EXHIBIT A

PRELIMINARY PLAN FOR THE MT. AIRY BUSINESS IMPROVEMENT DISTRICT ("DISTRICT") AND REPORT OF THE CITY OF PHILADELPHIA CONCERNING THE DISTRICT

1. The name of the neighborhood improvement district is the Mt. Airy Business Improvement District ("District").

2. The service area of the District shall include all taxable (for real estate purposes) commercial properties (defined as properties used for any for-profit activity involving trade or commerce in general, including: (i) commercially zoned properties and (ii) apartment buildings containing five (5) or more residential units) on both sides of Germantown Avenue from 6300 to 7631 and on certain blocks of streets that intersect that portion of Germantown Avenue. Properties that are statutorily exempt from paying real estate taxes shall be exempt from paying assessments to the District. A property is not statutorily exempt from paying real estate taxes if its exemption is pursuant to Bill No. 961 (approved Jan. 28, 1974), *codified at* § 19-1303(2) of The Philadelphia Code, Bill No. 1130 (approved Feb. 8, 1978), *codified at* § 19-1303(3) of The Philadelphia Code, Bill No. 1456-A (approved Jan 28, 1983), *codified at* § 19-1303(4) of The Philadelphia Code, the Act of Oct. 11, 1984, P.L. 894, No. 175, § 1 (72 P.S. § 5020-205) ("Act 175"), or any other act or ordinance, the purpose of which is to exempt improvements to real property from tax for a limited term.

3. 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 Chief Clerk to be made available for inspection by the public during regular office hours.

4. A list of all properties to be assessed is attached as Exhibit A-2.

5. A list of proposed improvements and services within the District and their estimated cost for the first year of operation upon renewal of the District are as follows:

a. <u>Security, Parking and Marketing:</u> Security services will include, but not be limited to, maintaining a District public safety committee to work with local police and individual business operators in order to improve public safety and the District's public safety image. Parking services will include identifying parking needs and working to provide additional parking. Marketing services will include: using social media, 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 demographic and business highlights. (See Paragraph 5.c. referring to Administration)

b. Maintenance and Operations: Cleaning will be performed by direct employees of the District for the purpose of cleaning sidewalks and street gutters in the District. ($49,220.00)

c. Administration: The administrative costs will include an Executive Director, insurance, office expenses, professional fees, the performance of an annual audit, the preparation of an annual report to be disseminated among the benefiting property owners, grant writing to expand programs and to advance streetscape and parking projects and marketing /production of a regular e-mail newsletter. 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 realtors and developers, façade improvements, grant and sponsorship solicitation, contacting city agencies, overseeing board member selection, contractor selection and oversight, and such additional duties as may be determined from time to time by the Board. ($70,860.56)

d. Program: Program includes the annual planting and holiday decorating of the flower baskets. ($4,919.44)

6. The proposed budget for the first fiscal year upon renewal is $125,000 and is attached as Exhibit A-3.

7. 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.

8. The estimated time for implementation and completion of all proposed improvements, programs and services is December 31, 2017.

9. The administrative body that will govern and administer the District is the non-profit corporation Mt. Airy Improvement District, Inc.

10. The by-laws of Mt Airy Improvement District, Inc. are attached as Exhibit A-4.

11. The assessment fees used to fund the services of the District will be equitably apportioned among all benefitting properties within the District service area according to the following method:

a. Using the Office of Property Assessment's ("OPA") assessments from 2011, the District's assessment fee will be calculated as eighteen percent (18%) of the real estate taxes owed by any commercial property (as defined in paragraph 2). To account for inflation, the Board of Directors of Mt Airy Improvement District, Inc ("Board"), in its discretion, may increase such assessment annually by four percent (4%) of the eighteen percent (18%) base amount.

b. In the event that the Actual Value Initiative ("AVI") is adopted and OPA bases assessments on the actual value of properties in the District, the percentage used in calculating the District's assessment fee shall be adjusted ("The Adjustment") so that the net cash value of the assessment fees collected in the year following the implementation of AVI is the same as that collected under paragraph 11a. Such percentage shall be uniformly applied to all affected properties in the District. In the year of The Adjustment and in each year following The Adjustment, to account for inflation, the Board, in its discretion, may increase the assessment annually by four percent (4%) of the base amount of the assessment.

12. The specific duties and responsibilities of the City of Philadelphia and Mt. Airy Improvement District, Inc. with respect to the District are as follows:

a. The City 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 City will also be responsible for applying liens on properties for non-payment of property assessment fees as set forth in the Community and Economic Improvement Act ("Act"), 53 P.S. § 18107(a)(10).

b. Mt. Airy Improvement District, Inc. shall fulfill all the duties and responsibilities of a Neighborhood Improvement District Management Association (NIDMA) as set forth in the Act (53 P.S. § 18101 *et. seq.*). In its capacity as the NIDMA, Mt. Airy Improvement District, Inc. also shall annually submit an audit of all income and expenditures to the Department of Community and Economic Development, City Council and the City Commerce Department 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 City Council, the City Commerce Department and all assessed property owners located in the District, as required by 53 P.S. §18109. In addition, Mt. Airy Improvement District, Inc. shall be responsible for collecting all assessment fees levied within the District.

13. A written agreement will be signed by the City and Mt. Airy Improvement District, Inc. containing the following provisions:

a. The respective duties of the City and Mt. Airy Improvement District, Inc. with respect to the District as set forth in paragraph 12 above;

b. The City'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 on December 31, 2017 and not be renewed unless the District is continued beyond that date pursuant to reenactment of the ordinance establishing the District; and

d. Mount Airy Improvement District, Inc.'s agreement to be responsible for the collection of all property assessment fees levied within the District and the City'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).

14. The District will allow for and encourage tax-exempt property owners to provide in-kind or financial contributions to Mt. Airy Improvement District, Inc. if not assessed, in lieu of a property assessment fee.

15. The negative vote of at least fifty-one percent (51%) of the affected property owners within the District, or property owners whose property valuation as assessed for taxable purposes amounts to fifty-one percent (51%) of the total property valuation located within the District shall be required to defeat the continuation of the District by filing objections to the clerk for the governing body of the municipality within forty-five (45) days of presentation of the final plan.

EXHIBIT A-1

MAP OF THE MT. AIRY BUSINESS IMPROVEMENT DISTRICT

(next page)

Cresheim Valley Dr
Germantown Ave
E Roundtot Rd
The Waldorf School of Philadelphia
E McPherson St
Walk A Crooked Mile Books
Sprague St
Ardleigh St
E Gowen A
Boyer St
E Gowen Ave
Devon St
W Gowen Ave
Bryan St
Rural Ln
W Allens Ln
Bronton St
E Mt Airy Ave
Black Olive
Chew Ave
W Mt Pleasant Ave
Clearview St
E Sedgwick St
Mower St
W Sedgwick St
E Gorgas Ln
E Meehan Ave
E Pleasant St
Cresheim Rd
Weatham St
W Gorgas Ln
Geechee Girl Rice Cafe
Carpenter Ln
E Garrett St
Khepera Charter School
E Phil Ellena St
E Hortter St
Westview St
Springer St
Ross St
W Phil Ellena St
Quincy St
E Montana St
E Sharpnack St
W Hortter St
Good St
E Upsal St
Magnolia St
W Sharpnack St
W Weaver St
Project Learn School
Emlen St
Bedan St
W Upsal St
E Cliveden St
Weaver St
National Trust

EXHIBIT A-2

PROPOSED PROPERTIES FOR
THE MT. AIRY BUSINESS IMPROVEMENT DISTRICT

6300-06 GERMANTOWN AVE
6301-03 GERMANTOWN AVE
6305-07 GERMANTOWN AVE
6309 GERMANTOWN AVE
6311-17 GERMANTOWN AVE
6316 GERMANTOWN AVE
6319 GERMANTOWN AVE
6320 GERMANTOWN AVE
6321 GERMANTOWN AVE
6322-24 GERMANTOWN AVE
6323 GERMANTOWN AVE
6325 GERMANTOWN AVE
6326 GERMANTOWN AVE
6327 GERMANTOWN AVE
6328 GERMANTOWN AVE
6329 GERMANTOWN AVE
6330 GERMANTOWN AVE
6331 GERMANTOWN AVE
6332 GERMANTOWN AVE
6333 GERMANTOWN AVE
6334 GERMANTOWN AVE
6335-37 GERMANTOWN AVE
6336 GERMANTOWN AVE
6338 GERMANTOWN AVE
6339 GERMANTOWN AVE
6340 GERMANTOWN AVE
6341 GERMANTOWN AVE
6343 GERMANTOWN AVE
6344-50 GERMANTOWN AVE
6345 GERMANTOWN AVE
6347 GERMANTOWN AVE
6349 GERMANTOWN AVE
6351 GERMANTOWN AVE
6352 GERMANTOWN AVE
6353 GERMANTOWN AVE
6354 GERMANTOWN AVE
6355 GERMANTOWN AVE
6363 GERMANTOWN AVE
6364 GERMANTOWN AVE
6365-7 GERMANTOWN AVE
6368 GERMANTOWN AVE

EXHIBIT A-2

PROPOSED PROPERTIES FOR
THE MT. AIRY BUSINESS IMPROVEMENT DISTRICT

6369 GERMANTOWN AVE
6370 GERMANTOWN AVE
6371 GERMANTOWN AVE
6373 GERMANTOWN AVE
6374 GERMANTOWN AVE
6375 GERMANTOWN AVE
6375R GERMANTOWN AVE
6376-80 GERMANTOWN AVE
6377 GERMANTOWN AVE
6379 GERMANTOWN AVE
6381 GERMANTOWN AVE
6400 GERMANTOWN AVE
6401 GERMANTOWN AVE
6412 GERMANTOWN AVE
6416 GERMANTOWN AVE
6430 GERMANTOWN AVE
6445-55 GERMANTOWN AVE
6465 GERMANTOWN AVE
6509 GERMANTOWN AVE
6511 GERMANTOWN AVE
6513 GERMANTOWN AVE
6515 GERMANTOWN AVE
6516 GERMANTOWN AVE
6517 GERMANTOWN AVE
6519-25 GERMANTOWN AVE
6526-34 GERMANTOWN AVE
6527-29 GERMANTOWN AVE
6531-33 GERMANTOWN AVE
6536 GERMANTOWN AVE
6538 GERMANTOWN AVE
6540 GERMANTOWN AVE
6542 GERMANTOWN AVE
6544-48 GERMANTOWN AVE
6552 GERMANTOWN AVE
6554 GERMANTOWN AVE
6556 GERMANTOWN AVE
6558-60 GERMANTOWN AVE
6601-03 GERMANTOWN AVE
6602 GERMANTOWN AVE
6610-12 GERMANTOWN AVE
6611 GERMANTOWN AVE

EXHIBIT A-2

PROPOSED PROPERTIES FOR
THE MT. AIRY BUSINESS IMPROVEMENT DISTRICT

6613 GERMANTOWN AVE
6614A GERMANTOWN AVE
6614B GERMANTOWN AVE
6614C GERMANTOWN AVE
6614D GERMANTOWN AVE
6619-21 GERMANTOWN AVE
6630 GERMANTOWN AVE
6631 GERMANTOWN AVE
6632 GERMANTOWN AVE
6633 GERMANTOWN AVE
6635 GERMANTOWN AVE
6637 GERMANTOWN AVE
6639-41 GERMANTOWN AVE
6643 GERMANTOWN AVE
6644 GERMANTOWN AVE
6645 GERMANTOWN AVE
6646 GERMANTOWN AVE
6647 GERMANTOWN AVE
6649 GERMANTOWN AVE
6651-53 GERMANTOWN AVE
6656-58 GERMANTOWN AVE
6657-59 GERMANTOWN AVE
6660 GERMANTOWN AVE
6661-63 GERMANTOWN AVE
6662 GERMANTOWN AVE
6665 GERMANTOWN AVE
6667 GERMANTOWN AVE
6669 GERMANTOWN AVE
6671 GERMANTOWN AVE
6679 GERMANTOWN AVE
6700 GERMANTOWN AVE
6701-17 GERMANTOWN AVE
6706 GERMANTOWN AVE
6715-17R GERMANTOWN AVE
6721-39 GERMANTOWN AVE
6730 GERMANTOWN AVE
6732-36 GERMANTOWN AVE
6740 GERMANTOWN AVE
6745 GERMANTOWN AVE
6747 GERMANTOWN AVE
6749 GERMANTOWN AVE

EXHIBIT A-2

PROPOSED PROPERTIES FOR
THE MT. AIRY BUSINESS IMPROVEMENT DISTRICT

6750 GERMANTOWN AVE
6751 GERMANTOWN AVE
6753 GERMANTOWN AVE
6755 GERMANTOWN AVE
6757 GERMANTOWN AVE
6759 GERMANTOWN AVE
6761 GERMANTOWN AVE
6763 GERMANTOWN AVE
6765 GERMANTOWN AVE
6767 GERMANTOWN AVE
6769 GERMANTOWN AVE
6771 GERMANTOWN AVE
6776 GERMANTOWN AVE
6778 GERMANTOWN AVE
6780 GERMANTOWN AVE
6782 GERMANTOWN AVE
6784 GERMANTOWN AVE
6801-07 GERMANTOWN AVE
6809 GERMANTOWN AVE
6811 GERMANTOWN AVE
6813 GERMANTOWN AVE
6815 GERMANTOWN AVE
6817 GERMANTOWN AVE
6819 GERMANTOWN AVE
6821 GERMANTOWN AVE
6823 GERMANTOWN AVE
6825 GERMANTOWN AVE
6829 GERMANTOWN AVE
6833 GERMANTOWN AVE
6835 GERMANTOWN AVE
6837-39 GERMANTOWN AVE
6841-43 GERMANTOWN AVE
6841R-43 GERMANTOWN AVE
6845 GERMANTOWN AVE
6900 GERMANTOWN AVE
6901 GERMANTOWN AVE
6923-45 GERMANTOWN AVE
6950 GERMANTOWN AVE
7001 GERMANTOWN AVE
7010 GERMANTOWN AVE
7045-47 GERMANTOWN AVE

EXHIBIT A-2

PROPOSED PROPERTIES FOR
THE MT. AIRY BUSINESS IMPROVEMENT DISTRICT

7048 GERMANTOWN AVE
7056 GERMANTOWN AVE
7100 GERMANTOWN AVE
7102 GERMANTOWN AVE
7104 GERMANTOWN AVE
7106 GERMANTOWN AVE
7108 GERMANTOWN AVE
7110 GERMANTOWN AVE
7111-13 GERMANTOWN AVE
7112-14 GERMANTOWN AVE
7116 GERMANTOWN AVE
7117-19 GERMANTOWN AVE
7118 GERMANTOWN AVE
7120 GERMANTOWN AVE
7122 GERMANTOWN AVE
7124 GERMANTOWN AVE
7126 GERMANTOWN AVE
7127 GERMANTOWN AVE
7128 GERMANTOWN AVE
7130 GERMANTOWN AVE
7131 GERMANTOWN AVE
7132 GERMANTOWN AVE
7133-43 GERMANTOWN AVE
7134 GERMANTOWN AVE
7136 GERMANTOWN AVE
7138 GERMANTOWN AVE
7140 GERMANTOWN AVE
7142-44 GERMANTOWN AVE
7145-47 GERMANTOWN AVE
7146-50 GERMANTOWN AVE
7149 GERMANTOWN AVE
7151 GERMANTOWN AVE
7152 GERMANTOWN AVE
7153-55 GERMANTOWN AVE
7157-59 GERMANTOWN AVE
7161-63 GERMANTOWN AVE
7162 GERMANTOWN AVE
7165 GERMANTOWN AVE
7167-69 GERMANTOWN AVE
7170 GERMANTOWN AVE
7174 GERMANTOWN AVE

EXHIBIT A-2

PROPOSED PROPERTIES FOR
THE MT. AIRY BUSINESS IMPROVEMENT DISTRICT

7200-06 GERMANTOWN AVE
7201-03 GERMANTOWN AVE
7205 GERMANTOWN AVE
7208-10 GERMANTOWN AVE
7212 GERMANTOWN AVE
7214 GERMANTOWN AVE
7216 GERMANTOWN AVE
7220 GERMANTOWN AVE
7222 GERMANTOWN AVE
7224 GERMANTOWN AVE
7226-34 GERMANTOWN AVE
7236-40 GERMANTOWN AVE
7241 GERMANTOWN AVE
7314 GERMANTOWN AVE
7318 GERMANTOWN AVE
7326-30 GERMANTOWN AVE
7402 GERMANTOWN AVE
7403 GERMANTOWN AVE
7406 GERMANTOWN AVE
7600 GERMANTOWN AVE
7600R GERMANTOWN AVE
7601 GERMANTOWN AVE
7611-17 GERMANTOWN AVE
7619-25 GERMANTOWN AVE
7627-31 GERMANTOWN AVE
13 NIPPON ST
17 W. ALLENS LANE
20-30 W. ALLENS LANE
31 W. ALLENS LANE
17 E. GOWEN AVE
3 W. GOWEN AVE
18-24 W. HORTTER ST
25 W. HORTTER ST
17 E. MEEHAN AVE
2 E. MT. PLEASANT AVE
20 W. MT. PLEASANT AVE
2. W. DURHAM ST
23 E. DURHAM ST
45 W. DURHAM AVE
5-7 W. MT. AIRY AVE
9-11 W. MT. AIRY AVE

EXHIBIT A-2

PROPOSED PROPERTIES FOR
THE MT. AIRY BUSINESS IMPROVEMENT DISTRICT

20 E. MT. AIRY AVE
22 E. MT. AIRY AVE
24 E. MT. AIRY AVE
26 E. MT. AIRY AVE
36 E. MT. AIRY AVE

EXHIBIT A-3

PROPOSED BUDGET FOR THE
MT. AIRY BUSINESS IMPROVEMENT DISTRICT

	Year 1
Administration	
Salary	
Executive Director (Direct Employee)	$39,000
Insurance Expenses	$15,785.56
Website and e-mail newsletter	$753
Annual and Stakeholder Meetings	$400
Sub Total	*$55,938.56*
Professional Fees	
Annual Audit	$2,500
Book Keeper	$1,200
Collections	$1,500
Lien	$50
Payroll Service	$672
Sub Total	*$5,922.00*
Office Expenses	
Rent	$4,200
Telephone and Internet	$1,800
Office Supplies	$2,000
Postage and Mailing	$1,000
Sub Total	*$9,000.00*
Cleaning Services	
Street Ambassadors (Direct Employees)	$44,720
Supplies	$2,500
Cleaning Machine	$2,000
Sub Total	*$49,220.00*
Program Expenses	$4,919.44
TOTAL	**$125,000**

Year 2:	$130,000
Year 3:	$135,200
Year 4:	$140,608
Year 5:	$146,232

The proposed budget will increase annually by 4% to account for inflation and is set forth for subsequent years as follows:

EXHIBIT A-4

BY-LAWS OF THE MT. AIRY IMPROVEMENT DISTRICT, INC.

ARTICLE I

SECTION 1.01 - OFFICES; REGISTERED AGENT

The principal office of the Corporation shall be located at such location or locations in the Mt. Airy section of Philadelphia, 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 (BID) and function as a Business Improvement District Management Corporation (BIDMC) under the applicable Pennsylvania laws.
b. Formulate, promote and implement the economic revitalization and general welfare of the Mt. Airy commercial area.
c. Provide a self-help mechanism by which relevant interests can 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;
e. Accomplish the above-referenced sections in a timely manner with specific goals.

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, after satisfying any creditors all of the assets of the Corporation shall be distributed to the

assessees in proportion to their share of total assessments.

SECTION 2.04 - MEMBERSHIP AND VOTING. All owners of assessed properties within the boundaries of the BID shall be members of the Corporation. Corporation members may vote for voting members of the Board of Directors as detailed in this paragraph, attend meetings of the Board of Directors and serve on committees. For purposes of electing the voting members of the Board of Directors, only one vote shall be allowed per entity owning an assessed property or assessed properties, and only one ballot may be cast by any individual in any given election of the Board of Directors, even if said individual represents multiple entities owning assessed properties. Voting by proxy shall not be allowed.

2.05 INCORPORATION. The Corporation is formed under and has been chartered by the Secretary of State of the Commonwealth of Pennsylvania. November 22, 2006.

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 any BID employees, 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 Directors on the Board of Directors, eight of which will be elected by the Corporation members.

    1. The eight Directors elected by Corporation members will represent property owners paying BID assessments and shall be selected from among those members.
    2. The ninth Director will represent non-profit institutions and will be selected by the eight elected Directors.
    3. Within the group of nine voting Directors, there should be at least one representative from each of the two heavily concentrated commercial blocks - the 6300 block of Germantown Avenue and the 7100-7200 blocks of Germantown Avenue.

B. The nine voting Directors shall elect up to eight non-voting Directors, who may include but shall not be limited to representatives from the Mt. Airy Business Association, Mt. Airy USA, and the City of Philadelphia.

SECTION 3.02 - TERM OF OFFICE. Only members of the Corporation have standing to elect the eight voting Board members. The eight elected Directors and the one selected to represent the institutions shall be divided into two classes by the Board Chair, 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 members of the Corporation for terms of two years. The incorporators shall serve as Directors until the organizational meeting at which the first and second classes shall be elected by the members. The Board shall select qualified persons 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 75% vote, 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. Board members must remain current in their assessments and are required to enter into a social contract wherein they agree to actively pursue the goals of the BID. Furthermore, they are required to attend at least 75% of the board meetings. Failure to adhere to these requirements may result in removal from the Board. Vacancies occurring on the Board for any reason may be filled by a vote of a majority of the voting 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 Executive Director) shall cause to be mailed to every member in good standing at his (her) or its 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 Board Chair. 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 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 approval by the Executive Committee of a proposed annual budget, 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 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 provided that such budget shall be consistent with the budget approved by ordinance and with Section 18105(G) of the Community and Economic Improvement Act (relating to amendments to the final plan, 53 P.S. 18105 (G)

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.

SECTION 3.08 – DISTRICT ADVISORY COMMITTEE. District Advisory Committee members shall receive notices of all Board meetings. They may participate fully in board deliberations, and may serve as committee chairs and are members of the Corporation so long as they are members of the District Advisory Committee.

ARTICLE IV

SECTION 4.01 - COMMITTEES GENERALLY. The Board of Directors may provide 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 shall be appointed and the committee chairs named by the Board Chair. 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 Board Chair.

SECTION 4.02 - EXECUTIVE COMMITTEE. The officers shall serve as an Executive Committee. The Executive Committee shall also serve as the finance, nominating and personnel committees.

SECTION 4.03 - COMMITTEE REPORTS. All recommendations by a committee shall be reported to the Board of Directors.

SECTION 4.04 - MEETINGS OF COMMITTEES. Each committee shall meet at the call of the Chair of the committee or any two members of the committee.

SECTION 4.05 - 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.

ARTICLE V

SECTION 5.01 - EXECUTIVE OFFICERS. The Board of Directors shall elect a Board Chair, a Vice-Chair, a Secretary and Treasurer from among the nine voting Directors to serve for one year terms. The Board may also appoint 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 Board Chair 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 - BOARD CHAIR AND VICE-CHAIR OF THE BOARD. The Board Chair 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-Chair of the Board, at the request of the Board Chair or in his absence, or during his/her inability to act, shall perform the duties and exercise the functions of the Board Chair, and when so acting shall have the powers of the Board Chair. The Vice-Chair shall have such other duties as may be assigned to him by the Board Chair.

The Board Chair shall have general charge and supervision of the activities and affairs of the Corporation. When authorized by the Board of Trustees, 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 – EXECUTIVE DIRECTOR. An Executive Director may be appointed by the Board of Directors. He or she shall perform all duties incident to the office of Executive Director and reasonably assigned by the Board of Directors, including but not limited to supervision of services, contract management, maintenance of accounts and notices.

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 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 Board Chair. The Executive Director may serve as the Board Secretary or assume some responsibilities of the Secretary if so designated by the Board. The records of the Mt. Airy Improvement District, Inc. are considered public and are available to members of the Corporation.

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 by the Board of Trustees. 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 Board Chair. He/she shall make a presentation on the fiscal condition of the Corporation at the annual meeting.

SECTION 5.06 - SUBORDINATE OFFICERS. The Board may from time to time appoint such subordinate officers as it may deem desirable. Each such officer shall perform such duties as the Board or the Board Chair may prescribe.

ARTICLE VI

SECTION 6.01 - 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 Board Chair 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 State of Pennsylvania, the City of Philadelphia Commerce Department and the Philadelphia City Council.

SECTION 6.02 - 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 7.01 - BONDS. The Board of Directors may require any officer, agent or employee of the Corporation to give a bond to the Corporation conditioned upon the faithful discharge of his duties with one or more sureties and in such amount as may be satisfactory to the Board of Directors.

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, wilful misconduct or recklessness.

SECTION 7.04 - AMENDMENTS. A motion to amend, alter, repeal or enact a new By-Law (referred to as a "Motion" in this paragraph) may be introduced, considered and discussed, but not voted on, at any meeting of the Board of Directors where a quorum is present. Provided the Motion is duly seconded at the meeting of its introduction, consideration and discussion, the Board Chair shall, at same, fix and announce a subsequent meeting date, such meeting to be held within a reasonable number of days, at which the Motion shall be voted upon. At least fifteen (15) days prior to the set meeting date a complete and exact written statement of the Motion and the time, place and day of the meeting when the Motion will be voted upon, must be sent to every Director of the Board, both voting and non voting, by certified mail or such Director shall waive such mailing in writing. The Motion shall be carried only upon an affirmative vote of at least sixty-six percent (66%) of the voting Directors of the Board present at the meeting, provided there is a quorum. The procedures contained in this Section shall apply regardless of any contrary provision contained in these By-Laws. Any changes to the By-Laws that have been approved shall be disseminated at the next annual meeting.

Mt Airy Business Improvement District Board of Directors

Ken Weinstein*
Chair
Trolley Car Diner & Deli

Peter Commons*
Vice-Chair
Commons & Commons, LLP

Elise Rivers*
Secretary
Community Acupuncture of Mt. Airy

Gerard McCabe*
Treasurer
Schoff | McCabe

Bob Elfant*
Elfant-Wissahickon Real Estate

Yvonne Haskins*
Ariadne Properties, LLC

Clifton Jones*
New Covenant Church

Michael Schweisheimer*
Primitive World Productions

Carolene Woods*
Jones Beauty Shop

Tom Baker
Earth, Bread, and Brewery
Mt. Airy Business Association

Anita T. Connor
Tax Diva's

Paul Egonopoulos
Brewer's Outlet

Jay Goldstein
Valley Green Bank

Rev. Dr. Philip Krey
Lutheran Theological Seminary

Elizabeth Moselle
Mt. Airy, USA

Pamela J. Rich-Wheeler
The Business Center for
Entrepreneurship & Social Enterprise

Hon. Cindy Bass
Councilwoman, 8th District

*Voting Members