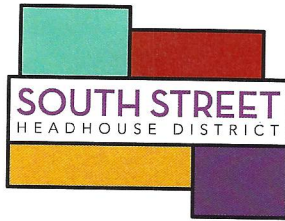


South Street Headhouse District Five Year Plan and Budget: 2023-2027



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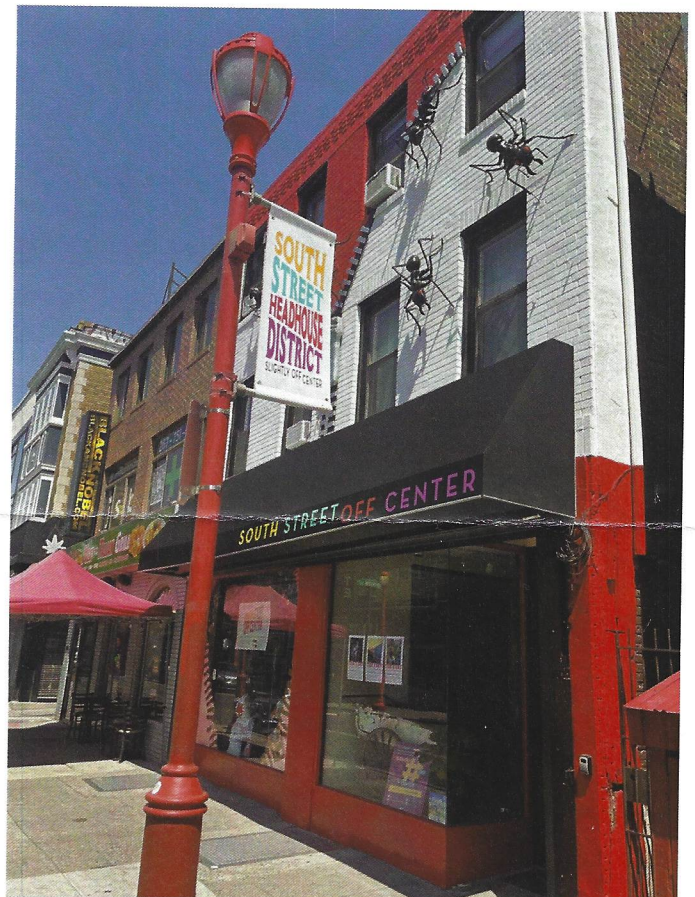
South Street Headhouse District Five Year Plan and Budget: 2023-2027

South Street Headhouse District Property Owner:

The Board of Directors of the South Street Headhouse District (SSHD) is pleased to present a five-year action plan and budget for 2023-2027 (including SSHD's services and improvements, estimated revenues and expenses, and method of assessment).

In operation for 30 years, SSHD continues to serve and support the business owners, property owners, residents, and other stakeholders and visitors to create and maintain a safe and vibrant historic commercial corridor. Through this five-year plan and budget, we intend to continue the work to keep public spaces clean and safe, grow and support the local economy, promote SSHD businesses and properties, attract and retain businesses, and market SSHD to Philadelphia and the region.

Since 1993, SSHD has worked in partnership with property owners, business owners, civic associations, residents, the City of Philadelphia, and other networks to address issues and challenges in an ever-changing landscape and plans to continue to be dedicated to creating new initiatives and opportunities to foster positive momentum for the community and this renowned and important commercial corridor



METHOD OF ASSESSMENT:

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 (2023= \$765,000) by a ratio of the assessed value of the individual property to the total assessed valuation of all the taxable property in the district (2023 = \$637,754,100). The SSHD assessment bill to a property is approximately 0.12% of a property's City-based market valuation. Historically, the District has experienced an approximate 90% collection rate on an annual basis.

District assessments will be calculated annually using 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 reductions to assessed value.

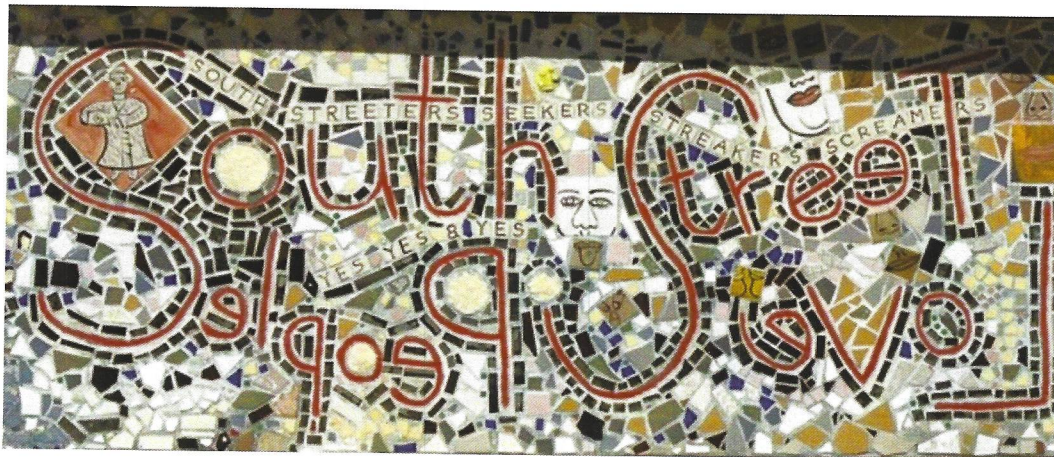
A provision has been made to enable single-family, owner-occupied, non-commercial mixed-use properties (including condominium units) with the district to not pay the annual SSHD assessment, if the owner-occupant elects to file an affidavit with the SSHD Office and provides documentation that they meet these conditions. Rental properties, multi-family properties and residential units above ground floor commercial spaces (commercial mixed-use) are considered

commercial properties for the purposes of assessment payment obligations.

The annual SSHD property assessment amounts are determined as set by an annual projected budget from SSHD necessary to fund district operations and programs. The SSHD budget and related assessments do not increase at the same rate as any City of Philadelphia increases, not is it a direct percentage of any City determined property valuations or increases.

SSHD primarily funds its operations and activities through assessments on taxable properties within the South Street Headhouse District boundaries as designated and determined by the Philadelphia City Council (last amended in Bill No. 10069, as passed on May 31, 2001). In addition to annual property assessment revenues, SSHD generates additional revenue for its operations and programs through special events, rental income, and fees for service. SSHD also actively seeks and has successfully brought in new non-assessment resources to the district by securing grants and third party funding for programs and capital improvements.

South Street Headhouse District is currently authorized to operate until December 31, 2027, in conformance with the Pennsylvania Municipal Authorities Act 1945, as amended, 53 Pa.C.S.A. §5601 *et seq.*; and Philadelphia City Council Bill No. 171129, signed into law on March 20, 2018.



South Street Headhouse District Five Year Plan and Budget: 2023-2027

The details below provide a 5-year projected plan and budget for years 2023-2027. The hearing on the 5-year plan and budget, are as follows:

Location for the hearing: South Street Off Center, 407 South Street, Philadelphia, PA 19147

Date of the hearing: *Monday, September 18, 2023 from 10:00am-1:00pm*

Who may object: Owners of benefitted properties in the South Street Headhouse District

Form of objection: In writing, signed by the owner objecting (or owner's authorized representative, with proof of proper authorization), and must identify the address(es) of any property for which the objection is being made.

Where to file: File both with the Chief Clerk of City Council and with the South Street Headhouse District:

Clerk of the City
Council of Philadelphia
Room 402 City Hall
Philadelphia, PA 19107-3290

South Street Headhouse District
P.O. Box 63675
Philadelphia, PA 19147

When to file: Affected property owners with the SSHD District will have forty-five (45) days after the close of the public hearing on September 18, 2023 to file objections to the 5-year plan and budget. (Objections must be postmarked no later than November 1, 2023).

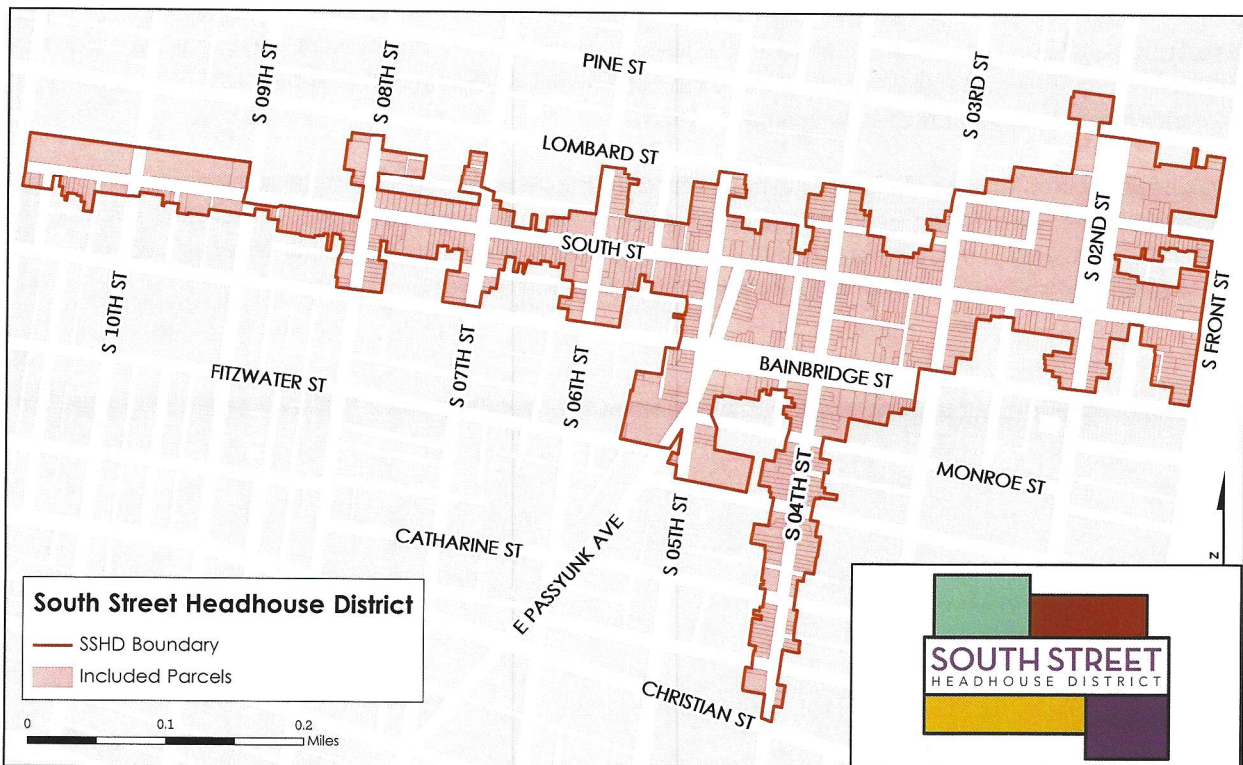
Effect of filing: If objections are filed by owners representing ownership of one-third in the number of properties in the South Street Headhouse District, or by owners of properties in the District the valuation of which is assessed for taxable purposes amount to more than one-third of the total assessed value of the District, then no further action will be taken on the plan and budget.

FIVE - YEAR PLAN AND BUDGET (2023-2027)

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 initiative designed to enhance the image and visibility of the South Street Headhouse District as one of the most dynamic and diverse area anywhere.

SSHD is one Philadelphia's historic, most visited, and renowned areas. The SSHD District is home to over 450 unique business, 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. Block away from the Independence Mall, South Street is also a tourist destination, bringing in over 1 million visitors annually and contributing to overall economy of the city. South Street also represents a rich and important artistic legacy in Philadelphia, as see at Philadelphia's Magic Gardens and in the world-famous mosaics of Isaiah Zagar, found throughout out the area.

The five-year plan and budget projects SSHD's objectives and goals from 2023-2027. SSHD will continue to commit resources to deliver services and initiatives 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 business in the commercial district.



ECONOMIC DEVELOPMENT

The South Street Headhouse District actively works with property owners, real estate brokers, business owners, and the City of Philadelphia to grow economic activity, through such actions as:

- Maintaining an updated **online business directory** for local and visitor information;
- Updating an inventory list of **available commercial properties** and works with brokers and property owners, and developers identify and secure new tenants;
- **Facilitating and expediting municipal services** with a variety of City agencies (Streets, L&I, Philadelphia Water Department, Commerce, Health) as well as utilities and other public agencies on behalf of property owners, businesses, and residents;
- Serving as **Registered Community Organization (RCO)** to play a role in local zoning, land use, commercial uses, and zoning appeal decisions to increase the economic well-being;
- Engaging with **best practices and networks**, through organizations such as the International Downtown Association, Philadelphia Association of Community Development Corporations, and the Responsible Hospitality Institute.
- Being a founding member of the **Philadelphia BID Alliance**, a network of 15 BIDs in the city who work cooperatively to address challenges, identify solutions, and grow Philadelphia's commercial corridors and small businesses;
- Communicating in **B2B newsletters** about funding opportunities and programs;
- Actively working with the real estate professional community, landlords, owners, and brokers to **proactively attract** retailers and businesses that will serve the community;
- **Celebrating, welcoming, and promoting new businesses** to support their success.



CLEANING AND MAINTENANCE

Keeping the District's streets clean and visually attractive is core to the mission of SSHD, which is achieved by:

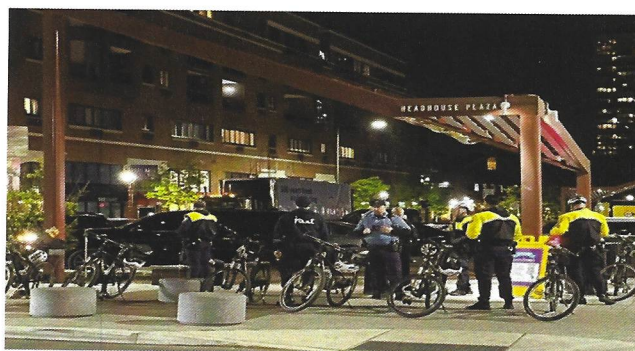
- Employing a sidewalk and street cleaning company (ACAM) that diligently and effectively works in all weather conditions to **sweep the curb and sidewalks**. In addition to the dedicated morning cleaning crews, ACAM also removes illegal and nuisance trash dumping, mulching and landscape maintenance, and other services;
- **Removing nuisance graffiti**, paint tags, and stickers from signs, parking kiosks, light poles, and other public space fixtures;
- Working closely to **coordinate responses and services with the City of Philadelphia**, directly and through 311, on behalf of the business and property owner community, to address broken Big Bellies, illegal bulk and short dumping, unsafe trees, inoperable or downed light poles, water main failures, and dangerous potholes and road conditions;
- Managing and maintaining the City-owned historic **Headhouse Shambles** through routine trash collection, sweeping, power washing, and other operations. This unique and beautiful space is used to house SSHD maintenance operations as well as host events such as the Headhouse Farmers Market, weddings, events, and free festivals.
- SSHD serves to **supplement and facilitate, but not replace**, both the services provided by the City of Philadelphia (such as through the Streets Department) and the responsibilities of individual property owners.



PUBLIC SAFETY

South Street continues to be one of the safer areas in Philadelphia, due to the efforts of SSHD, the Philadelphia Police Department, and many other partners, including:

- Providing annual operating support to the **South Street Police Ministation** (one of the few ministations in the city) and covers non-personnel expenses related to maintaining the operations of this important community asset and resource;
- Working closely with the Police Captains of the **3rd and 6th Police Districts**, in addition to the Commanding Officer of the Ministation, to work to ensure that SSHD presents a safe and enjoyable experience to residents, workers, patrons, and visitors;
- Establishing a **free Public Safety channel** on the Slack app, which allows businesses to notify other businesses, SSHD, and the South Street Ministation to any immediate public safety issues or situations;
- Distributing **packages of information** to all businesses with information sheets on the City of Philadelphia's Nuisance Business Law, How to Be a Good Business Neighbor, and Commercial Safety Tips and Resources;



- Distributing **Police store log books and signs**, in conjunction with the South Street Ministation, to increase business and police interactions and check-ins;
 - Working with City services and departments such as L&I, Health, and the Office of Homeless Services, as well as Pennsylvania Liquor Control Enforcement, to address various situations involving of homelessness, illegal vending, nuisance businesses, and other **quality of life concerns** on behalf of business owners and the community;
 - Serving as a member of the City's **Nightlife Advisory Committee**;
 - Convening a regular interagency **South Street Nightlife Task Force** to address and resolve quality of life and liquor license issues with the business district;
 - Regularly working, communicating, and meeting with **neighboring community civic associations** to discuss issues, build positive stakeholder relationships, and work on initiatives to improve overall community development around SSHD; and,
 - Entering into **Good Neighbor Agreements** with liquor licenses to define and document agreed-upon business operations and management for the overall community good.
-

BEAUTIFICATION AND PHYSICAL IMPROVEMENTS

SSHD consistently works to improve the attractiveness and safety of the physical environment of the area to attract new businesses, patrons, and investors, including:



- Initiated the project to develop the **Headhouse Plaza** from an underutilized, unwalkable, eyesore to a plaza with new activation spaces, new trees, new lights, new seating, and a safer accessible central walking path for pedestrians. The plan for coming years is to increase event activations and amenities in this newly redesigned space.
- Plans to continue to **increase lighting opportunities** on and around South Street for attractiveness, safety, and engaging creative placemaking;
- Secured a **Storefront Improvement Program (SIP)** grant for repainting and a new awning for the new South Street Off Center storefront office space at 407 South. SSHD will continue to promote and assist with landlord participation in the SIP program;
- Installed **new light pole banners** along South Street with "Slightly Off Center" brand;
- Will continue to work with property owners to install art, signage, and other **visual improvements** in vacant storefronts to create more curb appeal.

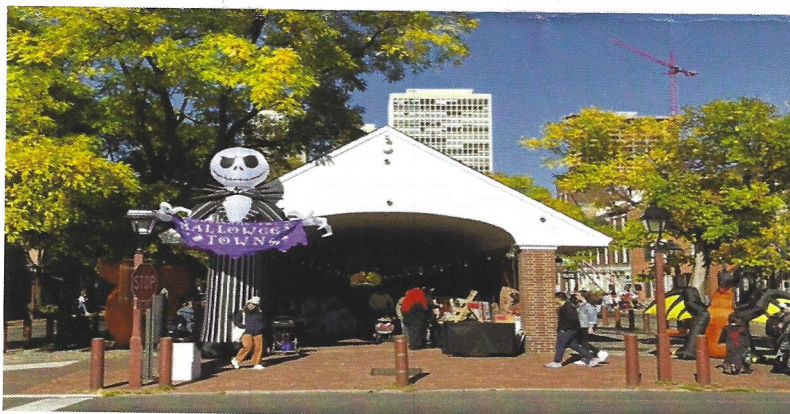


EVENTS, PROMOTIONS, AND MARKETING



SSHD produce a year-round calendar of special events and promotions, as well as constant marketing and communications, to increase foot traffic, boost area businesses, attract local and regional customers, and create an overall positive and vibrant image for the corridor.

- SSHD holds its annual **South Street Festival** on the first Saturday in May to kick off the Philadelphia Street festival season. The 10-block long event brings tens of thousands of visitors to enjoy the street, local restaurants and retailers, and over 100 arts and crafts vendors. This festival runs in conjunction with Atomic City Comics' free comic book day and Brauhaus Schmitz's Maifest, and has received national press and recognition;
- Every Easter Sunday, SSHD hosts the time-honored **Easter Promenade**, a 90-year old Philadelphia tradition, which is prominently featured each year with coverage by local television stations and print media;
- SSHD produces an annual **Fall Pumpkifest** in late October, which draws nearly 2,00 families and children to participate in free activities, watch circus performances, and go trick-or-treating at over 100 businesses in the area;



- To kick-off the holiday season every December, SSHD organizes an annual **Winter Wonderland**, which includes the lighting of a Christmas tree and kids visiting Santa;

- SSHD also hosts a **Hanukkah** event at the Shambles in partnership with local synagogues hold a Menorah lighting ceremony and a community celebration;
- SSHD initiated and will continue a successful **Meet Me on South Street** marketing campaign, designed in partnership with local businesses to drive foot traffic to South Street for specials, events, and promotions;
- SSHD plans to continue to support and sponsor **local business street festivals**, through logistics coordination and marketing, to activate the street and create positive events;
- A new and successful **Night Market** summer series has been launched and is proving very popular with neighbors and businesses, and plans will be to continue this model;
- In addition, SSHD will organize and coordinate a **South Street Restaurant Week** to feature and promote the incredibly diverse and international range of restaurants that can be found in the district;
- SSHD works to **increase public awareness** with Visit Philly to promote the events in the commercial corridor, participates in interviews and TV segments to market the businesses and initiatives in the district, and advertises with Queen Village to promote businesses to residents.



SSHD ADMINISTRATION

SSHD is governed by a 16-member volunteer Board of Directors comprised of a cross section of property owners, business owners, and interested stakeholders who are committed to the improvement and maintenance of SSHD. Programs and initiatives are managed by a staff of four employees. The SSHD office, information, and resource center is located at 407 South Street.

ASSESSMENT FORMULA

Annual assessment charges are computed by multiplying that portion of the District's annual billing amount (2023 total = \$765,000) by a ratio of the assessed value of a property to the total assessed valuation of all the commercial properties in the District (2023 total = \$637,754,100). The SSHD assessment bill to a property is approximately 0.12% of the City-base market valuation.

South Street Headhouse District Five Year Plan and Budget: 2023-2027

SSHD BUDGET - 2023-2027		2023	2024	2025	2026	2027
REVENUE						
Current Year Assessments	a	\$765,000	\$787,950	\$811,589	\$835,936	\$861,014
Prior Year Assessment	b	\$50,000	\$51,500	\$53,045	\$54,636	\$56,275
Rental Income	c	\$40,000	\$41,200	\$42,436	\$43,709	\$45,020
Event Income	d	\$60,000	\$61,800	\$63,654	\$65,564	\$67,531
Other Income	e	\$110,000	\$113,300	\$116,699	\$120,200	\$123,806
Total Revenue		\$1,025,000	\$1,055,750	\$1,087,423	\$1,120,045	\$1,153,647
EXPENSES						
Clean and Safe	f	\$285,000	\$293,550	\$302,357	\$311,427	\$320,770
Beautification	g	\$60,000	\$61,800	\$63,654	\$65,564	\$67,531
Events	h	\$93,000	\$95,790	\$98,664	\$101,624	\$104,672
Marketing	i	\$46,000	\$47,380	\$48,801	\$50,265	\$51,773
Business Development	j	\$29,000	\$29,870	\$30,766	\$31,689	\$32,640
General and Administrative	k	\$80,000	\$82,400	\$84,872	\$87,418	\$90,041
Payroll and Related	l	\$415,000	\$427,450	\$440,274	\$453,482	\$467,086
Police Ministration Support	m	\$17,000	\$17,510	\$18,035	\$18,576	\$19,134
Total Expenses		\$1,025,000	\$1,055,750	\$1,087,423	\$1,120,045	\$1,153,647

Notes

- a - Current year assessments, net of single family owner-occupied affidavits
- b - Collections of past due assessments from prior year assessments
- c - Income generated from Headhouse Shambles rentals
- d - Income derived from festivals, special events, or other district promotions
- e - Income generated from grants or other third-party support
- f - Annual cost of street cleaning, trash collection, and graffiti removal
- g- Expenses related to banners, landscaping and holiday lighting
- h - Annual calendar of festivals and events
- i - Promotions, advertising, printinting, other costs associated with events
- j - Economic development and planning initiatives to attract and support businesses
- k - Annual operating costs, including insurance, utilities, memberships, and supplies
- l - Payroll related expenses of SSHD operations staff
- m - Non-personnel costs to support daily operations of South Street Police Ministration

Policy related to reduced assessments: SSHD assessments are based on the assessed value for the taxable real estate as determined annually by the Office of Property Assessment (OPA). In any given year, property owners has the right and ability to appeal the OPA assessment to the Board of Revision of Taxes (BRT) and not SSHD. SSHD's policy is to recalculate the annual charge and allow an adjustment to the current year's charge, or if the charge has already been paid, to allow a credit against the property's next annual SSHD charge, if the certified value of the property is reduced on appeal by the BRT. In order to be eligible for the reduction credit, SSHD must receive written notification of an appeal from the property owner in the year in which the appeal is filed, in addition to a copy of the initial application and final decision of the BRT for reduction of the property value for which the assessed charges apply.

**SOUTH STREET HEADHOUSE DISTRICT
BOARD OF DIRECTORS
2023-2027**

Richard Millan, Board Chair Millan Properties	Doug Hager Brauhaus Schmitz
Allison Hindman-Harvey, Board Vice-Chair Foremost Properties	Taylor Jenkins The Philly Game Shop
Adam Shapiro, Board Treasurer Resident	Samantha Shaw Sam Shaw's Treatery
Shannon Maldonado, Board Secretary YOWIE	Ken Silver Jim's Steaks South St.
Chris Barnes Lucky's Last Chance	Joel Spivak Resident
Elena Brennan Bus Stop Boutique	Monica Thompson Oxymoron Boutique
John Foy Bridget Foy's / Crybaby	Nicole Weigand South Street Art Mart
Edward Garcia Queen and Rook Game Café / The Keep	Adam Zaken Mira Properties