

EXHIBIT A

Plan and Five Year Budget for the Germantown Special Services District

The goal of the Germantown Special Services District is to create a clean, inviting, safe and well-managed district in the Central Germantown area, so the area can successfully compete as an environment in which to work, visit and shop.

To achieve this goal, the Germantown Special Services District (GSSD), a locally-directed municipal authority, has been established to supplement services already provided by the City of Philadelphia. The specific focus of the GSSD will be upon services and activities that improve the cleanliness and physical condition of the district and improve public safety. The GSSD will work cooperatively with other community partners to revitalize the Germantown & Cheltenham business district

The support of property owners, merchants and residents within the Germantown Special Services District will be needed for the District to succeed.

CLEANING AND MAINTENANCE PROGRAM

The Germantown Special Services District will supplement existing City services such as sanitation and code enforcement with a program of regular sidewalk cleaning and maintenance. Through this program the GSSD will assist property owners in fulfilling their legal obligation to keep their sidewalks free of litter and debris by providing regular ongoing litter removal from sidewalks and curbs. The Cleaning and Maintenance program will include:

(1) RECURRING SIDEWALK SWEEPING

Uniformed cleaning crews will conduct regularly scheduled, periodic litter removal from sidewalks and curbs within the district so that the intensely-used district can remain attractive and clean.

(2) PUBLIC SPACE MAINTENANCE ACTIVITIES

To maintain a high quality environment, GSSD staff will coordinate with City agencies to address issues related to the maintenance of public spaces within the district. Graffiti removal, repair of City fixtures, abandoned auto removal, illegal dump removal and code enforcement regarding building maintenance and trash disposal will be referred to City agencies for resolution. GSSD staff will build partnerships with local social service agencies where program participants with community service or work experience requirements that can be deployed to complete special projects within the district.

(3) LITTER REDUCTION ACTIVITIES

The GSSD will seek to reduce the amount of litter within the district and enlist the participation of neighborhood businesses, residents, institutions and youth in the broader cleaning effort. Activities will include:

- Outreach to merchants to announce the cleaning program, remind businesses of their continuing responsibility regarding sidewalk maintenance and trash disposal, and make merchants aware of resources to address quality-of-life issues.
- Promotion of the cleaning effort through local media.
- Participating in efforts organized by partner organizations such as anti-litter workshops, community clean-up and beautification projects, and other activities that change behavior and reduce littering.

PUBLIC SAFETY ACTIVITIES

The Germantown Special Services District will regularly coordinate with the 14th and 39th Districts of the Philadelphia Police Department to address public safety issues within the district. This coordination will include ongoing daily communication between GSSD staff, police personnel and merchants, as well as ongoing problem identification and cooperation among the GSSD District Manager and Board and the leadership of the 14th and 39th Police Districts. GSSD staff will be in regular communication with police and will promote awareness among merchants and property owners to combat crime patterns.

PUBLIC AREA IMPROVEMENTS

The GSSD will dedicate a modest portion of annual revenue towards low-cost, highly visible improvements that complement the Cleaning and Maintenance Program. Possible improvements include:

- Holiday Decorations and Lighting
- Planters and Landscaping improvements
- Improvements necessary to support the sidewalk cleaning program such as trash receptacles
- District identity signage
- Security improvements
- Public Art

MANAGEMENT OF THE GERMANTOWN SPECIAL SERVICES DISTRICT

A Board of Directors consisting of property owners, business owners and residents of the Central Germantown area governs the District. The Board will select the officers and staff of the Germantown Special Services District.

The Germantown Special Services District will have a District Manager who will report to the chairperson of the Board of Directors. The District Manager will be responsible for overseeing the programs outlined in the proposed plan, and for ongoing communication with merchants and property owners regarding GSSD services and activities. In addition, the District Manager will be responsible for the collection of assessments, the payment of bills and the maintenance of office records and other duties as determined by the Board of Directors.

SUNSET POLICY

The estimated time for completion of the proposed improvements, programs and services is September 30, 2018. To continue operations beyond this date, the GSSD will be required to prepare and submit a new plan for business improvements and administrative services, together with estimated costs and the proposed method of assessments for business improvements and charges for administrative services, to the City Council, in accordance with the provisions of the Municipal Authorities Act.

ANTI-DISCRIMINATION POLICY

It is the policy of the Germantown Special Services District to provide all persons equality of opportunity in employment and in contracting of services. In the implementation of this policy the Germantown Special Services District will develop a plan to ensure equality of opportunity in the bidding process of services and products. The Germantown Special Services District will carry out the plan.

METHOD OF ASSESSMENT

The Germantown Special Services District proposes to fund services by an assessment on non-exempt, taxable properties within the District. Individual assessments will be derived by multiplying the total estimated costs of the project less certain amounts (shown as the billing amount in the five-year budget included below) by the ratio of the assessed value of the individual property to the total assessed value of all non-exempt, assessable properties within the boundaries subject to the GSSD assessment. District assessments will be calculated annually using the most recent certified values as provided by the Philadelphia Office of Property Assessments (OPA), without any reduction for any tax abatement on account of improvements granted by the City of Philadelphia, homestead exemptions or exemptions for Keystone Opportunity Zones or similar reductions.¹

Exemption: Single-family properties exclusively used for residential purposes shall be the only class of taxable property exempt from the GSSD assessment. Neither vacancy nor non-use of a property qualifies it for an exemption. The following shall apply to conversions between non-exempt and exempt uses:

(1) Any exempt property that converts to a non-exempt use during the term of this plan shall be subject to assessment as provided herein. The assessment shall be prorated during the year in which the conversion occurs.

(2) Any non-exempt property that converts to an exempt use during the term of this plan shall be exempt from further assessment for as long as its use remains exempt. Such exemption shall commence with the year immediately following the year of conversion to exempt use.

Furthermore, properties used for charitable purposes that are exempt from the payment of Real Estate taxes will not be assessed, but the GSSD will encourage tax-exempt property owners that receive and

¹ In Year One of the plan, this formula would result in a GSSD assessment of approximately 12% of 2013 Real Estate taxes for properties not subject to any Real Estate Tax abatement.

benefit from GSSD services to provide in-kind or financial contributions to the GSSD. However, where a property is used for both charitable and taxable purposes, the property shall be subject to assessment in the same proportion that it is taxable.

PROPOSED METHOD OF BILLING AND COLLECTION

The GSSD will calculate individual property assessments for GSSD purposes and shall bill and directly collect all GSSD charges from taxable property. The GSSD may impose interest and penalties for unpaid assessments, and file liens as provided for within the Municipal Authorities Act.

GERMANTOWN SPECIAL SERVICES DISTRICT
5 YEAR PLAN AND BUDGET

	Year 1	Year 2	Year 3	Year 4	Year 5
1 Billing Amount	\$178,176	\$178,176	\$178,176	\$178,176	\$178,176
Income					
2 Property Assessments Current Year	\$133,630	\$142,540	\$142,540	\$142,540	\$142,540
3 Property Assessments Prior Year	\$0	\$22,270	\$28,950	\$25,060	\$24,080
4 Contributions from Exempt Properties	\$28,000	\$2,400	\$12,400	\$12,400	\$16,400
5 Interest Earned on Accounts	\$0	\$75	\$75	\$100	\$100
Total Income	\$161,630	\$167,285	\$183,965	\$180,100	\$183,120
Expense					
6 Cleaning & Maintenance	\$81,939	\$78,913	\$75,421	\$76,917	\$77,613
7 Public Area Improvements	\$5,350	\$7,750	\$25,960	\$23,360	\$24,622
8 District Communications and Marketing	\$4,250	\$2,963	\$2,696	\$2,696	\$3,468
District Manager	\$50,000	\$50,000	\$50,000	\$51,000	\$51,000
9 Office, Utilities & Consumables	\$6,055	\$6,160	\$7,000	\$7,000	\$8,008
10 Insurance	\$7,510	\$7,550	\$7,856	\$8,045	\$8,459
11 Professional Fees	\$5,250	\$5,560	\$6,460	\$5,872	\$6,296
12 Miscellaneous	<u>\$1,277</u>	<u>\$8,390</u>	<u>\$8,572</u>	<u>\$5,210</u>	<u>\$3,654</u>
Total Expense	\$161,630	\$167,285	\$183,965	\$180,100	\$183,120
Excess/(Deficit) of Income Over Expense	\$0	\$0	\$0	\$0	\$0

Notes to Plan and Budget

Notes to Income

The fiscal year for the GSSD will be October 1 - September 30, with the 1st year beginning October 1, 2013 and ending September 30, 2014. Services are expected to commence October 2013

- 1 Billing Amount** -Reflects the aggregate assessments imposed each year.
- 2 Property Assessments Current Year** - Assumes first year collections equal to 75% of the Billing Amount, thereafter a 5% increment increase is assumed leveling out at 80% Actual Collections will be based on actual billings and collection ratios in any given plan year.
- 3 Property Assessments Prior Year** - For year 1, the plan assumes a collection ratio equal to 50% of the outstanding assessments due. Thereafter the collection ratio is assumed at a rate equal to 50% of any outstanding assessments from prior year billings. Actual Collections will be based on actual billings and collection ratios in any given plan year.
- 4 Contributions from Exempt Properties** - Assumes a program of reaching out to exempt property owners for contributions to support the activities and mission of the GSSD.
- 5 Interest Earned on Accounts** - Estimate. Actual will be based on account structure and invested funds.

Notes to Expenses

- 6 Cleaning & Maintenance** - Allocation for 3 cleaning personnel -one full-time and two part-time individuals, as well as costs for cleaning and maintenance equipment and supplies.
- 7 Public Area Improvements** - Allocation for physical improvements to the GSSD area to enhance the physical environment such as trash receptacles; security improvements; district identity signage; holiday decorations & lighting; planters & landscaping improvements; public art.
- 8 District Communications & Marketing** - Allocation for neighborhood marketing activities and programs in support of organizational mission.
- 9 Office, Utilities & Consumables** - Includes allocation for office functions, postage, supplies, equipment rentals, computers, etc.
- 10 Insurance** - Allocation for insurance, including liability and Directors and Officers insurance coverages.
- 11 Professional Fees** - Allocation for required audits and annual reports, as well as fees associated with collections.
- 12 Miscellaneous** - Allocation for unforeseen expenses, a contingency.

BOUNDARIES OF THE GERMANTOWN SPECIAL SERVICES DISTRICT

Below is the curbline which will be covered by the GSSD. Properties directly adjacent to the curbline will be included in the GSSD.

Both sides of Germantown Avenue from the north side of Coulter to the south side of Harvey and High Streets. Both sides of Market Square from the south side of Church Street to the north side of Schoolhouse Lane. Both sides of Cheltenham Avenue from the west side of Baynton Street to the east side of Morris Street. Both sides of Pulaski from the south side of Cheltenham Avenue to the south side of Rittenhouse Street. Both sides of Wayne Avenue from the north side of Schoolhouse Lane to the south side of Rittenhouse Street. Both sides of Greene Street from the north side of Schoolhouse Lane to the south side of Rittenhouse Street. Both sides of Maplewood Mall from the west side of Germantown Avenue to the east side of Greene Street. The northern side of Maplewood Avenue from the west side of Greene Street to the east side of Wayne Avenue.

These boundaries encompass the following areas not previously included within the GSSD Boundary: Germantown Avenue between Coulter Street and Schoolhouse Lane; Market Square; Greene Street between Schoolhouse Lane and Maplewood Mall; Wayne Avenue between Schoolhouse Lane and Maplewood Avenue.

