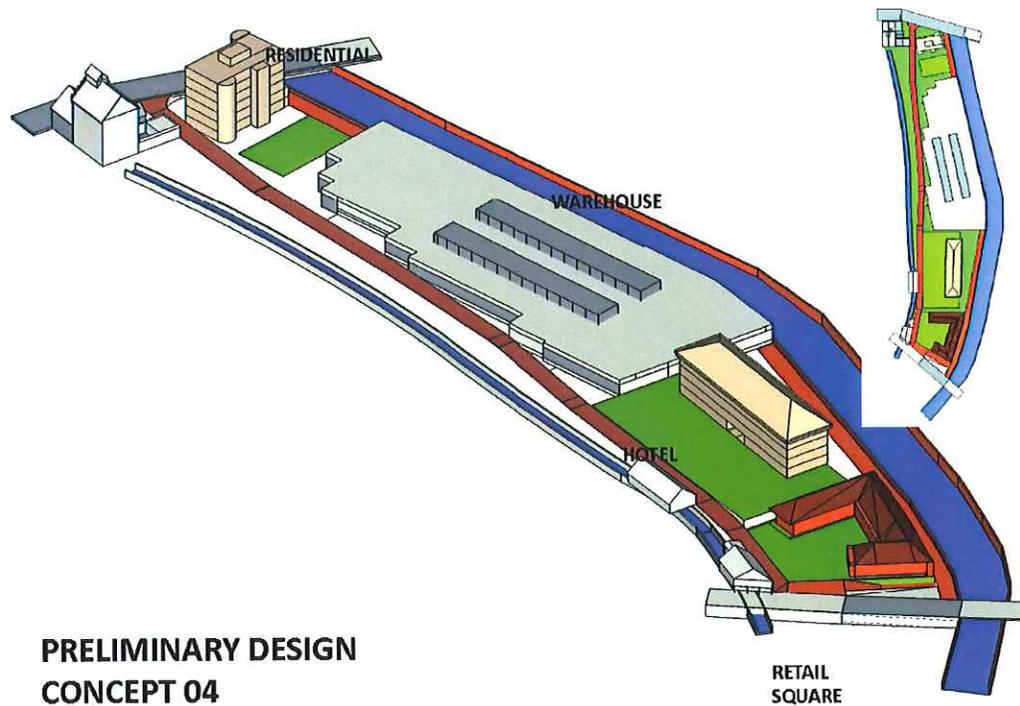
Concept two also provides for the residential/office space to be the anchor on Lamb Street, a larger retail space would become the central focus point of the site, and a hotel would provide the anchor on High Street.



**PRELIMINARY DESIGN  
CONCEPT 03**

**CONCEPT THREE**

The third concept creates a larger retail footprint on the High Street side of the revitalization site. The hotel then becomes the central focus of the site, and the residential/office building would remain as the Lamb Street anchor.



**PRELIMINARY DESIGN  
CONCEPT 04**

**WATERFRONT DISTRICT CONNECTION TO THE DOWNTOWN COMMERCIAL CORE**

A critical element in establishing a vibrant waterfront district is the integration of the uses and activities promoted within the District, with the established commercial core along High and Allegheny Streets. The key to success will be to create a symbiotic relationship between the two areas that will promote the greater Bellefonte downtown experience. While each area will undoubtedly attract uses that differ from each other, the Borough should actively recruit uses and activities that will be complementary to the two districts.

Development of the waterfront district will include, among other uses, both a mix of office/residential construction and a hotel (discussed below). These particular uses will provide the necessary ingredient for an effective redevelopment strategy: people. Both the transient population created by the hotel and offices and the permanent population created by the mixed use development bring people to the area. In both instances, these people will have needs that will be served by establishments both in the immediate area as well as the core business area.

The primary physical connection between the waterfront district and the commercial core lies at the intersection of High and Water Streets. An inviting gateway to both areas can be created at this location with the use of streetscape enhancements such as lighting and improvements to the pedestrian crosswalks at the intersection.

**STREETSCAPE ENHANCEMENTS, INTERSECTION OF HIGH AND WATER STREETS**



The image to the left is an example of the recommended streetscape treatment for the intersection of High Street and Water Street. The streetscape enhancements would include a circular crosswalk, pedestrian lighting, benches, and other amenities that not only provide a safe and appealing intersection, but would also serve to connect the Waterfront District and the core business area of Bellefonte.

**PEDESTRIAN RIVER WALL AND RIVER WALK**

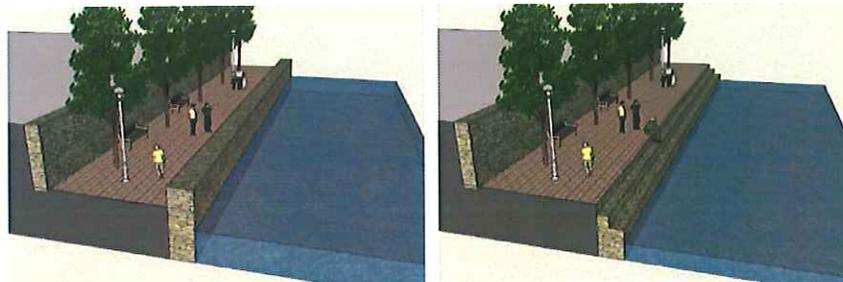
The presence of Spring Creek within the waterfront district provides a focal point to attract activity and people to the site. This amenity can be used to maximize the market potential in the district. However, this amenity also brings the challenge of incorporating physical design elements that address the periodic flooding of the creek. Two solutions are recommended that will improve the safety and image of the waterfront district, making it more appealing for development.

**RIVER WALL**

A river wall currently exists along the bank of Spring Creek in the waterfront district. The structure is old and is showing signs of significant deterioration. The appearance and effectiveness of the existing wall are both well below what is needed at the site. It is recommended that a new wall be constructed along the stream from High Street to the upper point at the intersection of Water and Lamb Streets. It is important to understand that the wall will not be a flood protection device and that it cannot and will not provide protection from periodic flooding. It will, however, when combined with the proposed riverwalk, be designed to accommodate overbank flooding without causing serious devastation to the surrounding properties.

**RIVER WALK**

It is recommended that a river walk be constructed along with the river wall. The river walk will be designed to provide dual benefit to the borough. First, the river walk design will work with the river wall to further facilitate conveyance of floodwaters without causing major damage to adjoining properties. Additionally, the presence of a river walk in the waterfront district can serve as a pedestrian link along the waterfront and to connect with the downtown commercial core and Tallyrand Park. It will be a focal point of interest which will attract people and activity to the area.



## HOTEL DEVELOPMENT

Research has validated that the Bellefonte market will not support a large hotel. It can, however, support a hotel facility that will accommodate community needs and visitors who are attracted to Bellefonte. The primary sources of visitors to Bellefonte include those who participate in activities related to the presence of Spring Creek, including fly fishing and kayaking, and visitors to the American Philatelic Society. In addition, there is a market opportunity to take advantage of the overflow of visitors coming to the area for Penn State-related activities, and other events such as the Central Pennsylvania Festival of the Arts, held in State College each summer.

The type of hotel that will best meet these needs is a boutique hotel that provides adequate meeting space to meet local needs, accommodates the needs of visitors to Bellefonte, and is designed to reflect the historic character of the community.



EXISTING SITE



BOUTIQUE HOTEL

## OFFICE AND RESIDENTIAL DEVELOPMENT

It is recommended that the Waterfront District encourage a vibrant mix of both office and residential construction. Generally, this mixed residential development has office space along the street level or lower floors of a structure and accommodates residential development in the floors above. The advantages of such development are two-fold. The office development provides daily workers who will shop and support the businesses of Bellefonte, and the residences will provide a permanent resident body that will not only support area businesses but will also add the human touch to the waterfront district and contribute to a more vibrant area.



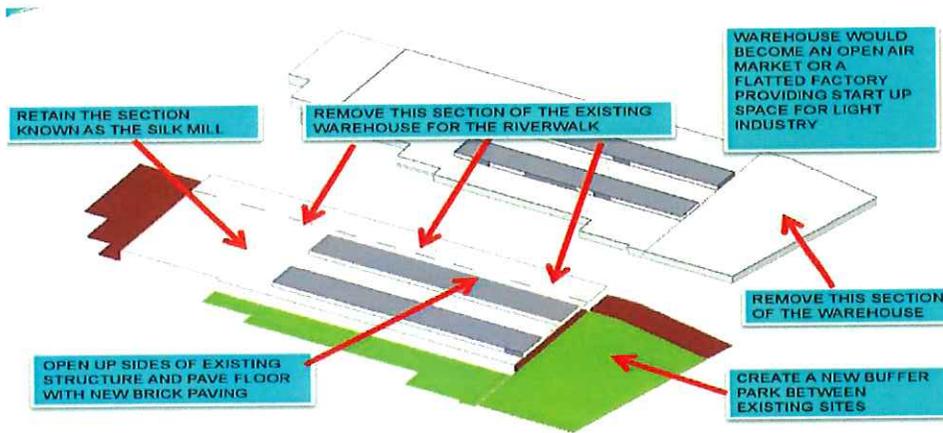
EXISTING SITE



MIXED USE – OFFICE, RESIDENTIAL, RETAIL

## OPEN AIR FARMERS MARKET

One of the often-stated wishes of local residents was the desire to have a farmers market where fresh products could be obtained. The following renovations to the silk mill are recommended to accommodate that need.



- Remove a section of the structure not original to the building to create a buffer park
- Remove a section of the building to accommodate the riverwalk
- Remove the sides of the building to accommodate the open air farmers market

The following photos demonstrate the potential to achieve the farmers market in the existing silk mill facility.



EXISTING FACILITY



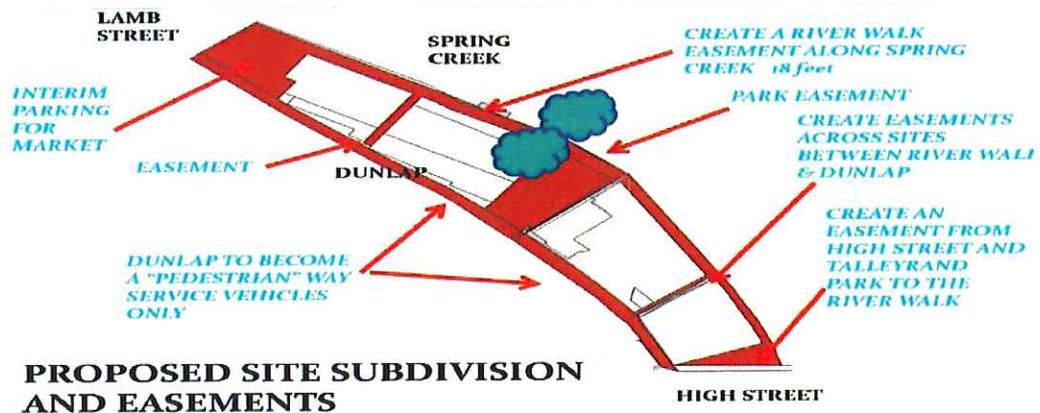
PROPOSED FARMERS MARKET

## IMPLEMENTATION AND FUNDING STRATEGY

Based upon the analysis of the existing conditions within the waterfront district, market assessment analysis, and public input gathered during the planning process, the following recommendations have been developed to help guide Bellefonte Borough in its ongoing efforts to implement and achieve the vision to create a vibrant, economically viable waterfront district that will provide the opportunity to create jobs and contribute to the quality of life for residents of the community.

### IMPLEMENTATION STRATEGIES

*BELLEFONTE BOROUGH MUST ACQUIRE PROPERTY FOR A RIVER WALL, A RIVER WALK, A POCKET PARK AND MAINTENANCE EASEMENTS FROM CURRENT PROPERTY OWNERS.*



The primary concern facing private development within the waterfront district is its location within the floodplain. Overcoming this challenge will cost potential developers significant investment of time and money. If the Borough has control of the required sites and easements to construct the flood wall, river walk, and pocket park, it will be able to more effectively market the opportunity to the development community.

*BELLEFONTE BOROUGH SHOULD WORK WITH LOCAL, STATE AND FEDERAL FUNDING AGENCIES TO SECURE PUBLIC FUNDING TO ACQUIRE PROPERTY AND TO CONSTRUCT THE RIVER WALK AND OTHER PEDESTRIAN AMENITIES WITHIN THE WATERFRONT DISTRICT.*

Property acquisition and construction represent significant investment that is necessary to achieve the vision for the waterfront district. In order to leverage the efforts the Borough has made to date and to implement the Waterfront District Revitalization Plan, it will be necessary to leverage public investments into the project for infrastructure improvements. The planning team has prepared a funding matrix as part of this report that outlines potential state and federal funds that may be accessed to support these infrastructure projects.

*BELLEFONTE BOROUGH SHOULD WORK IN COLLABORATION WITH BELLEFONTE SCHOOL DISTRICT AND CENTRE COUNTY TO ADOPT A TAX ABATEMENT PROGRAM TO PROVIDE FINANCIAL INCENTIVES TO PROPERTY OWNERS FOR FUTURE REDEVELOPMENT IN THE WATERFRONT DISTRICT.*

In order to achieve the vision for the future development of the waterfront district and to realize the benefit to the entire community, it will be important for the Borough to work in cooperation with the local school district and county government to develop innovative solutions to attract development to the waterfront district. One valuable tool that can be utilized is to adopt a tax abatement program that will provide an incentive to property owners for development. With this tool in place, the Borough will be positioned to be proactive in offering realistic, value-added incentives to spark development projects.

*BELLEFONTE BOROUGH SHOULD CONSIDER ADOPTING AN OVERLAY ZONING DISTRICT THAT WILL PROVIDE DESIGN STANDARDS AND DEVELOPMENT INCENTIVES IN THE WATERFRONT DISTRICT.*

By incorporating an overlay zoning district, design guidelines and regulations can be tailored to the waterfront district in order to achieve the desired mix of uses and to ensure that new development in the area will be reflective of the historic character of the downtown. Additionally, the Borough can offer incentives such as density bonuses for decreased lot coverage or increased building setback distances. These incentives are tools that can be used to achieve the community's objectives without causing undue hardship to the property owners.

*BELLEFONTE BOROUGH SHOULD IMPROVE PEDESTRIAN CONNECTIONS BETWEEN THE WATERFRONT DISTRICT AND THE CORE BUSINESS DISTRICT IN ORDER TO CREATE SAFE AND CONVENIENT ACCESS BETWEEN THE TWO DISTRICTS.*

In order to achieve the desired connectivity between the waterfront and core business districts, it must be safe and inviting for pedestrians to travel between the two. Current conditions at the intersection of High and Water Streets include high vehicular traffic, and pedestrian connections between the waterfront district and the core business area are currently hazardous, at best. Addressing this condition is critical to the successful redevelopment of the waterfront district.

*BELLEFONTE BOROUGH SHOULD EXPLORE UTILIZING APPROPRIATE TRAFFIC-CALMING TECHNIQUES TO ENSURE A SAFER PEDESTRIAN ENVIRONMENT.*

Traffic calming refers to the overall effort to slow down the speed of traffic traversing an area. This recommendation goes in conjunction with the recommendation above and is an additional step to be pursued in improving the pedestrian climate within the Borough.

*BELLEFONTE BOROUGH SHOULD WORK COLLABORATIVELY WITH LOCAL PROPERTY OWNERS IN THE WATERFRONT DISTRICT TO ACHIEVE A UNIFIED VISION FOR THE BOROUGH.*

The waterfront district consists of multiple parcels of land with multiple property owners. In order to create a cohesive development plan, it is important for the Borough to have clear communications with the property owners in the waterfront district.

**FUNDING RESOURCES**

A number of public resources for funding are available to assist the Borough and private developers to leverage their investment into the revitalization and redevelopment of the waterfront district. The following funding matrix describes a number of state and federal funding resources that may be utilized for waterfront district improvements.

POTENTIAL FUNDING SOURCES BELLEFONTE BOROUGH							
PROGRAM	GRANT / LOAN	ADMINISTERING AGENCY	STATE/FEDERAL	ELIGIBLE APPLICANTS	USES	AMOUNT	NOTES
Tax Increment Financing (TIF) Guarantee Program	Loan	Pennsylvania Department of Community and Economic Development (DCED)	State	All municipalities and their authorities, including boroughs, townships, towns, counties, and home rules that issue TIF bonds to fund local economic development projects.	Infrastructure and environmental projects for industrial enterprises and retail establishments; infrastructure, environmental, and building projects for manufacturers, hospitals, convention centers, and associated hotels; utilization of abandoned or underutilized industrial, commercial, military, or previously mined institutional sites or buildings; or undeveloped sites planned and zoned for development in accordance with any existing comprehensive municipal plan.	Maximum guarantee amount per project is \$5 million.	Project must be located in a blighted area (containing the characteristics of blight as described in the Urban Redevelopment Law); located within a TIF district; located on previously utilized property or on undeveloped property that is planned and zoned for development.  Project must demonstrate its ability to comply with the TIF law prior to the issuance of bonds or other indebtedness.  Applicants must show that the revenue to be realized as a result of the project will be sufficient to offset the amount of the debt service.  Businesses or private developers must agree to create a certain number of permanent full-time jobs within the TIF district.



POTENTIAL FUNDING SOURCES BELLEFONTE BOROUGH							
PROGRAM	GRANT/LOAN	ADMINISTERING AGENCY	STATE/FEDERAL	ELIGIBLE APPLICANTS	USES	AMOUNT	NOTES
H2O	Grant	Pennsylvania Department of Community and Economic Development (DCEd)	State	The Commonwealth of Pennsylvania; a board, commission, or other agency or officer of the Commonwealth which is not subject to the policy, supervision, and control of the Governor; municipalities - includes any city, township, borough, town, county, or home rule; and municipal authorities - includes any authority created by a municipality pursuant to the Act known as "the Municipal Authorities Act".	Construction, improvement, repair, or rehabilitation of all or part of a flood control system. Types of flood control projects may include channel improvements, compacted earth levees, concrete channels, concrete floodwalls, detention dams, non-structural measures, or any combination of these project types. Major repairs or rehabilitation of an existing flood protection project would also be eligible.	Grants shall not exceed a total amount of \$20 million.  H2O PA funds may be used for any of the following project costs: 1. Construction, improvement, expansion, repair, or rehabilitation of all or part of a flood control system. 2. Installation of security measures. 3. Engineering costs. 4. Inspection costs. 5. Permit fees. 6. Costs to secure appropriate bonds and insurance. 7. Administrative costs of the applicant that are necessary to administer the H2O PA grant.	All recipients of H2O PA funding are required to demonstrate in the application that the project has secured planning and permit approvals from the federal, state, and local governments and that the project generally is in compliance with county or local comprehensive plans, as evidenced by a letter from the appropriate local planning agency.



POTENTIAL FUNDING SOURCES BELLEFONTE BOROUGH							
PROGRAM	GRANT/LOAN	ADMINISTERING AGENCY	STATE/FEDERAL	ELIGIBLE APPLICANTS	USES	AMOUNT	NOTES
Redevelopment Assistance Capital Program (RACP)	Grant	Governor's Office of the Budget	State	Local government authorities and economic development agencies.	Grants awarded for site preparation, site infrastructure, and facility construction for projects that provide substantial economic benefits.  Eligible uses: site prep, site infrastructure, facility construction.	\$500,000 to \$25,000,000	Projects must first be authorized through a Capital Budget Itemization Act. State RACP borrowing limit may need to be increased.  Governor must approve release of most funds. Each legislative caucus controls use of some RACP Funds.  Prevailing wage will apply.  Very political process.
Community Development Block Grant (CDBG)	Grant	Pennsylvania Department of Community and Economic Development (DCED)	State	Two components: entitlement program which provides annual funding to designated municipalities, competitive program available to all non-federal entitlement municipalities	Housing rehabilitation, public services, community facilities, infrastructure improvement, development, and planning.	Entitlement funding is set by formula.  Competitive program - \$500,000 maximum.	Project requires 1:1 match.  70% of each grant must be used for activities that benefit low- and moderate-income persons.



**DEVELOPMENTS POST PLANNING PROCESS**

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A number of developments have occurred since the planning process was complete in March of 2010.

**TALLEYRAND PARK EXPANSION**

The project includes a new walking path, lighting, benches, landscaping and a railroad crossing, connecting the park to the Match Factory. The expansion will add an additional 2.75 acres to the park.

A new bridge will also be installed. The handicapped-accessible bridge was donated by Penn State and delivered by Glenn O. Hawbaker. The bridge connects the park expansion to the sculpture garden behind Big Spring.

The vision for the expansion project began in the late 1990's. The borough received two state grants to fund the expansion.

**PRIVATE DEVELOPMENT**

Due to the revitalization planning process, a number of new private developments are in the preliminary stages of discussion. The developments are located within the Waterfront District.

# *Waterfront District Revitalization Plan*

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## *Addendum*

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*November, 2011*

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 **Skye  
Limited  
LLC**  
P.O. Box 712  
Bellefonte, PA 16823

*Bellefonte Borough  
Bellefonte Area Industrial  
Development Authority  
236 West Lamb Street  
Bellefonte, PA 16823*

## Addendum – November, 2011

### Introduction

Over the past three years, following the devastating destruction by fire of the Bush House Hotel, Bellefonte Borough has actively pursued the redevelopment of the waterfront district. Between July, 2009, and May, 2010, the Borough contracted with Delta Development Group, Inc. (Delta), to prepare a revitalization plan for the area located between High Street, Dunlap Street, Lamb Street, and North Water Street. This area forms the heart of the waterfront district and for the purpose of this report will be referred to as the project site.

Delta's revitalization plan sought input from the community at large, local business owners, government agencies, and affected property owners. Ultimately, the plan made several recommendations for the development of the project site. Key components to the project from Delta's report are:

- A river walk park area along Spring Creek to connect Talleyrand Park with Krauss Park
- A boutique hotel on the former Bush House Hotel site
- Retail and office development on the central portion of the project site
- Residential medium and/or high density housing at the northern end of the project site
- Conversion of Dunlap Street to a pedestrian way with access between the various facilities on the project site

Concurrent with preparation of the revitalization plan, the Borough applied for a Redevelopment Assistance Capital Program (RACP) grant. The stated purpose of the RACP grant was to obtain the property associated with the revitalization plan and the construction of flood mitigation measures which would allow for redevelopment of the property. The grant was approved and made available to Bellefonte Borough in July, 2011. A key condition of the RACP grant is the requirement that the properties associated with the project come under the direct control of the Borough or the Bellefonte Area Industrial Development Authority (BAIDA) within six months of approval of the grant. If BAIDA cannot obtain the properties within the time period, the grant funding is withdrawn by the state.

In August, 2010, the Borough reactivated the Bellefonte Area Industrial Development Authority (BAIDA) to oversee revitalization of the project site. As stated above, key to the project is the purchase of the three properties which make up the site. BAIDA began the process of negotiating the purchase of the properties with the respective owners. After a year of negotiations, two of the three property owners have indicated they are not willing to sell their property to BAIDA.

Within this framework, BAIDA has now arrived at a critical point in the revitalization project.

**Purpose**

The purpose of this addendum is to revise the Delta revitalization plan of May, 2010. In a special meeting of BAIDA on October 19, 2011, the Authority Board voted unanimously to make revisions to the revitalization plan which addresses the inability to reach sale agreements with two of the three property owners of the project site. The goal of BAIDA is to preserve the project to the greatest extent possible, prevent the loss of the RACP grant funds, and provide as many positive benefits to the community as a whole.

**Property Acquisition**

There are three parcels which make up the project site (from south to north along Spring Creek):

1. Kenneth P. and Susan K. Kempton; Deed Book Volume 828, Page 1006; Tax Map ID 32-302-87; commonly referred to as the Bush House Hotel or Kempton parcel
2. The Ham Store Inc.; Deed Book Volume 751, Page 466; Tax Parcel ID 32-302-84; commonly referred to as the Supina parcel
3. Belljay Corp.; Deed Book Volume 915, Page 986; Tax Parcel ID 32-302-83; commonly referred to as the Cerro Building or Silk Mill parcel

A sales agreement has been reached with Belljay Corp. for the purchase of Silk Mill parcel. BAIDA expects to take possession of the property in early 2012.

BAIDA has been unable to reach sales agreements with the owners of the Kempton and Supina Parcels.

Due to the provisions of the Property Rights Protection Act, added to Pennsylvania’s Eminent Domain Code in 2006, it may not be legally permissible to utilize eminent domain to acquire the Kempton and Supina parcels and then allow a private developer to construct a boutique hotel on the site.

**Summary of Technical Issues**

The project site is located entirely within the 100 year floodplain of Spring Creek. The 100 year floodplain represents a regulatory boundary which is established and enforced by the Federal Emergency Management Agency (FEMA). The FEMA Flood Insurance Study (FIS) presents a summary of the technical study and calculations utilized by the agency in developing the Flood Insurance Rate Map (FIRM) for the community.

Federal, state, and local regulations impose requirements for development within the 100 year floodplain. These regulations prevent development of the project site unless measures are taken to

prevent any negative impacts upstream, through, and downstream of the property. In practice, it is very difficult for private enterprises to obtain the required permits for development within the 100 year floodplain.

The revitalization plan prepared by Delta presented several alternatives to mitigate flooding of the project site. Each of these alternatives was based on the assumption all of the properties associated with the project site would be purchased by the BAIDA and the site redeveloped. This assumption allowed for flood mitigation measures which would protect the entire project site.

BAIDA has been unable to reach sales agreements with two of the three property owners at the project site. One of the property owners has indicated they would be willing to enter into an agreement which would allow only for construction of flood mitigation measures along Spring Creek. This situation presents unique issues for each of the flood mitigation alternatives presented in the Delta revitalization plan.

Alternative 1, Placement of Fill, presented in the Delta revitalization plan would not be a workable flood mitigation measure for this situation. The alternative would require 4 to 8 feet of fill be placed across the parcels in order to raise them above the 100 year flood elevation. If the flood mitigation measure is limited to a right-of-way along Spring Creek, this creates a levee or flood wall type situation. The parcels would not be protected and would continue to be subject to flooding.

During minor flooding events the Kempton and Supina parcels would face the issue of how to discharge stormwater from their properties. Currently stormwater from both properties runs off directly into Spring Creek. By placing fill just along Spring Creek, stormwater would no longer be able run off directly into the stream. Each parcel would require a discharge structure which would collect stormwater and convey it to Spring Creek. Any such structure would require direct operation during any rainfall or minor flood event. This would impose permanent operational issues either on the property owner or the Borough. It would also expose the property owners and the Borough to liability issues in the event the discharge structure was not properly operated or failed. In addition, during larger flood events, there would be extended periods of time during which the discharge structures would not be able to be operated, resulting in flooding of both properties.

Alternative 2, Structure Elevation, from the Delta revitalization plan assumes the project site will be redeveloped. New construction would utilize piers to raise the buildings above the 100 year flood elevation. This alternate provides no flood mitigation for the parcels in their existing state. It requires special construction techniques which enable the buildings to withstand flood forces. And it does not remove the need for flood insurance.

Alternative 3, Floodwall/Levee, as described in the Delta report is essentially the situation created by implementation of Alternative 1. All the issues described in Alternative 1 apply to this flood mitigation measure.

Alternative 4, Flood-proofing/Floodgates, was eliminated by the Delta report due to long term operations and maintenance issues as well as aesthetic issues. Due to the complicated nature of their use, the flooding patterns at the project site, and the inability to reach sales agreements with two of the property owners, it is the professional opinion of this firm that this type of flood mitigation measure is not a viable alternative.

Pursuing an alternative of acquiring only as much land as needed to construct flood mitigation measures along Spring Creek is not a viable alternative from a technical viewpoint. Dependent on the selected flood mitigation measures, this alternative leads to additional stormwater ponding and flooding issues on the parcels, creates long term operations and maintenance issues, exposes all parties to liability issues, and fails to provide for the revitalization of the project site.

### Revisions

The revitalization plan prepared by Delta envisioned a riverfront walk park stretching from High Street to Lamb Street. The riverfront walk park would incorporate flood mitigation features which would remove the remainder of the project site from the 100-year floodplain. This would permit development of the project site with the construction of a hotel, retail and office buildings, and medium/high density housing.

Revisions to the Delta revitalization plan center on the Kempton and Supina Parcels. These two parcels will be developed as public park and parking areas. The riverfront walk park and its flood mitigation measures will be constructed as described in the original plan on both of these parcels as well as the adjoining Silk Mill Parcel.

Based on the above revision to the Kempton and Supina parcels, the following alternates are proposed:

#### Alternate 1.

- Construction of a hotel in the current Talleyrand Park on the south side of High Street, bounded by the plaza in front of the train station and Spring Creek
- Construction of medium/high density housing and/or retail/office units on the Silk Mill parcel

#### Alternate 2.

- Construction of a hotel on the public parking lot at the corner of West High Street and South Potter Street, essentially off of the project site but close enough in proximity to be a contributing factor to the revitalization
- Construction of medium/high density housing and/or retail/office units on the Silk Mill parcel

Alternate 3.

- Construction of a hotel on the Silk Mill parcel
- Construction of medium/high density housing and/or retail/office units on the public parking lot at the corner of West High Street and South Potter Street

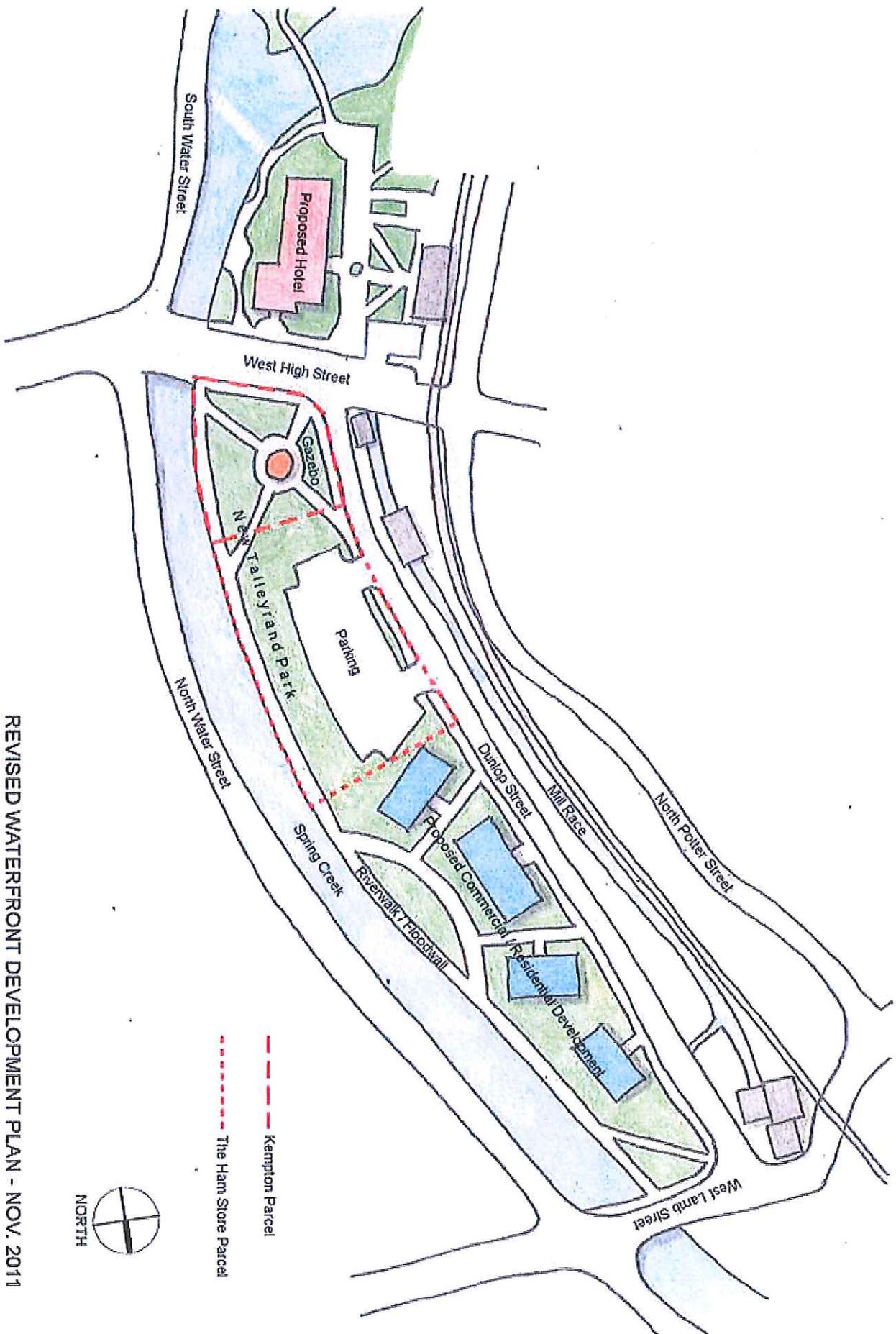
All of the revised alternates assume Dunlap Street will remain open as a public street to provide access to the public park and parking areas on the Kempton and Supina parcels as well as the selected development for the Silk Mill Parcel.

Other proposed components to the changes identified above include:

- Pedestrian crossing on West High Street to connect the existing Talleyrand Park with the new park area on the Kempton and Supina parcels and the riverfront walk park
- Pedestrian crossing on West Lamb Street to connect the riverfront walk park with Krauss Park
- Revised streetscapes for West High Street and West Lamb Street including the intersections with Water Street

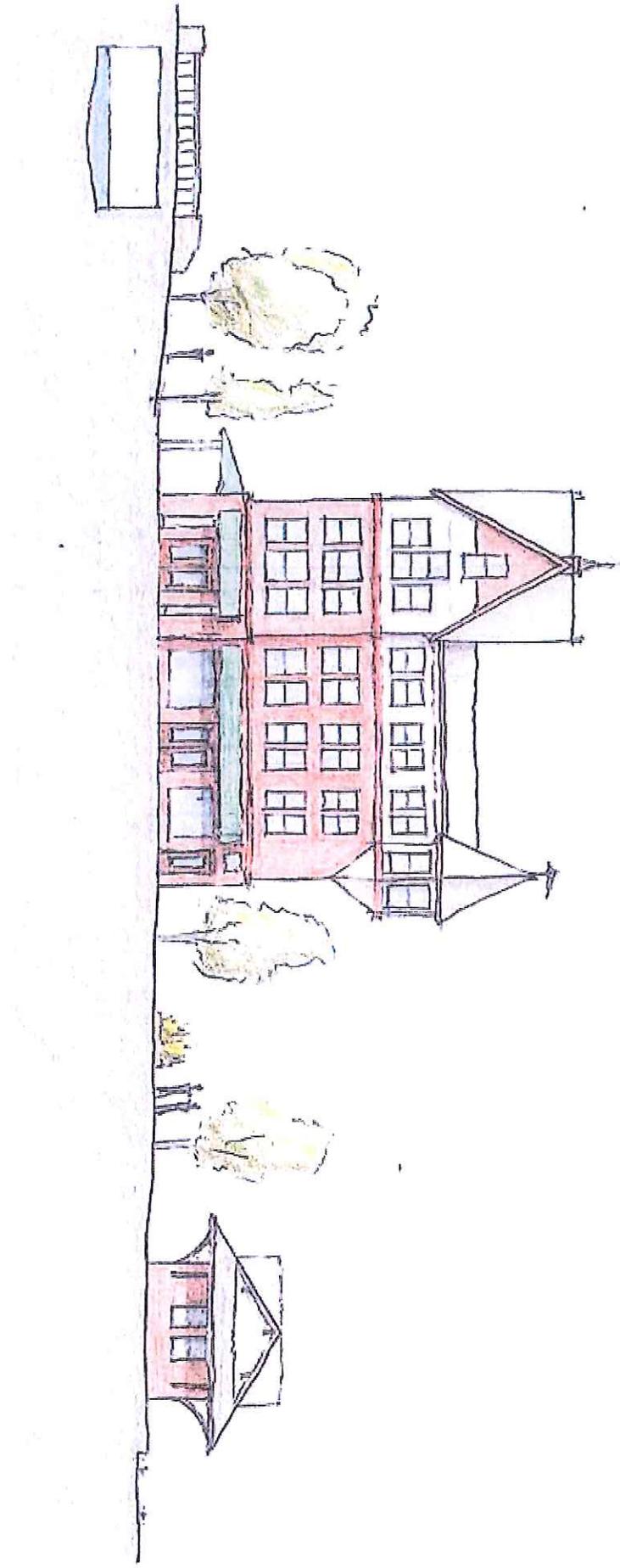
**Sketches**

The attached sketches are provided to illustrate the changes to the initial general layout presented in the Delta revitalization plan of May, 2010.



REVISED WATERFRONT DEVELOPMENT PLAN - NOV. 2011





Proposed Hotel on the Current Talleyrand Park Site - View From West High Street