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Historic Headhouse Shambles  
Philadelphia, PA 19147



## South Street Headhouse District Five Year Plan and Budget: 2018-2022

South Street Headhouse District  
2017 Board of Directors

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### MESSAGE FROM BOARD CHAIR AND EXECUTIVE DIRECTOR

Over the past twenty-five years, the South Street Headhouse District (SSHD) has continuously worked to bring improvements and economic vitality to this historic and famous community. Generations of Philadelphia-area families and businesses have worked, shopped, and lived in and around South Street and Fourth Street/Fabric Row. Today, the SSHD commercial area is home to over 450 businesses, the majority of which are independently-owned and operated. In times of a changing retail environment, shopping habits, and city demographics, the work of SSHD to keep the South Street business area attractive, vibrant, and economically growing and to champion this commercial corridor is more critical than ever.

Enclosed you will find descriptions and images reflecting the wide range of initiatives and efforts that SSHD undertakes annually on behalf of business and property owners in the area, as well as for adjacent residential neighborhoods. This reauthorization plan and budget allows SSHD to continue to serve the multi-stakeholder community through its public safety, economic development, promotional, and critical cleaning efforts. In its next 5 year plan, SSHD intends to complete the high-profile Headhouse Plaza improvement project, initiate a new district-wide mural arts festival and public art event, and secure designation as a Keystone Community under the National Main Streets Program to leverage and access additional resources and strategically strengthen our economic future.

The SSHD area continues to get better with exciting new businesses, events, publicity, and capital improvement beautification projects. We appreciate your ongoing support and we look forward to working with you and for you.

*Elena Brennan*  
Elena Brennan, Board Chair

*Michael E. Harris*  
Michael E. Harris, Executive Director



# South Street Headhouse District Five Year Plan and Budget: 2018-2022

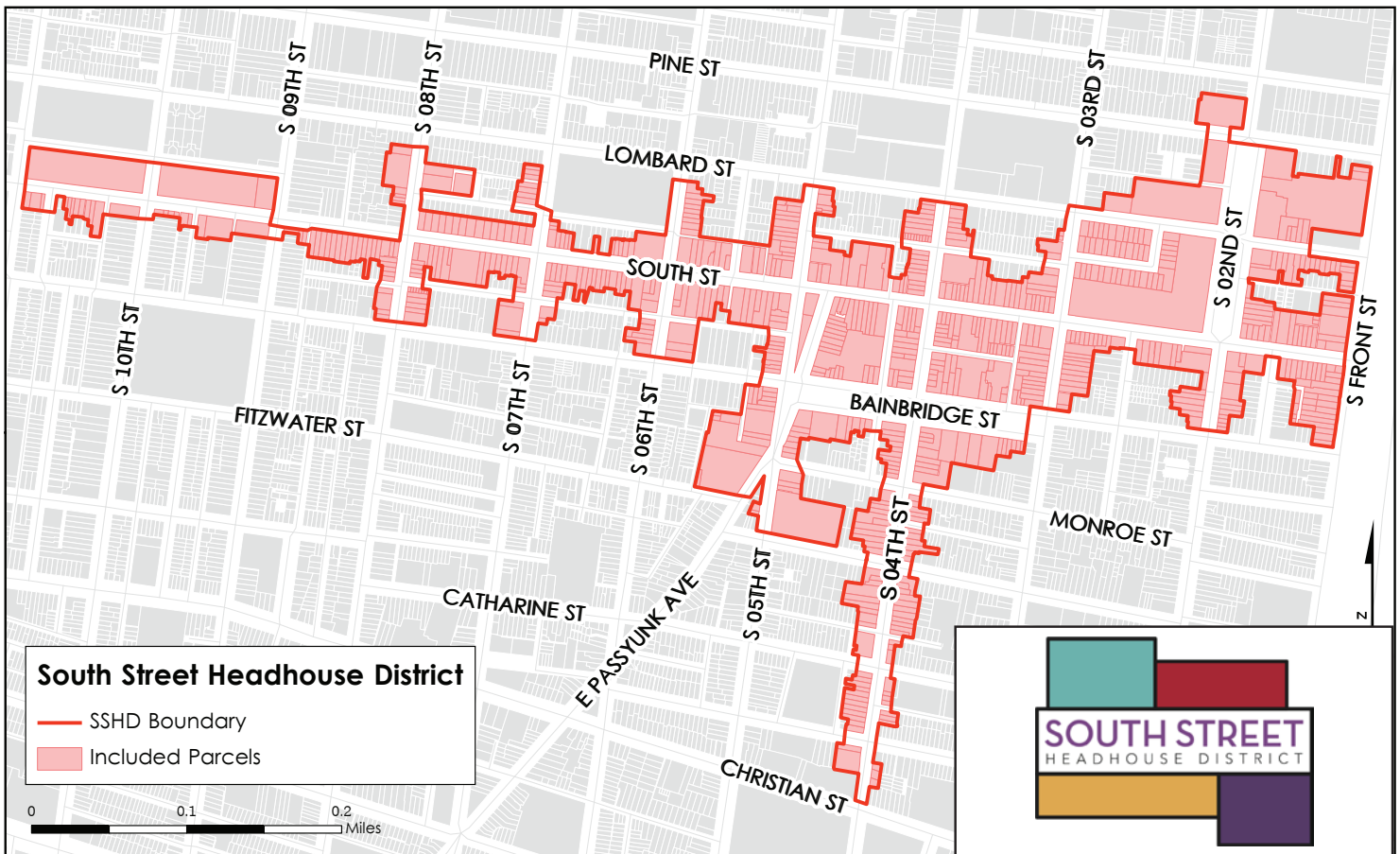
## INTRODUCTION

The mission of the South Street Headhouse District (SSHD) is to provide a safer, cleaner, well-managed, and more vibrant commercial corridor so that the area will continue to improve as a place to work, visit, shop, and live. SSHD plans and supports physical improvements, business publicity and marketing, and promotional initiatives designed to enhance the image and visibility of the District as one of the most dynamic and diverse areas anywhere.

The South Street Headhouse District is one of Philadelphia's historic, most visited, and renowned areas. The District is home to over 450 unique businesses, the majority of which are independently owned and operated. For generations, South Street and Fabric Row have served as important commercial corridors for shopping and retail in Philadelphia and the region. More recently, South Street has been an entertainment and tourist area, bringing in over 1 million visitors annually. South Street also represents a rich and important artistic legacy in Philadelphia, as demonstrated by the Philadelphia Magic Gardens and the world-famous mosaics of Isaiah Zagar.

The SSHD was established by ordinance of the Philadelphia City Council in 1992 (Bill No. 209) and under the Commonwealth of Pennsylvania's Municipal Authorities Act as a private-sector-directed municipal authority. SSHD commenced operations in 1993 with the approval of property owners within its boundaries and the Philadelphia City Council (Bill No. 494). SSHD was reauthorized for a 20-year extension in 1997 by City Council (Bill No. 970275). In 2002, SSHD's authorization was amended by City Council (Bill No. 010069) to expand the boundaries of SSHD to include properties along South 4th Street ("Fabric Row").

The five-year plan and budget projects South Street Headhouse District's objectives and goals through budget years 2018-2022. The SSHD Board will continue to commit resources to deliver services that 1) provide a clean, safe, and attractive physical environment, 2) markets and promotes the South Street /Fabric Row/Headhouse area and its business community, and 3) increase economic vitality and development by attracting, retaining, expanding, and actively supporting businesses in the SSHD commercial corridor.



The enclosed Five Year Plans and Budget is the component piece of South Street Headhouse District reauthorization process. The SSHD is concurrently seeking a 10-year extension, which would sunset in December 31, 2027. SSHD will hold a Public Hearing for the purpose of receiving public comment from affected property owners within the District (and any other interested persons) on this preliminary plan, to be held on **Wednesday, October 11, 2017 from 6:00-9:00pm at Old Pine Community Center, 401 Lombard Street, Philadelphia, PA 19147.**

Affected property owners within the District will have forty-five (45) days from the date of the October 11, 2017 Public Hearing on the plan to file objections to and disapprove the final plan for proposed continuance of the SSHD. Such objections must be made in writing, must be signed by the property owner, must identify the address of any property for which the objection is being made, and must be filed with both: 1) the Clerk of City Council, Room 402, City Hall, Philadelphia, PA 19107, and 2) South Street Headhouse District, PO Box, 63675, Philadelphia, PA, 19147.



## ECONOMIC DEVELOPMENT

The South Street Headhouse District actively works with property owners, real estate brokers, and business owners as key stakeholders to grow the economic vitality and activity of this historic and important commercial corridor.

- SSHD assists existing businesses modernize and expand by helping them access funding through a variety of **financial assistance programs**, including KIVA ZIP loans, Merchant Funds grants, and Storefront Improvement grants.
- SSHD works with real estate brokers and property owners to **provide assistance, information, and communications** to encourage, attract, and help new businesses to decide to open in the district. On an ongoing basis, SSHD helps new business owners before and after they open their doors, with services ranging from facilitating grants to publicizing and promoting their products and services through public relations and social media efforts.
- SSHD maintains an inventory of **available commercial properties** within the district and works with brokers, developers, and property owners to identify and secure new tenants.
- As a **Registered Community Organization (RCO)**, SSHD plays a key role in **local zoning, land use, and zoning appeal decisions**. SSHD works



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with property owners, businesses, and community organizations to consider zoning and use variances, as well as overall planning, to increase the vibrancy and economic development of the district.

- **SSHD facilitates and expedites municipal services** with a variety of city agencies (such as Streets, Commerce, PWD, PPA, and License & Inspections) on behalf of existing property owners and businesses to keep the area attractive, safe, and functional for commercial activity.
- In a strategic effort to expand its network and knowledge base, SSHD is an active member in several **professional organizations**, including the International Downtown Association (IDA), Pennsylvania Downtown Center (PDC), National Main Streets, the International Council of Shopping Centers (ICSC), Philadelphia Association of Community Development Corporations (PACDC), and the Responsible Hospitality Institute (RHI).
- A key strategic initiative for SSHD over the next five years will be to align the organization with the **National Main Streets Model**, pursue and secure **Keystone Community** designation, and access financial and professional resources to assist SSHD in its mission to further activate and revitalize a historic urban commercial corridor.



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## PUBLIC SPACE BEAUTIFICATION AND IMPROVEMENTS

The South Street Headhouse District consistently works to improve the attractiveness and safety of the physical environment of the area to attract new businesses, patrons, and investments.

- During 2015-2016 winter, SSHD spearheaded and successfully completed the long-desired **4th Street / Fabric Row Lighting project**. The **\$1,400,000 project** entailed installing 38 pedestrian lights and 10 overhead lights between Lombard and Christian Streets. In addition to the lighting improvements, 15 new trees were planted, curbs and sidewalks were repaired, and new decorative crosswalks were installed at the South and Bainbridge intersections. The City commended SSHD on the impressive speed and results of this project, which was completed in less than 4 months. This project has completely transformed and re-energized Historic Fabric Row and brought new light and life to 4th Street.

- SSHD is currently leading a project to transform the highly-trafficked **Headhouse Plaza**, located on 2nd Street between South and Lombard Streets. SSHD has secured **\$2,500,000** in funding from the City of Philadelphia, the Commonwealth of Pennsylvania, and the Philadelphia Water Department to take the project from design through final construction. The improvement project includes an expanded community public space adjacent to the popular fountain, a canopy structure with public seating, additional trees and pedestrian lighting, roadway resurfacing, several pedestrian safety and traffic calming features, public art, and wayfinding information. This is the first significant improvement to this commercial mixed-use block in nearly 60 years. Construction is anticipated to begin and be completed in 2018.

- SSHD recently secured **\$225,000 to improve and revitalize the South Street streetscape** by converting 130 pedestrian lights to modern white LED lamps, replacing all the rubberized tree pits with natural mulch, and planted over 12 new trees along the corridor.

- An additional benefit of the streetscape revitalization project was to relocate and increase electrical outlets on all pedestrian light poles, which allowed South Street to dramatically



Ambit Architecture



South Street Headhouse District



The Food Trust



South Street Headhouse District

increase **its decorative lighting program** for the holiday shopping season. New holiday lighting was placed on 150 pedestrian light poles, which, along with illuminated wreaths, banners, bows, and a giant 25-foot Christmas tree, helped transform South Street and Fabric Row into a festive holiday destination.

- SSHD maintains a **seasonal banner program** on over 50 South Street pedestrian light poles to create an attractive and welcoming environment for visitors and shoppers. During the upcoming year, the District plans to update its banners to incorporate SSHD business paid advertising as allowable within current city regulations.

- In efforts to build on South Street's artistic heritage and **increase public art in the district**, SSHD sponsored a new Isaiah Zagar mosaic on South Street through a grant the organization secured from the Knight Foundation. In addition, SSHD sponsored with Paradigm Gallery and Mural Arts to paint and decorate numerous utility boxes, big belly trash cans, and store windows throughout the district. SSHD is planning a major mural arts program initiative for the district in 2018.

- SSHD has been instrumental in promoting and facilitating over 15 **building façade improvements** and beautification efforts through the Targeted Storefront Improvement Program (TSIP) grants from the City Commerce Department

- SSHD works with the **Friends of Bainbridge Green** in an ongoing planning and implementation effort to maximize the appearance, attractiveness, and activities on this underutilized and lovely public space located on Bainbridge Street between 3rd and 5th Streets.

- SSHD manages and maintains the City-owned **Historic Headhouse Shambles**. This unique and beautiful space is used for the highly popular Sunday Farmers' Market, organized by the Philadelphia Food Trust. In addition, SSHD is responsible for activating the Shambles year-round for weddings and receptions, private events, yoga classes, movies, dancing, photo and video shoots, and a host of free public events and festivals.



## EVENTS AND PROMOTIONS

SSHD produces a year-round calendar of special events and promotions to increase visitor traffic, boost area business sales, and create an overall positive and vibrant image for the commercial district.

- In 2017, SSHD celebrated its 5th Annual **South Street Spring Festival** on the first Saturday of May. This free, family-friendly festival has quickly become one of the more popular events in Philadelphia, drawing upwards of 45,000 people to enjoy a Saturday afternoon on South Street. This 10-block long event features musical entertainment on three stages, over 100 art and craft vendors, SSHD bars and restaurants, the Atomic City Comics' free comic book day celebration, and Brauhaus Schmitz's Maifest. This festival received national recognition when it was named a top pick by USA Today for Spring Events in Philadelphia.



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- Every Easter Sunday, SSHD hosts the time-honored **Easter Promenade**, an 85-year old Philadelphia tradition that brings out hundred of families in their Sunday Best to join Master of Ceremonies Henri David, the Easter Bunny, the Mayor of Philadelphia in a beautiful and festive parade down South Street, followed by a popular intergenerational Best Dressed contest. Each year, the Promenade and South Street are prominently featured in coverage by local television stations and print media.



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- To kick-off the holiday season every December, the SSHD organizes an annual **Winter Wonderland**, which features the very popular arrival of Santa on a firetruck, the lighting of the 25-foot Christmas

tree, music, Window Wonderland, and other festive activities. In 2015, SSHD initiated a new annual celebration of Hanukkah with a Menorah lighting ceremony. In 2016, a new South Street Christmas Parade expanded the holiday festivities and allowed SSHD to promote the local business area during the holiday shopping season.

- SSHD produces the annual **South Street PumpkinFest** in late October, which draws nearly 2,000 families and children to the Headhouse Shambles for free and fun activities. Recent festivals have included circus arts performances, hay wagon rides, music, food, and trick or treating at over 40 participating businesses throughout the district.



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- SSHD has organized and produced many other **well-attended events and promotions** to showcase local businesses, including: Fashion Under the Shambles, which was a professional SSHD business fashion show; Day of the Dead Festival; the Dog Days of Summer Hot Dog Cook-off Championship; Dancing Under the Shambles; and Summer Movie Nights.



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- SSHD partners and works with many outside organizations and groups to bring **special events and thousands of visitors** to the area, including the national DeSchutes Brewery Street Pub Tour, the Philly 10K Race, the Clean Air Council GreenFest, the American Lung Association Lung Force Walk, the Philadelphia Flea Market, among many others.



## PUBLIC SAFETY

South Street continues to statistically be one of the safest areas in Philadelphia, due to the coordinated efforts of SSHD, the Philadelphia Police Department, and many other partners.

- SSHD provides annual operating support to the **South Street Police Ministration** and covers non-personnel expenses

related to maintaining this important asset and community resource. SSHD works closely and cooperatively with the Commanding Officer of the South Street detail, as well as with the Commanders of the 3rd and 6th Police Districts, to ensure that the South Street Headhouse District remains a safe and enjoyable experience for all residents, workers, patrons, and visitors.

- SSHD convenes a regular **Nightlife Task Force** to address and resolve quality of life and liquor license issues within the business district. The interagency task force, which includes elected officials, state enforcement agencies, local regulatory departments, the Philadelphia Police Department, and SSHD business owners, works to coordinate efforts to prevent and improve any conditions of concern.

- In order to **effectively plan for nightlife crowds** and related issues, SSHD is an active member of the Responsible Hospitality Institute (RHI), which is an international professional association dedicated to active planning and management best practices for entertainment districts.

- SSHD offers a **Safecam incentive program** to promote and encourage property owners to participate in the City's Business Security Camera program. Through the City program and SSHD's matching funds, over 100 additional cameras are now covering sidewalks and storefronts to enhance safety and assist the Police Department as needed.

- In an effort to improve public safety and address quality of life concerns, **SSHD designed and installed new signage** throughout the surrounding neighborhoods. Visitors are now informed that they are in a residential neighborhood and asked to respect neighbors by behaving courteously. Additional signs alert pedestrians and drivers that security cameras are present throughout the District. This is another way that SSHD strives to be a good neighbor and contribute positively to the overall community.



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- SSHD serves as one of the partner organizations in the **Friends of the South Street Ministration**, which works to raise funds to support the local ministration. In addition to working with the Friends group, SSHD regularly communicates, meets, and works with its **neighboring community associations** (Queen Village Neighborhood Association, Society Hill Civic Association, Bella Vista Neighbors Association, Washington Square West Civic

Association, Abbott's Square Condo Association) to discuss and promote the South Street Headhouse business district activities and initiatives. SSHD works closely with area residents and neighborhood organizations to increase communications, build positive stakeholder relationships, and improve overall community development.

- In direct response to business and resident concerns, SSHD works with the Philadelphia Police and Office of Homeless Services on a daily basis to **address issues of panhandling and homelessness** in the area. SSHD recently convened a meeting about homelessness and panhandling, which was well attended by nearly 200 community stakeholders as well as representatives from the City, including the Deputy Managing Director and Councilman Mark Squilla. The meeting was instrumental in informing and addressing what the City and SSHD can and are able to do to tackle a city-wide challenge.



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## CLEANING AND MAINTENANCE

Keeping the District's streets clean and attractive on a daily basis is core to the mission of SSHD.

- SSHD employs a sidewalk and street cleaning company (ACAM)

that diligently and effectively works seven days a week in all weather conditions to provide **daily sweeping and cleaning of the streets and sidewalks**. Crews detail the street every morning and additional cleaning crews are put on for afternoon work in the summer months. Additional services include sidewalk pressure washing, removing illegal and nuisance trash dumping, and scraping of posters and fliers from public spaces.

- In an ongoing effort to keep the district free of vandalizing graffiti, SSHD employs an SSHD-based business, **Graffiti Removal Experts (GRE)**, to remove graffiti, paint tags, and adhesive stickers from signs, parking kiosks, light poles and other public spaces at least three times per week. In 2016, with encouragement from SSHD, GRE hired a



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young man who had been homeless and living on South Street, and he is now a full-time employee with a stable residence of his own.

- **SSHD repainted 131 light poles and 56 bike racks** on South Street

between Front and 11th to keep them refreshed, bright, and consistent along the length of the corridor.

- SSHD works closely with the City of Philadelphia to request and **coordinate services on behalf of the business and property owner community**. SSHD regularly works with the City to address broken Big Bellies in need of repairs, illegal dumping on the sidewalk, extensive graffiti, broken light poles, non-operating street lights, unsafe trees, and dangerous potholes and road conditions. The City of Philadelphia is responsible for cleaning the street curb to curb, empties and maintains public trash receptacles, and enforces sanitation laws.

## PLANNING AND ADMINISTRATION

The South Street Headhouse District is currently governed by an eleven-member volunteer board of directors, comprised of business owners, property owners, and other interested stakeholders, who are committed to the constant improvement of this important business community. On a monthly basis, the Board holds general public community meetings as well as working committee meetings. The current five SSHD committees include: Economic Vitality, Promotion, Clean and Safe, Design, and Organization. The planning and administration of SSHD programs and initiatives are executed by a staff of three: a full-time Executive Director, a full-time Assistant Director, and a part-time Accountant/Bookkeeper.



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## MARKETING AND COMMUNICATIONS

- In an ongoing strategy to support and market the area, SSHD engages Aversa PR, a **professional public relations** firm, to actively promote area businesses and events. Through these efforts, there is a persistent and consistent positive SSHD media presence and coverage on radio, television, newspapers, magazines, and the internet. Aversa PR has also greatly increased SSHD social media presence and activity by featuring events, businesses, and overall imaging of the area on an active basis.

- SSHD's media and PR efforts have resulted in **multiple and consistent television and radio appearances** for SSHD businesses, which creates awareness and foot traffic to area. Live on-air features of area restaurants and businesses have been featured

on FOX29, CBS3, PHL17, 6ABC, NBC10, KYW1060, and Comcast Networks, among others.

- SSHD communicates regularly to businesses, area residents, and a broader network through **regular email communications and newsletters**. The SSHD website was recently upgraded to provide an easier and more useful web experience to users who want to get more information on district businesses and events.





## South Street Headhouse District Five Year Plan and Budget: 2018-2022

### ASSESSMENT FORMULA

District assessment revenue is based on all taxable properties within the boundaries of the South Street Headhouse District. Individual annual assessment charges are computed by multiplying that portion of the district's annual budget attributed to assessments (2017 total = \$555,000) by a ratio of the assessed value of the individual property to the total assessed valuation of all the taxable properties in the district (2017 total = \$415,182,800). In 2017, the SSHD assessment bill to a property was 0.13% of a property's City-based market valuation. Historically, the District has experienced an approximate 90% collection rate on an annual basis.

Updated data on ownership and current assessed value of properties is received annually from the Philadelphia Office of Property Assessment. District assessments will be calculated annually using the property values certified and provided by the City of Philadelphia Office of Property Assessment for the tax year for which the assessment is imposed, without any reduction for any tax abatements, homestead exclusions, or similar City programs resulting in reductions to assessed value. Tax-exempt properties, such as schools and religious institutions, are not assessed nor calculated into the taxable total assessed valuation.

A provision has been made to enable single-family, owner-occupied residential properties (including condominium units) within the district to not pay the annual SSHD assessment, if the owner-occupant elects to file an affidavit and provides documentation that they meet these conditions. Change of residential ownership requires new affidavits. Rental properties, multi-family properties, and residential units above ground floor commercial spaces are considered commercial properties for the purposes of assessment payment obligations.

The annual SSHD property assessment amounts are determined as set by an annual budget amount from SSHD necessary to fund district programs and operations. The SSHD budget and related assessments do not increase at the same rate as any City of Philadelphia increases, nor is it a direct percentage of any City determined property valuations or increases.

### OTHER INCOME

SSHD primarily funds its operations and activities through assessments on taxable properties with the South Street Headhouse District boundaries as designated and determined by the Philadelphia City Council (last amended in Bill No. 010069, as passed on May 31, 2001). In addition to the annual property assessment collections, SSHD generates additional revenue through special events, rental income, and fees for service. The SSHD has also been successful in bringing new resources and investments into the district by securing grants for programs and capital improvements.

**Over the past five years, SSHD has secured over \$3.8 million in grants, including:**

- \$ 1,363,000 – NTI grant for 4th Street Lighting Project
- \$ 1,500,000 – City Capital Allocation for Headhouse Plaza
- \$ 525,000 – DCED Multi-Modal Transportation grant, Headhouse Plaza
- \$ 225,000 – NTI grant, South Street streetscape restoration project
- \$ 200,000 – Commerce grant for Headhouse Plaza redesign project
- \$ 25,000 – Commerce Corridor Improvement Grant
- \$ 6,000 – Philadelphia Activity Fund
- \$ 10,000 – Commerce Festival Grant – Fall Fest / Day of Dead
- \$ 15,000 – Knight Foundation Art Challenge Grant
- \$ 40,000 – Community Design Collaborative service grant

### BUDGET 2018-2022

REVENUE		2018	2019	2020	2021	2022
Current Year Assessments (net)	a	575,000	592,250	610,018	628,318	647,168
Prior Year Assessment	b	50,000	51,500	53,045	54,636	56,275
Rental Income	c	45,000	46,350	47,741	49,173	50,648
Event Income	d	60,000	61,800	63,654	65,564	67,531
Other Income	e	70,000	72,100	74,263	76,491	78,786
<b>TOTAL REVENUE</b>		<b>800,000</b>	<b>824,000</b>	<b>848,720</b>	<b>874,182</b>	<b>900,407</b>
EXPENSES						
Clean & Safe	f	245,000	252,350	259,921	267,718	275,750
Beautification	g	50,000	51,500	53,045	54,636	56,275
Events	h	80,000	82,400	84,872	87,418	90,041
Marketing	i	40,000	41,200	42,436	43,709	45,020
Business Development	j	25,000	25,750	26,523	27,318	28,138
General & Administrative	k	65,000	66,950	68,959	71,027	73,158
Payroll & Related	l	280,000	288,400	297,052	305,964	315,142
MiniStation Support	m	15,000	15,450	15,914	16,391	16,883
<b>TOTAL EXPENSES</b>		<b>800,000</b>	<b>824,000</b>	<b>848,720</b>	<b>874,182</b>	<b>900,407</b>

#### NOTES

- a - Current year assessments expected amount to be derived, net of single family affidavits.
- b - Collections of past due assessments from prior assessment years
- c - Income generated from Headhouse Shambles rentals, such as weddings and private events
- d - Income derived from festivals, special events, or other district promotion initiatives
- e - Income generated from grants, tax credit programs, or other third-party support
- f - Annual cost of daily street cleaning and sweeping, trash collection, and weekly graffiti removal
- g - Expenses related to banners, fountain maintenance, landscaping, and holiday lighting
- h - Annual calendar of festivals and events, including Spring Fest, Fall Fest, Easter Promenade, and Winter Wonderland
- i - Economic development and planning initiatives to attract and retain businesses
- j - Engagement of professionals, studies, and other costs related to SSHD planning initiatives
- k - Annual operating costs, including utilities, memberships, technology, supplies, auditing, and related expenses
- l - Payroll-related expenses of 2.5 FTE SSHD staff
- m - Non-personnel costs to support daily operations of the South Street Police Ministation, including supplies and utilities