



CENTER CITY DIGEST

THE STATE OF CENTER CITY RECOVERY

At the start of spring, Center City had restored 77% of its 2019 pedestrian volumes (a daily average of 345,144), more than triple the 113,600 pedestrians in April 2020. Despite end-of-the-world stories written in the bleakest months of 2020 and 2021, there were 35% more residents living in the core of downtown in March 2023 than in March 2019, as more people choose to live here. Visitors, tourists and shoppers were at 76% of 2019 levels (but at 92% on weekends) with workers at 64%. West Market office district workers still lag, but rose to 50% of 2019 levels at the end of March 2023.

It's misleading to use *pandemic* as an umbrella term for the events of last three years. We confronted three separate challenges: a global health crisis, mandated shutdowns of different durations across the country and, in some cities, civil unrest and vandalism followed by a rise in crime.

How Philadelphia rebounds from those setbacks is defined by our urban-DNA, fashioned by 30 years of diversification of Center City's economy and land use, and framed by our inherited, pre-auto built form. But this place that holds 42% of all city jobs is not the passive result of immutable trends. It will be shaped by the actions or inaction of business, civic and political leaders.

Downtown Diversification: Start with diverse land-use: Center City has added a large inventory of housing of all types, intermixed with offices, health care and education institutions, a robust convention and tourism business and a vibrant arts and cultural scene. The more diverse the land-use, the more doors opening to the street, the more vibrant the sidewalks more hours per day, the safer the feel. It's why West Walnut is rebounding faster than East and West Market.

Since 1997, while adding new office towers, Philadelphia also became a national leader, converting more than 40 major downtown buildings to housing or hotels, filling in surface lots, creating the third largest downtown residential population in the U.S. The strategic decision in the late 1980's to put conventions in the center, not at the margins, mingled with historic and cultural attractions, gives us one of the most walkable and compact destinations in North America, accented by quality public spaces and thriving outdoor cafes. We should sustain the pattern of adding new offices while converting the old. But predictions of an "urban doom loop" in the office sector are no more than idle musings of a few academics so remote, they're disconnected from reality.

Slow Growth: There are benefits to being a tortoise. Our business mix is not highly dependent on technology or financial services, sectors that grew rapidly after 2000, but now are slowest in returning to office. Unlike Seattle and San Francisco, we benefit from Comcast’s decision to maximize days in office. Nonetheless, Philadelphia must capture more of the growth industries of the 21st century.

Nationally, the longer the 2019 commute, the less returning downtown in 2023. Fortunately, a large share of our workforce walks, bikes or takes short transit rides, while those who drive avoid the frustrating journeys endured in many regions.

Public Safety: Perceptions of *safety* remain a hurdle. But like pandemic, it’s a term overloaded with complex content. Gun violence is a major crisis. While limited to a number of distressed neighborhoods, media coverage makes it omnipresent. Fear is easily triggered by a handful of serious, though isolated events downtown. It’s reinforced by an upsurge in lower level offenses, like retail theft, and other signs of social disorder, especially on sidewalks and transit corridors with diminished volumes. CCD surveys have also found for years that signs of disorder disturb those over 55 more than those under 35.

Successful cities are re-animating their downtowns with events and programming, while proactively addressing safety and quality-of-life challenges with a two-handed approach, blending community policing with services for the distressed who dwell on sidewalks. They take low-level offenses seriously but focus on restorative justice, reconnecting those in need with job opportunities.¹

In 2021 and 2022, support from businesses enabled CCD significantly to enhance uniformed, unarmed public safety deployment: supplementing our long-term Community Service Representative foot patrol with a high-visibility bicycle unit, operating seven days a week. Customer oriented and committed to problem solving, 100 CCD public safety personnel provide reassurance to the public. Co-location with a Philadelphia police station, interconnected communication, and the use of real-time, crime mapping enables rapid resolution of emerging challenges.

CCD expanded to three teams the Ambassadors of Hope homeless outreach partnership with Project Home and crisis invention trained police officers, resulting in a 29% reduction in unhoused individuals on sidewalks in Center City since 2018 without a single arrest or citation.

Collaboration is not limited to downtown. It is as effective responding to gun violence in neighborhoods. 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 credibility: mothers of young men who were killed and peers returning from prison. The next mayor must ramp up “focused deterrence” in more neighborhoods, while taking more seriously the drug crisis in Kensington.

Even with constrained resources, cross-department collaboration yields dividends. CCD hosts routine coordination meetings of city, state, federal and transit law enforcement professionals assigned downtown with private security retained by offices, retailers and health-care campuses. The result: a 10.6% drop in serious crime within CCD boundaries in 2022 compared to 2019.



1. Those with some history may recall that CCD sponsored a highly successful community court for almost decade, starting in 2002. Restoring the court should be a top priority for the next mayor. <https://centercityphila.org/ccd-services/public-safety/crime-prevention>

Animating Downtown: Just as our 110 sidewalk cleaners are a reassuring presence, even without an explicit security function, tending to the streetscape has a beneficial, subliminal effect, as litter and graffiti are continuously removed. CCD enlivens its parks with year-round events and amenities; plants thousands of flower bulbs, prunes dozens of trees; maintains and upgrades sidewalk lighting; and is enhancing Walnut Street and the office district with landscape improvements. There are obvious lessons for the next mayor who can support the work of smaller improvement districts across our neighborhoods.

CCD Restaurant Week continued without interruption for the last three years and the CCD Sips promotion returned in 2022. We're promoting retail and cultural institutions through advertising and social media. In 2023, we are adding new ways to support businesses as they encourage their workers return to office.

Center City FYI: CCD is partnering with major building owners, transit agencies and public safety professionals to engage workers directly at lunchtime in building lobbies. The initiative continues through May, providing face-to-face conversations and information about transit incentives, public safety and amenities downtown. (See page 15 for photos.)

Dinner and a Show: CCD has joined with several major performing arts organizations to offer exclusive discounts on tickets to music, dance and theater performances through May 31. For details, visit centercityphila.org/dinner-show

Center City Social: In late spring and early summer, we will be collaborating with more office buildings to bring the athletic, cultural and dance events that CCD programs in Dilworth Park to office plazas at day's end, enhancing the spaces that surround places of work.

Live @ Lunch: Our popular lunchtime concert series in Dilworth Park is also going on the road this summer. On Wednesdays at noon, from June 7 to July 26, Live @ Lunch will pop up on various Center City office plazas.

The overarching message from all these initiatives: *come back to the center of it all*. The more high-skilled workers return, the more opportunities for all other workers.

What's Required From Leadership: Many problems unresolved at the start of 2020 await a new mayor in 2024. In the expanding national economy, following the severe 2008 recession, Philadelphia's growth was slow, 27th of the 30 largest US cities, generating insufficient transit-accessible jobs to elevate a low rate of workforce participation and reduce the high level of poverty.

High wage and business taxes, levied on both gross receipts and net income—like no other major American city nor surrounding county—create disincentives to locate here. This is exacerbated by new options for remote and hybrid work. Employers have a major role, making the case that innovation, productivity and mentoring are achieved best through in-person collaboration.

Philadelphia's economy was strong in local-serving, lower paying sectors, but deficient in "traded sector" employment, particularly high-wage industries such as professional services, finance and pharmaceuticals that could locate here, while reaching customers both national and global. These industries currently are more dispersed across our region than in comparable places. Their absence downtown 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 public schools. The next mayor should build on recent momentum around tax reform and 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.³ It's a false choice to juxtapose policing and social services. Well-trained, community-based policing goes hand-in-hand with education, job training and social services to address neighborhood challenges and prepare residents for 21st century jobs. Fundamentally, we need more robust business and employment growth.

Philadelphia has 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. It's time to stop saying this and start doing it.



Paul R. Levy
President
plevy@centercityphila.org

2. Firing on All Cylinders, <https://centercityphila.org/research-reports/firing-on-all-cylinders>

3. Sixteen business improvement districts from across the city have come together around a simple six-point plan for the next mayor to enhance the safety, cleanliness and competitive of neighborhood commercial corridors.
<https://phillybidalliance.org/members>

CCD 2023 BUDGET DETAILS

2023 Property Statistics

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

\$472,830

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

\$121,057

The typical Market Street West office building pays

\$287,211

The average hotel pays

\$88,037

The average commercial office property pays

\$43,128

The average apartment building pays

\$25,643

The average commercial property pays

\$18,630

The average retail property pays

\$3,785

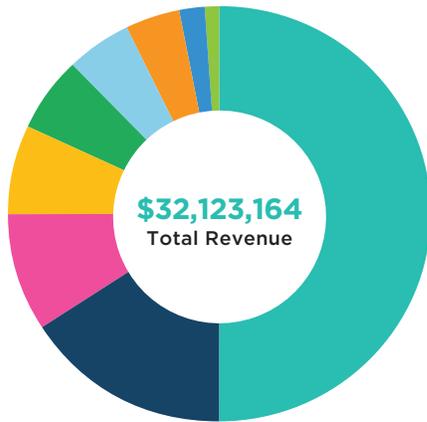
The average residential charge is

\$336

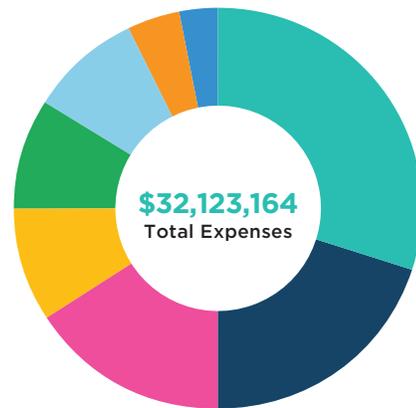
The average for all property types is

\$5,429

Where the Money Comes From



Where the Money Goes



- 50% Commercial Office & Other
- 16% Apartments
- 9% Hotels
- 7% Retail
- 6% Parks & Plazas

- 5% Capital Budget Reserves
- 4% Single Family Residential & Condos
- 2% Fees for Service
- 1% Interests, Grants & Other Revenue
- <1% Exempt Property Contributions

- 30% Cleaning & Maintenance Operations
- 20% Safety & Crime Prevention Services
- 16% Parks
- 9% Administrative

- 9% Streetscapes
- 9% Marketing, Communications & Public Relations
- 4% Debt Service
- 3% Development, Planning & Research



The CCD’s 2023-2027 Plan and Budget was unanimously confirmed in City Council and signed by Mayor Jim Kenney at the end of 2022, after being overwhelmingly approved by District property owners—only two of 1,676 properties filed objections to the plan. It marks the eighth CCD reauthorization, a formal process required under Pennsylvania law, since the District was created in 1990.

The plan and budget for the period 2023–2027 increases the CCD’s primary focus on the basics, devoting more than three-quarters of assessment revenues to programs for a clean, safe,

attractive and well-managed public environment. The balance of revenues supports capital improvements, research, planning, management and communications strategies that bolster the attractiveness and competitiveness of Center City.

CCD’s 2023-2027 Plan and Budget is available to read and download at: centercityphila.org/ccdplanbudget.

TOP 10 PROPERTIES BY BILLING

RANK	PROPERTY NAME	2023 BILLING AMOUNT
1	Mellon Bank Center	\$721,404.14
2	Comcast Center	\$628,914.89
3	Centre Square	\$619,607.15
4	One Liberty Place	\$572,893.51
5	Comcast Innovation Center	\$571,465.10
6	Independence Blue Cross - DiBona Building	\$474,997.82
7	401 North Broad Street	\$461,919.84
8	One Commerce Square	\$458,343.00
9	Two Commerce Square	\$442,524.20
10	Three Logan Square	\$409,691.77
TOTAL		\$5,361,761.42



LEADERSHIP TRANSITION

In February, Center City District’s board approved a two-year leadership transition plan in which founding President and CEO Paul R. Levy will remain in that role through December 31, 2023 and Vice President Prema Katari Gupta will become CCD’s President and CEO, effective January 1, 2024.

Effective January 1, Levy will assume the role of a non-executive Chair of the Board through December 31, 2024, stepping back from day-to-day management of CCD operations but continuing to play a supportive role, assisting with the transition, providing strategic guidance for the CCD and helping advance several of the organization’s key new initiatives.

“I have known Prema for nearly 20 years. She started at CCD only three weeks before the pandemic changed everything.

Amid the many challenges that Center City faced in the weeks and months that followed, her expertise, ideas and leadership were instrumental in maintaining and enhancing our mission—from ensuring that our parks and public spaces were attractive and welcoming, to creating innovative strategies to support property owners, businesses, and community leaders and residents,” Levy said. “I look forward to continue working with Prema and the Board over the next two years to build on CCD’s three decades of strong momentum.”

For the remainder of 2023, Gupta will continue in her roles as Vice President of Parks and Public Realm and Executive Director of the Central Philadelphia Development Corporation (CPDC) as she builds her experience with all other aspects of CCD’s programs.

“It’s an honor to be selected to be the second person to lead the Center City District team, which under Paul’s incredible leadership has become a model for business improvement districts around the country and around the world,” Gupta said. “I look forward to continuing to serve the dedicated and talented CCD team and our many stakeholders. I’m extremely grateful for this opportunity and for Paul’s continued partnership as we work together to set CCD on a solid course for its continued success and growth.”

CCD THANKS EMPLOYEES AT AWARDS BREAKFAST

Center City District held its employee appreciation and anniversary breakfast on March 23 at the Loews Philadelphia Hotel for Community Service Representatives (CSRs), maintenance staff, office staff, several members of the bike patrol and Philadelphia police officers assigned to the CCD substation.

CCD President Paul R. Levy thanked the group for their commitment and presented awards to CSRs, cleaners, police officers and administrative employees with 5, 10, 15, 20, and 25 years of service. He also noted that the CCD was reauthorized at the end of last year—CCD’s eighth reauthorization since its 1991 founding—with the unanimous support of City Council and the mayor and the overwhelming support of businesses and property owners who value the work of on-street staff.

Also speaking at the breakfast was Visit Philadelphia President and CEO Angela Val, who thanked the safety and cleaning teams “for everything you do to help our city shine.” She added, “The last few years have been really hard, especially for those of you who are on the front lines every day. But know that we see you and we are so appreciative for every single thing you do. ... We couldn’t invite visitors into our city without the work you do each and every day.” Police Inspector Ray Evers, who oversees the Central Police Division, highlighted the reduction in crime as one of the major benefits of cooperation between the police and CCD teams.



2023 YEARS OF SERVICE AWARDS

Administrative Staff

5 Years:

Neil Brecher
Curts Charles

10 Years:

Jim Burke

20 Years:

Kelly Farrelly

CSRs

5 Years:

Helen Boney
Whitney Walker

20 Years:

Kim Bailey

Maintenance

5 Years:

Nassir Bennett
Kevin Holloway
Darren Miller
Duane Wilson

10 Years:

Pedro Arroyo
Chester Heath
Mark Sanders

15 Years:

Mike Farrell
Anthony Mazzucca
Jeremiah Worsley

20 Years:

Juan Rosario

25 Years:

Darius Daniels
Ronald Dorsett
Annette Ross

30 Years:

Tiep Van Tran

Police

5 Years:

Michael Artese
James Bynum
Anthony Curtosi
James Hawe
Kelvin Vaughn

10 Years:

Thomas Liciardello
George Lochmer
Charles Marable
Francis Rafferty

15 Years:

Daniel Leone
Michael Moore
Rich Paraschak
Kevin Wood

20 Years:

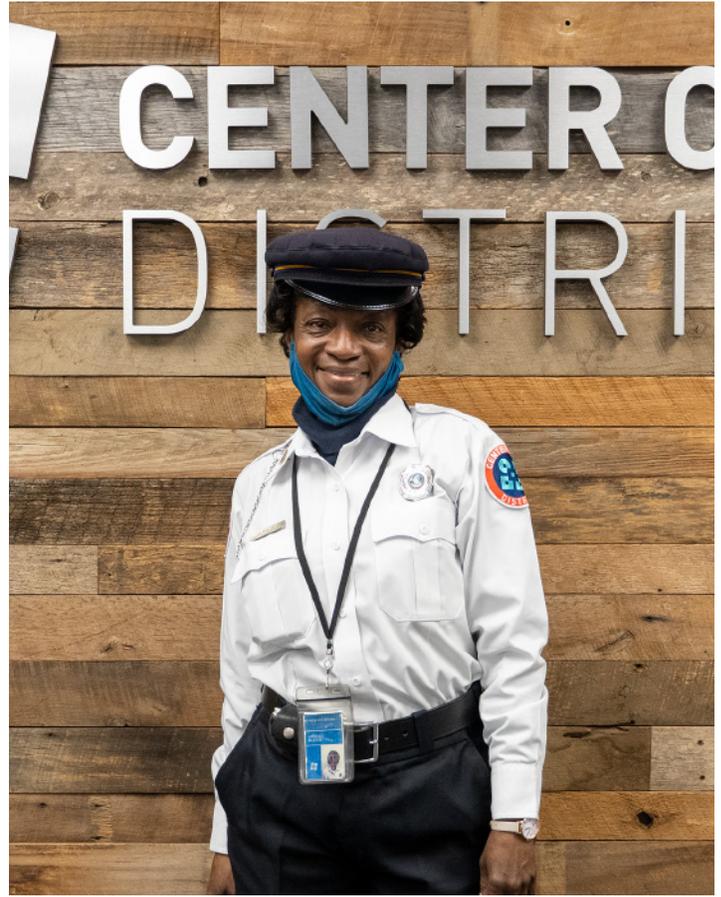
Caroline Camp
Lourdes Deleon
Anthony Donahue
Coleen Donnelly
George Gaspar
Tony Long

25 Years:

Charles Harding
Linda Maggetti
Joseph Murray

We're hiring! Visit centercityphila.org/jobs for details.





CCD PEOPLE IN THE SPOTLIGHT

Public engagement is what CCD's Community Service Representatives do on the job every day, but a recent extra effort by CSR Annette Baxter gave new meaning to that phrase.

On foot patrol in early March, she came across a distraught pedestrian on East Market Street whose engagement ring slipped off and fell into a storm drain. With clouds gathering and a threat of rain in the forecast, Baxter approached a Philadelphia Water Department crew working nearby and persuaded one of the workers to cut short his lunch break for a rescue operation. In a matter of minutes, the ring and its wearer were happily reunited.

"He had a steady hand. He put the pole down there, hooked that ring up and gave it to her. We were hugging each other like crazy people at 12th and Market," Baxter said. "People were driving by looking at us like we hit the lottery. ... I'm just so happy she got it back."

Like CCD's CSRs, the bike Safety Patrols provide a reassuring presence and offer assistance to pedestrians in Center City. Operating in three shifts, seven days a week on Center City streets, the mobile patrols are unarmed, act as a deterrent and function like a professional town watch, working in partnership with Philadelphia police as well as security personnel employed by many Center City buildings.

A group of Safety Patrol staff recently received recognition for their outstanding work, which included:

- facilitating the safe return of a 3-year-old boy to his guardian after he was taken from his home by an unauthorized relative;
- administering life-saving first aid to a woman who collapsed, then coordinating with emergency responders to get her to a hospital, where she made a full recovery;
- providing the Philadelphia Police Department with a detailed description and location information of a reported assault, leading to the swift apprehension of the suspect by the authorities.

Join our team! Visit centercityphila.org/jobs for details.

SPRINGTIME IN CENTER CITY



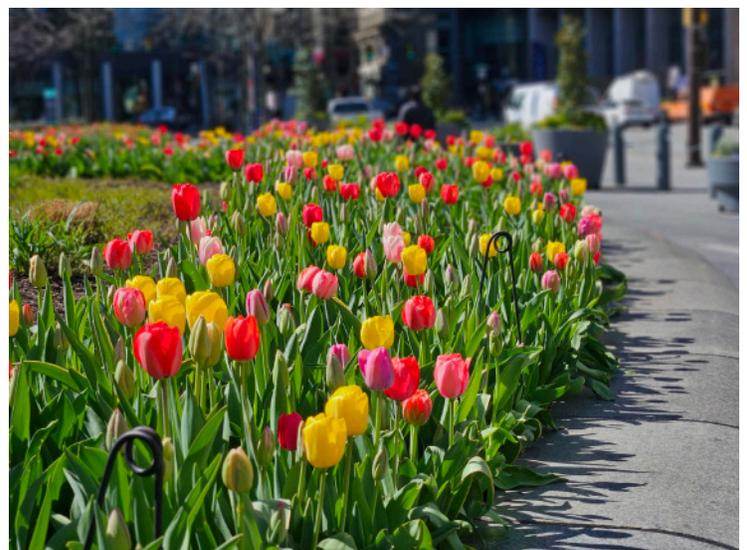
Center City District's team of landscaping and horticulture staff are hard at work year-round, but spring is when some of the most dramatic changes take place in CCD-managed parks, sidewalks and planters throughout the downtown.

Tens of thousands of blooming tulips are an eagerly anticipated sign of early spring—and popular spots for selfies—in Dilworth Park, Sister Cities Park, John F. Collins Park and Cret Park, while dozens of large planters are refreshed with seasonal color on busy corridors along West Walnut Street, West Market Street and JFK Boulevard, East Market Street, East Chestnut Street, Jewelers' Row and South Broad Street. It's also a time for street trees throughout the District to be pruned and fertilized.

Springtime also means the Wintergarden at Dilworth Park is disassembled to make way for the Albert M. Greenfield Lawn. Most of the Wintergarden's plants find new homes in CCD planters and parks, with others cared for in our partner nurseries and used year-round to replace damaged plants.

Welcoming and well-managed public spaces provide unique opportunities for people from every walk of life and every part of Philadelphia to gather together.

Visit supportccdf.org to learn about how you can support CCD parks and greening.



CELEBRATE SPRING IN CCD PARKS

DILWORTH PARK

Center City Fit

Presented by Rothman Orthopaedics
Mondays & Tuesdays
Through October 3
6 pm - 7 pm

Rothman Orthopaedics Roller Rink

Daily through July 16

Matinee Skate

Mondays & Tuesdays
Through July 11
11 am - 5 pm

Rewind at the Rink

Wednesdays
Through May 31
7 pm - 9 pm

Philadelphia Marketplace

Saturdays & Sundays
May 6 - July 16
12 pm - 6 pm

Wizards and Witches Skate

Saturday, May 13
1:30 pm - 3:30 pm

SISTER CITIES PARK

Parkway Pals Play Day

Presented by Independence Blue Cross
Saturday, May 20
11 am - 3 pm

CRET PARK

Jazz on the Parkway

Sundays
May 14 - June 25
4 pm - 6 pm

For more info, visit ccdparcs.org



Host your special event in a CCD park.
Details at centercityphila.org/parks/rentals



AMBASSADORS OF HOPE: OUTREACH TO VULNERABLE PEOPLE IN CENTER CITY

The Center City District established the Ambassadors of Hope homeless outreach program more than five years ago. It has grown in size to three teams, and in scope to include a mental health outreach worker assisting the three key team members: a Project HOME outreach worker, a crisis-intervention trained Philadelphia Police Officer, and a CCD Community Service Representative (CSR).

This co-delivery service model has proved highly successful, with 229 people in Center City in 2022 agreeing to come off the street and accept services suited to their needs. CCD dedicates a van to transport those seeking shelter and services.

As Robert Savage, who joined CCD as a CSR in 2011 and later joined the Ambassadors of Hope team, noted, “They may not be shut in, but they’re shut out. They’re outside and they have to be given attention, to show them that there is someone out there thinking about them.”

Without the support of partners through the Center City District Foundation (CCDF), this life-changing work would not be possible. Donate today to help continue this successful program.

Learn more about the Ambassadors of Hope, and check out other stories from CCD, on our blog: centercityphila.org/blog.

YOU CAN HELP SUPPORT CENTER CITY'S RECOVERY

During the last three years, contributions to the Center City District Foundation have enabled the Center City District (CCD) to expand our services and park programming to meet the moment's unique challenges.

Business and corporate donors helped underwrite a new seven-day per week, public safety bike patrol and expand to three teams our Ambassadors of Hope homeless outreach in partnership with Project Home, building upon what the CCD supports through its assessments to create a welcoming environment for residents, workers and visitors.

Property owners and businesses along West Walnut Street funded dozens of planters to enhance one of our prime retail corridors, while building owners on West Market Street and JFK Boulevard funded similar landscape enhancements and bike lane improvements. A newly received grant from the Commonwealth of Pennsylvania will enable the installation of even more bike lane planters in the office district. These new planters, along with more than 400 existing planters and 800 trees, are being maintained by CCD with support provided by many generous, individual donors to the Center City District Foundation. Both individual and business donors are also

supporting a wide variety of events and activities in Dilworth Park and Sister Cities Park.

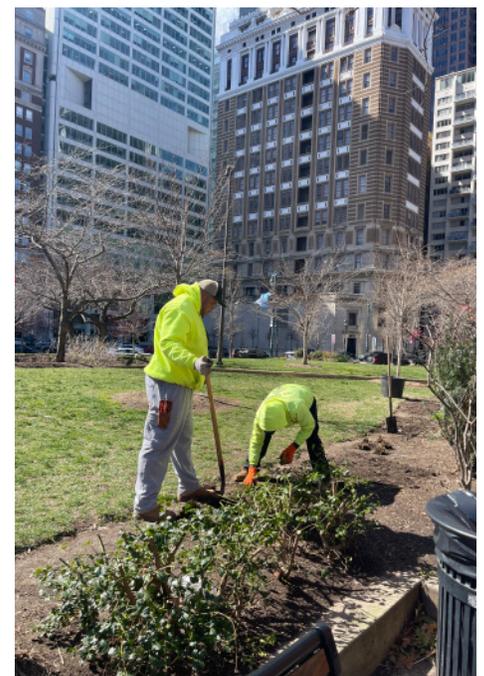
The arrival of spring is a time of renewal, and you can help us build on the positive momentum by supporting the Center City District Foundation with a charitable gift. There are many challenges remaining and much more work to be done. We invite you to help support the downtown's recovery and growth.

Your generosity helps sustain the Foundation's programming for children, showcase Philadelphia's arts and cultural institutions in our parks, green our retail, residential and office corridors while supporting essential public safety services through our bike patrol and homeless outreach.

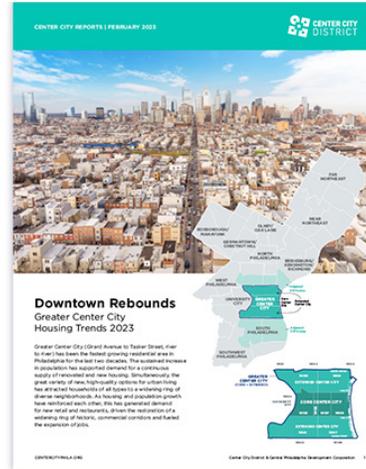
Recovery depends on the basics—clean and safe— and amenities, landscaping, quality parks, arts and cultural programming, and thriving restaurants and retail define successful cities. We can't fill all the gaps, but with your support we can expand our impact, raise our sights and lift the spirits of Center City residents, workers and visitors.



A gift to the Center City District Foundation is a gift to all Philadelphians. Make your impact today by using the enclosed envelope or giving online at supportccdf.org.



CCD/CPDC REPORTS



State of Center City 2023

State of Center City, a comprehensive report prepared annually by the staff of Center City District (CCD) and Central Philadelphia Development Corporation (CPDC), highlights the strengths and challenges in the downtown ecosystem. The report explores the status of new investments and the key drivers of vitality – downtown living, return to the office, arts and culture, hospitality and retail, and travel and tourism.

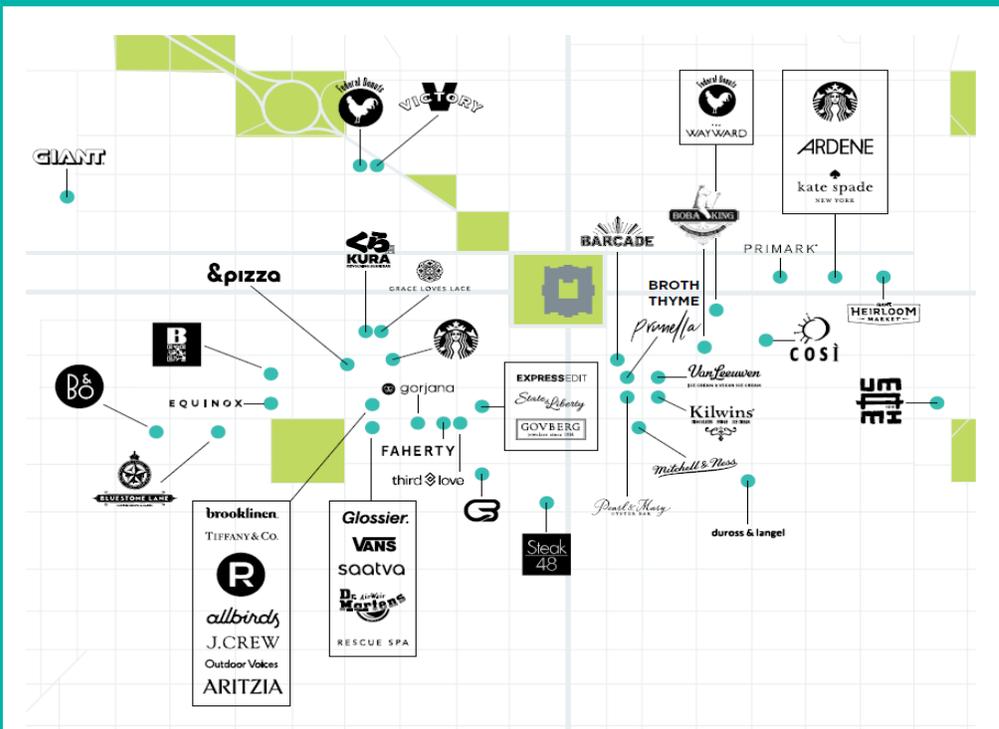
The report is available online at centercityphila.org/socc.

More Reports From CCD/CPDC

Downtown Rebounds: Greater Center City Housing Trends 2023 examines the cumulative effects of three decades of growth, the rebound from 2020 and its impact on housing markets, new and upcoming residential developments and homeownership trends, and the status of the rental market.

Pedestrian Vitality: Spring 2023 tracks rising pedestrian activity in Center City that is happening due to factors including new residential development; the return of tourists, shoppers and regional visitors; and the return of non-resident workers of all types.

To read and download these and other recent CCD/CPDC reports, visit centercityphila.org/research-reports



NEW RETAIL IN CENTER CITY

Did you know? Since 2020, 175 new retail, restaurants and service-oriented businesses have opened in Center City; at least 49 more are scheduled to open by year-end.

CONVERSATION & INFORMATION

CCD & Partners Visiting Center City Workers In Their Workplaces



Staff from the CCD, SEPTA, PATCO and the Philadelphia police provide information and respond to questions in the lobbies of office buildings.

**CENTER CITY
DIGEST**



CENTRAL PHILADELPHIA
DEVELOPMENT
CORPORATION

SPRING 2023

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

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U.S. Postage
PAID
Philadelphia, PA
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CENTER CITY DISTRICT

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