

## RESOLUTION

Authorizing the Committee on Commerce and Economic Development to hold hearings regarding strategies to ignite business and job growth and to make Philadelphia a more economically competitive city.

WHEREAS, Philadelphia has a proud history as an engine for the regional and national economies; and

WHEREAS, However, as the city suffered from the effects of deindustrialization, the city lost thousands of jobs and several major employers. Following that same trajectory, the city has also been confronted with rising poverty rates, with Philadelphia in recent years being labeled the “poorest big city in America”; and

Philadelphia has been labeled the “poorest big city in America” and the city’s poverty rate, which stands near 23% according to the U.S. Census Bureau, is nearly double the statewide and national averages; and

WHEREAS, Philadelphia’s poverty crisis has particularly affected the city’s minority communities. The city’s Black and Hispanic populations experience poverty at rates significantly higher than the city as a whole and in 2020, Philadelphia's Black and Hispanic households reported median incomes \$12,215 and \$13,270 less than the city’s median, respectively, according to an analysis by the Economy League of Greater Philadelphia; and

WHEREAS, These long-term trends were exacerbated during the economic downturn caused by the COVID-19 pandemic, which caused a major setback in the city’s efforts to grow its economy and create more family-sustaining jobs. And according to a February 2023 analysis conducted by the Pew Charitable Trusts, Philadelphia’s pandemic recovery has lagged behind the rest of the region; the city’s employment levels remain 4.1% below pre-pandemic levels while the city’s surrounding suburbs have recovered most of the jobs lost during the pandemic; and

WHEREAS, Philadelphia has also underperformed in job creation when compared with peer cities and nationwide trends. Since 1970, Philadelphia has seen a 22% decrease in the total number of jobs while peer cities Boston, New York, and Washington D.C. have seen double-digit job growth during this period, according to Census Bureau data; and

WHEREAS, Businesses in Philadelphia also navigate a challenging regulatory and tax environment, which presents particular challenges to new, small businesses and minority-owned businesses. According to an analysis by Arizona State University economists, Philadelphia’s business climate ranked 71st of the 81 major cities that were examined; and

WHEREAS, City leaders have consistently worked to address both the causes and consequences of racially concentrated poverty through growth strategies aimed at creating family-sustaining jobs in the communities most impacted by poverty. As Philadelphia continues to emerge from the COVID-19 pandemic, Council's efforts must remain focused on expanding economic opportunity for communities citywide; and

WHEREAS, Expanding opportunity to more city residents is also crucially important for sustaining the City's budget and funding vital City services. According to a 2022 analysis conducted by the Pew Charitable Trusts, the creation of an additional 20,500 jobs between 2022 and 2026 would generate an additional \$355 million in city revenues over those five years, as compared to the projected revenues under the more modest growth projections contained in the City's Five Year Financial and Strategic Plan; now, therefore be it

RESOLVED, THAT THE COUNCIL OF THE CITY OF PHILADELPHIA, Hereby authorizes the Committee on Commerce and Economic Development to hold hearings regarding strategies to ignite business and job growth and to make Philadelphia a more economically competitive city.