



DOWNTOWN **IMPROVEMENT** DISTRICT



2016 Annual Report



GREETINGS

The DSCID is a full-time advocate for Downtown State College and our assessment paying members, working to advance the vision of a welcoming, vibrant and thriving destination for locals and visitors. As a result, 2016 saw growth in development, annual events, new partnerships, and visitors, both in person and online.

The downtown business scene is ever evolving, and 2016 ushered in 50,000 square feet of brand new retail space and two new anchor stores plus 16 additional businesses. The anchor stores brought to life an overlooked area of the downtown. The net result is additional employees, new and returning customers, and a strengthened downtown core.

We are excited about the energy in our district and are committed to making decisions that are beneficial and significant to an improved downtown experience for all. As always, we welcome input from our membership and use it to guide our vision for the future.

Regards,

George Arnold
Executive Director

Sharon Herlocher
Chairman of the Board

KEEP IN TOUCH

In person:
127 S. Fraser Street
State College, PA 16801

Online:
www.downtownstatecollege.com
www.firstfridaystatecollege.com
www.happyvalleymusicfest.com

Phone: (814) 238-7004

Email:
downtown@downtownstatecollege.com



facebook.com/downtownstatecollege



instagram.com/downtownstatecollege



twitter.com/DSCID

MISSION STATEMENT

The DSCID is a live, work, and play neighborhood that sparks the creative, the eclectic, and the local. We're a constantly changing, adapting, progressive community of people, with tradition blending harmoniously with trends in food, entertainment, and the arts. The DSCID is devoted to preserving and enhancing the value and vitality of Downtown and works to retain, expand, and attract businesses and investment to improve the Downtown environment. The result is the establishment of Downtown State College as the premier business, cultural, and entertainment destination in Centre County.

The DSCID is a Neighborhood Improvement District and 501(c)3 non-profit organization established in 2002 by ordinance of the Borough of State College in accordance with the laws of Pennsylvania. The district extends from Atherton Street to Sowers Street, between College Avenue and Highland Alley.

With over 350 assessment paying members, the DSCID sponsors annual events, promotions, and other civic-minded pursuits that add value to the State College experience and reinforce our belief that there is no better place in the world to discover the best times of your life.

TABLE OF CONTENTS

Fraser Centre.....3
Continued Growth & Development...4
Partnership with the Borough.....5
Park Easy.....6
Keeping it Clean & Safe.....7
Engaging the Community.....9
Events.....11
Financial Highlights.....14

Board of Directors

Executive Committee

- Sharon Herlocher, Chairman
Jonathan Friedman, Vice-Chairman
Pat Daugherty, Secretary
Chris McKee, Treasurer

Board Members

- Ron Agostinelli
Cathy Dauler
Margaret Gray
Charles Kranich
Al Pringle
Dave Richards, ex-officio
Dolores Taricani, ex-officio/past chairman

Committee Chairs

- Romulus Comly, Finance
Dave Richards, Retail Advisory
Shannon Bishop, Summer's Best Music Fest
Dennie Fetzer, First Friday
Pat Daugherty, Public Services

Staff

- George Arnold, Executive Director
Valerie Reed, Office Manager
Jill Rosenfeld, Chairman's Assistant
Denny Barnhart, Clean Team
Kevin Runkle, Clean Team
Kevin Runkle, Jr., Clean Team

FRASER CENTRE

The DSCID has been instrumental in the development of the Fraser Centre, so it was gratifying to start the year in January with a Topping Out Ceremony celebrating the placement of the final beam into the building's structure. Additional landmark moments occurred as Fraser Street reopened to two-way traffic in August and H&M and Target celebrated their grand openings in October.



The completion of the Hyatt Place Hotel with 165 signature rooms, a fitness center, conference, meeting, and function space, and the Federal Tap House will round out the retail space by summer 2017.

Throughout the project, the DSCID has worked with the developer of the project, Real Estate Capital Management, the general contractor, Leonard S. Fiore, Inc., and the Borough to mitigate construction impact on the community and maintain traffic flow through downtown. Already, nearby businesses are commenting on the positive impact of the project as they share about increases in foot traffic and new customers in their shops. The Fraser Centre serves as a daily reminder of what public-private partnerships can accomplish together to positively impact the Downtown community.

CONTINUED GROWTH

Downtown is ever growing and evolving -- alive with new development.. This leads to new businesses, and the DSCID was pleased to welcome the Art Alliance Gallery Downtown, Barranquero Cafe, Blue White TV, The Branch and the Vine, Cafe Verve, Champs Downtown, Eagle Automotive, Expect More Store by Kish Bank, F45, Funky Trunk, H & M, Landmark Properties, Melt Shack, Sauly Boys, Target, Tazzah Fresh, Uncle Chen's Primetime, Yallah Taco, and Yoga Lab.



DATA COLLECTION

The DSCID initiated two separate studies conducted by Penn State research groups to gather housing, traffic, and parking data. A research team from the Smeal College of Business will collect information about the habits and perceptions of Centre County residents and their use of Downtown facilities and businesses. Another research team from the College of Agriculture, will study the habits of tourists and visitors to the Downtown and their use of the facilities and businesses.

Data will continue to be collected using focus groups, literature searches, and surveys. The DSCID will review the final data, using it to better inform and direct our efforts.

PARTNERING WITH THE BOROUGH

The DSCID and State College Borough work together on a variety of projects for the improvement of and benefit of our Downtown. These include street closures, traffic studies, property maintenance updates and zoning requests, and the holiday lighting. Highlights include the following:

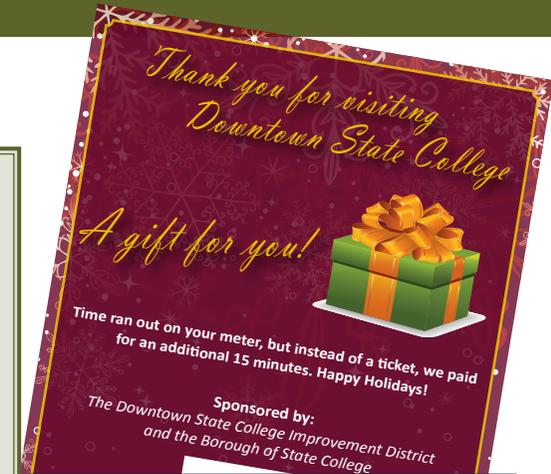


- **Parking** is always at the top of our list. Whether dining at your favorite restaurant attending a performance, or shopping, convenient parking is available. The Borough has installed many improvements, making parking easier for everyone.
- With the number of construction projects happening in and around downtown, **Maintaining Traffic Flow** has been a priority. Recognizing the impediments to safe and steady travel and working to find solutions is our goal. In 2016 this required communicating with Borough management, state representatives and Penn DOT and regular appearances before Borough Council to advocate for solutions that will maximize accessibility to downtown.
- The Borough began the long process of revising the **Property Maintenance Code** and sought the input of property owners and the DSCID, hosting joint meetings to discuss the proposed changes. The DSCID acted as a liaison, communicating information relevant to seeing this task complete.
- The DSCID was honored to be included in the development of the new **Martin Luther King, Jr. Plaza** on S. Fraser. St. We see this as a significant community achievement that will include a small stage and a variety of seating options, allowing for small performances and gatherings. The plaza will also include a historical timeline and other commemorative elements honoring Martin Luther King, Jr.'s life and the Civil Rights movement, both nationally and locally.
- It was time to improve our **Holiday Lighting** throughout the district. Classic wreaths with big red bows replaced the old blue and white snowflakes. A twinkling holiday tree adorned the gates of Old Main, flanked by more and more white sparkling trees leading into Downtown. Thank you to a number of local businesses who helped light Downtown more than ever before.
- Cathy Dauler, Borough Council Representative to the DSCID Board, has been advocating for the **E-Fairness Act**, which actively looks for ways to level the playing field between online and brick-and-mortar retailers. This issue affects many downtowns across the country and is something we will continue to monitor.



The **Merchant Validated Parking (MVP)** program offers FREE garage parking to downtown customers. The cost is split between the Borough, the DSCID, and the local business. If your business wants to participate in this program, please contact the DSCID.

The **Holiday Parking Program** encourages merchants to hand out validations for free garage parking through the holiday season. During the same time courtesy cards are issued for expired parking meters. In the week leading up to Christmas, all municipal parking downtown is free, granting last minute shoppers easy and convenient access to their favorite shops.



FOUR WAYS TO MAKE PARKING EASY FOR YOUR CUSTOMERS:

1. Join the Merchant Validated Parking Program and give them free garage parking.
2. Keep extra quarters on hand in case people need change for the meter.
3. Help them download the Parkmobile app.
4. Use your email & social media outlets to tell people about all the options for parking!



Parkmobile
PARKING MADE SIMPLE™

Improvements

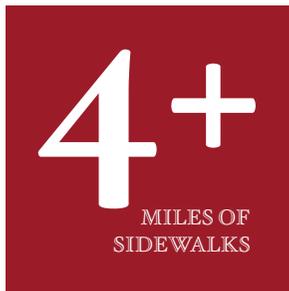
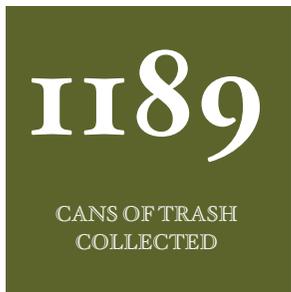
KEEPING IT CLEAN & SAFE

Cleaning Ambassadors

A core value and benefit to our members, residents, and visitors is providing a superior level of cleanliness and service, with a significant attention to detail. The Downtown Cleaning Ambassadors, Denny Barnhart, Kevin Runkle, and Kevin Runkle, Jr., work quickly and tirelessly in all weather to maintain the appearance and cleanliness of district walkways for daily Downtown life. In addition, they provide general hospitality and assistance to Downtown visitors.

Two cleaning ambassadors are on duty each day; however, for high-traffic times like home football games, or Arts Fest, they all team up to keep Downtown fresh and inviting for all.

STUDENT IDS FOOD SPILLS LEAVES CREDIT CARDS STICKERS PACKING MATERIALS KEYS BRANCHES PHONES BROKEN GLASS WALLETS/BAGS GRAFFITI STRAY TRASH DRIVER'S LICENSES SNOW PASSPORTS WASTE



Safety Ambassadors

The Penn State student Auxiliary Officers promoted another year of safety and well being to members, visitors, and locals alike. The Downtown Safety Enhancement Program (DSEP) officers are scheduled in the late night and early morning hours and during peak periods. They are trained to serve as additional eyes and ears for the State College Police Department (SCPD), deterring crime by their very presence and adding to the sense of safety.

DSEP continues to be an effective partnership between the DSCID, Penn State University, and the SCPD that began in 2004. Many thanks to Penn State and the State College Police Department for their ongoing support of this valuable program.

PARTNERING WITH PENN STATE

DSEP is just one of the ways in which the DSCID works together with the University to strengthen Downtown and foster Town & Gown relationships. The organizations partner together to prepare town for the holidays and coordinate on a number of events.

For the first time in 2016, the DSCID and Penn State banded together in a remarkable show of support for our military during Military Appreciation Week in November. Sixty downtown businesses donated a portion of their First Friday November sales to the Penn State Military Student Fund, a scholarship fund that provides support to military-affiliated Penn State students in financial need. On Tuesday, March 28, 2017, members of the DSCID gathered to present the University with a check for \$8,500. Penn State President Eric Barron and Col. Eugene McFeely, senior director for Veterans Affairs and Services at Penn State, were on hand to accept the check.



Penn State President Eric Barron addresses the crowd at the check presentation ceremony.
Image: Phoebe Sheehan



Penn State President Eric Barron, Downtown State College Improvement District Executive Director George Arnold and Col. Eugene McFeely, senior director for Veterans Affairs and Services
Image: Patrick Mansell

ENGAGING THE COMMUNITY

Marketing Plan

The DSCID created a specific 2016 holiday marketing campaign to include coordinated outreach through the website, social media, TV, and newspapers and local publications. Scan the QR code below to view the Holiday TV commercial. In addition to runs on a variety of TV stations and channels, the spot was viewed more than 4,500 times through various social media outlets.



Downtown Gift Cards

The Downtown Gift Card program had another strong year in 2016 with over \$62,000 worth of sales, an increase of 2.6% over 2015. More importantly, gift card redemption was up by 13%, bringing more cash flow to participating downtown businesses. There are no fees to participate in the program, and joining is easy. Interested businesses should contact the DSCID Office for more information.



Online Presence

DowntownStateCollege.com saw increased traffic in 2016. Fresh content and helpful information kept the site high in search results, with the parking information page garnering more than 23,000 hits. Updated content included business spotlights, featuring 16 Downtown businesses, news features, and the ever-growing event calendar.

12%

INCREASE IN PAGEVIEWS

86,542 -> 97,241

36%

INCREASE IN USERS

36,969 -> 43,531

"(The Business Spotlight) is an important part of what the (DSCID) does to promote businesses. It's a win-win! I was very happy with it, because it really helps the effort to get locals downtown."
Bob Steinbach, owner of Connections

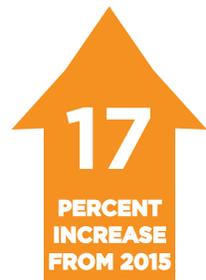
"It's always good to have publicity. It's a real positive for downtown businesses."
Joy Rogers-Mernin, owner of The Nittany Quill

In addition, **Social Media** proved to be an effective way to engage the community about events and happenings Downtown. With growing followings on both Facebook and Twitter, the DSCID increased its online presence by adding an Instagram account in December. The various social media pages were used to advertise upcoming events, share events and posts by other downtown businesses, interact with community members, and drive traffic to the various downtown websites.

DowntownStateCollege.com
FirstFridayStateCollege.com
SummersBestMusicFest.com



3650
TWITTER FOLLOWERS



6373
FACEBOOK PAGE LIKES

EVENTS

Our festivals and events, celebrating throughout the seasons, would not be possible without the continued year round support and cooperative efforts of local organizations and volunteers. In addition to our personally sponsored events, DSCID works closely with organizations such as Centre Region Parks and Recreation, the Central Pennsylvania Festival of the Arts, and others that host events Downtown. The DSCID continues to support events, while also building financial sponsorship for the events. If you want to hold an event Downtown, please contact us and we can point you in the right direction.



First Friday

Experience the cool vibe of downtown State College during our monthly First Friday events. Visitors can experience a casual atmosphere and all of Downtown's offerings. Participation by Downtown businesses in the event experienced continued growth in 2016 with more than 58 Downtown restaurants and retail establishments.



For home football weekends that fell on First Fridays, the DSCID provided a shuttle between the stadium overnight RV lot and Downtown, so those attending the game could also enjoy the First Friday festivities.

In November, First Friday featured Military Appreciation Day in partnership with Penn State's week-long commemoration of our nation's military and local military members. A total of 60 Downtown businesses donated portions of their sales, totaling \$8,500, to the Penn State Military Student Fund.

The First Friday not only expanded with participating businesses but also programming events, which featured two scavenger hunts designed to engage more businesses and encourage local and county resident participants to visit new places. Other programming events include live performances, art exhibits, and events promoted by Downtown businesses.

SUMMER'S BEST MUSIC FEST



Summer's Best Music Fest

The festival celebrated its tenth anniversary and expanded its programming. The schedule was expanded from one to two days, which included 10 national acts and 13 local and regional acts on five stages. Sister Sparrow, the Dirty Birds, and Doyle Bramhall II were some of the featured national headliners.

The event also featured another new program, providing an open air beer garden. DSCID worked in cooperation with nearby neighborhood associations, the Borough, the Campus and Community United Against Dangerous Drinking Task Force, the State College Tavern Association, and other local committees and organizations to develop this concept in a safe way. Attendees were able to sip and savor a selection of locally brewed beer and national favorites.

In 2017 Summer's Best Music Fest will take on a new name, Happy Valley Music Fest, with the goal of attracting more Happy Valley residents and visitors.

Thank you to our presenting sponsor Northwest Bank for their continued support.



Downtown Sidewalk Sale

This long-time tradition in Downtown State College has seen a number of expansions over the years, and this year it grew again. In 2016, it was a hybrid of a traditional sidewalk sale and street festival. A number of businesses chose to sell their discounted merchandise from the sidewalks in front of their stores, while others set up booths on Allen Street to enjoy more of a festival atmosphere complete with live music provided through the generous donations of several sponsors.



The Cast of Beatlemania

In another collaborative effort with Penn State, the DSCID brought the Cast of Beatlemania to perform on Old Main Lawn. The annual concert drew the largest crowd yet, with concert-goers arriving early and staying for the entire event. The performance delighted the crowds with authentic renditions of dozens of Beatles' classics. This concert continues to be a popular attraction brought to the community in part by Northwest and the Central PA Convention and Visitors Bureau.



Fall Fest

The 17th Annual Fall Fest once again featured the Happy Valley Dessert Contest, a pumpkin patch with pumpkin decorating, and other Kid's Day events organized by the Youth Service Bureau. We saw increased interest in the programming through responses from the Facebook Event page.



Annual Tree Lighting

The DSCID welcomed the holidays with the annual tree lighting. Performances by the Performing Arts School of Central PA, Bells of Grace from Grace Lutheran Church, the CLC Charter School Choir, and the State High Brass quintet set the tone for a visit from Santa Claus. Thanks to the warmer weather, a larger number of people were in attendance, enjoying the free refreshments and donating items for Toys for Tots and the State College Area Food Bank.



The Polar Express

This long-standing holiday tradition brought children of all ages together over two weekends in December. More than 1,000 children participated in the event with family members and friends. Thanks to Schlow Centre Region Library and the Downtown State College Rotary for their continued partnership.

STATEMENT OF NET POSITION

ASSETS	2016
Cash & Cash Equivalents	\$303,519
Prepaid Expenses	\$8,172
Accounts Receivable	\$21,380
Net Capital Assets	\$46,341

TOTAL ASSETS \$379,412

LIABILITIES	
Accounts Payable & Accrued Expenses	\$13,869
Agency Funds	\$16,955
Deferred Revenue	\$8,236
TOTAL LIABILITIES	\$39,060

NET POSITION	
Invested in Capital Assets	\$46,341
Restricted Net Assets	\$294,011
TOTAL NET POSITION	\$340,352

TOTAL LIABILITIES AND NET POSITION \$379,412

STATEMENT OF INCOME & EXPENSE

INCOME	
Property Assessments	\$334,038
Partnership Contributions	\$122,331
Service Agreements	\$6,522
Merchant Validated Parking	\$12,142
Co-op ads and Sponsorships	\$35,750
Grant Revenue	\$14,882
Interest	\$1,195
Other Income	\$36,890
TOTAL REVENUE	\$563,750

EXPENSES	
Marketing	\$259,074
Clean & Safe	\$171,041
Administration & Operation	\$200,450
TOTAL EXPENSES	\$630,565

(DECREASE)/INCREASE IN NET POSITION \$ (66,815)

The Downtown State College Improvement District receives an assessment from all properties within its boundaries. The audited financial statements on this page represent the consolidated finances of the Downtown State College Improvement District, Inc. in accordance with accounting principles generally accepted in the United States.

More detailed financial statements are available for review at the DSCID office located at 127 S. Fraser Street.



DOWNTOWN **IMPROVEMENT** DISTRICT
127 SOUTH FRASER STREET
STATE COLLEGE, PA 16801