

CENTER CITY DIGEST

THE NEWSLETTER OF THE CENTER CITY DISTRICT AND CENTRAL PHILADELPHIA DEVELOPMENT CORPORATION

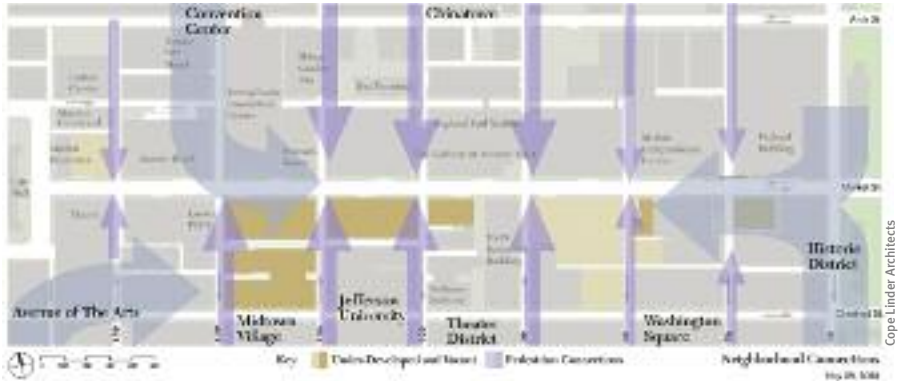
FALL 2008

A Casino on Market East: Missing the forest for the trees?

Imagine a 450,000 square foot entertainment destination that draws several thousand people. It encloses them in rooms that face inward, permitting neither sounds from the street nor views outside. It tempts them with food and drink, holding them rapt for two to three hours at a time, focused only on what is within. A city and soul-destroying casino? No, the Kimmel Center for the Performing Arts.

No one would assert that performances within the Kimmel are equivalent to the activities in a casino. But that misses the point. In *The American City: What Works, What Doesn't*, Alexander Garvin noted: **"Any public facility can be successful as long as revenues exceed expenses. But for a public facility to be beneficial to the rest of the city, it must attract a critical mass of customers and yet be located and designed so that their market requirements can not be fully accommodated within the facility. Only then will customers have a reason to spend their money elsewhere."**

Kimmel Center patrons arrive on foot from nearby neighborhoods or hotels.



Market East from City Hall to 6th Street should be redeveloped to draw customers from Chinatown and residential communities to the north and south, while creating a vibrant hospitality and entertainment corridor linking the convention district to the historic area.

They come by transit or park in garages on surrounding blocks. Coming and going, they animate sidewalks, frequenting boutiques, restaurants, bars and cafes. Their presence is *beneficial to the rest of the city*.

You don't have to like gaming to see similarities. The proposed casino on Market East is not the low-rise box, sited in an expanse of parking lots, originally envisioned on the river. In a dense downtown, it will be a 300,000 square foot tenant

(2/3 the size of Kimmel), occupying three floors in a 1 million square foot regional shopping center with scores of other tenants. It will rely on adjacent, existing parking garages and sit atop transit lines that draw 300,000 riders daily to Center City. It can be connected directly into the Convention Center and is within a block of 3,000 hotel rooms.

Most important, just as the Kimmel Center is exploring how to reduce the barrier effect of its outer walls and better engage the sidewalk, a casino provides both energy and revenues to transform a mall, path-breaking 30 years ago, but whose inward orientation deadens the pedestrian experience on Market Street.

But is the customer the same? The Commonwealth clearly dealt us a mediocre hand with their slots-only restriction on Pennsylvania casinos. Simply compare the patrons inside the Borgata in Atlantic City with the older, slots-heavy facilities along the Boardwalk. So PREIT, the owner of the mall, and Foxwoods have a special obligation to use the casino as an anchor that generates volumes of new customers who can support releasing the mall with entertainment, boutiques and destinations with broader appeal.

On the waterfront, before casinos add their own hotels, only 5% of gaming revenues were estimated to come from



A tax increment financing district that covers all of Market East can capture revenues generated by the casino and related development and use them to stimulate high-density development — new hotels and residential towers — that will provide life to the street.



New urban design criteria should require new developments to have active restaurant and retail uses on the ground floors on both Market and the north/south streets. To the maximum degree possible, *all* lower floors should also be glazed and transparent.

overnight guests in the city. The state's insistence on a 10 mile buffer zone around each suburban casino confirms they were envisioned as day-trip, auto-dependent facilities. But putting a casino within 15 minutes walk of 10,000 hotel rooms and scores of visitor destinations alters the equation.

Market East has long-lacked the shopping, dining and entertainment venues that create a lively, continuous link between the historic area and the Convention Center complex. Similarly, Market East has yet to engage the burgeoning downtown residential population, 40% of whom walk-to-work

City government thus has a special obligation not to focus obsessively on the casino and its opponents, or to revert to its customary, project-specific focus. It's time to look at *Market East as whole*, taking this unique opportunity to transform the entire area into a pedestrian friendly, high-energy shopping, dining and entertainment district.

Comprehensive Redevelopment

Despite major renewal in the 1970's and a second wave of hospitality investment in the 1990's, Market East is interrupted by too many surface parking lots, one-story, underperforming sites and retail oriented neither towards visitors nor towards downtown's expanding residential market. Nationally, retail has changed significantly in the last half century. In its heyday, Market Street had seven department stores that drew from across the region, before there were 16 competing suburban malls. When the Gallery opened in 1977, three department stores remained — Gimbel's, Strawbridge's and Wanamaker's; today, only Macy's is left. If the street is to thrive again, we need to join together the huge public and private investments in the hospitality industry made at either of the street with new, 21st century entertainment and retail destinations.

But with limited demand for high-rise east of City Hall, rents on the lower floors of Market East can not support the scale of renovation or the density of new construction that is required to remake the

street. Put simply, the economics of transformation don't work without public subsidies.

In a time of extraordinary scarcity, this is where the casino can have its greatest value. By creating a tax increment financing (TIF) district that covers *all of Market Street from City Hall to 6th Street*, the City can capture now the anticipated increase over the next two decades in real estate, business and sales taxes in this entire zone and create a source of low-interest financing that can prompt high density development on multiple sites along the street.

TIF funds could also be used for streetscape and transit improvements and to illuminate the historic facades of the John Wanamaker building, the Reading Headhouse, Post Office and former Lits Department store. To bring evening excitement and additional revenues for redevelopment, the City could also authorize the controlled use of large outdoor digital advertising signs, but only for high-density projects that conform to new urban design criteria. It's been decades since Philadelphia thought and acted at this comprehensive a scale. If ever there was a time and place to do it again, it's Market East now.

Paul R. Levy
President

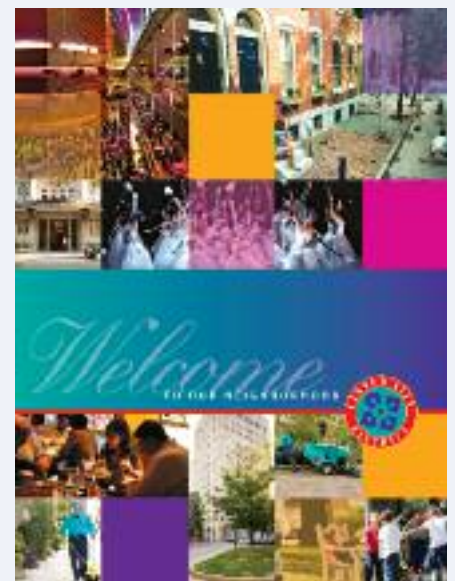
plevy@centercityphila.org

Center City District's Residential Outreach Program

For the last 9 months, the CCD has been reaching out to developers, brokers and to residents who have chosen to live within the boundaries of the Center City District (CCD) to be close to work, arts, entertainment and restaurants. Over 22,000 individuals now live within the traditional business district in converted office buildings, lofts and new buildings, while another 70,000 live in the neighborhoods that surround downtown. All new home and condo owners within the CCD now receive a welcome folder that includes information about CCD services, a magazine about downtown amenities,

a bike and public transit map and an explanation of the services funded by the CCD assesment.

The CCD has assigned a staff person to focus specifically on issues of concern that residents living within the District may have. Please don't hesitate to contact Ivy Pete, our residential liaison at 215-440-5926 or by email at residential@CenterCityPhila.org.



Capital Improvements

Cafe Cret



On September 29th, the CCD cut the ribbon on Capriccio at Cafe Cret, located at 16th Street and the Parkway. Funded by the Commonwealth and the Center City District, the cafe was built on land leased from Fairmount Park. Funds generated from the cafe will go toward Parkway streetscape maintenance.

Nearby, the CCD is working on several other major capital projects.

Logan Square



The portion of Logan Square along 18th Street lacks a clear identity and points of interest; trees obscure the view of the Cathedral

Last July, Governor Rendell and Mayor Nutter, along with representatives from The Pew Charitable Trusts, William Penn Foundation and Knight Foundation, announced their combined commitment of \$17.1 million to complete major pedestrian and landscape improvements along the Benjamin Franklin Parkway. Among those projects, already in design by the CCD, is the revitalization of the park in front of the Basilica of SS. Peter & Paul at Logan Square.

The CCD has retained Pennoni Associates (engineers), Bryan Hanes Studio (landscape architect), and Ralph Appelbaum Associates (planning and programming), to create a high quality public place, containing both a contemplative area, as well as a more active area for families with children. Construction is expected to begin in the fall of 2009.

Dilworth Plaza



Dilworth Plaza, City Hall's western apron, was constructed in the 1970s. Its current configuration and landscape serves as a deterrent to social interaction and acts as a barrier rather than a link between Center City's office, convention and entertainment districts.

Supported by an \$850,000 grant from the Knight Foundation, the CCD has retained the design team of Urban Engineers, Olin Partnership KieranTimberlake Associates, CVM, and Ralph Appelbaum Associates. The goal is to create an active gathering place for

residents, office workers and visitors, and a major portal to Philadelphia's transit system.

South Broad Street Lighting



The CCD is working on lighting the facades of a dozen buildings along a 6-block stretch of South Broad Street from City Hall to Pine Street.

Last December, the University of the Arts Terra Hall was permanently illuminated with color changing LED lights. This December, the CCD will turn the lights on at an additional 11 buildings, including the North American Building, 215 South Broad, 337-41 South Broad Street, the Park Hyatt Hotel and Bellevue Garage, the Union League, Land Title Building and Annex, 1401 Walnut Street, Kimmel Center and Chambers Wilely Church. 123 South Broad will be lit soon thereafter.

CCD is planning a major event on December 17 during which music will fill South Broad Street as some buildings are illuminated with more synchronized LED fixtures and others in simple white light. Performers will stroll the avenue, and restaurants will bring food outside. Be sure to check our web site www.CenterCityPhila.org to stay up-to-date on event details

Center City Portals

Center City is the regional hub of an extensive intermodal transportation network that provides excellent access to downtown office buildings, retail shops, hotels and cultural destinations, bringing almost 300,000 passengers downtown each weekday. For daily commuters, using the system has become routine. But for a first time rider or visitor, the 123 portals to the underground system do not communicate much information about how to use the transit system.

To help remedy this, the CCD received a \$375,000 grant from the William Penn Foundation to enhance the visibility and the information provided at transit entrances and to create a recognizable “transit access mark.” Working with the CCD, SEPTA and PATCO, local designer Joel Katz has produced a comprehensive graphic system.

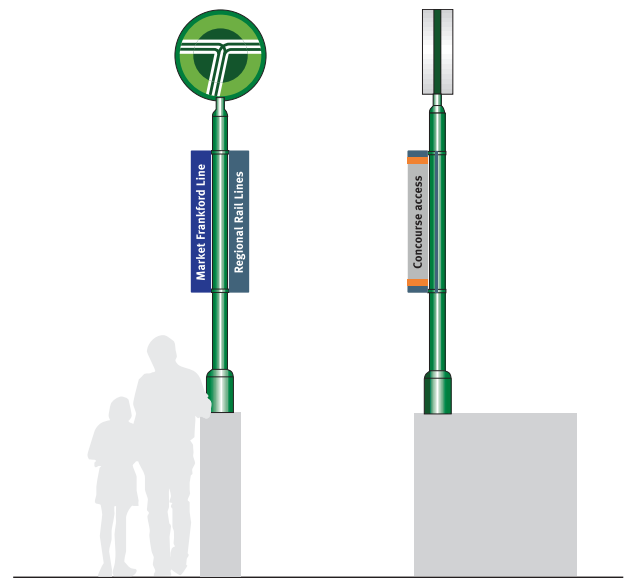
In late October, the CCD unveiled the signs at six locations that are serving as demonstration sites. You are encour-

aged to visit these sites and let us know what you think by December 1st by taking a quick survey found at www.CenterCityPhila.org. The demonstration sites include:

- 13th & Market
- Broad & Walnut
- Centre Square (15th & Market)
- 18th & JFK
- 19th & Market
- 15th & Locust



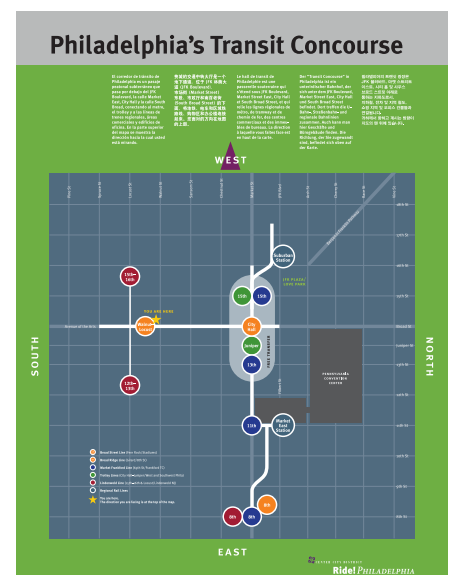
A potential new “mark” for transit that is being considered.



A lit transit mark at each portal entrance with attached blade signs indicates which lines are accessible below.

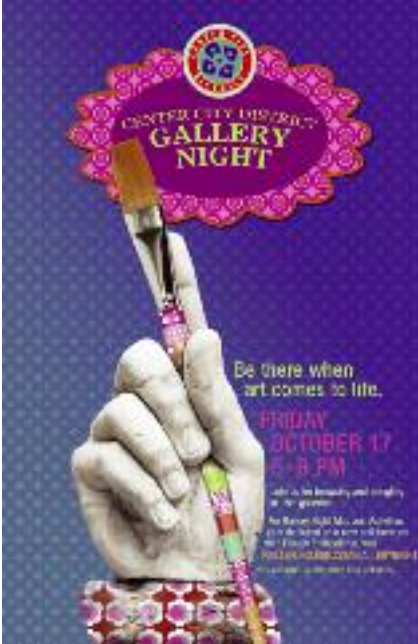


A stairwell soffit sign (above) with additional directions to transit lines, and an exit orientation sign as you walk up the stairs from the concourse to the street.



A concourse map will be placed at the bottom of each stairwell.

Gallery Night Returns!



The 6th Gallery Night event took place on Friday October 17. Seventeen Center City galleries participated in an event produced by Center City District, the Greater Philadelphia Cultural Alliance and Rittenhouse Row and sponsored by TD Banknorth, Design Philadelphia, City Paper and NOW 97.5. Thousands of patrons flowed in and out of galleries exploring new artists and expanding their cultural horizons. Gallery-goers also enjoyed wine and food from new Center city restaurant and caterer, Union Gourmet.

A new element this year was an event produced by Design Philadelphia entitled *spot*. Spot got dozens of entries from design firms wanting to showcase their talents and expand our vision of what a parking spot can be by having designers create art installations in them. The parking spots were located on Walnut Street between Broad and 16th Streets.

In Memorium, Judith Eden

Center City lost a friend and advocate last month when Center City resident and CCD board member Judith Eden died at 61. A member of the CCD board for the last 10 years, Eden was a civic activist who served as a zoning expert for the Center City Resident's Association, as an appointed member of the Zoning Board of Adjustment and most recently as a member of the Zoning Code Commission. Judith was also active in other Center City organizations including: MANNA, the Mural Arts Program, The Franklin Inn club, the Philly Fringe Festival, the Print Center, the Liberty City Democratic Club, the AIDS Fund and more. Judith's dedication, energy and determination will be greatly missed.

Distressed Motorist Applauds CSR's Assistance

Recently Beverley Pratcher from Delaware accidentally locked her keys in her car on 6th Street near Rohm & Haas. After unsuccessfully calling several places for help, she became visibly frantic.

But on her rounds, CSR Jacquie Ashburn noticed Beverly on the street and asked if she could assist. Jacquie quickly called in to CCD dispatch to get phone numbers for several locksmiths and then called AAA.

CSR Ashburn then escorted Beverly inside the Rohm & Haas lobby so she

would be comfortable while waiting and then periodically checked back until help arrived.

Later that day, Ms. Pratcher sent an e-mail to our general mailbox thanking Jacquie and the CCD for the help she had received. "She was so kind and caring. I greatly appreciated her."



CSR Jacquie Ashburn

CENTER CITY DIGEST

FALL 2008

INSIDE

- 1 A Casino on Market East
- 2 Practical Matters
- 3 Capital Improvements
- 4 Center City Portals
- 5 Gallery Night
Clean & Safe
Judith Eden

Center City District and
Central Philadelphia
Development Corporation
660 Chestnut Street
Philadelphia, PA 19106
www.CenterCityPhila.org

Pre-sorted
First Class Mail
U.S. Postage
PAID
Philadelphia, PA
Permit No. 2545



printed on 100% recycled paper

Save the Date!

On December 17, we will turn the lights on at 11 buildings on South Broad Street with permanent color changing LED lights.

Bands and entertainers will stroll the streets in celebration. There will be light-themed giveaways, music and restaurants outside in tents serving up finger friendly snack foods.

It will be a fantastic holiday evening on the Avenue of the Arts, so be sure to mark your calendar!



SOUTH BROAD STREET LIGHTING

The *Center City Digest* is a publication of the Center City District (CCD), a private-sector sponsored municipal authority committed to providing supplemental services that make Philadelphia's downtown clean, safe and attractive; and of Central Philadelphia Development Corporation (CPDC) with 50 years of private-sector commitment to the revitalization of downtown Philadelphia.