

CENTER CITY DIGEST

THE NEWSLETTER OF THE CENTER CITY DISTRICT AND CENTRAL PHILADELPHIA DEVELOPMENT CORPORATION

SPRING 2007

An Agenda for Growth: 2008–2012

For the last 10 years CCD/CPDC have published State of Center City, an overview of downtown market conditions, a candid look at strengths and challenges and a benchmarking effort to remind us what is still required to be competitive with peer cities. This April, we also released Center City: Planning for Growth, 2007–2012 offering proposals for investments that can occur during the first term of Philadelphia's next mayor.

Center City Philadelphia is at a historic crossroads: either we capitalize on the last 16 years of success or drift downward on a path of declining jobs and lost opportunities. To chart a positive course, CCD and CPDC worked with seven design firms to suggest investment ideas that can be adopted by the next mayor. Included in Center City: Planning for Growth, 2007–2012 are detailed plans for East Market Street, West Market Street & JFK Boulevard, Broad Street & City Hall, and the Benjamin Franklin Parkway.

Why a New Plan?

Philadelphia began 325 years ago as a planned city. While it has grown far beyond the original boundaries, William Penn's grid still gives shape to 21st century Center City. But, planning in Philadelphia has been more exception than rule. It seems to capture public attention and have its greatest impact at times of profound transition.

The City Beautiful movement at the start of the 20th century gave us the Benjamin Franklin Parkway and helped transform a grimy industrial metropolis into a great civic and cultural center. Urban renewal planning in the 1950s and 1960s accelerated the transition from a manufacturing, railroad-based economy to the post-industrial automobile age, prompting revitalization of Society Hill, the creation of Penn Center and beginning efforts to reclaim the waterfronts.

Our history suggests that when Philadelphia's mayors have embraced planning, forming strong public-private partnerships for implementation, the city has made quantum leaps forward.

In 2007, Philadelphia has the opportunity to respond to powerful global economic realities and to digital and demographic trends that are reshaping regions and strengthening the competitive advantages of cities. At the same time, thoughtful city planning can repair the damage of the prior era's auto-centric urban designs.

In the last decade, as Philadelphia emerged from fiscal distress and as development has sprouted everywhere, many have urged a stronger role for the Philadelphia City Planning Commission, harking back to the "golden age" of the 1950s if not to the architectural styles and urban design values of that era.

Recognizing the void in public planning, major institutions, neighborhood associations and business groups have commissioned their own plans, prompting others to express concern about the balkanization of effort and the fact that these initiatives lack the formal authority of government.

But history suggests that *planning from the outside* is a long Philadelphia tradition. The idea and momentum for the Benjamin Franklin Parkway came from civic and business leaders who lobbied City Hall. Reformers from outside government in the 1940s prompted creation of the modern planning commission, orchestrated private-sector funding for the hugely influential Better Philadelphia Exhibition of 1947 and triggered public renewal efforts in the 1950s.

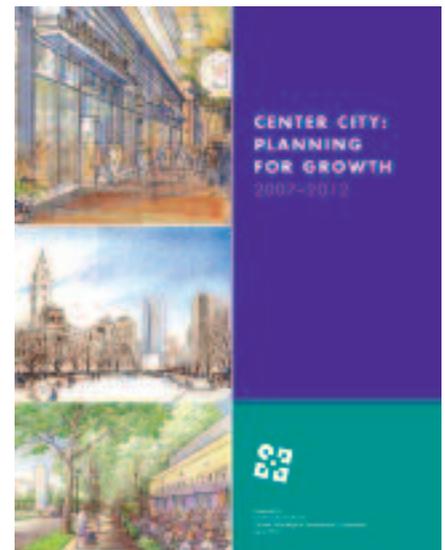
This is an analogous moment in the life of the city. Recent advocacy for zoning reform, proactive planning and greater transparency in government recalls the reform agenda from six decades ago. It reminds us, too, that it's been 20 years since Center City's plan was updated.

What's Changed Since 1988

In 1988, planners envisioned 20 million square feet more of office space than we have today, but didn't foresee the housing boom that has diversified downtown. They advocated for a new convention

center and performing arts district, but didn't imagine the proliferation of outdoor cafes, hundreds of new restaurants, and real live traffic jams — challenges that require us to manage success. Some of their better proposals — the animation of the plazas around City Hall and enhanced transit access at 22nd and Market Street — have not yet come to pass.

Still, there's much to celebrate. We moved from *dirty and dangerous* to *clean and safe*; from 40% vacancy on South Broad Street to the thriving mixed-use Avenue of the Arts; from an outmoded Civic Center to a state-of-the-art, expanding Convention Center; from 4.5 million square feet of vacant, obsolete office and industrial space to 11,000 new housing units and a burgeoning population; from a two-hour stop between Washington and New York to a thriving tourist mecca; and from no outdoor cafes to 187.



To order *State of Center City* and *Center City: Planning for Growth, 2007–2012*, call 215-440-5500 or visit www.CenterCityPhila.org. Single copies are free; there is a charge for additional copies.

The reports can also be downloaded from our Web site, www.CenterCityPhila.org.

Managing success, accommodating new development and addressing challenges that did not exist two decades ago are one impulse for a new downtown plan. Equally important is the need to prompt new private-sector job growth.

The downtown economy is like a powerful, handcrafted, four-cylinder automobile, stocked with extraordinary amenities, but firing fully on only three cylinders. We have done exceedingly well with education and health care, hospitality and residential development, but have 17.6% fewer office jobs than we did in 1990. While decentralization of office space is a national trend, Philadelphia lost market share to the suburbs at a faster rate than peer cities. As late as 1993, we had a 41% share of the region's office space; today it is 27%, six points below the national average for CBDs.

Why Downtown Matters

Spring Garden to South Street, river to river, is but 2% of Philadelphia's geography. But this compact area holds 7,100 business establishments that generate 47% of all private-sector wages paid city-wide. Center City's employers generate \$6 billion in annual salaries to Philadelphia residents and another \$7.9 billion in salaries to households in surrounding counties.

Downtown employers account for 60% of the jobs held by Center City residents. But they also pay \$500 million in annual salaries to households of Philadelphia's Northwest, \$495 million to West Philadelphia residents, \$491 million to households in the Far Northeast, \$438 million to South Philadelphia residents and \$369 million to households in North Philadelphia. In nearly every section of the city, downtown jobs account for the largest share of residents' income.

Just as Stetson Hats, Midvale-Heppenstall Steel and Cramp Shipyards were the economic backbone of our neighborhoods at the start of the 20th century, post-industrial jobs in offices, hospitals, hotels and educational institutions are the economic lifeblood of the 21st century. They offer a broad range of opportunities from entry-level, to technical, high-skill, high-wage jobs. Buses, trolleys, subways and regional rail make downtown jobs easily accessible to neighborhood residents, especially those without cars. In return they enable families to pay mortgages or rent, pur-

chase food and clothing, shop and dine and send their children to college.

To the extent Center City's employers compete successfully with other cities and regions, downtown will continue to be the primary source of quality opportunities for Philadelphia residents. Center City is also a major source of tax dollars to support municipal services. We live today in a post-federal era and cannot expect from higher levels of government the transfer payments routinely received a generation ago. Now, 73% of the city's operating budget must be raised locally. So, municipal government cannot provide quality services without a competitive business environment that fosters strong, private-sector growth.

What Planning Can Do

Enhance Walkability: Center City has inherited the virtues of William Penn's 1682 grid, artfully balancing old and new. In an era of global choice, cities must be *competitive, connected and attractive* places to work, live and visit. Danish architect Jan Gehl notes that in the mercantile and manufacturing city, people were in the street out of necessity, because that's where work was often performed. In the post-industrial city, they are outside by choice at wireless cafes and in restored parks. Successful cities have learned they will never compete with suburbs by imitating suburbs. The competitive advantages of cities are their walkable streets and successful public places.

Planning for 21st-century Philadelphia should focus on maximizing the virtues of the historic grid: filling in gaps in the fabric, providing vibrant civic spaces and parks, undoing barriers and blank walls that are a legacy of urban renewal.

Reinforce Centrality: Midway between New York City and Washington D.C., Center City houses 38 million square feet of commercial office space, an expanding convention center, 10,000 hotel rooms and 21 education and health-care institutions with 30,000 students, and another 67,500 students adjacent to downtown. Compressed into just three square miles are also 2,400 retailers, over 270 restaurants and several dozen arts, cultural, historic and entertainment destinations. This dense cluster of employment forms the largest business center in the Commonwealth.

Planning can strengthen the competitiveness of Center City by focusing on connections to other places: the airport, highways and the regional transit system that carries 291,000 riders downtown each day. Transit makes possible density without congestion, facilitating large concentrations of employment and robust labor markets. A well-run system can encourage impulse decisions to jump on and off trolleys and buses, reducing the dependence on autos and minimizing storage space needed for cars. Planning can also balance between pedestrians and cars with better management, technology and enforcement on downtown streets.

Leverage New Infrastructure: The purpose of planning, notes Ray Gindros of Urban Design Associates of Pittsburgh is not to figure out how to spend money. The purpose of planning is to create a compelling vision that inspires leaders and attracts money. Good planning enables politicians, citizens and developers to see possibilities and connections overlooked because of present-day barriers. Encumbrances might be physical obstacles like highways and railroads, or a civic mindset diminished by pessimism, or a tax structure and political culture that discourages investment and limits growth.

Almost no substantial investments have been made in Center City's transit and highway systems in two decades. Meanwhile, other North American cities have been upgrading roadways and transit with smart-technology, building new light rail lines, transforming highways into landscaped boulevards and creating signature urban parks.

Philadelphia's next mayor has the opportunity to prompt sustained economic growth and expanding opportunities for residents through more competitive tax policies and strategic investments. The recommendations in *Planning for Growth: 2007–2012* highlight enhancements in public infrastructure and amenities, as well as broad design guidelines — suggestions to owners and developers — that could both trigger and accelerate this growth.

Paul R. Levy
President

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The 2007 CCD Budget

Each year, the Center City District directly bills and collects assessments from properties within its boundaries. This year's billing numbers show the clear impact of the condominium boom in Center City. In February, the CCD billed 3,596 properties, compared to 2,518 in 2006, an increase of 1,078 properties or 43%. Still, the office-sector accounts for 61% of all CCD assessment revenues.

The revenues collected by assessments are used exclusively to fund the CCD's services and physical improvements within the district. Sixty-two percent of the CCD's revenue goes to fulfilling our most basic mission to keep downtown streets clean, safe and attractive. The CCD also receives revenue from other sources, such as fee-for-service contracts, foundation grants and management agreements.

Long-term owner-occupants of condominiums, or those more recent owners who closed on their property on or before September 13, 2005, may file an annual affidavit to voluntarily waive their assessment charge. Those who acquired their units after September 13, 2005 are now required to pay the charge.

If you are a resident and have questions about the policy or your bill, call

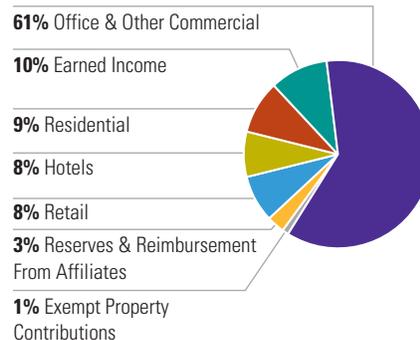
Carol Raffa at the CCD's special residents' line, 215-440-5926 or email info@centercityphila.org.

For more information about the many services the CCD provides to Center City property owners, visit www.CenterCityPhila.org.

Property statistics for 2007

- The top 15 properties pay 27% of total program cost, with an average charge of \$221,406.
- The top 200 properties pay 85% of total program cost, with an average charge of \$52,498.
- The lowest annual charge is \$1.06.
- The highest annual charge is \$360,806.
- The typical Market Street West office building pays \$155,480.
- The average hotel pays \$53,317.
- The average Chestnut Street property pays \$2,267.
- The average Walnut Street property pays \$2,971.
- The average retail property pays \$1,644.
- The average residential property charge is \$171.

WHERE THE MONEY COMES FROM



WHERE THE MONEY GOES



2007 Operating Budget: \$14,445,533

Tips for New City Gardeners

Many of Center City's new condominium owners may find themselves literally on unfamiliar terrain this spring as they go from suburban lawn to window box, terrace or rooftop gardening.

It is important to know that, like most urban areas, Philadelphia is a microclimate that is warmer and has a longer growing season than its surrounding suburbs. (NASA researchers have found that growing seasons in 70 cities in eastern North America were about 15 days longer than in rural areas, causing plants to start greening up an average of seven days earlier in spring.) So plants love Center City!

Most city gardening is container style. Make sure containers are adequately

sized, will hold enough soil (potting soil, not topsoil, recommended) and have sufficient drainage. It may be necessary to punch extra drainage holes.

Some plants are especially well suited to the urban environment. The Pennsylvania Horticultural Society Web site has a list of plants that thrive under tough conditions. Visit www.pennsylvaniahorticulturalalso-city.org for suggestions and for course listings, many of which are geared specifically to urban gardeners.

In its spring newsletter, Greensgrow Philadelphia Project (www.greengrow.org) recommends these combinations for typical

Philadelphia situations:

- For sun: yellow coneflower, *Rudbeckia fulgida* "Goldsturm," geranium, "Deep Red," lemon variegated thyme and marigold, "Bonanza Flame."
- For shade, hosta, "Halcyon," coleus "Sedona," lobelia "Palace Blue" and white impatiens.

With no grass to mow, gardening for Center City residences is low maintenance, low-cost, environmentally friendly and highly satisfying.

Philadelphia Community Court is a Model, Nationally and Internationally

The Philadelphia Community Court marks its fifth anniversary this spring. Since opening in 2002, the Court has helped thousands of defendants break the cycle of crime with its innovative mix of criminal justice and on-site social services.

Community Court provides a comprehensive response to quality-of-life crimes, emphasizing community service and behavioral treatment programs, rather than jail time, for low-level offenses. Court staff helps defendants with a range of services including drug and alcohol treatment, anger management classes, job skills training, housing, medical care, mental health referrals and more.

Community Court has continued to draw a great deal of interest, nationally and internationally. Through the auspices of Philadelphia's International Visitors Center, delegations from Malaysia, the Netherlands and Tanzania have all visited the Court. The Tanzanian delegation was from that country's police force and was interested not only in the Court's disposition of cases, but also in the operation of

the Court's police holding area.

The Malaysian visitors were polite, but probably not convinced that this was the way to deal with lawbreakers. The first hint came when one member said that American prisons were far too nice. The Dutch delegation, however, expressed a real interest in the program. Known for that country's more liberal approach to drug use, one member said that the Court's emphasis on treatment was consistent with that country's general criminal justice philosophy.

Tomoatsu Koarai is a representative of the Japanese government who spent several weeks in New York observing the operation of the Midtown Community Court. As part of his factfinding mission, Mr. Koarai also visited Philadelphia Community Court, spending a day observing operations and interviewing staff.

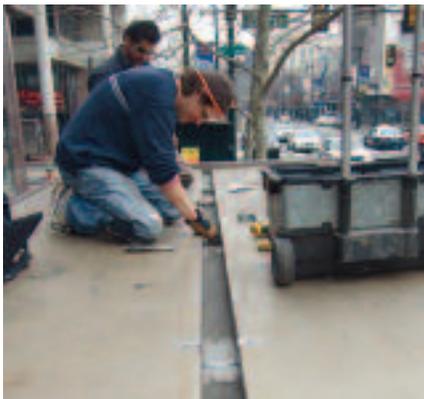
Other jurisdictions have turned to Philadelphia, as a well-established problem-solving court, specifically for

help in establishing their own programs. The first such visit came from a delegation from Washington, D.C. in 2003. A group of over 40 spent a day at the Court gleaned as much information as possible. D.C. has since established two of its own community courts.

In the past year, the Court has hosted delegations from California and Ireland, observing court operations and meeting with staff. The California visitors represented the Judicial Council of California and included 10 judges and five administrators from six different counties. The Judicial Council is working with the executives of several of those counties to open problem-solving courts.

The Irish visitors were from the Criminal Justice System Subgroup of that country's National Crime Council, which subsequently issued a report entitled "Problem-Solving Justice: A Case for Community Courts in Ireland." The report includes a section on the information obtained in Philadelphia.

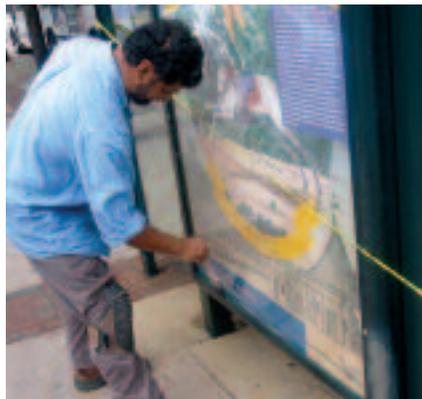
CCD's Spring Cleaning List



CCD crews at work on transit shelters on East Market Street.

With spring, inevitably, comes spring cleaning. In addition to its seven-day-a-week, year-round commitment to sweeping and maintaining clean sidewalks and removing ground-floor graffiti throughout Center City, CCD has been especially busy in recent weeks painting, repairing and scrubbing.

In April and continuing through November, the CCD resumed its monthly schedule of high-pressure



washing every downtown sidewalk to blast stains, gum and grime.

Crews are out scraping, priming and painting nearly half of the 2,100 pedestrian light poles throughout the district. CCD is also busy painting planters on Market East and is touching up the paint on all Market East transit shelters and on fixed newspaper honor box corrals along East and West Market Street.

Also on Market East, CCD is repairing the drainage system on 21 bus shelter rooftops. New security bolts are being installed on the boxes that hold bus shelter advertising posters and new plastic coverings are being installed where needed.

Tree trenches throughout the district are being repaired and CCD, in partnership with the Pennsylvania Horticultural Society, recently received a \$100,000 TreeVitalize grant from the Pennsylvania Department of Conservation and Natural Resources Community Conservation Partnership Program to develop and implement a comprehensive approach to improving the health of street trees along Chestnut Street.

As it does every spring, CCD is evaluating and replacing trees as needed from among the 800 that it has planted and will step up watering and fertilizing. CCD is also beautifying Center City with curbside planters, planting beds and hanging flower baskets on Market Street East and will maintain them throughout the warm weather months.

Clean & Safe



Jerome Faison today and, right, as a Market Street Marshal in 1988.



CSR Princess James

Princess James

She's a lifelong Philadelphian, but Princess James says she's learning about her native city at a whole new level after six months as a Center City District community service representative (CSR).

She attributes much of her newfound knowledge to the thorough CSR training program, which involves two and one-half weeks of classroom instruction on community service, marketing, patrol procedures and what's going on around Center City. Next come three weeks on patrol with a veteran CSR.

Compared to her childhood excursions downtown, Center City is "a lot better

now, much cleaner. There's more action, more nightlife, more restaurants and more big tourist attractions."

Princess learned about the CSR opportunity at a job fair at the Kimmel Center and the position seemed a perfect fit: "Because I was working in retail, I'm used to approaching people." Senior CSR Director Bill Hughes agrees: "She's very engaging and proactive. She just fell into the job."

When not on patrol in Center City, Princess is a part-time college student studying human resources and finance.

Jerome Faison

If Jerome Faison is a familiar face in Center City, it's no wonder. Jerome was among the original "Market Street marshals" tapped in 1988 by the late G. Stockton Strawbridge to clean East Market Street in an operation that served as a forerunner to the Center City District.

Strawbridge's voluntarily funded East Market Improvement Association swept and pressure washed sidewalks and installed and maintained streetscape improvements until 1996 when the organization merged with the Center City District. Jerome has served with CCD ever since and is the only original Market Street marshal still at CCD.

In 1988, he recalls, the public was unaccustomed to seeing uniformed personnel sweeping up on Market Street: "They didn't know who we were and why we were out there." Today, Jerome and the CCD's teal-clad sidewalk sweepers are a familiar sight throughout Center City and the results are obvious. "Back then, we had a reputation of being a dirty city," he says. "Now people tell us how different Center City is."

In recognition of the growing number of international visitors and the cosmopolitan nature of Center City, the CCD now employs seven Community Service Representatives who are fluent in Spanish and one who speaks French.

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The *Center City Digest* is a publication of the Center City District (CCD), a private-sector sponsored municipal authority committed to providing supplemental services that make Philadelphia's downtown clean, safe and attractive; and of Central Philadelphia Development Corporation (CPDC) with 50 years of private-sector commitment to the revitalization of downtown Philadelphia. **Editor:** Elise Vider **Designer:** Amy Yenchik