

COMMUNITY IMPACT ANALYSIS

November 8 and 9, 2023

Community Meetings



Agenda

I. Background

II. How the study area has changed and what's there now - "NO ARENA"

III. How we will determine impact - "WITH ARENA"

Questions and feedback after each section.

Please save arena discussions for Part III.

I. Background

- **Study Approach**
- **Community History**

Study Approach

Comparing two possible futures

We will analyze two possible futures:

1. What happens here if no arena is built? - “NO ARENA”

- Existing conditions and trends

2. What happens here if an arena is built? - “WITH ARENA”

- Estimated 2026 start date
- 2031 completion date

Study Approach

Using a Systems Approach in Chinatown North / Callowhill and Chinatown Core (Chinatown)

“Systems Thinking” = Everything is Connected:

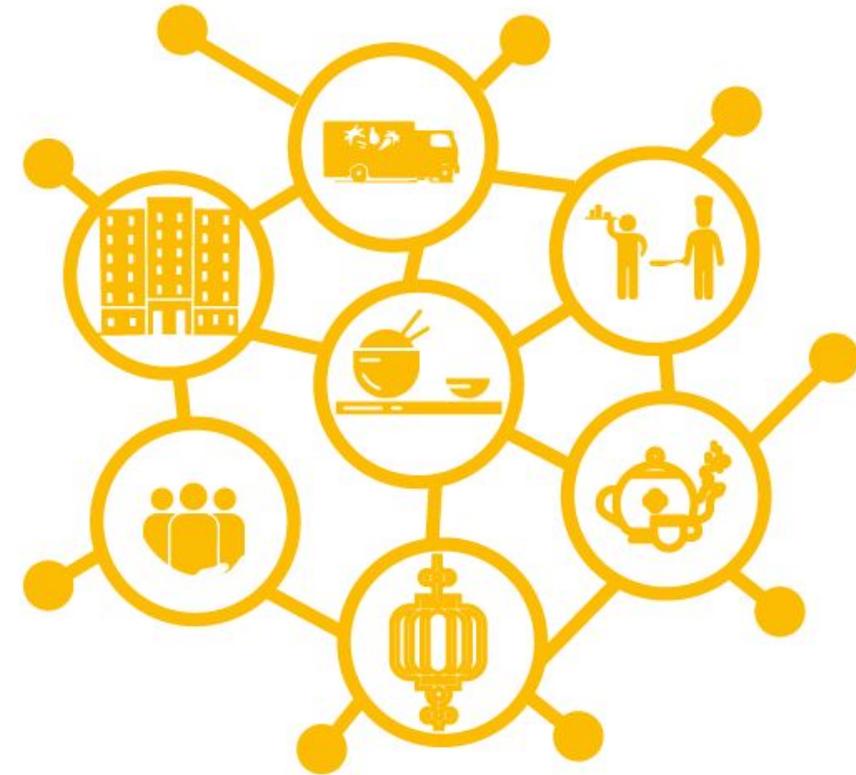
If everything is connected, then one event may affect everything.

Example: Climate change

We are using it to analyze Chinatown because:

1. The community views itself as a set of connected networks.
2. It helps us understand the role of culture.

We developed this approach with community members.

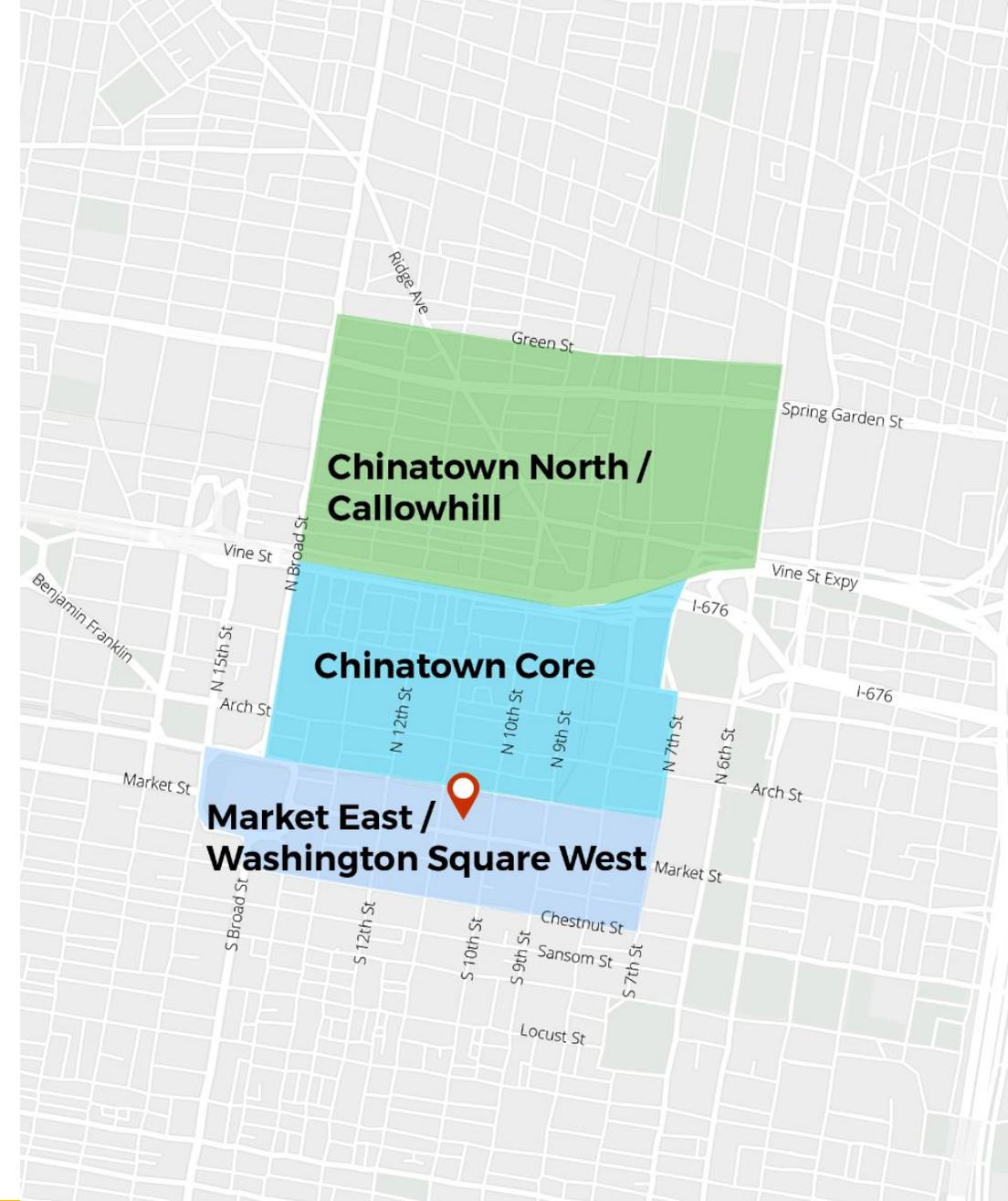


Study Approach

Study Area by Neighborhood Boundaries

The Study Area is made up of three neighborhoods:

- **Chinatown North / Callowhill**
 - North of Vine Street
- **Chinatown Core**
 - Between Vine and Filbert Streets
- **Market East / Washington Square West**
 - Between Filbert and Chestnut Streets
 - Neighborhood of the ***proposed arena project***



Study Approach

How We Collected Information

We talked to almost 200 people, in multiple languages

- Focus Groups (19) & Interviews (25)

We collected three types of surveys (~400)

- Travel Surveys ~40
- Street Surveys ~280
- Small Business Surveys ~60

We counted every property and business

We looked up information in large databases

We focused on groups that aren't usually represented

We focused on understanding how neighborhood changes impact community members



Community History

Chinatown

- **1870:** Founded as working class Chinese immigrant community
- **1960s-2000s:** Urban renewal and affordable housing
- **1990s:** Callowhill/Loft District emerges
- **2000s:** Increasing displacement pressures
- **2019 to Today:** Pandemic - First to be impacted, last to recover
- **Future** - Vine Street Cap?

Dedication of Holy Redeemer Church 1941



Community garden on Vine Street before the highway



Source: Philadelphia Encyclopedia (top), PCDC (bottom)

Community History

Market East and Washington Square West (Market East / WSW)

- **Market East**
 - Original outdoor market turned middle-class retail corridor
 - Major hospitality and health institutions
- **Washington Square West**
 - Key historic assets
 - Change from working class to one of the highest-income neighborhoods in the City
 - Gayborhood - Center for LGBTQ+

Former headquarters of Strawbridge & Clothier department store at 8th and Market



Source: ABC 6 Action News Philadelphia

Questions and Feedback

What do you think of this approach?

II. HOW THE STUDY AREA HAS CHANGED AND WHAT IS THERE NOW “NO ARENA”

- **Chinatown**
- **Market East / Washington Square West**

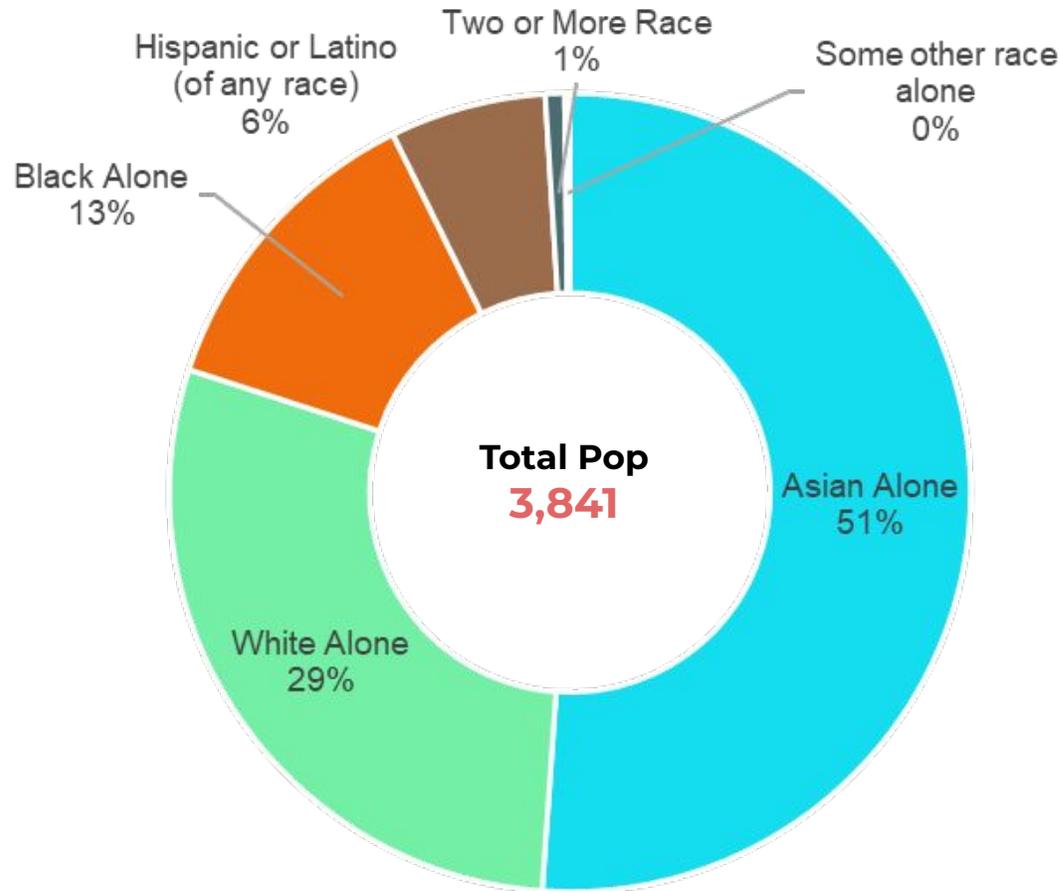
Chinatown North / Callowhill

Chinatown Core

Growth and Diversity

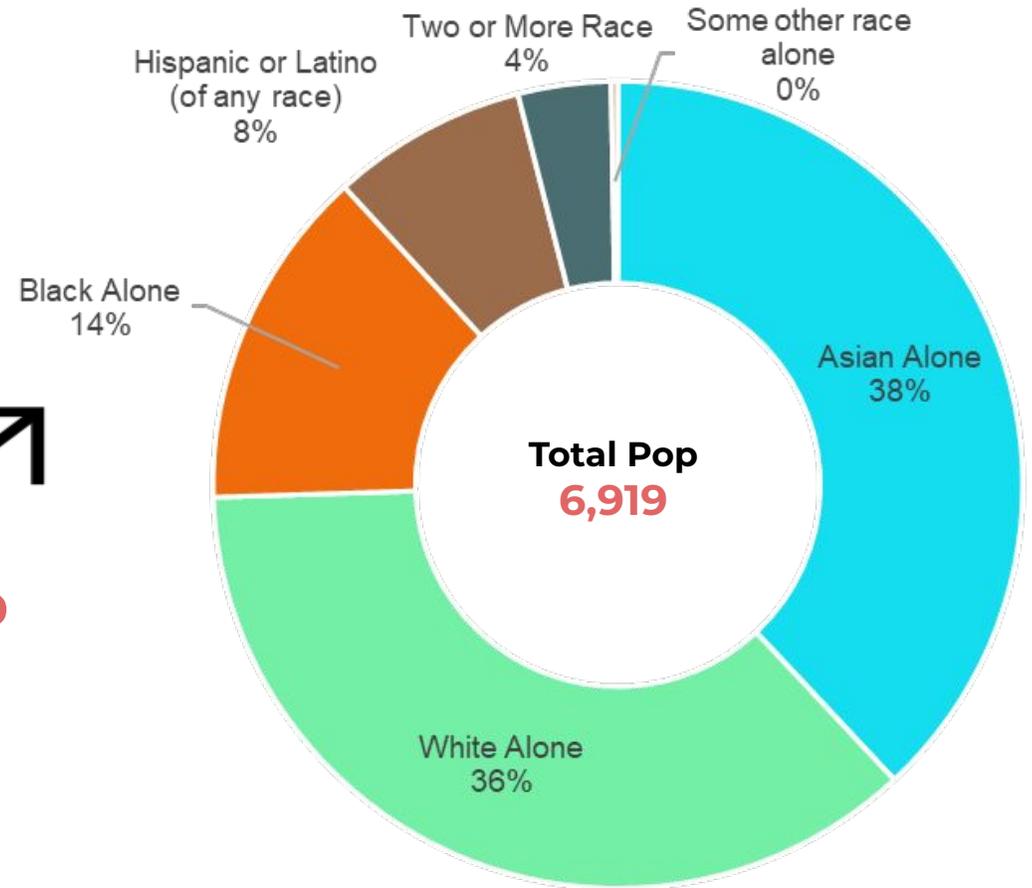
Chinatown is bigger and more diverse, still an immigrant gateway

2011



Source: U.S. Census: DP05 2011 ACS 5-year Estimate

2021

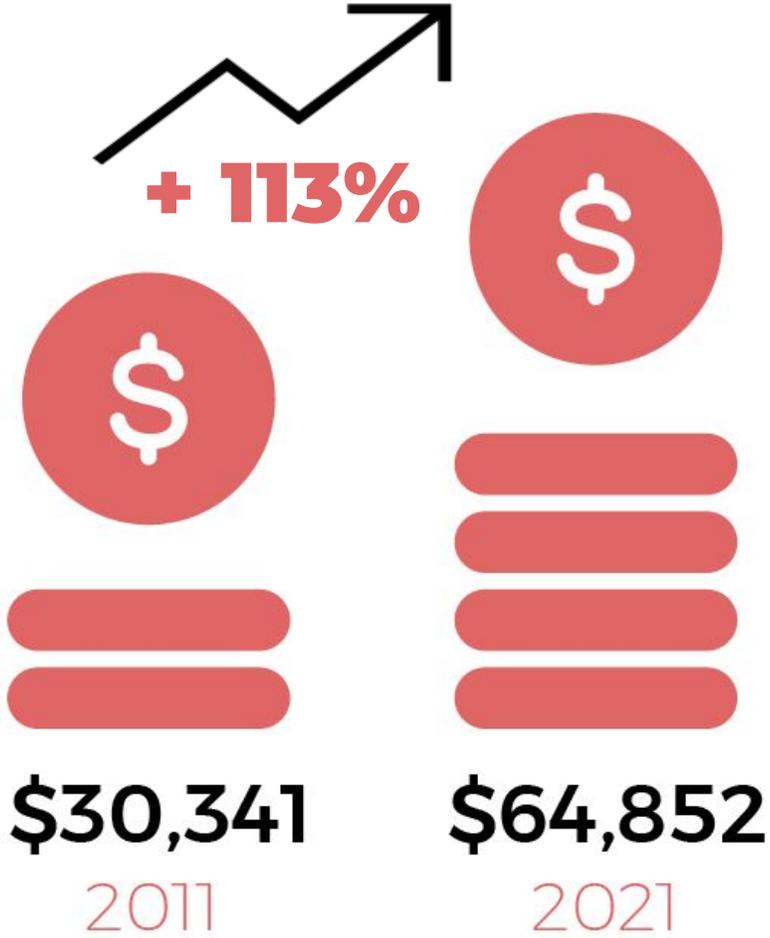


Source: U.S. Census: DP05 2021 ACS 5-year Estimate

+ 80%

Growth and Diversity

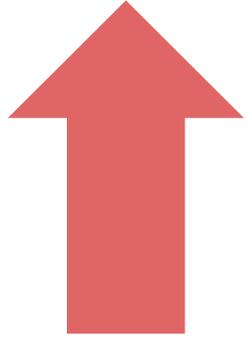
Chinatown Median Household Income



Source: U.S. Census: S1501 & S1901 2021 ACS 5-year Estimate

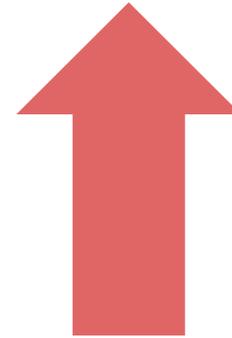
Growth and Diversity

Driving Factors



Demand

- Study area seen as desirable and affordable place to live
- Increase in businesses/jobs
- Jefferson students/medical residents
- Increase in Asian/Latino immigration and population
- Increase in diversity of Asians



Supply

- Building boom increased units
- Neighborhood rezoning (2013) enabled increased density
- Most new rental units in Callowhill (2011-21)

Regional Hub

More community services and programs, visitors

Streets Survey showed frequent visitors:

2 out of 3

people visit at least 1x per week

1 out of 4

people visit at least 3x per week

101

Community-serving groups

+23 since 2014

662

Asian seniors in nearby affordable housing

Two most important places for **youth (12-17)**:

Crane Community Center

and

Chinese Christian Church + Center

Regional Hub

More small businesses and jobs

- 178 new businesses since 2014 — 47% growth
- Center of jobs for immigrants and people who don't speak English — Asians and Latinos
- Large number of workers come from the Northeast and South
- Street survey: Top reason for visit was eating at restaurants/businesses

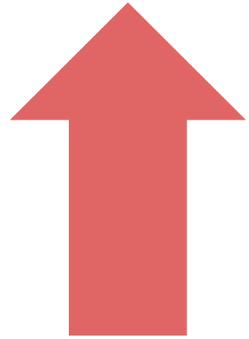
Race Street



Source: istockphoto

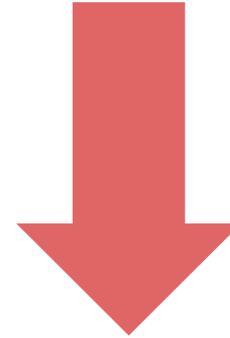
Traffic / Transportation Infrastructure

More demand, less supply



More Traffic, Demand for Parking

- Construction (lane closures)
- More businesses and services
- More residents
- Food delivery
- Double-parking
- Less public transit use
- Vine/Market traffic impacts



Less Supply of Parking

- Lots and garages being developed
- Lots/garages do not use all the spaces
- Increased parking costs and pricing increases during events
- No reliable transit access for many workers/visitors

Traffic / Transportation Infrastructure

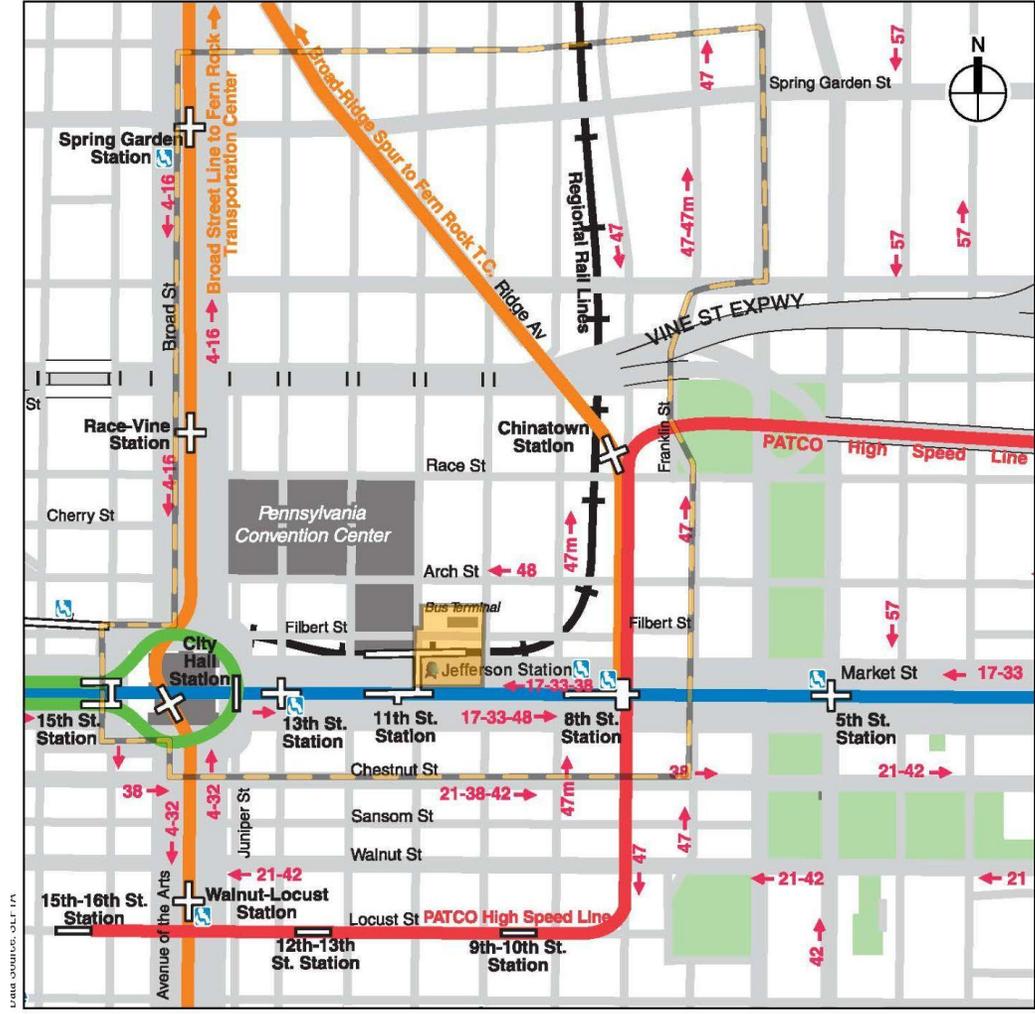
When and how community members travel

- Conducted travel surveys of focus group participants.
- COVID-19 and safety are major factors for how people choose to travel.
- Busiest travel times: weekday evenings (5-8pm) and weekends, especially Sunday.
- People are mostly driving, except for seniors, youth, and some workers.



Traffic / Transportation Infrastructure

Hub for transit; wrapped inside major roads/highways



II. How the study area has changed and what's there now "NO ARENA"

Property Costs

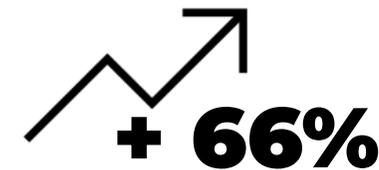
Property Taxes and Rent Increases Have Caused Displacement

- Most Chinatown properties are community owned. Nearly half (45%) are Asian-owned.
- The City's Actual Value Initiative led to big tax increases in 2014.
- Post 2014, taxes have continued to rapidly increase.
- Small businesses especially impacted.

Since 2014,
median real
estate taxes
increased by...



Commercial properties



Mixed-use properties

Property Costs

Property Taxes and Rent Increases Have Caused Displacement

- Median home value increased by **49%** (2011-2021)
- Increasing rents have led to displacement of low-income immigrants.
- Lack of new affordable housing means it is hard for new working-class families to move here.
- New property owners often increase rent significantly.



Chinatown Median Home Value		
2011	2021	% Change
\$280,907	\$419,573	49.4%

Safety

A Key Priority, Has a Cultural Context

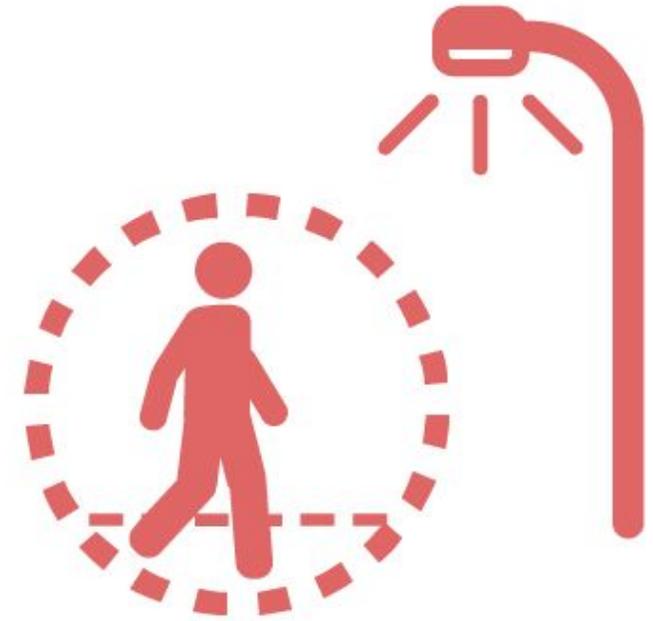
- Immigrants, people who don't speak English, and Asians see themselves as more vulnerable.
- Chinatown is a safe place from risks like gun violence and anti-Asian violence.
- After 6th Police District left, community members see more crime.
- Too many “outsiders” seen as creating risk.



Safety

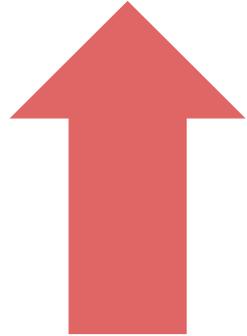
Other Existing Concerns

- Sidewalk activity ends earlier.
- Increase in homeless, people with mental health and drug issues.
- Sidewalks not welcoming outside of main business corridors.



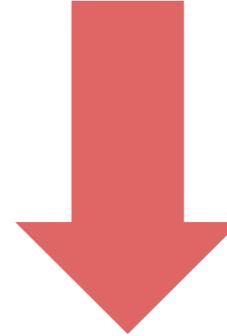
Pandemic Severely Weakened Small Businesses

Small Businesses are vulnerable



More costs

- High rents/taxes
- Rising worker and material costs
- Rise of food delivery further cuts into margins
- Parking costs for workers and vendor/suppliers



Less opportunity for profit

- Worker supply challenges
- Competition from Northeast and South Philly
- Concerns around safety due to anti-Asian incidents and overall levels of crime
- Shortened business hours

Street Survey

Q: What would cause you to leave Chinatown?

Visitor Priorities

- **Businesses a major destination**
 - Two out of three (67%) said “Favorite business(es) shut down”
- **Safety also a key concern**
 - Nearly half (43%) said “If it does not feel safe.”



Chinatown Existing Conditions Summary

Reinvention and Vulnerability

- Chinatown is still a living cultural community.
- It has reinvented itself, thanks to new waves of immigrants and community members.
- Unique in Center City for its equitable development - offers benefits for everyone.
- Unlike other historic Chinatowns, which are diminishing.
- Small businesses and low-income residents are vulnerable to displacement pressures.

Future of Chinatown

“NO ARENA”

- The future is hopeful. Chinatown can continue to evolve, grow, and benefit the region.
- Past 60 years focused on large public projects which divided - the next era will focus on reconnecting.
- Vine Street Cap will transform the area, and require work to ensure it benefits everyone.
- New members can be welcomed and supported to grow into leadership roles.
- Improving safety, public transit, parking and small business conditions will be important.

Questions and Feedback

Does this feel complete?

Is this true to your experience?

What surprises you?

What else should be asked?

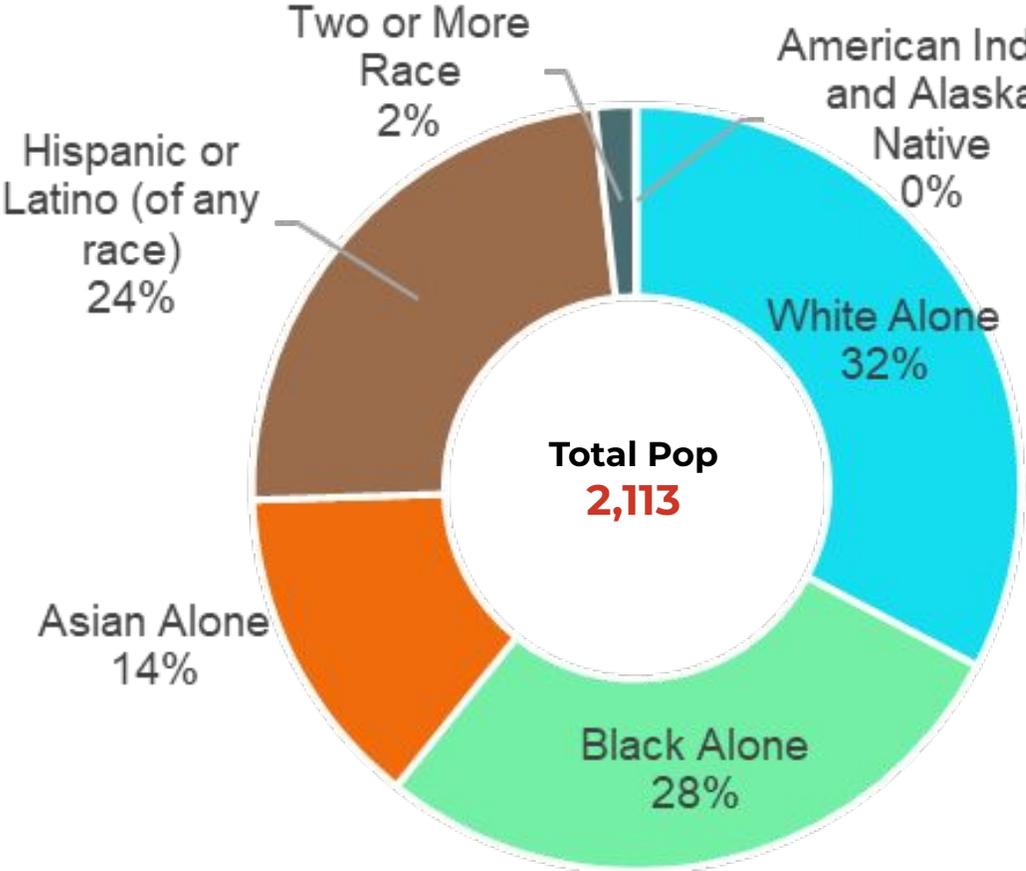
Reminder: Please save arena discussions for Part III.

Market East / Washington Square West

Market East / WSW

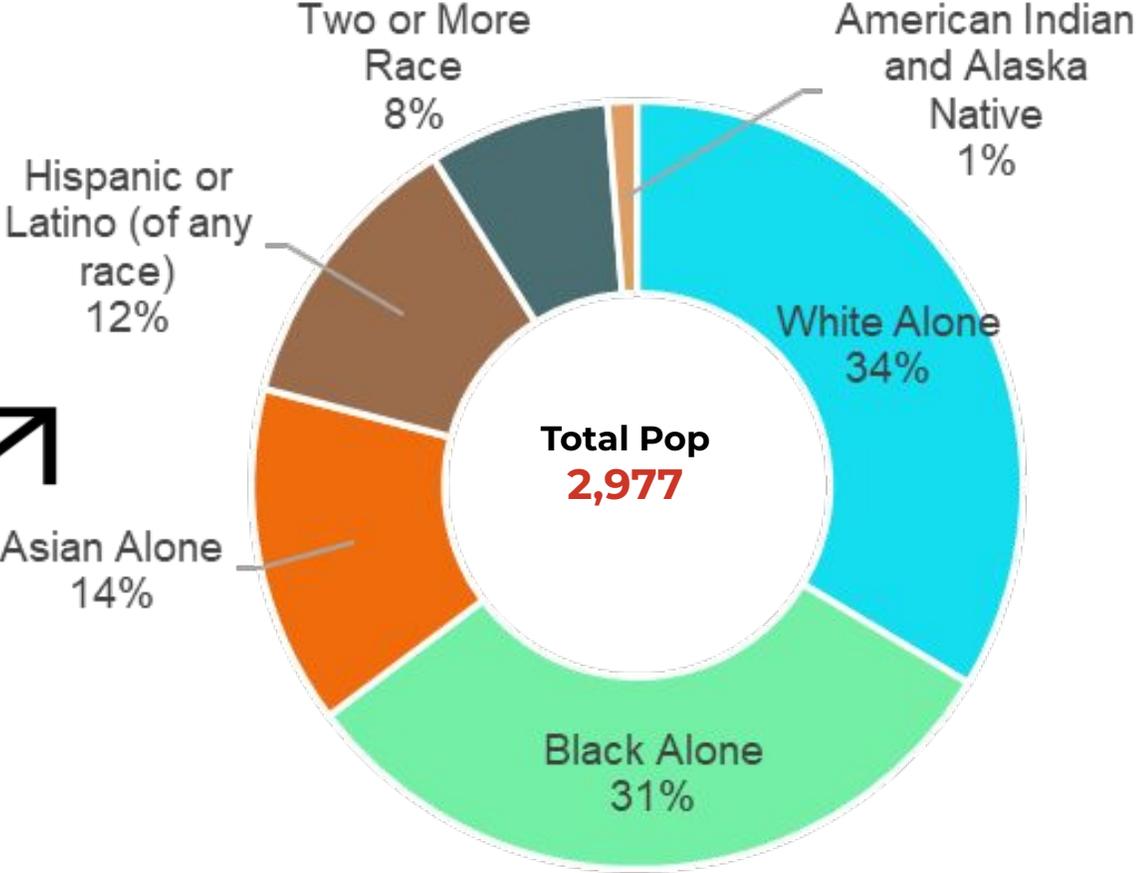
Population grew and became more racially diverse

2011



Source: U.S. Census: DP05 2011 ACS 5-year Estimate

2021



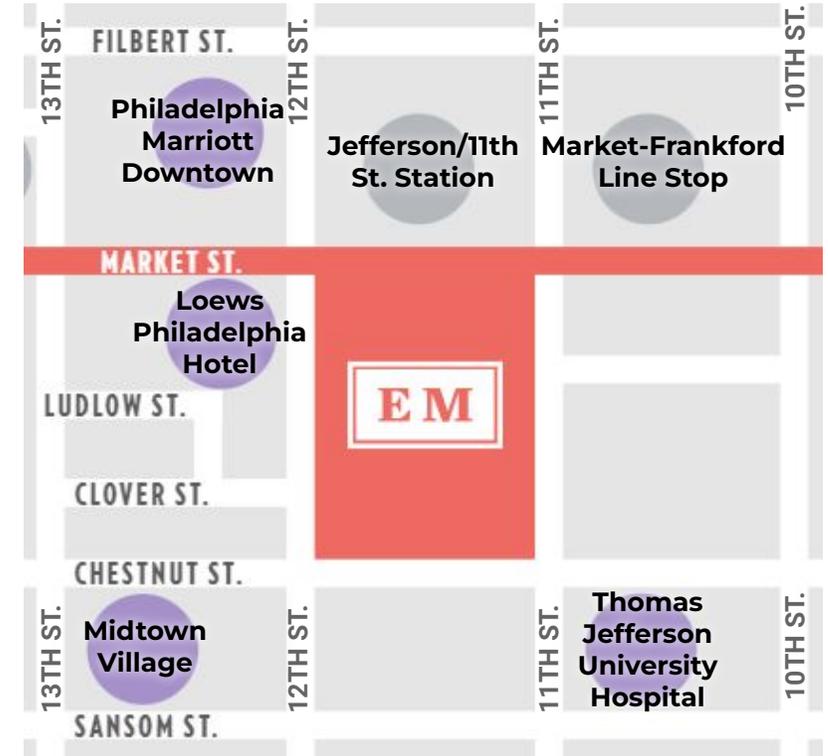
Source: U.S. Census: DP05 2021 ACS 5-year Estimate

+ 41%

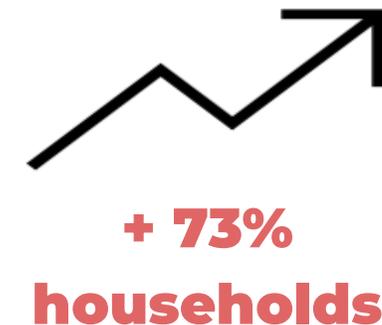
Market East / WSW

Households and Housing Tenure

- 2018 East Market project transformed the neighborhood:
 - **Richer** - Median income increased by 68% (2011-21)
 - **Bigger** - Households increased by 73% (2011-21).
 - **Renter-based** - 95% renters (2021)
- WSW also experienced significant development and growth



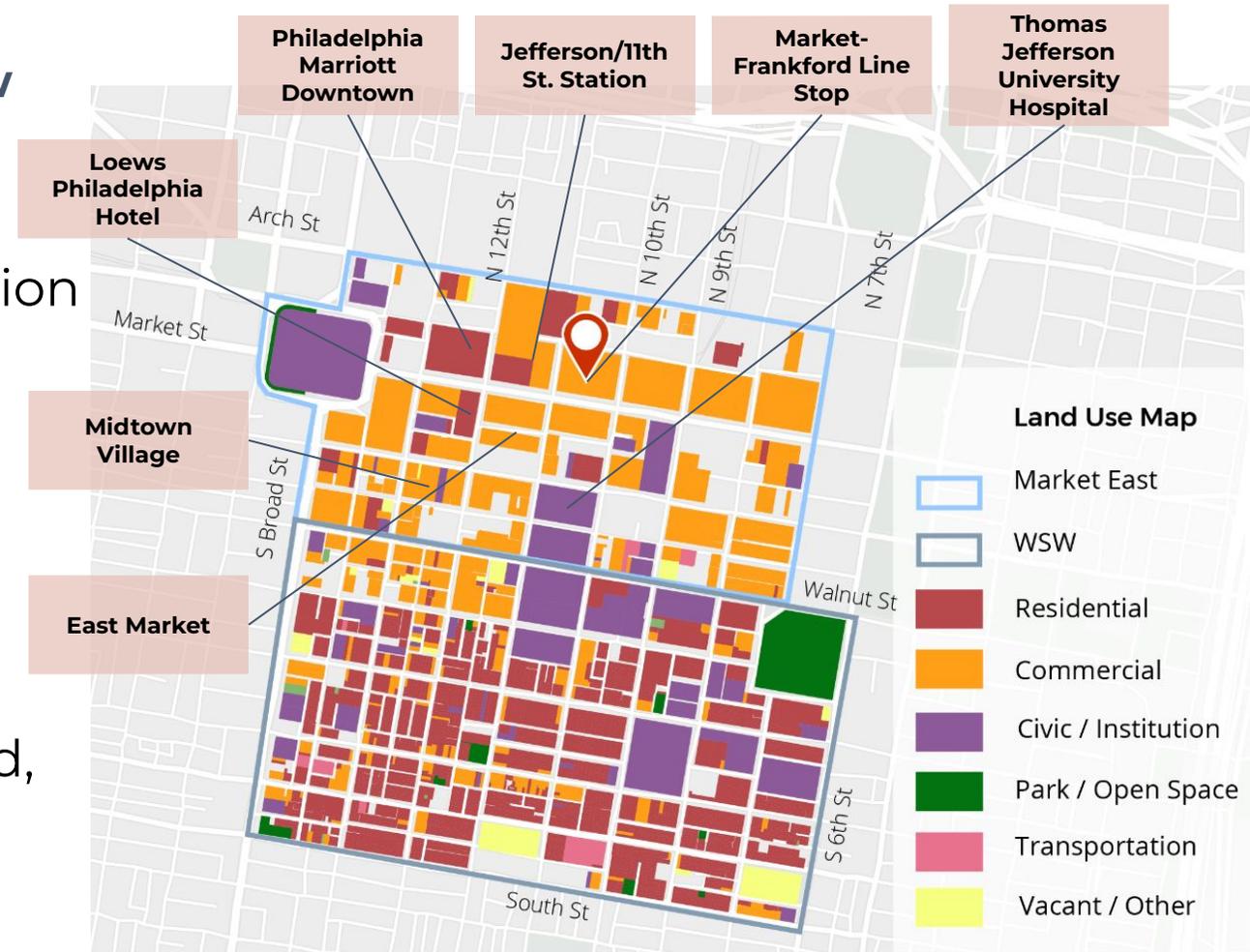
Source: East Market



Market East / WSW

Expansion of large business interests and a new small business corridor

- PA Convention Center completed expansion
- Expanded “Eds and Meds” - Jefferson expanded, Penn purchased Pennsylvania Hospital
- Expansion of Reading Terminal Market
- Gallery became the Fashion District
- Midtown Village emerged as a higher-end, small business district



Market East and WSW

Pandemic Recovery

- Independent vs. corporate interests
- Increase in homeless individuals experienced differently compared to Center City West
- Rise of private security forces for large institutions
- Recovery challenged by retail and office market shifts
- WSW neighborhood character seen as under threat
- All agree: more intentionally planned development needed

Summary: Market East and WSW Existing Conditions

An incomplete evolution

- Market East has undergone an incomplete evolution, boosted by East Market project
- Multiple large institutions divide rather than connect the area.
- A patchwork of neighborhood and institutional uses.
- WSW character continues because of high homeownership rate and committed renters.

Future of Market East and WSW

“NO ARENA”

- Key gaps to be addressed throughout Market East:
 - Poor pedestrian environment
 - Safety
- Opportunity for a more diverse retail landscape.
- With support, small businesses and mixed-use corridors can grow and be a positive influence.
- Higher-end residential and business development will continue to contribute to displacement pressures.

Questions and Feedback

Does this feel complete?

Is this true to your experience?

What surprises you?

What else should be asked?

Reminder: Please save arena discussions for Part III.

III. HOW WE WILL DETERMINE IMPACT “WITH ARENA”

- **Project Assumptions**
- **Impact Analysis - Three Ways**

Project Assumptions

Construction Start - 2026

Construction Completion - 2031

Sports / Teams - Philadelphia 76'ers (NBA)

Capacity - 18,500 Seats

Square Footage - 823,000 SF

Retail Development - Street-level retail

Residential Development - 335,540 SF of residential space ; 395 units (20% affordable)

Annual Events: 150 events - 40% NBA games, 60% other

Peak Traffic Hours: 1 hour before and after events, which will most likely be weekday evenings and weekends



Source: 76DevCo

Case Studies

Selection Criteria

- Population-dense area
- Enclosed Arena
- Hosts multiple events year-round
- Environmental Impact Statement/Review

Summary of Projected Impacts

- *Temporary Impacts*
 - Traffic / Public Transportation
 - Parking
 - Air Quality
 - Noise and Vibration
- *Permanent Impacts*
 - Residential
 - Commercial / Small Businesses
 - Cultural /Institutional
 - Technical

Comparisons

- A comparison of the projected build scenarios in the Study Area **vs.** the current conditions of the Study Area

Case Studies

Arenas



Golden 1 Center
Opened: 2016
Seats: 17,500-19,000
Teams: Kings (NBA)

Sacramento, CA

Barclays Center
Opened: 2012
Seats: 18,000-18,500
Teams: Nets (NBA), Liberty (WNBA); formerly Islanders (NHL)



Proposed Project
Potential Opening: 2031
Seats: 18,500
Team: 76ers (NBA)

Brooklyn, NY
Philadelphia, PA
Washington, DC

Capital One Arena
Opened: 1997
Seats: 18,500-20,000
Teams: Wizards (NBA), Capitals (NHL), Hoyas (NCAA)



Image source: Wikimedia Commons, Stadium and Arena Visits

Case Studies

Arenas

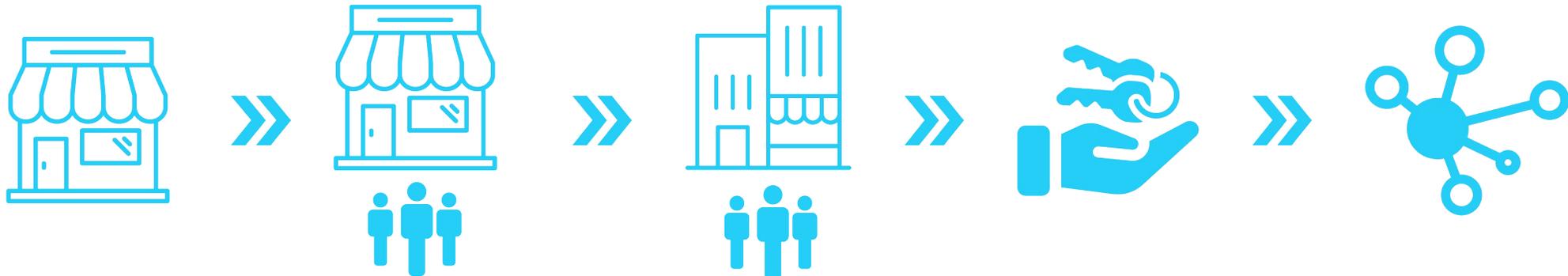
Arena	Proposed 76s Arena	Barclays Center	Capital One	Golden 1
Location	<i>Philadelphia, PA</i>	<i>Brooklyn, NY</i>	<i>Washington, D.C.</i>	<i>Sacramento, CA</i>
Square Footage	823,000 SF	850,000 SF	1,020,000 SF	697,000 SF (150-ft tall)
Additional Development (Retail, hotel, etc.)	335,540 SF of residential units (395 units, 20% affordable), street-level retail	Housing, retail, hotel, office, community facility space; 8 acres of open space	55,000 SF of retail, restaurant, support office space	1.5 million SF of retail, dining, office, hotel, residential space (Downtown Commons or "DOCO"); 82,000 SF practice facility
Part of a Comprehensive or Master Plan?	No	Yes	Yes	No

Tipping Point Elements

1. Traffic, parking and transportation
2. Construction
3. Safety
4. Small business conditions

How the Chinatown System Works

Input	Level 1 Impact: Direct	Level 2 Impact: Sector	Level 3 Impact: Land Use	Level 4 Impact: Community
New cultural restaurant opens	Attracts more customers who value cultural products; more jobs for a unique labor pool	Protects and strengthens value of all commercial tenants in Chinatown, more businesses open	Property owners continue to rent to similar tenants	Chinatown is seen as a strong cultural community - attracts more residents, visitors and services



How a Tipping Point Can Create Change: Example 1

Tipping Point	Level 1 Impact: Direct	Level 2 Impact: Sector	Level 3 Impact: Land Use	Level 4 Impact: Community
<p>Arena activity causes safety concerns for pedestrians</p>	<p>More residents and visitors leave or choose to go elsewhere</p>	<p>Chinatown perceived to have lost gateway function for new immigrants and Asian residential base</p>	<p>Property owners begin to rent to other tenants or redevelop/sell properties</p>	<p>Worker and membership base is weakened, businesses and community based uses start to gravitate to other places</p>



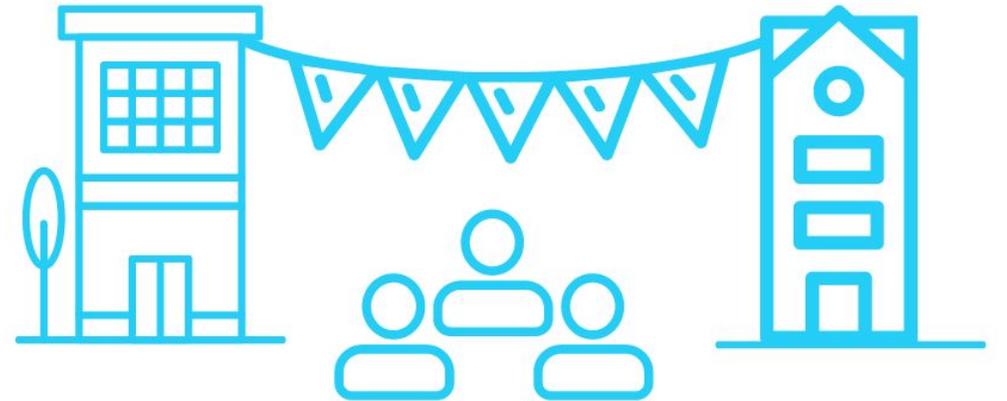
How a Tipping Point Can Create Change: Example 2

Tipping Point	Level 1 Impact: Direct	Level 2 Impact: Sector	Level 3 Impact: Land Use	Level 4 Impact: Community
<p>Traffic/parking issues lead to net loss for cultural businesses</p>	<p>More cultural businesses leave or choose to open somewhere else</p>	<p>Chinatown perceived to have a declining appeal for cultural businesses, visitors go somewhere else</p>	<p>Property owners begin to rent to non-cultural businesses or redevelop/sell properties</p>	<p>Residents leave, services and programs see dwindling membership and eventually relocate</p>



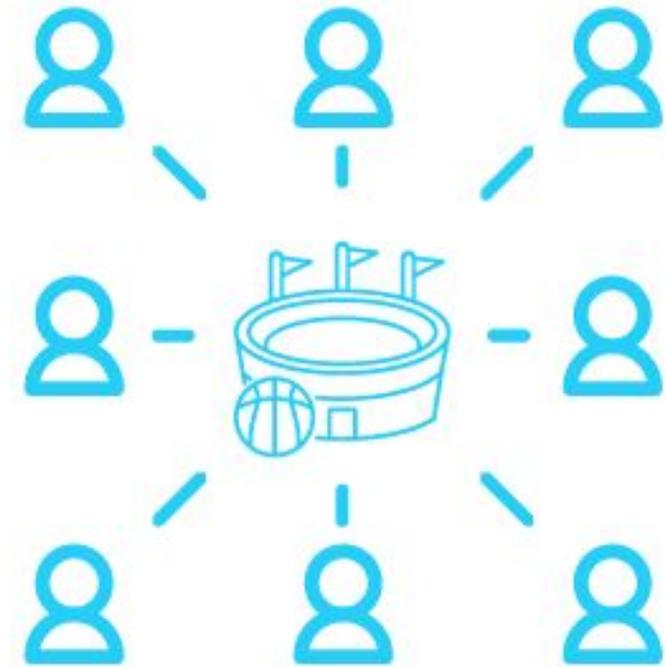
Key Theme Analysis

1. Socioeconomic conditions
(incl. residents and small businesses)
2. Community facilities
3. Historic and cultural assets
4. Neighborhood character



Recap: Three Ways to Determine Impact

- 1. Case Studies:** What happened in other cities?
- 1. Tipping Points:** Where are the weak points that can lead to significant damage?
- 1. Key Themes:** What other topics are relevant, according to the community and best planning practices?



Conclusions of our Assessment

The Final Report Will:

- Assess current conditions and trends of the Chinatown community
- Present recommendations to support its preservation and continued success
- Identify community impacts of the potential arena on Chinatown, Market East, and WSW
- Make recommendations for interventions should the arena be built

Questions and Feedback

Next Steps

Impact Analysis

Final report delivered to City

Thank You