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FINAL REPORT

Economic Development Assessment of the Centre Region

Centre Region Council of Governments

Prepared For:

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INTRODUCTION: OVERVIEW OF REPORT GOALS

The objective of the *Centre Region Economic Development Assessment* is to prepare a series of recommendations and implementation actions that help define a cohesive regional economic development policy for the Centre Region. The report provides a series of recommendations that will be implemented over a number of years.

Since its formation, the Centre Region Council of Governments (COG) has not been an active participant in economic development issues or policy in the region. This Assessment is the first of its kind for the COG and it attempts to forge a better defined, and more comprehensive regional approach to economic development in the Centre Region. Currently, some municipalities have formed business associations or industrial development authorities to address individual needs. Others, such as the Borough of State College, have formed redevelopment authorities and downtown improvement districts to assist with specific development and redevelopment issues. These efforts have helped with individual municipal economic development goals, but do not address other gaps in the economic development system or practical implementation steps to achieve broader goals throughout the region.

To date, there has not been an organized attempt for municipal economic development efforts to be informed by regional economic development recommendations, strategies and goals. Likewise, economic development practitioners should be engaged in regional cooperation for coordinated economic development and growth in the region. Some the information collected for this assessment along with stakeholder interviews revealed many strengths in the region and many successful economic development endeavors. The information however, also revealed that in practice, the economic development process was, at times, perceived as being disjointed, inefficient, and often bureaucratic. It is important to build a path to economic success that embraces regional strengths and cooperation and recognizes what implementation actions can result in achieving the goals of the assessment.

The Economic Development Assessment is intended to broaden the approach and clarify the path to successful economic development activities in the region by addressing several specific areas where changes in existing practices could be improved to facilitate economic development. The Assessment does not establish a grand vision for economic development but does provide a series of steps to identify strategies and provide an implementation program to accomplish four tasks:

1. Encourage the reuse, redevelopment, or revitalization of underutilized properties in the region. This subtask should identify specific sites such as Hills Plaza, Westerly Plaza, Northland Center, West College and North

Atherton Corridors, or other commercial sites; industrial sites such as Corning, Murata Erie, and Rutgers-Nease; and corridors as may be identified by the COG. Include existing regulatory barriers to revitalization efforts and identify partnering opportunities for incentives, site improvements, or other methods to encourage redevelopment.

2. Identify the key economic, natural, cultural, and demographic trends of the region and prepare a list of businesses or business clusters that would leverage those trends to help create sustainable jobs over the next 30 years. Link those trends to strengths, such as education and research resources at Penn State University.
3. Identify ways to strengthen the working relationship between the COG, Centre Region municipalities, Centre County, and the CBICC and CCIDC, specifically to standardize how business prospects are tracked and how specific information is collected and released to attract potential business prospects.
4. Identify potential businesses, business clusters, or users for the high quality beneficial reuse water provided by the University Area Joint Authority (UAJA).

SECTION 1: SUMMARY OF PRELIMINARY RECOMMENDATIONS

From our initial observations, document review and key stakeholder interviews, BBP & Associates have initially identified 16 recommendations for inclusion in the Centre Region Economic Development Assessment. Twelve of the recommendations have been detailed in this document. The remaining four recommendations were determined to be related to economic development, but were beyond the scope of this project.

The recommendations in the Assessment are divided into short-term, mid-term, and long-term priority based on the definitions provided below:

Short-term recommendations either have significant or immediate impacts or serve as the foundation for implementation of mid-term or long-term recommendations. Short-term recommendations could generally be accomplished in one-to-three years in conjunction with cooperation from others and within the limits of existing COG resources. The short-term recommendations have been prioritized and addressed accordingly in the text below.

Mid-term recommendations have positive benefits, but do not have the immediacy of short term recommendations. These recommendations would require significant support from other entities to implement, require a higher level of time commitment and may require expertise not currently provided by COG staff. Mid-term and Long-term Recommendations are not in priority order.

Long-term goals would result in long term positive benefits in the region however they require substantial commitment from others to implement.

Short-term, Recommendations

The short-term recommendations will have the most immediate and catalytic effect on cooperative economic development in the Centre Region. Nearly all of the recommendations below are important tools to be used as the foundation for mid-term and long-term goals and serve to broaden the region's competitiveness the economic development arena. These goals help to elevate the importance of economic development with COG members, begin to forge longer term relationships and partnerships, and consider strengthening business retention and expansion efforts. Short-term goals also encourage the municipalities and the COG to review the existing regulatory environment and customer service practices in the context of improving the business climate in the region.

1. Optimize and articulate the development approval and permitting process.
2. Establish a single point of contact at the CRPA for new company prospects and a tracking system to monitor the disposition of prospects.
3. Participate in and support education and training seminars covering economic development issues including, but not limited to: government's role in economic development, financing and funding mechanisms, value and strategies for public/private partnerships, and an overview of the development and permitting process.
4. Work with Penn State the CBICC municipalities and others to encourage commercialization and tech transfer.
5. Establish a regular meeting of regional and municipal government individuals to identify and address regulatory, customer service and business climate issues in the region.

Mid-term Recommendations

The mid-term goals generally focus on geographic areas and tools where economic development initiatives could strengthen economic prosperity in the region by redeveloping underutilized areas, preserving sensitive areas, improving educational opportunities relating to economic development tools, retaining and expanding existing businesses and use existing infrastructure to attract business. Implementation of these goals will take longer because of the complexity of public/private partnerships needed to make these efforts successful. The region has also historically weathered economic downturns in good shape, which has resulted in economic development resources being fewer and economic development efforts having a lower priority on the public policy agenda in the region.

6. Consider a comprehensive Business, Retention and Expansion (BRE) strategy.
7. Encourage the revitalization of aged commercial centers and brownfields.
8. Work with the Centre County Industrial Development Corporation to promote an inventory of buildings and sites and a database to track them.
9. Preserve agricultural land, support the viability of agriculture and recognize the importance of agriculture to a health and diverse economy.

Long-term Recommendations

These recommendations are important to the overall economic development strength and growth of the Centre Region, but will have the least immediate and direct impact on the community. Nonetheless, the recommendations

are important long term projects that will contribute to economic prosperity in the region. They are considered long-term goals only within the context of the other recommendations, not as individual recommendations. For example, improvement of technology transfer with Penn State can have long lasting and very positive influence in the region. This recommendation however, would potentially require staff capacity well beyond what the COG can currently provide and would require organizational changes that need to be discussed at the policy-level in the COG before launching key implementation actions.


10. Pursue new business clusters (recommended by BBP), including those that can utilize beneficial reuse water from the UAJA.
11. Participate and support the Downtown Vision and Strategic Plan.
12. Diversify the economic base and create employment opportunities for Penn State grads and faculty/staff family members (i.e. spouses of individuals who relocate with Penn State).

Phasing

The report recommends a three Phase Implementation of the Recommendations as described below and on the graphic on the following page. After each phase of implementation the COG, Municipalities and other key stakeholders should reassess the priority of the recommendations, their timing and strategy for implementation. An economic development plan is a living document that must be reviewed and revisited often as market and economic changes occur.

- **Short term** - Initiate and carry out the Short-term Recommendations
 - Monitor and benchmark the effectiveness/success along the way
- **Mid Term** - Hold a "Decision Point" session to review the results of the Short-term and plan for the implementation of the Mid-term Recommendations
 - Re-rank (if necessary) the Mid-term Recommendations
 - Initiate and carry out the Mid-term Recommendations
- **Long Term** - Hold a "Decision Point" session to review the results of the Short and Mid-term and plan for the implementation of the Long-term Recommendations
 - Re-rank (if necessary) the Long-term Recommendations
 - Initiate and carry out the Long-term Recommendations

Centre Region Economic Development Assessment Implementation Phasing

Proposed Phasing Plan	Phase I Short-Term [1 to 3 years]	Phase II Mid-Term [3 to 5 years]	Phase III Long-Term [5+ years]
<p>RECOMMENDATIONS AND ACTIVITIES</p> <ul style="list-style-type: none"> ▪ Short-Term recommendations should be implemented with existing regional and municipal resources. ▪ Mid- and Long-Term recommendations may require additional staff expertise, financial resources, and additional deliberation before moving forward. 	<p>Review of development review and permitting processes</p> <p>Establish a single point of contact</p> <p>Participate in and promote economic development education</p> <p>Establish regular meetings to identify and address regulatory, customer service/business climate</p> <p>Encourage and support technology transfer/commercialization with Penn State University</p>	<p>Consider a comprehensive Business Recruitment and Expansion Program</p> <p>Encourage the revitalization and redevelopment of aged commercial centers and underutilized properties</p> <p>Work to promote sites that have an inventory of buildings and properties in the region</p> <p>Preserve the viability of agricultural as part of the regional economy</p>	<p>Pursue business clusters, including those that can use UAJA beneficial reuse water</p> <p>Participate in and support a downtown revitalization strategy with the Downtown Improvement District</p> <p>Diversity the economic base and create employment opportunities for Penn State University grads and faculty/staff members</p>
<p>MILESTONES AND OUTCOMES</p> <ul style="list-style-type: none"> ▪ Short-Term recommendations are critical to building a foundation for Mid- and Long-Term recommendations. ▪ Some Mid- and Long-Term recommendations require additional staff expertise, financial resources, and should have additional deliberation before moving forward. 	<p>Has a foundation been established with existing staff and resources to provide economic development activities as recommended in the Short-Term and to better understand the costs and needs for the Mid- and Long-Term recommendations?</p> <p>Prepare a CRPA report on findings and recommend a possible work program to undertake Mid-Term recommendations.</p>	<p>Prepare a CRPA report on findings and recommend a possible work program to undertake Long-Term recommendations.</p>	
 DECISION POINT	<p>Determine if there is regional consensus to move forward to Mid-Term recommendations.</p>	<p>Determine if there is regional consensus to move forward to Long-Term recommendations.</p>	

Important Recommendation Areas Outside of the Purview of this Assessment

There are a number of important recommendations that emerged from the document review and stakeholder interviews that while important, are not directly related to the purview of this assessment. Some of these recommendations are better addressed by other agencies such as the Center County Metropolitan Planning Organization. These recommendations are listed below.

1. Seek state funding to rapidly undertake key transportation/infrastructure improvements
2. Engage vocational training facilities to provide training programs for existing (BRE) and emerging industry clusters.
3. Ensure quality residential supply at various price points, including workforce housing.
4. Have COG examine the efficiency for revenue/tax sharing between the jurisdictions in the Centre Region.

SECTION 2. DETAILED RECOMMENDATIONS**1. OPTIMIZE AND ARTICULATE THE DEVELOPMENT APPROVAL AND PERMITTING PROCESS****A. Detailed Description of the Recommendation**

Purpose, Need and Benefit. During the interview process a number of key stakeholders indicated that the overall development process in the Centre Region was difficult to understand, difficult to navigate and sometimes applied arbitrarily. This included both the planning/rezoning process and the construction permitting process. The benefit to the Region of improving the development approval process is to better encourage and support business expansion and attraction. It is important to qualify up front what this recommendation is not suggesting. This plan is not suggesting or recommending that zoning, development criteria, permitting rules or other laws/ordinances/standards be changed or consolidated, only that processes be reviewed and refined for better efficiency and understanding. Also, developers are often looking for a fast track development process that adheres to the existing rules, but is carried out much more quickly to accommodate projects with an accelerated timeline. Criteria to assess the types of projects that may be considered under this recommendation should be developed. For example, businesses that create family-sustaining jobs and employ local residents may be appropriate for consideration.

The Centre Region Code Administration Agency (CRCA) has recently completed a draft operational study that provides 39 recommendations that would improve the review and permitting process in the region. The operational study is currently out for municipal review. The Code Agency, CRPA and the municipalities are currently working on improvements in the area of technology that should be integrated with the outcome of this assessment.

Approach Overview. The overall approach is to review the current development approval process, hold focus groups and stakeholder interviews, especially with those that have been through the process, to identify areas where the current development approval process is causing confusion or unnecessary delays. Best practice development processes from similar communities could be identified and compared to the practices in the municipalities. Recommendations should be made for each municipality to improve their overall development approval process while not changing any zoning, codes or ordinances.

Optimum Outcome. The desired outcome is a summary of best practices regarding the development approval process to be more efficient for both municipality and the applicant, is more understandable, efficient and develops a process that is intended to create a better environment for attracting and expanding businesses in the Centre Region.

B. Primary Roles and Responsibilities

Lead Role. The CRPA and Centre region municipalities. Currently College Township is conducting a rewrite of their Zoning Ordinance to address obsolete and redundant language in the Ordinance. Ferguson Township will update land development ordinances upon completion of the Comprehensive Plan Update. Likewise, the recently completed Code Evaluation Study will include technology and customer service recommendations that should be integrated into this effort.

Activities of the Lead Entity.

- **Start-up Steps.** CRPA could sit down collectively with the key stakeholders in each of the municipalities to discuss the process, their development approval process and where they think improvements can be made. Subsequent in-depth interviews with each municipality will then be held to fully understand their development approval process. Interviews with the business, brokerage and development community will identify specific and actual issues and concerns with the various development processes. Best practice development approval processes will be identified and compared to those in use in the Centre Region. Overall principles should be identified and targeted recommendations for each municipality presented.
- **Ongoing Operations.** Implementation of the recommendations.
- **Monitoring/Tracking.** This recommendation is expected to take at least 24 to 36 months to complete. Follow-up should be conducted after the recommendations are implemented with a similar group of key stakeholders, and those that have been through the revised processes to assess their effectiveness.

Estimated Cost. Existing CRPA staff, assistance from municipal planning staff and the development and consulting community would be utilized to complete this recommendation. This process can be relatively time consuming and dependent upon discussions and issues that have not yet occurred or come to light. Typically a Working Group would meet several times a month for an hour or two each meeting in addition to time spent with their own municipal leadership and staff.

C. Strategy Components: Supporting Roles and Responsibilities

Support Role. Active participation by the municipalities and the development community to identify and review regulatory practices that may be barriers to development at the municipal level and identify best practices for individual municipalities to consider.

D. What is the likely timeline? This process should be initiated in the short term, and could take several years to complete, depending upon the number of municipalities involved and the extent of the changes. The initial step in this recommendation should be to determine what processes are barriers to economic development and the extent to which removal of those barriers would facilitate the development review process.

E. If funding is an issue, what are potential funding sources? Existing resources at the CRPA and assistance from municipal planning staff and the development and consulting community will be used for this recommendation. Estimated time requirements are provided above.

F. What is the overall priority (vs. the other Recommendations)? High. This is an important recommendation and will lead to more efficient development processes. The first step in the process should be completed to determine what future changes to the process are necessary.

G. Are there preconditions to success? Preconditions to success for this recommendation include a willingness by municipalities to prepare development review processes that identify and eliminate regulatory barriers to success. Likewise the development community must be prepared to come to the table prepared with complete plans that can be reviewed and permitted with fewer review cycles.

KEY IMPLEMENTATION ACTIVITIES					
OPTIMIZE AND ARTICULATE THE DEVELOPMENT APPROVAL AND PERMITTING PROCESS					
Key Implementation Activities	Timeframe	Lead Entity	Benefit	Difficulty	Cost
Start-up Steps					
1. Conduct interviews with the business, brokerage and development community will identify specific and actual issues and concerns with the various development processes.	Immediate	CRPA, Business and development community	High	Low	Low
2. In discussions with each of the municipalities, understand their development approval process and where they think improvements can be made.	Immediate	CRPA Municipalities	High	Low	Low
3. Identify and review best practice development approval processes in comparable/competitive regions to the Centre Region.	Immediate	CRPA, municipal planning staff	High	Low	Low
4. Recommend best practices for each municipality for discussion	Immediate	CRPA, Municipalities	High	Low	Low
5. Finalize the recommended enhancements and present to the municipalities.	Immediate	CRPA	High	Low	Low
On-going Operations					
1. Follow-up with the municipalities to gauge the effectiveness of the recommendations.	Ongoing	CRPA, Municipalities	Moderate	Low	Low
2. Follow-up with the business and development community to gauge the effectiveness of the recommendations.	Ongoing	CRPA, Municipalities	Moderate	Low	Low
Monitoring/Tracking					
1. Report back to the Municipalities any issues, complaints or complements about the approval processes	Ongoing	CRPA	High	Low	Low

2. ESTABLISH A SINGLE POINT OF CONTACT AT THE CRPA FOR NEW COMPANY PROSPECTS AND A TRACKING SYSTEM TO MONITOR THE DISPOSITION OF PROSPECTS

A. Detailed Description of the Recommendation

Purpose, Need and Benefit. There is concern among many of the municipalities, shared by the COG, that companies interested in locating in the Centre Region don't have a single point of contact at the CRPA to provide clarity and productivity to the development process or to help guide the prospect to appropriate individuals for assistance. It was also noted that prospects have been passed along from entity to entity throughout the Centre Region in an attempt to locate the particular municipality or entity that can assist them sometimes passing hands multiple times. This recommendation can result in a more efficient process of assisting and tracking prospect companies interested in the Centre Region and bring a higher level of accountability to the process by having a single point of contact.

Approach Overview. A single point of contact should be created to work directly with State agencies, including the Pennsylvania Department of Community and Economic Development (DCED), Centre County, municipalities, CBICC, CCIDC and the COG to receive, disseminate, and track business attraction leads.

Optimum Outcome. A single point of contact is responsible for assisting the prospect and will facilitate a more cohesive approach that brings more accountability and better results to the process.

B. Primary Roles and Responsibilities

Lead Role. The single point of contact at the CRPA would be responsible for assuring potential prospects are referred to the appropriate entity and to track that effort.

Activities of the Lead Entity. In this case, the activities of the lead entity will be split between three main functions: 1) Start-up activities, 2) carrying out the activities of the single point of contact and 3) providing monitoring and transparency to the Centre Region municipalities. Key activities include:

- Start-up Steps
 - Identify the single point of contact at the CRPA.
 - Identify contacts at each of the municipalities.
 - Bring participants together to establish the process and procedures to facilitate the process.

- Ongoing Operations
 - Alert the contacts of incoming prospects and recommend a lead entity to work with the prospect
 - Follow-up with the assigned entity to track the status of the lead.
 - Maintain a database of leads, won and lost, and reasons for their final location decision.
 - Discuss results, wins and losses, at regular meetings.
- Monitoring/Tracking:
 - Regular reporting to the to describe prospects that have come in and where they have gone

Estimated Cost. Anticipation is to utilize existing staff at the CRPA and the municipalities. The amount of time depends directly on the number of leads. Each lead would like require 1-2 days over a course of a month.

C. Supporting Roles and Responsibilities

Support role. Each municipality should assign a contact to participate in the program and to be the “local” point of contact for prospects interested in their area.

Activities of the Support Players. Leads received by the municipal contact should be either be handled locally or be referred to the CRPA for action. If leads are received by the CRPA they should be referred to the appropriate economic development entity or municipality if appropriate. Leads received by the municipalities directly that cannot be served by properties in their jurisdictions should also be referred to the CRPA.

Estimated Time/Cost. Given the volume of current activity, it is anticipated that existing staff at the CRPA and municipalities will carry out this activity. Again, time will be based on the number of leads for each particular municipality, the complexity of the project and other factors.

- D. **What is the likely timeline?** This Recommendation does not need financing or approval process and can begin immediately. The CRPA should set up a meeting within four to six weeks after adoption to begin establishing the process, policies and procedures.
- E. **If funding is an issue, what are potential funding sources?** This recommendation is anticipated to utilize existing staff.

F. **What is the overall priority (vs the other Recommendations)?** This is a short-term priority action item and should be among the first implemented.

G. **Are there preconditions to success?** This recommendation is not directly dependent on other recommendations in this report but will require cooperation with the municipalities in the region to be successful.

KEY IMPLEMENTATION ACTIVITIES					
ESTABLISH A SINGLE POINT OF CONTACT AT THE CRPA FOR NEW COMPANY PROSPECTS AND A TRACKING SYSTEM TO MONITOR THE DISPOSITION OF PROSPECTS					
Key Implementation Activities	Timeframe	Lead Entity	Benefit	Difficulty	Cost
Start-up Steps					
2. Identify the liaison at CRPA to oversee the Recommendation	Immediate	CRPA	High	Low	Low
2. Identify the contacts at each of the municipalities	Immediate	CRPA	High	Moderate	Low
3. Bring all stakeholders together establish the process and procedures	Immediate	CRPA	High	Moderate	Low
On-going Operations					
1. Communicate regularly with the State economic development representatives	Ongoing	CRPA	High	Moderate	Low
2. Encourage active participation by all participants	Ongoing	Municipalities and CRPA	High	High	Low
3. Alert the contacts of incoming prospects and recommend lead entity to work with the prospect	Ongoing	CRPA	High	Low	Low
4. Follow-up with the assigned entity to track the status of the lead.	Ongoing	CRPA	Moderate	Low	Low
5. Maintain a database of leads, won and lost, and reasons for their final location decision.	Ongoing	CRPA	Moderate	Low	Low
6. Discuss results, wins and losses, at regular meetings.	Ongoing	CRPA	High	Low	Low
Monitoring/Tracking					
1. Regular reporting to the to describe prospects that have come in and where they have gone	Monthly	CRPA	High	Low	Low
2. Regular reporting to the municipalities of successful attractions/expansions through the program	Monthly	CRPA	High	Low	Low

3A. PARTICIPATE IN AND SUPPORT EDUCATION AND TRAINING SEMINARS COVERING ECONOMIC DEVELOPMENT TOPICS INCLUDING FINANCING AND GOVERNMENTS ROLE IN PUBLIC/PRIVATE PARTNERSHIPS

A. Detailed Description of the Recommendation

Purpose, Need and Benefit. Many of those interviewed felt more training and awareness of economic development funding was needed to fully leverage the existing financing and funding, economic development initiatives and other programming in the Centre Region. There are however, a variety of excellent training opportunities available through the SBDC at Penn State, the CBICC and SEDA-COG that support this goal. It is anticipated that participation and support from the COG will expand the knowledge of programs to respond more quickly and effectively respond to existing and potential business needs. One area where the COG and municipalities could expand the knowledge base is with building public/private partnerships. Potential opportunities for the CRPA or municipal planners to provide training on municipal zoning, planning, permitting process to better inform businesses of review and permitting processes should also be explored with these groups and independently as well.

Approach Overview. Topics could include: financing/funding strategies, target marketing, business retention and expansion (BRE), brownfield redevelopment, and others. The CBICC and SBDC currently conduct a substantial number of events that are open to the public.. This recommendation focuses specifically on connecting local businesses and municipalities.

Optimum Outcome. Greater participation in educational and training offered in the region. With the opportunity to provide training on municipal zoning, planning, permitting process to better inform businesses of review and permitting processes.

B. Strategy Components: Primary Roles and Responsibilities

Lead Role. CBICC, SBDC and others that currently provide training.

Activities of the Lead Entity.

- Start-up Steps. Working through the existing committees and networking functions in place identify the important questions and issues that the economic development stakeholders in the community are

- most in need of learning more about from existing economic development entities, municipalities and the COG.
- Ongoing Operations. Record any training provided by COG and consider conducting bi-annual trainings and re-run sessions on C-Net.
 - Monitoring/Tracking: Track the number of attendees for each session type both in total numbers and affiliation. Follow-up with attendees to track how they have been able to use the knowledge gained and seek input on how the sessions could be more useful and effective.

Estimated Cost. Costs will vary depending on the seminar, number of attendees, refreshments (if provided), special A/V needs, etc. In general though, the basic cost will be staff time of the COG in announcing the event, identify speakers and arranging the logistics. The fee for attendance should be very low, or at no cost, to encourage participation. If food is provided, a nominal fee can be charged to off-set the costs, but these events should not be seen as revenue generators. The sessions can likely be held in the large conference room in the COG offices so there should not be an additional facility cost.

C. Supporting Roles and Responsibilities

Support Role. Centre Region municipalities.

Activities of the Support Players. The role of the municipalities is to support the sessions and seminars by attending the events and working with the COG to suggest new topics and provide feedback. In order for key stakeholders in the community to volunteer their time to speak at and participate in these sessions, they will need to be well attended.

Estimated Cost. Low cost, if any, to the municipalities. If COG conducts sessions/seminars that have refreshments provided it may require a small recovery cost for the COG.

D. **What is the likely timeline?** Training is an on-going function throughout the year.

E. **If funding is an issue, what are potential funding sources?** Organizing and staffing educational events can be an expensive proposition. Although detailed estimates have not yet been prepared, events hosted by a municipality of the COG may be cost prohibited.

F. **What is the overall priority (vs the other Recommendations)?** This is a low priority recommendation due primarily to the fact that the CBICC offers fairly comprehensive information and training events throughout the year. If this recommendation is pursued it should focus on educating local government leaders about the benefits of working with the business community to expand economic development partnerships in the region.

G. **Are there preconditions to success?** No

KEY IMPLEMENTATION ACTIVITIES					
CONDUCT EDUCATION AND TRAINING SEMINARS COVERING ECONOMIC DEVELOPMENT, TOPICS INCLUDING FINANCING AND GOVERNMENTS ROLE IN PUBLIC/PRIVATE PARTNERSHIPS					
Key Implementation Activities	Timeframe	Lead Entity	Benefit	Difficulty	Cost
Start-up Steps					
1. Identify the top issues/topics for the seminars	Immediate	COG	High	Low	Low
2. Submit the issues/topics to the municipalities, Managers Roundtable and other key stakeholders for priority ranking	Month 2	COG	High	Low	Low
3. Based on the results of step 2, priority-rank the issues/topics	Month 2	COG	High	Low	Low
4. Receiving confirmation, begin planning the first Training Seminar	Month 3	COG	High	High	Moderate
4a. Assign a staff person to organize and plan the meeting	Month 3	COG	High	Low	Moderate
4b. Identify speakers and develop a program	Month 3	COG	High	Moderate	High
4c. Secure the date and space, likely the COG large Forum Room.	Month 4	COG	High	Low	Low
4d. Develop and publicize a brochure on the program	Month 4	COG	High	Moderate	Low
4e. Hold the event	Month 5	COG	High	Moderate	Moderate
5. Seek feedback from the participants on the effectiveness of the presentation, materials covered, and overall session	Month 6	COG	High	Low	Low
On-going Operations					
1. Conduct additional sessions at least once a quarter, perhaps more often if interest suggests it	Ongoing	COG	High	Low	High
2. Touch base with the municipalities and the business community to see what other seminars are needed	Ongoing	COG	High	Low	Low
Monitoring/Tracking					
1. Follow-up with attendees to track their understanding and usage of principles learned.	Ongoing	COG	Moderate	Low	Low

3B. WORK WITH THE SMALL BUSINESS DEVELOPMENT CENTER AT PENN STATE, THE CHAMBER OF BUSINESS AND INDUSTRY FOR CENTRE COUNTY AND SEDA-COG TO PROMOTE ECONOMIC DEVELOPMENT FINANCING AND FUNDING PROGRAMS

A. Detailed Description of the Recommendation

Purpose, Need and Benefit. When prospects contact the COG or the municipalities, they are sometimes not aware of the financing and funding available from the various local, state and federal funding entities. A single point of contact that makes information available to interested parties is an important component in growing the local economy and attracting businesses. This recommendation could benefit businesses in the region by having the CRPA refer prospects to the appropriate entity to provide information for financing and funding programs related to economic development activities.

Approach Overview. The single point of contact should interface regularly with the State, County, and municipalities to understand where information regarding funding programs, incentives and other financing/grant/loan programs are available to Centre Region companies or those who wish to locate here. This will require full participation from all economic development players in the Centre Region, including the municipalities, COG, CCIDC, County and others. SEDA-COG has a solid economic development financing program and would be a good resource to help implement this recommendation.

Optimum Outcome. A comprehensive, descriptive summary of business assistance funding/financing programs available to existing and potential Centre Region companies.

B. Primary Roles and Responsibilities

Lead Role. CRPA

Activities of the Lead Entity.

- Start-up Steps. Provide a summary of programs on the CRPA web page including links to individual state, county, municipal or programs available through the CCIDC or others.
- Ongoing Operations. Quarterly, the single point of contact should reach out to the economic development entities identified in the start-up process to verify that the programs on file are still active

and funded. New programs should be added as well. To be a useful tool, the information must be kept current.

- Monitoring/Tracking. Monitoring should be a function of the CRPA working with various agencies on a quarterly basis to update information.

Estimated Time/Cost. The start-up phase will require significant staff time, likely a week of time over the first two months, but should not require any direct costs. Ongoing operations should only require a day a month.

C. Supporting Roles and Responsibilities

Support role. The support role will be played by all economic development entities operating in the Centre Region.

Activities of the Support Players. Each entity will be responsible for interacting with the single point of contact in keeping them up to date with the status of funding/financing/incentive programs that are active in their communities.

Estimated Time/Cost. This goal should be implemented with existing staff resources requiring only a day a month for coordination.

- D. **What is the likely timeline?** The initial start-up phase should be completed in the first 12 to 18 months.
- E. **If funding is an issue, what are potential funding sources?** It is anticipated this goal will be completed with existing staff and financial resources.
- F. **What is the overall priority (vs the other Recommendations)?** This is a short-term priority action and should be among the first implemented.
- G. **Are there preconditions to success?** No preconditions other than assigning a single point of contact with the CRPA.

KEY IMPLEMENTATION ACTIVITIES					
ESTABLISH A LIAISON/ONE-STOP-SHOP FOR ECONOMIC DEVELOPMENT FINANCING AND FUNDING PROGRAMS					
Key Implementation Activities	Timeframe	Lead Entity	Benefit	Difficulty	Cost
Start-up Steps					
1. Develop a list of all the key stakeholders in economic development	Immediate	COG	High	Moderate	Low
2. Meet with the Stakeholders to understand and catalog the current programs and incentives they are offering.	Immediate	COG and Stakeholders	High	Moderate	Low
3. During these start-up meetings, seek an understanding of other programs/incentives that are available, or in the pipeline.	Month 1-3	COG and Stakeholders	High	Low	Low
4. Catalog the currently available funding mechanisms and incentives available from the County and municipalities	Month 2-4	COG	High	Low	Low
5. Catalog the currently available funding mechanisms and incentives available to Pennsylvania companies or those looking to relocate to, or expand within, the state.	Month 3-4	COG and Stakeholders	High	Moderate	Low
6. Summarize the funding/financing programs by type and agency for publication on the COG website and in printed materials.	Month 5	COG	High	Moderate	Low
7. Officially announce/unveil the web and printed materials to the Manager's Roundtable, municipal websites and in the local papers	Month 5-6	COG	High	Low	Low
On-going Operations					
1. Quarterly report listing the programs/incentives should be sent to the municipalities and state for verification	Ongoing	COG	High	Moderate	Low
2. Updates/modifications should be entered in the database	Ongoing	COG	High	Low	Low
3. Inquire quarterly regarding other programs/incentives that are available, or in the pipeline.	Ongoing	COG and Stakeholders	Moderate	Moderate	Low
4. For those in the pipeline (proposed legislation) reach out to the stakeholders and greater business community to seek support of the congressional delegation.	Ongoing	Stakeholders	Moderate	High	Low
5. Email updates, especially on changes in State programming, should be sent to the localities.	Ongoing	COG	High	Low	Low
Monitoring/Tracking					
1. Quarterly reports should be generated that show the use of various programs and incentives.	Quarterly	COG	High	Low	Low
2. Reports should be posted online and sent to the State and municipal leadership.	Quarterly	COG	Low	Low	Low

4. WORK WITH PENN STATE THE CBICC MUNICIPALITIES AND OTHERS TO ENCOURAGE COMMERCIALIZATION AND TECHNOLOGY TRANSFER.

A. Detailed Description of the Recommendation

Purpose, Need and Benefit. Penn State University is one of the top research universities in the United States and has a national reputation for excellence. But with that said, according to interviews conducted with PSU, the University has relatively low productivity in commercialization, technology transfer, and creating start-up companies, especially those that remain in the greater Centre Region economy. The benefit to the community is more job and economic growth in the community related to Penn State research and commercialization. These higher paying technology jobs are quite often filled by PSU graduates which is beneficial to the Region by keeping educated young people in the community.

Approach Overview. The approach is to work with the PSU tech transfer and commercialization staff to better commercialize research in the University with local and regional companies and entrepreneurs and potential outside companies that might seek a Centre Region location after incubation. A working group of local entrepreneurs, business leaders, Angel and VC investors should be formed to work with the University to identify PSU technologies that are a good match for the Centre Region and for which local licensing or start-up opportunities may be present. Quite often the biggest impediment to tech transfer into the local economy is a lack of communication and understanding of the potential resource.

Optimum Outcome. The optimum outcome is a noticeable increase in start-ups and commercialization of PSU technologies in the Centre Region as measured from existing benchmarks.

B. Primary Roles and Responsibilities

Lead Role. COG, the PSU Office of the Vice President for Research the CBICC, CBICC and Ben Franklin.

Activities of the Lead Entity.

- **Start-up Steps.** Establish a partnership and set goals, objectives and preferred outcomes for the partnership. A session should be held between the key parties to discuss technology transfer at PSU and what the community can do to support those efforts.
- **Ongoing Operations.** Continue to build on the relationships and partnerships to foster a more entrepreneurial environment coming out of PSU and in the Centre Region overall.

- **Monitoring/Tracking:** Identify leads and technologies that have been turned into local start-ups or licensed to Centre Region companies. Track their status and success.

Estimated Time/ Cost. Low to no cost, other than staff time. As with 3b above, the set up and initial coordination will take a dedicated effort and likely up to a week of the lead entities time over the first month or two. Ongoing staff time needs will be determined by the strategy and approach that comes out of the initial planning discussions. Typically you would expect 2-3 days a month for coordination, meetings and other related activities.

C. Supporting Roles and Responsibilities

Support role. None.

Activities of the Support Players. None.

Estimated Time/Cost. None.

- D. What is the likely timeline?** Timeline is dependent upon the results of the initial meetings and the goals and objectives. The key players could come together within six to eight months of adoption and begin meeting and discussing how all parties can work better together and jointly support increasing Penn State's technology company presence in the Centre Region.
- E. If funding is an issue, what are potential funding sources?** Funding is not an issue.
- F. What is the overall priority (vs the other Recommendations)?** This is a short term recommendation and should be initiated within six to eight months of adoption.
- G. Are there preconditions to success?** ~~No~~ This recommendation does not required preconditions to start. As the recommendation is implemented there will be a need for reasonably priced office and manufacturing space, participation and interest of Penn State administration and faculty, continued research efforts and development of technology that is transferable to jobs in central Pennsylvania.

KEY IMPLEMENTATION ACTIVITIES					
WORK WITH PENN STATE THE CBICC MUNICIPALITIES AND OTHERS TO ENCOURAGE COMMERCIALIZATION AND TECHNOLOGY TRANSFER					
Key Implementation Activities	Timeframe	Lead Entity	Benefit	Difficulty	Cost
Start-up Steps					
1. Meet with Penn State Commercialization and Tech Transfer staff to fully understand their operations	Immediate	COG	High	Low	Low
2. Identify actions, policies and strategies that the COG or the municipalities can implement/affect that will strengthen the relationship between PSU Office of Research and the community	Immediate	COG	High	Moderate	Low
3. Understand the specific needs and assistance that researchers and startup companies have and identify those that the COG/Community can	Immediate	COG	High	Moderate	Low
4. Form a Working Group of key stakeholders, entrepreneurial specialists, SBDC staff and others to address the actions and needs identified in #2 and #3 above and how those might be put into practice	Immediate	COG	High	Moderate	Low
5. Present the high priority actions and strategies to the Manager's Roundtable and COG TLU Committee	Immediate	COG	High	Low	Low
6. Develop a guiding document the activities and responsibilities of PSU and the community in working together to facilitate commercialization and technology transfer	Immediate	COG	High	Moderate	Low
On-going Operations					
1. Monitor the activities of the Working Group and the needs of the commercialization staff	Ongoing, Quarterly	COG	High	Low	Low
Monitoring/Tracking					
1. Periodically follow-up with the PSU staff to gauge the effectiveness of the guiding partnership document and any changes in PSU tech transfer policies or targets	Annually	COG	Low	Low	Low

5. ESTABLISH A REGULAR MEETING OF REGIONAL AND MUNICIPAL GOVERNMENT INDIVIDUALS TO IDENTIFY AND ADDRESS REGULATORY, CUSTOMER SERVICE AND BUSINESS CLIMATE ISSUES IN THE REGION

A. Detailed Description of the Recommendation

Purpose, Need and Benefit. In a number of the interviews conducted for this project, it was suggested that a regular meeting should be established at the Agency Director, Planning Director, Township Engineer level to facilitate greater cooperation and regional partnerships. The benefit of this type of meeting is to more fully integrate the planning, infrastructure planning, capital improvement planning and other issues of regional importance.

Approach Overview. The approach is for each municipality to assign a representative, to participate in monthly cooperative planning meetings.

Optimum Outcome. Better coordination at the local and regional level in planning and economic development.

B. Primary Roles and Responsibilities

Lead Role. Centre Region municipalities and COG.

Activities of the Lead Entity.

- Start-up Steps. Present the concept to the Centre Region municipalities and seek buy-in. Seek volunteers from each municipality, and the COG, to participate in the monthly meetings.
- Ongoing Operations. Monthly coordinative committee meetings.
- Monitoring/Tracking: Identification of the key planning and related issues and any resolutions.

Estimated Time/Cost. Two hours per month, per municipality, for meetings. Staff needs for follow-up on activities that come out of the meetings would be determined on an as needed basis.

C. Supporting Roles and Responsibilities

Support role. None.

Activities of the Support Players. None.

Estimated Time/Cost. Staff time CRPA, Ferguson, SCB, 3 – 4 hours per month.

- D. **What is the likely timeline?** The working group can be formed within the first several months of adoption and quarterly meetings can begin thereafter.
- E. **If funding is an issue, what are potential funding sources?** Funding is not an issue.
- F. **What is the overall priority (vs the other Recommendations)?** This is a short-term goal that can be implemented immediately.
- G. **Are there preconditions to success?** None.

KEY IMPLEMENTATION ACTIVITIES					
ESTABLISH A REGULAR MEETING OF REGIONAL AND MUNICIPAL GOVERNMENT INDIVIDUALS TO IDENTIFY AND ADDRESS REGULATORY, CUSTOMER SERVICE AND BUSINESS CLIMATE ISSUES IN THE REGION					
Key Implementation Activities	Timeframe	Lead Entity	Benefit	Difficulty	Cost
Start-up Steps					
1. Seek approval and buy-in from each of the Centre Region municipalities	Immediate	CRPA	High	Low	Low
2. From each Municipality, identify the stakeholder(s) that will participate in the meetings	Within 2 months of step 1	CRPA	High	Low	Low
3. Hold the kick-off meeting of the Senior Staff Roundtable (suggest electing officers: Chair, co-chair, secretary)	Within 2 months of step 1	CRPA	High	Low	Low
4. Report back to the COG and municipalities on the results of the meeting, vision, purpose and procedures for the meetings and other salient details	After the first meeting	Committee	Moderate	Low	Low
On-going Operations					
1. Conduct regular meetings	Ongoing	Committee	High	Low	Low
2. Report "global" issues back to the COG and municipalities	Ongoing	Committee	High	Low	Low
3. Take up significant global issues at the COG and municipalities	As needed	Committee	High	Low	Low
Monitoring/Tracking					
1. Log key issues of coordination and cooperation. Follow-up to see if these is continuing	Quarterly	Committee	High	Low	Low
2. Log key issues preventing effective coordination, the solutions recommended and the status of the issue	Quarterly	Committee	Low	Low	Low

MID-TERM RECOMMENDATIONS**6. CONSIDER A COMPREHENSIVE BUSINESS, RETENTION AND EXPANSION (BRE) STRATEGY FOR THE REGION****A. Detailed Description of the Recommendation**

Purpose, Need and Benefit. Especially in tough economic times, retaining and growing existing businesses will be extremely important to economic health of the Region. Considering a comprehensive business, retention and expansion (BRE) program will benefit the Centre Region by having an understanding the local business and industry base in the region, identifying those businesses and industries are either at risk or expanding, accessing their needs, and seeking to assist them in order to keep them in your community or expand as needed. This is expanded upon in the Appendix to this Assessment.

Approach Overview. The approach to this goal is to develop an understanding of those businesses and industries are either at risk, or expanding, understanding their needs and attempting to assist them in order to retain or expand them in the region.

Optimum Outcome. The optimum outcome of this goal would be a common understanding of the local business and industry base in the region and considering a program to assist businesses to retain or expand local businesses.

B. Primary Roles and Responsibilities

Lead Role. COG, CBICC and the Centre Region municipalities.

Activities of the Lead Entity.

- Start-up Steps. The COG should conduct a retreat with the municipal managers to determine, among other issues, if a BRE program should be established and to explore if BRE program opportunities are possible with the CBICC which completed a workforce assessment project in 2009.
- Ongoing Operations. To be determined if a BRE program is established.
- Monitoring/Tracking: To be determined if a BRE program is established.

Estimated Time/Cost. To be determined if a BRE program is established.

C. Supporting Roles and Responsibilities

Support role. The CBICC completed a workforce assessment project in 2009 that may provide information and data helpful to this recommendation.

D. What is the likely timeline? A BRE program can be a considerable undertaking to implement over time. Initially the COG, municipalities and the CBICC should convene, and determine the extent to which such a program should be implemented and the type of program that will be most effective.

E. If funding is an issue, what are potential funding sources? Funding for ongoing operations could be substantial depending if this program moves forward and can't be determined at this time.

F. What is the overall priority (vs the other Recommendations)? Consideration of a BRE program is a mid-term goal and should be conducted after regional deliberation of the topic

G. Are there preconditions to success? While not a required precondition, having stronger relationship with between the COG, municipalities the CBICC and the CCIDC would be beneficial.

KEY IMPLEMENTATION ACTIVITIES				
CONSIDER A COMPREHENSIVE BUSINESS, RETENTION AND EXPANSION (BRE) STRATEGY FOR EACH MUNICIPALITY(1)				
Key Implementation Activities (1)	Timeframe	Benefit	Difficulty	Cost
Start-up Steps				
1. Meet with each of the municipalities and the CBICC to understand the current state of the Business, Retention and Expansion (BRE) programs.	Phase II	High	Moderate	Low
2. COG should host a BRE Education and Training Seminar with a specialist in business retention programs	Phase II	High	Moderate	\$5,000
3. Working with the Specialist, recommend and design the BRE approach most appropriate for each municipality.	Phase II	High	Moderate	Low (included above)
4. Coordinate the BRE efforts and "call lists" to avoid duplications as well as missed companies.	Phase II	High	Moderate	Low
On-going Operations				
1. Contact existing companies	Phase II	High	Moderate	Low
2. Appoint a contact liaison to work with companies that indicate the need	Phase II	High	Moderate	Low
3. Follow-up on issues, concerns and needs to make sure the company is happy	Phase II	High	Moderate	Low
4. Follow-up with "client companies" to make sure they're doing well.	Phase II	High	Moderate	Low
Monitoring/Tracking				
1. Create a database to track all companies visited, problems/issues identified and solutions	Phase II	Moderate	Low	Low
2. Compare issues among the municipalities to identify global issues and trends	Phase II	Moderate	Low	Low

Note: (1) Specific Timeframe and Lead Entity should be determined upon additional deliberation after the completion of Short-Term Recommendations.

7. ENCOURAGE THE REVITALIZATION OF AGED COMMERCIAL CENTERS AND UNDERUTILIZED PROPERTIES

A. Detailed Description of the Recommendation

Purpose, Need and Benefit. There are a number of underutilized and vacant properties and commercial centers in the Region that provide an opportunity to new and expanding companies. The purpose of this recommendation is to identify and inventory the sites and centers, understand any barriers to development or reuse they may have, and have them available for reuse opportunities that may include mixed use developments. The benefit is to have the sites marketed more effectively along with other sites/buildings in the Centre Region for possible expansion and/or relocations.

Approach Overview. Revitalization of underutilized and vacant properties is a complex and long term undertaking that requires the COG, municipalities and private property owners to forge strong working relationships to improve the properties. Working with the owner/broker representing the property and the municipality, fully understand the opportunities and features of the property as well as any development constraints. If improvements are needed to make the property more marketable, work with the property representative to identify possible funding/financing programs or other incentives to assist in the rehab costs.

Optimum Outcome. The optimum outcome is to facilitate the redesign of underutilized and vacant properties to infill development and create jobs and tax revenues for the economy.

B. Primary Roles and Responsibilities

Lead Role. The CRPA should take the lead role in this recommendation. A key responsibility also lies with the property owner and their desire to improve and market their property.

Activities of the Lead Entity.

- Start-up Steps. Through interviews with commercial brokers and municipal officials, and a search of the commercial real estate database, identify the major underutilized properties in the Centre Region and reach out to the owner/broker to assess their interest in improving and marketing their properties. Seek a commitment that once engaged in the process, they will follow through to improve their

- property. Working with property representative, identify the major strengths and weaknesses of the property.
- Ongoing Operations. Continue to track underutilized properties and provide them to prospect companies and expansion opportunities.

Estimated Cost. Costs to undertake this recommendation could be considerable and may require expertise beyond current staffing capacity. This should be explored after Short-Term Recommendations are completed.

C. Supporting Roles and Responsibilities

Support role. Support should be provided by municipal planning staff, CBICC, CCIDC and property owners who are interested in revitalization.

- D. What is the likely timeline?** The timeline for this recommendation will be determined upon completion of Short-Term Recommendations. The initial list of underutilized properties and contact with property owners can be developed in the near term. The timeline for improvements and fully marketing the property will depend on the improvements needed and the property owner. This type of endeavor can be complex and a more thorough examination of the benefits should be known before moving forward.

- E. If funding is an issue, what are potential funding sources?** Funding for this recommendation is difficult to determine at this time. Revitalization and redevelopment is a complicated and time consuming effort that requires municipalities to understand long term costs and benefits of participating. A more detailed assessment of the extent to which this recommendation would be undertaking should occur after the Short-Term Recommendations are completed.

- F. What is the overall priority (vs the other Recommendations)?** This is a Mid-Term Recommendation due largely to the extensive involvement of individual private property owners. The COG can be very effective with attempting to eliminate barriers to development, identifying funding sources and integrating this recommendation with other regional goals. The cooperation of private property owners however, is the key to the ultimate redesign and revitalization of these properties.

- G. **Are there preconditions to success?** Precondition for success is the volunteer involvement of property owners/brokers.

KEY IMPLEMENTATION ACTIVITIES				
ENCOURAGE THE REVITALIZATION OF AGED COMMERCIAL CENTERS AND UNDERUTILIZED PROPERTIES				
Key Implementation Activities (1)	Timeframe	Benefit	Difficulty	Cost
Start-up Steps				
1. Identify the major brownfield properties in the Centre Region.	Phase II	High	Moderate	Low
2. Reach out to the owner/broker to assess their interest in improving and marketing their properties.	Phase II	High	High	Low
3. Prioritize properties for redevelopment efforts	Phase II	High	Moderate	Low
4. Seek a commitment that once engaged in the process, they will follow through to improve their property.	Phase II	Moderate	Moderate	Low
5. Working with property representative, identify the major strengths and weaknesses of the property.	Phase II	High	Moderate	Moderate
6. In consultation with the One-Stop-Shop liaison, funding, financing and/or incentive programs will be identified that have potential to assist with needed property improvements.	Phase II	High	Moderate	Low
7. Identify existing regulatory barriers to revitalization efforts, identify partnering opportunities for incentives, site improvements or other methods to encourage development.	Phase II	High	Moderate	Low
On-going Operations				
1. Continue to scan the Centre Region for other brownfield sites that have come online	Phase II	Moderate	Low	Low
2. Communicate with commercial brokers to identify other brownfield sites/properties	Phase II	Moderate	Low	Low
Monitoring/Tracking				
1. Keep a running database of brownfield properties, their status and progression through the redevelopment process	Phase II	Low	Low	Low

Note: (1) Specific Timeframe and Lead Entity should be determined upon additional deliberation after the completion of Short-Term Recommendations.

8. **WORK WITH THE CENTRE COUNTY INDUSTRIAL DEVELOPMENT CORPORATION TO PROMOTE A COMPREHENSIVE INVENTORY OF BUILDINGS AND SITES AND A DATABASE TO TRACK THEM**

A. **Detailed Description of the Recommendation**

Purpose, Need and Benefit. The comprehensive commercial/industrial database of buildings and sites now maintained by CBICC is currently available to all in the economic development arena in a web-based platform, and should be promoted throughout in the Region. This recommendation will benefit the municipalities by having an inventory of commercial buildings and sites accessible to respond to companies looking for new locations in the Centre Region. The Centre County Office of Planning and Community Development and the CCIDC has a web page that provides similar information. This recommendation should be integrated and informed by those other efforts to minimize redundancy in the work need to complete the task.

Approach Overview. Augment and open to a broader audience, the CCIDC "Building and Sites" database. The system should continue to be accessible by all the local municipalities as well as the commercial brokerage community. Links should be available from individual municipal and the CRPA web page.

Optimum Outcome. A web-based database open to all property and building owners that tracks all available commercial/industrial/office properties available in the Centre Region.

B. **Primary Roles and Responsibilities**

Lead Role. The CCIDC should take the lead on this effort as they maintain the existing commercial real estate database. The CCIDC is also the point agency for prospective leads from the State.

Activities of the Lead Entity.

- Start-up Steps. There is an existing database operational now. Municipalities and the COG should provide links to the CCIDC web page from their municipal web pages.
- Ongoing Operations. The CCIDC web page is largely self-managed by individuals who list on the page. Although the CCIDC uses some administrative time to maintain the site.
- Monitoring/Tracking: The web page is largely self-managed by the individuals who list on the site. Inactive properties are removed from the site on a regular basis if there is no activity.

Estimated Time/Cost. There are no anticipated costs with implementing this goal beyond existing staff time already committed.

C. Supporting Roles and Responsibilities

Support Role. The key support players are the commercial brokers active in the Centre Region with listings with a lesser role played by the municipalities.

Activities of the Support Players. The commercial brokers will be primarily responsible for ensuring that their properties are accurately listed in the CCIDC database. The municipalities will also need to play a support role on properties under public ownership and verify from time to time that ~~het~~ properties in their area are in the database.

Estimated Time/Cost. Minor staff time will be required by the municipalities to update any records they have submitted, likely one day a month.

- D. What is the likely timeline?** This is a Mid-Term Recommendation because the database is already in operation
- E. If funding is an issue, what are potential funding sources?** It is anticipated this goal will be completed with existing staff and financial resources.
- F. What is the overall priority (vs the other Recommendations)?** This is a Mid-term recommendation and should be implemented in the near term.
- G. Are there preconditions to success?** There are no preconditions to success.

KEY IMPLEMENTATION ACTIVITIES				
PROMOTE THE CCIDC COMPREHENSIVE INVENTORY OF BUILDINGS AND SITES AND A DATABASE TO TRACK THEM				
Key Implementation Activities (1)	Timeframe	Benefit	Difficulty	Cost
Start-up Steps				
1. Work with the municipalities, commercial brokers, Centre County and the CCIDC to determine if the existing database structure needs modifications.	Phase II	High	Low	Low
2. Determine what needs to be done to make any changes to the database.	Phase II	High	Low	Low
3. Provide links to the web page on all municipal and the COG web page.	Phase II	High	Low	Low
4. Assist the CCIDC in communicating with commercial brokers and updating the information in the database. Direct letters, calls and other communications to encourage participation should commence	Phase II	High	Low	Low
On-going Operations				
1. General monthly reports summarizing database information.	Phase II	Moderate	Low	Low
Monitoring/Tracking				
1. Delete buildings and sites that are out of date from the database.	Phase II	High	Low	Low
2. The COG should monitor the monthly reports to assure they are inclusive.	Phase II	Moderate	Low	Low

Note: (1) Specific Timeframe and Lead Entity should be determined upon additional deliberation after the completion of Short-Term Recommendations

9. PRESERVE AGRICULTURAL LAND, SUPPORT THE VIABILITY OF AGRICULTURE AND RECOGNIZE THE IMPORTANCE OF AGRICULTURE TO A HEALTHY AND DIVERSE ECONOMY

A. Detailed Description of the Recommendation

Purpose, Need and Benefit. The importance of agriculture to the local economy is reflected in its ability to contribute directly to sales, job creation and the support of business. Centre County is a predominantly agricultural region with strong ties to its open space and farming heritage. Agricultural preservation is an on-going effort in the region, and is supported by the regional growth boundary. The viability of agriculture in the region is dependent upon both the continued preservation of land and the need for local growth within the industry.

Effective agricultural planning supports farming as an essential component of the community infrastructure and should be viewed as an ongoing investment for economic development. The global market is continually changing and the local market structure must come to meet the challenges in technological change, food safety, and the need for more sustainable land use. The Centre Region currently has workshops available for education on technological innovation, entrepreneurial skills, and retirement. The Pennsylvania Association for Sustainable Agriculture's (PASA) "Buy Fresh Buy Local" campaign is prominent throughout the region. PASA supports alternative techniques for agriculture and the opportunity for direct farm marketing – through the support of farmers markets and sales to local restaurants.

Enhancing the ability for local producers to use direct selling has socio-economic benefits that are not available through conventional agribusiness. Farmers who sell their products within the community are able to lower transportation costs and contribute to the local economy. Market growth within this sector creates a climate of entrepreneurship and innovation, building a base for sustainable local agriculture and consumer support of products.

The continued success of these efforts depends upon identifying the priorities and needs of the local landowner. There is an incredible amount of growth available within this market, and the CRPA views a system of agricultural support as a harmonious way to bolster farm income while supporting rural resources. Farming also faces demographic changes in terms of retirement and succession planning, which is vital to the future of agriculture in the region.

When the CRPA has completed this recommendation the region will have a gateway to informational opportunities for both farmers and citizens interested in local agriculture. The information is ultimately an effort to assist those who are seeking support in an increasingly disconnected world. By promoting the direct flow of income from consumer to farmer through more sustainable land practices and growth strategies, the local community is capable of deferring some of the negative impacts of the globalized economy. The value of this approach comes from its ability to create a source of positive outcomes for the social, economic, and environmental capacities of the community.

B. Primary Roles and Responsibilities

Lead Role. The CRPA should take the lead role in this pursuit. Work done by the CRPA should be supported by the municipalities and Centre County.

C. **Activities of the Lead Entity.** The CRPA should incorporate farmland preservation goals into planning and economic development documents and help municipalities develop additional tools to preserve the agricultural industry. Key activities include:

➤ Start-up Steps

- Design web page on CRPA with available information on agricultural training, information, marketing, and education.
- Review and evaluate potential preservation tools including one acre zoning vs. agricultural zoning, land development controls, and agricultural buffers.
- Work with municipalities to identify target preservation areas
- Have municipalities review current zoning standards of the A1 (agricultural) district.

➤ Ongoing Operations: Regular communication with municipalities concerning the status of land preservation, development proposals, and agricultural zoning changes.

➤ Monitoring/Tracking: Quarterly, the CRPA staff should update the information on the web page and check for new educational workshops, major agricultural financing changes, and new programs available.

Estimated Time/Cost. Anticipation is to utilize existing staff at the CRPA, and the Centre County staff.

D. Supporting Roles and Responsibilities

Support role. Individual municipalities and Centre County.

Activities of the Support Players. Individual municipalities should continue the use of zoning and land development decisions that recognize the importance of agriculture and the agricultural economy in the region.

Estimated Time/Cost. Anticipation is to utilize existing staff at the CRPA, at the policy level and staff at the municipal to carry out this activity.

- E. What is the likely timeline?** This recommendation does not need financing or approval process and can begin immediately. It should be integrated into the Comprehensive Plan update currently underway.
- F. If funding is an issue, what are potential funding sources?** The intent of this recommendation is to use existing resources and integrate them into CRPA web page. CRPA staff would update the web page on a regular basis.
- G. What is the overall priority (vs the other Recommendations)?** This is a medium priority action item and should be implemented in conjunction with the Comprehensive Plan update.
- H. Are there preconditions to success?** No, this recommendation is not directly dependent on other recommendations in this report.

KEY IMPLEMENTATION ACTIVITIES				
PRESERVE AGRICULTURAL LAND, SUPPORT THE VIABILITY OF AGRICULTURE AND RECOGNIZE THE IMPORTANCE OF AGRICULTURE TO A HEALTHY AND DIVERSE ECONOMY				
Key Implementation Activities (1)	Timeframe	Benefit	Difficulty	Cost
Start-up Steps				
1. Develop web page on COG web page for 'Agricultural Preservation and Growth' resources.	Phase II	High	Low	Low
2. Divide resource page by category: Information assistance for farmers, educational forums, community interest.	Phase II	Moderate	Low	Low
3. Identify information providers; PA Farm Link, PASA, Farm Service Agency.	Phase II	High	Low	Low
4. Review standards in A1 zoning districts.	Phase II	High	High	Moderate
On-going Operations				
1. Keep updated list of loan providers and financing options.	Phase II	Moderate	Moderate	Low
2. List monthly educational opportunities: Farm Bureau, Agricultural Forum.	Phase II	Moderate	Moderate	Low
3. Seasonal farmers markets (location, times) / allow for markets in agricultural zoning districts.	Phase II	Moderate	Low	Low
4. Sustainability/Preservation promotion. Identify when PASA Conference and workshop is available.	Phase II	Moderate	Low	Low
Monitoring/Tracking				
1. Monthly workshops; check for scheduling changes or expansion.	Phase II	Moderate	Moderate	Low
2. Information on ASA's, zoning, and other regulations kept up to date.	Phase II	Moderate	Moderate	Low

Note: (1) Specific Timeframe and Lead Entity should be determined upon additional deliberation after the completion of Short-Term Recommendations

Additional Resources:

Pennsylvania Farm Link. Is a non-profit organization dedicated to the mission of "creating farming opportunities for the next generation." PA Farm Link provides assistance to beginning farmers, entrepreneurial skill development, planning farm succession, farmland preservation, and financial planning information.

(Source: <http://www.pafarmlink.org/index.html>)

Pennsylvania Association for Sustainable Agriculture (PASA). Is a non-profit organization working towards entrepreneurial capacity building to promote sustainability and a healthy environment for future generations. PASA works to bring farmers and consumers who seek fresh and locally sustainable food together.

(Source: <http://www.pasafarming.org/inside-pasa>)

Farm Service Agency (FSA). Is a division of the USDA and provides programs in today's economically challenging times when resources determine the rate of progress. Some of the programs available include FSA Farm Loans, information on financial management, and outreach education.

LONG-TERM RECOMMENDATIONS

10. PURSUE NEW BUSINESS CLUSTERS, INCLUDING THOSE THAT CAN BENEFIT FROM UAJA BENEFICIAL REUSE WATER

A. Detailed Description of the Recommendation

Purpose, Need and Benefit. The community has a strong asset in the Spring Creek Wastewater Facility that both creates a competitive business advantage to companies that need low cost water and provides for additional development capacity inside the Growth Boundary. This resource could be capitalized upon and industries targeted for its use. One of the initial goals of the Economic Development Assessment was to find users for beneficial reuse water. Since the start of this project however, the demand to use beneficial reuse water in the region has changed dramatically. UAJA is now completing the Kissinger Meadow Recharge Project off of East Branch Road. The recharge project will accommodate approximately one million gallons per day (gpd) of recharge. As a result, the urgency of this recommendation as an economic development tool should be adjusted to reflect this change in circumstances.

Approach Overview. Identify business sectors and industry clusters and identify those that can benefit from beneficial reuse water and market to the virtues of a Centre Region location to them.

Optimum Outcome. A target marketing strategy to identify and attract companies to the Centre Region and identify those that can take advantage of the beneficial reuse water from UAJA.

B. Primary Roles and Responsibilities

Lead Role. UAJA, Centre Region COG

Activities of the Lead Entity.

- Start-up Steps: Review existing marketing materials that highlight the costs and benefits of using beneficial reuse water in various industry clusters. Large and/or growing firms in the greater Pennsylvania region that are compatible with the region should be identified and a target marketing campaign initiated. Some potential clusters are identified in the Appendix.
- Ongoing Operations: Continue to identify and market to high potential Beneficial Reuse Water users.
- Monitoring/Tracking: Track the number of leads generated, contacts made, interested generated and companies landed.

Estimated Cost. The cost is relative to the quality and quantity of marketing materials and web site work created. The CRPA has \$2,000 budgeted for beneficial reuse marketing in 2011.

C. Supporting Roles and Responsibilities

Support role. Municipalities and CBICC.

Activities of the Support Players. Simply being aware of the opportunity with beneficial reuse water and alerting the municipalities with proximity to beneficial reuse water service.

Estimated Time/Cost. 1-2 hours per month. It is assumed this information will be disseminated at the monthly managers meetings, and the regular meeting of regional and municipal government individuals, as recommended/described in Recommendation 5.

- D. What is the likely timeline?** This is a Long-Term recommendation. Existing marketing materials are available along with information on the CRPA and UAJA web pages.
- E. If funding is an issue, what are potential funding sources?** Funding should be continued to be provided by the CRPA out of their operating revenues.
- F. What is the overall priority (vs the other Recommendations)?** This is a Long-Term Recommendation. While it will be important to identify business clusters going forward, having Short-Term Recommendations in place that will support this recommendation is important. Use of beneficial reuse water does not have the sense of urgency that it once had. UAJA has indicated there is substantial capacity to discharge effluent into Spring Creek for the foreseeable future. Additional information is needed to determine if a plant expansion to provide more beneficial reuse water is a cost effective infrastructure investment.
- G. Are there preconditions to success?.** The location of beneficial reuse water lines, appropriately zoning property, property of sufficient dimensions and other specific site requirements need to be assessed in the context of the type of businesses that would use beneficial reuse water.

KEY IMPLEMENTATION ACTIVITIES				
PURSUE NEW BUSINESS CLUSTERS OVER THE NEXT 3-5 YEARS, INCLUDING THOSE THAT CAN BENEFIT FROM UAJA BENEFICIAL REUSE WATER				
Key Implementation Activities (1)	Timeframe	Benefit	Difficulty	Cost
Start-up Steps				
1. Review existing UAJA marketing materials that highlight the costs savings of using beneficial reuse water in various industry clusters, update if necessary	Phase III	High	Low	Low
2. Confirm the industry sectors that are likely to benefit the most from low cost non-potable water (Beneficial Reuse Water)	Phase III	High	Moderate	Low
3. Through a target industry analysis, identify the high probability industry sectors from #2 above	Phase III	High	Moderate	Moderate
4. The UAJA marketing materials and Industry Target list should be sent to the State and the Clearinghouse Liaison so both are aware of the asset and opportunities	Phase III	High	Low	Low
5. Large and/or growing firms in the greater Pennsylvania region that are compatible with the region should be identified and a target marketing campaign initiated.	Phase III	Moderate	Moderate	Moderate
6. Large and/or growing firms in the greater eastern region that are compatible with the region should be identified and a target marketing campaign initiated.	Phase III	Moderate	Moderate	Moderate
On-going Operations				
1. Follow-up with the marketing leads from #4, #5, and #6 above to gauge interest in a Centre Region location and to assess the usefulness/quality of the materials	Phase III	Moderate	Low	Low
2. Modify the materials/target marketing approach, as necessary	Phase III	Moderate	Low	Low
Monitoring/Tracking				
1. Follow-up with UAJA on the number of new customers and the whether they are new locations to the Centre Region or relocations from within	Phase III	Moderate	Low	Low
2. Summarize the successes in a press release and submit to the state, Manager's Roundtable and local media outlets	Phase III	High	Low	Low

Note: (1) Specific Timeframe and Lead Entity should be determined upon additional deliberation after the completion of Short-Term Recommendations.

11. PARTICIPATE IN AND SUPPORT THE DOWNTOWN VISION AND STRATEGIC PLAN

A. Detailed Description of the Recommendation

Purpose, Need and Benefit. The purpose of this recommendation is to work with the Downtown Improvement District to assist their efforts to strengthen and diversify the downtown. The need is to diversify the downtown economy away from being so student-centric both in terms of land use, student housing as an overwhelming majority of the use, and retail offerings. The benefit is a stronger and more viable downtown that has patronage from non-student populations, especially over the summer, in the evenings and other times of low student demand.

Approach Overview. Work with the DID to participate in the Downtown Vision and Strategic Plan as identified in the Borough's Capital Improvement Program.

Optimum Outcome. Active participation in the planning process and outcome.

B. Primary Roles and Responsibilities

Lead Role. Downtown Development District/Borough of State College

Activities of the Lead Entity.

- Start-up Steps. Working with the COG, municipalities and other key stakeholders in economic development, identify a working group of interested persons including public participants, downtown businesses, Penn State, real estate brokers and property owners.
- Ongoing Operations. Meet regularly to discuss issues with downtown development/redevelopment.
- Monitoring/Tracking: Reporting of the topics issues identified, proposed recommendations/solutions and the progress towards resolution for each issue.

Estimated Cost. The Borough has budgeted \$200,000 to complete the Downtown Vision and Strategic Plan in their Capital Improvement Program (CIP).

C. Supporting Roles and Responsibilities

Support role. CRPA

Activities of the Support Players. Provide regional planning support.

Estimated Time/Cost. Estimate time, 4 – 6 hours per month.

- D. **What is the likely timeline?** The Downtown Vision and Strategic Plan has been previously deferred in the CIP. At this point, funds may be available as early as 2012.
- E. **If funding is an issue, what are potential funding sources?** Currently programmed for \$200,000.
- F. **What is the overall priority (vs the other Recommendations)?** This is a Long-Term Recommendation and recognizes the high level of involvement required with the DID. It is also important to balance the need for a strong core in the region with other economic development activities in the region.
- G. **Are there preconditions to success?** Maintain funding for the recommendations in the Borough's CIP.

KEY IMPLEMENTATION ACTIVITIES				
UNDERTAKE A DOWNTOWN REVITALIZATION STRATEGY WITH THE DOWNTOWN IMPROVEMENT DISTRICT				
Key Implementation Activities (1)	Timeframe	Benefit	Difficulty	Cost(2)
Start-up Steps				
1. Meet with the DID to fully understand the current revitalization efforts	Phase III	High	Low	High
2. Identify the key issues and goals of the redevelopment effort	Phase III	Moderate	Low	High
3. From that understanding, identify the actions/issues that the COG is empowered to assist with	Phase III	Moderate	Low	High
4. Working with the DID and property owners, review previously developed goals and a vision for the downtown district	Phase III	High	Moderate	High
5. Conduct a market analysis to identify high potential uses for the Downtown that will help diversify the economy and broaden the downtown appeal	Phase III	High	Moderate	High
6. Meet with the Property owners to discuss revitalization and economic diversification efforts to assess their interest and needs	Phase III	Moderate	Moderate	High
7. Identify funding and financing programs to assist the owners in undertaking upfit and rehab of properties in need	Phase III	Moderate	Low	High
On-going Operations				
1. Assess the effectiveness of the programs and initiatives, adjust as necessary	Phase III	Moderate	Low	High
2. Identify strategic properties/property owners that have not been engaged in the redevelopment process and reach out to them. Identify their goals and needs and work with them as needed.	Phase III	High	Moderate	High
Monitoring/Tracking				
1. Identify successful redevelopment projects and publicize on web sites and in the local media. Share these success stories with the property owners in the DID.	Phase III	Moderate	Low	High

Note: (1) Specific Timeframe and Lead Entity should be determined upon additional deliberation after the completion of Short-Term Recommendations.

(2) The Borough has programmed \$200,000.

12. DIVERSIFY THE ECONOMIC BASE AND CREATE EMPLOYMENT OPPORTUNITIES FOR PENN STATE GRADS AND FACULTY/STAFF FAMILY MEMBERS

A. Detailed Description of the Recommendation

Purpose, Need and Benefit. While Penn State attracts the best and brightest faculty and students, there is not a strong employment base for Penn State family members or retention of graduates in the Centre Region. Potential Penn State faculty and students are dissuaded from coming to State College because of the lack of employment opportunities. The benefit of addressing this issue is to increase the faculty attractions, provide quality employment opportunities to the faculty spouses, and most importantly, to provide employment opportunities for Penn State graduates to keep them in the greater Centre Region.

Approach Overview. The approach is to work with PSU stakeholders, especially the Career services and faculty/staff recruiters to identify the employment needs of graduates that wish to remain in the area and spouses of recruited faculty and staff. This information is then coupled with the existing industry base, especially any firms in the BRE program that have indicated they are looking for staff, to match up the potential workers with the needed jobs.

Optimum Outcome. A more informed understanding of how to better align local business employment needs and the workforce resource of PSU graduates and family members and if there is a role for the region.

B. Primary Roles and Responsibilities

Lead Role. PSU Career Placement and the Workforce Investment Board.

Activities of the Lead Entity.

- **Start-up Steps.** Working together coordinate PSU career planning with WIB and other workforce
- **Ongoing Operations.** Regular communication between the players to understand current workforce needs and PSU workforce assets.
- **Monitoring/Tracking:** Tracking of employment leads that are satisfied by PSU grads and family members.

Estimated Cost. No direct cost other than staff time (3-4 days a month).

C. Supporting Roles and Responsibilities

Support role. None.

Activities of the Support Players. n/a.

Estimated Cost. n/a.

D. What is the likely timeline? The relationship can be established quickly and a planning session held within a month to discuss goals and how the players can best work together.

E. If funding is an issue, what are potential funding sources? Funding is not an issue.

F. What is the overall priority (vs the other Recommendations)? Low

G. Are there preconditions to success? None.

KEY IMPLEMENTATION ACTIVITIES				
DIVERSIFY THE ECONOMIC BASE AND CREATE EMPLOYMENT OPPORTUNITIES FOR PENN STATE GRADS AND FACULTY/STAFF FAMILY MEMBERS				
Key Implementation Activities (1)	Timeframe	Benefit	Difficulty	Cost
Start-up Steps				
1. Meet with the PSU Career Placement office and other University staff to understand the current policies and procedures for assisting faculty spouses and graduates	Phase III	Moderate	Low	Low
2. Through discussions with PSU, identify the industry sectors/job classifications that they most often have potential employees.	Phase III	Moderate	Moderate	Low
3. Identify through the BRE program results the companies/industry sectors that have active seeking employment opportunities	Phase III	Moderate	Moderate	Low
4. Create an electronic Community Jobs Web-Board on the COG website for local companies to post jobs	Phase III	High	Moderate	Moderate
5. Publicize through existing media and publications the new Community Jobs Web-Board (newsletters, weblinks, SBDC, etc)	Phase III	High	Low	Low
6. Assist in the coordination between PSU and area companies/Community Jobs Board to ensure that PSU spouses and graduates are fully aware of local employment openings	Phase III	High	Low	Low
On-going Operations				
1. Review and monitor the Community Jobs Board to make sure the posted jobs are current and still open.	Phase III	Moderate	Low	Low
Monitoring/Tracking				
1. Follow-up with PSU to see if their graduates and faculty spouses are finding jobs on the site and using the web site	Phase III	Moderate	Low	Low
2. Summarize the strengths and weaknesses of the Web-board and present to the COG webmaster for possible changes	Phase III	Moderate	Low	Low

Note: (1) Specific Timeframe and Lead Entity should be determined upon additional deliberation after the completion of Short-Term Recommendations.

SECTION 3. DOCUMENT REVIEW

The COG provided a number of documents for our review and they are listed below. The summaries below focus on those documents that have findings and recommendations, and not just provide data. For instance, while the information on building permits is important, it was a data-only report and does not present findings or recommendations.

Documents Reviewed. In all, BBP received over 25 documents in digital/or hardcopy form from the COG client. These documents are listed below.

1. Economic Development Analysis & Planning for Centre County and Central Pennsylvania
Moran, Stahl & Boyer, LLC, April 2004
2. The Pennsylvania State University Economic Impact Statement
Tripp Umback & Associates, October 2004
3. Urban Village Market Assessment
Economic Research Associates, November 2005
4. Economic Impact Study of Shiloh Road Land Use Options
Louis Berger Group, September 2004
5. Centre Region Comprehensive Plan
The Centre Regional Planning Agency, June 2000
6. CBICC Strategic Plan
Chamber of Business & Industry of Centre County
7. Economic Development – Chapter of the Comprehensive Plan
8. 2010 Centre Region Growth Management Report
Centre Region Council of Governments, August 2010
9. Centre Region Council of Governments – Operations Review of the Code Agency
Management Partners, Inc., June 2010

10. 1996-2009 Building Permit Information
11. Act 537 Sewage Facilities Plan Update 2006
12. Centre County Economic Development Trends Overview 2009
13. West End Revitalization Plan 2007
14. Centre Regional Planning Commission, 2008 Annual Report
15. CPWDC Workforce Studies
 - a. Central PA Workforce Dev Corp - Perspectives 2006
 - b. CPWDC Workforce Availability for Rockview Business Park
 - c. Rockview Business Park - Population and Labor Force
16. UAJA Capacity Update, March 3, 2010
17. University Park Airport Master Plan Update 2003
18. Radial Analysis Request for Great Stream Commons 2006
19. Economic Development Journal - Beyond the Research Park 2010
20. Centre Daily Times - State College Stuck with Building 2010
21. Centre Daily Times – State College Borough Council Rebuffs Student Business 2010
22. Data
 - a. 2000 Population by County, Planning Region, Municipality & Village
 - b. Age Distribution - Centre Region 2000 Census
 - c. Centre Co. Demographic Report 2008 – 2013
 - d. Centre County Population Estimates & Growth Forecasting
 - e. Centre Region Economic Data 2002
 - f. Centre Region Employment 2002
 - g. Centre Region Household & Family Data 2002
 - h. Centre Region Housing Characteristics 2002

- i. Centre Region Land Area Data 2002
- j. Centre Region Population & Housing 2002
- k. Centre Region Population Data 2002
- l. Centre Region Population Trends 1940-2000
- m. Centre Region School Enrollment 2002
- n. Centre Region Sewer Taps 2002
- o. Centre Region Travel to Work Data 2002
- p. Demographics & Income 2005-07 Census Estimates
- q. Snapshot of the Centre Region 2010

23. Growth Forecasts to 2040, By Township/Borough

SUMMARY OF DOCUMENTS REVIEWED

Economic Development Analysis & Planning for Centre County and Central Pennsylvania
Moran, Stahl & Boyer, LLC
April 2004

Overview

- Centre County has long been a strong economic engine in central Pennsylvania, hosting PSU, major healthcare operations and a growing base of industrial and technology related firms.
- In order to leverage the research efforts to support area job growth, the Chamber of Business and Industry for Centre County received a grant to study the local economy and its current industry presence, along with research at PSU, and determine what potential opportunities may exist for Centre County and central Pennsylvania.
- The study focuses on the following five key topics:
 - o Review and assessment of the regional economy
 - o Profile and discussion on available resources
 - o Quantification and assessment of labor market resources
 - o Overview on local research activity vs. the needs of Homeland Security and National Defense
 - o Review and assessment of available incentives and marketing initiatives

Recommendations

- Based on Research at PSU, the needs of Homeland Security and the current resources and skills of the region, it is recommended the following industry segments to be initially targeted for Centre County / Central Pennsylvania:

- Manufacturing of sensors and actuators that directly support the surveillance aspects of Homeland Security
- Manufacturing of specialized instrumentation that supports specific types of sensor systems
- Development and packaging of sensor networks into specialized surveillance systems
- Central Pennsylvania could be uniquely positioned for specific / targeted systems that relate directly to PSU research and take advantage of the competitive cost of local labor. This strategy takes full advantage of the currently available labor and facilities while further commercializing Penn State's research.
- The target strategy should make provisions to support both established companies seeking to manufacture the area as well as facilitating the start-up of new companies through the existing incubator infrastructure available in State College.
- The State College needs a two year and technical training resource to staff incremental technology industry growth. The resources will not only train young workers entering the workforce but also retool older workers as job opportunities evolve and require different skills. The closest facilities are 45 – 60+ minutes away and are just too far to be effective for local labor force. Training packages that are prepared / utilized in State College for the emerging technology companies could potentially be leveraged throughout the community college / technical network around the state.

The Pennsylvania State University Economic Impact Statement

Tripp Umback & Associates

October 2004

Introduction

- In addition to its recognition as one of the top comprehensive research universities in the United States, PSU is the single largest generator of economic impact in the Commonwealth of Pennsylvania. A consultant was hired to measure the economic and social impact of the University on the Commonwealth of Pennsylvania and on each of the State's 67 counties.
- Goals of the PSU economic impact study include:
 - Measure the business volume, employment, and government impact of the University's operations
 - Measure the economic impact of visitors who attend conferences, sporting, cultural and alumni events at the 24 Penn State campuses
 - Quantify the economic and social impact of Penn State students, employees and alumni
 - Quantify the economic impact of businesses throughout the Commonwealth that are owned by Penn State alumni
 - Quantify the total value of services provided by Penn State to businesses throughout the Commonwealth
 - Quantify the spin-off effects of university research on new business venture formation and enterprise growth, employment, and government revenue in Pennsylvania

Findings

- PSU is the single largest contributor to the state's economy, which goes beyond the operations of 24 campuses located throughout the Commonwealth and education of more than 83,000 students.
- The operation of the university systems generates \$6.14 billion annually in net economic impact to the Commonwealth of Pennsylvania and supports more than 60,000 total jobs. Every dollar invested in 2003 by the Commonwealth to support the operations at PSU returned \$19.42 in total economic impact to the Commonwealth.
- PSU generated more than \$492 million in tax revenue for the Commonwealth of Pennsylvania in 2003. Government revenue generated by PSU included \$291.1 million as a result of its operation and payroll taxes and \$201.5 million in induced impacts resulting from additional income of PSU alumni, business taxes paid by PSU alumni who are business owners and income taxes paid by companies who benefit from PSU's research. In 2003, PSU returned \$1.56 in tax revenue for every \$1 it received in appropriation.
- With total direct, indirect and induced annual economic impact equally more than \$13 billion, no other single entity in the Commonwealth of Pennsylvania does more to drive the state's economy. PSU generated approximately 2% of the state's business volume, or \$1 out of every \$50 in the state's total economy.

Urban Village Market Assessment

Economic Research Associates

November 2005

Introductions

- ERA was engaged by the Borough of State College & Ferguson Township to complete market assessment for Urban Village, which included the following work components:
 - o Perceptions, issues, and opportunities
 - o Demographic and economic context
 - o Retail market assessment
 - o Residential market assessment
 - o University town case studies
 - o Development strategy implications

Findings

- Demographic Implications
 - o Between 1990 and 2003, Centre County added about 17,850 residents, CAGR of 1% per year. While State College borough added residents over the same period, the increase was not sufficient to sustain the boroughs share of county population growth.

- For UV, while full time students are estimated to account for 26% of Centre County's population, they account for about 99% of the UV population.
- Overall Retail Market Implications
 - The Centre Region supports a considerable inventory of retail space, well above the US averages. Related store sales appear to be well above levels supported by the community, pointing to the significance of residents in adjacent counties and tourists as drivers of demand.
 - While Centre County is pulling in retail sales above resident supported levels, overall market capture has tended to lag behind other area counties in capturing regional retail sales due to reduced access. With access improvements, downtown State College would appear to be well positioned to offer urban lifestyle driven retail experience that is generally lacking in Central Pennsylvania. The planned downtown cinema project is a key element in broadening downtown's market potential.
- UV Specific Retail Implications
 - Residents and students within a ¼ mile around UV support more than \$12 million in potential retail spending, at the same time, however, the student segment is too seasonal to be day to day driver of retail demand.
 - The majority of existing spending is captured by adjacent areas, including downtown and adjacent on-campus outlets
 - Any development of new retail space in the UV must be linked to residential reinvestment and repositioning.
- Residential Market Overview
 - The Centre region has added about 1,300 new residents per year between 1990 and 2005, well above statewide rates, sufficient to sustain demand for 566 new housing units per year
 - While student populations are expected to remain largely stable, the amount of multi-family housing has increased, which is significant, raising concerns of a market that is becoming saturated, raising competitive questions for vintage apartments in marginal locations
 - Although recent housing price increases, prices are below state and national benchmarks

Economic Impact Study of Shiloh Road Land Use Options

Louis Berger Group

September 2004

Introduction

- The Fiscal / Economic Impact Study of Land Use Options for the Shiloh Road Study Area analyzes the fiscal and economic impacts of four different land use scenarios within the Shiloh Road Study Area, which will enable decision makers to determine the overall economic impacts that each scenario creates on College Township and the region.
- As the Shiloh Road Study Area currently consist of farmland and natural open space, the newly built road has created tremendous demand for development within this area since it offers great accountability to the region.

- The development area is separated into three different areas and consists of four scenarios, ranging from development consistent with existing zoning, to more developed options that contain a variety of residential, office, and commercial uses.

Recommendations

- It is not possible to create a combination of residential, office, and retail land uses that does not create any negative impacts to the existing economic activity in surrounding townships. Each township has a particular retail mix, and is geographically situated to capture different proportions of regional retail expenditure.
- It is possible to minimize the negative impacts in an overall aggregate approach. College Township, and related stakeholders, should first determine the level of new office development that is realistic and for which there is a viable market (~400,000SF). New residential development can then be included in the development, as the new office market tax contribution will offset potential tax deficits related to new residents. The type of new residential development is critical in this case, denser, less car dependent developments often incur fewer fiscal costs, and have the potential to increase property values for all land uses. Dependent upon the size of the commercial development, approximately 750 units of new residential could be realistic. This level of new office and residential development will then dictate the amount of new retail development that should be allowed to occur. Limiting development to an amount slightly less than the overall area of office space (>350,000SF), and carefully targeting small clusters of small specialty stores to immediate local residents and workers, would create the least impact to existing businesses.

Centre Region Comprehensive Plan The Centre Regional Planning Agency June 2000

Introduction

- The 2000 Centre Region Comprehensive Plan:
 - o Acknowledges the local decision making process while providing a regional framework regarding the physical development of the community
 - o Satisfies the requirements for municipal comprehensive plans contained in the Pennsylvania Municipalities Planning Code, the statute that authorizes municipal planning in the Commonwealth of Pennsylvania.
 - o The 2000 Plan is the 3rd comprehensive plan prepared for the Centre Region, and establishes a framework for the physical development of the community, and continues the six municipalities tradition of pursuing a cooperative regional approach to community development

Conclusions

- Long-Range Plan includes

- A regional growth boundary that encourages and directs the majority of the future growth
- Outlying rural and agricultural areas recommended for preservation where important natural features, unique farmlands, and open space connections have been identified through the plan development and review process
- Action strategies designed to carry forth the goals, policies, and initiatives provided in this plan
- The addition of an implementation column to identify appropriate municipalities recommended to complete specific action strategies
- Comprehensive Plan Goals
 - Balance community growth while protecting and enhancing the Centre Region's environmental, historic, and cultural resources
 - Direct the majority of future growth to areas within the Regional Growth Boundary so that new development can be efficiently served by public utilities, services, and transit
 - Preserve and enhance the low-density community character in the rural areas located outside of the Regional Growth Boundary
 - Preserve prime farmland for agricultural use
 - Coordinate land development activity with the transportation system for the safe, efficient, and convenient movement of people and goods
 - Coordinate land development activity with necessary public facilities and services in a cost-effective manner
 - Obtain additional parkland and open-space areas, and provide a broad range of recreational opportunities
 - Provide a variety of housing opportunities to satisfy the needs of all existing and future residents of the Centre Region
 - Maintain a cooperative relationship between the Centre Region municipalities and PSU to ensure that future growth and the University benefits the community

Strategic Plan

Chamber of Business & Industry of Centre County

Strategies and Goals

- Strategy 1: Create and retain quality jobs and increase tax base
 - Create system for timely, accurate response to prospects and existing customers
 - Establish identity and image
 - Create diverse incubation space
 - Increase loan portfolio
 - Continue land / property development
- Strategy 2: Increase member return on investment
 - Growth membership and maintain above average retention rate
 - Enhance and increase member engagement

- Enhance existing and develop new programs / benefits to respond to members changing needs
- Develop customized communications utilizing up-to-date technology
- Strategy 3: Increase and strengthen advocacy
 - Information, education and communication
 - Membership engagement
 - Explore regional alliances
 - Increase effectiveness
- Strategy 4: Enhance professional development and education opportunities
 - Grow chamber university
 - Survey CCIDC and CBICC needs
 - Pursue foundation development opportunities
 - Seek collaborations
- Strategy 5: Revise organizational operations to implement growth strategies
 - Address governance
 - Project fiscal position
 - Team development
 - Review facilities

Economic Development

Economic Development Goal

- Identify and promote industry specific economic development initiatives to maintain and grow a diverse economic base for the County and each of its planning regions

Recommendations

- Agriculture
 - Future conservation efforts should continue coordination with land use and capital improvement plans to ensure compatibility, maximize the benefits of prime agricultural soils, and minimize infrastructure costs
 - To remain viable, small family farms must focus on local markets and identify special products to meet local demand
 - Ag-related economic development efforts should be made to link agriculture producers with local market and should include marketing assistance
 - Local communities should support ag-entertainment activities and promote such efforts within the programs of the tourism industry
- Manufacturing
 - The County and its economic development associations should continue to invest in business incubators

- Strategies should be identified to continue providing access to financial capital for business retention and expansion
- Understanding the growth in one sector of the economy impacts other sectors, potentially secondary economic impacts should be identified when making economic development policy decisions
- The preparation of site assessments linked to demographics / socioeconomic data will help to maximize existing infrastructure and promote sound land use planning principles while creating a business friendly environment
- Ensure that workforce development programs meet both existing and future needs
- High Tech
 - Ensure that land use plans and zoning districts identify areas suitable for high tech manufacturing opportunities located adjacent to adequate infrastructure
 - Strategies should be identified to continue providing access to financial capital for business retention and expansion
 - Ensure that workforce development programs meet future needs
 - Identify land use strategies to support the Penn State research expertise
 - Promote education and training as a fundamental component of the County's economic development strategy
 - Identify and support programs to transition employees from a manufacturing to an information and service based economy
- Consumer Services
 - Local land use plans and zoning districts should identify areas suitable for medical facilities
 - Such facilities should be planned in a manner that they can be efficiently provided with public infrastructure and services including public transportation
 - Prepare inventory of undeveloped / vacant commercially zoned properties
- Tourism
 - Unique cultural and historic resources should be cataloged and promoted as part of a comprehensive County economic development strategy
 - Municipalities should identify locally important resources for inclusion in such a plan and should identify related retail opportunities
 - Land use regulations should recognize the relationship between tourism activities and retail opportunities and promote such opportunities consistent with sound planning process
 - The County's recreational amenities should be inventoried with related retail opportunities identified
 - Linkages between recreational opportunities should be identified and promoted
- Resource Agencies
 - Recognizing that each of these agencies plays an important role in the County's economic development through the management of a variety of programs, the Planning Office should be designated to serve as a liaison between these organizations and the County

2010 Centre Region Growth Management Report**Centre Region Council of Governments****August 2010****Introduction**

- In effort to update the 2002 Centre Region Vacant Land Inventory, the Centre Region Planning Agency produced the 2010 Centre Region Growth Management Report, which incorporates vacant land information collected in late 2009 and combines it with the data developed for the Centre County Growth Forecast 2040.
- The outcome of the report that compares the amount of vacant land in the Centre Region with the forecasted growth to determine if sufficient land is available to accommodate the growth forecasts of the Centre Region through 2040.

Conclusion

- The Centre County Growth Forecast 2040 uses six distinct categories to classify land use, including:
 - o Dwelling Units
 - o Retail
 - o Retail / Hotel
 - o Office / Light Industrial
 - o Heavy Industrial
 - o Public / Semi-Public
- Based on the forecasted information, each municipality is expected to see growth over the next 30 years.
- In particular, residential growth will generally be spread out throughout the six municipalities:
 - o The majority of retail growth will be seen in College, Ferguson, and Patton Townships;
 - o College and Patton Townships and the Borough of State College will benefit from retail / hotel development
 - o College Township will see the majority of office / light industrial uses followed by Ferguson and Patton Townships
 - o College Township will experience all of the heavy industrial growth
 - o The Borough of State College will see the majority of public / semi-public uses
- A summary of the forecasted totals through 2040 include:
 - o 9,278 dwelling units
 - o 1,804,302 SF of retail
 - o 729,301 SF of retail / hotel
 - o 2,695,940 SF of office / light industrial
 - o 554,650 SF of heavy industrial
 - o 905,422 SF of public / semi-public

Centre Region Council of Governments – Operations Review of the Code Agency**Management Partners, Inc.****June 2010****Introduction**

- The Centre Region Council of Governments Code Administration Agency is a voluntary program that began in 1968 with the participation of State College Borough and the Townships of College, Ferguson, and Patton.
- Codes administration in the US is one of the most administratively, politically, and technically complex services that local governments provides
 - o Building codes, in their various forms, are highly technical and complex yet subject to frequent, often varying interpretations
 - o There is an inherent conflict between the regulatory role of a code agency and the demand for customer services
 - o The balance between the public safety role of code administration and the private benefit provided is constantly shifting
 - o There are many different public and private stakeholders, all of whom feel their concerns are the most dominant
- As part of its effort to continue the tradition of quality of service, to meet the expectations of its member municipalities, and to assure the continuation of efficient and effective services to customers and stakeholders, the COG has undertaken this operations study of the Code Agency.

Recommendations

- Based on the analysis of the Code Agency, 39 recommendations were provided for improvement in Agency operations
 - o High priority recommendations either have significant immediate impact on the Agency's operation or which are an essential first step in the implementation of other recommendations
 - o Medium priority recommendations are important for the Agency, but which do not have the immediacy or the impact of higher priority recommendations, some of the recommendations in this group will require lengthier public policy debate
 - o Low priority recommendations do not have immediacy, or which would not have significant impact on Agency operations

University Park Airport Master Plan Update**July 2003****Purpose**

The purpose of the Airport Master Plan Update for University Park Airport is to provide PSU and Centre County Airport Authority with useful, understandable information and guidance to develop and maintain a safe and efficient airport. It also provides the FAA and Penn DOT with information concerning the planning development at University Park Airport.

Goals

Specific goals of the update are to:

- Define a vision, image and strategic plan for the airport
- Define future opportunities for development
- Determine the need for an air traffic control tower
- Map utility locations for future development (GIS)
- Evaluate the need for an instrument landing system (ILS) to Runway 6
- Examine ground transportation, parking, and intermodal aspects of the terminal
- Define the role of the airport in the State System Plan
- Assess the need for the crosswind runway

Workforce Availability for Rockview**CPWDC****Factors to Consider**

- Composition of Centre County Economy
- Human Capital
- Ability to Attract a Workforce
 - o Number of Employees by NAICS within 30 Miles of Rockview
 - o Number of Establishments by NAICS within 30 Miles of Rockview
 - o Radial Analysis – 30, 45, 60 miles
 - o Drive time Analysis – 30, 45, 60 minutes

Perspectives

CPWDC

2008

Data Collection

- Labor market history
- Employment by industry cluster
- Employment by occupation
- Major employers
- Occupations with the most projected openings
- Commute times
- Educational attainments
- Postsecondary enrollment
- Self sufficient wages
- Quarterly workforce indicators
- Top ten industries by projected volume growth
- Centre County Profile
 - o Diversified manufacturing
 - o Lumber and wood products
 - o Education
 - o Healthcare

Radial Analysis Request for Great Stream Commons

Central Pennsylvania Workforce Development Corporation

February 2006

Summary

Provides a detailed analysis on the workforce and industrial presence of the region and includes analysis on the 311 Food Processing industries and on the radial demographics surrounding the prospective location of the Great Stream Commons Business Park.

Analysis

The document details various aspects of the workforce in 15, 30 and 45 mile radii and 15, 30 and 60 mile drive times around Great Stream Commons.

- Labor force draw
- Available labor force
- Demographics
- Industry relevance
- Training opportunities

West End Revitalization Plan

Delta Development Group

March 2007

Overview

The concepts in this revitalization plan were shaped through an extensive collaborative planning process, including input from the original Urban Village Neighborhood Revitalization Plan Steering Committee, property owners, businesses, students, residents, State College Borough staff, and other public agencies. It reflects the common interest to revitalize the Urban Village neighborhood into a vibrant, diverse, community that meets the needs of those who live and work there.

Key Goals

The plan goals are tools to evaluate development and/or other improvements within the plan area:

- Improve the visual appearance of the West End to provide a quality setting for residents and businesses
- Improve the above and below ground infrastructure in the West End
- Provide adequate open space for residents and patrons to enjoy
- Provide a pedestrian focused, friendly environment
- Improve vehicular traffic circulation in the West End
- Improve parking and access management to provide adequate, effective parking
- Preserve and promote the unique character and historic significance of the West End
- Diversify housing opportunities to create a well-balanced mix of owner-occupied and rental units for all age and income groups
- Increase neighborhood scale retail and commercial activities to meet the needs of West End residents
- Encourage optimal revitalization of sites within the West End to ensure highest and best uses are realized

Create a seamless, cohesive urban environment that integrates with the Penn State West Campus and Ferguson Townships commercial corridor

SECTION 4. KEY STAKEHOLDER INTERVIEW SUMMARIES

BBP conducted a series of interviews over the two-day kick-off meeting trip. In all, 25 stakeholders were interviewed as well as discussions held with the Transportation and Land Use (TLU) Committee and the Municipal Managers Meeting. The listing below present those key stakeholders interviewed for the project.

Name	Affiliation
Adam Brumbaugh	College Township Manager
Amy Farkas	Harris Township Manager
Bob Beaury	PSU Instructor, Engineering Entrepreneurship and Leadership
Bob Jacobs	Director, Centre County Planning & Community Development Office
Bonnie Spetzer	College Township Industrial Development Authority
Carl Hess	Director, State College Borough Planning Department
Dan Sieminski	PSU Office of Finance & Business
Daniel Leri	Innovation Park & I-99 Alliance
Dave Smith	University Area Joint Authority (UAJA Beneficial Reuse)
David Panko	Patton Township Business Association
Doug Erickson	Patton Township Manager
Henry Foley	PSU Research & Technology Transfer Organization
Jack Matson	PSU Professor Emeritus, Environmental Engineering
Janet Sulzer	Centre Regional Planning Commission (CRPC)
Jeff Luck	Patton Township Supervisor
Jim Steff	Centre Region Council of Governments (COG) Executive Director
Jody Alessandrine	Downtown State College Improvement District
Mark Kunkle	Ferguson Township Manager
Paul Rittenhouse	Harris Township Supervisor
Steve Bodner	Centre County Association of Realtors
Susan Steele	Halfmoon Township Manager
Trudy Mitchell	Centre County Industrial Development Corporation (CCIDC/CCIDA)
Trish Lang	Ferguson Township Planning Director
Victoria Yen Fong	State College Redevelopment Authority
Wesley Donahue	Ferguson Township Industrial & Commercial Development Authority

General comments from the interviews are included below, and were a significant factor in the development of the preliminary recommendations. As noted above, comments are not directly attributed to particular interviewees as all interviews were promised to be confidential to elicit a free-flowing conversation.

As noted above, BBP interviewed 25 key stakeholders and met with the TLU Committee and Municipal Manager's Roundtable. The comments below are a combination of those interviews and meetings and reflect the opinions and perspective of the interviewees, and not necessarily the COG or consultants.

Summary of Key Stakeholder Interview Comments

■ *Strengths*

- A key strength is that this is a very livable area
- UAJA Beneficial Reuse Water
- The CCIDC is the certified IDA/IDC for the County and has a direct line to the state for funding
- State Senator from Patton Township
- Air service got better once PSU joined Big Ten
- PA Incubator Association

■ *Weaknesses*

- Economy has become one dimensional with PSU and student expenditures a significant component of the economy
- Housing choices are an issue, especially workforce housing
- There is a need for people, training and funding to support entrepreneurship
- Underutilized properties/poorly kept properties slow economic growth and opportunity
- Not enough resident-employees in State College – too much student-residential
- Need more public/private partnerships
- Volume of students is growing but on-campus housing is not. This is causing a strain on public services and degradation of infrastructure
- Wastewater now being dumped into high-quality – upsets temperature of water – other wastewater being sprayed on athletic fields, golf courses
- Growth bound areas has choked hog stock, need to increase (push back likely) – tried to add 50 acres to growth area and got rejected
- Not enough green development - potential development of town center – tough to establish a town center of 320 acres (new zoning distribution with design guidelines)
- Weather an issue
- Missing link is a passionate champion – now the eco-efforts are being diffused

- 35 government entities in Center County
 - CBICC/CCIDC need to share more
 - IDCA is very reactive, not proactive
 - IDC risk area – no life science interest
 - Lack of business-oriented people serving on grant boards
-
- ***Opportunities***
 - Major transportation projects need to be funded and carried out
 - Science Park in Ferguson Township and Cato Park are opportunities
 - UAJA Beneficial Reuse Water – another important development/attraction opportunity. Limited to 6mgpd into Spring Creek is the max and that sets the build-out.
 - Big demand for this kind of housing (WH)
 - Marcellus Shale/Gas, PSU has one of the best geology dept to take advantage of the resource
 - A half-day symposium on economic funding financing could be helpful
 - There is a real opportunity to partner CCIDC/COG/PSU together in commercialization and technology transfer.
 - New prison will create a need for more workforce housing, as will the Marcellus Shale opportunity
 - Eco-tourism is another opportunity to be explored with the state parks and abundant natural resources
 - Expand bridge from 3 lanes – partnership with development
 - No retail retention strategy needed in past but times are changing
 - Great infrastructure in State College – green development only
 - Relocation of interchange underway at Hills Plaza

■ *Regionalism*

- Perception is that CCIDC promotes only its own properties not economic development for the County
- The CCIDC needs to overcome the perception that they don't truly represent all properties in the Region. From their perspective, they represent the Centre Region without prejudice
- Very high level of intergovernmental cooperation
- Local government has typically not had a role in economic development
- There hasn't been strong ties between the CBICC and COG (from a real estate perspective)
- Need more regional cooperation, especially in marketing and presenting real estate opportunities
- CCIDC has a listserv that anyone can sign onto and participate. They use this listserv to promote buildings, sites and prospect lead requests

■ *Penn State*

- University has not generated much in commercializing or start-up companies. The culture is not there. Very little success stories in 20+ years
- University doesn't really help/encourage tech transfer or commercialization
- PSU is top 5 in total research but way down the list in total tech transfer graduation and start-ups from the Innovation Park incubator has not been very strong.
- PSU has already been involved in Marcellus Shale with some of the northern counties in preparing for the opportunity, utilizing their strong engineering department, among others at PSU
- Student housing distorts the market such that typical economic development financing approaches don't work
- University needs to play a bigger role in local economic development and company attraction
- Need strategic partnership for increase tech transfer/incubator
- Never been a catalytic event to get folks to not be complacent
- Largest dues-paying alumni group in US
- bounce tech transfer ideas off alumni

- ***Business Attraction/Expansion***
 - Need a better way to handle prospects - "One Stop Shop" would be good
 - Attraction of new companies is important but so is the retention of existing companies
 - Need a script for all to promote assets of the Centre Region to prospects
 - The business community needs more knowledge of real estate process and debt/equity ratios
 - State College IDA "Guaranteed Loan Program"
 - Economic development financing, and the role of the public sector, needs to be better understood by elected officials, the development community and community at large

- ***Economic Development***
 - Even though the State College IDA is staffed by College Township they work the entire Centre Region area
 - Can't help small businesses – sunshine laws, 50+ employees, \$1M loan minimum
 - Have traditionally been more regionally focused – they work throughout the Centre Region
 - Not much work or collaboration with the CBICC/CBIDC
 - Inventory of commercial space:
 - Fine for small to medium size companies (1-5 acs)
 - Very little for large company needs (10 ac and above)
 - The Region is challenged in keeping good people and ideas with this central PA location.
 - Venture Capital (VC) is available but very hard to get. He doesn't know of any active Angel groups, but PSU has such a large alumni there should be one.
 - There is fragmentation of the economic development engine between CBICC, COG and the municipalities
 - No clear economic development "champion" for the Region
 - Need to expand the downtown economic base beyond student housing and student revenues
 - TIF from time to time, but many elected officials and citizens don't understand it, and thus oppose it.
 - Downtown needs full National Trust designation to get historic tax credits and other development incentives

- Perception – arduous process to have a property developed – permitting and review process is thought to be very difficult and needs to be streamlined. A single point of contact would help
- The application of permitting rules/regs has been called “overzealous” and that little interpretation/accommodation is offered to private developers to encourage investment.
- Planning and zoning needs to be changed to make it easier to do in-fill development.
- Retention important – retail center – big box area – stents
- Impediment to entire area: stringent development permitting process –
 - All building codes are required
 - Zoning/permitting
 - Building permit – COG
 - Water permit – water authority
 - Sewer permit – sewer authority
 - State permits
 - Usually all in-house with 1 stop...here it takes 3 stops
 - Streamline it – same for new KS redevelopment – “common theme”
- No mechanism/forum to do regional Economic Development like in other jurisdictions

June 27, 2011

FINAL REPORT: Economic Development Assessment of the Centre Region

Appendices

Centre Region Council of Governments

Prepared For:

Centre Region Council of Governments

Prepared By:



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APPENDIX A – TARGET MARKET ANALYSIS

Top Employment Industries

To identify top employment industry clusters in Centre County, BBP analyzed the top industries in Centre County with the highest employment. At-place employment refers to all employees of establishments located in a specific geography (Centre County), and is distinctive from the labor force in that an at-place employee may or may not reside in that specific geography (and a member of the labor force may or may not work in that specific geography).

The table provided below lists the top 20 employment industry clusters by number of employees.

- Of the 85,136 employees in Centre County, Pennsylvania State University (colleges and universities) account for a large portion (27.2 percent) of the employment in the county and employs approximately 23,186 individuals. As one of the top ten largest public universities in the United States, the Pennsylvania State University is located in the University Park area within State College and College Township.
- Other notable top employment industries in Centre County include business services (1,336 employees), noncommercial research organizations (1,288 employees), and engineering services (506 employees).

Top 20 Employment Industries - Centre County, PA (2010-Q3)				
Rank	Industry/4-digit SIC Code	No Bus	Total Emps	% of Total
1	8221 Colleges and Universities / Pennsylvania State University	-	23,186	27.2%
2	8211 Elementary and Secondary Schools	53	12,133	14.3%
3	5812 Eating Places	206	3,871	4.5%
4	5411 Grocery Stores	61	1,872	2.2%
5	5311 Department Stores	12	1,496	1.8%
6	7011 Hotels and Motels	59	1,399	1.6%
7	7389 Business Services, Nec	577	1,336	1.6%
8	8733 Noncommercial Research Organizations	24	1,288	1.5%
9	8062 General Medical and Surgical Hospitals	4	1,202	1.4%
10	8011 Offices and Clinics of Medical Doctors	103	1,016	1.2%
11	9223 Correctional Institutions	2	737	0.9%
12	3663 Radio and T.v. Communications Equipment	7	671	0.8%
13	8322 Individual and Family Services	71	625	0.7%
14	8661 Religious Organizations	160	601	0.7%
15	8641 Civic and Social Associations	64	597	0.7%
16	8711 Engineering Services	85	506	0.6%
17	5211 Lumber and Other Building Materials	25	503	0.6%
18	1521 Single-family Housing Construction	147	496	0.6%
19	6021 National Commercial Banks	30	485	0.6%
20	1611 Highway and Street Construction	8	472	0.6%
Subtotal (Top 20)		1,698	54,492	64.0%
Total (Centre County)		6,120	85,136	100.0%

Location Quotient

To identify whether or not an industry cluster represents a local specialization, BBP conducted a location quotient analysis. The location quotient is the most commonly used economic base analysis method. The location quotient compares a local economy to reference economies to identify specializations. Location quotients typically compare the proportion of local employment in an industry to the proportion of employment of a larger geography in the same industry.

The analysis examined all 4-digit SIC code industries to determine whether or not the local economy has a greater share of that industry than expected. If a particular location quotient for an industry is greater than 1, the area is considered to be more specialized in that industry or cluster when compared to the larger geography, because industries in the clusters are producing for more than local needs and assumed to be exporting.

The tables provided below show the top 10 industry clusters for each analysis. In the case of Centre County, the location quotient was calculated between the following geographies:

- Center County vs. Pennsylvania
- Centre County vs. United States
- Pennsylvania vs. United States

Location Quotient - Centre County vs. Pennsylvania (2010-Q3)			
Industry/4-digit SIC Code	Centre County	Pennsylvania	LQ
3812 Search and Navigation Equipment	401	449	53.37
3675 Electronic Capacitors	257	386	39.79
3274 Lime	60	149	24.06
3911 Jewelry, Precious Metal	402	1,034	23.23
3172 Personal Leather Goods, Nec	9	30	17.93
3663 Radio and T.v. Communications Equipment	671	2,920	13.73
3631 Household Cooking Equipment	14	62	13.49
2673 Bags: Plastic, Laminated, and Coated	122	545	13.38
3676 Electronic Resistors	108	487	13.25
8221 Colleges and Universities	23,186	107,665	12.87
Total	85,136	5,087,592	1.00

When comparing Centre County to the Commonwealth of Pennsylvania, Centre County is considered to be more specialized in industries such as search and navigation equipment, electronic capacitors, lime, previous metal jewelry, electronic resistors, and colleges and universities.

Location Quotient - Centre County vs. United States (2010-Q3)			
SIC / Industry	Centre County	United States	LQ
3676 Electronic Resistors	108	3,170	48.20
3675 Electronic Capacitors	257	9,406	38.65
3274 Lime	60	2,633	32.24
3297 Nonclay Refractories	105	5,517	26.92
8221 Colleges and Universities	23,186	1,809,070	18.13
3911 Jewelry, Precious Metal	402	34,176	16.64
7041 Membership-basis Organization Hotels	196	21,417	12.95
3556 Food Products Machinery	225	24,750	12.86
5989 Fuel Dealers, Nec	18	2,737	9.30
3542 Machine Tools, Metal Forming Type	85	13,102	9.18
Total	85,136	120,435,481	1.00

Similar to that of Centre County compared to the Commonwealth of Pennsylvania, when compared to the United States, Centre County is considered to be more specialized in industries such as electronic resistors, electronic capacitors, lime, and nonclay refractories, and colleges and universities.

Location Quotient - Pennsylvania vs. United States (2010-Q3)			
Industry/4-digit SIC Code	Pennsylvania	United States	LQ
1231 Anthracite Mining	257	482	12.62
1044 Silver Ores	128	273	11.10
3322 Malleable Iron Foundries	397	1,036	9.07
3313 Electrometallurgical Products	870	2,563	8.04
0182 Food Crops Grown Under Cover	4,232	12,910	7.76
6722 Management Investment, Open-ended	12,886	39,441	7.73
4925 Gas Production and/or Distribution	2,530	7,857	7.62
2823 Cellulosic Manmade Fibers	330	1,025	7.62
3399 Primary Metal Products	4,101	12,777	7.60
3799 Transportation Equipment, Nec	5,616	19,781	6.72
Total	5,087,592	120,435,481	1.00

When compared to the United States, the Commonwealth of Pennsylvania is considered to be more specialized in industries such as anthracite mining, silver ores, malleable iron foundries, electrometallurgical products, and other geological / energy related industries.

POTENTIAL TARGET INDUSTRY SECTORS

The analysis above combines analyzed the industry sectors in the Centre region and identified those sectors of highest priority. While the asset of Penn State University and the Beneficial Reuse Water are formidable, the geographic and transportation constraints provide difficult obstacles to attracting industry sectors that do not now have a presence in the region. Especially in these strained economic times, it is not recommended that the Centre Region expend resources chasing new industry sectors that do not have a defined linkage to the area.

The table below shows the top industry sectors by employment and location quotient results. The table also shows which industry sectors have a potential relationship with PSU or could benefit from the Beneficial Reuse Water.

<u>Industry/4-digit SIC Code</u>	<u>Emps</u>	<u>LQ - Centre vs. PA</u>	<u>LQ - Centre vs. US</u>	<u>LQ - PA vs. US</u>	<u>LQ Points</u>	<u>PSU Potential</u>	<u>Beneficial Reuse Water</u>
8221 Colleges and Universities	23,186	12.87	18.13	1.41	3		
8733 Noncommercial Research Organizations	1,288	8.09	8.50	1.05	3	☑	
9223 Correctional Institutions	737	1.90	2.16	1.14	3		
6021 National Commercial Banks	485	1.55	1.60	1.03	3		
3274 Lime	225	9.89	12.86	1.30	3		
3676 Electronic Resistors	196	10.81	12.95	1.20	3		
3297 Nonclay Refractories	108	13.25	48.20	3.64	3		
7041 Membership-basis Organization Hotels	105	5.77	26.92	4.66	3		☑
3556 Food Products Machinery	85	6.86	9.18	1.34	3		
5989 Fuel Dealers, Nec	60	24.06	32.24	1.34	3		
3542 Machine Tools, Metal Forming Type	18	3.38	9.30	2.75	3		☑
8641 Civic and Social Associations	597	1.05	1.33	1.27	3		
8211 Elementary and Secondary Schools	12,133	3.03	2.96	0.98	2		
3663 Radio and T.v. Communications Equipment	671	13.73	6.78	0.49	2		
1611 Highway and Street Construction	472	2.95	2.04	0.69	2		
3812 Search and Navigation Equipment	402	23.23	16.64	0.72	2	☑	
3675 Electronic Capacitors	401	53.37	5.39	0.10	2		
3911 Jewelry, Precious Metal	257	39.79	38.65	0.97	2		
3172 Personal Leather Goods, Nec	122	13.38	6.75	0.50	2		
2673 Bags: Plastic, Laminated, and Coated	9	17.93	2.69	0.15	2		☑
3631 Household Cooking Equipment	14	13.49	1.27	0.09	2		
1231 Anthracite Mining	12	0.17	1.33	7.60	2		☑
7011 Hotels and Motels	1,399	1.46	1.21	0.83	2	☑	
5411 Grocery Stores	1,872	0.87	0.98	1.13	1		
8062 General Medical and Surgical Hospitals	1,202	0.39	0.56	1.42	1		☑
8011 Offices and Clinics of Medical Doctors	1,016	0.53	0.57	1.06	1		

Economic Development Assessment of the Centre Region

8322 Individual and Family Services	625	0.54	0.70	1.29	1		
8661 Religious Organizations	601	0.54	0.57	1.06	1		
8711 Engineering Services	506	0.75	0.81	1.09	1	<input checked="" type="checkbox"/>	
1044 Silver Ores	1	0.01	0.07	6.72	1		<input checked="" type="checkbox"/>
3322 Malleable Iron Foundries	0	0.00	0.00	12.62	1		<input checked="" type="checkbox"/>
3313 Electrometallurgical Products	0	0.00	0.00	11.10	1		
0182 Food Crops Grown Under Cover	0	0.00	0.00	9.07	1		<input checked="" type="checkbox"/>
6722 Management Investment, Open-ended	0	0.00	0.00	8.04	1		
4925 Gas Production and/or Distribution	0	0.00	0.00	7.76	1		
2823 Cellulosic Manmade Fibers	0	0.00	0.00	7.73	1		<input checked="" type="checkbox"/>
3399 Primary Metal Products	0	0.00	0.00	7.62	1		
3799 Transportation Equipment, Nec	0	0.00	0.00	7.62	1		
5812 Eating Places	3,871	0.98	0.90	0.92	0		
5311 Department Stores	1,496	0.92	0.90	0.97	0		
7389 Business Services, Nec	1,336	0.62	0.51	0.82	0		
5211 Lumber and Other Building Materials	503	0.82	0.77	0.94	0		
1521 Single-family Housing Construction	496	0.75	0.69	0.92	0		
<i>* Top 20 Employer - Centre County</i>							
<i>* Top 10 LQ - Centre County vs. Pennsylvania</i>							
<i>* Top 10 LQ - Centre County vs. United States</i>							
<i>* Top 10 LQ - Pennsylvania vs. United States</i>							

RECOMMENDED TARGETS

From the table and analysis above Recommended Target sectors have been identified. Primary targets have at least two positive LQ ratings and are an industry sector that is market driven and can be targeted. Sectors covering institutions (colleges, prisons) or other community oriented services (religious institutions) are not economic development targets.

Recommended Targets	
Primary	Secondary
8733 Noncommercial Research Organizations	5411 Grocery Stores
3676 Electronic Resistors	8062 General Medical and Surgical Hospitals
3297 Nonclay Refractories	8011 Offices and Clinics of Medical Doctors
7041 Membership-basis Organization Hotels	8322 Individual and Family Services
3556 Food Products Machinery	8711 Engineering Services
5989 Fuel Dealers, Nec	3313 Electrometallurgical Products
3542 Machine Tools, Metal Forming Type	0182 Food Crops Grown Under Cover
3663 Radio and TV. Communications Equipment	6722 Management Investment, Open-ended
3812 Search and Navigation Equipment	4925 Gas Production and/or Distribution
3675 Electronic Capacitors	2823 Cellulosic Manmade Fibers
3911 Jewelry, Precious Metal	3399 Primary Metal Products
3172 Personal Leather Goods, Nec	3799 Transportation Equipment, Nec
2673 Bags: Plastic, Laminated, and Coated	
3631 Household Cooking Equipment	
7011 Hotels and Motels	

APPENDIX B – BENEFICIAL REUSE WATER

Beneficial Reuse Water

Recycled water can be used for a wide range of beneficial purposes if treated to a quality which is fit for the intended purpose.

Urban, Residential, Commercial and Municipal Use of Recycled Water

- Residential and commercial uses of recycled water include:
 - Irrigation of sporting fields and golf courses, public open space and landscaping
 - Residential garden watering and toilet flushing
 - Commercial buildings
 - Cooling water for air-conditioning systems
 - Clothes washing
 - Washing of vehicles and equipment
 - Municipal construction and cleaning
 - Fire Protection

Industrial Use of Recycled Water

Industrial uses of recycled water include:

- **Industrial process water:** Industrial uses of recycled water range from large volumes of low quality water for cleaning and cooling applications to high quality process water for manufacturing or boiler feedwater. In some cases water can be recycled internally within an industrial plant to achieve zero discharge of wastewater. Other industrial plants can use large quantities of recycled water from municipal sources for process needs.
- **Cooling water:** Large quantities of cooling water are used in thermal electricity generating plants and in manufacturing plants such as steel-making plants
- **Steam production:** Steam is used in power plants and many industrial processes. High grade recycled water may be used for boiler feedwater after supplementary demineralisation treatment to prevent corrosion and scaling.
- **Process water:** Pulp and paper and textile plants require large quantities of process water. Internal water recycling has been used to reduce the amount of fresh water needed. Recycled water is used in some plants but is best suited to lower grade papers such as cardboard.

Recycled water can be used in various textile production processes including carpet-dyeing and cotton fabrication.

High grade recycled water can be used in specialized manufacturing processes such as the manufacture of industrial chemicals. In Singapore, recycled water from the NEWater plants is used for semiconductor manufacture.

- **Other industrial uses**
 - Mineral processing
 - Concrete making
 - Cleaning and dust control in industrial premises.

Agricultural Use of Recycled Water

Agricultural uses of recycled water include:

- Irrigation of pastures
- Irrigation of field crops
- Irrigation of horticultural crops
- Other agricultural applications
- Low technology irrigation

Environmental and Recreational Use of Recycled Water

Environmental and recreational uses of recycled water include:

- Restoring streams and wetlands
- Creation of artificial wetlands
- Creating new ornamental and recreational waters
- Other uses

APPENDIX C – BUSINESS RETENTION AND EXPANSION: KEY COMPONENTS AND MODELS

A strong knowledge of business retention and expansion (BRE) includes an understanding of how to develop a BRE team and of common survey techniques for assessing the current business climate. BRE management should be familiar with the process of development networks and alliances within the business community and other economic development organizations to provide the most comprehensive business service package available.

What is Business Retention and Expansion?

Business retention and expansion is the process of understanding the local business and industry base in your community, identifying those businesses and industries are either at risk or expanding, accessing their needs, and seeking to assist them in order to keep them in your community or expand as needed. An effective business retention and expansion program also gives credence to a business attraction and recruitment program because existing businesses are the best source of finding out if a locality or region is a good place to locate and conduct business. The most important components of a successful BRE program are:

- a. Marketing: a program that gets the word out to all companies that you exist and your services.
- b. Ongoing Communication: Comprehensive and recurring process of communication with businesses in your community.
- c. Needs Assessment: A defined process of identifying the needs, responding to those needs and following up to make sure the needs have been met.
- d. Early Warning System: Create an Early Warning System that spans all City departments and agencies to identify at risk companies.
- e. Support Growing Companies: Programs to support growing companies that are not at risk or considering relocation are needed as well to continue to grow the economy.
- f. Technical Assistance Support: Many of the technical assistance programs will be offered by others outside the City. Providing a conduit/provider for database of services for companies in need is critical.

What is the Economic Developer's Role in BRE?

The primary role of the economic development agency is to coordinate and run the BRE program. This involves researching and understanding the business community, organizing the BRE program and conducting business surveys. The most important component of a successful program is to respond to client-company needs and solve city-related problems that allow the company to expand and prosper in Providence.

A secondary responsibility of a BRE program is to provide important technical assistance to expanding or at-risk companies. This assistance can come in several forms depending on the client needs and size/characteristics of the economic development agency and BRE manager:

- a. Provide the resources directly, (financial and technical assistance programs)
- b. Act as a broker between the sources of assistance and the company needing them
- c. The practitioner may play the role of advocate for the business community concerns, especially as they relate to policies and procedures of local and state government

Pros and Cons of Different BRE Models

There are four main models of BRE programs?

1. Local government run program (city or county)
 - a. Advantages
 - i. Will have a day to day contact with top elected and appointed officials
 - ii. Will have a working knowledge of the community and business community
 - iii. Will have better response from other local government departments for assistance
 - b. Disadvantages
 - i. Some business owners may be dismissive of the public sector's ability to help
 - ii. Funding for programs may be reduced or eliminated during times of budget crisis
 - iii. Agency may be reluctant to change focus from attraction to retention
 - iv. Existing staff may not be qualified to run the program

2. Private BRE Organization (Chamber of Commerce)
 - a. Advantages
 - i. Staff should have more credibility with the business community
 - ii. They can leverage existing business members
 - iii. Free from the political process
 - b. Disadvantages
 - i. Regulatory agencies may be unresponsive
 - ii. Some business members may think the BRE's will bring increased competition to their industry sector
 - iii. Many chambers have tight budgets and cannot afford a program

3. Public-private Partnership Organizations
 - a. Advantages
 - i. Initial government funding leverages substantial contributions from the private sector
 - ii. Structure outside local government
 - iii. Increased flexibility and staffing and personnel issues
 - b. Disadvantages
 - i. Local chamber of commerce may view the partnership is competing for funding
 - ii. May be criticized as redundant in communities that have economic development programs

4. Private Contractor
 - a. Advantages
 - i. Professional staff is very experienced in conducting business surveys.
 - ii. The quality of the data and responses will be higher, and more consistent.
 - iii. Does not rely on existing City staff or volunteers to carry out the surveys.
 - b. Disadvantages
 - i. Typically has a higher cost than the other approaches
 - ii. Unless a local contractor is selected, the contractor won't have local knowledge of, or contacts in, the business community
 - iii. As an outside third party, the interviewer may not be seen as having the authority to help or make decisions.

In our experience the preferred approach is one that is run by the City/County Economic Development Office in partnership with the Chamber of Commerce. The City/County can use city, state and federal funds for the programming costs, will have immediate access to other city officials to assist client companies and will have an intimate knowledge of the current business environment and impending changes. By leveraging the Chamber, and its membership, visits can be conducted on businesses by businesses. This often provides more credibility and generates better conversation and idea flow. It is best to match companies with complementary companies that understand their industry, perhaps working within it, but are not competitors.

Business Visitation and Surveying

- Purposes.*
- 1) Early warning system for companies at risk
 - 2) Keeps EDO aware of the local business climate

Surveying approaches:

- Postal mail (Inexpensive but not as effective)
- E-mail/web based (least expensive and least effective)
- Phone
- Combined postal mail/in person interview follow-up
- Personal visits
 - Volunteer based
 - Fulltime EDO staff based

In Person Interviews: Volunteer/consultant Conducted

- Key steps in the process
 - Obtain support of senior elected official
 - Appoint a BRE Survey task force
 - Identify firms to be interviewed
 - Send introduction letter and copy of survey
 - Hold training session for volunteers
 - Holding kickoff event
- Advantages
 - Responses are more timely and have greater statistical value
 - Businesses are more trusting of other business volunteers
 - Provides superior PR and widespread support
 - More interviews can be conducted
 - Lower cost than if staff does it themselves
 - Tried and true proven methodology
- Disadvantages
 - Potential variation in the quality of the data
 - Some volunteers fail to complete all the interviews
 - Must take care to avoid conflict of interest
 - Only provides a one shot look at the community

In person interviews: Economic Development staff conducting

- Advantages
 - Staff can greatly reduce response time to address companies
 - Insures confidentiality
 - Establishes ongoing BRE presence
 - Data collected is more reliable statistically
 - Staff quicker to recognize warning signs
 - Won't make promises they can't keep
 - No need to spend time recruiting volunteers
- Disadvantages
 - Lacks the PR bonus
 - Less statistical value due to time lag
 - Highest cost option
 - Staffing constraints of fact number of contacts made

Mail Survey with In-Person Follow-up

- Advantages
 - Focuses resources on at risk firms
 - Appropriate as follow-up for an existing program
 - Lower cost
 - Efficient for smaller staffed EDOs
- Disadvantages
 - Does not provide widespread data
 - Not all at risk firms will say so in the mailing
 - We'll focus only on at risk and not local growing firms
 - May offend small business community by focusing on largest employers

Internet

- Least expensive method
- Companies are a dealing with access junk mail made nor e-mail from EDO
- Companies are busy and filling out Internet surveys is not a high priority

Selecting firms/industries to survey

- Based on size (employment or revenue)
- Industry sector
- Geographic location
- Ownership status

Sources of information on targeting firms

- Local sources
 - Chamber of commerce
 - Economic development organization files
 - Business license information
 - Other local sources

- State sources
 - State industrial directories
 - State chamber of commerce
- National Sources
 - Directory of technology businesses
 - Dun and Bradstreet
 - Hoover's handbook
 - Moody's investors service
 - Standard & Poor's Register
 - Thomas Register
 - Others

Designing the survey questionnaire

- Mailed survey should be very short no more than two pages
- In person interviews should be 45 minutes to one hour
- Test the questionnaire with your Board of Directors and other business leaders
- Assure the subject of confidentiality
- Types of information gathered
 - Basic company data
 - Focus areas of the survey
 - Background
 - Business climate
 - Labor and training needs
 - Marketing and trade
 - Financing needs
 - Regulatory issues
 - Satisfaction with public services
- Identify the key information you need from the companies and be mindful not to ask questions you know the answers to. Pre-load the questionnaire with the answers you know, asking the company to verify the information

Training the volunteers

- Welcome and introduction
- Overview of the program
- Overview of the survey form
- Interviewing tips
- Role play

Survey follow-up

- Immediate (w/in 2 days)
 - Review forms
 - Red flag at risk companies
- Short term (w/in 2 weeks)
 - Thank you notes

- Tabulates survey results
- Add/update company to the retention database
- Medium term (4 weeks)
 - Make sure all follow-up are complete
 - Keep company apprised of actions on their behalf

Develop an early warning system: indicators include

- Declining sales
- Recent ownership change
- Expiring leases
- Obsolete equipment or facilities
- Employment issues
- Companies landlocked
- Aging family owned business
- Has been downsizing over time

Applying Economic Development Tools

- Press releases for company's successes
- Local trade shows and marketing breakfasts
- Partnership marketing with utilities, community colleges, and the chamber
- Creating business networks for important industry clusters
- Creating site opportunities for BRE companies
 - Designate special manufacturing/industrial zones
 - Development of industrial Parks
 - Use of eminent domain
 - Use of a real estate database to track available properties
 - Provide necessary infrastructure

BRE Finance

How can the EDO/BRE Help

- Get to know the staff at the funding issuing authorities
- Secure industrial development bond financing
- Lake with source capital funders
 - Venture capitalist and angels
 - Capital networks

Technical Assistance

Key types of technical assistance

- Operations management
- Marketing and sales
- Financial assistance
- Workforce training
- Strategic planning

The steps in a Technical Assistance program

- Determine which companies to target for your program
- Develop standards for participation
- Define the scope of services
- If necessary secure consulting services
- Established pricing policies

Federal assistance programs

- NIST – national institute of standards and technology
- MEP – manufacturing extension partnerships

Using incentives to retain businesses

- Nontax incentives include
 - Customize industrial workforce training
 - Technical assistance
 - Consulting services
 - Technology commercialization and deployment
 - Land acquisition assistance
 - Infrastructure improvements
 - CD B. G. section 108 loan guarantees
 - Financial incentives
- Tax/revenue based incentives
 - General obligation bonds
 - Tax exemption on land and capital improvements
 - Tax exemption on equipment and machinery
 - Tax exemption on manufacturing inventories
 - Sales/used tax exemption
 - Tax exemption on raw materials are used in manufacturing
 - Tax exemption on corporate/personal income
 - Tax Increment Financing (TIF)
 - Enterprise zones
 - Renewal communities
 - Tax abatement-a reduction or elimination of certain taxes granted for a specific period of time
 - Tax credits for job creation
 - Accelerated depreciation of industrial equipment
- Performance based incentive criteria
 - Job creation
 - Quality of jobs increased
 - Minimum investment requirements
 - “but for” determination
- Performance-based management tools
 - Clawbacks: sanctions against a company that received and sent as but fail to reach their objectives
 - Calibrations

Federal funding sources

- Small business administration (SBA)
 - CDC 504 loan program – loans up to 1.5 million, one job per 50,000 funded
 - 7(a) small business loans – will guarantee up to 75% of alone, up to \$2 million
 - SBA express loan program
 - Export working capital program
 - International trade loans
 - Micro loan program for entrepreneurs
 - Small business innovation research grants
- Economic development administration (EDA)
 - Economic development adjustment program
- Housing and urban development (HUD)
 - CDBG – community development block grant
 - CDBG for small cities
 - Section 108 loan guarantee program
 - Renewal community/EZ/EC
 - Brownfields economic development initiative
 - Rural housing and economic development program
 - SuperNOFA
- USDA programs
 - Business and industry direct loans (BIDL)
 - Business and industry guaranteed loans (BIGL)
 - Rural economic development loans (Utilities)
 - Rural business enterprise grants (RBEG)
 - Rural business opportunity grants (RBOG)
- Community development financial institutions fund (CDFI)
- New markets tax credit (NMTC) – 39% Federal income tax credit over seven years against equity investments made in designated community development entities (CDE's)

APPENDIX D - DEFINITIONS AND SUPPORT ENTITY DESCRIPTIONS

This Appendix defines the acronyms that are used in the document and provides overview information on each entity.

Acronym definitions:

BRE. Business Recruitment and Retention Strategies (BRE) is a community-based economic development process that focuses on supporting existing businesses within the community. BRE provides both short term and long term objectives to help maintain the well-being of the local economy. A critical component to BRE strategy is a needs assessment to evaluate issues, concerns, and areas for expansion where appropriate. BRE creates and improves competitiveness of local businesses by acknowledging these needs and concerns and following up to make sure the needs have been met. BRE is an ongoing and long term effort between businesses, local government, and citizens to improve the existing business climate.

CBICC. The leading economic development organization in Centre County is the Chamber of Business and Industry of Centre County (CBICC). The CBICC serves as a chamber of commerce/economic development organization and was formed in 1992 with the merger of the State College Chamber of Commerce and the Centre County Industrial Development Corporation. The CBICC is a membership organization that unifies a range of voices from large international corporations to sole proprietorships. The organization has short term, intermediate and ongoing strategies for its members. These include: creating and retaining quality of jobs and increase tax base; increase member return on investment; increase and strengthen advocacy; enhance professional development and educational opportunities; revise organization operations to implement growth strategies. The funding for such programs is provided through membership income, special events, economic development, publication income, and foundation income. The CBICC provides a bridge between individuals, companies, and governing officials to better enhance economic well-being.

CCIDC. The Centre County Industrial Development Authority is a non-profit, non-partisan organization with the goal of promoting economic development throughout the Centre Region. The CCIDC is a subsidiary of the CBICC and the legal entity for economic development and business financing in Centre County. CCIDC is the lead agency in Centre County for the administration of Pennsylvania Industrial Development Authority loans, and it participates in sponsorship of Pennsylvania Economic Development Finance Authority loans. CCIDC also offers assistance to business through the Pennsylvania Retention and Expansion Program, Keystone Innovation Zones (KIZ) and Keystone Opportunity Zones (KOZ) 1-99 Keystone Innovation Zone Business Assistance Program, and also Small Business First (SBF). The CCIDC receives some financial support from Centre County government.

COG. The Centre Region Council of Governments (COG) is a voluntary association of the State College Borough and the townships of College, Halfmoon, Harris, Ferguson, and Patton. The COG was formed in 1969 to provide cost effective and high quality public service. The COG promotes a dialogue among municipalities to develop cooperative solutions to regional problems. The service area is 150 square miles with a population of 85,000 residents. The COG is governed by the General Forum, which is comprised of 32 elected officials from the six municipalities. In addition

there is a non-voting representative from Penn State University and a liaison from the local school district. Programs within the COG include the Office of Administration, Centre Region Code Agency, Centre Region Parks and Recreation Agency, Centre Region Emergency Management, Centre Region Planning Agency, and the Centre County Metropolitan Planning Agency. Budgetary funding for COG programs is provided by the six municipalities that participate in a COG program, costs are assigned according to a standard formula.

CRPA. The Centre Regional Planning Agency (CRPA) is a component of the COG and provides both regional and local planning services to its member municipalities. Regional planning services include the preparation and maintenance of the regional comprehensive plan, special studies and planning activities related to sewer, water, land use, open space, recreation, demographics, environmental, community facilities or transportation issues. Local planning services focus on zoning and subdivision ordinances, plan review, and other local issues.

DCED. The Department of Community and Economic Development (DCED) is designed to enhance opportunities for businesses across the Commonwealth of Pennsylvania so that they may achieve a high quality of life within our ever expanding global economy. The \$2.8 billion Economic Stimulus program introduced an array of projects that have expanded the Commonwealth economy. Within the DCED is the Governor's Action Team (GAT), a group of professionals chosen to guide businesses through issues such as expansion or relocation. There is also the Governor's Economic Development Cabinet, which has designed a set of principles to be used by State agencies, for guidance in local growth and economic development.

DID. The State College Downtown Improvement District (DID) is a Neighborhood Improvement District established by ordinances of the Borough of State College in accordance with Pennsylvania laws. The district includes Atherton Street to Sowers Street, College Avenue to Highland Alley. The mission of the DID is to provide a safe and clean environment so to encourage individuals to live, work, and play in State College. There are over 400 participating businesses that sponsor annual events and other civic-minded approaches, which add to the value of the downtown area. State legislation, Neighborhood Improvement District Act 2000-130, provides that property owners within the DID pay for such additional services. The Downtown State College Neighborhood Improvement District Management Association, Inc., is a non-profit corporation and is appointed as administrator of all DID.

SBDC. The Small Business Development Center at PSU (SBDC) is one of eighteen Small Business Development Centers in Pennsylvania and is staffed by a group of highly qualified consultants. SBDC was founded in 1997 as an organization to provide entrepreneurs with education, information, and the tools necessary to develop a successful business. SBDC provides free, confidential consulting services and education programs to individuals beginning a small business or those seeking to expand an existing firm.

SCBRA: State College Borough Redevelopment Authority's, is authorized under the state of Pennsylvania's Urban Redevelopment Law. The SCBRA's purpose is the promotion of the health, safety and welfare of the inhabitants of the State College Borough, the elimination of blighted areas through economically and socially sound redevelopment for residential, recreational, commercial, industrial, or other purposes, and the encouragement of the provision of healthful homes, a decent living environment, and adequate places of employment. The State College Borough

Redevelopment Authority consists of 5 members appointed by the Mayor to 4 year terms. Members must be residents of the Borough.

SEDA COG. The Susquehanna Economic Development Association Council of Governments (SEDA COG) is a public development organization serving eleven central Pennsylvania counties and 295 municipalities. The counties include: Centre, Clinton, Columbia, Juniata, Lycoming, Mifflin, Montour, Northumberland, Perry, Snyder, and Union. The SEDA COG is overseen by a 22 member Board of elected officials, business people, and area residents. The organization covers a range of programs in business/industry, communities/non-profit, and individuals/residential. Several of these programs pertain to economic development within the region. The SEDA – COG Finance Program is an Area Loan Organization and a Certified Development Corporation that offers small businesses access to Local, State, and Federal loans including SBA 504 Program. Business Development Financing and Retention and Expansion are also available. For applicants that are eligible community economic development assistance is offered, while terms of use are designated by the Pennsylvania Department of Community Economic Development.

UAJA. The University Area Joint Authority (UAJA) is the municipal authority providing Wastewater Treatment to the majority of State College and Centre Region. UAJA is a public organization and includes: The Authority Board, Plan Operations, and Collection Systems. UAJA formed in 1964 as a part of a joint effort to provide sewage treatment to parts of Patton, Ferguson, College, Harris Township, and State College Borough. In 1997 College-Harris Joint Authority and the Patton-Ferguson Joint Authority joined with the UAJA to more effectively serve the region. Operational costs are divided between conventional water treatment (73%) and advanced water treatment (27%).

APPENDIX E – BARRIERS TO REDEVELOPMENT OF SELECT COMMERCIAL/INDUSTRIAL PROPERTIES

The analysis and comments in this section are the direct result of interviews with municipal planning staff, commercial brokers and other key stakeholders. In the Report Recommendation's section, one of the Mid-term Recommendations is to "Encourage the Revitalization of Aged Commercial Centers and Brownfields." In this section, the reuse, redevelopment, or revitalization of underutilized properties in the region will be addressed, including Hills Plaza, Westerly Plaza, the Ruetgers-Nease site and the Corning site. Based on interviews conducted during initial phases of this report, and on-going interviews with planners and brokers familiar with each site, a thorough overview, barriers to redevelopment and recommendations have been compiled that address this Mid-term Recommendation in the Centre Region. Summarized below are the barriers to redevelopment for each site listed in the RFP and the recommendations that address the barriers, as listed elsewhere in the report.

Hills Plaza

Overview of Site

- Owned by Vita-Vita leasing company located out of New Jersey.
- Located in College Township, at 1919-2153 South Atherton Street State College, PA.
- The Plaza opened in November 1972 and has over 80,000 square feet of empty space.
- No structural, environmental or topographical constraints to redeveloping this site.
- Zoned for general commercial which would enable the site to be redeveloped for office/retail.
- The property owner would like to keep it retail, in particular, big-box retail.
- Municipality has expressed interest in housing or commercial or mixed use redevelopment.

Barriers to Redevelopment

- Interest in redevelopment in the Southern part of the region is slow, in comparison to the northern part.
- Property owner does not seem interested in redevelopment outside retail and is "offsite."
- Not many tenants looking for space, and if so, will go to northern corridors and plazas.
- If pursued redevelopment, developers have expressed frustration with the laborious permitting process, and are inclined to redevelop elsewhere.
- Would need more residential in the area to support a grocery store.
- NIMBY-ism: housing developments are underway in the Centre region; surrounding communities may not accept an affordable/workforce housing development, if municipality pursued.
 - Region has not heard back on the affordable housing needs in the communities.
 - While workforce and affordable housing have been expressed as a need, until research results come back, unclear whether this is a need that would be met in this Plaza.

Report Recommendations that Address "Overcoming Barriers"

1. **Short-term Recommendation # 1 – Articulate and Optimize Development Approval and Permitting Process** (*necessary for redevelopment*)
 - a. Processes to be reviewed and refined for better efficiency and understanding.
 - b. Active participation by the municipalities and the development community to identify and review regulatory practices that may be barriers to development.
 - c. Identify best practices for individual municipalities to consider enhancing the permitting processes to streamline development efforts.

2. **Short-term Recommendation #3 – Participate in and support education and training seminars covering economic development financing and the government’s role (each municipality) in public/private partnerships.**
 - a. Topics would include: financing/funding strategies, target marketing, business retention and expansion (BRE), brownfield redevelopment, and others.
3. **Mid-term Recommendation # 7 – Encourage the Revitalization of Aged Commercial Centers and Brownfields**
 - a. Working with the owner/broker representing the property and the municipality, fully understand opportunities and features of the property including any development constraints.
 - b. If improvements are needed, work with the property representative to identify possible funding/financing programs or other incentives to assist in the rehabilitation (or redevelopment) costs.
4. **Mid-term Recommendation # 8 – Work with Centre County Industrial Development Corporation to promote an inventory of buildings and sites and a database to track them.**
 - a. Will benefit the municipalities by having an inventory of commercial buildings and sites accessible to respond to companies looking for new locations in the Centre Region.
 - i. Hills Plaza would come up on this database as having available space.
 - b. The system should continue to be accessible by all the local municipalities as well as the commercial brokerage community.

Westerly Plaza

Overview of Site

- Owned by Marx Realty and Improvement Company located out of New York City.
- Located in State College Borough, at 418 Westerly Parkway, State College, PA.
- Meets all structural codes; regular maintenance made to building.
- Built/opened in the 1960's; the building is aged with vacancies.
- Community utilizes the grocery store (Weis), drug store and restaurants – includes use by students from high school adjacent to the Plaza.
- Plans for a 570 bed residential building for Penn State University students behind this Plaza.

Barriers to Redevelopment

- Aged building with “offsite” property owner.
- Student housing may not provide enough buying power to maintain existing store fronts and to support additional tenants if the vacancies were filled.
- Potential for a big-box retailer to develop an 11 acre site five minutes away from this Plaza, which would put the Weis out of business; however, no solidified plans for this.
- Not many tenants are looking for space – commercial and retail needs seem to be met.
- High turn-over rate in this Plaza (always seems to have vacancies).

Report Recommendations that Address “Overcoming Barriers”

- 1. Short-term Recommendation # 3 – Participate in and support education and training seminars covering economic development financing and government’s role in public/private partnerships.**
 - a) Topics would include: financing/funding strategies, target marketing, business retention and expansion (BRE), brownfield redevelopment, and others.
 - i) This would serve to educate to enhance the marketability of the property, and provide opportunity to see how to incentivize the property owner to improve the Plaza.

- 2. Short-term Recommendation # 5 – Establish a regular meeting of regional and municipal government individuals to identify and address regulatory, customer service and business climate issues in the region.**
 - a) The benefit of roundtable would be to fully integrate the planning, infrastructure planning, capital improvement planning and other issues of regional importance.
 - i) Would serve to openly discuss issues surrounding Westerly Plaza, such as the high turn-over rate, and the potential for big-box development close by.

- 3. Mid-term Recommendation # 7 – Encourage the Revitalization of Aged and Commercial Centers and Brownfields.**
 - a) Working with the owner/broker representing the property and the municipality, fully understand opportunities and features of the property including any development constraints.
 - i) If property improvements need to be made as an aged site, opportunity to breach subject of improvements.
 - b) If improvements are needed, work with the property representative to identify possible funding/financing programs or other incentives to assist in the rehabilitation (or redevelopment) costs.

- 4. Mid-term Recommendation # 8 – Work with Centre County Industrial Development Corporation to promote an inventory of buildings and sites and a database to track them.**
 - a) A comprehensive commercial database of buildings and sites, available to all in the economic development arena
 - b) Will benefit the municipalities by having an inventory of commercial buildings and sites accessible to respond to companies looking for new locations in the Centre Region.
 - i) Westerly Plaza would come up on this database as having available space – help aid in filling the vacancies
 - c) The system should continue to be accessible by all the local municipalities as well as the commercial brokerage community
 - i) Help aid in filling the vacancies in this Plaza

Ruetgers-Nease Site

Overview of Site

- Ruetgers-Nease is the primary owner of this site.
- Located in College Township along Struble Road.
- Most of the original site is a Superfund site – not developable at this time.
- Portion of the site (9 acres) is developable, has no topographical constraints, and is zoned for industrial or commercial use.
- Residential development is not possible, given the extent of environmental contamination.
- Two buildings are in use that front the developable portion of the property – light industrial.
- Rail-road access abuts the site, and can be made accessible for industrial uses.
- Uses surrounding include a UPS hub office, a furniture manufacturer, and a small municipal garage, evidencing the potential for light industrial redevelopment would fit well with the area.

Barriers to Redevelopment

- The 9 acre site available for redevelopment is a long and narrow parcel – shape may be a constraint for reuse.
- No access road/driveway directly to the 9 acre site.
- Industrial space is not in high demand, as there is available workable industrial space, such as the Corning Site.
- Slight grade along Struble Road may present a challenge for large trucks.
- Site may require extensive environmental remediation:
 - Demolishing existing buildings;
 - Green industrial development would require modern buildings, and a developer would be unlikely to retrofit the existing buildings on this site.

Report Recommendations that Address “Overcoming Barriers”

- 1. Short-term Recommendation # 1 – Articulate and Optimize Development Approval and Permitting Process**
 - a) Active participation by the municipalities and the development community to identify and review regulatory practices that may be barriers to development.
 - i) This property may require demolition or extensive retrofitting. By identifying and reviewing potential laborious permitting barriers, this could help redevelopment move forward.
 - b) Identify best practices for individual municipalities to consider enhancing the permitting processes to streamline development efforts.

- 2. Short-term Recommendation # 5 – Participate in and support education and training seminars covering economic development financing and government’s role in public/private partnerships.**
 - a) Topics would include: financing/funding strategies, target marketing, business retention and expansion (BRE), brownfield redevelopment, and others.
 - i) This would serve to educate to enhance the marketability of the property, and provide opportunity to see how to incentivize developers to redevelop the property.

- 3. Mid-term Recommendation # 7 – Encourage the Revitalization of Aged and Commercial Centers and Brownfields.**
 - a) If improvements are needed, work with the property representative to identify possible funding/financing programs or other incentives to assist in the rehabilitation (or redevelopment) costs.
 - i) Addresses the lack of interest in redevelopment.
 - ii) Addresses the potential barrier of environmental remediation on the 9 acre parcel.

Corning Site

Overview of Site

- Located in College Township, along East College Avenue/Route 26.
- Small corner of undevelopable land (former landfill); 96 acres of developable land.
 - Half of the land available is parking areas.
 - 400,000 square foot building with approximately 200,000 is available for tenancy.
- Available for industrial (light/heavy) or commercial use.
- Road around the site.
- Located along a rail road – a rail spur could be put in for industrial use.
- Affordable tenancy cost – \$4.00-\$4.50/square foot (not including utility, build out costs).
- Recently painted, façade rehabilitated along Route 26, has available dock space, ample parking, prime access to the interconnector “transfer road” that in development.

Barriers to Redevelopment

- Not high demand for industrial space – available newer space throughout the Centre region is not filled to capacity.
- Tenants/developers are choosing existing sites and rehabilitating them for uses as needed.
 - Slow rehabilitation process with permitting is a deterrent to filling vacancies and upgrading or rebuilding, as needed.

Report Recommendations that Address “Overcoming Barriers”

- 1. Short-term Recommendation # 1 – Articulate and Optimize Development Approval and Permitting Process**
 - a) Active participation by the municipalities and the development community to identify and review regulatory practices that may be barriers to development.
 - b) Identify best practices for individual municipalities to consider enhancing the permitting processes to streamline development efforts.

- 2. Short-term Recommendation # 3 – Participate in and support education and training seminars covering economic development financing and government’s role in public/private partnerships.**
 - a) Topics would include: financing/funding strategies, target marketing, business retention and expansion (BRE), brownfield redevelopment, and others.

- i) This would serve to educate to enhance the marketability of the property, and provide opportunity to incentivize developers to redevelop the property.

- 3. Mid-term Recommendation # 5 - Consider a Comprehensive Business, Retention and Expansion (BRE) Strategy for Each Municipality**
 - a) Addresses the lack of interest in redevelopment – and the vacancy – may provide opportunity to fill the vacancies.

- 4. Mid-term Recommendation # 7 – Encourage the Revitalization of Aged and Commercial Centers and Brownfields.**
 - a) Have brownfield sites marketed more effectively along with other sites/buildings in the Centre Region for possible expansion and/or relocations.
 - b) If improvements are needed, work with the property representative to identify possible funding/financing programs or other incentives to assist in the rehabilitation (or redevelopment) costs.
 - i) Addresses the lack of interest in redevelopment.

- 5. Mid-term Recommendation # 8 – Work with Centre County Industrial Development Corporation to promote an inventory of buildings and sites and a database to track them.**
 - a) A comprehensive commercial database of buildings and sites, available to all in the economic development arena
 - b) Will benefit the municipalities by having an inventory of commercial buildings and sites accessible to respond to companies looking for new locations in the Centre Region.
 - i) The Corning Site would come up on this database as having available space – help aid in filling the vacancies
 - c) The system should continue to be accessible by all the local municipalities as well as the commercial brokerage community
 - i) Help aid in filling the vacancies in this Plaza