Commercial Corridor Policy Agenda 2017









A Strong City Needs Strong Neighborhood Commercial Corridors

Recommendations



Make Corridors Clean, Safe & Attractive (P. 2)



Support Small Businesses (P. 4)



Strengthen CDC Capacity (P. 6)

Improve Communication & Coordination (P. 7) Neighborhood commercial corridors are the economic arteries of our city. They provide jobs and offer residents local access to needed goods and services. When safe, clean and vibrant, they attract new residents to the surrounding residential area, which can lead to revitalization of the entire neighborhood. In fact, research shows that commercial corridors that are in "good" or "excellent" condition increase home values by 36% within ¼ mile, but poor condition corridors decrease surrounding home values.

Through federal, state, and local funds, the City of Philadelphia's Department of Commerce has invested in programs that have made a significant positive impact on our corridors. PACDC and its Commercial Corridor Working Group (CCWG) calls on City Council and the Kenney Administration to boost investment in programs that have been effective, and implement other policies that can help create more supportive environments for corridor-based small businesses. The CCWG is made up of individuals from twenty organizations that work on-the-ground to strengthen our neighborhood corridors and small businesses.

Make Corridors Clean, Safe, and Attractive

Corridors that are safe, free of litter, and feature quality signage, landscaping and good property conditions attract foot traffic as well as business location and expansion.



Just 11 CDCs picked up more than 35,000 bags of litter from commercial corridors in Fiscal Year 16. That's over 134 bags every weekday!



Cleanliness

- Increase funding for the corridor cleaning program to \$1 million per year, from its current level of \$695,000. This would allow the extension of existing contracts to cover additional blocks and/or add more cleaning hours, add new corridors, and increase grant size to keep up with rising costs of providing basic services. Provide support for mechanical sidewalk sweeping machines for use by local groups where appropriate.
- The Streets Department should extend its bulk purchasing discounts of cleaning supplies such as brooms, bags, gloves and other supplies to CDCs and businesses associations.
- SEPTA must take responsibility for ensuring the cleanliness of major interchange transit stops.

Safety

 Make corridors pedestrian friendly by ensuring that they all have functional pedestrian-oriented lighting, safe crosswalks, and traffic calming strategies. This may require an increase in capital expenditures to reach more corridors, more quickly.



- The Streets Department and PennDOT need to work collaboratively to fix corridor-intersecting roadways that are in need of critical safety repairs such as filling potholes. Some intersecting roads on our corridors do not get repairs when these agencies disagree on which is responsible.
- The Philadelphia Police Department should ensure strong collaboration and communication between the police and CDCs and/or business associations on every corridor, and boost foot patrols on corridors struggling with crime.

Attractiveness

- Crack down on irresponsible property owners that fail to maintain their properties by effective and thorough Code Enforcement on both lower and upper exteriors of buildings. This may require a boost in the number of inspectors dispatched to corridors, and facilitation of transfer of problem properties to active, responsible owners through Philadelphia Land Bank acquisition or Sheriff's Sale.
- Programs that provide grants to small businesses like the Storefront Improvement Program (SIP) and InStore should provide deeper subsidies up to 75% to businesses on significantly distressed corridors to spur more use of the programs.

7 CDCs referred more than 170 businesses to the Storefront Improvement Program (SIP) in FY16. That same year, 62 businesses completed SIP projects and were reimbursed more than \$470,000 through the program.



- The City should ensure that 2017 is the year that *all* permits, applications, fees and taxes can be filed and paid for on-line.
- The Signage Code and required permits must be simplified. Complexity leads to poor compliance, and a lack of enforcement means the rules are ineffective. Easy-to-understand, illustrated handouts for small businesses will also improve compliance.
- Given the large number of immigrant-owned businesses on our corridors, the City must invest in language translation and access for *all* business related programs and services, including Code Enforcement, tax compliance, forms and publications.
- As property taxes rise in changing neighborhoods, the City should investigate creating assistance programs for long-time businesses to help them manage changes and stay in their communities.



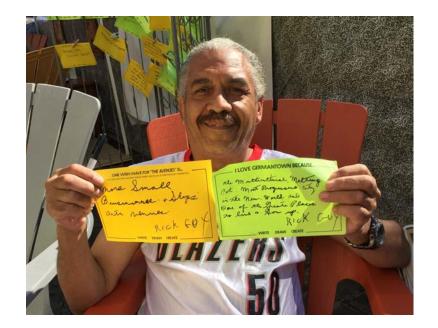
There are more than 40,000 immigrant entrepreneurs in the Philadelphia metro region. Many of Philadelphia's commercial corridors are growing thanks to immigrant-owned businesses.

Support Neighborhood-Based Small Businesses

Small businesses on our neighborhood corridors provide the goods and services that encourage residents to shop local, creating jobs and generating tax revenue.

These recommendations will create a better atmosphere for small business investment and growth.

- The Commerce Department should bring more robust training and technical assistance programs for businesses to corridors, so that small businesses do not have to travel away from their stores or corridors to access support.
- The Commerce Department should build on its Capital Consortium, a collaboration of lenders designed to improve access to capital for small businesses, by expanding opportunities for more challenged businesses that may struggle to qualify for loans. This includes businesses that may require more intense and focused technical assistance.
- Commerce should work with partners outside of government to explore ways to expand financing for commercial and mixed-use real estate on corridors to fill in vacant lots or renovate existing buildings, including support for planning, predevelopment, and development.



"These corridors are an essential part of the fabric of Philadelphia...As the neighborhood business corridor goes, so goes the neighborhood...When the neighborhood business corridor is strong, it's safer, there are more people working, there's more of a community feel in the neighborhood."

– Mayor Jim Kenney, December 5, 2016 news conference.

Strengthen CDC Capacity for Economic Development

CDCs are on the front lines of supporting our neighborhood corridors. Corridor Managers facilitate physical improvements, connect small businesses with resources and programs, market the corridors to attract shoppers and more businesses, engage the community, oversee cleaning programs, and more.

Resources for these programs are very limited, and have not increased with inflation. Boosting support for CDCs and their economic development activity will strengthen corridors and surrounding neighborhoods.



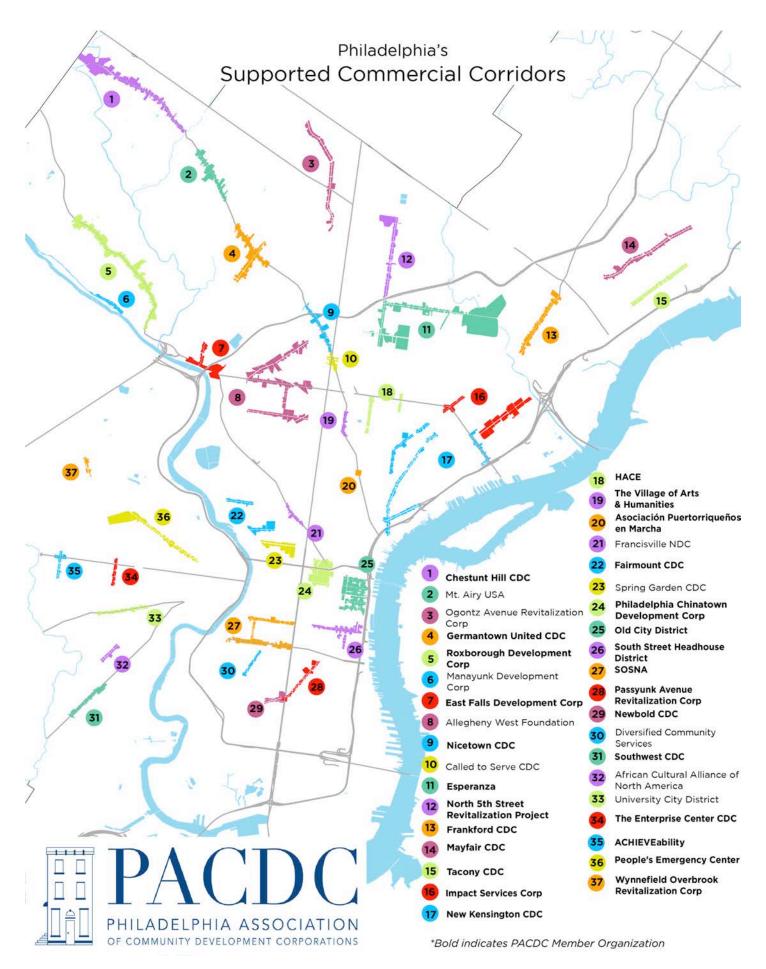
- Expand and strengthen the CDC Tax Credit Program by adding at least 7 more slots, allow for CDCs and their tax credit partners to agree to partial credits up to \$100,000, and make it easier for CDCs to find and recruit business partners by expanding the types of eligible business tax liability that can be credited.
- Boost funding for corridor management from \$1.235 million to at least \$2 million to cover more corridors, and expand existing contracts. A boost in contract size can also help provide funds for corridor marketing. Use General Funds or other non-federal sources of revenue to support corridors that are not eligible for federal grants, and to diversify funding sources.
- The City of Philadelphia should self-insure all publicly-owned parking lots, as well as street furniture that is in the public right of way, for the use and benefit of the public. The existing requirement that CDCs must carry separate liability insurance for such items that they install or maintain should be eliminated.

Improve Communication & Coordination Between City Agencies on Corridors



Many City agencies regularly work on our neighborhood corridors, but they're not always as coordinated with each other, with merchant's associations, or with CDCs as they could be. These ideas will help create stronger communication and coordination, avoiding frustration, saving time, and strengthening confidence in local government.

- L&I should work more closely with CDCs on corridors where the department does Code Enforcement sweeps. Communication and coordination between L&I and the CDC can help small businesses do a better job of compliance to prevent violations, or remediate them after L&I citation.
- Improve communication and dialogue between Corridor Managers/merchants associations and the City on planning and implementation of capital investments such as new curbs, sidewalks, landscaping, lighting, and other improvements.
- Ensure that all City agencies and utilities whose work directly affects managed corridors are both proactive and reactive in communicating with the corridor organization before emergency and nonemergency work is planned or commences, including Streets, L&I, PWD, PGW, PECO, Planning. This will help avoid conflicts with marketing events, festivals, and other planned capital improvements or repairs.



Philadelphia's Supported Commercial Corridors

1: Chestnut Hill CDC 215-247-6696

2: Mt. Airy USA 215-844-6021

Ogontz Avenue Revitalization
Corp
215-549-9462

4: Germantown United CDC 215-856-4303

5: Roxborough Development Corp 215-508-2358

6: Manayunk Development Corp 215-482-9565

7: East Falls Development Corp 215-848-8084

8: Allegheny West Foundation 215-221-8830

9: Nicetown CDC 215-329-1824

10: Called to Serve CDC 215-588-4940

11: Esperanza 215-324-0746

12: North 5th StreetRevitalization Project267-331-9091

13: Frankford CDC 215-743-6580

14: Mayfair CDC 267-538-4668

15: Tacony CDC 215-501-7799

16: Impact Services Corp 215-423-2944

17: New Kensington CDC 215-427-0350

18: HACE 215-426-4990

19: The Village of Arts & Humanities 215-225-7830

20: Asociación Puertorriqueños en Marcha 267-296-7200

21: Francisville NDC 267-687-7544

22: Fairmount CDC 215-232-4766

23: Spring Garden CDC 215-236-7334

24: Philadelphia Chinatown Development Corp 215-922-2156

25: Old City District 215-592-7929

26: South Street HeadhouseDistrict215-413-3713

27: SOSNA 215-732-8446

28: Passyunk Avenue Revitalization Corp 215-551-5111

29: Newbold CDC 267-571-9280

30: Diversified CommunityServices215-336-5505

31: Southwest CDC 215-729-0800

32: African Cultural Alliance ofNorth America215-729-8225

33: University City District215-243-0555

34: The Enterprise Center CDC 215-895-4000

35: ACHIEVEability 215-748-8800

36: People's EmergencyCenter267-777-5853

37: Wynnefield OverbrookRevitalization Corp610-660-1241

"Supported" corridors are those whose managing group is either in the CDC Tax Credit Program, receives grants from the Philadelphia Commerce Department for corridor management and/or cleaning, or is an active PACDC member with other forms of meaningful corridor support and staff. Bold indicates PACDC member organizations. Join at <u>www.pacdc.org</u>



Closing

Because of the strong support of City agencies, including the Department of Commerce, the Division of Housing and Community Development, and members of City Council, Philadelphia has strong and effective commercial corridor programs. Strong neighborhood commercial corridors allow dollars to circulate in our communities, creating jobs, building economic stability, and attracting new investment.

Modest increases in investments in programs that are effective would reach more businesses and corridors. Improved communication between City agencies and corridor-focused organizations, as well as some simple policy changes, could contribute to stronger neighborhood economies.

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Philadelphia Association of Community Development

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Members of PACDC's Commercial Corridor Working Group

Chestnut Hill CDC & BID • Community Design Collaborative • East Falls Development Corporation Esperanza • Fairmount CDC • Frankford CDC • Germantown United CDC • Impact Services Corporation Mayfair BID • New Kensington CDC • North 5th Street Revitalization Project People's Emergency Center • Philadelphia Chinatown Development Corporation • Philadelphia LISC PhillyVIP • South Street Head House District • Tacony CDC • The Enterprise Center The Village of Arts & Humanities

Other Endorsing PACDC Members

ACHIEVEability • HACE • Nicetown CDC • Passyunk Avenue Revitalization Corporation • Southwest CDC Wynnefield Overbrook Revitalization Corporation

Photographs: Fun for kids on the Kensington & Allegheny corridor (Impact Services); Baked goods at Delicias Criollas Columbian Bakery on Wyoming Ave (Esperanza and Real Estate Strategies); Dining at the Korean Chinese Restaurant on North 5th Street in Olney (North 5th Street Revitalization Project); Cleaning up at Kensington & Allegheny (Impact Services); Shopping on Germantown Ave (Hillary Ray Photography, Chestnut Hill CDC); Amalgam Comics and Coffeehouse (New Kensington CDC); Community engagement on the Germantown Ave corridor (Germantown United CDC and JustAct); Small business Saturday on Fairmount Ave (Fairmount CDC); Stein's Flower Mart in Mayfair (Garrett O'Dwyer); Shopping for coats (Impact Services).