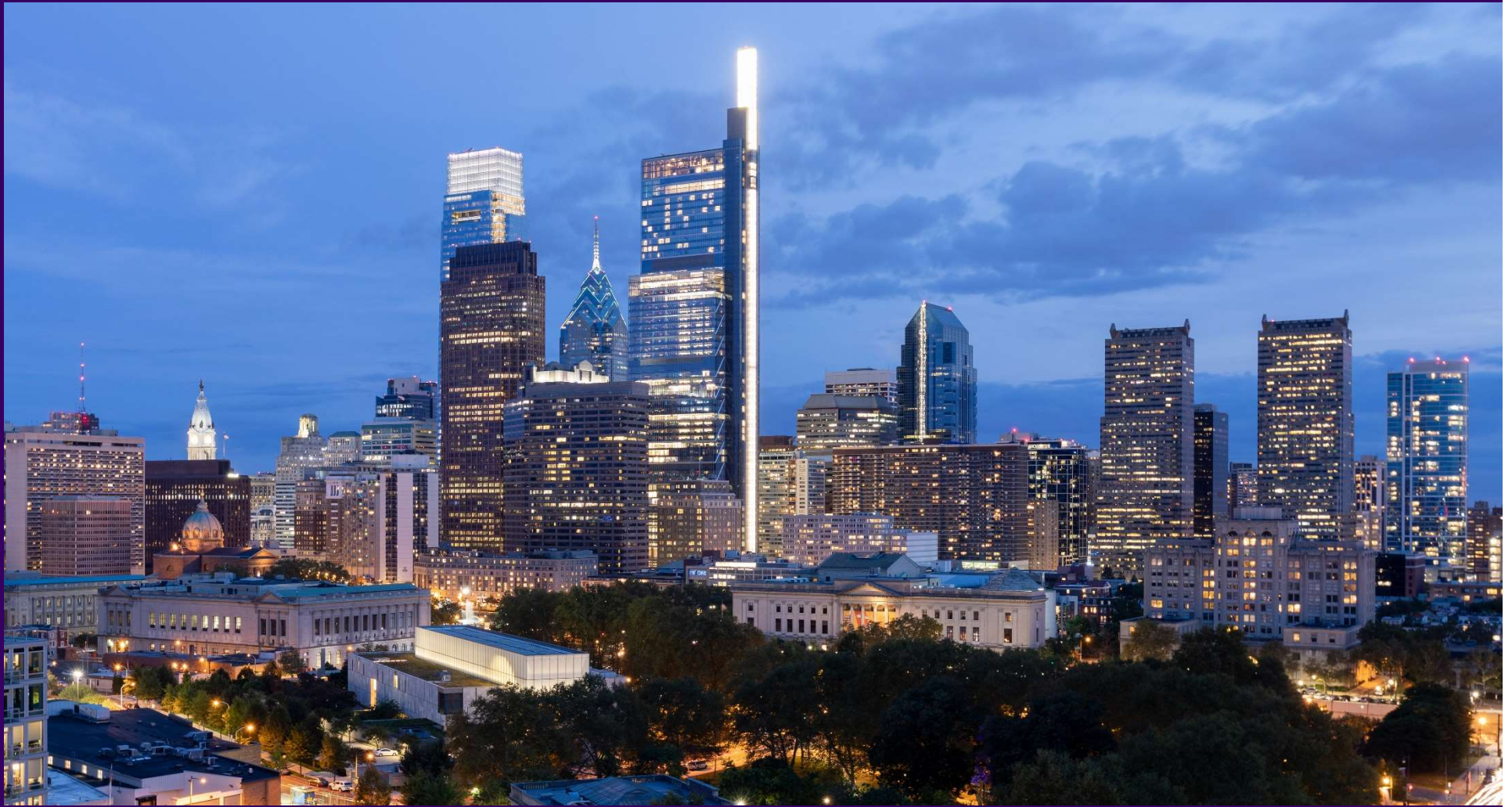


Testimony Paul R. Levy, President & CEO, Center City District

Business improvement district serving Largest employment center in the Commonwealth



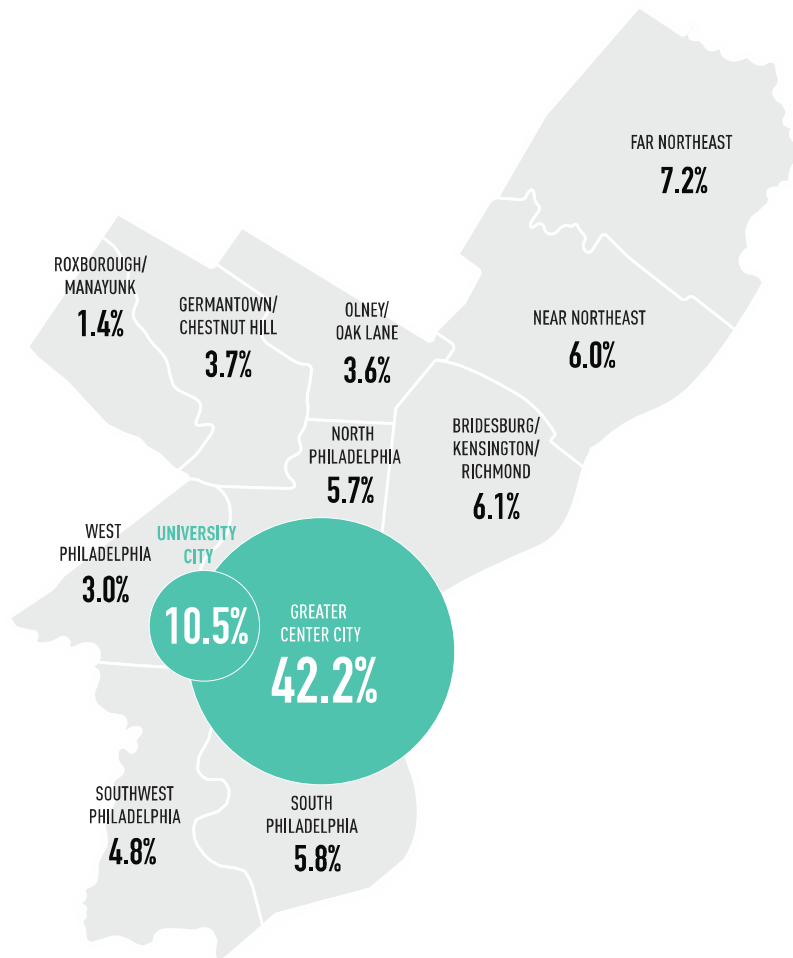
The value of SEPTA to Center City

SEPTA IS THE
WAY
TO GO
BACK



Center City holds 42.2% of Philadelphia's jobs University City holds 10.5% = 53% of all jobs

PHILADELPHIA EMPLOYMENT BY AREA



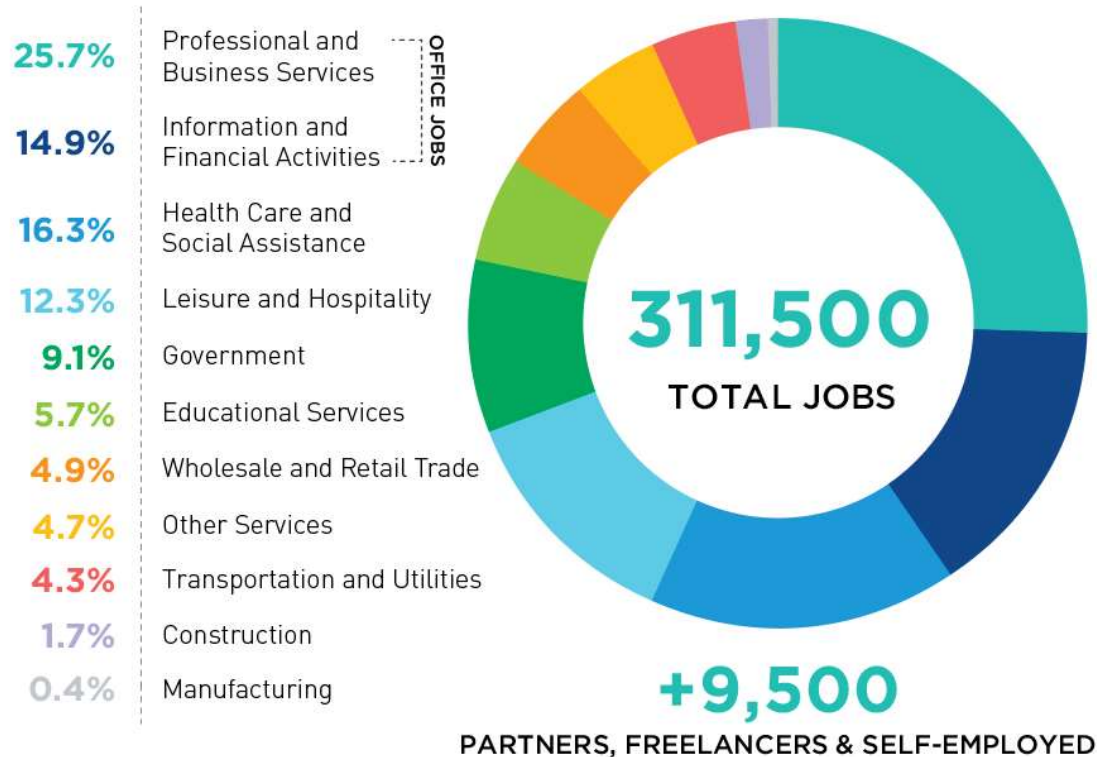
Source: U.S. Census Bureau, Local Employment-Household Dynamics, 2015



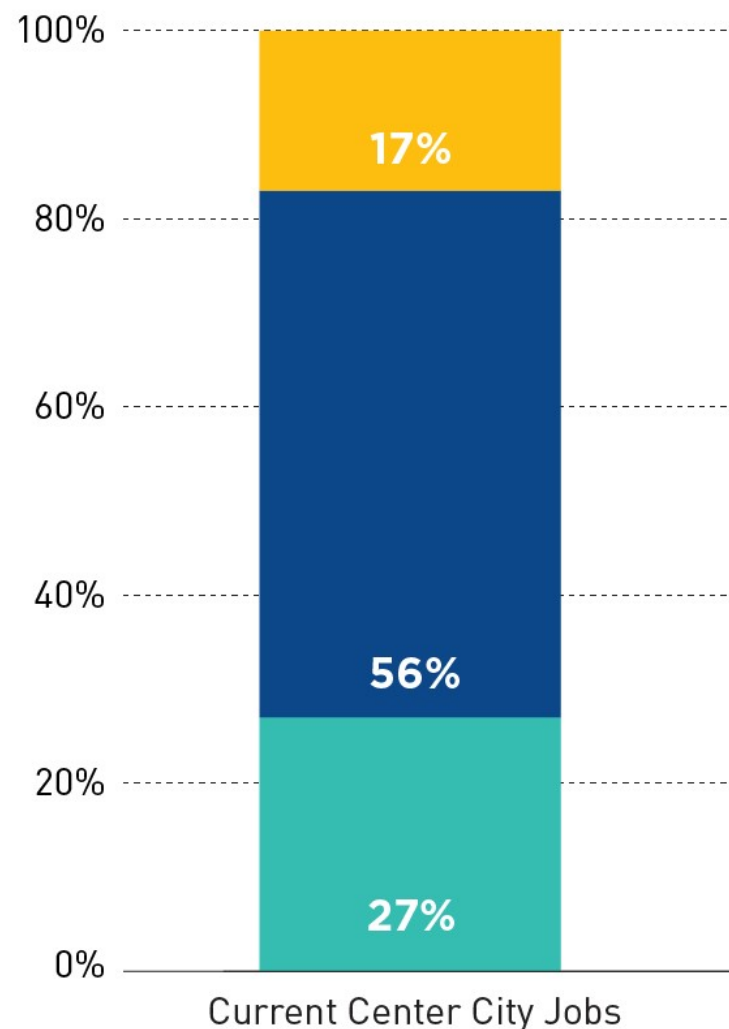
Center City has a broad range of jobs

27%: \$35,000 or below; 56%: \$35-\$100,000; 17% >\$100,000

GREATER CENTER CITY WAGE & SALARY EMPLOYMENT, 2019

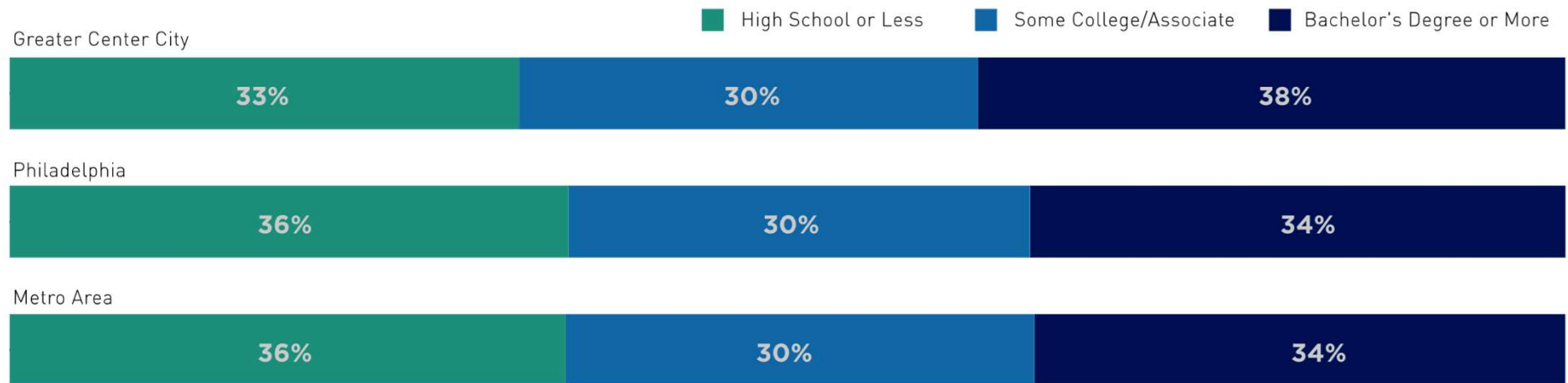


Source: U.S. Census Bureau, Longitudinal Employer-Household Dynamics, 2017;
Center City District Estimates



63% downtown jobs require less than college degree
33% required only a high school diploma
38% require a BA degree

PERCENT OF JOBS BY LEVEL OF EDUCATION, WORKERS 29 AND OLDER

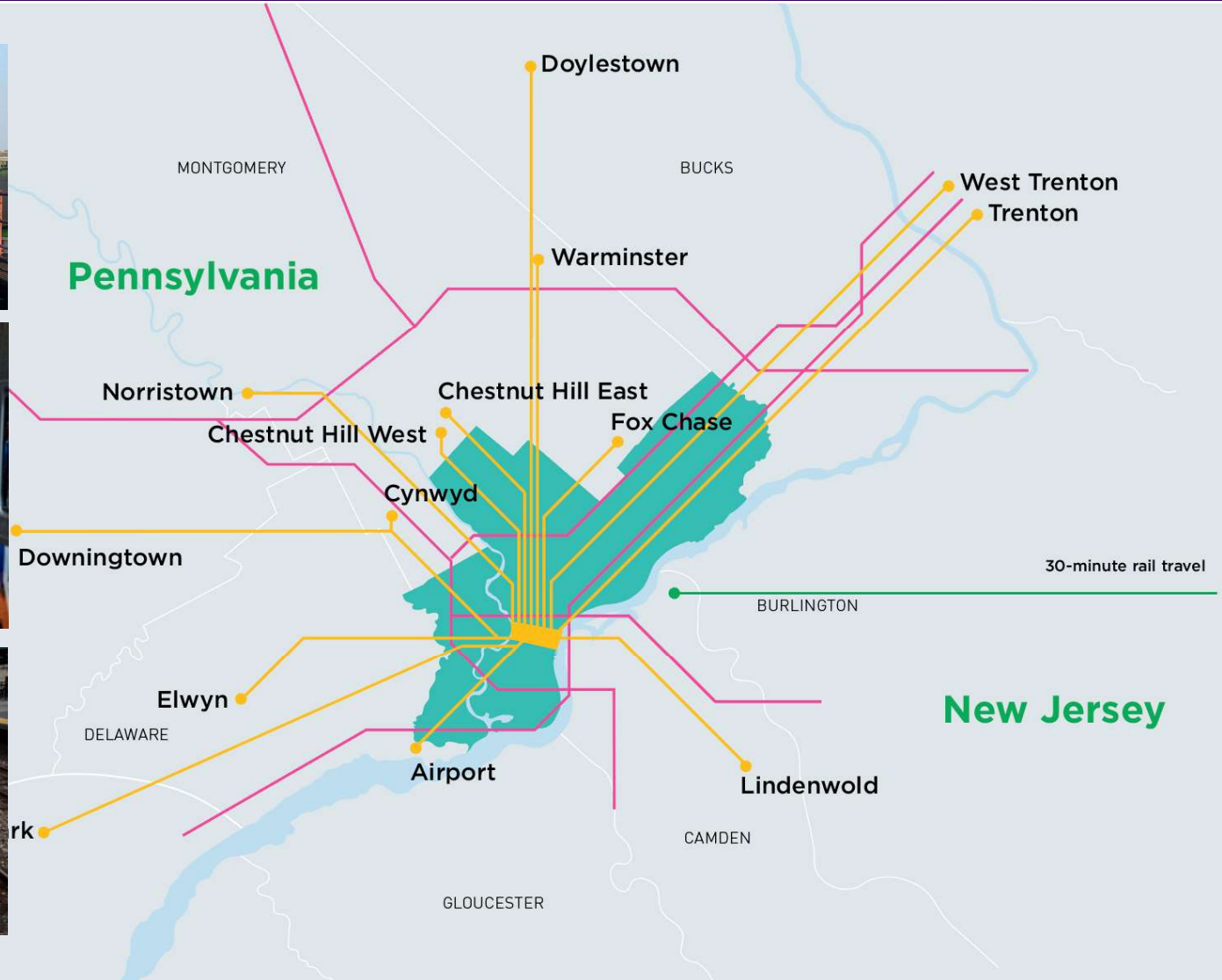


Source: U.S. Census Bureau, Longitudinal Employer-Household Dynamics, 2017

Transit makes these jobs accessible to people at all income levels across the region

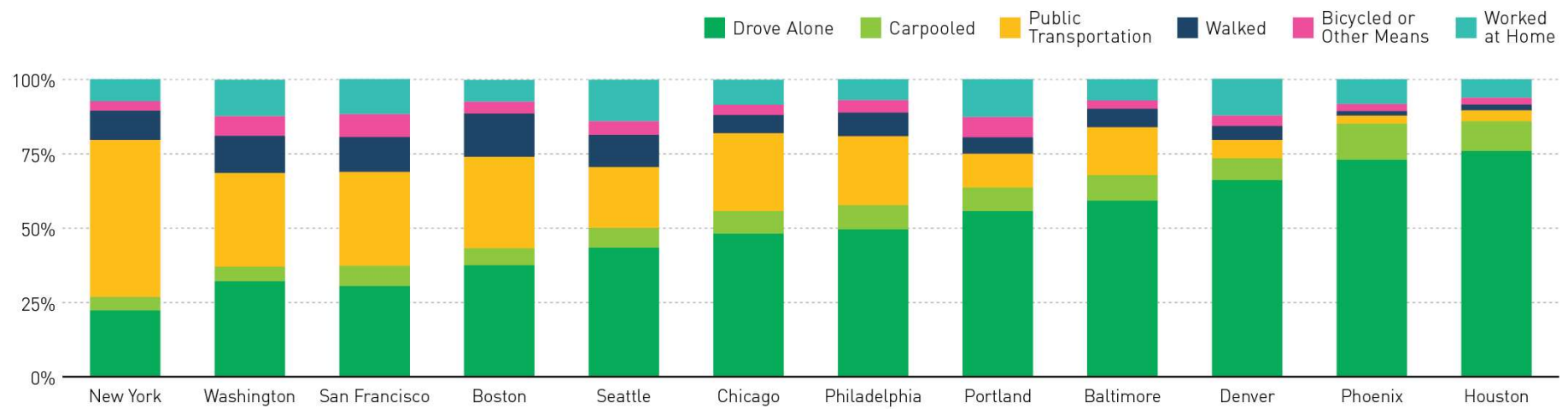


Highways



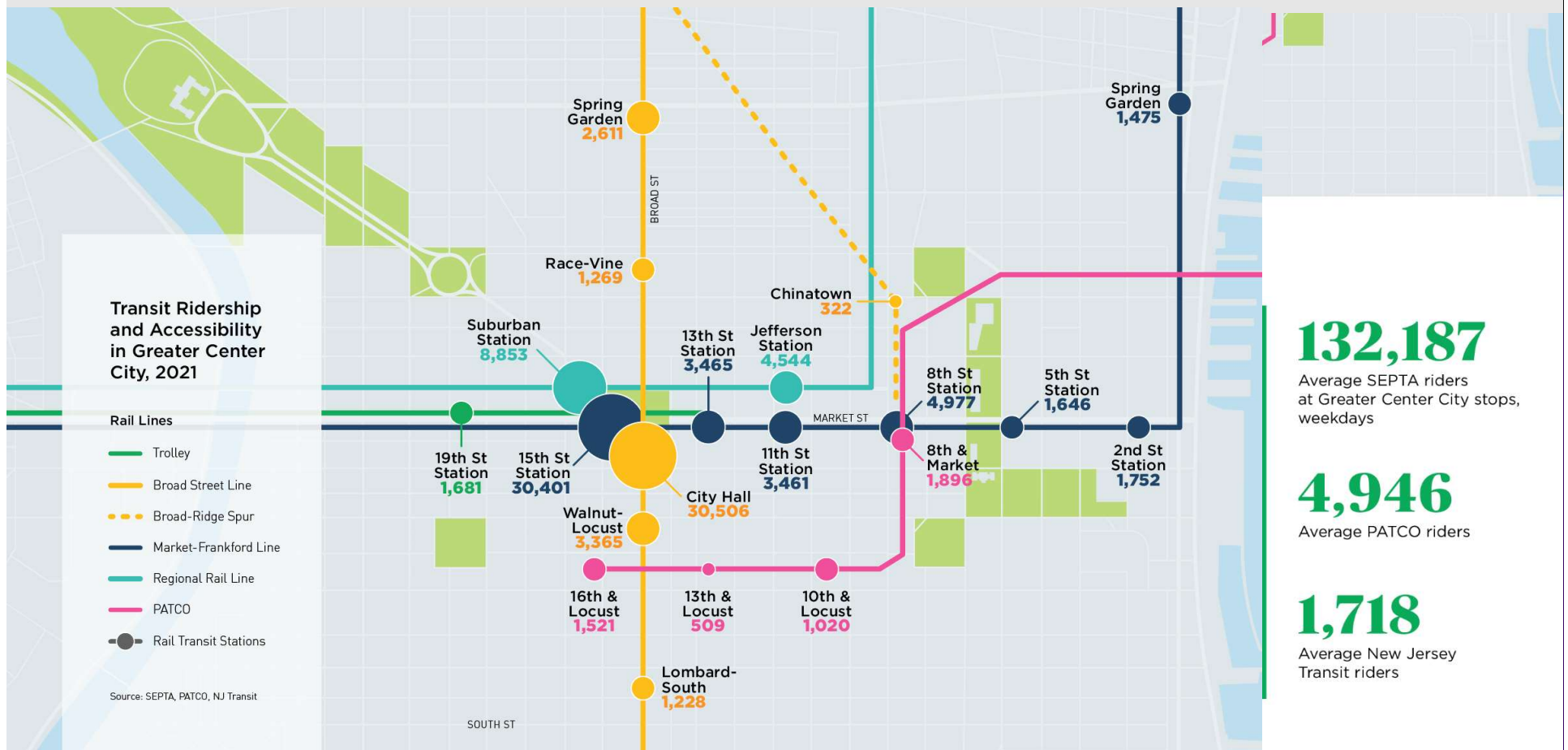
While 23% of Philadelphia's workers rely on public transit; in Center City more than 50% arrived by transit

City Comparison: Commute in Order of Non-Auto Commute

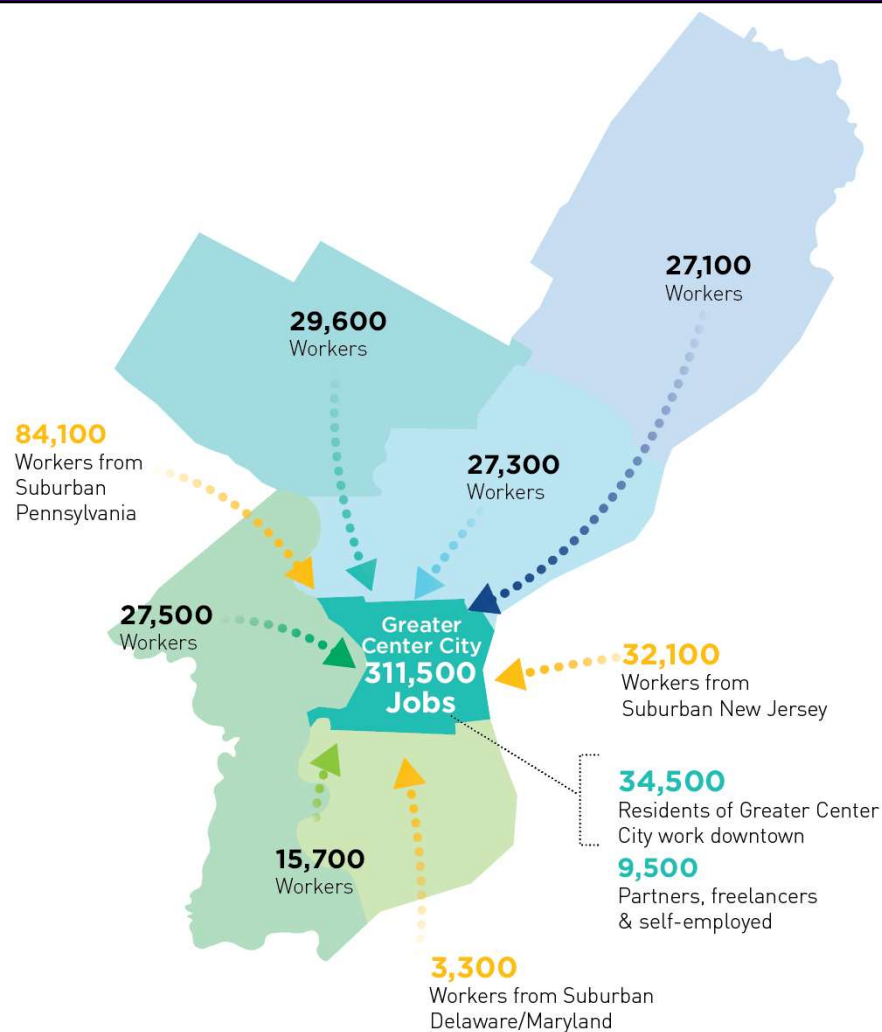


Source: U.S. Census Bureau, 2020 American Community Survey, five-year estimates

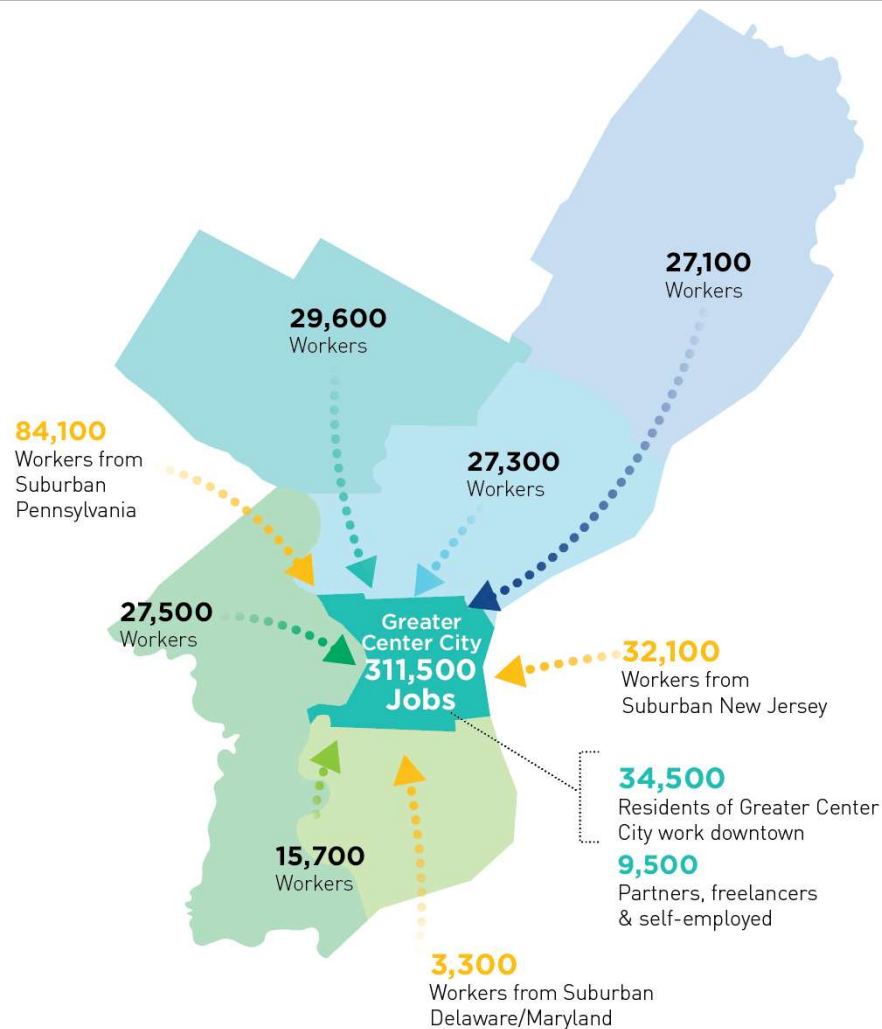
Even with diminished ridership in 2021 132,187 passengers arrived each day downtown on SEPTA



25% of residents from every city neighborhood employed downtown 163,000 downtown jobs held by Philadelphia residents (52.4%)

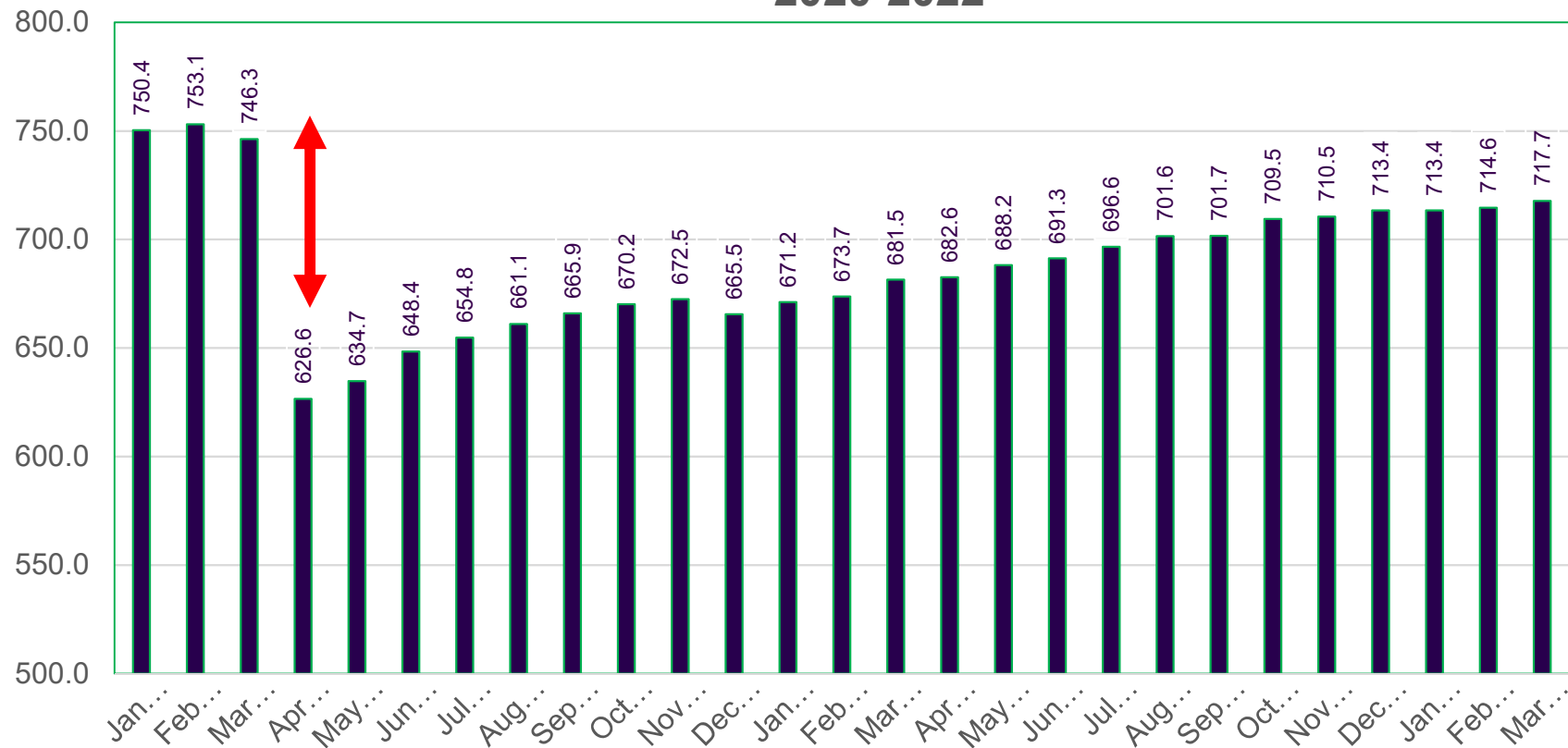


119,500 suburban residents worked downtown (47.6%) Pre-pandemic

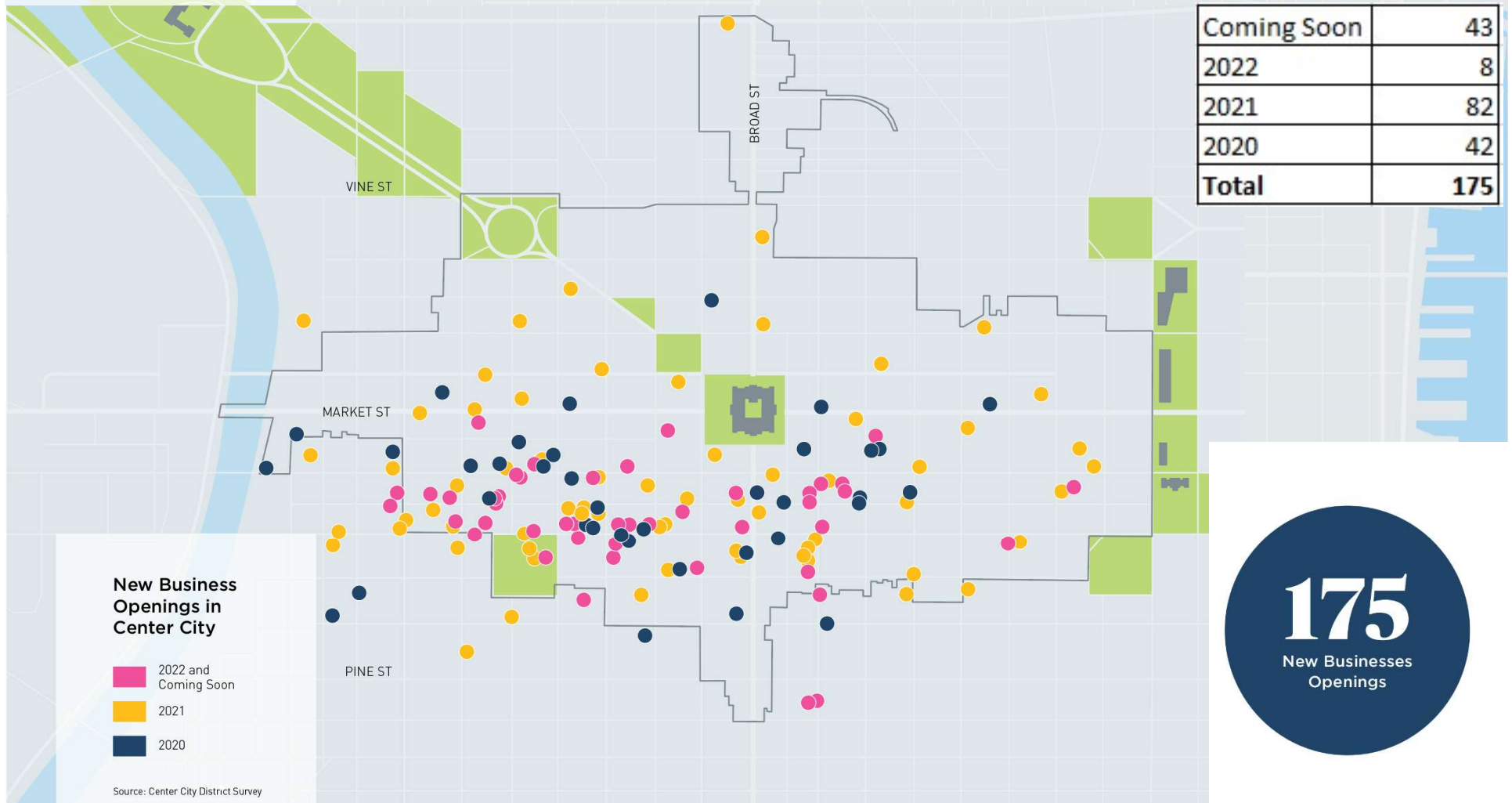


**Lost 120,000 jobs citywide at start of the pandemic
Regained 91,100 jobs from April 2020 to March 2022
Still 35,400 short of February 2020**

**Philadelphia Non-Farm Payroll Employment, Seasonally Adjusted
2020-2022**



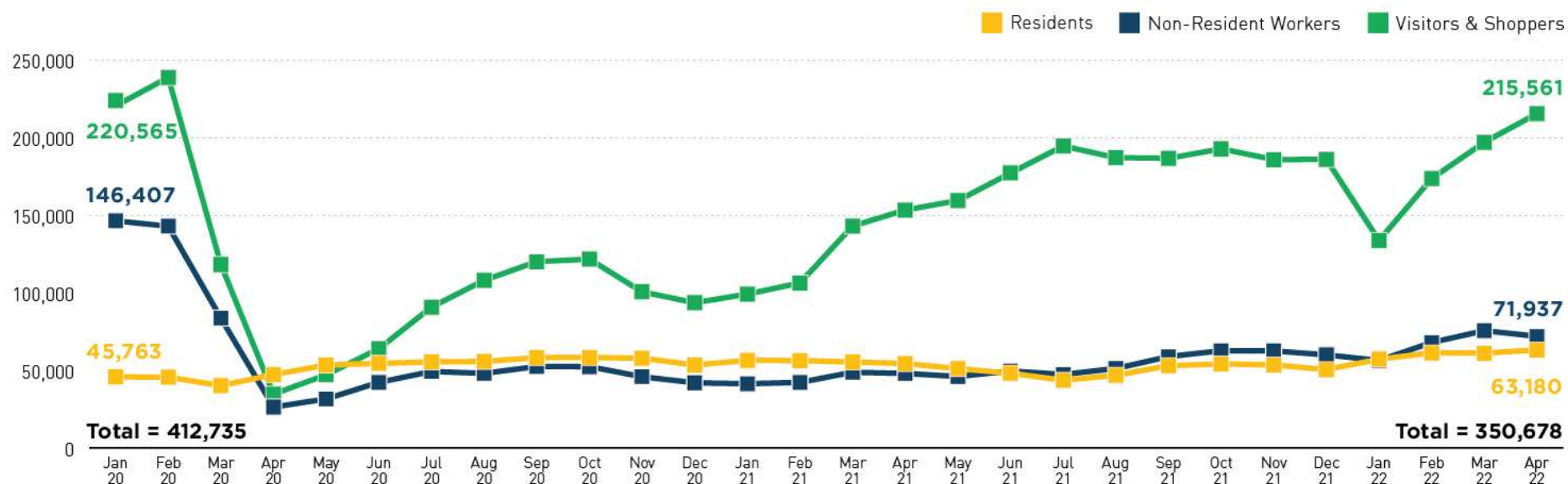
Recovery is underway: 175 new retailers have opened in Center City since spring of 2020



175
New Businesses
Openings

By end of April visitors, shoppers & residents all back Office workers = 49%

Center City Pedestrians: Residents, Non-Resident Workers, and Visitors (Average Daily)



Source: Placer.ai

Accelerate the Safe Return to Office

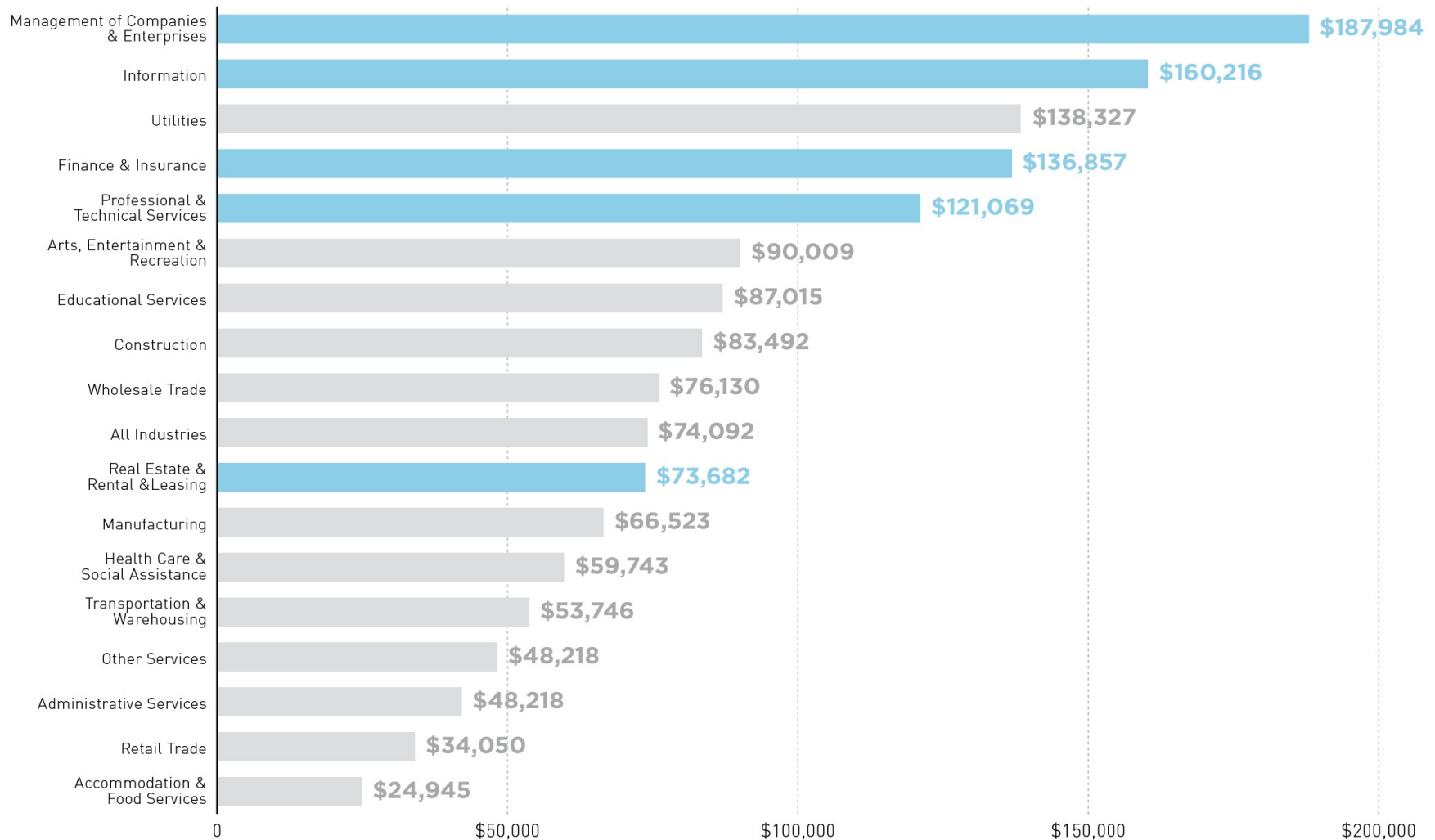
Office buildings: most dense containers of most diverse jobs
Driver of many other jobs in ecosystem they support



4 of 5 top wage industries are in office buildings

High-wage jobs drive mid- & low-wage jobs

Philadelphia Average Annual Wages per Employee by Sector, Private Employers, 2020



What other jobs are lost if office workers don't return? Those who don't have the option to work remotely



Every 500,000 square feet of occupied office space:

- ▶ Provides 3,333 office jobs, 5 building engineering, 18 cleaning and 12 security positions.
 - ▶ Supports 11,000 hotel rooms filled with business travelers
 - ▶ Generates \$2.8 million in retail demand
-
- ▶ Hair & nail salons, shoemakers dry-cleaners, delis & restaurants

January survey of 114 firms: peak of Omicron



CENTER CITY REPORTS | FEBRUARY 2022

Remote or In-Office Work?

How Downtown Firms Are Thinking About the Future

In early January, the Center City District (CCD) distributed a survey to Center City and University City employers to gauge their current stance on in-office and remote work, their plans for the first quarter of 2022, and factors they were weighing in making workplace decisions. The survey was distributed electronically between January 4 and January 21 to members of Central Philadelphia Development Corporation, CCD board member firms and was forwarded by the Building Owners and Managers Association to other downtown office tenants. A total of 290 companies and organizations received the five-minute survey and 114 (45.4%) responded.

The respondents represent a broad cross-section of industries and workforce size in Philadelphia, collectively they employ approximately 24,700 workers.

Center City District & Central Philadelphia Development Corporation

CENTERCITYPHILA.ORG

PROFILE OF RESPONDENTS

NUMBER OF EMPLOYEES	NUMBER OF FIRMS
10 or less	20
11-25	25
26-50	21
51-100	13
101-200	13
201-999	10
1000 or more	6
Did not provide	6
Total	114

Major factors favoring remote

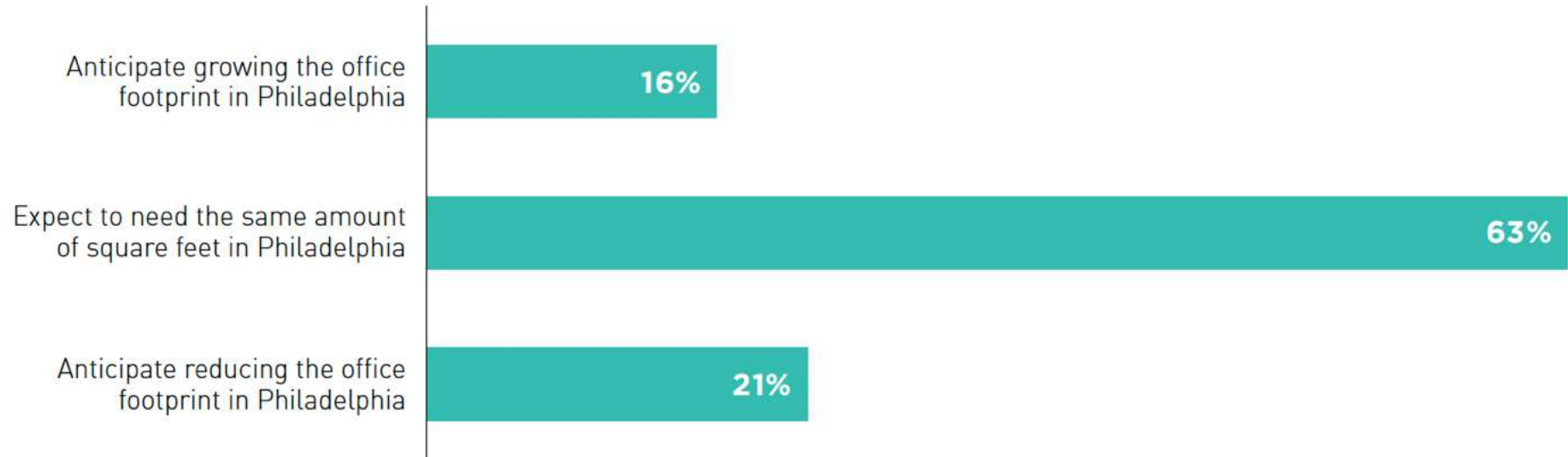
	RANK
Continuing health safety concerns due to COVID-variants	1
Ability to retain existing employees and attract new ones	2
Continuing uncertainty about schools and child-care for parents	3
Concerns about public safety and quality of life in Philadelphia	4
The ease at which staff adapted and made use of virtual technologies	5
Concerns the business climate/business friendliness in Philadelphia	6
Flexibility enjoyed by senior management with remote work	7
Time and cost saved through greater use of virtual meetings	8

Major advantages of in-office work

	RANK	WEIGHTED AVERAGE
Value of face-to-face meetings for collaboration with colleagues	1	3.6
Better ability to supervise and mentor staff & convey company culture	2	3.2
Professional development for all staff	3	3.1
Face-to-face meetings with clients	4	2.8
Ability to focus on work, fewer distractions than at home	5	2.3
Access to technology and IT staff for troubleshooting	6	2.0
Variety of restaurants available nearby for informal staff & client meetings	7	1.7

In January 2022, 79% of firms expected to grow or retain current office space

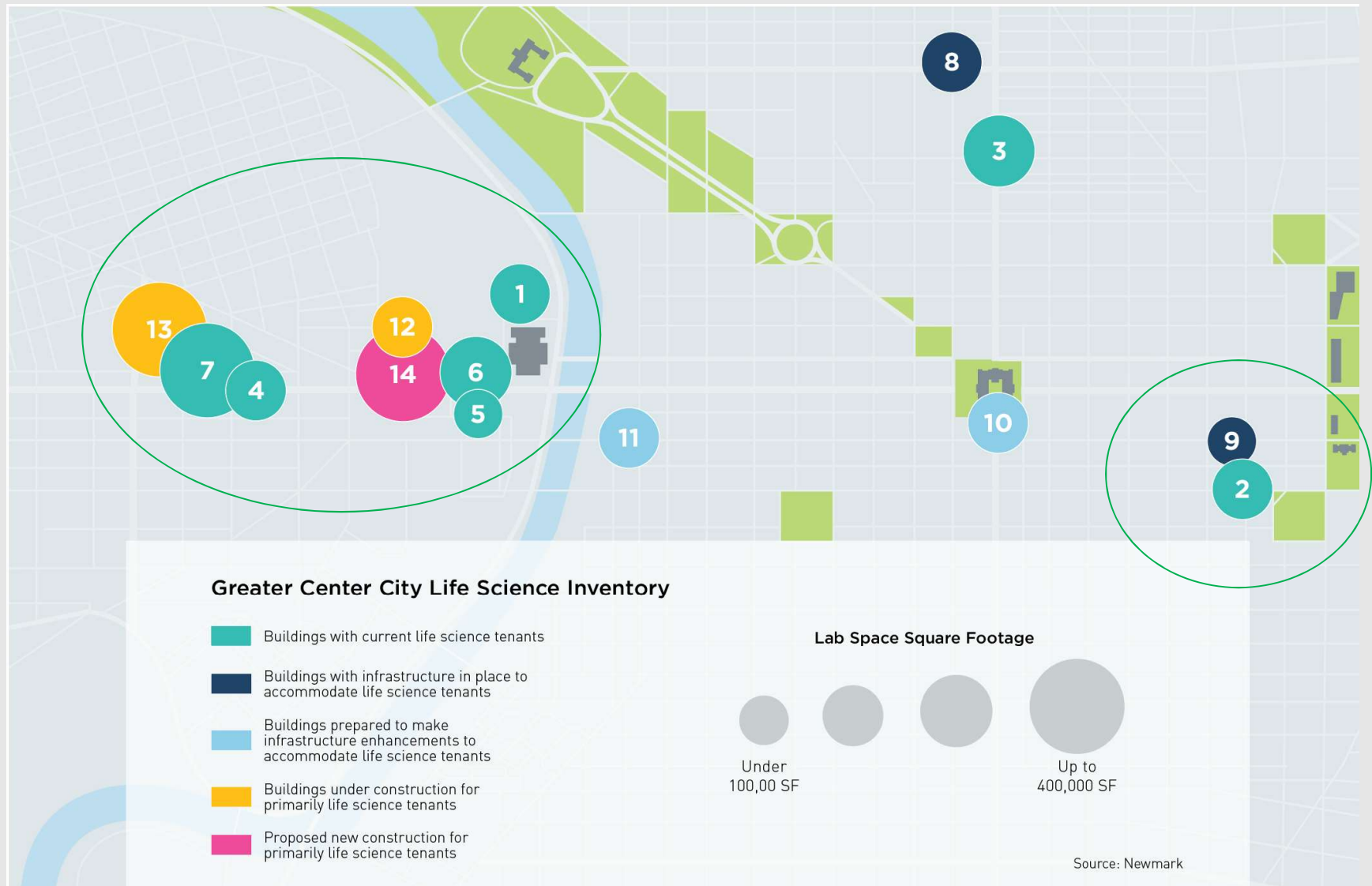
Based on your anticipated workplace location policies for 2022, what are your expected needs regarding real estate in Center City or University City Philadelphia?



New life-sciences lab space Opening in University City & Center City

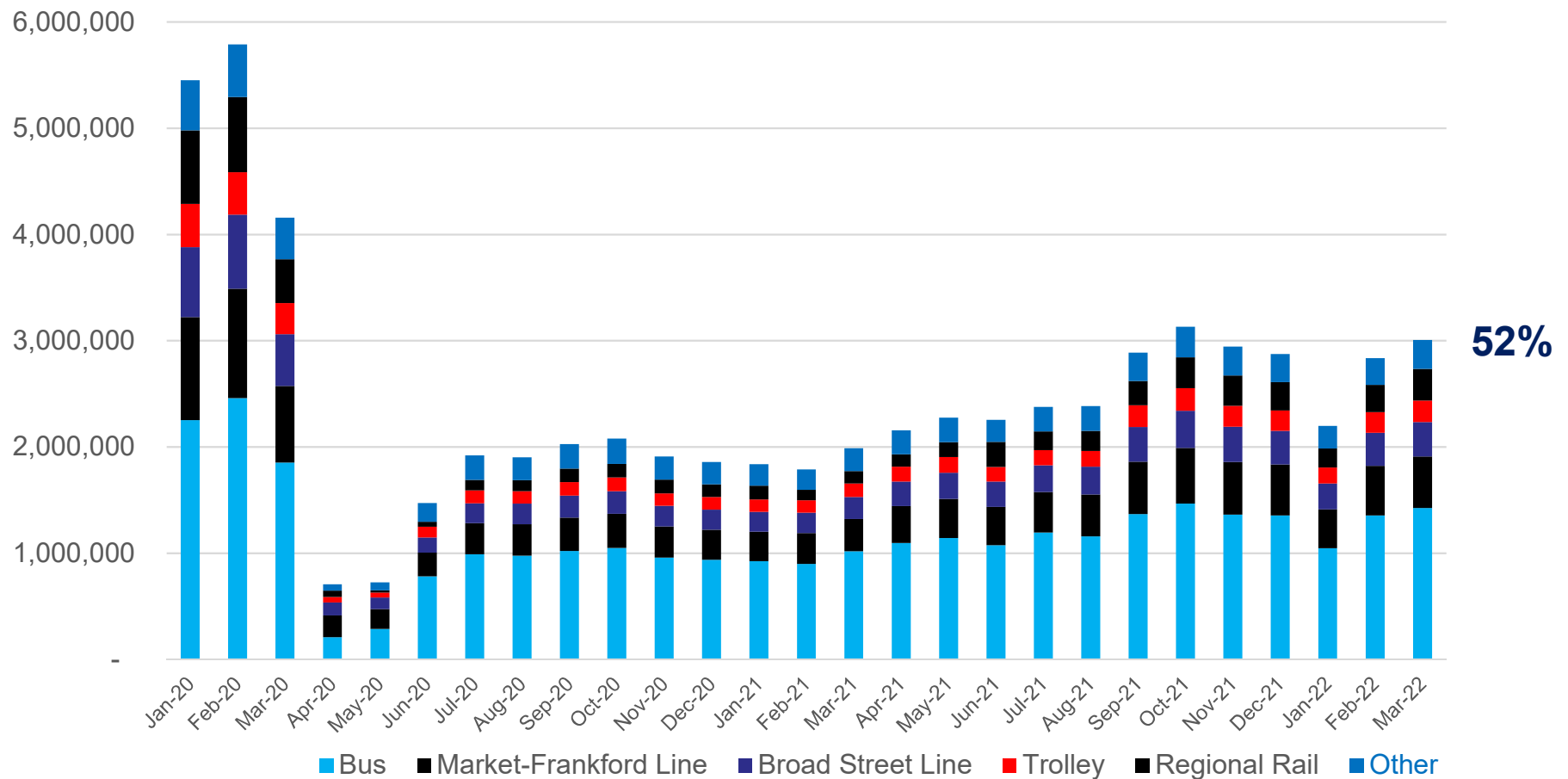


Proximity to universities, hospitals & researchers



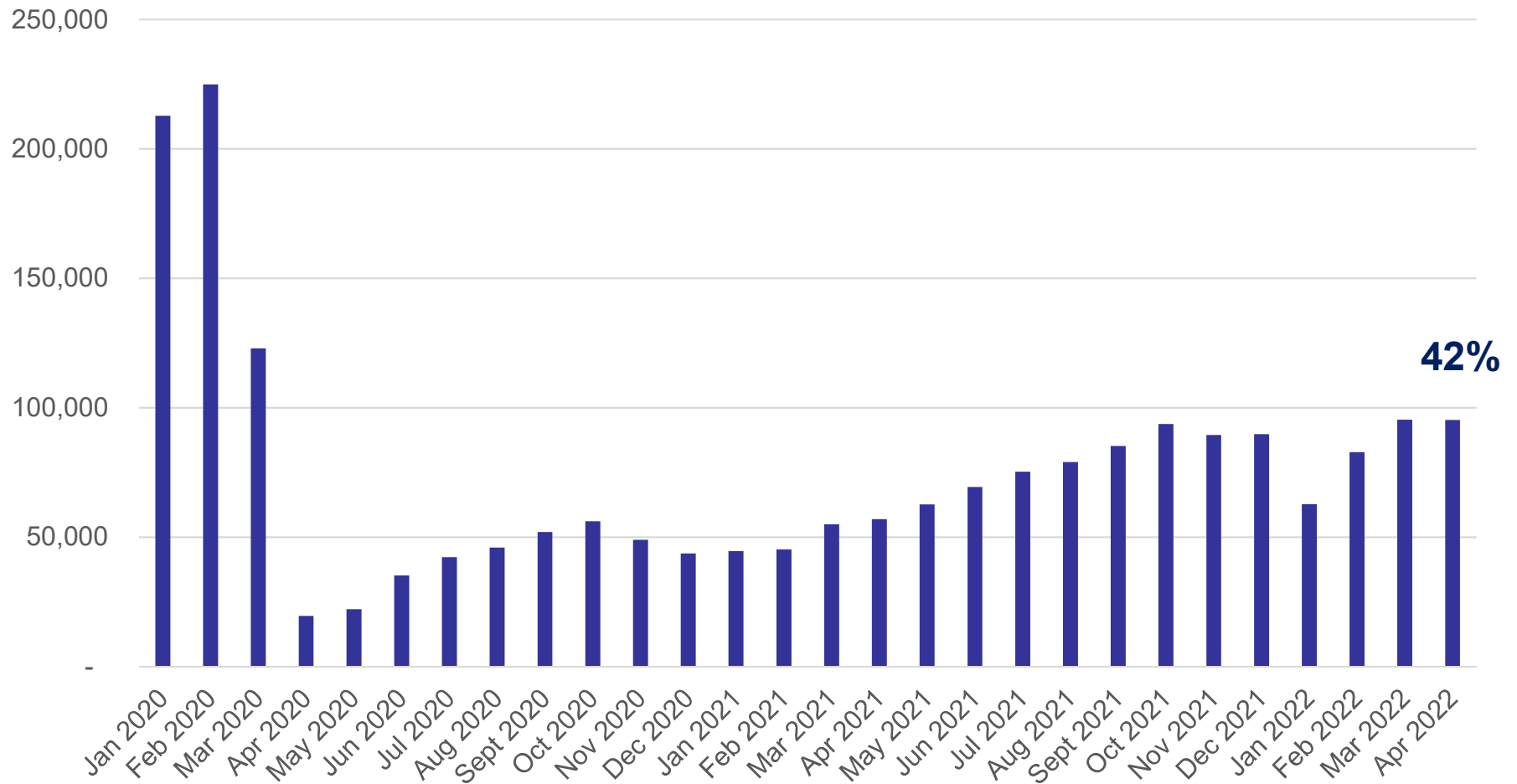
SEPTA ridership up since Omicron in January

End of March 52% of February 2020 volumes



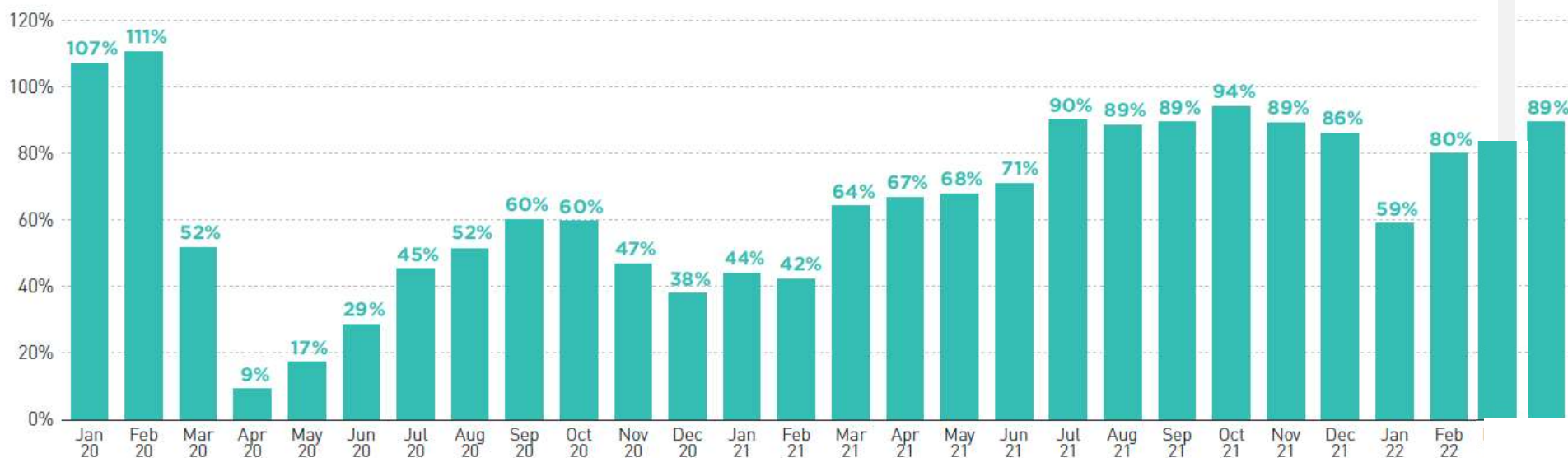
PATCO shows similar trend

PATCO Average Weekly Ridership



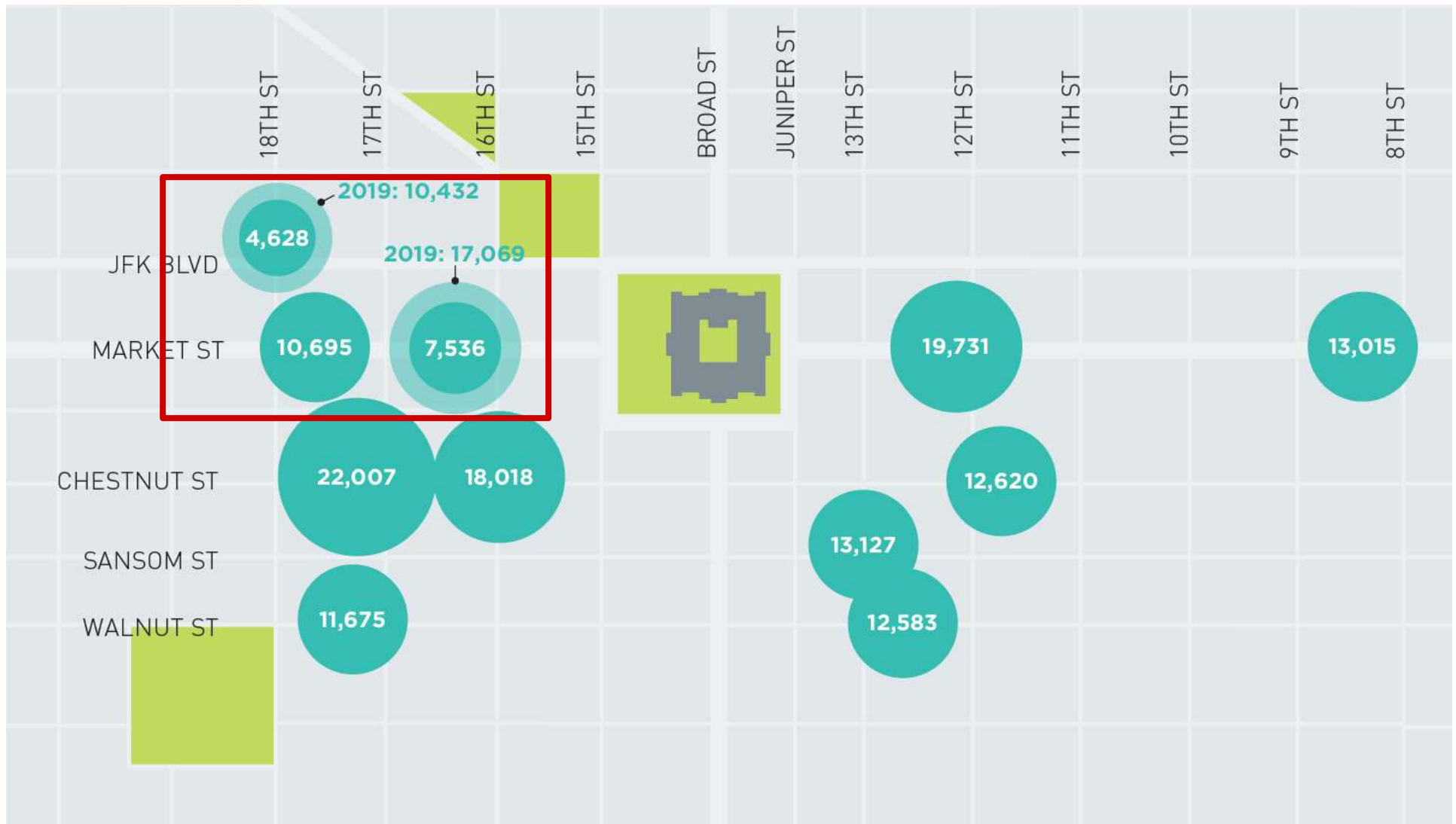
Parkway Center City garages (89.7%) pre-pandemic

DAILY PARKING CUSTOMERS AS PERCENTAGE OF 2019 LEVEL



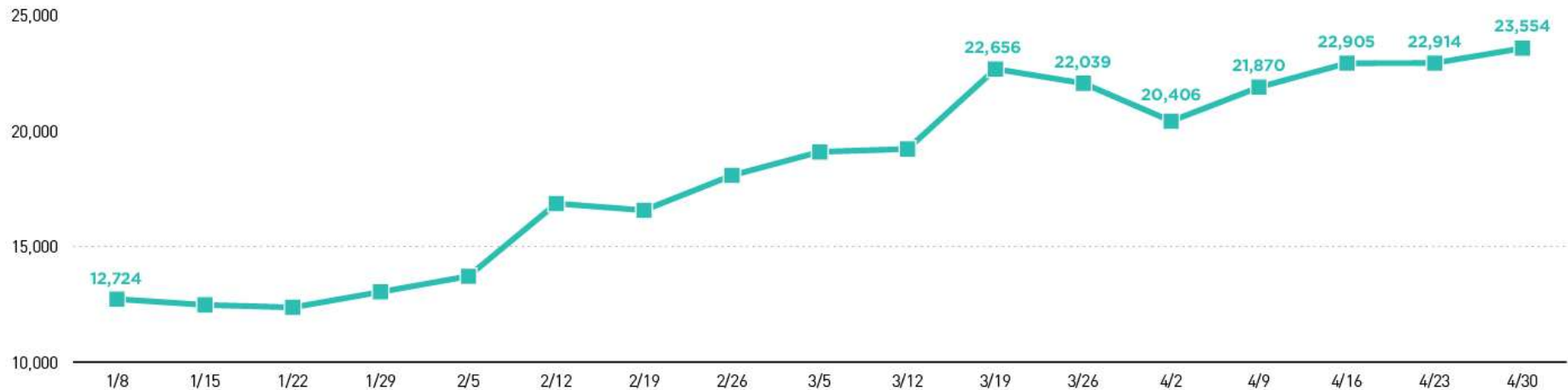
Source: Parkway Corporation; Parkway

Our three pedestrian sensors in the office district



Show an 85% increase in pedestrians on West Market & JFK since January 2022

Average Daily Pedestrian, Office Cameras



**If SEPTA is not fully operational we will soon
be choked by traffic jams with insufficient parking**



#1: Fear of Covid: Philadelphia has achieved a high rate of vaccination



65 & older = 93%
18 & over = 79.9%
12-17 = 78.8%
5-11 = 74.5%

Boosters widely distributed

Break-through cases have been like a typical annoying flu

Covid not eliminated, but it can be managed like a seasonal flu



#2: Ready Set Philly, attracting workers back



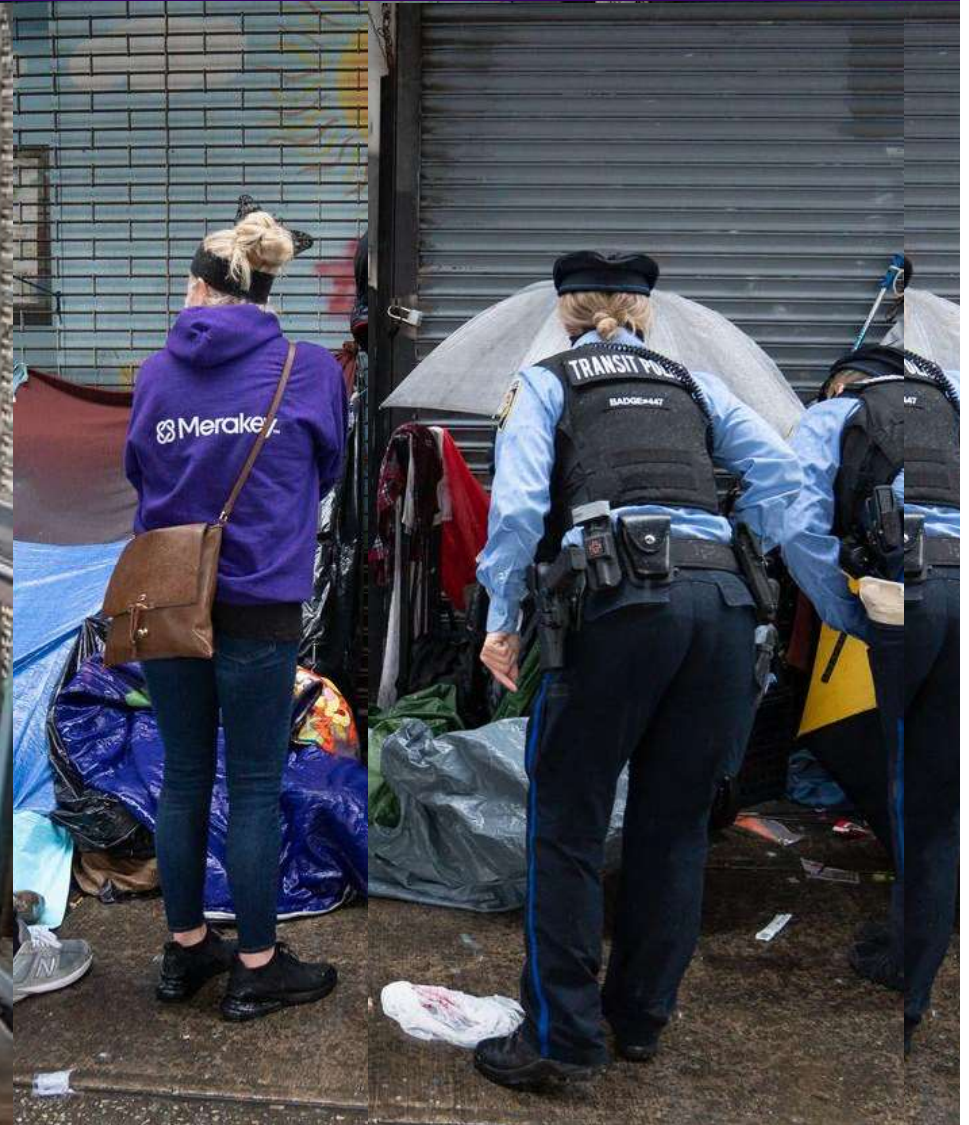
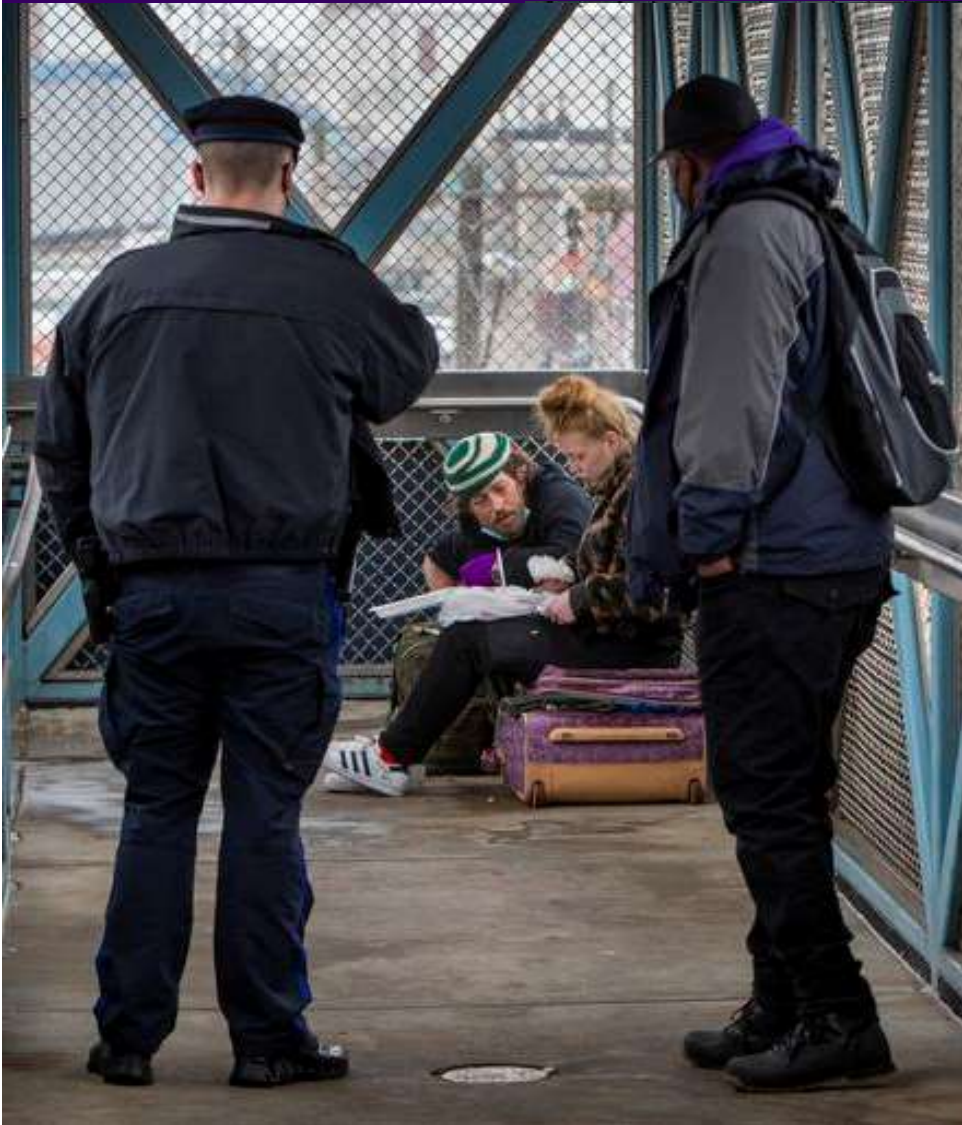
#3: Children are back in school & day care



#4: Safety: SEPTA increased frequency of cleaning Free parking; 3-day weekly pass



Deployed a co-service delivery outreach model SEPTA police with Merakey drug & alcohol teams



SEPTA Doing Direct outreach to employers

New Fare Options

FY 2023 Budget Proposal – No Fare Increases

Riders will continue to benefit from fare adjustments enacted during the pandemic:

- Free Transfer on Transit modes
- Children under 12 ride free

•New Fare Reductions and New Pass Options:

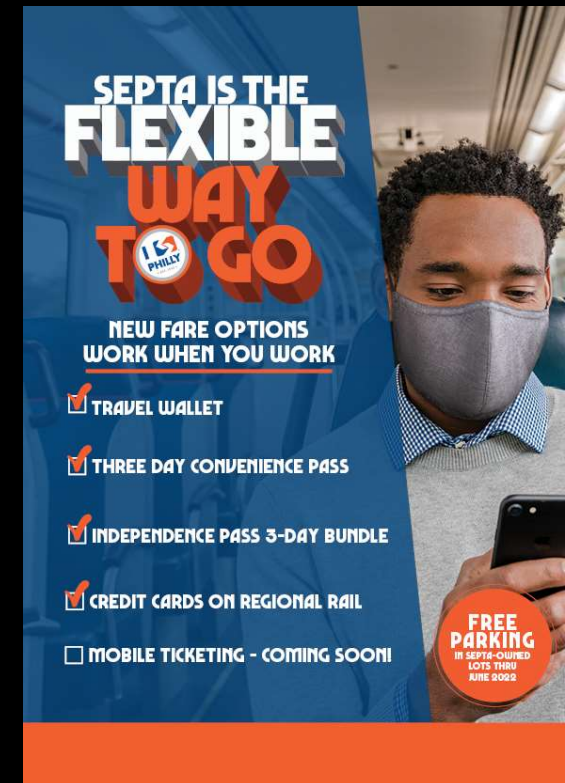
- Reduces cost of Three-Day Convenience Pass – designed to provide customers more flexibility to reflect changing commutes
- Creates a new Neighborhood Flex Pass. Zone 2 travel on Regional Rail provides City of Philadelphia residents enhanced access to SEPTA service

SEPTA Key Advantage Pilot Program

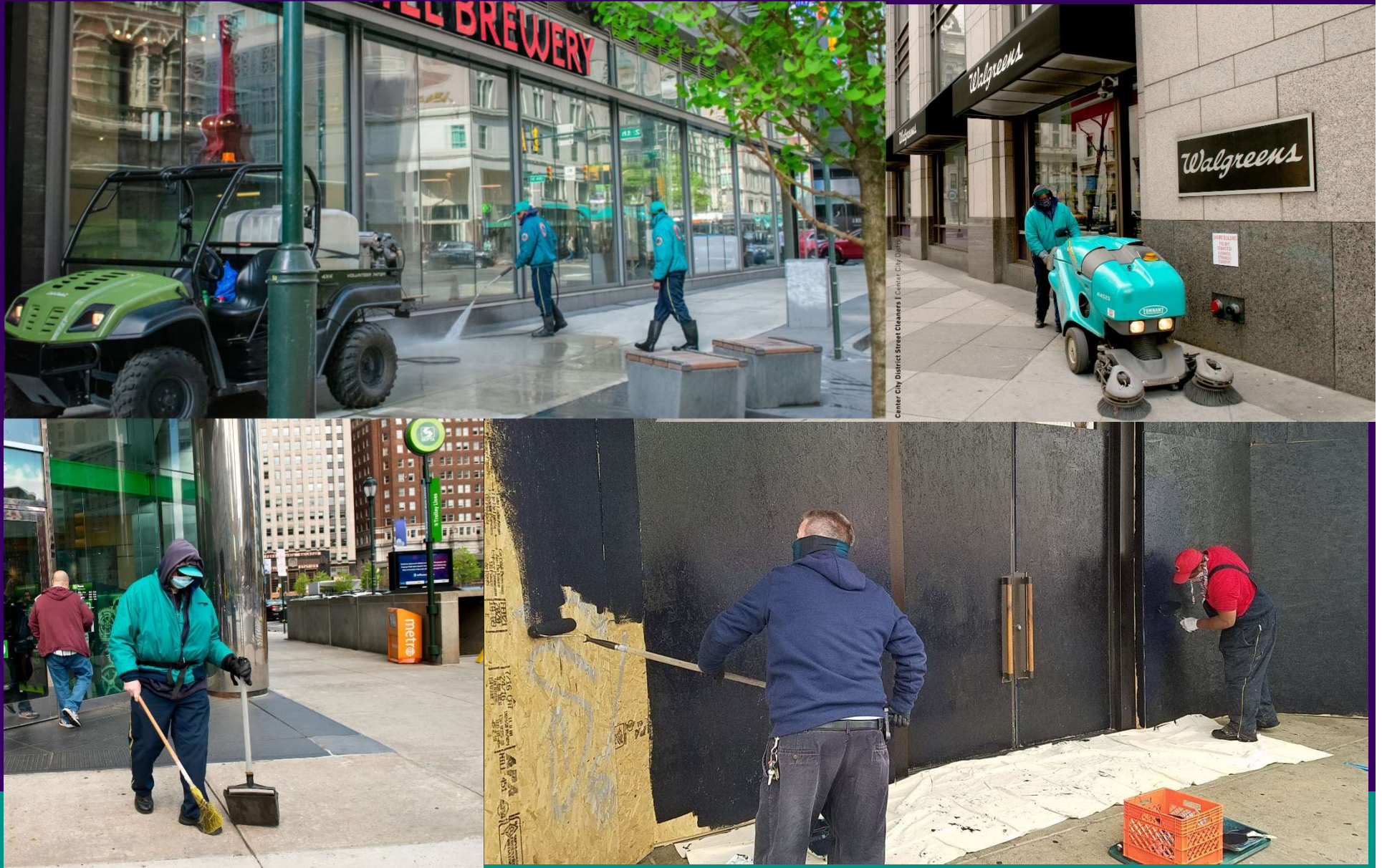
Credit Card Purchases on Regional Rail

Apple Pay | Google Pay | Samsung Pay Accepted at Kiosks

Mobile Ticketing – Coming soon

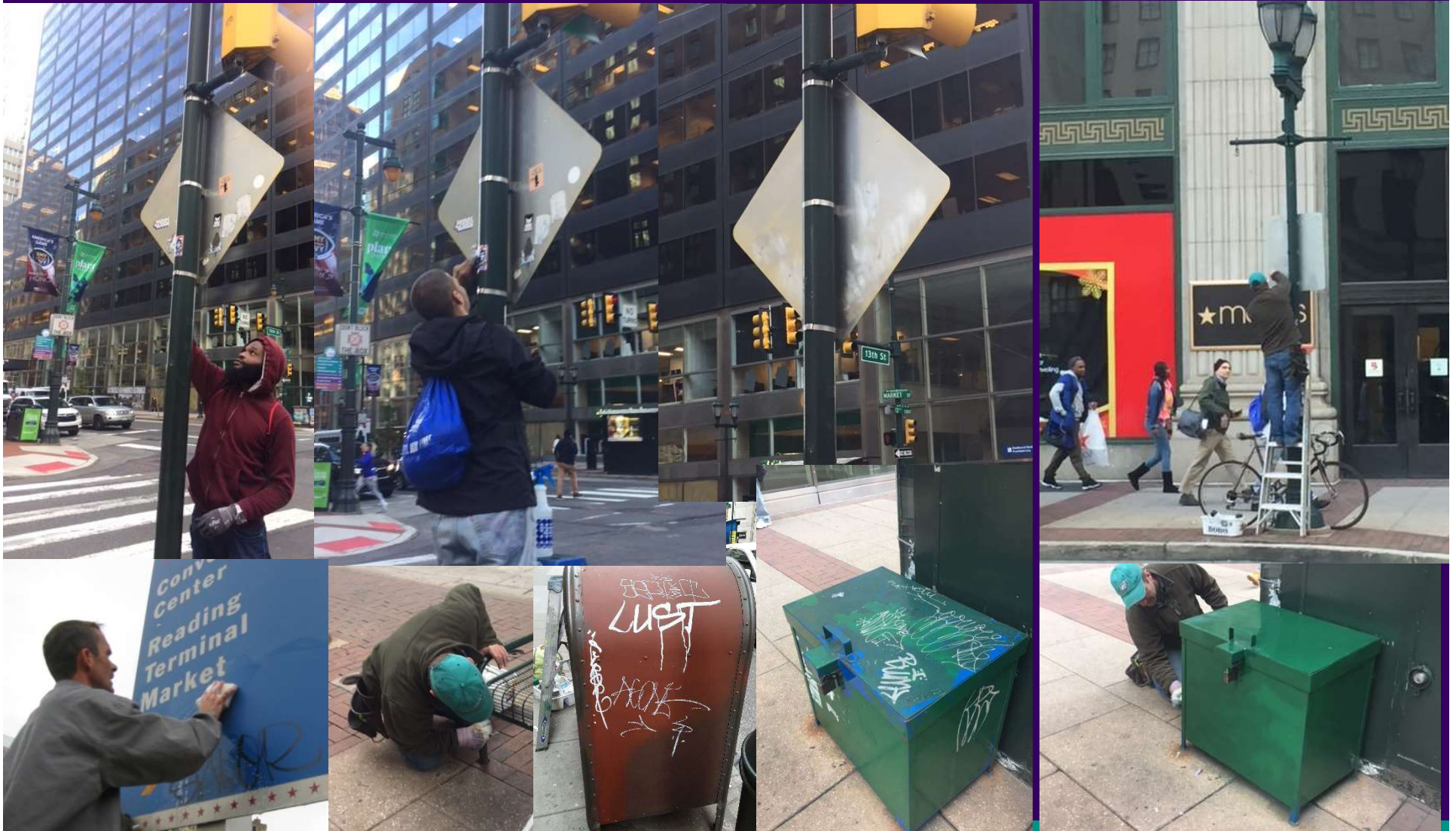


**CCD has kept all 110 sidewalk cleaners
Employed working 7 days/week; Covering 12 hours**



Added cleaners to take on additional graffiti removal functions

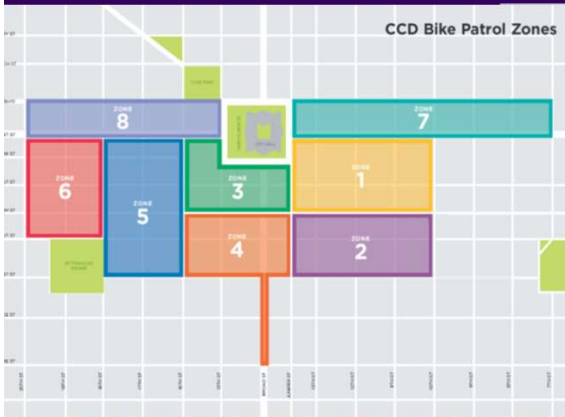
Returning citizens; recovering homeless



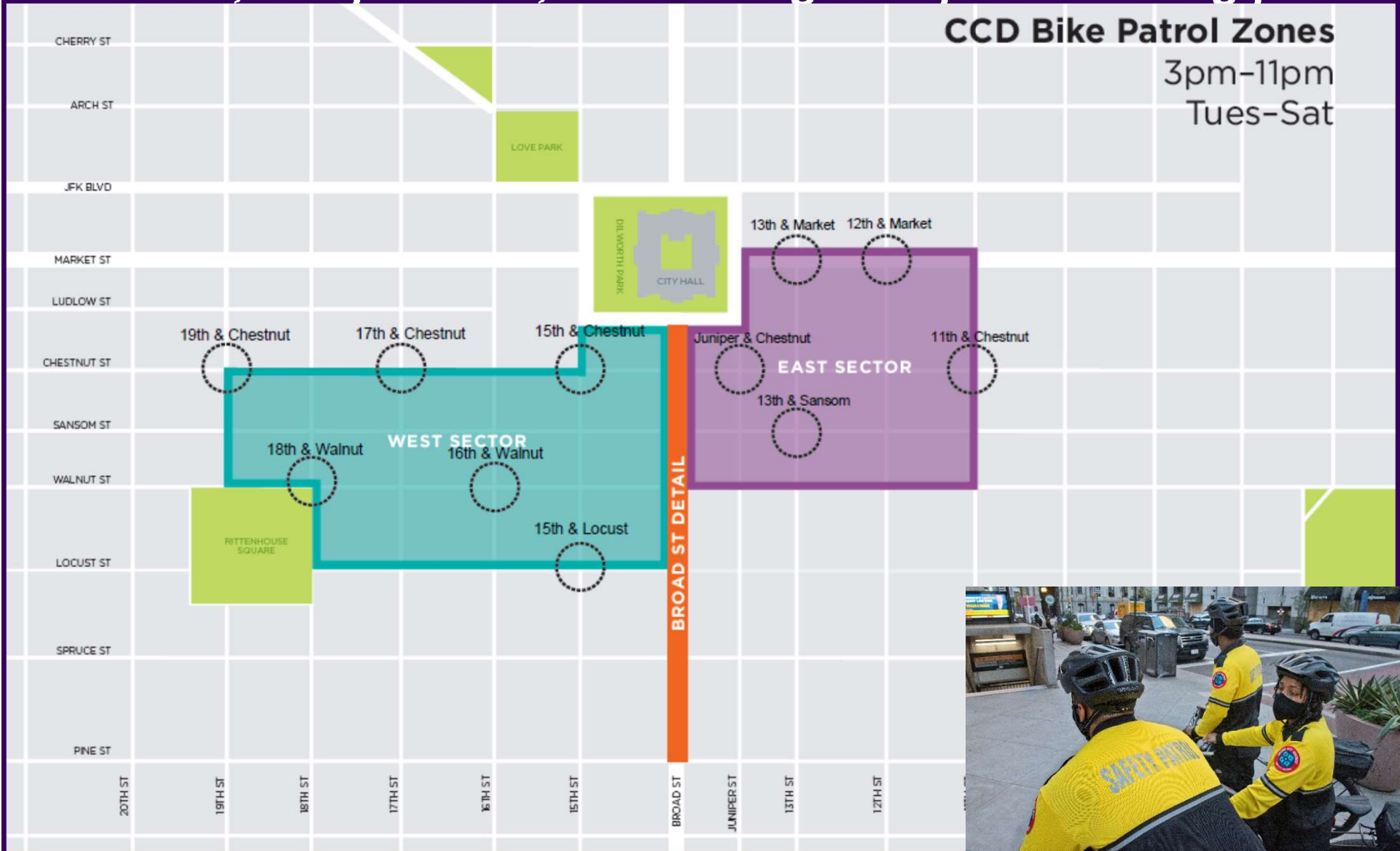
40 Community Service Representatives Deployed 7 days per week focus on transit stops



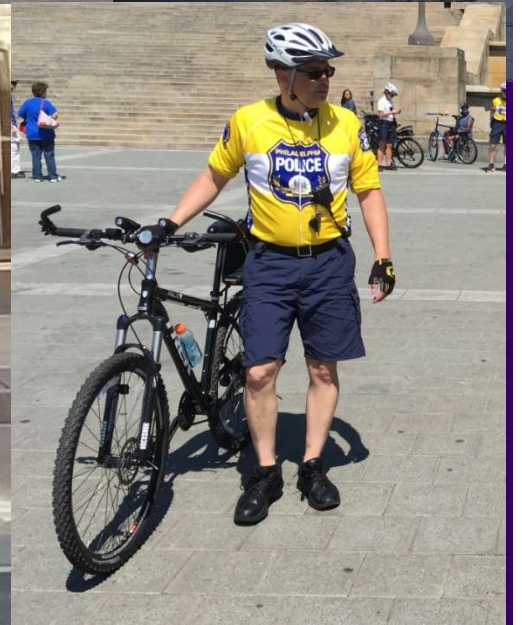
**Since November 2020 deployed 15 bike officers,
8 defined beats 7 days/week; 11 am to 7pm**



April 12, 2022: Added 3 pm to 11pm shift; Tuesday-Saturday 6 officers, 1 supervisor; fundraising to expand evening patrol



**Closely coordinated with additional police deployment:
Bikes, new foot patrol, return to focused beats
Return to community policing; supporting transit riders**



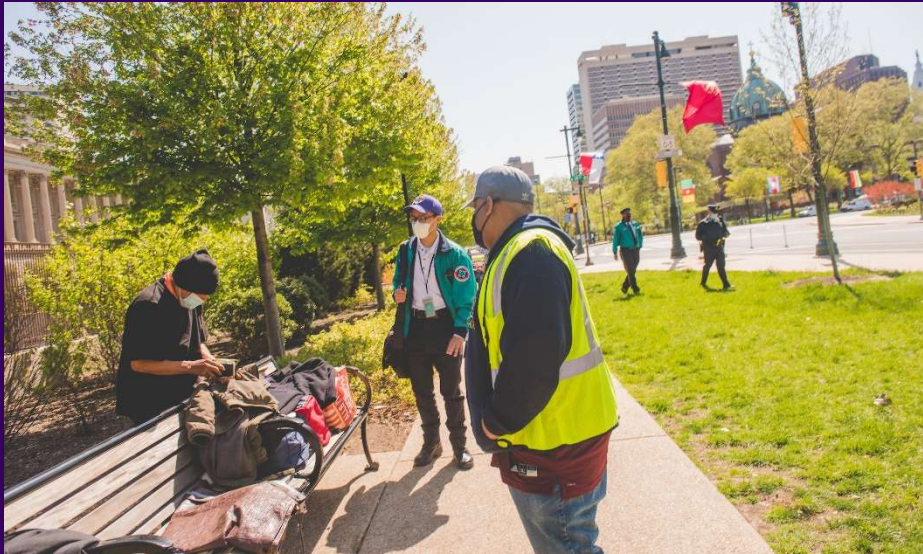
Since 2018: Deployed Ambassadors of Hope

CCD funds: CSRs, Project Home & CIT trained police
CCD provides dedicated van to transport to shelter



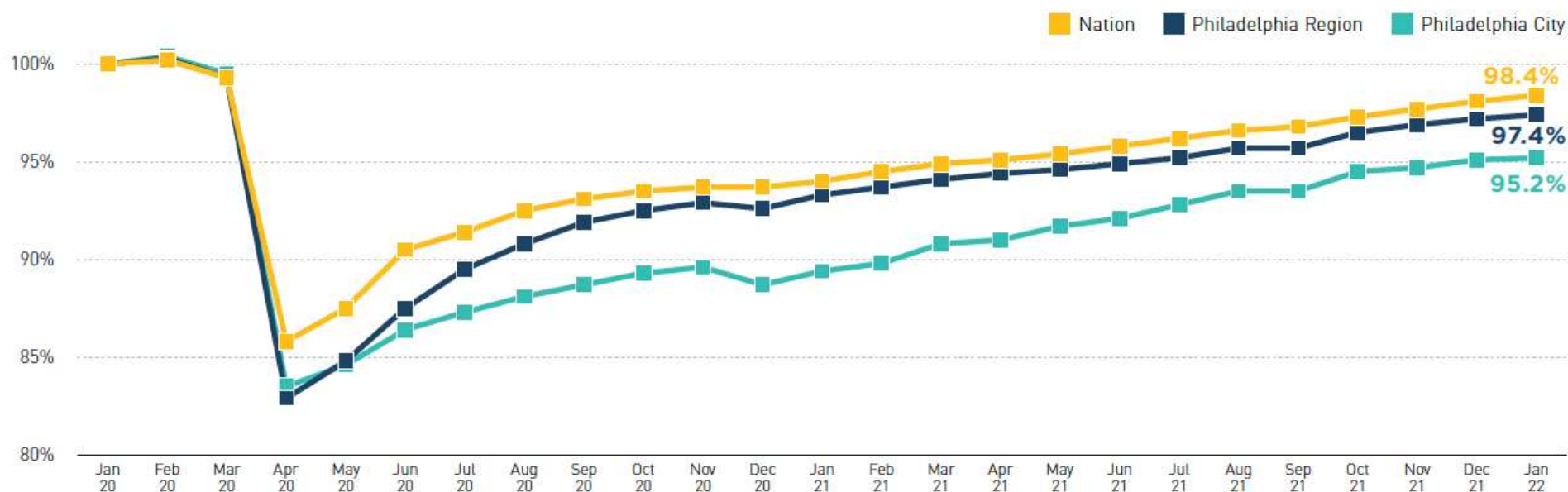
Co-service delivery model

In 4 years: 525 individuals connected with shelter, services & housing



Getting us back to full employment is key to the City & to the Commonwealth

NONFARM PAYROLL EMPLOYMENT AS A PERCENTAGE OF JANUARY 2020 (SEASONALLY ADJUSTED)

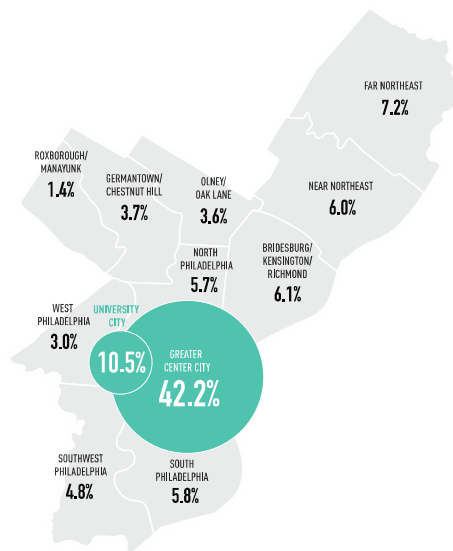


Source: Bureau of Labor Statistics, Current Employment Statistics

SEPTA is key to our recovery

They take people to where the jobs are

PHILADELPHIA EMPLOYMENT BY AREA



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

