

ECONOMY

The communities in the planning area serve as a regional hub for economic activity in Berks County. Currently, the area's economy has been heavily weighted towards health care, retail, professional services and manufacturing. The County's second largest employer, the Reading Hospital, is located here, along with two of the largest shopping centers in the County, the Berkshire Mall, and Broadcasting Square. The campus of Penn State Berks, with an enrollment of approximately 2,800 students, is located in Spring Township. Penn Avenue, which interchanges with U.S. Routes 422 and 222, connects three borough downtowns.



Reading Hospital

Diversifying the economic base to help offset potential fluctuations in the retail and manufacturing sectors, growing the healthcare sector, and attracting new industries that offer the higher paying jobs have been key initiatives of regional and local economic development organizations in recent years.

Economic activity in the planning region is located in three major areas:

Penn Avenue Corridor – The Region's Main Street

Effectively serving as the "Main Street" for West Reading, Sinking Spring, and Wyomissing, Penn Avenue offers a variety of unique retail and cultural venues, along with professional offices and housing. Penn Avenue plays a pivotal role in the regional economy. Its continued redevelopment and investment will be the largest and most important single contribution that the planning area can make for a prosperous market-driven economy. It is the economic center of the planning region, with the largest and most diversified set of economic and cultural functions and a large concentration of employment, including the second largest employer in the County, the Reading Hospital.

In West Reading, Penn Avenue is a major county destination spot for retail shops and restaurants. It serves as the primary access to the main 36-acre Reading Hospital campus. The Hospital completed a \$354 million expansion in 2016. Visitors to the Reading Public Museum also use Penn Avenue. The Museum features over 300,000 pieces of artwork and artifacts, the Neag planetarium and a 25-acre arboretum. In Wyomissing, redevelopment has reshaped and will continue to reshape the corridor. The redevelopment of the Textile Machine Works buildings in 2003 created The Works, a large indoor entertainment and recreation facility that serves as a major destination. The redevelopment of the Vanity Fair outlet property into a mixed-use campus of offices, retail, and restaurants will redefine the intersection of Penn Avenue and Park Road. In Sinking Spring, Penn Avenue has a variety of shops and restaurants. The Borough, in conjunction with the BOSS 2020 organization, is proceeding with an ambitious plan to redevelop their downtown area through robust transportation improvements and a tax incremental financing district.

The Penn Avenue corridor has been studied many times over the years. *The Initiative for a Competitive Greater Reading* (ICGR) in 2003 proposed Penn Avenue from the City to Wyomissing as the region's "retail, tourism, and entertainment hub." The latest study of the area was completed in 2007. The plan titled *Penn Corridor Development Plan*, prepared by the Berks County Economic Partnership, Sasaki Architects, PC and the Brookings Institution, examined Penn Avenue in the City of Reading, West Reading and Wyomissing, identifying weaknesses and strengths of the corridor and exploring infill development, streetscape and catalyst project opportunities.

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State Hill Road

State Hill Road serves as a major business corridor in Wyomissing Borough and Spring Township and has a full interchange with U.S. Route 422. It extends from Penn Avenue in Wyomissing to Van Reed Road in the Township and provides primary access to north/south commercial corridors on Woodland and Broadcasting roads. Seeing robust development in the 1980s and 1990s, it serves major retail destinations such as the Berkshire Mall (910,000 square feet, opening in 1970) in Wyomissing and Berkshire Square (323,000 square feet, opening in 1991) in the Township. The corridor also features numerous professional and medical offices, restaurants, and apartment complexes. This corridor also has several parcels available for redevelopment or future development.

Paper Mill Road Corridor (Van Reed Road to Broadcasting Road)

This section of Paper Mill Road has been developed intensively over the last twenty years with a mixture of Class A office buildings, stores, and restaurants and is poised for additional development. The largest developments include the Reading Health Rehabilitation Hospital that opened in 2006 and features a 50-bed skilled nursing unit and a 62-bed inpatient rehabilitation unit, Broadcasting Square, a 613,630 square foot shopping center that opened in 2001, and the current headquarters for UGI Energy Services on Meridian Boulevard. UGI Energy Services is proposed to relocate to a new facility at the corner of Park Road and Penn Avenue in 2018.

This corridor will see additional development as the 104-acre parcel at the corner of Paper Mill and Broadcasting roads is currently for sale, served by public water and sewer utilities, and is zoned for commercial and business uses.

The Berks County Economy

The four municipalities in the planning area are part of the nearly \$16 billion dollar Berks County economy which, by output in dollars, ranks seventh out of the 18 metropolitan areas in Pennsylvania. The county's manufacturing and professional business services are the largest sector contributors to GDP. Overall, service producing industries account for 61% of total County GDP, goods producing industries, 29%, trade 13%, government 11%.

As of 2016, the County has a labor force of 214,132 people, of which 203,394 (or 95%) are currently employed and 10,738 (or 5%) are unemployed. The County has a labor participation rate of 64.8%, higher than the state level of 63.8%. (This means that out those who are 16-64 years of age in the County, nearly 65% are actively working or seeking work and 35% are not employed nor seeking employment.)

Change in Real GDP by PA Metro Area Between 2001 and 2015 (millions of chained 2009 dollars)				
Ranked by GDP Output in 2015				
Metropolitan Area	2001 \$	2015 \$	# Change	% Change
Philadelphia	303,035	368,210	65,175	21.5%
Pittsburgh	109,442	130,205	20,763	19.0%
Allentown/Bethlehem/Easton	29,496	33,393	3,897	13.2%
Harrisburg/Carlisle	27,001	30,422	3,421	12.7%
Lancaster	19,061	23,286	4,225	22.2%
Scranton/Wilkes-Barre/Hazleton	19,136	20,961	1,825	9.5%
Reading	13,920	15,803	1,883	13.5%
York/Hanover	13,445	15,429	1,984	14.8%
Erie	9,660	9,708	48	0.5%
State College	5,287	7,346	2,059	38.9%
East Stroudsburg	4,536	5,041	505	11.1%
Altoona	4,116	4,521	405	9.8%
Williamsport	3,798	4,487	689	18.1%
Chambersburg/Waynesboro	3,416	4,484	1,068	31.3%
Lebanon	3,390	4,111	721	21.3%
Johnstown	4,009	3,746	-263	-6.6%
Bloomsburg/Berwick	2,877	3,487	610	21.2%
Gettysburg	2,328	2,699	371	15.9%
Pennsylvania	522,191	644,947	122,756	23.5%

Source: U.S. Chamber of Commerce, Bureau of Economic Analysis

Note: The use of chained dollars adjusts real dollar amounts for inflation over time so that numbers from different years can be compared.

INCOMES

Household median incomes in the planning area differ substantially between the municipalities. The boroughs of Sinking Spring and West Reading have lower median household incomes than both the county and state averages, and both saw declines in the median income between 2009 and 2015. Spring Township and Wyomissing Borough are on the opposite sides of the spectrum, with the township and borough having median household incomes that grew between 2009 and 2015, and exceed the county and state levels.

Median Household Incomes (Inflation Adjusted)			
Municipality	2009	2015	% Change
Sinking Spring	\$57,264	\$52,200	-8.8%
Spring	\$63,777	\$68,025	6.7%
West Reading	\$44,250	\$41,978	-5.1%
Wyomissing	\$64,673	\$73,199	13.2%
Berks County	\$58,795	\$55,798	-5.1%
Pennsylvania	\$54,007	\$53,115	-1.7%

Source: U.S. Census, 2005-2009 and 2011-2015 American Community Survey

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Household Income Distribution

In all four municipalities, the majority of households have a household income from \$35,000 to \$74,999, which is on par with county and state levels. Of note, however, is that the four municipalities do have larger concentrations of higher household incomes than the state in several of the “upper” income bands and Wyomissing has a noteworthy number of households that make over \$200,000 a year.

Household Income Distribution						
Income Group	Sinking Spring	Spring	West Reading	Wyomissing	Berks	PA
Less than \$10,000	2.5	3.3	5.6	3.2	6.0	7.0
\$10,000 to \$14,999	5.1	2.1	6.5	1.8	4.9	5.4
\$15,000 to \$24,999	8.5	8.8	11	9.5	10.5	10.8
\$25,000 to \$34,999	10.4	8.9	13.2	8.2	10.0	10.4
\$35,000 to \$49,999	17.6	12.2	21.5	11.5	13.5	13.6
\$50,000 to \$74,999	20.2	20.2	17	17.4	19.8	18.4
\$75,000 to \$99,999	12	16.3	16.3	13.8	13.6	12.5
\$100,000 to \$149,999	16.1	16.2	9	14.6	13.7	12.9
\$150,000 to \$199,999	4.2	7.9	0	8.2	4.6	4.7
\$200,000 or more	3.4	4.1	0	11.8	3.4	4.4
Median Income	\$52,200	\$68,025	\$41,978	\$73,199	\$55,798	\$53,115

Source: U.S. Census, 2011-2015 American Community Survey

Sources of Household Income

The majority of households in the planning area generate income by wage and salary earnings from employment. However, there are some noteworthy differences between the municipalities. In Wyomissing, the higher numbers 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 Sinking Spring and West Reading report income from transfer payments such as cash/public assistance (Sinking Spring, especially) and food stamps. While both boroughs are below county and state levels in regards to income generated by transfer payments, it suggests that there are households in the boroughs having difficulty making ends meet.

Household Income Sources						
Income Group	Sinking Spring	Spring	West Reading	Wyomissing	Berks	PA
Earnings	81.3	76.4	78.4	69.7	77.1	75.4
Social Security	28.8	31.3	31.8	43.9	32.6	33.2
Retirement	17.5	20.6	15.2	32.5	19.8	20.2
Supplemental Security	1.5	2.2	2.6	2.2	5.7	5.9
Cash/Public Assistance	4.6	1.1	0.8	1.1	3.5	3.5
Food Stamps/SNAP	10.6	4.2	9.0	2.6	13.6	12.5

Source: U.S. Census, 2011-2015 American Community Survey

EMPLOYMENT

Sinking Spring has the highest percentage of residents participating in the labor force but also has the highest unemployment in the planning area. Wyomissing has the lowest percentage of residents in the labor force but has the lowest unemployment in the area.

Employment Composition of People Age 16+			
Municipality	In Labor Force	Em- ployed	Unem- ployed
Sinking Spring	71.7	63.8	7.9
Spring	65.6	61.3	4.3
West Reading	65.3	57.4	7.9
Wyomissing	63.2	58.4	4.8
Berks County	65.8	56.8	9.0
Pennsylvania	62.8	54.9	7.9

Source: U.S. Census, 2011-2015 American Community Survey

In each of the municipalities, the unemployment level for teenage workers (ages 16-19) and college age workers (20-24) is very high and can skew the 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 %
Sinking Spring	60-64	31.2
Spring	25-29	6.0
West Reading	50-59	38.5
Wyomissing	25-29	7.5

Source: U.S. Census, 2011-2015 American Community Survey

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 healthcare and social assistance industry.

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Resident Employer Profile - Workers 16 and Older - 2014										
Type	Sinking Spring		Spring		West Reading		Wyomissing		Berks County	
	#	%	#	%	#	%	#	%	#	%
Total Resident Workers	2,040		13,182		2,036		5,073		194,993	
Age 29 or younger	458	22.5%	2,721	20.6%	530	26.0%	991	19.5%	43,013	22.1%
Age 30 to 54	1,198	58.7%	7,122	54.0%	1,167	57.3%	2,791	55.0%	105,523	54.1%
Age 55 or older	384	18.8%	3,339	25.3%	339	16.7%	1,291	25.4%	46,457	23.8%
More than \$3,333 per month (\$40,000 +)	898	44.0%	6,321	48.0%	801	39.3%	2,535	50.0%	85,354	43.8%
Agriculture, Forestry, Fishing and Hunting	27	1.3%	71	0.5%	6	0.3%	25	0.5%	2,370	1.2%
Mining, Quarrying, and Oil and Gas Extraction	4	0.2%	10	0.1%	3	0.1%	5	0.1%	359	0.2%
Utilities	12	0.6%	64	0.5%	4	0.2%	30	0.6%	1,113	0.6%
Construction	70	3.4%	460	3.5%	61	3.0%	183	3.6%	8,559	4.4%
Manufacturing	291	14.3%	1,907	14.5%	307	15.1%	610	12.0%	33,837	17.4%
Wholesale Trade	86	4.2%	559	4.2%	61	3.0%	197	3.9%	8,684	4.5%
Retail Trade	186	9.1%	1,397	10.6%	207	10.2%	527	10.4%	21,436	11.0%
Transportation and Warehousing	60	2.9%	426	3.2%	48	2.4%	153	3.0%	7,421	3.8%
Information	21	1.0%	156	1.2%	30	1.5%	69	1.4%	2,248	1.2%
Finance and Insurance	83	4.1%	526	4.0%	55	2.7%	206	4.1%	6,809	3.5%
Real Estate and Rental and Leasing	13	0.6%	147	1.1%	17	0.8%	53	1.0%	1,972	1.0%
Professional, Scientific, and Technical Services	105	5.1%	736	5.6%	87	4.3%	314	6.2%	9,780	5.0%
Management of Companies and Enterprises	74	3.6%	448	3.4%	58	2.8%	161	3.2%	5,585	2.9%
Administration & Support, Waste Management	150	7.4%	766	5.8%	155	7.6%	310	6.1%	11,712	6.0%
Educational Services	177	8.7%	1,320	10.0%	158	7.8%	474	9.3%	16,200	8.3%
Health Care and Social Assistance	379	18.6%	2,389	18.1%	431	21.2%	1,026	20.2%	30,344	15.6%
Arts, Entertainment, and Recreation	30	1.5%	127	1.0%	19	0.9%	69	1.4%	2,176	1.1%
Accommodation and Food Services	143	7.0%	823	6.2%	171	8.4%	335	6.6%	13,011	6.7%
Other Services (excluding Public Administration)	73	3.6%	388	2.9%	74	3.6%	171	3.4%	5,829	3.0%
Public Administration	56	2.7%	462	3.5%	84	4.1%	155	3.1%	5,548	2.8%

Source: U.S. Census, 2011-2015 American Community Survey

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 Sinking Spring and West Reading saw small declines in the hours worked at their jobs between 2009 and 2015 while residents in Spring and Wyomissing saw small increases.

Mean Usual Hours Worked				
Municipality	2009	2015	Difference	% Change
Sinking Spring	40	38.9	-1.1	-2.8%
Spring	37.6	37.8	0.2	0.5%
West Reading	39.8	37	-2.8	-7.0%
Wyomissing	39	39.4	0.4	1.0%
Berks County	38.8	38.1	-0.7	-1.8%
Pennsylvania	38.6	38.1	-0.5	-1.3%

Source: U.S. Census, 2005-2009 and 2011-2015 American Community Survey

Commute Times

Most residents in the planning area work close to home, with over 60% of residents in each municipality having a commute of less than 10 miles to work.

Percent of Resident Workers Commute to Work In Miles				
Municipality	Less than 10	10 to 24	25 to 50	50 +
Sinking Spring	65.2	13.5	12.8	8.5
Spring	62.5	13.5	14.7	9.3
West Reading	63.9	10.5	16.3	9.3
Wyomissing	62.4	9.3	18.4	10.0
Berks County	49.3	23.9	17.0	9.8

Source: U.S. Census, 2011-2015 American Community Survey

Employment Inflow and Outflow

Nearly 32,000 people come into the planning area to work while over 20,000 leave the planning area for employment, making the area a net importer of labor. A little over 2,000 people both live and work in the planning area.

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

Worker Flow in 2014				
Municipality	In to Work	Staying to Work	Out to Work	Difference
Sinking Spring	2,339	114	1,926	413
Spring	10,289	1,269	11,913	-1,624
West Reading	4,153	148	1,888	2,265
Wyomissing	15,022	649	4,424	10,598
Suburban Berks Planning Area	31,803	2,180	20,151	11,652
Berks County	63,536	111,542	83,541	-20,005

Source: U.S. Census LEHD, 2014

Top Industries in the Planning Area

Sinking Spring has over 2,400 jobs inside the borough with almost 40% of those jobs in manufacturing businesses. Alcon Research, a manufacturer of surgical equipment and devices, is located in the Borough. In comparison to its partners in the planning area, the concentration of those manufacturing jobs is unique.

Distribution of All Jobs in the Municipality	
Sinking Spring	
Total Jobs	2,453
Industry	% of Total Jobs
Manufacturing	39.1%
Administration & Support, Waste Management and Remediation	23.2%
Accommodation and Food Services	10.2%
Other Services (excluding Public Administration)	5.3%
Retail Trade	4.9%
All Others	17.4%

Source: U.S. Census LEHD, 2014

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In Spring Township, the nearly 11,600 jobs are more diversified with retail and health care jobs each accounting for 15% of employment, professional services with 13%, and nearly 57% of all the other jobs in various industries. Spring Township has a concentration of retail centers and office parks. The Reading Rehabilitation Hospital is also located in the Township.

Distribution of All Jobs in the Municipality	
Spring	
Total Jobs	11,558
Industry	% of Total Jobs
Retail Trade	15.6
Health Care and Social Assistance	15.0
Professional, Scientific, and Technical Services	13.0
Educational Services	10.8
Finance and Insurance	10.3
Accommodation and Food Services	9.2
Construction	5.1
All Others	21.0

Source: U.S. Census LEHD, 2014

In West Reading, where the primary campus of Reading Hospital is located, 33% of the 4,300 jobs are in the health care sector.

Distribution of All Jobs in the Municipality	
West Reading	
Total Jobs	4,301
Industry	% of Total Jobs
Health Care and Social Assistance	33.3%
Administration & Support, Waste Management and Remediation	21.3%
Accommodation and Food Services	10.3%
Manufacturing	9.5%
Retail Trade	6.9%
All Others	18.8%

Source: U.S. Census LEHD, 2014

The 15,700 jobs in Wyomissing have diversification similar to Spring Township. Nearly 21% of the jobs are in health care, followed by retail. Wyomissing has retail centers, including the Berkshire Mall and Vanity Fair outlet, along with the Reading Hospital and many medical offices.

Distribution of All Jobs in the Municipality	
Wyomissing	
Total Jobs	15,671
Industry	% of Total Jobs
Health Care and Social Assistance	20.6%
Retail Trade	17.9%
Administration & Support, Waste Management and Remediation	16.9%
Accommodation and Food Services	11.7%
Finance and Insurance	8.0%
Professional, Scientific, and Technical Services	5.9%
All Others	19.1%

Source: U.S. Census LEHD, 2014

Top Employers in Berks County

Listed below are the top 25 employers in Berks County as of 2016. Employers on this list that are located inside the planning area include:

- Reading Hospital, the second largest employer in the County with 6,673 positions;
- Wilson School District, the 17th largest employer in the County with 1,033 positions;
- UGI Energy Services, the 23rd largest employer in the County with 794 positions;
- Alcon Research, the 25th largest employer in the County with 766 positions.

Top 25 Employers in Berks County - 2009 to 2016 and Net Change in Employment				
Ranked by Number of Employees in 2016				
Company	Industry Type	2009 Employees	2016 Employees	Change
East Penn Manufacturing Company	Manufacturing	5,348	7,145	1,797
Reading Hospital	Health Care and Social Assistance	6,839	6,673	-166
Berks County	Government	2,500	2,400	-100
Carpenter Technology Corporation	Manufacturing	1,917	2,305	388
Reading School District	Education	2,637	2,000	-637
Boscov's Inc.	Retail	1,400	1,750	350
Pennsylvania government	Government	1,775	1,720	-55
Penske Truck Company, LP	Rental and Leasing	1,200	1,683	483
St. Joseph's Regional Health Network	Health Care and Social Assistance	1,514	1,623	109
Redner's Warehouse Markets	Retail	1,415	1,361	-54
Supportive Concepts for Families	Health Care and Social Assistance	*	1,274	*
Giant Food Stores	Retail	914	1,244	330
Wal-Mart Stores	Retail	1,783	1,213	-570
Morgan Truck Body, LLC	Manufacturing	*	1,200	*
Berks County IU	Education	1,241	1,190	-51
Santander Bank NA	Finance	1,000	1,100	100
Wilson School District	Education	1,195	1,033	-162
Kutztown University	Education	1,146	980	-166
Ashley Furniture Industries, Inc.	Retail	726	958	232
FirstEnergy Corp.	Utilities	986	921	-65
U.S. Government	Government	1,150	900	-250
IWCO Direct	Professional Services	*	826	*
UGI Energy Services, Inc.	Utilities	*	794	*
Boyertown Area School District	Education	1,066	789	-277
Alcon Research, Ltd.	Professional Services	*	766	*

Source: Reading Eagle, Berks County Planning Commission
 The * denotes a company that was unranked in 2009.

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In addition to the employers listed above, other noteworthy employers in the planning area include:

R.M. Palmer Candy Company, located in West Reading, with 550 positions;
 CNA Group, located in Spring Township, with 403 positions;
 Penn State Berks Campus, located in Spring Township, with 308 positions;
 The Loomis Company, located in Wyomissing, with 230 positions;
 Herbein + Company, located in Spring Township, with 110 positions;

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 the municipal tax bases that will be discussed below. STEB's primary role is to determine, on an annual basis, the total market value of taxable property in all 67 counties and 2,562 municipalities. This data is primarily used in the disbursement of school funds to the state's 501 school districts.

Berks County Planning Commission staff uses this 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 2015, 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 eight several categories. The 2006 year is a good year for analysis, as it is pre-recession.

In all four municipalities, the market value of the tax base increased while the assessed value of the base decreased. There are three primary factors, combined, that drive this incongruence. One, Berks County has not reassessed 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.

Sinking Spring

In 2006, the borough was collecting taxes on a little over 100% of the market value of its tax base. However, by 2015, this has declined to 78%. The borough saw declines in the commercial and industrial sectors of the base.

Market Value of Tax Base - 2006 and 2015				
Municipality	2006	2015	\$ Change	% Change
Sinking Spring	225,541,394	271,387,211	45,845,817	20.3%
Assessed Value of Tax Base - 2006 and 2015				
Municipality	2006	2015	\$ Change	% Change
Sinking Spring	227,574,698	212,061,600	-15,513,098	-6.8%
Tax Collection on Market Value of Tax Base				
Municipality	2006	2015	% Change	
Sinking Spring	100.9%	78.1%	-22.6%	

Source: Pennsylvania State Tax Equalization Board Land Use and Market Value Reports: 2006 and 2015

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The borough's tax base saw the most growth in residential development, as there were declines in the number of empty lots, industrial and commercial properties.

Percentage Breakdown of County Tax Base by Category						
2006	Residential	Lots	Industrial	Commercial	Agriculture	Land
Sinking Spring	63.6	3.0	12.0	21.0	0.3	0.0
2015	Residential	Lots	Industrial	Commercial	Agriculture	Land
Sinking Spring	69.2	0.2	10.7	19.7	0.3	0.0
Change	Residential	Lots	Industrial	Commercial	Agriculture	Land
Sinking Spring	5.6	-2.8	-1.3	-1.3	0.0	0.0

Source: Pennsylvania State Tax Equalization Board Land Use and Market Value Reports: 2006 and 2015

Spring Township

The Township was collecting taxes on nearly the entirety of the market value of its tax base in 2006. However, by 2015, this has declined to 78%. The township saw a significant decline in the value of the residential sector of the base between 2006 and 2015.

Market Value of Tax Base - 2006 and 2015				
Municipality	2006	2015	\$ Change	% Change
Spring	1,693,275,948	2,021,643,900	328,367,952	19.4%
Assessed Value of Tax Base - 2006 and 2015				
Municipality	2006	2015	\$ Change	% Change
Spring	1,682,517,547	1,573,902,600	-108,614,947	-6.5%
Tax Collection on Market Value of Tax Base				
Municipality	2006	2015	% Change	
Spring	99.4%	77.9%	-21.6%	

Source: Pennsylvania State Tax Equalization Board Land Use and Market Value Reports: 2006 and 2015

The 2006 and 2015 township tax bases are nearly identical. Residential units make up nearly ¾ of the township's tax base.

Percentage Breakdown of County Tax Base by Category						
2006	Residential	Lots	Industrial	Commercial	Agriculture	Land
Spring	73.9	1.4	0.8	22.5	1.2	0.2
2015	Residential	Lots	Industrial	Commercial	Agriculture	Land
Spring	74.0	0.3	0.6	23.7	1.2	0.1
Change	Residential	Lots	Industrial	Commercial	Agriculture	Land
Spring	0.1	-1.1	-0.2	1.2	0.0	-0.1

Source: Pennsylvania State Tax Equalization Board Land Use and Market Value Reports: 2006 and 2015

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West Reading

In West Reading, the borough was collecting taxes on 103.4% of the tax base in 2006. Much like their neighboring municipalities, it declined to 81.3% by 2015. The borough saw major declines in their residential and commercial values.

Market Value of Tax Base - 2006 and 2015				
Municipality	2006	2015	\$ Change	% Change
West Reading	195,896,551	208,001,230	12,104,679	6.2%
Assessed Value of Tax Base - 2006 and 2015				
Municipality	2006	2015	\$ Change	% Change
West Reading	202,552,241	169,143,500	-33,408,741	-16.5%
Tax Collection on Market Value of Tax Base				
Municipality	2006	2015	% Change	
West Reading	103.4%	81.3%	-21.4%	

Source: Pennsylvania State Tax Equalization Board Land Use and Market Value Reports: 2006 and 2015

The borough saw an increase in the commercial sector of the base, a small decline in the residential sector and a sizeable decline in the industrial sector.

Percentage Breakdown of County Tax Base by Category						
2006	Residential	Lots	Industrial	Commercial	Agriculture	Land
West Reading	51.9	0.1	2.8	45.3	0.0	0.0
2015	Residential	Lots	Industrial	Commercial	Agriculture	Land
West Reading	51.4	0.3	1.3	47.0	0.0	0.0
Change	Residential	Lots	Industrial	Commercial	Agriculture	Land
West Reading	-0.5	0.2	-1.5	1.7	0.0	0.0

Source: Pennsylvania State Tax Equalization Board Land Use and Market Value Reports: 2006 and 2015

Wyomissing

In 2006, the borough was collecting taxes on a little over 100% of the market value of the base. By 2015, this declined to 82%. Declines in residential and commercial values contributed significantly to the decrease in the assessed value.

Market Value of Tax Base - 2006 and 2015				
Municipality	2006	2015	\$ Change	% Change
Wyomissing	1,188,997,858	1,242,863,949	53,866,091	4.5%
Assessed Value of Tax Base - 2006 and 2015				
Municipality	2006	2015	\$ Change	% Change
Wyomissing	1,214,350,183	1,015,649,100	-198,701,083	-16.4%
Tax Collection on Market Value of Tax Base				
Municipality	2006	2015	% Change	
Wyomissing	102.1%	81.7%	-20.0%	

Source: Pennsylvania State Tax Equalization Board Land Use and Market Value Reports: 2006 and 2015

The tax base overall has been steady. The borough is served by two school districts and the base is very different between the two. The part of Wyomissing in the Wilson School District is dominated by commercial properties. The part of the borough served by the Wyomissing School District is heavily residential.

Percentage Breakdown of County Tax Base by Category						
2006	Residential	Lots	Industrial	Commercial	Agriculture	Land
Wyomissing (Wilson)	15.2	0.1	1.7	82.7	0.0	0.3
Wyomissing (Wyomissing)	82.1	0.3	2.1	15.5	0.0	0.0
2015	Residential	Lots	Industrial	Commercial	Agriculture	Land
Wyomissing (Wilson)	15.8	0.1	2.1	82.1	0.0	0.0
Wyomissing (Wyomissing)	81.5	0.2	0.9	17.4	0.0	0.0
Change	Residential	Lots	Industrial	Commercial	Agriculture	Land
Wyomissing (Wilson)	0.6	0.0	0.4	-0.6	0.0	-0.3
Wyomissing (Wyomissing)	-0.6	-0.1	-1.2	1.9	0.0	0.0

Source: Pennsylvania State Tax Equalization Board Land Use and Market Value Reports: 2006 and 2015

TAXES

Components of Real Estate Taxes

The chart on the following page illustrates the change in taxes by components from 2006 to current tax rates. The Wilson School District tax saw the most change in number of mills. The Spring Township municipal real estate tax saw the largest percent increase. Wyomissing has the lowest municipal real estate tax in the planning area; West Reading the highest.

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Components of Real Estate Tax Mills - Comparison				
Unit	2006	2016-2017	# Change	% Change
Berks County Tax	6.94	7.37	0.44	6.3%
Wilson School District Tax	17.59	24.95	7.36	41.8%
Wyomissing School District Tax	23.84	30.07	6.23	26.1%
Sinking Spring	3.19	7.99	4.80	150.5%
Spring	1.50	4.01	2.51	167.3%
West Reading	4.25	8.10	3.85	90.6%
Wyomissing	2.23	3.90	1.67	74.9%

Source: Berks County Planning Commission, Berks County Assessment Office

The chart below shows the entire millage (municipal, school district, county) combined. Between 2006 and present, Sinking Spring has seen the most change for millage. Presently, the Borough of Wyomissing has the lowest amount of millage. West Reading has the highest amount.

Total Tax Millage Comparison (SD, Municipal and County Together)				
Unit	2006	2016-2017	# Change	% Change
Sinking Spring	27.72	40.31	12.60	45.5%
Spring	26.03	36.33	10.31	39.6%
West Reading	35.03	45.54	10.52	30.0%
Wyomissing (Wilson SD)	26.76	36.22	9.47	35.4%
Wyomissing (Wyomissing SD)	33.01	41.34	8.34	25.3%

Source: Berks County Planning Commission, Berks County Assessment Office

Impact of Real Estate Taxes in the Planning Area

For the purpose of our analysis below, we assume each municipality has a house with a 2016 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. Sinking Spring homeowners have seen the most increase in real estate taxes since 2006. Wyomissing residents have seen the smallest increase in real estate taxes. Residents in West Reading have the highest tax burden (highest amount of millage) while residents who live in the section of Wyomissing Borough that is in the Wilson School District, have the lowest burden.

Tax Bill on a \$100,000 Market Value House in 2006 and 2016-2017					
Sinking Spring	Total	Assessed Value	Tax Bill	OVERALL	
2006	27.72	\$75,187	\$2,084	\$ Change	% Change
2016-2017	40.31	\$74,074	\$2,986	\$902	43.3%
Spring					
Spring	Total	Assessed Value	Tax Bill	OVERALL	
2006	26.03	\$75,187	\$1,957	\$ Change	% Change
2016-2017	36.33	\$74,074	\$2,691	\$734	37.5%
West Reading					
West Reading	Total	Assessed Value	Tax Bill	OVERALL	
2006	35.03	\$75,187	\$2,634	\$ Change	% Change
2016-2017	45.54	\$74,074	\$3,373	\$740	28.1%
Wyomissing (Wilson)					
Wyomissing (Wilson)	Total	Assessed Value	Tax Bill	OVERALL	
2006	26.76	\$75,187	\$2,012	\$ Change	% Change
2016-2017	36.22	\$74,074	\$2,683	\$671	33.3%
Wyomissing (Wyomissing)					
Wyomissing (Wyomissing)	Total	Assessed Value	Tax Bill	OVERALL	
2006	33.01	\$75,187	\$2,482	\$ Change	% Change
2016-2017	41.34	\$74,074	\$3,062	\$580	23.4%

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 West Reading has the sixth highest amount of taxes in Berks County while Wyomissing (Wilson) has the lowest.

However, if the tax rate was applied to the assessed value based on real median housing values, the numbers change substantially. West Reading’s tax bill is the 11th lowest. This is due to the low median housing values in the Borough. Consequentially, due to the high median housing values in Wyomissing, the section of the borough that is in the Wyomissing School District pays the 6th highest amount of taxes behind District, Lower Heidelberg, Rockland, Amity and Pike townships.

In the case of West Reading, a high amount of millage is being applied to low median housing values (4th lowest in the County).

In Wyomissing: A low amount of millage is being applied to high median housing values (13th highest in the County).

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Ranking of the 2017 Tax Bill in the Planning Area Versus All Other Berks County Municipalities		
Municipality	Same \$100,000 House	Median House Value
Sinking Spring	25th	31st
Spring	53rd	43rd
West Reading	6th	63rd
Wyomissing (Wilson)	54th	17th
Wyomissing (Wyomissing)	17th	6th

Source: Berks County Planning Commission

Tax Exempt Parcels

There are 366 parcels in the planning area 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 religious and government buildings and state owned parkland. The most valuable exempt privately owned property is the Reading Hospital property in West Reading with a value of nearly \$129 million.

The largest exempt property is the 315-acre portion of Pennsylvania State Game Lands (SGL #274) on Vinemont Road in Spring Township. Spring Township has the most tax exempt parcels – 189.

Top Ten Tax-Exempt Parcels by Value in the Planning Area - 2017			
Owner	Address	Municipality	Value in \$
Reading Hospital	6th Avenue	West Reading	128,255,700
Penn State University	Tulpehocken Road	Spring	44,724,200
Reading Hospital	Paper Mill Road	Spring	43,474,700
Wilson School District	Grandview Boulevard	Spring	14,210,300
Wilson School District	Iroquois Avenue	Spring	13,510,700
Glad Tidings Assembly of God	Snyder Road	Spring	9,630,300
Wilson School District	Broadcasting Road	Spring	7,479,500
Wyomissing School District	Evans Avenue	Wyomissing	7,176,600
Wilson School District	Sage Drive	Spring	6,215,000
Wyomissing School District	Woodland Road	Wyomissing	4,881,000

Source: Berks County Planning Commission

Top Ten Tax-Exempt Parcels by Size in the Planning Area - 2017				
Owner	Address	Municipality	Size in Acres	Value in \$
PA State Game Commission	Vinemont Road	Spring	315	1,104,400
Penn State University	Tulpehocken Road	Spring	210	44,724,200
Spring Township	State Hill Road	Spring	73	357,400
Wyomissing Borough	Cambridge Avenue	Wyomissing	53	159,500
Sinking Spring Borough	Reedy Road	Spring	51	1,640,200
Denver Borough Authority	Buzzard Road	Spring	49	213,400
Wyomissing Borough	Evans Avenue	Wyomissing	47	920,600
Spring Township	Goose Lane	Spring	47	162,700
Wilson School District	Grandview Boulevard	Spring	44	14,210,300
Spring Township	Sage Lane	Spring	40	425,800

Source: Berks County Planning Commission

Local Economic Development Organizations

Perhaps the local economy's greatest asset, however, is the engaged, well-informed, and well-organized residents that volunteer in organizations that advance its continued development and viability.

Sinking Spring Revitalization Program

The BOSS (Borough of Sinking Spring) 2020 Revitalization Committee was formed in 2008 to develop a revitalization plan for the Borough's central business district in and around Penn Avenue that aimed to correct misaligned downtown intersections to improve congestion, vehicular and pedestrian connectivity, and access undeveloped land to provide opportunities for market-driven development. These projects are discussed in more detail in the transportation section.

West Reading Community Revitalization Foundation

The Borough has had a Main Street program since 1997 that focuses on Penn Avenue and it added the Elm Street Program in 2005 that focuses on the residential neighborhoods around Penn Avenue. The Elm Street program has been recognized as one of the best in the state, winning awards in 2016 and 2017. In 2012, both programs were brought under the auspices of the West Reading Community Revitalization Foundation. In addition to the administration of grants and operations for the above programs, the Foundation organizes and sponsors the West Reading Farmers Market and many community events and public art displays.

West Reading Borough Economic Development Committee

The West Reading Economic Development Committee is an informal committee formed to monitor the state of vacant commercial properties along West reading's portion of the Penn Avenue corridor. The committee works in conjunction with the Berks County Redevelopment Authority's Blighted Property Review Committee to address borough blight by choosing properties that may be eligible for blight designation and then future remediation.

Wyomissing Borough Economic Development Committee

The Borough's Economic Development Committee, created in 2008 is comprised of members of Borough Council, staff and Borough residents. The Committee organizes the annual Meet and Greet breakfasts that bring business owners together.

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.

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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 more coordination between the municipal economic development committees.

The planning area is competing with the remainder of Berks County and 66 other counties and thousands of municipalities in the state. The area will need to look beyond the provincial boundaries of their individual municipality and consider the local economy as a regional issue. The planning region's economic development committees, organizations and both school districts should consider meeting together on a routine basis to discuss issues that affect all the municipalities. These organizations should contemplate whether there is value in creating a broadened, current, and comprehensive *Penn Street Corridor Plan* that includes at minimum, all four municipalities in the planning region, and if preferred, the City of Reading. Since State Hill Road connects to Penn Avenue, this corridor could be included in the plan as well.

The regional effort will evaluate present and future needs for public investment, and areas such as redevelopment, access management, and parking on Penn Avenue and adjacent neighborhoods. Due to the collaboration across municipal lines, the individual streetscape and transportation projects that come out of that analysis will be more visible and attractive for other private and public funding opportunities and there is greater likelihood that zoning at municipal boundaries will be compatible.

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.

Consider developing and sponsoring a summer jobs program for high school students in the Wyomissing and Wilson school districts.

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The municipalities, in partnership with the school districts, non-profit organizations, and/or private-sector employers, would create and sponsor a multi-week program that would offer high school age students a paid, positive employment experience. The program would be an effort to decrease the unemployment rate of this age group, increase their income, teach the value and importance of a paycheck, help develop skills and networks to improve their labor market prospects, and offering constructive activities to promote positive behavior.

Consider an “Eds and Meds” focus on proactively planning for the expansion of health care and higher education facilities and attract the services and providers that complement the hospital and the university.

Attract additional services and providers that are not currently present or are under-represented in the region or that compliment a large regional hospital and the university. Identify strategies to enhance and expand the medical services offered in the region and plan for the expansion of existing health care services and facilities already present in the planning area. The presence of the hospital and the Penn State campus in the planning area makes area residents more likely to earn college degrees and remain in the area to work. In addition, students who come to the area from elsewhere are more likely to remain in the area to work after completing their degrees.

Given the importance of the retail sector in the community, the municipalities should make sure its ordinances address industry trends and the needs of retail businesses and retail development.

Successful retail establishments rely on environments that are adaptable, flexible, and creative enough to keep up with the latest trends, new concepts and shifting market demand. The region has a strong history in redeveloping properties for new uses. Going forward, the planning region may want to explore zoning and land development regulations that would permit non-retail uses and mixed-use development on the Berkshire Mall property and other older retail locations.

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

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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.