

**PRIVATIZED GOVERNMENT
IN A DIVERSE URBAN NEIGHBORHOOD:
MT. AIRY BUSINESS IMPROVEMENT DISTRICT**

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I. INTRODUCTION

The Philadelphia City Council formally approved the plan establishing the Mt. Airy Business Improvement District (Mt. Airy BID) on June 14, 2007.¹ The service area of the Mt. Airy BID encompasses an almost-two-mile stretch of Germantown Avenue—the historic main thoroughfare bisecting the Philadelphia neighborhood of Mt. Airy—as well as certain commercial properties on select intersecting streets. Germantown Avenue also marks the unofficial boundary between East and West Mt. Airy, the two major subdivisions of the neighborhood.

Mt. Airy is located in the northwest area of Philadelphia, wedged between the neighborhoods of Chestnut Hill and Germantown. Chestnut Hill stands as one of the city's wealthiest neighborhoods,² while Germantown—an area with rich historical and architectural assets—has seen a good deal of its prosperity tarnished by years of white-flight and urban decay.³ While much of northwest Philadelphia retains the verdant residential character it established as an early train and streetcar suburb beginning in the latter half of the nineteenth century, the area's origins can be traced back to the pre-revolutionary era. Indeed, near the southeastern edge of the Mt. Airy BID lies Cliveden, the site of the 1777 Revolutionary War Battle of Germantown.⁴ Today, the Mt. Airy neighborhood, particularly West Mt. Airy, is perhaps best known for its stable racial and eco-

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1. Res. No. 070589, Phila. City Council (Phila, Pa. June 14, 2007).

2. See generally DAVID R. CONTOSTA, *SUBURB IN THE CITY: CHESTNUT HILL, PHILADELPHIA, 1850–1990* (Ohio State Univ. Press, 1992) (detailing the development and growth of the Chestnut Hill section of Philadelphia up to 1990).

3. See PHILA. CITY PLANNING COMM'N, *BLIGHT CERTIFICATION FOR THE AREA KNOWN AS EAST GERMANTOWN 1* (June 2003), available at http://www.philaplanning.org/plans/area_plans/egtwnbr.pdf.

4. *History of Cliveden*, CLIVEDEN, <http://cliveden1767.wordpress.com/about> (last visited Nov. 8, 2010).

conomic diversity. Indeed, West Mt. Airy has achieved national renown for its history and maintenance of stable racial integration beginning in the 1950s.⁵ This Case Study begins with a discussion of the unique context surrounding the relatively new Mt. Airy BID, followed by an exploration of its history and origins, an examination of its current state of affairs, and to sum up, an evaluation, thus far, of its short life.

II. CONTEXT: A UNIQUE URBAN NEIGHBORHOOD

The Mt. Airy neighborhood itself is made up of a mix of grand single-family homes, spacious twins, multi-storied apartment houses, and compact utilitarian brick row houses that would not be out of place in the more densely populated neighborhoods in Philadelphia's urban core. Relatively high-density housing tends to dominate the blocks immediately surrounding the Mt. Airy BID area along Germantown Avenue, while more dispersed homes on larger tracts of land become increasingly common as one moves farther away from the main business corridor. Germantown Avenue, the location of the Mt. Airy BID, is the cobblestone-lined commercial spine of Mt. Airy. Tracks and overhead cables, for what was once the longest stretching trolley route in the city, grace the entire span.⁶ While two regional train lines and a smattering of dispersed businesses co-exist with the predominantly residential areas to the east and west of Germantown Avenue, the highest concentration of commercial activity is found along Germantown Avenue.

At eight-and-a-half miles long, Germantown Avenue constitutes one of Philadelphia's most historically, socially, and culturally significant thoroughfares. It has been the subject of media articles, photo essays, documentary films, and scholarly ethnographic studies.⁷ In its path lie all extremes of urban existence: the highly impoverished, the distinctly well-off, the racially homogenous, the ethnically

5. Barbara Ferman et al., *West Mount Airy, Philadelphia*, 4 CITYSCAPE: A JOURNAL OF POLICY DEVELOPMENT AND RESEARCH 29, 29-30 (1998).

6. Paul Nussbaum, *\$2.9 Million Later, Trolley Still Off the Track*, PHILA. INQUIRER, Nov. 19, 2008, at B1.

7. ELIJAH ANDERSON, *CODE OF THE STREET: DECENCY, VIOLENCE, AND THE MORAL LIFE OF THE INNER CITY* (1999) (ethnographic study); Michael T. Regan, *Germantown Avenue: The Story of America in 8.5 Miles*, PHILA. CITY PAPER, July 3-10, 2003 (photo essay); James Flatley & Etienne Jackson, *Down Germantown Avenue*, RUTGERS-CAMDEN DEP'T OF SOC., ANTHROPOLOGY & CRIM. JUST. (2005), http://sociology.camden.rutgers.edu/curriculum/code_film.htm (documentary film created in association with Professor Robert Wood).

diverse, the cacophonous and chaotic, and the genteel and pristine.⁸ In 1999, sociologist Elijah Anderson described Germantown Avenue as “a natural continuum characterized largely by a code of civility at one end (Chestnut Hill) and a code of conduct regulated by the threat of violence—the code of the street—at the other side (Germantown and North Philadelphia).”⁹ The Mt. Airy BID lies, if not precisely in the geographic center of this continuum, at what might arguably be said to be the *demographic* center. In Mt. Airy, the extremes noted by Anderson converge with an unusual and noteworthy degree of harmony.

While Mt. Airy contains indications of prosperity, such as upscale restaurants and well-maintained historic structures, it possesses a “different social milieu” than affluent Chestnut Hill.¹⁰ “[E]xterior bars” on store windows, “riot gates” on doors, “takeout stores that sell beer,” “discount stores,” and barbershops catering to a primarily black clientele are also found along Germantown Avenue in Mt. Airy.¹¹ Beginning in the 1950s, a group of urban visionaries in the neighborhood found methods of resisting the knee-jerk white flight that was plaguing urban areas throughout the county. Activist residents fought redlining by, for example, aggressively “press[ing] banks . . . to provide loans to blacks.”¹² Neighbors committed to integration resisted blockbusting—the notorious real-estate practice of encouraging white panic-selling when black residents move in.¹³ With each arrival of a new black family, neighborhood welcoming parties were held to allay white fear.¹⁴ The success of these efforts helps explain the racial integration that to this day defines, in particular, the West Mt. Airy portion of the neighborhood.¹⁵ Today, Germantown Avenue is an artery “full of people reflecting its racially mixed character and harmony.”¹⁶

8. See ANDERSON, *supra* note 7, at 15–32.

9. *Id.* at 15–16.

10. See *id.* at 19–21.

11. *Id.*

12. Vernon Clark, *Shaping W. Mt. Airy, One House at a Time: Twin Sisters' Vision Led to a National Model*, PHILA. INQUIRER, Aug. 18, 2009, at A1.

13. *Id.*

14. *Id.*

15. *Id.* (“[T]he U.S. Department of Housing and Urban Development and others have hailed [West Mt. Airy] as one of the best-integrated communities in the country.”).

16. ANDERSON, *supra* note 7, at 19.

As reported in 2000, the population in the six census tracts bordering the Mt. Airy BID totaled 18,890.¹⁷ It was 28.6% white and 66.2% black, with no other single race constituting more than 2% of the remaining population.¹⁸ In contrast, the city's population as a whole was 45.0% white, 43.2% black, 4.5% Asian and 4.8% other.¹⁹ The median household income in the Mt. Airy BID area was \$49,080,²⁰ with 11.6% of the population living below the poverty level,²¹ whereas in the entire city these numbers were \$30,746 and 22.9%, respectively.²²

The Mt. Airy BID's geographic scope—a linear stretch of approximately two miles—encompasses the vast demographic spectrum of the population living in the neighborhood. However, the residential population nearest to “downtown” Mt. Airy, that portion of Germantown Avenue with the highest density of businesses and foot traffic near Chestnut Hill,²³ has a more advantaged socioeconomic profile. The population in the four census tracts closest to the downtown portion of the Mt. Airy BID was 42% white and 53% black.²⁴ In contrast, the two census tracts furthest away were 15%

17. See *American FactFinder*, U.S. CENSUS BUREAU, <http://factfinder.census.gov/> (follow “Data Sets” hyperlink, then click “Census 2000” and follow “Quick Tables” hyperlink under “Census 2000 Summary File 1 (SF1) 100-Percent Data”; under “Select a geographic type,” select “Census Tract”; under “Select a state,” select “Pennsylvania”; under “Select a county,” select “Philadelphia County”; then select tracts 232–33, 237, 253, and 255–56, and click “Add” and “Next”; then select “DP-1. Profile of General Demographic Characteristics: 2000,” and click “Add”; then click “Show Result”).

18. See *id.*

19. *Id.* (under “Fast Access to Information,” type “Philadelphia” in “City/Town, County, or Zip”; then select “Pennsylvania” under “State” and click “Go”; then follow the “Philadelphia County, Pennsylvania” hyperlink; then click the “2000” tab).

20. See *id.* (follow “Data Sets” hyperlink; then click “Census 2000”; then follow the “Geographic Comparison Tables” hyperlink under “Census 2000 Summary File 3 (SF3) - Sample Data”; under “Select a geographic type,” select “County”; under “Select a state,” select “Pennsylvania”; under “Select a county,” select “Philadelphia County”; under “Select a table format,” select “County – Census Tract”; under “Select a Table,” select “GCT-P14: Income and Poverty in 1999: 2000”; then click “Show Result”; see data for census tracts 232–33, 237, 253, and 255–56).

21. See *id.*

22. *Id.* (follow instructions provided *supra* note 19).

23. MT. AIRY USA, MT. AIRY PLACEMAKING & STREETScape IMPROVEMENT PLAN 16, available at <http://www.artfulplaces.com/downloads/Mt%20Airy.pdf> [hereinafter MT. AIRY PLAN].

24. See *American FactFinder*, *supra* note 17 (follow “Data Sets” hyperlink, then click “Census 2000” and follow “Quick Tables” hyperlink under “Census 2000 Summary File 1 (SF1) 100-Percent Data”; under “Select a geographic type,” select “Census Tract”; under “Select a state,” select “Pennsylvania”; under “Select a county,” select “Philadelphia County”; then select tracts 232–33, and 255–56, and click “Add” and “Next”; then select “DP-1. Profile of General Demographic Characteristics: 2000,” and click “Add”; then click “Show Result”).

white and 80% black.²⁵ The median household income closest to downtown was \$54,793,²⁶ with 8.8% living in poverty,²⁷ whereas in the farthest tracts the average was \$37,656,²⁸ with 17.3% living in poverty.²⁹ The downtown portion of the district has a higher concentration of businesses, pedestrians, and affluence. As a result, this section might be a more likely candidate for attention from the BID. This might in part explain why much of the initial resistance and distrust for the BID plan came from the areas farthest from the downtown section.³⁰

The Mt. Airy BID maintains a formal collaborative relationship with the nonprofit Mt. Airy USA Community Development Corporation (CDC). Indeed, the Mt. Airy BID and Mt. Airy USA share some board members, and the executive director maintains a position as the Director of Commercial Corridor Revitalization at the CDC.³¹ Mt. Airy USA provides all administrative functions for the Mt. Airy BID, and a subsidiary of Mt. Airy USA, the Mt. Airy Special Services District, provides its daily cleaning services.³² As a predecessor of the Mt. Airy BID, the CDC has for some time independently sponsored a number of projects intended to benefit the corridor—activities that might typically be managed by a business improvement district. These tasks include sidewalk, landscaping, signage, street furniture, and façade improvements; marketing on websites, print, radio, and TV; and holiday events.³³ Most recently, the CDC completed a number of storefront façade improvements along Germantown Avenue, providing a significant aesthetic boost to the Mt. Airy BID's commercial corridor.³⁴

25. See *id.* (follow “Data Sets” hyperlink, then click “Census 2000” and follow “Quick Tables” hyperlink under “Census 2000 Summary File 1 (SF1) 100-Percent Data”; under “Select a geographic type,” select “Census Tract”; under “Select a state,” select “Pennsylvania”; under “Select a county,” select “Philadelphia County”; then select tracts 237 and 253, and click “Add” and “Next”; then select “DP-1. Profile of General Demographic Characteristics: 2000,” and click “Add”; then click “Show Result”).

26. See *id.* (follow instructions provided *supra* note 20 and see data for census tracts 232–33, and 25–256).

27. See *id.*

28. See *id.* (follow instructions provided *supra* note 20 and see data for census tracts 237 and 253).

29. See *id.*

30. Elizabeth Moselle, Exec. Dir., Mt. Airy BID, Response to *Philadelphia BID Director Survey*, Ctr. for Pub. Pol’y, Drexel Univ. (Dec. 17, 2009) [hereinafter Moselle, *Survey Response*].

31. *Id.*

32. *Id.*

33. *Id.*

34. *Id.*

III. HISTORY: REMEDYING THE INHERENT LIMITS OF A CDC

The chief sponsor of the legislation establishing the Mt. Airy BID (Bill No. 070005) was Councilwoman Donna Reed Miller, who represents Philadelphia's Eighth Councilmanic District,³⁵ which encompasses much of Germantown Avenue.³⁶ The Avenue Project, a comprehensive revitalization program for Germantown Avenue created in 1999 by Mt. Airy USA, spearheaded the Mt. Airy BID.³⁷ In 2003, The Avenue Project established "The Avenue Ambassadors," a maintenance program for Germantown Avenue intended to keep the streets clean and free of litter.³⁸ Employing a "team of trained service workers," the Ambassadors also provided a security presence along Germantown Avenue.³⁹ A combination of governmental funds and voluntary contributions by property owners funded the program.⁴⁰ The Ambassadors program was reportedly successful and had "a major impact on the cleanliness in the business district"⁴¹ However, financial support from the Philadelphia Commerce Department and voluntary contributions declined shortly after the program's inception.⁴² These reduced levels of funding ultimately resulted in the Ambassadors' demise less than two years after its creation. The increased trash and debris on Germantown Avenue following the termination of the Ambassadors program was palpable, leading Avenue stakeholders to both appreciate the critical role the Ambassadors had played and realize the importance of finding an alternative solution to the cleanliness issue.⁴³ As business owner, developer, and current Chair of the Mt. Airy BID, Ken Weinstein

35. See City of Phila., *Councilwoman Donna Miller-8th District*, CITY COUNCIL (2009), <http://www.phila.gov/citycouncil/DonnaMiller.html>.

36. See COMM. OF SEVENTY, PHILA. CITY COUNCIL DIST. 8, available at http://www.seventy.org/Downloads/Political_Maps/City_Council_Map/City_Council_District_8.pdf.

37. *History*, MT. AIRY, USA, http://www.mtairyusa.org/mt_history.htm (last visited Nov. 8, 2010); *The Avenue Project*, MT. AIRY, USA, <http://www.mtairyusa.org/business.htm> (last visited Nov. 8, 2010).

38. *The Avenue Ambassadors*, MT. AIRY, USA, <http://www.mtairyusa.org/avambass.htm> (last visited Nov. 8, 2010); *Hearing on Bill No. 060957, Bill No. 070005, Bill No. 070006, Bill No. 070008, Bill No. 070009, Bill No. 070010, Bill No. 070011, Bill No. 070012, and Bill No. 070013 Before the Comm. on Rules 12* (Phila., Pa., Mar. 14, 2007) [hereinafter *Phila. Comm. Mar. Hearing*] (statement of Ken Weinstein, Co-chair, Mt. Airy BID Steering Comm.), available at <http://legislation.phila.gov/transcripts/Public%20Hearings/rules/2007/ru031407.pdf>.

39. *The Avenue Ambassadors*, *supra* note 38.

40. *Phila. Comm. Mar. Hearing*, *supra* note 38, at 12 (statement of Ken Weinstein, Co-chair, Mt. Airy BID Steering Comm.).

41. *Id.*

42. *Id.*

43. Telephone Interview with Elizabeth Moselle, Exec. Dir., Mt. Airy BID (Feb. 23, 2010).

observed, “a new mandatory participation program with dedicated funding such as a BID” would be necessary.⁴⁴

The desire to establish a dependable and effective mechanism for maintaining the aesthetic integrity of Germantown Avenue was not limited to those who profited financially from the corridor’s success. David W. Young, the executive director of the not-for-profit historic site Cliveden, acted as co-chair of the Mt. Airy BID’s steering committee.⁴⁵ Young was heavily involved in the lead-up to the establishment of the Mt. Airy BID, particularly in an intensive “communications process” which included “a variety of means to convey, collect, and coordinate the information about creating” the new Mt. Airy BID.⁴⁶ According to Young, this included “nine full steering committee meetings which were attended by between 25 and 30 people each, three open community meetings where between 45 and 65 people attended,” and numerous “e-mails, newspaper reports, mailings, and other announcements.”⁴⁷

As the director of a tax-exempt nonprofit, Young committed his organization to a contribution equivalent to what it would be required to pay if it was taxed⁴⁸ – a sizable donation considering that the historical property occupies an entire block along Germantown Avenue. Young explained, “Cliveden will do this because my organization believes that an area of the city such as this with beauty, history, and potential on an avenue known . . . for its contributions to American history deserves nothing less.”⁴⁹

Weinstein and others raised initial funding of \$45,000 to hire BID consultant Larry Houstoun and pay additional start-up expenses.⁵⁰ Funding was received with the help of elected officials including Councilwoman Miller, State Senator LeAnna Washington, and State Representatives Cherelle Parker, John Myers, and Rosita Youngblood.⁵¹ As the representative of the district encompassing the proposed BID’s geographic area, Councilwoman Miller, through the Commerce Department, provided the largest portion of these initial

44. *Phila. Comm. Mar. Hearing, supra* note 38, at 12 (statement of Ken Weinstein, Co-chair, Mt. Airy BID Steering Comm.).

45. *Id.* at 21 (statement of David Young, Executive Director, Cliveden).

46. *Id.*

47. *Id.* at 21–22.

48. *Id.* at 23.

49. *Id.* at 23.

50. *Id.* at 13 (statement of Ken Weinstein, Co-chair, Mt. Airy BID Steering Comm.).

51. *Id.*

funds at \$25,000.⁵² The state senator and representatives listed above each contributed an additional \$5,000 through the Pennsylvania Department of Community and Economic Development.⁵³

The formation of the Mt. Airy BID, however, was not completely free of opposition. According to Executive Director Elizabeth Moselle, garnering support from the entire community was initially a challenge, particularly from one block “that began as detractors.”⁵⁴ This segment of the Mt. Airy BID, the 6300 block of Germantown Avenue, is closest in proximity to the less prosperous neighborhood of Germantown. In fact, many on this block “self-identify” as being part of Germantown rather than Mt. Airy.⁵⁵ At an April 2007 hearing, Councilwoman Miller acknowledged that constituents expressing reservations about the BID proposal had contacted her.⁵⁶ Opponents of the Mt. Airy BID plan voiced their concerns at two city council hearings as well.⁵⁷

Brenda Foster, the owner of a travel agency located on the southernmost end of the Mt. Airy BID corridor on the border of the Germantown neighborhood, personally registered her opposition twice.⁵⁸ Foster’s testimony reflected a general distrust of organizations that she perceived to be similar to BIDs. Foster explained, “I am not in favor of the BID process. I [have] been on several of these kinds of things. It sounds good on paper, but when it comes down to actuality, the money is usually used a lot up in fees for administration and never filters down to where it needs to go.”⁵⁹ In a hearing the following month, Foster also took issue with the claim that the Mt. Airy BID planners had adequately communicated with the community. When asked whether she had attended community meetings discussing the potential BID, Foster replied that she was

52. *Id.*

53. *Id.*

54. Telephone Interview with Elizabeth Moselle, Exec. Dir., Mt. Airy BID (Feb. 23, 2010).

55. *Id.*

56. Hearing on Bill No. 070005 and Bill No. 070168 Before the Comm. on Rules 8 (Phila., Pa., Apr. 25, 2007) [hereinafter *Phila. Comm. Apr. Hearing*] (statement of Councilwoman Miller), available at <http://legislation.phila.gov/transcripts/Public%20Hearings/rules/2007/ru042507.pdf>.

57. *Phila. Comm. Mar. Hearing, supra* note 38, at 28 (statement of Brenda Foster, business owner); *Phila. Comm. Apr. Hearing, supra* note 56, at 13–15 (statement of Julian Wells, business representative).

58. *Phila. Comm. Mar. Hearing, supra* note 38, at 28 (statement of Brenda Foster, business owner); *Phila. Comm. Apr. Hearing, supra* note 56, at 8–9 (statement of Brenda Foster, business owner).

59. *Phila. Comm. Mar. Hearing, supra* note 38, at 28 (statement of Brenda Foster, business owner).

“never notified of any meetings.”⁶⁰ Furthermore, she explained that “[f]or some strange reason, I have called Mt. Airy’s office many times and left my name and the name of the travel agency, but no one ever seems to get back to me at all.”⁶¹

Julian Wells of Century 21 Wells Real Estate also provided critical testimony at the April 2007 hearing. Mr. Wells’s business had been located in the proposed Mt. Airy BID area for more than two decades.⁶² His concerns focused on a perceived lack of communication regarding the Mt. Airy BID planning process, as well as a belief that affected residents were not fully apprised of relevant facts. Wells explained that his business is “a block away from Mt. Airy USA and I haven’t heard one thing about the business district or any other proposals, and I think there should be more time to contact homeowners that are going to be affected by this.”⁶³ Wells cited with dismay the lack of communication regarding the “sporadic cleanings” and abrupt dissolution of the Ambassadors Project, a program Wells Real Estate supported financially.⁶⁴ “I’d hate to see another situation like that,” he explained, “where we’re just fueling somebody’s idea that they think is good for Mt. Airy but truly may not be in the best interest of the business district in Mt. Airy.”⁶⁵

Perhaps most illuminating, however, was Mr. Wells’s fundamental misunderstanding of how BIDs function. In his testimony, Wells focused on the “predominantly residential properties” lining the district, and his belief that the city would “lay claim to taxes on people’s properties that may or may not want the business district.”⁶⁶ Councilwoman Miller quickly corrected Mr. Wells’s mistaken belief that a BID’s taxing authority extends to residential homeowners, explaining that the “district only impacts businesses.”⁶⁷

Yet Wells’s confusion is not surprising considering BIDs’ unusual quasi-governmental status and the relative dearth of publicity they receive in the mainstream press. The services provided by BIDs look quite like functions formerly – and exclusively – in the hands of city

60. *Phila. Comm. Apr. Hearing, supra* note 56, at 9–10 (statement of Brenda Foster, business owner).

61. *Id.* at 10.

62. *Id.* at 13–14 (statement of Julian Wells, business representative).

63. *Id.*

64. *Id.* at 15.

65. *Id.*

66. *Id.* at 14.

67. *Id.* at 16 (statement of Councilwoman Donna Reed Miller).

government.⁶⁸ Mandatory taxing authority perhaps furthers the perception that BIDs are simply an arm of urban governance. Yet BIDs are privately run and geared to serving the interests of the businesses that fund them. BIDs essentially provide “asset management functions re-situated from single-parcel shopping malls or office buildings to large square-block areas of our nation’s cities.”⁶⁹

Remarkably, both of the Mt. Airy BID dissenters who personally appeared to voice their concerns in front of the Philadelphia City Council not only became eventual supporters, but also became board members of the Mt. Airy BID.⁷⁰ According to Mt. Airy BID Executive Director Elizabeth Moselle, Julian Wells has become one of the most active members on the board.⁷¹ She attributes these conversions to a transparent BID formation strategy intended to make “detractors our friends.”⁷² For example, when it became clear that there was significant concern over the size of the proposed Mt. Airy BID assessments, the BID steering committee presented the possibility of a “two-tiered system” to the businesses on the 6300 block of Germantown Avenue. Under this arrangement, property owners on the 6300 block would pay a 10% assessment, rather than the 18% paid by those in the remainder of the Mt. Airy BID, and would receive one day of cleaning services per week, rather than the three days provided elsewhere along the BID.⁷³ Although ultimately rejected by the block, this option was openly presented by the steering committee in a flyer distributed to block members.⁷⁴ The flyer concisely laid out the pros and cons of adopting the two-tiered system and requested that property owners state their preference for or against this alternative arrangement.⁷⁵

IV. THE DEVELOPMENTAL MOMENT

The financial failure of the otherwise successful Avenue Ambassadors program directly inspired the Mt. Airy BID. The defunct program focused exclusively on the provision of regular street

68. See Richard Briffault, *A Government for Our Time? Business Improvement Districts and Urban Governance*, 99 COLUM. L. REV. 365, 368–69 (1999).

69. Richard G. Williams, *Business Improvement Districts*, J. PROP. MGMT., May–June 1996, at 21.

70. Telephone Interview with Elizabeth Moselle, Exec. Dir., Mt. Airy BID (Feb. 23, 2010).

71. *Id.*

72. *Id.*

73. *Id.*

74. *Id.*

75. *Id.*

cleaning and maintenance services and the concomitant presence of a highly visible team of approachable customer service ambassadors intended to facilitate a sense of security on the street. The Mt. Airy BID was created to fill the gap left by the demise of this targeted project of Mt. Airy USA. Thus, the intended scope of the BID's activities appears relatively modest. The Mt. Airy BID is a young institution with a clearly defined mission originating with a pre-existing CDC. The developmental moment of greatest significance for the Mt. Airy BID was thus its very establishment just over two years ago.

The unusual demographic, social, and cultural character of the Mt. Airy neighborhood presents unique challenges for the Mt. Airy BID. With its striking mix of architecture and population, the neighborhood's urban landscape frequently varies from block to block. The variance found in the neighborhood's residential housing stock—from its large and meticulously maintained homes for the city's social and political elite, to its modestly scaled and sometimes poorly maintained rowhouses—is paralleled by similar dichotomies along the two-mile commercial route included in the BID. As described recently in the *Mt. Airy Placemaking & Streetscape Improvement Plan*, a project of Mt. Airy USA, “[t]he feeling one gets as he or she travels up Germantown Avenue from Washington Lane changes many times.”⁷⁶ Blocks near the northwestern-most section of the BID, closer to neighboring Chestnut Hill, “evoke the strongest sense of having arrived in a distinct, downtown-like place.”⁷⁷ Here is where one finds a desirable urban environment with the neighborhood's highest concentration of restaurants and shops—some serving a relatively high-end clientele.⁷⁸ However, along other portions of Germantown Avenue “[t]he level of maintenance and care may lead to assumptions of the Avenue being unappealing, disorganized, and even unsafe.”⁷⁹ Additional sections of Germantown Avenue along the Mt. Airy BID have limited foot traffic and provide a “spacious and quiet” impression.⁸⁰

Overall, there is a sharp contrast between the perceptions Mt. Airy residents have of the residential portions of the neighborhood and the perceptions they have of Germantown Avenue, where the

76. MT. AIRY PLAN, *supra* note 23, at 9.

77. *Id.*

78. *Id.* at 12.

79. *Id.* at 9.

80. *Id.* at 10.

BID is located. A survey conducted for the *Mt. Airy Placemaking & Streetscape Improvement Plan* project revealed an overwhelmingly cheerful impression of Mt. Airy as a whole, with 98% of those residents surveyed rating their neighborhood positively.⁸¹ Commentary regarding Germantown Avenue itself was far less sanguine—60% of those surveyed responded negatively.⁸² Residents used words such as “diverse,” “inviting,” and “welcoming” to describe their neighborhoods; these words stood in stark contrast with words used to describe Germantown Avenue, such as “congested” and “dirty.”⁸³ While the Mt. Airy neighborhood has for decades maintained its position as a uniquely stable and attractive bastion of racial and economic diversity within the city of Philadelphia, the Germantown Avenue corridor has struggled to attain parity with this reputation. Thus, “while Germantown Avenue physically slices through Mt. Airy, . . . it does not feel representative of the neighborhood at large.”⁸⁴

V. CURRENT STATE OF AFFAIRS

The Mt. Airy BID’s legislative proposal required that “commercial property owners in the district be assessed 18 percent of annual real estate taxes to pay for the BID projects.”⁸⁵ When asked to provide “the single most ambitious goal, objective, or initiative” of the Mt. Airy BID, the executive director responded that the Mt. Airy BID sought a 100% collection rate for such dues assessments.⁸⁶ The Mt. Airy BID achieved a 94% collection rate in their first billing year.⁸⁷ Obstacles preventing the full collection of mandatory dues include nonpayment by delinquent property owners who also fail to pay city taxes, incorrect ownership or contact information provided by the Board of Revision of Taxes, and property owners who simply cannot afford to make the payment.⁸⁸ Liens have been placed on

81. *Id.* at 11.

82. *Id.* at 11.

83. *Id.* at 10–11.

84. *Id.* at 11.

85. *Phila. Comm. Mar. Hearing, supra* note 38, at 13 (statement of Ken Weinstein, Co-chair, Mt. Airy BID Steering Comm.).

86. Moselle, *Survey Response, supra* note 30.

87. *Id.*

88. *Id.*

several such properties this year, but it remains uncertain whether such action will improve the Mt. Airy BID's yield.⁸⁹

The Mt. Airy BID has a current base operating annual budget of approximately \$120,000.⁹⁰ However, it utilizes an additional \$42,000 in direct program grants and has also received, this year, an allocation of \$140,000 for solar-powered "Big Belly" trash receptacles.⁹¹ Assessments account for 78% of its revenue, with an additional 19% coming from grants and 3% from institutional contributions.⁹² Consistent with its initial goal of promoting the aesthetic interests of the district, the largest portion of its annual base operating budget, approximately 60%, is devoted to daily street cleaning.⁹³ The remainder is used to pay administrative and overhead costs.⁹⁴

The Board of Directors (Board) of the Mt. Airy BID is composed of nine voting members elected by corporation members—defined to include all owners of assessed properties.⁹⁵ The Board may select additional nonvoting members.⁹⁶ Since the inception of the Mt. Airy BID, four of the original nine voting members remain.⁹⁷ The Mt. Airy BID currently employs between one and three part-time employees.⁹⁸ Although the Mt. Airy BID has primarily limited its activities to street cleaning, security lighting, and banner provision,⁹⁹ the recent provision of solar-powered "Big Belly" trash receptacles suggests that its mission may be expanding. As a result of the BID's efforts, Mt. Airy will be distinguished as only the second Philadelphia neighborhood, next to Center City, to install these technologically sophisticated trash-compacting receptacles.¹⁰⁰ As Mt. Airy BID Cochair Ken Weinstein explains, in addition to the foundational services provided by the district, he sees the Mt. Airy BID's role as "try[ing] to go beyond its annual budget and use its strength as an

89. *Id.*

90. Telephone Interview with Elizabeth Moselle, Exec. Dir., Mt. Airy BID (Feb. 23, 2010).

91. *Id.*

92. Moselle, *Survey Response*, *supra* note 30.

93. Telephone Interview with Elizabeth Moselle, Exec. Dir., Mt. Airy BID (Feb. 23, 2010).

94. *Id.*

95. E-mail from Elizabeth Moselle, Exec. Dir., Mt. Airy BID, to Wayne Batchis (June 25, 2010, 1:22 PM) (on file with author).

96. *See id.*

97. *See id.*

98. Moselle, *Survey Response*, *supra* note 30.

99. *Id.*

100. Patrick Cobbs, "Big Belly" Trash Receptacles Coming to Mt. Airy, MT. AIRY INDEP., Aug. 27, 2009, at 1, available at http://www.germantownnewspapers.com/GNI_Archives_files/MAI.082709.pdf.

organization to make other things happen."¹⁰¹ The Mt. Airy BID has, for example, sought a resolution to a perceived parking problem along Germantown Avenue.

VI. EVALUATION

As a relatively new organization, the Mt. Airy BID does not yet have a significant track record. However, according to Executive Director Elizabeth Moselle, a recent survey conducted among Germantown Avenue stakeholders was encouraging. All respondents agreed that Germantown Avenue has become noticeably cleaner since the inception of the BID.¹⁰²

Only time will tell how the Mt. Airy BID's coverage over a strikingly diverse demographic span will ultimately impact its effectiveness and evolving mission. So far, the assessment by those who have been most involved in the Mt. Airy BID has been positive. Vice-President David Young explained that the businesses along Germantown Avenue appear to be working together more effectively "than ever before," and that this is perhaps a result of a BID governing structure that "was designed to balance out the various commercial interests along the Avenue by making sure representatives from all sections sit on the board."¹⁰³ He emphasized how important it was that the various "major commercial sections of the BID territory . . . see themselves as equals."¹⁰⁴ Farah Jimenez, of both Mt. Airy USA and the Mt. Airy BID, concluded that the Mt. Airy BID "has really brought together divergent parts of Germantown Avenue."¹⁰⁵ Thus, it appears that the Mt. Airy BID has converted what could have been a major obstacle into a significant asset. Young believes that in its short life, the Mt. Airy BID has already developed a reputation "as 'a responsible and trustworthy arbiter,' even on hot button issues like parking."¹⁰⁶

Concerns about an alleged dearth of parking are indeed all-too-common in rebounding city neighborhoods. Of course, this issue is a catch-22 invariably confronted by "re-discovered" pedestrian-friendly urban areas that took shape in an era prior to automobile dominance. While the absence of surface lots and stripmall-styled

101. *Id.*

102. Telephone Interview with Elizabeth Moselle, Exec. Dir., Mt. Airy BID (Feb. 23, 2010).

103. Cobbs, *supra* note 100.

104. *Id.*

105. *Id.*

106. *Id.*

development is arguably what makes traditional commercial corridors, such as Germantown Avenue, a welcome and attractive respite from the cold and repetitive commercial landscape of suburban America, the relative shortage of parking creates pressure to accommodate the norms cultivated by the dominant car culture. As restaurants and shops have become less scarce, parking becomes the commodity du jour. Mt. Airy is no exception.

In 2009, the Mt. Airy BID held a community meeting, in partnership with local civic groups, to air concerns and “begin to brainstorm solutions” to parking issues.¹⁰⁷ The result has been the creation of a committee that has “moved forward with some interim parking solutions.”¹⁰⁸ These include persuading local businesses to open their lots to general public parking after hours when their businesses are closed.¹⁰⁹

However, perhaps the biggest challenge for the Mt. Airy BID, and other BIDs that confront similar parking issues, is to reframe the debate by encouraging patrons to reach commercial corridors on foot and by mass transit. With two regional rail lines running directly through Mt. Airy, each with stops just minutes away from the pedestrian-hub of the Mt. Airy BID,¹¹⁰ as well as a regular bus route along Germantown Avenue itself,¹¹¹ Mt. Airy businesses are remarkably accessible by public transit. Indeed, in its extensive *Mt. Airy Placemaking & Streetscape Improvement Plan*, Mt. Airy USA highlighted the possibility of promoting use of the existing rail stations “as an alternative to driving” through increased and improved signage.¹¹² Other BIDs in Philadelphia, most notably the Center City District, have aggressively sought to encourage public transit use.¹¹³ While admittedly lacking resources comparable to the Center City District, the Mt. Airy BID might benefit from an approach that emphasizes the area’s rich, but perhaps underutilized, public transit as-

107. Moselle, *Survey Response*, *supra* note 30.

108. *Id.*

109. *Id.*

110. See SEPTA *Clickable Regional Rail & Rail Transit Map*, SEPTA, <http://www.septa.org/maps/system/> (last visited Nov. 8, 2010) (showing stops along both the R7 Chestnut Hill East and R8 Chestnut Hill West lines, which run through Mt. Airy).

111. See SEPTA, *ROUTE 23: CHESTNUT HILL TO SOUTH PHILADELPHIA (2010)*, available at <http://www.septa.org/maps/bus/pdf/023.pdf>. A look at the weekday schedule for this route shows that at its least frequent, the bus runs every ten minutes. See *id.*

112. MT. AIRY PLAN, *supra* note 23, at 53.

113. See *Visitors and Locals: Get on Board*, CTR. CITY DIST. (May 1, 2008), <http://www.centercityphila.org/pressroom/prelease050108.php>.

sets and avoids self-defeating subservience to deeply engrained notions of automobile dependence.

VII. CONCLUSION

The Mt. Airy BID is a young institution in a unique location within Philadelphia. The diverse demographic landscape of the neighborhood, its rich history, as well as the patchwork of conditions that currently exists along the BID's territory on Germantown Avenue make this BID a worthy subject of study. From the time of its establishment two years ago, the Mt. Airy BID has remained faithful to its narrowly drawn initial objectives, come close to meeting its goal of a 100% collection rate, and shown signs that it seeks to gradually expand its mission and activities. By its very establishment, it overcame distinctive challenges, perhaps in part because of Mt. Airy's diverse socioeconomic landscape. In fact, the Mt. Airy BID appears to have made an effort to draw upon these unique qualities and use them to its advantage. Working in conjunction with the well-established CDC, the Mt. Airy BID appears poised to continue fulfilling its modest but critically important goal of maintaining a clean, safe, and attractive environment for business and urban life in the neighborhood.