

# New Yorkers **Ph**inding **Ph**iladelphia as Affordable Alternative

The City of Brotherly Love Stacks Up Against the Big Apple



# CITY OF PHILADELPHIA

OFFICE OF THE CONTROLLER  
12<sup>th</sup> Floor, Municipal Services Building  
1401 John F. Kennedy Boulevard  
Philadelphia, PA 19102-1679  
(215) 686-6680  
FAX (215) 686-3832

ALAN BUTKOVITZ  
City Controller

Oct. 30, 2009

Honorable Michael A. Nutter  
Mayor, City of Philadelphia  
215 City Hall  
Philadelphia, PA 19107

Dear Mayor Nutter,

My office has completed the enclosed analysis of the migration trends between Philadelphia and New York City. The report shows a positive balance to the benefit of Philadelphia which should be nurtured through more aggressive promotion of our City and perhaps the introduction of various incentives.

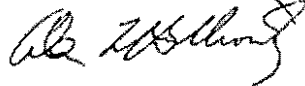
Recent migration data indicates that a significant number of educated New York City residents are relocating to more affordable locations outside of the five boroughs. As a major city located approximately two hours away, the City of Philadelphia is well positioned to capitalize on this existing trend and increase the number of New York City residents moving to Philadelphia. Boasting the culture, diversity, history, and vitality of a large American city, Philadelphia has numerous appeal points that can attract New York City commuters, as well as those who would like to work in Philadelphia.

To attract New Yorkers, the City of Philadelphia should construct a comprehensive marketing plan that includes multiple components and stresses the affordability, accessibility, and amenities that Philadelphia offers in comparison to New York City. In addition, commuter train discounts, tax incentives, grants, and other incentives should be used to attract specific target markets, including the film industry. Successfully attracting more New Yorkers to Philadelphia will

lower the rate of population decline and will result in numerous economic benefits that will significantly contribute to the future prosperity and growth of Philadelphia.

I look forward to working with you and the commerce and tourism leadership of Philadelphia to advance and expand on the proposals set out in this report.

Very truly yours,

A handwritten signature in black ink, appearing to read "Alan Butkovitz", with a stylized flourish extending from the end of the signature.

ALAN BUTKOVITZ

cc: Robert Dubow, Director of Finance, City of Philadelphia  
Anna C. Verna, President, Council of the City of Philadelphia  
David L. Cohen, Greater Philadelphia Chamber of Commerce  
Meryl Levitz, Greater Philadelphia Tourism Marketing Corp.

[www.philadelphiacontroller.org](http://www.philadelphiacontroller.org)

**MAKING PHILADELPHIA HOME TO MORE NEW YORKERS:**  
**CAPITALIZING ON EMERGING TRENDS**

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## **MAKING PHILADELPHIA HOME TO MORE NEW YORKERS: CAPITALIZING ON EMERGING TRENDS**

### **INTRODUCTION: THE NEXT GREAT CITY**

In 2005, *National Geographic Traveler* named Philadelphia the “next great city” and *USA Today* raved that the city had gone “From Rocky to Rockin’.” The following year, *Time* magazine identified Philadelphia as one of four distinct cities in the world to “watch.”

Philadelphia is one of the most culturally diverse and vibrant cities in the United States. In recent years, as Philadelphia’s economic standing has improved, several articles have focused on the city’s unique advantages in comparison to New York City. In November of 2007, the *New York Daily News* even told its readers to explore living in Philadelphia as an alternative to New York City.<sup>1</sup> In August of 2005, a *New York Times* article entitled “Philadelphia Story: The Next Borough” tracked a cohort of ex-New Yorkers who had moved to Philadelphia.<sup>2</sup> In September 2003, a series of articles appeared in the *Gotham Gazette* highlighting an emerging trend of New Yorkers moving out of the City.<sup>3</sup>

While New York City remains a unique financial, economic, and cultural powerhouse with amenities that no other city can match, rising real estate prices, large taxes, and a high cost of living are pushing people farther away from the city’s center. Each year, thousands of New Yorkers move out of the city and relocate to Connecticut, northeastern Pennsylvania, New Jersey, and other areas of New York State, choosing to “super commute” from great distances rather than live in the city. While New York City’s population continues to grow because of high birth rates and significant foreign immigration, domestically, more people are moving away from the city than are migrating into it.<sup>4</sup>

Although historically Philadelphia’s population has been declining, in recent years the rate of decline has decreased. Philadelphia has seen signs of a reverse migration trend that is bringing new residents back into many Center City neighborhoods. New business and residential construction is revitalizing Center City and bringing more residents downtown.

Philadelphia has weathered the latest recession well. The Center City District reported that the number of outdoor cafes in Center City had climbed to 209 in July 2009, just 3 percent fewer than 2008 but still a 203 percent increase from 2001. “Bring-your-own-bottle” (BYOB) restaurants are more popular than ever, with upwards of 309 such establishments in the region, according to the 2009 Zagat Survey. According to the Center City District, Center City’s retail vacancy rate rose only slightly from 10.8% in August 2008 to 11.1% in August 2009, still well below a recent high of 14.5% in 2000. More important, the total supply of retail premises in Center City grew from 2,753 in 2008 to 2,825 in 2009, as developments in the pipeline were completed and previously non-retail space was converted to retail use.<sup>5</sup>

While New Yorkers have typically looked to places like Poughkeepsie, Burlington, Bridgeport, or Mount Pocono to relocate, Philadelphia, with its big city lifestyle and low cost of living, has become an increasingly popular alternative. This report examines population and migration trends in detail and discusses steps that the City of Philadelphia can take to attract more

educated and professional New Yorkers to Philadelphia. By effectively marketing Philadelphia and capitalizing on these favorable migration trends, policymakers can assure Philadelphia's continued revitalization as America's "next great city."

## **I. EXAMINING MIGRATION TRENDS: NEW YORK'S LOSS – PHILADELPHIA'S GAIN**

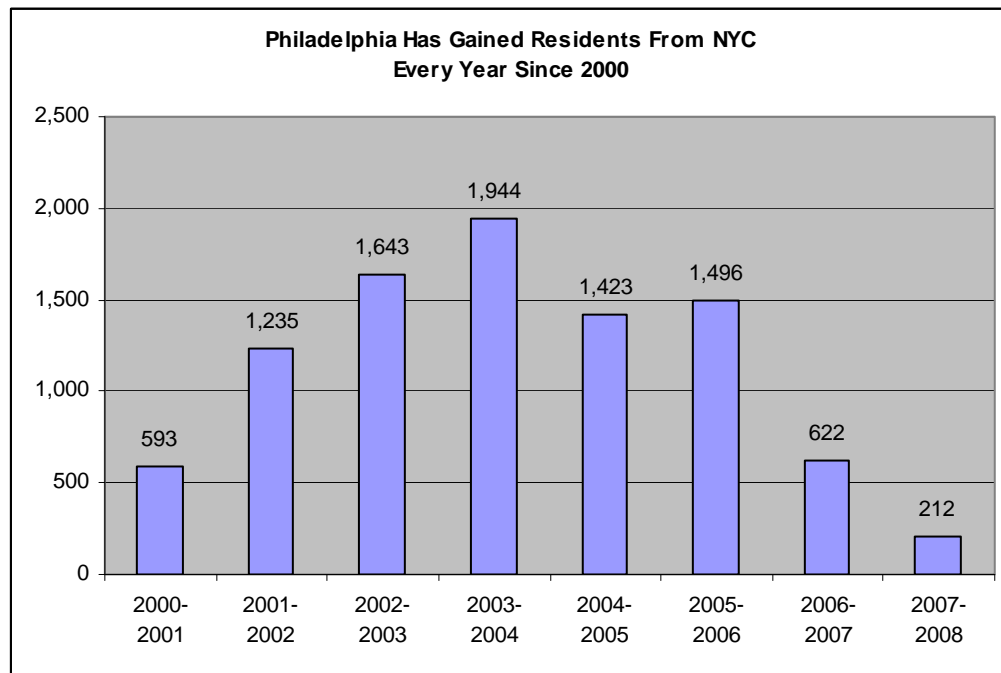
While New York City is America's largest city with a population of more than 8.3 million people, recent migration data indicates that more residents are choosing to live outside of the five boroughs.<sup>6</sup> To be clear, the population of the New York City increased by more than 4.4 percent from 2000 to 2008. The increase, however, masks significant "churn," according to the New York City Department of Planning, with substantial domestic losses (estimates in the range of one million persons) being offset by large international inflows (in the range of 850,000 persons) and natural increase (the balance of births and deaths) on the order of 500,000 persons.<sup>7</sup>

A 2007 New York City Comptroller study showed that 150,000 more people move out of New York City to other parts of the United States as move in each year.<sup>8</sup> New York is losing more educated working age residents than it is gaining, with over 40 percent of the departing adults having at least a Bachelors degree and one-fifth having a master's degree or higher.<sup>9</sup>

While more individuals are choosing to live outside of New York City, many remain employed within the city and commute. According to Alan Pisarski, transportation expert and author of *Commuting in America*, new bedroom communities to the bigger metropolitan locations are popping up around the country.<sup>10</sup> The Blue Ridge Mountains have become a bedroom community of Washington, D.C., New Hampshire is attracting Boston commuters, and Philadelphia and the Pocono Mountains are increasingly becoming home to New York City workers.<sup>11</sup>

For several decades, Philadelphia's population has been declining at a significant rate. According to the Brookings Institution, Philadelphia lost 10 percent of its population between 1980 and 2000, with the greatest loss being among younger adults.<sup>12</sup> However, in recent years, Philadelphia's rate of population loss has decreased and population indicators have become increasingly favorable. Currently, a reverse trend is in motion that sees many younger Philadelphia-raised adults now choosing to stay in the city, instead of moving away to the suburbs, while newer Philadelphian residents are staying within the city and re-populating once-debilitated city neighborhoods. In addition, many older "empty-nesters" are moving away from the suburbs and into city neighborhoods that offer all the conveniences, attractions, and amenities of urban living. Currently, the population of Philadelphia is approximately 1.4 million residents.

According to data from the Internal Revenue Service and the Census Bureau, since at least 2001, there have been more New York City residents moving to Philadelphia than Philadelphians moving to New York City. As shown in the chart below, since 2002, Philadelphia has seen a net gain of over 1,000 New Yorkers every year through 2006. Between 2002 and 2003, Philadelphia saw the biggest increase in net population migration from New York.<sup>13</sup> More recently, the rate of migration has slowed, though it still favors Philadelphia.



### ***NEW YORKERS ARE MORE APT TO BE SUPER-COMMUTERS***

In 2005, *Business Week* highlighted the rapidly growing trend of “super commuting,” defined as a daily commute of over one and a half hours in each direction.<sup>14</sup>

The desire to have a more affordable home coupled with a better and less costly lifestyle has driven many people to increase the travel time between their homes and places of employment. According to the United States Census Bureau, the current average one-way commute time in America is 25 minutes.<sup>15</sup> The number of people who are now super commuting in America has increased 95 percent since 1990, totaling more than 3.4 million workers nationwide.<sup>16</sup> This trend has continued to grow as new technological advances have increasingly allowed more employees to work part of the time from home. Referred to as telecommuters, these individuals take their workstations wherever they go, commuting to the office less than the average worker.

As the largest and most predominant city in the United States, New York City is already home to a massive commuting population where even those who live in or near the city have an average commuting time of 37 minutes each way, the highest of any major metropolitan area in the nation.<sup>17</sup> Each year, thousands more New Yorkers become super commuters as they move out of the city and relocate to places such as Connecticut, northeastern Pennsylvania, New Jersey, and other areas of New York. Increasingly long commutes have made it so commuting to New York from Philadelphia is no longer considered the sizable inconvenience that it once was.

While no concrete data exists to determine the current number of super commuters who reside in the Philadelphia area, according to the 2000 Census, Philadelphia was home to 819 residents who commuted to New York each day.<sup>18</sup> According to the same census, Delaware had 342 residents who commuted daily to New York City. According to Census data, Philadelphia ranks fifth among the nation’s cities in the percentage of residents that spend more than 90

minutes commuting each way to work.<sup>19</sup> The average commuting time for a worker in Philadelphia County is 29.4 minutes.<sup>20</sup>

## II. WHO IS MOVING OUT OF NEW YORK CITY?

According to a 2007 New York City's Comptroller's report highlighting census data, those who leave New York are more educated, younger, and wealthier than the average city resident.<sup>21</sup> The average age of a person who left New York City in 2005 was 31 years old and the average household income was 8.9 percent higher than the citywide average.<sup>22</sup> Moreover, while only 31 percent of New Yorkers own homes, 40 percent of those who left the city in 2005 were homeowners.<sup>23</sup> As noted earlier in this report, over 40 percent of the departing adults have at least a Bachelors degree, and approximately one-fifth have a master's degree or higher.<sup>24</sup>

Below are two charts that use IRS data to show where these New York City residents are relocating from, by borough, and what the impact of each borough's migration has been. The first chart shows the total net adjusted gross income, by borough, of New Yorkers who moved to Philadelphia between 2001 and 2008. The second chart shows the total net population that moved to Philadelphia from each borough between 2001 and 2008.

<b>Total Net AGI by New York Borough into Philadelphia 2001-2006 (in millions)</b>	
Brooklyn	\$36.69
Bronx	\$13.84
Manhattan	(\$61.66)
Queens	\$22.34
Staten Island	\$4.2
<b>Total</b>	<b>\$18.41</b>

<b>Total Net Population Migration by New York Borough into Philadelphia 2001-2008</b>	
Brooklyn	4,671
Bronx	1,669
Manhattan	(46)
Queens	2,629
Staten Island	245
<b>Total</b>	<b>9,168</b>

As can be seen by the data, the largest emigration was from Brooklyn, with a total aggregate gross income of \$36.69 million.

## III. WHY DO PEOPLE LEAVE NEW YORK CITY?

### *MANHATTAN REAL ESTATE IS OUT OF REACH FOR MOST PEOPLE*

A 2003 poll by the Drum Major Institute revealed that 68 percent of New York City voters cited the lack of affordable housing as a major concern.<sup>25</sup> It is undeniable that the current price of housing in Manhattan, the heart of the City, is unaffordable for large segments of the population.

According to *Prudential's Third Quarter 2009 Real Estate Report*, Manhattan residential properties were selling in the third quarter of 2009 for \$996 per square foot, or an average price of \$1.32 million.<sup>26</sup> According to the 2009 Coldwell Banker® Home Price Comparison Index, the



average price for a 2,200 square foot residence in Center City Philadelphia was \$472,396. A similar property in Queens, NY was valued at \$793,500.<sup>27</sup>

In Philadelphia, the median home sales price was \$143,000 in the second quarter of 2009. Even in the most expensive real estate market of Philadelphia, Center City, the median sales price was \$325,000.<sup>28</sup> In Manhattan, the median sales price for this period was \$960,000. Looking at real estate values alone, it is clear that a dollar goes much farther in Philadelphia than it does in New York.

### ***THE TAX BURDEN FOR NYC RESIDENTS IS WELL ABOVE ANY OTHER CITY IN THE NATION***

The most recent analysis comparing tax burdens in major U.S. cities found that New York City places the highest overall tax burden on its residents.<sup>29</sup> Using 2003-2004 tax data from the Bureau of Economic Analysis, a 2007 study found that while New York City residents pay \$9.02 of every \$100 in household and business incomes that are earned, Philadelphia residents pay only \$7.16.<sup>30</sup>

**In more real-life terms, the average homeowner in New York City pays \$7,430 in property taxes on a home valued at \$280,000 compared to a similar property in Philadelphia where the annual property tax burden would be only \$1,724.**

In the U.S. Census Bureau's latest American Community Survey, New Jersey had the highest median real estate taxes, at \$6,320, with New York ranked fourth, at \$3,622. Pennsylvania ranked 15<sup>th</sup>, at \$2,207.<sup>31</sup> In addition to higher income and property taxes, residents of New York City pay 20.6 percent more in total taxes than residents of Philadelphia.<sup>32</sup>

A 2003 article written by a senior fellow at the Manhattan Institute put these numbers into perspective for the average New York household: "For households with incomes of \$100,000 a year (middle class for New York standards) the combined state and local tax burden is 32 percent higher than the average for major cities."<sup>33</sup>

### ***NEW YORK CITY HAS AN EXCEEDINGLY HIGH COST OF LIVING***

According to E.J. McMahon, senior fellow at the Manhattan Institute, the cost of living in New York City is 240 percent above the national average and twice as much as the next most expensive cities, Washington D.C. and Boston.<sup>34</sup>

It is far more affordable to live in Philadelphia than it is to live in New York City. As reported by the American Chamber of Commerce Research Association, the cost of living in the Greater Philadelphia area is lower than in most other major metropolitan areas, below New York, San Francisco, Los Angeles, Washington D.C., and Boston.<sup>35</sup> While employers in Philadelphia usually pay their employees 8.7 percent less than those in New York, the cost of living in Philadelphia is a whopping 48.1 percent lower than it is in New York.<sup>36</sup>

The comparable difference in the cost of living between Philadelphia and New York has astounding effects on the number of people living without the ability to pay for basic necessities. According to the Economic Policy Institute, an average family of two parents and two children in

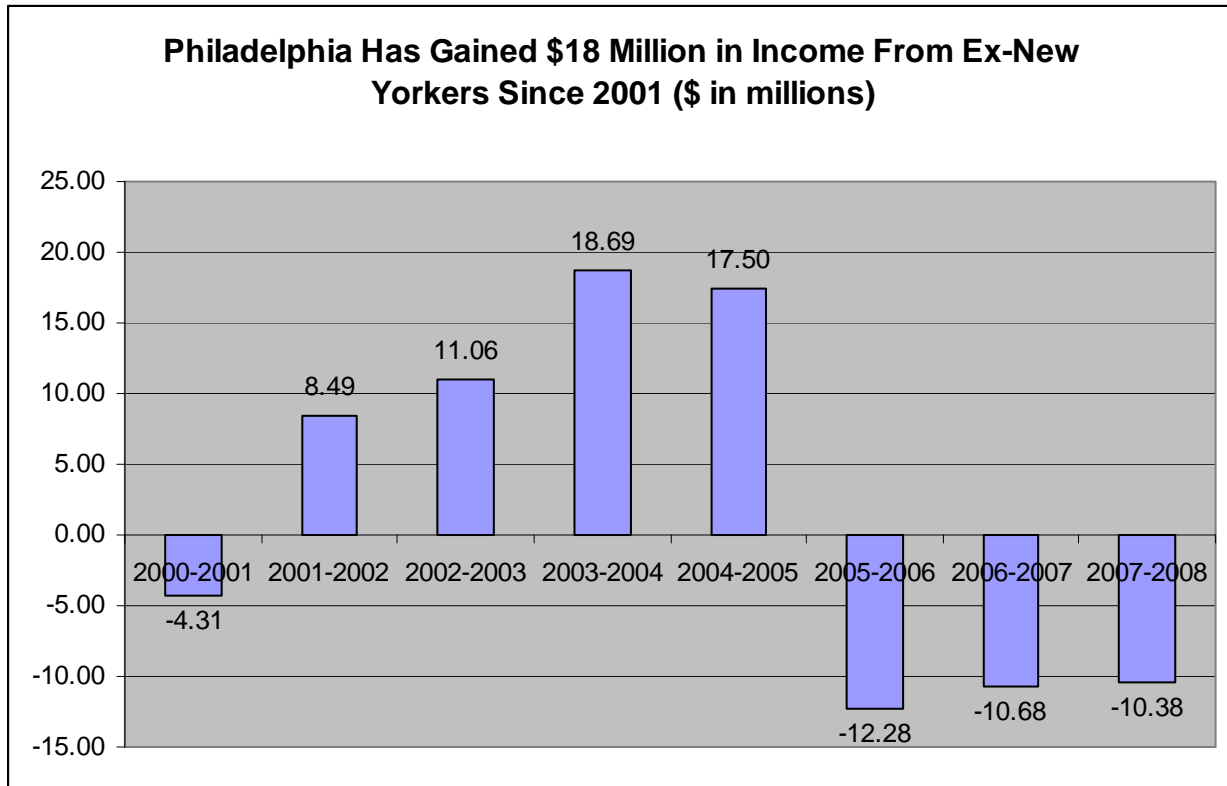
Philadelphia needs to budget \$49,716 a year to meet basic necessities, and a similar family in New York City needs \$58,656 a year.<sup>37</sup> While these numbers seem relatively close, 35 percent of all New Yorkers are living below this minimum, compared to only 23 percent in Pennsylvania.<sup>38</sup> Moving to Philadelphia would bring a significant relative monetary benefit to anyone currently living in New York City.

In October 2007, an article highlighted the real effects of the cost of living on New York City residents. For the average New Yorker, rising costs for food, utilities, transportation, and housing outpaced wage increases. According to the Fiscal Policy Institute, from 2000 to 2006 consumer prices in New York City rose twenty percent faster than average nationwide costs. While the higher wage earners in Manhattan saw wage increases comparable to inflation rates, lower wage earners did not.<sup>39</sup> As prices continue to escalate faster than wage compensation, New Yorkers have increased incentive to leave the city.

According to the ACCRA Cost of Living Index for the second quarter of 2009, in virtual every category, New York City is more expensive, often significantly, than Philadelphia. Average monthly household energy prices in Philadelphia for instance were \$212.25 compared with \$334.39 in Manhattan. Comparable apartments rent for \$1,330 in Philadelphia and \$3,500 in Manhattan. Transportation and parking costs are also significantly higher in New York City. Parking garage rates can be as high as \$1,140 a month, while garage rates in Philadelphia vary between \$100 and \$400 a month.<sup>40</sup> Clearly, the cost of living in New York City is a significant factor in why individuals are choosing to relocate outside the city.

#### **IV. THE ECONOMIC IMPACT FOR PHILADELPHIA**

Philadelphia is already benefiting economically from New Yorkers moving to the City. From 2001 to 2008, Philadelphia saw a total net gain of \$18.41 million in aggregate adjusted gross income to the City's tax base.<sup>41</sup> The yearly pattern of adjusted gross income from new residents from the five New York boroughs is shown in the graph below.



As the graph, above, shows, since the beginning of the decade, 2003-2004 saw the largest transfer in adjusted gross income from New York to Philadelphia. Largely as a result of a negative balance to Manhattan, the aggregate trend in income movement reversed in 2005-2006. Philadelphia must do more to flip that trend and attract Manhattan's higher incomes to the City.

Numerous economic benefits will result from more New York City residents choosing to relocate to Philadelphia. An influx of new residents will increase the City's tax base and will result in more spending at local businesses. Furthermore, educated New York City residents add valuable human capital by bringing their skills and ideas with them. In the long term, these residents could attract more businesses and jobs to Philadelphia.

## **V. THE CASE FOR A DAILY PHILADELPHIA COMMUTE TO NYC**

Philadelphia is 92 miles from New York City and takes an average of 1 hour, 51 minutes to reach by automobile.<sup>42</sup> Both cities are linked by one major highway, Interstate 95, which makes the roughly two hours drive very simple for commuters, depending on traffic.

Unlike other similarly distanced commuter areas, Philadelphia has an inter-city transportation network with intra-city Amtrak connections. An Amtrak passenger can step onto a train at 30<sup>th</sup> Street Station and arrive at Penn Station in New York City in approximately 1 hour and 10 minutes. This is less time than most public transportation from other parts of New York, some surrounding communities in New Jersey, and Connecticut. Unlimited monthly train passes

are available from Amtrak for a cost of \$1,152.00.<sup>43</sup> Clearly, this is a key convenience that will become more important if gas prices continue to rise.

For a much cheaper alternative than Amtrak, SEPTA can also be used by New York City commuters. By taking SEPTA to Trenton and then transferring onto NJ Transit, commuters can then go directly to Penn Station.<sup>44</sup> The trip would take a commuter roughly two hours 15 minutes, costing \$515 for a monthly roundtrip ticket from Center City Philadelphia.<sup>45</sup>

The chart below compares Philadelphia with every county within 77 to 107 miles of New York City, highlighting distance from the city, travel time into the city at off-peak hours, the 2006 median property tax paid in that county on homes, the percentage of real estate taxes as a part of the median home value, and the number of commuters to New York City in that county.

County	Miles from NYC	*Commute Time	Property Tax	Tax % of home value	# of commuters
<b>Philadelphia, PA</b>	92	1:51	\$1,151	1.0%	819
<b>Lehigh, PA</b>	92	1:41	\$2,750	1.5%	469
<b>Sullivan, NY</b>	106	2:03	\$3,059	1.7%	1348
<b>Northampton, PA</b>	86	1:38	\$3,079	1.5%	635
<b>Monroe, PA</b>	83	1:39	\$3,209	1.6%	4,326
<b>Litchfield, CT</b>	117	2:19	\$3,739	1.3%	1,227
<b>Ocean, NJ</b>	88	1:39	\$3,780	1.2%	4,651
<b>Bucks, PA</b>	79	1:43	\$3,832	1.2%	2,447
<b>New Haven, CT</b>	84	1:48	\$3,984	1.5%	2,243
<b>Dutchess, NY</b>	87	1:56	\$4,217	1.3%	5,798
<b>Gloucester, NJ</b>	106	1:55	\$4,679	2.1%	309
<b>Burlington, NJ</b>	82	1:42	\$4,793	1.8%	1,653
<b>Camden, NJ</b>	92	1:45	\$4,846	2.3%	727
<b>Suffolk, NY</b>	84	1:50	\$6,413	1.4%	80,003
<b>**Pike, PA</b>	79	1:59	N/A	N/A	1,763

\*This is commute time estimated by car.

\*\*2006 Census data not available because population below 65,000.

As the chart shows, in 2006, Philadelphia had the lowest median property taxes among all counties 77 to 107 miles away from New York City. It also had the lowest percent ratio of tax rates to property value. Clearly, this data reveals that Philadelphia gives homeowners an advantage that no other comparable area can give to New York City commuters: lower property taxes, great big city amenities, and a comparable commute time.

As highlighted above, the ease of travel from Philadelphia to New York makes Philadelphia an especially attractive location to live. Marketed correctly, Philadelphia could easily become the newest twenty-first century bedroom community for New York City.

## **VI. ATTRACTING NEW YORKERS TO PHILADELPHIA: CREATING A COMPREHENSIVE MARKETING CAMPAIGN**

*Properly marketing Philadelphia could bring more New Yorkers to Philadelphia.*

In the Pocono Mountains region north of Philadelphia, a remarkable influx of New York City commuters caused the population to rise exponentially throughout the 1990s. In Pike County, the population increased nearly 66 percent between 1990 and 2000, while over the same period, the population rose 45 percent in Monroe County. What caused such an extraordinary population boom in so short a time?

In response to a small, but significant trend indicating that some New York City residents were moving to the region and commuting, the Pocono's initiated a marketing campaign specifically targeting New York City residents. Entitled "Live BIG for less," this marketing plan, combined with the out-migration trends already in place, helped bring New Yorkers two hours west into rural Pennsylvania. Anecdotal reports suggest that those moving to the Pocono's did so to get more value for their dollar and to raise their families in a more conducive environment.

As shown in this report, existing trends indicate that there is a considerable market of New York City residents willing to relocate and "super commute." As a major city, Philadelphia offers all the amenities that more suburban commuting areas cannot, such as robust public transit, major cultural events, and urban life, while still maintaining a lower cost of living than New York City. It is thus in Philadelphia's best interest to promote the features that make it a vibrant and attractive urban area, while also emphasizing the benefits that the city has over New York City, including its lower rent costs, taxes, and cost of living.

To capitalize on existing trends, the City of Philadelphia should develop a comprehensive marketing strategy directed at attracting educated and skilled New York City residents into moving to Philadelphia. With an effective marketing plan and concerted targeting efforts, Philadelphia can attract a significant number of New York City commuters. Moreover, these highly skilled and profitable commuters could have long term economic benefits, such as attracting more top level job opportunities to Philadelphia. To be successful, this marketing campaign must have several distinct steps and components.

### ***Study of the Pocono's Marketing Campaign***

The Pocono's "Live BIG for less" campaign can serve as an important model for the design of Philadelphia's marketing strategy. A comprehensive study of the campaign should be conducted that examines the development, implementation, and success of the initiative. Pocono officials should be closely consulted to fully understand the development of their plan. In addition, marketing materials from the campaign should be obtained.

### ***Determination of Target Groups/Audience***

It is in the City's interest to develop policies that will attract new residents who will help buttress the city's declining tax base. Examples of such groups include small business owners, college graduates, and professional artists.

### ***Focus Groups***

To design and launch a successful marketing campaign, information and feedback about individual's attitudes towards living in Philadelphia must first be acquired. Focus groups are a vital tool that can help determine each target market's level of interest and knowledge about Philadelphia.

Focus groups can be used to better determine:

- The perceived advantages and disadvantages of Philadelphia in comparison to New York City
- The level of positive versus negative information that is known about Philadelphia
- The level of interest that New York City residents have towards moving to Philadelphia
- The overall disposition that New York City residents have towards Philadelphia
- Additional incentives that would attract New York City residents to Philadelphia
- Common factors that make New Yorkers more likely to move to Philadelphia

Focus groups consisting of three relevant demographics would be useful in contributing to a successful marketing campaign:

- Focus groups consisting of target New York City residents can help determine the level of interest and knowledge that this desired demographic has towards living in Philadelphia.
- Focus groups consisting of former New York City residents now residing in Philadelphia should be conducted. These would help determine the specific factors that contributed to their migration, and it would help to define the target market.
- Finally, focus groups consisting of current Philadelphia residents could be conducted to determine what current residents believe to be Philadelphia's strengths and weaknesses. This allows for greater input from those living in the community.

Focus groups are low cost tools that can vary in size and can quickly and effectively obtain useful and relevant data. These should be conducted before the marketing campaign is launched.

### ***Partner with Existing Marketing Entities to Develop an Overall Marketing Strategy***

The City of Philadelphia already has connections with existing partners that specialize in marketing. These partners should be included in the development and implementation of a marketing strategy to reach New York City residents. Organizations such as the Greater Philadelphia Tourism Marketing Corporation have experience in marketing Philadelphia to

diverse target audiences and could offer helpful advice, marketing materials, and statistical information.

### ***Partner with Philadelphia-based Businesses and Organizations***

The City of Philadelphia should partner with a wide variety of useful partners to attract New York City residents to Philadelphia. The migration of educated New Yorkers to Philadelphia benefits the entire city and is in the direct economic interest of numerous parties outside the government. Possible partners include:

- The Greater Philadelphia Chamber of Commerce
- Amtrak
- Philadelphia Community/Civic Groups
- The Philadelphia Visitors and Convention Bureau
- Philadelphia Marketing Groups
- Philadelphia-based Real Estate Professionals
- The local Business Community

In order to best target appropriate businesses and organizations, a special task force could be charged with contacting groups and conducting a summit with officials from the business community, the government, and community organizations. Each participating member could commit to the marketing plan and volunteer to contribute various resources.

### ***Determining the Most Effective Use of Resources and Money***

Once the target groups are determined, research is obtained, and the scale of the campaign is known, the most effective use of resources must be determined. This includes the allocation of all available funds, the use of employees, and the use of partner groups and organizations. A specific plan and budget must be drafted that specifies exactly how all available resources will be allocated.

Resources must be used to broadly advertise and reach the target markets through various forms of media. In addition, resources must also be used to make innovative appeals to distinct segments of the target audience, such as by securing special grants to encourage artists to move to Philadelphia.

### ***Advertising***

Advertising in a variety of media venues will enhance awareness of the campaign and reach large numbers of people. Possible advertising venues include:

- New York trade publications and professional magazines
- New York business journals
- New York newspaper publications, including the submission of opinion editorials to New York City print outlets
- AMTRAK
- New York City-based websites

- Televised New York City sporting events

### ***Creating and Distributing Marketing Materials***

Marketing materials are an essential component of any marketing campaign. A broad range of different marketing materials can be used to promote living in Philadelphia. These include pamphlets, information packets, and DVDs that feature an infomercial and/or short documentary highlighting the benefits of living in Philadelphia. These materials could be distributed at events and by mail or request.

### ***Creation of a Website Targeting New York City Residents***

The creation of a website specifically targeting New York City residents interested in Philadelphia is vital. This website will be the central point of information in the campaign, and it should specifically highlight the advantages of living in Philadelphia by favorably comparing it to New York City on a range of topics. It should serve the target market by being both a broad introduction to Philadelphia and an in-depth research tool.

The website should include several different components:

- An overall introduction to the city
- Individual neighborhood descriptions and comparisons, including price listings for buying vs. renting
- A guide to social events, cultural activities, and dining, including what to do and where to do it
- A guide to jobs and careers in Philadelphia, including economic statistics and links to websites with job listings
- Price comparisons between Philadelphia and NYC. This includes housing and property values, parking rates, tax rates, entertainment and art venues, and basic goods and conveniences

As the main source of information, this website should be highly interactive and should offer information in various forms of media, including articles, videos, and pictures.

### ***Identifying and Reaching Predominant NYC Bloggers***

Internet blogs are now major social forums used to discover and exchange information. A comprehensive marketing strategy should include reaching relevant New York City-based blogs that are frequented by the target market.

To accomplish this goal, predominant blogs and bloggers must first be identified and contacted. These blogs can then be used to advertise the website and related marketing materials and information. This would help to spread knowledge of the campaign on a more personalized, word-of-mouth level.



### *YouTube Philadelphia Video Series*

As part of a concerted website strategy, an online video series would compliment the website by reaching a larger audience. Creating a video series to be displayed on YouTube and other video-sharing websites would help to reach the “YouTube generation” and direct more people to the main website.

The Greater Philadelphia Tourism Marketing Corporation, as part of its “uwishunu” campaign, has created several ongoing video series that highlight interesting neighborhoods, restaurants, and nightlife attractions in short episodes of 5 to 15 minutes. A creative team could produce similar video series that discuss specific neighborhoods, the advantages of living in Philadelphia, and the convenient commute to New York City. These short films could feature interviews with real New York City commuters who chose to live in Philadelphia.

### *Attracting Recent College Graduates*

The City’s marketing plan should aggressively pursue students of New York City’s colleges and universities. Upon graduation, this educated class is searching for an affordable city that will provide them with economic and social opportunity. Philadelphia’s lower cost of living, strong job market, and large college and young adult community are each important incentives that can be used to attract New York City’s students to Philadelphia upon graduation.

There are several possible initiatives that can be used to specifically target New York City college students:

- Sponsored campus-based trips to Philadelphia
- Outreach materials with information on how to get to Philadelphia, where to stay, and what to do, including estimated costs
- Special tour buses highlighting specific neighborhoods
- Creating a centralized job posting network on the City of Philadelphia website
- Mass e-mails to college e-mail addresses

By implementing a large marketing campaign that has a variety of different components, policymakers can successfully attract larger numbers of educated and profitable New York City residents to Philadelphia.

## **VII. PHILADELPHIA’S APPEAL POINTS: WHY THE CITY OF BROTHERLY LOVE IS A SMART CHOICE**

### *The Philadelphia economy offers many job possibilities.*

While Philadelphia is a smart home for New York City commuters, it is also a strong city to live and work in. The latest unemployment data from the Bureau of Labor Statistics shows a lower unemployment rate for the Philadelphia Metropolitan Statistical Area than the New York Metropolitan Statistical Area; Philadelphia’s MSA unemployment rate for August 2009 was 8.8,

while the New York MSA unemployment rate for August 2009 was 9.3.<sup>46</sup> The Greater Philadelphia region is a huge economic force, with 3.01 million jobs and 6.09 million people as of 2006.<sup>47</sup> These figures demonstrate that Philadelphia should not only be an attractive place from which to commute to New York City, but it should also be seen as a viable city in which to seek employment.<sup>48</sup>

Philadelphia is one of the top locations in the country for education, medical services, and medical research. The region's colleges and universities make significant direct contributions to the region's economy through employment and student spending on goods and services. A recent study by *Econsult Corp* found that the University of Pennsylvania contributes \$6.5 billion to the Philadelphia economy annually, while Drexel University contributes an additional \$1.6 billion annually.<sup>49</sup> Furthermore, the University of Pennsylvania is the top private sector employer in the city.<sup>50</sup> Boasting at least 18 institutions of higher learning into its compact landscape, Philadelphia's strong academic sector contributes greatly to the economic prosperity of the city.<sup>51</sup>

Medicine is also a large sector in the local economy, as the city has numerous medical facilities. Three of the City's acclaimed hospitals, the Hospital of the University of Pennsylvania, Thomas Jefferson Hospital, and Albert Einstein Hospital are three of the largest private employers in Philadelphia. Even more noteworthy is that Thomas Jefferson University and Hospital is the largest private medical college in the United States.<sup>52</sup> The Hospital of the University of Pennsylvania, ranks tenth overall in the nation.<sup>53</sup> In addition, Albert Einstein, Children's Hospital of Philadelphia, Fox Chase Cancer Center, Friends Hospital, Moss Rehabilitation Hospital, Pennsylvania Hospital, Temple University Hospital, Thomas Jefferson University Hospital, and Wills Eye Hospital all rank nationally in specialized fields.<sup>54</sup>

Philadelphia also has a powerful business market. Several Fortune 500 companies have locations here, including, Sunoco, CIGNA, Lincoln Financial Group, Aramark, Crown Holdings Incorporated, Rohm and Haas Company, Comcast, GlaxoSmithKline, Boeing Helicopters and Pep Boys.<sup>55</sup> In addition, the Greater Philadelphia region is home to 33 Fortune 1000 companies and was recently ranked among America's hottest metropolitan areas for business location and expansion.<sup>56</sup>

Due to the deflated value of the dollar, the manufacturing sector has recently experienced noticeable growth that is having significant benefits for various industries, including those who produce chemicals, industrial machinery, fabricated metal products, electronics, transportation equipment, scientific instruments, apparel, paper products, rubber and plastic products, and primary metals.<sup>57</sup> In addition, high-technology industries such as communications, computer software, and Internet commerce have become a significant force in the city, and wide-ranging non-manufacturing and service industries continue to generate strong employment. Looking towards the future, printing, publishing, and food processing will continue to be central players in the twenty-first century Philadelphia economy.

The economic future for Philadelphia continues to look bright, despite the recent national slump. New construction, including the Comcast Tower, which is the tallest structure between New York and Chicago, foretells a successful financial future for the city.<sup>58</sup> Industries and tourism will continue to flock to Philadelphia as the expansion of the Pennsylvania Convention

Center is expected to be completed in 2010, boasting the largest convention center ballroom on the East Coast and the largest contiguous exhibit space in the Northeast.<sup>59</sup>

Philadelphia has also recently made a serious bid to become a major player in the film market. State legislation passed in 2007 creating a tax credit for filmmakers has already drastically increased the presence of the film and television industry in the local region. The Greater Philadelphia Film Office estimates that the tax credit creates 4,000 jobs statewide.<sup>60</sup> A cut in the total credit in the recently passed state budget is expected to be restored by 2011. New jobs in film production, engineering, and special services will be needed in the region as the industry continues to expand here. As a fresh and viable alternative to the more expensive film industry in New York City, Philadelphia is quickly attracting the attention of the filmmakers around the country.

***Philadelphia has a high quality of life.***

One of Philadelphia's strongest appeal points is the high quality of life that Philadelphia residents experience. Contrary to the negative image of Philadelphia as an undesirable city to live in, migration trends show that less people are leaving Philadelphia and more people want to move into the city. Using the IRS county to county migration data discussed earlier in this report, the Brookings Institute found that the net out-migration from Philadelphia has in fact decreased. Between 1994 and 2001, the annual number of people leaving the city ranged from 10,800 up to 22,200 people.<sup>61</sup> Between 2001 and 2005, approximately 10,000 people left the city annually.<sup>62</sup>

In recent years, Philadelphia's economy has shown great improvements over the sluggish 1990s, even through the current downturn. The vibrant culture, diverse job opportunities, improving neighborhoods, strong restaurant industry, and expanding economy are keeping residents happy and attracting many more each year. In 2005, Philadelphia had the fifth highest per capital personal income among the largest regions in the country.<sup>63</sup> Combining this strong buying power with the moderate cost of living and the high quality of life, the Philadelphia region has a strong advantage over other metropolitan regions.<sup>64</sup> Additional evidence of the City's prosperity is its leading role in many national trends, such as green initiatives, promoting local organic agriculture, and having free city-wide wireless internet. Finally, Philadelphia also has great diversity. It has significant African American, Irish, Italian, Asian, Jamaican, and Puerto Rican populations.<sup>65</sup>

***Philadelphia's real estate market is even more lucrative because of tax abatements.***

According to the Philadelphia Office of Housing and Neighborhood Preservation, "one of the most significant incentives for new housing development and housing rehabilitation in the City of Philadelphia is the 10-year real estate tax abatement offered by the Board of Revision of Taxes."<sup>66</sup>

***The big city with a community feel: Philadelphia's many neighborhoods.***

If any experienced urbanite wants to describe New York to someone for the first time, they will describe it by various neighborhoods, such as the East Village, Upper West Side, SoHo, Borough Park, Astoria, Williamsburg and Chinatown. Philadelphians also describe their city by

its neighborhoods, such as Bella Vista, University City, Powelton Village, Manayunk, Kensington, Rittenhouse Square, Fishtown, Chinatown, Mantua, Brewerytown, Washington Square, Germantown, and Old City. Like New York, Philadelphia offers something for everyone, in an atmosphere that is as diverse as any city in the nation. Each of Philadelphia's neighborhoods has unique historical, cultural, economic, and residential benefits and attractions. Anyone can find a niche in the diversity of the city. Each of these neighborhoods brings a unique character to Philadelphia and is considerably cheaper than a comparable neighborhood in New York City. Instead of living in an expensive one bedroom flat, a person can live affordably in a spacious house, while still enjoying the benefits of a large metropolitan area.

While Philadelphia is a great city for singles, Philadelphia also offers many opportunities for families. According to the last Census, of the 590,071 households in Philadelphia, 32 percent of the city's households are married couples living together, and twenty-seven percent have children under the age of 18.<sup>67</sup> There are approximately 450 primary and secondary institutions in the city.<sup>68</sup> In addition, there is a plethora of public playgrounds and recreational parks in each neighborhood. The Please Touch museum, the Academy of Natural Sciences, and the Franklin Institute also provide further educational fun for children of all ages.

***Philadelphia is a city rooted in history.***

Philadelphia has all of the historical features that one expects in a large city. As the City of Brotherly Love, the vast amount of American history woven throughout the entire city is astounding. Throughout the year, thousands of tourists visit the City to learn more about America's historic founding. Independence National Park, America's most historic square mile, is the site of numerous important events in the development of the country.<sup>69</sup> From Independence Hall to City Hall, the gravesite of Benjamin Franklin to the Betsy Ross House, or the National Constitution Center to Washington's crossing at Valley Forge, the Philadelphia region has history around every corner.

In addition to conventional landmarks, Philadelphia is also home to many other unique points in America's history. While almost all cities lay claim to their share of "firsts", no American city can claim as many as Philadelphia. For example, all boundaries in America were once measured using the latitude of 30 South Street as the demarcation point because the offices of English surveyors Charles Mason and Jeremiah Dixon were located here.<sup>70</sup> Philadelphia's water department, with the Fairmount Park Water Works, was the first in America to supply an entire city with potable drinking water.<sup>71</sup> Philadelphia is also home to the nation's first public grammar school, now known as the William Penn Charter School, founded in 1689, and the first volunteer fire department, founded in 1736 by Benjamin Franklin.<sup>72</sup> Clearly, Philadelphia's unique historical importance is a strong appeal point.

***Philadelphia is a city that loves to eat well.***

Philadelphia is famous for its wide variety of delicious foods and restaurants. The City's restaurant renaissance, begun nearly three decades ago, has accelerated in recent years, carrying Philadelphia to the forefront of the restaurant world. Pastry shops in South Philadelphia offer traditional fresh baked Italian pastries, outside seating blankets the sidewalks in Old City, and numerous five star restaurants offer the finest dining available. Old City, known for its late night

clubs and bars, has more than 100 dining options squeezed into its small, historic area.<sup>73</sup> From a cheese steak on the corner to a trendy Center City restaurant, Philadelphia has it all.

A hundred years ago, Philadelphia was known as the greatest brewing city in the Western Hemisphere, with over 90 breweries operating in the city itself.<sup>74</sup> It was such a robust industry in the city that one area even became known as Brewerytown. Although most large breweries have since closed, the city is now becoming home to a thriving independent microbrewery industry. Twice a year the Neighborhood Tourism Network hosts a tour of Philadelphia's historic and reemerging brewery neighborhoods and sights.<sup>75</sup>

Besides sit-down establishments and breweries, Philadelphia supports local, fresh farmers markets, from weekly neighborhood farmers markets on the sidewalks to the famous open-air Ninth Street Italian Market and the Center City Reading Terminal Market.

***The retail market is thriving in Philadelphia.***

Philadelphia may not have 5<sup>th</sup> Avenue, but residents and visitors have access to a healthy and growing Center City retail sector some offering of the best shopping in the country. The shops at Liberty Place, the Bellevue, the Gallery, the Bourse, South Street, and stores throughout Center City offer a diverse selection of retailers from Tiffany's and Claire's to Burberry, Bebe, H&M and Payless. Fashion is a significant industry in Philadelphia, from boutiques such as Joan Shepp and Matthew Izzo to home-grown chains like Anthropologie and Urban Outfitters, which is the one of the largest employers in the City. The King of Prussia Mall, an easy drive on Interstate 76 or by SEPTA, is one of the largest premier shopping malls in the world and attracts international shopping junkets. Retail in the Philadelphia region keeps expanding, with the new Philadelphia Premium Outlets in Limerick being a notable new addition featuring 120 designer and name-brand outlet stores.

***Philadelphians have an avid love for arts and culture.***

Philadelphia is one of the top big city arts destinations in the world. The Greater Philadelphia region holds more than 150 cultural events per day, almost 56,000 in a year.<sup>76</sup> According to the Select Greater Philadelphia Organization, arts and cultural organizations in the region have more than 12 million visits every year.<sup>77</sup> Participation in the arts and local culture has not only been a recent trend, but one that has long historic roots in Philadelphia. On Broad Street's "Avenue of the Arts," The Pennsylvania Academy of the Fine Arts, founded in 1805 by Charles Willson Peale, is the oldest art museum in the country. Philadelphia has an astonishing number of galleries and art museums, such as the Philadelphia Museum of Art, the Rodin Museum, and, soon, the relocated Barnes Foundation, to name a few. A steady stream of artists and performers arrives in the city annually to attend one of its renowned art schools, including the Moore College of Art, the Pennsylvania Academy, Temple University's Tyler School of Art, the University of the Arts, Arcadia University, Philadelphia University, the Curtis Institute, the Academy of Vocal Arts, and others.<sup>78</sup> In addition, many communities in the Philadelphia region have their own art schools, such as the Fleisher Art Memorial, which is the nation's oldest tuition-free art school.<sup>79</sup> First Fridays in the city have long been popular as galleries open their doors to the public with open houses, specials, and wine bars, attracting locals to the shops the first Friday of the each month. Fighting the presence of graffiti, the Mural Arts Program has also

created over 2,700 murals in the city, giving Philadelphia more murals than any other city in the world.<sup>80</sup>

In addition to the still arts, Philadelphia is a city of theaters. At least 30 major theaters have residence in the City, including the Walnut Street Theatre, The Philadelphia Theatre Company at Plays & Players, The Wilma Theater, the Arden Theatre, and the Prince Music Theater. The Kimmel Center for Performing Arts and the Academy of Music serve as home to eight resident company performing arts organizations, including The Philadelphia Orchestra, Opera Company of Philadelphia, Pennsylvania Ballet, Chamber Orchestra of Philadelphia, American Theater Arts for Youth, PHILADANCO, Philadelphia Chamber Music Society and Peter Nero and the Philly Pops.”<sup>81</sup> The Kimmel Center has had a huge presence on the Avenue of the Arts since its opening in December of 2001.<sup>82</sup>

Philadelphia also hosts numerous museums devoted to the sciences, such as the Mutter Museum of the College of Physicians of Philadelphia, the Atwater Kent Museum, the Franklin Institute, and the Natural History Museum. These museums attract tourists and academics to Philadelphia from around the globe.

According to a New York University study, many of the people moving to New York City said that their desire to enjoy cultural and other amenities was a major reason for their move.<sup>83</sup> Philadelphia has a similarly vibrant cultural scene that continues to grow. Annual unique events and fairs give a Philadelphia resident something to do and see almost daily in the city. Some of the more popular attractions include the Mummers Parade on New Years Day, the Philadelphia Flower Show, the Philadelphia Auto Show, the Fringe Festival, the Philadelphia Film Festival, the Saint Patrick’s Day Parade, the Greek Picnic, the Philadelphia Antique’s Show, Unity Day, the Welcome America Celebration at the Fourth of July, the annual Army and Navy Game, the Columbus Day Parade, Odunde Sunday, the annual Philadelphia International Gay & Lesbian Film Festival, the Philadelphia Marathon, the Philadelphia International Bike Race, and the Philadelphia Distance Run.

### ***Philadelphians love to be active in the outdoors.***

Another asset that sets Philadelphia apart from any other city in the world is Fairmount Park, the largest municipal park in the world. Almost thirteen percent of Philadelphia’s 86,456 total acres are parkland.<sup>84</sup> Outdoor recreation is a major part of Philadelphians’ lives. Paths, such as those along Kelly Drive, make Philadelphia a natural haven for walkers, runners, and bicycling aficionados of all kinds. *About, Inc.* rated Philadelphia one of the top walking cities and *Bicycling* magazine rated Philadelphia a runner-up as best cycling city in the country.<sup>85</sup> The Schuylkill River, with its unique Boathouse Row, is home to ten rowing clubs from area colleges, known collectively as the Schuylkill Navy, the nation's oldest amateur athletic association.<sup>86</sup>

America’s first zoo is also found in Philadelphia. Chartered in 1859, it had to wait to open until after the Civil War. Each year, the Philadelphia Zoo attracts 1.1 million visitors.<sup>87</sup>

### ***Following sports is a way of life in Philadelphia.***

Just as cobblestone streets and soft pretzels are a part of daily life in Philadelphia, so are local sports. With a variety of popular teams, *Sporting News* ranks Philadelphia as the 2<sup>nd</sup> best

sports city in the country.<sup>88</sup> Just looking at the popularity of the Rocky legacy, which attracts thousands of people every year to trace Sylvester Stallone's path up the Philadelphia Museum of Art steps, will show that the Philadelphia sports culture and history is unique. The Philadelphia sports teams include major professional teams such as the Eagles, the defending World Series Champion Phillies, the 76ers, and the Flyers. It also includes other professional league teams such as the Kixx (indoor soccer) and the Wings (lacrosse). Philadelphia stadiums draw more than 4.2 million fans every year to cheer on Philadelphia athletes. Joining Philadelphians' love for food and sports, the *Food Network* has recognized the Phillies' Citizens Bank Park as having "the Best Ballpark Eats."<sup>89</sup>

College sports also feed Philadelphia fans' needs. Temple, Villanova, and the University of Pennsylvania draw huge crowds to their various sporting events throughout the year. The Villanova men's basketball team is a perennial contender for the NCAA championship. The Palestra, at the University of Pennsylvania, is the oldest major college arena still in use today. It has hosted more games, more visiting teams, and more NCAA tournaments than any other facility in the country.<sup>90</sup>

### ***Philadelphia's location keeps residents happy***

Philadelphia has many unique advantages because of its location and surroundings. Located close to the city is a wide selection of golf courses. These include Pine Valley, widely considered the world's best golf course, Merion Golf Club, the Whitemarsh Country Club, and five municipal courses. Philadelphia is located approximately half way between New York City and Washington D.C., and it is only 60 miles from the casinos and night life of Atlantic City, New Jersey. Moreover, the City is within an hour's drive of the Jersey Shore, a popular destination for many Philadelphians during the summer.

## **VIII. ADDITIONAL RECOMMENDATIONS**

### ***Offer special discounts for commuter trains between Philadelphia and New York.***

Philadelphia should work with Amtrak to provide special discounted rates to residents who commute daily to New York City from Philadelphia. Amtrak offers special programs such as a California Rail Pass and a Florida Rail Pass for unlimited travel in those states for a certain time period.<sup>91</sup> A program such as this in the Northeast would greatly benefit Philadelphia commuters and help attract more New Yorkers to Philadelphia.

### ***Offer tax incentives for those who move to Philadelphia from New York.***

A recent article highlighted an existing tax advantage for Pennsylvanian residents from the Pocono's who commute to New York.<sup>92</sup> Many municipalities that have a higher percentage of residents who work in New York claim that they can collect little or no local and state income tax because of the high income taxes those workers already pay out to New York. Currently, Pennsylvania tax laws state that local residents who work in New York can subtract the taxes they pay to New York from the amount they owe to Pennsylvania and their municipality.

Therefore, many of those workers who pay higher taxes to New York owe virtually nothing to Pennsylvania.

**Credit Residents for Excessive Wage Taxes to other Municipalities:** New York collects approximately ten percent for a wage/earnings tax while other adjoining states collect at a significantly lower tax rate than New York. Therefore, Philadelphia and New York employees mutually may benefit from a commute. However, the Pennsylvania Constitution, “Uniformity Clause” and the United States Constitution, 14<sup>th</sup> Amendment, Equal Protection require Philadelphia not to establish an impermissibly differential wage tax. Nonetheless, Philadelphia could establish a uniform tax credit for a time period to credit money paid by Philadelphia residents to other municipalities including New York that are in excess of a high set percentage such as seven percent. By setting such a tax credit with a high starting tax level paid in excess of 7%, Philadelphia could credit a uniform tax amount that solely would benefit those taxed by New York while living in Philadelphia.

**Reciprocity:** In addition, Philadelphia could work with New York to enter into a reciprocal agreement for income tax. In this instance, people would pay income taxes in the state where they live and not where they work. Currently, Pennsylvania has this mutual relationship with New Jersey, Ohio, Indiana, Virginia, and West Virginia. Historically however, New York has resisted such an agreement.

***Philadelphia must do more to encourage the film industry to locate in the City.***

Philadelphia is on track to becoming a national leader in the filmmaking industry with the passage in 2007 of state legislation allowing for major direct tax incentives for film companies to locate and work in the state. Since that legislation passed, scores of film productions have located in Philadelphia. Uncertainty about the future of the tax breaks arising from this summer’s budget impasse contributed to some changed plans, but the breaks are on track for reinstatement by 2011. Plans for new soundstages to be built in the Philadelphia region have the potential to bring thousands of jobs in the film industry to the Philadelphia area. However, Philadelphia should consider offering additional incentives to encourage film industry jobs to locate within the city limits. Due to Philadelphia’s high tax rates, other cities and locations around the state have a slight monetary advantage. If the City can innovatively create the buildings, soundstages, and jobs that the film industry needs to prosper, the City could see an almost immediate and dramatic increase in film production work. These steps would encourage more New York City filmmakers to come to Philadelphia, which offers a big city environment at a fraction of the cost.

***Help secure special grants to artists locating in Philadelphia.***

Currently, Pew Charitable Trusts offers Pew Fellowships in the Arts programs to provide some financial help to working artists in the region. In order to attract more artists, the city could offer special incentives and opportunities. For example, through departments such as the Public Art of Philadelphia and groups like the Mural Arts Program, the City could secure and allocate special federal grants to help Philadelphia artists live and work in the City successfully. Moreover, the City could also explore an exchange program where local artists work on and maintain the City’s public art in exchange for a stipend and housing. These possibilities could



further attract more residents from New York to come to Philadelphia, where they would have a good opportunity for future prosperity.

## **CONCLUSION**

Recent migration data indicates that a significant number of educated New York City residents are relocating to more affordable locations outside of the five boroughs. As a major city located approximately two hours away, the City of Philadelphia is well positioned to capitalize on this existing trend and increase the number of New York City residents moving to Philadelphia. Boasting the culture, diversity, history, and vitality of a large American city, Philadelphia has numerous appeal points that can attract New York City commuters, as well as those who would like to work in Philadelphia.

To attract New Yorkers, the City of Philadelphia should construct a comprehensive marketing plan that includes multiple components and stresses the affordability, accessibility, and amenities that Philadelphia offers in comparison to New York City. In addition, commuter train discounts, tax incentives, grants, and other incentives should be used to attract specific target markets, including the film industry. Successfully attracting more New Yorkers to Philadelphia will lower the rate of population decline and will result in numerous economic benefits that will significantly contribute to the future prosperity and growth of Philadelphia.

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