

THE ARAMINGO AVENUE SHOPPING DISTRICT: STAKEHOLDER'S BRIDGE OR BORDER DIVIDE?

*Jill Simone Gross**

Business improvement districts (BIDs) have been the subject of heated debate. As private entities with taxing and service provision authority, operating in subsections of the urban core, they raise questions concerning equitable representation of community interests. What happens when such an entity forms between two distinct and different ethnic communities? Can a BID serve as a bridge or is it destined to bolster historic divisions? The Aramingo Avenue Shopping District case illustrates that BIDs can serve to unify public and private interests, with appropriate attention to the democratic process and community building during the early stages of formation. However, in the absence of formal institutional provisions ensuring representation of residential interests, there are no guarantees that division will not resurface in the future, stymieing a BID's efforts to enhance the quality of a given area.

I. INTRODUCTION

BIDs fulfill a variety of functions. In general, they are "designed to improve the . . . quality of a neighborhood" through the provision of supplemental services such as sanitation, security, marketing, and capital improvements.¹ BIDs are financed by a mutually agreed upon tax assessment on commercial property, which is then spent on place-specific services.² Also, BIDs can serve a social-capital function by creating stronger networks among local stakeholders within

* Associate Professor of Political Science in the Department of Urban Affairs and Planning, Hunter College of the City University of New York. She currently serves as the Director of the Graduate Program in Urban Affairs. She has written extensively on BIDs in high- and low-income neighborhoods of New York and on democratic governance in Canada and Western Europe.

1. Robert H. Nelson, Kyle R. McKenzie & Eileen Norcross, *Lessons from Business Improvement Districts: Building on Past Successes*, MERCATUS POL'Y SERIES POL'Y PRIMER NO. 5, at 1-2 (June 2008), available at http://mercatus.org/sites/default/files/publication/Lessons_from_Business_Improvement_Districts.pdf.

2. See Jill Simone Gross, *Business Improvement Districts in New York City's Low- and High-Income Neighborhoods*, in BUSINESS IMPROVEMENT DISTRICTS: RESEARCH, THEORIES, AND CONTROVERSIES 221, 222 (Göktuğ Morçöl et al. eds., 2008).

a community, and building bridges to external resources.³ To achieve these goals, BIDs must overcome collective action problems, which are common in the commercial corridors of large cities. In these areas, there is often a diverse mix of property owners, business owners, renters, and residents who can face difficulties, first, in identifying a shared set of needs and, second, in administering and financing programs to respond to those needs.

In the case of the Aramingo Avenue Shopping District (the Aramingo BID), two demographically distinct residential communities surround a commercial corridor, thus complicating the decision-making process and opening the way for “the classic Madisonian possibility of tyranny by a majority faction[.]”⁴ In choosing one position over another, a controlling faction may “be at odds with the views of other community” interests.⁵ The mix of unique and conflicting interests is a challenge for district governance and raises issues of accountability and equitable service provision in the Aramingo BID.

This Case Study outlines the democratic challenges facing the Aramingo BID in Philadelphia. This Case Study will explore the ways in which local actors (businesses, nonprofits, and local government entities) used traditional community-building mechanisms—such as community organizing and political advocacy—to bridge local differences. The Aramingo BID’s formation was shaped by powerful actors in the local scene who built a common agenda in order to achieve the goal of formation. The future challenges that the Aramingo BID faces concern its ability to sustain the bridges built during formation between two communities with different sets of needs. Will the Aramingo BID be able to bridge the Madisonian dilemma or will the future be one of division and faction?

The Aramingo BID is one of the more recent improvement districts in the city of Philadelphia. Philadelphia City Council approved formation of the Aramingo District in April 2008, which began providing services in October 2009.⁶ The Aramingo District spans a 1.9 mile stretch of Aramingo Avenue (the Avenue) in northeastern Philadelphia and encompasses portions of the Kensington and Port

3. See *id.* at 228.

4. Richard Briffault, *A Government for Our Time? Business Improvement Districts and Urban Governance*, 99 COLUM. L. REV. 365, 457 (1999).

5. *Id.* at 441.

6. Phila., Pa., Bill No. 080251 (Sept. 24, 2008).

Richmond neighborhoods.⁷ At its northeastern edge is a largely auto-dependent shopping corridor, and at the southwestern edge is a predominately residential area of row houses and corner stores. The entire district sits just west of Interstate 95 and the Delaware River. Part II describes the collective action challenges posed by physical and demographic divisions within the Aramingo BID. Part III discusses how bridges were built during the formation stage in order for the Aramingo BID to become a reality.⁸

II. THE ARAMINGO BID: SPATIAL CONTOURS AND DEMOGRAPHIC CONTEXT

The Avenue represents a somewhat unusual venue for the placement of a BID. The Aramingo BID runs along a stretch of land that is a predominantly auto-dependent commercial corridor. In addition, each end of the Aramingo BID serves very distinct and different functions. The northeastern end is comprised of a commercial area with strip malls, big-box stores, fast-food restaurants, and auto-repair shops. In contrast, the southwestern end is largely residential. Also, the Avenue functions as a border of sorts, dividing two working class neighborhoods—Port Richmond on the east and Kensington on the west. Therefore, the context of the Aramingo BID is one of physical and demographic division.

A. Physical Challenges

The Avenue has two primary physical challenges. The first issue is that it acts as a border vacuum⁹ that divides neighborhood uses and activities. The Avenue can only be crossed at designated spots, and traffic flow creates a visible obstacle that makes it difficult to see the commercial opportunities that span both sides of the Avenue. While the Avenue itself is an active commercial venue in its own

7. The physical boundaries of the Aramingo District encompass Aramingo Avenue from the southern end at East Lehigh Avenue to the northern end at Wheatsheaf Lane. On the eastern side, it is bounded by Interstate 95 and, on the western side, it is loosely bounded by regional train tracks. Over the years, this region has been referred to as “Northeast Philadelphia,” “Near Northeast Philadelphia,” “Kensington,” “Greater Kensington,” and “Port Richmond.” Even today, residents still refer to the area by these various names.

8. See generally Susan E. Baer & Richard C. Feiock, *Private Governments in Urban Areas: Political Contracting and Collective Action*, 35 AM. REV. PUB. ADMIN. 42, 46–47 (2005) (describing transaction resource theory and organization formation).

9. See JANE JACOBS, *THE DEATH AND LIFE OF GREAT AMERICAN CITIES* 257–69 (Vintage Books 1992) (1961).

right, it does not have clear and established links to businesses in adjacent neighborhoods. The northeastern end of the Avenue is wide, heavily traveled (both by cars and 18-wheel trucks serving the adjacent industrial corridor), lacking an aesthetic character, disconnected from the surrounding residential communities, and lined by strip malls encased in large parking lots—all of which make the Avenue an obstacle to pedestrian activity. Indeed, for shopping purposes, the Avenue is far more conducive to use by people with access to a car than those without, and serves those coming off of Interstate 95 as opposed to those residing in the area.

The second issue for the Avenue concerns an environmental challenge. The Avenue was built over a natural border, created by Gunner's Run creek.¹⁰ In 1847, it became one of Philadelphia's earliest improvement districts when fifty-two local property owners formed the Gunner's Run Improvement Company to support the creation of a toll-based canal to bring products inland from the Delaware River.¹¹ However, the canal was never completed, and construction extended only as far as Tioga Street at the northwestern end of the district.¹² Further, industrial use of the area—by metal and glass-work industries—compromised its environmental integrity, which was then made worse by businesses dumping waste directly into the canal. The Philadelphia Water Department later declared the canal an "open sewer choked with filth."¹³ City officials even blamed the canal for outbreaks of typhoid fever and malaria in the area in 1884.¹⁴ The canal was paved over in 1902.¹⁵ Not surprisingly, the surrounding land, some of which encompasses the area of the Aramingo BID, has had to contend with Brownfield issues,¹⁶ com-

10. See 3 JOSEPH JACKSON, *THE ENCYCLOPEDIA OF PHILADELPHIA* 742 (1926) (detailing the history of the Aramingo Canal).

11. Kellie Patrick Gates, *Archaeologists Unearth Aramingo Canal*, PLANPHILLY (Nov. 19, 2008), <http://planphilly.com/node/4483>.

12. *Id.*

13. *Id.*

14. *Id.*

15. *Id.*

16. "Brownfields are real property, the expansion, redevelopment, or reuse of which may be complicated by the presence of a hazardous substance, pollutant, or contaminant." *Brownfields and Land Revitalization*, U.S. EPA, <http://epa.gov/brownfields/index.html> (last visited Nov. 8, 2010). Brownfield areas require that an environmental assessment be completed, and that remediation be carried out prior to development. Thus, the costs of redevelopment and the potential risks of future liability due to residual contamination are greater, and can create barriers for potential investors in new development on such land, as well as those businesses that choose to locate on the redeveloped and remediated properties. See RESEARCH TRIANGLE,

pounded by the area being zoned for general industrial use.¹⁷ In 2007, the city rezoned industrial lots at the northeastern end of the Avenue for commercial use at the request of a developer who sought to establish a shopping mall anchored by Lowe's Home Improvement.¹⁸ As a consequence, the reality is that anyone interested in locating here must assume responsibility for the costly environmental cleanup prior to development. As a result, a number of vacant lots can be found scattered across the corridor—approximately 9% of the land parcels in the industrial sections were vacant in 2010.¹⁹ Vacant lots create the impression of blight, are difficult to keep clean, and become eyesores in an area attempting to build a uniform and connected commercial corridor, thus, diminishing the aesthetic character of the area and serving as a barrier to customers, rather than a lure.

Southwest of East Westmoreland Street, the Avenue reduces to two lanes of traffic and transitions over to a largely residential street. This area of the Aramingo BID is populated with small shops situated on corner lots, in which the second story is often residential. This area was included at the behest of locally-elected officials who

REDEVELOPING BROWNFIELDS: HOW STATES AND LOCALITIES USE CDBG FUNDS 18 (Oct. 1998), available at <http://www.huduser.org/Publications/pdf/cdbgreport.pdf>.

17. See *Hearing on Bill No. 051144, Bill No. 051176, Bill No. 051198, and Bill No. 051200 Before the Comm. on Rules*, 4–7 (Phila., Pa. May 25, 2006) [hereinafter *Hearing on Bill No. 051198*] (statement of Martin Gregorski, Zoning Planner, Philadelphia City Planning Commission), available at <http://legislation.phila.gov/transcripts/Public%20Hearings/rules/2006/ru022106.pdf>.

18. See *id.* at 7–9 (statement of Steven B. Wolfson, CEO, Wolfson Verrichia Group, Inc.). Bill 051198 rezoned one parcel of land from industrial to commercial use in order to develop a shopping area. The rezoning was in response to a request by a local developer, who had a commitment from Lowe's to build a new store. Although rezoning of the parcel was independent of the formation period of the Aramingo BID, Wolfson Verrichia Group, Inc. wrote a letter in support of its formation. See *Hearing on Bill No. 080077 and Bill No. 080251 Before the Comm. on Rules*, 30–31 (Phila., Pa. Apr. 30, 2008) [hereinafter *Hearing on Bill No. 080251*] (statement of Randy Hofer, Marketing Director, Impact Servs. Corp.), available at <http://legislation.phila.gov/transcripts/Public%20Hearings/rules/2008/ru0430a8.pdf>.

19. First, vacant land was identified using the Philadelphia Department of Record's LandStat online mapping and analysis tool. Next, census tracts were identified and total parcel, industrial parcel, and vacant land parcel counts were generated for all census tracts in the district. The three census tracts with the largest proportion of industrial land are tracts 185 (11% industrial), 187 (8% industrial), and 189 (7% industrial). The remaining tracts in the area—179, 180, and 186—have 2% or less industrial land parcels. The industrial areas are located at the northern end of the district. In each of the more industrial tracts, the total number of land parcels, the number of industrial land parcels, and the numbers of vacant land parcels for fiscal year 2010 were identified. The proportions of vacant land were then calculated to generate the figure reported in the text. *LandStat*, PHILA. DEP'T OF RECORDS, <http://www.phillylandstat.com/landstat/ModelDef.aspx> (last visited Nov. 8, 2010).

felt that it was a natural entry point into the Aramingo BID area.²⁰ This residential portion receives the benefit of services, mainly cleaning, but, with the exception of one property owner on the corner of East Westmoreland Street, no one is required to pay an assessment.²¹ Although local businesses in this area of the Aramingo BID are invited to participate in district marketing events, because they do not pay assessments, they lack voting rights and, thus, the ability to set the agenda of the BID.²²

The Aramingo BID business owners and residential property owners at either end of the Avenue, although sharing a general interest in improving the economic environment and quality of life, had different priorities concerning how that interest might be achieved and the specific development which was desired. The residential area had small mom-and-pop stores who feared competition from the large big-box retail stores sought by property owners at the commercial end of the Avenue.²³ Some residents also expressed opposition to formation of a BID.²⁴

B. Demographic Challenges

The Aramingo BID also faces a variety of challenges that arise out of the demographic differences between the two neighborhoods surrounding the Avenue.²⁵ In the residential communities surrounding the Aramingo BID, distinct populations exist with differential needs and capacities to utilize the commercial corridor. Portions of the area saw the rates of housing vacancy and poverty levels grow over the last decade—all common underlying causes for BID creation—

20. See *Hearing on Bill No. 080251*, *supra* note 18, at 22 (statement of Christine Hammaker, Vice-President, Aramingo Bus. Ass'n).

21. Res. No. 080267, Phila. City Council (Phila., Pa. Mar. 6, 2008).

22. Interview with Randy Hofer, Marketing Dir., Impact Servs. Corp., in Phila., Pa. (Jan. 22, 2010).

23. For example, in 2003, community groups protested the placement of a Wal-Mart on Allegheny Avenue just off of the Avenue. See Vernon Clark & Anthony Twyman, *Council Vote on Plan for Store in Port Richmond: Many Neighbors Have Criticized the Proposal for a Wal-Mart near Northeastern Hospital*, PHILA. INQUIRER, Dec. 11, 2003, at B3.

24. *Id.*

25. 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 (SF 1) 100-Percent Data"; then select "Census Tract" under "Select a geographic type"; then select "Pennsylvania" under "Select a state"; then select "Philadelphia County" under "Select a county"; then select tracts 179-80, 185-87, and 189; then click "Add"; then click "Next"; then select "DP-1. Profile of General Demographic Characteristics: 2000"; then click "Add"; then click "Show Result").

yet those changes were not uniform across the district.²⁶ Crime, for example, while showing incremental decreases over time across the entire area, was distributed differently within the area, with the neighborhoods to the west of the district experiencing more crime than the areas to the east.²⁷ Further, at its southwestern end, Aramingo Avenue serves not only as a physical divide, but also as a psychological divide in which residents fear crossing between the two ethnically-diverse neighborhoods—Richmond and Kensington.

The residential areas west of the Avenue in Kensington were on the path to blight during the 1990s, helped along by white-flight and speculative realtors who began purchasing large tracts of land for investment purposes.²⁸ Today, this area is a neighborhood in transition, with a small, but growing, Black and Hispanic presence, and

26. Compare *id.* (follow instructions provided *supra* note 25), with *id.* (follow “Data Sets” hyperlink; then click “Census 1990” and follow “Quick Tables” hyperlink under “1990 Summary Tape File 1 (STF 1) – 100-Percent Data”; then select “Census Tract” under “Select a geographic type”; then select “Pennsylvania” under “Select a state”; then select “Philadelphia County” under “Select a county”; then select tracts 179–80, 185–187, and 189 and click “Add”; then click “Next”; then select “DP-1. General Population and Housing Characteristics” under “show all tables”; then click “Add”; then click “Show Result”). Compare 2000 poverty statistics available at *id.* (follow “Data Sets” hyperlink; then click “Census 2000” and follow “Quick Tables” hyperlink under “Census 2000 Summary File 3 (SF 3) – Sample Data”; then select “Census Tract” under “Select a geographic type”; then select “Pennsylvania” under “Select a state”; then select “Philadelphia County” under “Select a county”; then select tracts 179–80, 185–87, and 189 and then click “Add”; then click “Next”; then select “QT-P34. Poverty Status in 1999 of Individuals: 2000,” and “QT-P35. Poverty Status in 1999 of Families and Nonfamily Householders: 2000” under “show all tables”; then click “Add”; then click “Show Result”), with 1990 poverty statistics at *id.* (follow “Data Sets” hyperlink; then click “Census 1990” and follow “Quick Tables” hyperlink under “1990 Summary Tape File 3 (STF 3) – Sample Data”; then select “Census Tract” under “Select a geographic type”; then select “Pennsylvania” under “Select a state”; then select “Philadelphia County” under “Select a county”; then select census tracts 179–80, 185–87, and 189 and then click “Add”; then click “Next”; then select “DP-4. Income and Poverty Status in 1989: 1990” under “show all tables”; then click “Add”; then click “Show Result”).

27. See Philadelphia NIS CrimeBase, U. PA. CARTOGRAPHIC MODELING LAB., <http://cml.upenn.edu/crimebase> (select the “User-defined Neighborhood” hyperlink; then select “Police Districts” under “Choose a Geography”; then select “Option B – Select areas from a List”; select “24” under “Choose a list of Geographic Units” and click “Add Location” and then click “Create Neighborhood Summary”) (last visited Nov. 8, 2010) [hereinafter *CrimeBase*]. Additionally, the Philadelphia Police Department provides spatial data on major crime, including burglaries and theft, for any period—up to thirty days—from 2007 to 2010. See *Search Crime*, PHILA. POLICE DEP’T, <http://citymaps.phila.gov/CrimeMap/StepByStep.aspx> (last visited Nov. 8, 2010) (for example, to show a map of the Aramingo District, enter “Aramingo Avenue & E. Westmoreland St.” under “Address, Intersection, or Place Name”; then choose the desired crimes under “Select a Crime Category”; then enter the desired date range and click “Create Map”).

28. Wendy Ruderman & Barbara Laker, *Pt. Richmond Split by Slumlord Headache*, PHILA. DAILY NEWS, Nov. 18, 2009, at 3–4, 25.

an increasing proportion of individuals living below the poverty line.²⁹ In Richmond, on the east side of the Avenue, the community became increasingly white and vacancy rates and poverty declined.³⁰ According to the 2000 Census, the area was more than 90% native born and of European descent.³¹ This part of Richmond became an insular community with the reputation of being a tightly knit village that “saw decline in areas near them and feared it.”³² Not surprisingly, local newspapers reported in November 2009 that “Port Richmond is a tale of two neighborhoods Once you go to the west side of Aramingo Avenue, it’s almost like you go through a portal. It looks like a third-world country.”³³

While the average income level in the area grew from 1990 to 2000, it was consistently below Philadelphia’s median income level.³⁴ West of the Avenue, the average income dropped over time,

29. See *American FactFinder*, *supra* note 25 (follow instructions provided *supra* notes 25 and 26).

30. Compare *id.* (follow “Data Sets” hyperlink; then click “Census 2000” and follow “Quick Tables” hyperlink under “Census 2000 Summary File 1 (SF 1) 100-Percent Data”; then select “Census Tract” under “Select a geographic type”; then select “Pennsylvania” under “Select a state”; then select “Philadelphia County” under “Select a county”; then select tract 181 and click “Add”; then click “Next”; then select “DP-1 Profile of General Demographic Characteristics: 2000” under “show all tables”; then click “Add”; then click “Show Result”), *with id.* (follow “Data Sets” hyperlink; then click “Census 2000” and follow “List all tables” hyperlink under “Census 2000 Summary File 1 (SF 1) 100-Percent Data”; then select “QT-H1. General Housing Characteristics” under “Select a table” and click “Next”; then select “Census Tract” under “Select a geographic type”; then select “Pennsylvania” under “Select a state”; then select “Philadelphia County” under “Select a county”; then select tract 181 and click “Add”; then click “Show Result”), *and id.* (follow “Data Sets” hyperlink; then click “Census 2000” and follow “List all tables” hyperlink under “Census 2000 Summary File 3 (SF 3) – Sample Data”; then select “DP-4. Profile of Selected Housing Characteristics” under “Select a table and click ‘Next’”; then select “Census Tract” under “Select a geographic type”; then select “Pennsylvania” under “Select a state”; then select “Philadelphia County” under “Select a county”; then select tract 181 and click “Add”; then click “Show Result”).

31. *Id.* (follow “Data Sets” hyperlink; then click “Census 2000” and follow “List all tables” hyperlink under “Census 2000 Summary File 3 (SF 3) – Sample Data”; then select “QT-P13. Ancestry” under “Select a table and click ‘Next’”; then select “Census Tract” under “Select a geographic type”; then select “Pennsylvania” under “Select a state”; then select “Philadelphia County” under “Select a county”; then select tract 181 and “Add”; then click “Show Result”).

32. JUDITH GOODE & JO ANNE SCHNEIDER, *RESHAPING ETHNIC AND RACIAL RELATIONS IN PHILADELPHIA: IMMIGRANTS IN A DIVIDED CITY* 100 (1994).

33. Ruderman & Laker, *supra* note 28, at 3–4, 25.

34. Compare *American FactFinder*, *supra* note 25 (follow “Data Sets” hyperlink; then click “Census 2000” and follow “Geographic Comparison Tables” hyperlink under “Census 2000 Summary File 3 – Sample Data”; then select “County” under “Select a geographic type”; then select “Pennsylvania” under “Select a state”; then select “Philadelphia County” under “Select a geographic area”; then select “County – Census Tract” under “Select a table format”; then click “Next”; then select “GCT-P14. Income and Poverty in 1999: 2000”; then select “Show Result”), *with id.* (follow “Data Sets” hyperlink; then click “1990 Census” and follow “Quick Ta-

while it has grown in areas east of the Avenue.³⁵ Despite an increase in the average income, poverty levels in the area grew by 12% over the decade.³⁶ The increase in poverty levels relates to the increased cost of living in the area—while the average income increased by roughly 11%, the average rent increased in some areas by almost 25%.³⁷ The increase in poverty was predominately experienced west of the Avenue, where 47% of the population lived below the poverty

bles” hyperlink under “1990 Summary Tape File 3 (STF 3) – Sample data”; then select “County” under “Select a geographic type”; then select “Pennsylvania” under “Select a state”; then select “Philadelphia County” under “Select a county”; then select “Next”; then select “DP-4. Income and Poverty Status in 1989: 1990”; then select “Add” and “Show Result”).

35. *Compare id.* (follow “Data Sets” hyperlink; then click “2000 Census” and follow “Detailed Tables” hyperlink under “2000 Summary Tape File 3 (SF 3) – Sample data”; then select “Block Group” under “Select a geographic type”; select “Pennsylvania” under “Select a state”; then select “Philadelphia County” under “Select a county”; then select “Census Tract 179” under “Select a Census Tract” and then choose “Block Group 2”; then click “Add”; then follow the same procedure for census tracts 180 (block group 1); 185 (block group 1); 187 (block groups 1 and 2); and 189 (block group 2), and then click “Next”; then select “P53. Median Household Income in 1999,” then “Add,” and then select “Show Result”), *with id.* (follow “Data Sets” hyperlink; then click “1990 Census” and follow “Detailed Tables” hyperlink under “1990 Summary Tape File 3 (STF 3) – Sample data”; then select “Block Group” under “Select a geographic type”; select “Pennsylvania” under “Select a state”; then select “Philadelphia County” under “Select a county”; then select “Census Tract 179” under “Select a Census Tract”; then choose “BG 2” and click “Add”; then follow the same procedure for tract 180 (BG 1); tract 185 (BG 1 and BG 2); tract 187 (BG 1 and BG 2); and tract 189 (BG 2), and click “Next”; then select “P080A. Median Household Income in 1989,” then “Add,” and select “Show Result”). *Id.* (follow “Data Sets” hyperlink; then click “1990 Census” and follow “Detailed Tables” hyperlink under “1990 Summary Tape File 3 (STF 3) – Sample data”; then select “County” under “Select a geographic type”; then select “Pennsylvania” under “Select a state”; then select “Philadelphia County” under “Select a county”; then select “Next”; then select “PO83. Household Income in 1989” and select “Show Result”).

36. *Compare id.* (follow “Data Sets” hyperlink; then click “Census 2000” and follow the “Quick Tables” hyperlink under “Census 2000 Summary File 3 – Sample Data”; then select “County” under “Select a geographic type”; then select “Pennsylvania” under “Select a state”; then select “Philadelphia County” under “Select a county”; then select “Add” and “Next”; then select “DP-3. Profile of Selected Economic Characteristics: 2000” and “DP-4. Profile of Selected Housing Characteristics” under “Select a table”; then click “Add” and then “Show Result”), *with id.* (follow “Data Sets” hyperlink; then click “1990 Census” and follow “Quick Tables” hyperlink under “1990 Summary Tape File 3 (STF 3) – Sample data”; then select “County” under “Select a geographic type”; then select “Pennsylvania” under “Select a state”; then select “Philadelphia County” under “Select a county”; then select “Next”; then select “DP-4. Income and Poverty Status in 1989: 1990” and “DP-5. Housing Characteristics: 1990”; then select “Add” and then “Show Result”).

37. *Compare id.* (follow “Data Sets” hyperlink; then click “Census 2000” and follow the “List all tables” hyperlink under “Census 2000 Summary File 4 – Sample Data”; then select “QT-H13. Gross Rent as a Percentage of Household Income in 1999: 2000” and select “Next”; then select “County” under “Select a geographic type”; then select “Pennsylvania” under “Select a state”; then select “Philadelphia County” under “Select a county”; then select “Add” and “Show Result”), *with id.* (follow instructions *supra* note 36 for “DP-5. Housing Characteristics: 1990”).

line.³⁸ In contrast, to the east of the Avenue, poverty levels declined, with roughly 20% living below poverty.³⁹ Not surprisingly, housing vacancy rates grew during this time as well, and only in the area east of the Avenue did levels decrease.⁴⁰ As a result, the communities to the west of the Aramingo BID have a population with an above-average number of people living below the poverty level, while communities to the east are, by comparison, populated by those who are relatively affluent.⁴¹

In the context of the Aramingo BID, this dichotomy between east and west presents differing viewpoints on the district itself. According to the 2000 US Census, 48% of the poor in Philadelphia have access to an automobile.⁴² By extension, one would anticipate that those living in communities to the west of the Avenue will be less able to take advantage of the shopping opportunities presented by

38. *Id.* (follow instructions provided *supra* note 34 for "GCT-P14. Income and Poverty in 1999: 2000").

39. *Compare id.* (follow instructions provided *supra* note 34 for "GCT-P14 Income and Poverty in 1999: 2000"), *with id.* (follow "Data Sets" hyperlink; then click "1990 Census" and follow "Detailed Tables" hyperlink under "1990 Summary Tape File 3 (STF 3) Sample data"; then select "Census Tract" under "Select a geographic type"; then select "Pennsylvania" under "Select a state"; then select "Philadelphia county" under "Select a county"; then select census tracts 178-82, 185-89 under "Select one or more geographic areas and click 'Add'"; then click "Add"; then click "Show Result"; then select "P117 Poverty Status in 1989 By Age" under "Select one or more tables to and click 'Add'"; then click "Add"; then click "Show Result").

40. *Compare id.* (follow "Data Sets" hyperlink; then click "Census 2000" and follow "Geographic Comparison Tables" hyperlink under "Census 2000 Summary File 1 (SF 1) 100-Percent Data"; then select "County" under "Select a geographic type"; then select "Pennsylvania" under "Select a state"; then select "Philadelphia County" under "Select a geographic area"; then select "County - Census Tract" under "Select a table format and click 'Show Result'"; then click "Show Result"; then select "GCT-H5 General Housing Characteristics: 2000" under "Select a table and click 'Show Result'"; then click "Show Result"), *with id.* (follow "Data Sets" hyperlink; then click "1990 Census" and follow "Detailed Tables" hyperlink under "1990 Summary Tape File 1 (STF 1) 100-Percent data"; then "Census Tract" under "Select a geographic type"; then select "Pennsylvania" under "Select a state"; then select "Philadelphia county" under "Select a county"; then select Census tracts 178-82, 185-89 under "Select one or more geographic areas and click 'Add'"; then click "Add"; then click "Show Result"; then select "H002 Occupancy Status" under "Select one or more tables to and click 'Add'"; then click "Add"; then click "Show Result").

41. *Id.* (follow "Data Sets" hyperlink; then click "Census 2000" and follow "Quick Tables" hyperlink under "Census 2000 Summary File 3 (SF 3) - Sample Data"; then select "Census Tract" under "Select a geographic type"; then select "Pennsylvania" under "Select a state"; then select "Philadelphia county" under "Select a county"; then select Census tracts 178-82, 185-89 under "Select one or more geographic areas and click 'Add'"; then click "Add"; then click "Next"; then select "DP-3 Profile of Selected Economic Characteristics: 2000" under "Select one or more tables and click 'Add'"; then click "Add"; then click "Show Result").

42. See Alan Berube et al., *Socioeconomic Differences in Household Automobile Ownership Rates: Implications for Evacuation Policy*, in *RISKING HOUSE AND HOME: DISASTERS, CITIES, PUBLIC POLICY* 197, 203 (John M. Quigley & Larry A. Rosenthal eds., 2008).

the Aramingo BID due to an increased reliance on public transit, when compared to those residing in the communities to the east who, presumably, have greater access to personal transportation.

These divisions in the demographics between east and west of the Aramingo BID will be problematic in the long run. The Aramingo BID will continue to provide enhanced services such as sanitation, security, and marketing to the area. In turn, businesses may be lured away from the less affluent areas to the west and relocate to locations on the Avenue, thus escalating blight in the west. If this were to happen, it would reinforce, rather than bridge, the psychological divide between Kensington and Richmond.

C. General Problems, Challenges, and Opportunities Faced

As the contextual data above illustrates, between 1990 and 2000, the Aramingo BID area faced a variety of problems. The levels of poverty and housing vacancies increased, while the average income level remained below the median.⁴³ Within the Aramingo BID itself, competing interests abound. At one end, property owners contend with a large commercial corridor, heavy traffic flow, and a lack of connectivity between local business and residential communities. At the other end, two residential communities with different needs and interests are becoming increasingly isolated from one another. As Denis Murphy of the Philadelphia Department of Commerce pointed out, although the area has “great potential,” many of the property owners are investors that do not live in the neighborhood itself.⁴⁴ The area lacks a distinct sense of place, and suffers from security and sanitation issues.⁴⁵ Murphy felt that the main issue confronting the Aramingo BID was the challenge of cultivating, among the diverse collection of stakeholders, an ongoing interest to buy into the district’s goals.⁴⁶ The demographic and physical data support this feeling.

D. Connections to Community-Based Institutions

There are a variety of nonprofits in the area; however, none of them are physically within the Aramingo BID’s borders. The opera-

43. See *supra* notes 34, 36 and accompanying text.

44. Telephone Interview with Denis Murphy, Am. St. Bus. Organizer, Phila. Dep’t of Commerce (Dec. 10, 2009).

45. *Id.*

46. *Id.*

tions of the Aramingo BID are managed by Impact Community Development Corporation (CDC), a 501(c)(3) that provides economic development services to neighborhoods in eastern Philadelphia.⁴⁷ Although the CDC is free standing, it is affiliated with Impact Services Corporation, a larger nonprofit created in 1974, and shares office space and some key staff.⁴⁸ The CDC board is comprised of a president, secretary, and three additional members—all of whom are uncompensated voting members.⁴⁹ The CDC did not report compensation to employees in 2008; rather, it utilized independent contractors to provide services.⁵⁰ The president and secretary of the CDC also serve on the board of Impact Services, where they are key employees compensated with a full-time salary.⁵¹

Impact Services and the CDC are located in West Kensington. Both entities have extensive links to nonprofit organizations west of the Aramingo BID and in the industrial districts to the north. To the west are the Kensington and Allegheny Business Association and the American Street Erie Avenue Business Association, both of which are affiliated with Impact Services and voluntary associations of local business owners operating in central Kensington.⁵²

Within the areas to the east and south are several other community-based organizations. The Kensington Area Neighborhood Advisory Committee (KANAC) is located just east of the Aramingo BID and considers itself to be a bridge to East Kensington residents.⁵³ According to its director, KANAC focuses “on neighborhood stability and quality of life issues. Although not directly involved with the [Aramingo BID], [KANAC] support[s] the services proposed.”⁵⁴ KANAC’s director also works with Impact Services’s

47. See *Impact Community Development Corporation*, IMPACT SERVS. CORP., http://www.impactservices.org/about/affiliates/impact_cdc.php (last visited Nov. 8, 2010) [hereinafter *Impact CDC*].

48. See *Help For Today, Hope For Tomorrow*, IMPACT SERVS. CORP., <http://www.impactservices.org/about/index.php> (last visited Nov. 8, 2010) [hereinafter *Impact Hope*].

49. See Impact Cmty. Dev. Corp., Short Form Return of Organization Exempt from Income Tax (Form 990-EZ), pt. IV (Nov. 23, 2009).

50. See *id.* Part VI.

51. The CDC’s total revenue for 2008 was \$918,079. *Id.* Part I. Impact Services Corporation’s total revenue for 2008 was \$8,785,887. Impact Servs. Corp., Return of Organization Exempt from Income Tax (Form 990) pt. I (Nov. 13, 2009).

52. *Business Associations: Working Together, Accomplishing More*, IMPACT SERVS. CORP., http://www.impactservices.org/econ_dev/business/associations.php (last visited Nov. 8, 2010).

53. *About Us*, NEW KENSINGTON CMTY. DEV. CORP., <http://www.nkcdc.org/> (last visited Nov. 8, 2010).

54. Interview with Ade Fequa, Dir., KANAC, in Phila., Pa. (Dec. 22, 2009).

marketing director on other projects in North Philadelphia, and lauded him and the work he does in the community.⁵⁵ The East Kensington Neighbors Association operates south of the Aramingo BID borders and serves as a community organizing arm of the New Kensington Community Development Corporation.⁵⁶ The Olde Richmond Civic Association serves another segment of the area southeast of the Aramingo BID.⁵⁷ Though all of these organizations operate around the Aramingo BID, none serve the area itself.

Given the range of community-based organizations in the area, a long-term issue concerns their ability to coexist. Thus far, each organization covers a different geographic portion and they all have complementary missions. However, the east-west division also appears to be reflected in these entities which surround the Aramingo BID. This may be problematic in the future. Community organizations often rely on public funding to finance their operations. With state and local governments fiscally constrained due to the recession, community organizations such as the Aramingo BID may find greater competition for government funding. Because BIDs have closer links to the public sector, they may have an advantage in the battle over scarce resources, which could subsequently enhance existing spatial inequalities.

III. FORMING THE ARAMINGO AVENUE SHOPPING DISTRICT

The initiating group of the Aramingo BID was the Aramingo Business Association (ABA). In order to create a BID in Philadelphia, the ABA had to document that it notified all property owners in the district of the proposal—including assessments, boundaries, and planned services—and that the majority of property owners did not oppose its creation.⁵⁸ In the case of the Aramingo BID, the ABA had a petition with support from fifty-two of the 106 businesses in the district—only 49%.⁵⁹ Key, however, is that only one small business voiced opposition over the assessments, and even that business subsequently signed the petition in support.⁶⁰ Further, at the public

55. *Id.*

56. EKNA *Boundaries*, THE E. KENSINGTON NEIGHBORS ASS'N, <http://ekna.org/ekna-area/> (last visited Nov. 8, 2010).

57. OLD RICHMOND CIVIC ASS'N, <http://olderichmondca.com/> (last visited Nov. 8, 2010).

58. 53 PA. STAT. ANN. § 18105 (West 2010).

59. See *Hearing on Bill No. 080251*, *supra* note 18, at 12 (statement of Randy Hofer, Marketing Director, Impact Servs. Corp.).

60. See *id.* at 11–12.

hearing, only one business owner voiced concerns over the idea of being taxed for services she felt the City should provide.⁶¹ Beyond that, while a majority of business owners did not voice support, neither did they voice opposition.

The ABA held twenty-four meetings between 2006 and 2008 in which the Aramingo BID was a topic of discussion.⁶² Also, every store and property owner on the Avenue received advance notice of the plan from mailings conducted by CDC.⁶³ The ABA then went from store-to-store collecting signatures of approval.⁶⁴ The ABA, with support from the CDC, reached out to the district to garner support for forming the Aramingo BID. Planning the budget, boundaries, and services took three years to finalize. Philadelphia approved the Aramingo BID in 2008, which, in November 2009, began providing services through the CDC, the organization responsible for managing the district.⁶⁵

A. Chief Sponsors

The chief—and only—legislative sponsor of the Aramingo BID was Philadelphia City Councilman Frank DiCicco, whose district extends along the Delaware River waterfront.⁶⁶ DiCicco, first elected to Philadelphia City Council in 1996, was serving his third four-year term during the formation of the Aramingo BID, and has been an advocate of special districts throughout his career.⁶⁷ With more than five BIDs already in place within his district,⁶⁸ it is not surprising that he supported the formation of the Aramingo BID.

Support by elected officials is, of course, not surprising. Given the mobility of capital, cities recognize the need to create mechanisms to retain businesses. A BID has the capacity to respond to the needs of

61. See *id.* at 35 (statement of Chris Hennessey, Owner, Steffen's Pet Center).

62. See *id.* at 27 (statement of Randy Hofer, Marketing Director, Impact Servs. Corp.).

63. See *id.* at 27–28.

64. See *id.* at 28.

65. See Res. No. 080477, Phila. City Council (Phila., Pa. May 8, 2008) (approving a final plan to establish the Aramingo BID); Patrick P. McNally, *Seeing Yellow on Aramingo Avenue*, SPIRIT CMTY. NEWSPAPERS, Dec. 2, 2009, at 7 (detailing the commencement of service provisions for the Aramingo BID), available at <http://www.spiritnewspapers.com/index130.htm>.

66. See *Frank DiCicco*, NEIGHBORS UNITED TO RE-ELECT FRANK DICICCO, <http://www.mxd-media.com/clientSites/fdicicco/index.html> (last visited Nov. 8, 2010).

67. *Id.*

68. These include the East Passyunk Avenue BID, the Port Richmond Industrial Development Enterprise (PRIDE) neighborhood improvement district, the Center City District, the Old City District, the Frankford Special Services District, and the Chestnut Hill Business Improvement District.

a business and enhance the benefits of one location over another, thereby preventing capital flight from the area. According to Impact Services in 2008, the creation of the Aramingo BID would generate nine jobs, and promised to stabilize the corridor by helping retain businesses and, by extension, jobs.⁶⁹

Andrew Frishkoff, director of neighborhood economic development in the Philadelphia Commerce Department, was also a vocal supporter at the committee hearings.⁷⁰ He argued that the Aramingo BID was consistent with the city's strategic plan and the Commerce Department's goals of "re-establish[ing] neighborhood commercial corridors as central places to work, shop[,] and meet neighbors."⁷¹

B. Community Groups Who Proposed the Creation of the Aramingo BID

The ABA was founded in 2005 to organize businesses on the Avenue.⁷² According to David White, a branch manager for a bank on the Avenue and president of the ABA, retailers felt that they needed a reliable funding source that was locally controlled to finance services and improvements for this "large and growing retail district."⁷³ Over a three year period, the ABA and the CDC proposed, developed, and organized the Aramingo BID, which is currently run by the ABA.⁷⁴

In the early 1970s, John MacDonald founded Impact Services, the larger affiliate of the CDC, as a part of the Ford Foundation's workforce development project.⁷⁵ In 2002, the CDC was created as an economic development and housing entity to serve eastern Philadelphia.⁷⁶ As one of its first activities, the CDC was contracted to provide cleaning services for the Port Richmond Industrial Development Enterprise (PRIDE), which abuts the Aramingo BID at its northern end.⁷⁷ A second industrial group, the Richmond Corridor Association, operates on the west side of the Aramingo BID at its

69. See IMPACT SERVS. CORP., ANNUAL REPORT 6 (2008).

70. See *Hearing on Bill No. 080251*, *supra* note 18, at 7-9 (statement of Andrew Frishkoff, Director of Neighborhood Econ. Dev., Phila. Commerce Dep't).

71. *Id.*

72. See *id.* at 17 (statement of David White, President, ABA).

73. See *id.*

74. See *id.* at 27-28 (statement of Randy Hofer, Marketing Director, Impact Servs. Corp.).

75. See *Impact Hope*, *supra* note 48.

76. See *Impact CDC*, *supra* note 47.

77. See *id.*

northern end as well.⁷⁸ The creation of a BID in the middle of these two industrial areas was a logical move, as commercial-property owners had different needs than those of industrial-property owners. During formation of the Aramingo BID, Impact Services worked with both organizations, as well as the Urban Industry Initiative, to ensure buy-in both by property owners within the BID and by the surrounding stakeholders.⁷⁹

All stakeholders pointed out that one of the benefits of a commercial district on the Avenue was that there was a critical mass of stores, which would be able to generate enough revenue—through the 15% assessment, fundraising efforts, and grants—to get things done in a way that the ABA was not able to achieve.

C. Lack of Opposition

The commercial and industrial stakeholders worked together during the organizing stages to identify which properties the Aramingo BID service area should include, and which to charge an assessment. For example, two industrial-property owners that were initially included were later removed, which led to a \$20,000 reduction in the projected annual budget of \$262,000.⁸⁰ As indicated earlier, the ABA went store-to-store and obtained fifty-two signatures in support of the Aramingo BID.⁸¹ They suggested that the number would have been higher if not for the prevalence of chain stores, whose corporate headquarters are located outside of the region.⁸²

Only one small-business owner at the southern end of the district objected, wondering what benefit the Aramingo BID would have for any of the stores at the residential end and why they needed to pay for added security.⁸³ That business owner voiced one of the most common concerns regarding BIDs—that her taxes already paid for services in the area.⁸⁴ At the time, Councilman DiCicco assured her that the Aramingo BID would not replace city provisions, and the executive director of Impact Services spoke about the planned mar-

78. See *About Us*, RICHMOND CORRIDOR ASS'N, http://rcassociation.org/site_pages/about_us/about_us_index.html (last visited Nov. 8, 2010).

79. John MacDonald, president of Impact CDC's board of directors, served as one of several uncompensated directors of the Urban Industry Initiative (UII) from 2006 to 2008.

80. See *Hearing on Bill No. 080251*, *supra* note 18, at 9 (statement of Randy Hofer, Marketing Director, Impact Servs. Corp.).

81. See *id.* at 26–27.

82. See *id.* at 13 (statement of John MacDonald, President, Impact Servs. Corp.).

83. See *id.* at 33 (statement of Chris Hennessy, Owner, Steffen's Pet Center).

84. See *id.* at 32–33.

keting events that would benefit her business.⁸⁵ Otherwise, there was no additional opposition voiced at the public hearings, which caused Anna C. Verna, president of Philadelphia City Council, to later remark, “[i]t’s very seldom that we have a group come in and just about everybody is in accord and on the same vein, but apparently you’ve worked extremely hard on it, and I congratulate you.”⁸⁶

The story of the Aramingo BID’s formation also highlights another aspect of BIDs that is often undervalued—their ability to generate intangible forms of capital, such as social capital in this case. A BID is, after all, “more than a device for providing common area amenities, important as that is [It is also] a ‘serious organizing and management tool.’”⁸⁷ Therefore, in the case of the Aramingo BID, effective organization was key. Its success in garnering community support and, subsequently, council approval was largely a function of the actors and their community organizing skills. Yet, actor-driven success can be fickle and it may last only as long as the cast of characters remains the same. Thus, success during the formation phase of the district was the result of both informal actions by key players and the formal requirement that the majority of property owners not object to formation.

D. Actors Who Were Instrumental in Shaping the Aramingo BID

Four board members of Impact Services provided testimony and were key players in creating and shaping the Aramingo BID. John MacDonald, president, and Randy Hofer, director of marketing, initiated the effort.⁸⁸ David White stated that the Avenue needed services in order to maintain cleanliness, which in turn would allow the area to compete with suburban shopping malls.⁸⁹ Services provided by the Aramingo BID could upgrade the appearance of the Avenue; thereby, increasing its customer base.⁹⁰ Additionally, the Aramingo BID would help businesses on the Avenue function more as an “integrated shopping strip,” as opposed to a hundred individual entities.⁹¹ Planning for the Aramingo BID took place through a series of

85. See *id.* at 36, 38 (statements of Frank DiCicco, Phila. City Council, and Randy Hofer, Marketing Director, Impact Servs. Corp.).

86. See *id.* at 39 (statement of Anna C. Verna, President, Phila. City Council).

87. See Briffault, *supra* note 4, at 427.

88. See *Hearing on Bill No. 080251*, *supra* note 18, at 6–39.

89. See *id.* at 18 (statement of David White, President, ABA).

90. See *id.*

91. See *id.*

open meetings amongst area businesses. These meetings were directed under the leadership of Joe Lyons, a human resources manager for the Home Depot store located on the Avenue and board member of the CDC.⁹²

Christine Hammaker, vice president of the ABA and store director for the Toys R Us store on the Avenue, explained the delineation of the borders of the Aramingo BID.⁹³ Hammaker stated that, initially, the CDC had planned the district to begin at Allegheny Avenue, which would have covered only the auto-dependent area at the northern end of the Avenue.⁹⁴ After the CDC and Councilman DiCicco's staff toured the area, however, the decision was made to extend the district to include the residential areas at the southwestern end of the Avenue.⁹⁵ DiCicco argued, very persuasively, that this change would allow the Aramingo BID to serve the immediate residential community and better integrate the shopping district into the surrounding neighborhoods.⁹⁶ It was also decided that this change was more in alignment with the natural, physical entry-point into the district—the rail lines at the southwestern end.⁹⁷ DiCicco's staff also persuaded the CDC and the ABA to widen the district at its northern end to ensure that the dumpsters located behind the strip malls would be serviced by the Aramingo BID, thereby preventing trash from blowing out of the dumpsters and onto adjacent vacant lots.⁹⁸ This change also made the cleaning area contiguous with the areas serviced by PRIDE.⁹⁹

E. Milestones in Aramingo Avenue's BID Development

Key milestones in the development of the Aramingo BID were the rezoning of a twenty-two acre lot at its northern end from industrial to commercial, the expansion of its borders to include the residential areas at its southwestern end, and, of course, the passage of the es-

92. See *id.* at 26–27 (statement by Randy Hofer, Marketing Director, Impact Servs. Corp., reading testimony on behalf of Joe Lyons, Human Resources Manager, Home Depot).

93. See *id.* at 22–23 (statement of Christine Hammaker, Vice President, ABA).

94. See *id.* at 22.

95. See *id.*

96. See *id.* at 22–23.

97. See *id.*

98. See *id.*

99. See *id.* at 23.

tablishing ordinance.¹⁰⁰ Each of these events has had an impact on the district, and will definitely affect its larger role in the surrounding communities – Kensington and Port Richmond.

Rezoning the twenty-two acre lot, known as Aramingo Crossings, was important because it opened up the northern end of the Avenue to commercial development, and thus created the opportunity to cultivate a uniform commercial identity. As Aramingo Crossings continues to develop and industrial entities relocate away from the area, it will mean that entrants into the district will be met with retail stores rather than stretches of Brownfields. The success of Aramingo Crossings may also facilitate the development of other vacant lots in the district. The long-term benefit is the opportunity to build a more aesthetically pleasing commercial area that is more aligned with other areas within the Aramingo BID. The proximity to Interstate 95 also creates the possibility of increasing the market share of the district by tapping into the ease of access by automobile. As BIDs often seek to emulate the suburban shopping mall experience of having a “managed environment” that engages “strategic planning,”¹⁰¹ these milestones facilitate such a process.

The decision to expand the borders into the residential sections, although generating collective action challenges, will also increase the likelihood that residential interests are represented as the Aramingo BID evolves over time. It may also result in actions that help bridge the border between the eastern and western sections of the area. However, much will depend on the actors and their community-building skills. Indeed, in the absence of these skills, the decision to expand the border could also be the Aramingo BID’s undoing in the long run.

The passage of the establishing ordinance, with virtually no opposition, suggests that the local stakeholders were able to overcome many of the potential collective action challenges that typically arise when trying to organize within an area that, in assessing its physical and demographic characteristics, had all the markers which would indicate a likelihood of failure.

100. See Phila., Pa., Bill No. 080251 (Sept. 18, 2008); *Hearing on Bill No. 080251*, *supra* note 18, at 22–23 (statement of Christine Hammaker, Vice President, ABA) (regarding expansion of the Aramingo BID borders).

101. See Briffault, *supra* note 4, at 426–27.

IV. THE DEVELOPMENTAL MOMENT: THE DECISION TO CREATE A BID

As a brand new district, the clearest developmental moment occurred when local stakeholders came together around the concept of creating a BID on the Avenue. Formation of a BID is generally a function of two primary needs—namely, to provide security and sanitation services.¹⁰² Increased crime and grime in an area are often cited as underlying factors spurring BID development.¹⁰³ Researchers also suggest that BID areas often have service needs that go beyond those provided by a municipality and lack the revenues needed to provide such services.¹⁰⁴ Property owners are unwilling to take on the additional cost for service provision beyond the borders of their own property, and are averse to sharing the burden of caring for other businesses' needs. Institutions, such as merchant associations or other voluntary local business associations, may form to address these needs, but are often unable to survive in the absence of "the public power of coercive taxation—a power generally wielded by municipalities"¹⁰⁵ Thus, these associations may lack reliable resources, which limits their ability to consistently provide services in a given area.

The data discussed earlier on the physical and demographic context shed some light on the service needs that emerged between 1990 and 2000 in this area.¹⁰⁶ The growth in residential vacancy and rising levels of poverty contributed to the creation of blight. Vacant property can deaden an area, creating a perception of danger due to lack of activity, and add to the appearance of grime. These conditions can also have direct impacts on the local economy, derived from a declining residential base to support local commerce.

Data on crime trends in the Aramingo BID and its surrounding areas present additional information concerning the factors that led to the need for services, and the potential benefits of having a BID.¹⁰⁷ The Aramingo BID is, in fact, the second BID to form within the 24th

102. See LAWRENCE O. HOUSTOUN, JR., *BUSINESS IMPROVEMENT DISTRICTS* 8 (2d ed. 2003); Robert J. Stokes, *Business Improvement Districts and Inner City Revitalization: The Case of Philadelphia's Frankford Special Services District*, 29 INT'L J. PUB. ADMIN. 174 (2006).

103. See, e.g., Briffault, *supra* note 4, at 370.

104. See HOUSTOUN, *supra* note 102, at 48–49; Stokes, *supra* note 102, at 181.

105. See Briffault, *supra* note 4, at 471.

106. See *supra* notes 25–42 and accompanying text.

107. See *CrimeBase*, *supra* note 27.

Police Precinct.¹⁰⁸ PRIDE was established in 2002 and contracted with Impact CDC in 2004 to provide sanitation services.¹⁰⁹ While the rate of robberies consistently increased throughout Philadelphia since 2002,¹¹⁰ the rate of robberies along Aramingo Avenue near PRIDE's service area experienced a notable decline in 2002,¹¹¹ which coincided with the foundation of PRIDE. In 2004, property-related crimes began to increase again.¹¹² Simultaneously, Impact Services Corporation began to organize local businesses and form the ABA,¹¹³ which became a forum for small businesses to discuss local issues and consider appropriate actions. These activities suggest that the common threat of property-related crime, combined with fears of economic decline and loss of property value, may have been a motivating factor behind the development of the Aramingo BID.

The ABA's members, Impact Services Corporation, and Impact CDC worked together to create a BID plan that was acceptable to key stakeholders.¹¹⁴ The plan expanded the district to ensure that the commercial benefits of the corridor extended to small businesses at the residential end, and to remove several industrial owners whose interests differed radically from those of the other businesses.¹¹⁵ This process also assuaged local politicians, thereby paving the way for easy legislative passage. In the end, there was virtually no opposition, and no changes were required to the plan. Impact CDC began providing security services in November 2009 and will add sanitation services, uniform signage, and joint marketing services in the future.¹¹⁶

V. CONCLUSIONS: COMMUNITY BUILDING, COLLECTIVE ACTION, AND BIDS

The Aramingo BID has thus far succeeded where many others might have failed. The Impact CDC's community development

108. See Res. No. 020526, Phila. City Council (Phila., Pa. Sept. 12, 2002) (establishing PRIDE as the first BID within the 24th Police Precinct).

109. See *id.*; *Impact CDC*, *supra* note 47.

110. See *CrimeBase*, *supra* note 27.

111. See *id.*

112. See *id.*

113. See *Hearing on Bill No. 080251*, *supra* note 18, at 16–20 (statement of David White, President, ABA).

114. See *id.*

115. See *id.* at 17–24 (statements of David White, President, ABA, and Christine Hamaker, Vice President, ABA).

116. See *id.* at 22–23 (statement of Christine Hamaker, Vice President, ABA).

background and adept organizing skills may have been critical for BID formation. The future, however, is very much up in the air. It is possible that the expansion of the district's service area could prove problematic as residents and small businesses remain minor partners. As more large retail chains locate in area strip malls, more small businesses will feel the crunch of competition. The expanded borders may generate collective action problems in the future. The Madisonian dilemma remains for the Aramingo corridor—not only do larger commercial property owners possess greater resources, but they also possess greater influence. Through their connections with the Department of Commerce and support from city councilmembers, these owners could wield great power to shape the future of the Aramingo BID.

The physical challenges of the area are ongoing, and it is unclear whether the Aramingo BID will be able to build the kind of cohesiveness needed to create a uniform district, or whether the district has the resources needed to overcome the Avenue's deficiencies. The width of the Avenue cannot be overcome and will always prevent the area from being pedestrian-friendly. Perhaps the addition of landscaping, traffic-calming measures, and joint marketing events will help to create a more cohesive business district. However, doing so will require extensive resources and adept leadership. One is left wondering if a BID can serve the needs of a commuter-oriented shopping area: Does such a BID have the capacity to provide the services necessary to ensure continued satisfaction of local stakeholders? Can the Aramingo BID build the necessary bridges in this community or will it be defined by the legacy of its namesake, a road that historically served as a border divide?