

**BELLEFONTE BOROUGH
INDUSTRIAL DEVELOPMENT AUTHORITY
REORGANIZATION AND REGULAR MEETING MINUTES**

**February 13, 2019 6 p.m.
236 West Lamb Street, Bellefonte, PA 16823
www.bellefonte.net**

Members:

Mr. Gregory Wendt
Mr. Matthew Hill
Mr. Frank Halderman
Mr. Michael Scott
Mr. Ray Fisher
Mr. Donald Holderman, Assistant Borough Manager

Excused:

Rodney Beard, Esquire, Solicitor

Staff:

Mr. Ralph Stewart, Borough Manager

Guest:

Joanne Tosti-Vasey, Council Chair

The February 14, 2019 Bellefonte Industrial Development Authority Meeting was called to order at 6 p.m. by Mr. Hill.

MINUTES FOR APPROVAL:

Mr. Halderman moved to approve the January 9, 2019 IDA Meeting Minutes, as amended;
Mr. Wendt seconded the motion;
Motion carried.

PUBLIC COMMENT:

Ms. Tosti-Vasey inquired about arranging for a walk through of the armory property.

FINANCIAL REPORT:

Monthly Financial Report

Mr. Holderman offered that last month the balance was \$245,104.15 and this was the first month that principal and interest was paid to Northwest. That payment was \$30,331.67 for principal and \$5,272.00 for interest paid in February. \$209,452.36 is the current balance.

Approval of Beard Invoice 20516 for \$97.50 and \$20523 for \$350.00.

**Mr. Halderman moved to approve the Beard Law invoices
Mr. Wendt seconded the motion;
Motion carried.**

OLD BUSINESS:

Change in Terms of the Agreement of Sale for the Waterfront Property

The settlement date was changed from January 21 to April 22, 2019. Mr. Beard reviewed the documentation. The closing has been pushed off due to some errors in the paperwork. Construction will most likely not occur until fall. Mr. Stewart stated that the grant still has not been awarded. This should have happened in January but was delayed.

Council approved the application submission of the R-Cap grant and Delta is working with Songer to apply for the grant. This is for a parking garage between the two buildings. A lot of things need to go into play to make everything feasible, i.e. County involvement. The Borough would be partial owner, per Mr. Stewart.

Delta would be putting the grant together and it would be put in the Borough's name. The initial two-page submission was done and there will be another six months until the actual full application is submitted.

NPDES Permit Extension – Clean Water Act

The permit is effective January 7, 2019 through 2024. This extended the permit from 2019 to 2024. A payment for the extension may be able to be negotiated with the developer, per Mr. Holderman. This permit is required for any disturbance over one acre. This extension grandfathers in the development of the waterfront property wherein any new regulations would not apply.

NEW BUSINESS:

Jeff Siegler – Redevelopment Consultants, Downtown Redevelopment Services (via teleconference)

Mr. Holderman placed a conference call to Mr. Siegler at 6:15 p.m. Mr. Siegler gave a brief background of his experience with revitalization. He is expanding on his own with downtown revitalization.

He discussed buildings and real estate and preferred uses. He applauded the IDA on being more selective with the Armory property. He gave an overview of how important it is for property owners to understand how real estate works and project feasibility. He also spoke about having the right fit for a development at the Armory site and how it would be able to fit into the community needs.

He discussed important factors like project feasibility, costs, and income return. He discussed community support as well and favorable impacts on the community.

Mr. Hill inquired about the product that the IDA would be purchasing if his services were taken on. A feasibility study would be done to come out and see the site and meet with some key people to get an idea of what project would be supported at the location; market data would be reviewed to see community needs. The second step would be to put some numbers on paper to see actual construction, project costs, etc. Developers would be identified to come in via R.F.P. to try to take the next step to get a developer to validate. The third step would be to try to obtain a project manager. Mr. Hill stated that one of the problems that the IDA has had, is finding an individual to commit to finding a buyer and putting effort and salesmanship into finding the buyer. A realtor had been hired and nothing had happened with the property. It is not known how much effort went into the marketing of the parcel.

Mr. Siegler stated that a property like the armory is sometimes hard to market as it will not be of interest to a typical developer with the historical structure constraints. He said that his company would be able to assist with this by doing the feasibility study and would be able to narrow the developers down that would be willing to do a project with a property of this type.

Mr. Hill inquired about the cost of the feasibility study. Mr. Siegler stated that it would be approximately \$3,500 for the feasibility work and study. Mr. Hill inquired whether he would recommend the feasibility study to developers that Mr. Siegler has contacts with, or would the Borough be responsible for hiring a realtor to make those contacts. Mr. Siegler stated that there are certain channels and networks that may have more luck than others. A local realtor may not have the resources to tap into that would yield a potential buyer. He stated that the IDA would be free to reach out to someone if they saw fit.

Mr. Halderman offered that the land has been for sale for several years and he does not think that the Borough of the IDA has the funds to develop the parcel. He stated that there has been interest in the property that did not work out. The IDA wants someone to come in to develop that property and pay taxes and put people to work. The IDA is looking for someone to put the product out there and speak with some developers to get their interest up and see what they would like to do with it. Mr. Siegler offered that other similar properties have been developed into outdoor/recreational retail and brewery. If it is demonstrated that there is a need for a type of use there are better prospects to seek out.

Ms. Tosti-Vasey inquired about the levels of service. Mr. Siegler stated that it would not necessary require all three components. She also inquired about public and private businesses and the tax roll. She asked if the feasibility study would cover these types of investment potential. She stated that a non-profit or community-based development would not help the tax base that is needed in the Bellefonte. Mr. Siegler stated that there are different avenues to explore, not just community uses. This can be covered in the feasibility study.

Mr. Wendt stated that the IDA did not get connections with developers that would be properly fitted for the armory property. The realtors just brought people in, and nothing was specific to the historical nature of the property. He offered that the IDA would need to rely on Mr. Siegler's expertise and experience for developers in this type of space.

Mr. Hill discussed what the next steps would be, i.e. if this project was desired to be taken on and if the IDA even wanted to go forward with a feasibility study. Mr. Siegler stated this company would be willing to take this project on. Mr. Siegler thanked the IDA members for their consideration.

Mr. Halderman suggested rezoning the parcel. He discussed a property he visited near Philadelphia - a large recreational area with soccer fields, and a large community building. He suggested perhaps rezoning it to residential and marketing a housing development with a kick back to pay the rest of the loan off and negotiate the historical buildings to be used for the community center.

Mr. Fisher opined that developers are scared to death of the historical structures that are on that parcel. They will need to invest in the building and they will not end up making any profit. There was some financial flexibility with tearing down the buildings. Ms. Tosti-Vasey stated she would be against this as they are on the National Historical Register.

Mr. Holderman offered that Mr. Halderman's idea was a good one. He often thought of combining all of the EMS services at the location and utilize the historical buildings. Bellefonte would assume the current fire buildings and put them all back on the tax rolls. There are a lot of ideas to look at. Mr. Scott offered that the property needs to be dealt with more proactively instead of reactively.

Mr. Holderman will contact Mr. Siegler for a breakdown and costs and services, should the IDA decide to hire him.

ADJOURNMENT:

With no further business coming before the IDA,

Mr. Fisher moved to adjourn the February 13, 2019 Bellefonte Industrial Development Authority meeting;
Mr. Wendt seconded the motion;
Motion carried.

Meeting adjourned at 7:00 p.m.