



2018 Annual Report

Pioneers of Progress.

I Pick
POTTSTOWN!
Pioneers of the Good Life.

Table of Contents

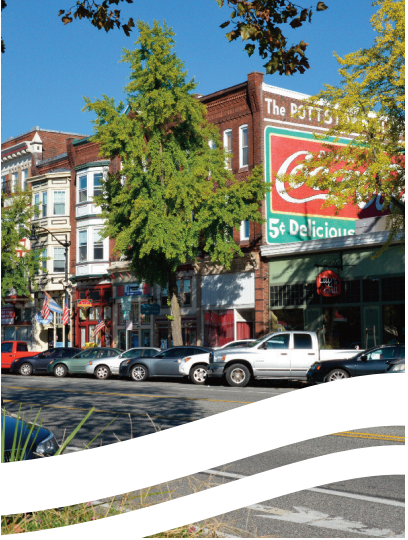
- Letter From the Executive Director 3
- Borough Improvement Campaign 4
- Improvement Zones 5
- Business Highlight 6
- Downtown Destinations..... 8
- Entrepreneurs 11
- 2018 Statistics..... 12
- Areas of Focus 13
- New Business 14
- Growth..... 15
- About PAID 16
- Risk Taking..... 16
- Board of Directors 17

Letter from the Executive Director

I often wonder what the business leaders and founders of Pottstown would think about today's Pottstown. The change has been great and, in some cases, has left the buildings unrecognizable. From the end of 2017 through 2018 more downtown properties have changed hands than in recent history of the Borough. New owners and new uses for vacant spaces was the theme of 2018. We saw an older shopping center get a facelift and new tenants, a former grocery store became a modern workplace for a call center with national reach, a car dealership of bygone days became a car club where car aficionados can gather, an underutilized bank building in need of environmental remediation became an engineering firm's headquarters, and a long ago iconic mercantile building turned into an entertainment venue with axe throwing.

This annual report highlights some of the 2018 initiatives and activities instituted towards meeting the mission of PAID. The efforts to realize that goal require thoughtful planning while remaining open to adaptation to meet unknown market conditions that inevitably happen with revitalization and change.

It is my privilege to serve as the Executive Director of PAID. I look forward to continuing this vital work in collaboration with multiple stakeholders in 2019.



“
I look forward to continuing this vital work in collaboration.
”



Peggy Lee-Clark



18

New Businesses Picked Pottstown since the campaign launched in 2018

I Pick Pottstown

Pottstown's reinvention is gaining momentum and business leaders and stakeholders want you to take notice. There are many different reasons why investors are embracing the pioneer spirit and bringing new life to Pottstown. These new urban pioneers, much like their predecessors who founded towns and cities, are investing and working on creating a good life in Pottstown. "They are seeing all the positive potential that exists in the Borough and there is an overall excitement," said Peggy Lee-Clark, Executive Director of Pottstown Area Industrial Development, Inc., the Borough's economic development engine. "With that energy, we decided it was time to advance a branding campaign to let others know what they are missing." The "we" in that quote references over 30 business leaders and stakeholders who network with one another on a regular basis, discussing all that is going right with Pottstown. This group rallied around the campaign, "I Pick Pottstown Pioneers of the Good Life", designed by Virtual Farm Creative. "It just resonated with us" said Lee-Clark.



The campaign is designed to accentuate Pottstown's many positive attributes to attract even more new businesses to locate here. These pioneers are willing to look beyond the challenges of the past toward a bright future where businesses enjoy affordable commercial space. In addition, Pottstown is a place where businesses, visitors, and citizens alike benefit from the cultural diversity, the natural beauty of the river and the trail, the strong artistic community, and the walkable/bikeable 5.5 square miles that exists all within minutes of Routes 422 and 100.

"It's time more people get to know about all that is right with Pottstown" remarks Clark. "We are here to welcome and assist Pioneers of the Good Life who proudly Pick Pottstown".

- Aldi**
German family owned discount supermarket
- Premier Data Management**
Document management
- Aye Carumba Taco**
Street-style tacos
- Red Horse Motoring Club**
Private, members-only car club
- Cedarville Engineering Group**
Civil and environmental engineering tech co.
- Samana Holistic Center**
Yoga, skincare, meditation & nutrition
- Contrast Metal Works**
Structural steel fabricators
- Splitting Edge Axe Throwing**
Axe-throwing entertainment venue
- Donut NV**
Fresh, hot mini donuts
- Studio 36**
Bead shop & artisans gallery
- Emergency Management Services**
Emergency response
- Unfinished Athletics**
CrossFit gym
- Four Elements**
Astrologist & psychic
- Welcome to the Avenue**
Caribbean restaurant
- Hard Hat Services**
Electrical work
- Zippy Shell**
Portable storage & moving
- Michaels**
Arts & crafts supply
- Pottstown United Brewing**
Brewery and restaurant

POTTSTOWN AREA INDUSTRIAL DEVELOPMENT IMPROVEMENT ZONES

At the end of 2018 there were 8,761 Qualified Opportunity Zones (QOZs) created across the United States. Through PAID's efforts, the Borough of Pottstown was approved for three of the four designated QOZs located in Montgomery County. A Qualified Opportunity Zone, which passed at the end of December 2017 enabled the state governors to nominate certain census tracts to be designated as QOZs. An Opportunity Zone is an economically-distressed community where new investments, under certain conditions, may be eligible for preferential tax treatment. These nominations must then be certified by the U.S. Secretary of Treasury before receiving the full benefits of the tax relief.

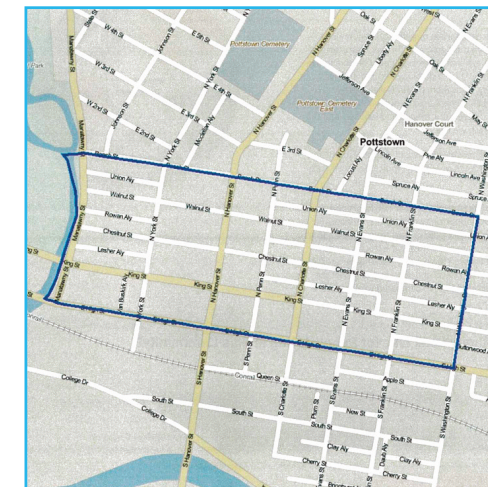
Investments made by individuals through special funds in these zones would be allowed to defer or eliminate federal taxes on capital gains. Governor Wolf was given the opportunity to designate up to 25 percent of census tracts that either have poverty rates of at least 20 percent or median family incomes of no more than 80 percent of statewide or metropolitan area family income.

These zones, mapped out below, will be a focus of PAID's economic development plans in the near future.

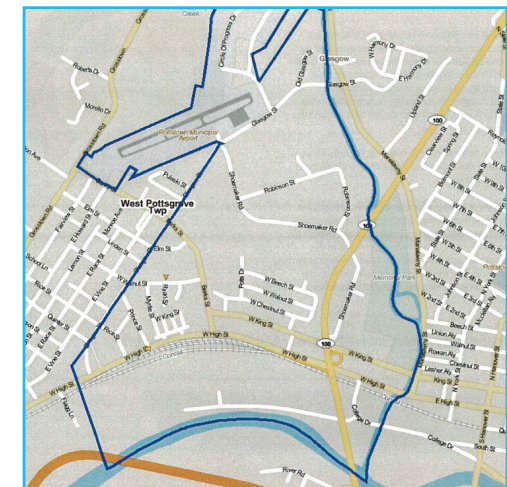
TRACT 2088.01



TRACT 2089.04



TRACT 2090



PROFILE FEATURE

CEDARVILLE ENGINEERING

April Barkasi started the company in March of 2010 with only four people and now employs over 35 and anticipates growing to 50 employees within the next two years.

The staff at CEDARVILLE moved into the fifth floor of the BB&T building at 159 East High Street in June of 2018 after extensive renovations took place to office space that had not been occupied for years. This move merged three different company locations, centralizing the team and providing them easy access to Route 422 and a variety of quality of life attractions to attract and retain top talent.

The CEG team consists of highly experienced professionals, including: engineers, civil designers, environmental scientists, construction inspectors, zoning & building code inspectors, surveyors, and GIS specialists.

With a professional and direct approach to business and client relationships, CEG delivers fully integrated solutions that support community development and planning—CEG is committed to its communities to provide sustainable and efficient use of resources.

CEDARVILLE Engineering's products and services are consistently recognized for excellence and design innovation in a way that cultivates relationships with their clients and communities.

CEDARVILLE specializes in federal contracts as well as municipal, state, construction and regulatory specialties and is certified by the federal government as a "woman-owned business."
www.cedarvilleeng.com

“
With a professional and direct approach to business and client relationships, CEG delivers fully integrated solutions that support community development and planning.
”



April Barkasi

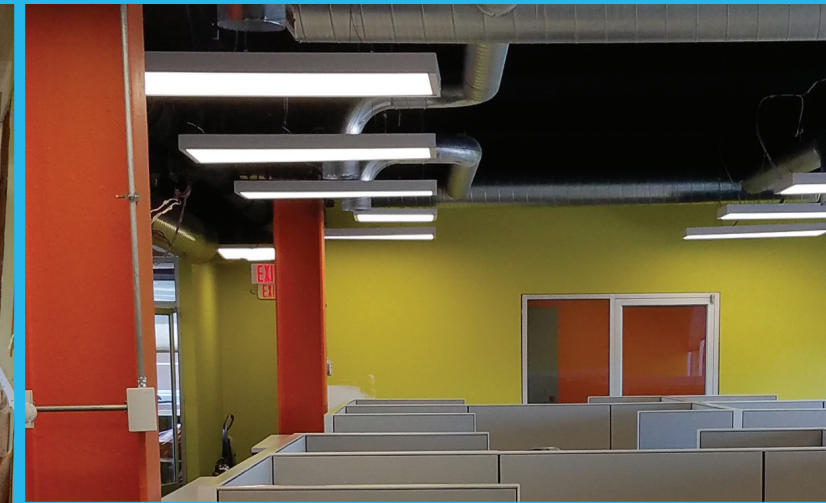
PRESIDENT & CHIEF EXECUTIVE OFFICER, CEDARVILLE ENGINEERING

Barkasi earned her bachelors degree in civil engineering from Villanova University in 1996 and immediately went on to earn a masters degree in water resources and environmental engineering in 1998.

After working for three small firms, she took the leap into her own engineering group in 2010 for what was then a one-woman show. Fast forward to the of Spring 2018 and CEDARVILLE Engineering has doubled in size and moved into a large office space on East High Street in Pottstown.

April describes the culture at CEG as exciting and always changing. They strive to use technology to be innovative and to set them ahead of their competitors, be different and provide value through innovation. They are finding new ways to do things to empower their clients and empower each other. April's success is in her people. CEDARVILLE believes that engaging the right people who share the same core values is essential to the success of the company.

“Our clientele is local governments and institutions, and we've been looking at federal work. We provide all our clients value and the highest level of technology and innovation. We take care of a client holistically with each piece of infrastructure—from planning to design, permitting, bidding, construction management and maintenance—through the whole life cycle.”





Downtown Destinations

New businesses, new investors and new energy!
So next time, when you wonder what is happening
downtown, come check it out!

Welcome To The Avenue

Authentic Caribbean and Specialty Cuisine.

Welcome To The Avenue started three years ago as a mobile restaurant specializing in authentic Caribbean food. Their goal was to blow people away with their curry, jerk wings, mac-n-cheese, rum cake and more! They started out participating in community events, local fundraisers and hosting pop-up kitchens throughout the area. At these events they gained a reputation for top quality flavorful dishes that taste straight from the islands.

With the success of the mobile restaurant they decided to look for a permanent location. Lucky for us, *Welcome To The Avenue* opened its doors in May of 2018 right here in downtown Pottstown. Since then the new location has been a success. Last year they won the Pottstown Carousel of Flavor Best Main Dish award, so you don't want to miss this new culinary hot spot.

Welcome To The Avenue serves fresh, authentic Caribbean food daily with live music on Thursdays. They also have catering services and banquet facilities available for private events.

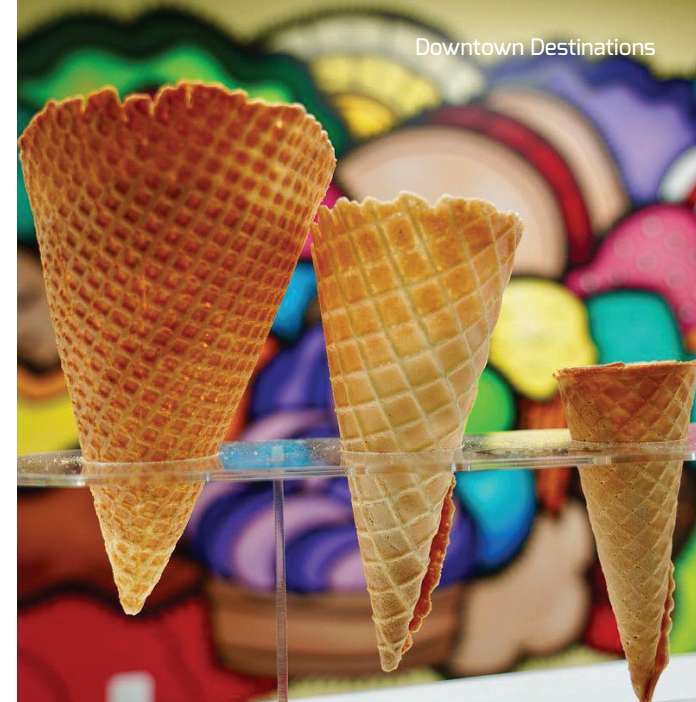


Ice Cream Café

Ice Cream Parlor with Charm and Character.

The dream to bring back the characteristic small-town ice cream shop has led to the opening of the new *Ice Cream Café* in downtown Pottstown. Steve Everett and co-owner Dan Glennon, purchased a vacant East High Street property that previously housed an ice cream store. This new ice cream parlor is part of its owner's efforts to help encourage growth in the borough. They opened the *Ice Cream Café* on June 3, 2018.

While the colorful cafés section of the building was in good shape; the partners added new freezers, a soda cooler and waffle irons. There is both indoor and outdoor seating, including a retro ice cream bar with classic red vinyl stools. Historic photos by students of The Hill School taken of The Carousel at Pottstown pay tribute to the borough and add even more charm to the shop.



Pottstown United Brewing Company

Enjoy Fine Brews and Good Eats.

Pottstown United Brewing Company (PUB) is a brewpub started by Adam Burke of Lily's Grill in June 2018. Located in what was once a former tannery and jewelry store that has been standing since 1885, the PUB is a downtown brewpub with character. The owner was so dedicated to the building that they entirely rebuilt the interior, from the three-barrel brewing system in the basement, to the new dining facilities upstairs.

The brewery offers ten of their own beers on tap, along with many guest taps as well. In addition to the beer, you can also enjoy a weekly rotating menu of food specials. The seasonal menu consists of everything from starters, entrees and salads to desserts. The menu changes so much that the food today, may not be the same as tomorrow, which makes every visit unique. The PUB has proven itself to be the perfect location for both the hardened craft beer fan, and the person who is just looking for an enjoyable night out, regardless of the beer.



Studio 36 Bead Shop & Artisans Gallery

Full-service bead store and a place where you will find a unique selection of handcrafted artisan jewelry and gifts.

The *Studio 36 Bead Shop and Artisans Gallery* on East High Street in Pottstown, is a great place for anyone looking for a unique gift. The shop owners, Lisa and Jack Applegate really show off their creativity and passion for handmade crafts to anyone who steps into *Studio 36*. Shimmering glass beads are arranged by color and interspersed with unique, handmade jewelry.

Pottstown residents since 1994, the Applegates knew they wanted to locate their shop in town and be part of the growing revitalization to the area. They took over a historic 1887 storefront in October 2018 and worked hard to bring out the warm character of the space. They also decided that they wanted more than a bead shop and created an artisans gallery where other artists could sell their work as well. This year, they plan to begin adding more artists' works to the store.



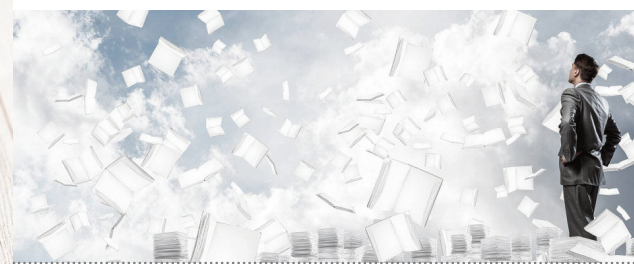
2018 Entrepreneurs Pioneers of Pottstown.



Donut NV

Hot mini donuts. Fresh squeezed lemonade. Yum!

Located on Hanover Street, *Donut NV* offers the tastiest mini donut flavors ever, paired with fresh squeezed lemonade. *DonutNV* was created to be a brand like no other—tasty mini donuts, refreshing drinks and a show to top it off!



Premier Data Management

Empower your documents.

Located on Washington Street, *Premier Data Management* offers full-service document management, as well as information workflow systems.



Splitting Edge Axe Throwing

Exciting entertainment in the downtown.

Downtown Pottstown is now on the cutting edge of the new trend in lumber sports thanks to the opening of *Splitting Edge* in December 2018. Located on the second floor of the former iconic Ellis Mills Department Store, *Splitting Edge* features eight 12-by-12-by-15-foot “competition lanes” with plywood targets at which you throw hand axes at. In addition to simple target throwing, customers can also opt to play games, or even join one of the competitive leagues that have started at the location.

It is not the first axe throwing business in the region. New locations have been popping up throughout the Philadelphia area. The space at *Splitting Edge* is arranged much like a bowling alley, which allows for socializing in the middle by either small groups or large. The space can accommodate as many as 100 people at a time and has already begun booking private birthday parties, bachelor parties and corporate events. For smaller groups looking to try out the new sport, it's recommended that you come with groups of at least four, so two pairs can compete against each other.

Splitting Edge is BYOB and plans to open a brewery within the year.



Zippy Shell

Local family owned business with large company resources.

Located on Keim Street, *Zippy Shell* makes moving and storage simple by providing customers with a full range of high quality moving and storage services—maximizing value, efficiency and state-of-the-art technology.



Samana Holistic Center

Samana equals transformation from the inside out.

Located on Hanover Street, *Samana* offers holistic care treatments, classes and workshops. *Samana* welcomes you to share in an exploration of yourself with the multiple modalities they have to offer.



Contrast Metals

Building Relationships.

Contrast MetalWorks LLC, located on Keim Street, is a team of highly skilled individuals providing high quality structural steel products at competitive prices.

The BOROUGH is

5.5 square miles with a POPULATION of 22.5k

The average 2018 RESIDENTIAL HOME sale price was

\$111,063
18 PARKS and facilities.

The average median 2018 COMMERCIAL SALE PRICE was

\$184,500

14
11,109
EMPLOYED RESIDENTS = 68.1% Labor Force Participation

COMMERCIAL PROPERTIES

sold in the Borough from January 2018 thru December 2018 with a total sale value of

\$2.8m

Areas of Focus for 2019

Life Sciences Incubator/Hub

The *Life Sciences Incubator* will offer research opportunities to life sciences professionals in the area of informatics, medical devices, traditional bio-pharma and hemp/cannabis. It will accomplish this while also creating a space for academic partners such as Montgomery County Community College. It will serve as a feeder of companies that will need to expand. Our goals for 2019 will be to manage grants for the design of the space, begin the build-out of the facility while continuing to identify tenants for the space.

Keystone Employment & Economic Plan (KEEP) RFI

PAID remains dedicated to the future redevelopment of the approximately 225 acre KEEP Project site. We will continue to interview interested developers and manage the work of the oversight committee in the interview process of interested developers and continue to engage current property owners for the purpose of highest & best use outcomes.

Keystone Boulevard Road Extension

This 4,500 linear foot extension of Keystone Boulevard would extend the boulevard west to Old Reading Pike. This extension would greatly aid in the redevelopment of the KEEP Project site which currently includes multiple properties that are vacant or underutilized. Moving forward, PAID will collaborate with county, state and federal public officials to identify funding sources to complete the project.

Circle of Progress Updating

Established in 1981 through PAID's leadership, the *Circle of Progress industrial park* is due for a reimagining of its current look. Over the next 12 months PAID will begin to identify deficiencies with the current operating model. It is our goal to research funding mechanisms for updating the site and infrastructure improvements.

Qualified Opportunity Zone (QOZ) Projects

In the next year, PAID will continue outreach to investors of Opportunity Zone funds, seek to promote and highlight specific projects in QOZ's and work to secure an Opportunity Zone fund investment for at least one project.

Attraction/Retention of New Investment and Businesses to Downtown Pottstown

With a focus on the continued development of the downtown district, PAID will have two main priorities moving forward. Firstly, there will be an emphasis on marketing and promotion through expanding our outreach with social media and the "I Pick Pottstown" campaign. Secondly, PAID would like to continue to build connections within the business community, with a focus on connecting businesses with building owners and engaging financial institutions to gain access to capital for small and medium sized businesses.

PAID's work is generously supported by:





What is PAID, Inc.?

Pottstown Area Industrial Development, Inc. (PAID) is a 501c(3) non-profit corporation originally formed in 1965 to promote commercial and industrial development in Pottstown, Pennsylvania.

Over the decades, PAID's activities included development and sale of the 32 lot industrial complex known as the *Pottstown Airport Business Campus*, as well as the acquisition and resale of downtown commercial and retail properties for redevelopment. In 2010, based on recommendations contained in a 2009 Urban Land Institute report, the Borough of Pottstown, Pottstown School District, and Montgomery County Redevelopment Authority formed a partnership to reorganize PAID for the purpose of coordinating efforts and establishing economic development priorities in Pottstown.

Today PAID is the primary economic development driver for Pottstown.

Our Mission

PAID's mission is to develop, coordinate and implement an overall economic development strategy for the Borough of Pottstown—designed to stimulate investment which will maintain and enhance the tax base, retain and create job opportunities and restore and utilize (or remove) under-utilized buildings.

PAID provides services to businesses and organizations seeking to invest, expand or relocate including assistance with site selection, commercial and industrial real estate development and redevelopment, financing and workforce development.

Risk Taking Amazon Application

PAID led the stretch effort to submit a proposal for Pottstown to be considered a location for Amazon's second headquarters (HQ2). The proposal (one of 238 applications) was submitted in October 2017 and contained detailed information on Pottstown's:

- Capital & Incentives
- Labor Force
- Logistics & Time to Operations
- Cultural Community Fit and Community/Quality of Life

Unfortunately, Pottstown did not make the list of 20 businesses moving forward in the selection process. Holly Sullivan, Amazon.com, stated "All proposals showed tremendous enthusiasm, creativity and the willingness to think big. While your location was not selected to move forward, we appreciated the opportunity to learn about your community and will consider your location for future infrastructure investment and job creation."



PAID, Inc. 2018 Board of Directors

Business recruitment and retention and the attraction of new investment to Pottstown are at the core of our mission. We assist companies, organizations and real estate developers making investment and location decisions by providing information, assisting with feasibility, site selection, financing, and approvals.

EXECUTIVE COMMITTEE



President
Stephen Rodriguez,
Superintendent,
Pottstown School District



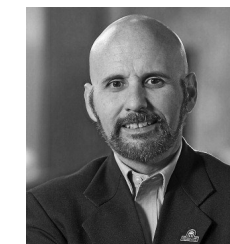
Justin Keller,
Borough Manager,
Pottstown Borough



Jerry Nugent,
Executive Director,
*Redevelopment Authority of
Montgomery County*



Treasurer
Eileen Dautrich,
President, *TriCounty Area
Chamber of Commerce*



At-Large
Dr. David DiMattio,
VP, West Campus,
Montgomery County
Community College



Craig Cigas,
President & CEO,
Cigas Machine Shop, Inc.



P. Richard Frantz, A.I.A.,
Architect



Paul Fulmer,
Principal/Founder,
Abacus Development, Inc.



Dan Glennon,
Attorney,
The Glennon Firm



John Jones, Owner,
*Budget Maintenance
Concrete*



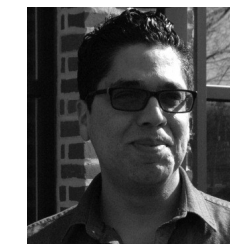
David Kraybill,
Executive Director,
*Pottstown Area Health
& Wellness Foundation*



David Leinbach,
President & Owner,
The Kaiser-Martin Group



Richard Newell, CEO,
*Pottstown Hospital
Tower Health*



Louis Rieger, CEO,
*The High Street
Music Company*



Rick Wood,
Chief Financial & Operating
Officer, *The Hill School*



New Business: Hard Hat Services

Hard Hat Electric serves the tri-state area's ever changing and diverse electrical needs.

In December of 2018, *Hard Hat Services* moved into a 12,000 square foot building on Maple Street, which formerly housed an industrial plastic manufacturer. The vacant building was sold as-is and required extensive renovations to fit *Hard Hat's* needs. PAID's Board Member, Dick Frantz, was the lead architect on the project.

Since the beginning, *Hard Hat* has held to the belief in being dedicated to elevating the level of perception of their industry by consistently raising the standard of workmanship, education and professionalism. They have accomplished this by employing 25 people who strive to be the best they can be both at work and in their personal lives. Their goal is to maintain an atmosphere of mutual respect, honest communication and to provide each individual with a sense of ownership and clear, direct duties.

Hard Hat Services has served the tri-state area's ever changing and diverse electrical needs since 2010. Sharon Modestine, CEO, saw the potential in Pottstown and decided to pick Pottstown to expand the company.



Growth: Turn 5, Inc.

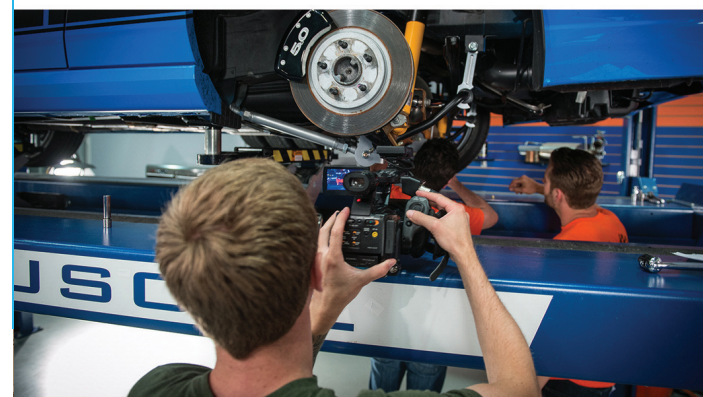
New space to accommodate a growing workforce.

Turn5, Inc. is an e-commerce business specializing in the aftermarket auto parts industry that is bringing new energy and drive to the Pottstown area. When the growing company needed to double their workforce, *Turn5* knew that they wanted to stay in Pottstown. After looking around the Borough, the owners decided to move their call center from its previous location on Circle of Progress to an empty grocery store nearby. This vacant building gave them the space to create a new, innovative call center that will take their business to the next level. The *Turn5* team is driven by the company's emphasis on the customer experience and going above and beyond for their customers. This new, expansive facility gives them the tools to focus on providing prompt service and product delivery.

Starting out a business in their parents' basement more than 15 years ago, co-founding brothers Steve Voudouris and Andrew Voudouris now run a thriving business at the forefront of the aftermarket auto retail industry. They are dedicated and committed entrepreneurs. Providing excellent customer service and an incredible shopping experience are their main objectives, which have allowed *American Muscle*, *Extreme Terrain*, and *American Trucks* to flourish as well and as quickly as they have over the years.

The company's relationships—with car manufacturers, vendors, customers, civic organizations and collaborative partners—are important components to its growth. However, it is *Turn5's* leadership and its employees that are truly the company's heart and soul. By working collaboratively every day with the brightest minds in technology and the automotive aftermarket, *Turn5* will be positioned at the industry's forefront for years to come.

“The Turn5 team is driven by the company's emphasis on the customer experience and going above and beyond.”





PAID
POTTSTOWN AREA
INDUSTRIAL DEVELOPMENT, INC.

www.PAIDinc.org