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DELTA | DEVELOPMENT | GROUP

INC.

Public Information Meeting #5

Abington Township

Feasibility Study for Economic Development

April 3, 2023



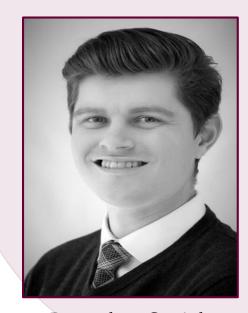
Introductions



<u>Dane Higbee</u> Senior Associate



Darren Asper, PP, AICP
Project Manager



Brandyn Smith
Associate

- Delta Development Group is Located in Camp Hill, PA and Pittsburgh, PA
- Diverse Team of 35 Professionals in Community Planning, Economic Analysis, Government Relations, Transit, and Disaster Preparedness

Historical Perspective on Economic Development

- September 4, 2019: Obermayer Rebmann Maxwell & Hippell LLP presentation to the Public Affair Committee
- September 12, 2019: Board of Commissioners Meeting
- October 16, 2019: Public Information Session #1
- January 11, 2020: Public Information Session #2
- February 22, 2020: Public Information Session #3
- September 23, 2020: Public Information Session #4
- May 2022: RFQ Distributed for Feasibility Study for Economic Development in Abington Township
- August 2022: Delta selected by Township in response to an RFQ
- April 3, 2023: Administrative Public Information Meeting #5 on EDC

Study Components

- Overview & Executive Summary
- Demographic/Market Analysis
- Review of Sites for Economic Development
 - a) Sites
 - b) Criteria for Selection
 - c) Development Matrix
 - d) Key Sites & Concepts
- Economic Development Structure
 - a) Types of Economic Development Structures
 - b) Economic Development Corporation (EDC)
 - c) EDC Case Studies and Interviews
 - d) EDC Roles

- Public Information Session Involvement
- Implementation Plan & Funding Opportunities

Economic Development Corporation - Overview

- An Economic Development Corporation (EDC) is a quasi-governmental, non-profit organization with a mission to advance economic development efforts in a defined geographic area.
- Its sole focus on economic developments efforts, including:
 - (1.) Connecting with local businesses to address their needs
 - (2.) Promoting the interests of small businesses within the community
 - (3.) Leading development projects
- Eligible for a variety of regional, state, and federal grants to assist with business promotion, technical assistance, and capital improvement projects
- Promotes a forward-thinking, long-term vision for the community through the completion of smaller, impactful projects

Roles, Responsibilities, and Functions of an EDC

- An EDC has the flexibility to undertake a variety of community improvement activities, including:
 - 1. Promotion of community businesses and events
 - 2. Administering programs and resources for small businesses
 - 3. Marketing of available properties and storefronts
 - 4. Providing technical assistance to small businesses
 - 5. Coordination with property owners on redevelopment projects
 - 6. Undertaking community capital improvements projects (i.e. façade improvements, streetscape, rehabilitation and restoration of historic buildings, etc.)



Case Study - Phoenixville Area Development Corporation

About the Organization:

- Organized Under the Phoenixville Regional Chamber of Commerce
- Organization has 370 Active Businesses, Organizations and Individuals within its Membership, Which Provide Revenue for the Organization
- Focus on Redevelopment and Rehabilitation of Historic Properties

Relevancy to Abington Township:

- Abington Township Could Benefit from an EDC that Assists with Redevelopment and Rehabilitation of Historic Properties
- An Abington Township EDC Could Serve as a Conduit for Public Funding Requests

Case Study:





- PAEDCO Has an Emphasis on Bringing Buildings Back to Functional Reuse
- In 2014, PAEDCO Purchased 100 Bridge Street in Accordance with its Targeted Goal to Improve Town Gateways and Create Owner-Occupied Businesses
- Following its Acquisition and Renovation by PAEDCO, the Property was Sold to Bluebird Distillery



Case Study - Discover Haverford

About the Organization:

- Mission to Support Economic Development Projects and Programs to Support Businesses, Beautify Business Districts, and Market the Township
- Governed by an 11-Member Board of Directors that Oversees Three (3) Staff Members
- Administers Programs to Improve Existing Businesses and Properties, Such as a Façade Improvement Program

Relevancy to Abington Township:

- Discover Haverford Provides a Model for Community-Focused Economic Development Improvements that Benefit Existing Businesses
- An Abington Township EDC Could Serve a Similar Business Promotion and Assistance Role for its Smaller Core Communities (i.e. Roslyn, Keswick, Ardsley, McKinley, etc.)

Case Study:



- Using ARP Funds from Haverford Township, in 2022, Discover Haverford Launched a Façade Improvement Grant Program
- Discover Haverford Directly Administers the Program
- In Addition, Discover Haverford Offers Free Window & Façade Design Consultations to Assist Business Owners with Visual Merchandising in Their Storefronts



Case Study - Lansdowne Economic Development Corporation

About the Organization:

- Mission to Generate Economic Activity and Encourage Investment in Lansdowne
- Governed by a 7-Member Board of Directors that Oversees Three (3) Staff Members
- Provides Services to Current and Potential Businesses, Hosts Events, Markets Lansdowne, and Rehabilitates Property

Relevancy to Abington Township:

- The LEDC Has Undertaken Complete Renovation of a Core Downtown Building for an Art Incubator; an Abington Township EDC Could Serve a Similar Role by Improving Underutilized Building
- An Abington Township EDC Could Also Host Community Events, Similar to the LEDC

Case Study:



- Consistent with Arts-Based Revitalization Planning for Downtown Lansdowne, the LEDC Purchased the Former Noel Schmidt Furniture Building for Art Incubator Space
- In 2018, LEDC Received a \$95,000 DCED Keystone Communities Grant for the Building's Renovation
- LEDC Owns the Building and Tenants Utility Works (Art Incubator Facility) and KayWay Juice (Juice Bar and Plant-Based Café)

Interviews with Economic Development Corporations

Hanover Economic Development Corporation (York County)

- Established two years ago their initial major project is redevelopment of a community theatre
- Received \$30K from the Borough in Year 1 and \$15K in Year 2 to create 501(c)(3) and begin work specified in the EDC charter
- The Borough's Director of Planning & Engineering serves as the EDC's dedicated staff member
- The EDC has a strong tie with the local foundation community that the Borough does not have
- The EDC is developing an RFP to send nationwide for redevelopment of the theatre
- The Borough may charge the EDC for staff time

Interviews with Economic Development Corporations

<u>Discover Haverford (Delaware County)</u>

- Charted as a 501(c)(3) in 2015 in response to growing vacancies in Haverford's business districts
- Initially received \$75K annually from the Township, but now receive \$105K annually
- Discover Haverford is working on a financial security plan to become more self-sufficient financially
- Most of their activities involve streetscaping, façade improvements, community events, and business promotion/retention
- Over time, they hope to transition to larger capital improvement projects.
- Discover Haverford recommends using the PA Downtown Center as a resource, especially when an EDC is in its infancy
- Discover Haverford has three (3) employees and up to 15 Board members (currently have 11)
- They recommend mentioning formation of an EDC in the Township's updated Comprehensive Plan

Interviews with Economic Development Corporations

Lansdowne Economic Development Corporation (Delaware County)

- Chartered as a 501(c)(3) in 1998 to address increasing vacant properties in their downtown
- Borough Council initially appointed the Board, but now the EDC is totally standalone with no say in appointments
- EDC Board has 5-7 members, and there is no employment or Board relationship with the Borough
- Initial start-up funding was \$50K, and the current annual contribution by the Borough is \$50K
- EDC currently has a \$300K annual budget
- Lansdowne is a Main Street Community, and the EDC's efforts entail façade grants, beautification, and events; also operate an art studio and "LaunchBox" incubator
- Recommend a 5-Year Plan

Funding Strategy

- An EDC's operations can be sustained through business memberships, contributions from municipalities, private foundation grants, revenue from renting/leasing of EDC-owned properties, fees for assistance with grant and loan funding, etc.
- Grants and loans from local, state, and federal sources can be used to assist an EDC with the acquisition and improvement of buildings and other properties.
- Improvement of buildings and other properties provides an EDC with a sustained revenue sources, improves the aesthetics of the community, and promotes increased commerce within the Township.

Example Funding Strategy for Downtown Building Rehabilitation

123 Main Street Funding Strategy									
Budget Category	Neighborhood Assistance Program (NAP) – DCED (State)	Keystone Communities Façade Improvement - DCED (State)	Redevelopment Assistance Capital Program (RACP) – Office of the Budget (State)	Keystone Historic Preservation Grant – PA Historic & Museum Commission (State)	Transportation Alternatives Set- Aside - PennDOT (State/Federal)	Community Project Funding (i.e. "Earmark") – U.S. Congress (Federal)	EDC/Township Contributions (Local)	Total	
Property Acquisition	\$250,000						\$20,000	\$270,000	
Sidewalk Improvements					\$150,000			\$150,000	
Design/Engineering	\$100,000							\$100,000	
Environmental Assessment							\$5,000	\$5,000	
Exterior Façade Improvements		\$50,000		\$100,000		\$150,000		\$300,000	
Interior Construction			\$1,500,000			\$1,500,000		\$3,000,000	
Construction Contingency						\$350,000		\$350,000	
Total Contribution/Cost	\$350,000	\$50,000	\$1,500,000	\$100,000	\$150,000	\$2,000,000	\$25,000	\$4,175,000	
SOURCE: Delta Development Group									

Example Funding Strategy for Downtown Streetscaping Initiative												
Budget Category		P PennDOT Green Light-Go (State)		CFA Multimodal Transportation Fund (State)	Trails, and	Set-Aside	PennDOT Automatic Red-Light Enforcement (State)	Water Authority (Local)	Community Foundations (Private)	County Contribution (Local)	City Contribution (Local)	Total
Water/Sewer Infrastructure								\$560,213	\$300,692		\$144,644	\$1,005,549
Signalization at Third/Basin and Third/Mulberry St.		\$665,016							\$208,254			\$873,270
Third St. Reconstruction	\$1,584,601									\$62,905		\$1,664,602
Franklin St. Relocation/Basin St. Reconstruction			\$914,125						\$240,046	\$172,757	7 \$46,965	\$1,373,893
Traffic Signal at Via Bella/Basin St.							\$30,006				\$5,367	\$35,373
Traffic Signal at Pine/Third St.							\$200,669				\$35,892	\$236,562
Fourth St. Improvements				\$621,416						\$299,318		\$920,734
Willow St. Multi-Use Path						\$1,000,000			\$67,882		\$11,220	\$1,079,102
Third St. Streetscape				\$676,247					\$314,276			\$990,523
Basin St. Riverwalk					\$180,000					\$63,166		\$243,166
Total	\$1,584,601	1 \$665,016	\$914,125	\$1,297,663	\$180,000	\$1,000,000	\$230,675	\$560,213	\$1,131,150	\$598,146	\$261,184	\$8,422,774

EDC Initiation Process

- An EDC is initiated by an Ordinance passed by the Abington Township Board of Commissioners
- The host municipality provides initial start-up funding to assist with organizational and initial operation costs
- The EDC then diversifies its funding streams to sustain operations and grow the organization's diversity in types of funding

Structure of an EDC

- An EDC is governed by a Board of Directors
- Comprised of nominees from municipal elected officials
- Comprised of an odd number of Directors to prevent potential tied-votes
- Meets at regularly-scheduled intervals to make personnel decisions, review finances, vote on contracts, etc.
- An EDC will either share staff members/capacity with its home municipality or hire EDC-dedicated staff members

Questions?

Next-Steps

Economic Development Study

- Incorporation of Comments April 4, 2023 April 13, 2023
- Finalize Draft Report April 14, 2023
- Full Presentation to the Board of Commissioners Working Session May 11, 2023

Economic Development Corporation Ordinance

TENTATIVE DATES

- Consider Advertisement of Ordinance Board of Commissioners Meeting June 8, 2023
- Consider Adoption of Ordinance Board Commissioners Meeting July 13, 2023
- Consider Appointing Members

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