



Eryn Santamoor for Philadelphia City Council At-Large Economic Growth Action Plan

Our local economy is growing too slowly and prosperity isn't evenly distributed. From 2009 to 2018, private-sector jobs in Philadelphia grew at a rate slower than the national average and below the average of the 26 largest US cities. To boost our economy and foster job growth, Philadelphia's tax and regulatory structure must achieve a more perfect balance that unleashes our city's economic potential and leaves no Philadelphian behind. City Council must lead to establish an economic environment that is competitive locally and globally, supports businesses of all sizes, attracts new residents, and funds our public institutions and promises to our residents and families. Creating jobs and wealth is key to tackling pervasive and systemic poverty in Philadelphia; to reduce our unacceptable poverty rate, we need to be viewed as a place that is competitive and hospitable to business. Philadelphia needs to get this right.

ACTION PLAN

- Work with the Department of Revenue to build a more comprehensive and responsive tax system, including incentives and tax credits that build the economy we want - one focused on dramatically increasing our economic growth rate and one that responsibly supports our city's revenue needs.
- Reform the tax abatement program and propose graduated property tax abatements for the real estate industry and intentionally target areas of the city that have yet to experience the benefits of development. This may include expanding the incentive program to stimulate rehabilitation and/or new construction efforts in commercial corridors or residential areas outside of the greater Center City area.
- Shift to a higher commercial real estate tax model - rather than a uniform tax rate for commercial properties and homes - to enhance overall real estate tax collection, recognizing that this will require advocacy at the state level to amend the uniformity clause of the Pennsylvania Constitution. We need to bring our tax structure into alignment with our peer cities so we can improve our competitiveness.
- Continue reducing the wage tax and ultimately work with our Philadelphia Delegation in the State Legislature to make it progressive.
- Preserve affordable housing through increased investment in programs like the Housing Trust Fund as a requirement of any adjustment to our real estate tax abatement program (see affordability section).
- Reduce the gross receipts tax and work toward elimination over the next 5 to 7 years.
- Simplify our tax code and improve compliance; for example, by gradually phasing out the requirement that businesses pay for estimated future revenues as part of the Business Income and Receipts Tax (BIRT).

Economic Growth Action Plan

- Support and elevate the work of StartupPHL, Philly Startup Leaders and other such organizations who work to recruit startups into Philadelphia's tech and innovation ecosystem.
- Reduce the time and cost of doing business in Philadelphia by streamlining the permitting process (i.e. consolidating applications) and decreasing wait times for receiving approvals and processing appeals.