

# Downtown Revitalization & Management

## City Planning 6420-001



INSTITUTE of GOVERNMENTAL STUDIES  
UNIVERSITY OF CALIFORNIA, BERKELEY

# Research Brief

## The Death of Downtown?

### Pandemic Recovery Trajectories across 62 North American Cities

Karen Chapple, Michael Leong, Daniel Huang, Hannah Moore, Laura Schmahmann, and Joy Wang




The Economist

# Death of the office




# RETAIL APOCALYPSE





## Despite drama & hype: existential questions

Will downtowns recover? Is the office building obsolete?

In the last decades of the 20th century America's cities rebounded when downtowns diversified land-use, evolving from 9-5 office districts to 24-hour, mixed-use business, hospitality, retail, institutional and residential areas with an increasing number of well-managed parks and plazas.

In many cities, downtown housing demand pushed prices beyond the range of many residents and issues of equity and inclusion moved to center stage in public policy discussions.



The events of the last three years challenged many core assumptions & assets around which these places were built:

walkability and face-to-face interaction in the workplace, at conventions, in hotels, restaurants, cafes and public spaces, all supported by public transit that reinforced and made possible the benefits of density,



Course will focus on downtown recovery, reviewing the impact of three inter-related events:

- (1) the pandemic;
- (2) the duration of initial state & local government mandated shut-downs; (Seattle – 69 days; Nashville - 28 days)
- (3) civil unrest which provoked fear of cities & led to rethinking & reformulating of public safety strategies in many cities.

Responding to pandemic required unprecedented actions by national governments, expedited production by pharma companies, well-designed & equitable distribution strategies.

However, what happens on sidewalks, in stores and restaurants, in office buildings, universities and local health care institutions, in residential neighborhoods and in parks and public spaces is the result of local action: by government, business and civic groups and transit agencies.

Some cities capitalized on this crisis to make needed changes, others are still mired in unresolved local challenges. Course focuses on what can be done at the local level. Philadelphia as base case: many other cities

### Is New York City facing a 'doom loop' scenario?



### Predictions of urban doom across United States: Sampling of headlines

The Death of Downtown?  
Pandemic Recovery Trajectories across 62 North American Cities

SAN FRANCISCO 'DOOM LOOP' THREATENS TO GUT DOWNTOWN ECONOMY AS EMPLOYEES WORK FROM HOME

IS NEW YORK CITY FACING A 'DOOM LOOP' SCENARIO?

Seattle faces a moment of truth to save downtown

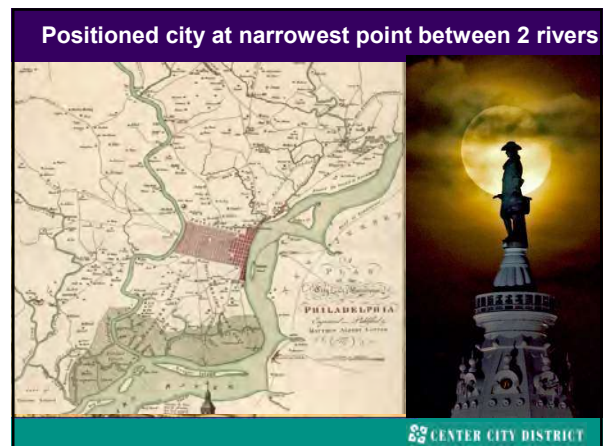
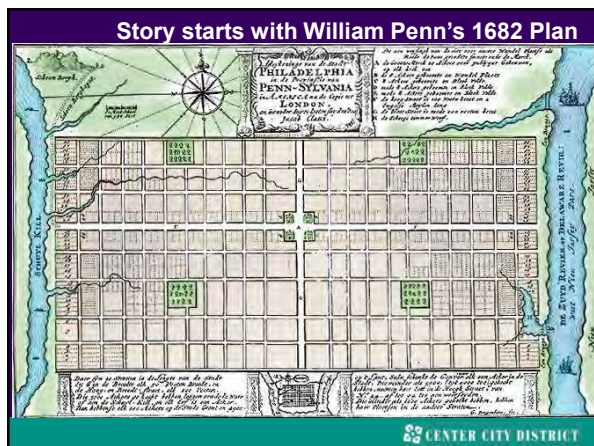
Could Boston face an 'urban doom loop'?

### Next week we can expect the following



### On the other hand.....





One of the more peaceful agreements  
With native Americans



On this date in 1682, William Penn made his treaty with the Lenape under the great elm tree at Shackamaxon in Philadelphia.

June 23: William Penn's Treaty



Penn Treaty Park



Penn Treaty Park



Like all the original colonies,  
Philadelphia began as a riverfront city



Enduring urban form: Original city = Center City  
Broad & Market Streets



Broad & Market were designed as wide streets



**Five public squares**



CENTER CITY DISTRICT

**One became a circle in 1917 with the creation:  
of Benjamin Franklin Parkway**



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**From our colonial past,  
We inherit a human-scale, walkable city**



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**Designed for horse & carriage**



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**Most streets: building to building line = 50-60 feet**



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**Our grid creates great shopping streets  
Straight out of Jane Jacobs: frequent doors & openings**



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Enables us to be jaywalking capital of North America



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Widest streets = 100 ft building line to building line  
Typical width of all avenues in Manhattan



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Walkability: basic building block of our DNA  
Key component of competitiveness today



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Original settlement clustered close to Delaware



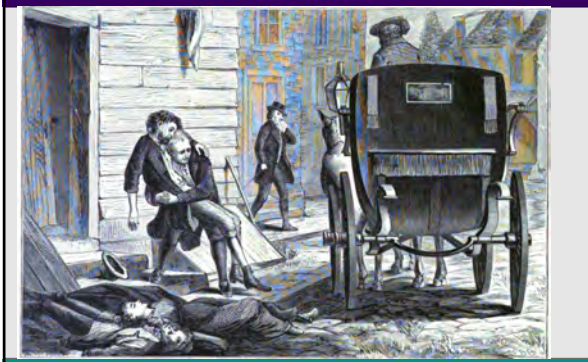
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Imported a huge number of things thru the port  
Including refugees from yellow fever epidemic in Caribbean



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1793: Yellow fever pandemic killed 10% of population  
"Bring out the dead"



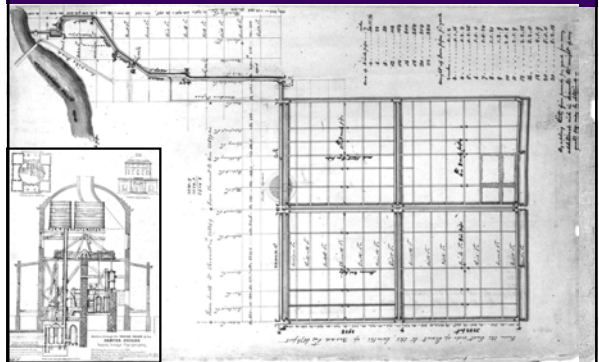
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Response: technological innovation to provide fresh water:  
First steam pumping station in North America in Center Square



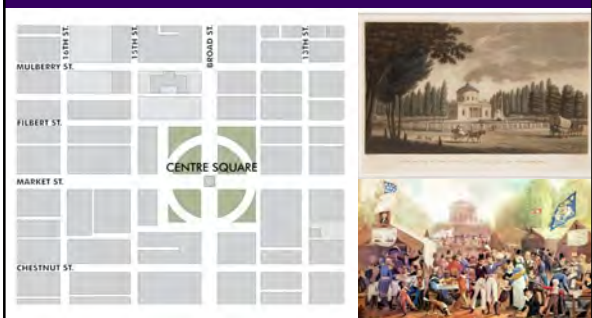
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Drew fresh water from Schuylkill River



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Remained central pumping station  
from 1801-1828



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Now the site for City Hall & Dilworth Park



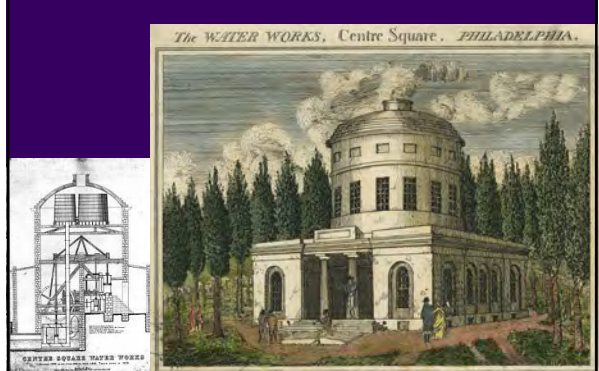
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Very different public fountain



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Waterworks in center square in early 19th century



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Enabled thriving city to grow steadily west



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Central waterfront, 1840



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Until expansion polluted that water source



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Creation of the Fairmount waterworks



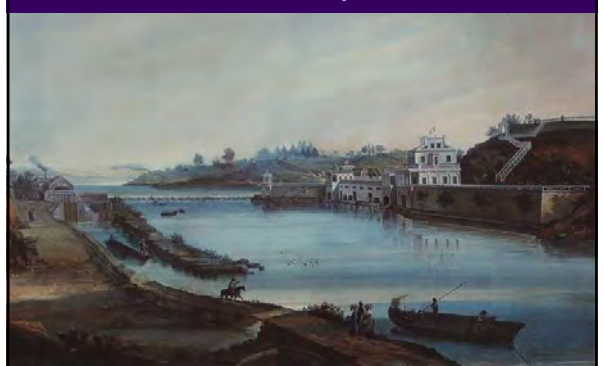
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Pumped water from the Schuylkill River



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Up the hill to Fair Mount



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Into a reservoir where the Art Museum is today



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CENTER CITY DISTRICT



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When that too became polluted by industry  
Impetus for creating Fairmount Park in 1850s  
One of the largest urban parks in the US



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Genesis of the Parkway 1884: Connect City Hall to the park



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Benjamin Franklin Parkway



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**Prominent diagonal cultural boulevard:**  
PMA, the Barnes, Franklin Institute & Academy of Natural Sciences

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**History of innovation in response to crises**  
Enabled continual growth of the city: 1857

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**Introduction of horse drawn, fixed-rail transit**  
Enabled outward residential development

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**Electric trolleys made possible dense downtown development**  
Inherit a hub & spokes transit system

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**Era of large downtown department stores**

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**Strawbridge & Clothier: 1868**

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John Wanamaker (opened 1876)



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Snellenburg: 1889



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Lit Brothers Department Store: 1891



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Gimbels Department Store: 1893



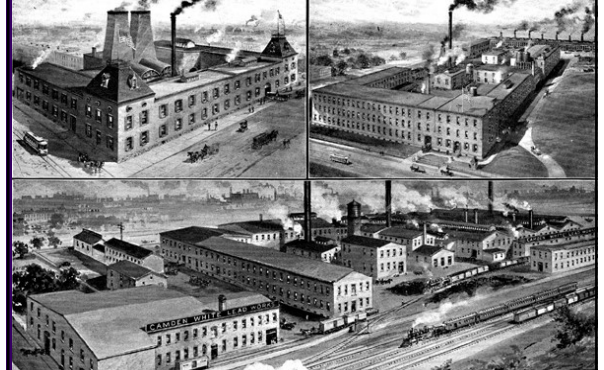
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Market Street: prime shopping street in region



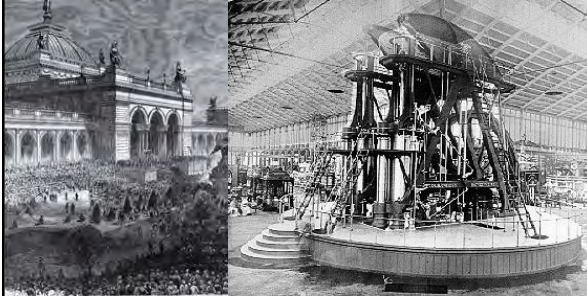
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Civil War accelerated manufacturing growth



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**1876 Centennial: Celebrating industrial prowess  
Corliss Steam Engine**



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THE CENTENNIAL—BALLOON VIEW OF THE GROUNDS

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**Became largest 19<sup>th</sup> century industrial city in North America  
With major industries: Stetson Hat Factory**



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**Hundreds of thousands of hats each year**



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**Atwater Kent Radio**



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**Military equipment at the Frankford Arsenal**



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Huge garment industry



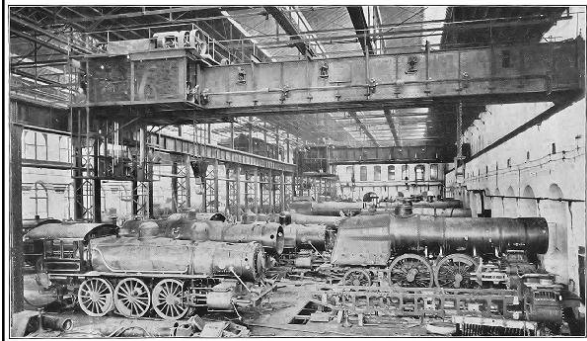
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Baldwin Locomotives



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Largest railroad train manufacturer in U.S.  
8 locomotives/day; 2,663 per year



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Philadelphia in 1900: industrial neighborhoods spread  
north, south & west of the colonial & federal city



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Large factories were developers of rowhouses



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Mass produced working class neighborhoods  
Housed immigrants from Europe & migrants from the South



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**Toward end of World War 1 Liberty bond parade: 1918 Influenza Epidemic**

**Wear a Mask**

Spanish Influenza has outaged the production of the mask in Europe. They are scarce in the Navy Yard. It could have already resulted in SPREADING SPANISH INFLUENZA. DON'T SPIT!

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**16,000 deaths; 1/2 million cases in Philadelphia 1% of the population died (Current 0.25%)**

**SCHOOLS AND CHURCHES CLOSE**

**FLU EPIDEMIC TAKES NEW HOLD**  
Total Since Outbreak Reaches 10,078—Deaths Number 175.

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**Yet by 1921 the economy had rebounded 1920s period of extraordinary economic expansion**

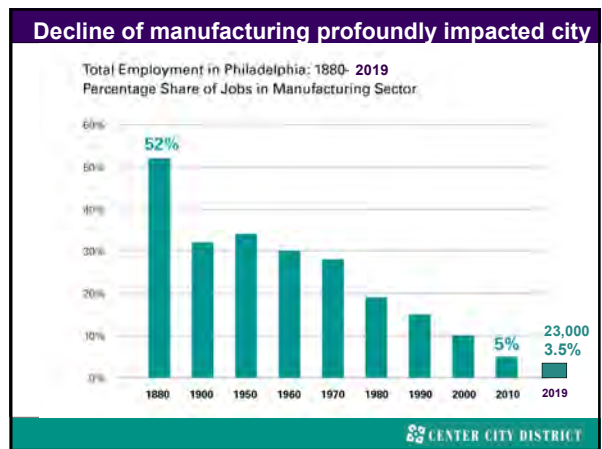
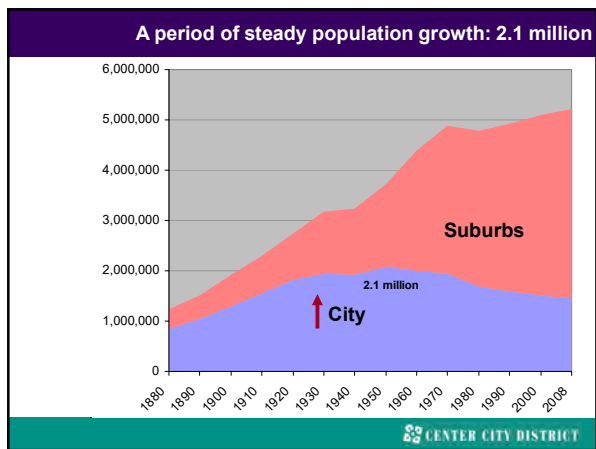
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**As recently 1954: 304,000 manufacturing jobs**

**WHEN PHILADELPHIA WAS THE WORKSHOP OF THE WORLD, 1914**  
302,792 Manufacturing Jobs

**MANUFACTURING EMPLOYMENT DENSITY Philadelphia, 1914**  
 6,499 Employees Per Square Mile  
 2,620 Employees Per Square Mile  
 1,050 Employees Per Square Mile

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Accelerated immediately after World War II  
Factories were moving out the city



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De-industrialization coincided with America's  
attachment to inexpensive energy & cars



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Purchased first car 1970 - 1964 VW - Full tank \$3.10



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Dense compact grid made us obsolete: 1950s-1970s



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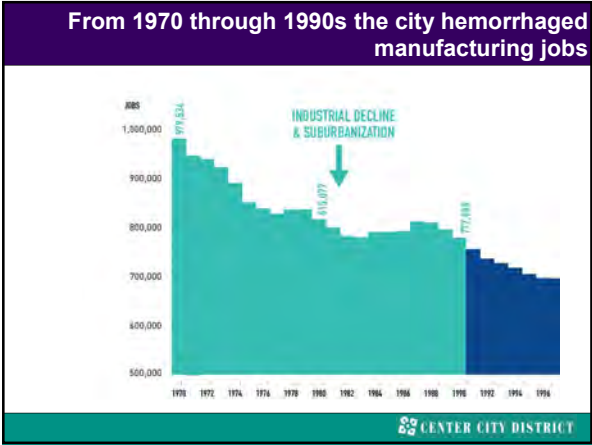
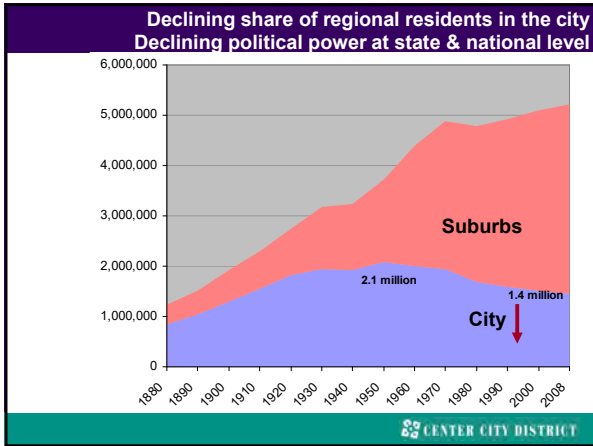
Post WW 2: mass production of housing: Levittown



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New construction to signal change



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Philadelphia has a long tradition of downtown living



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1950s: Creation of modern new Office District  
Emergence of post-industrial city



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Broad St Station: immediately west of City Hall



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1953: the demolition of elevated railroad tracks



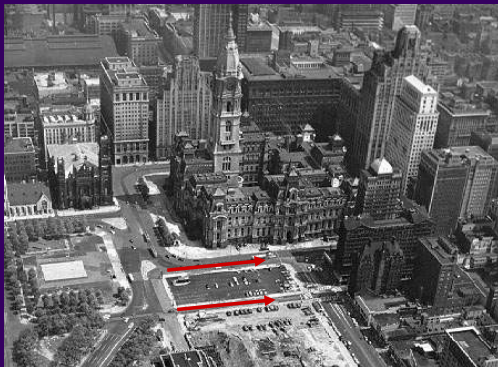
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Penn Center



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**Genesis of Dilworth Park**



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**1960s & 1970s: all buildings connected to transit  
Innovated with "transit-oriented development"**



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**1960s renewal laid groundwork for our  
contemporary office district**



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**1980s: Linked Pennsylvania & Reading Railroad  
into integrated regional rail system: hub & spokes  
Center City commuter tunnel**



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**Employers: easy access to 360 degree labor market  
300,000 riders/day take transit into downtown**



Regional transit lines provide downtown employers with 360° access to a highly skilled workforce.

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**A regional transit system that connects  
people to opportunity**

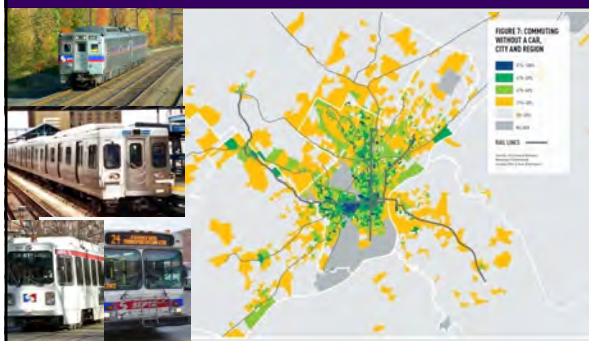


FIGURE 3: COMMUTING WITHOUT A CAR, CITY AND REGION

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1980s commercial boom: single use office district



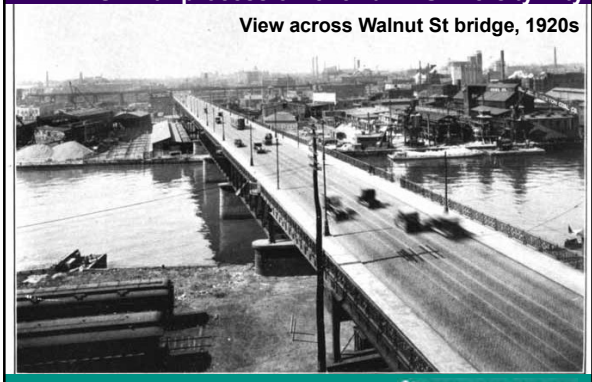
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40 million square feet of office space  
150,000 office jobs



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Similar process of renewal in University City  
View across Walnut St bridge, 1920s



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Transformed into major medical & education center



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Renewal facilitated growth of education & health care

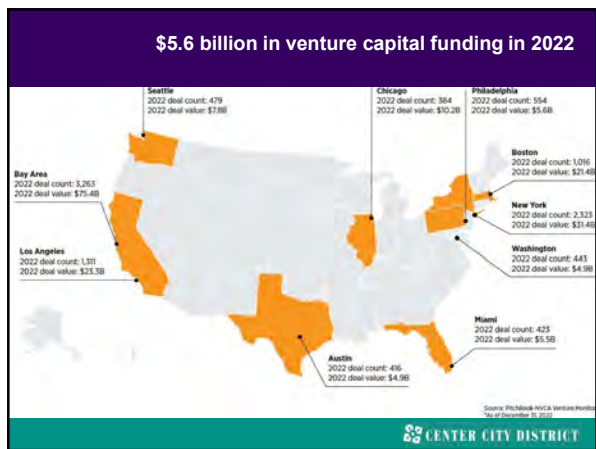
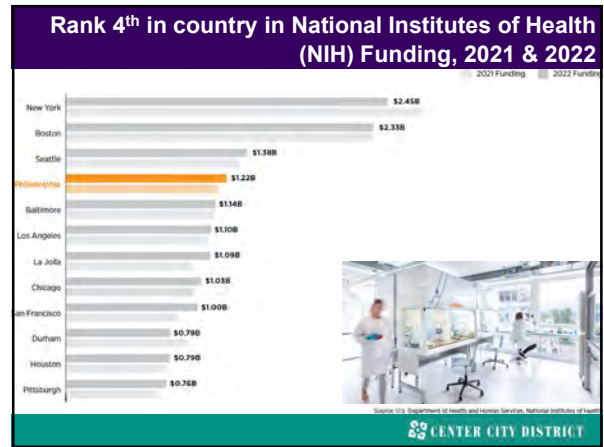
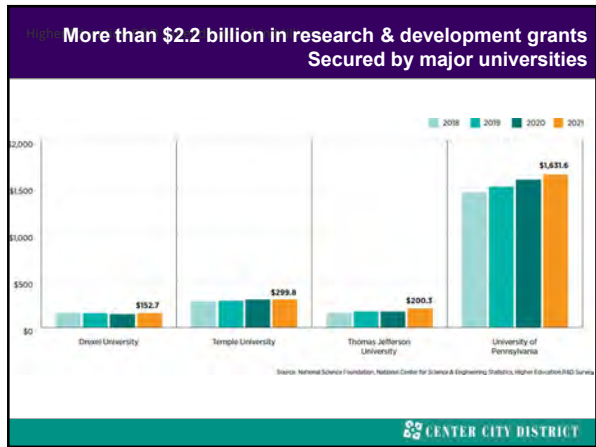
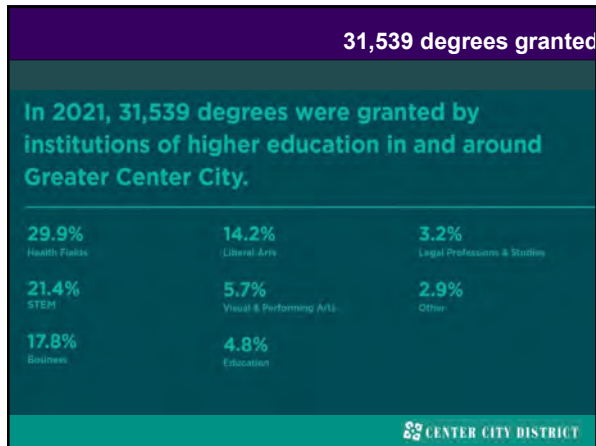


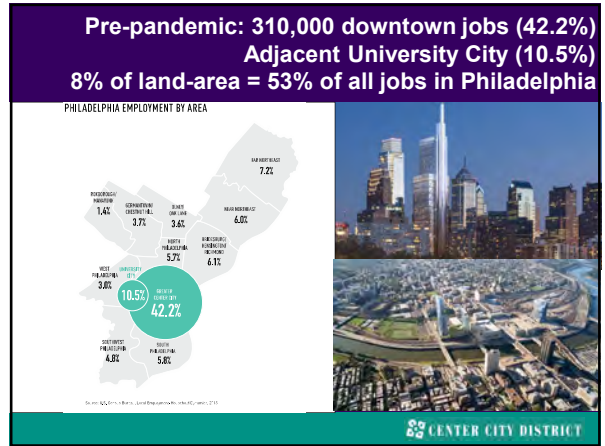
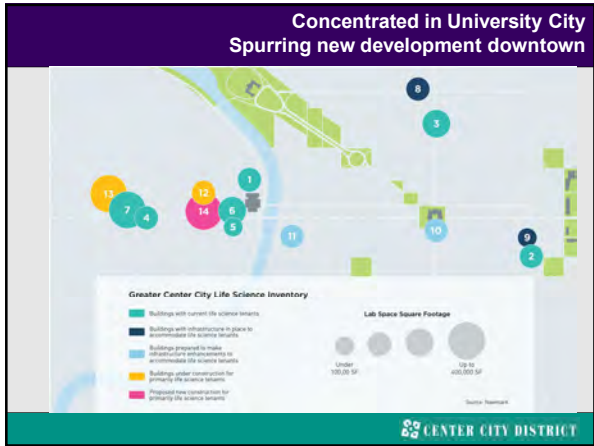
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5 major education & health care institutions  
54,500 jobs in Center City  
104,000 students in & adjacent to downtown



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**Integrating old & new: another competitive asset**



**1990: loss of jobs, residents & declining federal resources for cities  
A degraded public environment**



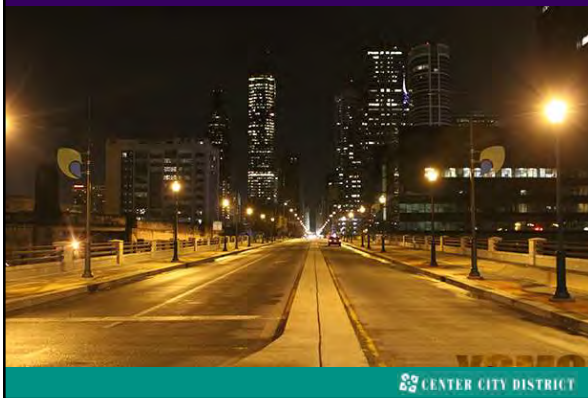
**Substantial ground & upper floor vacancy**



**Neglected facades, solid security gates  
In 2020, told my staff, "it is 1990 all over again"**



**9 to 5 downtown; empty streets at night**



**CCD Business improvement district created in 1990  
Commonwealth's Municipality Authorities Act**



**220 blocks in CBD: started with \$6.5 million operating budget  
Grown in 30 years to \$30 million  
Supplement but not replace city services**



CENTER CITY DISTRICT

**Private sector board: broad diversity of interests**

- John J. Connors, Brickstone Realty - Chairman
- Joseph S. Zuritsky, Parkway Corporation - Chair Emeritus
- Rija Beares, CBRE
- William M. Boone, LSNA
- Joseph F. Coradino, Pennsylvania Real Estate Investment Trust
- Gregory L. DeShields, PHL Diversity
- Jeffrey DeVuono, Brandywine Realty Trust
- Romulo L. Diaz, Jr., PECO
- Paige Jaffe, JLL Retail
- Ernest E. Jones, Esq., EJONES CONSULTING, LLC
- Robert D. Lane, Jr., Esq., Greenberg Traug, LLP
- Clayton Mitchell, Thomas Jefferson University and Jefferson Health
- Gregory B. Muller, SSH Real Estate
- Drew Murray, Logan Square Neighborhood Association
- Randall L. Scott, Coretrust Capital Partners, LLC
- H. Hetherington Smith, Savills
- Jack Soloff, Jr., Newmark Knight Frank
- Christophe P. Terlizzi, KeyBank
- Angela Val, Philadelphia Convention & Visitors Bureau
- Jamal Johnson, Comcast/BOMA (Ex officio)
- Carol Watson, Kimpton Hotel Palomar - Philadelphia
- Tina Byles Williams, FIS Group

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**CCD bills & collects directly from property owners**

Where the Money Comes From



Center City District:

- 142 Office Buildings
- 128 Condominiums
- 46 Hotels
- 42 Apartment Buildings (100+)
- 14 Apartment Buildings (51-100)
- 151 Apartment Buildings (5-50)

Office buildings are 8% of tax parcel & 50% of CCD's budget



CENTER CITY DISTRICT

**Bills are proportionally based on assessed value**

**CCD 2023 BUDGET DETAILS**

2023 Property Statistics

The top 15 commercial properties pay 23% of total program cost, with an average charge of

**\$472,830**

The average hotel pays

**\$88,037**

The average retail property pays

**\$3,785**

The top 200 commercial properties pay 79% of total cost, with an average charge of

**\$121,057**

The average commercial office property pays

**\$43,128**

The average residential charge is

**\$336**

The typical Market Street West office building pays

**\$287,211**

The average apartment building pays

**\$25,643**

The average for all property types is

**\$5,429**

The average commercial property pays

**\$18,630**

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**Where money goes:  
Clean, safe, streetscape, parks = 75%**

Where the Money Goes



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**1991 Focus on basics: manual & mechanical cleaning  
Pressure washing & graffiti removal**



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**Public safety  
Community Service Representatives**

- 52 CSR's
- 6 Supervisors
- 7 days per week

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**A welcoming presence  
& source of information on the street  
Unarmed, eyes & ears for the police**

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**Unique partnership with Philadelphia police**

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**Police districts: CCD substation with captain**

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**CCD Police Substation  
Where Police & CSRs stand joint roll call**

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**CCD 1.0 Uniformed presence: "clean & safe"**

CENTER CITY DISTRICT



1992: Diversifying downtown land-use  
Public investments: arts & entertainment



1990: Our original skyscraper district 40% vacant



Renovated historic theaters



Built new theaters



2002: Kimmel Center for the Performing Arts



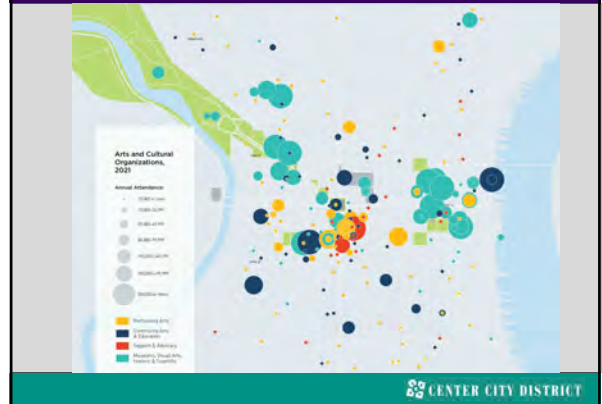
South Broad transformed into a mixed use district



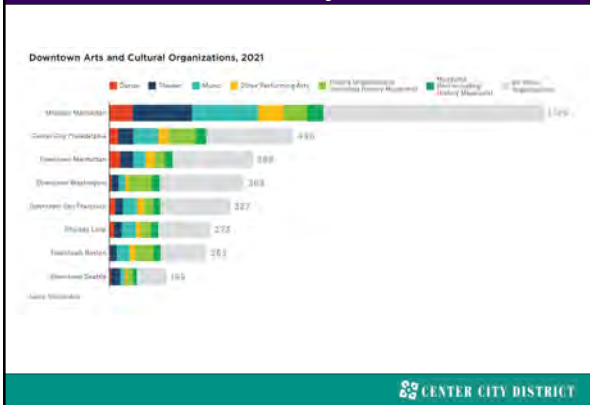
Center City today is rich with cultural amenities



498 cultural institutions widely dispersed



2<sup>nd</sup> only to midtown Manhattan



In 1993: Converted the Reading train shed



Gateway to Pennsylvania Convention Center



Major public investment in hospitality industry



**Prompted private investment in new hotels:  
reused vacant buildings**

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**Nearly all within 15 minute walk**

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**2001: New Independence Visitors Center**

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**2003: New home for Liberty Bell**

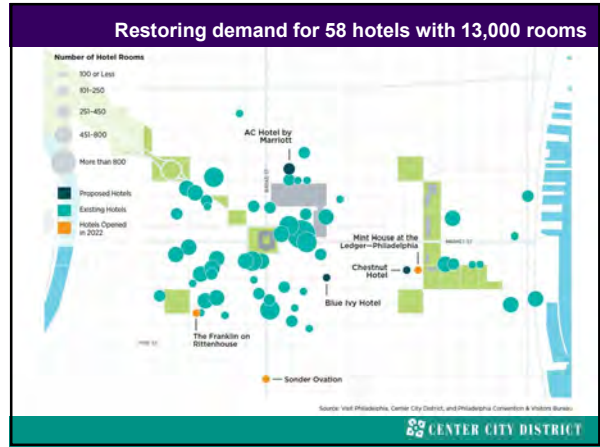
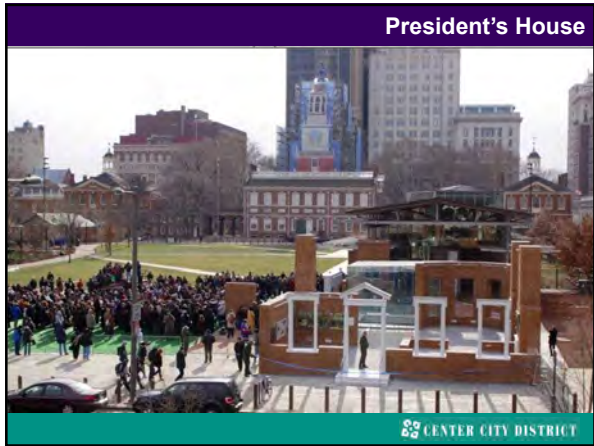
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**New Constitution Center  
Diversifying the hospitality industry**

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**National Museum of American Jewish History**

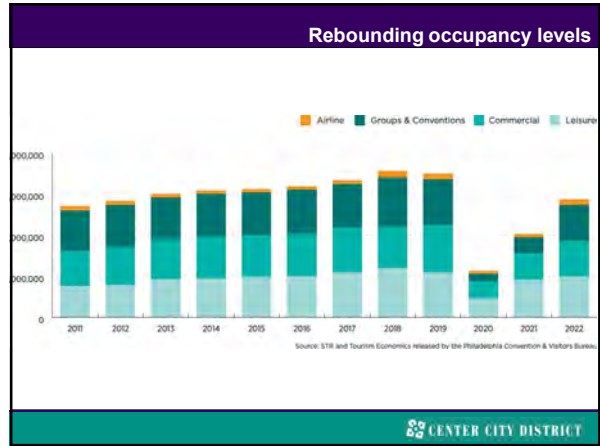
CENTER CITY DISTRICT

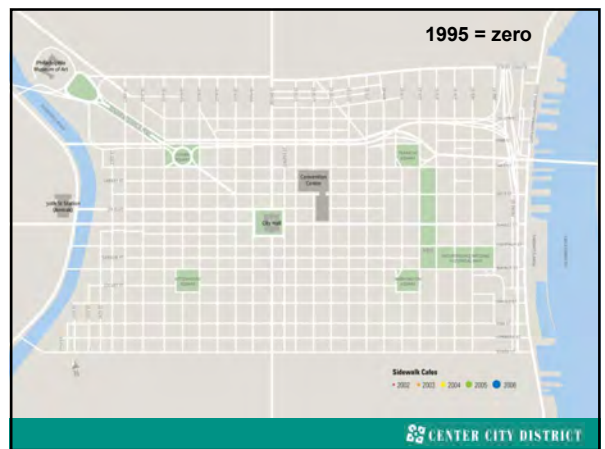
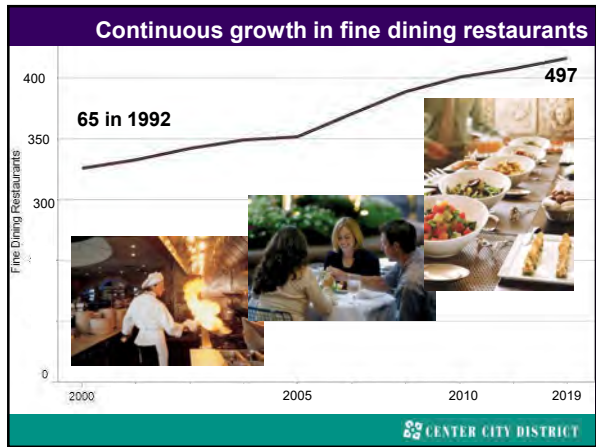
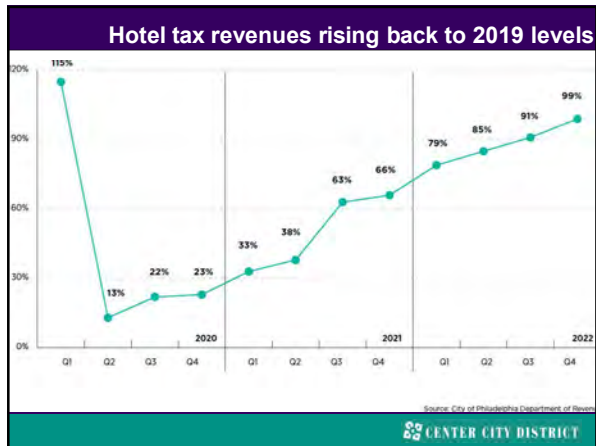


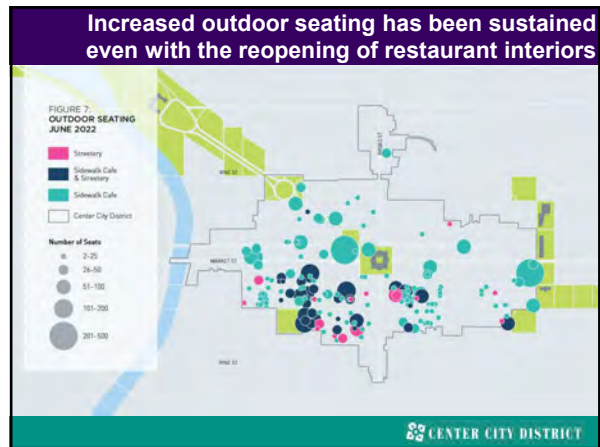
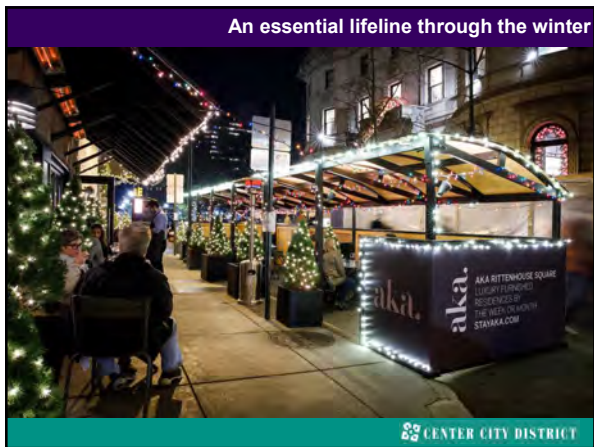
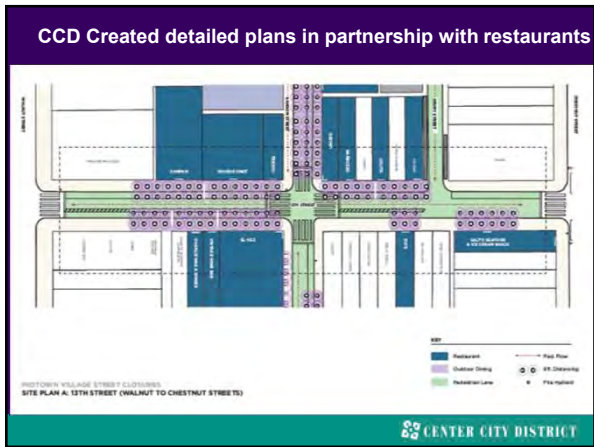
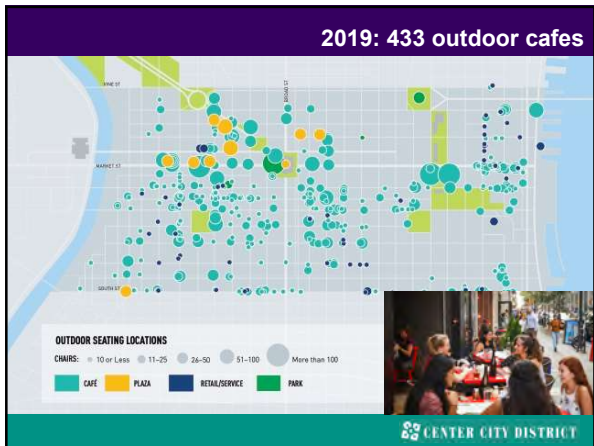
### 2022 = 551,655 attendees; 2023 = 1,009,241 attendees

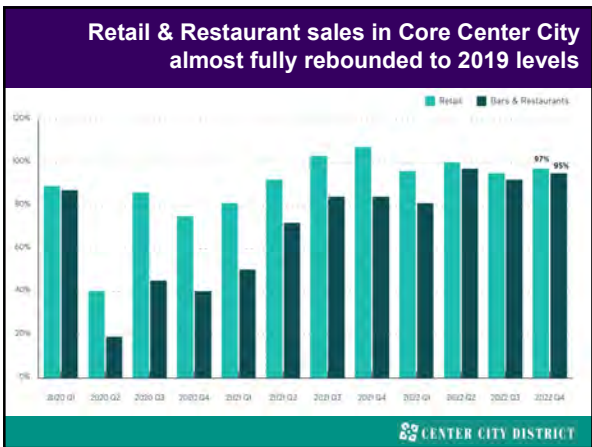
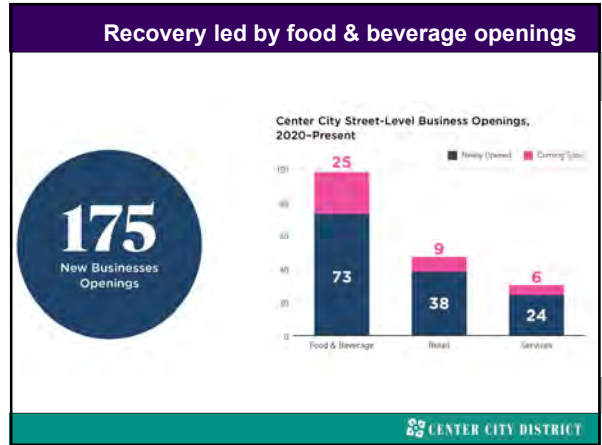
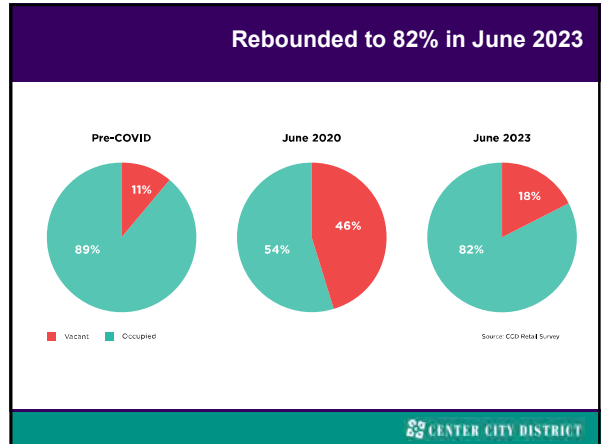
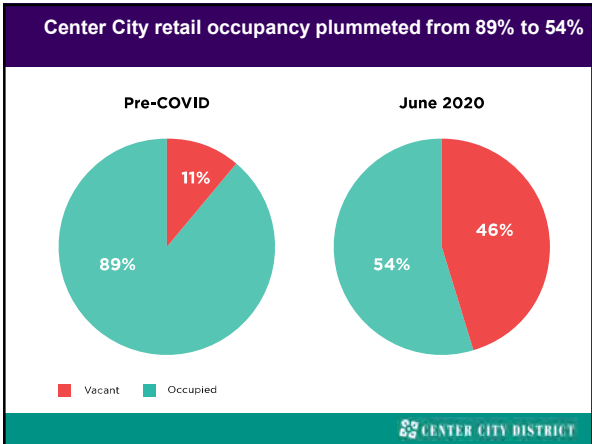
Top Conventions & Events in Center City, 2022		Top Conventions & Events in Center City, 2023	
Event	Projected Attendees	Event	Projected Attendees
Large Conventions & Trade Shows	14,854	Large Conventions & Trade Shows	10,000
Atlanta Social	10,000	United Soccer Clinics	10,000
Philadelphia Public Arts Festival	25,000	Philadelphia Auto Show	300,000
Philadelphia Auto Show	198,444	PHAC 2023	75,000
Association of Veterans and Writing Professionals	5,000	Northwest Quarter (N&Q) Volleyball 'N' and 'W'	15,000
Philly Street Expo	6,376	Philadelphia Flower Show	300,000
Environmental Storage Conference	6,200	Philon 2023 Conference and Expo	3,000
American Veterinary Medical Association	3,000	City Health Summit	2,000
Society of Cable Telecommunications Engineers (SCTE)	3,000	American Association of Critical Care	2,000
National Flower Show East	200,000	International Society for Technology	10,000
American Nurses Credentialing Center - "Nurse" and "Nursing 50 Business Conference"	9,700	American Entomological Association	8,000
Association for Physical Professionals	4,000	National Study MBA Association	10,000
		Nature Products Expo East	20,000
<b>Total attendees of large events</b>	<b>548,056</b>	American College of Emergency Physicians	2,000
<b>Overall total attendees (2022 events)</b>	<b>551,655</b>	The American Society of Hematology	2,000
		Philadelphia Museum of Art Fall Coat Show	2,000
		American Heart Association	2,000
		PGA Unplugged	28,000
		Hulu Festival	10,000
		<b>Total projected attendees of large events</b>	<b>762,360</b>
		<b>Overall total projected attendees (2023 events)</b>	<b>1,009,241</b>

**CENTER CITY DISTRICT**







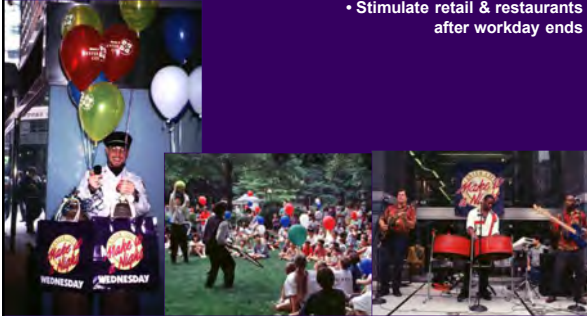


### Promotional events to support restaurants & retail

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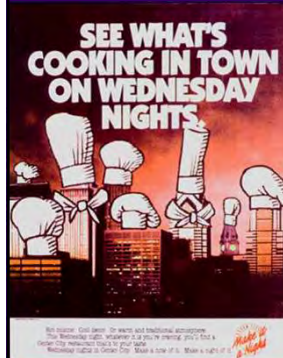
### 1992 Make it a Night campaign

- Animate evening sidewalks
- Stimulate retail & restaurants after workday ends



CENTER CITY DISTRICT

### Keeping people in town after dark



- Purchased advertising:
- on regional trains
  - in newspapers & magazines
  - on radio

CENTER CITY DISTRICT

### Had some fun in the late 1990s

**HEADWAITER**  
CENTER CITY

**DINING OUT**  
CENTER CITY

CENTER CITY DISTRICT

### 20 years of Restaurant Week

CENTER CITY DISTRICT

### Promoted restaurants through the pandemic

**PHILLY WANTS YOU TO SUPPORT OUR RESTAURANTS**

**GET TAKEOUT!**

**SUPPORT PHILLY RESTAURANTS**

**GET TAKEOUT!**

CENTER CITY DISTRICT

### September: 20th anniversary of Restaurant Week

CENTER CITY DISTRICT




**SIPs promotion continues: After work amenities  
Highlighting bars & outdoor cafes**



The poster features the text "SIPs" in large white letters over a photo of a drink. Below it, it says "Wednesdays JUNE 7 TO AUGUST 30 5PM - 7PM" and lists logos for HORNETS, CENTER CITY DISTRICT, and SEPTA, along with the hashtag #CCDSIPS. The photo shows a busy outdoor cafe with people sitting at tables.

CENTER CITY DISTRICT

**CCD 2.0: Improving the product  
1996: financed \$26 million streetscape improvements**



The image shows a multi-colored wayfinding sign with arrows pointing to various landmarks: Chambers-Wylie Church, Wilma Theater, St. Luke & The Epiphany, Antique Row, Kimmel Center, Merriam Theater, Academy of Music, University of the Arts, CONVENTION CENTER DISTRICT, and HISTORIC DISTRICT. A circular inset map shows the district's location. To the right, a street scene features a green utility pole and a street lamp.

CENTER CITY DISTRICT

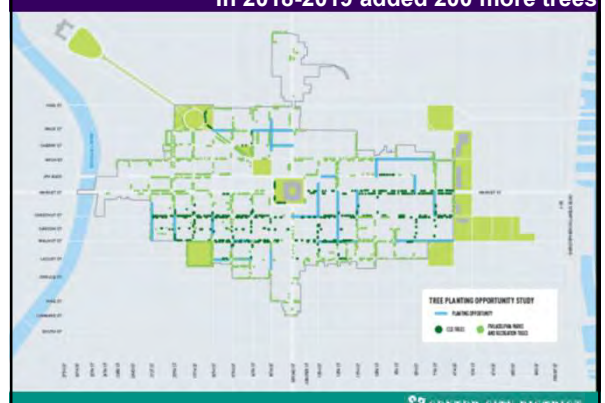
**Installed & maintain: 800 trees; hundreds of planters**



A photograph of a city sidewalk lined with large, grey planters containing green plants and red flowers. People are walking in the background.

CENTER CITY DISTRICT

**In 2018-2019 added 200 more trees**



A map of the Center City District showing a grid of streets. A legend indicates "TREE PLANTING OPPORTUNITY STUDY" with green dots for "PLANTING OPPORTUNITY" and yellow dots for "PLANTING OPPORTUNITY AND/OR TREE".

CENTER CITY DISTRICT

**CCD Foundation + brokers & owners funded 81 planters & holiday decorations on Walnut from Broad to 18<sup>th</sup> Street**



Two photographs showing holiday decorations on Walnut Street. The left photo shows a street scene with people walking and a planter with a small tree. The right photo shows a planter with a large, decorated Christmas tree and a red car in the background.

CENTER CITY DISTRICT

**Seasonal plant changes West Walnut Street**



A photograph of three large, grey planters on a sidewalk. A man in a white shirt is standing next to them, and a red car is visible in the background.

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West Market & JFK Boulevard Office District planters  
Funded in partnership with property owners



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1500 & 1900 block of Market Street;  
1500, 1700 & 1800 blocks of JFK



CENTER CITY DISTRICT

Complemented by in-street bike lane planters; 3 locations  
Funded & maintained by CCD: total 370 district-wide



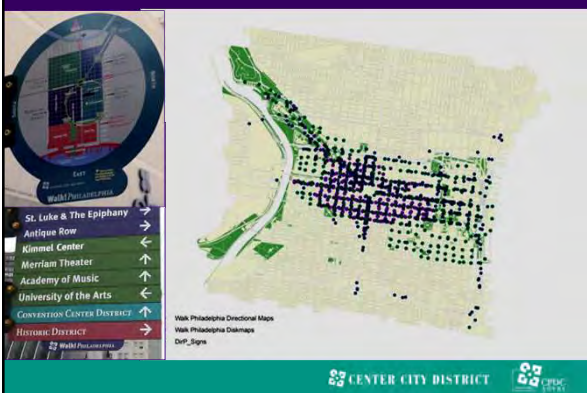
CENTER CITY DISTRICT

State grant to complete Market & JFK, 15<sup>th</sup> to 20<sup>th</sup>  
Total Planters = 547



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Installed & maintain: 683 pedestrian maps & signs

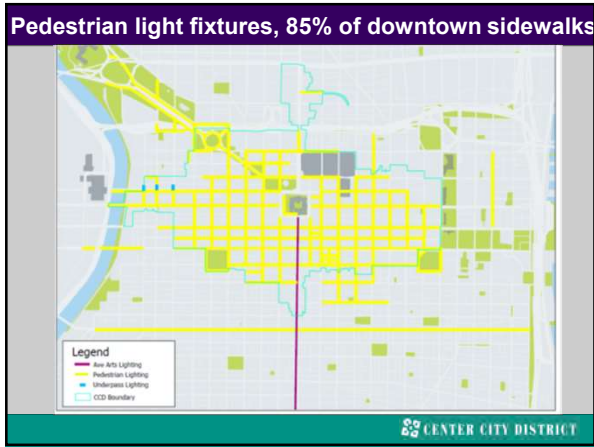
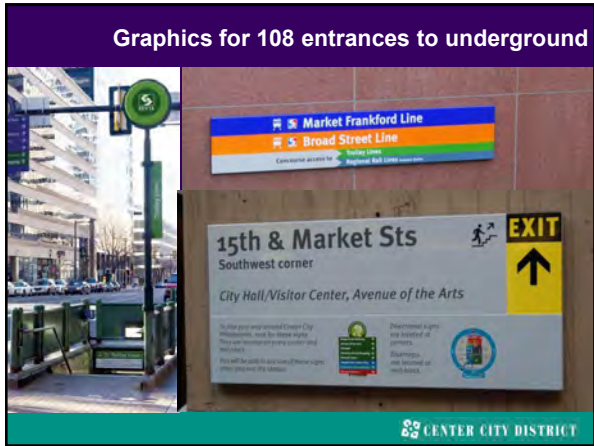


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Integrated with 233 signs for motorist  
that the CCD also maintains



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Animating the city at night



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CCD 3.0: 2008 Improving public spaces: Cret Park  
More amenities for residents & workers



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Started with neglected empty space



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Created a thriving gateway to the Parkway



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Jazz Brunch on Sundays



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Café revenue pledged to park maintenance



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Collins Park, 1700 block Chestnut Street



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Invest in attractive landscaping



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Successful location for rental events



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In 2012: Sister Cities Park



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Took a barren and forgotten space



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And transformed it



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Into a place for families with children



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Very successful water fountain



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With a pond



CENTER CITY DISTRICT

And climbing mountain



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Jumping net



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We program events for families with children



CENTER CITY DISTRICT

Completed \$60 million renovation in September 2014



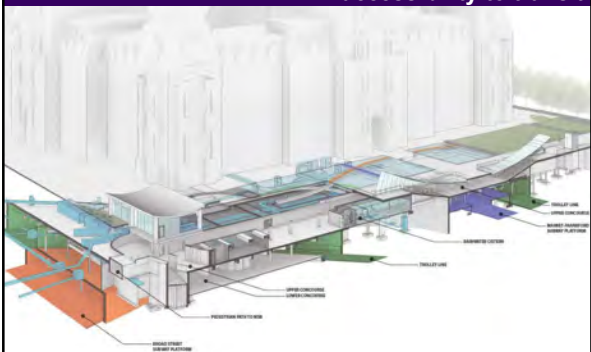
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Barren 1970s failed space over transit lines



CENTER CITY DISTRICT

Completely reconstructed two levels + accessibility to transit



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Goal: Create first-class gateway to transit



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Began again programming Dilworth late June 2020



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Kept the fountain available; public spaces key to recovery



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Early summer roller rink



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Programed through fall and winter



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October Harvest festival



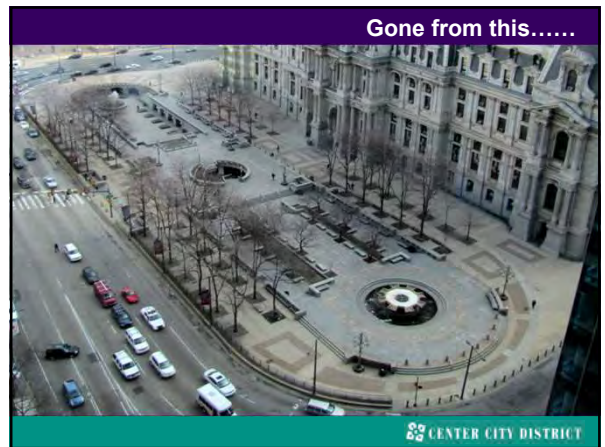
CENTER CITY DISTRICT

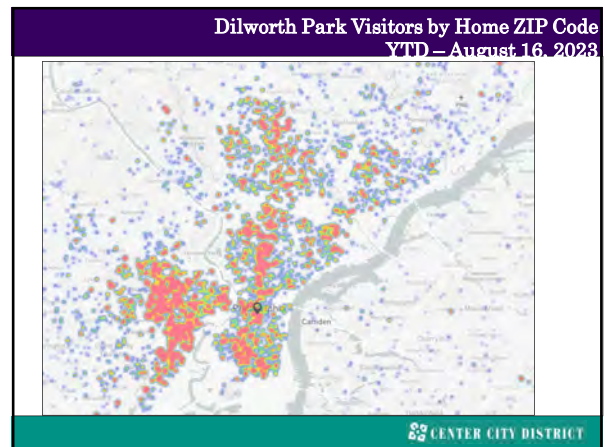
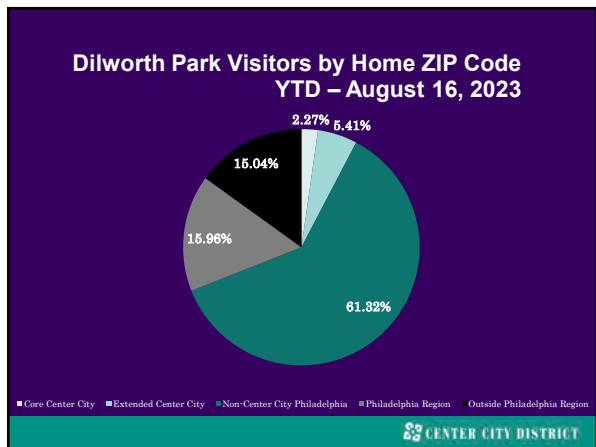
Exercise, music & reading for children



CENTER CITY DISTRICT







### Made \$152 million in capital improvements Maintain significant on-street assets

Category	Amount
Street Closures	\$15.2M
Street Furniture	\$10.5M
Lighting	\$8.7M
Signage	\$7.9M
Street Closures	\$15.2M
Street Furniture	\$10.5M
Lighting	\$8.7M
Signage	\$7.9M

CENTER CITY DISTRICT



By mid 1990s: 4.5 to 5 million sf of vacant B & C buildings  
*Genesis for 1996 study: Turning on the Lights Upstairs*  
 Resulted in 1997: 10 year real estate tax abatement



As-of-right tax abatement citywide on improvements  
 When converting vacant office or industrial to residential use



Between 1998–2022:  
 1997 abatement: 40 buildings converted to residential use  
 9 million sf of office space



Expanded in 2000 to include all new construction  
 Including all affordable housing citywide



Flexible zoning code allows hotel & residential  
 in high density office district



We call it the office district



But we've added a significant number of **hotels**



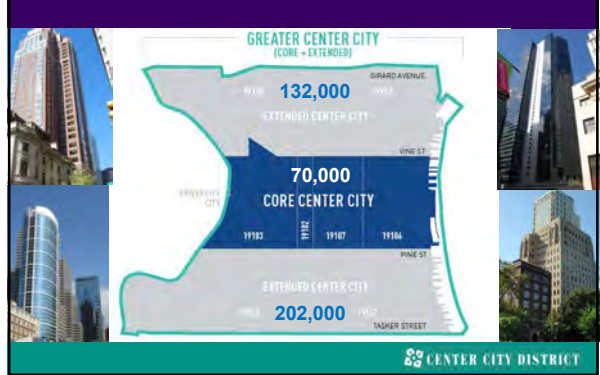
We call it an office district, But we've added a significant inventory of **residential**



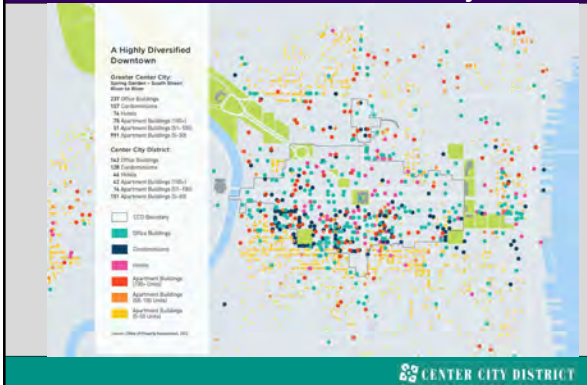
Steadily diversified land-use downtown



CBD is no longer just an office district  
70,000 people live in the core; up 55% since 2000



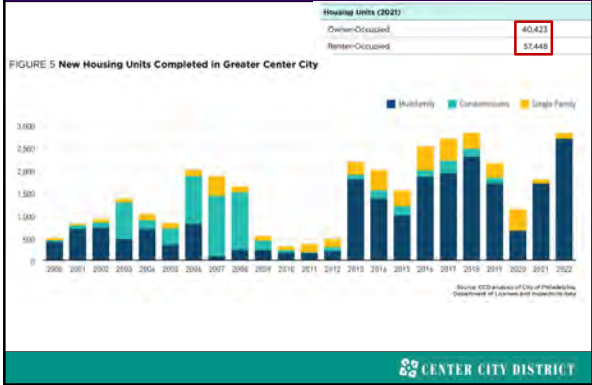
Diversification of downtown land-use  
Pedestrian vitality after dark



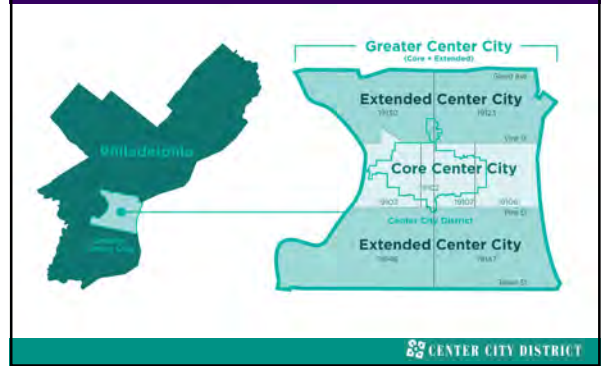
Since 2000 added 36,000 housing units in Greater Center City  
Population grew to 202,000 up 38%



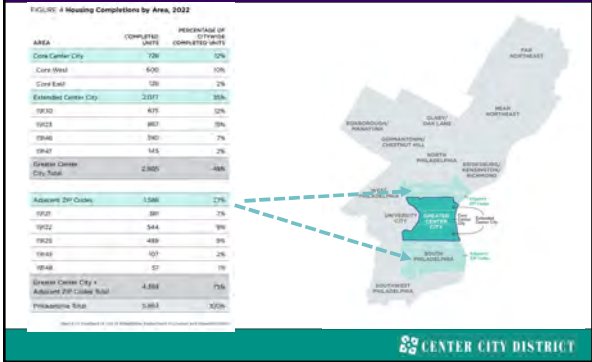
**In 2022: 2,805 units completed in Greater Center City  
85% to 90% were rental; 48% of citywide total**



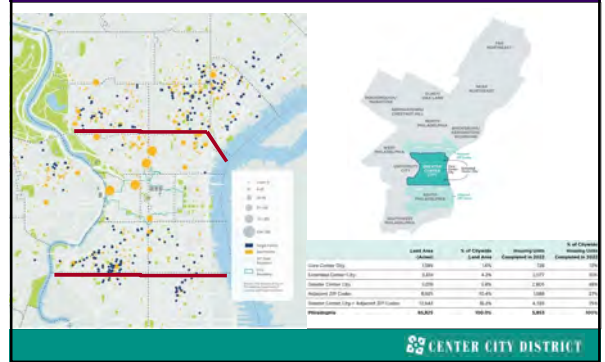
**Since 2010: used LEHD to define a live/work downtown  
Within these boundaries 40% of residents work downtown  
Compared to 25% citywide**



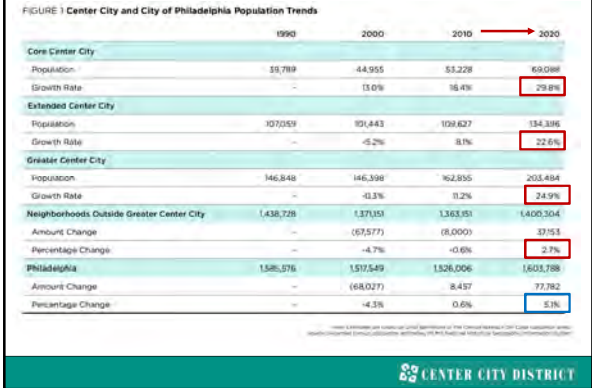
**Since 2019 tracking adjacent neighborhoods  
19121, 19122, 19125, 19145, 19148  
(City L&I data)**



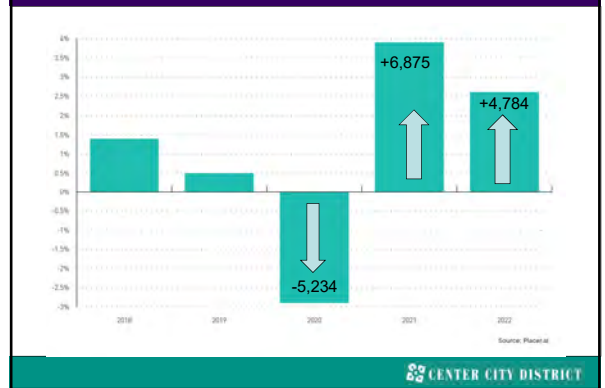
**1,588 units completed in 5 adjacent zip code  
19121, 19122, 19125, 19145, 19148  
Greater Center City + Adjacent = 16.2% land & 75% of citywide 5,853 new units**

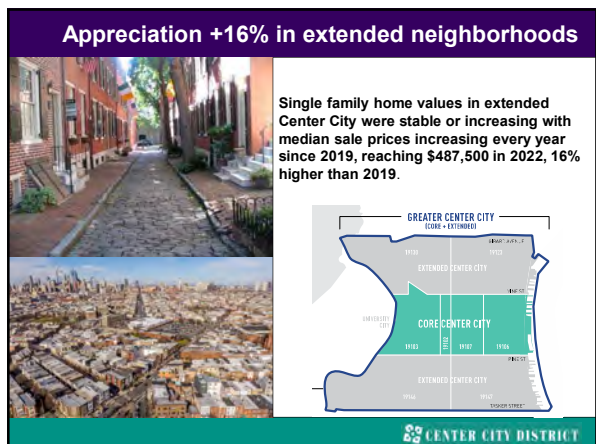
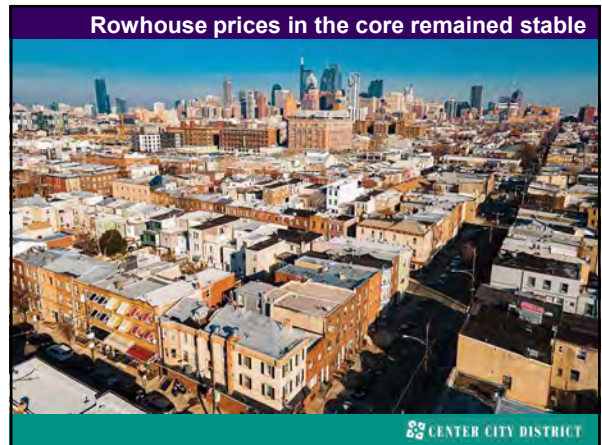
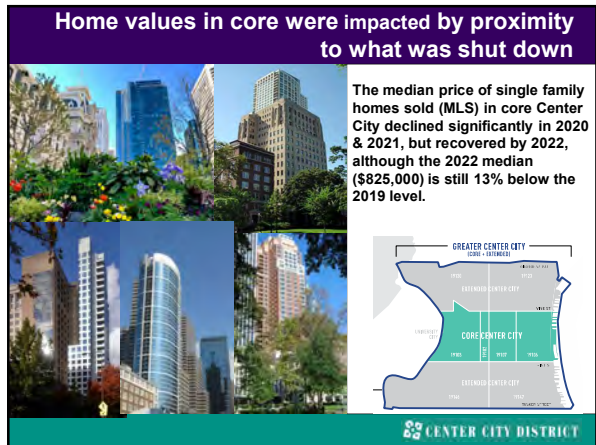
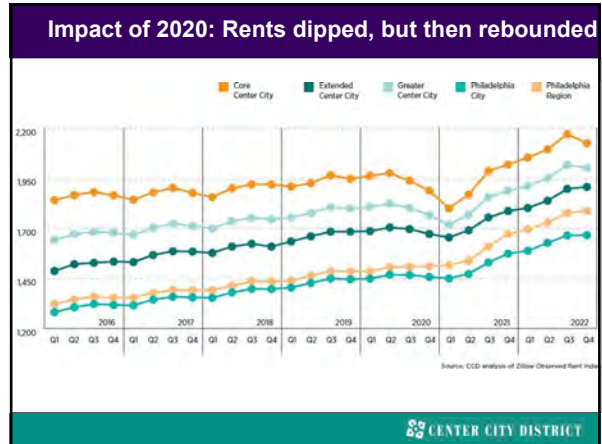
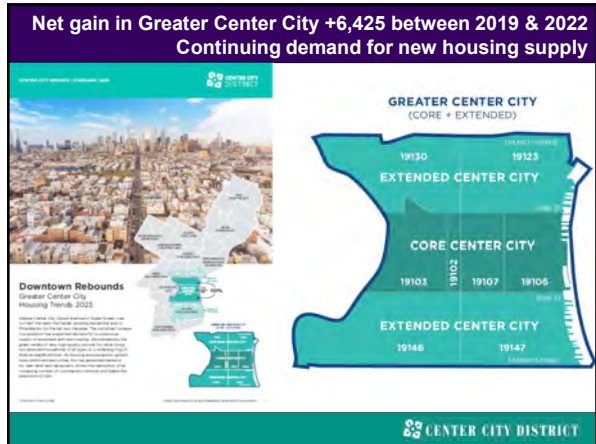


**What stands behind this is long-term population growth  
Core +54% (2000) +74% (1990)**



**Greater CC: While residents may have departed in 2020,  
They came back in greater numbers in 2021 and 2022**





### Ryland Apartments



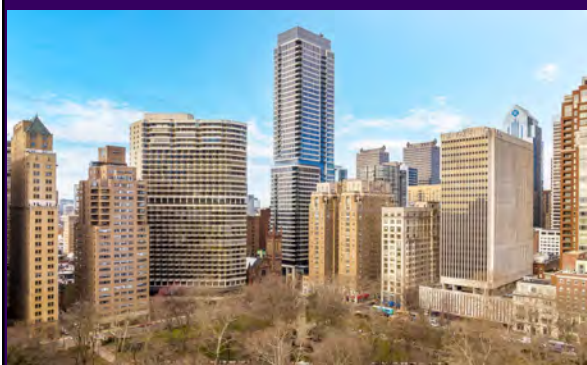
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### Return of condos: Arthaus on Avenue of the Arts



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### The Laurel on Rittenhouse Square



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### Spring Garden Street & along Delaware Avenue



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### 63% of residents get to work without a car; 39% in core walk to work



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### Greater Center City demographics

Ages 20 to 34 constitute 44% of the core Center City population, compared to 26% citywide.

35 to 54 constitute 21% of the core, 26% of the extended neighborhoods & 24% of the citywide population.

Children under 15 in Greater Center City increased to 10.3% in 2019, compared to 18.6% citywide.

55 to 64 make up 9% of the population

65 and over constitute 18% of the population in the core.

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**75% of children living in Greater Center City**  
Attend one of 18 elementary public schools between Girard & Tasker

**67% attend their catchment area (neighborhood) school**

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**Dominance of young professionals & empty nesters**  
75% in core have a BA degree; 50% in extended

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**Knowledge workers drive the new economy**

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**Suburban firms were locating downtown to be near talent & start-ups**

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**Philadelphia remains very affordable to those with jobs**  
56% of housing units sell between \$100,000 - \$300,000  
Only 1% over \$1million

Distribution of Value of Owner-Occupied Housing Units

City	Less than \$100,000	\$100,000 to \$199,999	\$200,000 to \$299,999	\$300,000 to \$499,999	\$500,000 to \$999,999	\$1,000,000 or more
Philadelphia	56%	29%	11%	3%	1%	0%
New York	2%	1%	22%	43%	27%	5%
Boston	1%	1%	28%	43%	23%	4%
Washington	1%	1%	28%	43%	23%	4%

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**Challenge concentrated among households <\$35,000**  
36.4% of all city households; Philadelphia needs robust job growth

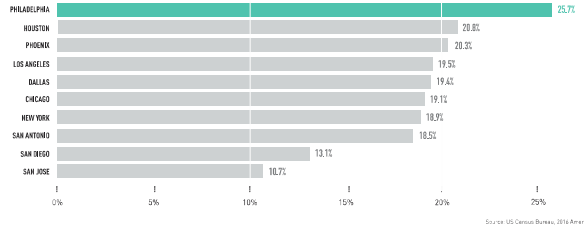
TOTAL HOUSEHOLDS WITH INCOME	TOTAL HOUSEHOLDS	COST BURDENED	PERCENT COST BURDENED
Total Households with Income	601,317	218,277	36%
Less than \$20,000	127,325	108,493	85%
\$20,000 to \$34,999	81,972	41,001	49%
\$35,000 to \$49,999	71,180	32,638	46%
\$50,000 to \$74,999	93,885	18,782	20%
\$75,000 or more	186,240	7,313	4%
Zero or Negative Income	17,913	17,913	100%
No Cash Rent	18,912	0	0%

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### Highest poverty rate of 10 largest cities

POVERTY RATES AMONG THE TOP 10 LARGEST US CITIES



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### New office building for Morgan Lewis law firm 2222 Market Street



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### External cladding done



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### Significant new investment in University City



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### Drexel & Penn focusing on start-ups & new industries spawned by research & technological innovations ambitious plans to come east

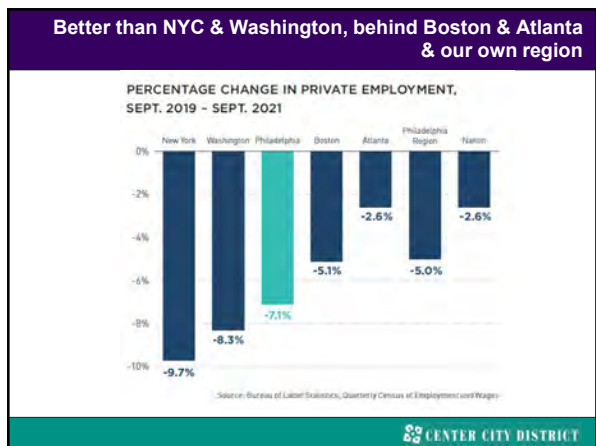
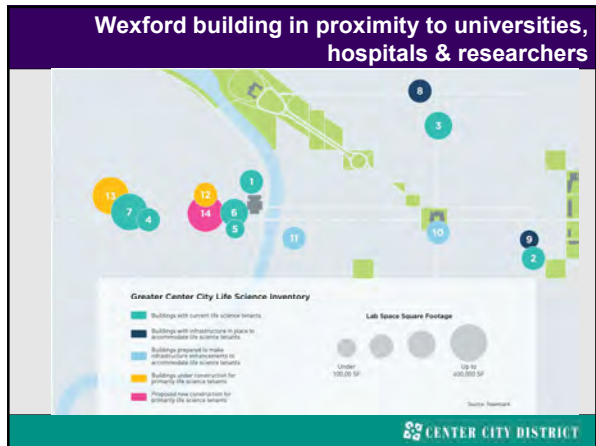


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### Spawning a burgeoning life-sciences industry



CENTER CITY DISTRICT



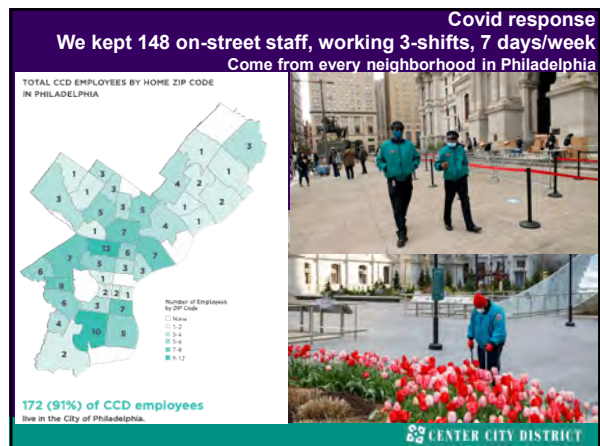
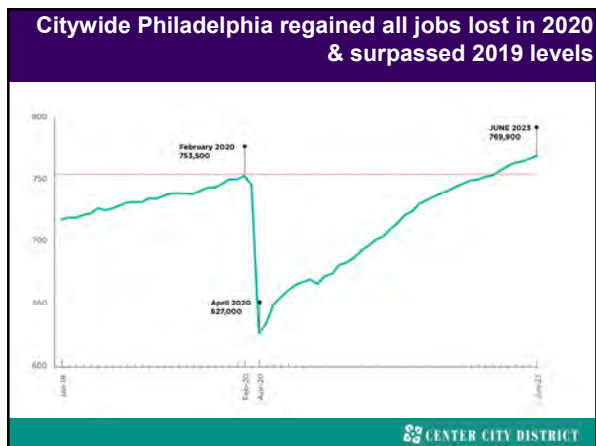
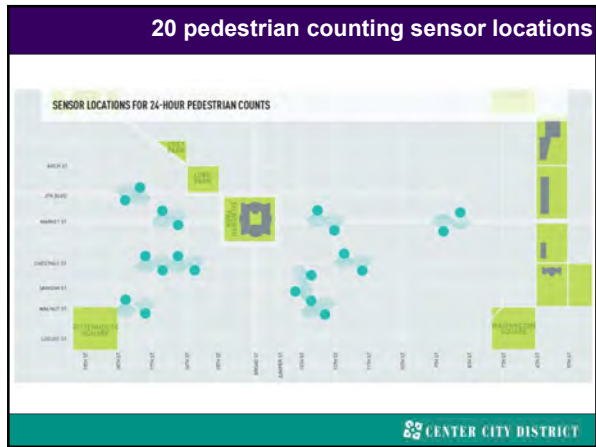
### Neither Orlando nor Las Vegas Single industry towns: more diversified base

**CENTER CITY DISTRICT**

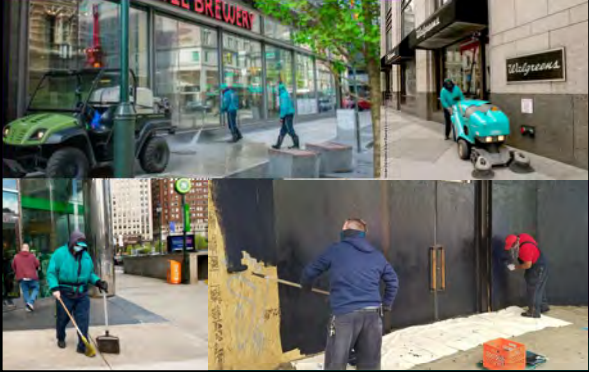
### Biggest losses: Leisure, hospitality & restaurants down 14% Education down 5.1%; Health Care -1.9% Office sector +1.7%

CITY OF PHILADELPHIA EMPLOYMENT BY INDUSTRY (IN THOUSANDS)	FEB 2020		APR 2020		% CHANGE FEB 2020 - APR 2020		MAY 2020 (PRELIMINARY)		% CHANGE MAY 2020 - APR 2020		JUNE 2020		% CHANGE JUNE 2020 - APR 2020	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
All Industries	784.1	826.4	626.4	714.0	-20%	-13%	708.0	720.0	-2%	-1%	720.0	720.0	0%	0%
Manufacturing	15.4	17.1	15.1	16.8	-1%	-1%	15.1	16.8	0%	0%	15.1	16.8	0%	0%
Wholesale Trade	14.0	12.4	14.1	12.4	1%	0%	14.1	12.4	1%	0%	14.1	12.4	1%	0%
Retail Trade	48.4	54.3	37.9	44.1	-21%	-19%	40.1	45.1	-17%	-15%	39.9	44.1	-18%	-16%
Transportation, Warehousing and Utilities	30.4	25.4	29.6	28.2	-1%	-1%	29.6	28.2	0%	0%	29.6	28.2	0%	0%
Information	18.2	18.0	17.6	17.1	-1%	-1%	17.6	17.1	0%	0%	17.6	17.1	0%	0%
Financial Activities	43.0	47.3	42.0	42.0	-4%	0%	42.0	42.0	-4%	0%	42.0	42.0	-4%	0%
Professional and Business Services	154.4	142.3	114.1	108.2	-26%	-24%	108.2	108.2	0%	0%	108.2	108.2	0%	0%
Education and Health Care	61.7	58.7	57.6	55.1	-6%	-5%	57.6	55.1	-6%	-5%	57.6	55.1	-6%	-5%
Educational Services	26.1	22.4	21.4	21.7	-2%	0%	21.4	21.7	-2%	0%	21.4	21.7	-2%	0%
Health Care and Social Assistance	172.5	158.8	168.2	168.2	0%	0%	168.2	168.2	0%	0%	168.2	168.2	0%	0%
Arts, Entertainment and Recreation	38.7	37.4	27.1	27.1	-30%	0%	27.1	27.1	-30%	0%	27.1	27.1	-30%	0%
Leisure and Hospitality	24.5	28.1	16.7	24.7	-32%	-12%	16.7	24.7	-32%	-12%	16.7	24.7	-32%	-12%
Accommodation and Food Services	41.9	33.9	24.5	33.9	-41%	-14%	24.5	33.9	-41%	-14%	24.5	33.9	-41%	-14%
Other Services	29.6	19.1	28.1	28.1	0%	0%	28.1	28.1	0%	0%	28.1	28.1	0%	0%
Government	387.1	388.4	387.1	387.1	0%	0%	387.1	387.1	0%	0%	387.1	387.1	0%	0%
Federal Government	37.0	37.1	37.0	37.0	0%	0%	37.0	37.0	0%	0%	37.0	37.0	0%	0%
State Government	103.7	103.3	103.7	103.3	0%	0%	103.7	103.3	0%	0%	103.7	103.3	0%	0%
Local Government	106.4	68.0	106.4	68.0	0%	0%	106.4	68.0	0%	0%	106.4	68.0	0%	0%

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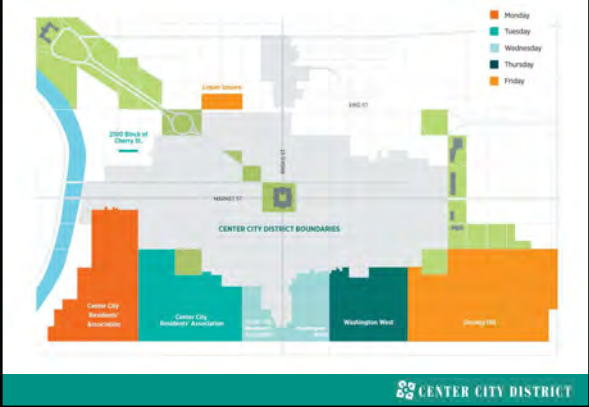
110 sidewalk cleaners 7 days/week; 12 hrs  
 Green Machines: 5:45am - 2:30pm, Pan & broom 6:45am-6:30pm,  
 Graffiti removal: 6:30am-3pm 5 days a week.



Added non-uniformed cleaners to take on additional  
 graffiti removal functions: GRE



Continued all fee for service contracts



Public safety  
 Community Service Representatives



Uniformed, unarmed, good-will ambassadors  
 & eyes for the police



Unique partnership with Philadelphia police  
 CCD Police Substation  
 Where Police & CSRs coordinate deployment & strategy



Police districts: CCD substation with captain



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Spring 2020 significant protests against police  
Vandalism & looting



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Loss of confidence in the city center in many places  
Lack of consensus over how to restore a sense of safety



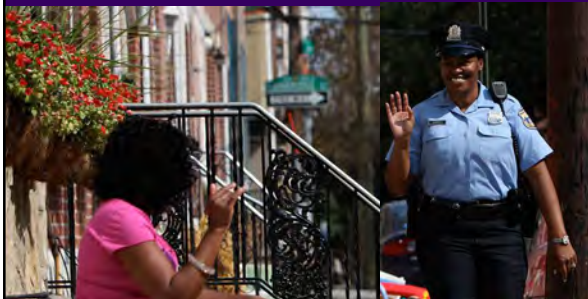
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Unresolved & unfinished debate  
over how best to provide public safety: police as warriors .....



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Or police as *guardians* of community defined standards of public safety  
Second related debate: justice as punitive or restorative?



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Store closings: most visible sign of the crisis



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### Boarded retail 2020

April (pre-looting) = 61 boarded because not open or random break-ins

June (immediately post-looting) = 276 boarded

July (recovery period) = 158 boarded

Late August = 41

Mid September = Around 25



### Partnered with Mural Arts, contracted with 11 artists To make a virtue of necessity



### At two dozen locations in the District



### Creating an outdoor art gallery



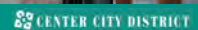
### Thucydides, *History of the Peloponnesian War*,

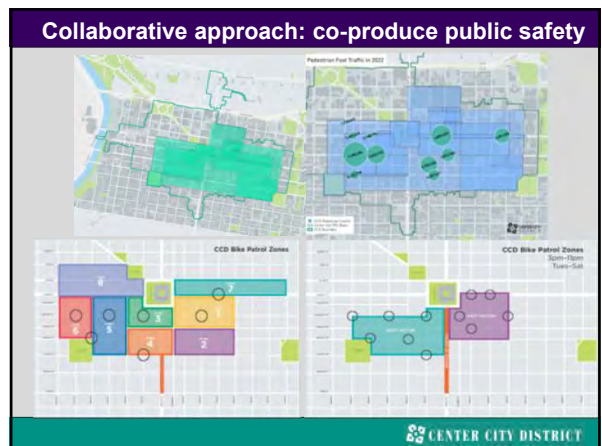
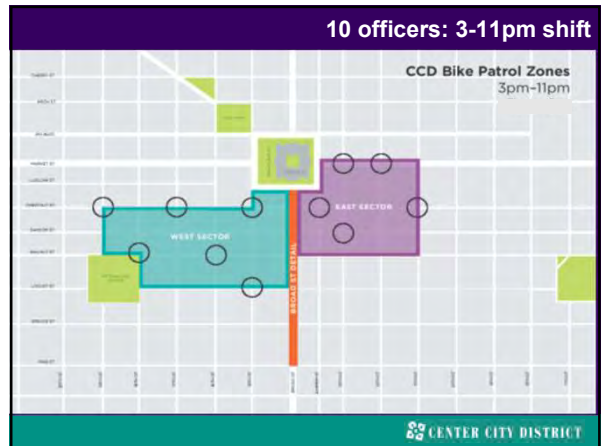
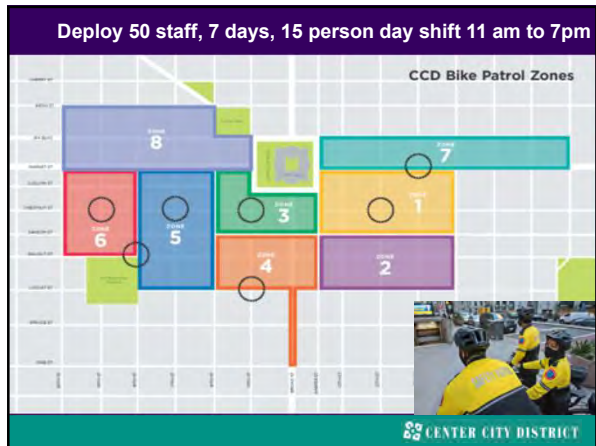
In other respects, too, the plague marked the beginning of a decline to greater lawlessness in the city. People were more willing to dare to do things which they would not previously have admitted to enjoying, when they saw the sudden changes of fortune, as some who were prosperous suddenly died, & their property was immediately acquired by others who had previously been destitute. So they thought it reasonable to concentrate on immediate profit & pleasure, believing that their bodies & their possessions alike would be short-lived.

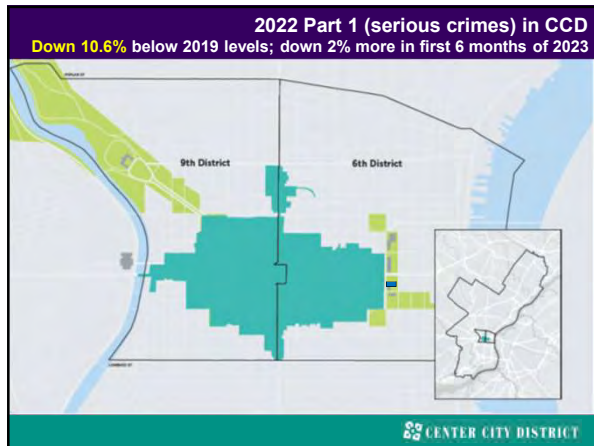
No one expected to live long enough to have to pay the penalty for his misdeeds: people tended much more to think that a sentence already decided was hanging over them, and that before it was executed, they might reasonably get some enjoyment out of life.



### 2021: Added a public safety bike patrol Jump-started with corporate contributions





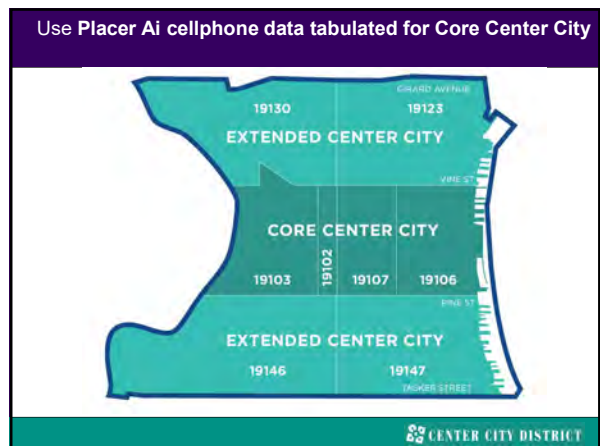


**Alert Philadelphia**

Coordinated by CCD & Philadelphia Police 1,500 users.  
 Serves as critical communications network for CC.

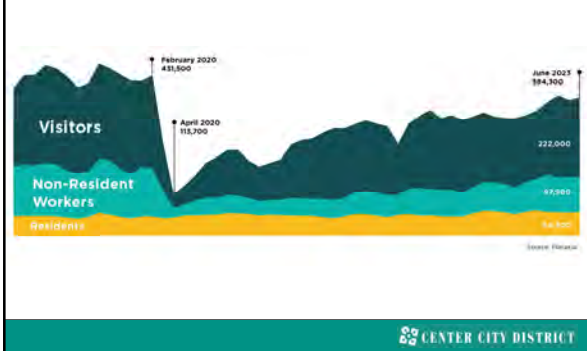
Homeland security notifications & threat level changes.  
 Evacuation information & shelter-in-place practice drills.  
 Demonstrations & marches.  
 Crime patterns or trend alerts.  
 Major fires & traffic detours.  
 Significant transportation emergencies.

**CENTER CITY DISTRICT**

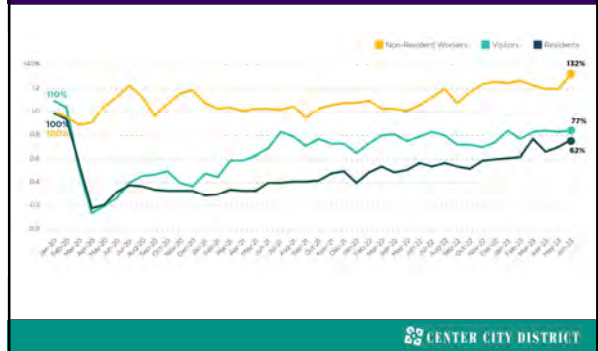




**Center City Average Daily Population: June 2023**  
**89% of February 2020**  
**Residents, non-resident workers & visitors**



**Rate of recovery January 2020: workers of all kinds = 76%**  
**Visitors, (tourists, convention attendees, shoppers) 77% weekdays**  
**90% on weekends**  
**More residents than in 2019**



**New technology was ready to deploy: alternative to the office**  
**Pandemic was an accelerator of pre-existing trends**

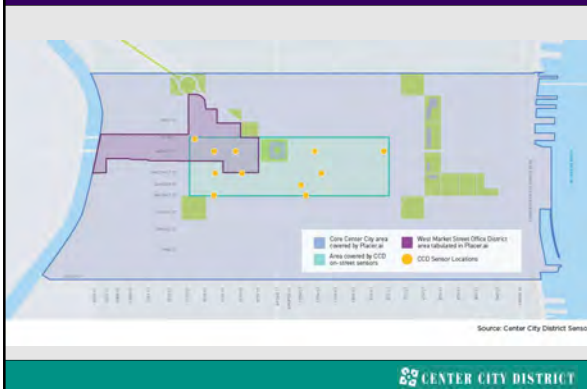


**Many now claiming the office is dead**  
**& we can rely on a virtual water cooler**

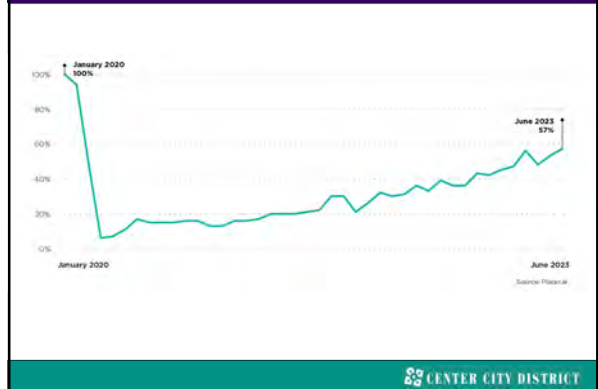
**VIRTUAL WATER COOLER**  
 UNIQUE POTENTIAL OF INFORMAL COMMUNICATION

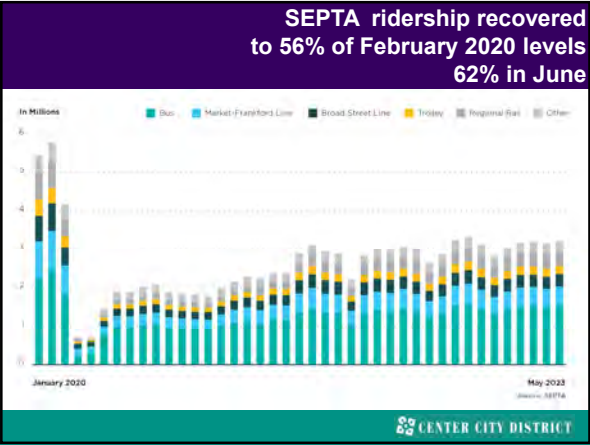
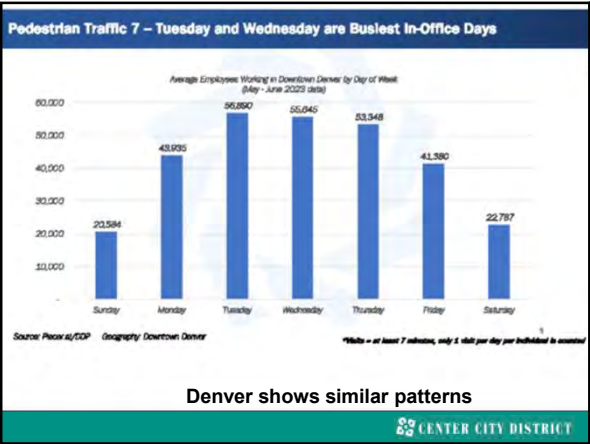
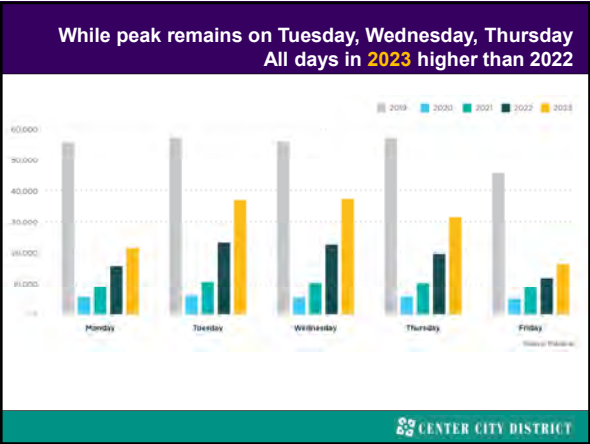
How To Encourage Virtual Water Cooler Conversation

**Workers in the West Market/ JFK office district back at 57%**  
**All workers = 76%**



**This number has been steadily increasing**





### Late winter 2023 Direct contact with office workers Lunchtime lobby events for employees: BOMA

7 buildings

Event partners

- CCD – CSRs, Cleaners, Bike Patrol, SEPTA and PATCO
- Philadelphia Police Department

schedule

- Wednesdays, March 15 & 29
- Wednesdays, April 12 & 26
- Wednesdays, May 10, 17 & 24
- 11:30am - 1:30pm

CENTER CITY DISTRICT

### Spring 2023 Office Plaza Activations – afternoon events for workers

A pop-up Party on the Plaza that moves from plaza to plaza each week for broad appeal to office workers

Proposed schedule

- 6 Plazas: Comcast, Commerce Square
- Mid-May - June
- Thursday evenings, 4-6pm

Event Content

- DJs or Bands
- Games - ping pong, corn hole, gaga pit, large format Jenga, others
- Lawn chairs
- Photo backdrop
- Food and beverage sold by building tenants (Commerce Square = Pagano's)

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Lunchtime concerts on office plazas  
Wednesdays, Noon – 1pm, June – July



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More office events planned: September/October



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Including pickle ball in Dilworth Park



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We still have a way to go with full job recovery  
Perceptions of safety remains a challenge  
Resolve the issue of remote, hybrid or full-return



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Office buildings: most dense containers of most diverse jobs  
Driver of many other jobs in ecosystem they support



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What other jobs are lost if office workers don't return?  
Those who don't have the option to work remotely

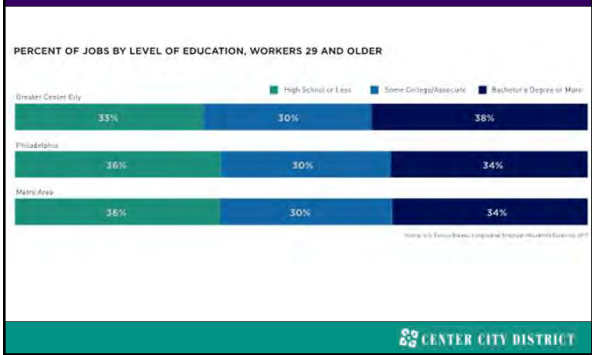


Every 500,000 square feet of occupied office space:

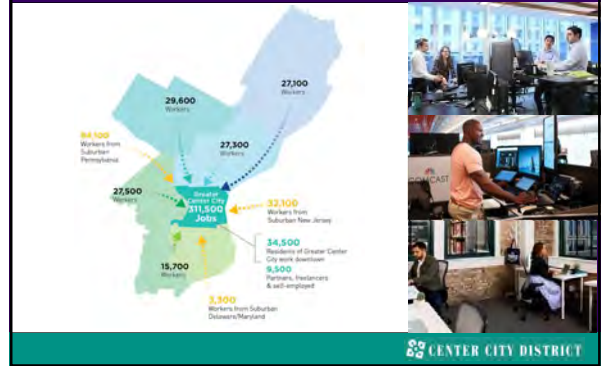
- ▶ Provides 3,333 office jobs, 5 building engineering, 18 cleaning and 12 security positions.
- ▶ Supports 11,000 hotel rooms filled with business travelers
- ▶ Generates \$2.8 million in retail demand
- ▶ Hair & nail salons, shoemakers dry-cleaners, delis & restaurants

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**63% downtown jobs require less than college degree  
33% require only a high school diploma**



**25% of working residents in each neighborhood work downtown  
There is a broader economic impact of not coming back  
On the economic ecosystem & vitality of downtown**



**Quick look at Work from Home (WFH) surveys  
Stanford University <https://wfhresearch.com>**

**SWAA July 2023 Updates\***

Jose Maria Barrero, Nicholas Bloom, Shelby Buckman, and Steven J. Davis

5 July 2023

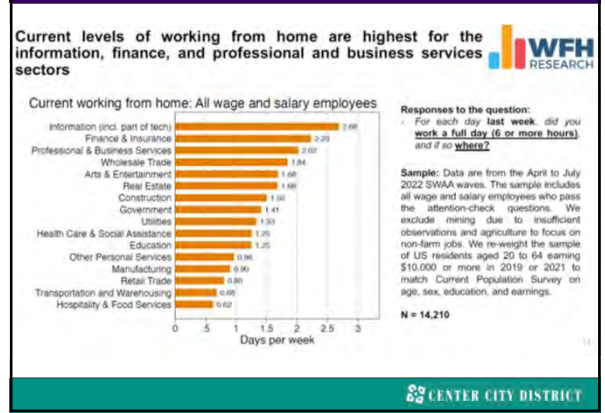
ITAM | Stanford University | THE UNIVERSITY OF CHICAGO

Latest survey wave included: June 2023

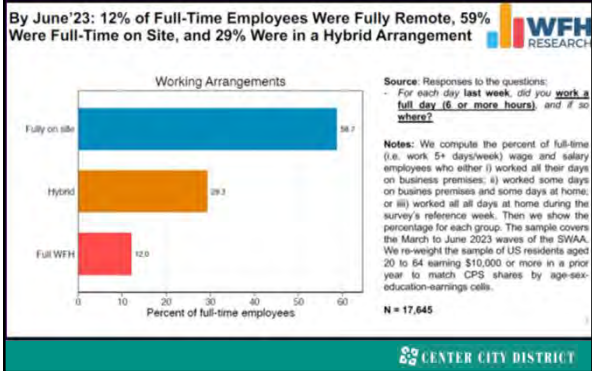
To sign up for regular results updates, please sign up [here](#).

\* Many thanks to Mert Akan for excellent research assistance.

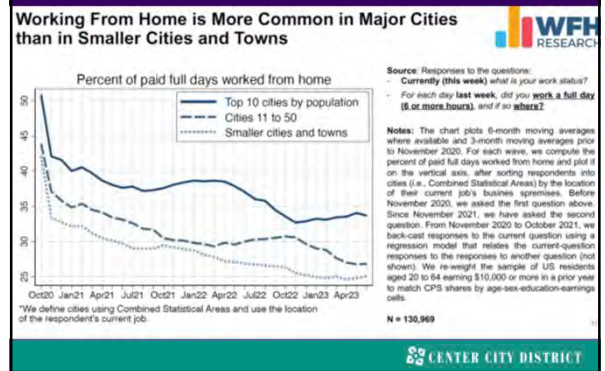
**Work from home, by industry**

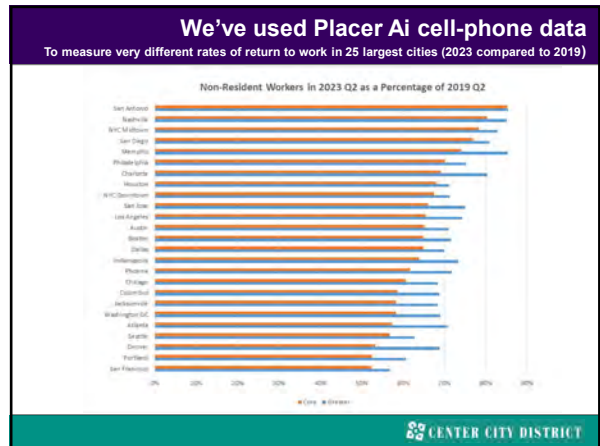
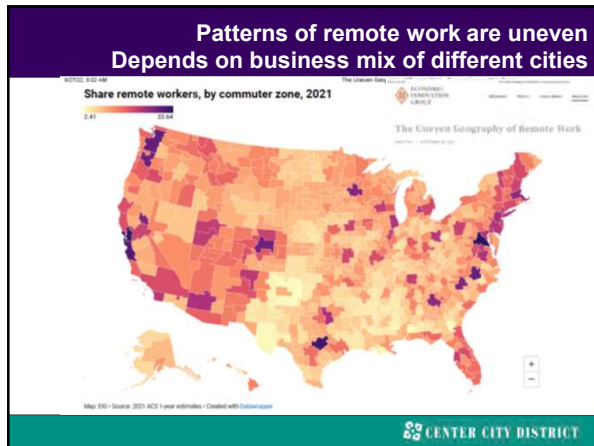


**What are the actual numbers for all work?  
59% fully on site; 29% hybrid; only 12% are fully remote**



**WFH far more common in large cities than in smaller cities & towns**





First assignment

CENTER CITY DISTRICT

