

POTENTIAL ECONOMIC AND FISCAL IMPACTS OF THE FULL IMPLEMENTATION OF THE CENTENNIAL DISTRICT MASTER PLAN



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Econsult was retained by MGA Partners to estimate the potential economic and fiscal impacts attributable to the planned build-out of Philadelphia's Centennial Park District ("Centennial Park"), as envisioned in the recently adopted 2004 Centennial District Master Plan (the "Master Plan"), and further developed by MGA Partners, Inc. ("MGA").

The Master Plan envisioned a dramatic transformation of the Centennial Park over the next decade, calling for over \$300 million in public and private capital investment over the 2005 - 2015 development period. New venues would result in greater annual operating expenditures and ancillary spending by visitors than could be expected if the Plan were not to be implemented and would generate a significant incremental recreational value to citizens and visitors. In addition, housing values in areas adjacent to the Centennial District would experience increased values as a result of the plan, while the new Centennial Park District would generate important intangible benefits to the city and the state.

The potential future economic activity envisioned by the Master Plan promised considerable economic and fiscal impacts for the 5-county Philadelphia region and Pennsylvania as a whole. Our estimates suggested that by 2015, Centennial Park would become an important regional art and cultural cluster. We identified and estimated four types of potential quantitative impacts:

- Those associated directly and indirectly with increased spending activity (and corresponding income and employment)
- Those associated, directly and indirectly, with increased tax revenues
- Those associated with potential increased property values of existing residential properties adjacent to the District
- Those associated with the increased recreation value to citizens and visitors

Econsult also identified the following qualitative impacts that contributed significantly to the public value of the plan:

- "Smart growth" use of underutilized land in the city, reducing pressure to develop the urban fringe
- Reinvesting in a unique historic asset to the region
- Strengthening connections between the City and Fairmount Park
- Strengthening the residential neighborhood south of the Park

