



How is the Friendship Heights Alliance governed?

A nonprofit 501(c)6 organization, the Alliance is a membership organization including commercial property owners and commercial tenants on both sides of the DC and MD border. The members of the Alliance elect a Board of Directors comprised of property owners, along with business and community stakeholders. The board shapes the organization's programming priorities, provides financial oversight, and hires an executive director to carry out a collaboratively defined vision.

The Alliance is also guided by a cross-jurisdictional advisory committee composed of community residents, nonprofit representatives, and business owners from both MoCo and DC. The role of this group is to advise and provide feedback to the board about services and programming. This guidance helps the Board make better decisions about priorities and neighborhood challenges.

How is the Friendship Heights Alliance funded?

For its first two years, the Alliance was funded by grants from the DC government and Montgomery County, along with proportional private contributions from property owners on both sides of the DC and Maryland border. In 2023, the Alliance worked with private and public sector partners to ensure long-term funding for the organization by creating a Business Improvement District in DC and an Urban District in Maryland. Details about both funding models are below. Together, these funding streams enable commercial property owners to make a collective investment in the neighborhood through placemaking, marketing, community building, and stakeholder coordination.

What is a Business Improvement District (BID) funding model?

A BID is a funding mechanism in which property owners pay an additional assessment to support place management programs and community building within a defined area. The district is created by legislation. A majority of the property owners within the area must agree to the extra tax and a business plan (outlining budget and priorities) must be approved by the City's Department of Small Business and Local Development (DSLBD). The Friendship Heights met these requirements and, on August 2, 2023, the Mayor certified the Friendship Heights BID. The first tax bills were sent out in August 2023.

Frequently Asked Questions

What is the Friendship Heights Alliance?

The Friendship Heights Alliance is a place-centered nonprofit formed in 2021 focused on the transformation of Friendship Heights through placemaking, neighborhood promotion, and economic development.

What are the boundaries of the Friendship Heights Alliance?

The coverage area extends to both sides of Western Avenue, covering the Wisconsin Avenue commercial corridor from Fessenden Street on the south to Oliver Street on the north – in other words, from Rodman's to Saks Fifth Avenue.

What do place-focused nonprofit organizations do?

Place-focused nonprofit organization organizations typically provide services that are a supplement to those already provided by the government, such as economic development, business support and promotion, public realm cleaning and maintenance, management of capital improvements, placemaking and streetscape enhancements, neighborhood marketing, events, and brand management. These organizations, funded in a variety of ways, have a proven track record around the world of helping urban, mixed-use commercial districts meet challenges unique to their places. They are designed to bring private-sector creativity and ground-level expertise to Friendship Heights' evolution in collaboration with District and County partners.

What is an Urban District Funding model?

Urban Districts are special taxing districts formed in mixed-use commercial areas of Montgomery County to increase the maintenance of the streetscape and its amenities; provide additional public amenities such as plantings, seating, shelters, and works of art; promote the commercial and residential interests of these areas; and program cultural and community activities. In Friendship Heights, several property owners advocated for the formation of the Urban District. An Urban District is created by legislation. The Montgomery County Council voted to form the Friendship Heights Urban District in April 2023. The first tax bills went out in June 2023.

How will these two funding mechanisms work together to support the Friendship Heights Alliance programs and services?

Through the BID mechanism, the District of Columbia collects the BID tax and transfers the funds directly to the Friendship Heights Alliance to run programs and services. On the Montgomery County side, funding for the Friendship Heights Urban District is collected annually along with commercial property taxes. Montgomery County has entered into a Memorandum of Understanding with the Friendship Heights Alliance to deliver programs and services for the Urban District.

Is there public-sector oversight of the Alliance's activities?

Yes. In DC, the BID funding mechanism must be renewed every five years by a vote of property owners and review of the mayor. In Montgomery County, the Urban District will undergo annual appropriations reviews and a five-year renewal of the Memorandum of Understanding.

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How many place management organizations are there across the U.S.?

Currently, there are more than 2,500 place management organizations in North America, including more than 70 in New York City, 12 in Washington, D.C., three in Northern Virginia, and several in Baltimore. This model is also used in South Africa, Canada, and throughout Europe. For more about this multi-dimensional industry, visit www.downtown.org.

What are the benefits of the Alliance for the small business community?

Place-based nonprofits like the Alliance have proven to be remarkably successful in supporting small businesses through collective marketing, networking opportunities, and public space improvements. In addition to supporting small businesses through joint marketing campaigns, economic development research, and placemaking services, these organizations have the nimbleness and flexibility to respond quickly to business concerns, to provide information and support as they navigate municipal issues, and to create opportunities for small businesses to make their voices heard around key decisions impacting a place.

What are the benefits of the Alliance for residential property owners?

The Friendship Heights Alliance will take a robust role in cultivating Friendship Heights' many overlapping ecosystems. It will help support a unique and thriving small business community and help attract the office and retail tenants that are so necessary for creating daytime and nighttime vibrancy. In addition, the Alliance will focus on creating gathering places, creative cultural events, and community building programs to bring people together.

