



ORDINANCE NO. 2147-07

AN ORDINANCE OF THE TOWNSHIP OF CHELTENHAM, MONTGOMERY COUNTY, PENNSYLVANIA, TO AMEND THE CODE OF THE TOWNSHIP OF CHELTENHAM, CREATING A NEW CHAPTER 63 THEREOF, ENTITLED “THE GREATER CHELTENHAM AVENUE BUSINESS IMPROVEMENT DISTRICT”, BY ESTABLISHING A NEIGHBORHOOD IMPROVEMENT DISTRICT IN AN AREA THAT GENERALLY INCLUDES THE NORTH SIDE OF CHELTENHAM AVENUE FROM 1300 TO 3000 AND CERTAIN BLOCKS OF STREETS THAT INTERSECT WITH PORTIONS OF CHELTENHAM AVENUE TO BE KNOWN AS THE “THE GREATER CHELTENHAM AVENUE BUSINESS IMPROVEMENT DISTRICT (“DISTRICT”); DESIGNATING THE CHELTENHAM TOWNSHIP PORTION OF THE CHELTENHAM AVENUE AREA AS THE GREATER CHELTENHAM AVENUE BUSINESS IMPROVEMENT DISTRICT, INC., A PENNSYLVANIA NONPROFIT CORPORATION, AS THE NEIGHBORHOOD IMPROVEMENT DISTRICT MANAGEMENT ASSOCIATION FOR THE DISTRICT; APPROVING A PLAN FOR THE DISTRICT, INCLUDING A LIST OF PROPOSED IMPROVEMENTS AND THEIR ESTIMATED COST; PROVIDING FOR ASSESSMENT FEES TO BE LEVIED ON PROPERTY OWNERS WITHIN THE DISTRICT; AUTHORIZING THE TAX COLLECTOR, ON BEHALF OF THE TOWNSHIP, TO EXECUTE AN AGREEMENT WITH THE GREATER CHELTENHAM AVENUE BUSINESS IMPROVEMENT DISTRICT, INC. RELATING TO THE COLLECTION OF FEES FOR THE DISTRICT; AND AUTHORIZING THE GREATER CHELTENHAM AVENUE BUSINESS IMPROVEMENT DISTRICT, INC. TO ASSESS PROPERTY OWNERS WITHIN THE DISTRICT A SPECIAL PROPERTY ASSESSMENT FEE TO BE USED IN ACCORDANCE WITH THE APPROVED PLAN; ALL IN ACCORDANCE WITH THE PROVISIONS OF THE COMMUNITY AND ECONOMIC IMPROVEMENT ACT, AND UNDER CERTAIN TERMS AND CONDITIONS.

WHEREAS, the Board of Commissioners of Cheltenham Township is authorized by the Community and Economic Improvement Act (“Act”) (53 P.S. §18101 et. seq.) to establish by ordinance neighborhood improvement districts and to designate certain entities to administer programs and services within such districts in order “to promote and enhance more attractive and safer commercial, office, residential and mixed-use neighborhoods; economic growth, increased employment opportunities, and improved commercial activities business districts and business climates;” and

WHEREAS, Cheltenham Township desires to establish a neighborhood improvement district in the Cheltenham Avenue area of Cheltenham Township, to be known as the “Greater Cheltenham Avenue Business Improvement District (“District”); and

WHEREAS, all procedures required by the Act for establishment of the District have been followed; in particular, more than forty-five (45) days have elapsed from the last public hearing required by the Act, and the Board of Commissioners has not received objections filed by forty percent (40%) or more of the affected property owners or property owners whose property valuation as assessed for taxable purposes amounts to forty percent (40%) of the total property valuation within the proposed boundaries of the District.

NOW, THEREFORE, THE BOARD OF COMMISSIONERS OF THE TOWNSHIP OF CHELTENHAM hereby ordains:

SECTION 1. In accordance with the provisions of the Community and Economic Improvement Act (“Act”) (53 P.S. §18101 et. seq.), a neighborhood improvement district is hereby established in the Cheltenham Avenue area of Cheltenham Township within the boundaries set forth as Exhibit “A-1” attached hereto. The district shall be known as the Greater Cheltenham Avenue Business Improvement District (“District”).

SECTION 2. The Greater Cheltenham Avenue Business Improvement District, Inc., a Pennsylvania nonprofit corporation, is hereby designated as the Neighborhood Improvement District Management Association for the District.

SECTION 3. The Board of Commissioners hereby approves the final plan for the District set forth in Exhibit “A” attached hereto. The Greater Cheltenham Avenue Business Improvement District, Inc. is hereby authorized to assess property owners within the District a special property assessment fee in accordance with the provisions of the final plan and the provisions of the Act.

SECTION 4. The Office of the Tax Collector, on behalf of the Township, is hereby authorized to enter into an agreement with the Greater Cheltenham Avenue Business Improvement District, Inc., in the form approved by the Township Solicitor, which agreement shall include the following:

(a) A detailed description of the respective duties and responsibilities of the Township and the Greater Cheltenham Avenue Business Improvement District, Inc. with respect to the District as set forth in the final plan approved under Section 3;

(b) A requirement that the Township will maintain within the District the same level of municipal programs and services that were provided within the District before establishment;

(c) A “sunset provision” under which the agreement will terminate five years from the date this Ordinance becomes law and may not be renewed unless the District is continued beyond that date in accordance with the sunset provisions of Section 5 of this Ordinance; and

(d) The Office of the Tax Collector will be responsible for the collection of all property assessment fees levied within the District and disbursing the funds to the Greater Cheltenham Avenue Business Improvement District, Inc.; and


(e) The Township agrees that the Office of the Tax Collector shall file any necessary liens for nonpayment of property assessment fees as set forth in the Act at 53 P.S. §18107(A)(10). Additionally, if the property assessment fee is not paid when due, there shall be an added penalty at the rate of one (1) percent per month until paid.

SECTION 5. The District shall terminate five years from the date this Ordinance becomes law in accordance with the provisions of the final plan approved under Section 3. The District may be continued beyond that date only if the Township reenacts this ordinance following a review of the District and the programs and services provided by Greater Cheltenham Avenue Business Improvement District, Inc. within the District.

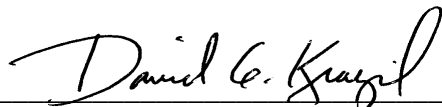
SECTION 6. The Township Manager's office shall keep on file the document referred to as Exhibit A in Section 3 of this Ordinance, and all accompanying documents referenced in Exhibit A, and shall make them available for inspection by the public during regular office hours.

ENACTED into an Ordinance, this 18th day of December, A.D 2007.

**BOARD OF COMMISSIONERS
TOWNSHIP OF CHELTENHAM**

By: 
Michael J. Swavola
President

ATTEST:


David G. Kraynik,
Township Manager/Secretary

(SEAL)

Township of Cheltenham

EXHIBIT A

FINAL PLAN FOR THE GREATER CHELTENHAM AVENUE BUSINESS IMPROVEMENT DISTRICT (“DISTRICT”) AND REPORT OF THE CHELTENHAM TOWNSHIP BOARD OF COMMISSIONERS

1. The name of the proposed neighborhood improvement district shall be the Greater Cheltenham Avenue Business Improvement District (“District”) with the Township of Cheltenham. A map of the District is attached as Exhibit A-1 and an enlarged copy of the map shall be kept on file with the Township Manager to be made available for inspection by the public during regular office hours.
2. The service area of the proposed district shall include all taxable (for real estate purposes) commercial properties on the north side of Cheltenham Avenue from 1300 to 3000 plus those commercial properties on certain blocks of streets that intersect with portions of Cheltenham Avenue that are listed in Exhibit A-2. This area is referred to as the “whole district”. While the service area does contain residential properties, the Greater Cheltenham Avenue Business Improvement District’s assessed properties only include those properties that are commercial, as defined by the Community and Economic Development Act, 53 P.S. §1801 et seq.; and apartment buildings with five (5) or more residential units. Furthermore, tax-exempt properties located within the district will be encouraged by the BID Board to contribute cash or in-kind services.
3. A list of all properties to be assessed is attached as Exhibit A-2.
4. A list of proposed improvements and services within the District and their estimated cost for the first year of operation are as follows:
 - a. Supplementary Security Ambassadors: Security services will include, but not be limited to, establishing a District public safety committee and ambassadors to work with local police and individual business operators in order to improve public safety and the District’s public safety image. (Budget allocation for Year 1: \$132,000).
 - b. Maintenance and Operations: A private cleaning firm will be hired for the purpose of cleaning sidewalks and street gutters in the District. (Budget allocation for Year 1: \$100,000).
 - c. Marketing – Customer Attraction: Marketing and promotion services will include: increasing business and customer attraction, by working with the real

estate industry and property owners to attract strong new businesses, which will draw more customers; and preparing a new marketing kit, which will include up-to-date demographics and business highlights. (Budget allocation for Year 1: \$100,000).

d. Administration: The administrative costs will include, among other things, marketing and production of a regular e-mail newsletter, the performance of an annual audit, the preparation of an annual report to be disseminated among the benefiting properties and tenants and grant writing to expand programs and to advance streetscape and parking projects. The marketing/management element will have the following responsibilities: producing newsletters, conducting surveys, public relations, assisting the Board and Committees, planning and overseeing events, keeping marketing up to date, cooperating with real estate brokers and developers, facade improvements, grant and sponsorship solicitation, contacting city and township agencies, overseeing board member selection, contractor selection and oversight, and such additional duties as may be determined from time to time by the Board. (Budget allocation for Year 1: \$68,000)

5. The proposed budget for the first fiscal year is \$400,000 and is attached as Exhibit A-3.

6. The proposed revenue source for financing all proposed improvements, programs and services will be assessments on real property within the service area as provided in paragraph 2 above.

7. The estimated time for implementation and completion of all proposed improvements, programs and services is five years, which corresponds to the initial term of the District.

8. The administrative body that will govern and administer the District is the non-profit corporation known as the Greater Cheltenham Avenue Business Improvement District, Inc.

9. The by-laws of the Greater Cheltenham Avenue Business Improvement District, Inc. are attached as Exhibit A-4.

10. The method of determining the amount of the assessment fee to be levied on property owners within the District is as follows: The cost of services for the District will be equitably apportioned among all benefiting commercial properties within the whole district service area. Using the Board of Revision of Taxes (BRT) assessments from 2007, the District's assessment fee will be calculated as 6.3394% of the real estate taxes owed by any commercial property or any apartment building with five (5) or more residential units will be assessed at half the cost of what the commercial properties pay (which equates to 3.1677% of the real estate taxes owed). The assessment rate will be re-evaluated after the second year and may change for years three, four and five.

11. The specific duties and responsibilities of the Township of Cheltenham and the Greater Cheltenham Avenue Business Improvement District, Inc. with respect to the District are as follows:

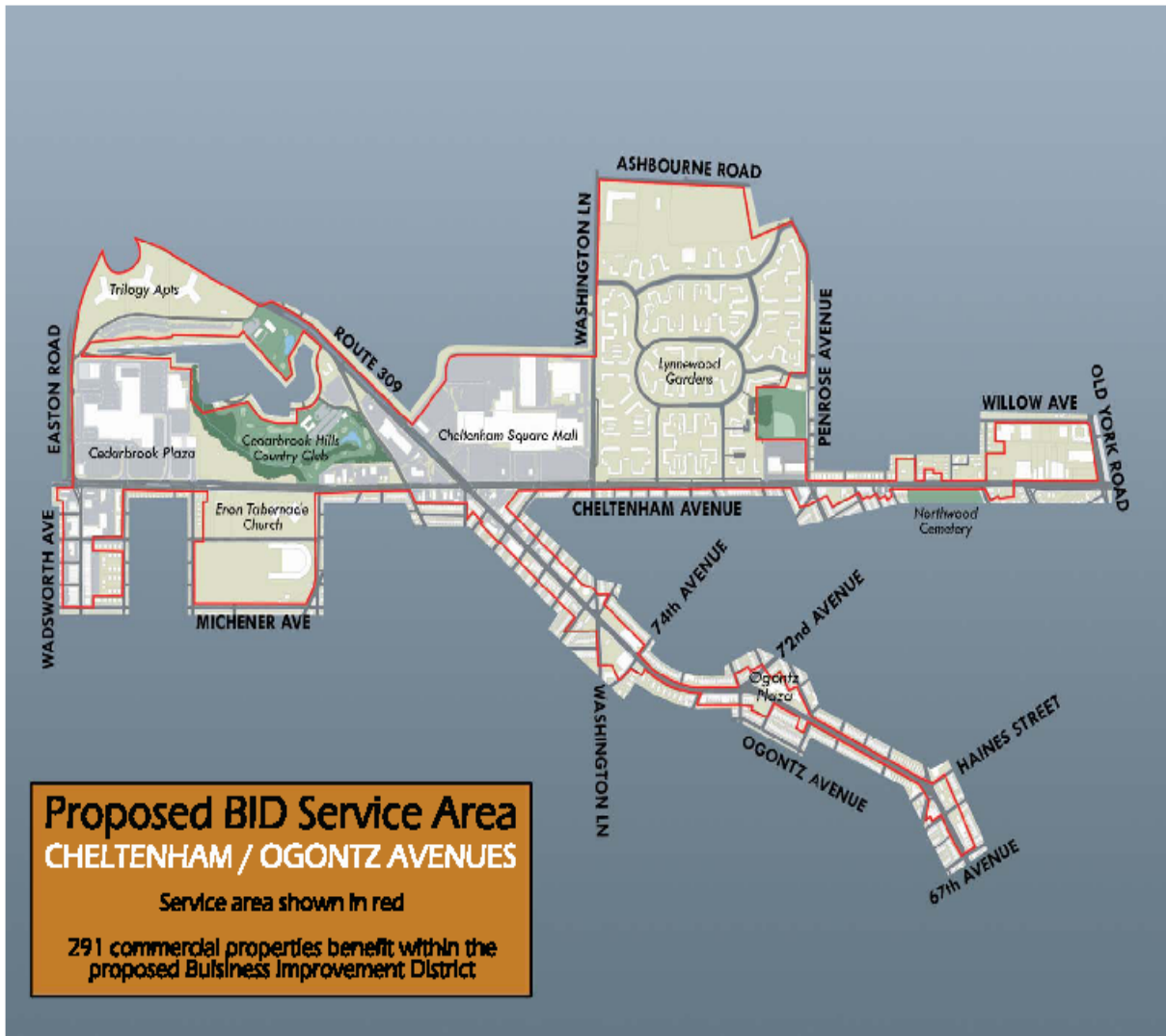
- a. The Township will be responsible for maintaining the same level of municipal programs and services within the District after its designation as a neighborhood improvement district as before such designation. The Township's Office of Tax Collector will also be responsible for the collection of all property assessments levied within the District and disbursing funds to the Greater Cheltenham Avenue Business Improvement District, Inc., and applying liens on properties for non-payment of property assessment fees as set forth in the Act 53 P.S. §18107(A)(10).
 - b. The Greater Cheltenham Avenue Business Improvement District, Inc. shall fulfill all the duties and responsibilities of a Neighborhood Improvement District Management Association (NIDMA) as set forth in the Community and Economic Improvement Act (53 P.S. § 18101 et seq.). In its capacity as the NIDMA, the Greater Cheltenham Avenue Business Improvement District, Inc. also shall annually submit an audit of all income and expenditures to the Department of Community and Economic Development and to the Township of Cheltenham within 120 days after the end of each fiscal year, and submit a report, including financial and programmatic information and a summary of audit findings, to the Board of Commissioners and to all assessed property owners located in the District, as required by 53 P.S. §18109.
12. A written agreement will be signed by the Township of Cheltenham and the Greater Cheltenham Avenue Business Improvement District, Inc. containing the following provisions:
 - a. The respective duties of the Township and the Greater Cheltenham Avenue Business Improvement District, Inc. with respect to the District as set forth in paragraph 11 above;
 - b. The Township's agreement to maintain within the District the same level of municipal programs and services that were provided within the District before its establishment;
 - c. A "sunset provision" under which the agreement will expire in five years and not be renewed unless the District is continued beyond that date pursuant to reenactment of the ordinance establishing the District; and
 - d. The Cheltenham Township Tax Collector will be hired by the Greater Cheltenham Avenue Business Improvement District, Inc. to collect all property assessment fees levied within the District and the Township's agreement to file any necessary liens for nonpayment of property assessment fees as set forth in the Act at 53 P.S. § 18107 (A)(10). Additionally, if the property assessment fee is not paid when due, there shall be an added penalty at the rate of 1 percent per month until paid.
13. The District will allow for and encourage tax-exempt property owners to provide in-kind or financial contributions to the Greater Cheltenham Avenue Business Improvement District, Inc. if not assessed, in lieu of a property assessment fee.

14. The negative vote of at least forty percent (40%) of the property owners within the District proposed in the final plan shall be required to defeat the establishment of the proposed District by filing written objections to the Township Manager of the Township of Cheltenham within forty-five (45) days of presentation of the final plan.

Township of Cheltenham

EXHIBIT A-1

MAP OF THE GREATER CHELTENHAM AVENUE BUSINESS IMPROVEMENT DISTRICT



Township of Cheltenham

EXHIBIT A-2

PROPOSED PROPERTIES FOR THE GREATER CHELTENHAM AVENUE BUSINESS IMPROVEMENT DISTRICT

Parcel #	Current Owner	Description
Commercial Properties		
310001225013	WEST OAK LANE CHURCH OF GOD INC	COM VAC LAND
310001231007	CHELTENHAM TWP SCHOOL DIST	EXEMPT SCHOOLS-PRIMARY
310005509004	MORE SHOPPING CENTER LP	PARKING LOTS
310005515007	PAK IN & JENNIFER M	RETAIL, OFFICE, APTS.
310005518004	MORE SHOPPING CENTER LP	OFFICE: MUL STORY 1500
310005521001	1347 ASSOCIATES LP	RETAIL, OFFICE, APTS.
310005524007	1349 W CHELTENHAM AVENUE ASSOC LLC	RETAIL, OFFICE, APTS.
310005527004	Y & P DEVELOPMENT INC	RETAIL, OFFICE, APTS.
310005530001	LOCAL 169 HOME ASSOCIATION	RETAIL, OFFICE, APTS.
310005533007	HEIN PETER & MARILYN TRUSTEES ETAL	RETAIL, OFFICE, APTS.
310005536004	HOFFMAN G & LIPSKY A & WINIG M TRUS	REPAIR SHOP OR GARAGES
310005575001	JIN G. & HANA YI	REPAIR SHOP OR GARAGES
310005578007	STENTON PROPERTIES LLC	REPAIR SHOP OR GARAGES
310005695007	CHOE CHARLIE C & SOOKIE	1-STORY STRIP STORE (N
310005698004	YU SI TAE & JOONG HYUN	SUPERMARKETS
310005701001	THOR CHELTENHAM MALL LP	MALL STORES
310005704007	THOR CHELTENHAM MALL LP	ALL COMMERCIAL PROPERT
310005704016	THOR CHELTENHAM MALL LP	FAST FOOD OPER.
310005710001	SOUTHEASTERN PA TRANS AUTH	GOVERNMENTAL AUTHORITI
310005716004	CHELTENHAM-OGONTZ REALTY PARTNERS	DISC. STORES(K-MART, J
310005719001	BETHEL DELIVERANCE CHURCH INC	EXEMPT MISCELLANOUS
310005722007	CLAYTON CHARLES H JR	RETAIL, OFFICE, APTS.
310005725004	BETHEL DELIVERANCE CHURCH INC	EXEMPT CHURCH
310005725022	BETHEL DELIVERANCE CHURCH INC	RETAIL, OFFICE, APTS.
310005731007	BETHEL DELIVERANCE CHURCH	EXEMPT CHURCH
310005734004	CEKA ASSOCIATES	RETAIL, OFFICE, APTS.
310005737001	PHILA SUBURBAN WATER CO	UTILITY REALTY-PURTA
310005740007	BETHEL DELIVERANCE CHURCH	EXEMPT CHURCH
310005743004	BETHEL DELIVERANCE CHURCH INC	EXEMPT CHURCH
310005746001	BETHEL DELIVERANCE CHURCH INC	EXEMPT CHURCH
310005749007	CEDARBROOK PLAZA INC	SHOPPING CENTER - COMM
310008728007	CEDARBROOK PLAZA INC	RETAIL, OFFICE, APTS.
310017119004	KL INVESTMENTS LLC	SHOPPING CENTER - NBHD
310017122001	LIVINGSTON JEFF & DIANE	COM VAC LAND 10001-200
310017347001	CEDARBROOK HILLS LP	GOLF COURSES
310017347109	EAST CEDARBROOK PLAZA LLC	1-STORY STRIP STORE (N
Parcel # Current Owner Description		
310021366005	BEERS TRACY R & HOLLINGER HERBERT F	AUTO SERVICE CENTER -
310021368003	GOODMAN BRUCE A	FAST FOOD OPER.

310027592007	MARC GABRIEL SAINT 1330 WILLOW AVENUE ASSOC LLC	RETAIL, OFFICE, APTS.
310028807007	C/O DONG-A DAILY NEWS 1330 WILLOW AVE ASSOCIATES LLC	IND:MUL STORY WHSE/MFG
310028810004	C/O DONG-A DAILY NEWS	COM VAC LAND 10001-200
310028813001	101 JUNIPER	IND:ONE STORY WHSE/MFG
310028819004	WILLOW PARTNERS	IND:ONE STORY WHSE/MFG
310029947001	7320 OLD YORK RD ASSOCIATES LP C/O MORE SHOPPING CENTER	OFFICE: MUL STORY 5000
<i>Residential Properties (Defined as Commercial Establishments)</i>		
310017338001	FAIRVIEW PROPERTIES	HIGH RISE > 4-STORY, >
310017341007	FAIRVIEW PROPERTIES	HIGH RISE > 4-STORY, >
310017344004	FAIRVIEW PROPERTIES	HIGH RISE > 4-STORY, >
310027589001	LYNNEWOOD REAL ESTATE LIMITED PART	GARDEN(GROUP OF LOW RI
310029950007	MELROSE COURT APTS	HIGH RISE > 4-STORY, >
31001231061	CHELTENHAM PARK VIEW LP	AGE RESTRICTED GARDEN STORY (GROUP OF LOW RISE) 2-STORY

Township of Cheltenham

EXHIBIT A-3

PROPOSED BUDGET FOR THE GREATER CHELTENHAM AVENUE BUSINESS IMPROVEMENT DISTRICT

	Year 1
1.) Supplementary Security Ambassadors	
Sub-Total	\$132,000
2.) Maintenance, Operations, and Beautification	
Hire private street cleaning firm	
Sub-Total	\$100,000
3.) Marketing – Customer Attraction	
Conducting surveys and producing public relations materials	
Sub-Total	\$100,000
4.) Administration	
Contract for administrative services as needed	
Marketing and producing regular e-mail newsletter	
Performance of annual audit	
Preparation of annual report	
Grant writing and sponsorship solicitation	
Assisting board and committees	
Planning and overseeing events	
Contractor selection and oversight	
Sub-Total	\$ 68,000
5.) Capital Improvements	
No physical improvements are planned	
No capital expenditures are planned	
Sub-Total	<u>\$ -0-</u>
TOTAL	\$400,000

It is anticipated the proposed budget for subsequent years will remain as follows:

Year 2	\$400,000
Year 3	\$400,000
Year 4	\$400,000
Year 5	\$400,000

The assessment will equal 6.3394% of real estate taxes due on benefiting commercial properties within the service area, and residential properties containing five (5) or more units will be assessed at half the cost of what commercial properties pay, which equates to 3.1697% of the real estate taxes owed.

Township of Cheltenham

THE BY-LAWS OF THE GREATER CHELTENHAM AVENUE BUSINESS IMPROVEMENT DISTRICT

BY-LAWS OF GREATER CHELTENHAM AVENUE BUSINESS IMPROVEMENT DISTRICT, INC.

ARTICLE I

SECTION 1.01 – NAME

The name of this Corporation is the Greater Cheltenham Avenue Business Improvement District, Inc. (“Corporation”).

SECTION 1.01 - OFFICES; REGISTERED AGENT

The principal office of the Corporation shall be located at such location or locations in Philadelphia, PA and/or Cheltenham Township, PA as the Board of Directors ("Board" or "Directors") may hereafter designate. A registered agent may be designated by the Corporation.

ARTICLE II

SECTION 2.01 - PURPOSES. The Corporation shall:

- a. Operate a Business Improvement District and function as a Neighborhood Improvement District Management Association (NIDMA) under the applicable Pennsylvania laws.
- b. Formulate, promote and implement the economic revitalization of the designated commercial area adjoining Cheltenham Avenue in Philadelphia, PA and Cheltenham Township, PA.
- c. Provide a self-help mechanism to help expand business opportunities and sales, improve property values and enhance the environment for residents, shoppers and visitors;
- d. Mobilize public and private resources for this purpose and maintain communication with property owners and tenants within the District.
- e. Implement the activities described in the authorizing ordinance of each municipality.

SECTION 2.02 - TAX CODE. Said Corporation is organized exclusively for charitable, educational, religious or scientific purposes, within the meaning of section 501 (c)3 of the Internal Revenue code (or corresponding section of any future Federal Tax code). Notwithstanding any other provision of these articles, the Corporation shall not carry on any other activities not permitted to be carried on by a corporation exempt from Federal income tax under Section 501 (c)3 of the Internal Revenue code.

No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office.

SECTION 2.03 - DISSOLUTION. In the event of dissolution of the Corporation, all of its assets, after satisfying any creditors, shall be distributed to the assessed properties in proportion to their shares of total assessments.

SECTION 2.04 - MEMBERSHIP. Owners of assessed properties that have paid all assessments due shall be members of the Corporation. Corporation members may vote for Board members, may be selected as Board members, attend Board meetings and serve on committees.

2.05 INCORPORATION. The Corporation is formed under and has been chartered by the Secretary of State of the Commonwealth of Pennsylvania.
(Date)

ARTICLE III

SECTION 3.01 - GOVERNANCE. The Board of Directors is responsible for setting priorities and planning the BID's work. It is responsible for the annual audit and for an annual report of BID activities. The Board selects the Executive Director, sets staff compensation and oversees the performance of the principal employee. The Board selects from among its members the chairs of program and standing committees.

- A. There will be nine voting members of the Board of Directors, elected by the Corporation members.
 - 1. Six will represent property owners paying BID assessments and will include at least one assessed property owner from each municipality.
 - 2. One will represent institutions agreeing to a Voluntary Multi-Year Contribution and will be selected by the Board.
 - 3. Two will represent tenants in properties whose owners pay BID assessments

- B. Non-voting Board members will include representatives of the Township of Cheltenham and the City of Philadelphia governments as required by the NID statute. In the case of the Township of Cheltenham, the governmental appointments shall be made by the Board of Commissioners. In the case of the City of Philadelphia, the governmental appointments shall be made by the Councilperson of the Ninth Council District. Non-voting members may be selected by the Board for one-year terms. Non-voting board members may also be selected by the BID Board for one-year terms. Non-voting members shall be selected so as to broaden representation in the Board's work and may serve as committee chairs and may participate in all Board discussions. Other owners, tenants and officials may be selected by the Board.

SECTION 3.02 - TERM OF OFFICE. The elected Directors shall be divided into two classes by the Chairman, with half of the directors in the first class and the balance in the second class. The term of office of the first class shall expire at the next annual meeting of the Corporation after their selection, and the term of office of the second shall expire at the second succeeding annual meeting. At each subsequent annual meeting, directors shall be elected by vote of the Board of Directors for terms of two years. The incorporators shall serve as Directors until the first annual meeting at which the first and second classes shall be elected by the members. The Board shall elect members to fill any vacancies by majority vote of those Board members present and voting.

SECTION 3.03 - REMOVAL OF DIRECTORS. At any meeting of the Directors, duly called and at which a quorum is present, the Directors may, by a majority vote of the entire Board, remove with or without cause any Director from office and may elect a successor to serve for the balance of the term of such removed Director. Vacancies occurring on the Board for any reason may be filled by a vote of a majority of the Directors then in office. A Director elected to fill a vacancy shall be elected to hold office for the unexpired term of his predecessor.

SECTION 3.04 - MEETINGS. The annual meeting of the Corporation shall be held each year at a time and place established by the officers. The Secretary (or the Manager) shall cause to be mailed to every member in good standing at his (her) address as it appears on the membership roll book of the Corporation, a notice stating the time and place of the Annual Meeting. Regular meetings may be scheduled at any meeting by the Board of Directors, and no notice of place, day and hour of regularly scheduled meetings need be given to any Director. Special meetings may be called by the Chairman of the Board. Notice of the place, day and hour of such special meeting shall be given to each Director at least three (3) days before the meeting, by delivering the same to him personally, or by leaving the same at his residence or usual place of business, by contacting him by telephone, or in the alternative by mailing such notice at least six (6) days before the meeting, postage prepaid, and addressed to him at his last known address. Any notice of a special meeting shall state the business to be transacted. Meetings may be conducted by conference call if all "present" can

hear and participate. E-mail or fax notification may be substituted for notification by mail.

SECTION 3.05 - QUORUM. A majority of the voting membership of the Board shall constitute a quorum for the transaction of business. Except in cases in which it is by statute, by the Certificate of Incorporation or by the By-Laws otherwise prohibited, the vote of a majority of such quorum at a duly constituted meeting shall be sufficient to pass any measure. In the absence of a quorum, the Members present by a majority vote and without notice other than by announcement may adjourn the meeting from time to time until a quorum shall attend. At any such adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the meeting as originally notified. No proxies may be accepted.

SECTION 3.06 - BUDGET APPROVAL. Upon preliminary approval by the Board of a proposed annual budget, all members shall be invited to a meeting at a specified place and at a time at least two weeks following the notice. At this meeting, public comment on the condition of the district, on the need for changed services and on the proposed budget will be solicited. A proposed budget, including any modification made by the voting Board members following this public meeting, may thereafter be adopted by the affirmative vote of a majority of all voting members of the Board of Directors.

SECTION 3.07- COMPENSATION. No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to its members, trustees, directors, officers or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of Section 501 (c)3 purposes.

ARTICLE IV

SECTION 4.01 - COMMITTEES GENERALLY. The Board of Directors may provide for standing or special committees with such powers and duties as it deems desirable and may discontinue the same at its pleasure. The members of all such committees may include voting and non-voting members and shall be appointed and the committee chairmen named by the Chairman of the Board of Directors. At least one member of each standing committee or special committee shall be a voting or non-voting member of the Board of Directors; the remaining members of such committees may, but need not, be members of the Board of Directors. Vacancies on any committee shall be filled by the Chairman of the Board of Directors.

SECTION 4.02 - COMMITTEE REPORTS. All recommendations by a committee shall be reported, during a board meeting, to the Board of Directors.

SECTION 4.03 - MEETINGS OF COMMITTEES. Each committee shall meet at the call of the chairman of the committee or any two members of the committee.

SECTION 4.04 - PARTICIPATION IN COMMITTEES. In selecting members of committees, the Board shall encourage widespread participation among members of the business community, commercial property owners, residents, and others concerned about the economic advancement of the District. From time to time, special committees may be named to advise the Board on issues on which additional perspective may be required and public meetings may be held to solicit advice from those concerned about the economic well-being of the District.

SECTION 4.05 – EXECUTIVE COMMITTEE. There shall be an Executive Committee consisting of a Chairman, Vice-Chairman, Secretary, Treasurer, Executive Director, and up to two (2) subordinate members, if any. The elected members of the Executive Committee shall be elected pursuant to Article V of these bylaws.

ARTICLE V

SECTION 5.01 - EXECUTIVE OFFICERS. By a majority vote of the full voting membership of the Board of Directors at the Annual Meeting, the Board shall elect a Chairman of the Board and a Vice-chairman of the Board from among the voting Directors to serve for one-year terms. By a majority vote of the full membership of the Board, the Board shall appoint a Secretary and Treasurer and such other subordinate officers as it may desire either from within or without its membership, also to serve for one-year terms. Any two or more of the above mentioned offices, except those of Chairman and Secretary, may be held by the same person provided that no officer shall execute, acknowledge or verify any instrument in more than one capacity.

SECTION 5.02 - CHAIRMAN AND VICE-CHAIRMAN OF THE BOARD. The Chairman of the Board shall preside at all meetings of the Board at which he/she shall be present. He/she shall have and may exercise such powers as are from time to time assigned by the Board of Directors.

The Vice-Chairman of the Board, at the request of the Chairman or in his absence, or during his/her inability to act, shall perform the duties and exercise the functions of the Chairman of the Board, and when so acting shall have the powers of the Chairman of the Board. The Vice-Chairman shall have such other duties as may be assigned to him by the Chairman.

The Chairman shall have general charge and supervision of the activities and affairs of the Corporation. When authorized by the Board of Directors, he may sign and execute in the name of the Corporation all authorized instruments, except in cases in which the signing and execution thereof shall have been expressly delegated by resolution of the Board of Directors to some other officer or agent of the Corporation.

SECTION 5.03 - MANAGER. A Manager (or Director) may be appointed by the Board of Directors. He or she shall perform all duties incident to the office of Manager, including supervision of services, contract management, grant solicitation, committee support, maintenance of accounts, notices and such other duties as from time to time may be assigned by the Board of Directors.

SECTION 5.04 - SECRETARY. The Secretary shall keep the minutes of the meetings of the Board of Directors in books provided for the purpose. He/she shall see that all notices are duly given in accordance with the provision of the By-Laws or as required by law. He/she shall be custodian of the records of the Corporation; see that the corporate seal is affixed to all documents which require said seal and which has been authorized to execute on behalf of the Corporation and when so affixing may attest to same; and, in general, perform all duties as, from time to time, may be assigned by the Board of Directors or the Chairman. The Manager may serve as the Board Secretary or assume some responsibilities of the Secretary if so designated by the Board.

SECTION 5.05 - TREASURER. The Treasurer shall have charge of and be responsible for all funds, securities, receipts and disbursements of the Corporation, and shall deposit or cause to be deposited in the name of the Corporation all monies and other valuable effects in such bank, or other depositories as shall, from time to time, be collected the Board of Directors. Whenever required, he/she shall provide an account of the financial condition of the Corporation, and, in general, shall perform all duties incident to the office of a treasurer of a Corporation and such other duties as may be assigned to him by the Board of Directors or the Chairman. He/she shall make a presentation on the fiscal condition of the Corporation at the annual meeting.

ARTICLE VI

SECTION 6.01 - CHECKS, DRAFTS, ETC. All checks, drafts, or other orders for payment of money, and all notes, bonds, or other evidences of indebtedness issued in the name of the Corporation of Five Hundred Dollars (\$500.00) or more shall be signed by two (2) members of the Executive Committee, who shall be identified as signators, and whose signatures shall be on file with the Corporation's bank. All checks, drafts, or other orders for payment of money, and all notes, bonds, or other evidence of indebtedness issued in the name of the Corporation in amounts less than Five Hundred Dollars (\$500.00) shall be signed by one (1) of the two (2) aforementioned members of the Executive Committee.

SECTION 6.02 - ANNUAL REPORTS AND AUDITS. There shall be prepared annually a full and correct statement of the affairs of the Corporation, including a balance sheet and a statement of operations from the preceding year audited and certified by an independent Certified Public Accountant, whose report shall be submitted at a regular meeting of the directors and filed immediately thereafter at the principal office of the Corporation. Such statement shall be prepared by the Chairman or such other executive officer of the Corporation as may be designated by the Board of Directors. This report shall be mailed to all

members of the Corporation and other interested public and private sector persons and filed with the municipal corporations and Secretary of the Commonwealth.

SECTION 6.03 - FISCAL YEAR. The fiscal year of the Corporation shall begin January 1, unless otherwise specified by the Board of Directors by resolution.

ARTICLE VII

SECTION 7.01 - SEAL. The Board of Directors shall provide a suitable seal, bearing the name of the Corporation, which shall be in the custody and charge of the Secretary.

SECTION 7.02 - INSURANCE. The District shall insure itself for liability of its Directors and Officers and may require bonding where deemed necessary by the Board.

SECTION 7.03 - PERSONAL LIABILITY OF DIRECTORS. A director of this Corporation shall not be personally liable for monetary damages as such for any action taken, or any failure to take any action, unless:

- A. the director has breached or failed to perform the duties of his or her office under 15 PA C.S.A. Section 511 (which, as amended from time to time, is hereafter called Section 511); and
- B. the breach or failure to perform constitutes self-dealing, willful misconduct or recklessness.
- C. This Section 7.03 shall not limit a director's liability for monetary damages to the extent prohibited by the provisions of the Pennsylvania Nonprofit Corporation Law of 1988.

The provisions of this Section shall not apply to the responsibility or liability of a director pursuant to any criminal statute.

SECTION 7.04 – PROCEDURE. The most recent edition of “Roberts’ Rules of Order” shall govern any course of procedure not otherwise provided for in these By-laws.

SECTION 7.05 - AMENDMENTS. A motion to amend, alter, repeal, or enact a new By-Law may be introduced, considered and discussed, but not voted on, at any meeting of the Board of Directors, provided that at least ten (10) days prior to such meeting a full written statement of the exact language of the motion and the time, place and day of the meeting when the motion will be introduced has been delivered to every member of the Board by certified mail. Provided the above said motion is duly seconded, the Chairman of the Board shall fix and announce a subsequent meeting date within a reasonable number of days when the motion shall be brought to a vote. An affirmative vote of a majority of the entire Board

shall be required to carry said motion. The procedures and notice of requirements shall apply irrespective of any contrary provisions which may be contained in these by-laws.

SECTION 7.06 – FINANCIAL REPORTS. The directors of the Corporation shall cause to be prepared an annual financial report which shall be disseminated, among all assessment-paying property owners. (Those paying assessments within the BID).

SECTION 7.07 – CONFLICT OF INTEREST. Any material conflict of interest based on a financial interest or benefit, on the part of any director or committee member shall be

disclosed, in writing, to the Board of Directors, and except for a continuing disclosed conflict, whenever any Corporation contract or transaction in which a director or committee member has a financial interest or benefit becomes a matter of Board, committee, or Corporation action. Any director having a financial interest or benefit in any contract or transaction being considered at a committee meeting or meeting of the Board of Directors shall not vote or use his or her personal influence in the meeting, even where such actions are otherwise permitted by law. The minutes of the meeting shall record compliance with these requirements. The section shall not be construed as to prevent the interested director or committee member from briefly stating his or her position regarding the contract and transaction, nor from answering pertinent questions of other directors or committee members, since his or her knowledge may be of great assistance. All new committee members and directors shall be immediately advised of the requirements of this Section.

GREATER CHELTENHAM [AVENUE BUSINESS](#) IMPROVEMENT DISTRICT,
INC.

ORGANIZATION ACTION OF THE INCORPORATOR

The undersigned, being Incorporators and interim Board of Directors of the Greater Cheltenham [Business](#) Improvement District, Inc., a Pennsylvania non-profit corporation, hereby consent to the following action:

1. The Bylaws presented to the undersigned are hereby adopted and ratified as the Bylaws of the Greater Cheltenham Avenue Business Improvement District, Inc., and a copy of such Bylaws shall be filed with the Secretary of the Corporation and inserted in the minute book of the Corporation.

Names and Addresses of Incorporators

1.

Lino Solis, Incorporator	Date
Thor Equities, Cheltenham Square Mall	
2985 Cheltenham Avenue, Philadelphia, Pa 19150-1506	

2.

Rev. Dr. Alyn E. Waller, Incorporator	Date
Enon Tabernacle Baptist Church	
2800-2900 W. Cheltenham Avenue, Philadelphia, PA 19150	

3.

John Kitchen, Incorporator	Date
Ogontz Avenue Revitalization Corporation	
1536 Haines Street, Philadelphia, PA 19126	

4.

Marion B. Tasco, Incorporator	Date
Philadelphia City Councilwoman 9 th District	
City of Philadelphia, City Hall, Room 577, Philadelphia, PA 19101	

5.

Sandra Rahman, Incorporator	Date
Lynnewood Gardens Apartments	
2047-C Mather Way, Elkins Park, PA 19027	

6.

Michael J. Swavola, Incorporator	Date
Cheltenham Township Board of Commissioners President	
Cheltenham Township, 8230 Old York Road, Elkins Park, PA 19027	

7.

Ken Youngblood, Incorporator	Date
President of Stenton Avenue McDonald's	
KLS Enterprises Management Company	
P. O. Box 688, Southeastern, PA 19399-0688	

