

# **Souderton Business Improvement District**

## **FINAL PLAN FOR RE-AUTHORIZATION**

Prepared pursuant to the Authority of the Pennsylvania Neighborhood Improvement District  
(NID) Act of 2000, P.L. 949, No. 130

## Introduction

The Souderton Business Improvement District (BID) was originally authorized in 2016 and is currently seeking re-authorization for 2026. A BID is a specific geographic area consisting of a group of property and business owners that cooperate financially to provide mutually-beneficial services throughout the defined area. Recognizing that municipal revenues are often insufficient to provide various desired services, the General Assembly of the Commonwealth of Pennsylvania created the Neighborhood Improvement District Act of 2000 (P.L. 949, No. 130, Known and Cited as the Neighborhood Improvement District Act), authorizing municipalities to create BIDs. The intent is for BIDs to “initiate and administer programs to promote and enhance more attractive and safer commercial, industrial, and mixed-use neighborhoods; economic growth; increased employment opportunities; and improved business climates.”

This business plan for reauthorization of the Souderton BID has been created by the Souderton BID’s Advisory Council based on experience gathered over the last 8 years of operating as a BID. The plan outlines all required elements of the Neighborhood Improvement District Act for establishing a BID, including district boundaries, eligible properties, proposed services, revenue sources, and organizational structure.

## Vision

Continuation of the Souderton BID will allow property owners to commit resources to collectively market and promote the area and its businesses in a coordinated manner. The district-wide services funded through the BID will assist Souderton in becoming a vibrant and diverse hub of shopping, dining, and entertainment experiences and aid in attracting additional customers and investors to the area which will leverage additional revenue entering the community.

In an effort to maximize our ability to achieve the goal of a vibrant, diverse hub where people want to live, work and play, Souderton Connects will continue to enforce their mission by helping to brand, market and beautify Souderton and promote the common interests of its businesses. We will do this through strategic attention to business and retail development, facilitation of cultural institution anchors, streetscape beautification, community special events, and other initiatives that improve the economic vitality of Souderton.

## Business Improvement District History and Overview

According to the International Downtown Association, there are more than 1,500 BIDs operating in the United States. BIDS are located in communities of all sizes, with over 200 located in municipalities with populations under 25,000. Over the past two decades, BIDS, like the one that

exists in Souderton, has been the most effective tool for business district revitalization and management.

The first BID was created in Toronto in 1970, but the vast majority of BIDs in the U.S. and elsewhere were launched after 1990. Pennsylvania has been a national leader, with the renowned Center City District in Philadelphia serving as a model for many BIDs around the world. While most BIDs are located in urban downtown districts, an increasing number have been formed over the past decade in community business districts like Souderton. In Philadelphia, more than a dozen community districts have created these special assessment districts, including Manayunk, Mt. Airy, Old City, South Street, and University City. BIDs also successfully operate in suburban commercial centers (Ardmore, Media and West Chester) and much smaller exurban locations, such as Oxford, PA (population 5,000). BIDs have a remarkable record of success. In most districts, property owners have experienced increases in property values and have been able to more easily lease properties to tenants willing to pay higher rents, resulting in increased occupancy rates. Business owners experience increased sales and increased profits as well as decreases in crimes such as vandalism, petty theft, and graffiti. Government officials have experienced increased tax revenues and lower law enforcement costs.

Originally, BIDs in Pennsylvania were established under the Municipal Authorities Act of 1945 (P.L. 382, No. 164). The Neighborhood Improvement District Act of 2000 (P.L. 949, No. 130, Known and Cited as the Neighborhood Improvement District Act) was established by the General Assembly of the Commonwealth of Pennsylvania, and any BIDs established after 2000 are subject to the Neighborhood Improvement District Act.

Since the Souderton BID's initial authorization, some of the projects it has spearheaded are:

- Third Friday events each May-October
- The Storefront Facade Grant Program
- Business Bites networking events for BID members
- Ribbon Cuttings and Milestone Anniversary celebrations
- Cafe lighting on Main Street
- Artistically-designed Map Vending machines
- Advertising space for BID members on community digital sign
- Beautification of the streetscape
- Holiday Tree Lighting (sponsored by Univest)
- Holiday Parade

## **Service Area and Eligible Properties**

Property data for Souderton Borough has been provided by Montgomery County. Eligible properties include those that are designated Class C or Class I that are zoned C1, C2, LI, GA, MUR, R1, R2,

or R3. Properties designated Class R (Residential) and zoned C1 or C2 are also included because commercial use is possible, especially in the core commercial business district.

Notations were made based on the Montgomery County codes for land use/ use type for each property.

Properties deemed tax-exempt in the Montgomery County Assessor's Office will be exempt from the BID assessment and services although are encouraged to provide in-kind services or a financial contribution to the BID in lieu of a property assessment fee.

A list of each property to be contained within the Souderton BID boundaries, pursuant to the Authority of the Pennsylvania Neighborhood Improvement District (NID) Act of 2000, P.L. 949, No. 130, is included as **Appendix 2**.

The BID may, at its discretion, offer associate memberships to businesses and individuals as well as not-for-profit memberships to those who are interested in supporting the Souderton business community through the BID and its activities.

## Services

Services that the Souderton BID will provide to eligible businesses will be determined by the BID Advisory Council as specified in the "Organizational Structure/Governance" section below, and include:

- Economic development
- Market and Advertise businesses
- Public art and Beautification
- Facilitate networking among merchants
- Collaborate with the Borough to create an even more business-friendly environment

The services envisioned for the BID are all supplemental beyond what the Borough of Souderton is currently able to provide due to budgetary constraints. These services are designed to augment, not replace, those services and are meant to benefit each property owner within the district while improving the community as a whole.

## Revenue

Revenue for the Souderton BID will be collected through an annual assessment levied on all eligible properties located within the district as defined above. The annual BID fee will be calculated for all eligible properties based on an assessment of 4.5% of property taxes paid by the owner of each parcel in the BID area. The intent is for this assessment to total at least \$80,000 in revenue annually for BID improvements (see Budget below).

The BID is established as a 501C organization and is responsible for the collection of all fees as well as sending non-paid assessments to a collections company when necessary.

## **Organizational Structure/Governance**

Pursuant to the Neighborhood Improvement District Act, the Souderton BID must establish a Neighborhood Improvement District Management Association (NIDMA) to govern and administer the BID. The NIDMA for the Souderton BID was Souderton Telford Main Streets for 2016-2020 and operated under its bylaws and Board of Directors. Beginning in 2021, the BID has acted as its own NIDMA. A five to twelve- member BID Advisory Committee of the Board was formed consisting of individuals representing the community's character, including, but not limited to age, gender, and cultural diversity. The Advisory Council provides guidance and direction to the NIDMA regarding all BID services, finances, and operations.

## **Municipal Services**

The Neighborhood Improvement District Act requires that the Borough of Souderton maintain a level of service equal to that which existed at the time of the Souderton BID's re-authorization. The Borough will provide the BID with a schedule of normally provided services, such as street sweeping, snow removal, police patrol, code inspection, and other municipal services of an essential or substantive nature. This schedule will serve as a baseline for services at the time the BID commences re-authorized operations. The Borough agrees it will not reduce or eliminate any services listed on the schedule. It is understood that from time to time services could be interrupted temporarily because of equipment failure, acts of nature, or other unusual circumstances. In such cases, the Borough will resume services at the same level as soon as practicable. The BID will also encourage the Borough to increase certain services to support and enhance the BID's efforts.

## **Duration**

The next term of the Souderton BID will begin upon approval by the Borough of Souderton. Pursuant to the Neighborhood Improvement District Act, at least 40% of the property owners within the BID proposed in the final plan shall be required to file objections with the Borough Secretary within 45 days of presentation of the final plan.

The BID's term will be five years, which is the minimum term required by the Neighborhood Improvement District Act.

The programs described in this plan will continue once the Souderton BID is re-authorized.

## Communications and Oversight

The Souderton BID shall annually submit an audit of all income and expenditures to the Pennsylvania Department of Community and Economic Development (DCED) and Souderton Borough within 120 days after the end of each fiscal year. The Borough will provide all necessary supporting documentation to the Souderton BID required for completing the audit. In addition, each year the BID will submit an annual report, including financial and programmatic information and a summary of audit findings, to DCED, Souderton Borough, and all assessed property owners located within the BID boundaries. All property owners will be contacted at their registered tax bill mailing address unless they have informed the BID of a preferred address, email address, or phone number.

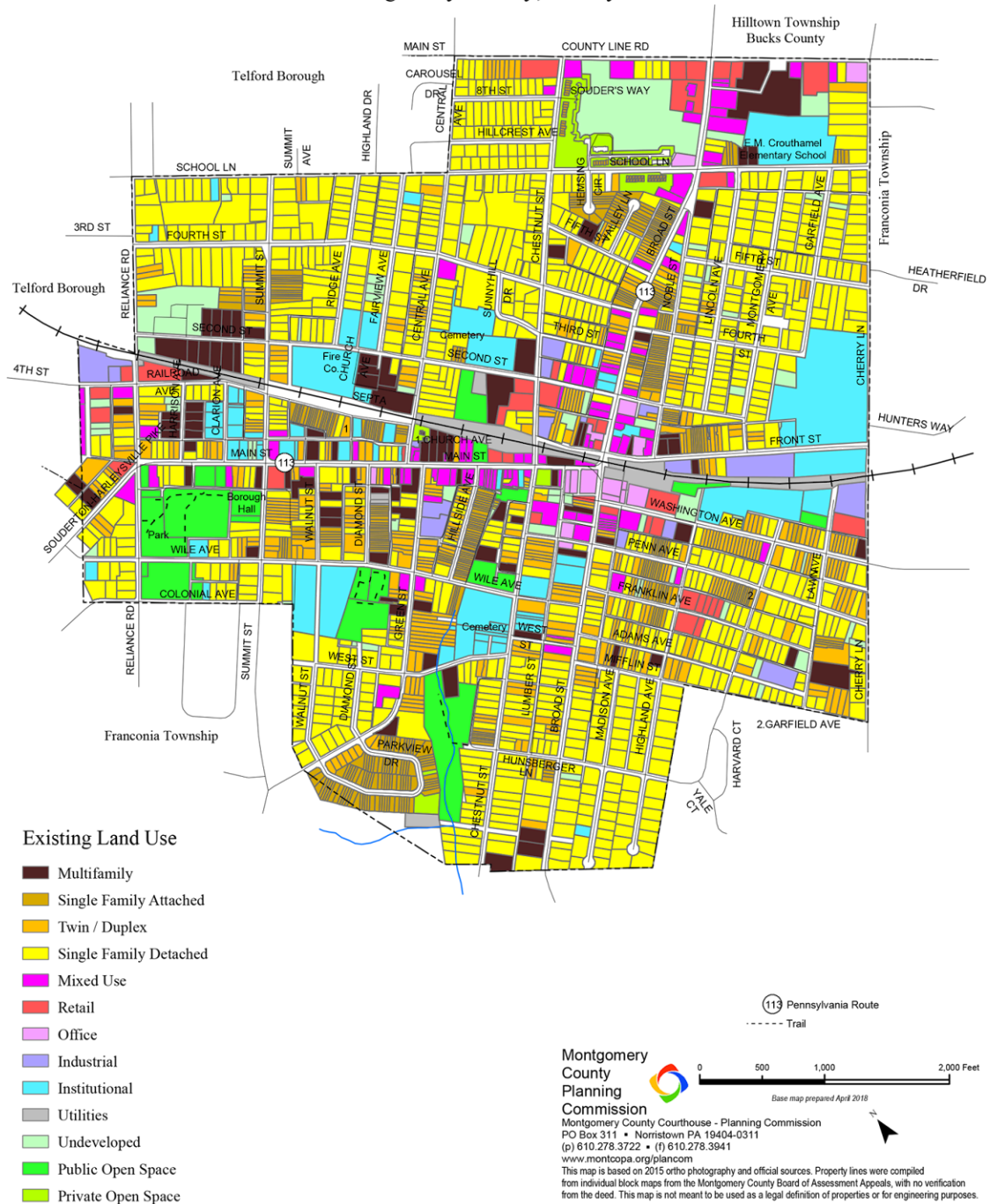
## Budget

Following is the 2025 Souderton Business Improvement District operating budget:

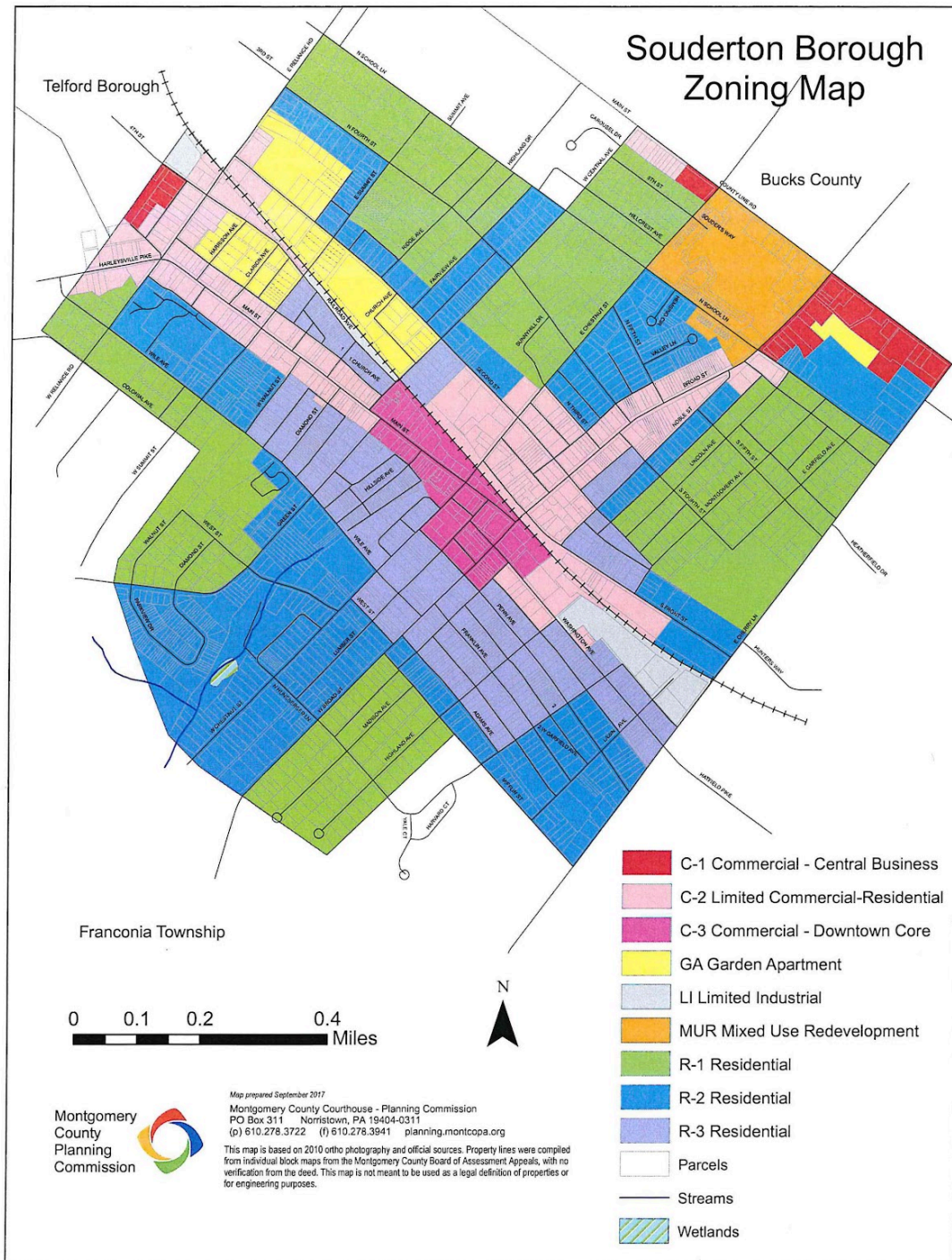
Category	Amount
Economic Development	\$7,525
Payroll	\$54,000
Marketing and Advertising	\$15,000
Streetscape & Beautification	\$5,000
Administrative & Professional Services	\$26,825
<b>Total Expenses</b>	<b>\$108,350</b>

## Souderton BID Boundaries (Land Use Map)

Souderton Borough  
Montgomery County, Pennsylvania



# Souderton BID Boundaries (Zoning Map)



# Appendix 2

## Eligible Properties Contained within Souderton BID Boundary

Property data for Souderton Borough has been provided by Montgomery County. Eligible properties include those that are designated Class C or Class I that are zoned C1, C2, LI, GA, MUR, R1, R2, or R3. Properties designated Class R (Residential) and zoned C1 or C2 are also included because commercial use is possible, especially in the core commercial business district.

### Class

Class C: Commercial- properties devoted to trade, services, and recreational use

Class I: Industrial- properties devoted to manufacturing

### Zoning

C1: Commercial- Central Business

C2: Limited Commercial- Residential

GA: Garden Apartment

LI: Limited Industrial

MUR: Mixed-Use

R1: Single-Unit Residential

R2: Residential- Rental

R3: Residential- Rental

CLASS	ZONING	CURRENT BID	CURRENT BID \$
C	C1	71	\$44,430.66
C	C2	24	\$11,997.53
C	GA	0	
C	LI	6	\$2,850.35
C	MUR	0	
C	R1	1	\$712.37
C	R2	3	\$1,628.43
C	R3	15	\$6,634.92
I	C1	5	\$1,406.37
I	LI	4	\$1,897.22
I	R2	1	\$1,764.33
I	R3	1	\$694.09
R	C1	2	\$331.48
R	C2	2	\$554.56
MISC		9	\$6,420.12
VAC		1	\$28.43
		<b>TOTAL</b>	<b>\$81,350.86</b>