



# INDUSTRIAL LAND & MARKET STRATEGY





# Industrial Land & Market Strategy



Collaboration among Planning Commission, Commerce Department, and PIDC



4 components of the study:

- 1 Snapshot of current industrial activity in the City
- 2 Land use and real estate survey
- 3 Cluster-based market strategy
- 4 Recommendations



Consultant team





# Modern Industry: *Technical Definition*



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## **SUPER-SECTOR** → **SUB-SECTORS** (71 NAICS Codes)

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**Agriculture/Forestry/Fishing/Hunting** → All

**Construction** → All

**Manufacturing** → All

**Trade, Transportation, and Utilities** → Utilities, Transp/Warehsg, Wholesale, some Retail

**Information** → Publishing, Film/Video, Broadcasting, Telecom

**Financial Activities** → Storage, Truck Leasing

**Professional and Business Services** → Testing Labs, Veterinary, Security, Waste Mgmt

**Education and Health Services** → Ambulance Services, Blood/Organ Banks

**Leisure and Hospitality** → Caterers, Mobile Food Service

**Other Services** → Repair/ Maintenance



# Modern Industry: *Easy-to-Remember Version*



1. If it involves:
  - Making
  - Moving or
  - Mending Goods, then it's industrial
2. Not your grandparents industry
3. Increasingly clean & green



# Significance of Philadelphia's Industrial Sector



104,300 industrial jobs, approximately one out of every five jobs in Philadelphia



Industrial jobs employ a range of Philadelphians – highly skilled, technical positions to entry-level apprenticeships to **career-path positions** for unskilled and semiskilled workers



Industry provide family sustaining jobs with benefits

Average **wages** for industrial jobs in the city are nearly **\$50,000**



**Annual payroll of over \$5 billion**; direct economic output \$47.8 billion

Annually contributes **\$323 million in taxes** (BPT, property, wage, and sales)





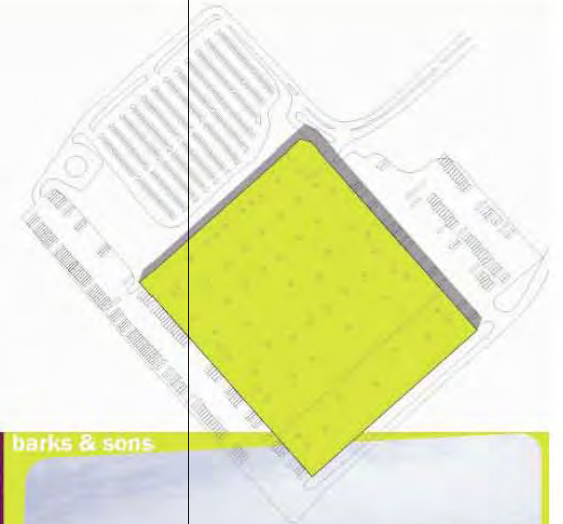
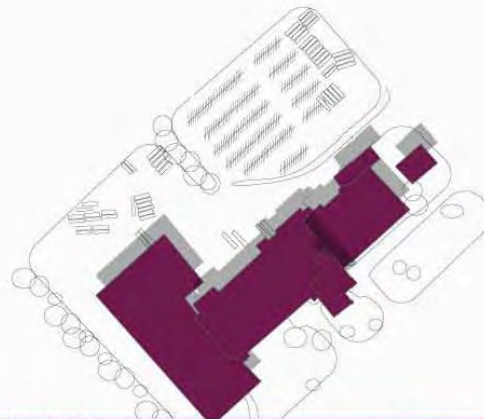
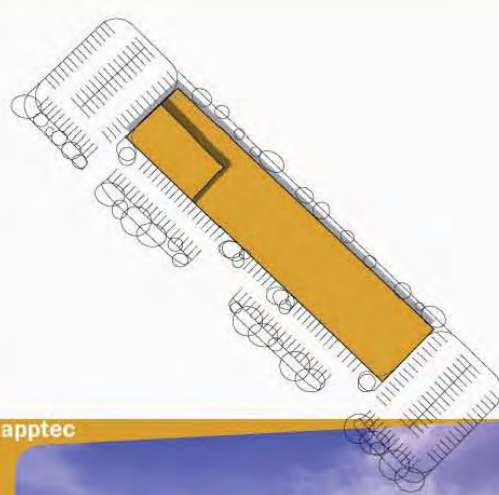


# Real Estate Requirements of Modern Industry



- Modern building
- Zoning certainty
- Infrastructure access
  - Primarily highways, but also rail, airports & ports
- Workforce access
- Clustering and agglomeration
- Distance from residential areas

# Industrial Building Types



→ flex  
FAR .24



→ heavy  
industrial  
FAR .27



→ warehouse  
distribution  
FAR .29



# Target Clusters



## 11 Target Clusters

- Apparel
- Biopharma
- Building Fixtures & Equipment
- Construction & Real Estate
- Energy
- Food Processing
- Medical Devices
- Metal Fabrication
- Publishing & Printing
- Transportation
- Wholesale



## 3 Primary Categories

### Traditional Manufacturing

- Apparel
- Building Fixtures & Equipment
- Construction & Real Estate
- Food Processing
- Metal Fabrication
- Printing & Publishing

### Advanced Manufacturing

- BioPharma
- Medical Devices
- Energy

### Transportation

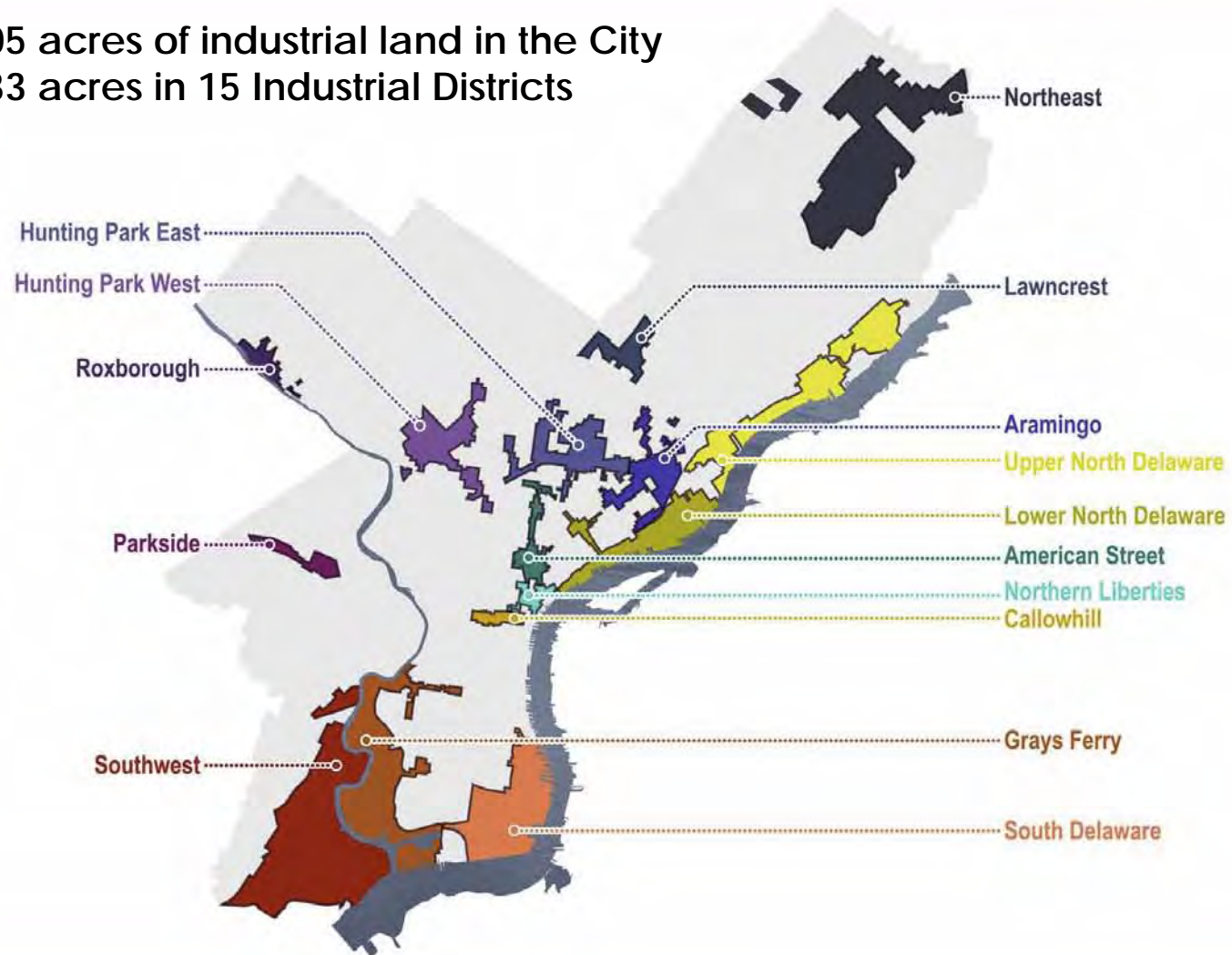
- Transportation
- Wholesale



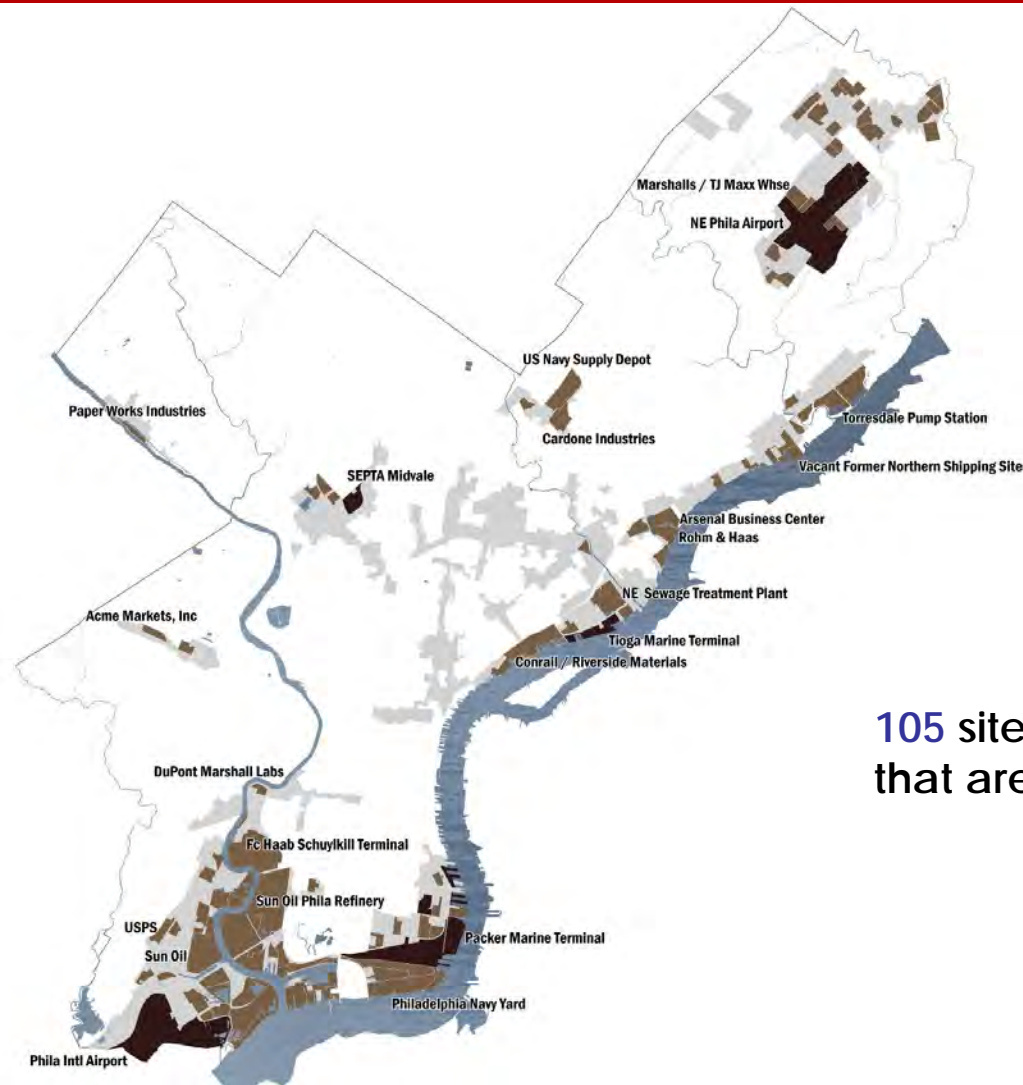


# Industrial Districts

17,805 acres of industrial land in the City  
15,433 acres in 15 Industrial Districts



# Constrained Supply of Land Suitable for Modern Industry

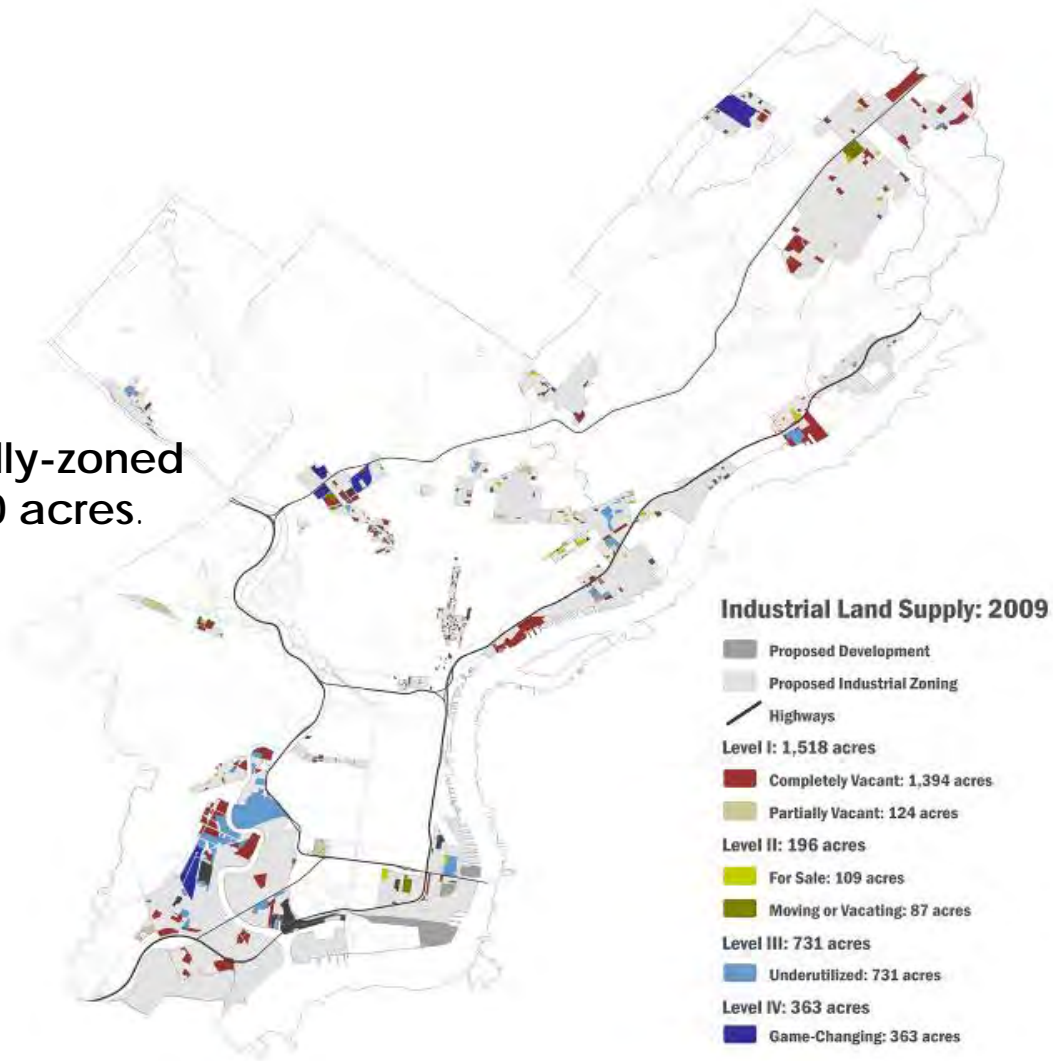


105 sites in Philadelphia that are 20+ acres in size

# Severe Shortage of Developable Industrial Sites



PIDC owns 7 industrially-zoned parcels larger than 20 acres.





# Industrial Land Strategy Impacts

- Over the next 20 years:
- A target of 22,000 new jobs to be created
- \$1 billion in additional annual wages
- \$68 million in additional annual City tax revenue

Industrial Land Strategy will require 2,400 acres of developable industrial land

- Upgrade vacant or underutilized industrial land
- Redevelop existing industrial sites
- No significant re-zoning of non-industrial sites

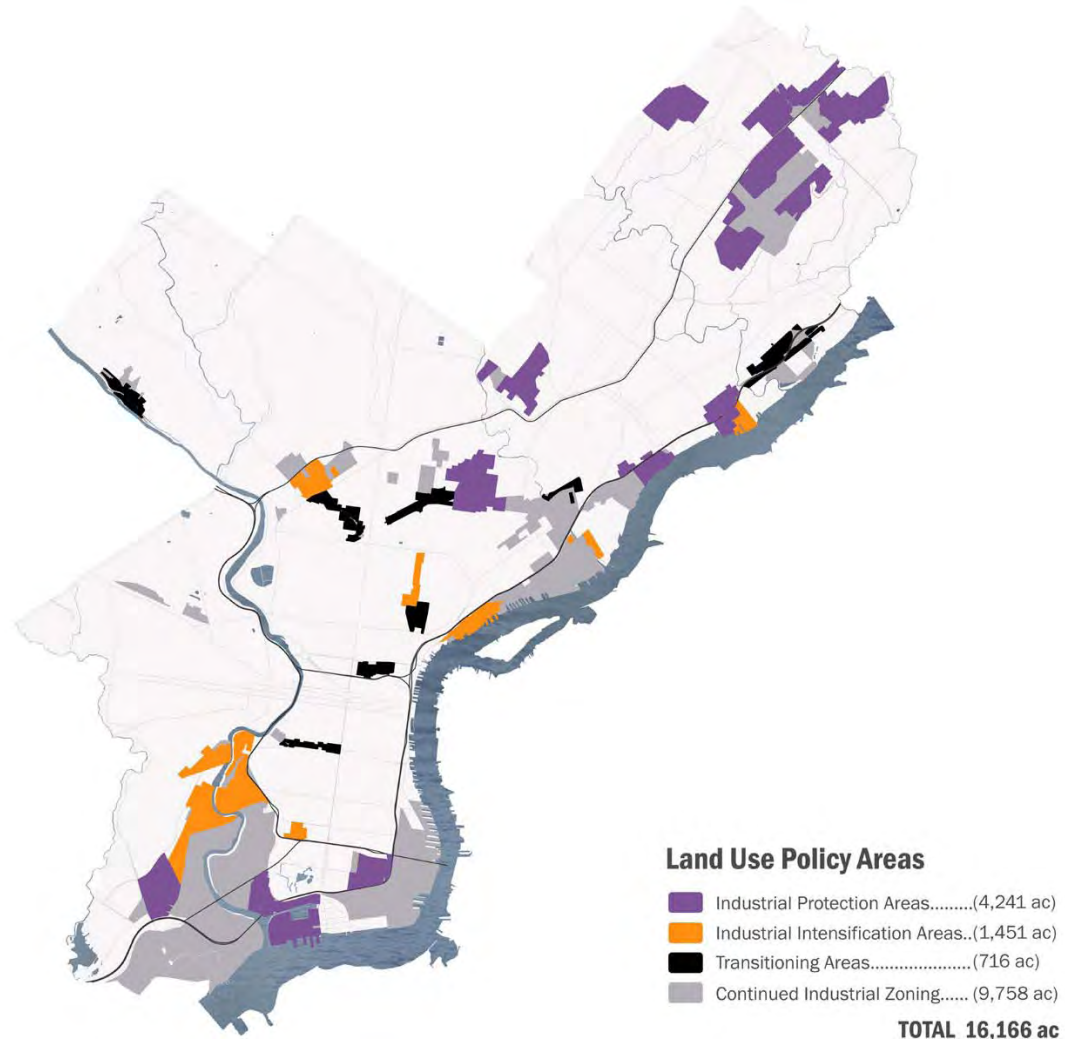


# Recommendations – Zoning Consolidation



Classification	Uses	Impacts
<b>Heavy Industrial</b>	<ul style="list-style-type: none"> <li>▪Least restrictive – Petroleum processing, storage, terminals</li> </ul>	<ul style="list-style-type: none"> <li>▪Most permissive - high noise, odor</li> </ul>
<b>Medium Industrial</b>	<ul style="list-style-type: none"> <li>▪Manufacturing, distribution, processing</li> </ul>	<ul style="list-style-type: none"> <li>▪Permissive – noise, odor, hours, traffic</li> </ul>
<b>Light Industrial</b>	<ul style="list-style-type: none"> <li>▪Assembly, light fabrication, office, R&amp;D</li> </ul>	<ul style="list-style-type: none"> <li>▪Localized noise, traffic, activity</li> </ul>
<b>Utilities &amp; Transport</b>	<ul style="list-style-type: none"> <li>▪Power plants, water, waste treatment; rail yards, ports, airports</li> </ul>	<ul style="list-style-type: none"> <li>▪Fixed impacts – includes odor, traffic, noise, high activity</li> </ul>
<b>Commercial Mixed-use</b>	<ul style="list-style-type: none"> <li>▪Mix of small industrial and commercial</li> </ul>	<ul style="list-style-type: none"> <li>▪Localized noise, traffic, activity</li> </ul>
<b>Residential Mixed-Use</b>	<ul style="list-style-type: none"> <li>▪Workshop, small manufacturing &amp; fabrication compatible with traditional neighborhood residential</li> </ul>	<ul style="list-style-type: none"> <li>▪Minimal</li> </ul>

# Recommendations – Industrial Land Use Policies

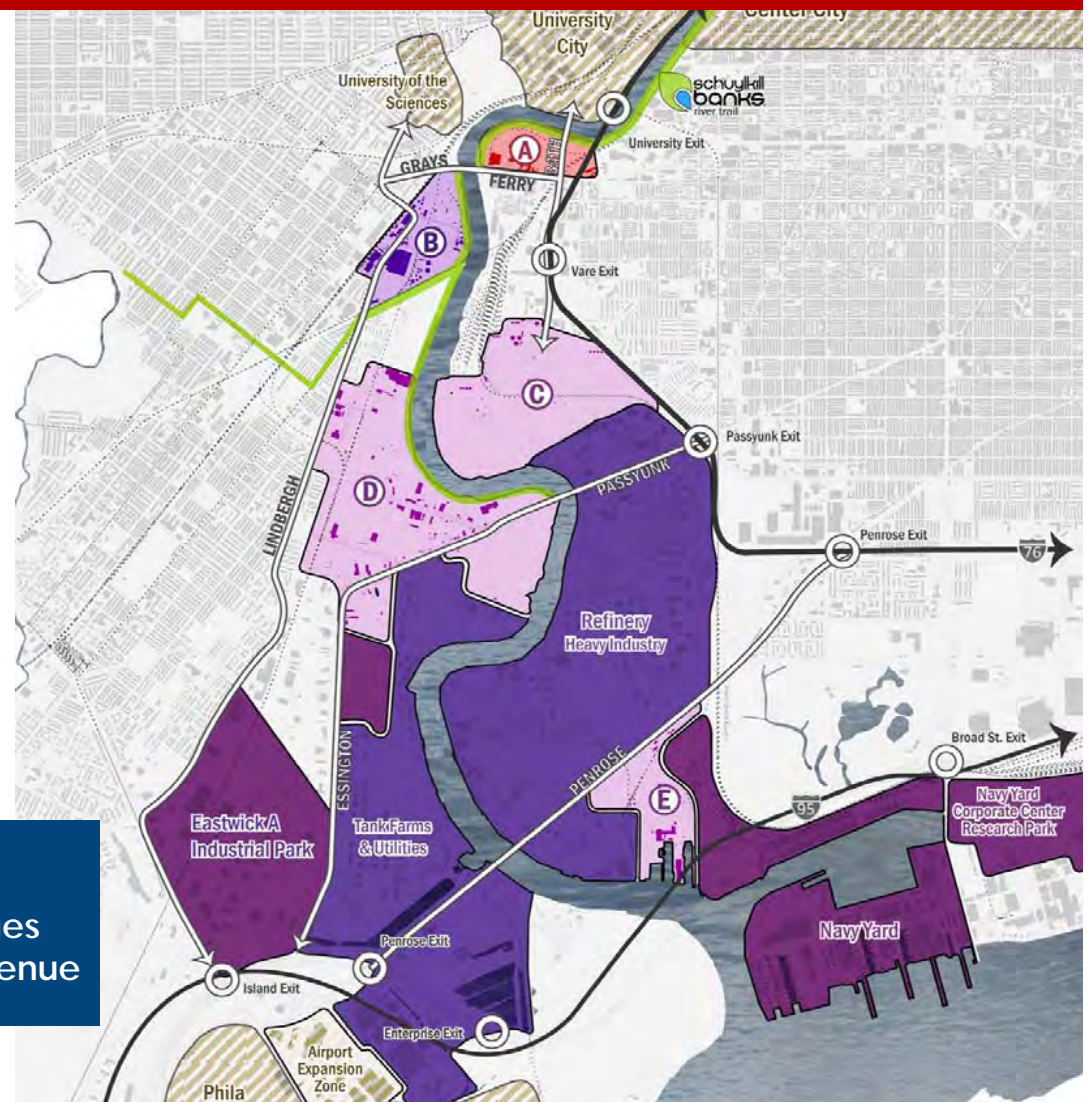


# Increase Industrial Intensity along Lower Schuylkill River

- (A) DUPONT CRESCENT**  
TIME TO UNIVERSITY CITY: 4 MINUTES  
TIME TO PHL AIRPORT: 10 MINUTES  
OPPORTUNITY: RESEARCH/MIXED-USE  
52 ACRES
- (B) BOTANIC AVENUE**  
TIME TO UNIVERSITY CITY: 6 MINUTES  
TIME TO PHL AIRPORT: 12 MINUTES  
OPPORTUNITY: ADVANCED MANUFACTURING  
46 ACRES
- (C) SUNOCO NORTH YARD**  
TIME TO UNIVERSITY CITY: 9 MINUTES  
TIME TO PHL AIRPORT: 11 MINUTES  
OPPORTUNITY: PRODUCTION/DISTRIBUTION  
254 ACRES
- (D) EASTWICK B**  
TIME TO UNIVERSITY CITY: 8 MINUTES  
TIME TO PHL AIRPORT: 9 MINUTES  
OPPORTUNITY: PRODUCTION/DISTRIBUTION  
363 ACRES
- (E) NAVY YARD EXPANSION**  
TIME TO UNIVERSITY CITY: 15 MINUTES  
TIME TO PHL AIRPORT: 5 MINUTES  
OPPORTUNITY: PRODUCTION/DISTRIBUTION  
102 ACRES

## Impacts:

3,700 jobs - \$170 million in wages  
\$17 million in annual City tax revenue







# Thank You

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