September 15, 2020

Dear Downtown Property and/or Business Owner:

We, along with you, currently participate in the Reading Downtown Improvement District (DID). Since 1995, the DID has collected a special assessment on taxable properties to fund enhanced services, including clean and safe Ambassadors, landscape maintenance and ongoing special event programming. Last re-authorized in 2015, the DID is now being considered for another five-year extension.

We are evaluating re-authorization during an extraordinary time as the COVID-19 pandemic has created a variety of challenges for all of us. To meet this challenge, and look ahead beyond the pandemic, the DID just underwent a strategic planning process funded by the Berks Alliance and conducted by Progressive Urban Management Associates (P.U.M.A.), a national expert in DIDS.

The Strategic Plan found that the Reading DID is an important, yet under-utilized and under-funded tool for downtown. Many changes are proposed for the future, including strengthening our clean and safe Ambassador services, enriching our events, and adding services to beautify downtown and help small storefront businesses thrive. Included in this mailing is an Executive Summary of the Strategic Plan and the full document is available at the DID website.

P.U.M.A. found that the DID assessment rate has not changed in 20 years, while the Philadelphia-area Consumer Price Index has increased nearly 50% during that time. To help the DID catch up and properly capitalize our programming; P.U.M.A. is recommending several changes to our operations, including:

- Adjustments to assessment rates that start in 2022 - NO CHANGE is proposed in 2021.
- Reducing the delinquency rate in DID assessment collections.
- More than doubling the financial contribution from institutions and tax-exempt properties.

A full copy of the new DID Re-authorization Preliminary Plan, which will guide the next five years of the DID, is also enclosed. Reading City Council has scheduled a public hearing on the DID Preliminary Plan on Tuesday, October 20 beginning at 5:00 P.M. Information on the public hearing, including how to register as a speaker and/or submit written comments to the City, is enclosed in this mailing and available on our website.

over
The DID Board of Directors is sponsoring a variety of ways property and business owners can be informed about the DID Preliminary Plan in advance of October 20. We welcome your involvement in the following:

- Schedule an individual meeting with the P.U.M.A. team by contacting the DID at 610-376-6424 or email us via info@DowntownReading.com

- Participate in a public “open house” Zoom meeting scheduled for Wednesday, September 30, 2020 at 5:00 p.m. or Tuesday, October 6, 2020 at 9:00 a.m. Register to attend one of these meetings by emailing info@DowntownReading.com. We will then send you the link to attend.

Thank you for your interest in the DID, support for Downtown Reading and please contact any one of us for additional information.

Sincerely yours,

James P. Cinelli, Chair
Richard J. McDougall, Vice Chair
Catherine J. Montano, Secretary/Treasurer
James D. King, Member
Daniel Laws, Member
Dr. Rodney Ridley, Member

enc.
DID Re-Authorization Public Hearing
October 20, 2020; 5:00 p.m.

Reading City Council has scheduled a public hearing to receive comment on the Reading Downtown Improvement District’s Preliminary Plan for re-authorization for January 1, 2021 – December 31, 2025. Due to COVID-19 restrictions, the hearing will be conducted via a Zoom webinar. Public comment may be made live during the webinar or in writing. Below is information on how to register to join the webinar and to register to provide public comment.

Register in advance for this webinar: https://readingpa.zoom.us/webinar/register/WN_XqibYKHkTbm7Y8HlcNIFSg

After registering, you will receive a confirmation email containing information about joining the webinar.

Register to provide public comment:
Due to the COVID-19 Emergency Declaration, the public is prohibited from attending public meetings. To provide public comment at the DID Reauthorization Public Hearing, the public can call the City Clerk’s Office by noon on the day of the hearing to register to provide public comment via telephone during the hearing or through an email invitation to the virtual meeting. Instructions to access the meeting will be provided. Register by calling 610 655 6205 or emailing council@readingpa.gov.

Public comment for the hearing will also be accepted in writing by 4:00 p.m. on the day of the hearing through an email to council@readingpa.gov. The comments received in writing will be read into the record at the hearing.

The hearing will be streamed on the City’s website at: https://www.readingpa.gov/content/city-council-video and broadcast on the BCTV MAC Channel 99.
In June 2020, the Reading Downtown Improvement District (DID) launched a strategic planning process in advance of seeking the District’s five-year re-authorization. The purpose of the strategic plan was to re-examine the DID’s programs, budgets, and organizational structure and provide recommendations to maximize the DID’s value to district ratepayers and other downtown stakeholders. To assist in this work, Progressive Urban Management Associates (P.U.M.A.) was retained with support from the Berks Alliance. P.U.M.A. brings over 25 years of experience with downtown-specific strategic planning and organizational development with a specialty in DID formation and renewal.

The strategic plan recommends a three-phase approach to evolve the DID into a properly capitalized, state-of-the-art tool for promoting a clean, safe, and vibrant downtown Reading.

This strategic planning process coincided with the convergence of transformative events, including the global COVID-19 pandemic, economic downturn, and broad-based awakening around racial justice, all of which have had an impact on the downtown Reading community. As conditions continue to evolve, support from a high-functioning DID will be a critical component of recovery and resiliency efforts.

GET INVOLVED

More information regarding the strategic plan and re-authorization process can be found at the DID’s website:

www.downtownreading.com/reauthorization

Links to the full plans will be posted, in addition to dates and times for public (online) information sessions.

Prepared by Progressive Urban Management Associates (P.U.M.A.)

Funded by the Berks Alliance
ENHANCING DID’S VALUE PROPOSITION

EXCEL IN CORE SERVICES
The plan provides recommendations to ensure the DID excels at delivering consistent and high-quality clean, safe and green services.

EXPAND AND DIVERSIFY SCOPE OF SERVICES
Compared to DID’s nationally, the Reading DID has a relatively narrow scope of services. Through a phased approach, the plan recommends the DID expand its services to include beautification, place enhancements, and economic vitality initiatives that support small businesses in downtown.

CELEBRATE AND ELEVATE THE CITY’S DIVERSE LATINO POPULATION
Reading has one of the largest Latino populations of any city in the country, representing a variety of nationalities. Through new services and initiatives, the DID will support and elevate a multi-cultural downtown.

LEVERAGE FUNDING
The plan strongly encourages the DID to leverage funding beyond assessment dollars. This is done to some extent today but more can be done to seek grants, sponsorships, and secure multi-year commitments from tax exempt properties that benefit from clean, safe and green services provided by the DID but are not required to pay an assessment.

UPDATE AGREEMENT WITH THE CITY
A Municipal Services Agreement was put in place when the DID was founded in 1995 and has not been brought up to date. The plan recommends the DID and the City work together to redefine this agreement.

BUILD A COLLABORATIVE CULTURE & VISION
Reading has many well-intentioned organizations but lacks a collective vision for downtown. This plan encourages the City to pursue the Downtown Plus Strategic Master Plan, of which the DID would be a partner and resource for implementation of recommendations within the DID boundary.
SPOTLIGHT ON CLEAN, SAFE, AND GREEN PROGRAM

Cleanliness and safety are fundamental to the overall success of a downtown and are often primary reasons why improvement districts are established. The Reading DID currently provides clean, safe and green services that are commensurate with its budget, however, the district is underfunded making it difficult to meet and exceed stakeholders expectations. The strategic plan recommends ways to increase the overall budget and significantly upgrade the Clean, Safe and Green program. Recommendations include:

1. Increasing the number of Ambassadors on the street by at least three.
2. Increasing pay of all Ambassadors to be competitive with wages locally and to support employee retention.
3. Refining Ambassador program to include a hospitality component, which includes substantive weekly check-ins with all downtown businesses.
4. Outreach and support for unhoused, vulnerable populations in concert with partner agencies and with special training.
5. Hiring a professional landscaping company to address the proliferation of weeds, and to create and maintain new plantings in high visibility areas, like gateways and visitor entry points such as parking garages.

PHASED APPROACH

The Strategic Plan recommends a three-phase approach to make improvements to the Reading DID and bring it in line with national best practices.

**PHASE 1**
2020
- Re-authorize the DID for another five-year term.
- Re-engage tax exempt properties in the district and seek larger, multi-year funding commitments.
- Revise the Municipal Services Agreement to reflect 2020 realities and best practices in the delineation of core services, typically provided by a City, complemented by enhanced services provided by an improvement district.

**PHASE 2**
2021
- Collaborate with the City of Reading on its comprehensive Downtown Plus Strategic Master Plan.
- Re-focus the DID’s effort on strengthening its core service area of Clean, Safe, and Green per recommendations in the DID strategic plan.
- Strengthen engagement and communication with downtown stakeholders, including a concerted effort to build broader and deeper relationships with downtown property owners and businesses.

**PHASE 3**
2021 - 2022
- Consider forming a new non-profit that would act as an umbrella organization to bring downtown partners, including the DID, under one roof and working toward the collective vision defined in the City-initiated Downtown Vision and Strategic Plan.
- Expand the scope of DID services to include new initiatives focused on place enhancements and support for small businesses in downtown.

**EXECUTIVE SUMMARY**

Reading DID Strategic Plan Executive Summary

page 3
**REVENUE**

To bring organizational revenues in line with where they need to be to deliver on expectations, this plan recommends a combination of: adjustment to DID assessments, lowering delinquencies, and increasing contributions from tax exempt properties in the district.

**DID ASSESSMENT**

The DID mill levy has not been increased in nearly 20 years, meanwhile the consumer price index (CPI) has increased approximately 45%. This means the DID’s purchasing power today is significantly less than it was in 2001 when rates were last adjusted. Given sensitivity to COVID-19, no changes are recommended in 2021.

In 2022 and 2023 it is recommended that the mill levy, which applies throughout the district, be gradually increased by 6% each year and that a frontage rate be introduced for properties within the core of downtown, defined as Penn Street between 2nd and 8th Streets. The rationale being these core blocks of downtown have the most activity and greatest amount of foot traffic and are therefore in need of higher levels of service.

In the final two years of the five-year plan, it is recommended that assessments be allowed to increase annually based on the CPI, capped at 3%.

Additionally, the DID should aim to reduce delinquencies from their current rate of 18% to no more than 6%.

<table>
<thead>
<tr>
<th>Projected Assessment Revenue</th>
<th>2020 (Current)</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
<th>2025</th>
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<tr>
<td>Assessment Rate</td>
<td>0.004754</td>
<td>0.004754</td>
<td>0.005039</td>
<td>0.005342</td>
<td>0.005502</td>
<td>0.005667</td>
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<tr>
<td>Frontage Rate (Penn, 2nd to 8th), per linear foot</td>
<td>0.000</td>
<td>0.000</td>
<td>5.800</td>
<td>11.600</td>
<td>11.948</td>
<td>12.306</td>
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<tr>
<td>Target Budget</td>
<td>$550,000</td>
<td>$550,000</td>
<td>$618,000</td>
<td>$686,000</td>
<td>$707,000</td>
<td>$728,000</td>
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<tr>
<td>Less (delinquencies)</td>
<td>18%</td>
<td>12%</td>
<td>6%</td>
<td>6%</td>
<td>6%</td>
<td>6%</td>
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<tr>
<td>Projected Annual Budget</td>
<td>$450,000</td>
<td>$485,000</td>
<td>$580,000</td>
<td>$645,000</td>
<td>$665,000</td>
<td>$685,000</td>
</tr>
<tr>
<td>Notes</td>
<td>No change in rates</td>
<td>6% increase in mill levy; plus, frontage</td>
<td>6% increase in mill levy; plus, frontage</td>
<td>Cost of living adjustment based on CPI; up to 3%</td>
<td>Cost of living adjustment based on CPI; up to 3%</td>
<td></td>
</tr>
</tbody>
</table>

**LEVERAGE ASSESSMENTS**

The DID will leverage assessments by seeking greater contributions from tax exempt properties in the district in addition to pro-actively pursuing corporate and philanthropic grants and sponsorships. Major tax exempt properties that the DID will be forging relationships with include the City of Reading, Berks County, Reading Parking Authority, and the Reading Redevelopment Authority, among others.

<table>
<thead>
<tr>
<th>Projected DID Funding Sources</th>
<th>2020 (Current)</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
<th>2025</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assessments</td>
<td>$450,000</td>
<td>$485,000</td>
<td>$580,000</td>
<td>$645,000</td>
<td>$665,000</td>
<td>$685,000</td>
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<tr>
<td>Tax Exempt Contributions</td>
<td>$140,000</td>
<td>$300,000</td>
<td>$425,000</td>
<td>$450,000</td>
<td>$450,000</td>
<td>$450,000</td>
</tr>
<tr>
<td>Grants, Sponsorships</td>
<td>$190,000</td>
<td>$200,000</td>
<td>$250,000</td>
<td>$250,000</td>
<td>$250,000</td>
<td>$250,000</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$780,000</td>
<td>$985,000</td>
<td>$1,255,000</td>
<td>$1,345,000</td>
<td>$1,365,000</td>
<td>$1,385,000</td>
</tr>
</tbody>
</table>
I. INTRODUCTION

The Reading Downtown Improvement District (DID) was created in 1995 in response to property owner, employee and business owner requests for a cleaner, safer downtown Reading. For twenty-five years the Reading DID has provided services above and beyond what would have been provided by the City of Reading. Through a special assessment, levied upon all commercial properties within the District, downtown Reading is a cleaner, safer and more inviting place to live, work and visit.

This year, assessed property owners will consider whether the Reading DID should continue for another five-year term. This document is the Preliminary Plan for the DID and outlines its accomplishments, proposed changes and required renewal procedures.

In advance of seeking re-authorization, the Reading Downtown Improvement District Authority (RDIDA), with funding from the Berks Alliance, engaged in a strategic planning process to re-examine the organization’s programs, budget, and structure with the goal of increasing the DID’s value proposition to ratepayers and other downtown stakeholders. An Executive Summary of this strategic plan is included as an attachment to the Preliminary Plan.

In summary, the Strategic Plan offer the following pivots to enhance the DID’s value proposition:

- **Excel in Core Services.** The RDIDA will implement program changes to deliver consistent, high-quality clean, safe and green services throughout the District.
- **Expand Scope of Services.** Compared to DID’s nationally, the Reading DID has a relatively narrow scope of services. Through a phased approach, the DID will expand its services to include the design of place enhancements and economic vitality initiatives that support small businesses in downtown.
- **Celebrate Reading’s Diverse Latino Population.** Reading has one of the largest Latino populations of any city in the County, representing a variety of nationalities. Through new services and initiatives, the DID will support and elevate a multi-cultural downtown.
- **Leverage Funding.** The RDIDA will do more to leverage funding beyond assessment dollars by seeking additional grants, sponsorships, and securing multi-year commitments from tax exempt properties in the District.
- **Updated Agreement with the City.** The RDIDA and the City will work to re-negotiate the Municipal Services Agreement to ensure the City is adequately covering financial responsibility for what should be considered base level services. The City is to provide the baseline services and DID service is over and above to support what is needed for a viable commercial core.
- **Build a Collaborative Culture & Vision.** The RDIDA should be part of creating a more collaborative culture in Reading. This includes participating in the anticipated Downtown Plus Strategic Master Plan, which will be led by the City’s Community Development Department.
II. BACKGROUND

The Reading Downtown Improvement District Authority (RDIDA) was organized pursuant to the Business Improvement District Act of 1980, an amendment to the Municipalities Authority Act of 1945, as amended. The 1980 legislation granted Business Improvement District Authorities the power to designate improvement districts within commercial areas, develop a plan for specific improvements and, with the approval of the municipal governing body, to levy special assessments to pay their costs. In January 1995, Reading City Council adopted Ordinance 334-95 establishing the Reading DID. In October 2000, following an overwhelmingly favorable vote by District property owners, City Council passed Ordinance 20-2000, approving the DID Renewal Plan and extending the improvement district for a five-year term.

The Reading DID was renewed again in 2005, this time for a period of 10 years. The 2005 renewal expanded the DID boundary east to City Park and north on Fifth Street up to Elm Street, adding nearly 200 new properties. Additionally, pursuant to the Neighborhood Improvement District Act of 2000, Reading City Council restructured the DID as a Neighborhood Improvement District (NID) and the Reading Downtown Improvement District Authority as the NID Management Association (NIDMA) for the District. In 2015, the Reading DID was renewed for another five-year period.

III. DISTRICT DESCRIPTION

No changes are proposed to the current geographic reach of the DID. It’s legal description follows:
BEGINNING at the intersection of Washington Street and North Second Street; along North Second Street to Walnut Street to North Third Street to Washington Street to Madison Avenue; to Elm Street excluding 430, 432 and 438 Elm Street; along Elm Street to Church Street to Walnut Street to Poplar Street to Washington Street to Moss Street to Court Street, excluding 906, 908, 910, 912, 914, 916, 918 and 920 Washington Street and 40 Moss Street; along Court Street to North Eleventh Street, excluding 11, 15, 17, 19, 21 and 23 North Tenth Street and 24, 22, 20, 18, 16, 14, 12, 10 and 6 North Eleventh Street; along North Eleventh Street crossing Penn Street to South Eleventh Street; along South Eleventh Street to Cherry Street to South Ninth Street, excluding 1013 Cherry Street, 25, 23, 21, 19, 17, 15, 13, 11 and 9 South Tenth Street, 915, 913, 911, 909, 907 Cherry Street, 914 rear Penn Street, and 25, 23, 21, 19, 17 and 13 South Ninth Street; along South Ninth Street to Franklin Street to South Seventh Street to Plum Street to Franklin Street, including 112 and 108 Plum and 614, 618 and 622 Franklin Street; along Franklin Street to Pearl Street excluding 514, 516, 518, 520, and 522 Franklin Street; along Pearl Street to Chestnut Street to Wood Street, excluding 521, 519, 517, 433, 431, 429, 427, 425 and 421 Chestnut Street; along Wood Street to Franklin Street to South Fourth Street to Cherry Street to Carpenter Street to South Third Street, excluding 344, 339, 337, 335, 333, 331, 329 and 327 Franklin Street and including 30 South Fourth Street; continuing along Cherry Street to South Second Street to Franklin Street, excluding 27, 25, 23, 21, 19, 17, 15, 13 and 11 South Second Street; along Franklin Street to South Front Street to North Front Street to Washington Street to North Second Street, place of BEGINNING.

IV. TERM

The RDIDA will operate for five years from January 1, 2021 through December 31, 2025.
V. SERVICES CURRENTLY PROVIDED BY DID

Ambassador Services

The DID contracts with Streetplus Company, LLC to employ Ambassadors who deliver services in the areas of safety, environmental maintenance and hospitality. Ambassadors are easily recognized by their uniforms (bright red shirts/jackets and khaki pants with the DID logo prominently displayed). These uniforms allow downtown workers, residents and visitors to quickly identify the Ambassadors should they need assistance with safety, maintenance or other related matters.

- **Cleaning & Environmental Maintenance**
  - Manual cleaning of sidewalks - including removal of cigarette butts, leaves, and other debris from bus shelters, under benches, and from tree wells
  - Mechanical cleaning – vacuum and pavement scrubbing; power washing; leaf blowing
  - Ambassadors monitor trash cans for overflowing trash and periodically remove and dispose of trash in accordance with City requirements.
  - Snow removal – DID Ambassadors work to ensure that curb ramps and bus stop areas are clear of snow and ice. The DID also provides snow removal services for city-owned walkways in addition to properties owned by the Reading Redevelopment Authority.
  - Graffiti and handbill removal – DID Ambassadors respond to reports of graffiti incidences and work diligently to remove graffiti and event handbills and other unauthorized postings from downtown public and private properties and other surfaces.
  - Weed abatement – DID Ambassadors, along with volunteers, strive to maintain weed-free medians, planters, courtyards, and sidewalks.

- **Safety & Hospitality Services**
  - Foot, bicycle, and Segway® patrols
  - Business security check-ins
  - Parking facility security patrols
  - Personal safety escorts for individuals and groups
  - Special event security
  - Social service outreach and referral
  - Information sharing with law enforcement personnel
  - Direct radio and cell phone contact with police, fire, and EMS
  - Provide directions and other information to visitors
  - Respond to service requests

Special Events Planning and Implementation

The DID oversees the planning and implementation of several special events during the year, including the annual Holiday Parade, Holiday tree lighting ceremony, MidDay Cafes, Fire + Ice Festival, and the Downtown Alive concert series. The DID also provides technical assistance for dozens of other downtown events organized by other organizations. The DID offers free event logistic services for event organizers and promoters, in exchange for logo placement on event materials and agreeing to use downtown businesses for services.

Partnerships & Advocacy

The DID works in conjunction with a wide array of public authorities, City departments, private enterprises, and nonprofit organizations on a variety of projects and activities related to the improvement of downtown.
VI. SUMMARY OF 2019-2020 ACTIVITIES

The COVID-19 pandemic and economic downturn has impacted Reading’s residents, businesses, employees and community organizations in profound ways. Throughout the pandemic, the Reading DID has continued to provide services to support downtown. For example, DID advocated for temporary outdoor dining in downtown Reading, and provided tables, chairs, and umbrellas to interested restaurants. Ambassadors provided additional attention to sanitize “touchpoints” within the District to assist the public in minimizing their risk of COVID-19 exposure. Streetplus follows the CDC guidelines and protocols.

Cleaning & Environmental Maintenance

Through its contract with Streetplus, the Reading DID tracks metrics on all areas of Ambassador performance.

- **Trash:** Between 2019 and 2020, Ambassadors typically removed between 1,200 and 2,100 bags of trash each month, amounting to well over 400,000 pounds of trash removed each year.

- **Machine Cleaning:** Ambassadors typically spent over 60 hours per month using outdoor litter vacuums, and industrial sidewalk sweepers, and sometimes up to 250 hours depending on the season. Pressure washing and leaf blowing equipment were also routinely utilized, particularly in the fall and spring. In October 2019 alone, Ambassadors spent a total of 71 hours using the blower to address leaf debris and 227 hours using the outdoor litter vacuum.

- **Graffiti Removal:** Ambassadors typically addressed between 2 and 12 graffiti incidences per month between July 2019 and July 2020.

- **Landscaping and weed abatement:** In early 2020, the DID received a $25,000 grant from the BB&T bank through the Berks County Community Foundation to support work to improve greening and landscaping. The DID also worked with volunteer groups to help address the weed situation in downtown medians, sidewalks, and around parking garages.

Hospitality and Safety

- **Parking Garage checks:** Since July 2019, DID Ambassadors routinely made at least 700 parking garage security checks each month.

- **Personal safety escorts:** Between July 2019 and July 2020, Ambassadors typically provided over 400 personal safety escort trips each month. Due in large part to the COVID-19 crisis and its impact on downtown activity, there were only 67 and 50 escort trips made in April and May, respectively.

- **Safety incidents:** Ambassadors responded to an average of 41 safety incidences each month between July 2019 and January 2020. In April and June of 2020, there were only around ten incidences reported, because of reduced downtown activity due to COVID.

- **Business security checks:** DID Ambassadors routinely stop in at downtown businesses for security check-ins. In the past year, Ambassadors typically made at least 1,200 stops each month.

- **Hospitality – Directions provided:** In the second half of 2019, Ambassadors provided directions to downtown visitors 83 times per month on average. These interactions were recorded much less frequently beginning in March 2020, as visitation was significantly curtailed by the COVID-19 crisis.

- **Event support:** DID Ambassadors helped set up and tear down seating and other temporary structures for downtown events.

- **Outdoor dining:** The DID provided tables, umbrellas and chairs to downtown restaurants for outdoor dining under COVID-19 restrictions.

- **Penn Street Market:** The DID continued to provide infrastructure support to the Penn Street Market enabling it to continue to bring fresh produce to the inner city.
Events

The DID produces or supports dozens of events each year, attracting thousands of participants to downtown Reading. DID Ambassadors assist with set-up and break down services for daytime events and concert series, including non-DID events. Between 2019 and 2020, DID events attracted more than 14,000 people. Among the signature events produced by the DID between July 2019 and July 2020 included:

- **Downtown Alive!** – In 2019, for the fifth year in a row, the DID produced the popular annual concert series that transforms Penn Street with music and entertainment for one night each month between May and October. The 2020 Downtown Alive! program was canceled due to the COVID-19 crisis.
- **Reading Fire + Ice Fest** – The DID produced and promoted the popular winter event for the sixth year in a row. Planning began in the fall until the festival was held January 17-19, 2020. Funding has been provided in large part by a generous grant from the Hawley and Myrtle Quire Fund of the Berks County Community Foundation. The festival featured ice carving competitions and large interactive ice sculptures, in addition to live music, a chili cook-off, a craft beer festival, and a Snowfall Bash.
- **MidDay Cafes** – The MidDay Café program activated Penn Square throughout the summer with musical entertainment and food and beverage vendors.
- **Reading Holiday Parade** – The annual Holiday Parade took place on November 21, 2019, drawing thousands of people downtown.

While many of these events have been cancelled due to COVID-19, they are expected to resume as soon as restrictions are lifted and public health officials deem gatherings to be safe.

**DID Communications and Marketing**

In September 2019, a staff member was hired to support special projects, including social media, marketing, and event promotions. Updates to the website and Facebook pages have emphasized the positive work the Ambassadors do and more actively promotes event information. Event and special programs logos were also updated. In the summer of 2020, the organization’s website, www.downtownreading.com, was made available in both Spanish and English.

**Partnerships & Advocacy**

Over the past year, the DID has been involved in a collaborative effort led by the Berks Arts to initiate public art downtown, with the goal of bringing 100 new pieces of public art downtown by 2021. In the summer of 2020, the group facilitated the installation of colorful murals on bus shelters and Reading Parking Authority parking garages.

The DID plays a role in the Reading Public Private Partnership (PPP), a collaboration between the Greater Reading Chamber Alliance, Berks County Community Foundation, Berks Alliance, the City of Reading and other partners. Reading DID’s board chair has a seat at the table with the PPP Board of Directors.
ORGANIZATIONAL VISION & MISSION

Vision
The Reading Downtown Improvement District will be a responsive, self-sustaining, unifying champion for downtown Reading.

Mission
To collaborate with partners to excel at advancing a clean, safe, and vibrant downtown Reading.

VII. PROPOSED ACTIVITIES AND SERVICES: 2021-2025

As stated previously, the Preliminary Plan is occurring in tandem with an organizational strategic plan for the Reading DID, which seeks to maximize the DID’s value and bring it in line with national best practices. An Advisory Committee representing the City, County, the DID, and downtown property owners, businesses, and institutions was formed to respond to and refine recommendations produced by the consulting team, Progressive Urban Management Associates (P.U.M.A.). Additionally, over 40 stakeholders were interviewed between June and August 2020, with nearly 300 people representing diverse perspectives on the downtown completing an online survey.

Bottom line is the Reading DID is an important – but underfunded – tool. A lack of sufficient funding, and narrow scope of services, has meant the DID has not reached its full potential. The strategic plan recommends a three-phase approach to evolve the DID into a properly capitalized, state-of-the-art tool for promoting a clean, safe and vibrant downtown Reading. More detail can be found in the strategic plan document: http://www.downtownreading.com/reauthorization.

Strategic Pivots to Enhance the DID’s Value Proposition

• Excel in Core Services. The RDIDA will implement program changes to deliver consistent, high-quality clean, safe and green services throughout the District.
• Expand Scope of Services. Compared to DID’s nationally, the Reading DID has a relatively narrow scope of services. Through a phased approach, the DID will expand its services to include the design of place enhancements and economic vitality initiatives that support small businesses in downtown.
• Celebrate Reading’s Diverse Latino Population. Reading has one of the largest Latino populations of any city in the County, representing a variety of nationalities. Through new services and initiatives, the DID will support and elevate a multi-cultural downtown.
• Leverage Funding. The RDIDA will do more to leverage funding beyond assessment dollars by seeking additional grants, sponsorships, and securing multi-year commitments from tax exempt properties in the District.
• Updated Agreement with the City. The RDIDA and the City will work to re-negotiate the Municipal Services Agreement to ensure the City is adequately covering financial responsibility for what should be considered base level services. The City is to provide the baseline services and DID service is over and above to support what is needed for a viable commercial core.
• Build a Collaborative Culture & Vision. The RDIDA should be part of creating a more collaborative culture in Reading. This includes participating in the anticipated Downtown Plus Strategic Master Plan, which will be led by the City’s Community Development Department.
Phase 1 | 2020

- Re-authorize the DID for another five-year term.
- Re-engage tax exempt properties in the district and seeker larger, multi-year commitments for funding.
- Re-negotiate the Municipal Services Agreement with the City of Reading to better reflect what should be considered base-level City services.

Phase 2 | 2021

- Partner with the City on its effort to advance a comprehensive downtown plan, the Downtown Plus Strategic Master Plan.
- Re-focus the DID’s efforts to excel in its core mission of Clean, Safe, and Green.
- Strengthen communications with downtown ratepayers, including building broader and deeper relationships with downtown property owners and businesses.

Phase 3 | 2021-2022

- Consider forming a new non-profit that would act as an umbrella organization to bring downtown partners in alignment and working toward implementation of the Downtown Plus Strategic Master Plan.
- Expand the scope of DID services to include new initiatives focused on place enhancements, marketing and promotion, and support for small businesses in downtown.

Overview of Services

Clean, Safe and Green (Phases 1 & 2)
The DID’s core mission will continue to be clean, safe, and green, with notable changes intended to improve the program and deliver consistent, high-quality services throughout the District. In addition to current services, the DID will:

- Increase the number of Ambassadors, paid competitive wages to encourage employee retention.
- Increase the functionality of Ambassadors including:
  - A hospitality focus that includes weekly, substantive visits to strengthen relationships with business and property owners.
  - Outreach and support for unhoused, vulnerable populations in concert with partner agencies and with special training.
- In partnership with the City, explore ways to address public urination and defecation, including the installation of public restrooms.
- Issue an RFP and hire a professional landscaping company to address the proliferation of weeds and to create and maintain colorful new plantings in high visibility areas.
- Closely monitor the existing clean and safe contractor and be prepared to administer a new RFP for services if high performance standards are not met.
- Identify and report to the City severe trip hazards and other safety issues in the public right-of-way.

Events and Communications (Phases 1 & 2)
The DID will continue to fund the production and management of events, with the support of organizations such as the Berks County Community Foundation, to the extent allowable by COVID-19. Additionally, the RDIDA will improve communications with downtown stakeholders, in particular businesses and property owners. The DID will:
• Create more informal engagement opportunities for DID staff and board members to interact with property owners, businesses, and residents, including periodic site visits, weekly coffee chats, Zoom check-ins, and other strategies.
• Ensure that Spanish language versions of all publications are made available, including newsletters, social media posts, and event promotions.
• Increase social media presence to share news about downtown and promote DID’s successes but also to support and highlight local businesses and individuals making a positive impact in downtown.
• Work with partners to develop more opportunities to engage volunteers with projects that improve the vibrancy of downtown.
• As permissible, pending COVID-19, continue to produce and manage downtown events.
• Partner with local arts and culture groups and local businesses to ensure events appeals to a wide and diverse audience and celebrate Reading’s multi-cultural population.

**Place Enhancements (Phase 3)**

Established improvement districts commonly evolve beyond “clean & safe” services to take on a broader array of enhanced services. In phase 3 it is envisioned that the DID play a greater role in place enhancements that promote vibrant street-level activity throughout the District. The DID will:

- Collaborate with partners to re-envision downtown public spaces; considering streetscaping, shade structures, and outdoor seating features that encourage both formal and informal social gatherings, interactive play, and reflections of multi-culturalism.
- Explore the opportunity to designate and promote downtown as an International District, which would highlight and celebrate Reading’s multi-ethnic food, culture, retail and more.
- Continue engaging with partners to formalize a public art strategy for downtown.

**Storefront Economic Vitality (Phase 3)**

The DID will provide tailored and hands-on assistance to small businesses throughout the District, storefronts are a critical component of overall downtown vitality. The DID will:

- Mitigate the negative impacts of vacancies through art installations, temporary pop-up businesses and other activation strategies.
- Make regular check-ins with all downtown businesses, help to connect with resources, trouble-shoot issues, host trainings, and build relationships.
- Help to recruit retail and service businesses that are community-serving and offer unique products or experiences; work with partners to encourage and support entrepreneurs in downtown spaces.

**VIII. FUNDING**

Funding for DID services comes primarily from a special assessment fee based on total property value assessments. Assessable properties include commercial, industrial, and non-owner-occupied apartment buildings. Tax exempt properties and owner-occupied residential properties are exempt from paying an assessment fee under NID statute but are encouraged to provide in-kind services or financial contribution. Additional funding sources come from fees for service, grants and sponsorships.

**Assessment Rate**

In 1995, when the DID was established, the assessment fee was 3.747 mills. It was increased to 4.754 mills in 2001 but has not increased since that time. **Over the 20 years that the DID assessment did not increase, the Consumer Price Index (CPI) for the region increased by nearly 45%**. This means the DID has lost significant purchasing power over the years, making it difficult to deliver an adequate level of service. In order to regain much of the financial capacity that the DID has lost over time, this Plan recommends a combination of
assessment adjustments, reductions to the DID collection delinquency rate and increased financial participation from the many tax-exempt institutions and property owners that are found in the downtown.

*Given sensitivity to COVID-19, no rate changes are recommended in 2021.* In 2022 and 2023 it is recommended that the mill levy be increased by 6% each year. In subsequent years of this five year plan, it is recommended that assessments be allowed to increase annually based on increases in the CPI, with increases capped at no more than 3% per year. For example, a property valued at $100,000 would have an Assessment of $475.40 and a 3% increase would be $28.52 for a new total of $503.92.

*Frontage*
Beginning in 2022, it is recommended that an assessment on linear frontage be introduced within the core blocks of downtown. The rationale is that the core of downtown is most intensely frequented and is therefore in need of a higher level of DID service. Examples of a higher level of service concentrated along Penn Street include more frequent Ambassador patrols and staging of special events. The proposed frontage assessment would be distributed evenly to all properties fronting Penn Street between 2nd Street and 8th Street, shown on the map on page 12, and is designed to distribute the added benefit of these services to these core properties. This type of frontage assessment is very common in DIDs that have a central main street or primary corridor. The linear frontage assessment is paid only by properties that receive this extra level of service that is not provided in the rest of the District.

*Delinquencies*
The DID’s current rate of delinquency has a notable and negative impact on the budget. Moving forward the RDIDA, which currently administers the DID’s billing, will explore the possibility of Berks County administering DID billing, by including a DID assessment line item on their property tax bills. The goal is to reduce the delinquency rate from 18% to 6%, which is more in line with DID collection rates nationally.

### Assessment Rates and Projected Assessment Budget by Year

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<tr>
<th></th>
<th>2020 Current</th>
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<td>11.600</td>
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**Notes**
- No change in rates
- 6% increase in mill levy; introduce frontage
- 6% increase in mill levy; introduce frontage
- Cost of living adjustment based on CPI; up to 3%
- Cost of living adjustment based on CPI; up to 3%
IX. PROPOSED BUDGET SUMMARY

Increase Non-Assessment Contributions
Compared to other downtown districts, the Reading DID has an unusually large proportion of tax exempt properties, accounting for roughly two-thirds of the total property value within the DID. While non-profit entities don’t benefit from increased property values the same way commercial properties do, they still benefit from the services provided by the DID to create a clean, safe and vibrant environment. The DID will be seeking greater, multi-year commitments (i.e payment in lieu of Assessment agreements) from tax exempt properties, while also pursuing additional grant opportunities, to better leverage assessment dollars in the District.

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<tr>
<th>Projected DID Revenues</th>
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<td>$425,000</td>
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<td>TOTAL</td>
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<td>$1,345,000</td>
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<tr>
<th>Projected DID Expenditures</th>
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<td>$1,255,000</td>
<td>$1,345,000</td>
<td>$1,365,000</td>
<td>$1,385,000</td>
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</tbody>
</table>

X. MANAGEMENT

The DID will continue to be overseen by the Municipal Authority, the Reading Downtown Improvement District Authority (RDIDDA). Following completion of the Downtown Plus Strategic Master Plan, it is recommended that downtown partners consider forming a new non-profit umbrella organization that would unite multiple partners under one entity. If a new non-profit is formed, the DID would contract with this non-profit to deliver DID-funded services. The DID board of directors would develop annual budgets and work programs and monitor the non-profit’s delivery of services to ensure accountability to ratepayers.

Nationally it a best practice for DIDs to contract for services through a non-profit organization, typically a 501 c6 or c3, for several reasons:
- A non-profit can be an independent champion focused solely on downtown;
• A non-profit can help insulate the DID from shifts in political leadership and support for downtown;
• A non-profit can act fast and easily adapt as conditions and needs change in downtown;
• A non-profit is good at leveraging assessment dollars through grants and sponsorships;
• A non-profit has flexibility in board structure; allowing greater representation and diversity;
• A non-profit umbrella model can promote greater collaboration, breaking down silos and bringing multiple entities to work together.

XI. PROCEDURE/TIMELINE

The Reading DID will follow a re-authorization process similar to what it did in 2015. Only legal owners of assessed properties within the District will be eligible to object to the five-year Reading DID plan. The re-authorization is expected to proceed in the following manner:

1. Preparation of the Preliminary Plan
2. Presentation of the Preliminary Plan to the RDIDA Board of Directors – 9/9/20
3. City Council initiates Preliminary Plan renewal period – 9/14/20
4. City Council mails Preliminary Plan and supporting documents to all property owners within the DID boundary
5. City Council will advertise notice of public hearing(s)
6. Advertisement must be published at least ten days prior to the public hearing in a newspaper of general circulation per Section 5(b)(2) of the NID Act
7. City Council public hearing on the Preliminary Plan – 10/20/20
8. Comment period on the plan; if 40% or more of the property owners in the district object; the plan will need to be amended and re-mailed to all property owners in the district, beginning the process anew
9. City Council enacts renewal ordinance

Any objection shall be registered in writing, signed by the property owner, with the City Clerk of the City of Reading within 45 days of the presentation of the final plan. Each individual, or ownership entity, owning a property subject to paying the Reading DID Assessment shall be entitled to cast one vote for each parcel of property owned. Each property owner shall be notified by U.S. Mail as to the specific date by which a negative vote must be cast. A vote shall be considered when the objection includes the following:

• The property's Berks County tax parcel identification number,
• The names and address of the legal owner(s) of the property,
• A written statement indicating that the property owner objects to the Final NID Plan. If a property is owned by more than one person, by a partnership, or by a corporate structure, the objection must be signed by all of the owners, partners, or include a resolution of the corporation’s Board of Directors.

A copy of any objection must also be sent to the Reading Downtown Improvement District via postal mail.

XII. MUNICIPAL SERVICES AGREEMENT

Municipal Services Agreements are required by the NID Act. The RDIDA is working to re-negotiate the Municipal Services Agreement with the City of Reading, which hasn't been substantively updated since the DID was established in 1995. This written agreement, to be signed by the City and the RDIDA, will detail respective duties and responsibilities, including a delineation of what should be consider City base-level services, those services provided by the City regardless of whether or not there is an improvement district.
Based on P.U.M.A.’s experience working with DIks nationally, the City should consider including the following as their base-level responsibility:

- Police officers solely dedicated to downtown Reading, utilizing a community-based policing model, with a focused emphasis on engaging with community members to foster trust. This involves officers walking around downtown, going into businesses, visiting with property and business owners about safety concerns, and relating to Reading citizens, downtown visitors, students, and others.
- Regular street sweeping of all downtown streets, typically conducted overnight or during the early morning hours due to heavier vehicular traffic and cars being parked in downtown.
- Continue to make the trash dumping facility available for the DID’s use.
- Annual painting of public amenities and property, e.g., curbs, light/utility poles, utility boxes, etc.
- Semi-annual or annual assessment and annual pruning of trees throughout downtown.
- Repair/restore damaged tree wells and tree grates, including deteriorating tree grate frames.
- Make necessary infrastructure repairs, including addressing trip hazards in the public right-of-way.
- Snow removal for City owned property unless the DID is properly compensated for providing this service.

XIII. DISTRICT MAP
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<thead>
<tr>
<th>Name</th>
<th>Address</th>
<th>Phone</th>
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