

**Northern Liberties
Business Improvement
District**

ANNUAL REPORT FY2020



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A letter from the Executive Director

Our third year as a BID, which concluded June 30th 2021, was defined by a reconnection of the neighborhood. A lot of people moved into Northern Liberties during this second year of the pandemic. They left their houses to explore all Northern Liberties has to offer and connect with their new surroundings. We saw an uptick in foot traffic and a rebound of our restaurant scene. There was also strong interest from prospective business tenants with six storefronts signing leases or sales agreements. We see continued interest in opening a business in Northern Liberties, evidence that our public relations and marketing program is indeed raising the profile of our district.

The BID made progress physically reconnecting the neighborhood with the re-establishment of crosswalks across Laurel Street. Our crosswalk mural project, which is a small step toward making this intersection safer, was applauded by pedestrian advocates across the region.

It is a great honor to work on behalf of the property owners, residents, and the business community of Northern Liberties, and I look forward to building on our momentum in fiscal year 2022.

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

PROGRAMMATIC SUMMARY

A re-cap of the work we conducted in FY2020

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 2021 priorities.

Sincerely,

Kristine Kennedy
Executive Director
October 30, 2021

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Programmatic Summary

This is a recap of how the NLBID met its mission in fiscal year 2020 (July 1st 2020 to June 30th 2021):

ADMINISTRATIVE, STAFFING, AND VACANCY REDUCTION

- Secured \$100k in grants from the Penn Treaty Special Services District, Philadelphia Water Department, and PECO
- Brought more than a half dozen prospective business tenants in to view properties
- Hosted second holiday pop up market in long-vacant storefronts
- Welcomed four new businesses to the district
- Worked with the 6th and 26th Police Districts on public safety and anti-theft plans

MARKETING AND EVENTS

- 220+ media hits about Northern Liberties and our businesses
- Launched first Northern Liberties Restaurant Week
- Printed and distributed over 5,000 district map brochures
- Executed a full year of events such as the Bloody Mary Challenge, 2nd Saturdays, and Artists at Work

CAPITAL IMPROVEMENTS AND CLEANING

- Installed two crosswalk murals at Laurel Street
- Removed 2,885 bags of litter from the sidewalks
- Completed 716 sq ft of sidewalk repair
- Installed five historic map trash cans in front of to-go food establishments
- Installed 20 branded banners, 12 new bike racks and four new Big Belly trash cans
- Power washed 28,220 sq ft of sidewalk
- Shredded 5,000+ lbs of business' and residents' documents
- Provided ice removal at undeveloped locations
- Made 34 reports to 311

PLANNING

- Completed parking plan with 450+ survey responses and a public meeting with nearly 60 attendees (a FY2020 priority)
- Kicked off streetscape vision plan process with design charettes and outdoor public engagement
- Developed a marketing plan in the midst of COVID restriction uncertainty
- Planned solar light pilot project for 400-500 block of N 2nd and applied for grant funding

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Financial Statements

STATEMENT OF FINANCIAL POSITION

	ASSETS
Current assets	
Cash	\$200,825
Accounts receivable	\$52,880
Net allowance for doubtful accounts \$60,945	
Grants Receivable	\$24,982
Total current assets	\$278,687
Fixed assets	
Furniture	\$53,425
Less accumulated depreciation	(\$37,101)
Total fixed assets	\$16,324
Total assets	\$300,511
	LIABILITIES AND NET ASSETS
Current liabilities	
Accrued expenses	\$20,562
Security deposits	\$2,450
Loan payable – PPP	\$21,661
Total current liabilities	\$44,673
Net assets	
Net assets without donor restrictions	\$250,338
Net assets with donor restrictions	\$5,500
Total net assets	\$255,338
TOTAL LIABILITIES AND NET ASSETS	\$300,551

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STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

SUPPORT AND REVENUE

Assessments	\$450,883
Adjustments	<u>(\$19,877)</u>
	\$431,006
Finance charges	\$18,831
Grants	\$100,732
Contributions	\$7,150
Event income	\$2,268
Membership	\$1,551
Merchandise sales	\$513
Interest income	<u>\$139</u>
Total support and revenue	\$562,190

EXPENSES

Program	\$462,418
Support	
General and administrative	<u>\$65,306</u>
Total expenses	\$527,724
Changes in net assets	\$34,466
Net assets, at beginning of year	\$221,372
Net assets, at end of year	\$255,838

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STATEMENT OF CASH FLOWS

CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets	\$34,466
Depreciation	\$17,808
(Increase) decrease in operating assets	
• Accounts receivable	\$15,635
• Grants receivable	(\$24,982)
• Prepaid expenses	\$5,517
Increase (decrease) in operating liabilities	
• Accrued expenses	(\$1,424)
• Security deposits	\$2,450
• Grants payable to PTSSD	<u>(\$13,060)</u>
Net cash provided by operating activities	<u>\$36,410</u>
Cash flows from financing activities	
Proceeds from loan payable – PPP	<u>\$21,661</u>
Net cash provided by financing activities	<u>\$21,661</u>
Net increase in cash	\$58,071
Cash, beginning of year	\$148,254
Cash, end of year	<u>\$206,325</u>
Cash, unrestricted	\$200,825
Cash, restricted for community development program	<u>\$5,500</u>
Total cash	\$206,325
Interest paid	\$0
Taxes paid	\$0

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STATEMENT OF FUNCTIONAL EXPENSES

Expenditures

Cleaning, maintenance and public spaces	\$136,839
Neighborhood improvements and parking	\$52,911
Marketing and promotion	\$76,134
Economic development	\$52,469
Payroll	\$129,921
Payroll taxes	\$10,831
Payroll fees	\$1,600
Healthcare stipend	\$556
Rent and Utilities	\$21,291
Professional fees	\$6,942
Postage	\$2,313
Office supplies	\$14,580
Insurance	\$1,830
Board/staff development	\$1,048
Bank service	\$651
Depreciation	<u>\$17,808</u>
Total expenditures	\$527,724

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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 allowance for doubtful accounts was \$60,945 for the fiscal year ended June 30, 2021.

The organization adjusted \$19,877 to the budgeted revenue due to owner occupancy exemption and the property value adjustments for the fiscal year ending June 30th, 2021.

For the fiscal year ending June 30, 2021, the Organization initiated a collection process for past due tax assessments, including offering payment plans based on need and filing liens. The Organization assessed financial charges of \$18,831 for past due accounts.

Lease agreement

The Organization extended its lease for two years of a suite at 1030 North 2nd St on September 16th, 2021. Minimum lease obligations are:

2022	\$18,785
2023	\$20,112
2024	\$5,056
TOTAL	\$43,912

LOOKING AHEAD

Our FY21 priorities include:

- Implementing approved parking plan and regular street sweeping of main corridors
- Increasing Storefront Improvement and sidewalk improvement applications
- Implementing pilot programs from the Streetscape Vision Plan, such as Laurel Parklet and Spring Garden Gateway
- Implementing pilot projects for the Spring Garden Greenway such as median renewal
- Infilling vacancies along 700 and 800 block of N 2nd

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Independent Auditor's Report

The full auditor's report is available on our website for review: 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, 2021, and the changes in its net assets, its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

-October 15, 2021

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Contact Information

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Company Information

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