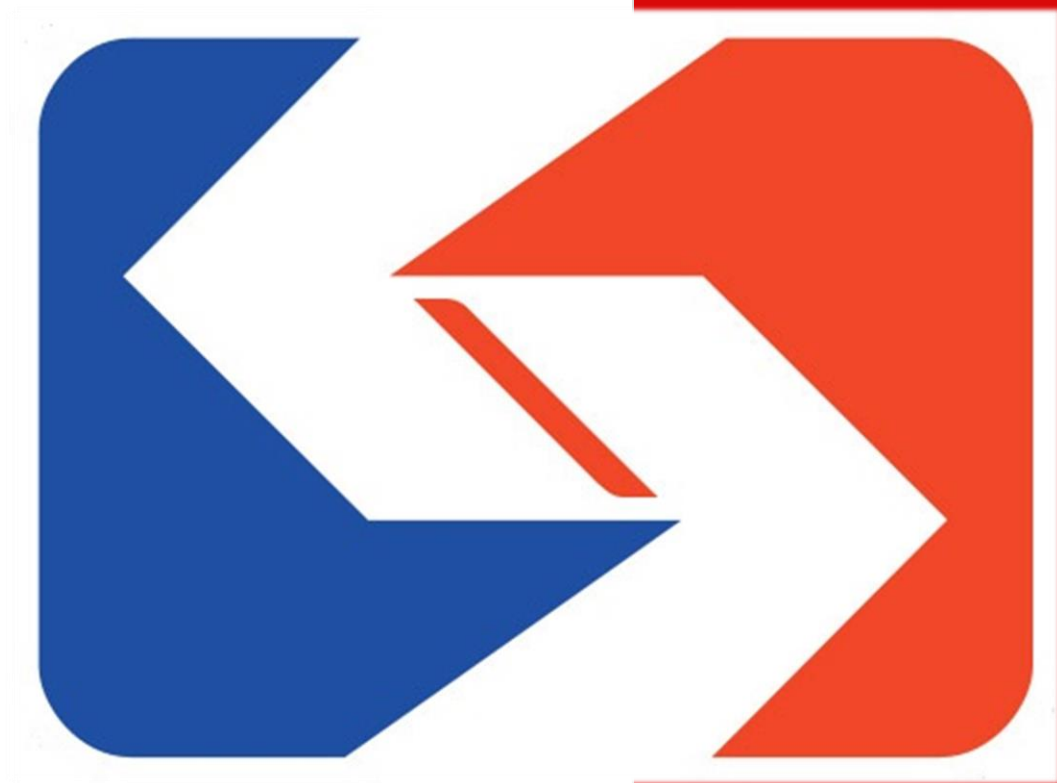


# 2013

## Public-Private Partnerships in Transportation



Devin Turner

Advisor: Victoria Keichel

School of International Service

University Honors

Spring 2013



*Taken by Studio34 in Philadelphia, PA*

## ***Contents***

<i>Capstone Abstract.....</i>	<i>2</i>
<i>Introduction .....</i>	<i>3</i>
<i>Organization Overview .....</i>	<i>5</i>
<i>Project Plan Details.....</i>	<i>12</i>
<i>Regional &amp; Domestic Best Practices .....</i>	<i>16</i>
<i>SWOT Analysis .....</i>	<i>26</i>
<i>Project Recommendations .....</i>	<i>35</i>
<i>Bibliography .....</i>	<i>38</i>
<i>Executive Summary.....</i>	<i>42</i>

## *Capstone Abstract*

This report set out to examine the feasibility and potential structure for a public-private partnership between the Southeastern Pennsylvania Transportation Authority, or SEPTA, and Philadelphia Business Improvement Districts, or BID's, for the improvement of subway-surface trolley stations in the Center City and University City neighborhoods in Philadelphia. This report examined the current conditions and involved parties, laid out a potential implementation plan, examined and evaluated local and domestic best practices for public transportation partnerships and station improvements, conducted an analysis of applicable project strengths, weaknesses, opportunities, and threats, and presented project recommendations. This report proposed that with rational scaling and community buy-in, a station improvement project could be very affordable and could offer significant benefits to communities in terms of security, safety perceptions, and community marketing. Furthermore, this report suggested the successful implementation of this plan could have much broader implications for the future of the currently underfunded SEPTA public transportation system, providing a new, more community-oriented method for SEPTA to maintain or improve service in the face of increasing government cuts.

## *Introduction*

The past few years of post-Great Recession economic development in the United States have not been kind to public services, with local, federal, and state public agencies sustaining cuts that have undermined already strained efforts to provide Americans with quality public services. This has been especially true with regard to public transportation, with many public transit agencies facing significant cuts to an existing paucity of state and federal investment in public transportation.<sup>1</sup> The Southeastern Pennsylvania Transportation Authority, or SEPTA, the primary public transportation authority in the Philadelphia area very clearly displays the effects of this trend.

Pennsylvania budget cuts have affected public transportation operations around the Commonwealth. The Port Authority of Pittsburgh was almost forced to adopt 35% service cuts during the summer of last year, before last-minute negotiations with the transit unions and state government reduced costs and increased state subsidies.<sup>2</sup> The Philadelphia transit authority has continued to suffer from chronic underinvestment, with SEPTA's capital budget only consisting of around a third of the funding of peer transit authority the Massachusetts Bay Transportation Authority (MBTA) in Boston. Even before the Recession, Pennsylvania lawmakers realized the potential benefits of exploring alternative funding methods in order to maintain and expand transit service. The legislative result is Act 44 of the Pennsylvania General Assembly's

---

<sup>1</sup> This federal and state government trend towards reducing funding for public transportation has occurred over the last few decades, with the recent and dramatic cuts occurring due to a weak national economy following the Great Recession.

<sup>2</sup> Jon Schmitz, "Port Authority Ratifies Contract to Head Off Service Cuts," *Pittsburgh Post-Gazette* 2012.

Transportation Reform Act of 2007, which mandates that state public transportation agencies explore non-traditional funding mechanisms in order to finance their operations.<sup>3</sup>

This project will explore the opportunity for Public-Private Partnerships, or P3s, where public and private entities come together to improve public services and infrastructure with the wealth and expertise of private organizations. The SEPTA subway-surface trolley stations found in some of the densest parts of Philadelphia will be the focus of this project, with the hope that a P3 opportunity could be developed in order to improve the safety and aesthetics of these stations, to the benefit of the surrounding community and its related organizations, while providing an innovative revenue mechanism for SEPTA – one which provides the authority direct funding as well as indirect funding through reduced maintenance needs for these stations. This project's feasibility is supported by Act 44 of the Pennsylvania General Assembly's Transportation Reform Act of 2007,<sup>4</sup> which provides a legislative incentive for SEPTA to consider more innovative funding streams, such as this paper proposes.

This report will provide an organization overview to identify key parties and their involvement with public transit in Philadelphia. This will be followed by details of the project plan and an examination of domestic and regional best practices which could impact and support this project. This will, in turn, be followed by a more in-depth analysis of the strengths, weaknesses, opportunities, and threats which the proposed project plan could face. Finally, recommendations will be provided to provide policy makers with a sturdy foundation for project implementation.

---

<sup>3</sup> "Septa Agrees to Rename Pattison Ave. Station at&T Station," *Philadelphia Business Journal* 2010.

<sup>4</sup> Ibid.

## *Organization Overview*

### **SEPTA**

#### Background

The Southeastern Pennsylvania Transportation Authority, or SEPTA, was founded in 1964 by the Pennsylvania State Legislature as a public transit authority to absorb the assets of formerly private public transportation companies throughout the Southeastern Pennsylvania region. SEPTA is the sixth-largest public transportation system in the United States,<sup>5</sup> servicing three states: Pennsylvania, New Jersey, and Delaware. The system serves over a half a million customers daily, and has the distinction of being one of two transit systems in the United States which runs all modes of public transportation, utilizing buses, trolleybuses, light rail, heavy rail, regional rail, and paratransit vehicles.<sup>6</sup> According to a report by the Philadelphia City Paper, the authority saw its highest ridership in 22 years in 2011, with over 334 million rides.<sup>7</sup> In July of 2012, SEPTA received the “Outstanding Public Transportation System Achievement Award” for 2012 from the American Public Transportation Association (APTA) for a transit system with over 20 million annual trips.<sup>8</sup>

#### Public Transportation Involvement

Since the SEPTA’s inception in 1964, the system has faced considerable difficulties in terms of securing sufficient financing to improve and maintain the quality of service. The system’s annual capital budget, according to Plan Philly, a project by PennPraxis at the

---

<sup>5</sup>“Fiscal Years 2010 – 2014 Five–Year Strategic Business Plan,” (Philadelphia, PA: Southeastern Pennsylvania Transportation Authority, 2010)., 4.

<sup>6</sup> Ibid, 4.

<sup>7</sup>Daniel Denvir, “Why Septa Is Heading for a Crash,” *Philadelphia Citypaper*, 06/21/12 2012., 1.

<sup>8</sup> “Septa Named ‘Outstanding’ Public Transit System for 2012,” (2012), <http://www.septa.org/media/releases/2012/07-26.html>.

University of Pennsylvania, is currently around \$300 million.<sup>9</sup> For some perspective, peer agencies New Jersey Transit (NJT) and the Massachusetts Bay Transportation Authority (MBTA) have capital budgets of \$1.2 billion and \$815 million.<sup>10</sup> As a single metropolitan transit agency, MBTA provides the most adequate comparison. With a metropolitan area population of around 630 thousand, versus Philadelphia's population of around 1.53 million,<sup>11</sup> the per-capita funding for the MBTA is about \$1294, versus \$196 for SEPTA. This significant lack of funding in comparison to peer organizations is disconcerting, particularly given the context of deferred maintenance; the system's backlog just for "state of good repair" projects is over \$4.7 billion. There is therefore little room to engage in new capital projects. Projects which do not fall under the definition of "state of good repair" projects and which involve the expansion of service have not been prioritized by SEPTA as capital budget items, even as the authority continues to explore capital grant opportunities.<sup>12</sup> In January the Authority disclosed that the Norristown High Speed, Media-Elwyn, and Chestnut Hill West rail lines could face not only reduced service, but station closures, if SEPTA's capital budget woes are not resolved.<sup>13</sup> While Pennsylvania Governor Tom Corbett recently released a transportation budget that seeks to tackle the underinvestment in public transit by increasing state transit funding by \$250 million by the fifth year of the budget,<sup>14</sup> SEPTA's capacity to engage in capital projects is likely to continue to remain uncertain.

Financial calculations by SEPTA suggest that the authority would need to increase its annual capital budget to at least \$659 million for over 20 years in order to achieve a system-wide

---

<sup>9</sup> Christine Fisher, "Septa to Shrink without Additional Funding," (2013), <http://planphilly.com/articles/2013/01/11/septa-to-shrink-without-additional-funding>.

<sup>10</sup> "Sep-Tainable Empowering Action Annual Report ", (Philadelphia, PA: Southeastern Pennsylvania Transportation Authority, 2013)., 41.

<sup>11</sup> U.S. Census Bureau, "Population in the U.S.," (Google, 2013).

<sup>12</sup> "Fiscal Years 2010 – 2014 Five-Year Strategic Business Plan.", 13.

<sup>13</sup> Christine Fisher, "Septa Declares Capital Funding Crisis, Opens Dialogue with Public," (2013), <http://planphilly.com/articles/2013/01/16/septa-declares-capital-funding-crisis-opens-dialogue-with-public>.

<sup>14</sup> Paul Nussbaum, "Transit Agencies May Get More Funding Than Corbett's Budget Planned," *Philadelphia Inquirer*, 02/10/2013 2013.

state of good repair.<sup>15</sup> Given this lack of state funding for capital projects, SEPTA is also considering non-state funding sources in order to rebuild and expand the region's transportation system. In the authority's "2010-2014 Five-Year Strategic Business Plan", the authority laid out seven key strategic objectives: "Sustainability" (Environmental, social, and environmental), "Customer Service", "Human Capital Development" (Internal training, talent development, etc.), "Safety & Security", "New Technologies" (New Payment Technologies (NPT), customer service technologies, etc), "Ridership Growth for Transit", and "Rebuilding the System". Public-Private Partnerships (PPP, or P3) were highlighted as a key approach towards achieving the objective of "Rebuilding the System", with the authority noting that partnerships could be explored that include "private sector involvement in operations, financing, and infrastructure".<sup>16</sup>

## Center City District

### Background

The Center City District, or CCD, is one of the primary Philadelphia organizations who could play a leadership role in this project. It was founded by Philadelphian businesses and property owners, as well as the City of Philadelphia in 1990, and is authorized under the Pennsylvania Municipality Authorities Act.<sup>17</sup> Business Improvement Districts, or BIDs, like Center City District are able to levy taxes, provide a range of services to their community, and often maintain considerable autonomy from local governments, despite their subordinate position.<sup>18</sup> This has provided CCD with considerable power and flexibility to achieve its goals

---

<sup>15</sup>"Sep-Tainable Empowering Action Annual Report ", 41.

<sup>16</sup>"Fiscal Years 2010 – 2014 Five-Year Strategic Business Plan.", 13.

<sup>17</sup> "Center City District Business Improvement District," Center City Philadelphia, <http://www.centercityphila.org/about/CCD.php>.

<sup>18</sup>Göktuğ Morçöl, "Center City District: A Case of Comprehensive Downtown Bids," *Drexel University Law Review* 3:271(2010), 272.

and increase investment in Philadelphia's downtown. The district's mission is to ensure that Center City, as the downtown region of the city of Philadelphia, is kept "clean, safe, beautiful and fun".<sup>19</sup> Since CCD's creation, the district has sought to improve the cleanliness and safety of Center City's streets by engaging in large-scale street cleaning and lighting efforts. The district has also sought to improve the quality of public spaces in Center City by funding and maintaining three parks throughout the district.

The CCD shares resources with two other Center City organizations, which have formed the Center City Philadelphia partnership. The Central Philadelphia Development Corporation, or CPDC, is affiliated and managed by the staff of the CCD and has sought to be an "effective vehicle for private-sector leadership to shape the future of downtown through research, planning, advocacy and civic engagement" since 1956.<sup>20</sup> The Central Philadelphia Transportation Management Association, or CPTMA, is managed by CCD and CPDC and was established in 2001 to address Center City's traffic congestion. For the purposes of this business plan, these three organizations will be referred to collectively as the Center City District, given that CCD would be the most active party in negotiations with SEPTA.

### Public Transportation Involvement

Center City District's involvement with public transportation has occurred not only with the BID, but also with the CPDC, and CPTMA. The Center City District BID has played an ancillary role when it comes to the improvement of public transportation in Center City, having engaged both SEPTA and the Port Authority Transit Corporation, or PATCO, which runs the PATCO High Speed Line to Southern New Jersey, in 2007 to develop a clear ownership map for

---

<sup>19</sup> Ibid.

<sup>20</sup>"Central Philadelphia Development Corporation (Cpdc)," Center City Philadelphia, <http://www.centercityphila.org/about/CPDC.php>.

the underground concourse in Center City.<sup>21</sup> The drafting of this map allowed the BID to approach SEPTA to obtain the contract to perform maintenance on Market East and Suburban regional rail stations, as well as the SEPTA-owned sections of the underground concourse.<sup>22</sup> The maintenance of these areas is conducted by a team of 64 CCD employees.<sup>23</sup>

The CPDC has also become involved with public transportation in Center City through its involvement in the redesign of Dilworth Plaza in front of city hall. CPDC, as well as CCD, have played a role in funding the design phase of reconstruction, working to ensure that the final plan for the plaza best utilizes the above ground and underground resources of the plaza and incentivizes transit use. While funding difficulties have put the later phases of the redevelopment of the plaza and the concourse on hold, the CCD and CPDC hope to eventually work with SEPTA to redesign the City Hall Station on the Broad Street Line.<sup>24</sup>

CPTMA has played one of the largest and most noticeable roles in improving public transportation infrastructure in the city of Philadelphia as of late through its transit portal signage project. Much like the brown pylons utilized by the Metro public transportation system in Washington, DC, the organization has installed green back-lit “lollypop” transit portal signage across the Center City district, which seeks to inform transit users of multi-modal transit access points.<sup>25</sup> The organization has also replaced signage and maps along concourses and transit entrances to create a unified brand for transit in the city which still acknowledges the independence of both SEPTA and PATCO.<sup>26</sup>

---

<sup>21</sup> "Center City District Begins Consolidated Cleaning Services in Center City Underground Concourse and Rail Stations," (2007), <http://www.centercityphila.org/pressroom/prelease080207.php>.

<sup>22</sup> Ibid.

<sup>23</sup> "Center City District," (2012), [http://www.centercityphila.org/docs/SOCC2012\\_CCD.pdf](http://www.centercityphila.org/docs/SOCC2012_CCD.pdf), 60.

<sup>24</sup> "Transforming Dilworth Plaza (2011–2013)," ed. Center City District (Philadelphia, PA2011), 4.

<sup>25</sup> Greg Meckstroth, "Center City's Effort to Increase Visibility and Access of Regional Transit Nears Completion," (2012), <http://www.flyingkite.com/devnews/PortalSignageSystem0828.aspx>.

<sup>26</sup> Ibid.

## University City District

### Background

The University City District, or UCD, is a non-profit Special Services District, or SSD, which is an organization formed by stakeholders in a community to enhance the services provided by the city, particularly with regard to security, development, and street and public space cleaning.<sup>27</sup> The organization receives funding from major donors within the community and from various foundations. The top four donors for 2012 were the University of Pennsylvania, Drexel University, the University of Pennsylvania Health System, and the William Penn Foundation.<sup>28</sup> The University City District was formed in 1997 in order to confront rising crime and continued district disinvestment. UCD has focused primarily on increasing the security and cleanliness of University City. The organization employs 55 Public Safety Ambassadors, which patrol University City and work alongside city and university police departments to reduce crime in the district.<sup>29</sup> UCD also employs 22 Public Space Maintenance employees to ensure that the streets and public spaces of University City are kept clean.<sup>30</sup> The group has also been very successful in revitalizing critical corridors in University City, and has received grants from the City of Philadelphia to revitalize economic corridors, such as Baltimore Avenue, and to track development in the community.<sup>31</sup>

As University City has rapidly transformed into both a job center and vibrant district of Philadelphia, UCD has adapted its mission to better suit the community it serves. UCD has recently begun to directly involve itself in “placemaking” throughout University City, building

---

<sup>27</sup> "The Special Services District: A Fact Sheet," University of Pennsylvania, <http://www.upenn.edu/almanac/v43/n36/ucd.html>.

<sup>28</sup> "Fy 2012 Donors," University City District, <http://universitycity.org/donors>.

<sup>29</sup> "The State of University City 2012/13," (Philadelphia, PA: University City District, 2012)., 28.

<sup>30</sup> Ibid, 28.

<sup>31</sup> Andrew Goodman, "University City District Receives \$113,000 for Corridor Revitalization Projects," (2009), <http://planphilly.com/articles/2009/08/13/9652>.

parks and public places that are so compelling that they attract attention and users. This goal has resulting in a series of innovative park and public space designs, which have sought to better utilize existing spaces throughout the community. The organization has worked with the City of Philadelphia to create innovative “parklets” along major pedestrian corridors, permanent and temporary parks which are created by reclaiming street parking spaces. The Woodland Green space and the Porch at 30<sup>th</sup> Street have followed a similar design philosophy, utilizing underused road and parking infrastructure to generate public spaces which act as small parks and event venues. The Porch at 30<sup>th</sup> Street, opened in November of 2011, has been particularly successful in this regard, having already hosted yoga groups, farmers markets, beer gardens, and mini-golf over its short lifetime.<sup>32</sup>

### Public Transportation Involvement

Given this desire by UCD to better utilize public space throughout University City, it is unsurprising that the organization’s mission has recently compelled the group to interact on a deeper level with public transportation. While typically envisioned as spaces individuals move through, public transportation infrastructure can establish place and can provide an anchor for quality public spaces, particularly for areas where public transit is widely used. UCD’s announcement in November of 2012 that it would be partnering with SEPTA and the City of Philadelphia on the redevelopment of the plaza at the 40<sup>th</sup> Street Trolley Portal in University City, which serves as a major station for the 11, 13, 34 and 36 trolley lines emerging from the trolley tunnels that run through east University City and Center City, is the first major step that the organization has taken towards involving itself with public transportation. This project seeks to increase the pedestrian accessibility of the trolley portal and increase the plaza’s status as a

---

<sup>32</sup> Ibid, 24.

“place” within the community through the inclusion of a space for a café or community gathering point.<sup>33</sup> The project will consist of two phases, with the first phase consisting of the landscape redevelopment and the second phase focusing on the development of a commercial property at the portal. UCD has committed \$650,000 for the first phase of the redevelopment and will be responsible for the upkeep and maintenance of the plaza following construction.<sup>34</sup>

## *Project Plan Details*

### **Fundamental Objective**

The fundamental objective of this paper will be to encourage SEPTA to better engage with private entities in Philadelphia in order to achieve its funding and service goals. This objective also requires an increased respect and appreciation of public transportation infrastructure by private entities, specifically the city’s business improvement districts, or BIDs.

### **Goals**

The enumerated goals of this project will attempt to integrate economic, security, and community-transit concerns in Philadelphia’s public transportation assets and the community perceptions and use of these assets. The economic goal focuses on SEPTA’s compliance mandate with Act 44 of the Pennsylvania General Assembly’s Transportation Reform Act of 2007 by embracing new revenue streams. This project therefore seeks to generate increased revenues for SEPTA by offering a series of station up for “adoption”, or by allowing companies, institutions, or organizations the opportunity to modify the name of the station. The leasing of the physical station space is not envisioned by this project; instead, station “adoption” would

---

<sup>33</sup> Christine Fisher, "University City District Will Make 40th Street Trolley Portal Pedestrian Friendly," (2012), <http://planphilly.com/articles/2012/11/14/university-city-district-will-make-40th-street-trolley-portal-pedestrian-friendly>.

<sup>34</sup> Ibid.

involve the payment of SEPTA by various interested private entities for the improvement of various aspects of the station.

These improvements could be manifested as cosmetic improvements to the station, such as the retiling or repainting of stairs or columns, or could involve the sponsorship of art installations or art galleries. The improvement of station advertising modes could also be an aspect of this improvement, with private entities paying for the costs of installing electronic advertising screens, such as those found in various regional rail stations in the SEPTA system, providing SEPTA with increased advertising revenue and, perhaps, offering private organizations the opportunity to advertise in the station for free or for a lowered rate.

The final station improvements envisioned by this project are linked more significantly with the security goal. These improvements would include private sector funding for the purchase and installation of additional security lighting and security cameras for stations. These improvements would offer considerable benefits for the community and local businesses by addressing and improving perceptions of security across the SEPTA system.

Addressing the broader perceptions of SEPTA by the community is also a goal of this project and falls under the afore-mentioned community-transit integration goal. This project seeks to move dialog in Philadelphian communities past the general perception of SEPTA and public transit as a simple transportation mode, and to develop a more nuanced view of transit as an entity which brings together disparate elements of society. This project will seek to celebrate this reality by engaging transit space as community space by all means possible, including art installations and cultural or “pop-up” temporary uses by local artists and visionaries.

## **Scope**

This project will focus on one of the more undervalued transit assets in Philadelphia: the subway-surface trolleys as a pilot project for the potential expansion to other transit lines. These trolleys run from east to west across the central region of the city, running underground through Center City and mostly underground in University City in West Philadelphia. The underground stations at 19<sup>th</sup>, 22<sup>nd</sup>, 33<sup>rd</sup>, 36<sup>th</sup>, and 37<sup>th</sup> streets have been selected for this project. The 19<sup>th</sup> and 22<sup>nd</sup> are in Center City, meaning that P3 negotiations would occur between SEPTA and the Center City District BID. The 33<sup>rd</sup> Street station is located on Drexel University's campus in University City and negotiations would occur between SEPTA and the University City District BID. The University City District BID would also be the negotiating party with SEPTA for the University of Pennsylvania stations in University City at 36<sup>th</sup> Street and 37<sup>th</sup> Street.

### **Involved Parties**

Implementation and negotiations for this project would, as previously mentioned, be under the purview of the respective BID for each station, in order to ensure some degree of conformity in the implementation of the project, to reduce the amount of negotiating parties, and because of the BIDs' role as representatives of the business community to the greater Philadelphia community. SEPTA would also likely be assisted by its advertising partner, Titan360, in negotiations, if station naming or increased station advertising options are considered. Finally, the University City stations will also see some involvement by Drexel University and the University of Pennsylvania, given their status in the community and proximity to the relevant stations. The universities are likely to play a financial and steering role for any projects implemented at University City stations.

### **Costs & Benefits**

While costs for this project are difficult to calculate, given the relatively unique nature of the project and the difficulty in accessing detailed project-level cost estimations, some rough numbers have been obtained by examining the costs of similar projects undertaken by SEPTA in the last few years. Basic station maintenance numbers for the SEPTA City Transit Division heavy and light rail stations have not been discovered, but a similarly scaled project has occurred along the Chestnut Hill East line of SEPTA's regional rail system. This project, which was completed in 2011, utilized SEPTA federal stimulus funding for station improvements at seven stations along the Chestnut Hill East regional rail line. These stations improvements included repairing and replacing railings, new signage, new station roofs, repainting, new passenger shelters, landscaping, and walkway improvements.<sup>35</sup> While some of these improvements, such as reroofing stations and constructing new passenger shelters, were somewhat beyond the scale of improvements envisioned for this project, the regional rail project's focus on basic improvements likely matches the scope of this project. In terms of costs, this regional rail project was completed by the contractor Columbus Construction for around \$900,000, about \$130,000 per station.<sup>36</sup> Given the aforementioned larger station improvements implemented in the regional rail project, it is likely that the costs for this project could be somewhat lower, although the costs of purchasing and installing security cameras, lighting, and digital advertising displays could increase costs.

### **Financing Options**

With the business improvement districts acting as the principle negotiating parties for this project, it is likely that they will need to bear the heaviest responsibility in terms of financing for

---

<sup>35</sup> "Chestnut Hill East Line: Station Amenity, Painting & Site Improvements P1-11c", Southeastern Pennsylvania Transportation Authority, <http://septa.org/stimulus/projects/rail/che/p1-11c/index.shtml>.

<sup>36</sup>Ibid.

this project. This funding situation likely means that the business improvement districts will need to approach their members for funding, particularly members who would most directly benefit from subway-surface trolley improvements. In the case of the University City stations, University City District will most likely need to approach Drexel University and the University of Pennsylvania to establish a sustainable means of funding their stations. In Center City, Center City District will likely need to approach larger businesses, like the Comcast Corporation and Independence Blue Cross, who might display interest in improving community transit options for public relations and employee relations gains.

Beyond direct funding, this project may be able to receive grants for some stages of the project from non-profit organizations. While exploring donor options may not necessarily address the economic goal of this project directly, defraying the cost of station improvements for this project and obtaining support from high-profile donors might encourage other organizations in the community to fund the project. The John S. and James L. Knight Foundation, for example, has often funded innovative civic and community projects in the city and across the county. The foundation recently provided \$50,000 in “Engaged Communities” funding for the aforementioned Dilworth Plaza redevelopment,<sup>37</sup> suggesting that this project might be able to generate some non-profit interest if the community development and integration aspects of this project are emphasized.

## *Regional & Domestic Best Practices*

### **Center City**

---

<sup>37</sup> "Center City District Foundation: Dilworth Plaza Redevelopment," Knight Foundation, <http://www.knightfoundation.org/grants/20060747/>.

Best practices which follow the scope and mission of this project can be found in Center City, key Philadelphia neighborhoods, and more suburban regions of the city. Looking first at some of the critical projects in Center City Philadelphia, it is clear that aforementioned efforts by Center City District to employ a unified and eye-catching signage series for transit portals in Center City stands as one of the most important examples of how to approach transportation infrastructure projects in the city.

This project was particularly important for displaying how successful funding structures for city public transit projects are formulated. The first step of the project has involved the installation of over 10 signs for transit portals around Center City, with more signs planned for



**Figure 1-Taken by Flying Kite Media**

University City (See Figure 1). Some of these signs have required a difficult affixing process to privately-owned buildings, compelling Center City District to divide the project into a series of phases, with signs that could be more easily installed being installed earlier on and those requiring special permits or property manager cooperation coming later.<sup>38</sup> The build and design phases for this project were also separated, with the philanthropic organization the William Penn Foundation providing a grant for the design phase of the project, providing Center City District with the time and flexibility to fundraise for the installation of the signs separately. In order to offset some of the costs of the signs (each sign was about \$15,000), CCD was able to convince the building owners whose buildings would be involved in the project to provide matching funds for the signs installed on

<sup>38</sup> Kanthor, CCD. Devin Turner, "Interview with David Kanthor, Transportation Initiatives Manager, Center City District (Ccd)," ed. David Kanthor (Philadelphia, PA2013).

their buildings, selling the signs as an asset for these building owners.<sup>39</sup> This project reflects the necessity of developing projects in Philadelphia which best utilize preliminary resources to extend the fundraising period for later project phases, and which focus on establishing unique and ad hoc funding solutions that best utilize stakeholder resources, especially given the paucity of funding from traditional federal and state government sources.

### **University City & Broad Street**

The upcoming 40<sup>th</sup> Street Trolley Portal revitalization effort in University City by the University City District and SEPTA also displays the need to determine and utilize stakeholder resources. The project's funding solution is exceptional as it utilizes a little known, but increasingly important, stakeholder and stakeholder issue: the Philadelphia Water Department and storm water management. According to Barry Grossbach, chair of the Spruce Hill Community Association zoning committee, revitalization efforts were previously scheduled for the 40<sup>th</sup> street trolley portal a few years ago, but lost momentum, likely due to a paucity of funding incentives for redevelopment for SEPTA.<sup>40</sup> With the entry of the Philadelphia Water Department and the issue of stormwater management, SEPTA now has a clear financial incentive to redevelop the considerable hardscape at the trolley portal site to increase vegetation and greywater use.<sup>41</sup> This revitalization effort suggests that SEPTA is more than willing to pursue original and innovative partnerships with organizations if the financial incentives are in place to ensure the organization's engagement.

While financial incentives are critical for motivating change for the SEPTA system, costs will also be a considerable consideration when for this project. The recent revitalization of some

---

<sup>39</sup> Ibid.

<sup>40</sup> Fisher, "University City District Will Make 40th Street Trolley Portal Pedestrian Friendly".

<sup>41</sup> Ibid.

of the North Broad stations on the Broad Street Subway line offers some insight into the potential costs that can be associated with the revitalization of early 20<sup>th</sup> century public transit stations. The Broad Street Line Subway was opened in 1928 and has seen little reinvestment since its creation, a situation that compelled SEPTA to apply for federal stimulus funding from the American Recovery and Reinvestment Act for the Spring Garden and Girard stations. These two stations were designated as “shovel-ready” projects, as they could be started within 90 days of the funding being obtained and could be completed in 18 months.<sup>42</sup> When federal stimulus funding was disbursed for these two stations, work began on the retiling the station and repairing and repainting the ceilings, walls, and support columns throughout the two stations, as well as the installation of energy efficient lighting and enhanced security features.<sup>43</sup> Most importantly, the stimulus funding allowed SEPTA to bring the two stations into full compliance with the Americans with Disabilities Act of 1990, a requirement for any “grandfathered” public transportation infrastructure that is the recipient of more than basic cosmetic improvements.<sup>44</sup>

According to Shannon O. Young at the law firm Harmon & Davies, the current threshold for such improvements, following the ruling of the United States Court of Appeals Third Circuit Court on *Disabled in Action of Pennsylvania v. Southeastern Pennsylvania Transportation Authority* is the rising of improvements of public infrastructure to the level of “alterations”.<sup>45</sup> “Alterations”, in the case of SEPTA can be as minor as the replacement of stairways, even if major “structural modifications” are undertaken.<sup>46</sup> The costs of station rehabilitation when ADA compliance is considered can be considerable. The total cost of the renovation of the two stations

---

<sup>42</sup> "Septa Uses Stimulus Money to Renovate," (2009), <http://whyy.org/cms/news/regional-news/2009/08/13/septa-uses-stimulus-money-to-renovate/14603>.

<sup>43</sup> Anthony Campisi, "Septa Starts Broad Street Redo," (2009), <http://planphilly.com/articles/2009/08/12/9644>.

<sup>44</sup> Ariel Ben Amos Devin Turner, "Interview with Ariel Ben-Amos, Senior Planner / Analyst, Mayor's Office on Transportation & Utilities (Motu), City of Philadelphia," ed. Ariel Ben-Amos (Philadelphia, PA2013).

<sup>45</sup> Shannon Young to HDlawblog, 2011, <http://www.h-dlaw.com/blog/?p=565>.

<sup>46</sup> Ibid.

was \$30 million, with a sizable portion of the funding utilized for the installation of elevators in both stations. Another consideration for SEPTA when this project was undertaken was the Federal Transit Administration's public art sponsorship mandate for any disbursed funds, which required that a small portion of the funds be allocated towards public art installations at both stations to be managed by SEPTA's Art in Transit program.<sup>47</sup>

Examining SEPTA's experience with the rehabilitation of these two stations, it is clear that station revitalization projects can become very expensive and subject to federal mandates if certain funding sources are utilized or the implemented improvements are sufficient in scale to trigger Americans with Disabilities Act concerns. Put simply, any station improvement project proposed that attempts to improve stations in any substantial way will be subject to considerable scrutiny by SEPTA due to concerns of triggering ADA legislation.

Not all station renovation efforts have been as ambitious as the renovation of these two Broad Street Line stations. In fact, the Broad Street Line has also been the site of one of the most innovative fundraising schemes in the North American public transportation industry: the rebranding of the South Philadelphia Pattison Avenue Station to AT&T Station. The rebranding effort was concluded in the summer of 2010 and was a joint effort between SEPTA, Titan360, SEPTA's advertising partner, and AT&T. This project extended the naming rights of Pattison Avenue Station (located in the South Philadelphia stadium district) to AT&T for five years for around \$5 million, creating a unique advertising opportunity for AT&T to market itself to numerous Eagles, Flyers, and Phillies fans. While this project may have lacked the scale of those along North Broad Street, it was able to bring in considerable revenues for the transit authority. Of the \$5 million raised in the deal, over \$3 million went directly to SEPTA, with Titan360

---

<sup>47</sup> "Septa Modernizes Spring Garden, Girard Subway Stations," (2012), [http://www.progressiverailroading.com/passenger\\_rail/news/SEPTA-modernizes-Spring-Garden-Girard-subway-stations--31476](http://www.progressiverailroading.com/passenger_rail/news/SEPTA-modernizes-Spring-Garden-Girard-subway-stations--31476).

using the remaining \$2 million for system name changes.<sup>48</sup> Upon completion of the deal, the transit authority highlighted the project as an example of its commitment to complying with Act 44 of the Pennsylvania General Assembly's Transportation Reform Act of 2007.<sup>49</sup> As part of the naming deal, AT&T was given the right to advertise nearly exclusively at the station, with the only other advertising opportunity being the Titan360 digital advertising screens,<sup>50</sup> which were also added to the station that year.<sup>51</sup> The most important factor in this project, at least in regards to this project, was SEPTA's positive position on exploring future naming rights opportunities in the future. SEPTA spokesman Richard Maloney emphasized the authority's focus on expanding this station naming program, claiming that SEPTA was "interested in doing this again in the future."<sup>52</sup>



**Figure 2- Taken by University City District**

A final Philadelphia project that is worth exploring is not a public transit project, but rather a new public space in University City that has replaced a small parking lot directly adjacent to the Market Street side of the 30<sup>th</sup> Street train station, the aforementioned Porch at 30<sup>th</sup> Street (See Figure 2). This project undertaken by University City District and the Pennsylvania Department of Transportation, or PENNDOT, was an attempt to create a public space over the course of

a series of small and experimental steps to ensure the space's successful integration into the community.<sup>53</sup> By hosting farmers markets, beer

<sup>48</sup> "Septa Agrees to Rename Pattison Ave. Station at&T Station."

<sup>49</sup> Dan Geringer, "Renaming Rights of Pattison Avenue Station to Go to at&T Pending Septa Approval," *Philadelphia Inquirer*, 06/18/10 2010.

<sup>50</sup> Devin Turner, "Interview with Sean Hunsicker, Account Executive, Titan360," ed. Sean Hunsicker (Washington, DC2013).

<sup>51</sup> "Septa Agrees to Rename Pattison Ave. Station at&T Station."

<sup>52</sup> Geringer, "Renaming Rights of Pattison Avenue Station to Go to at&T Pending Septa Approval."

gardens, and weekday concerts, the Porch been slowly transformed from a former parking lot into a destination for Philadelphians from University City and the city as a whole. The Porch project offers a successful model of what the Project for Public Spaces has termed as the “Lighter Quicker Cheaper” method of public space development.<sup>54</sup> This method of public space development focuses on pursuing low-risk and low-cost goals while working closely with the community during the entirety of the lifecycle of the public space to determine site uses and methods for revenue.<sup>55</sup> This approach could also serve as a model to fulfill the goals of this project to improve the university community’s integration with its public transit stations in a way that is creative, community-focused, and economically pragmatic.

While a comparison of the subway-surface trolley mezzanines and the Porch as public spaces would be misguided, the concept of envisioning innovative and small-scale uses for the public space as a means of developing the mezzanine spaces as urban “destinations,” as has been done with the Porch, should be considered. While it is not within the purview of this project to enumerate concrete uses for these new public spaces, it is within the realm of possibility that these public transit spaces could be utilized for art galleries, concert venues, or even university group spaces for club and society events. This report does not attempt to provide concrete plans for these spaces, as it is hoped that if this plan is adopted, students and the community as a whole will be included in programming conversations in order to bring innovative and creative ideas which appeal directly to the community are brought to the table.

## U.S. Examples

---

<sup>53</sup> "About the Porch," University City District, <http://universitycity.org/about-porch>.

<sup>54</sup> Ibid.

<sup>55</sup> "Lighter, Quicker, Cheaper: Transform Your Public Spaces Now," Project for Public Spaces, <http://www.pps.org/reference/lighter-quicker-cheaper-2-2/>.

Best practices for this project are not isolated to the Philadelphia region. In fact, Chicago and New York, two U.S. cities with similarly-scaled and similarly-aged transportation networks as Philadelphia, offer a series of excellent models which should offer lessons for SEPTA and the City of Philadelphia when pursuing a station improvement program. The first best practice comes from the New York borough of Brooklyn. In 2009, as part of the construction of the Barclays Center sports arena, the project developer for the Barclays Center Forest City Ratner agreed to pay New York's public transportation authority, the Metropolitan Transportation Authority, or MTA, \$200,000 a year for the next 20 years for the naming rights to the busy Atlantic Avenue subway station below the arena.<sup>56</sup> While this renaming project was very similar to SEPTA's Pattison Avenue Station renaming project, the key difference between the two exists in who pays for the renaming of the stations, including the changing of station signage and maps. While that cost was absorbed by SEPTA and its advertising partner, eating into funds earned from the deal, Forest City Ratner absorbed the cost of station renaming when working with MTA on the Atlantic Avenue renaming.<sup>57</sup> This precedent could be utilized by SEPTA and the City of Philadelphia in future projects to create a private-public partnership for station renaming or improvement that goes beyond the quid pro quo agreement reached with AT&T to address more issues for transit users and SEPTA while providing the private entity with greater advertising capacity. This station renaming project, much like SEPTA's project, while profitable for MTA, provided little more for the community than making the current transit situation more confusing with the changing of current signage. Any implemented project would therefore have to pay considerably more attention to how this project would improve the lives of residents and visitors in order to secure community-buy in.

---

<sup>56</sup> Michael Grynbaum, "M.T.A. Sells Naming Rights to Subway Station," *The New York Times*, 06/23/09 2009.

<sup>57</sup> Ibid.

A similarly ambitious series of projects with the private sector can also be found under the Chicago Transit Authority, or CTA. The CTA has employed an “Adopt-A-Station” program



**Figure 3- Taken by CTA**

for the improvement of its stations since the 1990 to develop community connections with CTA stations (See Figure 3).<sup>58</sup> This program has allowed community groups, organizations, and businesses to fund station enhancements and painting, art installations, landscaping, and

volunteer-led general station maintenance.<sup>59</sup> While

CTA has not aggressively presented its Adopt-A-Station program to Chicago community groups in the last few years, the transit administration has been able to foster a partnership with Columbia College Chicago, an arts and media college in the South Loop district, for the Harrison station on CTA’s Red Line. This partnership first started with the installation of vinyl art installations featuring quotations from poets at the station by a poetry class from the college. The college is now interested in pursuing a 2-year “adoption” to continue and expand the program, following planned station renovations by CTA in the coming year.<sup>60</sup> The Adopt-A-Station program is also in conversation with a South Side community development organization to utilize local youth groups to make improvements to a Green Line station.<sup>61</sup> While this station “adoption” program from CTA has not be fully utilized over the past few years, it could provide some inspiration for this project by laying out a series of concrete station improvements that could be conducted by community groups in partnership with SEPTA that would generally be

<sup>58</sup> "Cta Adopt-a-Station," ed. Chicago Transit Authority (CTA) (Chicago, IL2010).

<sup>59</sup> Ibid.

<sup>60</sup> Devin Turner, "Interview with Ryan Mouw, Senior Government Relations Officer, Government and Community Relations, Chicago Transit Authority (Cta)," ed. Ryan Mouw (Philadelphia, PA2013).

<sup>61</sup> Ibid.

somewhat inexpensive. According to CTA, the benefits of this station “adoption” program are primarily focused around community development. The program was primarily established to foster a “strong connection between stations, community organizations and surrounding neighborhoods” and to provide communities with a means to improve the image of their neighborhoods to residents and visitors at one of its most critical entry points.<sup>62</sup> SEPTA and the BIDs would likely benefit by viewing station “adoption” from this perspective, as any project that is implemented should be focused around improving the image of the BIDs’ communities when they are entered from transit portals.

A more expansive example of what CTA has achieved in cooperation with private entities is the North/Clybourn station renovation, which was completed by the end of 2010. This \$3.9 million partnership between CTA and Apple, Inc. involved the rehabilitation of the interior and exterior of the Red Line North/Clybourn station.<sup>63</sup> This rehabilitation included the installation of new lighting and security cameras, as well as the renovation of boarding platforms and the station house and the creation of a new plaza between the station’s entrance and the newly-opened Apple store.<sup>64</sup>

These two projects from Chicago are excellent examples of what can be achieved with public-private partnerships in public transportation. Most critically, they both reflect a belief that public transportation in cities must be integrated, accepted, and supported by the communities in which it operates. In both of these cases, local organizations and companies are expected to play the fundamental role as principle funders and designers of their respective projects; ensuring that their transit stations conform in some small way with how they want their community to be

---

<sup>62</sup> "Cta Adopt-a-Station."

<sup>63</sup> "North/Clybourn Station Renovation," Chicago Transit Authority (CTA), [http://www.transitchicago.com/news\\_initiatives/projects/north-clybourn.aspx](http://www.transitchicago.com/news_initiatives/projects/north-clybourn.aspx).

<sup>64</sup> Ibid.

viewed. This message cuts to the heart of the purpose of this project with SEPTA. While this project is and should be framed in economic terms, this project is also very much grounded in the belief that urban communities and transit must be conflated in order for both to be successful and sustainable. Indeed, community-transit integration with transit, while a tertiary concern for this project when it comes to the elucidating of concise and achievable project goals, pervades the philosophy supporting this project. Furthermore, the long-term effects of station improvements are likely to be an economic driver for the targeted communities, as improved transit facilities will improve visitors' and residents' impressions of the neighborhood. These CTA examples, therefore, should serve not only as physical best practices, but also as philosophical principles to be followed for this project and future public-private partnerships involving SEPTA.

## ***SWOT Analysis***

### **Strengths**

The central internal strength of this of this project is that it rests upon the foundation of prior SEPTA projects for the transportation system, building upon these projects and innovating where feasible, especially in terms of scale and interaction between SEPTA and the contracting party. This project does not seek to facilitate a rapid or large change of the ownership or operation of the public transportation system and does not seek to develop new transportation infrastructure or station amenities whose costs would need to be absorbed by SEPTA or the City of Philadelphia. Say here what it does: with simple superficial retrofits, it brings x, y, and z benefits to the sponsors and the city. By working off recent SEPTA projects, such as the Pattison Avenue/AT&T Station renaming, it is hoped that this project will be more appealing to the involved parties, allowing for the parties to affect change to the public transportation system

without having to worry about the larger political repercussions of a major redevelopment project.

## Weaknesses

Even at a modest scale, issues of scope and goals must be addressed. In terms of scope, the question of which stations will be involved and which organizations will take the lead in interacting with SEPTA and the City of Philadelphia is a primary concern. The project plan calls for the 19<sup>th</sup> street, 22<sup>nd</sup> street, 33<sup>rd</sup> street, 36<sup>th</sup> street, and 37<sup>th</sup> street subway surface stations to be included, which could lead some to ask if there should be additional or fewer stations added to the scope of this project. Expanding the scope of this project would prove to be difficult. Put simply, there are few, if any, organizations outside of University City and Center City Philadelphia who would have the access to resources and clout on the level of University City District and Center City District, or any of their larger member companies and organizations. Smaller organizations could be considerably hampered in their negotiations with SEPTA, an assumption which might be supported by the difficulty faced by SEPTA in securing the naming rights for the Pattison Avenue station, with all of the city's professional sports teams having declined the opportunity to name the station.<sup>65</sup>

While Old City District in the Old City neighborhood of Philadelphia, for example, could become an involved party if this project was to be successfully implemented and expanded, the relatively small size of the BID relative to the two selected for this project and the lack of underutilized subway-surface trolley station in the neighborhood made it difficult to consider the expansion of the project scope to include Old City. Likewise, the impressive growth of the Navy

---

<sup>65</sup> Anthony Campisi, "Heading to Game? Stop at at&T Station," (2010), <http://planphilly.com/articles/2009/08/12/9644>.

Yard district in South Philadelphia and potential for strong transit connections for the district suggests that this project could be adopted by the Navy Yard in the future, especially if the expansion of the Broad Street Line subway to the Navy yard eventually occurs.

Nevertheless, this concern over scope may be justified when it comes to whether this project might simply too large to function effectively. The strategy of having the BIDs directly negotiate with SEPTA and the City - a process which would include two separate BIDs and five stations - might be too unwieldy for a pilot project. It is therefore suggested that should this program be implemented, the University City District stations should take priority, unless Center City District is able to obtain sufficient interest from its members to rapidly implement a redevelopment plan for its stations. This suggestion stems from the more rational structure of interests in University District, as opposed to Center City.

While Center City has many large employers located along the subway surface trolley lines, University City District has two primary employers and educators along the lines, with stations physically located directly on the University of Pennsylvania and Drexel University campuses. When considering that the BIDs funding for these projects will derive from donations their members, it is much easier to imagine that University City District would be able to provide a much more compelling argument for funding naming and improvement programs for the subway-surface trolley stations, given the universities direct and unified connection with these assets.

Similarly, the BID-focused leadership on these projects must be evaluated. While the AT&T station naming project focused simply on a direct interaction between SEPTA, Titan360, and AT&T's advertising agent, this project would replace the advertising agent with BIDs, who

would act as representatives for the community. Given that major universities would be the primary benefactors (and likely the primary funders) of any naming and improvement project in University City, does it even make sense to have University City District as the negotiating party? While the current project structure may seem inefficient, its BID-centric approach reacts to the successful role BIDs like University City District have played in developing the community by effectively allocating community resources and generating a clear branding campaign for the community. A perfect example of BID's considerable capacity to lobby and implement community projects is very much visible in the aforementioned transit portal signage project recently undertaken by Center City District. During the negotiations, the BID was able to address the concerns of PATCO and SEPTA officials that the transit portal signs would gloss over the differences between the two transit systems by creating a unified design for the transit portal signs which incorporated both PATCO and SEPTA signage.<sup>66</sup> If SEPTA or PATCO, or a large local business, had taken the lead on this project, the unity of the system likely would not have been maintained, much to the detriment of the Center City community, but Center City District's clout and position as the central entity for community development across Center City provided it with the negotiating strength to pursue a goal that was fundamentally positive for the community. While handing this responsibility off to the universities may seem logical on the surface, doing so would not only add additional complexities to the negotiation process by creating two negotiating parties where there could be one, but would also ignore the potential benefits of developing a coherent branding strategy for the University City stations which could incorporate both the proximity to the universities, but also the vibrancy of the surrounding communities. Put simply, University City District has the skills and experience of engaging and

---

<sup>66</sup> Turner, "Interview with David Kanthor, Transportation Initiatives Manager, Center City District (Ccd)."

selling the community to the outside world, making them a perfect partner for SEPTA for increasing the potential connectivity effects of the stations.

While connectivity of the stations to their communities are important, it is important to acknowledge that this project should be most focused on economic pursuits and addressing security perceptions, thus addressing the potential weakness of this project of developing project goals which are simply too difficult to measure later to determine a successful outcome.

## **Opportunities**

There are a variety of goals/opportunities in undertaking this project.

One of the primary goals will be to provide SEPTA with increased revenues to assist in the maintenance of good service along the transportation system and to. While the revenues are not likely to be on the level of the naming rights for AT&T Station, the community involvement and investment in this station should allow SEPTA to free up a portion of the funding traditionally spent on the stations to be utilized in other projects in the system. Negotiations between the BIDs and SEPTA could even address this funding offset proactively, determining where these freed funds could be best utilized in the respective community. Additional revenue from BID-subsidized advertising infrastructure at the stations could also provide SEPTA with much-needed revenues and cheap or free use of said infrastructure by the BIDs could prove to be a compelling selling point for this project.

The second primary goal of this project should be to improve the safety and security, or rather, perceptions of safety and security within the stations to address the universities' concerns regarding community security. This goal could be achieved through traditional means of investing in better lighting and additional security cameras, or through the implementation of

more alternative means of improving individual's perceptions of security, which could include the aforementioned station improvements of repainting and retiling, as well as increasing public art space and advertising space to give a better sense of place and station usage. Funding could also be utilized to allow for the increase in SEPTA police, university police, or BID employee patrols of stations, increasing police and official presence in the system. While this goal is secondary, it is still incredibly vital to the viability of the project, providing a clear benefit to universities and businesses, making the project an easier sell for the BIDs for their respective members.

The tertiary goal of this project will be the increase of connectivity between communities and their public transit stations. This goal is tertiary primarily because of the intangible benefits it provides in terms of community development, which make progress towards this goal very difficult to measure. Nevertheless, it is hoped that implementing programs such as station art installations will slowly change community perceptions to public transportation and will assist in better integrating communities with their transit assets, even if such integration is exceedingly difficult to measure.

The central external opportunity for this project is to mitigate the funding difficulties which SEPTA is currently facing following federal and state subsidy reductions. While the recent series of budget shortfalls for the transit authority will likely impact SEPTA riders negatively, they do offer a considerable opportunity to bring SEPTA to the negotiating table on more innovative funding projects. Given that SEPTA has already expressed considerable interest in developing additional station naming programs for other stations in the system, it is likely that these recent financial woes will make the transit agency more willing to consider projects that innovate upon this established model.

The potential for this project to be considered is also supported by Act 44 of the Pennsylvania General Assembly's Transportation Reform Act of 2007, which mandates that SEPTA explore non-traditional funding mechanisms.<sup>67</sup> More recent support for public-private partnerships in Pennsylvania has come from the PA General Assembly in the form of public-private partnership enabling legislation. Known as Act 88 of 2012, this legislation was signed into law by Governor Tom Corbett in July of 2012 and rationalized the process which local governments must follow in order to bring private investment and expertise to the design, build, financing, and management stages of roadway development.<sup>68</sup> While this legislation has so far not been utilized for public transportation, the spirit of the legislation suggests a warming of the state government to public private partnerships like this project. This legislation, coupled with Act 44, might therefore send a positive signal to SEPTA to continue and expand its engagement with private entities.

Drexel University and the University of Pennsylvania have also shown increasing interest in increasing their campus connections with public transportation. In Drexel University's recent "Campus Master Plan", the university laid out its considerable interest in better utilizing transit both on a university and building level by exploring high-density and transit-oriented development for new campus construction.<sup>69</sup> The University of Pennsylvania maintains similar goals, stating on their PennConnects 2.0 website for their PennConnects 2.0 Master Plan that "[t]he overall goal [of the master plan] is to provide a balanced range of mobility options, with a goal of lessening auto-oriented dependence, thereby promoting a reduction in transportation

---

<sup>67</sup> Geringer, "Renaming Rights of Pattison Avenue Station to Go to at&T Pending Septa Approval."

<sup>68</sup> Ryan Jeroski to Greater Valley Forge Transportation Management Association, 2012, <http://www.gvftma.com/news/?id=369>.

<sup>69</sup> "Transforming the Modern Urban University: Drexel University Campus Master Plan," (Philadelphia, PA: Drexel University, 2012)., 10.

related emissions.”<sup>70</sup> In both of these cases, the universities have displayed significant interest in utilizing their strong transit connections, an energy and interest which could be tapped into for this plan.

## Threats

External threats for this project are focused primarily on regulatory and funding concerns. In terms of regulatory concerns, the foremost concern revolves around the applicability of ADA and the potential triggering of ADA mandates as a result of station improvements. While the stations should, and eventually will, be brought into compliance with ADA (especially if low-floor or ADA-compliant trolleys are eventually utilized by SEPTA on the trolley lines) the authority’s recently-released “Fiscal Year 2014 Capital Budget Proposal” states that the replacement of the trolleys alone for the lines could be almost \$1billion.<sup>71</sup> The scope and potential funding for this project would simply be too small to cover such an ambitious project. Therefore, it is critical that the scope and process for this project is large enough to generate an impact on the stations, but not grand enough to require major station reconstruction of the stations. ADA concerns in the case of this project are likely overblown, given the lack of any proposals for physical station improvements that extend beyond basic painting and retiling. Nevertheless, these concerns must be taken seriously, given that SEPTA will be very skeptical of even approaching a plan that could potentially led to ADA being triggered. In order to address these concerns, this project is clear in expressing its focus on generating investment for new advertising, lighting, security features, and purely aesthetic improvements at the trolley stations.

---

<sup>70</sup> "Pennconnects 2.0," University of Pennsylvania,  
[http://www.pennconnects.upenn.edu/growing\\_greener/penn\\_connects\\_2.0.php](http://www.pennconnects.upenn.edu/growing_greener/penn_connects_2.0.php).

<sup>71</sup> "Fiscal Year 2014 Capital Budget Proposal," (Philadelphia, PA: Southeastern Pennsylvania Transportation Authority, 2013), 48.

Another potential regulatory threat for this project could come from union contracts with SEPTA for the maintenance and cleaning of the trolley stations. SEPTA's contracts could lead to difficulties if the scope of this project included the implementation of new station service contracts with a third party contractor, which occurred in the case of Center City District's "adoption" of the Broad Street Concourse. Given that such a contract is not currently included in the project, it is likely that this threat is equally unfounded. This assumption has also been supported by SEPTA officials. When asked whether a project which included a monthly community volunteer cleanup day, an event which could be included in this plan, could pose a problem for SEPTA, the SEPTA official interviewed for this project claimed that such an event would likely be of little concern as long as such maintenance was not regularly scheduled.<sup>72</sup>

While regulatory threats are unlikely to be insurmountable obstacles for this project, funding threats could easily prevent this project from taking off. Given the considerable dependency of this project on university support and funding, it is important to ask whether or not Drexel University and the University of Pennsylvania will even be willing to consider embarking upon such a project. University funds are already quite stretched, particularly those of Drexel University, which has invested considerable resources and amassed significant debt to rapidly expand. The university maintained over \$467 million in debt in 2012 from this expansion effort, and while Drexel University president John A. Fry is continuing the process of rapidly expanding the university's footprint, he will be focusing on non-debt means to expand.<sup>73</sup> This renewed financial vigilance could suggest that the university might be unwilling to consider projects that it considers to be discretionary and spendthrift. This means that this project will

---

<sup>72</sup> Kim Scott, SEPTA Devin Turner, "Interview with Kim Heinle, Assistant General Manager, Customer Service & Advocacy Division, Southeastern Pennsylvania Transportation Authority (Septa)," ed. Kim Heinle (Philadelphia, PA2013).

<sup>73</sup> Andrew Martin, "Building a Showcase Campus, Using an I.O.U.," *The New York Times*, 12/14/12 2012.

need to be framed in terms which highlight the compelling benefits to the universities and their student populations. Perhaps the strongest argument in support of funding comes from the universities themselves. In Drexel University's "Campus Master Plan", the university has expressed its interest in increasing transit usage by its students and employees stating that the university will "[i]ntegrate transit access into university buildings and activities to make it a safer, more appealing option."<sup>74</sup> While less explicit than Drexel University's desire's for increased connectivity with public transportation, the master plan for the University of Pennsylvania lays out "enhanced transportation" as one of the university's primary goals in developing the campus in a more sustainable manner.<sup>75</sup> This interest, especially on the part of the less well-endowed Drexel University to invest in public transportation, does suggest that this project could meet a very receptive audience if it was framed in a safety and environmental context. Emphasizing the utilization of additional security features, such as lights and security cameras, as well as the potential for increased foot traffic due to new art installations and cultural uses for the stations could help make the project an easier "sell" to university administrators from a security perspective. The environmental argument for this plan could be strengthened beyond the argument that increased safety and improved aesthetics would increase transit ridership and reduce car dependence by focusing on the installation of more energy efficient lighting in the stations.

### *Project Recommendations*

Should this project be adopted by SEPTA and the business improvement districts of Philadelphia, it is hoped that the following recommendations will be considered.

---

<sup>74</sup>"Transforming the Modern Urban University: Drexel University Campus Master Plan.", 7.

<sup>75</sup> "Growing Greener," University of Pennsylvania,  
[http://www.pennconnects.upenn.edu/growing\\_greener/growing\\_greener.php](http://www.pennconnects.upenn.edu/growing_greener/growing_greener.php).

First, as addressed in the SWOT analysis, the central goals for this project should continue to be economics and security. Put simply, both of these goals greatly increase the chance of buy-in by SEPTA and the business improvement districts respectively as these goals offer tangible and sought-after benefits for the perpetually underfunded SEPTA and the community security-focused business improvement districts. Nevertheless, the community-transit integration goal should not be relegated to the dust bin, as clear and tangible benefits could exist for deep integration into this project, such as donor funding opportunities. Beyond the more direct benefits, the community-transit integration goal provides both SEPTA and the business improvement districts with a model to explore future community-transit integration projects in the future to the great benefit of Philadelphians. The longer-term benefits of these community-transit integration projects could actually be quite concrete. Station improvements that are undertaken with community buy-in, as the CTA “Adopt-a-Station” program suggests, can act as strong tools for improving both internal and external perceptions of the neighborhood, allowing a community to better tailor the impression visitors and residents get when they step off of the train or trolley. Recognizing and reacting to this reality will provide communities in Philadelphia with a new means to improve perceptions of their neighborhoods, encouraging investment in these communities.

While the community-transit integration goal may be broad and ambitious, at least in a short-term sense, the scale of the project should be the polar opposite. The project should follow the lead of University City District by adopting the “Lighter Quicker Cheaper” method of the Project for Public Spaces by focusing on small and manageable goals and should utilize the lessons learned from the best practices contained in this report in order to improve the chances of the project’s successful implementation. Keeping the project small will be very beneficial for

concrete reasons as well, as SEPTA union contract and ADA concerns are less likely to play a role in a smaller project. The city of Philadelphia is, unfortunately, no stranger to failed plans of ambitious dreamers and bears the scars of all too many reckless development projects. The individuals who implement this project will need to be keenly aware from the beginning of the project's implementation of the potential risks and will need to have a clear understanding of available funding in order to ensure the sustainability of this project. The longevity of this project will be critical, especially given the potential for utilization on other lines in the SEPTA system if it proves to be successful.

Finally, continued engagement with the universities will also play a major role in the success of this project. While the universities should not take the lead in negotiations with SEPTA (in order to ensure standardization of project implementation and stable project leadership), the universities will need to be included in project discussions early and often in order to ensure their interests in the project are being addressed. As the likely principle funders and community entities, the need to keep Drexel University and the University of Pennsylvania engaged is clear. Successfully integrating the universities throughout the entire process will not only greatly increase the chances of a successful implementation of this project, but could also encourage the universities to engage with SEPTA on future project, thereby creating a sustainable and productive relationship for the future. Put simply, this project will have its greatest impact if universities and the communities which they support buy in to the idea that urban communities and their transit systems need to be integrated, not separated, in order for both to thrive.

## *Bibliography*

"About the Porch." University City District, <http://universitycity.org/about-porch>.

Bureau, U.S. Census. "Population in the U.S.": Google, 2013.

Campisi, Anthony. "Heading to Game? Stop at at&T Station." (2010). Published electronically 06/17/10. <http://planphilly.com/articles/2009/08/12/9644>.

———. "Septa Starts Broad Street Redo." (2009). Published electronically 08/12/2009. <http://planphilly.com/articles/2009/08/12/9644>.

"Center City District." (2012): 59-63. [http://www.centercityphila.org/docs/SOCC2012\\_CCD.pdf](http://www.centercityphila.org/docs/SOCC2012_CCD.pdf).

"Center City District Begins Consolidated Cleaning Services in Center City Underground Concourse and Rail Stations." (2007). Published electronically 08/02/07. <http://www.centercityphila.org/pressroom/prelease080207.php>.

"Center City District Business Improvement District." Center City Philadelphia, <http://www.centercityphila.org/about/CCD.php>.

"Center City District Foundation: Dilworth Plaza Redevelopment." Knight Foundation, <http://www.knightfoundation.org/grants/20060747/>.

"Central Philadelphia Development Corporation (Cpdc)." Center City Philadelphia, <http://www.centercityphila.org/about/CPDC.php>.

"Chestnut Hill East Line: Station Amenity, Painting & Site Improvements P1-11c

". Southeastern Pennsylvania Transportation Authority, <http://septa.org/stimulus/projects/rail/che/p1-11c/index.shtml>.

"Cta Adopt-a-Station." edited by Chicago Transit Authority (CTA). Chicago, IL, 2010.

Denvir, Daniel. "Why Septa Is Heading for a Crash." *Philadelphia Citypaper*, 06/21/12 2012.

"Fiscal Year 2014 Capital Budget Proposal." Philadelphia, PA: Southeastern Pennsylvania Transportation Authority, 2013.

"Fiscal Years 2010 – 2014 Five-Year Strategic Business Plan." Philadelphia, PA: Southeastern Pennsylvania Transportation Authority, 2010.

Fisher, Christine. "Septa Declares Capital Funding Crisis, Opens Dialogue with Public." (2013). Published electronically 01/16/13. <http://planphilly.com/articles/2013/01/16/septa-declares-capital-funding-crisis-opens-dialogue-with-public>.

———. "Septa to Shrink without Additional Funding." (2013). Published electronically 01/11/13. <http://planphilly.com/articles/2013/01/11/septa-to-shrink-without-additional-funding>.

———. "University City District Will Make 40th Street Trolley Portal Pedestrian Friendly." (2012). Published electronically 11/14/12. <http://planphilly.com/articles/2012/11/14/university-city-district-will-make-40th-street-trolley-portal-pedestrian-friendly>.

"Fy 2012 Donors." University City District, <http://universitycity.org/donors>.

Geringer, Dan. "Renaming Rights of Pattison Avenue Station to Go to at&T Pending Septa Approval." *Philadelphia Inquirer*, 06/18/10 2010.

Goodman, Andrew. "University City District Receives \$113,000 for Corridor Revitalization Projects." (2009). Published electronically 08/13/09. <http://planphilly.com/articles/2009/08/13/9652>.

"Growing Greener." University of Pennsylvania, [http://www.pennconnects.upenn.edu/growing\\_greener/growing\\_greener.php](http://www.pennconnects.upenn.edu/growing_greener/growing_greener.php).

Grynbaum, Michael. "M.T.A. Sells Naming Rights to Subway Station." *The New York Times*, 06/23/09 2009.

Jeroski, Ryan. "Pennsylvania Approves P3 Legislation." In *Greater Valley Forge Transportation Management Association*. King of Prussia, PA: Greater Valley Forge Transportation Management Association, 2012.

"Lighter, Quicker, Cheaper: Transform Your Public Spaces Now." Project for Public Spaces, <http://www.pps.org/reference/lighter-quicker-cheaper-2-2/>.

Martin, Andrew. "Building a Showcase Campus, Using an I.O.U." *The New York Times*, 12/14/12 2012.

Meckstroth, Greg. "Center City's Effort to Increase Visibility and Access of Regional Transit Nears Completion." (2012). Published electronically 08/28/2012. <http://www.flyingkite-media.com/devnews/PortalSignageSystem0828.aspx>.

Morçöl, Göktuğ. "Center City District: A Case of Comprehensive Downtown Bids." *Drexel University Law Review* 3:271 (Fall 2010 2010): 271-85.

"North/Clybourn Station Renovation." Chicago Transit Authority (CTA), [http://www.transitchicago.com/news\\_initiatives/projects/north-clybourn.aspx](http://www.transitchicago.com/news_initiatives/projects/north-clybourn.aspx).

Nussbaum, Paul. "Transit Agencies May Get More Funding Than Corbett's Budget Planned." *Philadelphia Inquirer*, 02/10/2013 2013.

"Pennconnects 2.0." University of Pennsylvania, [http://www.pennconnects.upenn.edu/growing\\_greener/penn\\_connects\\_2.0.php](http://www.pennconnects.upenn.edu/growing_greener/penn_connects_2.0.php).

Schmitz, Jon. "Port Authority Ratifies Contract to Head Off Service Cuts." *Pittsburgh Post-Gazette*, 2012.

"Sep-Tainable Empowering Action Annual Report ". Philadelphia, PA: Southeastern Pennsylvania Transportation Authority, 2013.

"Septa Agrees to Rename Pattison Ave. Station at&T Station." *Philadelphia Business Journal*, 2010.

"Septa Modernizes Spring Garden, Girard Subway Stations." (2012). Published electronically 06/27/12. [http://www.progressiverailroading.com/passenger\\_rail/news/SEPTA-modernizes-Spring-Garden-Girard-subway-stations--31476](http://www.progressiverailroading.com/passenger_rail/news/SEPTA-modernizes-Spring-Garden-Girard-subway-stations--31476).

"Septa Named 'Outstanding' Public Transit System for 2012." (2012). Published electronically 07/26/2012. <http://www.septa.org/media/releases/2012/07-26.html>.

"Septa Uses Stimulus Money to Renovate." (2009). Published electronically 08/13/09. <http://whyy.org/cms/news/regional-news/2009/08/13/septa-uses-stimulus-money-to-renovate/14603>.

"The Special Services District: A Fact Sheet." University of Pennsylvania, <http://www.upenn.edu/almanac/v43/n36/ucd.html>.

"The State of University City 2012/13." Philadelphia, PA: University City District, 2012.

"Transforming Dilworth Plaza (2011–2013)." edited by Center City District. Philadelphia, PA, 2011.

"Transforming the Modern Urban University: Drexel University Campus Master Plan." Philadelphia, PA: Drexel University, 2012.

Turner, Devin. "Interview with Ariel Ben-Amos, Senior Planner / Analyst, Mayor's Office on Transportation & Utilities (Motu), City of Philadelphia." edited by Ariel Ben-Amos. Philadelphia, PA, 2013.

———. "Interview with David Kanthor, Transportation Initiatives Manager, Center City District (Ccd)." edited by David Kanthor. Philadelphia, PA, 2013.

———. "Interview with Kim Heinle, Assistant General Manager, Customer Service & Advocacy Division, Southeastern Pennsylvania Transportation Authority (Septa)." edited by Kim Heinle. Philadelphia, PA, 2013.

———. "Interview with Ryan Mouw, Senior Government Relations Officer, Government and Community Relations, Chicago Transit Authority (Cta)." edited by Ryan Mouw. Philadelphia, PA, 2013.

———. "Interview with Sean Hunsicker, Account Executive, Titan360." edited by Sean Hunsicker. Washington, DC, 2013.

Young, Shannon. "Third Circuit Holds Alterations to Stations Triggered Septa's Duty under the Ada to Make Stations Accessible to Disabled Individuals Regardless of the Cost." In *HDlawblog*. Philadelphia, PA: Harmon & Davies, P.C., 2011.

## *Executive Summary*

### **Public-Private Partnerships in Transportation**

As dwindling federal and state funding for public transportation projects continues to be reduced, transit agencies are increasingly searching for new opportunities to increase their income to maintain service. The Southeastern Pennsylvania Transportation Authority, or SEPTA, in the Philadelphia, PA region is no different, and is actually compelled by a state government mandate to search for new sources of funding. This project offers the transit agency with a plan to increase funds while also providing the



**Current Station Conditions**

urban communities of Center City and University City Philadelphia with a means to improve the safety and security perceptions of their subway-surface trolley stations and to better integrate these stations into their respective communities.

This plan is focused on the ability of the city's Business Improvement Districts, or BID's, to lobby and implement creative solutions to community problems. It seeks to engage both the Center City District and University City District BID's in negotiations with SEPTA to "adopt" their district's respective subway-surface trolley stations or

to purchase the naming rights for said stations.

By "adopting these stations, these BID's would be able to maintain greater control



**A Vision of an "Adopted" Station**

over these critical community resources, allowing them to become safer, cleaner, and more inviting as the neighborhood improves. They would also allow communities to better utilize these resources and would give them the ability to make the station their own, with art installations and programming for station mezzanines.

"Adoption" projects would involve low-level station improvements, including repainting and retiling, the installation of new security lighting and cameras, and the installation of art exhibits, murals, and infrastructure for space programming.

Given the targeted and small-scale nature of the improvements, the estimated cost per station for this plan is quite manageable at around \$100,000. This plan would also pay significant dividends for the University City and Center City communities for improving security perceptions and providing a space for community marketing for investment.