

**Northern Liberties  
Business Improvement  
District**

**ANNUAL REPORT FY2019**



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## A letter from the Executive Director

Our second year, which concluded June 30<sup>th</sup> 2020, included the brunt of the COVID-19 shut down. Some of our spring activities, such as tree plantings and a robust events calendar, were delayed into FY2020 as we focused all of our capacity on supporting businesses during such a turbulent time. This support included dozens of time-critical dispatches sharing information on grant and loan programs, changes to regulations, and helpful webinars and meetings. We also hosted roundtables with our businesses to hear what they needed most from us.

Prior to the shut-down, we were well on track to finally show our colors throughout the district with the purchase of new bike racks and multi-colored banners. We also concluded vital planning steps to prepare for a district-wide re-envisioning. Although the fruits of our labors are not yet visible, we look forward to a burst of activity in 2020.

Here's what you will find inside this annual report:

### PROGRAMMATIC SUMMARY

A re-cap of the work we conducted in FY2019

### FINANCIAL STATEMENTS

A summary of our auditor's findings.

### NOTES TO FINANCIAL STATEMENTS

Here we capture some detail that will help you to understand the financial statements.

### LOOKING AHEAD

A brief summation of our 2020 priorities.

Sincerely,

Kristine Kennedy  
Executive Director  
September 30, 2020

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## Programmatic Summary

This is a recap of how the NLBID met its mission in fiscal year 2019:

### ADMINISTRATIVE, STAFFING, AND VACANCY REDUCTION

- Secured a \$72k in grants from the Penn Treaty Special Services District, the Philadelphia Cultural Fund, and the 2<sup>nd</sup> Street Festival.
- Completed a retail market analysis that now provides a guide for our retail recruiter
- Hired a retail recruiter to fill vacancies with the right mix of businesses for our residents and visitors. Within the first few months she succeeded in placing a spa
- Assisted several property and business owners in applying for the City's Storefront Improvement Grant program and began granting under our internal Sidewalk and Beautification programs
- Hosted holiday pop up market in long-vacant storefront which was leased shortly after
- Hosted bagel pop up which launched a new business
- Joined the Philadelphia BID Alliance; ED serves on outdoor dining subcommittee
- Hosted two cohorts of college merchandizing classes to improve storefront designs
- Welcomed six new businesses

### MARKETING AND EVENTS

- Hired a PR firm to raise the profile of Northern Liberties
- Hosted business support programs on insurance and business loans
- Planned a full-years slate of events (though they were paused because of COVID-19)
- Designed district brochure which will be printed when it feels appropriate

### CAPITAL IMPROVEMENTS AND CLEANING

- Removed 75k pounds of litter from the sidewalks
- Planted four new mature trees and repaired two additional tree pits
- Added poster removal to our cleaning program
- Conducted street sweeping pilot program
- Completed a district signage plan which sets us up for signage design and grant writing to pay for implementation.
- 55 reports to 311

### PLANNING

- Along with the PPA parking study, mapped our parking regulations in preparation for an overhaul of regulations in commercial areas.
- Worked with business owners to negotiate best possible detour for 2<sup>nd</sup> Street closure during the PWD sewer expansion project on Germantown

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- Walked the district with PECO and Council President Clarke's office to show the need for better lighting in Northern Liberties
- Met with City officials about sidewalk repair and lighting and formed an understanding of how to move forward with both

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## Financial Statements

### STATEMENT OF FINANCIAL POSITION

	<b>ASSETS</b>
<b>Current assets</b>	
Cash	\$148,254
Accounts receivable	\$68,514
Net allowance for doubtful accounts \$77,963	
Prepaid expenses	\$5,517
Total current assets	\$222,285
<b>Fixed assets</b>	
Fixed assets net of accumulated depreciation of \$19,292	\$34,133
<b>Total assets</b>	<b>\$256,418</b>
	<b>LIABILITIES AND NET ASSETS</b>
<b>Current liabilities</b>	
Accounts payable and accrued expenses	\$21,986
Grants payable to PTSSD	\$13,060
Total current liabilities	\$35,046
<b>Net assets</b>	
Net assets, without donor restrictions	\$221,372
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$256,418</b>

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## STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

### SUPPORT AND REVENUE

Assessments	\$421,392
Finance charges	\$7,919
Grants	\$57,422
Contributions	\$585
Fee income	\$1,189
Event income	\$483
Other income	\$3,218
Interest income	\$180
Total support and revenue	\$493,960

### EXPENSES

Program	\$365,600
Support	
• General and administrative	\$46,627
• Fundraising	\$0
Total support and revenue	\$412,227
Increase in net assets	\$81,733
Net assets at beginning of year	\$139,639
Net assets at end of year	\$221,372

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## STATEMENT OF CASH FLOWS

### CASH FLOWS FROM OPERATING ACTIVITIES

<b>Increase in net assets</b>	\$81,733
Adjustments to reconcile increase in net assets to net cash provided by operating activities	
<b>Depreciation</b>	\$17,808
<b>Bad debt expense</b>	<b>\$26,963</b>
(Increase) decrease in operating assets	
• Accounts receivable	(\$77,867)
• Prepaid expenses	(\$4,018)
(Increase) decrease in operating liabilities	
• Accounts payable and accrued expenses	\$5,016
• Grants payable to PTSSD	\$13,060
<b>Net cash provided by operating activities</b>	<b>\$62,695</b>
<b>Cash at beginning of year</b>	\$85,559
<b>Cash at end of year</b>	\$148,254
<b>Interest paid</b>	\$0
<b>Taxes paid</b>	\$0

### STATEMENT OF FUNCTIONAL EXPENSES

#### Expenditures

Bad debt expense	\$26,963
Cleaning, maintenance and public spaces	\$98,266



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Neighborhood improvements and parking	\$17,800
Marketing and promotion	\$57,372
Economic development	\$58,138
Payroll	\$85,297
Payroll taxes	\$7,717
Payroll fees	\$1,620
Contract labor	\$14,80
Rent and Utilities	\$22,394
Professional fees	\$6,672
Postage	\$553
Office supplies	\$6,522
Insurance	\$1,858
Board/staff development	\$1,723
Bank service	\$44
Depreciation	\$17,808
Total expenditures	\$412,227

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## Notes to Financial Statements

### ACCOUNTS

#### Accounts receivable

The accounts receivable balances are for property assessments receivable. Liens have been filed on unpaid property assessments. Management reviews the accounts receivable aging report periodically. The Organization has authority to assess interest and liens on unpaid assessments. The Organization expected approximately a 94% collection rate for the fiscal year ended June 30, 2020.

#### Lease agreement

The Organization signed a three-year lease agreement of a suite at 1030 North 2<sup>nd</sup> St on August 27, 2018. The actual lease term started in mid-September, 2018 with two months free rent for the first year. Minimum lease obligations are:

2021	\$19,003
2022	\$3,983 (two months)
TOTAL	\$22,986

#### Fixed assets

The following is a summary of the fixed assets:

Solar trash cans	\$53,425
Accumulated depreciation	(\$19,292)
TOTAL	\$34,133

### LOOKING AHEAD

Our FY19 priorities include

- Implement parking plan including regular street sweeping of main corridors
- Initiate district master vision planning process
- Increase Storefront Improvement applications
- Produce a design standards document to guide developers and remodelers
- Continue planting mature trees and renovating tree pits
- Add additional Big Belly trash cans and replace old ones
- Develop public safety plan

## Independent Auditor's Report

The full auditor's report will be available on our website for review: [www.explorenorthernliberties.org](http://www.explorenorthernliberties.org)




### OPINION FROM THE AUDITOR

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Northern Liberties Business Improvement District as of June 30, 2020, and the changes in its net assets, its cash flows and its functional expenses for the year then ended in accordance with accounting principles generally accepted in the United States of America.

-September 29, 2020

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## Contact Information

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## Company Information

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