

The Advancement of the BID Movement

- BIDs in the United States
- Context (Historic, Political, Economic)
- The Emergence of the BID in Philadelphia
- Center City District
- State Enabling Legislation
- Other BIDs in Philadelphia
- Empirical Work on BIDs
- Closing Remarks

BIDs in the United States

- *Business Improvement Districts and Innovative Service Delivery, 1999*
- Identifies 404 BIDs in the United States
- 42 states have enabling statutes, several are crafting legislation
- California, New York, and Wisconsin have the highest number of BIDs
- BIDs cluster in large cities, but also exist in small towns and suburbs

<u>State</u>	<u># of BIDs</u>
California	73
New York	63
Wisconsin	54
New Jersey	35
North Carolina	32
Florida	12
Pennsylvania	11
Illinois	11
Georgia	10
Texas	10
Iowa	10
Virginia	10

<u>City</u>	<u># of BIDs</u>
New York	41
Los Angeles	17 (<i>21 under consideration</i>)
San Deigo	13

(Correspondence from Mitchell, May 24, 2000)

Context

(Historic, Political, and Economic)

- By 1920, more than half of all Americans lived in urban areas
- Economic engines, social hubs, political influence
- Philadelphia was no exception, but trend shifts in 1950s
- By 1990, the nation was in the midst of an economic recession, and
- The City was virtually insolvent...

Population (In Millions), 1940 - 2000

Philadelphia	1940	1950	1960	1970	1980	1990	2000
Inside	1.9	2.1	2.0	1.9	1.7	1.6	1.5
Outside	1.3	1.6	2.3	2.9	3.0	3.6	3.9

United States Census Bureau

The Emergence of the BID in Philadelphia

Which actors were instrumental in the policy transfer process?

- Central Philadelphia Development Corporation (CPDC), 1956
- In 1985, Richard Fleming, President of the Downtown Partnership
- Greater Philadelphia Chamber of Commerce, Chestnut Street Association, Foundation for Architecture
- Peter Wiley, studied legislation, networked with NYC
- Dept of Public Property/City Planning Commission promote BID idea
- Mayor Wilson Goode and Police Commissioner Kevin Tucker
- Stockton Strawbridge of Strawbridge and Clothier (since 1875)
- Ronald Rubin agrees to simplified agenda, “Clean and Safe”
- Paul Levy, CPDC in 1990

The Emergence of the BID in Philadelphia

- “Nineteen ninety was one of the low points within the city’s administration. The city was close to bankruptcy, and the credibility of government was low. So, we had two huge negatives that, frankly, worked to our advantage. One, the place was filthy. Two, there was a total lack of confidence in city government. We needed an alternative to get this done.” [\[1\]](#)

[\[1\]](#) Paul Levy. *Interview by Lorlene Hoyt, 2000.*

Center City District (CCD)

Philadelphia's first and largest BID (approximately 100 city blocks)

Budget

- 2002 = \$12 Million *(1995 = \$7; 1996 = \$7.6; 1997 = \$8; 1998 = \$8.3; 1999 = \$8.7)*
- Collects mandatory assessments *(5-6% of the real estate property tax)*
- Number of properties = 2,752
- Percent of assessments collected *(88% to 96%)*
- Number of Liens Filed *(4% to 6% of properties)*
- Authorized until 2015
- Voluntary donations *(Academy of Music, Thomas Jefferson University, University of the Arts, the Archdiocese of Philadelphia, etc.)*

Center City District

- Sanitation in 1999 = \$3,764,000
- 68 staff, 365 days a year
- Most BIDs provide sanitation services
- Deploy street sweeping/graffiti removal staff
- Supplement public sanitation services
- set high standards (every sidewalk 3 times/day)
- Administer their own sanitation program, or
- Fee-for-service arrangement

"Security will also enhanced by the constant presence of the district's uniformed maintenance workers and supervisors performing their sidewalk-cleaning duties. Merely by placing these individuals on the streets for several hours each day, we expect to significantly deter graffiti, car break-ins, and other crimes." [1]

Center City District

- Security in 1999 = \$1,943,000
- Supplemental security services
- 44 ambassador patrols (CSRs and SAs)
- Uniformed and unarmed civilian foot patrols
- Modeled after the National Park Rangers
- Hospitality and security
- Trained in public relations and speaking, etc.
- CSRs serve as the "eyes and ears" of the police
- No power to arrest, no powers to investigate
- Can call the police department's 911 system
- CCDs dispatcher to deploy from the substation
- Visible and mobile

Center City District

- Williams testified on behalf of the CCD, asserting,

“It’s almost like the broken window theory. If you don’t attend to the first window, another one gets broken then trashed et cetera. It’s the same philosophy that we try to do in our neighborhoods through our Town Watch. Stand on the corners, turn your lights on, leave your doors open with the lights on in the summer. Let someone who comes to that block think they’re being observed and they’ll either change their mind or, hopefully a very small percent, they’ll go somewhere else.” [\[1\]](#)

[1]Public Transcripts Approving the Plan of the Special Services District of Central Philadelphia (Bill No. 1069). October 10, 1990, p. 47.

Center City District

- Marketing in 1999 = \$334,000
- Promote the image of "clean and safe" through a formal marketing campaign
- Board members decide on an image
- A name for the BID, a logo, a color palette (uniforms, vehicles, signage, etc.)
- Most BIDs distribute newsletters, host websites, hang banners, use slogans
- Unite business owners and reinforce a shared identity
- "Make it Center City"

In 1999, Philadelphia's BIDs spent close to \$800 thousand on advertising

Center City District

- Many BIDs manage streetscape improvement programs
- Lighting, benches, trash receptacles, bicycle racks, sidewalks, curbing, street trees, bus shelters, entryways, signage, banners and murals

Center City District

A final note on BID programs:

- "We did not put the district together because Philadelphia needed a janitorial company or a security company, what was really driving people was the issue - if you push beneath the surface - of market share and **the need to be competitive.**" - *Levy*
- "A lot of districts across the country got started around clean and safe, primarily because these were the chief obstacles to being competitive." - *Levy*

Other BIDs in Philadelphia

- More than \$15 Million
- More than 700 city blocks

<u>Name</u>	<u>Start</u>	<u>Budget</u>	<u>Size</u>	<u>P/FTE</u>	<u>BM</u>	<u>Properties</u>
CCD	1991	\$8,700,000	100	10/26	23	2,752
SSHD	1993	\$ 380,000	13	1/1	23	747
GSSD	1996	\$ 110,000	32	1/0	15	234
FSSD	1997	\$ 226,000	19	1/0	14	498
MSSD	1997	\$ 89,000	24	0/0	21	250
UCD	1997	\$3,800,000	252	10/0	24	N/A
OCD	1998	\$ 447,000	26	1/0	19	1,182
CASSD	1999	\$ 825,000	76	1/1	18	278
MHWSSD	1999	\$ 511,000	172	0/0	13	N/A

Other BIDs in Philadelphia

- Marketing is the most common activity
- BID organizations are flexible; can respond to local need

<u>Name</u>	<u>Services</u>
CCD	Marketing, Sanitation, Security, Streetscape, Police
SSHD	Marketing, Sanitation, Police
GSSD	Marketing, Sanitation
FSSD	Marketing, Sanitation, Security, Streetscape
MSSD	Marketing, Streetscape
UCD	Marketing, Sanitation, Security, Streetscape, Police, Transportation
OCD	Marketing, Sanitation
CASSD	Marketing, Security, Streetscape, Transportation
MHWPSDD	Marketing, Sanitation

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