

The health of the Region's economy has an obvious, major impact on the overall welfare of the community. A healthy economy provides not only needed goods and services, but employment opportunities and tax revenues, which pay for public facilities and services. There are a number of measures of the health of a community's economy, among them the employment rate, the tax base, and the diversity of the local economy.

The communities in the planning area share a unique geographic location. Two major routes bisect the region, Interstate 78 which links the region to Allentown and New York City to the east and Harrisburg to the west and State route 61 linking the area to the cities of Pottsville and Reading. Because of this location and the availability of the infrastructure to efficiently move goods and services the planning area has become a desirable location for the warehousing industry.



From the area, businesses can reach more than 35% of the United States population and 50% of Canadian customers within a one-day drive. The region, just like the remainder of Berks County, relies heavily on the manufacturing sector for employment. Therefore, these corridors serve as major conduits between warehousing hubs. Warehouse and distribution center development along the Interstate 78 corridor is expected to continue to grow, particularly as properties become less available to the east of Berks County in the Lehigh Valley region and New Jersey.

The Berks County Economy

The seven municipalities in the planning area are just one part of the over \$18 billion-dollar Berks County economy which, by output in dollars, ranks eighth out of the 18 metropolitan areas in Pennsylvania. The county's manufacturing and finance industries are the largest sector contributors to GDP. Overall, service producing industries account for 63% of the total County GDP, goods producing industries, 28%, trade 12%, government 9%.

An active working-age population is a critical component to support economic growth, and the labor force participation rate – calculated as the percentage of the civilian population 16 years or older who have a job or are actively looking for one – provides a helpful measure of this activity and the health of the region's economy.

According to the U. S. Department of Labor, Bureau of Labor Statistics in November of 2019 Berks County had a labor force of 217,367 people, of which 208,143 (or 95.7%) were currently employed and 9,224 (or 4.2%) were unemployed. The County has a labor participation rate of 65.3%, higher than the state level of 62.6%. (This means that out of those who are 16-64 years of age in the County, a little over 65% are actively working or seeking employment and 34% are not employed nor seeking employment.)

Change in Real GDP by PA Metro Area Between 2001 and 2018 (millions of chained 2012 dollars)				
Ranked by GDP Output in 2018				
Metropolitan Area	2001 \$	2018 \$	# Change	% Change
Philadelphia	307,062	398,674	91,612	29.8%
Pittsburgh	105,760	138,410	32,650	30.9%
Allentown/Bethlehem/Easton	42,922	40,511	-2,411	-5.6%
Harrisburg/Carlisle	27,325	35,907	8,582	31.4%
Lancaster	21,399	26,442	5,043	23.6%
Scranton/Wilkes-Barre/Hazleton	20,381	26,081	5,700	28.0%
York/Hanover	14,801	18,675	3,874	26.2%
Reading	14,714	18,443	3,729	25.3%
Erie	10,188	11,200	1,012	9.9%
State College	5,427	7,929	2,502	46.1%
Williamsport	4,061	6,530	2,469	60.8%
East Stroudsburg	4,638	5,673	1,035	22.3%
Lebanon	3,807	5,659	1,852	48.6%
Chambersburg/Waynesboro	3,989	5,583	1,594	40.0%
Altoona	4,608	5,354	746	16.2%
Johnstown	4,495	4,550	55	1.2%
Bloomsburg/Berwick	3,163	4,033	870	27.5%
Gettysburg	2,591	3,487	896	34.6%
Pennsylvania	544,790	711,822	167,032	30.7%

Source: U.S. Chamber of Commerce, Bureau of Economic Analysis
Note: The use of unchained dollars adjusts real dollar amounts for inflation over time so that numbers from different years can be compared

Incomes

The median household incomes in the planning area differ between the municipalities. The borough of Hamburg has the lowest median household income in the region. All the municipalities in the planning region saw median household incomes grow between 2010 and 2017. Hamburg Borough had the largest change between 2010 and 2017 in median household income out of all the other municipalities in the region – 31.1%. Except for the Boroughs, the median household incomes for the remaining municipalities are above state and county averages.

Median Household Incomes (Inflation Adjusted)			
Municipality	2010	2017	% Change
Hamburg	\$39,815	\$52,197	31.1%
Perry	\$55,655	\$70,380	26.5%
Shoemakersville	\$45,720	\$53,256	16.5%
Tilden	\$57,054	\$61,146	7.2%
Upper Bern	\$59,345	\$70,865	19.4%
Upper Tulpehocken	\$58,710	\$63,667	8.4%
Windsor	\$65,750	\$73,850	12.3%
Berks County	\$53,470	\$59,580	11.4%
Pennsylvania	\$50,398	\$59,951	19.0%

Source: U.S. Census, 2006-2010 and 2013-2017 American Community Survey (DP03)

Household Income Distribution

In all seven municipalities, the majority of households have a household income from \$50,000 to \$99,999, which is on par with county and state levels. Of note, however, is that Upper Bern Township has a slightly higher percent of households making between \$150,000 and \$199,999 than the county and state.

Household Income Distribution by Percent of Total Households									
Income Group	Hamburg	Perry	Shoemakersville	Tilden	Upper Bern	U. Tulpehocken	Windsor	Berks	PA
Less than \$10,000	3.4	1.1	1.1	7.4	2.8	4.8	0.4	5.9	6.7
\$10,000 to \$14,999	5.6	0.5	3.3	9.8	4.0	1.8	3.3	4.3	4.8
\$15,000 to \$24,999	16.9	6.9	6.9	14.7	8.9	8.7	5.2	9.6	10.0
\$25,000 to \$34,999	8.5	10.5	6.2	11.1	6.2	7.7	7.3	9.3	9.6
\$35,000 to \$49,999	14.1	10.4	19.4	12.1	12.3	14.6	13.9	13.0	13.1
\$50,000 to \$74,999	21.6	23.1	23.0	14.4	20.9	20.6	21.0	18.8	18.1
\$75,000 to \$99,999	15.3	18.4	12.3	16.8	21.8	17.9	24.9	14.3	12.7
\$100,000 to \$149,999	11.7	21.9	15.0	18.0	13.5	15.1	21.5	15.2	14.0
\$150,000 to \$199,999	2.0	4.2	4.3	5.0	5.6	4.6	0.5	5.5	5.4
\$200,000 or more	1.0	3.1	0.7	3.3	4.0	4.2	1.9	4.1	5.5
Median Income	\$52,197	\$70,380	\$53,256	\$61,146	\$70,865	\$63,667	\$73,850	\$59,580	\$59,951

Source: U.S. Census, 2013-2017 American Community Survey (DP03)

Sources of Household Income

Most households in the planning area generate income by wage and salary earnings from employment. However, there are some noteworthy differences between the municipalities. In the Boroughs, the higher number of households reporting income from social security and retirement shows an older, retiring population as regular payments from social security, pensions and retirement savings are an important income source for older individuals.

Households in Hamburg report income from transfer payments such as cash/public assistance and food stamps. While the borough is below county and state levels in regard to total income generated by transfer payments, it suggests that there are households in the borough that may be having difficulty making ends meet.

Household Income Sources by Percentage									
Income Group	Hamburg	Perry	Shoemakersville	Tilden	Upper Bern	U. Tulpehocken	Windsor	Berks	PA
Earnings	68.1	79.0	73.2	79.9	81.5	83.3	80.8	77.4	75.3
Social Security	39.8	37.0	37.1	36.6	34.8	37.1	30.2	34.5	34.5
Retirement	22.1	21.9	22.1	24.2	20.6	23.4	22.8	20.6	20.7
Supplemental Security	4.6	4.2	2.0	3.1	3.6	8.1	4.6	6.1	5.8
Cash/Public Assistance	2.3	0.9	0.5	0.9	2.5	2.1	1.1	2.5	3.2
Food Stamps/SNAP	10.7	6.2	8.0	6.3	2.7	8.1	3.6	13.6	13.0

Source: U.S. Census, 2013-2017 American Community Survey (DP03)

Employment

In each of the municipalities, the unemployment level for teenage workers (ages 16-19) and college age workers (20-24) is relatively high and can skew numbers. If we remove those age groups from the analysis, the age bands with the highest unemployment in each municipality are shown below:

Municipality	Age Band	Unemployment Rate %
Hamburg	55-59	23.6
Perry	35-44	6.8
Shoemakersville	30-34	7.5
Tilden	35-44	14.1
Upper Bern	25-29	33.3
U. Tulpehocken	35-44	13.3
Windsor	30-34	12.8

Source: U.S. Census, 2013-2017 American Community Survey (S2301)

Resident Employment Profile

Shown below is data on the age of the workforce in each municipality and the types of industries that residents, 16 and older, are employed in. Most residents in the planning area are employed in the manufacturing industry. The health care and social assistance category employs the second largest number of residents in the planning area.

Resident Employer Profile - Workers 16 and Older - 2017

Type	Hamburg		Perry		Shoemakersville		Tilden		Upper Bern		U. Tulpehocken		Windsor		Berks County	
	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%
Total Resident Workers	2,266		1,467		699		1,677		887		919		1,361		201,177	
Age 29 or younger	291	12.8%	289	19.7%	163	23.3%	224	13.4%	104	11.7%	204	22.2%	215	15.8%	47,303	23.5%
Age 30 to 54	1,170	51.6%	791	53.9%	372	53.2%	1,129	67.3%	481	54.2%	441	48.0%	815	59.9%	105,568	52.5%
Age 55 or older	481	21.2%	387	26.4%	164	23.5%	324	19.3%	302	34.0%	274	29.8%	331	24.3%	48,306	24.0%
Agriculture, Forestry, Fishing and Hunting	58	2.6%	53	3.6%	3	0.4%	0	0.0%	22	2.5%	34	3.7%	32	2.4%	3,061	1.5%
Mining, Quarrying, and Oil and Gas Extraction	0	0.0%	5	0.3%	4	0.6%	0	0.0%	3	0.3%	8	0.9%	0	0.0%	423	0.2%
Utilities	26	1.1%	10	0.7%	3	0.4%	13	0.8%	0	0.0%	0	0.0%	13	1.0%	2,322	1.2%
Construction	174	7.7%	107	7.3%	41	5.9%	280	16.7%	50	5.6%	102	11.1%	80	5.9%	10,686	5.3%
Manufacturing	493	21.8%	279	19.0%	188	26.9%	315	18.8%	142	16.0%	148	16.1%	278	20.4%	37,611	18.7%
Wholesale Trade	23	1.0%	21	1.4%	38	5.4%	72	4.3%	17	1.9%	44	4.8%	34	2.5%	6,245	3.1%
Retail Trade	304	13.4%	178	12.1%	71	10.2%	213	12.7%	151	17.0%	111	12.1%	206	15.1%	24,292	12.1%
Transportation and Warehousing	63	2.8%	123	8.4%	49	7.0%	117	7.0%	71	8.0%	56	6.1%	35	2.6%	8,554	4.3%
Information	26	1.1%	0	0.0%	4	0.6%	12	0.7%	11	1.2%	17	1.8%	5	0.4%	2,738	1.4%
Finance and Insurance	89	3.9%	39	2.7%	22	3.1%	21	1.3%	16	1.8%	9	1.0%	30	2.2%	8,180	4.1%
Real Estate and Rental and Leasing	9	0.4%	42	2.9%	3	0.4%	11	0.7%	18	2.0%	4	0.4%	6	0.4%	3,070	1.5%
Professional, Scientific, and Technical Services	70	3.1%	81	5.5%	17	2.4%	92	5.5%	22	2.5%	35	3.8%	55	4.0%	9,661	4.8%
Management of Companies and Enterprises	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	3	0.2%	124	0.1%
Administration & Support, Waste Management	25	1.1%	65	4.4%	21	3.0%	60	3.6%	47	5.3%	44	4.8%	57	4.2%	7,284	3.6%
Educational Services	118	5.2%	114	7.8%	51	7.3%	124	7.4%	48	5.4%	22	2.4%	68	5.0%	16,216	8.1%
Health Care and Social Assistance	348	15.4%	184	12.5%	101	14.4%	95	5.7%	119	13.4%	151	16.4%	251	18.4%	29,358	14.6%
Arts, Entertainment, and Recreation	35	1.5%	16	1.1%	2	0.3%	24	1.4%	9	1.0%	10	1.1%	21	1.5%	3,264	1.6%
Accommodation and Food Services	269	11.9%	58	4.0%	51	7.3%	104	6.2%	46	5.2%	48	5.2%	36	2.6%	13,754	6.8%
Other Services (excluding Public Administration)	61	2.7%	51	3.5%	16	2.3%	91	5.4%	56	6.3%	45	4.9%	59	4.3%	9,365	4.7%
Public Administration	75	3.3%	41	2.8%	14	2.0%	33	2.0%	39	4.4%	28	3.0%	95	7.0%	4,969	2.5%

Mean Hours Worked at a Job

Residents in the planning area work a nearly 40-hour week on average. Declines in hours worked could be due to retirements, underemployment or unemployment. Full time employment is defined as working 35 hours or more per week. Residents in Hamburg Borough and Perry Township saw a decline in the hours worked at their jobs between 2010 and 2017 while residents in the rest of the municipalities saw small increases. Overall, Berks County saw one half of a percentage point decline in hours worked between 2010 and 2017.

Mean Usual Hours Worked				
Municipality	2010	2017	Difference	% Change
Hamburg	38.7	37.1	-1.6	-4.1%
Perry	39.7	38.4	-1.3	-3.3%
Shoemakersville	38.6	39.4	0.8	2.1%
Tilden	38.7	40.4	1.7	4.4%
Upper Bern	38.6	40.7	2.1	5.4%
U. Tulpehocken	38.9	40.9	2	5.1%
Windsor	39.2	39.2	0	0.0%
Berks County	38.6	38.4	-0.2	-0.5%
Pennsylvania	38.4	38.4	0	0.0%

Source: U.S. Census, 2006-2010 and 2013-2017 American Community Survey (B23020)

Commute Times

In all of the municipalities the residents work relatively close to home. The percentages of residents that commute less than ten miles and between ten and 24 miles to their jobs are evenly distributed. Tilden, Perry and Upper Bern Townships have greater percentages of resident workers that travel greater than 50 miles to their place of employment. All three are above county averages.

Percent of Resident Workers Who Commute to Work (in miles) in 2017				
Municipality	Less than 10	10 to 24	25 to 50	50 +
Hamburg	33.8%	40.7%	15.5%	10.1%
Perry	40.8%	37.8%	9.4%	11.9%
Shoemakersville	43.3%	33.5%	13.4%	9.9%
Tilden	27.6%	43.5%	13.5%	15.4%
Upper Bern	30.2%	38.5%	16.7%	14.6%
U. Tulpehocken	39.6%	47.4%	7.8%	5.3%
Windsor	42.8%	41.9%	8.3%	7.1%
Berks County	52.4%	22.1%	15.4%	10.2%

Source: U.S. Census LEHD, 2017

Employment Inflow and Outflow

According to the U.S. Census Bureau's 2017 Longitudinal Employer-Household Dynamics (LEHD) data 5,748 people come into the planning area to work while 7,428 leave the planning area for employment, making the area a net exporter of labor. 374 people both live and work in the planning area.

This is consistent with Berks County as a whole, which has more residents leave to work than those from surrounding counties who come into Berks County for employment.

Worker Flow in 2017				
Municipality	In to Work	Staying to Work	Out to Work	Difference
Hamburg	991	122	1,898	-907
Perry	877	69	1,270	-393
Shoemakersville	270	14	545	-275
Tilden	2,650	103	1,386	1,264
Upper Bern	279	9	709	-430
U. Tulpehocken	370	29	661	-291
Windsor	311	28	959	-648
Northern Berks Region	5,748	374	7,428	-1,680
Berks County	56,680	93,407	74,712	-18,032

Source: U.S. Census LEHD, 2017

Top Industries in the Planning Area

Hamburg has over 2,400 jobs inside the borough with almost 17% of those jobs in manufacturing businesses. Hamburg also has the largest total number of jobs out of all seven municipalities in the region.

Distribution of All Jobs in the Municipality	
Hamburg	
Total Jobs	2,402
Industry	% of Total Jobs
Manufacturing	16.9%
Health Care and Social Assistance	14.0%
Retail Trade	13.3%
Educational Services	7.5%
Accommodation and Food Services	7.1%
All Others	41.2%

Source: U.S. Census LEHD, 2017



Similar to Hamburg, Perry Township has the largest percentage of their 1,567 jobs in manufacturing. All municipalities in the region rely heavily on the manufacturing sector for employment opportunities within their jurisdictions.

Distribution of All Jobs in the Municipality	
Perry	
Total Jobs	1,567
Industry	% of Total Jobs
Manufacturing	20.5%
Health Care and Social Assistance	13.9%
Retail Trade	13.5%
Educational Services	6.4%
Transportation and Warehousing	5.7%
Accommodation and Food Services	5.7%
All Others	34.3%
Source: U.S. Census LEHD, 2017	

In Shoemakersville Borough, the majority of the 666 jobs in the borough are in manufacturing. Like the other municipalities, the borough’s second and third industries are evenly distributed between health care and social assistance and the retail trade sectors.

Distribution of All Jobs in the Municipality	
Shoemakersville	
Total Jobs	666
Industry	% of Total Jobs
Manufacturing	20.4%
Health Care and Social Assistance	12.0%
Retail Trade	11.4%
Educational Services	7.8%
Accommodation and Food Services	6.6%
All Others	41.8%
Source: U.S. Census LEHD, 2017	

In Tilden Township, like the rest of the region, the manufacturing sector provides the most jobs within the township.

Distribution of All Jobs in the Municipality	
Tilden	
Total Jobs	1,753
Industry	% of Total Jobs
Manufacturing	19.2%
Health Care and Social Assistance	13.1%
Retail Trade	12.7%
Accommodation and Food Services	7.4%
Educational Services	6.7%
All Others	40.9%
Source: U.S. Census LEHD, 2017	

Upper Bern Township is no different than the other municipalities in that they are heavily reliant on manufacturing to provide the bulk of their employment. The only difference is that the township has a higher percentage of jobs within the professional, scientific, and technical services sector than any of the other six municipalities.

Distribution of All Jobs in the Municipality	
Upper Bern	
Total Jobs	857
Industry	% of Total Jobs
Manufacturing	16.3%
Health Care and Social Assistance	13.8%
Retail Trade	13.7%
Accommodation and Food Services	7.6%
Professional, Scientific, and Technical Services	7.1%
All Others	41.5%
Source: U.S. Census LEHD, 2017	

Upper Tulpehocken Township, again heavily influenced by jobs in the manufacturing sector, has greater percentages of jobs in construction and transportation and warehousing within the region.

Distribution of All Jobs in the Municipality	
Upper Tulpehocken	
Total Jobs	832
Industry	% of Total Jobs
Manufacturing	16.5%
Retail Trade	14.4%
Health Care and Social Assistance	10.7%
Construction	9.0%
Transportation and Warehousing	7.3%
All Others	42.1%
Source: U.S. Census LEHD, 2017	

The percentage of Windsor Township’s educational services sector jobs are above the other municipalities. Nevertheless, the township is still heavily reliant on the manufacturing industry for jobs within its jurisdiction.

Distribution of All Jobs in the Municipality	
Windsor	
Total Jobs	1,164
Industry	% of Total Jobs
Manufacturing	20.1%
Health Care and Social Assistance	13.9%
Retail Trade	10.6%
Educational Services	7.9%
Accommodation and Food Services	7.5%
All Others	40.0%
Source: U.S. Census LEHD, 2017	

Top Employers in Berks County

Listed below are the top 20 employers in Berks County as of 2019. None of these employers are located within the planning area.

Top 20 Employers in Berks County - 2010 to 2019 and Net Change in Employment				
Ranked by Number of Employees in 2019				
Company	Industry Type	2010 Employees	2019 Employees	Change
East Penn Manufacturing Company	Manufacturing	5,800	8,107	2,307
Tower Health (formerly Reading Hospital)	Health Care and Social Assistance	6,877	7,592	715
Pennsylvania Government	Government	1,800	2,997	1,197
Inperium Inc.	Health Care and Social Assistance	*	2,489	*
Berks County Government	Government	2,494	2,289	-205
Walmart Stores	Retail	1,786	NR	*
Carpenter Technology Corporation	Manufacturing	2,040	2,237	197
Reading School District	Education	2,583	2,000	-583
Penske Truck Leasing	Rental and Leasing	1,208	1,998	790
Penn State Health St. Joseph Medical Cntr.	Health Care and Social Assistance	1,525	1,973	448
Boscov's Inc.	Retail	1,400	1,770	370
Redner's Markets Inc.	Retail	1,411	1,451	40
Wilson School District	Education	1,150	1,407	257
Berks County Intermediate Unit	Education	1,270	1,285	15
Ashley Furniture Industries, Inc.	Manufacturing	*	1,205	*
Giant Food Stores	Retail	1,080	1,067	-13
Boyertown School District	Education	1,075	1,057	-18
Kutztown University	Education	1,075	983	-92
Santander Bank (formerly Sovereign Bank)	Finance	1,050	NR	*
U.S. Government	Government	1,200	909	-291

Source: Reading Eagle, Berks County Planning Commission
The * denotes a company that was not ranked in the top 20 in 2010; the NR denotes Not Reported

Tax Bases

From the perspective of municipal administration, the tax base drives the ability to invest in amenities and provide quality professional services that your residents expect. From a resident's perspective, tax burden influences where people buy homes, whether they reinvest in property and where they develop businesses. The ability to raise revenue to provide infrastructure and services is affected by the tax base. The existing and future real estate of the municipality provides opportunities and constraints for maintaining and attracting homeowners, businesses, and jobs. Overall, the key to economic stability or growth is to optimize the tax base by making every acre of land as productive as it can be without compromising community wants and needs or the natural/environmental resources in the community.

The Pennsylvania State Tax Equalization Board (STEB) provides the information on the Berks County and municipal tax bases that will be discussed in this section of the economy chapter. STEB's primary role is to determine, on an annual basis, the total market value of taxable property in all 67 counties and 2,561 municipalities in the state. This data is primarily used in the disbursement of school funds to the state's 501 school districts.

Berks County Planning Commission staff uses the STEB data to analyze tax base trends. Annually collected for every county, it allows us to analyze multi-year trends at both the municipal and county levels. We wanted to see if the municipal tax bases genuinely expanded between 2006 and 2018, so we adjusted all dollar figures to constant dollars, accounting for inflation. We do this because over time, inflation gives a false picture of monetary growth. We also have broken out the municipal tax base into several categories. The 2006 year is a good year for this analysis, as it is pre-recession.

In five out of the seven municipalities, the market value and the assessed value of the tax base has increased. The exceptions are Hamburg and Shoemakersville, who saw a slight decrease in the assessed value of their tax base. There are three primary factors, combined, that drive this incongruence. One, Berks County has not done a reassessment since 1994. The longer the period between reassessments generally means less of the “market” value of the base will be collected over time. Secondly, any number of successful reassessment appeals further decreases that assessed tax base. Thirdly, when property values decline, the tax base upon which the tax is levied shrinks. Property values declined substantially in Berks County due to the 2007-2009 recession and have been slow to rebound to the 2006 levels.

Hamburg Borough

In 2006, the borough was collecting taxes on a little over 103% of the market value of its tax base. However, by 2018, this has declined to roughly 76%.

Market Value of Tax Base - 2006 and 2018				
Municipality	2006	2018	\$ Change	% Change
Hamburg	159,792,900	215,123,432	55,330,532	34.6%
Assessed Value of Tax Base - 2006 and 2018				
Municipality	2006	2018	\$ Change	% Change
Hamburg	165,114,900	164,205,300	-909,600	-0.6%
Tax Collection on Market Value of Tax Base				
Municipality	2006	2018	% Change	
Hamburg	103.3%	76.3%	-26.1%	

Source: Pennsylvania State Tax Equalization Board Land Use and Market Value Reports: 2006 and 2018

The borough saw very little growth in any of the tax base sectors. The 2006 and 2018 borough tax bases are nearly identical. Residential units make up close to ¾ of the borough’s tax base. The Borough has also lost some of its industrial tax base during this timeframe.

Percentage Breakdown of County Tax Base by Category						
2006	Residential	Lots	Industrial	Commercial	Agriculture	Land
Hamburg	69.9%	0.3%	7.0%	22.3%	0.3%	0.0%
2018	Residential	Lots	Industrial	Commercial	Agriculture	Land
Hamburg	70.8%	0.4%	4.3%	24.2%	0.3%	0.0%
Change	Residential	Lots	Industrial	Commercial	Agriculture	Land
Hamburg	0.8%	0.1%	-2.7%	1.9%	0.0%	0.0%

Source: Pennsylvania State Tax Equalization Board Land Use and Market Value Reports: 2006 and 2018

Perry Township

The township was collecting taxes on 92.9% of the market value of its tax base in 2006. However, by 2018, this has declined to just under 74%.

Market Value of Tax Base - 2006 and 2018				
Municipality	2006	2018	\$ Change	% Change
Perry	140,755,800	191,838,156	51,082,356	36.3%
Assessed Value of Tax Base - 2006 and 2018				
Municipality	2006	2018	\$ Change	% Change
Perry	130,769,300	141,252,000	10,482,700	8.0%
Tax Collection on Market Value of Tax Base				
Municipality	2006	2018	% Change	
Perry	92.9%	73.6%	-20.7%	
Source: Pennsylvania State Tax Equalization Board Land Use and Market Value Reports: 2006 and 2018				

The Township saw a small decrease in the lots, agricultural and industrial sectors of the base and increases in the residential and commercial sectors.

Percentage Breakdown of County Tax Base by Category						
2006	Residential	Lots	Industrial	Commercial	Agriculture	Land
Perry	59.6%	1.9%	12.4%	8.8%	13.8%	0.5%
2018	Residential	Lots	Industrial	Commercial	Agriculture	Land
Perry	60.5%	0.8%	10.7%	13.0%	13.0%	0.6%
Change	Residential	Lots	Industrial	Commercial	Agriculture	Land
Perry	0.8%	-1.1%	-1.7%	4.2%	-0.8%	0.0%
Source: Pennsylvania State Tax Equalization Board Land Use and Market Value Reports: 2006 and 2018						

Shoemakersville Borough

Shoemakersville was collecting taxes on 98.9% of the tax base in 2006. Much like their neighboring municipalities, it declined to 77.4% by 2018.

Market Value of Tax Base - 2006 and 2018				
Municipality	2006	2018	\$ Change	% Change
Shoemakersville	48,774,300	61,195,881	12,421,581	25.5%
Assessed Value of Tax Base - 2006 and 2017				
Municipality	2006	2018	\$ Change	% Change
Shoemakersville	48,229,700	47,345,000	-884,700	-1.8%
Tax Collection on Market Value of Tax Base				
Municipality	2006	2018	% Change	
Shoemakersville	98.9%	77.4%	-21.8%	
Source: Pennsylvania State Tax Equalization Board Land Use and Market Value Reports: 2006 and 2018				

The Borough saw an increase in the residential sector of the base but decline in the commercial sector. The remaining tax base categories saw no change between 2006 and 2018.

Percentage Breakdown of County Tax Base by Category						
2006	Residential	Lots	Industrial	Commercial	Agriculture	Land
Shoemakersville	79.7%	0.5%	0.9%	18.4%	0.3%	0.0%
2018	Residential	Lots	Industrial	Commercial	Agriculture	Land
Shoemakersville	81.1%	0.5%	0.9%	17.0%	0.3%	0.0%
Change	Residential	Lots	Industrial	Commercial	Agriculture	Land
Shoemakersville	1.4%	0.0%	0.0%	-1.4%	0.0%	0.0%

Source: Pennsylvania State Tax Equalization Board Land Use and Market Value Reports: 2006 and 2018

Tilden Township

In 2006, the Township was collecting taxes on over 90% of the market value of the base. By 2018, this declined to 72.5%.

Market Value of Tax Base - 2006 and 2018				
Municipality	2006	2018	\$ Change	% Change
Tilden	189,358,900	266,257,486	76,898,586	40.6%
Assessed Value of Tax Base - 2006 and 2018				
Municipality	2006	2018	\$ Change	% Change
Tilden	170,965,600	192,988,156	22,022,556	12.9%
Tax Collection on Market Value of Tax Base				
Municipality	2006	2018	% Change	
Tilden	90.3%	72.5%	-19.7%	

Source: Pennsylvania State Tax Equalization Board Land Use and Market Value Reports: 2006 and 2018

The tax base overall has been relatively steady. There was minimal decline in the industrial, agricultural and land sectors of the tax base.

Percentage Breakdown of County Tax Base by Category						
2006	Residential	Lots	Industrial	Commercial	Agriculture	Land
Tilden	54.9%	0.5%	8.2%	17.9%	9.1%	1.1%
2018	Residential	Lots	Industrial	Commercial	Agriculture	Land
Tilden	55.2%	0.7%	6.8%	26.3%	8.9%	0.5%
Change	Residential	Lots	Industrial	Commercial	Agriculture	Land
Tilden	0.2%	0.1%	-1.4%	8.5%	-0.2%	-0.6%

Source: Pennsylvania State Tax Equalization Board Land Use and Market Value Reports: 2006 and 2018

Upper Bern Township

In 2006 the Township was collecting taxes on 87.5% of the market value of its tax base. By 2018, it declined to 62.8%. This is the largest percentage of negative change within the planning region.

Market Value of Tax Base - 2006 and 2018				
Municipality	2006	2018	\$ Change	% Change
Upper Bern	94,751,900	149,558,046	54,806,146	57.8%
Assessed Value of Tax Base - 2006 and 2018				
Municipality	2006	2018	\$ Change	% Change
Upper Bern	82,883,500	93,959,700	11,076,200	13.4%
Tax Collection on Market Value of Tax Base				
Municipality	2006	2018	% Change	
Upper Bern	87.5%	62.8%	-28.2%	
Source: Pennsylvania State Tax Equalization Board Land Use and Market Value Reports: 2006 and 2018				

Upper Bern Township saw increases in both the industrial and commercial sectors of their tax base between 2006 and 2018.

Percentage Breakdown of County Tax Base by Category						
2006	Residential	Lots	Industrial	Commercial	Agriculture	Land
Upper Bern	56.9%	1.6%	3.5%	12.2%	19.9%	0.9%
2018	Residential	Lots	Industrial	Commercial	Agriculture	Land
Upper Bern	54.5%	1.0%	6.5%	16.7%	18.7%	0.7%
Change	Residential	Lots	Industrial	Commercial	Agriculture	Land
Upper Bern	-2.4%	-0.6%	3.0%	4.5%	-1.2%	-0.2%
Source: Pennsylvania State Tax Equalization Board Land Use and Market Value Reports: 2006 and 2018						

Upper Tulpehocken Township

Upper Tulpehocken Township was collecting taxes on almost 86% of the market value of its tax base in 2006. However, by 2018, this number has declined to 67.3%.

Market Value of Tax Base - 2006 and 2018				
Municipality	2006	2018	\$ Change	% Change
U. Tulpehocken	83,874,600	127,278,538	43,403,938	51.7%
Assessed Value of Tax Base - 2006 and 2018				
Municipality	2006	2018	\$ Change	% Change
U. Tulpehocken	72,029,700	85,682,800	13,653,100	19.0%
Tax Collection on Market Value of Tax Base				
Municipality	2006	2018	% Change	
U. Tulpehocken	85.9%	67.3%	-21.6%	
Source: Pennsylvania State Tax Equalization Board Land Use and Market Value Reports: 2006 and 2018				

The Township saw decreases in the lots, agricultural and land sectors.

Percentage Breakdown of County Tax Base by Category						
2006	Residential	Lots	Industrial	Commercial	Agriculture	Land
U. Tulpehocken	54.7%	2.1%	2.1%	5.4%	28.7%	1.6%
2018	Residential	Lots	Industrial	Commercial	Agriculture	Land
U. Tulpehocken	59.5%	1.4%	3.1%	6.8%	25.2%	1.0%
Change	Residential	Lots	Industrial	Commercial	Agriculture	Land
U. Tulpehocken	4.8%	-0.7%	1.1%	1.4%	-3.6%	-0.6%

Source: Pennsylvania State Tax Equalization Board Land Use and Market Value Reports: 2006 and 2018

Windsor Township

Windsor was collecting taxes on just shy of 95% of the market value of the tax base in 2006. By 2018 that number has dipped to roughly 70%. Both Hamburg and Windsor are tied for the second largest negative difference in collection on the tax base in the region between 2006 and 2018.

Market Value of Tax Base - 2006 and 2018				
Municipality	2006	2018	\$ Change	% Change
Windsor	117,407,400	179,260,700	61,853,300	52.7%
Assessed Value of Tax Base - 2006 and 2018				
Municipality	2006	2018	\$ Change	% Change
Windsor	111,424,100	125,690,300	14,266,200	12.8%
Tax Collection on Market Value of Tax Base				
Municipality	2006	2018	% Change	
Windsor	94.9%	70.1%	-26.1%	

Source: Pennsylvania State Tax Equalization Board Land Use and Market Value Reports: 2006 and 2018

The Township saw minor decreases to the tax base in both the industrial and commercial categories.

Percentage Breakdown of County Tax Base by Category						
2006	Residential	Lots	Industrial	Commercial	Agriculture	Land
Windsor	77.1%	1.0%	2.2%	6.1%	11.2%	0.4%
2018	Residential	Lots	Industrial	Commercial	Agriculture	Land
Windsor	79.9%	1.3%	2.0%	4.3%	11.3%	0.6%
Change	Residential	Lots	Industrial	Commercial	Agriculture	Land
Windsor	2.8%	0.2%	-0.2%	-1.8%	0.1%	0.1%

Source: Pennsylvania State Tax Equalization Board Land Use and Market Value Reports: 2006 and 2018

Taxes

Components of Real Estate Taxes

The chart below illustrates the change in taxes by components from 2004 to current tax rates. The Hamburg Area School District saw the most change in number of mills. The Tilden Township municipal real estate tax saw the largest percent increase. Windsor has the lowest municipal real estate tax in the planning region; Hamburg the highest.

Components of Real Estate Tax Mills - Comparison				
Unit	2004	2018-2019	# Change	% Change
Berks County Tax	5.18	7.65	2.47	47.7%
Hamburg Area School District	18.13	26.96	8.83	48.7%
Hamburg	4.00	8.00	4.00	100.0%
Perry	0.25	0.80	0.55	220.0%
Shoemakersville	4.00	6.50	2.50	62.5%
Tilden	0.21	2.20	1.99	947.6%
Upper Bern	1.20	1.95	0.75	62.5%
Upper Tulpehocken	0.31	0.80	0.49	158.1%
Windsor	0.30	0.30	0.00	0.0%

Source: Berks County Planning Commission, Berks County Assessment Office

The chart below shows the entire millage (municipal, school district, county) combined. Between 2004 and present, Hamburg has seen the most change for millage. Presently, Windsor Township has the lowest amount of millage. Hamburg has the highest amount.

Total Tax Millage Comparison (SD, Municipal and County Together)				
Unit	2004	2018-2019	# Change	% Change
Hamburg	27.31	42.61	15.30	56.0%
Perry	23.56	35.41	11.85	50.3%
Shoemakersville	27.31	41.11	13.80	50.5%
Tilden	23.52	36.81	13.29	56.5%
Upper Bern	24.51	36.56	12.05	49.2%
Upper Tulpehocken	23.62	35.41	11.79	49.9%
Windsor	23.61	34.91	11.30	47.9%

Source: Berks County Planning Commission, Berks County Assessment Office

The chart on the next two pages depicts the entire millage (municipal, school district, county) combined for all of the municipalities in Berks County. The region municipalities are highlighted to show where they fall in comparison to the rest of the County. The regional municipalities are in the middle-of-the-road in terms of how much taxes have gone up between 2004 and 2018-2019. The only municipality to have less taxes now than in 2004 is New Morgan Borough.

Total Tax Millage Comparison (SD, Municipal and County Together) for all other Municipalities in Berks				
Unit	2004	2018-2019	# Change	% Change
Lower Heidelberg	22.05	38.85	16.81	76.2%
Sinking Spring	24.56	41.64	17.09	69.6%
Shillington	25.34	42.89	17.56	69.3%
Mount Penn	34.34	57.89	23.56	68.6%
Brecknock	22.59	38.07	15.49	68.6%
Cumru	25.59	42.21	16.63	65.0%
Mohnton	25.11	41.25	16.15	64.3%
West Reading	29.39	47.91	18.53	63.0%
Spring	22.87	37.27	14.41	63.0%
Exeter	26.99	43.74	16.76	62.1%
Kenhorst	25.69	41.56	15.88	61.8%
Lower Alsace	34.94	56.07	21.14	60.5%
Robeson	23.86	38.19	14.34	60.1%
Saint Lawrence	29.53	47.16	17.64	59.7%
Tilden	23.52	36.81	13.29	56.5%
Hamburg	27.31	42.61	15.30	56.0%
Pike	23.57	36.49	12.93	54.8%
Laureldale	28.60	44.26	15.67	54.8%
Boyertown	26.51	40.71	14.21	53.6%
Birdsboro	29.72	45.34	15.63	52.6%
Douglass	25.16	38.32	13.17	52.3%
Caernarvon	24.77	37.67	12.90	52.1%
Washington	24.15	36.72	12.58	52.1%
Richmond	29.24	44.26	15.03	51.4%
Fleetwood	31.24	47.21	15.98	51.1%
Shoemakersville	27.31	41.11	13.80	50.5%
Bally	25.95	39.02	13.07	50.4%
Perry	23.56	35.41	11.85	50.3%
Union	28.09	42.13	14.05	50.0%
Upper Tulpehocken	23.62	35.41	11.79	49.9%
Upper Bern	24.51	36.56	12.05	49.2%
Colebrookdale	25.56	38.02	12.47	48.8%
Bechtelsville	26.65	39.52	12.87	48.3%
Windsor	23.61	34.91	11.30	47.9%
Earl	23.16	34.02	10.87	46.9%
Amity	28.18	41.28	13.10	46.5%
Oley	27.14	39.18	12.05	44.4%
South Heidelberg	28.20	40.61	12.42	44.0%
Centerport	26.28	37.82	11.55	43.9%
Bern	26.86	38.65	11.79	43.9%

Unit	2004	2018-2019	# Change	% Change
Muhlenberg	29.55	42.46	12.92	43.7%
Maidencreek	29.99	42.51	12.53	41.8%
Centre	25.00	35.08	10.09	40.3%
Kutztown	29.77	41.70	11.94	40.1%
Womelsdorf	29.45	41.01	11.57	39.3%
Longswamp	31.69	43.94	12.26	38.7%
Wernersville	31.15	43.11	11.97	38.4%
North Heidelberg	27.15	37.51	10.37	38.2%
Ontelaunee	28.08	38.77	10.70	38.1%
Robesonia	30.10	41.41	11.32	37.6%
Marion	27.95	38.31	10.37	37.1%
Heidelberg	27.85	38.01	10.17	36.5%
Topton	34.84	47.44	12.61	36.2%
Alsace	26.93	36.49	9.56	35.5%
Leesport	30.00	40.44	10.45	34.8%
Ruscombmanor	26.03	35.08	9.06	34.8%
Penn	27.04	36.25	9.22	34.1%
Bethel	27.54	36.75	9.22	33.5%
Jefferson	26.22	34.93	8.72	33.2%
Rockland	31.64	41.89	10.26	32.4%
Greenwich	29.17	38.60	9.44	32.4%
Tulpehocken	27.54	36.35	8.82	32.0%
Wyomissing	28.37	37.22	8.86	31.2%
Albany	29.16	38.20	9.04	31.0%
District	31.69	41.44	9.76	30.8%
Lenhartsville	29.57	38.60	9.04	30.6%
Maxatawny	30.73	39.96	9.24	30.1%
Lyons	30.42	39.45	9.04	29.7%
Hereford	25.40	32.48	7.08	27.9%
Reading	35.24	43.26	8.03	22.8%
Bernville	28.49	31.19	2.71	9.5%
New Morgan	48.39	37.05	-11.34	-23.4%

Impact of Real Estate Taxes in the Planning Area

For the purpose of our analysis, we assume each municipality has a house with a 2018 fair market value of \$100,000 with no homestead exemption applied. A fixed value allows us to look solely at the tax burden in the area. Windsor Township residents have seen the smallest increase in real estate taxes. Residents in Hamburg have the highest tax burden (highest amount of millage) while residents in Windsor Township have the lowest burden.

Tax Bill on a \$100,000 Market Value House in 2004 and 2018-2019					
Hamburg	Total	Assessed Value	Tax Bill	OVERALL	
2004	27.31	\$86,206	\$2,354	\$ Change	% Change
2018-2019	42.61	\$68,493	\$2,918	\$564	24.0%
Perry					
Perry	Total	Assessed Value	Tax Bill	OVERALL	
2004	23.56	\$86,206	\$2,031	\$ Change	% Change
2018-2019	35.41	\$68,493	\$2,425	\$394	19.4%
Shoemakersville					
Shoemakersville	Total	Assessed Value	Tax Bill	OVERALL	
2004	27.31	\$86,206	\$2,354	\$ Change	% Change
2018-2019	41.11	\$68,493	\$2,815	\$461	19.6%
Tilden					
Tilden	Total	Assessed Value	Tax Bill	OVERALL	
2004	23.52	\$86,206	\$2,027	\$ Change	% Change
2018-2019	36.81	\$68,493	\$2,521	\$494	24.4%
Upper Bern					
Upper Bern	Total	Assessed Value	Tax Bill	OVERALL	
2004	24.51	\$86,206	\$2,112	\$ Change	% Change
2018-2019	36.56	\$68,493	\$2,504	\$392	18.6%
Upper Tulpehocken					
Upper Tulpehocken	Total	Assessed Value	Tax Bill	OVERALL	
2004	23.62	\$86,206	\$2,036	\$ Change	% Change
2018-2019	35.41	\$68,493	\$2,425	\$389	19.1%
Windsor					
Windsor	Total	Assessed Value	Tax Bill	OVERALL	
2004	23.61	\$86,206	\$2,035	\$ Change	% Change
2018-2019	34.91	\$68,493	\$2,391	\$356	17.5%
Source: Berks County Planning Commission					

Looking at tax burden, with all Berks County municipalities having the same exact \$100,000 house, you can see in the first column that Hamburg has the 15th highest amount of taxes in Berks County while Windsor has just about the lowest (70th out of a total of 72 municipalities in the county).

However, if the tax rate was applied to the assessed value based on real median housing values, the numbers change substantially. Shoemakersville's tax bill ranks 68th, relatively low when compared to the other 71 municipalities in Berks County. This is due to the lower median housing values in the borough. Consequentially, due to the high median housing values in Upper Tulpehocken residents pay the 38th highest amount of taxes in the County.

In the case of Shoemakersville, a high amount of millage is being applied to lower median housing values (66th lowest in the County).

In Upper Tulpehocken: A low amount of millage is being applied to higher median housing values (26th highest in the County).

Ranking of the 2018 Tax Bill in the Planning Area Versus All Other Berks County Municipalities		
Municipality	Same \$100,000 House	Median House Value
Hamburg	15th	65th
Perry	66th	31st
Shoemakersville	29th	66th
Tilden	57th	51st
Upper Bern	60th	44th
Upper Tulpehocken	65th	26th
Windsor	70th	35th

Source: Berks County Planning Commission

Tax Exempt Parcels

There are 283 parcels in the planning area that are entirely or partially exempt from paying school, municipal and county property taxes, according to Berks County assessment data. The majority of these properties are government and state owned. The most valuable exempt property is the Hamburg Area School District's main campus in Hamburg Borough with a value of almost \$15 million.

Top Ten Tax-Exempt Parcels by Value in the Planning Area - 2020			
Owner	Address	Municipality	Value in \$
Hamburg Area School District	Windsor Street	Hamburg	14,975,800
Hamburg Area School District	Pine Road	Windsor	11,437,500
Hamburg Area School District	State Street	Tilden	10,551,100
Hamburg Area School District	4th Street	Shoemakersville	8,851,800
PA State Game Commission	Fort Road	Upper Tulpehocken	6,891,800
Hamburg Municipal Water Authority	Reservoir Road	Windsor	5,096,100
PA State Game Commission	Mountain Road	Windsor	4,059,000
PA State Game Commission	Mountain Road	Tilden	3,845,000
PA State Game Commission	Forge Dam Road	Upper Bern	3,266,000
Hamburg Municipal Sewer Authority	State Street	Hamburg	2,419,400

Source: Berks County Planning Commission

The region contains many acres of state game lands along its northern boundary with Schuylkill County. Over 9,000 acres worth within the municipalities of Upper Bern, Upper Tulpehocken, Tilden and Windsor.

Top Ten Tax-Exempt Parcels by Size in the Planning Area - 2020				
Owner	Address	Municipality	Size in Acres	Value in \$
PA State Game Commission	Fort Road	Upper Tulpehocken	3,438	6,891,800
PA State Game Commission	Mountain Road	Windsor	2,035	4,059,000
PA State Game Commission	Mountain Road	Tilden	1,922	3,845,000
PA State Game Commission	Forge Dam Road	Upper Bern	1,610	3,266,000
Hamburg Municipal Water Authority	Reservoir Road	Windsor	913	5,096,100
PA State Game Commission	Mountain Road	Windsor	377	751,400
Commonwealth of PA	5th Street	Hamburg	245	856,100
Auburn Municipal Authority	Stony Circle	Tilden	213	425,300
Olivet Blue Mountain Camp Inc.	Mountain Avenue	Hamburg	109	209,500
Commonwealth of PA	Lowland Road	Tilden	105	281,800

Source: Berks County Planning Commission

What Does This All Mean?

Like Berks County, a significant issue for the regional municipalities moving forward is addressing the stagnation of the tax base. So far, in response to slow tax base growth the majority of municipalities and the school district have had to raise the tax rate to generate needed revenue to offset growing expenditures. As stated previously in this chapter, the key to economic stability or growth is the optimization of the tax base by making every acre of land as productive as it can be without compromising community wants and needs or the natural/environmental resources in the community. Moving forward, the municipalities should look at ways to boost the tax base. This could include but is not limited to using the tools and resources available to attract new industries to the area that offer higher paying, sustainable jobs.

Economic Development Planning and Implementation

Berks County is served by many economic development-related agencies, organizations, programs, and resources. In terms of focus, some of these organizations are broad-based business organizations (e.g. PA Department of Community and Economic Development, chamber of commerce) while others are targeted to specific industry sectors or activities (e.g. Manufacturers Resource Center or SCORE). Collectively they represent an extensive network of information and resources. The following organizations primarily provide services and resources towards economic development in Berks County or the region specifically.

In recent years, there has been emphasis on a more coordinated economic development approach that attempts to align both economic and workforce development plans at the municipal and county level. The Leak-Goforth Company prepared in-depth site selection studies for the County in 1997 and 2001. In 2003, the Berks Community Foundation, Berks Economic Partnership, and the Initiative for a Competitive Inner City (ICIC) led the community process that created the *Initiative for a Competitive Greater Reading* that looked at market-based strategies and efforts to increase the county’s economic competitiveness. The Berks Economic Partnership, in conjunction with Sasaki Architects and The Brookings Institution developed the *Penn Corridor Development Plan* in 2007 that looked at development and redevelopment opportunities along Penn Avenue from Reading to Wyomissing. While the latter study focuses primarily on the urban core of the County much of the same strategies for development and redevelopment can be employed in the Northern Berks region as well.

In 2017, the primary economic development agency in Berks County is the non-profit **Greater Reading Chamber Alliance (GRCA)**. This organization is the result of a 2016 alignment of the Greater Berks Development Fund, Greater Reading Economic Partnership and the Greater Reading Chamber of Commerce and Industry. The merger aims to create the county’s “one stop shop” for business recruitment, business retention, expansion, and regional promotion.

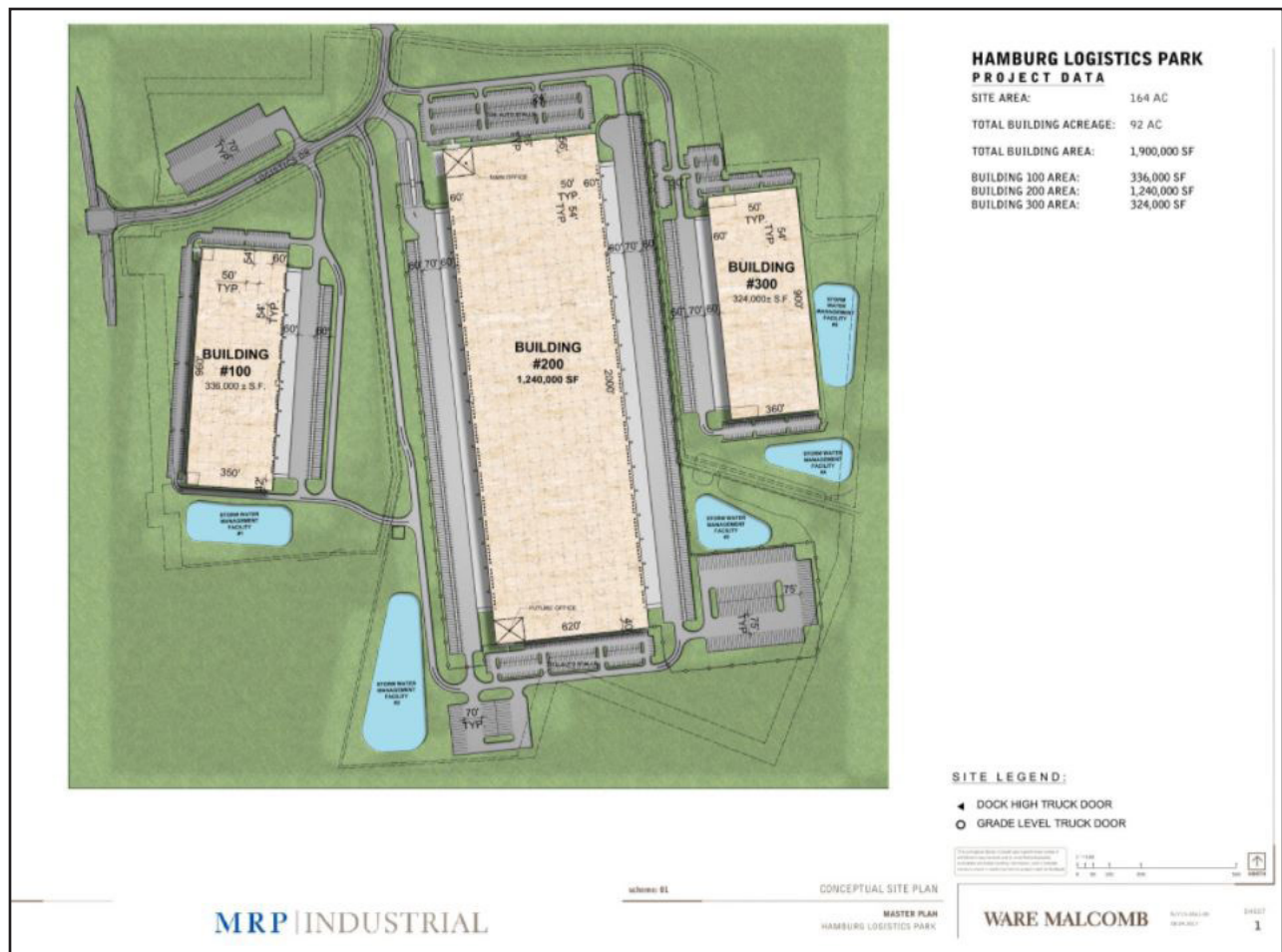
The **Berks County Industrial Development Authority (BCIDA)** is an authority created by Berks County in 1969. It can finance and acquire land, buildings, machinery, and equipment through the issuance of tax-exempt or taxable bonds, and through other authorized programs. BCIDA's primary focus in recent years has been the development of Berks Park 78 in Bethel Township and Berks Park 183 near the Reading Regional Airport in Bern Township.

The **Berks County Redevelopment Authority (BCRA)** is an authority created by Berks County in 1969 under the auspices of the Pennsylvania Urban Redevelopment Law. Its primary mission is to build a vibrant community through the elimination of blight and dangerous housing conditions. In coordination with other partners, it assists local businesses with obtaining the capital they seek to invest and expand inside the county.

The **Berks County Workforce Development Board** is responsible for the long-term strategic planning to meet Berks County's workforce development needs. This includes planning, analysis, oversight, evaluation and monitoring, and the development and cultivation of partnerships within the Berks County community and/or on a regional basis.

Pennsylvania's Americana Region of Reading and Berks County guides and refers travelers to the specific destinations and information they are seeking in Berks County. They market the county's destinations to visitors, namely the array of accommodation, retail stores, restaurants, heritage sites, museums, and entertainment/recreation venues.

Hamburg's **Our Town Foundation** is a volunteer driven, non-profit community development organization that was formed in 2001 to revitalize, promote, and preserve downtown Hamburg for families and future generations. Their vision for downtown Hamburg is one of vibrant streets adorned with restored historic buildings filled with shops, restaurants, and professional services. Where the Borough will prosper from its abundant natural, cultural, and historic resources within the community. The ultimate vision and goal of Our Town Foundation is to make Hamburg a premier location within the Northern Berks region to shop, dine, and be entertained.



Economic Development Goals

Consider changing the goal from “development” to prosperity

The planning area's prosperity is influenced by the quality of the area as a place to live, the public education system, availability of capital, and the condition of both the natural (parks, open space, environmentally sensitive areas) and built environments. The planning area should not evaluate success nor be satisfied solely on single metrics such as the number of jobs created or how “nice” a building or area looks. The municipalities should make investments and attract private investment and enterprise that improves the area's ability to weather economic changes (e.g. ecommerce and its effect on bricks and mortar retail, rise in healthcare demand) and downturns and improves prosperity for developers, business owners, and residents alike.

Focus on providing high quality, fundamental public services

The area's infrastructure assets are valuable and represent generations of investment. They also require maintenance, repair, and attention. Sidewalks, streets, bridges, stormwater management systems, parks and open space, and water and sewer systems ensure that business and residents can move around the area, drink clean water, and have reliable sewer service. Having an intentional investment strategy to maintain and improve these systems will continue to make the planning area an attractive location to invest, reside, and reduce the expensive consequences of deferred maintenance.

Prioritize infrastructure improvements

Identify the infrastructure improvements needed to attract and support the growth of industries and businesses the planning area wants to have and prioritize the completion of these improvements. Consider joint capital improvements planning to increase awareness and visibility of infrastructure needs.

Encourage regulatory alignment in all municipalities

The planning area should strive to keep their planning and permitting processes current and streamlined, eliminating excessive or obsolete requirements, with fee structures for planning services and permitting that recover no more than the actual costs to conduct such programs and reviews.

Municipalities should monitor county, state, and national trends and maintain timely and modern zoning regulations that foster investment and redevelopment of sites in the area.

Boost the diversification of the local economy

Encourage the development, redevelopment, and reinvestment in an array of retail, service, office, and other employment uses in all mixed residential/commercial, commercial and industrial land use areas as shown on the Future Land Use Plan. Support small business such home occupations and limited, neighborhood-serving commercial and employment uses in the (residential land use categories).

Support the creation and growth of local businesses

Support the creation of local businesses by promoting a positive business environment by reducing the municipal barriers to opening businesses, leveraging existing programs, providing information and business resources through coordinated websites, and exploring and advertising potential incentives financial tools and resources to assist in new business establishment.

Attract and cultivate a skilled workforce

Cultivate and attract a skilled workforce by providing access to attainable and high-quality housing options, supporting vibrant, well-maintained neighborhoods and amenities, and ensuring high quality schools for families. Support the growth of businesses that employ people with advanced skills and degrees.

Tools for Economic Development

There are various tools and programs available to municipalities who want to strengthen, promote, retain and/or incentivize economic development in their respective jurisdictions. The following is a list of common programs, some of which are administered through the Pennsylvania Department of Community and Economic Development (DCED) (www.newpa.com), for municipalities to use to implement economic development initiatives:

Keystone Innovation Zone Tax Credit Program (KIZ) – This program provides tax credits to early-stage technology-oriented businesses and entrepreneurs operating in a Keystone Innovation Zone (KIZ); companies without a tax liability may sell tax credits to companies with tax liabilities for cash. Funding provides tax credits for companies that have been in operation less than 8 (eight) years, whose gross revenues have increased over the previous year, are located in a KIZ Zone, and fall under the industry sector focus.

Keystone Opportunity Zone (KOZ) – The program provides state and local tax abatement to businesses and residents locating in one of the 12 designated zones. Businesses, property owners and residents located in a KOZ are eligible to receive significant state and local tax benefits. Projects in KOZs are given priority consideration for assistance under various community and economic building initiatives. Pennsylvania businesses relocating to a KOZ must either: increase their full-time employment by 20 percent within the first full year of operation, or make a 10 percent capital investment in the KOZ property based on their prior year's gross revenues. Eligibility for benefits is based upon annual certification. In order to receive benefits, any entity applying must be compliant with all local and state taxes and building and zoning codes.

Keystone Special Development Zone (KSDZ) – The KSDZ program was established for the purpose of providing incentives to for-profit businesses that locate and operate in designated geographic zones. Pennsylvania continues to have a surplus of abandoned, deteriorated commercial and industrial sites in need of revitalization. The KSDZ program is an incentive-based tax credit program to foster redevelopment of these former industrial and commercial sites. To be eligible, sites must be located within a Special Industrial Area as of July 11, 2011, for which the PA Department of Environmental Protection (DEP) has executed a Special Industrial Area Consent Order and Agreement. Businesses that provide job-creating economic development opportunities in these sites through the expansion of existing operations or the relocation of operations to the Commonwealth of Pennsylvania may be eligible for tax credits under this program.

Local Economic Revitalization Tax Assistance (LERTA) – LERTA allows local taxing authorities to exempt new construction and improvements to a commercial, industrial, and/or business property if such property is located in a deteriorated area. In order for a LERTA to apply to a property, each taxing authority (County, Municipal and School District) must, by ordinance or resolution, exempt from real estate property taxes, the assessed value of the improvements to deteriorated properties and the assessed value of new construction within the designated deteriorated areas.

Municipal Assistance Program (MAP) – The Municipal Assistance Program (MAP) is created to help local governments efficiently and effectively plan and implement a variety of services, improvements, and soundly manage development. The program provides funding for three groups of activities – shared service, community planning, and floodplain management. The program is administered by the Governor's Center for Local Government Services (GCLGS) (www.newpa.com/local-government/) in the DCED.

Pennsylvania Infrastructure Investment Authority (PennVEST) – The program provides low-interest loans for design, engineering and construction costs associated with publicly and privately-owned drinking water distribution and treatment facilities, stormwater conveyance and wastewater collection, conveyance, treatment facilities and Brownfield site remediation.

Tax Increment Financing Guarantee Program (TIF) – This program promotes and stimulates the general economic welfare of various regions and communities in the commonwealth and assists in the development, redevelopment and revitalization of Brownfield and Greenfield sites in accordance with the TIF Act. The program provides credit enhancement for TIF projects to improve market access and lower capital costs through the use of guarantees to issuers of bonds or other debt. Funds are used for infrastructure and environmental projects for industrial enterprises and retail establishments, infrastructure, environmental and building projects for manufacturers, hospitals, or convention centers, utilization of abandoned or underutilized industrial, commercial,

military, previously mined institutional sites or buildings; or undeveloped sites planned and zoned for development in accordance with an existing comprehensive municipal plan.

Berks County Economic Development Land Suitability Tool – Created by the Berks County Planning Commission in conjunction with the Ride to Prosperity Sites and Infrastructure Committee, this interactive web map tool is intended to guide users to the most suitable areas in Berks County for commercial and industrial uses. The heat map shows land with suitability ranges 3 through 6, with a range of 6 being the most suitable.

These are just a sample of some commonly used programs for facilitating economic development within communities. More information can be found on Pennsylvania grants and resources at PA DCED's website at www.newpa.com.