



# 2023

STATE OF CENTER CITY  
PHILADELPHIA



CENTER CITY  
DISTRICT

CENTRAL PHILADELPHIA  
DEVELOPMENT  
CORPORATION



# 2023

## STATE OF CENTER CITY PHILADELPHIA

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# FORWARD

Center City Philadelphia enjoys nearly all of the characteristics and amenities that define downtowns most advanced on the path to recovery in 2023 in the U.S.

*Diverse land-use:* Center City benefits from a substantial volume of housing of all types intermixed with offices, health care and education institutions; a strong convention and tourism business; vibrant arts and culture institutions; and a business mix not highly dependent on technology or financial services. Since 1997, Philadelphia has been a national leader, converting more than 40 buildings downtown to housing or hotels, creating both the third largest downtown residential population among U.S. cities and one of the most walkable and compact convention and tourism destinations in North America, accented with quality public spaces and thriving outdoor cafes.

*Relatively short commute times:* A significant part of our workforce walks, bikes or takes short transit rides, while those who drive can avoid the frustrating, hour-long journeys endured in many regions.

*A revised approach to public safety:* It's misleading to use *pandemic* as an umbrella term to convey the complexity of the last three years. We confronted three interrelated challenges: a health crisis, mandated shutdowns of different durations across the country and, in some cities, civil unrest followed by a rise in crime. Successful cities have deliberately re-animated their downtowns with events and programming, while proactively addressing public safety and quality-of-life challenges with a "two-handed approach" that blends community policing with social services for the distressed who dwell on downtown sidewalks. They take low-level offenses seriously but focus on restorative justice and reconnecting those in need with job opportunities.

In 2021 and 2022, support from businesses enabled the Center City District significantly to enhance uniformed, unarmed public safety deployment: supplementing our long-term Community Service Representative foot patrol with a highly visible bicycle unit, operating seven days a week. Customer oriented and committed to problem solving, CCD personnel provide reassurance to the public. Co-location with a Philadelphia police station, interconnected communication, and the use of real-time crime mapping enables a rapid resolution of emerging challenges.

CCD expanded to three teams the Ambassadors of Hope homeless outreach program in partnership with Project Home and crisis intervention trained police officers, resulting in a 29% reduction in unhoused individuals on the sidewalks of Center City since 2018 without a single arrest or citation. Collaborative strategies are not limited to downtowns. They are as effective

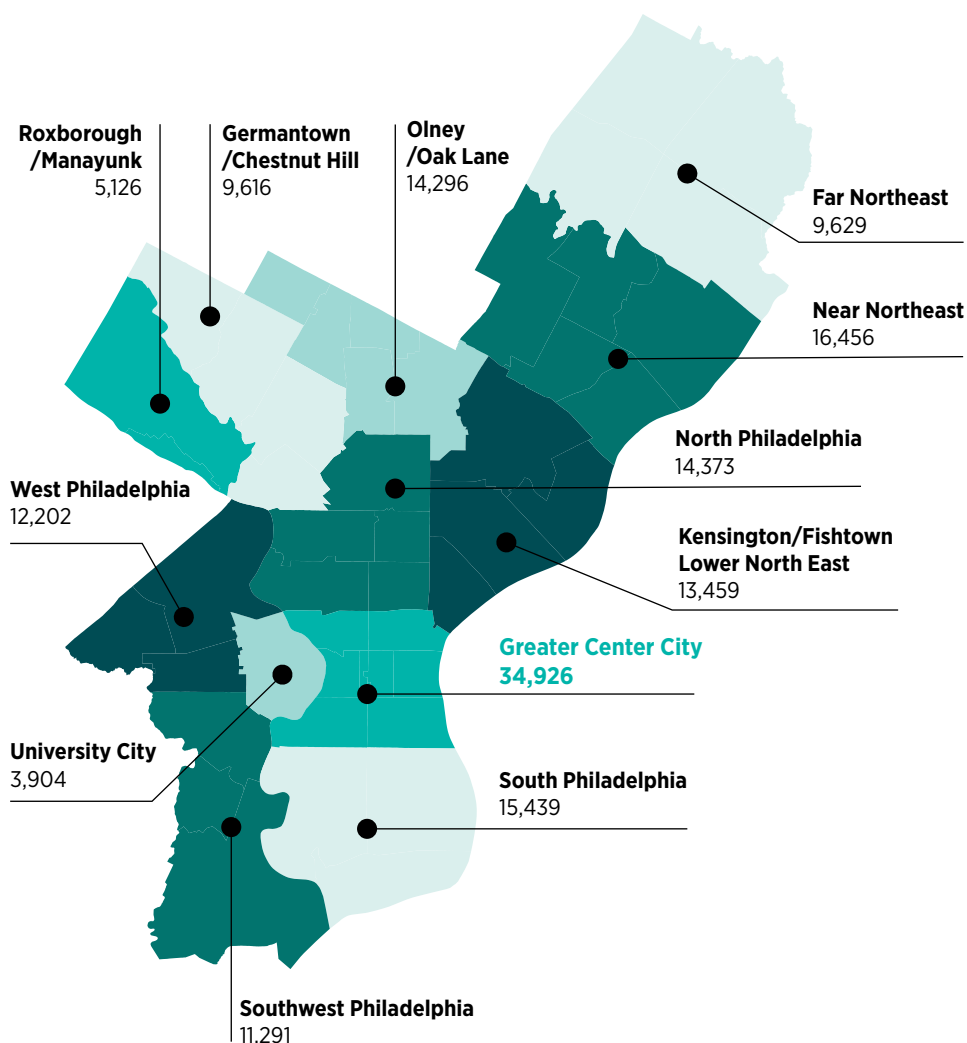
responding to gun violence. Philadelphia's Group Violence Intervention (GVI) initiative partners police and prosecutors, social services and job training with community leaders, local clergy and those with special peer credibility: mothers of young men who were killed and men returning from prison. The next mayor needs to do more of this in more neighborhoods.

Even when resources are constrained, cross-department collaboration yields dividends. CCD facilitates routine coordinating meetings among public safety professionals from city, state and federal law enforcement agencies assigned downtown, from transit agencies and private security in office buildings, businesses and campuses. The result: a 10.6% drop in serious crime within CCD boundaries in 2022 compared to 2019.

CCD enlivened its parks with year-round events and amenities; promoted restaurants, retail and cultural institutions through advertising and social media; planted thousands of flower bulbs and pruned hundreds of trees; maintained and upgraded sidewalk lighting; and enhanced the office district and Walnut Street with landscape improvements. CCD Restaurant Week continued without interruption during the last three years and our CCD Sips promotion returned in 2022. More high-visibility capital improvements are underway in 2023. The overarching message: *come back to the center of it all.*

This multi-pronged approach supports the restoration of pedestrian and economic vitality. The Pennsylvania Convention Center projects visitation in 2023 at more than 1 million, close to 2019 levels. Visitation to the Philadelphia Museum of Art in 2022 reached 81% of 2019 levels; the Kimmel Center attained 67%. At the start of spring, Center City's average daily population reached 345,144—77% of its 2019 pedestrian volumes and more than triple the 113,600 pedestrians in April 2020. There were 35% more residents living in the core of downtown in March 2023 than in March 2020, as expanding housing demand continues to fill new supply. Visitors, tourists and shoppers were at 76% of 2019 levels with workers at 64%. The West Market office district still lags, but rose to 50% of 2019 levels at the end of March 2023.

Problems unresolved at the start of 2020 await a new mayor in 2024. In the expanding national economy, following the severe 2008-2010 recession, Philadelphia's growth was slow, generating insufficient transit-accessible jobs to elevate our low rate of workforce participation and reduce our high level of poverty. High wage and business taxes, levied on both gross receipts and net income—like no other major American city or surrounding county—create disincentives to locate here. This is exacerbated now by options for remote and hybrid work.



**Greater Center City  
provides employment  
for 160,700 workers  
from Philadelphia  
neighborhoods.**

Source: U.S. Census Bureau, Longitudinal Employment-Household Dynamics, 2019

Philadelphia's economy was strong in local serving, lower-paying industries, but deficient in "traded sector" employment, particularly high-wage industries such as professional services, finance and pharmaceuticals that could locate here, serving clients both national and global. These jobs are more decentralized in our region than comparable places. Their absence means fewer of the moderate- and lower-wage jobs that revolve around, and are supported by, traded sector industries in other cities. Only three of the top 15 employers in Philadelphia are for-profit businesses.

Our strength in education, health care and emerging life science is very encouraging, but not yet a significant contributor to a real estate tax base robust enough to support our public schools. The next mayor has a significant opportunity to build on recent momentum around tax reform to shape new policies that foster growth of the full range of jobs and industries across the city.

New leadership can rejuvenate public safety strategies that residents and businesses across the city are demanding.

It's a false choice to juxtapose policing with other services. Well-trained, community-based policing goes hand-in-hand with education, job training and social services to address neighborhood challenges and prepare all of our residents for the jobs of the 21st century.

Philadelphia is a city with extraordinary assets, amenities and advantages, as highlighted in this year's *State of Center City* report. But only committed, proactive private and public leadership will enable the city to realize its full potential.

**Paul R. Levy**  
President  
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# CENTER CITY AT A GLANCE

**43% of citywide jobs, with a workforce from every neighborhood in the city**

**66% of downtown jobs**  
do not require a bachelor's degree

**307,300**  
jobs in Greater Center City

**62%**  
of non-resident workers (as a percentage of the 2019 level) have returned to work downtown in February 2023

**40.5 million**  
square feet of office space

**40+ office buildings**  
converted to hospitality and residential use in the last 25 years

**48% of the city's new residential development at the heart of the region's transportation in 2022**

**109,000 students**  
enrolled in higher education institutions near Center City

**71% of downtown residents**  
25 years old or older are college graduates

**347,800**  
average daily Center City population in February 2023

**203,484**  
full-time residents in Greater Center City

**39% population**  
growth from 2000 to 2020

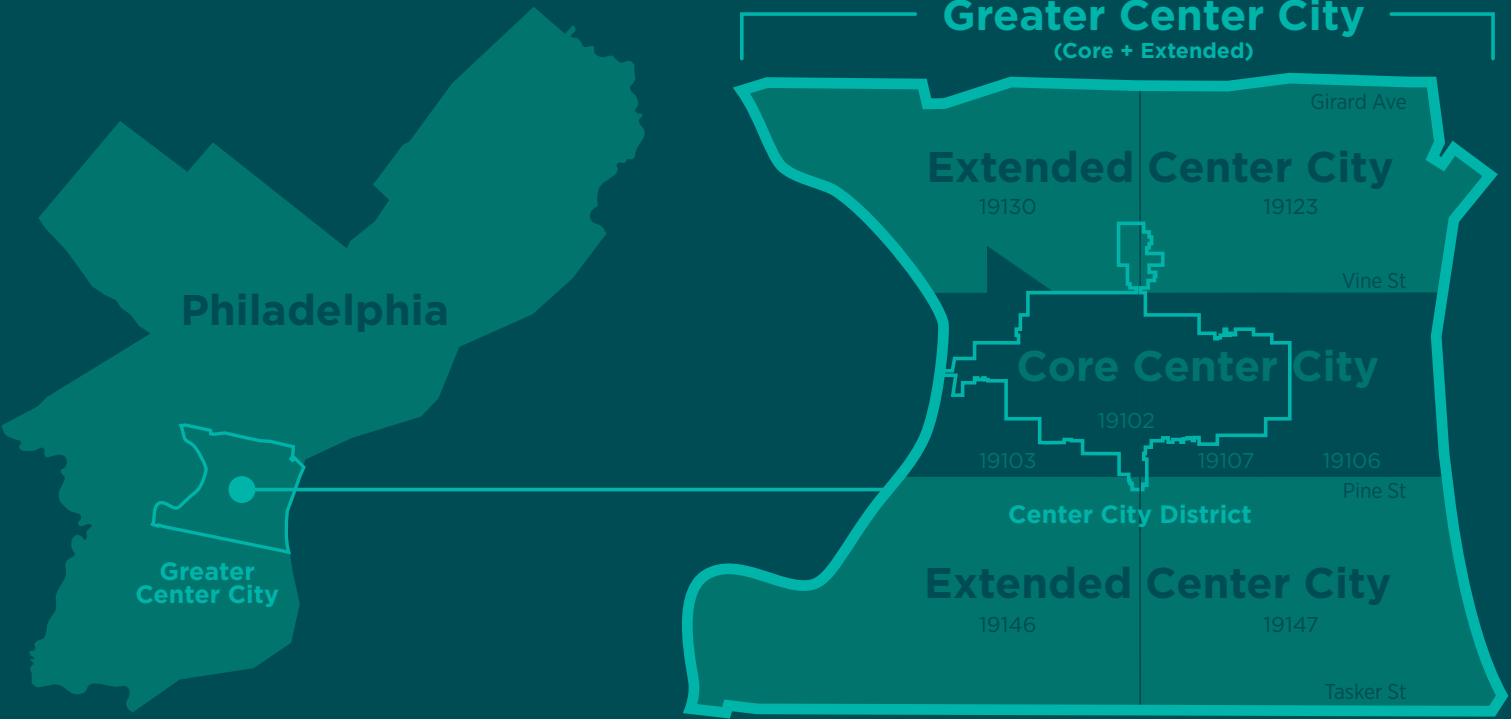
**\$133,376**  
average household income in Greater Center City

**110,500**  
housing units

**\$403,600**  
median housing value

**2,805**  
new housing units completed in 2022

# Defining the Downtown



**80.5%**  
of storefronts occupied in  
September 2022

**175**  
new retailers have opened in  
Center City since 2020

**426**  
full service restaurants

**42**  
full service and local grocery stores  
in Greater Center City

**2,879**  
restaurants, retailers, and  
service providers

**5,021**  
outdoor café seats in  
summer 2022

**552,000**  
visitors to the Pennsylvania  
Convention Center in 2022

**2.87 million**  
occupied hotel room nights in 2022

**13,000**  
total hotel rooms

**210**  
arts and cultural organizations

**8.9 million**  
visitors to  
Dilworth Park

**33.5% of residents**  
walk to work

**4th most walkable**  
city in the U.S.

## 1

# EMPLOYMENT

Center City Philadelphia is the region's largest employment center. With 254,100 jobs from Vine Street to Pine Street, and 307,300 from Girard Avenue to Tasker Street, it is among the country's top 10 most dense job centers blended with the nation's third largest downtown residential population. Offices, hotels, universities, health care institutions and residential towers support a vibrant retail and restaurant scene. Adjacent neighborhoods host smaller nodes of employment with several thriving commercial corridors. All of these assets position Center City well for full recovery.

## KEY TAKEAWAYS

- Home to 43% of jobs in the city, Center City is the most dense job center in the region, with transportation access that creates pathways to opportunity for all Philadelphians.
- 2/3 of all jobs in Center City do not require a college degree.
- Center City jobs are interdependent; widespread remote and hybrid work has diminished the recovery of service sector jobs.

From 2019 to 2020, Philadelphia's private sector employment declined 15%, similar to trends in New York, Washington, Boston, Chicago, and San Francisco. In 2021 and 2022 it bounced back, so that by the end of February 2023, Philadelphia regained all the jobs that it has lost.

In contrast to Northeast and Midwest cities, cities in the Sunbelt experienced smaller pandemic-related job losses and a rebound that has taken them well beyond 2020 job levels, reflecting differences in business climate and less-restrictive public health responses to the pandemic.

Policies that may have been essential from a public health perspective had the unintended consequence of ingraining work-from-home habits with profound implications for downtown vitality and for the many in-person jobs that rely on the presence of other workers. Even cities like New York, hard hit initially, have rebounded more quickly as public officials have placed a high priority on clean and safe, while emphasizing the importance of the office sector to the overall economy.

Following the recession of 2008-2010, Philadelphia emerged as a slow growth city, adding jobs at the rate of 1.5% per year through 2019. The events of the last three years have had the effect of lowering Philadelphia's annual rate of job growth from 2009 to 2020 to just 1.1%.

Citywide, jobs in the leisure and hospitality sector, most severely impacted in 2020, had returned to within 4% of the pre-pandemic level by February 2023, while employment in nearly every other major sector had recovered to February 2020 levels. Detailed industry employment data available through September 2022 show the impact of hybrid work among high-wage workers upon key lower-wage industries, such as parking (down 27% from the pre-pandemic level), travel arrangement (down 40%), and janitorial services (down 21%). By early 2023, many of these sectors had partially improved. While demand for restaurants and retailers in Center City from tourists, regional visitors, and city residents has rebounded, the partial return of downtown office workers has constrained recovery.



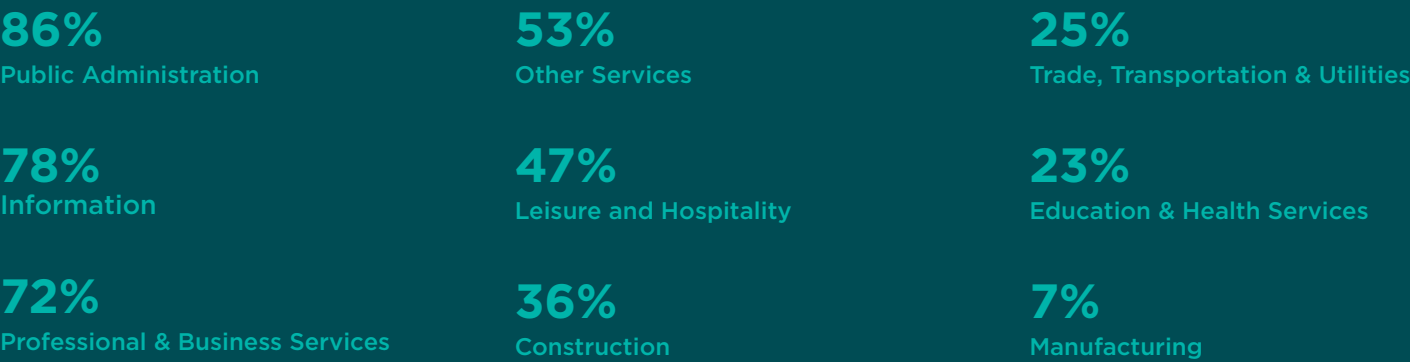


At the start of 2020, Philadelphia's economy was strong in local serving industries but low in "traded sector" employment, particularly in the high wage industries such as professional services and finance that may locate here, but serve clients and do business nationally and globally. These jobs tend to be far more decentralized and spread throughout the surrounding suburbs to a higher degree than in other regions. Their absence downtown had translated into fewer of the moderate-and lower-wage jobs that revolve around traded sector industries in other cities. Our strength in health care and emerging life science is a very encouraging trend. The next mayor has a significant opportunity to build on recent momentum around tax reform and renewed support for public safety and to shape new policies that foster the growth of all types of jobs and employment sectors across the city.

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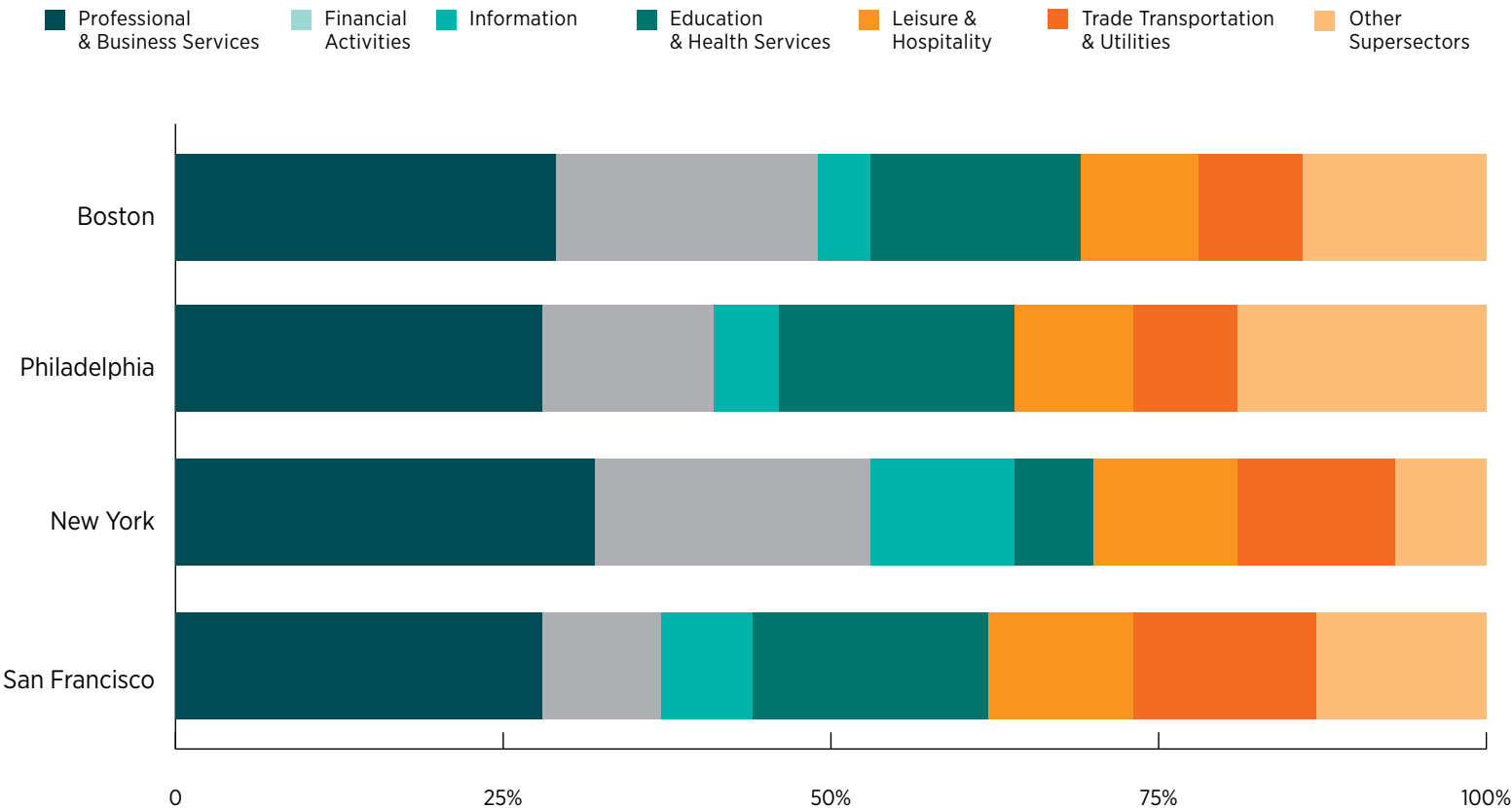
**Center City is rebounding well from the turbulence of the last three years. However, full recovery is constrained by challenges that were left unresolved at the start of 2020.**

# 43% of all Philadelphia jobs are located in Greater Center City.



Source: CCD analysis of Census Bureau, Longitudinal Employer-Household Dynamics data.

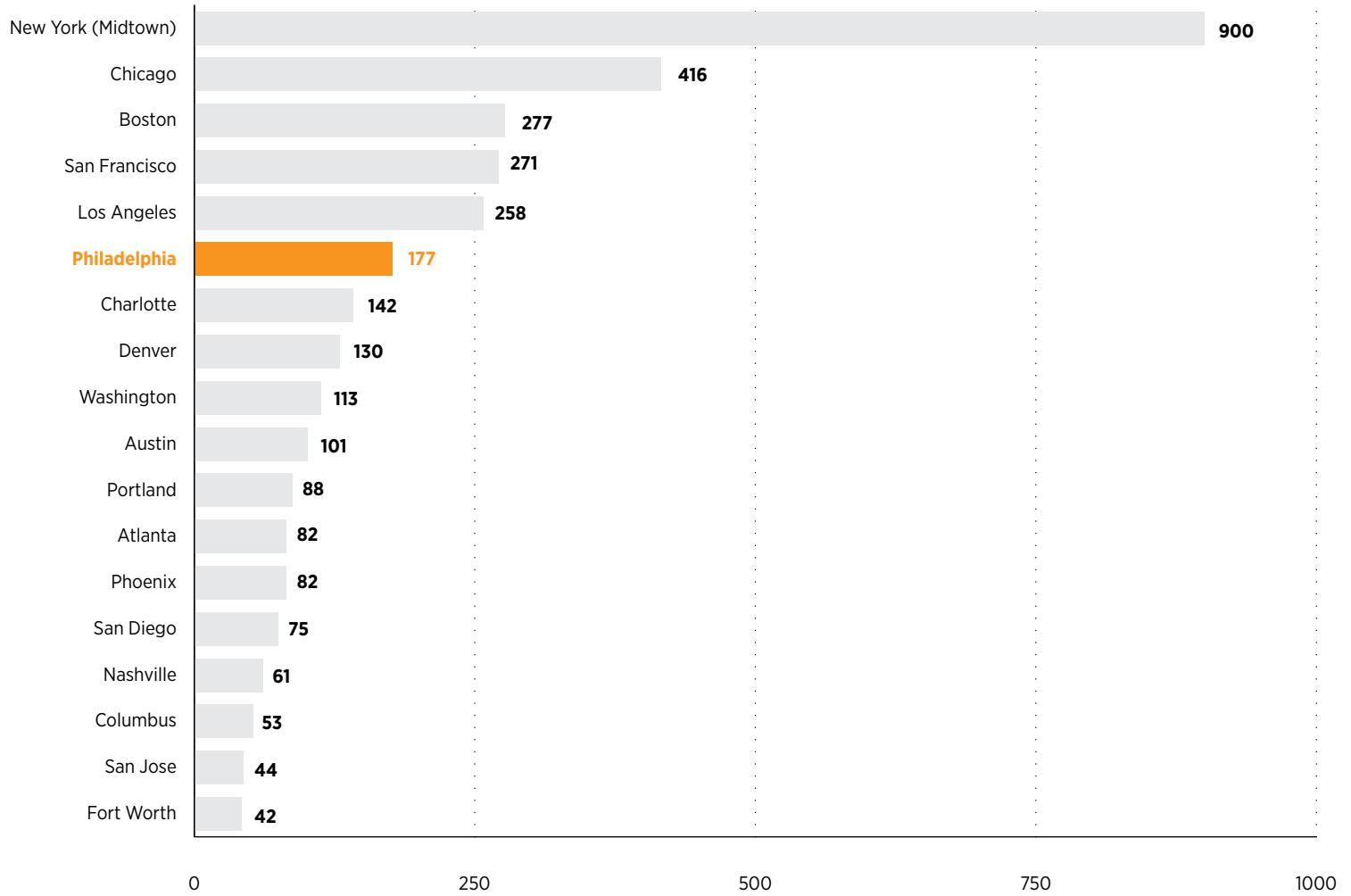
## Downtown Employment by Industry Supersector, 2019



Source: CCD analysis of Census Bureau, Longitudinal Employer-Household Dynamics data.

### Downtown Job Density, 2019 (jobs per acre)

Among 18 of the largest U.S. cities, Philadelphia has the sixth highest downtown job density.



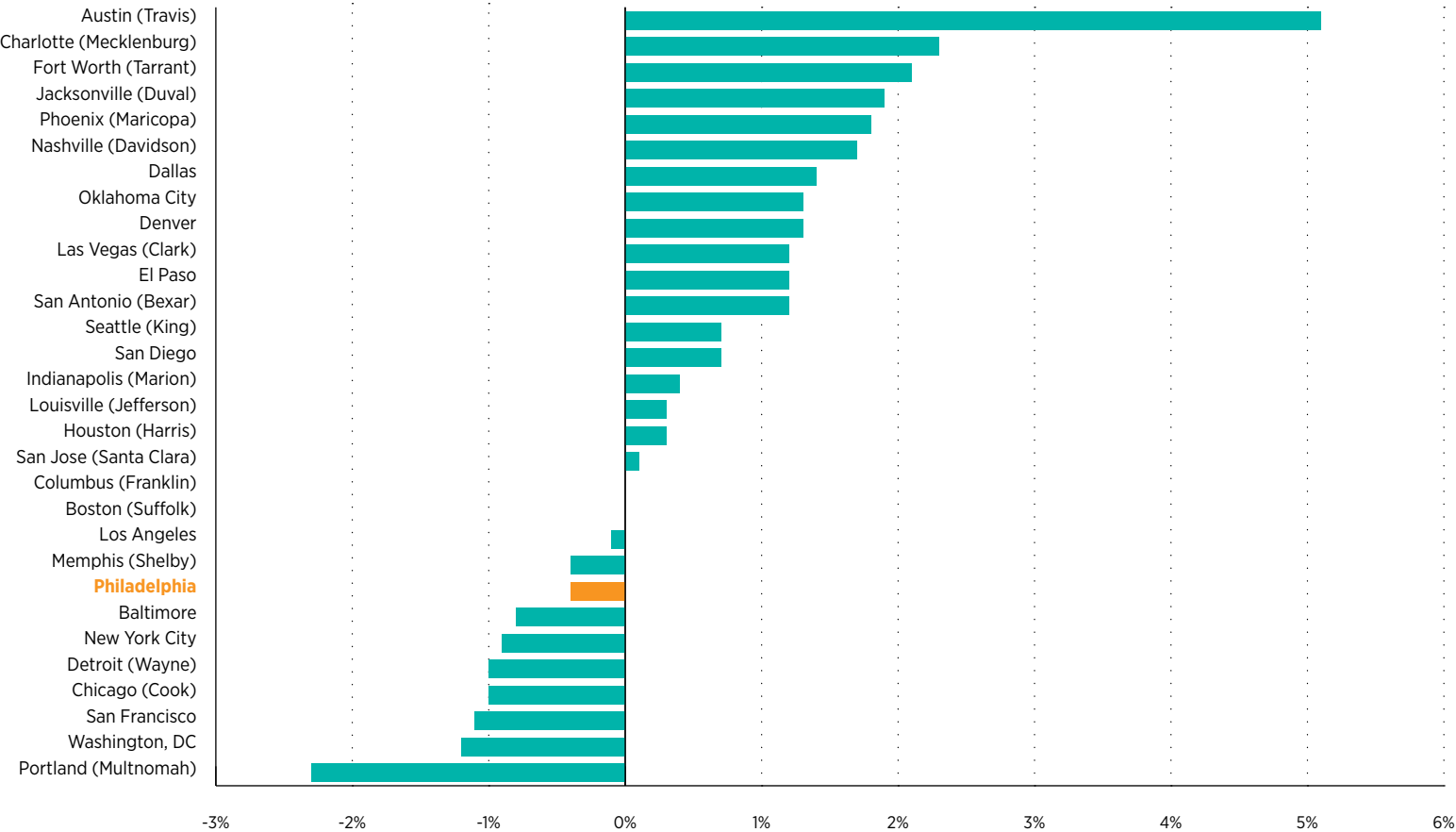
Source: Tract area from Census TIGER/Line files; 2019 tract employment from Census Bureau, Longitudinal Employer-Household Dynamics.





**Average Annual Percentage Change in Private Employment, Q3 2019-Q3 2022**

While all cities lost employment in spring 2020, 18 of the 30 largest U.S. cities bounced back and resumed historic patterns of job growth in 2021 and 2022. By the end of the third quarter of 2022, a handful of cities including Philadelphia were within 1% of restoring the jobs lost in 2020. By early 2023, Philadelphia succeeded in getting back to the level of jobs it held in February 2020.

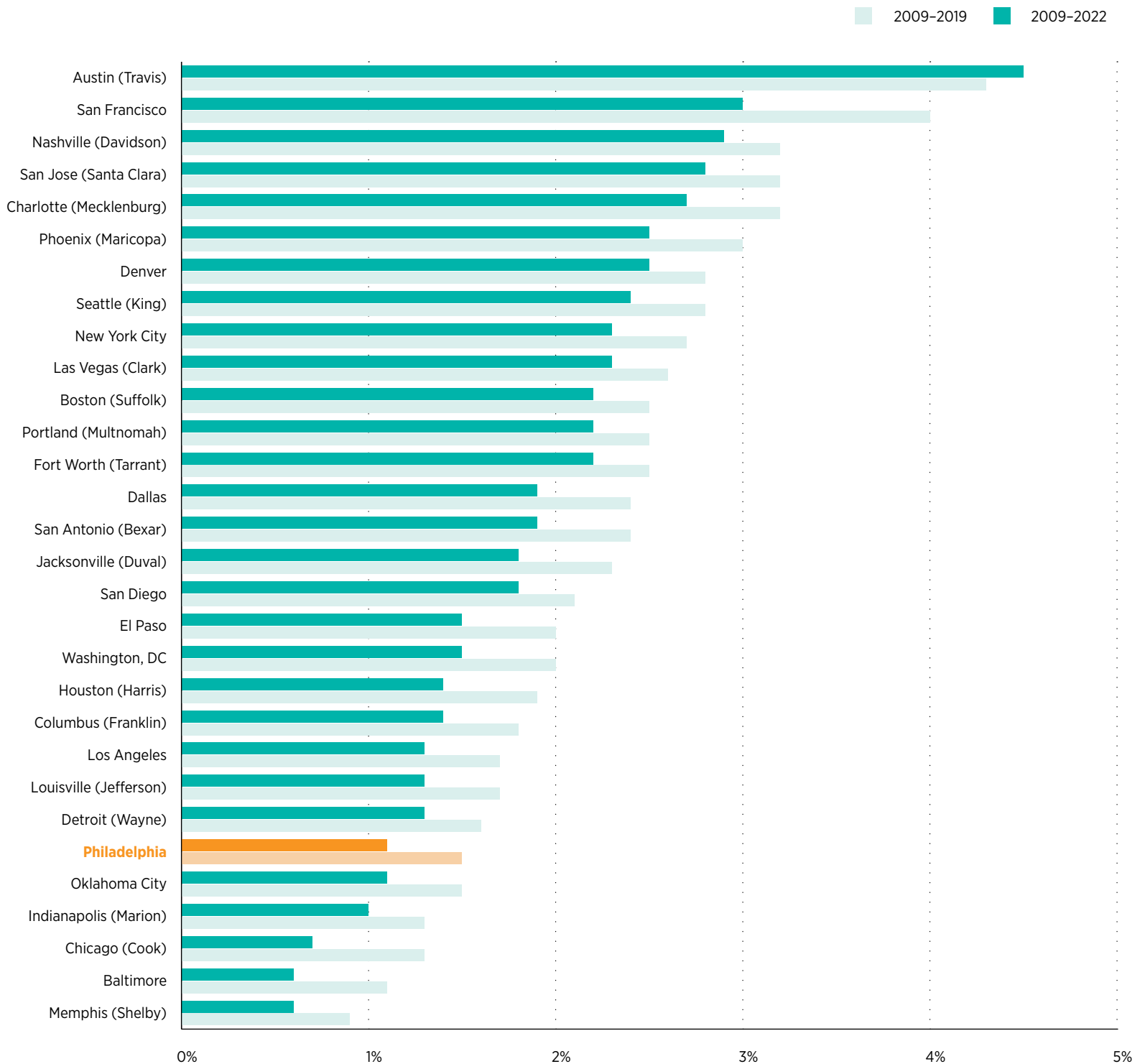


Source: Bureau of Labor Statistics, Quarterly Census of Employment and Wages

More competitive tax policies can help retain new startups and entrepreneurs and enable Philadelphia to attract more employers to locate within the city.

## Average Annual Percentage Change in Private Employment, Q3 2009-Q3 2019 and Q3 2009-Q3 2022

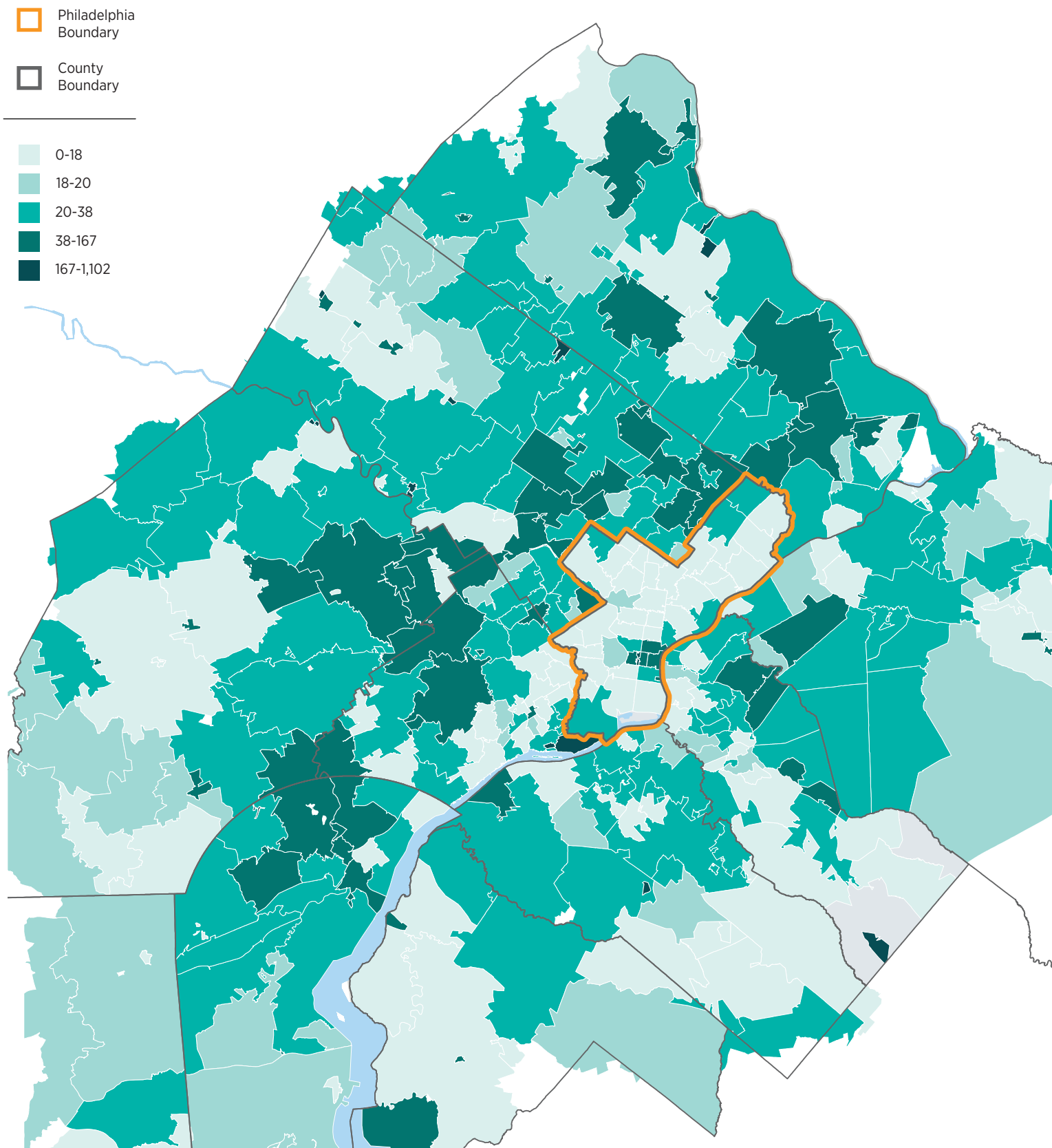
With the exception of Austin, all cities' average annual rates of growth have not yet surpassed their performance from 2009 to 2019. Philadelphia's rate of growth, while positive, places it 25th out of 30 among major U.S. cities.



Source: Bureau of Labor Statistics, Quarterly Census of Employment and Wages

### Philadelphia Region Business Establishments per Thousand Residents by ZIP Code, 2019

Philadelphia has an unusually high suburban job density with businesses concentrated in a ring that extends from Wilmington, Delaware, to Central Bucks County. But by comparison with peer East Coast cities it has a very low density of businesses of all sizes within the city.



Source: US Census Bureau, ZIP Code Business Patterns, American Community Survey, 2019 five-year estimates.







# 2 OFFICE

Center City’s 40 million square feet of office space provides the densest containers of the most diverse jobs, from high-wage and high-skilled, to moderate-wage and entry-level jobs in building services, construction, mechanical systems, janitorial and security. The more higher-skilled workers return to offices more days per week, the more job opportunities for other workers—both within office buildings and in the retail and service establishments supported by office workers.

## KEY TAKEAWAYS

- Center City’s office sector supports diverse industries contributing to Philadelphia’s job restoration.
- By February 2023, the volume of individuals in Philadelphia’s office district increased to 47% of 2019 totals with peaks throughout 2022 on Tuesdays, Wednesdays and Thursdays in the 50% to 60% range.
- The Center City office market has a vacancy rate of 18.6% as of the fourth quarter of 2022; the average rent is \$33.70; both of these represent a modest softening of the market.

In a climate of uncertainty, the vacancy rate in Center City increased to 18.6% by the fourth quarter of 2022 and the average rent decreased slightly to \$33.70. By class, asking rents for Trophy buildings decreased from \$43.62 in 2021 to \$42.43 in 2022, while Class A and Class B rents marginally changed by a few cents.

There are repetitive, routine functions easily performed from anywhere, such as call centers, but the office has a crucial role as the optimal setting for collaboration, innovation and mentoring. Patterns of remote work are also impacted by the structure of local industry. The greater the concentration of occupations that are easily performed remotely—tech and some financial services—the higher the work-from-home quotient. But local leadership matters, as Comcast has demonstrated in Philadelphia.

Nationally, the more time workers spent commuting in 2019, the greater was their motivation to stay home in 2023. But Philadelphia benefits from a large downtown residential population and good regional transit infrastructure.

Finally, the longer workers remained remote after 2020, the more they hold onto that perk. So the challenge for employers is to engage their employees in a collaborative discussion that balances corporate mission with individual preferences and makes the office, as the design firm Gensler has written, more a destination than an obligation.

By February 2023, the volume of individuals in Philadelphia’s office district increased to 47% of 2019 totals with peaks throughout 2022 on Tuesdays, Wednesdays and Thursdays in the 50% to 60% range, significantly higher than in 2021—with all three peak days significantly higher than in 2022.

The ability of many Trophy and Class A building owners to adapt their buildings with new amenities is producing a “flight to quality” from Class B and C, promoting the likelihood of conversions to an alternative use. Here Philadelphia is a national leader, having converted more than 40 buildings downtown to hotel or residential uses in the last 25 years.



At the same time, several major leasing transactions show continued investment in Center City's office market. Morgan Lewis is moving further west to a new 19-story tower at 2222 Market Street and Chubb is relocating from Old City to a purpose-built, 438,000 square foot tower at 2000 Arch Street. On East Market Street, Cash App leased 35,000 square feet of office space.

Center City's office market is also benefiting from innovation and life science sector expansion. Capital One is creating an innovation center as a downtown tech hub. The Curtis Center is adding more lab space to meet growing demand. One of its tenants, BioLabs, leased an additional 30,151 square feet for expansion. Breakthrough Properties is planning a life science development at 2300

Market, closer to University City. Several locations in and around Center City are primed for lab space, new construction or conversions.

With competitive rents, Center City remains highly accessible as Amtrak, SEPTA and PATCO connect downtown to the Northeast Corridor and the surrounding suburbs. The more Philadelphia enhances its vibrant live-work setting and continues to improve the competitiveness of its tax policies, the more opportunities there will be to grow our market share within the region and among cities in the Northeast and to provide more inclusive growth and transit accessible jobs.

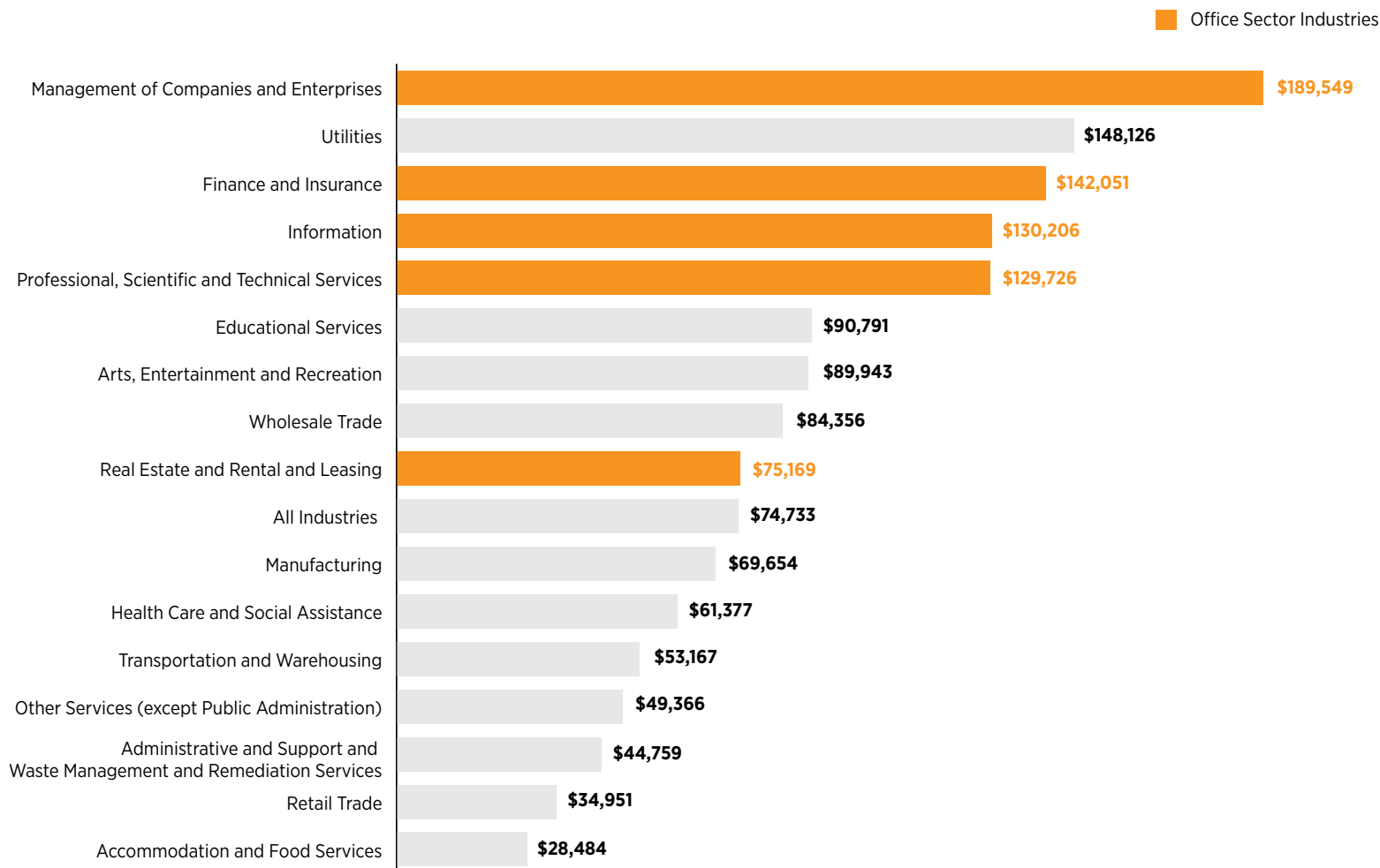
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**The office district can evolve by converting obsolete buildings to residential use and by redesigning ground floor retail and surrounding plazas into more animated public spaces.**



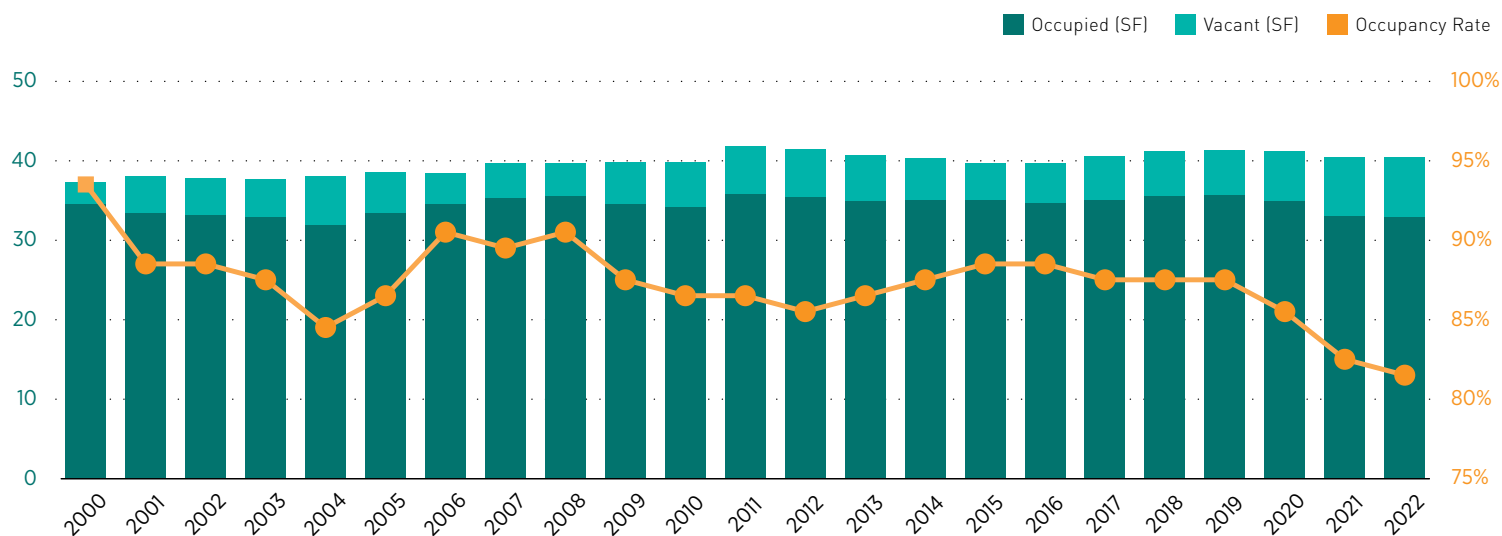
## Average Annual Wages per Employee for Philadelphia Private Sector Jobs, 2021

The average wage for office sector workers in Philadelphia in Center City is \$134,000.



Source: Bureau of Labor Statistics, Quarterly Census of Employment and Wages

## Center City Philadelphia Office Market (Sq. Ft. in Millions)



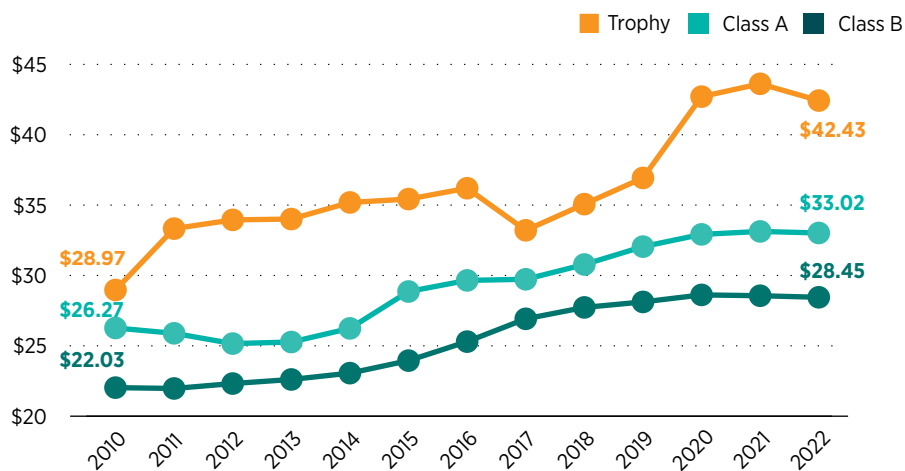
Source: Newmark

## Center City Office Market Trends

	2022 Q1	2022 Q2	2022 Q3	2022 Q4
<b>ASKING RENT PER SQUARE FOOT</b>				
East Market	\$32.21	\$32.14	\$32.21	\$32.14
Independence Square	\$31.30	\$31.13	\$31.15	\$31.13
Walnut/South Broad	\$30.96	\$30.45	\$30.39	\$30.37
West Market	\$35.62	\$35.66	\$35.42	\$35.19
Center City	\$34.05	\$34.00	\$33.86	\$33.70
<b>VACANCY RATE</b>				
East Market	19.5%	19.4%	19.6%	19.7%
Independence Square	17.8%	17.1%	17.3%	17.8%
Walnut/South Broad	20.0%	20.4%	20.8%	20.1%
West Market	17.7%	17.9%	17.9%	18.2%
Center City	18.2%	18.3%	18.4%	18.6%
<b>ABSORPTION (SQUARE FEET)</b>				
East Market	262	5,901	(12,686)	(6,670)
Independence Square	5,417	38,524	(10,991)	(25,380)
Walnut/South Broad	31,813	(16,651)	(16,344)	2,754
West Market	16,349	(45,794)	(13,749)	44,998
Center City	53,841	(18,020)	(53,770)	15,702

Source: Newmark

## Center City Average Asking Rents By Class

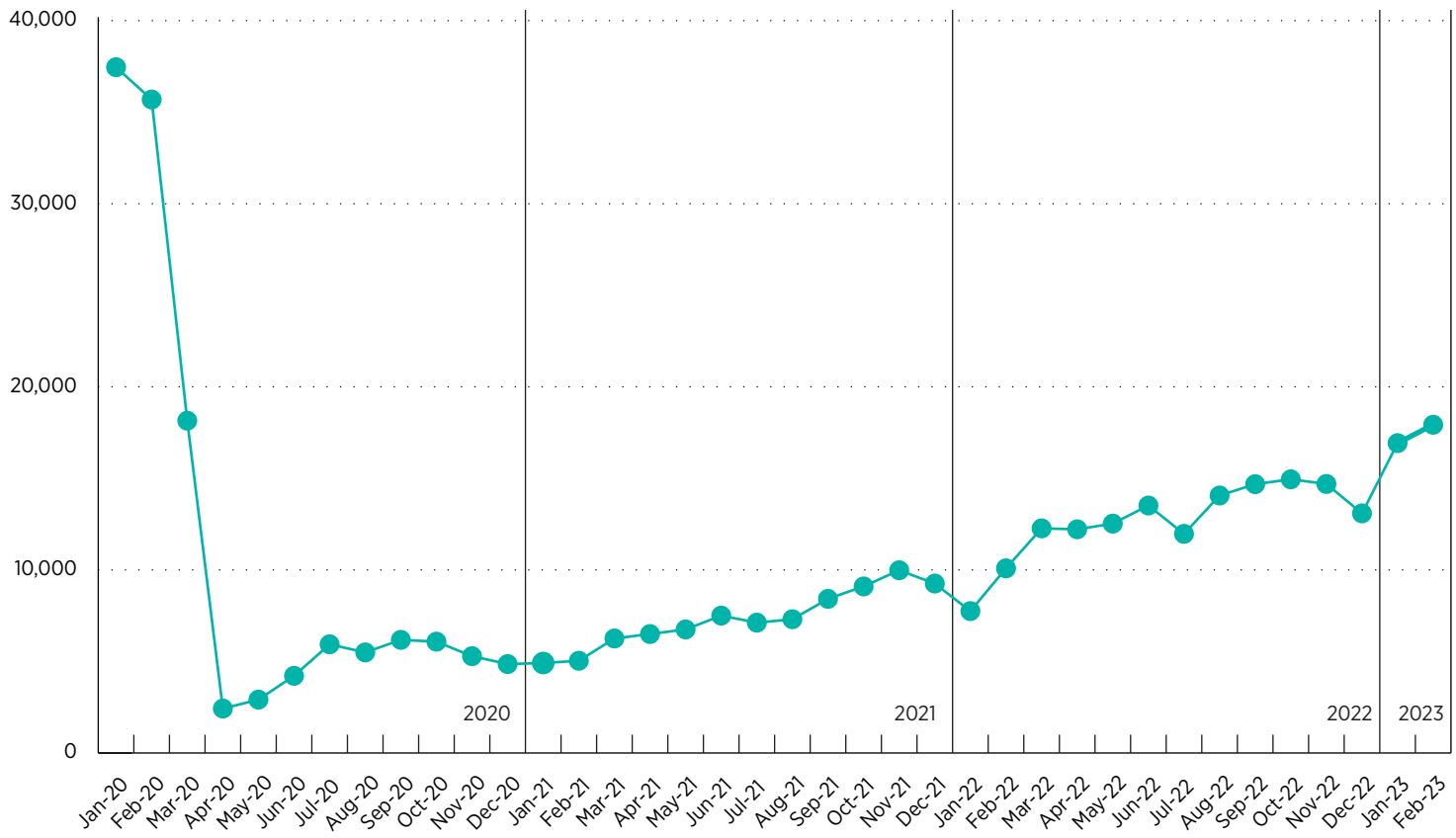


Source: JLL

Office rents and occupancy levels will rebound if obsolete inventory is converted to new uses and tax policies become more competitive.

**West Market Office District Average Daily Worker Volume**

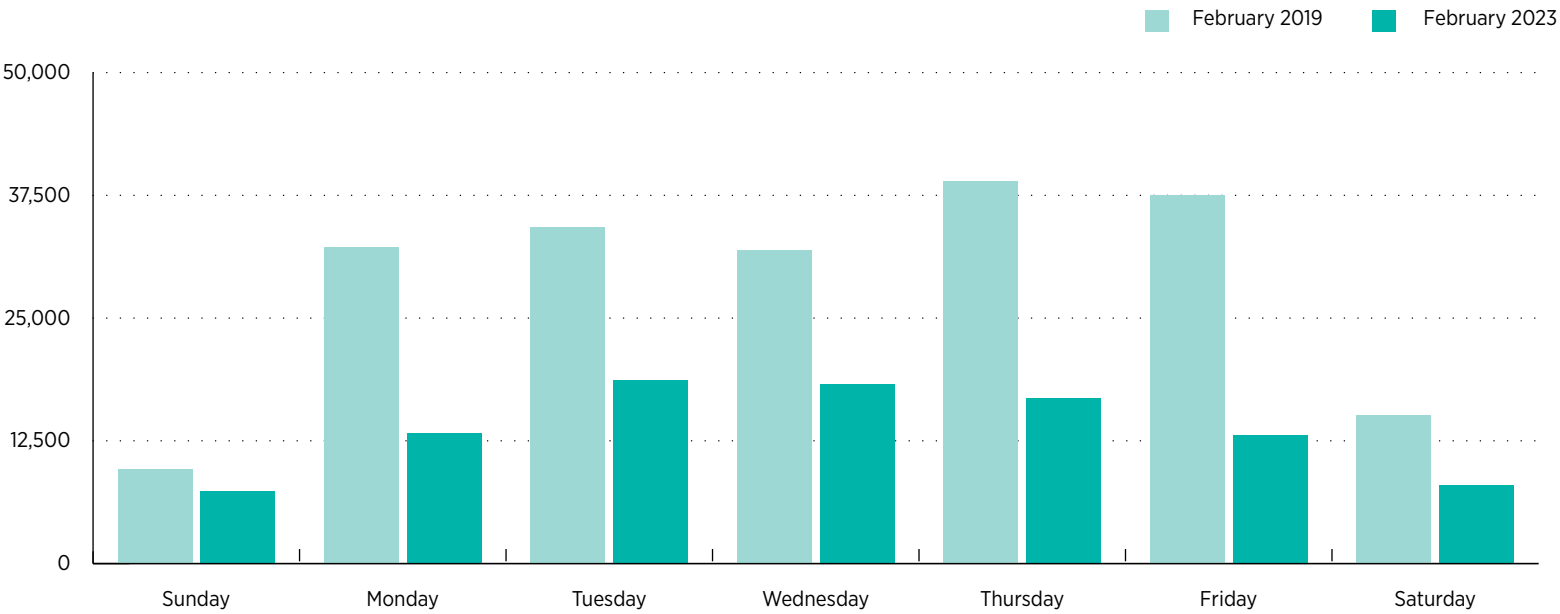
By February 2023, the volume of people in Philadelphia’s office district increased to 47% of 2019 totals.



Source: Center City District sensors

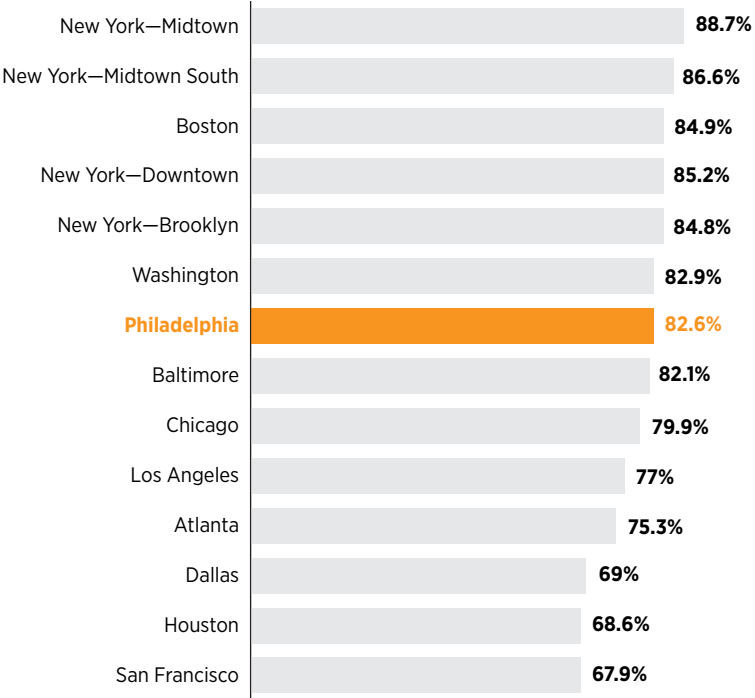
**West Market Office District, Daily Average By Day**

Pedestrian volumes in the office district on Tuesdays, Wednesdays, and Thursdays have recovered most rapidly, with Wednesday volumes reaching 57% of the pre-pandemic level.



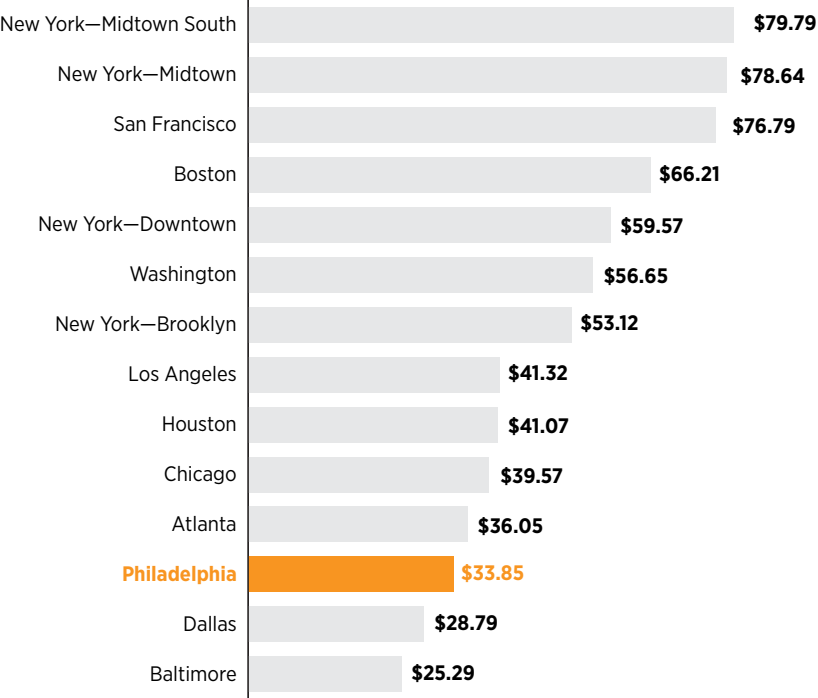
Source: Placer.ai

■ **Central Business District Occupancy Rate, 2022**



Source: Newmark

■ **Central Business District Asking Rents, 2022 (price per sq. ft.)**



Source: Newmark



Philadelphia's relatively affordable rents are a reflection of years of slow growth. More competitive wage and business taxes will enhance demand for office space and strengthen the real estate tax base.



## Significant Office Leasing Transactions in Center City, 2022

### Market Street East

Tenant	Address	Building Name	Building Class	Lease Size (Sq. Ft.)	Transaction Type
ACE American Insurance	510-530 Walnut St	One Washington Square	A	140,585	Renewal
EwingCole	150 N Independence Mall W	Federal Reserve Bank	A	55,000	Blend and Extend
Finley Catering	100 E Penn Sq	The Wanamaker Building	A	44,269	Renewal
Philadelphia Inquirer	100 S Independence Mall W	100 Independence	A	36,744	Relocation
BioLabs	601 Walnut St	The Curtis	A	30,151	Expansion
JKR Partners	100 E Penn Sq	The Wanamaker Building	A	16,955	Renewal
Philadelphia Hand to Shoulder Center	833 Chestnut St	833 Chestnut	B	12,273	Renewal

### Market Street West

Chubb	2000 Arch St	2000 Arch	Trophy	438,000	New Lease
Sungard Availability Services	1500 Spring Garden St		B	123,000	New Lease
Ernst & Young	2005 Market St	One Commerce Square	Trophy	40,668	Renewal
Rawle & Henderson	1500 Market St	Centre Square—West Tower	A	36,196	Relocation
Holland & Knight	1650 Market St	One Liberty Place	Trophy	35,000	Relocation
Morgan Stanley	1650 Market St	One Liberty Place	Trophy	31,579	Renewal
SG Preston	50 S 16th St	Two Liberty Place	Trophy	23,572	Relocation
U.S. General Services Administration	1601 Market St		A	23,175	Renewal
Hersha Hospitality Trust	2001 Market St	Two Commerce Square	Trophy	22,936	New Lease
UBS	1735 Market St		Trophy	22,625	Renewal
Capital One	1735 Market St		Trophy	22,382	New to Market
Hersha	2005 Market St	One Commerce Square	Trophy	22,000	New Lease
Jacobs Engineering Group	2001 Market St	Two Commerce Square	Trophy	20,452	New Lease
Sedgwick Claims Management Services	1801 Market St	10 Penn Center	A	18,817	Renewal
Ardent Credit Union	1601-1645 Cherry St	Three Parkway	A	18,741	New Lease
Colliers Engineering & Design	1500 John F Kennedy Blvd	Two Penn Center	B	17,440	Expansion
Accenture	2001 Market St	Two Commerce Square	Trophy	17,348	Expansion
Help at Home	1500 Spring Garden St		B	17,000	New Lease
American Executive Centers	1515 Market St		A	15,882	Renewal
NeuroFlow	1601 Market St		A	15,758	Relocation
Ogletree Deakins	1735 Market St		Trophy	15,204	Renewal
CARIE	1650 Arch St		A	15,000	Relocation
Commonwealth of Pennsylvania	1515 Market St		A	14,700	New Lease
Lincoln National Life Insurance Company	2005 Market St	One Commerce Square	Trophy	14,601	Renewal
Johnson, Mirmiran & Thompson	1600 Market St	PNC Bank Building	A	14,488	Renewal
Voith & Mactavish Architects	2401 Walnut St		A	13,672	Renewal
Bright Horizons Family Solutions	1601 Market St		A	13,581	Renewal
Frank Recruitment Group	2001 Market St	Two Commerce Square	Trophy	13,405	New Lease
AIG	130 N 18th St	One Logan Square	Trophy	12,500	Relocation
Urban Affairs Coalition	1650 Arch St		A	11,052	Relocation
MCS Group	1601 Market St		A	10,727	Renewal

Source: JLL





# 3

# HEALTH CARE & EDUCATION

Health care and higher education provide the largest share of Philadelphia's jobs. This “eds and meds” sector attracts more than 100,000 college students into the downtown and adjacent areas, provides a pipeline of talent for employers, draws patients and research dollars to the city while supporting technological and medical innovation, life science research and the growth of new industries.

## KEY TAKEAWAYS

- Philadelphia's health care and education sectors create a direct pipeline to talent and a diverse downtown work environment.
- Universities in and around Center City are pioneers for research and development, receiving over \$1 billion in NIH funding and spending \$2 billion on R&D.
- Philadelphia is growing in recognition for innovation through life science and venture capital funding.

In 2021, the health care and higher education sector provided an estimated 54,500 jobs, representing 19% of total employment in Center City.

Fourteen higher education institutions in and around Center City collectively enrolled 109,000 students and granted 31,500 degrees in 2021 with health sciences and STEM programs accounting for 51% of the degrees conferred. A significant share of students from the downtown area's colleges and universities live in Center City, renting apartments and patronizing local retailers and restaurants. As graduates choose to stay in the city, the percentage of Philadelphia residents with a bachelor's degree or higher has increased from 18% in 2000 to 33% in 2021, and to 71% in Center City.

Philadelphia's health care providers draw patients from across the region and the country and rank high in national ratings. According to *U.S. News and World Report*, Children's Hospital of Philadelphia (CHOP) ranks fourth in the nation among children's hospitals and the Hospitals of the University of Pennsylvania-Penn Presbyterian rank 13th nationally among all hospitals.

Universities and health care institutions attract external funding to support research and development with Philadelphia ranking fourth nationally in National Institutes of Health funding, with more than \$1.2 billion in funding secured in 2021. The combined research and development expenditures from all sources at University of Pennsylvania, Temple University, Thomas Jefferson University, Drexel University, and CHOP exceeded \$2.2 billion in 2021. Three Philadelphia research institutions were named among the best in the U.S., according to Heartland Forward. The Wistar Institute in Philadelphia ranks No. 3 in the nation, followed by Fox Chase Cancer Center at No. 32 and CHOP at No. 38.

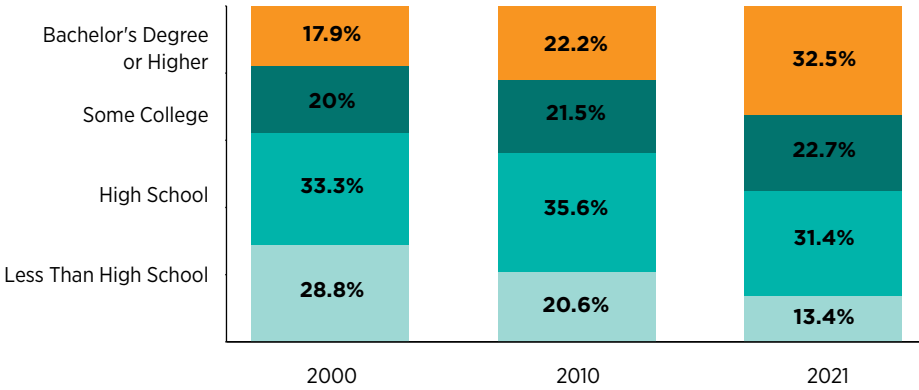
In Center City, health care institutions are continuing to expand to improve service and treatment. Thomas Jefferson is completing the Honickman Center, an outpatient specialty care facility at 1101 Chestnut Street. In October 2022, CHOP broke ground on the Schuylkill Avenue Research Building for cell and gene therapy research, as they continue to expand into Center City. This new tower will include wet and dry lab space in addition to office space to aid collaboration among researchers.



Universities also serve as incubators for startups and venture capital investment. The University of Pennsylvania, Temple University, and Drexel University offer support through institutes for entrepreneurship and innovation. In the Philadelphia region, venture capital investment reached \$5.6 billion in 2022, with 554 deals in the region. The life science industry has continued to grow in Philadelphia, concentrating in University City, but with substantial expansion in Center City both on West Market Street and in close proximity to Thomas Jefferson University and Hospital. Philadelphia ranks fifth nationally as a life science cluster, according to JLL. The city is ranked in the top 10 for talent, funding, and commercial real estate.

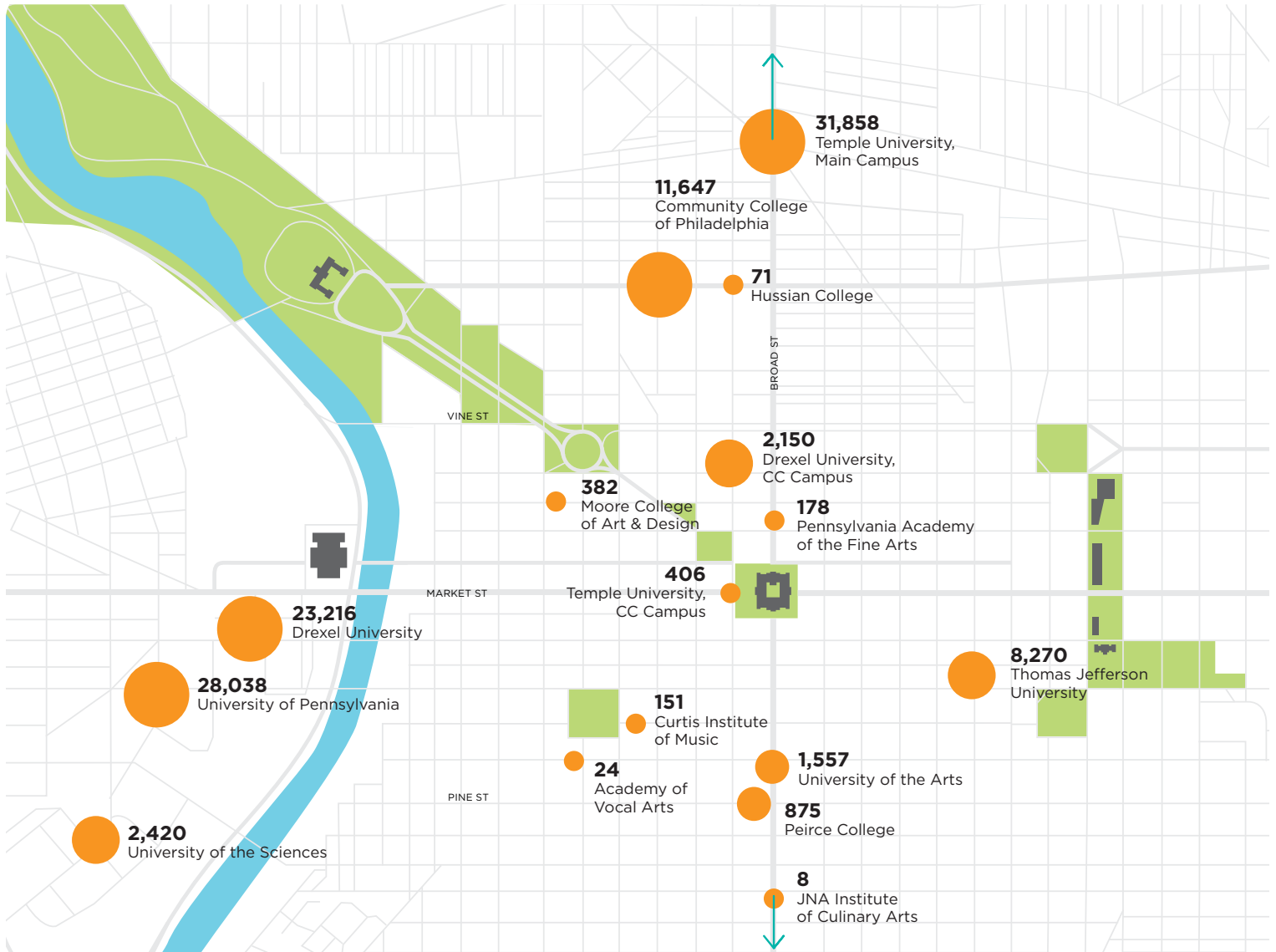
### Philadelphia Educational Attainment, Population Over 25

The percentage of Philadelphia residents with a bachelor's degree or higher has increased from 18% in 2000 to 33% in 2021, and to 71% in Center City.



Source: U.S. Census Bureau, 2000 and 2010 Decennial Census, 2021 American Community Survey

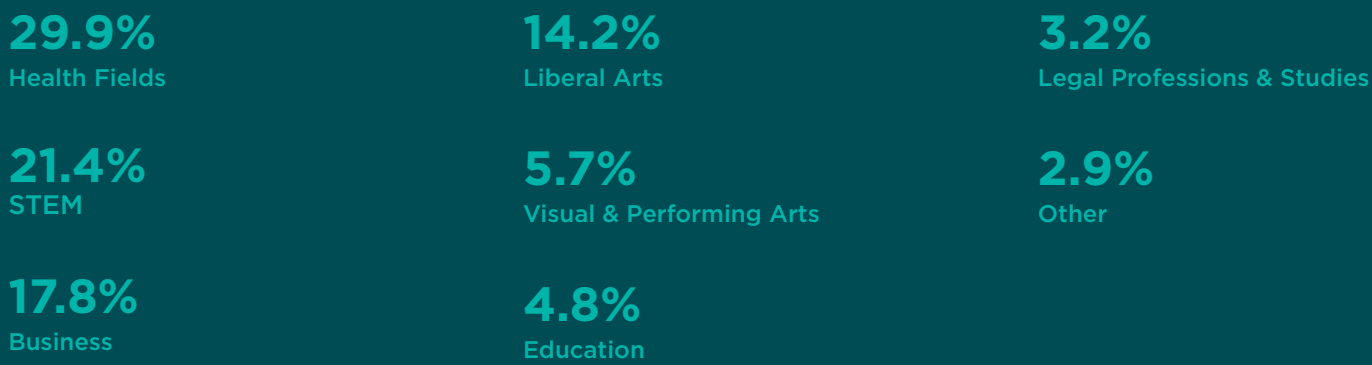




Source: National Center for Education Statistics, Integrated Postsecondary Education Data System, Temple University Fact Book, Drexel University Factbook.

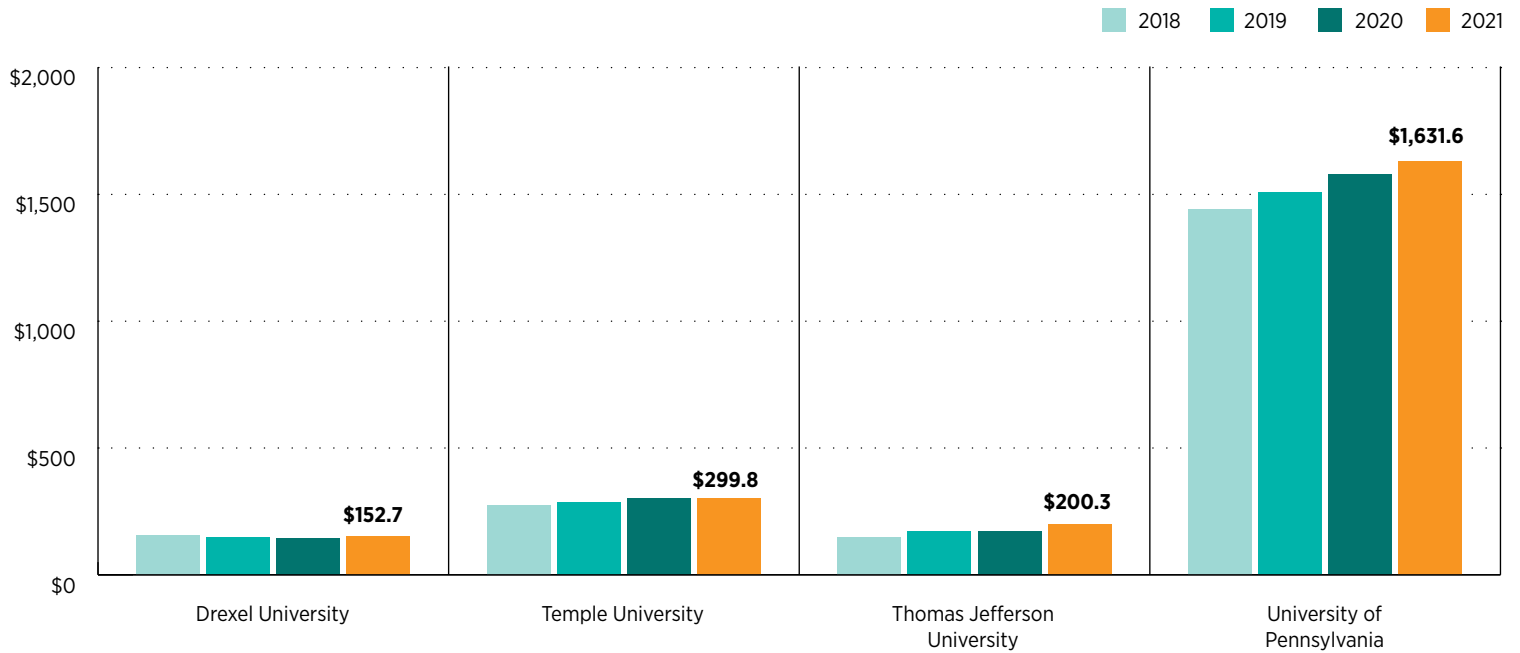
Fourteen higher education institutions in and around Center City collectively enrolled 109,000 students and granted 31,500 degrees in 2021 with health sciences and STEM programs accounting for 51% of the degrees conferred.

# In 2021, 31,539 degrees were granted by institutions of higher education in and around Greater Center City.



**Higher Education R&D Expenditures (\$ in Millions)**

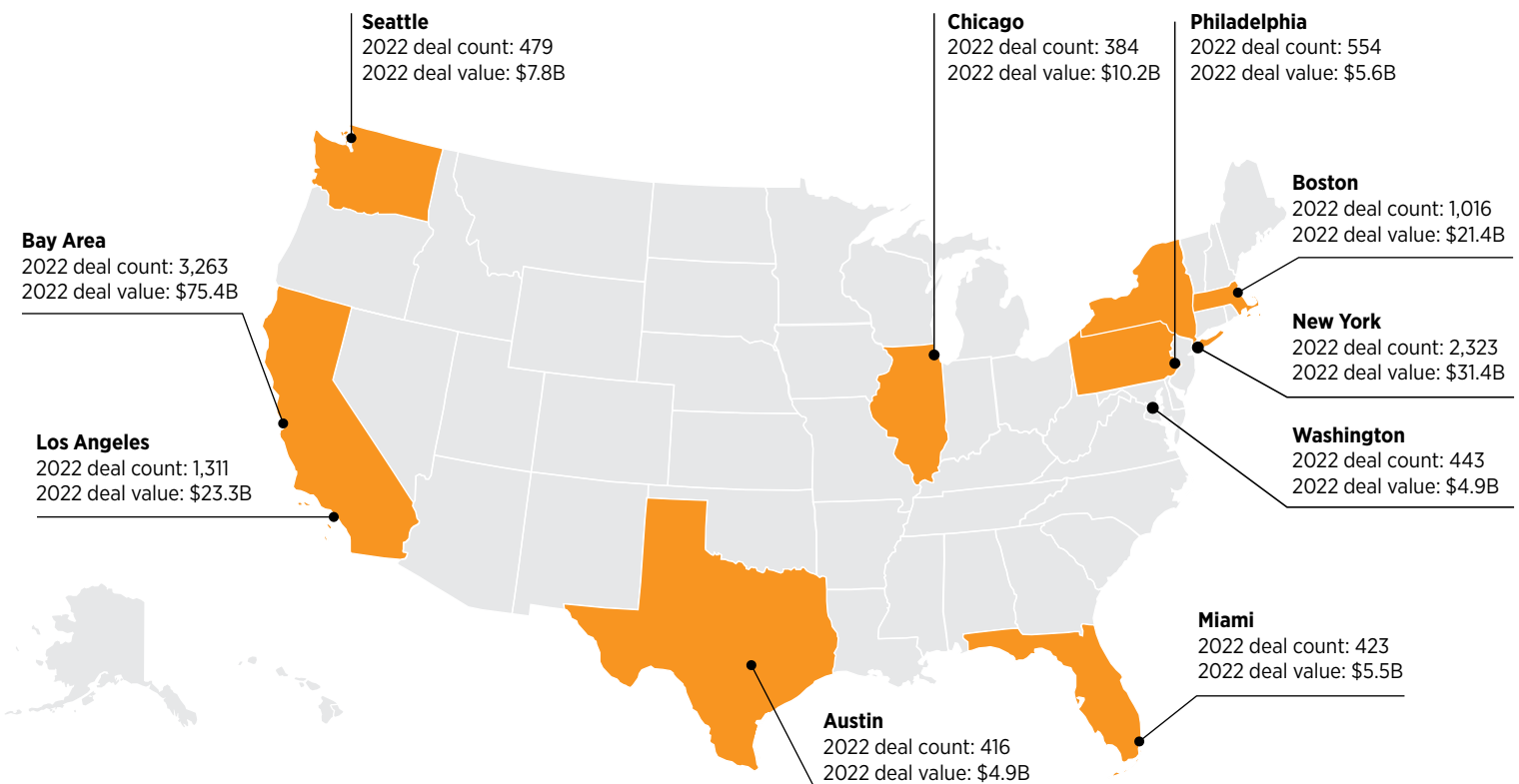
Universities collectively spent over \$2.2 billion on research and development.



Source: National Science Foundation, National Center for Science & Engineering Statistics, Higher Education R&D Survey

**National Venture Capital Deals**

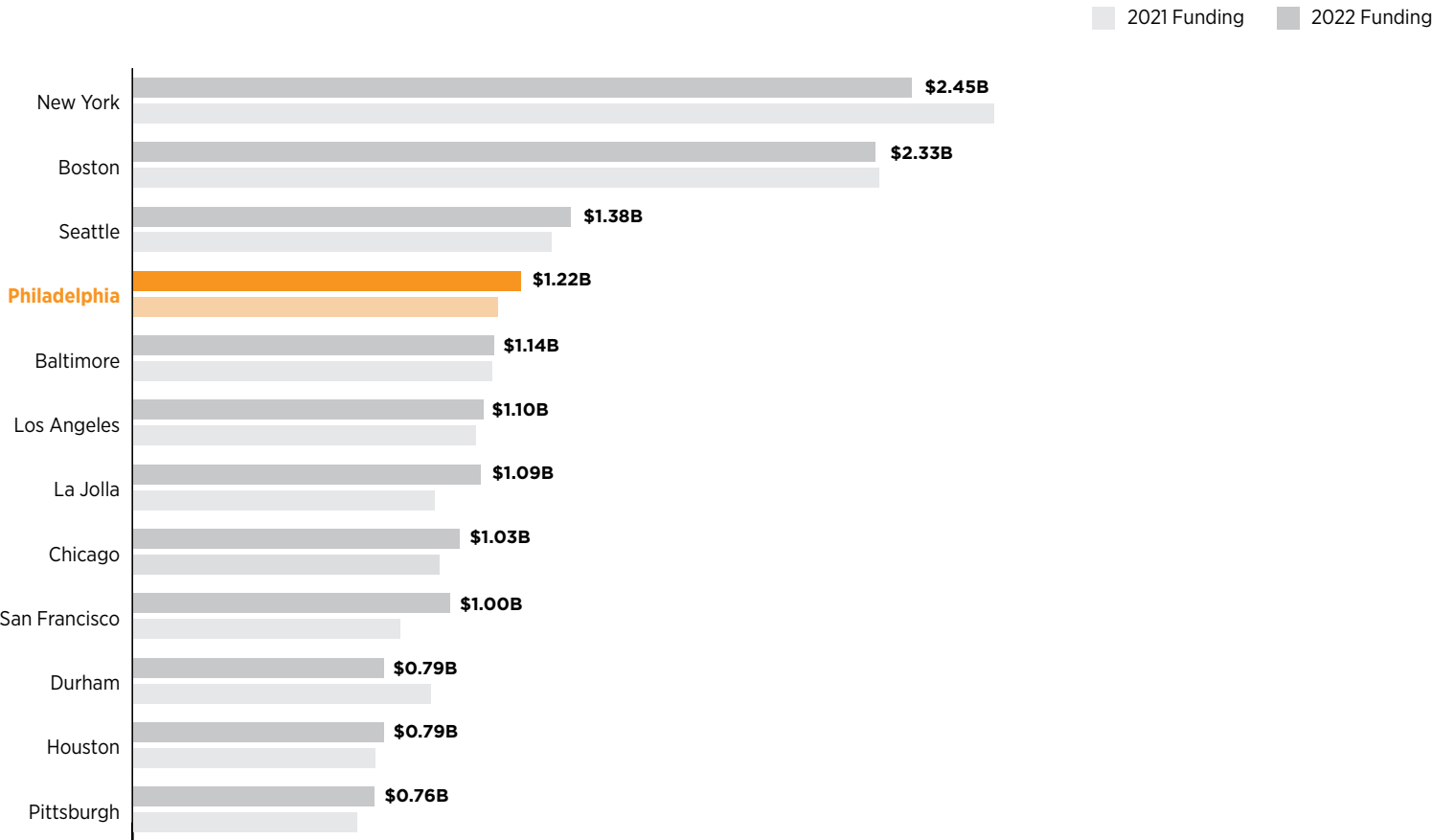
Philadelphia ranks nationally for VC deals with \$5.6 billion in value.



Source: PitchBook-NVCA Venture Monitor  
\*As of December 31, 2022

**National Institutes of Health Funding, 2021 & 2022 (in billions)**

Universities and health care institutions attract external funding to support research and development with Philadelphia ranking fourth nationally in NIH funding, securing more than \$1.2 billion in funding in 2022.



Source: U.S. Department of Health and Human Services, National Institutes of Health



Philadelphia's competitive strength in emerging health sciences and technology points the way to a more prosperous future.



# 4

# HOUSING

Greater Center City has been the fastest growing area of Philadelphia for the last two decades with the population increasing by 39% between 2000 and 2020 to 203,500 residents. Developments in the last three years have capitalized on that trend with 48% of all new Philadelphia housing units in 2022 located downtown and another 27% in the immediately adjacent neighborhoods. Major residential projects completed last year include Riverwalk North at 60 North 23rd Street, One Cathedral Square at 1701 Race Street, and Arthaus at 301 South Broad Street.

## KEY TAKEAWAYS

- Greater Center City has been the most rapidly growing area of Philadelphia, with population growth of 39% since 2000.
- Recent and ongoing development is highly concentrated in and around Center City, with 75% of all new units completed in 2022 located in Greater Center City and adjacent ZIP codes.
- Center City's compact, walkable live-work setting, with restaurants, retailers and cultural amenities, continues to attract residents.

Center City continues to offer a variety of housing options from single family row homes, to condominiums in downtown high rises and apartments throughout the core and extended neighborhoods. Both home values and rents remain highly affordable compared to other major cities, with a median home value of \$403,600 and median rent of \$1,636 in Greater Center City.

The events of 2020 caused some residents briefly to relocate, but the population quickly rebounded in 2021 according to mobile phone location data from Placer.ai and as evidenced by the positive net absorption of multifamily housing units in 2021 and 2022. Single family and condominium home values had stabilized by 2022 and returned to modest growth in 2023, while rents began to increase in early 2021 and are now showing patterns similar to the city and region.

Downtown residential development continues, with approximately 5,000 units currently under construction and another 8,000 with permits, but not necessarily with secured financing.

Some of the highest concentrations of new units are in Northern Liberties, Fishtown and along the Delaware River in apartments that provide both easy transit access to employment nodes in Center City and University City and highway access for reverse commuters. Single family development is robust in both Point Breeze and Pennsport, close to job opportunities in Center City and University City.

With more effective public efforts to promote public safety, job growth, and new investments in parks, public infrastructure and schools, residential development will remain robust and the overall value proposition of a Center City location will grow. A compact, walkable, live-work setting with a diverse mix of historic and modern buildings—and rich with amenities like restaurants, retail, arts and culture, and historical and medical institutions—can continue to thrive as the region's center for research, innovation and job growth.







### Net Migration to Center City and Philadelphia as a Percentage of Population

Mobile phone location data indicates that Center City's population declined in 2020 and rebounded in 2021.



Source: Placer.ai

### Population in Center City and Philadelphia

Greater Center City has been the fastest growing section of Philadelphia since 1990.

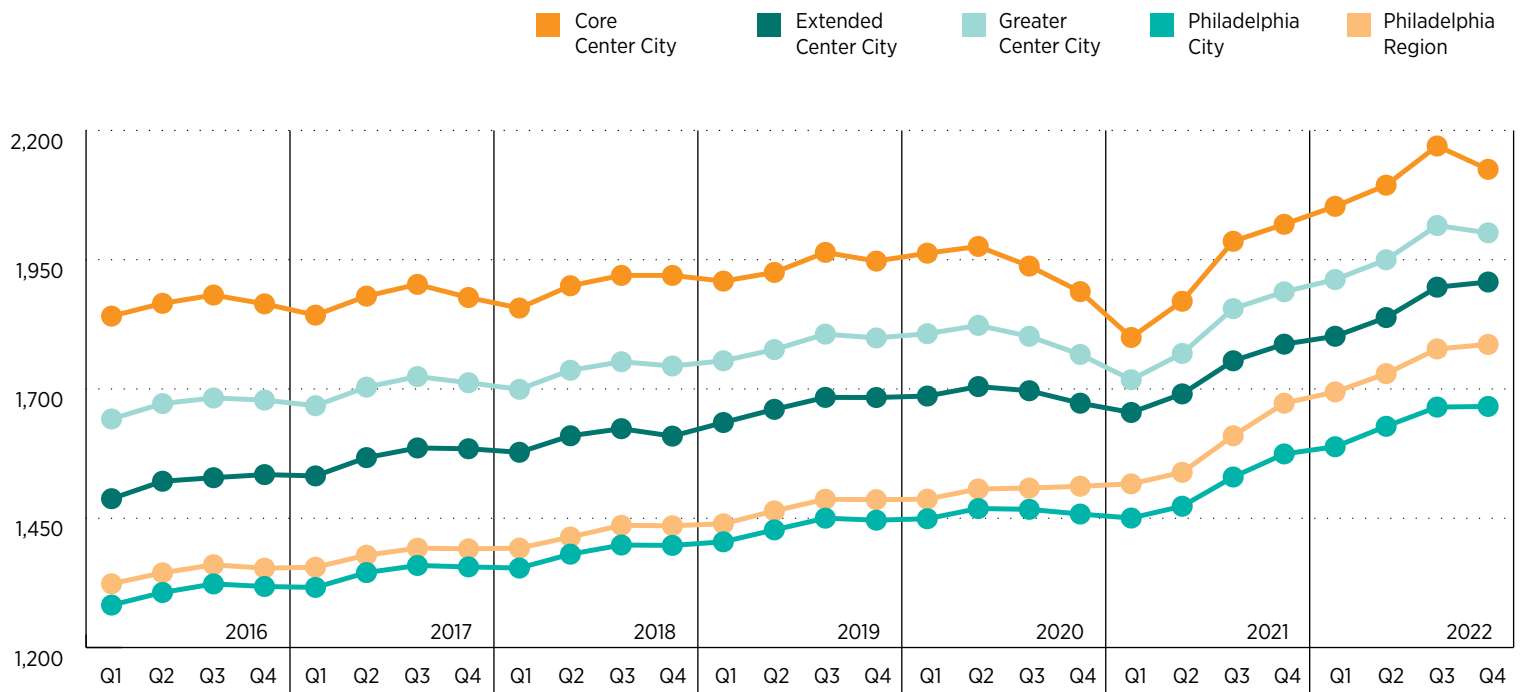
	1990	2000	2010	2020
<b>Core Center City</b>				
Population	39,789	44,955	53,228	69,088
Percent Change		13.0%	18.4%	29.8%
<b>Extended Center City</b>				
Population	107,059	101,443	109,627	134,396
Percent Change		-5.2%	8.1%	22.6%
<b>Greater Center City</b>				
Population	146,848	146,398	162,855	203,484
Percent Change		-0.3%	11.2%	24.9%
<b>Neighborhoods Outside Greater Center City</b>				
Population	1,438,728	1,371,151	1,363,151	1,400,304
Percentage Change		-4.7%	-0.6%	2.7%
<b>Philadelphia</b>				
Population	1,585,576	1,517,549	1,526,006	1,603,788
Percentage Change		-4.3%	0.6%	5.1%

Note: Estimates are based on 2010 definitions of the Census Bureau's ZIP Code tabulation areas.  
Source: Decennial Census population estimates, IPUMS National Historical Geographic Information System



## Zillow Observed Rent Index: Center City, Philadelphia City, and Philadelphia Region

Center City rents declined in 2020 but rebounded beginning in early 2021.



Source: CCD analysis of Zillow Observed Rent Index

## Net Absorption, Center City Multifamily Housing (Units)

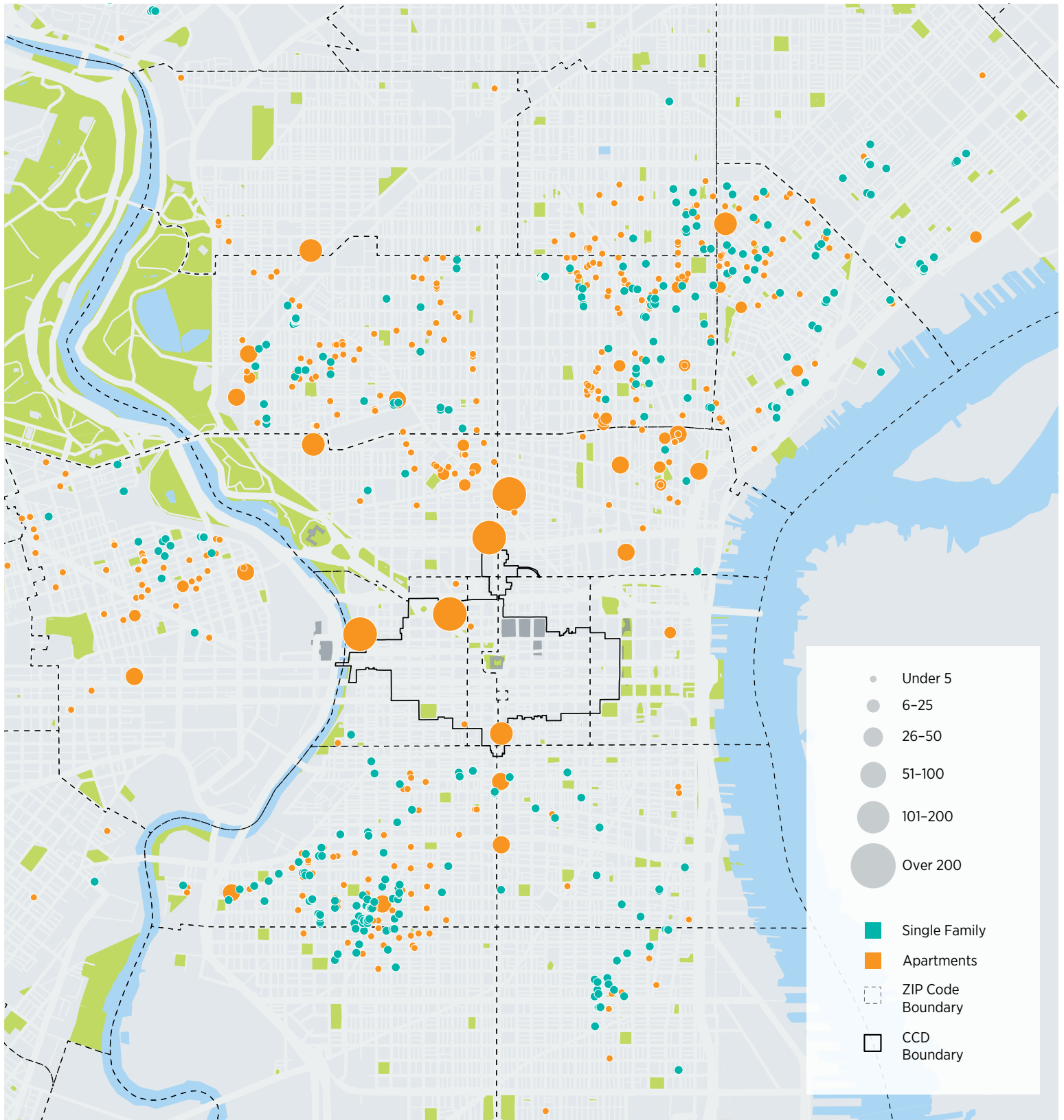
Following a decline in 2020, the number of occupied multifamily housing units in Center City increased by 5,100 over the past two years.



Source: CoStar

## Housing Units Completed in 2022

New housing completed in 2022 includes major projects in Center City and along North Broad Street, as well as single family and smaller multifamily projects in nearby neighborhoods.



Source: CCD Analysis of City of Philadelphia, Department of Licenses and Inspections Data

## Housing Completions and Land Area: Center City and Philadelphia

In 2022, 75% of all completed housing units were located in Greater Center City and adjacent neighborhoods.

	Land Area (Acres)	% of Citywide Land Area	Housing Units Completed in 2022	% of Citywide Housing Units Completed in 2022
Core Center City	1,399	1.6%	728	12%
Extended Center City	3,619	4.2%	2,077	35%
Greater Center City	5,018	5.8%	2,805	48%
Adjacent ZIP Codes	8,925	10.4%	1,588	27%
Greater Center City + Adjacent ZIP Codes	13,943	16.2%	4,393	75%
<b>Philadelphia</b>	<b>85,825</b>	<b>100.0%</b>	<b>5,853</b>	<b>100%</b>



Two new condominium towers, the Arthaus on the Avenue of the Arts, and The Laurel, to the left in the distance, at Rittenhouse Square, came to completion at the start of 2023.



# 5

# RETAIL

Retail and restaurants are among the most visible signs of the vitality of Center City Philadelphia, benefiting from three decades of diversification from a 9-to-5 office monoculture into a 24-hour downtown animated by tourists, visitors, residents and workers. Rebounding from 2020, more stores and restaurants opened than closed in both 2021 and 2022.

## KEY TAKEAWAYS

- Center City has a strong mix of independent and national retailers, restaurants and service providers. More than 2,900 businesses occupy ground floor storefronts.
- The occupancy rate for ground floor retail is rebounding, increasing to 83% in 2023, slightly below the 2019 levels.
- 175 retailers have opened a store in Center City since 2020. Digitally native brands have opened brick-and-mortar locations in corridors with high foot traffic.

Since 2020, 175 new retail, restaurants and service-oriented businesses have opened in Center City with at least 49 more scheduled by year-end. Retail brokers report continued tenant inquiries, tours and active lease negotiations.

A diverse tapestry of customers—office workers, education and health care workers, college students, the country's third-largest downtown population, city and regional residents, and a growing number of tourists and convention attendees—animate Center City sidewalks from early morning well into the evening hours. The prolonged shutdown in 2020 and 2021 reset patterns of behavior. While hybrid work for the immediate future may limit or relocate the recurring purchases of downtown of office workers, downtown Philadelphia's growing residential population and returning visitors have supported restaurants and retailers and spurred sales in neighborhoods immediately adjacent to the downtown core.

Periodic on-street surveys of ground floor businesses by Center City District staff during the last three years, along

with annual review of the broader area from Vine Street to South Street, river to river, document the recovery. In 2019, 11% of surveyed storefronts within the District were vacant. In June 2020, 45% of storefronts were temporarily or permanently closed. By January 2023, 81.5% of retail storefronts within the Center City District were open for business: 25% were service establishments; 28% retailers, 28% restaurants with 18% were vacant or not yet open for business, though many displayed signs that a tenant has been obtained.

The combined effect of civil unrest and a prolonged shutdown challenged the viability of many national brands, resulting in the loss of several prominent traditional retailers: Gap, Banana Republic, Aldo, Talbots and Ann Taylor. Many closures were due to national bankruptcies or downsizing retail footprints nationwide because of the inability to transition quickly enough to omnichannel.

Many storefronts quickly backfilled with emergent digitally native brands.

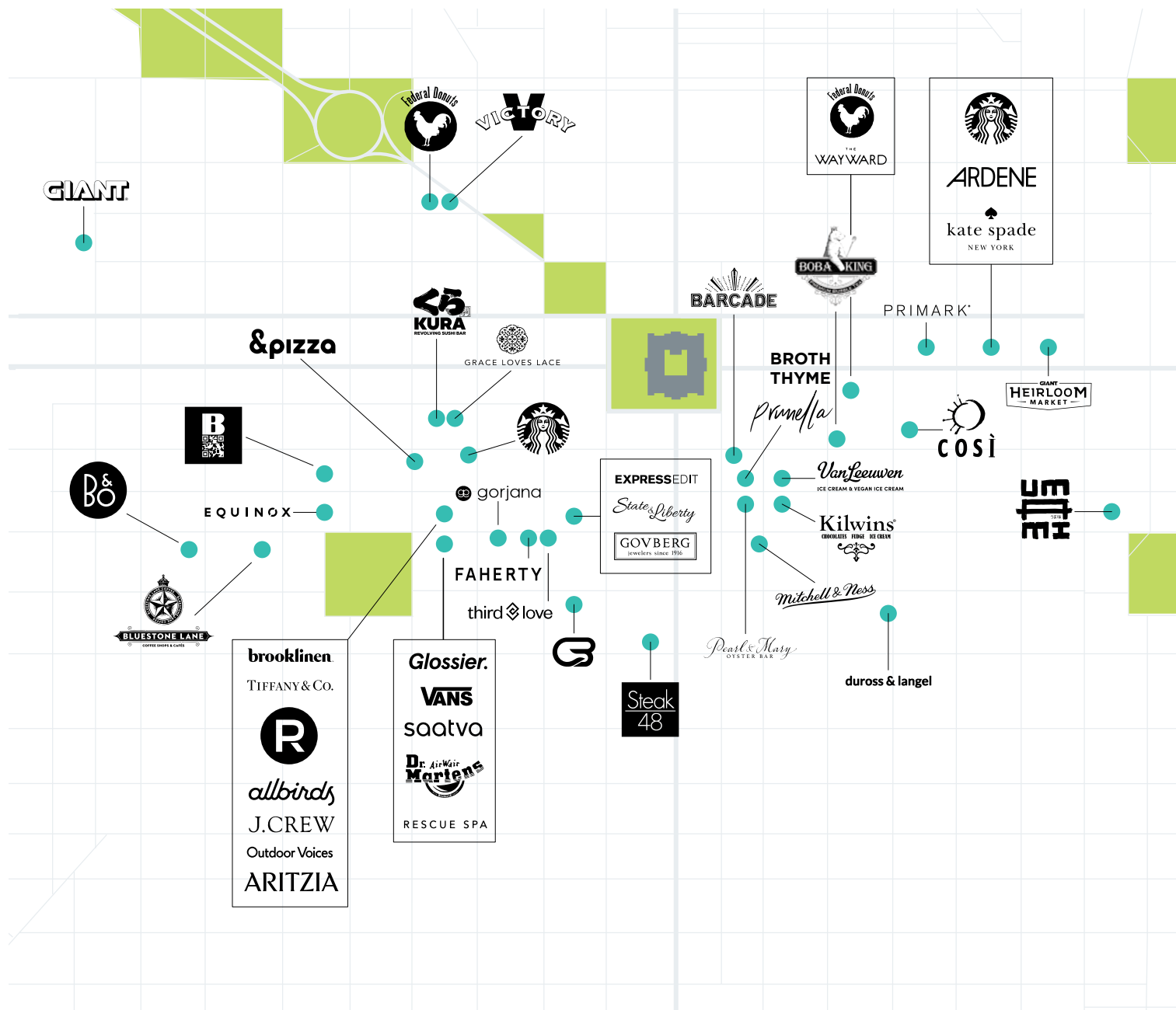


Since 2020, “clicks to bricks” retailers, including Allbirds, Brooklinen, Outdoor Voices, ThirdLove, Glossier, and Gorjana have opened in prominent locations on Walnut Street. Brick and mortar locations for several other such brands, including Faherty, Joybird, and Alo are in the works. Given the high cost of customer acquisition for digitally native brands and the overall limitations of selling almost entirely online, this leasing trend is expected to continue in areas of Center City with high foot traffic. Established Center City retailers, including Tiffany & Co., Govberg Jewelers, J. Crew, Mitchell & Ness, Madewell, Free People, Barnes and Noble, and Philadelphia Runner expanded or negotiated more favorable terms for their Center City leases.

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**Retail is one of the most obvious indicators of the health of downtown. While a few notable closures receive outsize media attention, occupancy and leasing data suggest a strong and healthy downtown retail sector.**

Open and announced since 2020



Since 2020, at least 175 new retailers have opened in Center City, many replacing long-term, national chain brands that are downsizing nationally.



# Types of retail establishments

215

Apparel

91

Entertainment, Arts  
and Recreation

38

Art Supplies, Collectibles  
and Hobbies

116

Other

137

Food & Drink

86

Home and Garden

31

Electronics

137

Jewelry

72

Beauty, Health and Fitness

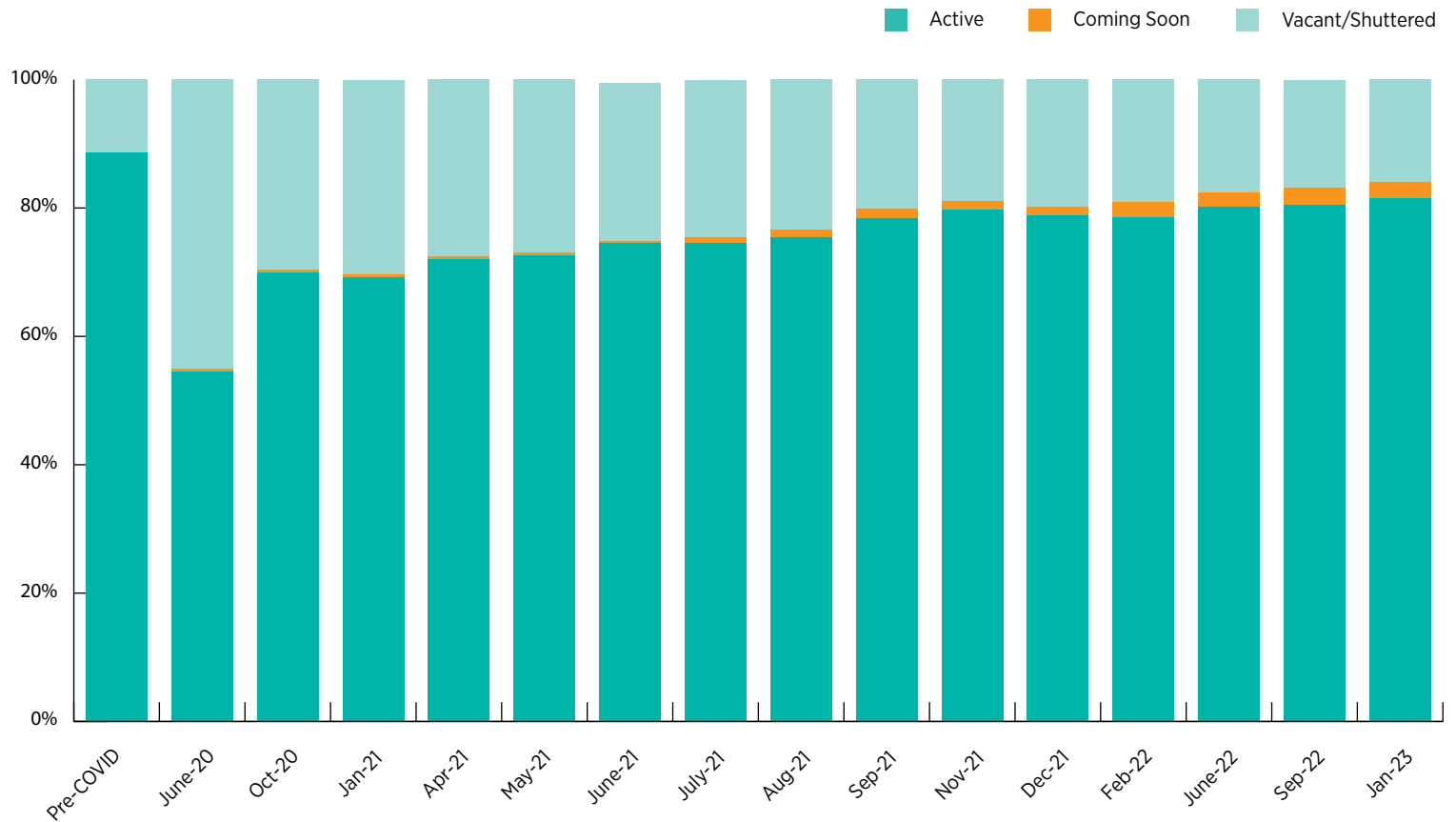
29

General Merchandise



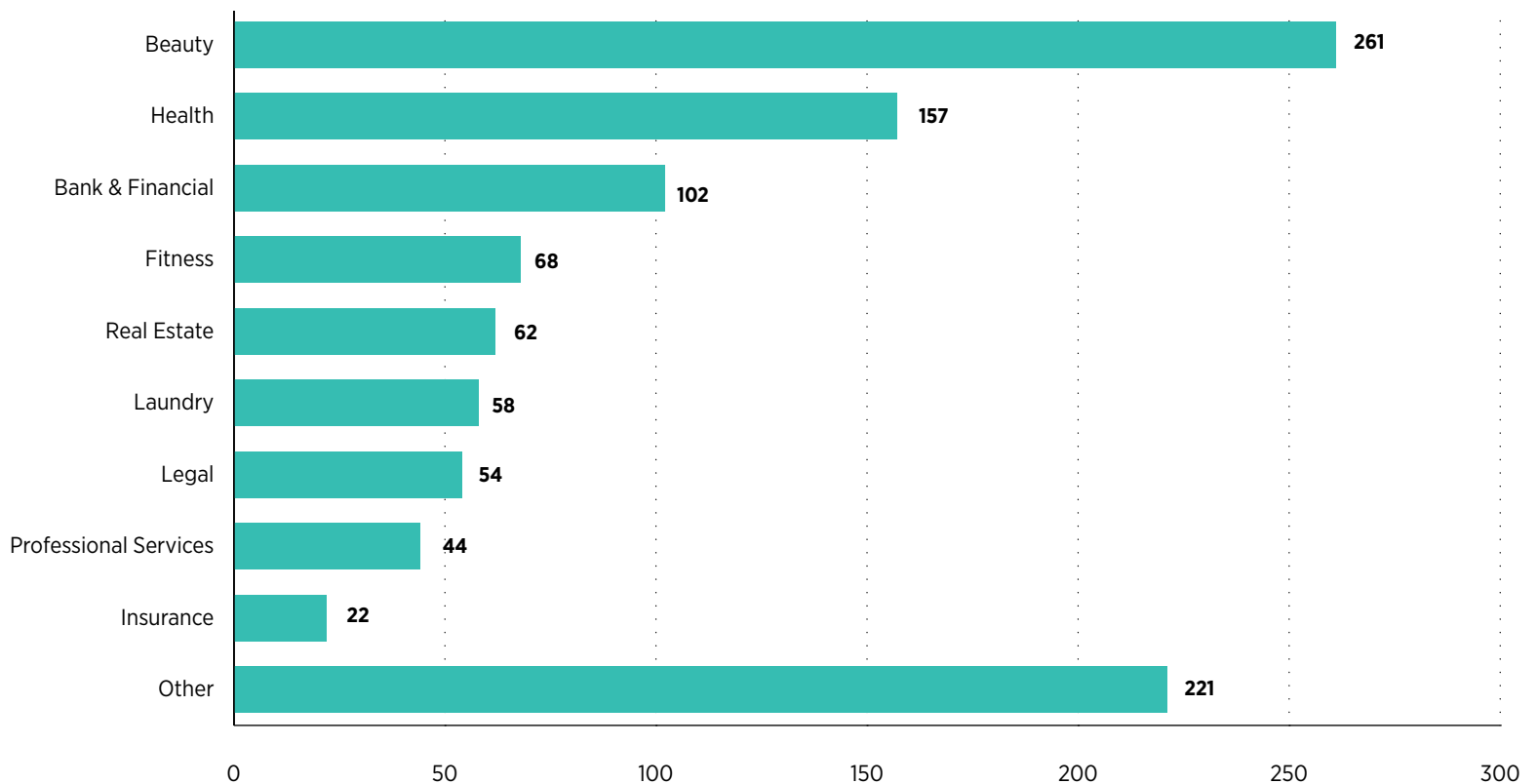
## Center City Retail Occupancy

Since the challenging summer of 2020, Center City storefront occupancy has increased steadily, with a growing amount of new establishments "coming soon."



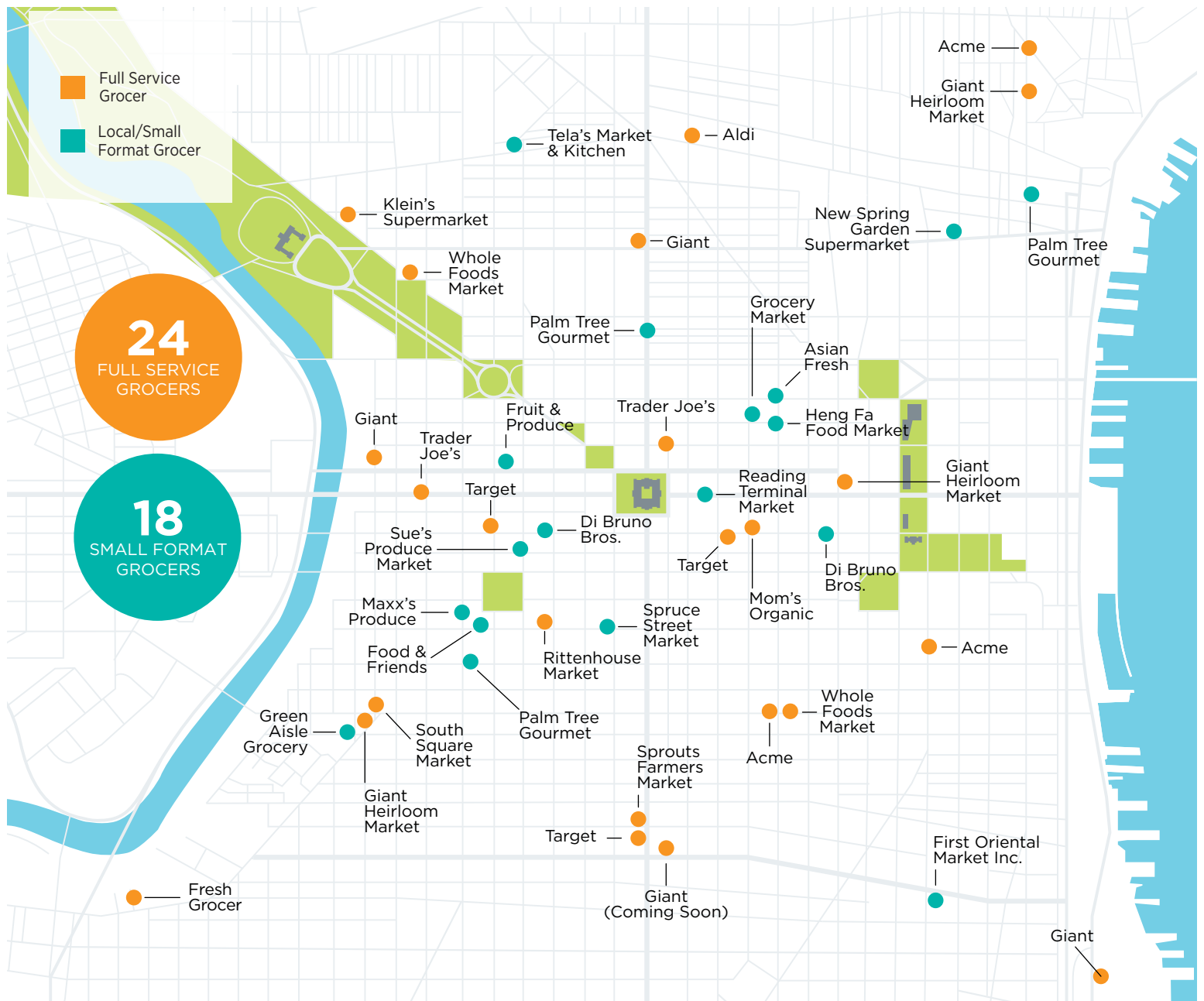
Source: Center City District

## Core Center City Service Providers, 2022



Source: Center City District

## Grocery Stores



Source: CCD Development Database

## Center City Retail Mix

**952**  
Retailers

**208**  
National Retailers

**1,049**  
Service Providers

**167**  
National Service Providers

**745**  
Independent/Local retailers

**930**  
Eating & Drinking  
Establishments

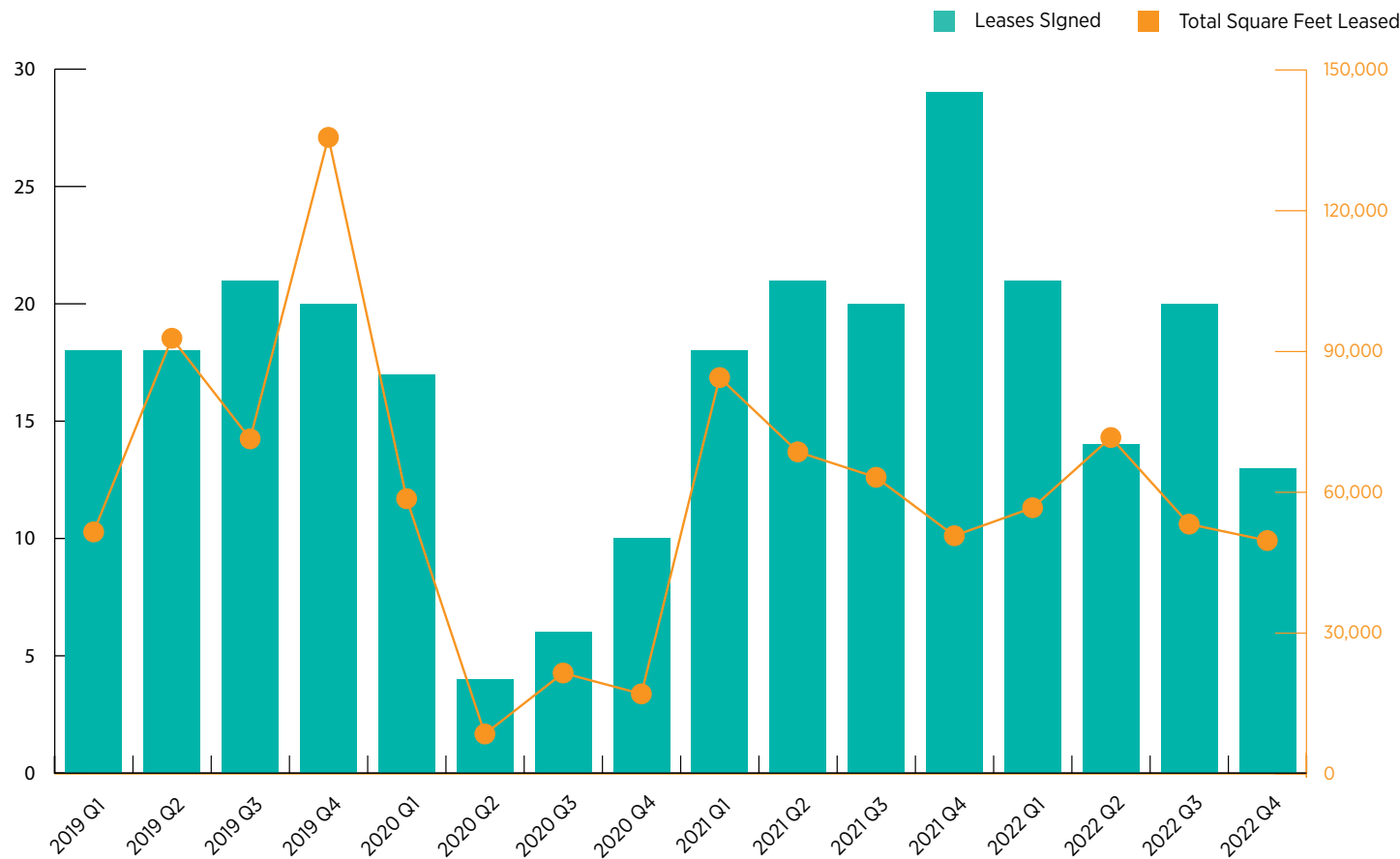
**877**  
Independent/Local Service  
Providers



# 930 Total Food Establishments Surveyed in Center City

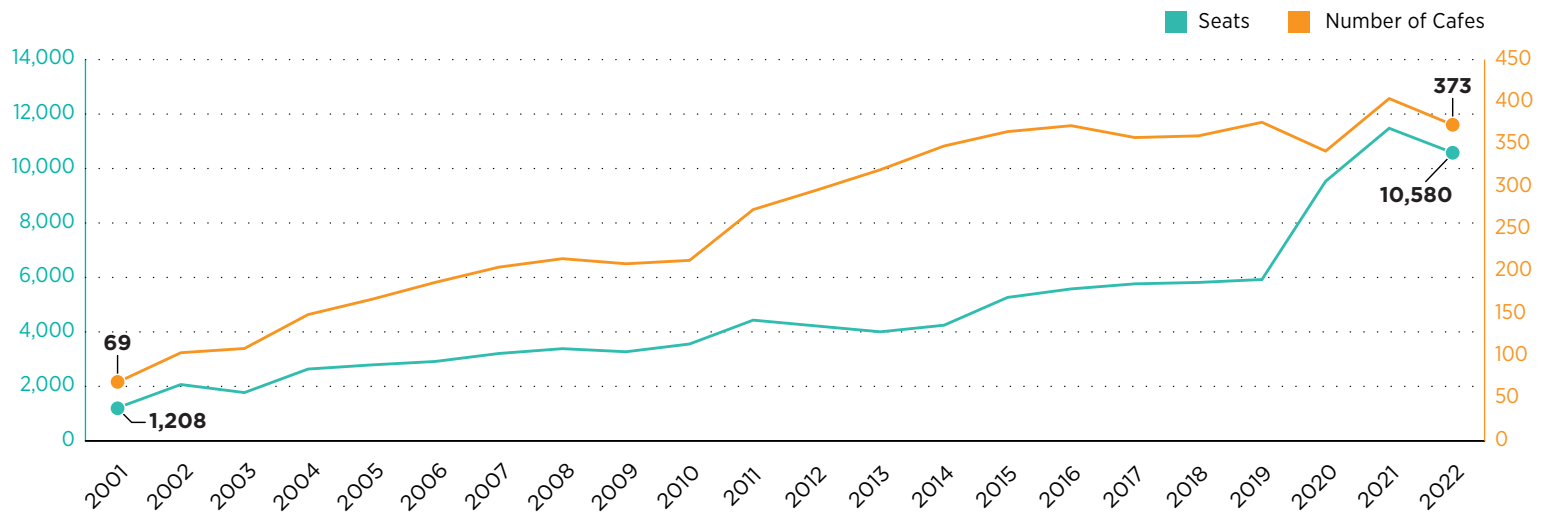


Core Center City Retail Leasing Transactions and Total Square Feet Leased



Source: CoStar

## Outdoor Cafes at Food Establishments, Core Center City



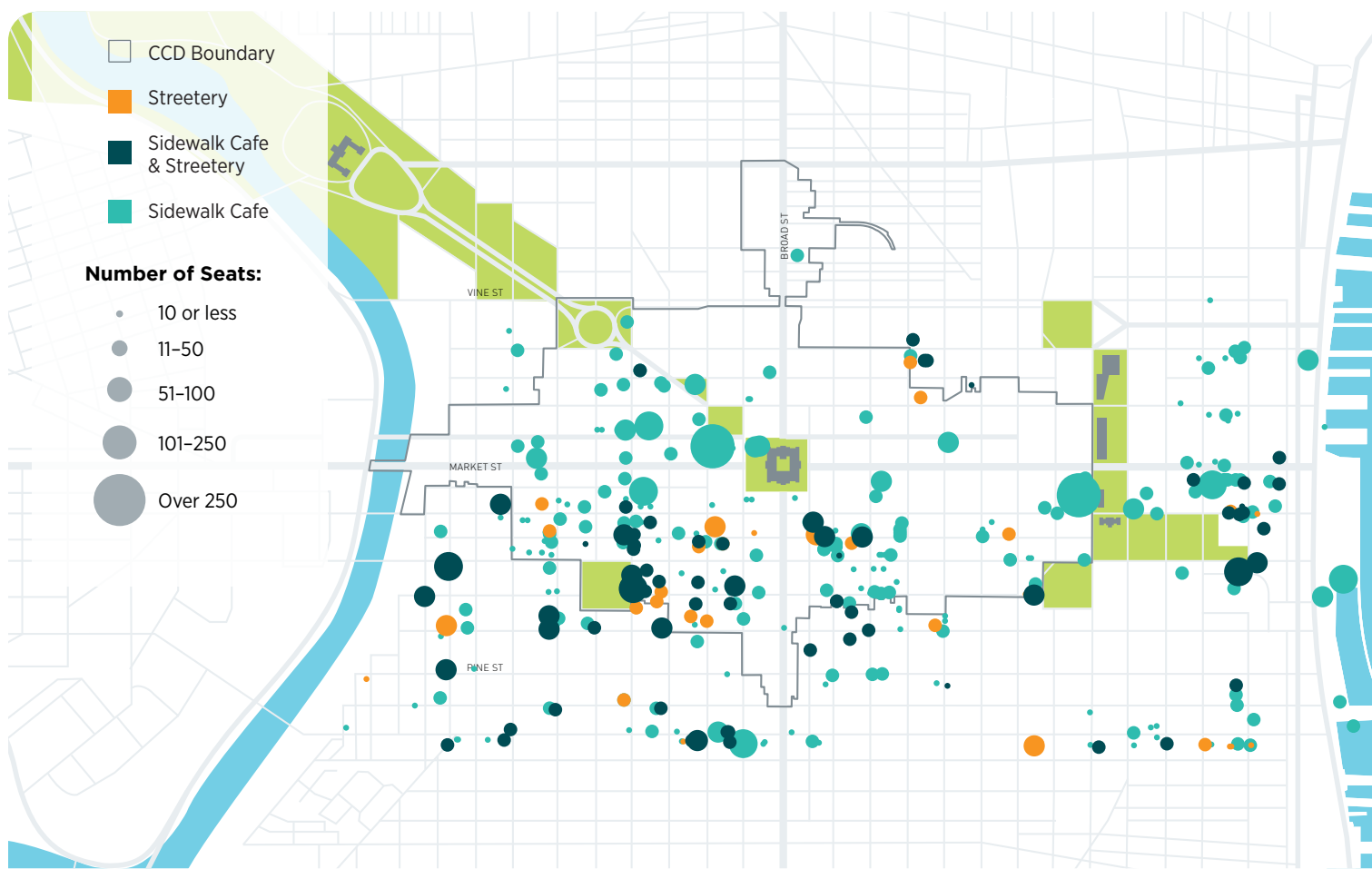
Source: Center City District



## Outdoor Seating

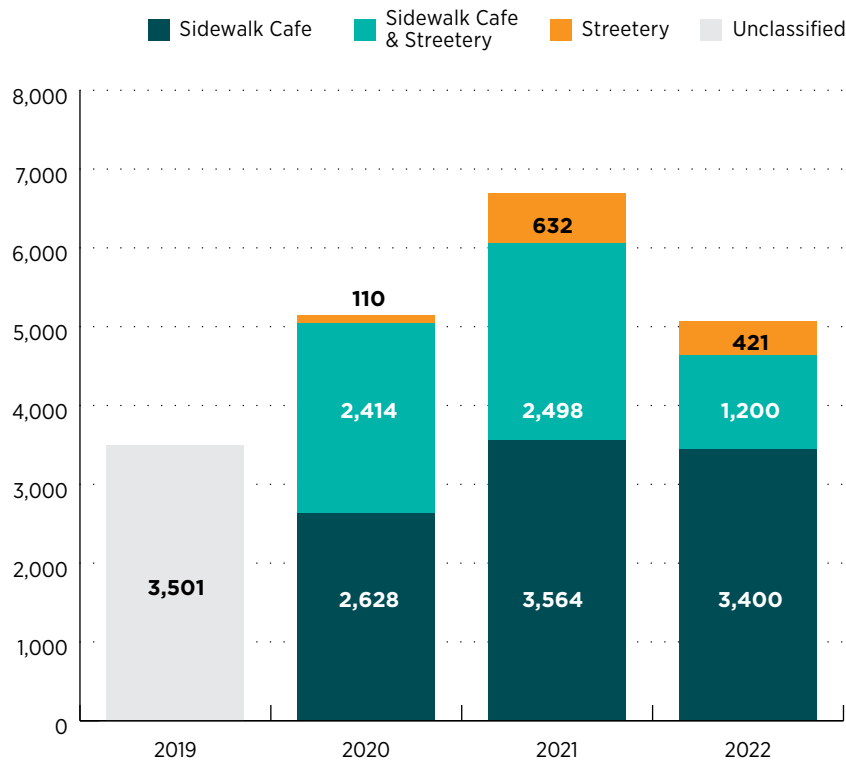
Center City has more than 25 years of experience with sidewalk dining. With indoor occupancy restrictions no longer in place, streeteries supplement both indoor dining and sidewalk seating. While in June 2022, there were fewer outdoor seats in Center City than at the height of the shutdown, there were more outdoor seating opportunities than pre-pandemic, even with the full reopening of indoor dining. In 2019, there were 3,501 outdoor seats within the CCD; in the middle of 2022 at the peak of the outdoor dining season, there were 5,021. The City of Philadelphia is still working on rationalizing the process for permitting and needs to set appropriate design, management and safety standards for this new use of the right of way, but current demand is being met by sidewalk seating and limited streeteries.

### Outdoor Seating in Philadelphia



Source: Center City District

### Outdoor Café Seats in Center City District



Source: Center City District







# 6

# CONVENTIONS & TOURISM

Sustained investment in the hospitality industry since the early 1990s, including the Pennsylvania Convention Center, tourism destinations around Independence National Historical Park and coordination between professional marketing organizations have enabled the city to build upon its unique role in American history and its abundance of cultural institutions, expand the number of hotel rooms and support the growth of employment opportunities for Philadelphia residents.

## KEY TAKEAWAYS

- In the past six years, Center City added 2,600 hotel rooms.
- Center City hotels recovered rapidly in 2022, with 2.87 million occupied hotel room nights in 2022 but well below 2019 levels.
- The Pennsylvania Convention Center welcomed 552,000 visitors in 2022, projecting attendance growing to more than 1 million in 2023.

Hotels anchor the leisure and hospitality economy, providing more than 13,000 rooms in 58 properties in Greater Center City. During the past six years, 2,600 rooms in 15 new properties have been added downtown, including the Four Seasons Hotel atop the Comcast Technology Center, the W and Element hotels in a new 52-story building at 1441 Chestnut Street, and the Hyatt Centric at 1620 Chancellor Street. New additions in the past year include The Franklin on Rittenhouse, Mint House at the Ledger, and Sonder Ovation. Current proposals include Chestnut Hotel at 7th and Chestnut Street, AC Hotel by Marriott at 230 North 13th Street, and Blue Ivy Motel at 122 South 11th Street.

Center City hotels recovered rapidly in 2022, with 2.87 million occupied room-nights, a 44% increase from 2021 with overall occupancy increasing from 41% to 56% but still well below 2019 levels. The average daily room rate increased 19% to \$216. Citywide hotel tax collections continue to increase, with Q4 2022 revenues nearly reaching the 2019 level. Tourism Economics projects that in 2023

overall downtown hotel revenue will surpass the 2019 level. Growth is expected to be driven by the return of international tourism and growing attendance rates at individual conventions. As of September 2022, citywide employment in the accommodation sector was 7,381—just 2% below the 2019 level. Restaurants and food services, which benefit strongly from local and regional demand, have seen employment rebound from 25,622 in June 2020 to 51,103 in September 2022, just 8% below 2019 levels.

By the end of February 2023, leisure and hospitality employment had rebounded to within 4% of the pre-pandemic level. Overall, Philadelphia's job growth in leisure and hospitality has far outpaced other Northeast cities since the late 1990s.

The Pennsylvania Convention Center welcomed 552,000 visitors to 109 events in 2022 and has projected a total attendance of more than 1 million in 2023, including 760,000 at major events such as the Philadelphia Flower Show, meetings of the International Society for Technology in Education, American Heart Association, National Black MBA Association, and





American Sociological Association. While the number of conventions, trade and gate shows has fully rebounded, attendance has climbed more slowly to 75% to 80% of 2019 levels.

As the nation prepares to celebrate its 250th birthday in 2026, and as leisure travel and the convention sector continue to rebound, the tourism and hospitality sectors are major drivers of vitality for Center City, reinforcing the downtown as a place to live and work, while providing a growing range of transit-accessible jobs for city and regional residents.

## 2.87 Million Occupied Hotel Rooms in Center City, 2022

**993,020**

Leisure

**872,480**

Commercial

**863,870**

Group & Conventions

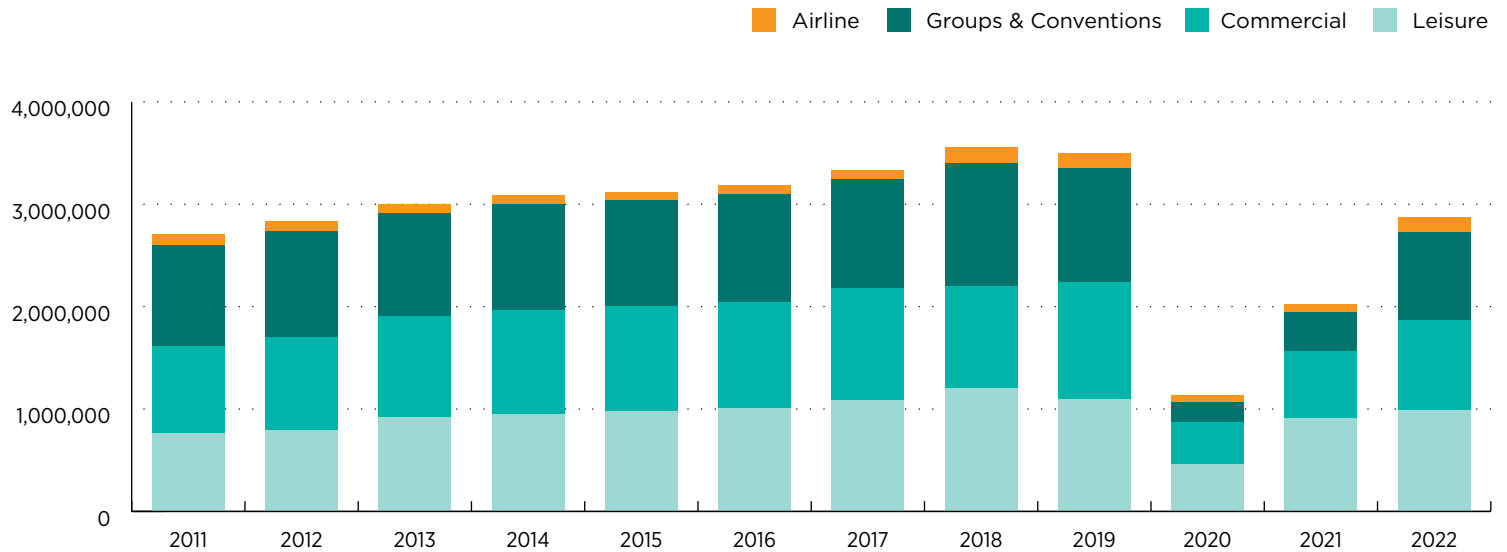
**140,630**

Airline



### Occupied Center City Hotel Rooms by Purpose of Trip

The demand for hotel rooms in Center City is recovering rapidly, with total occupied rooms in 2022 at 82% of the 2019 level.



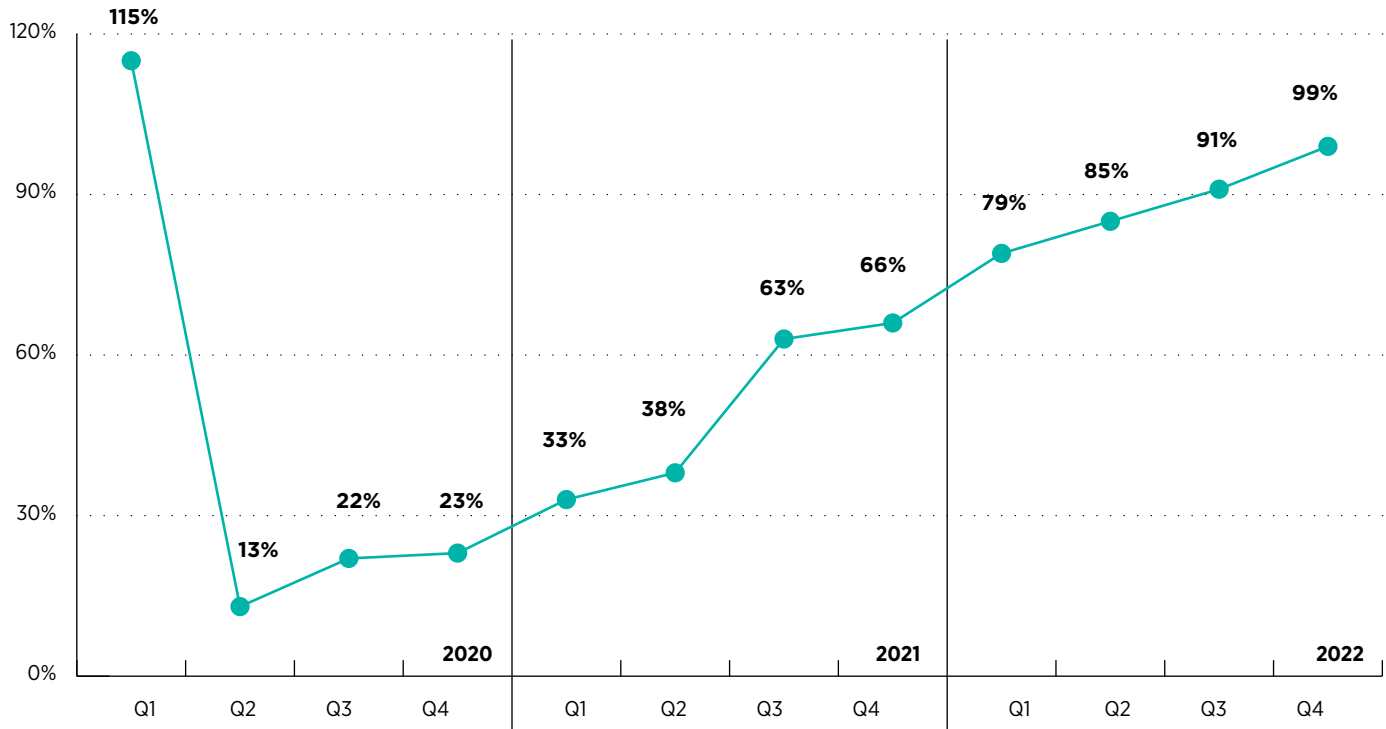
Source: STR and Tourism Economics released by the Philadelphia Convention & Visitors Bureau

The tourism and hospitality sectors create vibrancy in Center City and provide transit-accessible jobs for city and regional residents as the nation prepares to celebrate its 250th birthday in 2026.



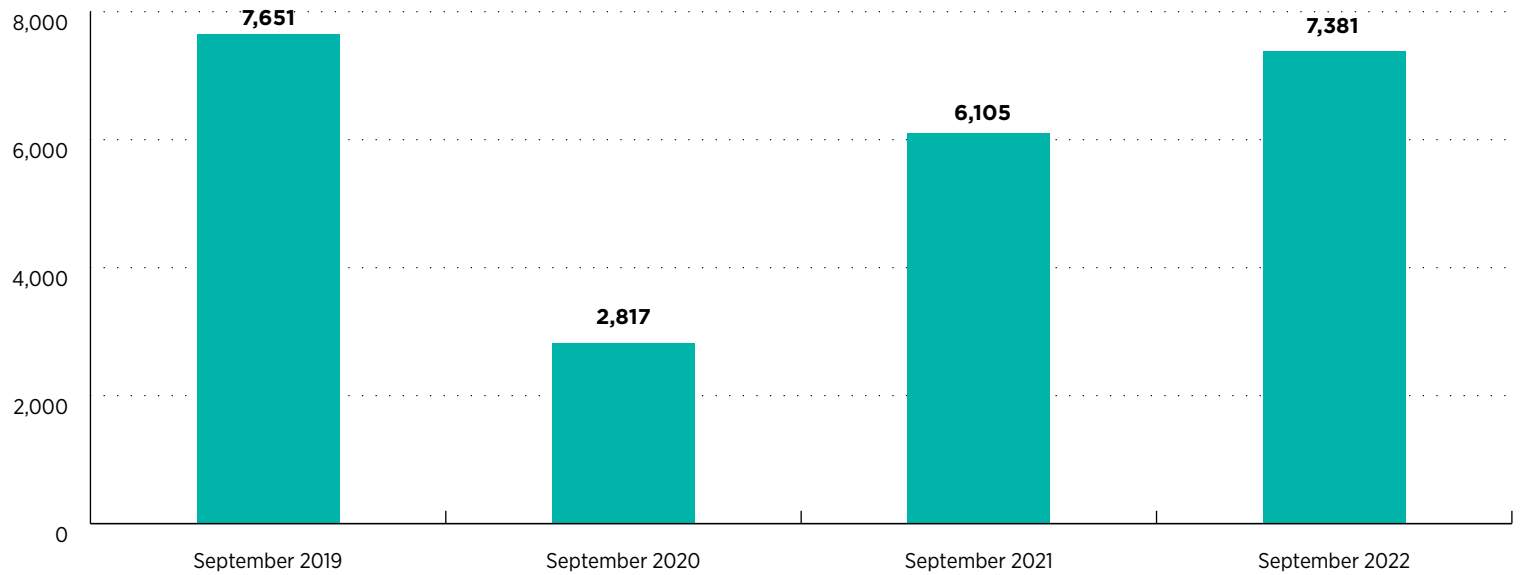
### Hotel Tax Revenue as a Percentage of 2019

City hotel occupancy tax revenue in the fourth quarter of 2022 reached 99% of the pre-pandemic level.



Source: City of Philadelphia Department of Revenue

### Philadelphia Private Employment in Traveler Accommodation



Source: Bureau of Labor Statistics, Quarterly Census of Employment and Wages

The Pennsylvania Convention Center welcomed 552,000 visitors to 109 events in 2022 and has projected a total attendance of more than 1 million in 2023.

Top Conventions & Events in Center City, 2022

Large Conventions & Trade Shows	Projected Attendance
Jurassic Quest	16,858
Philadelphia Tattoo Arts Festival	21,311
Philadelphia Auto Show	136,441
Association of Writers and Writing Professionals	7,000
Philly Home Show	8,578
Experimental Biology Conference	8,118
American Veterinary Medical Association	7,500
Society of Cable Telecommunications Engineers (SCTE)	7,500
Natural Product Expo East	20,000
American Nurses Credentialing Center—Magnet and Pathway to Excellence Conference	8,750
Association for Financial Professionals	6,000
<b>Total attendees of large events</b>	<b>248,056</b>
<b>Overall total attendees (109 events)</b>	<b>551,655</b>

Source: Philadelphia Convention & Visitors Bureau

Top Conventions & Events in Center City, 2023

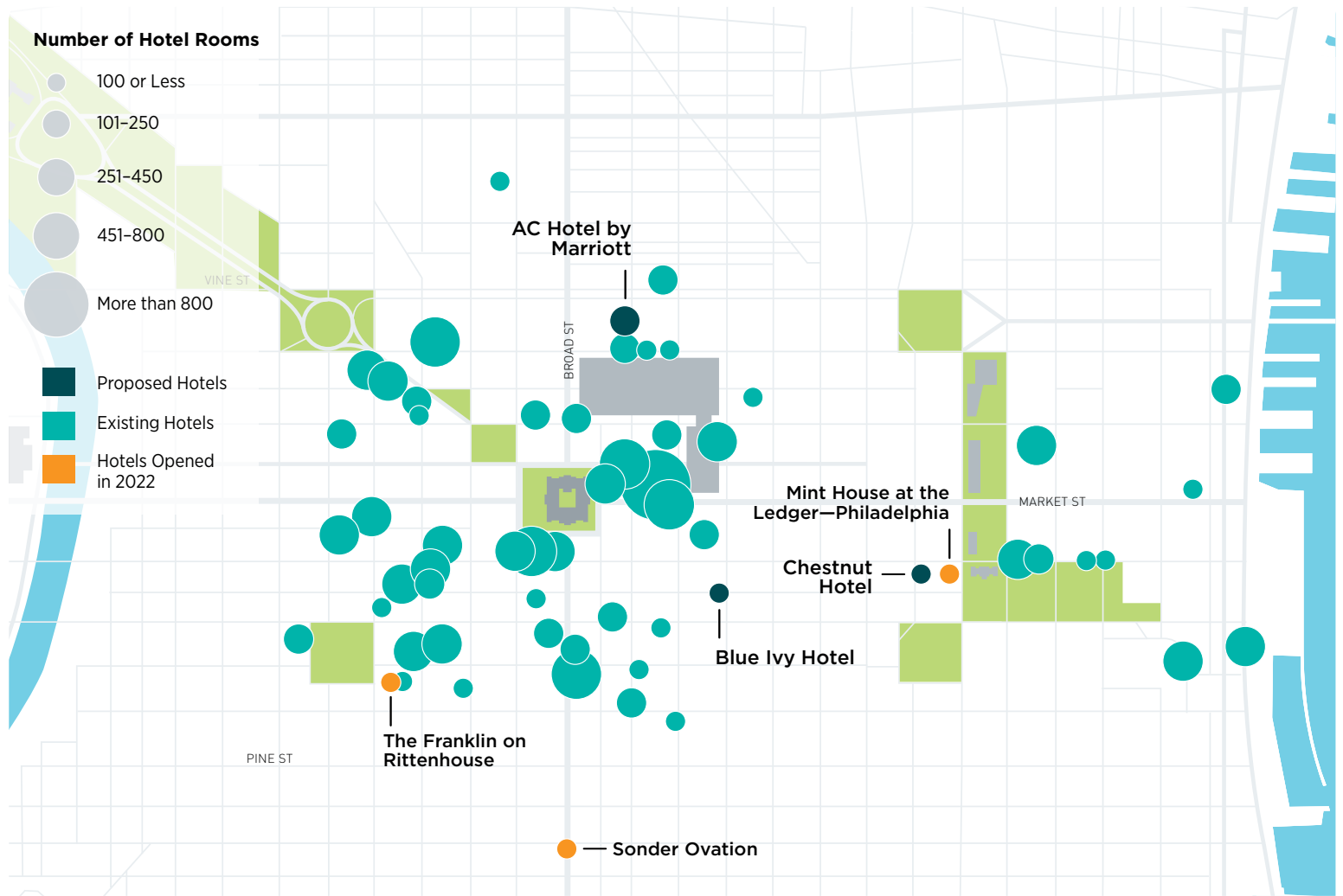
Large Conventions & Trade Shows	Projected Attendance
United Soccer Coaches	10,000
Philadelphia Auto Show	250,000
MAGIC 2023	15,000
Northeast Qualifier (NEQ) Volleyball 17s and 18s	17,500
Philadelphia Flower Show	300,000
Pittcon 2023 Conference and Expo	15,000
CPHI North America	8,000
American Association of Critical Care	8,000
International Society for Technology	17,000
American Sociological Association	6,000
National Black MBA Association	10,000
Natural Products Expo East	20,000
American College of Emergency Physicians	12,000
The American Society of Nephrology	13,000
Philadelphia Museum of Art Craft Show	8,000
American Heart Association	15,000
PAX Unplugged	28,000
HiJinx Festival	10,000
<b>Total projected attendees of large events</b>	<b>762,500</b>
<b>Overall total projected attendees (84 events)</b>	<b>1,009,241</b>

Source: Philadelphia Convention & Visitors Bureau



## Hotel Developments in Center City, 2022

Three new hotels opened in Center City last year, bringing the total inventory of downtown hotel rooms to over 13,000.



Source: Visit Philadelphia, Center City District, and Philadelphia Convention & Visitors Bureau



# 7

# ARTS & CULTURE

Greater Center City is home to 210 arts and cultural institutions. Among major American cities, it offers one of the highest downtown concentrations of museums, theaters, libraries and performing arts companies that provide amenities for Center City and regional residents, draw visitors from around the world and spur economic activity for restaurants, retail and hotels.

## KEY TAKEAWAYS

- Attendance at Center City's performing arts organizations, museums, and other institutions has rebounded steadily, ranging from 50% to 75% of 2019 levels.
- Greater Center City Philadelphia has one of the largest concentrations of arts and cultural organizations in the U.S.
- People can enjoy a variety of amenities in Philadelphia within walking distance, as it is ranked the fourth most walkable city in the U.S., according to Redfin.

Among the largest performing arts organizations are Philadelphia Orchestra, Philadelphia Ballet and Opera Philadelphia. They are joined by the Arden Theater, Walnut Street Theatre and Wilma Theater. Major museums include the Philadelphia Museum of Art, Barnes Foundation, Franklin Institute, Academy of Natural Sciences, African American Museum in Philadelphia and National Constitution Center. Smaller institutions such as the Athenaeum, Curtis Institute of Music, Fringe Arts, the Lantern Theater Company, Library Company of Philadelphia, and the Rosenbach Museum and Library enrich the fabric of smaller commercial and residential streets.

A 2017 study by the Greater Philadelphia Cultural Alliance documented that the arts and culture sector contributed \$3.4 billion to the citywide economy. Most relevant to the current recovery, a 2020 study by the National Assembly of State Arts Agencies found that the arts and culture sector tends to recover rapidly from recessions and can help diversify local economies.

Attendance at Center City's performing arts venues, museums, and other organizations has rebounded steadily during the past three years with 2022 in

person attendance at most institutions surveyed by CCD ranging from 50% to 75% of 2019 levels. Citywide employment within the arts, entertainment and recreation sector has recovered gradually since 2020, reaching 14,142 in September 2022, just 7% short of 2019. As of September, performing arts employment was down 22% and museums and historical sites employment was down 16% from 2019 levels, but both categories are on an upward trajectory. Philadelphia City Council recently appropriated \$21.3 million to accelerate the process of recovery.

Recent additions to the downtown cultural landscape include the Museum of the American Revolution, along with future projects such as Calder Gardens on the Benjamin Franklin Parkway, which may soon also provide a new location for the African American Museum in Philadelphia (AAMP). As Philadelphia prepares for the 250th anniversary of the Declaration of Independence in 2026, Center City will be a major focal point for tourism at historic destinations and arts and cultural venues.





## Philadelphia City Employment in Arts, Entertainment and Recreation

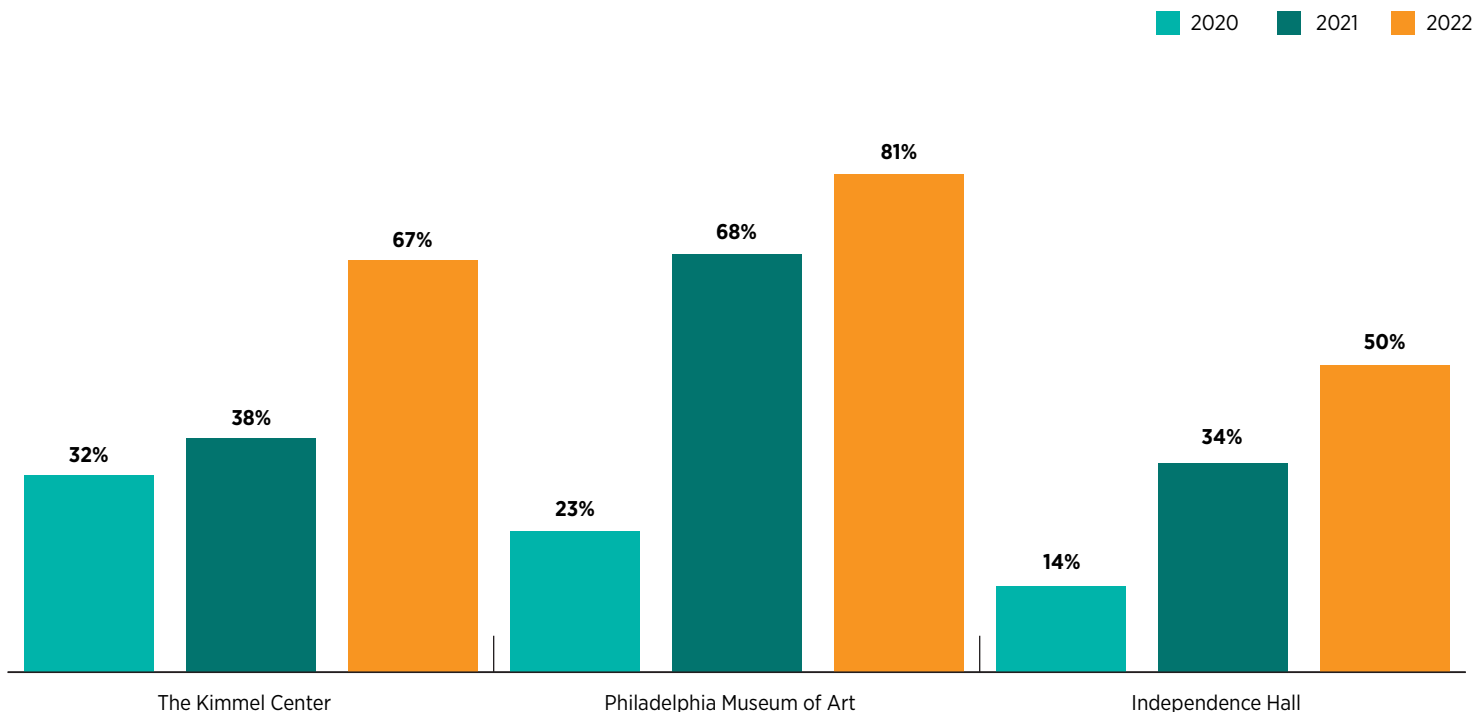
	Sep. 2019	Sep. 2020	Sep. 2021	Sep. 2022	Change Sep. 2019– Sep. 2022	% Change Sep. 2019– Sep. 2022
Arts, Entertainment and Recreation	15,249	7,445	11,225	14,142	-1,107	-7%
Performing Arts, Spectator Sports and Related Industries	7,191	2,476	5,056	6,870	-321	-4%
Performing Arts Companies	1,626	631	898	1,275	-351	-22%
Spectator Sports	2,850	1,316	3,075	3,728	878	31%
Promoters of Performing Arts, Sports and Similar Events	2,400	379	796	1,445	-955	-40%
Museums, Historical Sites and Similar institutions	2,768	1,628	2,023	2,338	-430	-16%
Amusement, Gambling and Recreation Industries	5,290	3,341	4,146	4,934	-356	-7%

Source: Bureau of Labor Statistics, Quarterly Census of Employment and Wages



## Daily Visits to Cultural Institutions as a Percentage of 2019

Major cultural institutions in Center City have seen continuous growth in visitation since 2020.



Source: Placer.ai

## Recovery of Visitation to Major Institutions

Mobile phone location data from Placer.ai indicate a gradual recovery of foot traffic within Philadelphia's major cultural institutions. Visitors to the Kimmel Cultural Campus, Philadelphia Museum of Art and Independence Hall have increased gradually since 2020, with the most rapid recovery at PMA. The continued growth of attendees at concerts and plays, visitors to museums and historical sites, at institutions large and small will be key to the revitalization of downtown.

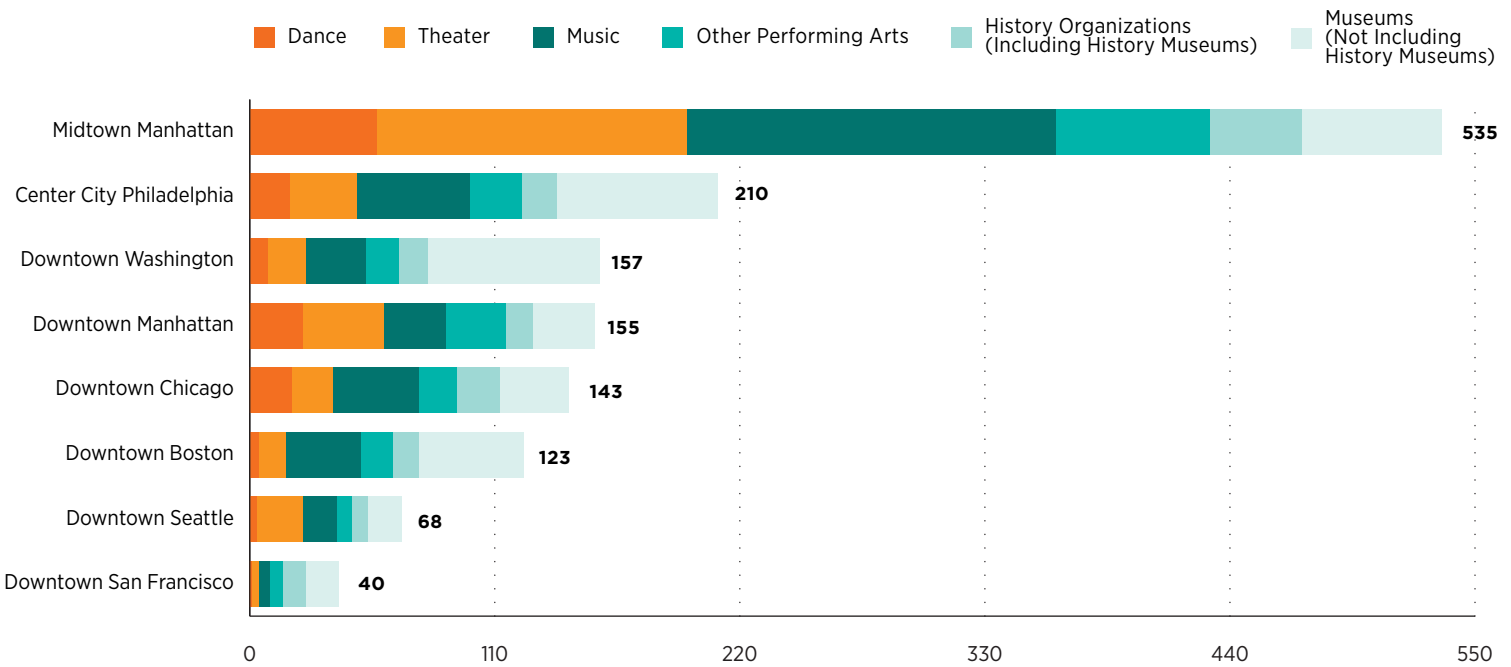


Greater Center City features one of the largest concentrations of arts and cultural organizations in the country.



Downtown Arts and Cultural Organizations, 2022

Philadelphia's concentration of performing arts organizations, museums and historical sites ranks second among major downtowns.



Source: National Center for Charitable Statistics databases, compiled by SMU DataArts

## Attendance at Major Parks and Arts and Cultural Institutions

Attendance at parks and arts and cultural organizations in 2022 recovered to 50-75% of the 2019 level.

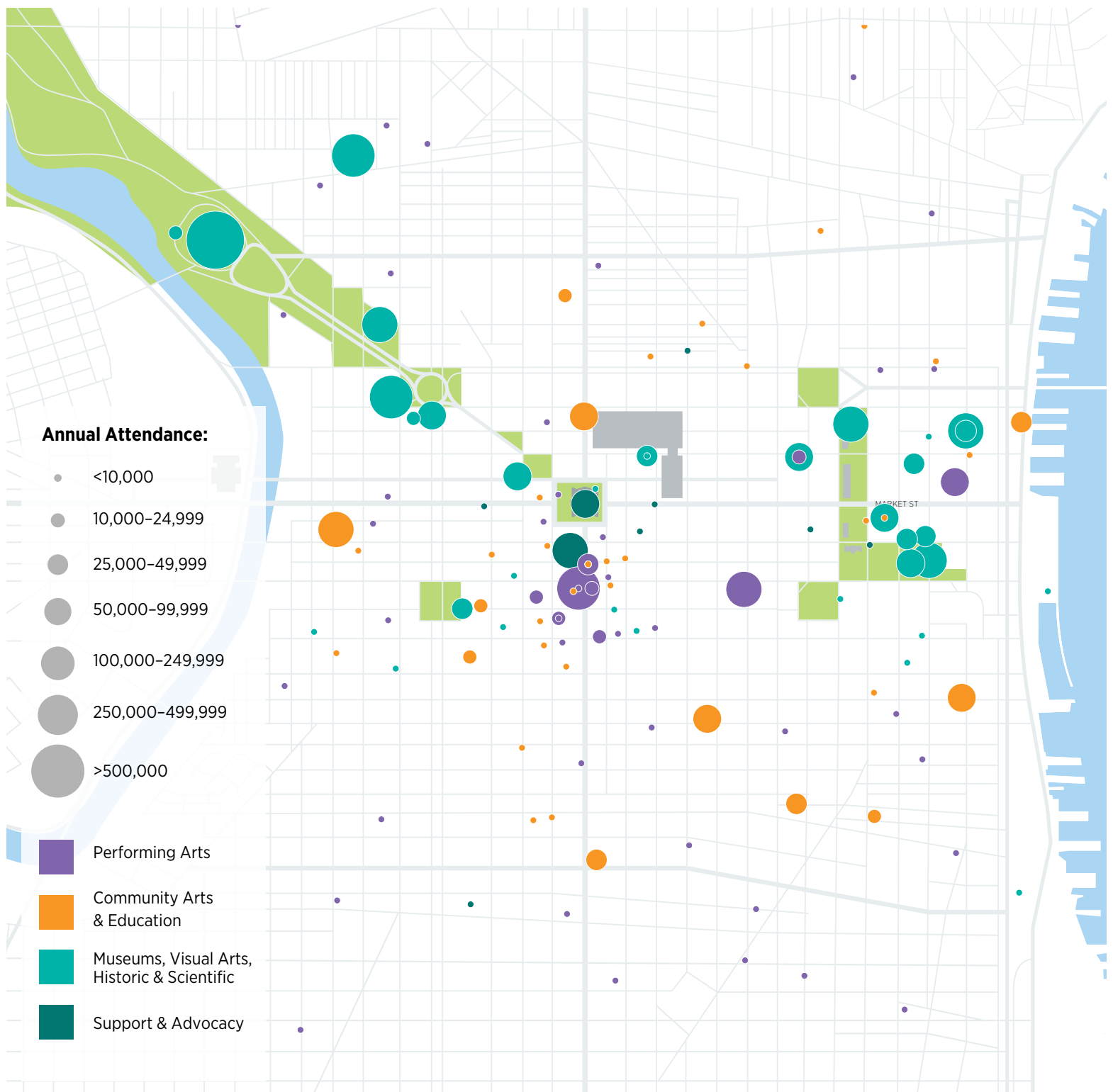
Civic Spaces	2019	2020	2021	2022
Dilworth Park	10,687,000	5,999,843	7,089,205	8,879,454
Reading Terminal Market	7,756,235	2,870,394	NA	4,700,000
Schuylkill Banks	1,726,215	2,009,514	1,348,644	1,352,004
Franklin Square	795,160	228,445	582,268	609,510
Museums, Visual Arts, History and Scientific				
Independence Visitor Center	2,341,380	272,762	768,075	1,203,724
Philadelphia Museum of Art	761,843	175,517	437,248	540,084
Eastern State Penitentiary	444,348	73,616	213,559	294,781
Barnes Foundation	259,164	66,776	132,810	177,126
Museum of the American Revolution	277,150	40,493	105,048	151,557
Penn Museum	159,221	42,405	77,407	145,604
Mutter Museum	138,766	15,977	99,438	114,471
Academy of Natural Sciences of Drexel University	205,094	45,014	41,711	83,016
National Constitution Center	252,691	80,098	68,435	123,972
Liberty Bell	2,043,710	291,407	1,387,920	1,546,381
Independence Hall	546,549	68,484	161,576	391,178
Performing Arts				
Walnut Street Theatre	264,793	NA	62,293	158,620
Philadelphia Chamber Music Society	26,189	7,733	6,013	19,154
Lantern Theater Company	33,450	16,643	14,150	16,000
InterAct Theatre Company	7,084	2,354	2,997	3,851
Opera Philadelphia	28,652	4,275	1,553	11,723

Source: CCD Survey



## Arts and Cultural Organizations Annual Attendance, 2022

Major arts and cultural institutions are concentrated along the Benjamin Franklin Parkway, the Avenue of the Arts and Independence National Historical Park.



Source: National Center for Charitable Statistics databases, compiled by SMU DataArts

# TRANSPORTATION

Center City is served by five trolley routes, two subway lines, 29 bus routes, 14 regional rail lines and two interstate highways connecting to neighborhoods across the city and to suburban communities in Pennsylvania, New Jersey, and Delaware. The William H. Gray III 30th Street Station is served by 11 Amtrak lines, connecting Philadelphia with business and leisure travelers from the East Coast to the Midwest.

## KEY TAKEAWAYS

- Philadelphia is among the leaders of U.S. cities in residents per capita biking to work.
- Ridership on SEPTA has continued to rebound, with February 2023 riders reaching 55% of the pre-pandemic level.
- SEPTA has instituted a number of initiatives to recover ridership.

In 2021, 31% of Philadelphians chose methods other than car travel for their commute. In Center City, this number rises to 53.5% with another 20.9% working from home. Among peer cities, Philadelphia is a leader in residents per capita biking to work.

Both residents and commuters to Center City support Philadelphia's high bicycle usage, with peak ridership occurring during commute times.

To encourage safe cycling and help green the office district, Center City District has made bike infrastructure investments in 2022, installing planters with clear "bike lane" graphics to divide bike lanes from automobile traffic in busy intersections on West Market Street and JFK Boulevard, around City Hall and Dilworth Park.

According to its latest update in August 2022, Indego has added 16 new bike rental stations since 2021, one in core Center City, one in extended Center City, and several in neighborhoods adjacent to Greater Center City.

In summer 2022, \$2.5 million was approved for an extension of the Schuylkill River Trail from its current terminus, just south of Bartram's Garden, to Passyunk Avenue. The extension, expected to begin construction by early 2024, will broaden access to this biking connection to Center City to residents and employees, west of the Schuylkill.

Overall ridership as of February reached 3.2 million, 55% of the February 2020 level, with the largest percentage recovery within City Transit Division buses, where total riders were at 62% of the pre-pandemic number. Market-Frankford Line riders were at 47% of the 2020 level, Broad Street Line at 46%, trolleys at 55% and Regional Rail at 51%.

PATCO's ridership increased to 107,300 in February 2023, 48% of the February 2020 level.

SEPTA has instituted a number of programs to recover ridership in 2022, including periodic discounts on weekly transit passes plus several SEPTA key cost-saving programs for Philadelphia-area employees and university students.



PATCO also launched programs in 2022 to encourage transit ridership and regional economic activity. In November, PATCO began offering unlimited rides for a discounted fixed pass rate on Friday and Sunday nights. PATCO also revitalized its rider perks program, offering discounted admission to cultural hot spots in Philadelphia and discount promotions at retail locations along the transit line.

PATCO also began reconstruction of its Franklin Square stop in 2022 in Center City East; with expected completion in 2024, the station will be fully operational for the first time since its opening in 1936.

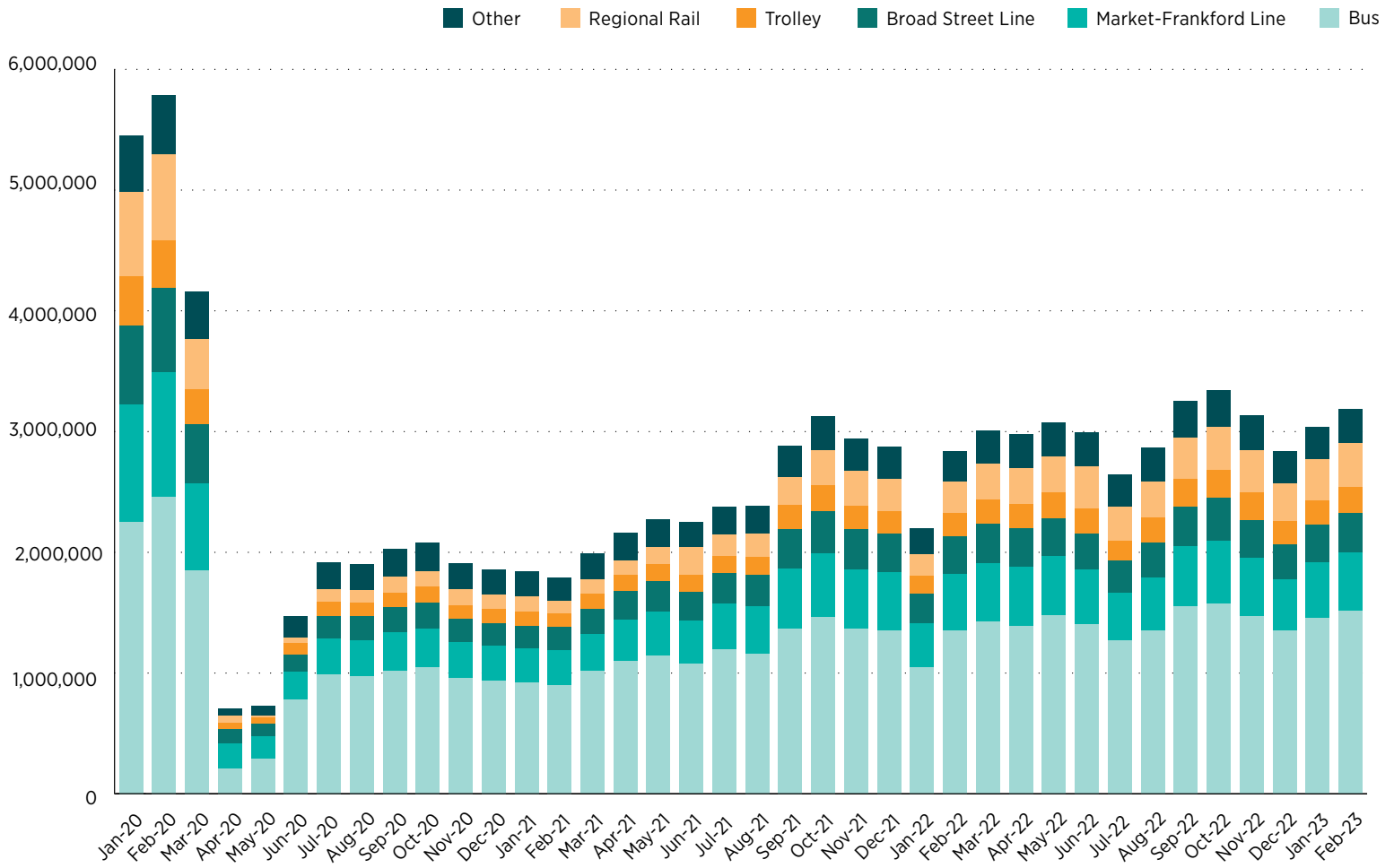
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**Center City is one of the most transit accessible, walkable and bike friendly downtowns in North America.**



## Average Weekly SEPTA Ridership

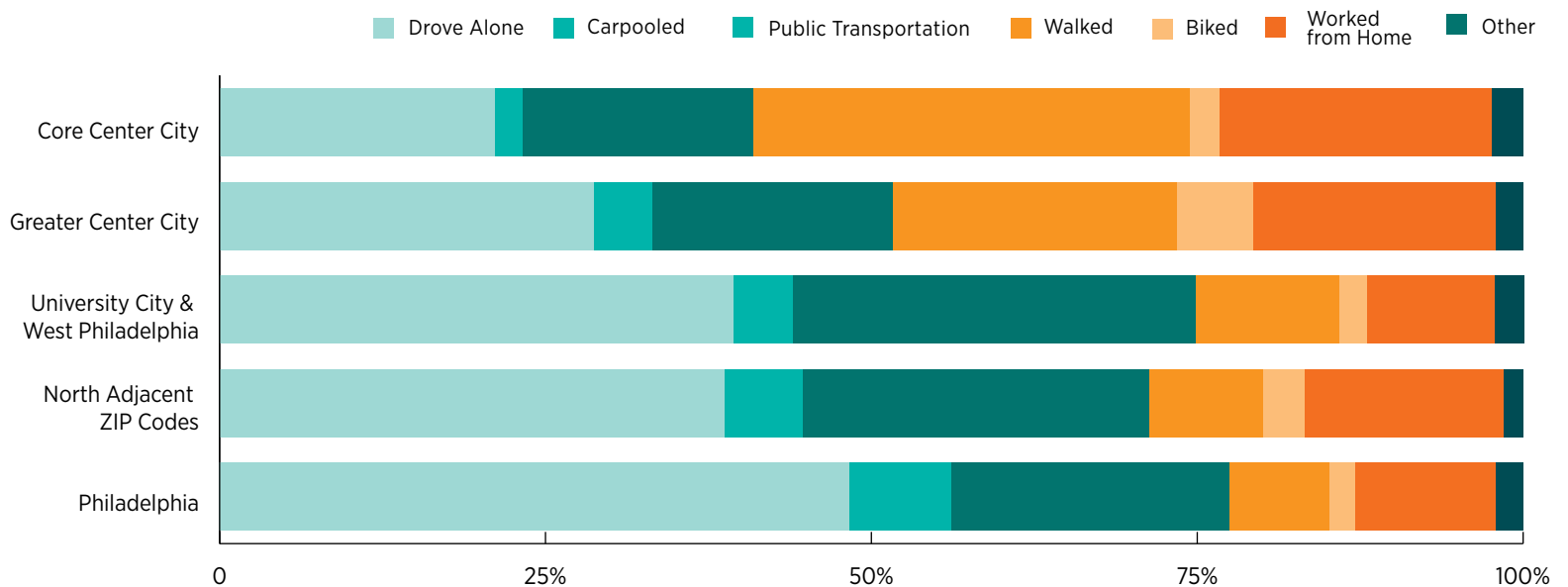
By February 2023, SEPTA average weekly ridership reached 55% of the pre-pandemic level.



Source: SEPTA

## Residents' Commute to Work

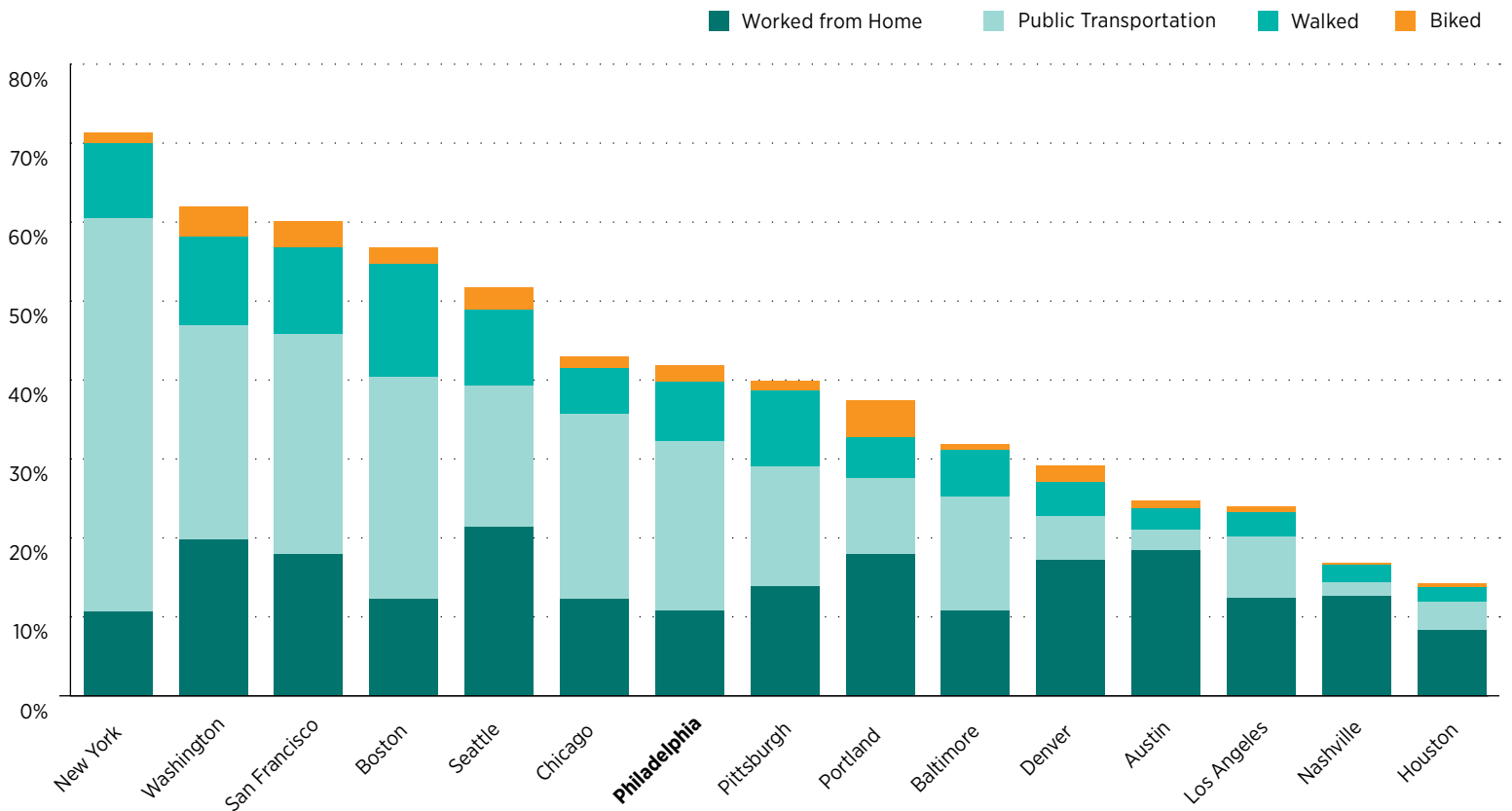
Center City is highly residential and walkable, with most residents walking to work compared to adjacent neighborhoods.



Source: U.S. Census Bureau, 2021 American Community Survey five-year estimates

### City Comparison: Commute in Order of Non-Auto Commute

Philadelphia has fewer residents working from home and more using transit than cities with similar levels of non-auto commuting.



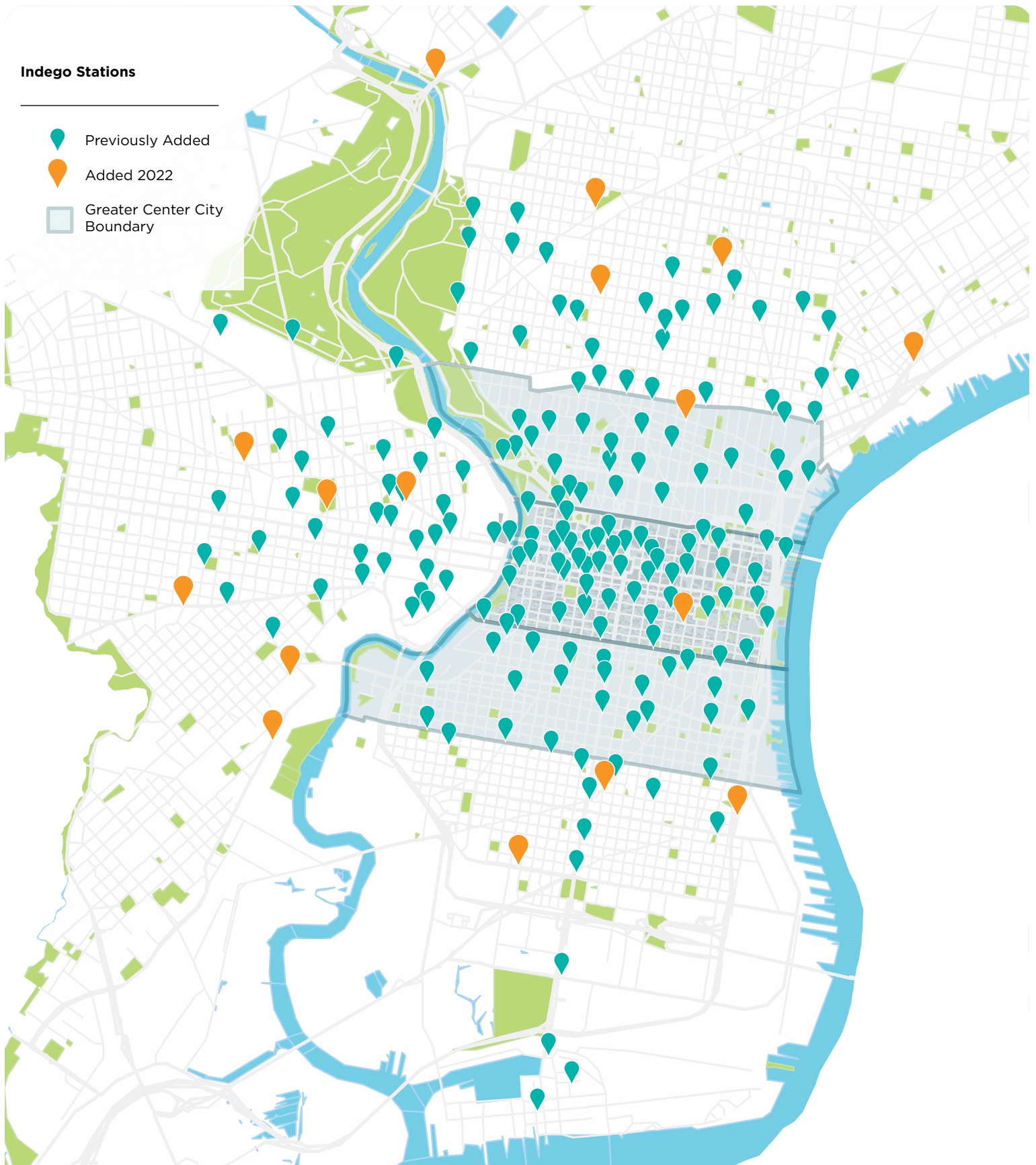
Source: U.S. Census Bureau, 2021 American Community Survey five-year estimates



CCD has installed new planters that define the bike lanes on West Market Street and JFK Boulevard.

## Indego Bike Expansion, 2022

Indego's expansion increases bike access in Greater Center City and its adjacent neighborhoods.

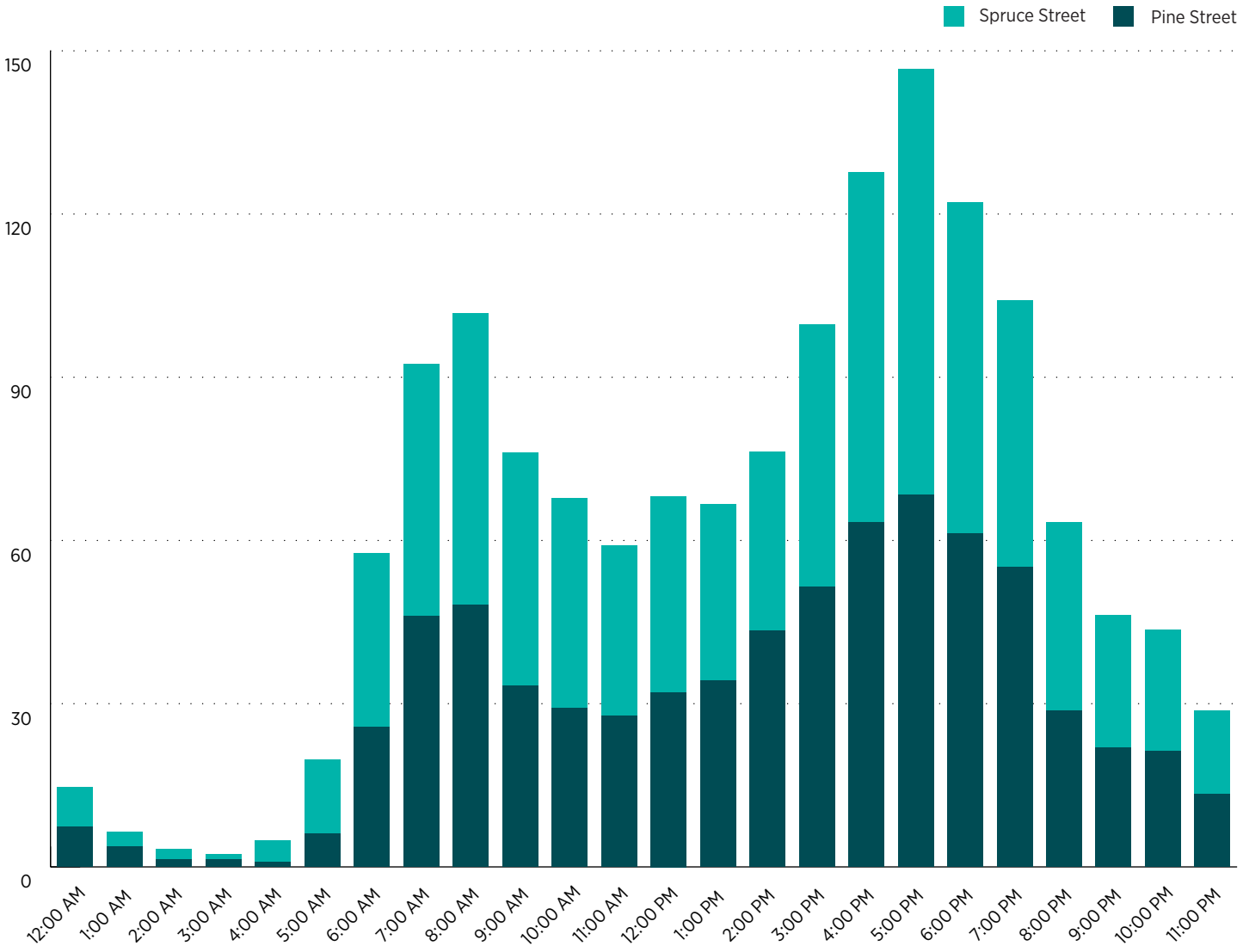


Source: Indego & OpenData Philly



**Average Weekly Number of Cyclists per Hour on Spruce and Pine Streets**

Biking in Center City has its highest volumes during commute times.



Source: DVRPC, August 2021



307,200  
Neighborhood and  
Regional Residents  
Work in Greater  
Center City

160,700  
Philadelphia

100,500  
Pennsylvania

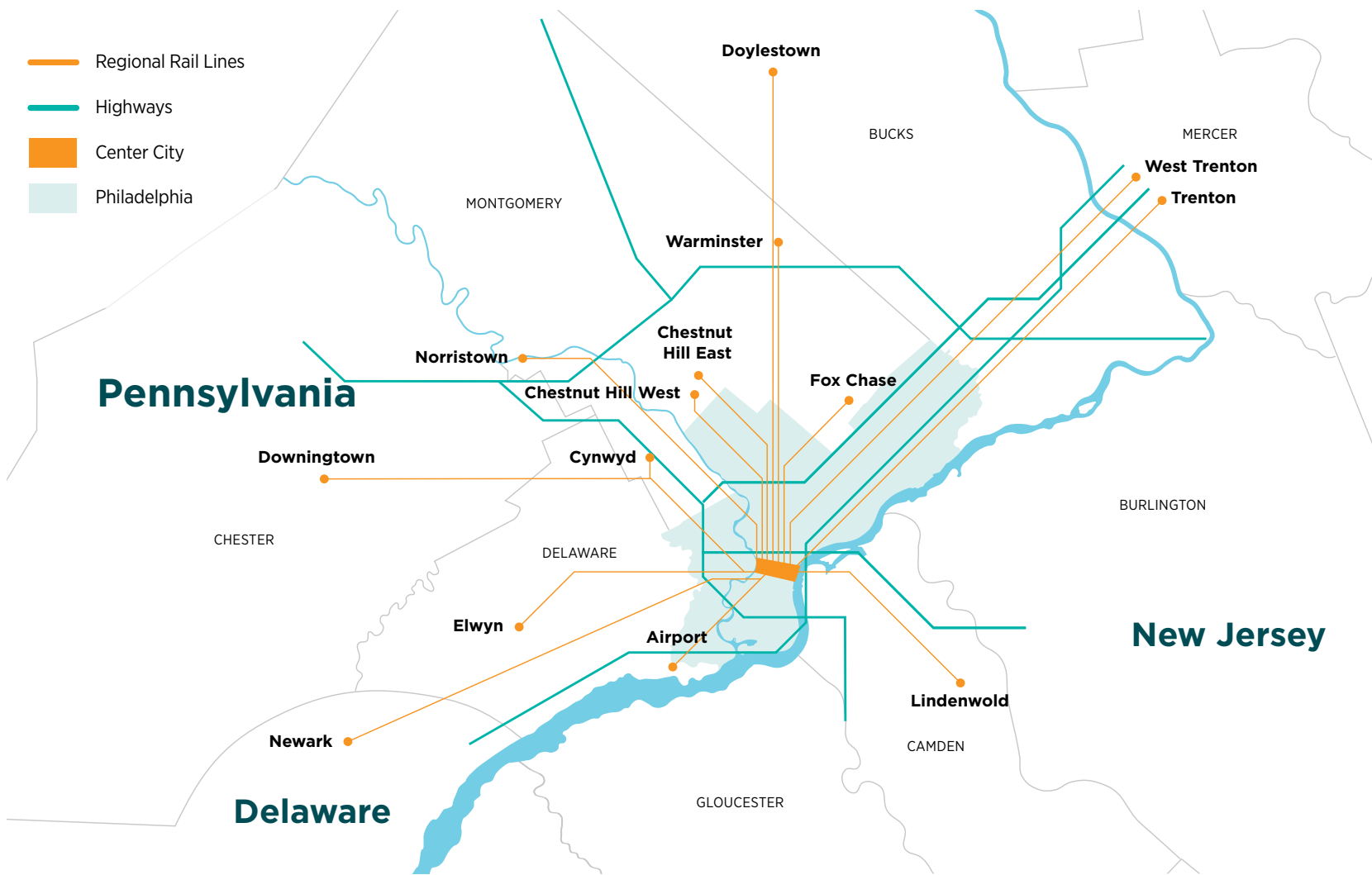
3,500  
Delaware

4,300  
Other

37,200  
New Jersey

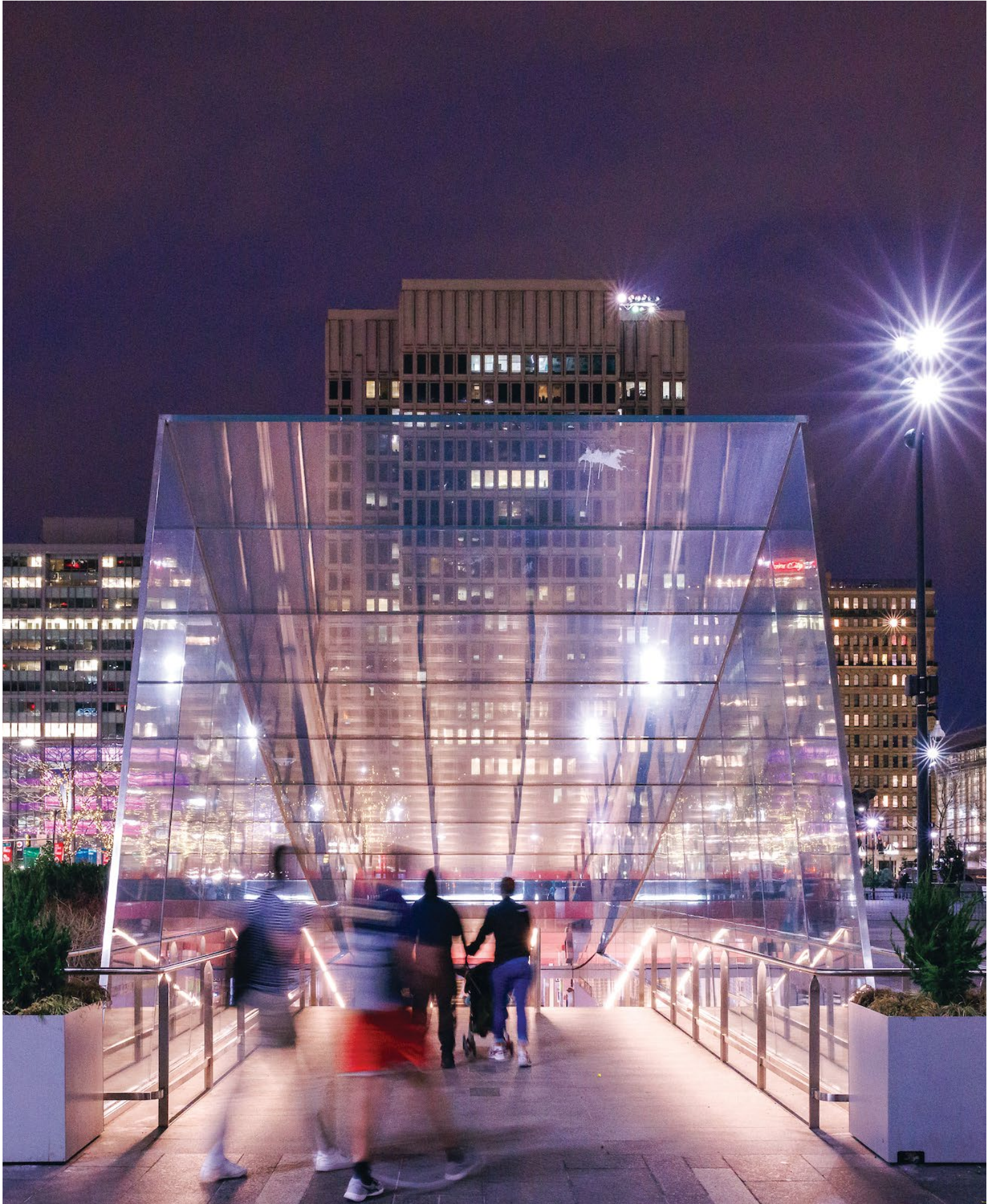
1,000  
Maryland

Greater Center City’s Regional Transit Network



Source: Center City District







# 9

# CENTER CITY DISTRICT

In 2021 and 2022, with strong support from the business community, and in partnership with public agencies, CCD significantly ramped up on-street public safety efforts: adding a bicycle patrol operating seven days a week, expanding homeless outreach, and developing a routine process of coordination between public safety staff of all city, state and federal law enforcement agencies, transit agencies, and private security in office buildings and businesses.

## KEY TAKEAWAYS

- CCD has ramped up public safety efforts with new bike patrols, increased homeless outreach and expanded partnerships with law enforcement, transit and private security in offices and businesses.
- CCD is keeping its parks active and public spaces clean and attractive, while promoting Center City restaurants, retail and cultural institutions.
- Serious crime fell 10.6% within CCD boundaries from 2019 to 2022.
- New initiatives in 2023 will redouble return-to-office efforts.

At the same time, CCD enlivened its parks with year-round events and amenities; promoted restaurants, retail and cultural institutions through advertising and social media campaigns; planted thousands of flower bulbs and pruned dozens of trees; maintained and upgraded street lighting; and enhanced the office district and Walnut Street with planters and landscaping improvements. CCD Restaurant Weeks continued without interruption during the last three years and the CCD Sips promotion returned in 2022.

This multi-pronged approach corresponded with a restoration by February 2023 of 78% of the February 2019 level of pedestrian volumes downtown and a 10.6% reduction in serious crime within CCD boundaries.

In 2022, our 43 Community Service Representatives (CSRs) had 146,000 sustained conversations: answering questions from pedestrians, responding to inquiries from businesses, administering first aid, and addressing safety and streetscape problems.

Two overlapping shifts of more than 45 new bike patrol officers have added a highly visible uniformed presence from 11 a.m. to 11 p.m. Our 110 cleaners continued to sweep, vacuum and power-wash sidewalks, and remove graffiti from building facades and street furniture on two overlapping shifts, seven days a week within CCD boundaries. Through fee-for-service contracts, CCD crews also clean sidewalks weekly in several adjacent residential neighborhoods.

Specially trained CSR teams provide year-round outreach services to the homeless population in Center City and work in partnership with Project Home, social service and mental health teams and the Philadelphia Police Department to help those on the street connect with needed services. CCD dedicates a van to transport those who seek shelter and services. This co-delivery service model has proved highly successful, with 229 people in Center City in 2022 alone agreeing to come off the street and accept services suited to their needs.



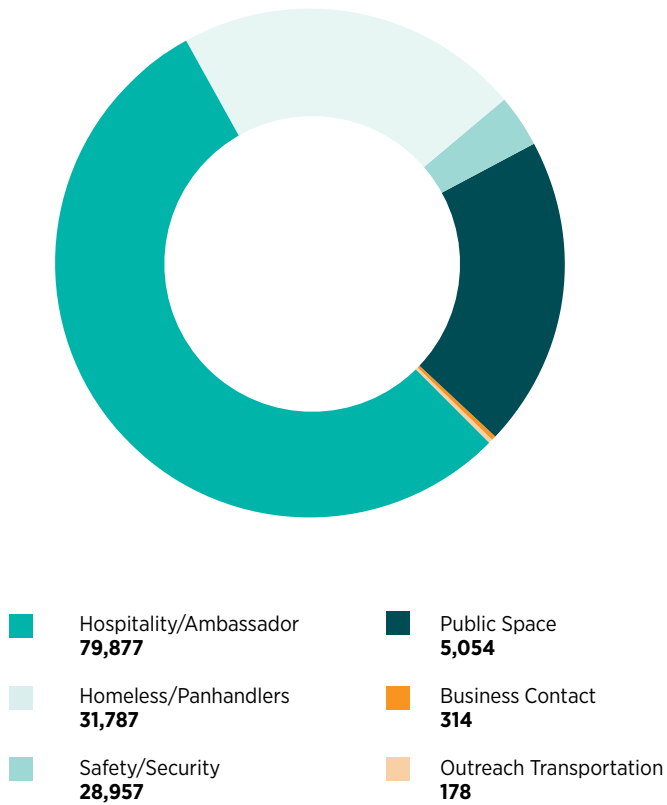
In 2023, CCD has launched new initiatives with major office buildings, transit agencies and public safety professionals to reach out directly to office workers at lunch time in building lobbies with information about public safety and amenities. In the early summer, CCD is partnering with office buildings to bring the types of cultural and dance events we program in Dilworth Park to office plazas in the late afternoon and evening—all efforts to enhance the vitality of the public environment in Center City.

Center City remains the largest concentrated center of employment in the region at the center of the transit system and provides job opportunities at all skill and educational levels for residents of the city and region.

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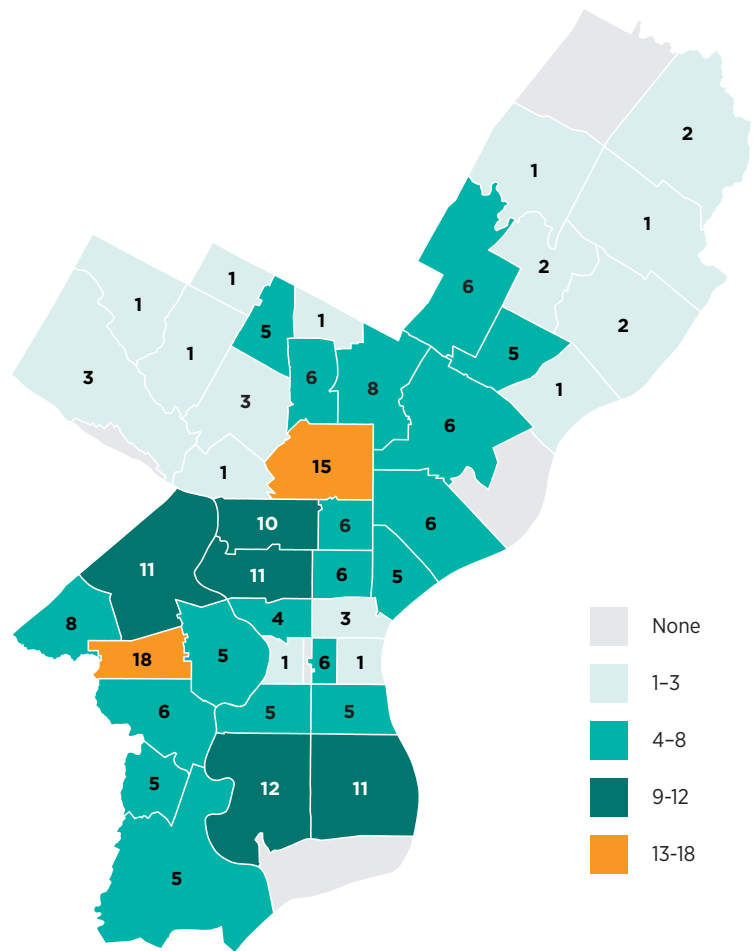
**Center City District  
has invested more than  
\$152 million in capital  
projects downtown  
since 1997.**

Community Service Representative Contacts, 2022



Source: Daily Activity Logs, Center City District

Total CCD On-Street Employees by Home ZIP Code in Philadelphia



# 2022 By the Numbers

**3,791**  
Individuals, businesses and organizations received alerts

**179**  
Alerts sent to business and property managers about significant events downtown

**229**  
People accepted services through CCD homeless outreach

**110**  
Uniformed cleaning personnel and supervisors

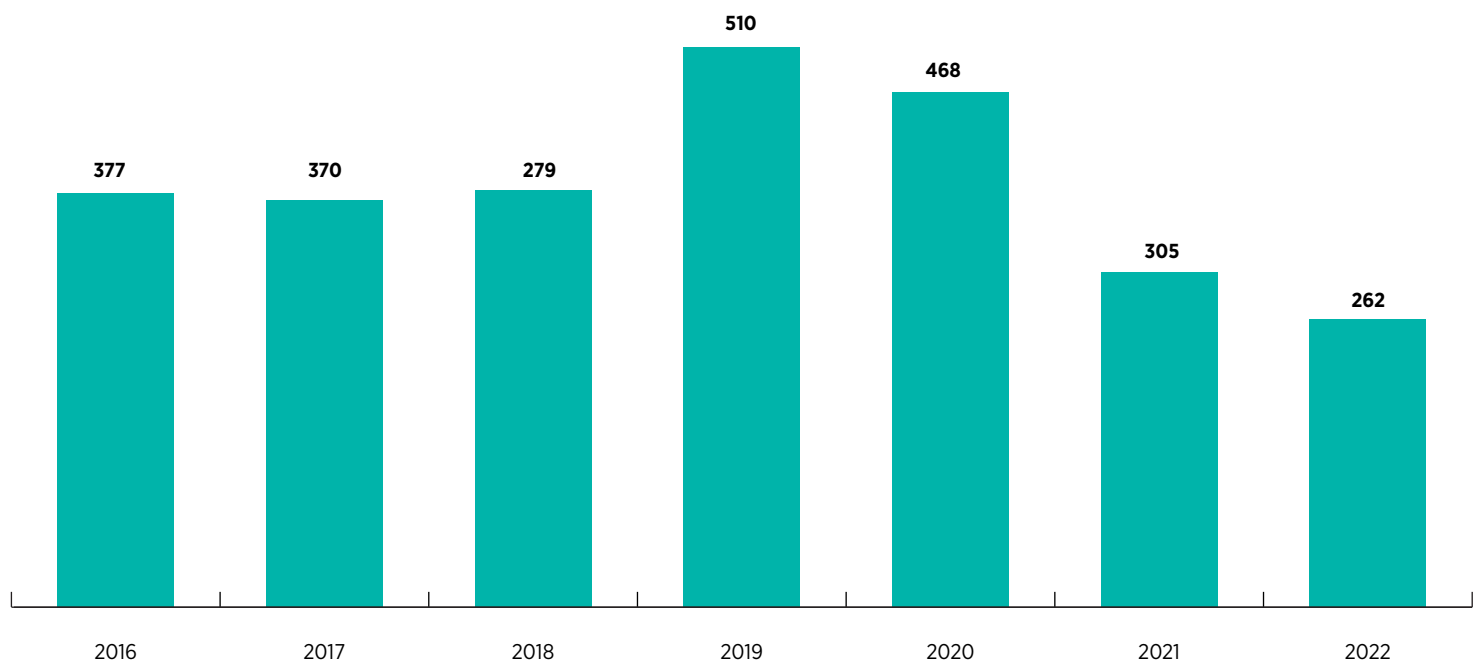
**700+**  
Building facades cleaned of graffiti tags

**80+**  
Community Service Representatives and Philadelphia Police coordinated deployment

**45**  
Bicycle Safety Patrol Team members deployed 7 days a week

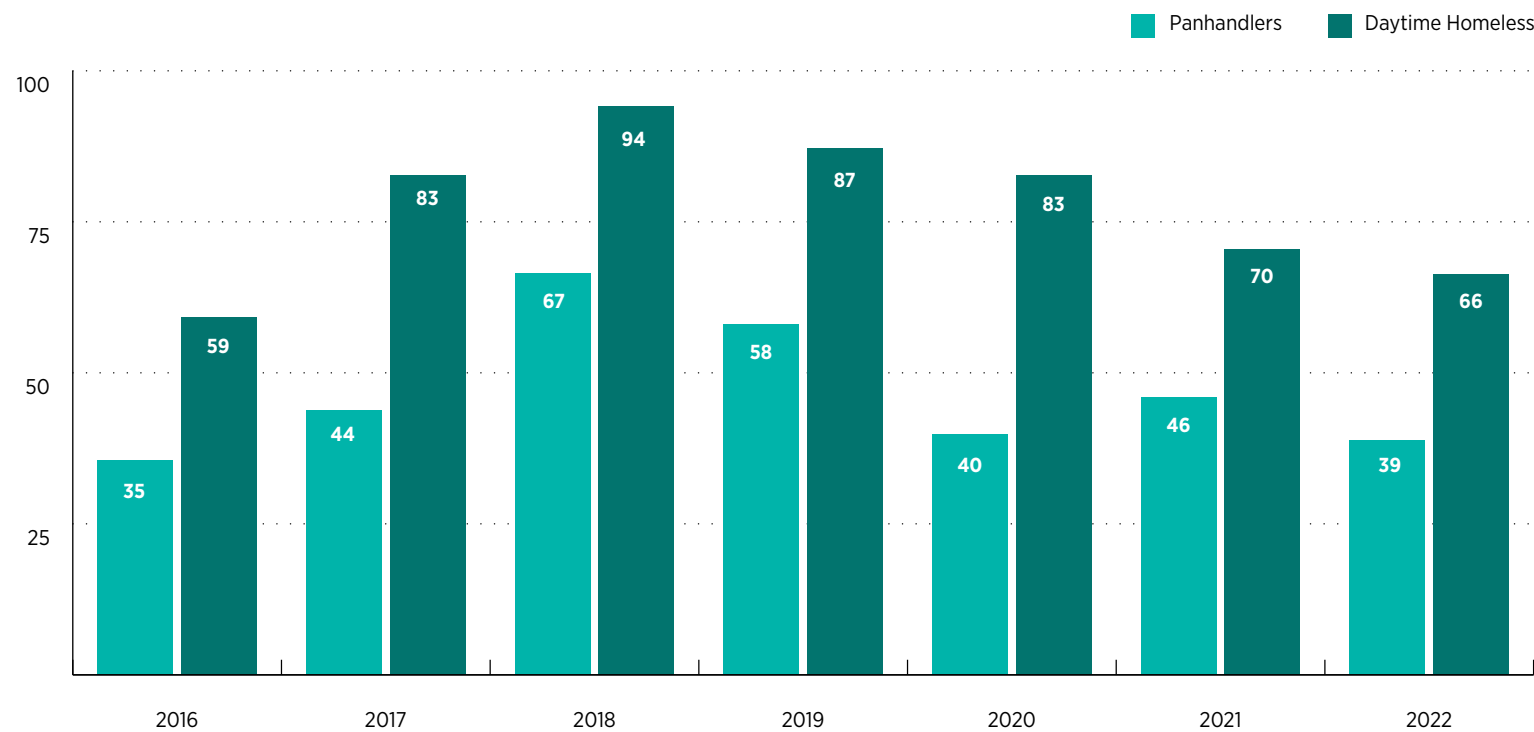


Overnight Homeless Survey, Nightly Average



Source: Philadelphia Police Department

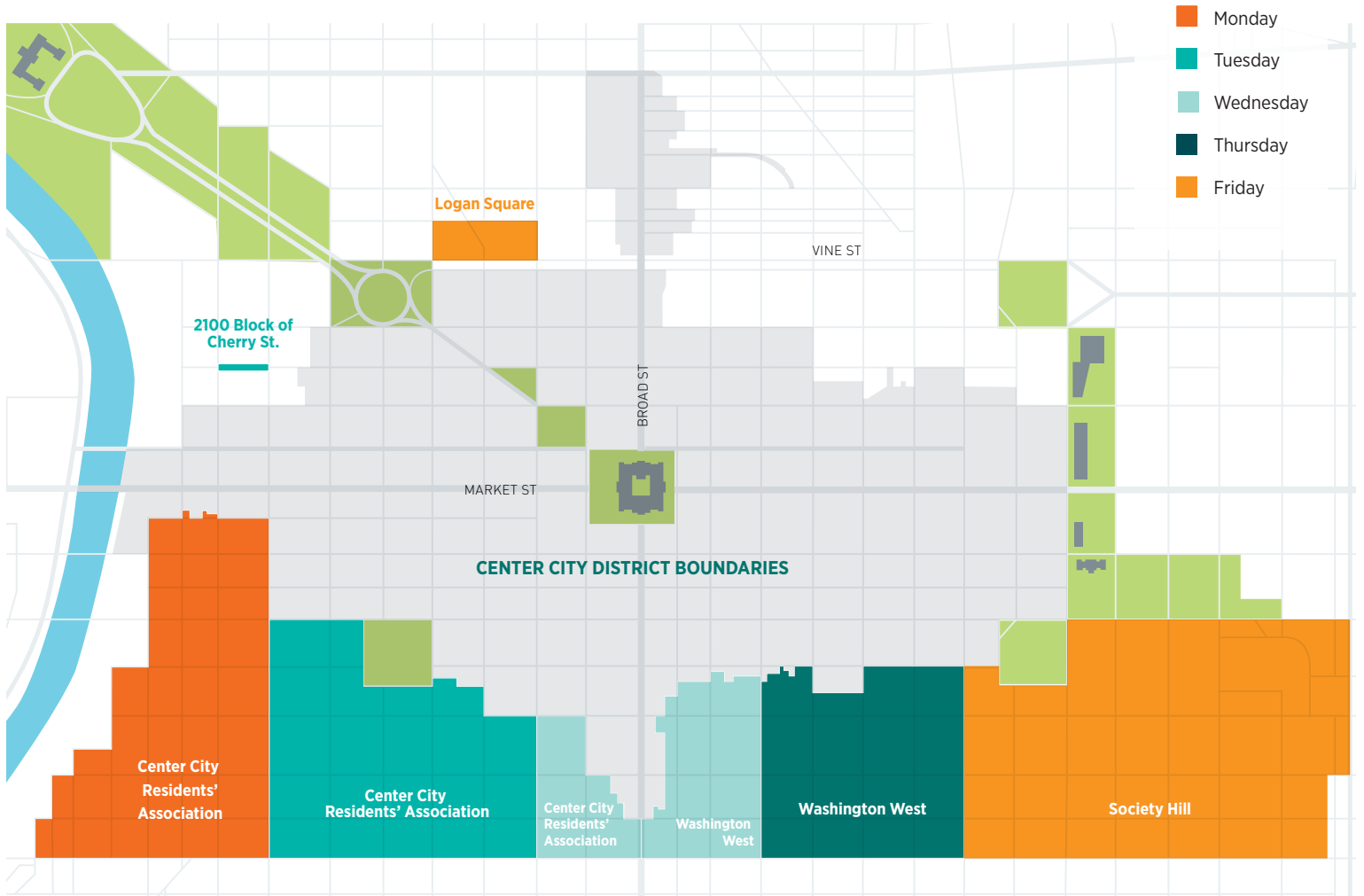
Daytime Panhandling and Homeless Survey



Source: Center City District

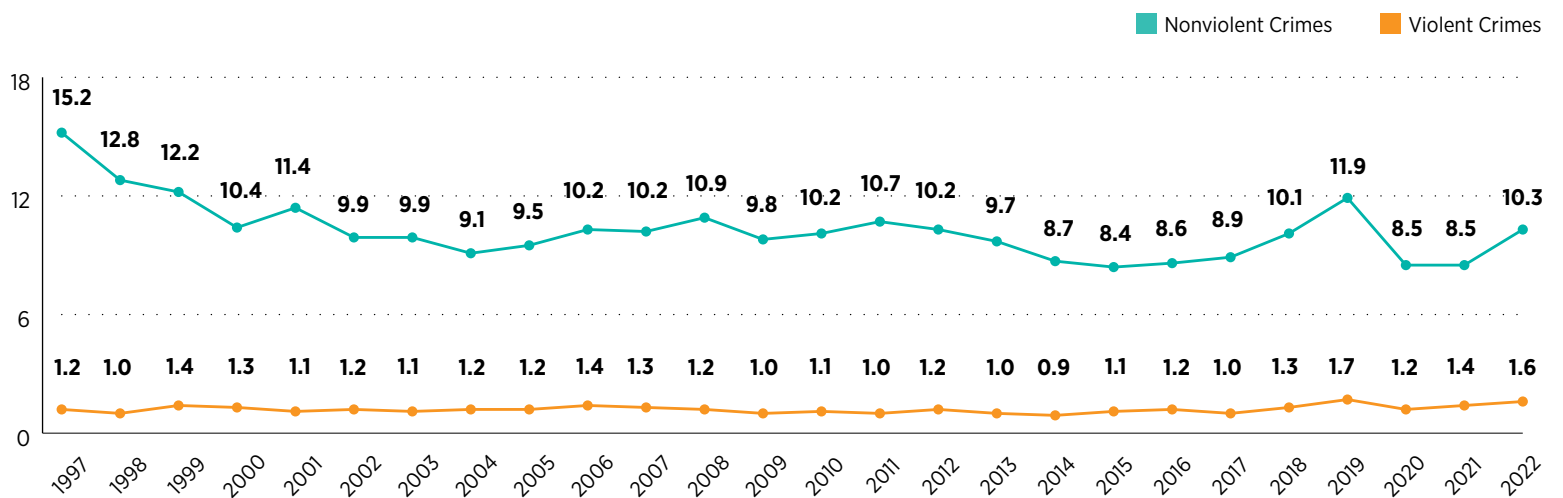
## Center City District Fee for Service Areas

Contracts with adjacent neighborhood associations



## Center City District Crimes Per Day

Serious crime in 2022 within CCD boundaries was 10.6% below 2019 levels.



Source: Philadelphia Police Department

## Total Center City District Capital Programs (includes design costs)

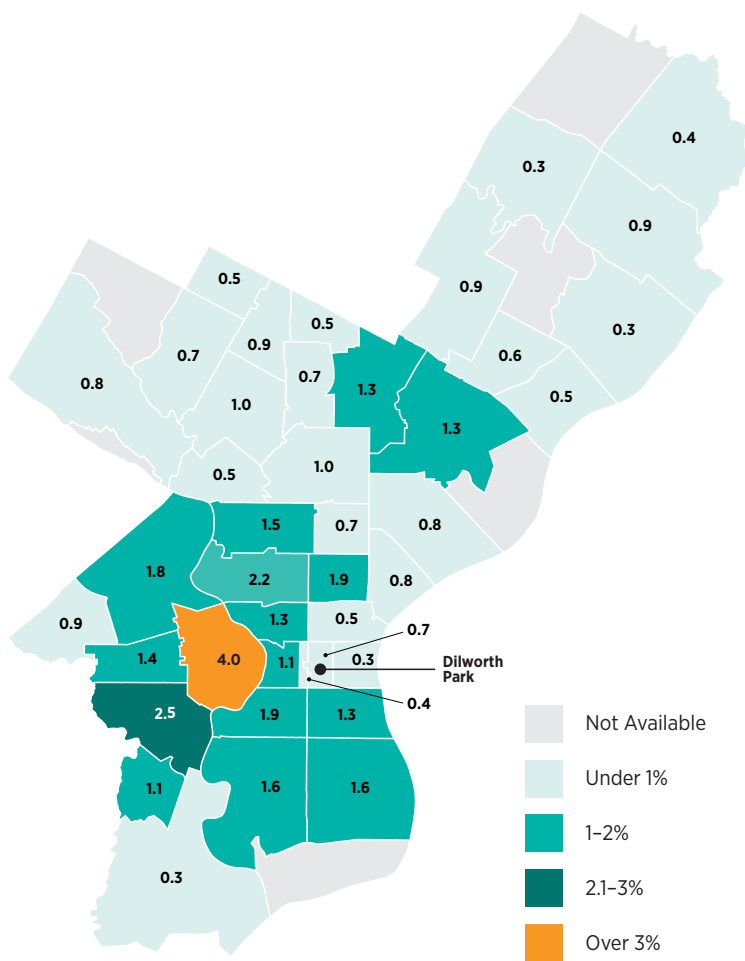
CCD investments in capital projects and other funding sources

PROJECT	YEAR	CCD FUNDS	FEDERAL	CITY	STATE	FOUNDATIONS	OTHER DONORS	TOTAL
Center City Streetscape	1997-98	\$21,000,000		\$5,000,000				\$26,000,000
Market East Streetscape	2000			\$7,500,000				\$7,500,000
Office District Lighting	2002	\$2,300,000		\$400,000			\$300,000	\$3,000,000
City Hall Façade Lighting	2004	\$135,000		\$140,000			\$525,000	\$800,000
Logan Circle Pedestrian Access	2004					\$1,500,000		\$1,500,000
Parkway Lighting	2004-05				\$2,220,000	\$3,000,000	\$30,000	\$5,250,000
3 Parkway Plaza, phase I	2005						\$450,000	\$450,000
City Hall Holiday Lighting	2005	\$400,000						\$400,000
Pedestrian Lighting	2005	\$1,250,000		\$400,000		\$35,000	\$215,000	\$1,900,000
Bus Shelter Signs	2006-07				\$109,200			\$109,200
Aviator Park	2006-07		\$1,750,000					\$1,750,000
Dilworth Plaza, design	2006-10	\$1,555,900				\$1,701,900	\$151,500	\$3,409,300
City Hall Portal Lighting	2007			\$125,000				\$125,000
Honor Box Corrals	2007	\$14,000					\$86,000	\$100,000
Parkway Signs	2007			\$2,600		\$450,000	\$70,000	\$522,600
Pedestrian Lighting	2007	\$347,000		\$390,000			\$365,000	\$1,102,000
Sculpture Lighting	2007					\$10,000		\$10,000
South Broad Lighting, phase I-IV	2007-12				\$350,000	\$1,219,000	\$1,015,900	\$2,584,900
3 Parkway Plaza, phase II	2008	\$516,000			\$1,320,000		\$42,000	\$1,878,000
Transit Portal Signs, phase I-IV	2008-13	\$146,200			\$433,300	\$587,000	\$514,100	\$1,680,600
2nd Street Civic Improvements	2009			\$955,000				\$955,000
Chestnut Park, phase I	2009					\$91,900		\$91,900
Delaware River Trail	2009			\$250,000		\$323,000		\$573,000
TreeVitalize	2009				\$100,000			\$100,000
Chestnut Park, phase II	2010					\$210,500		\$210,500
Sister Cities, phase I	2010	\$66,100					\$186,500	\$252,600
LED Lighting 21st, 22nd, 23rd Street Underpasses	2010-11	\$94,000					\$40,000	\$134,000
Chestnut/John F. Collins Park	2011	\$14,700				\$190,000	\$1,400	\$206,100
Sister Cities, phase II	2011	\$53,700	\$388,700		\$1,985,900	\$393,700		\$2,822,000
Pedestrian Lighting	2011-12	\$196,400	-	\$1,788,700	-	-	\$405,900	\$2,391,000
Dilworth Park, design & construction	2011-14	\$15,764,230	\$15,000,000	\$5,750,000	\$16,350,000	\$1,826,285	\$6,066,226	\$60,756,741
Reading Viaduct, Phase I	2011-14	\$75,631	-	\$750,000	-	\$32,649	-	\$858,280
John F. Collins Park	2012	\$8,733	-		-	-	-	\$8,733
Sister Cities, Phase III Completion	2012-13	\$153,600	\$1,117,100	\$0	\$503,900	\$551,900	\$10,000	\$2,336,500
City Hall Lighting Improvement	2012-14	-	-	\$142,332	-	-	-	\$142,332
Bus Shelter Signs	2013				\$46,238			\$46,238
Pedestrian Lighting	2014			\$30,820				\$30,820
Dilworth Park Construction	2015	\$2,088,811			\$23,801	\$28,055		\$2,140,667
City Hall Gates	2015	\$2,393		\$1,425,435		\$50,000		\$1,477,828
City Hall Gates Lighting	2016			\$228,500			\$414,717	\$643,217
Rail Park Phase 1	2015-21	\$1,411,490		\$2,800,000	\$4,125,300	\$2,447,500	\$2,540,067	\$13,324,357
City Hall Gates Lighting	2017			\$286,777				\$286,777
Dilworth Park - Pulse	2017-18	\$729,646	\$20,000			\$325,000	\$41,550	\$1,116,196
Market Street/JFK Bike Lanes	2020						\$3,778	\$3,778
Pedestrian Lighting 6th Street	2020						\$14,890	\$14,890
Pedestrian Lighting 9th and 10th Streets	2019-2021	\$23,739					\$332,900	\$356,639
Dilworth Park - fountain upgrades & new display	2022	\$53,226						\$53,226
Jewelers Row - pedestrian lighting & signage	2022	\$90,320						\$90,320
Penn Center - 16th Courtyard transportation gateway	2022	\$104,130						\$104,130
JFK/MKT W - bikeway pathway and planters	2022	\$60,272					\$123,025	\$183,296
Collins Park - bathroom upgrades	2022	\$51,844						\$51,844
Rail Park - Phase 2	2021-2022					\$62,500	\$135,354	\$197,854
<b>Total</b>		<b>\$48,707,065</b>	<b>\$18,275,800</b>	<b>\$28,365,164</b>	<b>\$27,567,639</b>	<b>\$15,035,889</b>	<b>\$14,080,807</b>	<b>\$152,032,363</b>

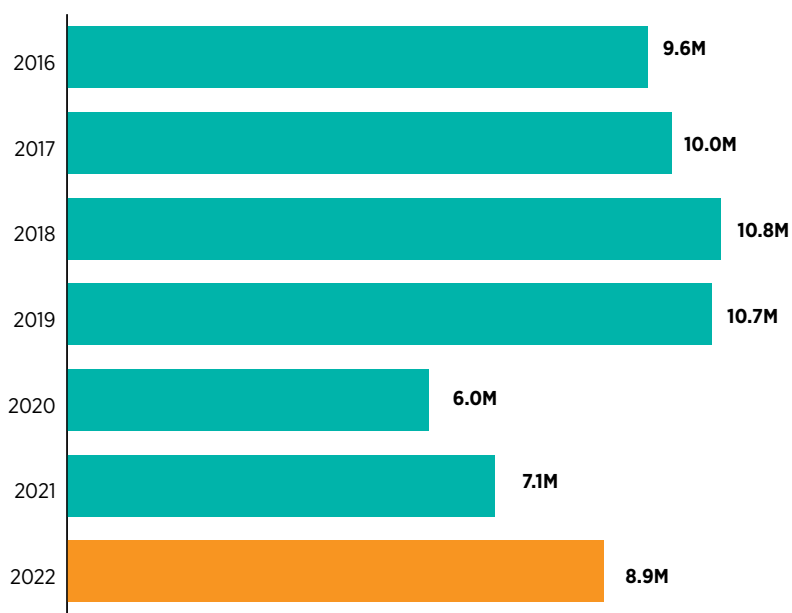




Percentage of Visitors to Dilworth Park by Home ZIP Code



Dilworth Park Annual Visitors



Since 2016, Dilworth Park has welcomed over 63.1 million visitors.





# ACKNOWLEDGEMENTS

## **SOCC Acknowledgements**

The *State of Center City 2023* team includes Stephen Camp-Landis, Vice President of Research and Policy; Joanne Chen, Research Associate; Prema Katari Gupta, Executive Director, Central Philadelphia Development Corporation; Lindsey Hover, Graduate Intern, Economic Development; JoAnn Loviglio, Senior Director of Communications and Publications; Leo Manning, Digital Communications Manager; Colin Munro, Manager of GIS Mapping Services and Technology; Lauren Smith, Manager of Economic Development; and Bonnie Thompson, Senior Director of Digital Marketing. This document was designed by Amy Genda, CCD's Senior Creative Director, and Senior Graphic Designer David Orantes.

## **Information Sources**

Academy of Natural Sciences of Drexel University

Amtrak

Barnes Foundation

Billy Penn at WHYY

City of Philadelphia Department of Licenses and Inspections

City of Philadelphia Department of Revenue

City of Philadelphia Office of Property Assessment

CoStar

Delaware Valley Regional Planning Commission (DVRPC)

Eastern State Penitentiary

Franklin Square

Indego

Independence National Historical Park

Independence Visitor Center

InterAct Theatre Company

IPUMS National Historical Geographic Information System

JLL

Lantern Theater Company

Museum of the American Revolution

Mutter Museum

National Center for Charitable Statistics

National Center for Education Statistics

National Constitution Center

National Science Foundation

National Venture Capital Association

Newmark

NJ Transit

OpenData Philly

Opera Philadelphia

PATCO

Penn Museum

Pennsylvania Spatial Data Access (PASDA)

Philadelphia Chamber Music Society

Philadelphia Convention & Visitors Bureau

Philadelphia Museum of Art

Philadelphia Police Department

Pitchbook

Placer.ai

Reading Terminal Market

Redfin

Schuylkill Banks

Schuylkill River Greenways

SEPTA

SMU DataArts

STR

Tourism Economics

U.S. Census Bureau, American Community Survey

U.S. Census Bureau, Decennial Census

U.S. Department of Commerce, Census Bureau

U.S. Department of Health and Human Services, National Institutes of Health

U.S. Department of Labor, Bureau of Labor Statistics

Walnut Street Theatre

Visit Philadelphia

Zillow

## **Photography**

BeauMonde Originals

Comcast Corporation

Kira Luxon Pepe

J Ryan for the PHLCVB

Matt Stanley

We Film Philly

## **Recent CCD/CPDC Publications**

*Firing on All Cylinders: Growing Jobs and Small Business by  
Expanding the Traded Sector* (2022)

*Downtown Rebounds: Greater Center City Housing Trends* (2023)  
*Center City Philadelphia Retail* (2022)



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**Errata**

<https://centercityphila.org/socc>

The Center City District (CCD), Central Philadelphia Development Corporation (CPDC) and Center City District Foundation (CCDF) work together to enhance the vitality and competitiveness of Philadelphia's downtown. In 1991 the business leadership organization CPDC created the CCD business improvement district to deliver daily services with the goal of making Center City clean and safe. This helped transform Center City into a vibrant 24-hour downtown, attractive to businesses, residents, students, shoppers and tourists.



**CENTER CITY**  
DISTRICT

**CENTRAL PHILADELPHIA**  
DEVELOPMENT  
CORPORATION