

You are cordially invited to attend CPDC's

Membership Meeting

**Growing More Family Sustaining Jobs
Expanding Opportunity; Reducing Poverty**

Guest Speaker:

John H. Alschuler, Chairman, HR&A, New York

Local responses:

Maria Quiñones-Sánchez, Councilwoman, 7th District

John Grady, President, PIDC

September: \$5.8 billion in development, 2018-2019 \$1 billion more in pipeline within Center City



MAJOR CENTER CITY PROJECTS COMPLETED AND UNDER CONSTRUCTION, 2018-2019

\$5.8 BILLION
IN MAJOR DEVELOPMENTS

4,112,035 SF
OF COMMERCIAL/MIXED USE

6,197
RESIDENTIAL UNITS

1,820,505 SF
OF NEW RETAIL

1,891
HOTEL ROOMS

PROPOSED MAJOR PROJECTS IN CENTER CITY

\$1 BILLION
IN MAJOR DEVELOPMENTS

1,417,000 SF
OF COMMERCIAL/MIXED USE

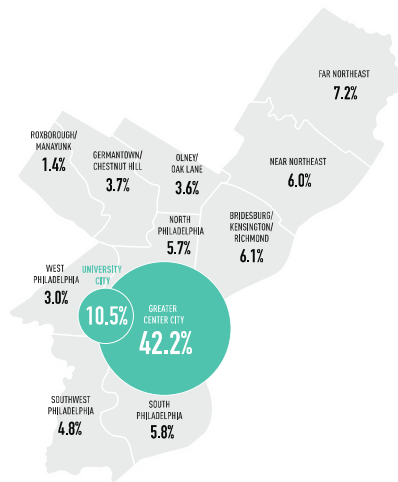
2,935
RESIDENTIAL UNITS

384,711 SF
OF NEW RETAIL

353
HOTEL ROOMS

Reinforcing an area that holds 42.2% of all city jobs Another 10.5% of jobs in University City

PHILADELPHIA EMPLOYMENT BY AREA

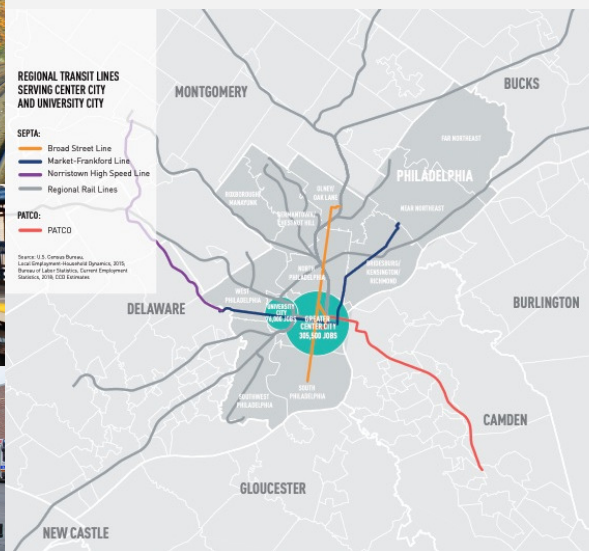


Source: U.S. Census Bureau, Local Employment-Household Dynamics, 2015



CENTRAL PHILADELPHIA
DEVELOPMENT CORPORATION

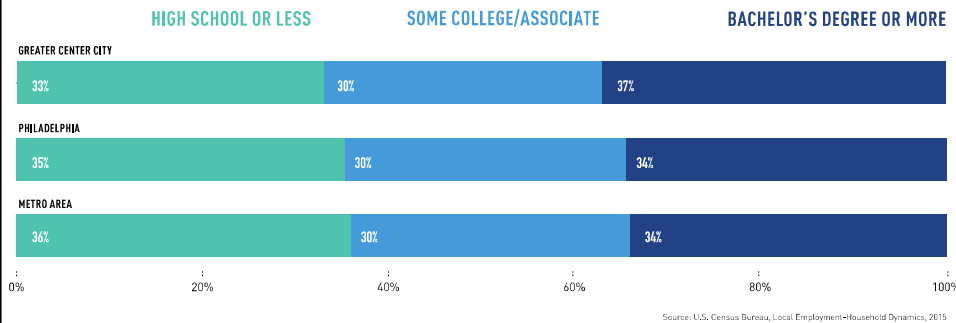
All jobs concentrated at center of regional transit system that brings 300,000 passengers downtown each day



CENTRAL PHILADELPHIA
DEVELOPMENT CORPORATION

63% downtown jobs require less than college degree 33% require only a high school diploma SEPTA makes them accessible to neighborhood residents

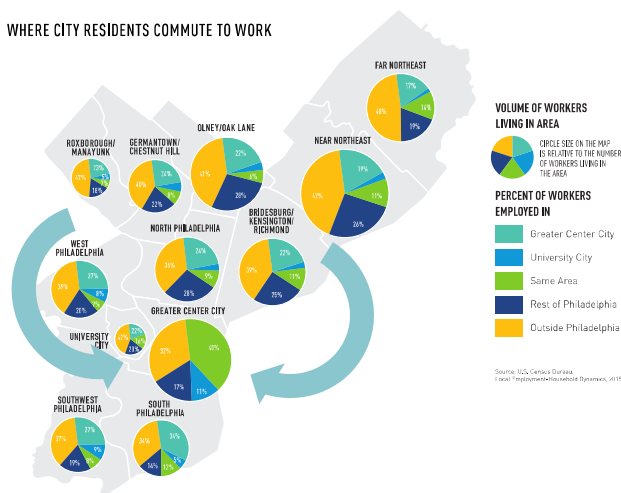
PERCENT OF JOBS BY LEVEL OF EDUCATION, WORKERS 30 AND OLDER



CENTRAL PHILADELPHIA
EMPLOYMENT
DEVELOPMENT CORPORATION

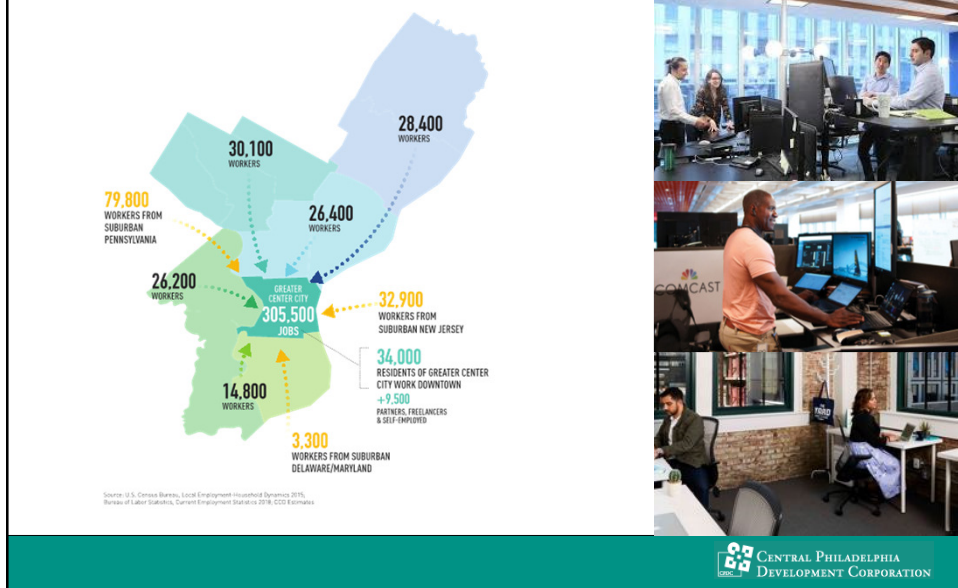
Diverse job offerings + SEPTA = 25% of working residents from every neighborhood earn their livelihood downtown

WHERE CITY RESIDENTS COMMUTE TO WORK



CENTRAL PHILADELPHIA
EMPLOYMENT
DEVELOPMENT CORPORATION

Center City is the transit accessible alternative for 126,000 neighborhood + 34,000 Center City residents 160,000 downtown jobs for Philadelphia residents



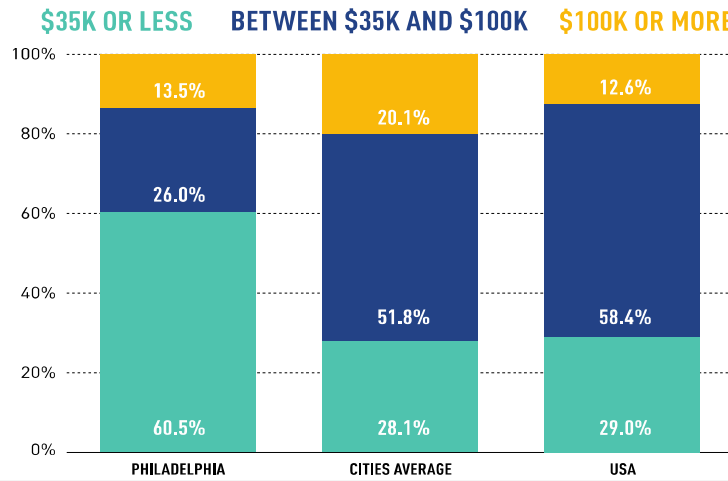
October: Focused on the shortfall in growth Family sustaining jobs across entire the city



**60.5% of all jobs created in PHL since 2009
are in sectors that pay on average \$35,000 or less;**

Only 26% in sectors that pay \$35-\$100,000

Marked contrast to other cities & the nation



CENTRAL PHILADELPHIA
DEVELOPMENT CORPORATION

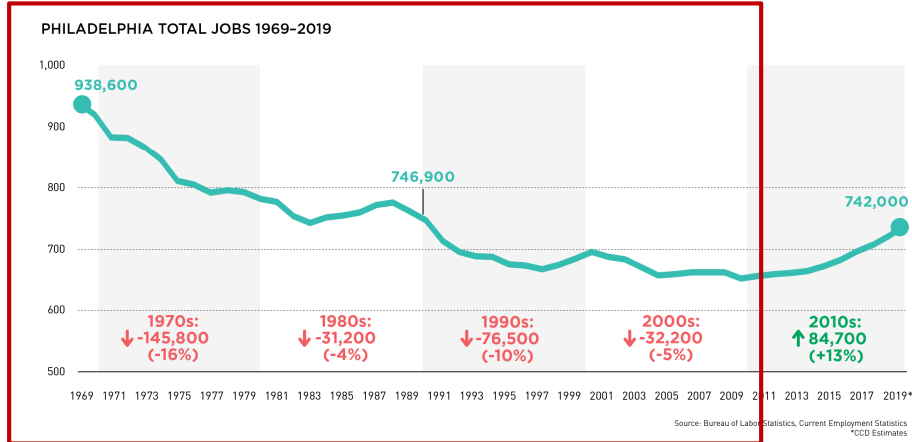
Today's forum

1. Put this in local & historical context
2. John H. Alschuler, put in national context
3. What can & should we do about this?

Maria Quiñones-Sánchez, Councilwoman, 7th District
John Grady, President, PIDC

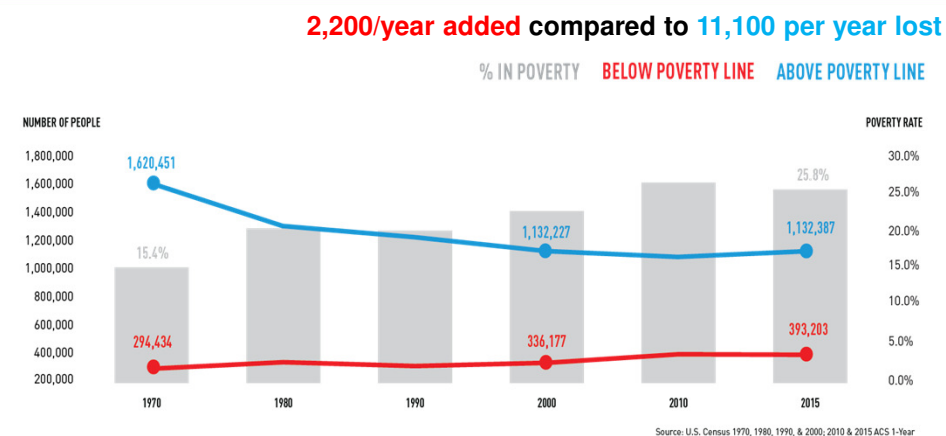
CENTRAL PHILADELPHIA
DEVELOPMENT CORPORATION

Historical context: Philadelphia suffered a long decline Losing 286,000 jobs between 1970 & 2010



CENTRAL PHILADELPHIA
DEVELOPMENT CORPORATION

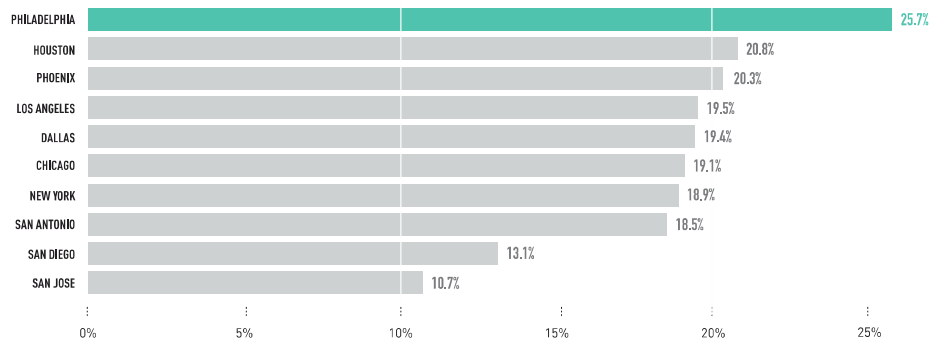
As we lost jobs, the poverty rate rose Modest increase in # in poverty since 1970 +100,000 Big loss (-500,000) middle income & working class residents



CENTRAL PHILADELPHIA
DEVELOPMENT CORPORATION

Legacy: Highest poverty rate of 10 largest cities: 25.7%

POVERTY RATES AMONG THE TOP 10 LARGEST US CITIES

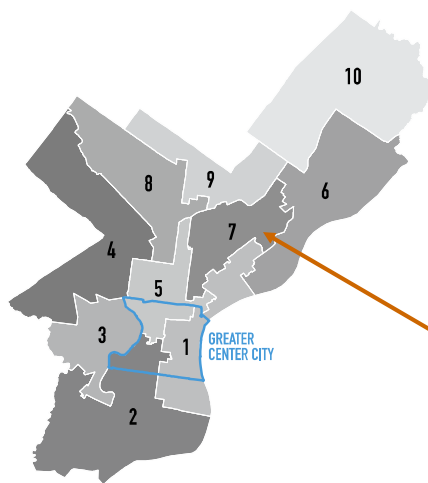


Source: US Census Bureau, 2016 American Community Survey

CENTRAL PHILADELPHIA
DEVELOPMENT CORPORATION

7th Council district confronts the challenge of 43% poverty rate

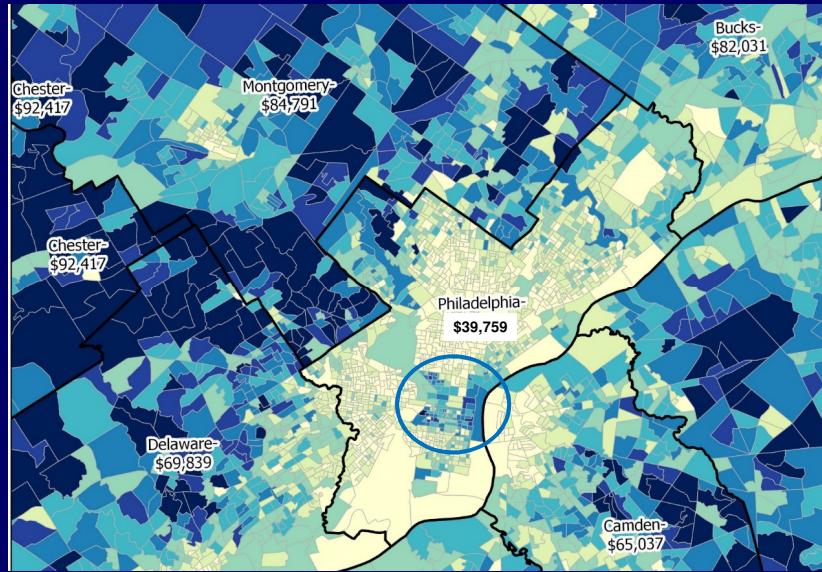
FIGURE 3: POVERTY BY COUNCIL DISTRICT



COUNCIL DISTRICT	POVERTY RATE	DEEP POVERTY RATE
1st District	22%	10%
Outside Greater Center City	25%	11%
Inside Greater Center City	14%	8%
2nd District	23%	9%
Outside Greater Center City	27%	10%
Inside Greater Center City	13%	7%
3rd District	39%	21%
4th District	23%	13%
5th District	36%	18%
Outside Greater Center City	44%	22%
Inside Greater Center City	17%	9%
6th District	18%	8%
7th District	43%	19%
8th District	29%	12%
9th District	22%	9%
10th District	12%	5%

CENTRAL PHILADELPHIA
DEVELOPMENT CORPORATION

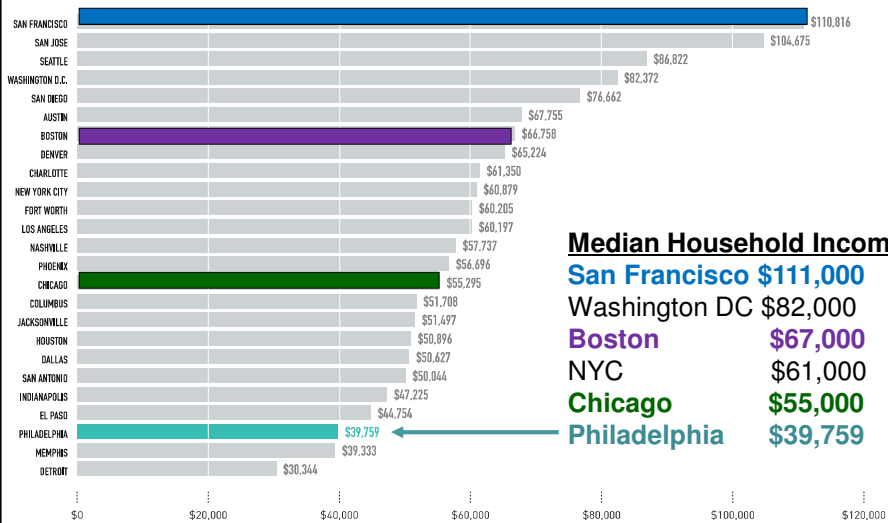
Legacy not discussed: Despite renewal downtown, wealth is still concentrated in the suburbs



CENTRAL PHILADELPHIA
DEVELOPMENT CORPORATION

Medium household income below other cities

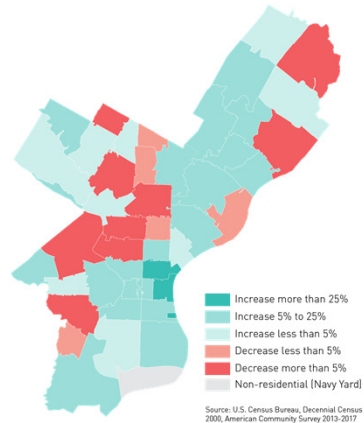
MEDIAN HOUSEHOLD INCOME AMONG THE TOP 25 LARGEST US CITIES



CENTRAL PHILADELPHIA
DEVELOPMENT CORPORATION

**Despite all the talk of gentrification
Working & middle class still leaving outlying neighborhoods
30% of zip codes (14) still **losing population****

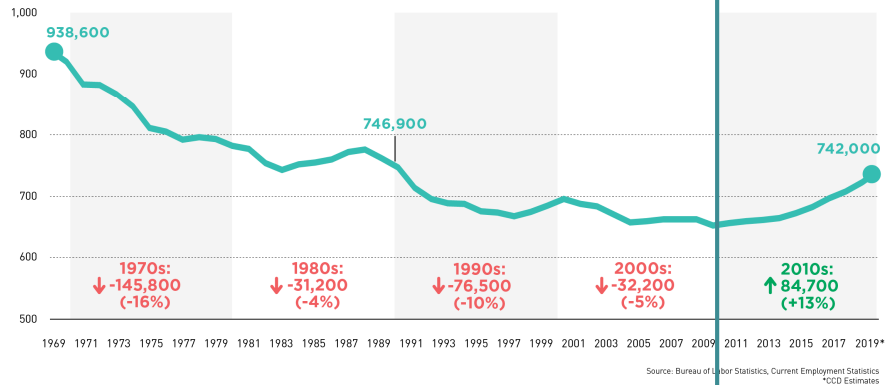
POPULATION CHANGE, 2000-2017



CENTRAL PHILADELPHIA
DEVELOPMENT CORPORATION

**Good News:
Philadelphia enjoying a post-recession rebound**

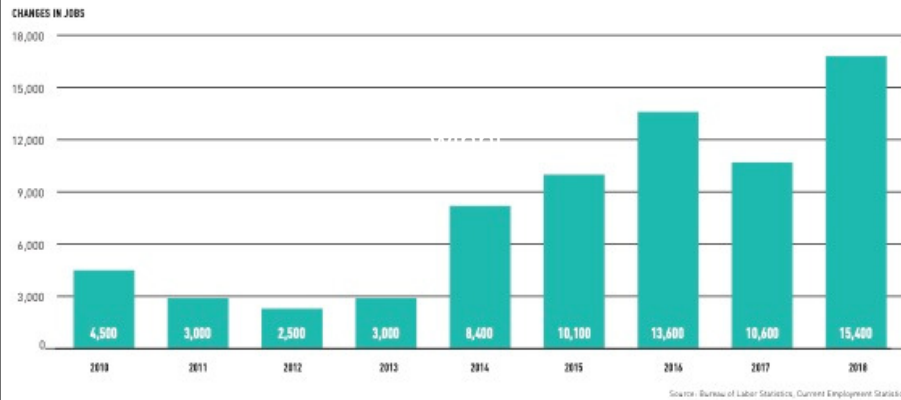
PHILADELPHIA TOTAL JOBS 1969-2019



CENTRAL PHILADELPHIA
DEVELOPMENT CORPORATION

9 straight years of citywide growth = 71,100 jobs Longest winning streak since 1940s or 1920s

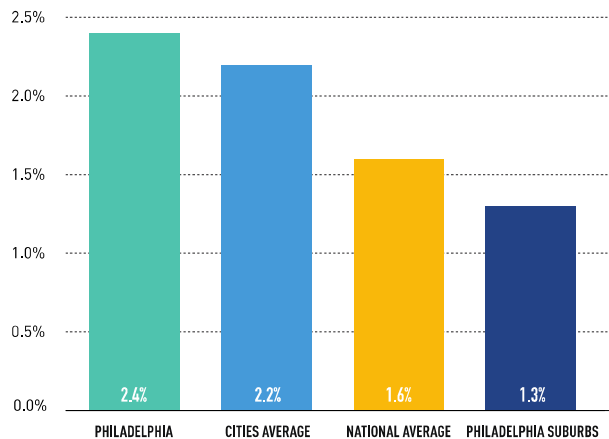
TOTAL JOB CHANGE FROM PREVIOUS YEAR 2010-2018



CENTRAL PHILADELPHIA
DEVELOPMENT CORPORATION

Recent job growth has accelerated

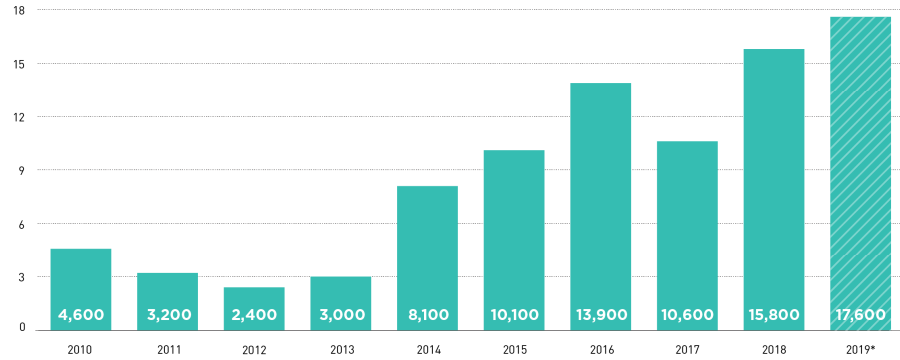
AVERAGE ANNUAL PERCENT CHANGE IN PRIVATE SECTOR JOBS,
2017-2018*



CENTRAL PHILADELPHIA
DEVELOPMENT CORPORATION

2019 on-course to add another 17,600 jobs = +88,700 jobs since 2009

TOTAL JOB CHANGE FROM PREVIOUS YEAR 2010-2019*

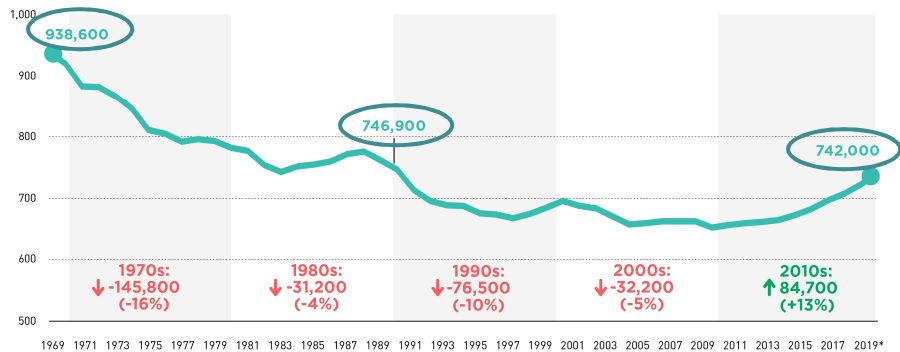


Source: Bureau of Labor Statistics, Current Employment Statistics
*CCD Estimates

CENTRAL PHILADELPHIA
DEVELOPMENT CORPORATION

Rebound has lifted us within striking distance Of 1990 employment levels; still 21% below 1970

PHILADELPHIA TOTAL JOBS 1969-2019



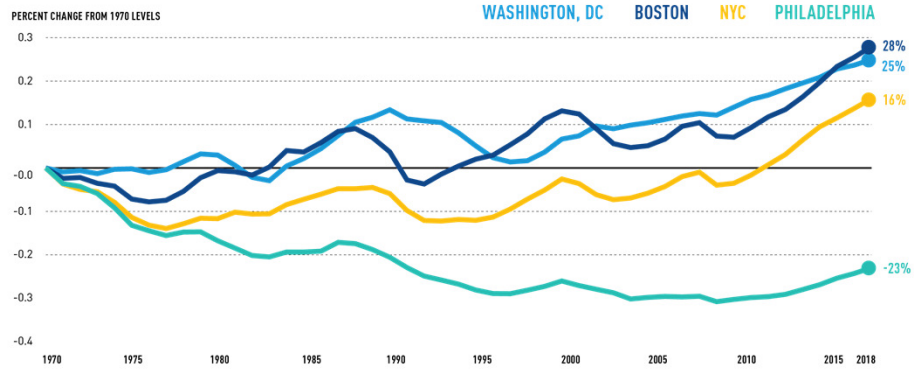
Source: Bureau of Labor Statistics, Current Employment Statistics
*CCD Estimates

CENTRAL PHILADELPHIA
DEVELOPMENT CORPORATION

Boston & NYC also lost 85-90% of 1970 manufacturing jobs
Boston up +28% & New York +16%
above their 1970 job levels

Philadelphia is down 21%

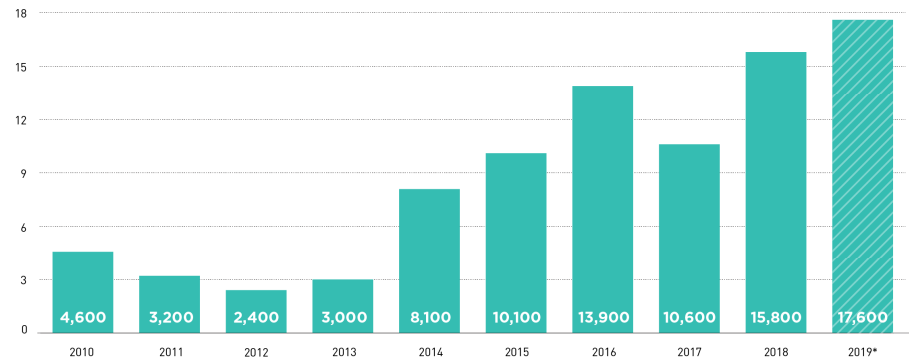
PERCENTAGE CHANGE IN JOBS FROM 1970



CENTRAL PHILADELPHIA
DEVELOPMENT CORPORATION

Recent job growth is great news;
Poverty & unemployment have come down

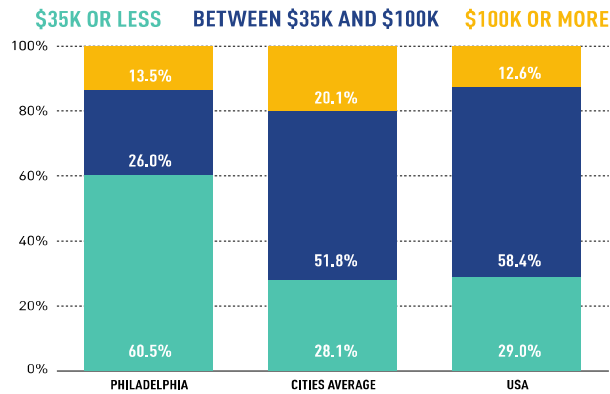
TOTAL JOB CHANGE FROM PREVIOUS YEAR 2010-2019*



Source: Bureau of Labor Statistics, Current Employment Statistics
 *CDD Estimates

CENTRAL PHILADELPHIA
DEVELOPMENT CORPORATION

But of all jobs created in Philadelphia since 2009 **60.5%** are in sectors that pay on average **\$35,000 or less;** **Only 26%** in sectors that pay **\$35-\$100,000**

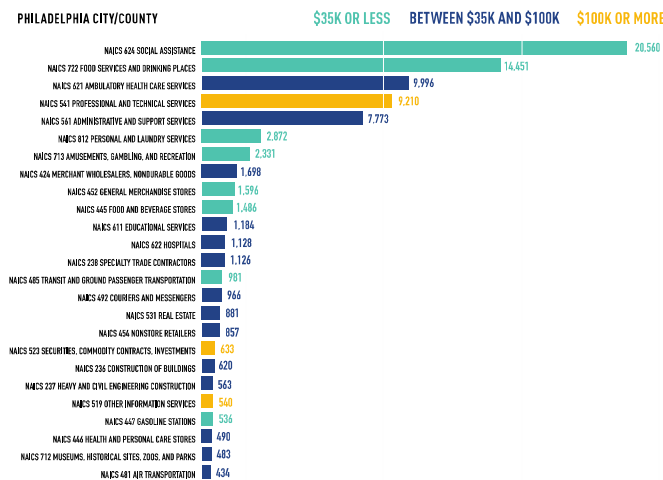


Source: BLS, Quarterly Census of Employment and Wages



#1 Social assistance/home health care Important entry-level jobs

NUMBER OF JOBS ADDED IN TOP SECTORS BETWEEN 2009 AND 2018

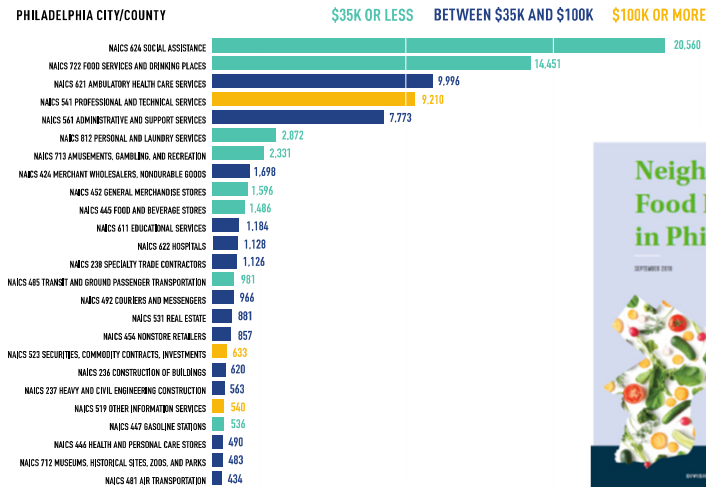


Source: BLS, Quarterly Census of Employment and Wages



#2 Food services, eating & drinking establishments 6,000 across the entire city

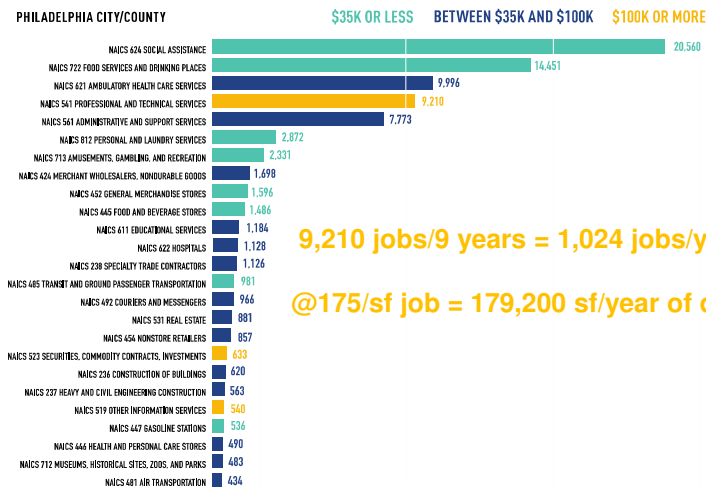
NUMBER OF JOBS ADDED IN TOP SECTORS BETWEEN 2009 AND 2018



CENTRAL PHILADELPHIA
DEVELOPMENT CORPORATION

#3 Ambulatory care #4: Professional & technical services (office jobs)

NUMBER OF JOBS ADDED IN TOP SECTORS BETWEEN 2009 AND 2018



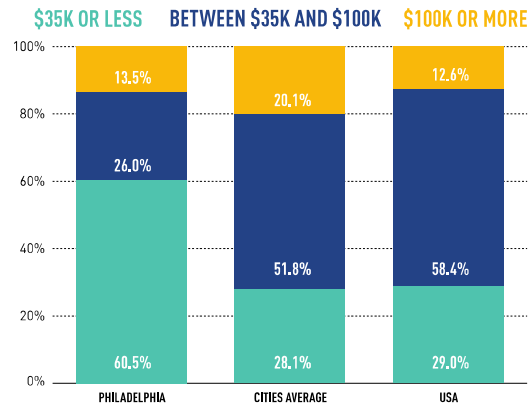
9,210 jobs/9 years = 1,024 jobs/year

@175/sf job = 179,200 sf/year of demand

CENTRAL PHILADELPHIA
DEVELOPMENT CORPORATION

By contrast 25 largest cities grew a greater share of middle class jobs

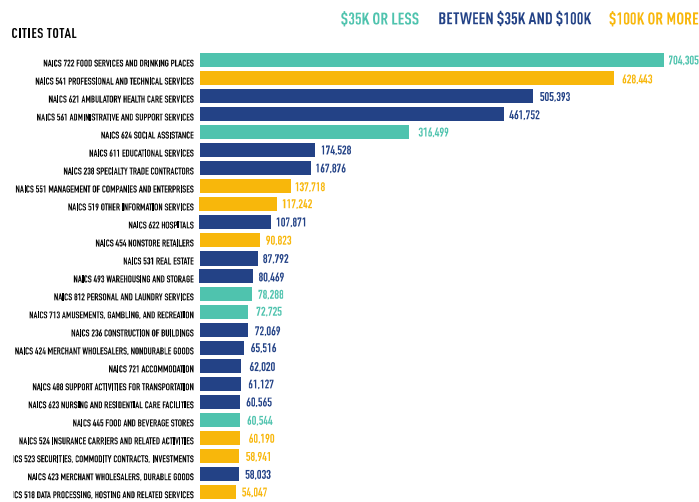
FIG 7: PROPORTION OF JOB GROWTH 2009-2018 BY AVG WAGE IN SECTOR



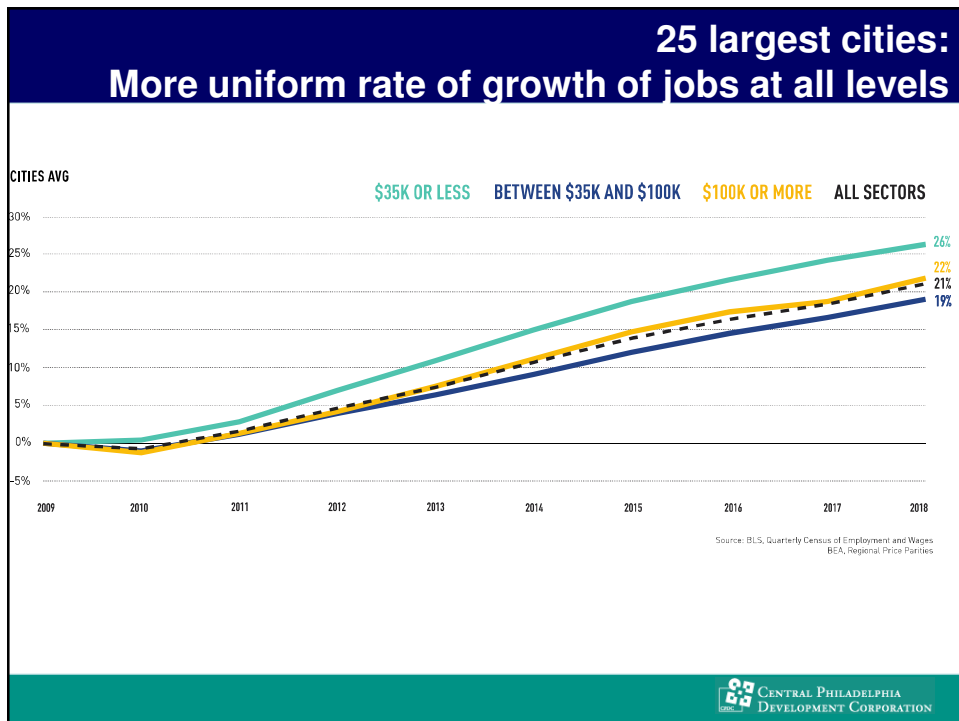
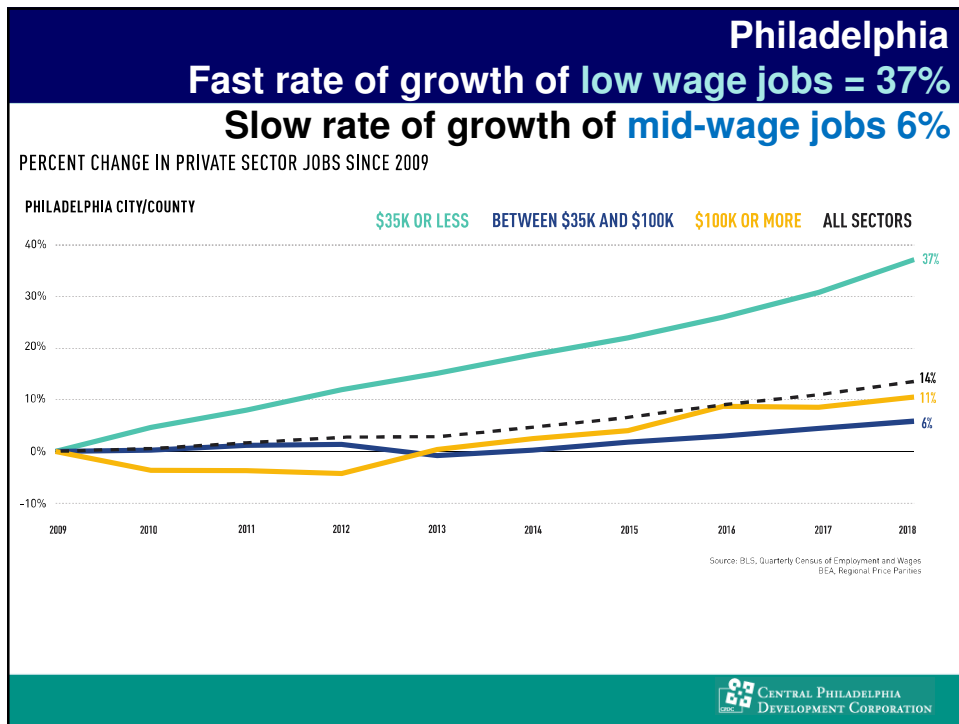
Source: BLS, Quarterly Census of Employment and Wages

CENTRAL PHILADELPHIA
DEVELOPMENT CORPORATION

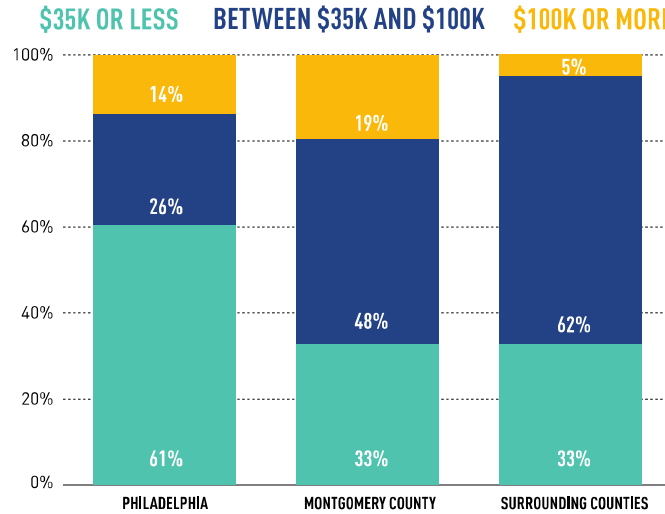
25 largest cities Robust professional & technical services (office jobs) Higher wage ambulatory care



CENTRAL PHILADELPHIA
DEVELOPMENT CORPORATION



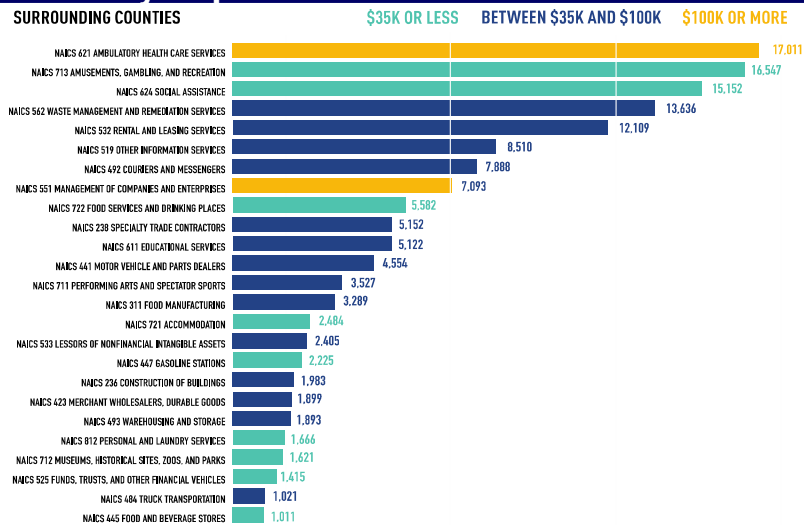
Suburbs also grew Greater share family-sustaining jobs



Source: BLS, Quarterly Census of Employment and Wages

CENTRAL PHILADELPHIA
DEVELOPMENT CORPORATION

Strongest growth in suburbs: ambulatory care Very important eds & meds trend to watch

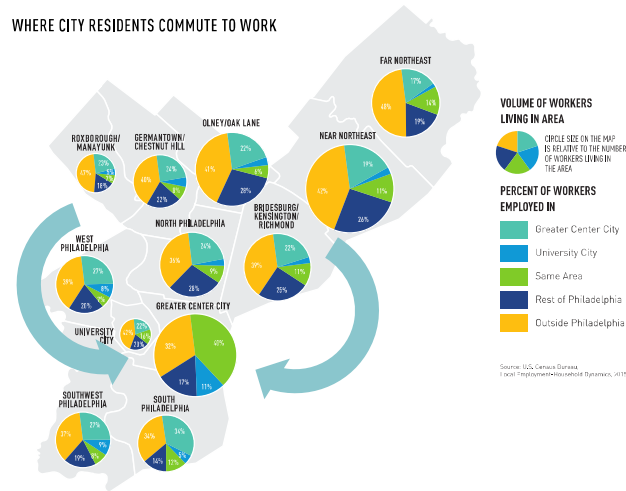


Source: BLS, Quarterly Census of Employment and Wages

CENTRAL PHILADELPHIA
DEVELOPMENT CORPORATION

Center City's jobs transit oriented = 25% of working residents from every neighborhood earn their livelihood downtown

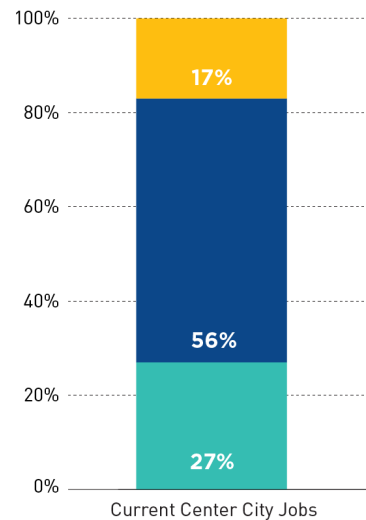
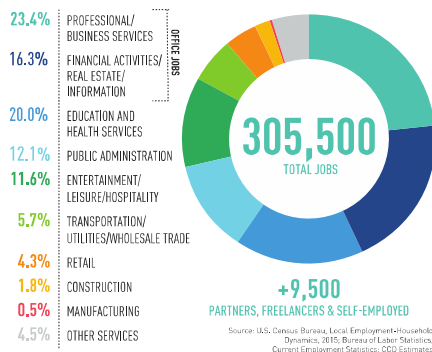
WHERE CITY RESIDENTS COMMUTE TO WORK



CENTRAL PHILADELPHIA
DEVELOPMENT CORPORATION

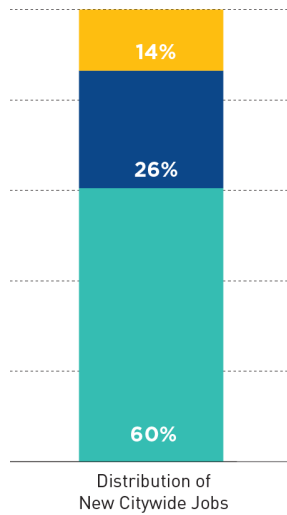
Current mix Center City's 305,500 jobs quite diverse 27%: \$35,000 or below; 56%: \$35-\$100,000; 17% >\$100,000

GREATER CENTER CITY WAGE & SALARY EMPLOYMENT

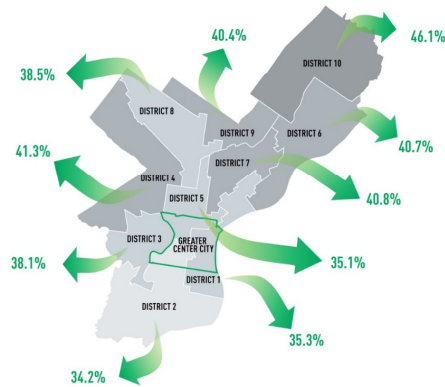


CENTRAL PHILADELPHIA
DEVELOPMENT CORPORATION

Jobs we are growing citywide are far less diverse Partially what accounts for reverse commuting



PERCENT COMMUTING TO JOBS OUTSIDE CITY OF PHILADELPHIA, BY CITY COUNCIL DISTRICT



Source: U.S. Census Bureau, Local Employment-Household Dynamics, 2014

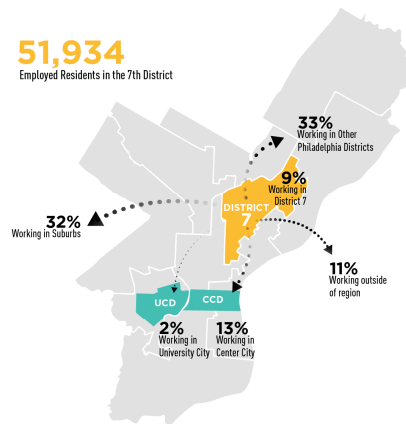
CENTRAL PHILADELPHIA
DEVELOPMENT CORPORATION

7th Council District: 9% work within 7th District 15% in Center City/UC; 33% elsewhere in city; 43% out of city

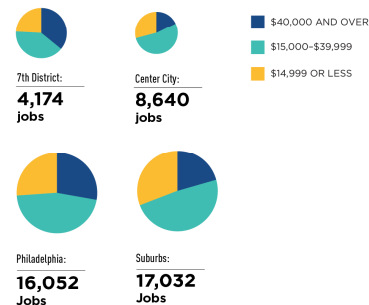
DISTRICT 7, TOTAL EMPLOYED POPULATION

51,934

Employed Residents in the 7th District



INCOME EARNED BY 7TH DISTRICT RESIDENTS, WORKING IN THE 7TH DISTRICT, CENTER CITY, THE BALANCE OF PHILADELPHIA, OR THE SUBURBS



CENTRAL PHILADELPHIA
DEVELOPMENT CORPORATION

What can we do about this?



1. Invest in education & job training to enhance job preparedness.

2. Invest in & provide incentives to targeted industries that produce family sustaining jobs.

3. Focus on across-the-board tax reform to lower barriers to all sectors of job growth



Central Philadelphia
Development Corporation
660 Chestnut Street
Philadelphia, PA 19106

You are cordially invited to attend CPDC's

Membership Meeting

Growing More Family Sustaining Jobs Expanding Opportunity; Reducing Poverty

Guest Speaker:

John H. Alschuler, Chairman, HR&A, New York

Local responses:

Maria Quiñones-Sánchez, Councilwoman, 7th District

John Grady, President, PIDC

