

CENTER CITY DIGEST

Time for a Change in Direction

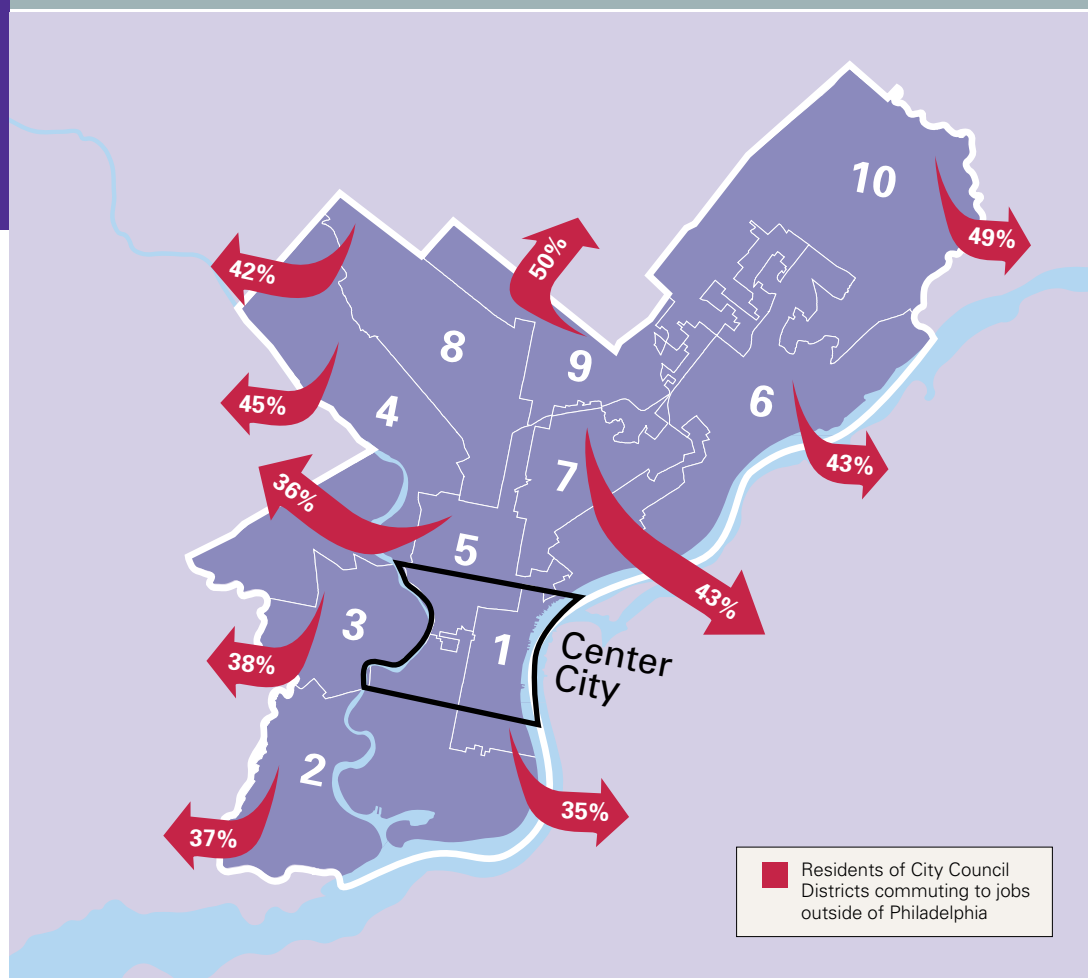
There is a specter haunting Philadelphia; it is the specter of job loss.

Despite the success we have achieved downtown, in each economic cycle in the last four decades, the number of jobs attained *citywide* at the top of expansion was less than what we had at the prior peak. There are 264,240 fewer jobs today than in 1970 — a decline of 25%. At the rate we are going, there will be 60,000 fewer opportunities for Philadelphians by 2023.

Mayor Nutter's Five-Year Plan put it out there for all to see: We have the second-highest poverty rate among the 20 largest American cities, behind only Detroit. For years, Baltimore had a higher poverty rate; no more — 25.1% of our neighbors to the south live in poverty. In Philadelphia, 28.4% of our neighbors languish there.

Job decline is the fate of all old industrial cities, right? Wrong. Boston has 18.3% more jobs today than it had in 1970. New York City has 14.5% more jobs than it had 40 years ago. Like Philadelphia, both lost 85% to 90% of the manufacturing jobs they had in 1970. But they turned things around by growing enough new jobs.

There are many differences among Philadelphia, Boston, New York, and Baltimore. But here is a critical one: Philadelphia depends far more on taxing what moves to support municipal services than these other cities. We have the highest wage tax of the 50 largest American cities for anyone who earns less than \$100,000. We tax both the gross and net receipts of businesses, no matter how small or new. Two-thirds of the city's budget comes from taxing what moves. It is a surprise that there are six times as many office jobs on the



Too many residents need to commute to the suburbs to find a job: 42.7% of residents outside of Center City commute to suburbs; 69% of residents between Girard Avenue and Tasker Street work in Philadelphia.

Lower Merion side of City Avenue than on the Philadelphia side?

Is it any accident that in Washington, D.C., where there are 25% more jobs than in 1970, the percentage of African American firms with employees is one and a half times greater than in Philadelphia, where we have 25% fewer jobs? There are start-ups of all kinds flourishing in our neighborhoods. Will they stay or go?

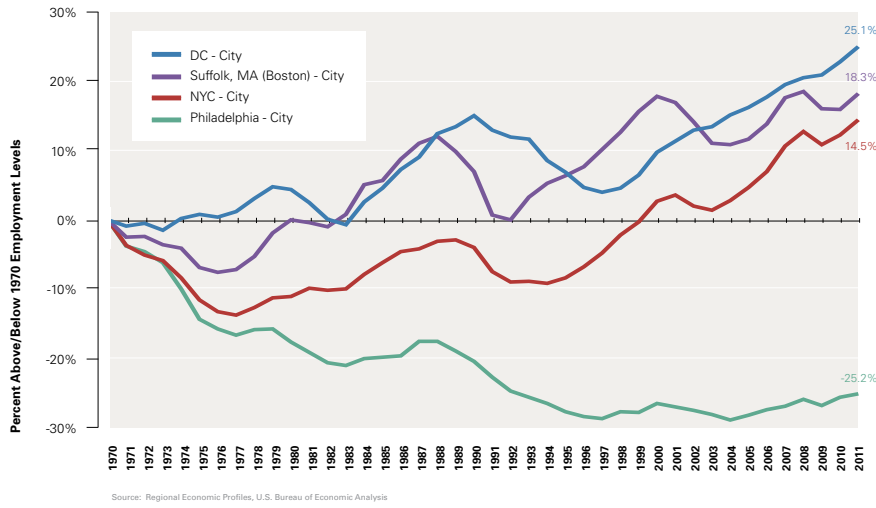
Philadelphia does have four successful nodes of post-industrial employment: Center City, University City, Temple's campuses, and the Navy Yard. Together they account for more than 53% of all jobs in the city. They offer a broad range of opportunity from high-skilled to entry level (22% of Center City jobs are held by workers with no more than a high-school diploma). On average, 20% of the residents of every neighborhood in the city work downtown, getting there by public transit. But an average 42% of the residents from each Council District now must travel to the suburbs to find

work. There are other smaller clusters of employment in Philadelphia. But, together, they don't add up to enough opportunity to replace what's been lost, citywide.

We don't have a high poverty rate because there is something wrong with Philadelphians. We have a high poverty rate because of the absence of opportunity and because so many working residents left their neighborhoods in the last decades to be closer to jobs in the suburbs.

Market and demographic trends are now tilting our way. Energy costs are high. After decades of devaluing cities, Americans now want walkable, transit-oriented, live-work places. Office occupancy is higher in the city than in the suburbs. Housing values have held up better than in the suburbs. The closer your house is to a vibrant job center, the more valuable it is. Good schools help as well. But job growth is essential. This is Philadelphia's time to add jobs of all kinds: in construction, maintenance,

Comparative Job Trends



Boston, New York and Washington have all turned around and have more jobs than they did in 1970, despite the fact that each lost about the same percentage as Philadelphia – 85% to 90% – of the manufacturing jobs that were in those cities in 1970.

There are 279,412 jobs in Center City, between Girard Avenue and Tasker Street, 44% of all jobs in Philadelphia; another 11% are in University City.

Percent of Downtown Residents Working Downtown

Greater Center City Neighborhoods	Residents Commuting to Jobs in Core Center City	Residents Commuting to Jobs in Extended Center City	Residents Commuting to Jobs in Greater Center City
Chinatown	42.7%	5.5%	48.2%
Old City	42.6%	5.0%	47.6%
Queen Village	38.3%	9.1%	47.4%
Northern Liberties	35.3%	11.9%	47.2%
Bella Vista	37.5%	9.0%	46.5%
Passyunk Square	33.1%	12.1%	45.2%
Waterfront	39.4%	5.7%	45.1%
Graduate Hospital	38.3%	6.6%	44.9%
Society Hill	39.0%	5.6%	44.6%
Washington Square West	39.4%	4.5%	43.9%
Logan Square	36.9%	4.1%	41.0%
Fairmount/Spring Garden	32.3%	8.2%	40.5%
Pennsport	30.9%	9.1%	40.0%
Rittenhouse Square	35.9%	3.7%	39.6%
Callowhill/Poplar	29.5%	9.7%	39.2%
Point Breeze	29.0%	9.5%	38.5%
Grays Ferry	25.0%	8.1%	33.1%

There are 233,900 jobs in the core of downtown between Vine and Pine Streets and another 45,500 jobs in the neighborhoods that extend north of Vine to Girard Avenue and south of Pine to Tasker Street. The density and proximity of these jobs enables 69% of Center City residents to work in the city.

research, technology, and in professional and business services.

Yes, the debate over actual real estate values is important. Yes, turning around our schools is essential. But, if we don't start adding jobs, all else is in vain.

Of course, quality services matter. Through the CCD, downtown property owners expend \$20 million per year to supplement municipal services. Making the public environment clean, safe and attractive is essential – but it is not sufficient to make the place competitive.

This is a moment of opportunity, a time of choice, as City Council debates various tax proposals. One group seeks to fund services by pushing costs onto others. Another faction suggests tax breaks for some, while imposing the burden on others. What we need is leadership that focuses on growing jobs for all.

The value of cities is rising, and people want to be here. To keep them here, we ought to follow a simple rule: Rely more on taxing what cannot move (land and improvements), and rely less on taxing what easily moves (wages and business

receipts). It's time to put the ghosts of decline behind us and choose the path of growth and opportunity for all.

Paul R. Levy
President
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For more information on tax policies that can grow jobs in Philadelphia, visit www.philadelphiagrowthcoalition.com.



Be a Highly Visible Supporter of Dilworth Plaza

There are significant opportunities for sponsorship and naming rights at Dilworth Plaza, as well as opportunities for individual donors. From the public art and fountain featuring Janet Echelman's *Pulse*, to the large lawn, tree groves, benches and the iconic glass entrances to the concourse, there are major opportunities to help create a great civic space at the center of the city that will draw hundreds of thousands of office workers, residents, visitors and convention attendees each year.

To become a Friend of Dilworth Plaza and to get a list of high-visibility sponsorship and naming opportunities, please contact Jean Tickell at 215.440.5529 or jtickell@centercityphila.org, or go to the Donate Now tab on the Dilworth Plaza page of our website: www.centercityphila.org.

Major Public Donors to Dilworth Plaza Construction

City of Philadelphia	\$5 million
Commonwealth of Pennsylvania	\$15.5 million
Federal Transit Administration	\$15 million
SEPTA	\$4.3 million

Major Donors to Construction

The Albert M. Greenfield Foundation	\$125,000
John S. and James L. Knight Foundation, Knight Arts Challenge	\$400,000
PNC	\$300,000
William Penn Foundation	\$1.2 million

Friends of Dilworth Plaza

Leading Friends (\$100,000)

First Niagara

The Dow Chemical Company
Liberty Property Trust

Founding Friends (\$50,000 to \$99,999)

The Arden Group
The Horace W. Goldsmith
Foundation
PECO

Good Friends (\$5,000 to \$19,999)

Barbara and Theodore Aronson
The Cozen O'Connor Foundation
Edward and Karen D'Alba
KieranTimberlake
Malcolm Lazin
Midwood Investment
Pearl Properties, LLC
Roberts Event Group
Heather J. Shaffer

Steadfast Supporters (\$20,000 to \$49,999)

Brandywine Realty Trust
Brooks Capital
Commonwealth Realty



Dilworth Plaza Update

Visible construction work has been steadily rising toward the surface at Dilworth Plaza, as major underground connections to transit are being completed. During the past year, crews have been carefully excavating around three operating transit lines, installing new stairs and elevators to the subway platforms and rebuilding a major section of the concourse to create new entrances to transit. Think of the project as a three-layer cake with the lower level being new accessible connections to transit lines, the middle level, significant improvements to the underground concourse, and the top level being the foundations and reservoirs that have just been poured (120 cubic yards of concrete in just one week in April) to support the icing: the plazas, lawns, fountain, and café.

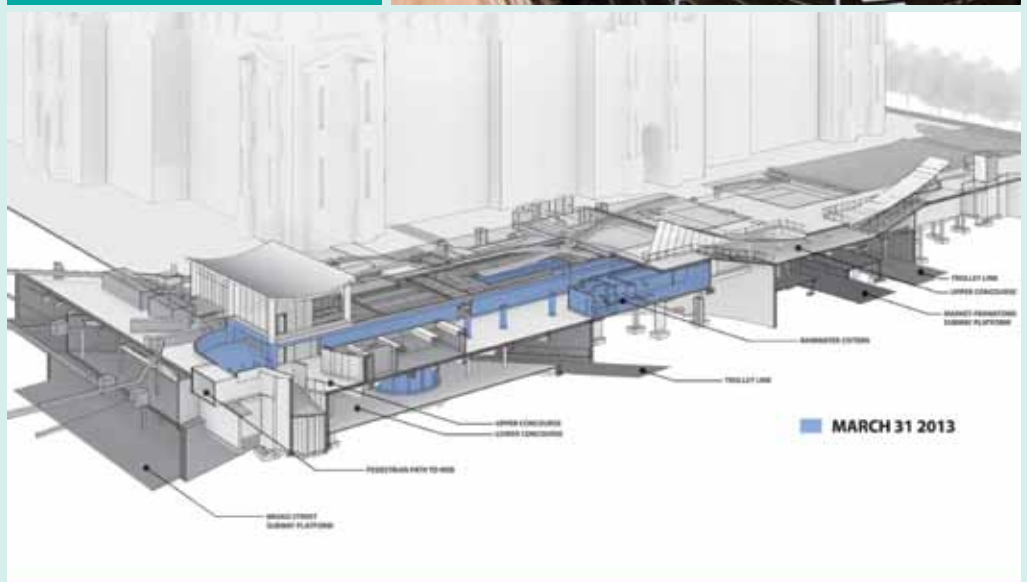
Construction on the \$55 million new Dilworth Plaza began in January 2012, and will be completed in mid-2014. The plaza will feature a fountain that will be home to Janet Echelman's unique public sculpture, *Pulse*, a large lawn, tree groves, and a café with outdoor seating on the north end.

The new Dilworth Plaza will be professionally managed, maintained, and programmed by the Center City District. This transformative project will serve as a gateway to regional transit that welcomes 305,000 passengers into Center City each day. It will connect the Broad Street entrance of the Pennsylvania Convention Center to the Avenue of the Arts, linking the office district to Market East shopping and hotels. It will be the center stage for the city.

If you'd like to help enhance the quality of life for everyone in Philadelphia and leave a lasting legacy for generations to come, please consider supporting the transformation of Dilworth Plaza. For more information about donating, please visit <http://bit.ly/pzIDP9>. To inquire about sponsorship and naming opportunities, please call Jean Tickell at 215.440.5529, or 215.440.5500.

At right from top: This aerial photo shot from Centre Square in early April shows the increased visibility of construction activity and the emergence of the new concourse walkway. A cutaway illustration (middle) shows both the multiple levels that are being improved and, in blue, the sections completed by the end of March. At bottom, immediately above SEPTA trains, major structural steel beams were installed that will support improvements to the concourse level overhead.

On opposite page: The basic components of the new plaza superimposed on the construction site.





Café

Fountain

Glass-Covered Stairways

Glass-Covered Stairways

New Concourse-Level Transit Entrances

Lawn

Routine Work of Two CSRs Impresses a Visitor

Every year the Philadelphia Flower Show, presented by the Pennsylvania Horticultural Society, brings more than 200,000 people into the city. This rite of spring, held at the Pennsylvania Convention Center, often serves as an introduction to Center City for many people who live in the region and beyond.

As part of routine deployment for major events at the Center, CCD Community Service Representatives (CSRs) Donald J. Lamb and Lucy Leto were stationed outside at 12th and Arch Streets on March 6, midway through the Flower Show week, orienting visitors and helping people hail cabs, find restaurants and places to shop.

"These are things we do every day," Lamb said, "chatting with people, recommending places. The people who come to the Flower Show are very friendly. They love our city."

One woman was so impressed by the efforts of Lamb and Leto that she took down their names and made it a point



Community Service Representatives Donald J. Lamb (left) and Lucy Leto (right) won high praise for their work during the Philadelphia Flower Show.

to send a letter to both the Center City District and Mayor Michael A. Nutter.

"It was truly a joy to watch," wrote Margaret R. Kittek of Bethlehem, PA. "They greeted citizens, offered help, answered many questions, gave special help to the handicapped, including the wheelchair-bound, directed people in safe street crossing, hailed cabs and performed many other services."

Leto began as a CSR in 2007, and Lamb started in February 2010. "We help so many people and talk to so many people," said Leto. "I love this job,

walking the streets, and talking to the people. I just love the city."

"It's different than anything I've ever done," Lamb said. "Being an amateur historian, I love to share my knowledge of the city with folks on the street."

The enthusiasm and affection that Lamb and Leto share for the city is a trait the CCD looks for when hiring its staff.

"They both were knowledgeable, friendly, respectful, and were excellent representatives of Philadelphia," Kittek noted.

CCD Assists Parking Authority in Training for Taxi Drivers

The Center City District (CCD) has begun a collaboration with the Philadelphia Parking Authority (PPA) to provide customer-service training for new taxi drivers.

Based on the training course developed for the CCD's Community Service Representatives (CSRs), the two-hour tutorial is an enhanced customer-service program emphasizing courtesy, knowledge of the city, safety, and helpfulness.

"We focus on the basics: being very courteous, getting out of the cab to

help people with their bags, not talking on the cell phone, keeping the cab clean," said William P. Hughes, Sr., Vice President of Public Safety and Cleaning Operations for the CCD. The first training session was on March 18 and was taught by Hughes and Tonimarie Nazzario, CCD's Director of Human Resources.

Each class has up to 22 potential new drivers who attend four days of training, culminating in a test, to earn a license to drive one of the 1,600 medallion cabs operating in the city. In order to gain admittance to the training, drivers

are interviewed, given a language test, and must be able to write reports and read street signs.

"We are absolutely thrilled to have the help of the Center City District, partnering with us now," said Jim Ney, Director of the Taxi Cab and Limousine Division for the PPA.

Bill Schmid, Deputy Director of the division, who served as the commanding office of the Center City District police substation in the 1990s, said the training was very well received. "The drivers all appreciated it," he said.

Center City District Releases 'State of Center City, 2013'

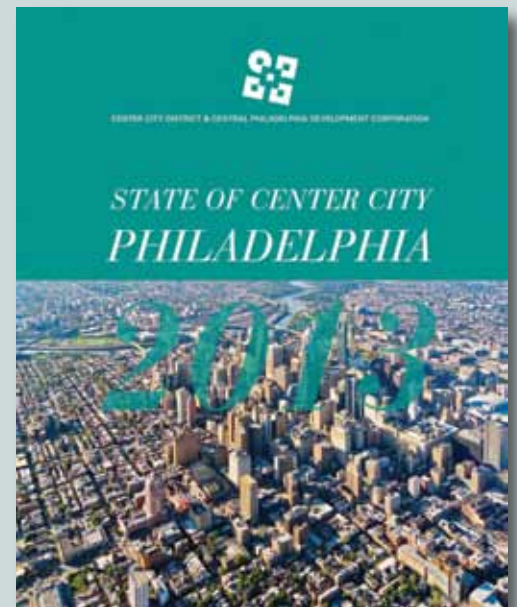
Center City accounts for more than 44% of all wage and salary employment in Philadelphia, with the downtown's signature skyscrapers housing the largest share (32%) of downtown employment and providing one out of seven jobs in the entire city, according to the *State of Center City, 2013*, a new 72-page report released on April 22 by the Center City District President.

The growing presence of Center City children has influenced the capital improvement priorities of the Center City District: in May 2012, the CCD completed a \$5.2 million renovation of Sister Cities Park at 18th Street and the Benjamin Franklin Parkway, creating

a major destination for families with children. The \$55 million transformation of Dilworth Plaza on the west side of City Hall, which will be completed in 2014, is designed to serve workers, tourists, and residents of all ages.

The State of Center City, 2013 describes how Center City Philadelphia compresses into a dense, walkable, 17th century street-grid all the components of a thriving 21st century, 24-hour downtown: office towers, hotels, hospitals, schools, condominiums, row-homes, and apartment buildings. This dense live-work environment is home to twice the national average of 25-34 year olds (28.7% of the population) and significantly more than the city's average of 16.1%.

The report provides a comprehensive look at the diverse sectors that have converged to create a thriving downtown marketplace, positioning Center City for a new cycle of growth. But it also highlights the challenges we



must overcome if we are to become a dynamic center for expanding employment and opportunity.

The report, as well as individual sections, can be downloaded at www.centercityphila.org.

Warm-Weather Activities to Enliven Your Days and Nights

The Center City District has a host of activities planned for the warm-weather months.

Beginning Tuesday, May 7, John F. Collins Park, 1707 Chestnut Street, will host twice-weekly acoustic concerts from noon to 1:30 p.m. on Tuesdays and Thursdays through September 26. Bring your lunch and enjoy this peaceful pocket park and musical treat!

From June 5 to August 28, the Center City District Lunchtime Concert Series will offer outdoor concerts from noon to 1:30 p.m. each Wednesday at a different location in the business district. There's always an alternate indoor location should a summer shower appear. The concerts showcase many genres of popular music, including blues, jazz, Latin, rock, reggae, rockabilly, and salsa.

Also on June 5, the popular Center City District Sips, the happiest hour of the week, returns every Wednesday, from 5:00 p.m. to 7:00 p.m. More than 85 bars and restaurants in Center City will be offering \$5 cocktails, \$4 wine, \$3 beers, and half-price appetizers.

There are many more events and activities you'll want to attend. For a complete list, please go to www.centercityphila.org.



Concerts in John F. Collins Park begin on May 7.

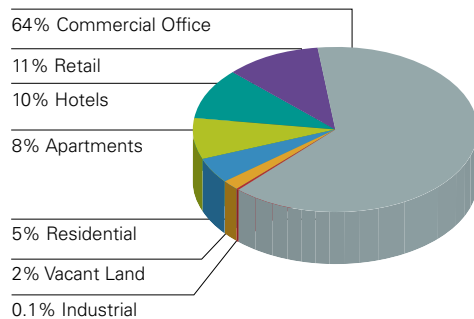
Center City District Budget

Property Statistics for 2013

- The top 15 properties pay 26% of total program cost, with an average charge of \$275,949.
- The top 200 properties pay 82% of total program cost, with an average charge of \$64,417.
- The lowest charge is \$0.25.
- The highest charge is \$462,787.
- The typical Market Street West office building pays \$184,428.
- The average hotel pays \$62,142.
- The average Chestnut Street property pays \$2,498.
- The average Walnut Street property pays \$3,422.
- The average commercial property pays \$26,346.
- The average retail property pays \$2,049.
- There are 51 residential condominium buildings in which the average charge per unit is \$186.77. Adding in the single-family rowhouses in the District, the average charge for owner-occupied residential units is \$202/unit/year.
- The average for all property types is \$2,779.

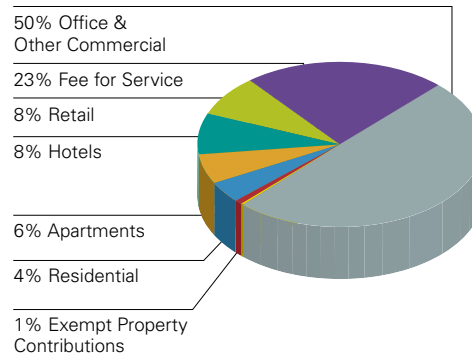
2013 Assessments by Property Category

Total Assessment Billing:
\$15,687,220



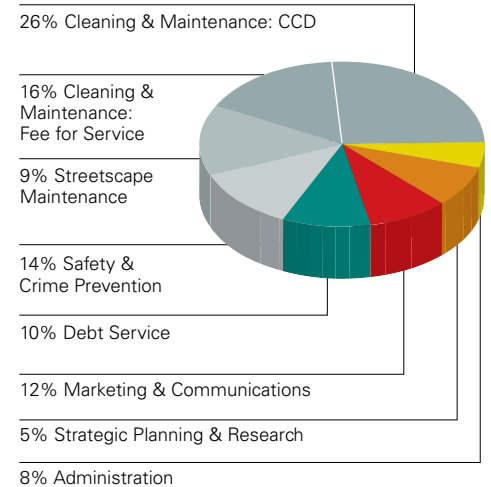
2013 Revenue from All Sources

Total Revenue:
\$19,658,624



2013 Where the Money Goes

2013 Operating Budget:
\$19,658,624



Top 10 Properties by Billing Amount - 2013

Rank	Property Name	2013 Billing Amount
1	Comcast Center	\$462,787
2	One Liberty Place	\$433,464
3	BNY Mellon Center	\$430,914
4	Centre Square	\$349,321
5	1901 Market Street	\$280,477
6	Two Commerce Square	\$270,278
7	One Commerce Square	\$265,178
8	Three Logan Square	\$264,062
9	Philadelphia Marriott Hotel	\$229,481
10	Two Logan Square	\$206,278
Total		\$3,192,240



The new class of Designers-in-Residence from left: Trisha Williams, Melissa Choi, Pia Panaligan, Leah Delfiner, Devin Pauley, and Annina King.

New Designers-in-Residence at Philadelphia Fashion Incubator

The Philadelphia Fashion Incubator at Macy's Center City announced its second class of Designers-in-Residence (DIRs) on March 1. They are Melissa Choi and Pia Panaligan, Leah Delfiner, Annina King, Devin Pauley, and Trisha Williams.

A collaboration between the City of Philadelphia, Center City District (CCD), Macy's Center City, and several educational institutions devoted to fashion design in Philadelphia, including Drexel University, Moore College of Art & Design, and Philadelphia University, the incubator was launched in March 2012 with an inaugural class of five designers, all of whom successfully completed the first yearlong program. The program's purpose is to support and promote emerging fashion designers and the fashion community of Philadelphia.

The new class was selected based on talent, vision for the collection and overall business concept. Three of the new designers are alumni of the participating partners (Drexel University, Moore College of Art & Design, and Philadelphia University), and the final two were selected through an open-call opportunity.

"The program's success in its first year was made possible by the amazing partners that we've found in Macy's Center City, the City of Philadelphia, our academic institutions, and the incredible business professionals who have donated their time and expertise to our designers," said Michelle Shannon, Vice President of Marketing and Communications for CCD. "Our generous community partners are contributing to the growth of our local retail economy, as we support our fashion designers here in Philadelphia."

The Designers-in-Residence have access to the incubator's production room, office and showroom/conference room housed in Macy's Center City, and for the next year they will have the chance to learn about the business side of fashion from the region's leading business professionals. In addition, there will be workshops and retail critiques with leaders of the fashion industry.

For more information, please go to www.philadelphiafashionincubator.com.

Sister Cities Park International Festival

A new Sister Cities Park International Festival celebrating Philadelphia's 10 Sister Cities that span the globe from Europe and the Middle East to Asia, will enliven the park at 18th Street and the Benjamin Franklin Parkway on Saturday, May 11, from noon to 5:00 p.m.

The afternoon festivities will include dance, music, cooking demos, foreign language lessons, and hands-on fun for adults and kids alike. And you can stop by the Milk & Honey Cafe for lunch, coffee, cold drinks, or a snack.



Sister Cities Park was originally dedicated in 1976 to recognize Philadelphia's participation in the global Sister Cities Program, which builds peace, mutual understanding and economic ties through official city-to-city relationships. This program is run by the International Visitors Council (IVC). Philadelphia's first two sister cities were Florence, Italy, and Tel Aviv, Israel, named in 1964 and 1966, respectively, and followed by Torun, Poland; Tianjin, China; Incheon, Korea; Douala, Cameroon; Nizhny Novgorod, Russia; Kobe, Japan; Aix-en-Provence, France; and Abruzzo, Italy.

In 2012, the Center City District reopened the park after a \$5.2 million renovation that transformed the 1.3-acre park into a richly planted, well-illuminated and welcoming public space that offers a variety of amenities for people of all ages to enjoy 365 days a year.

The Sister Cities Park International Festival is sponsored by the CCD, IVC, City of Philadelphia, Mole Street, Milk & Honey Cafe, and Independence Visitor Center.

The festival is free and open to the public, so stop by!

CENTER CITY DIGEST

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Central Philadelphia
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SISTER CITIES PARK INTERNATIONAL FESTIVAL

SATURDAY, MAY 11, 2013, NOON - 5PM



**A CELEBRATION OF ARTS AND CULTURE
OF PHILADELPHIA'S SISTER CITIES**

**SISTER CITIES PARK, 18TH STREET & THE BENJAMIN FRANKLIN PARKWAY
FOR A FULL SCHEDULE OF EVENTS, VISIT SISTERCITIESPARK.ORG**

Sponsors:

Sister Cities Park is part of the Fairmount Park System, managed and maintained by:



Our Partners:



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.



Thanks to TD Bank
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