



CENTER CITY
DISTRICT



INSIDE THIS ISSUE

- 1 The Fragility of Revival
- 4 One Small Act of Kindness at a Time
- 5 As the Rail Park Moves to Completion, Become a Part of Its Success
- 6 CCD and PRMA Launch Campaign to Promote Shopping
- 7 Major Landscape Updates During the Summer

CENTER CITY Digest

MATT STANLEY

The Fragility of Revival

"Is city growth slowing?" That's the question urban demographer William Frey asked last May after analyzing recent census data for major metro areas.¹ In the last seven years, cities have outperformed both their suburbs and the national economy in job growth as they bounded back from the Great Recession. Population data too, had suggested cities were outpacing their suburbs, perhaps signaling the reversal of 70 years of sprawl.

Some proclaimed this the *century of the city*, conflating rapid third-world urbanization with North American city center revival. Others asserted the corollary: the *suburbs are over*. But even in 2010, skeptics suggested millennials and others might simply be deferring home purchases due to job uncertainty and doubts about long-term appreciation of suburban prices. After all,

many millennials watched their parents experience a painful loss of value in their primary assets.

In new data for the period 2011 to 2016, Frey detected a distinct slow-down in urban population growth that ought to give us pause (Figure 1). Already in 2010, population was rising more slowly in Philadelphia than in Boston, New York or Washington. Philadelphia's rate of growth is also converging more quickly than our peers with suburban trends, limiting our ability to regain market share (Figure 2).

*Note however, we are **not** looking at decline, just the deceleration of growth in both the city and region.* Further, these findings come from limited sampling by the Census Bureau, so it's best to wait for the 2020 census to be sure. Still it's a caution flag, especially since

THE REMARKABLY POSITIVE REVITALIZATION OF CENTER CITY AND UNIVERSITY CITY IS GROUNDS FOR GREAT OPTIMISM.

Philadelphia long trailed the 25 largest cities in job growth, too (Figure 3).

GROWTH IN THE CORE

The remarkably positive revitalization of Center City and University City is grounds for great optimism. It's a strong selling point for business, large and small: a highly-diversified, downtown economy; a well-educated workforce; 40% of residents ages 20 to 34; dense, walkable and more affordable than our peers. This appeals to local start-ups and existing firms, to suburban firms deploying clusters of workers in coworking space and to those signing larger, more traditional leases. It's key to the narrative being crafted for Amazon.

But success in the 10 square miles of Center City and University City is offset by persistent, older trends in much of the other 92% of the city's geography, a primary reason why we lag our peers and have the highest poverty rate among major cities. These are disparities that consume our politics.

Consider: 37% of those who moved into Philadelphia since 2010 chose the amenity- and job-dense, live-work locales of Center City and University City. But from 2010 to 2016 the city as a whole was still net-negative in the region: 62,000 more residents decamped for the suburbs than moved in, with twice as many migrating to Montgomery County as came our way. Immigration and local births kept us population positive, augmented by millennials and empty nesters flocking to the center.

These last two age cohorts are profoundly beneficial to labor and housing markets, to consumer demand and on-street vitality. But both are time-limited surges, demographic trends that will run their course. So the real work is not the facile, promotional messages celebrating the incoming millennial tide; it's

the lowering of barriers that limit our ability to accelerate and lock-in for the long-term these recent gains; it's expanding opportunity and revival citywide.

SIGNS OF FRAGILITY

- Scores of successful public schools with parents deeply engaged. Uncertainty about long-term reliability of sufficient funding.
- 25% of Philadelphia residents living outside Greater Center City take transit to their jobs downtown; but 40% of their neighbors commute to the suburbs. Find a home nearby and these reverse-commuters get better funded schools and an automatic pay raise, slipping out from under Philadelphia's wage tax.
- Waves of millennials are reshaping public spaces and favoring two wheels over four. But a cultural cold-war over modes of mobility is hard to resolve when transportation management is fragmented among multiple entities, most lacking the resources required for the job.

- Outdoor cafes are up 383% in the last 16 years. But homelessness and panhandling are reaching record highs, as the fiscally-constrained Kenney Administration still seeks the right balance between services for those in need and a constitutional and politically-acceptable means to ensure standards of civility in all public spaces. Problematic behavior among some of the 500 people living on Greater Center City sidewalks weighs heavily on the perceptions of 300,000 workers, 188,000 residents and several million visitors and shoppers who have many options elsewhere.

ENCOURAGING SIGNS

- In CCD's reauthorization process this summer, there was overwhelming support for the proposed, new five-year plan. Just one owner of two smaller buildings out of 1,688 benefitting properties in the District formally objected. For 2018 to 2022, CCD's supplementary assessments will be devoted to *clean* and *safe* seven days a week; to market research and the promotion of restaurants and shops; to landscaping, lighting, signs, trees and new streetscape enhancements; to

FIGURE 1: RATE OF CITY POPULATION GROWTH

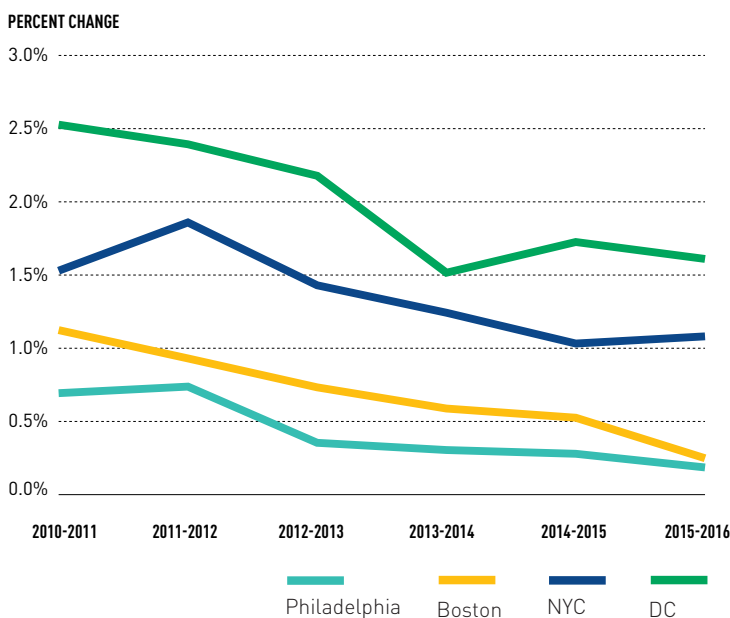
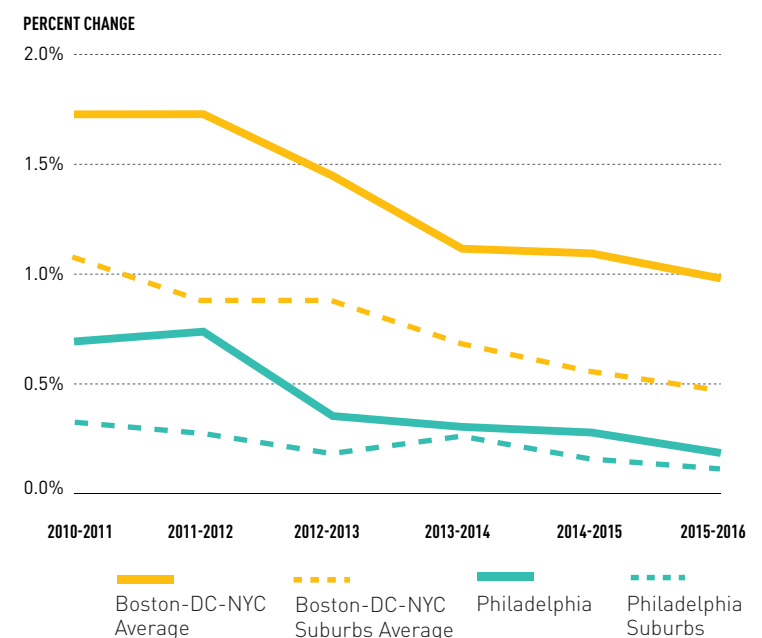
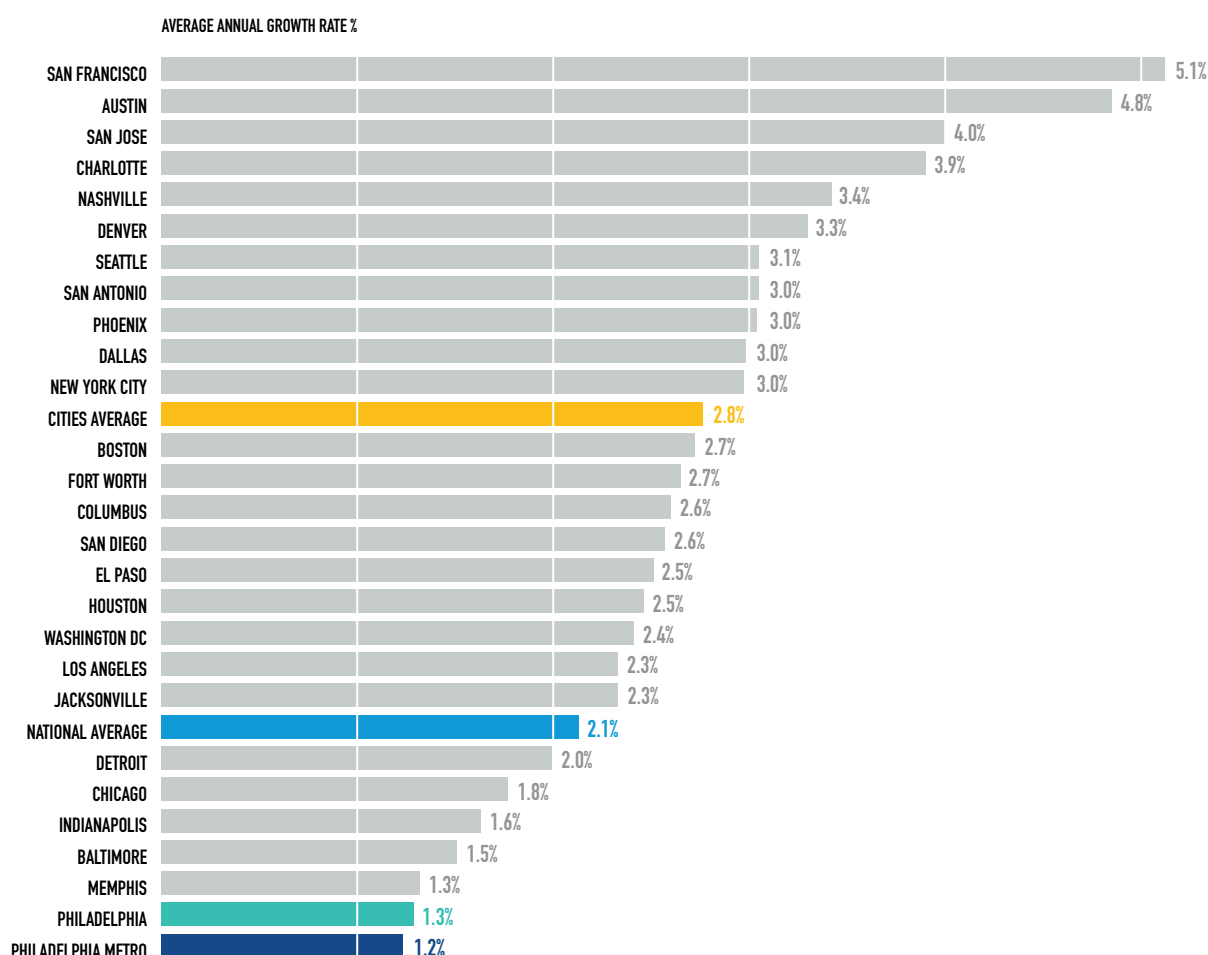


FIGURE 2: CITY AND SUBURBAN POPULATION TRENDS



Source: U.S. Census Bureau Annual Population Estimates

FIGURE 3 : MAJOR CITIES: AVERAGE ANNUAL GROWTH IN PRIVATE WAGE & SALARY JOBS, 2010–2016



Source: BLS, Quarterly Census of Employment and Wages

ongoing improvements and programming in four CCD-managed parks; and to leveraging grants and contributions to create the new Rail Park.

- The pursuit of Amazon, win or lose, brings together economic developers, businesses, residents, elected officials, students and even architectural critics, to assess our strengths and challenges, highlight needed infrastructure investments and forge good habits of working collaboratively for regional gain.

By all means, pursue Amazon with its potential for up to 50,000 new jobs by 2027. But as with millennials, it's no silver bullet. Resist the temptation to rely *only* on one-off inducements that cut more holes in the Swiss cheese that is our business tax structure.

"Urban economies aren't really built by winning a contest," Bruce Katz of Brookings recently wrote, "they are grown methodically by building on a region's strengths ... the race for long-term prosperity isn't defined by the months-long sprint to lure \$5 billion of investment from Amazon; the real game is the marathon" in which cities capitalize on their strategic assets.²

Pursue Amazon, but stay focused on across-the-board, more equitable tax reform. Stay focused on quality-of-life issues too. Create a climate where all businesses grow, opportunity expands and the local tax base broadens to fund the quality schools and services this city needs.

An econometric analysis of the impact of the Philadelphia Jobs Growth Coalition plan to

reduce wage and business taxes projected 75,000 new jobs in the next 10 years.³ But who believes these models? So try this: Philadelphia's economic growth has been the slowest among the top 25 American cities. If we simply got to be average, growing at the mean rate of the 25 largest cities, Philadelphia can add 190,000 more jobs by 2027. That's real revival.

Paul R. Levy

President

plevy@centercityphila.org

1: William H. Frey, "City Growth Dips Below Suburban Growth" Brookings Institution, May 30, 2017

2: Bruce Katz, Brookings Institution blog, September 25, 2017

3: www.philadelphiagrowthcoalition.com



One Small Act of Kindness at a Time

One morning in early August, Community Service Representative (CSR) John Buriak was working in Dilworth Park when he noticed a lost wallet on the ground. He picked it up and gave it to CSR Manager Terrance Keene, who was also working in Dilworth Park that day.

Keene opened the wallet and found a driver's license. The writing on the driver's license, however, was not in English and Keene couldn't read what it said. But he did notice it had been issued in Israel. He went online and looked for an Israeli consulate in Philadelphia, but there was none. He thought for a moment and decided to Google the Jewish Federation of Greater Philadelphia, where he found a phone number.

When he dialed the number, he luckily didn't get a voicemail, but the very human voice of Robert A. Seltzer.

"We have a wallet with a credit card and driver's license from Israel, but we can't read it," Keene told Seltzer.

Seltzer invited the CSR Manager to stop by 2100 Arch Street, where the Federation's offices are located, and Seltzer said he would

"It's just doing what we are supposed to do."

call the credit card company in Israel to see if they could help find the owner of the wallet.

Keene received a welcome call. Seltzer had succeeded in connecting with the credit card company, which had contacted the wallet's owner, Alon Kigler, whose home is in Be'er Sheva, Israel.

Kigler was still in the U.S. and, in fact, was in New York. He was thrilled to find out his wallet had been recovered and made plans to return to Philadelphia to reclaim it.

Seltzer wrote to the Center City District to thank Keene and also to let everyone know what had happened and how much he appreciated Keene's persistence in trying to get the wallet back to its owner.

"Terrance, you have done a good deed [in Hebrew, we call that a mitzvah], which has restored this person's faith in people, and which reflects well on our beautiful city," Seltzer wrote. "We perfect our world one small act of kindness at a time. ... On this day, at this moment, the world is in a good place. Thank you, Terrance."

Keene, who has been a CSR for 15 years and was promoted to Manager in June, appreciated Seltzer's kind words, but he responded, "it's just doing what we are supposed to do."

On September 19, Keene was notified that he had been selected to be one of online publication Billy Penn's "Who's Next: Tourism," which honors the young people (under the age of 40) who help keep vibrant the tourism industry in Philadelphia.



As the Rail Park Moves to Completion, Become a Part of Its Success



Construction of Phase 1 of the Rail Park, a quarter-mile segment from 13th and Noble Streets to Callowhill Street, recently took a significant step forward with multiple pours of over 200 cubic yards of concrete that create the new walking surface from Callowhill to 12th Street.

Following a summer of utility work, renovation, repair and repainting of metal structures and bridges, the shape of the new park is now emerging. Supports for the viewing platforms along the edges of the viaduct have been installed, as have the structural bases for the swings. Coming soon will be installation of the outer railings, bases for pedestrian lighting, tiered multi-level seating and individual benches, and the wood platforms for the boardwalk edge.

West of 12th Street, where the park tapers down to grade on retaining walls with fill, soil remediation is complete and new large planting beds will soon host stately canopy trees, shrubs and perennials. A significant portion of the planting is being performed this fall by volunteer employees of Timberland, a major donor to the Rail Park.

The new 25,000-square-foot linear Rail Park will provide a much-needed green amenity to the Callowhill neighborhood and support the expansion of both Chinatown and the creation of a thriving, mixed-use neighborhood.

Thanks to the generosity from so many donors to date, the Rail Park will open in early 2018. But help is still needed to close the final funding gap. The CCDF's Rail Park Benefactor Program offers an opportunity for businesses and individuals to support the park while naming a lasting gift. All contributors of \$25,000 and above will be recognized on a donor wall at the main entrance to the Rail Park.

PLEASE VISIT OUR WEBSITE
SUPPORTCCDF.ORG

TO LEARN HOW YOU CAN CONTRIBUTE,
OR CONTACT NANCY A. GOLDBERG,
EXECUTIVE DIRECTOR, AT
NGOLDBERG@CENTERCITYPHILA.ORG
OR 215.440.5523.



CCD and PRMA Launch Campaign to Promote Shopping

The Center City District (CCD) and the Philadelphia Retail Marketing Alliance (PRMA) on September 7 introduced a new consumer-oriented marketing campaign, Shop Center City, focused on encouraging city and regional shoppers to discover the “Only in Center City” experience: *If it's in, it's in Center City*.

PRMA is a collaborative effort of the CCD, City of Philadelphia Department of Commerce, PIDC, Office of the City Representative, Visit Philadelphia, and PHL Convention & Visitors Bureau (PHLCVB).

In spring 2017, the CCD conducted a customer survey of 76,000 people who live and work throughout the region to gather information on Center City shopping, including spending patterns and shopping preferences.

Survey respondents said that they most valued Center City experiences that you cannot find anywhere else in the region or online. They liked the downtown’s walkability, diversity of food, entertainment, cultural offerings, and the strong presence of local shops.

These experiences and additional consumer data guided the direction of the Shop Center City campaign, which features real-life Philadelphians engaging in their favorite downtown shopping activities.

Ads are being placed in print media, bus shelters, car cards and digital screens on Regional Rail, and LED screens at Dilworth Park.

CCD STAFF DONATES ITEMS TO BROAD STREET MINISTRY



CSR Manager Tim Lilly with Center City District van loaded with clothes and personal items donated by CCD staff during July. The donations were taken to the Broad Street Ministry, which serves indoor meals and provides extensive service for the homeless (broadstreetministry.org).

PLEASE TAKE FIVE MINUTES TO COMPLETE OUR BRIEF ON-LINE SURVEY AT CCDSURVEY.COM

AND BE AUTOMATICALLY ENTERED TO WIN \$250 IN RESTAURANT GIFT CERTIFICATES. FIVE LUCKY WINNERS WILL BE RANDOMLY SELECTED.

The survey closes at midnight on October 31, 2017, so please give us your opinion and suggestions today!





BEFORE



AFTER



BEFORE



AFTER

Major Landscape Updates During the Summer

During the summer, CCD significantly upgraded the landscaping on Market East and several other blocks throughout the District. With the final approval of the new plan and budget for 2018 to 2022, CCD will be able to expand these enhancements to even more blocks.

In addition, on Walnut West, 17 pairs of hanging baskets were replenished and, on Market East, 26 pairs of hanging baskets added with support from adjacent property owners to add more color to the busy street. Finally, large planters were added at Cret Park to create a more attractive patio experience.

DILWORTH PARK 3RD ANNIVERSARY

On Wednesday, September 20, arts groups from across Philadelphia came together at Dilworth Park to celebrate the park's third anniversary. Hundreds of visitors enjoyed a fun afternoon of music, poetry, and dance performances, followed by a festive after-work happy hour.



CENTER CITY Digest

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 60 years of private-sector commitment to the revitalization of downtown Philadelphia.



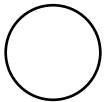
CENTER CITY
DISTRICT

CENTRAL PHILADELPHIA
DEVELOPMENT
CORPORATION

FALL 2017

Center City District
660 Chestnut Street
Philadelphia, PA 19106
CenterCityPhila.org

Pre-sorted
Standard
U.S. Postage
PAID
Philadelphia, PA
Permit No. 2545



FSC

DILWORTH PARK WINTERGARDEN

ROTHMAN INSTITUTE
ICE RINK



ROTHMAN INSTITUTE
CABIN

FEATURING AMERICA'S GARDEN CAPITAL MAZE

THE COOLEST PLACE IN CENTER CITY
NOV. 10, 2017 THROUGH FEB. 25, 2018

LOCATED AT CITY HALL. FOR MORE INFORMATION VISIT
DILWORTHPARK.ORG

