

Rebecca Rockey & Chris Leinberger *Reimagining Cities*  
Applied portfolio investment theory to real estate in 15 urban places



CUSHMAN & WAKEFIELD

Places Platform

**REIMAGINING CITIES**

DISRUPTING THE URBAN DOOM LOOP

&

15 U.S. CITIES USED IN THIS REPORT



SEATTLE  
SAN FRANCISCO  
LOS ANGELES  
PHOENIX  
DALLAS  
AUSTIN  
DENVER  
CHICAGO  
ATLANTA  
MIAMI  
BOSTON  
NEW YORK  
PHILADELPHIA  
WASHINGTON, DC  
RALEIGH

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**Downtowns that emerged from 1950s-1970s renewal**



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## Product of single-use zoning



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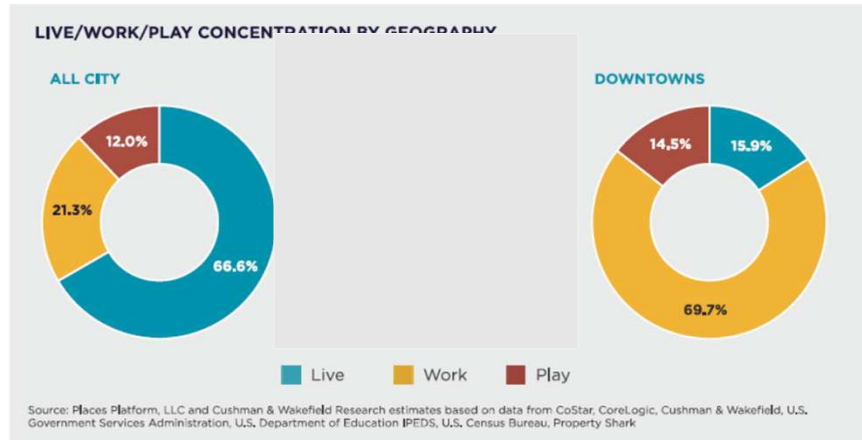
## Challenged by pandemic: 2020



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## If hybrid work is the new normal Downtowns have over-invested in work-related uses

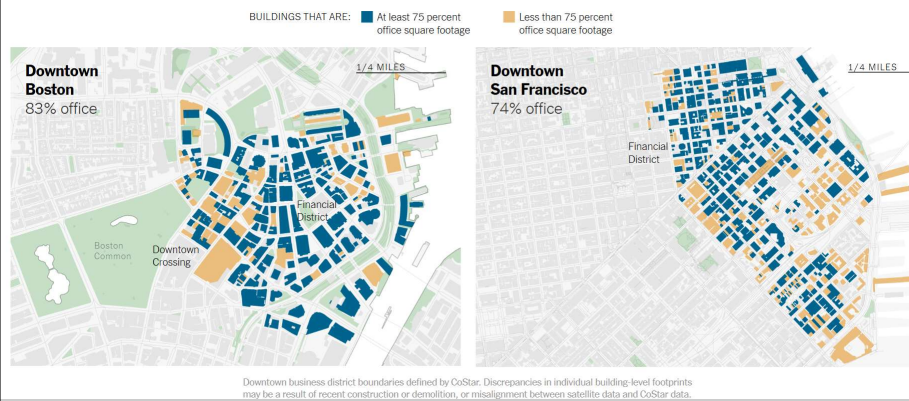


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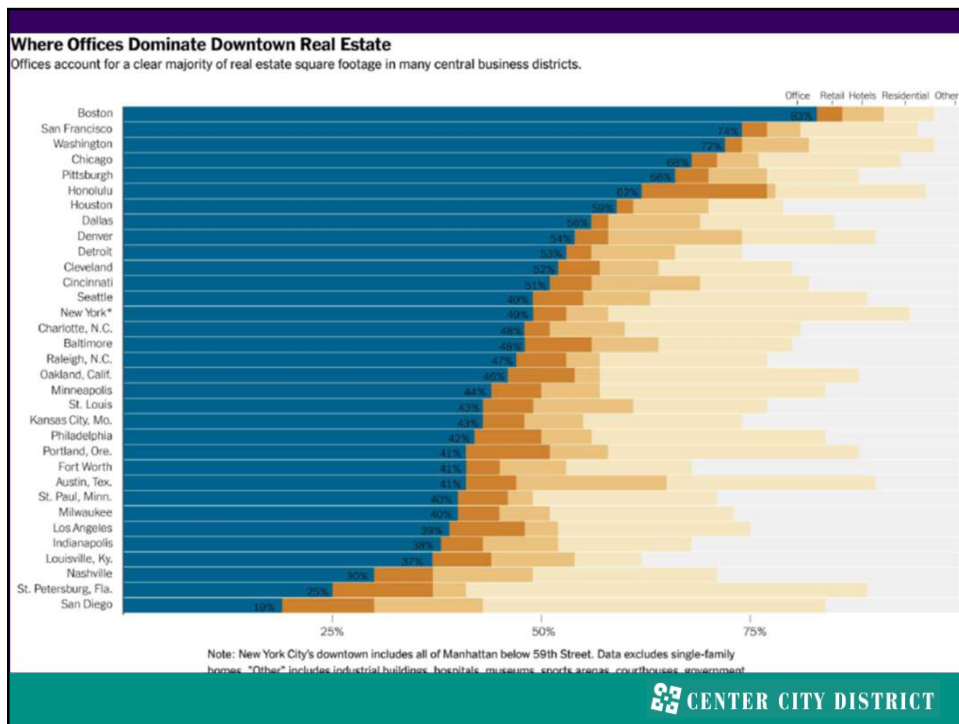
## Challenge becomes rebalancing land-use

### The Downtown Office District Was Vulnerable. Even Before Covid.



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Because Philadelphia has been a slow growth city  
 We passed a 10-tax abatement for conversions in 1997  
 Between 1998-2024, 40 major buildings converted downtown  
 to residential or hotel use: 10 million sf of office space



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## Everything below the red line is back on tax rolls

Buildings Converted to Residential Use, 1997-2024

Year	Building Name	Address	Size (square feet)	Status	Conversion Type
2024	Nelson Building	222 Walnut St.	100,000	Proposed	Apartments
2024	1701 Market	1701 Market St.	304,037	Proposed	Apartments
2024	The Bellevue	200 S. Broad St.	885,365	In Progress	Apartments & hotel
2020	Public Ledger Building	150 S. Ind. Mall West	479,770	Converted	Apartments
2020	One City Plaza	1401 Arch St.	220,300	Converted	Apartments
2020	Held Building	325 N. 13th St.	95,000	Converted	Apartments
2019	Franklin Tower	1601 Race St.	607,474	Converted	Apartments
2019	The Alison Building	1805-1809 Walnut St.	20,576	Converted	Apartments
2018	1600 Callowhill	1600 Callowhill St.	123,753	Converted	Apartments
2017	The Beacon	1527 Walnut St.	175,000	Converted	Apartments
2016	Fairmount at Brewerytown	1363 N. 31st St.	275,000	Converted	Apartments
2016	The Curtis Center (Phase I)	126 S. 6th St.	90,000	Converted	Apartments
2012	The Atlantic Building	260 S. Broad St.	320,705	Converted	Apartments
2012	Former State of Pennsylvania Building	1400 Callowhill St.	240,000	Converted	Apartments
2011	1616 Walnut St.	1616 Walnut St.	158,000	Converted	Apartments
2011	2040 Market St.	2040 Market St.	128,000	Converted	Apartments
2011	1201 Chesnut St.	1201 Chesnut St.	101,000	Converted	Apartment
2008	Robert Morris Building	100 N. 17th St.	100,000	Converted	Apartments
2007	The Residences at Two Liberty Place	1650 Chestnut St.	263,000	Converted	Condominiums
2007	Aria	1419 Locust St.	195,000	Converted	Condominiums
2007	Western Union Building	1101 Locust St.	162,893	Converted	Condominiums
2007	Ayer	210 W. Washington Sq.	151,435	Converted	Condominiums
2007	1401 Walnut St.	1401 Walnut St.	125,450	Converted	Apartments
2003	Grande	111 S. 15th St.	241,291	Converted	Condominiums
2003	Nippon Building	610 N. Broad St.	225,000	Converted	Apartments
2003	1930 Chestnut St.	1930 Chestnut St.	110,000	Converted	Apartments
2002	Society Hill Building	116 S. 7th St.	160,020	Converted	Apartments
2001	1835 Arch St.	1835 Arch St.	176,000	Converted	Apartments
2000	Phoenix	1600 Arch St.	450,000	Converted	Condominiums
1999	Pennsylvania House (Now the Ellington)	1500 Chestnut St.	241,000	Converted	Condominiums
1998	Exchange Building	1411 Walnut St.	118,879	Converted	Apartments
1997	220 S. 16th St.	220 S. 16th St.	185,000	Converted	Apartments

Source: Newmark

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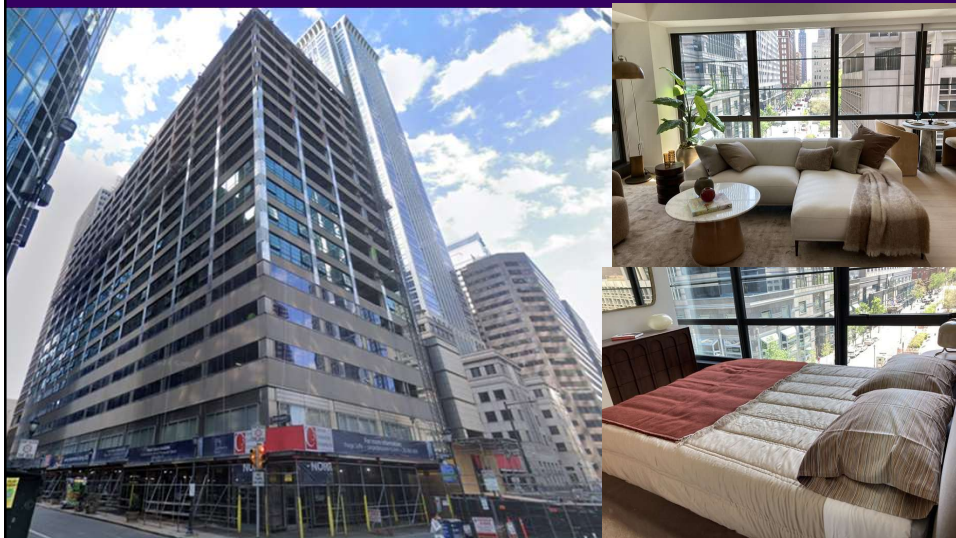
**Converting vacant office buildings to residential  
has become a full-time industry to remove surplus**



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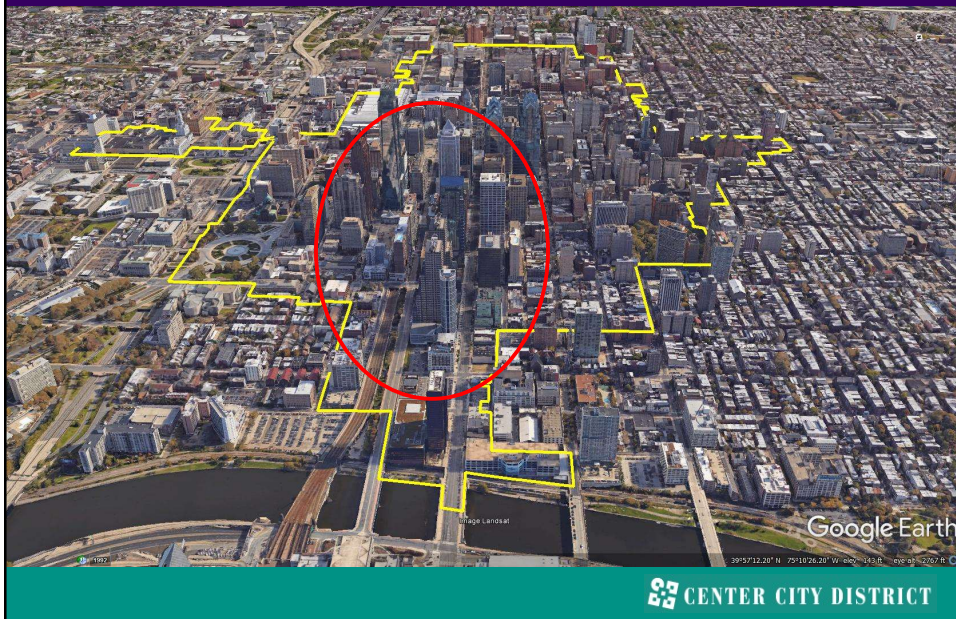
**Individual developers will focus on their projects**



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**But either government or a place management organization  
Needs to look at the bigger picture**



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**Downtown office jobs: a major driver of regional economy**



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**Densest containers of the most diverse jobs:  
Hold high-wage, mid-level & entry-level jobs**



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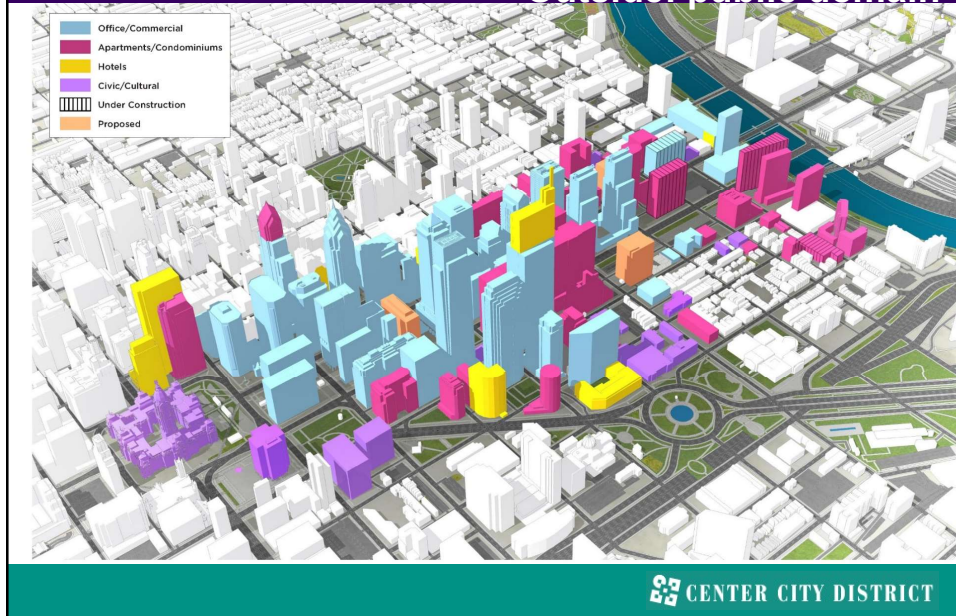
**Inside: “Office as destination, not obligation”**



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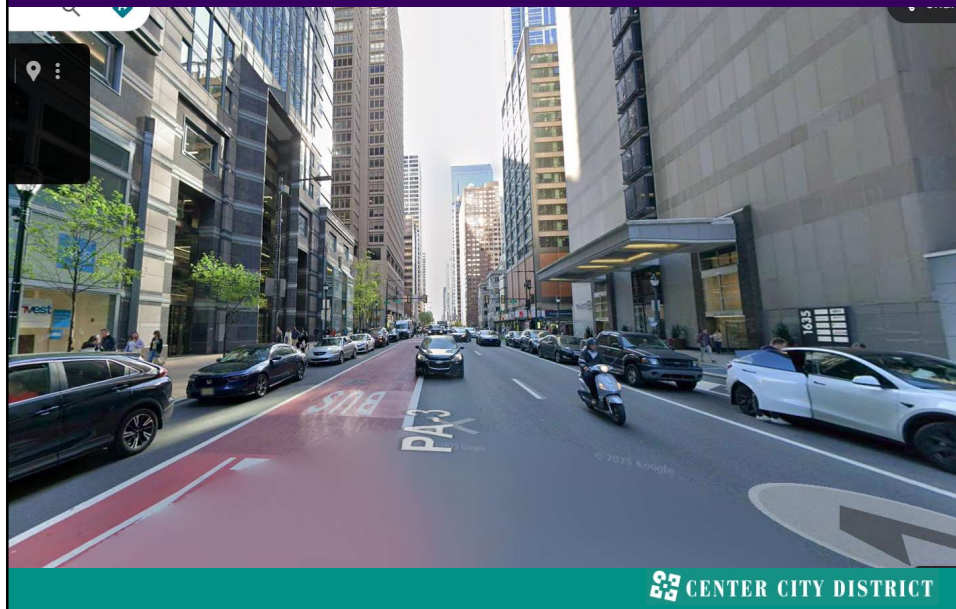


## What does it take to diversify land-use downtown Outside: public domain



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## What is the ground floor experience?



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## Compare to ground floor experience on Walnut St



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## More recently added West Market & JFK Boulevard Office District planters Funded in partnership with property owners



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**Complemented by in-street bike lane planters  
Funded & maintained by CCD**



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**Comprehensive rethink?**

- **Ground floor retail**
- **Plazas & spaces between the buildings**
- **Allocation of space to cars, pedestrians & bikes**
- **Enhanced public transit**
- **Learning from other cities**
- **What does it take to persuade/incentivize owners to make these investments?**

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