

Philadelphia's Transformation

Public-Private Partnership and Real Estate's Role in
Fostering Mobility and Community Connectivity

November 2024

1 A New Era in Urban Mobility and Real Estate

1.1 Introduction

Philadelphia's urban landscape is undergoing a transformative shift, with real estate increasingly playing a crucial role in enhancing the city's mobility infrastructure and community well-being. Beyond mere structures, modern real estate projects are becoming enablers of sustainable and multimodal transit systems. This shift reflects the city's commitment to active travel, which spans walking, cycling, public transit, and micromobility solutions like scooters and electric vehicles. This evolution underscores a deeper objective—fostering a cityscape that promotes community health, environmental goals, and the seamless connectivity that empowers all residents.

In this mission, the private sector, government, and city residents share equal stakes. By aligning new and existing developments with Philadelphia's evolving transit framework, real estate can create living and working spaces that support efficient, accessible mobility. Innovations such as Modescore and Activescore are instrumental in this effort, offering critical insights to help developers, property owners, asset managers, and tenants understand how well a property meets multimodal transit needs. These tools enable property stakeholders to assess and improve buildings' transit readiness, positioning them as vital connectors within the city's transportation network. Both new and older properties have the potential to leverage these insights, maximizing their value to tenants and contributing to a citywide transformation that prioritizes eco-friendly, accessible, and community-centered development.



For developers, property owners, and asset managers, embracing Modescore and Activescore is a competitive advantage. As tenants and investors prioritize accessible, sustainable transport, integrating active travel features into planning and refurbishments can significantly enhance property value, tenant satisfaction, and retention. This alignment with the city's active travel vision also supports a less car-dependent, more community-focused urban environment. In recognizing each building's role within a larger transportation ecosystem, Greater Philadelphia's real estate sector can drive a sustainable, connected, and health-focused urban future.



2 Philadelphia's Current Urban Mobility Landscape

2.1 Introduction

Philadelphia is at a critical juncture as it strives to reshape its urban environment through initiatives such as Vision Zero and Greenworks Philadelphia. These comprehensive city initiatives underscore Philadelphia's commitment to creating a safe, resilient, and sustainable urban environment. Vision Zero focuses on eliminating traffic fatalities by 2030, while Greenworks aims to foster a green, equitable city where all residents benefit from access to clean air, water, and green spaces. Together, these initiatives set the stage for real estate to support cohesive neighborhoods, accessible transportation, and the health and safety of all city dwellers.

2.2 Vision Zero Action Plan

Prioritizing Safety and Accessibility

The Vision Zero Action Plan, launched in 2017, is a citywide initiative that reimagines Philadelphia's streets as inclusive, safe spaces for all users—pedestrians, cyclists, drivers, and transit users alike. The plan employs data-driven strategies and community engagement to create safer streets, reduce risks, and provide more accessible, people-friendly streetscapes.



2 Philadelphia's Current Urban Mobility Landscape



Since 2017, Vision Zero has invested in “slow zones” reducing fatalities in those areas by ~34%

Philadelphia aims to eliminate all traffic fatalities by 2030, and Vision Zero lays out a multifaceted approach to accomplish this:

- **Expanding Bike Lanes:** New protected bike lanes in high-traffic areas offer a safer alternative for cyclists and encourage the adoption of cycling as a viable commuting option.
- **Enhancing Pedestrian Safety:** Intersection redesigns, improved pedestrian visibility, and expanded crosswalks contribute to safer experiences for all.
- **Traffic Calming Measures:** Reduced speed limits, curb extensions, and speed humps create safer environments for pedestrians, cyclists, and drivers.
- **Promoting Community Engagement:** Prioritizing underserved neighborhoods, the city collaborates with local communities to ensure equitable access to safety improvements.
- **Data-Driven Decision Making:** Using data and community input, Vision Zero prioritizes resources for maximum impact and fosters safer, more accessible travel options across the city.

2 Philadelphia's Current Urban Mobility Landscape

2.3 Greenworks Philadelphia

A Blueprint for Sustainable Urban Living

Greenworks Philadelphia, launched in 2009, is a sustainability initiative aiming to make the city healthier, more resilient, and environmentally sustainable. This program focuses on goals across energy, environment, equity, and engagement, envisioning a Philadelphia where all residents have access to affordable energy, clean air, clean water, green spaces, and economic opportunities within a sustainable economy.



The following 8 Greenworks goals highlight Philadelphia's commitment to equitable, environmentally conscious urban development:

- Access to sustainable, **affordable food**
- Equitable access to **clean energy**
- **Clean air** and water initiatives
- Climate resilience and adaptation
- Efficient, **sustainable transportation**
- **Waste reduction** strategies
- Increased green spaces and **healthy ecosystems**
- A sustainable economy that promotes **green jobs**

2 Philadelphia's Current Urban Mobility Landscape

2.4 Infrastructure Trends

Real Estate's Role in a Multimodal City

Philadelphia's transportation infrastructure is at a crossroads, with a growing emphasis on public transit, cycling, and walkability. Currently, 36% of city residents commute via public transit, primarily through SEPTA's 270+ bus routes and 13 rail lines. The city also boasts roughly 450 miles of bike lanes, including 140 miles of protected lanes, with bicycle commuting rising from 2.6% in 2013 to around 3.8% in recent years. Additionally, Philadelphia's high walkability score places it among the most walkable cities in the United States, indicating a solid foundation for active travel-oriented real estate development.

36%

SEPTA operates over 270 bus routes and 13 rail lines, with roughly 36% of city residents commuting by transit.

57,000,000 sq.ft

There are more than 57mln sq.ft. of LEED-certified commercial space in Philadelphia



3 The Important Role of the Private Sector

3.1 The Private Sector

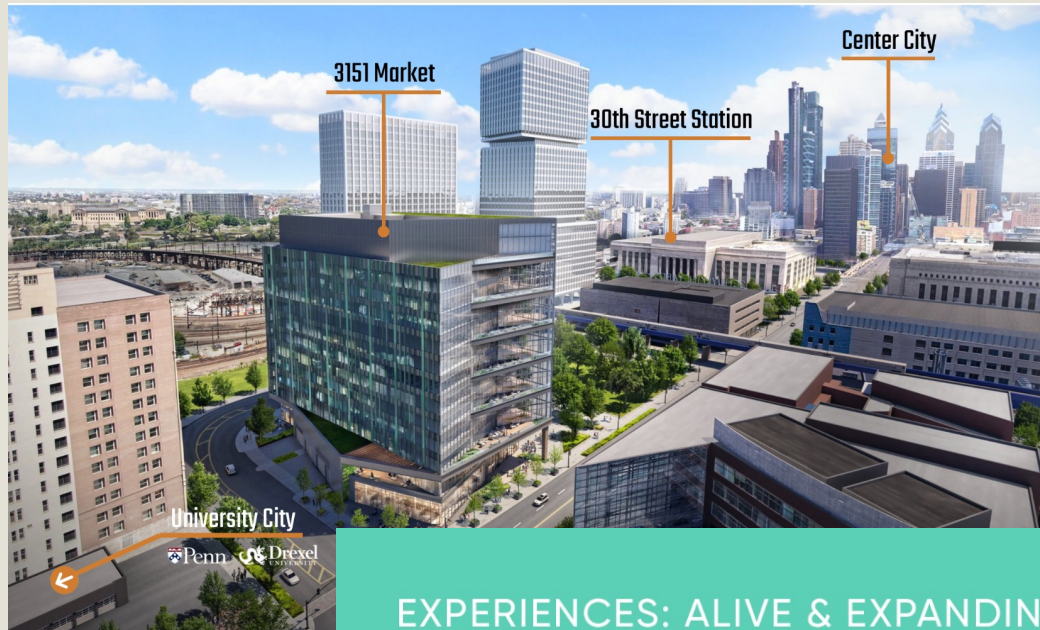
Philadelphia's real estate market offers substantial opportunities for developers to contribute to the city's active travel and sustainability goals. Properties equipped with active travel infrastructure—such as bike storage, transit screens, and EV charging stations—have seen benefits ranging from increased tenant attraction to improved occupancy rates. For example:

- **Active Travel Enhancements:** Approximately 45% of new multifamily buildings offer bike storage or EV charging, while a considerable portion of older properties could see value boosts by retrofitting with similar amenities.
- **Mixed-Use Potential:** Mixed-use buildings that integrate active travel features report up to a 15% higher lease-up rate, underscoring the value of accessible, multimodal transit options.

Notable developments like the Schuylkill Banks Trail and the Spring Garden Street Greenway illustrate the positive impact that mobility-focused real estate can have on community value. The Schuylkill Banks Trail, for instance, is an urban revitalization effort that has increased surrounding property values by approximately 8-12%, showcasing the demand for mobility-friendly spaces.



3 The Important Role of the Private Sector



EXPERIENCES: ALIVE & EXPANDING

Schuylkill Yards offers 46,700 SF of diverse retail with additional phases delivering in 2024. Brandywine's commitment to retail expansion will add 100K SF of thoughtfully curated retail, enriching the neighborhood's fabric with the best in food, beverage, entertainment, and lifestyle brands—making it an ideal destination for employers seeking an vibrant urban experience.

3.2 Schuylkill Yards / University City

Philadelphia is undergoing an exciting shift towards a sustainable, innovation-driven future, with private developers at the forefront of this transformation. One standout project, is 3151 Market—a pioneering life sciences building designed with a strong emphasis on sustainability. This state-of-the-art facility offers flexible lab spaces and modern amenities, all in the heart of the city's rapidly expanding life sciences district.

Located within Schuylkill Yards, a dynamic area connecting Center City's business core with University City's academic institutions, 3151 Market provides an ideal environment for forward-thinking companies. The building's advanced infrastructure supports energy-efficient, adaptable spaces that prioritize both environmental responsibility and operational efficiency.

Located just steps from 30th Street Station—Philadelphia's central transportation hub and one of the busiest rail stations in the country—Schuylkill Yards acts as a dynamic link between the city's research institutions and business districts. This thriving innovation district fosters a collaborative environment that drives sustainable growth, bridging the academic energy of University City with the economic pulse of Center City.

4 Benefits / Active Travel in Real Estate

Real Estate Benefits

Here's how sustainable transport options—like active travel and mass transit—create meaningful advantages for real estate owners, developers, and the community. By embedding these strategies into real estate projects, developers and owners can enhance tenant experiences and property values while fostering a healthier, more vibrant, and sustainable Philadelphia. This holistic approach aligns seamlessly with the city's environmental, economic, and social goals, delivering enduring benefits across stakeholder groups.



4.1 Affordability and Accessibility

Economic Accessibility: Active travel and mass transit are affordable, accessible alternatives to car ownership. For lower-income residents, especially in Philadelphia's underserved neighborhoods, these options expand access to jobs and essential services, bridging critical transportation gaps.

Community Programs: Local nonprofits play a pivotal role here by offering affordable options like bicycles and e-bikes, empowering communities through economic independence and stability. These programs directly contribute to family and neighborhood growth by making transit access more attainable.

4 Benefits / Active Travel in Real Estate

4.2 Education and Awareness

Promoting Active Travel Education: Schools can introduce curricula on active travel, emphasizing cycling safety, maintenance, and environmental impacts. Teaching children the value of sustainable transport fosters a generational shift toward eco-conscious travel choices.

Workshops and Community Events: Local organizations can host events that increase awareness about the benefits of sustainable travel, promoting community-wide participation in active travel. Such events create supportive spaces for people to learn and build enthusiasm around using eco-friendly transportation.

4.3 Economic Benefits

Increased Foot Traffic: Active travel directly boosts neighborhood vibrancy. Increased foot and bike traffic benefit local businesses, helping them thrive. Developers can support these communities by creating retail spaces that align with pedestrian and cycling-friendly design.

Tourism Opportunities: As cycling culture strengthens in Philadelphia, bike tourism can draw visitors eager to explore the city actively. This influx can create jobs and expand services in areas like bike rentals, repairs, and guided tours, enhancing the local economy.

4 Benefits / Active Travel in Real Estate

4.4 Lower Healthcare Costs

Promoting Public Health: Active travel contributes to healthier lifestyles, reducing obesity rates and related illnesses. As communities embrace active travel, healthcare costs decrease, benefiting individuals, employers, and society by reducing the strain on health services.



4 Benefits / Active Travel in Real Estate

4.5 Reducing Carbon Footprint

Environmental Impact: Prioritizing sustainable transportation over car dependency significantly cuts down on carbon emissions. Developers can align with this priority by integrating green building practices and promoting active travel, attracting eco-conscious tenants who value sustainable living.

4.6 Enhanced Tenant Experience

Integrated Transport Solutions: Developers can boost tenant satisfaction by offering amenities that support active travel, such as bike storage, maintenance stations, and walkable pathways. Such features make everyday life easier for residents while highlighting accessibility.

Design for Walkability: Prioritizing walkable designs and convenient transit access enhances the overall living experience and makes neighborhoods more desirable, leading to higher tenant retention and satisfaction rates.

4.7 Building Benefits

Enhancing Asset Value: Properties with sustainable transport features can command higher valuations. Tenants increasingly prioritize sustainability, so buildings that offer eco-friendly transport options will enjoy heightened demand and value.

Long-Term Viability: Investing in infrastructure that supports active travel prepares properties to adapt to future urban mobility trends. Buildings equipped for multimodal transit will remain relevant, meeting changing market demands over time.

Attracting Quality Tenants: Sustainable, eco-friendly amenities appeal to tenants who prioritize quality living spaces and are willing to pay premiums for sustainability. These tenants often bring higher income, stability, and community engagement.

Regulatory Compliance: Meeting city transportation and sustainability standards can protect property owners from future regulatory challenges and ensures alignment with city planning for sustainable development, supporting smoother project approvals.



4 Benefits / Active Travel in Real Estate

By prioritizing sustainable transit options and active travel, Philadelphia's real estate developers not only improve tenant experiences and asset values but also contribute to a healthier, connected, and more sustainable urban landscape.

This commitment benefits residents, supports economic growth, and propels the city toward its ambitious environmental goals, ensuring lasting progress for future generations.

4.8 Community Benefits

Environmental Stewardship: Encouraging active travel through real estate reduces the community's overall carbon footprint, supporting conservation efforts. This contributes to a more sustainable city, benefiting residents and the ecosystem.

Operational Efficiency: As more people adopt sustainable transportation, local traffic congestion eases, creating smoother logistics and productivity boosts for businesses within these communities. This reduction also benefits residents with quicker commutes and cleaner air.

Positive Public Perception: Developments that commit to sustainability/active travel gain positive reputations, attracting residents who value community well-being and environmental responsibility, and fostering a stronger shared purpose.

Health and Well-being: By encouraging active travel, developers contribute directly to the physical and mental health of both occupants and the broader community, enhancing the quality of life for all.

5 The Path Forward

Collaborative Partnerships for a Resilient Future

The path forward for Philadelphia hinges on collaborative efforts across government, private developers, and the community. Each building, street, and neighborhood holds the potential to drive a citywide transformation, supporting connectivity, sustainability, and economic growth. In embracing active travel solutions, the real estate sector has the opportunity to support a future that aligns with Philadelphia's environmental and social goals, ensuring a thriving, equitable city for all.

Ultimately, the synergy between public initiatives, private investment, and community engagement will help Philadelphia realize its potential as a model for sustainable, connected, and vibrant urban living. Together, these stakeholders are building a city that not only meets the needs of today but also anticipates the needs of future generations—delivering a more resilient, accessible, and inclusive Philadelphia.



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Johan Tellvik brings 30+ years of experience in finance as a highly successful hedge fund manager, investment banker, sustainability visionary and strategic advisor. He has managed large absolute return portfolios with special focus on real estate, ESG, capital markets, and technology. He is a strategic advisor working with private start-ups helping with business development, financial planning, and business evolution. He brings a wealth of experience as an investor, entrepreneur, mentor and sustainability expert. As the Founder of ESGrelab.com he is in charge of the overall development and vision behind this multi faceted education firm specializing in real estate and finance topics. He is also heading up its growing advisory services division focusing on strategic and sustainable work in Asia, Africa, Europe, and the USA. His work as a sustainable visionary has allowed him to work with a large array of professionals, including professors at leading global Universities and leaders in the private sector.



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Credits

Healthcare costs

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VisionZero

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Visionzerophl.com

GreenWorks

<https://www.phila.gov/programs/greenworks/>

Schuylkill Yards

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