Key Takeaways

- By October 2023, daily foot traffic in core Center City reached 82% of 2019 levels.

- Retail occupancy within Center City District boundaries has recovered to 84.5% in September 2023, approaching a 2019 occupancy level of 89%.

- Center City has several distinct retail districts, each drawing slightly different types of shoppers and attracting different mixes of retailers.

- Weekday evening pedestrian volumes are at 87% of 2019 levels and weekends are at 95%, showing the strength of Center City as a retail, dining and entertainment destination even as non-resident office workers return more slowly.

- Digital-native brands and grocery stores have defined retail expansion in recent years, building on the strength of Center City as a central place to live, work, and play.
Center City
A National Retail Destination

Center City is the heart of Philadelphia and the Delaware Valley region and is one of the most dense, diverse, and walkable downtowns in the country. As cities across the United States are recovering at different rates from the events of the past three years, Philadelphia continues to be at the forefront of recovery with rising indicators in nearly all sectors. Center City has seen a sustained increase in pedestrian volumes, workers of all kinds, residents, and retail occupancy. Center City Philadelphia ranks fourth in the average daily number of pedestrians downtown, behind only New York, Chicago and Boston.

With an incoming new mayor in Philadelphia, optimism is strong that issues pertaining to public safety will be top of mind for the new administration.

Food & Beverage
Newly Opened: 46
Coming Soon: 20

Retailers
Newly Opened: 25
Coming Soon: 5

Service Providers
Newly Opened: 9
Coming Soon: 3

The misleading media narrative that downtown retail is dead unless 100% of office workers return is based on a misunderstanding of the multiple drivers of the downtown economy. First, office workers are important but far from the only portion of the downtown workforce that also includes health care, education and hospitality. As of late October 2023 the non-resident recovery rate of all workers was 70% and in the primary retail districts of West Walnut Street and East Market, the rate of return of workers was 77% and 81% respectively. Second, the largest share of downtown pedestrians each day are visitors – tourists, convention attendees, shoppers and those coming for the many services provided downtown. When workers, residents and visitors are averaged together, daily foot traffic in core Center City had been restored to 83% of 2019 levels by the end of October 2023 and supported 1,871 retail premises within the boundaries of the CCD, 84.5% of which were occupied, compared to 89% in 2019.
Retail Occupancy

Since the 1990s, core Center City has steadily diversified its land-use with the addition of more than 10,000 new hotel rooms, a major new convention center and many new tourist and cultural destinations, in addition to the residential population growing by 73% from 1990 to 2020. By 2023, the residential population had rebounded from the disruptions of 2020 with significantly more people living downtown than had been counted in the 2020 census. By September 2019, retail occupancy across Center City had peaked at 89% of storefronts occupied by a tenant. During June 2020, at the height of the COVID-19 stay-at-home orders and civil unrest, retail occupancy fell to a low of 54.5%. Occupancy rates across Center City have steadily increased since 2021, reaching 84.5% within Center City District boundaries as of October 2023.

Figure 1: Center City Storefront Operating Status

<table>
<thead>
<tr>
<th>Month</th>
<th>Occupancy Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>September 2019</td>
<td>89%</td>
</tr>
<tr>
<td>June 2020</td>
<td>55%</td>
</tr>
<tr>
<td>October 2023</td>
<td>85%</td>
</tr>
</tbody>
</table>

Source: CCD Retail Survey

Figure 2: Center City Storefronts by Type

<table>
<thead>
<tr>
<th>Type</th>
<th>Independent</th>
<th>National Chain</th>
<th>Regional Chain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service Provider</td>
<td>63%</td>
<td>24%</td>
<td>13%</td>
</tr>
<tr>
<td>Restaurant</td>
<td>63%</td>
<td>24%</td>
<td>13%</td>
</tr>
<tr>
<td>Retail</td>
<td>60%</td>
<td>34%</td>
<td>6%</td>
</tr>
</tbody>
</table>

Source: Center City District
Greater Center City is home to a number of small format and large-scale grocery stores, a leading indicator of a strong and growing residential population within Philadelphia.
## 2023 CCD Storefront Openings

### Recently Opened

#### Food & Beverage
- 101 Unlockd
- Kismet Bialys
- Reading Terminal Market
- Kook Burger & Bar
- 2102 Market Street
- Kura Sushi
- 1721 Chestnut Street
- Loch Bar
- 301 S. Broad Street
- The Juice Pod Center City
- The Concourse at Comcast Center
- Mari Mari
- 105 S. 13th Street
- Maya Pizza
- 716 Sansom Street
- Mew Mew Bubble Tea
- 1001 Arch Street
- Miss Saigon
- 1316 Walnut Street
- Mochinut
- 1023 Arch Street
- Moustaki Authentic Gyros
- 120 S. 15th Street
- Oakberry
- 1206 Walnut Street
- Osteria Ama
- 1905 Chestnut Street
- Philly Bagels
- 1501 Locust Street
- Pizzeria Salvy
- The Concourse at Comcast Center
- Salt + Vinegar
- Dilworth Park Café
- Shaq’s Big Chicken
- The Concourse at Comcast Center
- Tapster
- 110 S. 16th Street
- Taste Town
- 938 Market Street
- Time & Peace
- 36 S. 7th Street
- Vinyl Bar & Lounge
- 215 S. 15th Street
- Walnut Garden
- 1708 Walnut Street
- Wicked Wolf
- 1214-1216 Chestnut Street
- Vinyl Bar & Lounge
- 215 S. 15th Street
- Retailers
- Barnes & Noble*
- 1708 Chestnut Street
- Botld
- 119 S. 18th Street
- Chestnut Street Handbags and Gift Shop
- 1015 Chestnut Street
- Cork & Candles
- 1315 Walnut Street
- Ebisu Japanese Life Store
- 1023 Arch Street
- Faherty
- 1600 Walnut Street
- Free People*
- 1632 Walnut Street
- Glossier
- 1716 Walnut Street
- Gorjana
- 1630 Walnut Street
- J. Crew Factory
- 1535 Chestnut Street
- James By Jimmy DeLaurentis
- 114 S. 19th Street
- Je Suis Jolie*
- 1824 Chestnut Street
- Joybird
- 1507 Walnut Street
- Kilwins
- 143 S. 13th Street
- Lux Délites
- The Shops at Liberty Place
- Madewell*
- 1729 Walnut Street
- Mejuri
- 1525 Walnut Street
- Naturally Us
- The Shops at Liberty Place
- Outdoor Voices
- 1723 Walnut Street
- Pretty on You
- 1726 Sansom Street
- Saatva
- 1712 Walnut Street
- Superbello
- Fashion District
- ThirdLove
- 1611 Walnut Street
- Tempur-Pedic
- 1713 Walnut Street
- Wayne Edwards Workshop*
- 1724 Sansom Street
- Service Providers
- 4ever Young
- 1216 Walnut Street
- iFix Gadgets
- 1625 Chestnut Street
- Olc City Art + Framing
- The Shops at Liberty Place
- Rescue Spa*
- 1811 Walnut Street
- Restore Hyper Wellness
- 1229 Chestnut Street
- Sola Salon
- 1503 Walnut Street
- Welnox
- 1512 Sansom Street
- Veterinary Emergency Group
- 1213 Walnut Street
- YogaSix
- 1701 Walnut Street
- Coming Soon

#### Food & Beverage
- 1831 Café
- 1831 Chestnut Street
- Arctic Scoop
- 1625 Walnut Street
- Almyra
- 1620 Chancellor Street
- Barclay
- 1326 Chestnut Street
- Boqueria
- 1608 Sansom Street
- Chotto Matte
- 1134 Sansom Street
- Destination Dogs
- 1900 Market Street
- Dizengoff*
- 1625 Sansom Street
- Dear Daphne
- 1911 Walnut Street
- Flight Club Darts
- 1411 Walnut Street
- Garde
- 1501 Spruce Street
- Hi-Lo Taco
- 1109 Walnut Street
- Insomnia Cookies
- 1 S. Broad Street
- Jimmy John’s
- 44 S. 17th Street
- The Little Hotdog Wagon
- Fashion District
- Lucy
- 1720 Chestnut Street
- Marmont Steakhouse
- 1500 Locust Street
- Mulherin’s
- 1175 Ludlow Street
- Oltremare
- 2121 Walnut Street
- Taylor Chip
- 1807 Chestnut Street

#### Retailers
- Alo Yoga
- 1608 Walnut Street
- Aritzia
- 1725 Walnut Street
- Felicia’s Spot
- Fashion District
- Figs
- 1625 Walnut Street
- Vuori
- 1705 Walnut Street

#### Service Providers
- Equinox
- 1911 Walnut Street
- LaserAway
- 1503 Walnut Street
- Puttshack
- The Shops at Liberty Place

*relocation/expansion
Center City continues to be a primary regional destination for new retailers looking to do business in Philadelphia. Digitally native brands such as Allbirds and LoveSac were among the first “clicks to bricks” brands to lease space in Center City – meaning those that established their brand exclusively online at first, and later developed into brick-and-mortar retail. Momentum continues to build as more retailers look to expand into Center City as their first local choice during national expansion phases.

1. **Mejuri** is a new addition to the list of high-end jewelry retailers that call Rittenhouse Row home, opening their store at 1525 Walnut in summer 2023.

2. **Joybird**, a modern home furnishings store at 1507 Walnut, is a model of new age retail design, setting up a storefront in Center City that functions primarily as a showroom for customers to explore and order in-store for home delivery.

3. **Faherty**, a premium clothing brand, leased the former Cole Haan space at 1600 Walnut.

4. **Figs**, a direct-to-consumer brand selling designer medical scrubs, chose 1625 Walnut as their second-ever physical retail store, set to open in 2024. Center City was an optimal destination thanks to the large number of health care workers living and working in Philadelphia.

5. **Saatva**, a luxury mattress brand, leased 5,600 square feet at 1712 Walnut during a national expansion in 2023 to markets with a growing downtown population.
Demographics

While the city of Philadelphia has the sixth largest population in the United States, it is fourth in downtown population density. There are 75,775 residents within core Center City and 206,096 within the boundaries of Greater Center City, all within a walkable or a short transit, bike and auto trip.

**Figure 3: Population Density (Residents Per Acre)**

- Lower Manhattan
- New York Midtown
- Chicago
- Philadelphia
- Seattle
- Boston
- Los Angeles

Residents per sq. acre

**Figure 4: Downtown Residential Population**

- New York Midtown
- Chicago
- Lower Manhattan
- Philadelphia
- Seattle
- Washington DC
- Boston
- Los Angeles
- Dallas

Source: U.S. Census Bureau

**Figure 5: Average Household Income by Towns Across the Philadelphia Region**

Residents of Center City have the highest educational attainment of any comparable town in the region, ranking near the top in average household income at $142,000.

- Newtown
- Chesterbrook
- Malvern
- Ardmore
- **Core Center City**
  - (Downtown Philadelphia)
  - Jenkintown
  - Conshohocken
  - King of Prussia
  - Bryn Mawr
  - Ambler

Source: U.S. Census Bureau
Among the age 25-34 demographic, Philadelphia has enjoyed the fastest growth in residents with at least a bachelor’s degree.

Source: American Community Survey
Pedestrian Counts

**Figure 7: Average Daily Population in Center City**

According to Placer.ai, the combined pedestrian volume of workers, residents, and students in Center City at the end of October reached 385,537 – 83% of 2019 levels.

**Figure 8: Average Daily Pedestrians in Center City as a Percentage of 2019 Levels**

Through the end of September 2023, visitors were at 79% of 2019 levels, residents at 112%, and non-resident workers at 64% of 2019 levels.
Pedestrian volumes across different times of day and week serve as one of the strongest indicators of recovery across Center City in regard to the slow return of office workers. While weekday daytime pedestrian volumes are at 76% of 2019 levels, weekday evening volumes are at 87%, indicating the strength of Center City as a retail and dining destination after work.
The recent return of major employers like Comcast to an in-person workforce four days a week has produced a steady increase in foot traffic within the West Market office district, with total 2023 pedestrian volumes through October up over 18% from 2022.
Outdoor Seating & Downtown Vitality

Since the mid-1990s, Center City has enjoyed abundant outdoor restaurant dining. Sidewalk and on-street seating provided a vital lifeline for restaurants during 2020 and 2021, with the total number of outdoor seats peaking in 2021. But even with the return of full indoor dining, there is more sidewalk seating in 2023 than in 2019, with a 14% increase in sidewalk café seating just from 2022 to 2023. Since March 2023, 36 restaurants have added more outdoor seating with almost a dozen adding outdoor dining options for the first time.

![Figure 13: Outdoor Cafe & Dining Seats in Center City District](image)

In addition to outdoor dining, Center City is home to many other retail and dining experiences that contribute to the vitality of the retail environment. Farmers markets in Rittenhouse Square and Headhouse Square and pop-up street festivals provide opportunities for small retailers to gain access to Center City’s large downtown population and give shoppers a chance to try new, locally owned businesses.
Retail Corridor Analysis

Core Center City offers several unique distinct shopping and dining districts.

Figure 14: Retail Corridor Visitors by Home Location

80.7% Retail Occupancy
Rittenhouse Row is the city’s premier retail destination, with beautiful historical architecture, human-scaled buildings, and high-quality dining options. Notable mainstays such as Boyd’s, Joan Shepp, and Anthropologie continue to define the type of retailers that are drawn to Rittenhouse Row.

82.7% Retail Occupancy
Midtown Village is home to a high density of dining and nightlife options, and considered a destination for specialty, locally owned and operated retailers such as Open House and Verde. Restaurants from Schulson Collective and Safran Turney Hospitality continue to grow and innovate in Philadelphia’s vibrant restaurant industry.

78% Retail Occupancy
Market East is easily accessible by transit and has the largest share of pedestrian volumes from neighborhoods outside of Center City. The corridor is frequented by all demographics seeking affordable, consumer staples from retailers such as TJMaxx, Burlington, and Five Below, and is a fitting location for big-box national brands thanks to an abundance of large floorplate spaces at street level.

Map: Center City District Retail Corridors