

Philadelphia Commercial Corridor Programs

Our Commercial Corridors are more than just important places for residents to get necessary goods and services, or enjoy a night out. They are a critical part of the City's economy, a vital source for neighborhood-based jobs, and an essential driver of entrepreneur and community wealth creation.

What are Philadelphia's Key Commercial Corridor Programs?

While the Commerce Department has a number of programs to strengthen neighborhood commercial corridors, we have identified three programs in need of increased support:

- The Targeted Corridor Revitalization Management Program supports staff at local nonprofits who manage commercial corridors and assist small businesses, and allows for the basic operational infrastructure for thriving neighborhood shopping districts.
- The Storefront Improvement Program is an important tool to create vibrant, welcoming neighborhood shopping districts. It makes tangible investments to the exteriors of local businesses by supporting upgrades to signage and facades.
- The Neighborhood Economic Development Grant Program supports nonprofits in the acquisition and development of commercial real estate to repurpose under-utilized space and build a foundation for economic growth.

Why do these programs need increased support?

- Inflation over the last few years has reduced the value of these grants. The cost of living has increased by 20% since 2019 while inflation and tariffs have increased the cost of construction for corridor projects by 45% - 60%.
- During this time, these programs have not been adequately adjusted to meet this new reality. The average contract and grant awards have been relatively flat, while demand has increased, which means that these programs cannot achieve what they once did.

What do we need?

- Increasing the Targeted Corridor Revitalization Management Program by \$200,000 to \$2.3 million total will allow existing contracts to be increased to reflect inflation. This will enable non-profit organizations performing corridor management to better hire and retain staff, and to be more effective at their jobs.
- While funding for the Storefront Improvement Program has increased, the caps on the project size have remained the same since 2017, resulting in scaled down projects of mainly only signage and lighting improvements. Doubling the caps to \$20,000 and \$30,000 respectively will help ensure that SIP can continue to be a game changer for the look and feel of our corridors.
- Funding for Neighborhood Economic Development grants has decreased as the result of a loss of NPI bond funds while demand for these resources has grown exponentially. Increasing the cap on grants from \$500,000 to \$750,000 and increasing program funding by \$1.7 million to \$5.0 million total would enable the program to adjust for construction related inflation and enable non-profits to better leverage additional resources to unlock new development opportunities.

For more information, visit www.pacdc.org/corridors

