



***Written testimony of
Jon C. Scott, President and CEO of the Greater
Reading Economic Partnership
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I. Greater Reading Economic Partnership Overview

- The Greater Reading Economic Partnership (GREP) – originally named the Berks Economic Partnership – was established in 2002. I joined the organization in July 2004 as the second President and CEO, and had previously spent 25 years with Time Warner in their Cable Television Operations Group.
- GREP's mission is to attract, retain and grow business by vigorously promoting, fostering and coordinating economic development in the Greater Reading. Just to clarify, when we refer to "Greater Reading", we are referencing all of Berks County, and on some occasions, even beyond.
- The organization went through many changes in the last half of 2004, and really hit its stride beginning in 2005. GREP spends an equal amount of time working with existing businesses helping them to stay in the region and grow as we do on working on attracting new businesses to our region.
- Since 2005, GREP has been involved with 128 different projects that have resulted in 10,774 jobs that have been attracted, retained or grown here in the Greater Reading region.
- Thus far in 2013, GREP has been involved with 12 different projects that have resulted in 998 jobs. 2012 was a very strong year for our organization as we were involved with 11 different projects – including large warehouse distribution centers for Dollar General and PetSmart that are located in Bethel Township at Berks Park 78.
- GREP is a 501(c)3 organization and is truly a public-private partnership. We receive a significant portion of our funding from the County of Berks, and over 140 businesses and individuals are Investors with the organization who will provide approximately \$300,000 in 2013 of financial support.
- Businesses invest with our organization to be among the first companies to get introductions to new companies; to connect our Investors with existing companies; to provide unique networking opportunities with business and community leaders; and because business growth and expansion in Greater Reading benefits everyone.
- In 2008, GREP was accredited by the International Economic Development Council, and accreditation was renewed three (3) years later in 2011. GREP is one of only 32 organizations out of over 4,500 similar entities globally that has attained this significant and prestigious status.
- Over the last four (4) years, I and Ellen Horan, President of the Greater Reading Chamber of Commerce and Industry, have co-chaired an effort entitled "Ride to

Prosperity", where eight (8) different economic development organizations – with the assistance of a professional outside economic development facilitator – developed five (5) key work areas for the group to focus upon that would help spur additional economic development and business growth. Earlier this week, there was a press event where highlights of the accomplishments over the last three (3) years were delineated, and our future goals for the next three (3) years were shared.

- As a result of the Ride to Prosperity initiative, many organizations have gotten involved in areas such as helping to develop additional "shovel-ready" sites and properties as well as helping to spur workforce and talent development so existing employers will be able to find the talent that they currently need and to help bridge what is frequently referred to as the "skills gap" – particularly in the manufacturing sectors.
- Another important initiative that GREP created was a complete marketing campaign entitled "Careers in 2 Years" which is designed to reduce the perception that people who choose to go to either career and technology centers or community colleges might be troublesome students, slow learners, etc. This campaign will continue to gain traction, and the Berks Career and Technology Center as well as the Reading-Muhlenberg Career and Technology Center – along with the Reading Area Community College – have become key partners in our first phase of this effort.

II. **Things Greater Reading Economic Partnership has done to directly help the City of Reading**

- Over a period of several years between 2006 and 2010, GREP worked diligently with the Berks County Legislative Delegation in Washington, DC and ended up procuring several Federal appropriations and grants for the City of Reading. In total, the City received \$2.954 million dollars, and the largest single amount was on behalf of the City's camera security system which was over \$1 million dollars. Funding was also procured for street lighting and street paving as well as for preliminary engineering efforts on the City's waste water treatment plant.
- GREP is currently working in tandem with the Greater Reading Chamber of Commerce and Industry on procuring Federal funds for crime and safety intervention equipment as well as new computers and software for all of the police vehicles. Specifically, GREP is trying to get slightly over \$300,000 for a National Integration Ballistic Information Network that will help the City, the County, and potentially even contiguous counties.
- GREP was involved with past efforts to help resurrect the K-9 in the City of Reading. GREP will continue to support such efforts as we believe this is an important component that will help overall safety issues in the City of Reading.
- GREP has been on the Board of Directors of the Penn Corridor Initiative – this is a focus where citizens are trying to bring more activities and vibrancy to the entire Penn Corridor that includes Penn Street and Penn Avenue and runs through three (3) municipalities. Special focus has been given to the City of Reading, and GREP has

worked steadfastly with the Downtown Improvement District.

- GREP continues to participate and sponsor everything from Mid-Day Cafés to the Top of the Block events, Treasure Hunts, to First Thursdays and First Fridays.
- GREP worked hand-in-hand with the City of Reading in order to pass a Local Economic Revitalization Tax Assistance (LERTA) designation throughout the entire City. This is something that was approved by our County Commissioners a few years ago, and remains in place today. Simply speaking, the LERTA overlay allows for a deferment of the increased value of a property after a business has made improvements, and is an important economic development tool that encourages people and businesses to grow and expand.
- The aforementioned Ride to Prosperity effort included various representatives from the City's Economic Development staff, and currently, Lenin Agudo is a regular member of the team.
- Several years ago, GREP's Vice President, Pamela Shupp, did a significant amount of work on helping the City put together its Main Street application. The application has recently been submitted, and preliminary indications are that the Main Street designation will be approved for the City in the near future.
- Since 2004, GREP has had numerous meetings with the City's Mayors, members of City Council, and other staff members in order to continue ascertaining what specific things GREP can do to continue to try to help the City of Reading. We always try to bring projects into the City of Reading, and we have had some very positive outcomes with companies such as Sun Rich Fresh Foods locating in the City.
- GREP was extremely involved in creating a priority planning process that lead to several projects in the City of Reading receiving millions of dollars in state funding. Some of these projects included RACP funding for the Doubletree Hotel, for Goggleworks and for the IMAX theatre.
- Aside from trying to showcase specific sites in the City of Reading for prospective businesses, GREP is constantly promoting the highering of city residents by new companies and touts the availability of a positive and diverse workforce. GREP will also continue to facilitate site visits for companies considering locations in the City of Reading.

III. **Potential Legislative Impact for Reading and the Region**

- I have been asked to provide some feedback on things that the Pennsylvania Legislature could consider that would have a positive impact on the City of Reading. At this juncture, approving a Neighborhood Improvement Zone (NIZ) similar to what has been done in Allentown will be critical for economic development and growth in the City of Reading – particularly if other pending legislation is passed that would provide Neighborhood Improvement Zones status in a great number of cities surrounding us. If Reading is the only city in Southeastern Pennsylvania that does not have a NIZ, it puts us at a significant competitive disadvantage compared to our neighbors. Allentown has seen significant redevelopment and transformation of a

blighted area in downtown, and they have already seen almost \$500 million in improvements made after 1 ½ years.

- Pennsylvania has one of the most intricate, time consuming, and exceptionally long permitting processes in the country. If things could be streamlined in Harrisburg – including various aspects of activity at the Department of Environmental Protection, EPA, etc, this would help. I have enclosed a chart which delineates how onerous this process is.
- I know that Senator Argall has been a leading proponent of eliminating the sales tax on fixed-wing aircraft in Pennsylvania. This is something that has already been done for rotary-winged aircraft (helicopters) and both Sikorski and Boeing have a very strong presence now in the Commonwealth. In fact, it was recently announced that Boeing picked up a \$4 billion dollar government contract, and while this is not going to add a significant number of new jobs to the Greater Philadelphia area, the overall financial impact is significant.

In the last 12 months, GREP has participated in multiple conversations involving a various number of aviation projects, and one thing is absolutely certain: if this tax is not eliminated, we do not have a chance of attracting some incredible projects that would provide high paying jobs that could be brought to the Reading Regional Airport. This is a fantastic facility, and eliminating this tax should have a very positive impact overall on bringing a significant amount of incremental business to Pennsylvania.

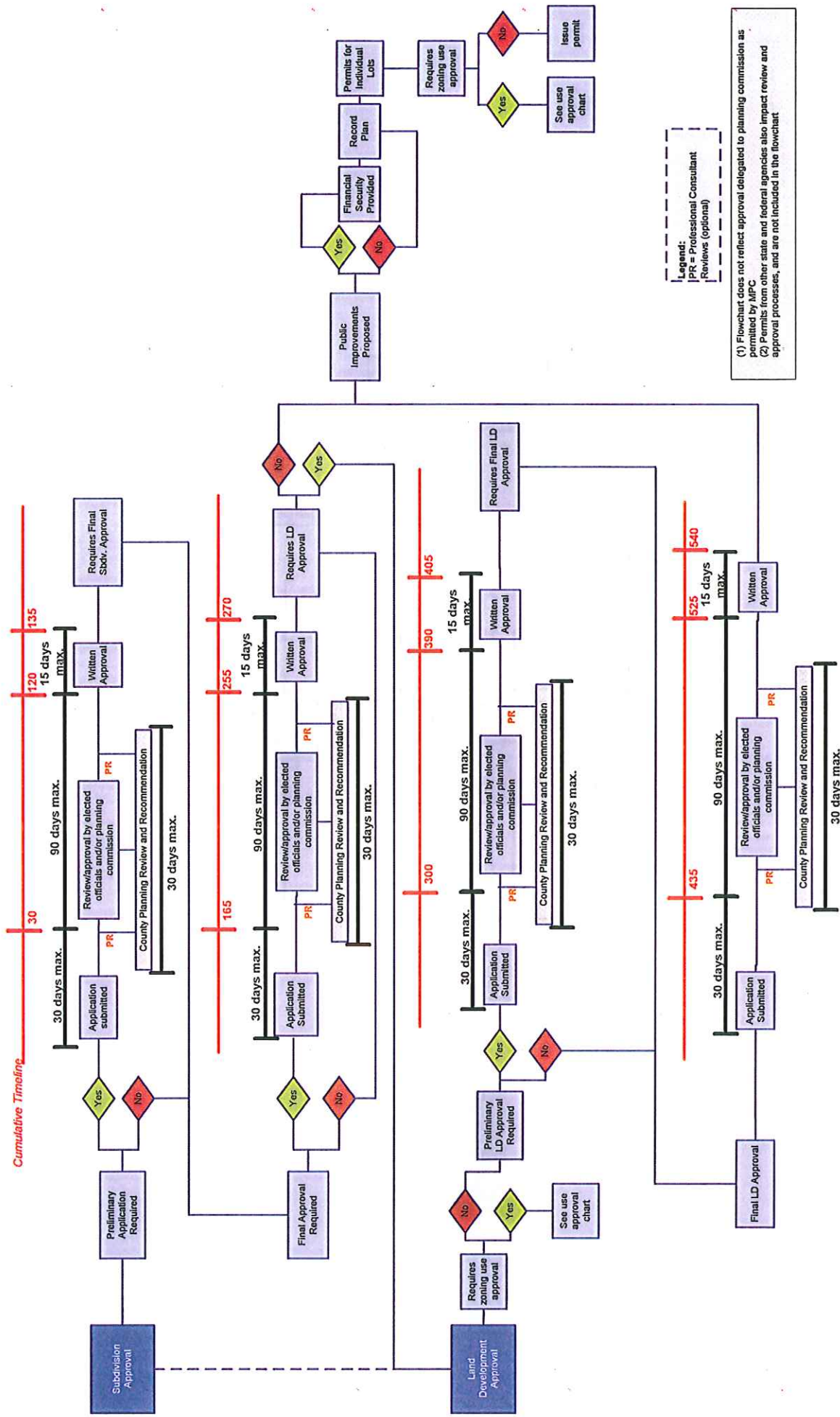
- I would like to acknowledge the fact that the budget for the Commonwealth is very demanding and has many significant issues associated with it. That being said, I would strongly encourage the legislature to provide increased funding for the Department of Community and Economic Development (DCED). I have testified previously that an investment in DCED and several of its critical programs is one of the few areas throughout the entire government that provides a tangible return on investment. I also would recommend providing some specific safeguards and validation points that are tied directly to any type of funding from DCED or its related programs. While site selectors do not like the concept of crawl backs in general, I would recommend tying funding support to various companies with the recipients providing legitimate documentation that they have followed through on all of their commitments. Once again, this is one of the very few areas in all of state government that can provide a positive benefit when used judiciously and appropriately.
- Finally, future consideration should be given to providing additional financial support to the Commonwealth's 14 community colleges as they play a particularly unique role in addressing workforce needs. Pennsylvania is at risk of losing some of our greatest and most dynamic manufacturing companies because they need more people to develop the right skills sets for manufacturing jobs. Companies such as East Penn Manufacturing and Carpenter Technology also have already been doing analysis of their aging workforce, and therefore it is absolutely imperative that we do as much as we can to start filling the talent pipeline for manufacturing starting today. I can't speak for all of the other community colleges, but I know at the Reading Area Community College, there is keen focus on helping people to develop these precise skills sets, and their Schmidt Training and Technology Center has been recognized

nationally as having perhaps the finest Mechatronics program in the country.

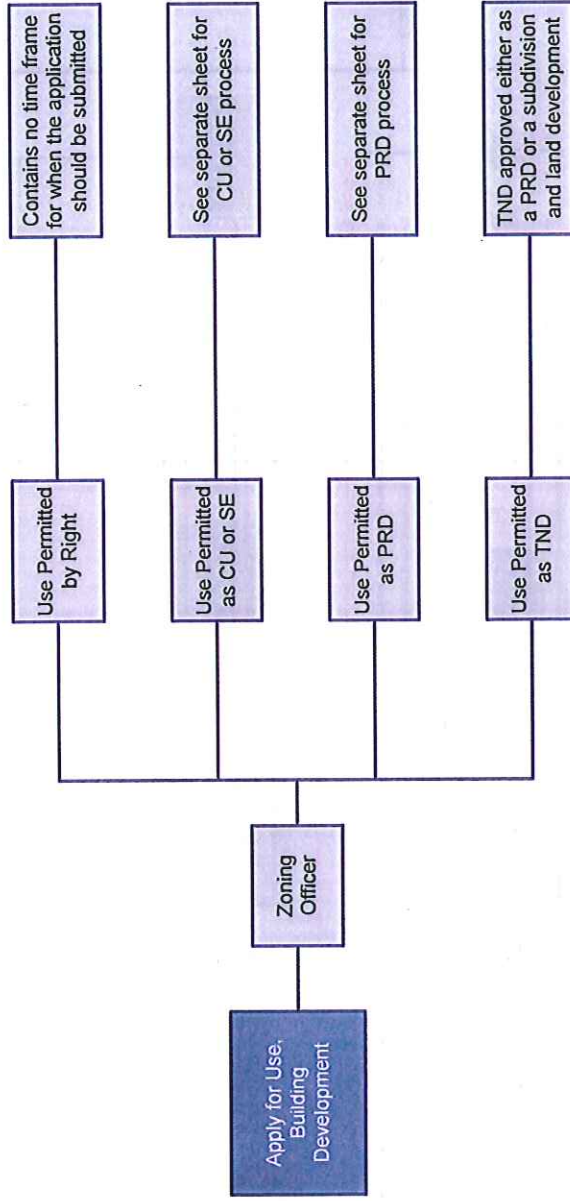
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I have been pleased to have this opportunity to share some thoughts and comments with you today, and I will be pleased to try to answer any questions. Thank you very much.

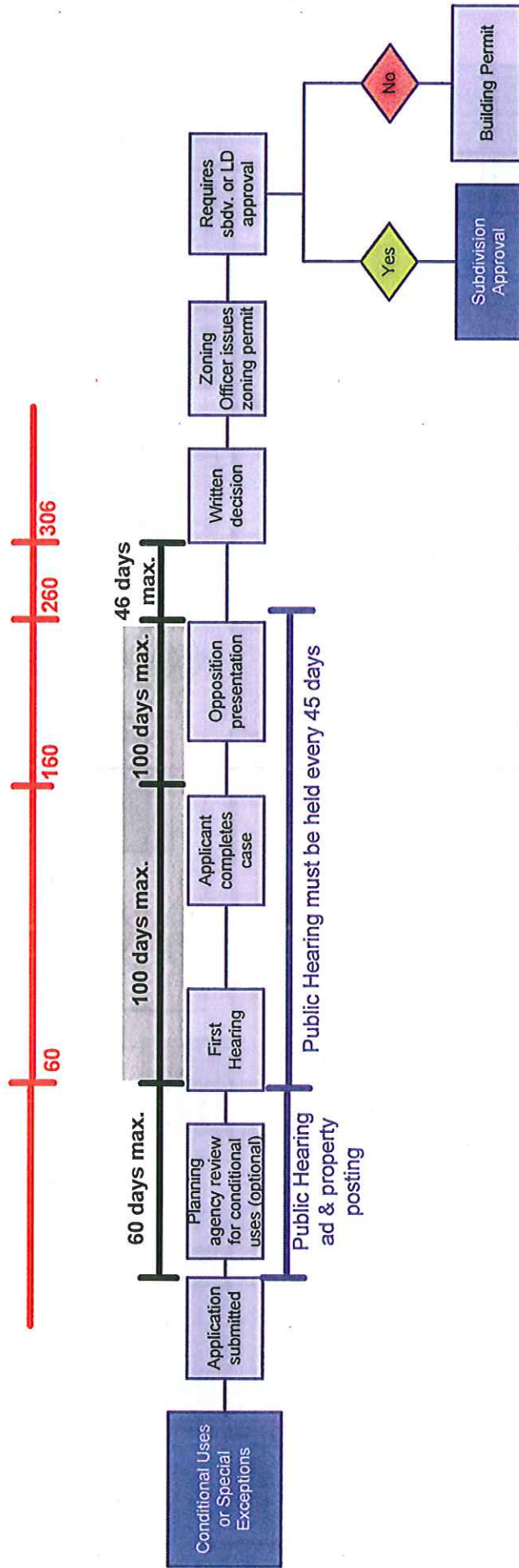
Subdivision and Land Development Approval Process



Zoning Summary



Conditional Use and Special Exceptions Zoning Approval Process



Planned Residential Development (PRD) Approval Process

