

City of Philadelphia



(Bill No. 030716)

AN ORDINANCE

Approving a new plan, estimated costs and proposed method of charges of the City Avenue Special Services District for and concerning business improvements and administrative services to portions of the City Avenue area of the City of Philadelphia and Township of Lower Merion.

WHEREAS, The City Avenue Special Services District (the "CASSD") was incorporated under the provisions of the Municipality Authorities Act (the "Act") and was authorized by Bill No. 960561 (approved on December 18, 1996); and

WHEREAS, Following its incorporation, the CASSD adopted a five-year plan for business improvements and administrative services to the City Avenue area, which plan was approved by City Council in Bill No. 980749 (approved January 9, 1999); and

WHEREAS, Bill No. 020486 (approved November 13, 2002) authorized an extension to the term of the CASSD through 2022; and

WHEREAS, The CASSD has completed a new Plan and Budget for the City Avenue Special Services District (the "Plan"), comprising a plan for certain business improvements and administrative services to portions of the City Avenue area of the City of Philadelphia and Township of Lower Merion through 2023, together with the estimated costs and proposed methods of assessment and charges therefor; and

WHEREAS, After a duly advertised public hearing held by the CASSD pursuant to the Act, legally sufficient written objections to the Plan have not been received either from persons representing the ownership of one-third (1/3) of the properties in the proposed district or property owners within the proposed district whose property valuation as assessed for taxable purposes amounts to more than one-third (1/3) of the total property valuation of the proposed district; and

WHEREAS, As required by the Act, the Plan has now been submitted to City Council for its review and approval; and

WHEREAS, It is the City Council's intent in enacting this Ordinance to take the action required under the Act to approve the Plan; now, therefore

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

City of Philadelphia

BILL NO. 030716 *continued*

Certified Copy

SECTION 1. The plan, budget and map for the City Avenue Special Services District (the "Plan") attached hereto as Exhibit "A," submitted by the City Avenue Special Services District (the "CASSD"), having been duly reviewed and considered, is approved.

SECTION 2. The CASSD is authorized to take such action as may be necessary to carry out the Plan. City Council authorizes the CASSD to proceed with minor changes in substantial conformity with the Plan. Any major changes must be approved by Ordinance of City Council.

SECTION 3. City Council resolves to cause the level of security and maintenance services provided by the City to the area served by the CASSD to be established in the future at the same levels as would have been provided in the absence of the services to be provided by the CASSD, unless there shall be a city-wide reduction in services.

SECTION 4. This ordinance shall take effect on December 31, 2003.

City of Philadelphia

BILL NO. 030716 *continued*

Certified Copy

EXHIBIT "A"

NEW PLAN AND BUDGET OF THE CITY AVENUE SPECIAL SERVICES DISTRICT

MISSION

The mission of the City Avenue Special Services District of Philadelphia and Lower Merion ("District") is to engage property owners, businesses, tenants and other stakeholders to retain and improve the economic vitality of the City Avenue area so that it can successfully compete as an attractive location in which to live, work, shop, visit, receive health care services, and study.

To achieve this mission, the City Avenue Special Services District was created during the summer of 1997 to provide additional services in the area and to facilitate cooperation among the City of Philadelphia, Township of Lower Merion, businesses, institutions, and property owners. Following the approval of the City Avenue Special Services District's initial five-year plan during the autumn of 1998 by property owners in the District, the Township of Lower Merion and the City of Philadelphia approved the five-year plan during late 1998. The District commenced operations during 1999, and it has been working since that time to improve the image and physical environment of the City Avenue area.

During the initial four plus years of operation, the City Avenue Special Services District has improved the image of the City Avenue area; has developed effective programs; and has brought additional resources to the area. As the nation's first multi-jurisdictional special services district, the City Avenue Special Services District has received acclaim for bringing together the City of Philadelphia and the Township of Lower Merion to work together.

The City Avenue Special Services District was created in 1997 in response to several factors including:

To bring together the City of Philadelphia and the Township of Lower Merion and City Avenue area property owners, businesses and institutions to work together to improve the area, and to address areas of common concern that went across the political border of City Avenue;

To reduce crime levels and to change the increasing perception that the City Avenue area was becoming unsafe;

To provide for the planning for and implementation of physical improvements to the City Avenue area, including landscaping, streetscaping, and enhanced private buildings;

City of Philadelphia

BILL NO. 030716 *continued*

Certified Copy

To market the area to a wide range of potential customers including businesses, students, tourists, and residents; and

To bring additional local, state and national resources to the area.

The City Avenue Special Services District conducts programming in four key areas:

Public safety;

Streetscape improvements;

Transportation enhancements; and

Marketing and promotions.

The boundaries of the service area for the District are depicted on the map contained within this Plan.

PUBLIC SAFETY PROGRAM

The original goal of the City Avenue Special Services District in the 1998 plan for public safety stated:

"The City Avenue Special Services District will work with the Lower Merion and Philadelphia police departments and District property owners, management companies and tenants to determine the existing characteristics of crime in terms of the type, location and time of crime.

The City Avenue Special Services District will work with the Lower Merion and Philadelphia police departments and District property owners, management companies and tenants to develop creative and efficient responses that seek to lessen the frequency and severity of criminal activities.

The District will implement improved two-way radio communication among the Lower Merion and Philadelphia police departments and hire and equip private unarmed security patrols for the City Avenue Special Services District. The District will work to develop a computerized database of criminal activities in order to determine trends and develop appropriate responses. The District will work on developing other appropriate responses to security concerns. These solutions may include video surveillance,

City of Philadelphia

BILL NO. 030716 *continued*

Certified Copy

improved lighting, and improved communications among property managers and existing security patrols."

During the early stages of planning for the City Avenue Special Services District, improving the public safety of the area was viewed as being a key component District, and as being critical to the future success of the area. Public safety can impact an area in two key ways: the number and type of crimes that occur in an area, and how people perceive an area in terms of public safety and the decisions they make based upon their perception. While reducing the number of crimes was critical to the success of the City Avenue area, improving the public safety perception of the City Avenue area was also important.

During the early stages of the City Avenue Special Services District, the District worked with the Lower Merion and Philadelphia police departments, and elected officials, property owners, building managers, and public safety directors from Lower Merion and Philadelphia to develop a program to improve public safety. A key element of the public safety program was to improve communications among people involved in public safety from Lower Merion and Philadelphia, and from the public and private sectors.

Following the success of other special service districts, and the guidance of public safety leaders, the District developed a program of Community Service Representatives (CSRs), where an average of eight uniformed CSRs patrol the District on bicycle six days a week. The CSRs communicate with the Lower Merion and Philadelphia police departments via two-way radios. The CSRs, who are full-time employees of the District, work closely with the Lower Merion and Philadelphia police departments to enhance the security of the City Avenue area. The CSRs have three major functions: to be a visible presence, to assist people, and to identify areas of public safety concerns.

The CSRs have been effective in reducing crimes and in improving the public safety perception of the City Avenue area. The CSRs have had over 5,000 meaningful contacts with people in the District helping them with issues ranging from providing directions to be the first responder at automobile accidents.

The District maintains a database of Part I crimes (i.e. major crimes such as robbery, murder and theft) in and near the City Avenue Special Services District utilizing crime data obtained from the Lower Merion and Philadelphia police departments. Through the efforts of the Lower Merion and Philadelphia police departments, private security patrols and the District's CSRs, Part I crimes have decreased by 36.46% in the CASSD from 1998 – 2003 (2003 figures are based on crime data through March 31, 2003), and by 45.24% for an area approximately one-half mile outside of the CASSD from 1998 – 2003 (2003 figures are based on crime data through March 31, 2003).

City of Philadelphia

BILL NO. 030716 *continued*

Certified Copy

Information on criminal activities and concerns are shared between the Lower Merion and Philadelphia police departments, the City Avenue Special Services District, private security patrols, and building managers in the District.

As the District moves forward, we hope to improve communications between the Lower Merion and Philadelphia police departments, and private security patrols and building managers in the District. We also look to identifying public safety areas of concern and working cooperatively to address them through an efficient utilization of the public and private security patrols and resources in the City Avenue area.

PUBLIC SPACE IMPROVEMENTS

The original goal of the City Avenue Special Services District in the 1998 plan for public space improvements stated:

"The City Avenue Special Services District will identify opportunities to improve the streetscape, public spaces and signage within the City Avenue Special Services District. The District will also work to make appropriate physical improvements and to eliminate graffiti in the City Avenue Special Services District.

The planned improvements will focus on making improvements along the streetscape and will be done in cooperation with property owners, Philadelphia and Lower Merion governments, PENNDOT and SEPTA. Planned improvements include the planting and maintenance of street trees; the design, installation and maintenance of directional and destination signs; the installation and maintenance of enhanced and improved street lighting; the installation and maintenance of bus shelters; the design and installation of banners; and, graffiti removal."

Following the retention of a consulting team, which had significant experience in public space improvements, the City Avenue Special Services District completed a streetscape plan in 2002. The plan calls for \$5.8 million in improvements, including landscaping, banners, streetlights, and other design improvements.

During 2001, following discussions with property owners and PENNDOT, the District made landscaping improvements to the intersection of City Avenue and Presidential Boulevard. The District has continued to maintain and plant this area.

During 2002, the District worked with the Philadelphia Water Department and Philadelphia officials to have the Water Department replace the part of the chainlink and barbed wire fence around the section of the Belmont Reservoir that is along and near City Avenue with a

City of Philadelphia

BILL NO. 030716 *continued*

Certified Copy

black metal picket fence. The District also worked to obtain the additional money needed for the improved fence from the City of Philadelphia. The new fence was installed during the spring of 2003 and is an aesthetic improvement over the former fence.

During spring of 2003, following lengthy discussions with Lower Merion Township and the City of Philadelphia concerning the design and installation criteria for banners, the District installed nearly 100 banners along City Avenue. The banners reflect the diverse range of activities that occur in the District including dining, business, shopping, and relaxing.

Since 2001, the District has been working with PENNDOT, along with the Lower Merion Township and the City of Philadelphia to plan for improvements to the Presidential Boulevard Pedestrian Bridge, which crosses City Avenue. After extensive planning, design work and planning, the governmental entities have approved our initial plans, and the improvements will include removing the lead based yellow paint and repainting the bridge a more attractive blue-gray color, installing a "City Ave" gateway sign; and installing new fencing on the bridge. Work on the pedestrian bridge is scheduled to start during autumn of 2003. As the District moves forward, we are working to implement other elements of the streetscape plan. Part of the 5-year budget, which is included, reflects a \$4.5 million loan, to be repaid over the 20-year period, for streetscape improvements. The streetscape improvements will include new traffic signals, light poles, trees, and landscaping. The improvements will be coordinated and approved by PENNDOT, Lower Merion Township, and the City of Philadelphia.

MARKETING PROGRAM

The original goal of the City Avenue Special Services District in the 1998 plan for marketing stated:

"The City Avenue Special Services District will develop a marketing campaign with professionally designed brochures and newsletters and a web site to actively promote the City Avenue area and its attractions to residents of, and visitors to the Philadelphia region as a destination in which to live, work, shop, visit, receive health care services, and study."

The District works with property owners, realtors, and responsible developers to encourage higher and better levels of land use and development, which will improve the City Avenue area. With the creation of the City Avenue Business Alliance (CABA) in June of 2003, a significant part of the District's marketing focus will be on serving the needs of District businesses and working through CABA to increase visibility for the area and improve the business economy via efforts to keep business in the District and also to encourage businesses to move to our District.

City of Philadelphia

BILL NO. 030716 *continued*

Certified Copy

We will continue to produce a quarterly newsletter and marketing collateral as needed to include an annual report and possibly a retail guide to work with our hotel and dining guides.

A smaller, but no less important, part of the marketing effort will work hand in hand with the streetscape program. Community involvement and special projects (i.e. public art or community gardens) will be an important part of the landscaping/streetscape/beautification efforts.

MANAGEMENT OF THE CITY AVENUE SPECIAL SERVICES DISTRICT

The original goal of the City Avenue Special Services District in the 1998 plan for management stated:

"The City Avenue Special Services District is governed by a 26 member Board of Directors representing area property owners, managers and business and institutional leaders. A professional executive director will be hired to manage and oversee the operation of the District, including the development and implementation of programming and the management and oversight of contracts with competitively selected contractors providing services to the District."

The District is administered by a small and efficient professional staff, including an experienced executive director, and devotes the overwhelming share of its resources to highly visible and effective on-street programs.

A 26-member Board of Directors (consisting of 18 voting members and 8 ex-officio members) representing the City Avenue area's major property owners and a wide cross section of prominent leaders of business and institutional organizations governs the City Avenue Special Services District.

The District funds its programs and proposes to fund its debt service payments primarily by mandatory assessments on properties within the District. The District calculates its charges by establishing the proportion of the value of real estate taxes of an individual property to the total value of real estate taxes of the District (including the value of real estate taxes on properties owned by non-profit entities), then multiplying this proportion by the total annual amount of assessments billed. The District directly bills and collects these assessments annually from property owners in the District. The District's assessment revenues are used exclusively to fund operations, supplemental services and physical improvements within the District.

City of Philadelphia

BILL NO. 030716 *continued*

Certified Copy

The District receives voluntary contributions from owners of tax-exempt properties within the City Avenue Special Services District boundaries that receive the benefit of District services.

The District seeks and competes with other governments and organizations for grants from local, state and federal government and from foundations. During the first four years of operation, the District received grants equaling 51% of the value of the collected assessment revenue. This grant revenue would not have gone to the City Avenue area, without the efforts of the City Avenue Special Services District.

The District has received a number of awards for its management and programs including a 2001 Governor's Award for Excellence in Local Government, and a 1999 Pennsylvania Planning Association Award for a Special Community Initiative.

REVENUE AND BUDGET EXPLANATION AND NOTES

The City Avenue Special Services District is administered by a small professional staff and devotes the overwhelming share of its resources to highly visible on-street programs and services.

The City Avenue Special Services District funds both its daily operating programs and its capital improvements primarily through a surcharge on the real estate tax of properties within the District.

Annual City Avenue Special Services District assessments to properties within the City Avenue Special Services District will be responsible for approximately 87% of the District's budget. The remaining portion of the District's budget will be sought from foundations, government and fees for service. Individual assessments on properties will be derived by multiplying the annual total of District assessments by a ratio of the value of real estate taxes for an individual property from the previous year to the total value of all real estate taxes (including the value of real estate taxes on property owned by non-profit organizations) within the City Avenue Special Services District from the previous year. In the first year (2004), it is estimated that this amount will be equivalent to approximately 6.5% of the value of annual real estate taxes on a property.

Properties owned by non-profit entities (such as private schools) will be assessed using the same formula as other properties in the District. Owners of these properties will be requested to make a voluntary contribution in the amount of the assessment.

As in past years, a provision will be made to enable owner-occupants of residential properties in the City Avenue Special Services District to not pay the District assessment, if they elect to do so in accordance with procedures adopted by the District.

City of Philadelphia

BILL NO. 030716 *continued*

Certified Copy

The contingency expense category reflects projected owner-occupied residential share of the assessments, as well as the assessment amounts of properties owned by governments and utilities. Contingency also represents uncollected revenue and unforeseen expenses.

The City Avenue Special Services District's 20-year extension will enable it to incur a \$4,500,000 loan for streetscape improvements and pay back the loan's principal and interest. Every five years, for the five-year periods beginning 2009, 2014, and 2019, the City Avenue Special Services District's Board of Directors shall vote on a new five-year operating plan and budget that upon its approval shall be sent to the District property owners for review in accordance with the provisions of the Municipality Authorities Act, and shall be subject to approval by City Council pursuant to the provisions of the Municipality Authorities Act.

SUNSET PROVISION

The City Avenue Special Services District will operate under a twenty-year "sunset provision," requiring a reauthorization of the Authority by the property owners within the District after twenty years of operation. As this "sunset" time approaches, a reevaluation and discussion regarding the future of the District will be held.

BOARD OF DIRECTORS

Ex-Officio Members

Hon. Louise Williams Bishop
State Representative, 192nd District

Hon. Lita Indzel Cohen
Former State Representative

Hon. James S. Ettelson
Lower Merion Township Commissioner, 12th Ward

Hon. Kathy Manderino
State Representative, 194th District

Hon. Joseph M. Manko
Lower Merion Township Commissioner, 9th Ward

Hon. Michael A. Nutter
Philadelphia City Councilman - 4th District

Hon. Melissa Murphy Weber

City of Philadelphia

BILL NO. 030716 *continued*

Certified Copy

State Representative, 148th District

Hon. Constance H. Williams
State Senator, 17th District

Voting Members

Lower Merion Township Members:

Dennis Bianchi
NBC-10

Neil Cain
Federal Realty Investment Trust

Kimberly Camp
The Barnes Foundation

Daniel M. DiLella
Berwind Property Group

Richard Fox
Fox Realty Company

Joseph S. Grubb, Jr.
Tower Realty Management Corporation

Susan McKee
Walls and Windows

Ronald Rubin
PREIT/Rubin, Inc.

One Vacancy

City of Philadelphia Members:

Dean Adler
Lubert-Adler Partners

Ron Day

City of Philadelphia

BILL NO. 030716 *continued*

Certified Copy

Adam's Mark Hotel

George Goldstone
Herbert Yentis & Co. Realtors

Rev. Timothy R. Lannon, S.J.
Saint Joseph's University

Matthew Schure, Ph.D.
Philadelphia College of Osteopathic Medicine

Howard J. Wurzak
Hilton Philadelphia City Avenue

Robert Silzle
RJS Enterprises

Two Vacancies

City of Philadelphia

BILL NO. 030716 *continued*

Certified Copy

City Avenue Special Services District Budget (2004 - 2023)

City Avenue Special Services District Budget 2004 - 2023

INCOME	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Total Property Assessments	\$921,264	\$967,327	\$1,015,693	\$1,066,478	\$1,119,802	\$1,153,396	\$1,187,998	\$1,223,638	\$1,260,347	\$1,298,157
Operating Income	\$138,190	\$145,099	\$152,354	\$159,972	\$167,970	-----	-----	-----	-----	-----
Loan for Streetscape Improvements	\$0	\$2,400,000	\$2,100,000	\$0	\$0	-----	-----	-----	-----	-----
TOTAL REVENUE	\$1,059,453	\$3,512,426	\$3,268,047	\$1,226,449	\$1,287,772	-----	-----	-----	-----	-----

EXPENSES

Administration	\$186,744	\$188,754	\$194,241	\$199,917	\$206,588	-----	-----	-----	-----	-----
Public Safety	\$313,050	\$325,572	\$338,595	\$352,139	\$366,224	-----	-----	-----	-----	-----
Marketing & Promotion	\$19,000	\$19,760	\$20,550	\$21,372	\$22,227	-----	-----	-----	-----	-----
Streetscape Improvements	\$300,000	\$2,474,800	\$2,239,912	\$192,914	\$199,569	-----	-----	-----	-----	-----
Professional Fees	\$34,500	\$35,880	\$37,315	\$38,808	\$40,360	-----	-----	-----	-----	-----
Contingency	\$206,159	\$207,134	\$176,907	\$160,774	\$192,277	-----	-----	-----	-----	-----
Debt Service	\$0	\$260,526	\$260,526	\$260,526	\$260,526	\$260,526	\$260,526	\$260,526	\$260,526	\$260,526
TOTAL EXPENSES	\$1,059,453	\$3,512,426	\$3,268,047	\$1,226,449	\$1,287,772	-----	-----	-----	-----	-----

INCOME	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Total Property Assessments	\$1,337,102	\$1,377,215	\$1,418,531	\$1,461,087	\$1,504,920	\$1,550,067	\$1,596,569	\$1,636,484	\$1,668,002	\$1,700,100
Operating Income	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Loan for Streetscape Improvements	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
TOTAL REVENUE	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----

EXPENSES

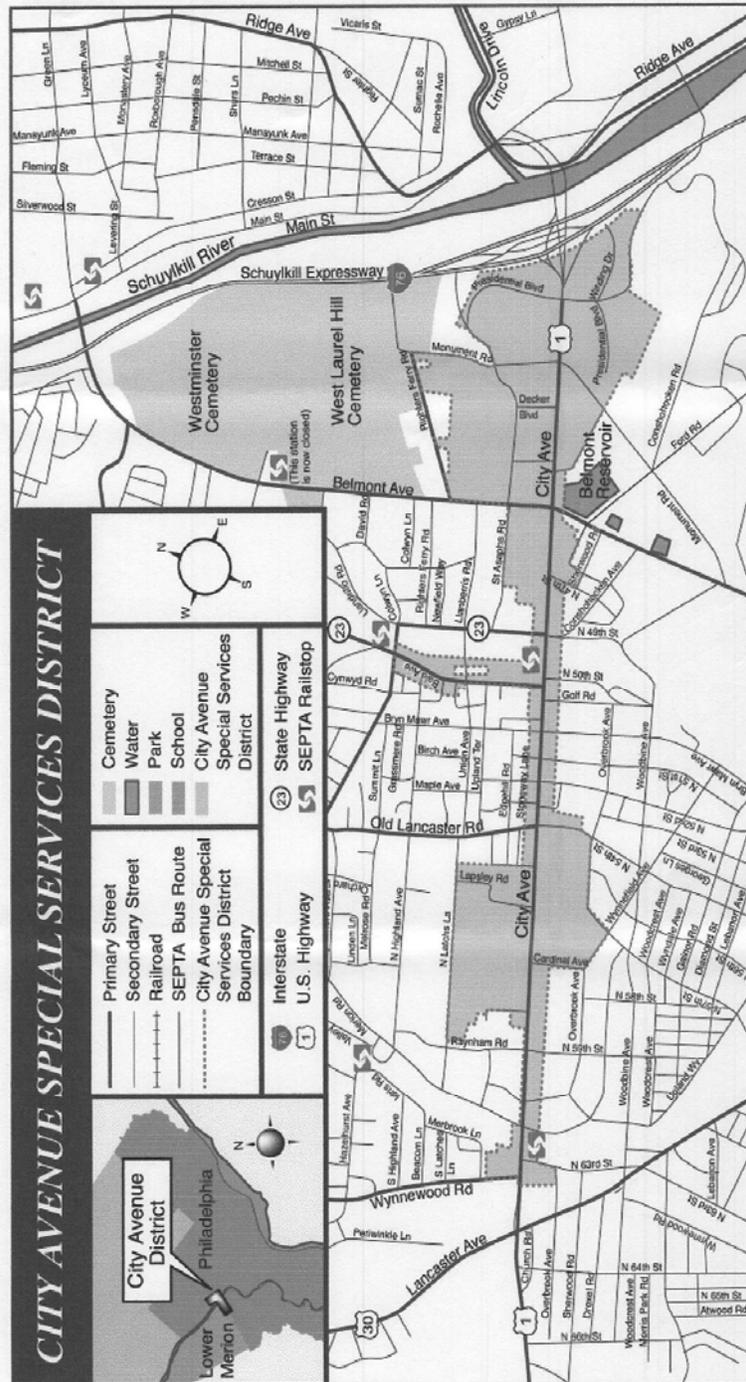
Administration	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Public Safety	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Marketing & Promotion	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Streetscape Improvements	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Professional Fees	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Contingency	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Debt Service	\$260,526	\$260,526	\$260,526	\$260,526	\$260,526	\$260,526	\$260,526	\$260,526	\$260,526	\$260,526
TOTAL EXPENSES	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----

1. Total income and expenses for the five-year periods beginning 2009, 2014 and 2019 shall be developed and presented to the Board of of Directors of the City Avenue Special Services District for approval; shall be sent to District property owners for review in accordance with the provisions of the Municipality Authorities Act; and shall be subject to approval by City Council pursuant to the provisions of the Municipality Authorities Act.

City of Philadelphia

BILL NO. 030716 *continued*

Certified Copy



City of Philadelphia

BILL NO. 030716 *continued*

Certified Copy

City of Philadelphia

BILL NO. 030716 *continued*

Certified Copy

CERTIFICATION: This is a true and correct copy of the original Bill, Passed by the City Council on December 4, 2003. The Bill was Signed by the Mayor on December 18, 2003.

A handwritten signature in black ink, reading "Patricia Rafferty". The signature is written in a cursive style with a large initial "P".

Patricia Rafferty
Chief Clerk of the City Council