Recovery of jobs in Philadelphia has been steady for the last year, but slow. On a seasonally adjusted basis, payroll employment increased by 1,100 jobs in April to 670,500. Overall, employers have restored 43,700 of the 123,400 jobs (35%) lost from February through April 2020, when the pandemic prompted mandates to stay at home.

Job growth has reduced the unemployment rate by more than a percentage point and new claims for benefits are also falling. Because restrictions on office work have only recently lifted, occupancy rates remain very low, with pedestrian counts in the office district rising slightly but still far behind Chestnut and Walnut streets. Overall pedestrian volumes in the area monitored by Center City District increased 7% in May, and SEPTA ridership increased by 9%. The most positive news was a 71% increase in outdoor seats on the sidewalks and at streeteries within the CCD, rising from 3,653 in February to 6,262 in May.

What the pandemic has dramatically highlighted is the interdependence of the diverse components of the Center City economy. Downtown offices drive demand for retail and restaurants and attract business travelers to hotels. Colleges and universities create demand for apartments, retail and restaurants, and supply graduates who replenish the workforce, making Philadelphia a competitive business location. Arts and cultural institutions draw regional visitors and tourists, and convention attendees book hotels and restaurants. Together, these different parts of the downtown economy create an attractive setting for residents and the region’s largest employment center with 42% of Philadelphia’s jobs. Remove one or more of these interconnected components and vitality is challenged while revenues that support citywide services are curtailed.
PHILADELPHIA PAYROLL EMPLOYMENT BY MONTH (IN THOUSANDS)

<table>
<thead>
<tr>
<th>Month</th>
<th>Apr-20</th>
<th>May-20</th>
<th>Jun-20</th>
<th>Jul-20</th>
<th>Aug-20</th>
<th>Sep-20</th>
<th>Oct-20</th>
<th>Nov-20</th>
<th>Dec-20</th>
<th>Jan-21</th>
<th>Feb-21</th>
<th>Mar-21</th>
<th>Apr-21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>749.1</td>
<td>750.2</td>
<td>746.9</td>
<td>649.4</td>
<td>662.7</td>
<td>666.2</td>
<td>666.6</td>
<td>665.5</td>
<td>662.3</td>
<td>666.1</td>
<td>668.2</td>
<td>669.4</td>
<td>670.5</td>
</tr>
</tbody>
</table>


PHILADELPHIA CITY EMPLOYMENT TRENDS BY INDUSTRY (IN THOUSANDS)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL JOBS</td>
<td>626.8</td>
<td>669.4</td>
<td>670.5</td>
<td>43.7</td>
<td>7.0%</td>
<td>1.1</td>
<td>0.2%</td>
</tr>
<tr>
<td>Mining, Logging and Construction</td>
<td>6.8</td>
<td>10.8</td>
<td>11.2</td>
<td>4.4</td>
<td>64.7%</td>
<td>0.4</td>
<td>3.7%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>14.4</td>
<td>17.0</td>
<td>17.0</td>
<td>2.6</td>
<td>18.1%</td>
<td>-</td>
<td>0.0%</td>
</tr>
<tr>
<td>Wholesale Trade</td>
<td>12.4</td>
<td>13.7</td>
<td>13.7</td>
<td>1.3</td>
<td>10.5%</td>
<td>-</td>
<td>0.0%</td>
</tr>
<tr>
<td>Retail Trade</td>
<td>36.2</td>
<td>44.1</td>
<td>44.0</td>
<td>7.8</td>
<td>21.5%</td>
<td>(0.1)</td>
<td>-0.2%</td>
</tr>
<tr>
<td>Transportation, Warehousing, and Utilities</td>
<td>25.5</td>
<td>25.8</td>
<td>25.6</td>
<td>0.1</td>
<td>0.4%</td>
<td>(0.2)</td>
<td>-0.8%</td>
</tr>
<tr>
<td>Information</td>
<td>15.0</td>
<td>14.9</td>
<td>15.4</td>
<td>0.4</td>
<td>2.7%</td>
<td>0.5</td>
<td>3.4%</td>
</tr>
<tr>
<td>Financial Activities</td>
<td>41.2</td>
<td>39.8</td>
<td>40.5</td>
<td>(0.7)</td>
<td>-1.7%</td>
<td>0.7</td>
<td>1.8%</td>
</tr>
<tr>
<td>Professional and Business Services</td>
<td>94.2</td>
<td>98.7</td>
<td>98.1</td>
<td>3.9</td>
<td>4.1%</td>
<td>(0.6)</td>
<td>-0.6%</td>
</tr>
<tr>
<td>Professional, Scientific, and Technical Services</td>
<td>58.6</td>
<td>60.1</td>
<td>60.1</td>
<td>1.5</td>
<td>2.6%</td>
<td>-</td>
<td>0.0%</td>
</tr>
<tr>
<td>Educational Services</td>
<td>72.5</td>
<td>69.1</td>
<td>70.8</td>
<td>(1.7)</td>
<td>-2.3%</td>
<td>1.7</td>
<td>2.5%</td>
</tr>
<tr>
<td>Health Care and Social Assistance</td>
<td>159.1</td>
<td>162.9</td>
<td>162.9</td>
<td>3.8</td>
<td>2.4%</td>
<td>-</td>
<td>0.0%</td>
</tr>
<tr>
<td>Hospitals</td>
<td>57.4</td>
<td>57.0</td>
<td>56.9</td>
<td>(0.5)</td>
<td>-0.9%</td>
<td>(0.1)</td>
<td>-0.2%</td>
</tr>
<tr>
<td>Leisure and Hospitality</td>
<td>29.2</td>
<td>41.8</td>
<td>45.1</td>
<td>15.9</td>
<td>54.5%</td>
<td>3.3</td>
<td>7.9%</td>
</tr>
<tr>
<td>Accommodation and Food Services</td>
<td>21.1</td>
<td>35.3</td>
<td>37.4</td>
<td>16.3</td>
<td>77.3%</td>
<td>2.1</td>
<td>5.9%</td>
</tr>
<tr>
<td>Other Services</td>
<td>19.2</td>
<td>24.0</td>
<td>24.2</td>
<td>5.0</td>
<td>26.0%</td>
<td>0.2</td>
<td>0.8%</td>
</tr>
<tr>
<td>Government</td>
<td>105.6</td>
<td>106.3</td>
<td>105.1</td>
<td>(0.5)</td>
<td>-0.5%</td>
<td>(1.2)</td>
<td>-1.1%</td>
</tr>
<tr>
<td>Federal Government</td>
<td>31.1</td>
<td>31.2</td>
<td>31.5</td>
<td>0.4</td>
<td>1.3%</td>
<td>0.3</td>
<td>1.0%</td>
</tr>
<tr>
<td>State Government</td>
<td>10.6</td>
<td>10.3</td>
<td>10.3</td>
<td>(0.3)</td>
<td>-2.8%</td>
<td>-</td>
<td>0.0%</td>
</tr>
<tr>
<td>Local Government</td>
<td>63.9</td>
<td>64.8</td>
<td>63.3</td>
<td>(0.6)</td>
<td>-0.9%</td>
<td>(1.5)</td>
<td>-2.3%</td>
</tr>
</tbody>
</table>

Note: Total employment is seasonally adjusted; industry employment is not seasonally adjusted.

EMPLOYMENT
Nationally, 63% of all jobs lost in the pandemic were recovered by April 2021, but most cities in the Northeast are lagging. On a seasonally adjusted basis, payroll employment in Philadelphia increased by 1,100 jobs in April to 670,500. To date, Philadelphia has restored 43,700 (35%) of the 123,400 jobs lost in the initial months of the pandemic, compared to 39% in New York and just 22% in Washington. While city level data is not yet available for May, if Philadelphia tracks national trends, we may have added 2,600 more jobs during that month.

The strongest growth in Philadelphia in April was in leisure and hospitality, which gained back 3,300 jobs, a 7.9% increase. That sector has now regained 35% of the jobs lost between February and April 2020. Job gains were also recorded in educational services (1,700), financial activities (700), and information (500).

UNEMPLOYMENT RATE
The city’s unemployment rate declined from 10.6% in March to 9.2% in April, but remains high compared to the pre-pandemic level. Philadelphia’s unemployment rate in April remained below New York’s 10.8% rate, but was higher than the rate in Washington and Boston.

UNEMPLOYMENT CLAIMS
After surging to more than 18,000 in April 2020, initial claims for unemployment benefits have ranged from 2,000 to 3,000 per week since last fall. In May, initial claims averaged 2,688 per week, down from 2,900 in April.

UNEMPLOYMENT RATE, NORTHEAST CITIES


AVERAGE WEEKLY INITIAL UNEMPLOYMENT CLAIMS, PHILADELPHIA

![Chart showing average weekly initial unemployment claims for Philadelphia from April 2020 to May 2021.](source: Pennsylvania Department of Labor and Industry)
OFFICES

A late May survey of tenant occupancy by the Building Owners and Managers Association (BOMA) found that among a sample of 18 Center City office towers, one building was 75% occupied, another was occupied in the 30% to 40% range, five were from 20% to 30% occupied, and 11 were below 20%. Occupancy was highest from Tuesday through Thursday.

CCD pedestrian sensors on the 1600 and 1800 blocks of Market Street and the 1700 block of John F. Kennedy Boulevard show a steady increase from 10,300 in January to 21,126 in May (a 105% increase). As more workers return to the office on a more consistent basis, it can be expected that these counts will increase.

Placer.ai, which tracks pedestrian traffic using anonymized cell phone location data, suggests the average daily population of non-resident workers in core Center City in May was 46,049. This number is up substantially from the April 2020 low of 26,338 but remains well below the pre-pandemic level of 146,407 in January 2020.¹

RETAIL AND RESTAURANTS

As of CCD’s most recent complete survey in April, there were 1,906 storefronts within the District’s boundaries, including 470 restaurants, 485 retailers, 424 service businesses, 182 businesses that have yet to reopen, and 345 vacant properties or permanently closed businesses, for a total of 18.1% of premises either vacant or permanently closed. Among restaurants, 305 (49%) were open with seating on the premises (indoor and/or outdoor), 165 (27%) offered takeout or delivery only, 108 (17%) were temporarily closed, and 40 (6%) were closed permanently. The number of restaurants providing on-premises seating increased from 208 at the time of CCD’s January survey to 305 by the time of the April survey.

The April survey found that among retailers, 454 (82%) were fully open, 31 (6%) provided curbside pickup or services by appointment, and 67 (12%) were closed. Within the service category, 331 (68%) establishments were fully open, 93 (19%) were offering services by appointment or online, and 61 (13%) were closed.

With the gradual lifting of indoor seating limits, along with improving weather conditions, restaurants have continued to capitalize on outdoor and roadway seating. Total outdoor seats on the sidewalk and at streeteries within CCD increased from 3,653 in February to 6,262 in May.

For a full update on retail trends, see centercityphila.org/research-reports/retail/ready-for-the-return-of-customers-center-city-restaurants-and-retail-v1

¹: The post-pandemic Placer data may not reflect all downtown workers, as the Placer algorithm only classifies individuals as workers, rather than visitors, if they are downtown on a consistent basis over several weeks. For this reason, some Center City workers who have returned to their offices for only one or two days per week may be classified in the “visitor” category, which shows a substantial increase since January.
RESTAURANT OPERATING STATUS, APRIL 2021

- Open for Indoor and/or Outdoor Dining: 305
- Open for Takeout, Pickup or Delivery Only: 165
- Temporarily Closed: 108
- Permanently Closed: 40

618 Restaurants

SERVICE BUSINESS OPERATING STATUS, APRIL 2021

- Open: 331
- Customer Request, Appointments and/or Teleservice: 93
- Temporarily Closed: 38
- Permanently Closed: 23

485 Service Businesses

RETAIL BUSINESS OPERATING STATUS, APRIL 2021

- Fully Open: 454
- Appointments, Online Sales and/or Curbside Pickup Only: 31
- Temporarily Closed: 36
- Permanently Closed: 31

552 Retailers

Even as more indoor seating has been permitted, the number of outdoor seats at restaurants rose from 3,653 in February to 6,262 in May.

OUTDOOR SEATING AT CENTER CITY DISTRICT RESTAURANTS

<table>
<thead>
<tr>
<th>OUTDOOR SEATING TYPE</th>
<th>JUN-20*</th>
<th>SEP-20</th>
<th>DEC-20</th>
<th>JAN-21</th>
<th>FEB-21</th>
<th>MAR-21</th>
<th>APR-21</th>
<th>MAY-21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sidewalk Cafe</td>
<td>N/A</td>
<td>2,628</td>
<td>2,355</td>
<td>1,549</td>
<td>1,541</td>
<td>1,876</td>
<td>2,284</td>
<td>2,823</td>
</tr>
<tr>
<td>Sidewalk Cafe and Streetery</td>
<td>N/A</td>
<td>2,414</td>
<td>2,148</td>
<td>1,961</td>
<td>1,938</td>
<td>2,191</td>
<td>2,531</td>
<td>2,869</td>
</tr>
<tr>
<td>Streetery Only</td>
<td>N/A</td>
<td>110</td>
<td>196</td>
<td>206</td>
<td>174</td>
<td>339</td>
<td>498</td>
<td>570</td>
</tr>
<tr>
<td>TOTAL</td>
<td>2,997</td>
<td>5,152</td>
<td>4,699</td>
<td>3,716</td>
<td>3,653</td>
<td>4,406</td>
<td>5,313</td>
<td>6,262</td>
</tr>
</tbody>
</table>

*CCD did not record seating type during first survey.
HOSPITALITY

The city levies a tax of 8.5% on hotel room charges. Revenue from this tax declined to a low point of $400,000 in June of last year, but has increased gradually since that time. April revenue totaled $2.2 million, a 31% increase from the prior month, and the third consecutive monthly increase.

HOUSING

The Philadelphia housing market continues to show remarkable strength, with a high volume of sales this spring and continued price increases. There were 1,702 citywide sales in May, according to MLS, more than twice the level of May 2020, and the third highest total over the past two years. The median sale price was $270,000, a 17% increase compared to May 2020. Housing prices have consistently increased throughout 2020 and the first five months of 2021.

For information on the Greater Center City housing market, see CCD’s 2021 housing report: centercityphila.org/research-reports/greater-center-city-housing-2021-building-on-resiliency
PUBLIC TRANSIT

SEPTA ridership across all major modes has been well below normal since the beginning of the pandemic. However, average weekly ridership in April totaled 1.93 million, a 9% increase from the prior month, and the highest total since March 2020. Weekly ridership on all major transit modes increased in April, with a 14% increase of riders on the Market-Frankford Line, a 10% increase on the Broad Street Line, a 9% increase on trolleys, 8% on buses, and 3% on Regional Rail.

Transit ridership is up significantly since April 2020, but is still 63% below pre-pandemic levels.

SEPTA AVERAGE WEEKLY RIDERSHIP
AIR TRAVEL

The number of passengers on domestic and international flights at Philadelphia International Airport has increased significantly in the past two months, indicating the start of a return to normal travel patterns. In April, the airport served 1.39 million passengers, including 1.32 million domestic travelers and 66,700 on international flights. Total traffic increased 19.3% in April, as domestic volume increased 18.7% and international passengers increased 31.3%.

OFF-STREET PARKING

Parkway Corporation reports that across their multiple off-street garages, parking volumes have been well below normal due to restrictions on restaurants, arts and cultural institutions and the absence of office workers. In May, parking volumes reached 67.9% of the May 2019 (pre-pandemic) total, a slightly improved performance compared to March and April.

CENTER CITY PEDESTRIANS

CCD monitors pedestrian volumes at 20 locations throughout the dense core of Center City, 12.4% of the area between Vine Street and Lombard Street, river to river, accounting for about 40% of all pedestrian traffic in core Center City. Average daily pedestrians at these locations rose to 124,000 in May, a 7% increase from the prior month, and the fourth consecutive monthly increase. Average pedestrian volumes increased 93% between January and May. In the week ending May 22, average daily volumes rose to 140,862, the highest level of any week since the beginning of 2020.

From anonymized cellphone data, Placer.ai sorts daily visitors to core Center City (the area of Center City between Vine and Lombard streets, river to river) into three categories: residents, non-resident workers, and visitors including tourists, convention attendees and regional shoppers. According to Placer, pedestrian volumes in core Center City dropped substantially at the start of the pandemic, with non-resident workers declining 82% between February and April 2020, and visitors declining 85%. By contrast, the number of residents located in the area increased moderately. In May 2020, overall pedestrian volumes rose a modest 0.3% to 256,600, the fifth consecutive monthly increase. This represents 58% of the 443,723 pedestrians counted in June 2019.

DILWORTH PARK

The CCD has continued to actively program Dilworth Park with performing arts groups, exercise classes, craft markets, events for families with children and a roller-skating rink with current pedestrian volumes nearly double the number of April and May 2020.
Coverage Areas for Measuring Pedestrian Traffic

Placer.Ai
CCD

Source: Center City District

May 2021
256,600 pedestrians
(Inclusive of teal shaded area)

123,996 pedestrians

AVERAGE DAILY PEDESTRIANS AT 20 SELECT LOCATIONS IN CENTER CITY

Source: Center City District
CENTER CITY PEDESTRIANS: RESIDENTS, WORKERS, AND OTHER VISITORS, AVERAGE DAILY

AVERAGE DAILY PEDESTRIANS IN DILWORTH PARK