

# Capital Budgeting in Philadelphia

## Examining the city's investments through an equity lens

February 6, 2025

Pew

# Background

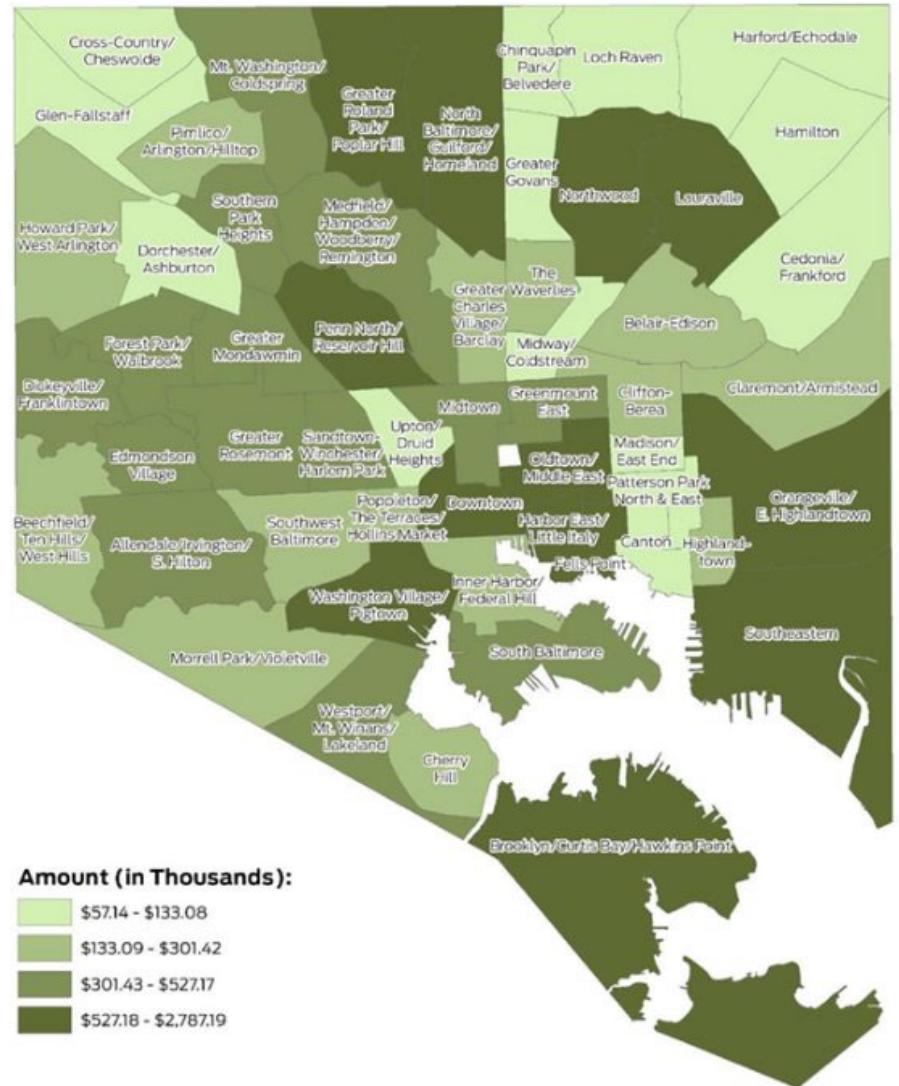
In 2019, Baltimore Capital Improvement Program (CIP) analyzed investments by neighborhood and demographic indicators.

Pew was approached by the city in 2022 to replicate this analysis for Philadelphia.

Like the Baltimore (CIP) analysis, Pew analyzed investments by neighborhood and demographic indicators.

In addition, Pew assessed where protected classes overlapped and analyze asset type.

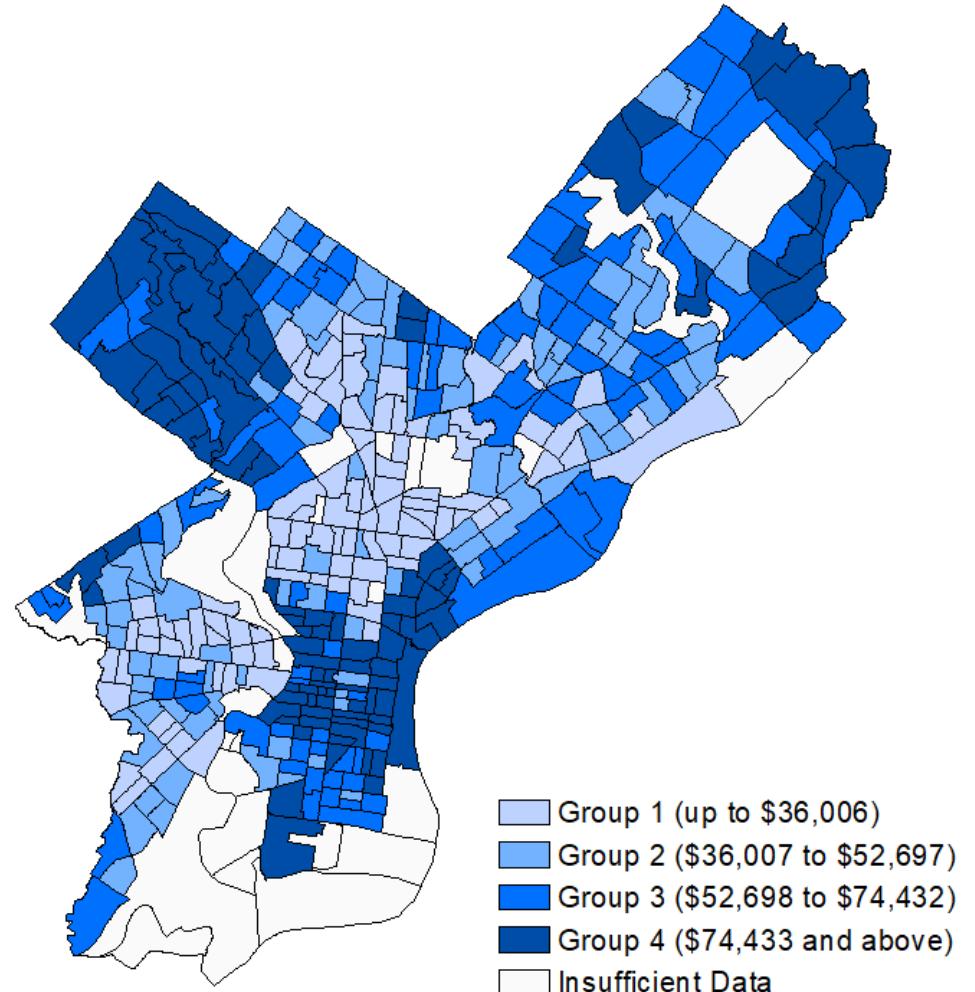
**Per Capita CIP Allocations, FY 2014-2016**



# Background and Methods

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- **Framework:** previously completed equity-focused report from Baltimore
- **Methods:**
  1. Classify census tracts into four equal sized groups based on several demographic indicators
    - HH Income, race and ethnicity, and an index known as “Indicators of Potential Disadvantage”
  2. Analyze committed capital investments on a per capita basis across demographic groups to examine differences in allocations of investments based on demographic characteristics



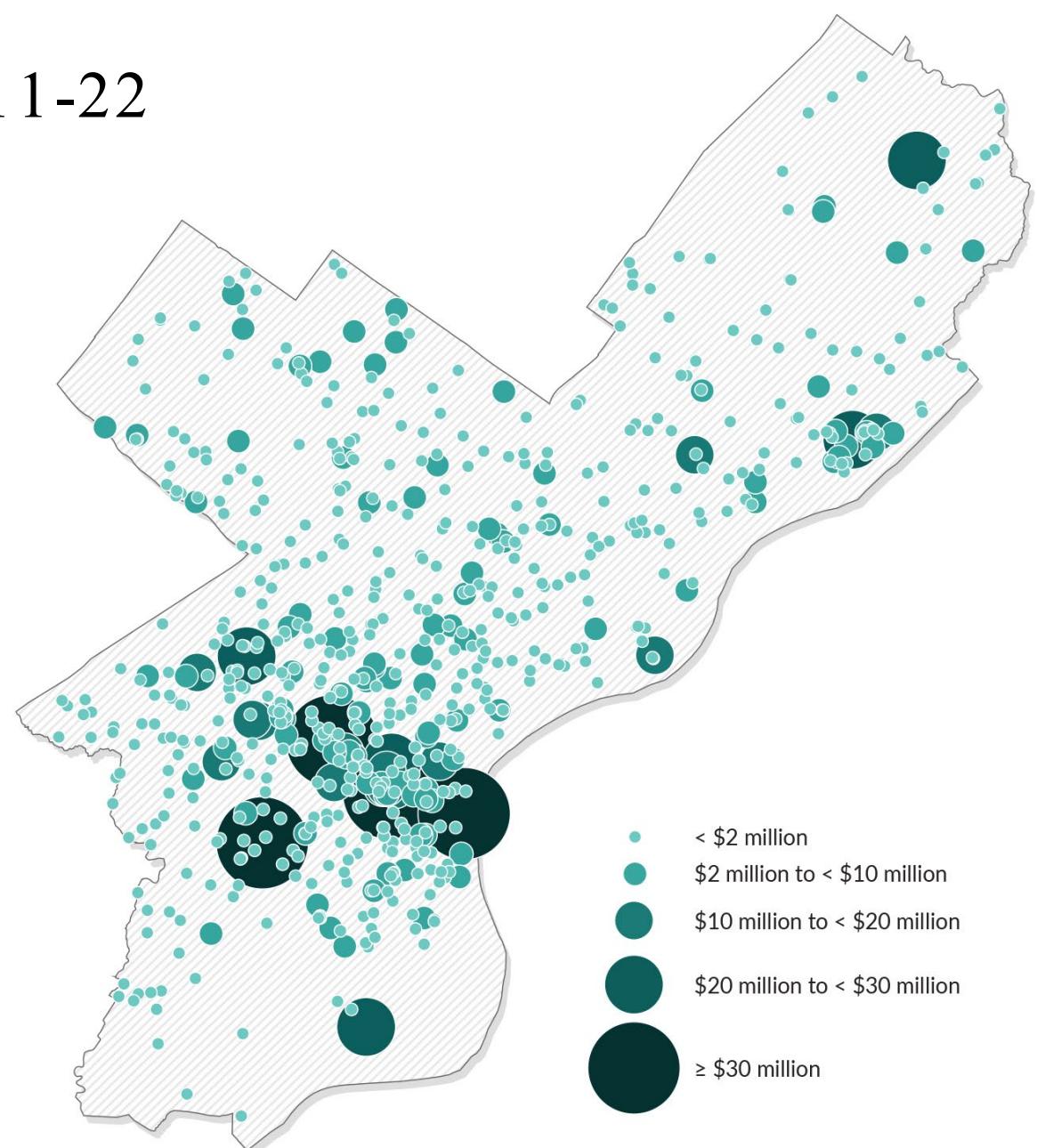
# Key Findings

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- Per capita investment of \$802 from FY 11-22 across the city
  - Areas with higher income levels and larger shares of White residents had higher per capita investments
  - Areas with lower income levels and larger shares of Black or African American residents had lower per capita investments
  - Indicators of Potential Disadvantage presented starker differences
- Assets meant to serve entire city cost more to build and maintain than local assets
  - These are concentrated in Center City tracts, which have higher levels of income and White residents
- Assets for recreational and social service uses were more evenly distributed throughout the city's neighborhoods and had relatively low variation in per capita investment across groups
  - Assets for cultural and public works/city operations uses were the most varied

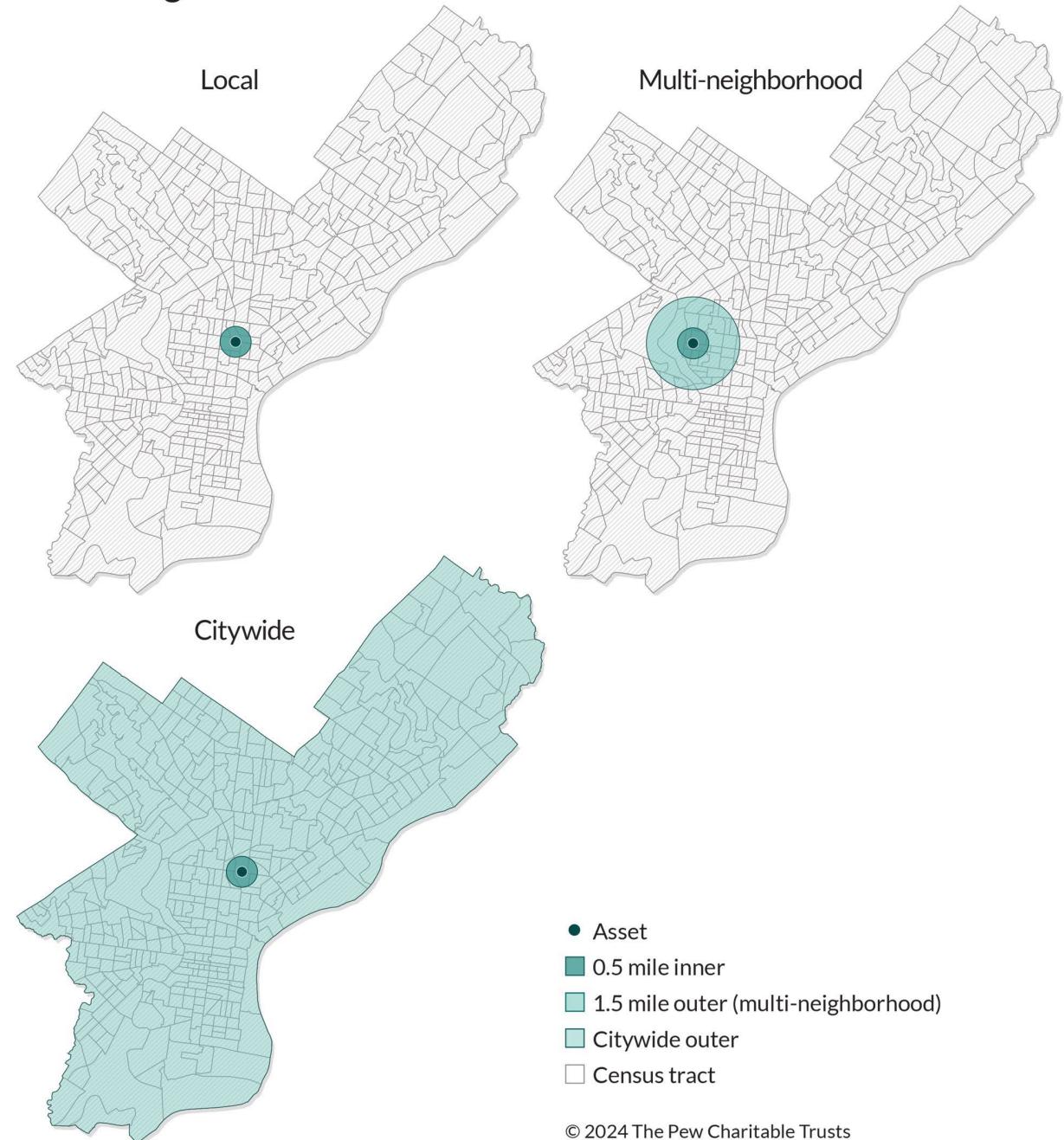
# Asset and Encumbrance Analysis, FY 2011-22

- \$2.5 billion encumbrances total
- \$1.3 billion included in Pew's analysis
  - 10,547 encumbrances
  - 730 assets
- Additional categorizations:
  - Area of influence
  - Intended activity
  - Fiscal year
  - Department



# Areas of Influence

Classification	Description	Examples
1. Local	Assets intended for use primarily by those living close by.	Playgrounds Library branches
2. Multi-neighborhood	Assets with wider-reaching intended user bases.	Fire stations Health centers
3. Citywide	Assets that are intended for the entire city.	Art Museum City Hall General infrastructure

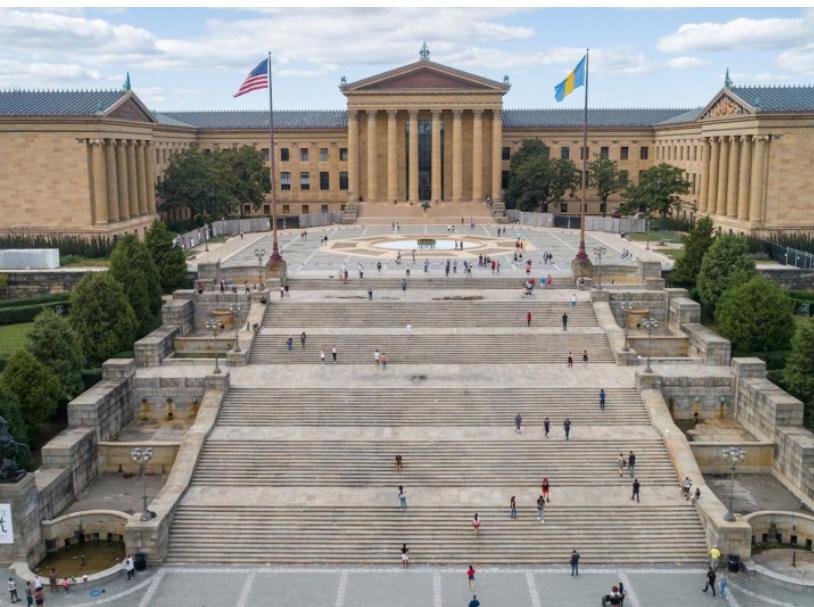


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# Activity Categories of Assets With Definitions and Examples

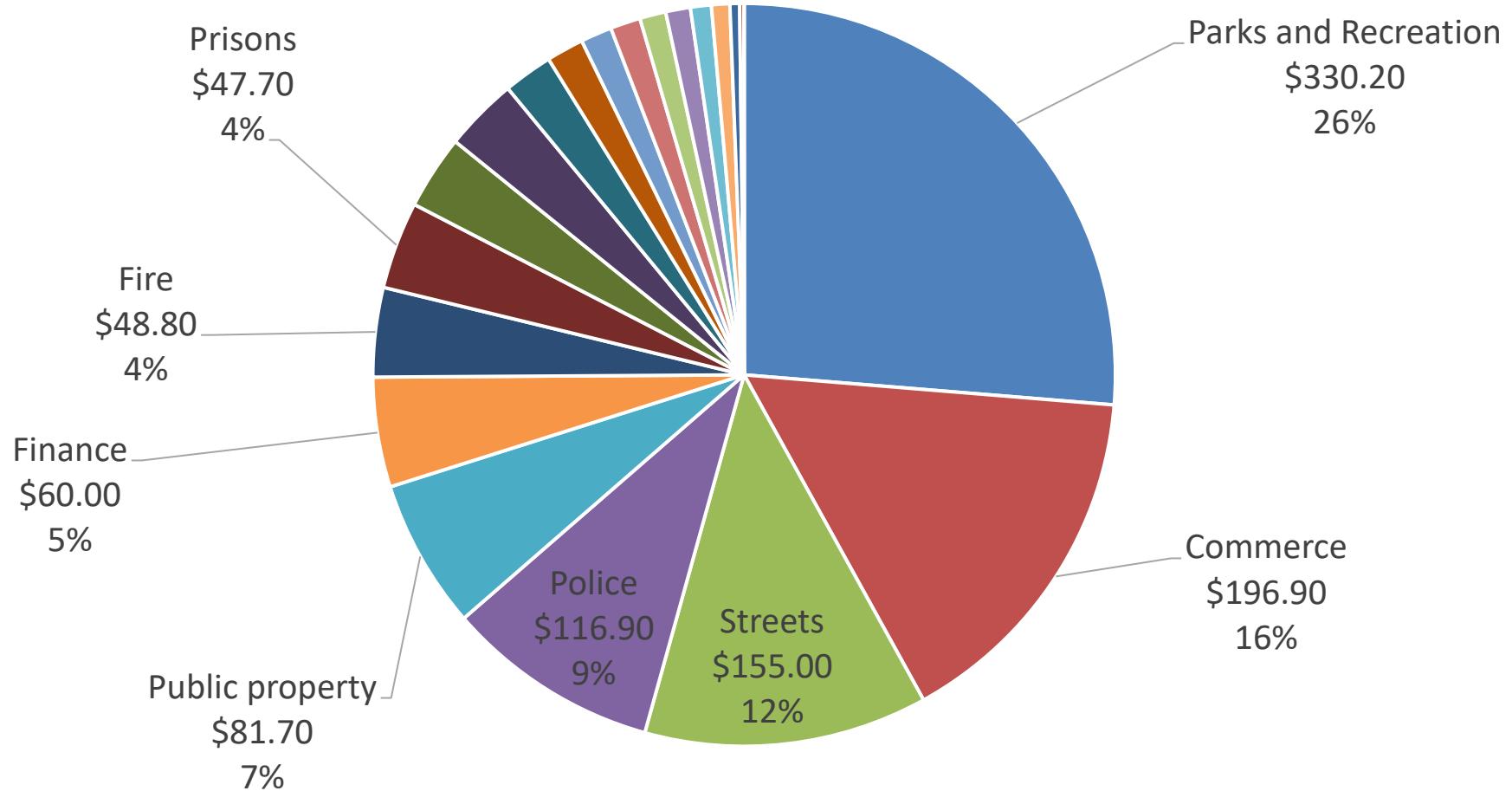
Category	Definition	Examples
Recreational	Structures or land modifications meant for people's enjoyment and active use	Parks, trails, athletic fields
Cultural	Institutions or structures meant for the preservation of history and culture	Museums, libraries, statues
Open space	Areas such as forests, agricultural fields, breezeways, preserves, and coastal lands	Breezeways, conservation areas
Public works	Assets required to sustain the city's operations	City Hall, fuel sites, maintenance garages
Safety	Structures pertaining to public safety	Police and fire stations, detention centers
Transportation	Assets pertaining to the movement of people, animals, and goods from one location to another that are publicly accessible and not attached to recreational sites	Bridges, SEPTA stations
Social services	Buildings that support government services provided for the health and benefit of the community, such as the basic education, medical care and housing	Supportive housing, health centers, seniors' centers
Other	Assets that cannot be grouped under the other categories because of their uniqueness or vague description	Vacant lots

# Examples of Asset Types



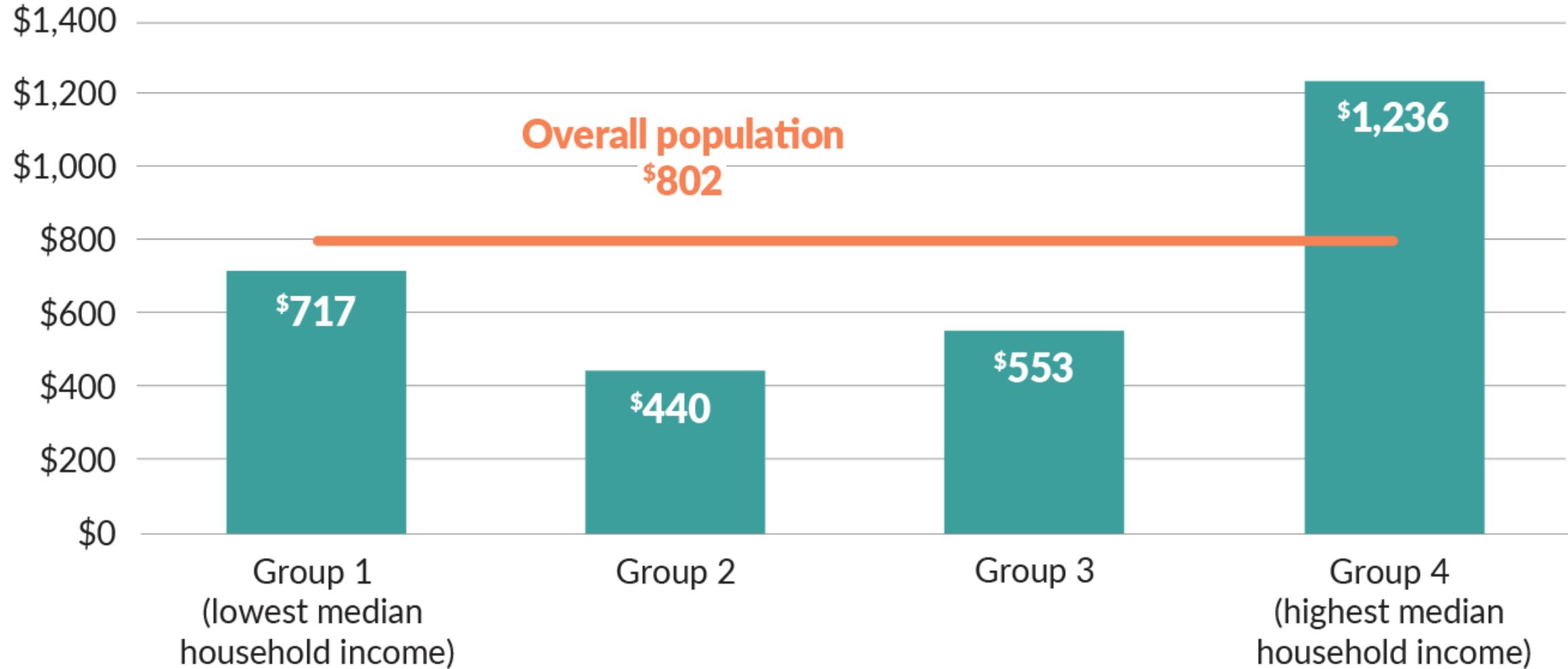
# Total Analyzed Encumbrances by Department

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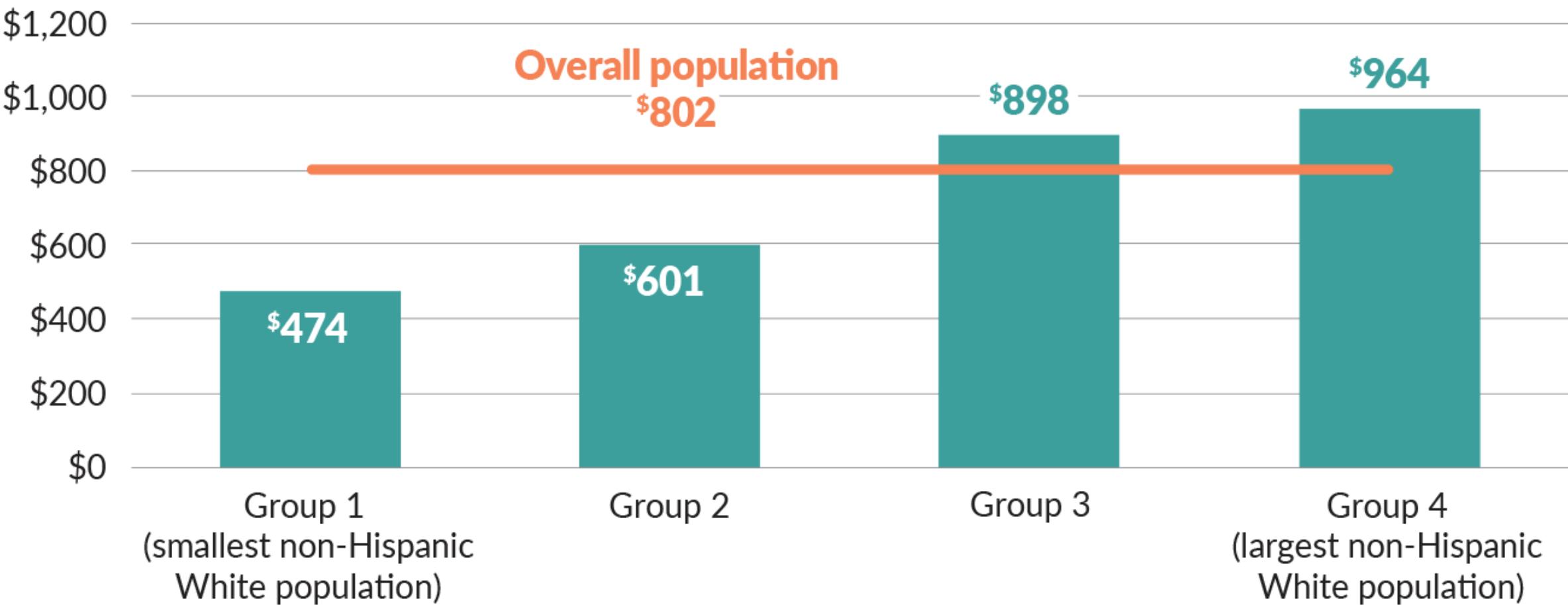
# Per Capita Investment by Group – Median Household Income

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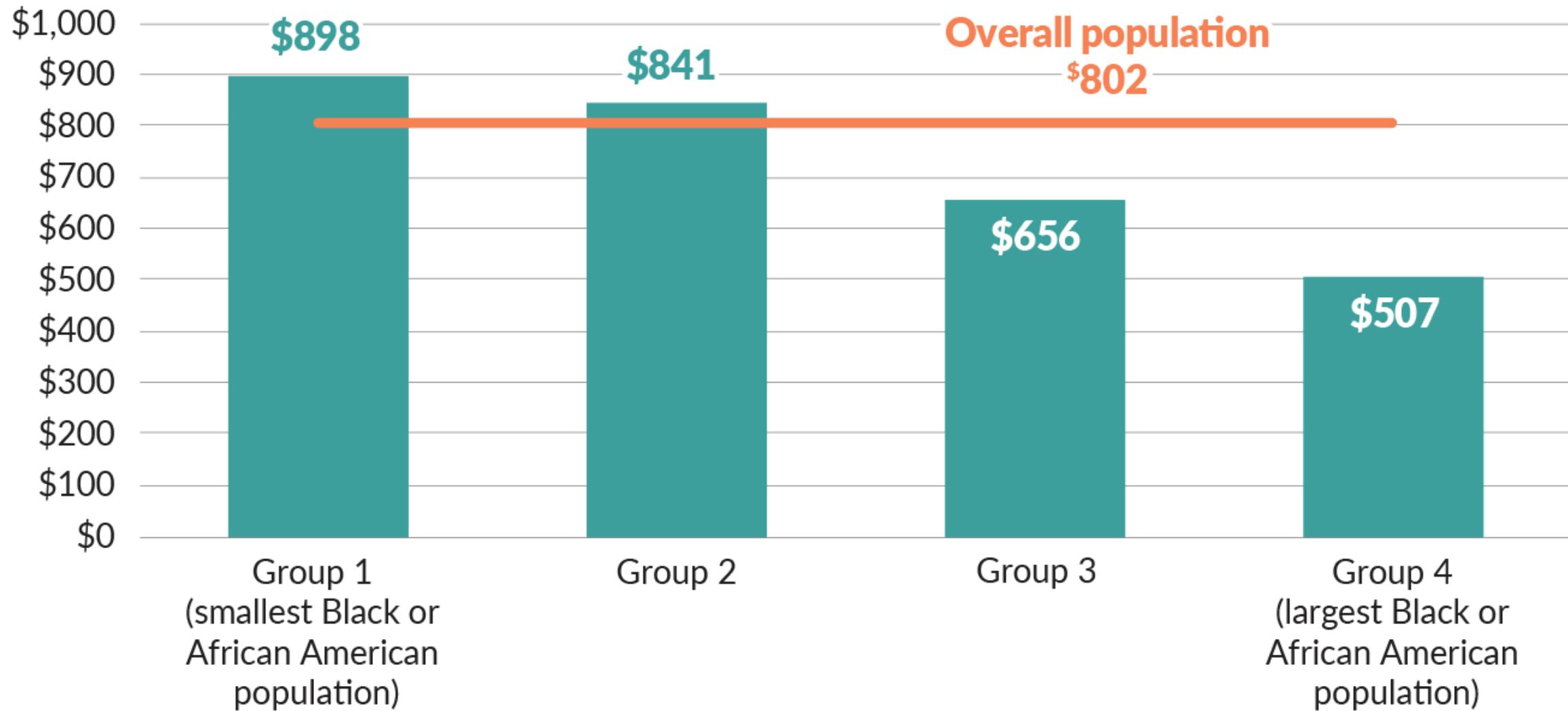


# Per Capita Investment by Group – White Population

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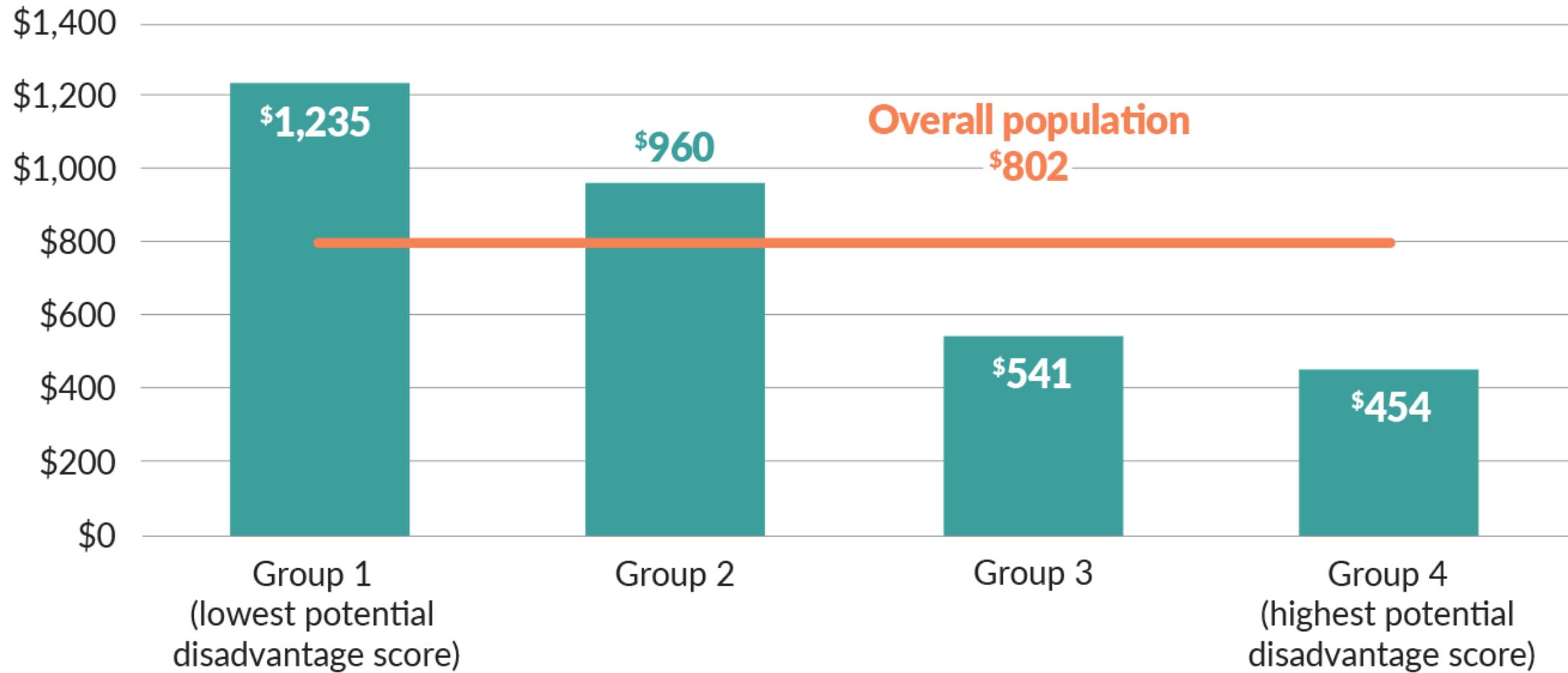


# Per Capita Investment by Group – Black/ African American Population



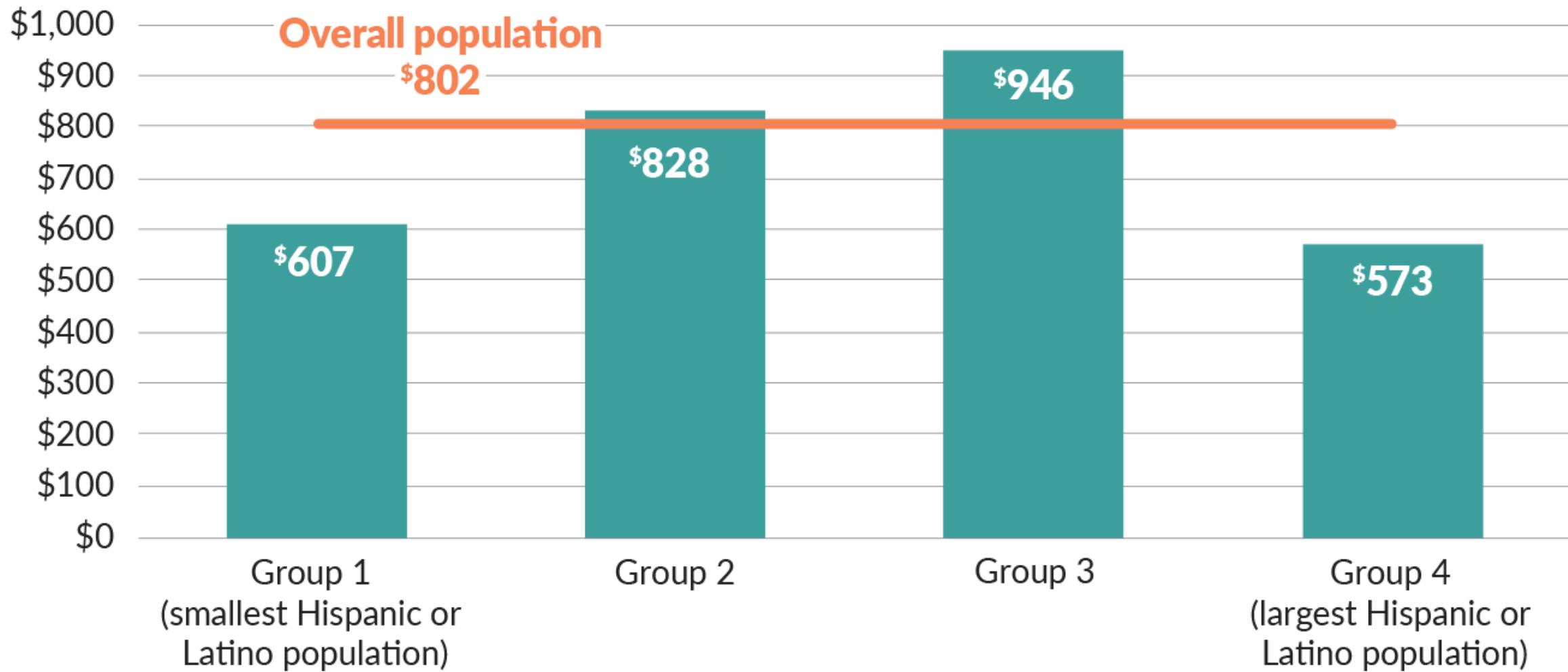
# Per Capita Investment by Group – Potential Disadvantage Level

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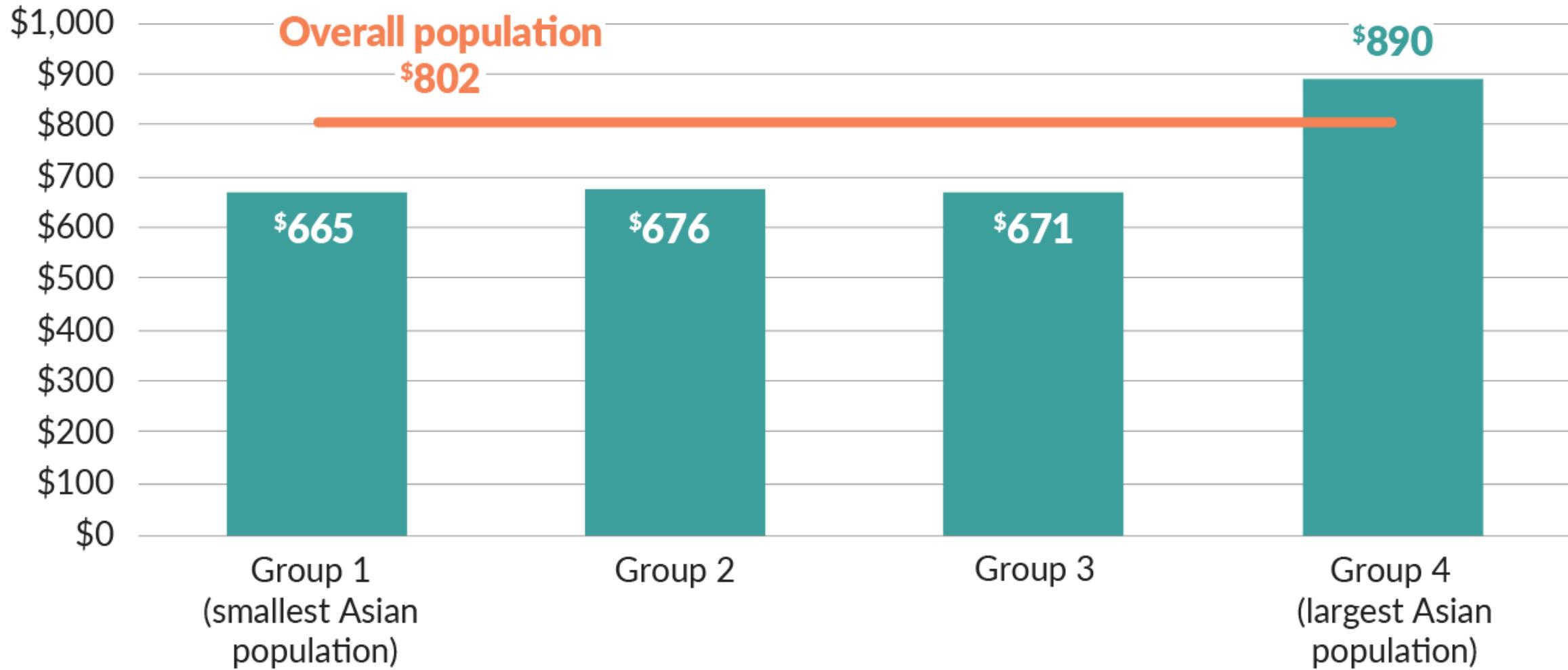
# Per Capita Investment by Group – Hispanic/ Latino Population

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# Per Capita Investment by Group – Asian Population

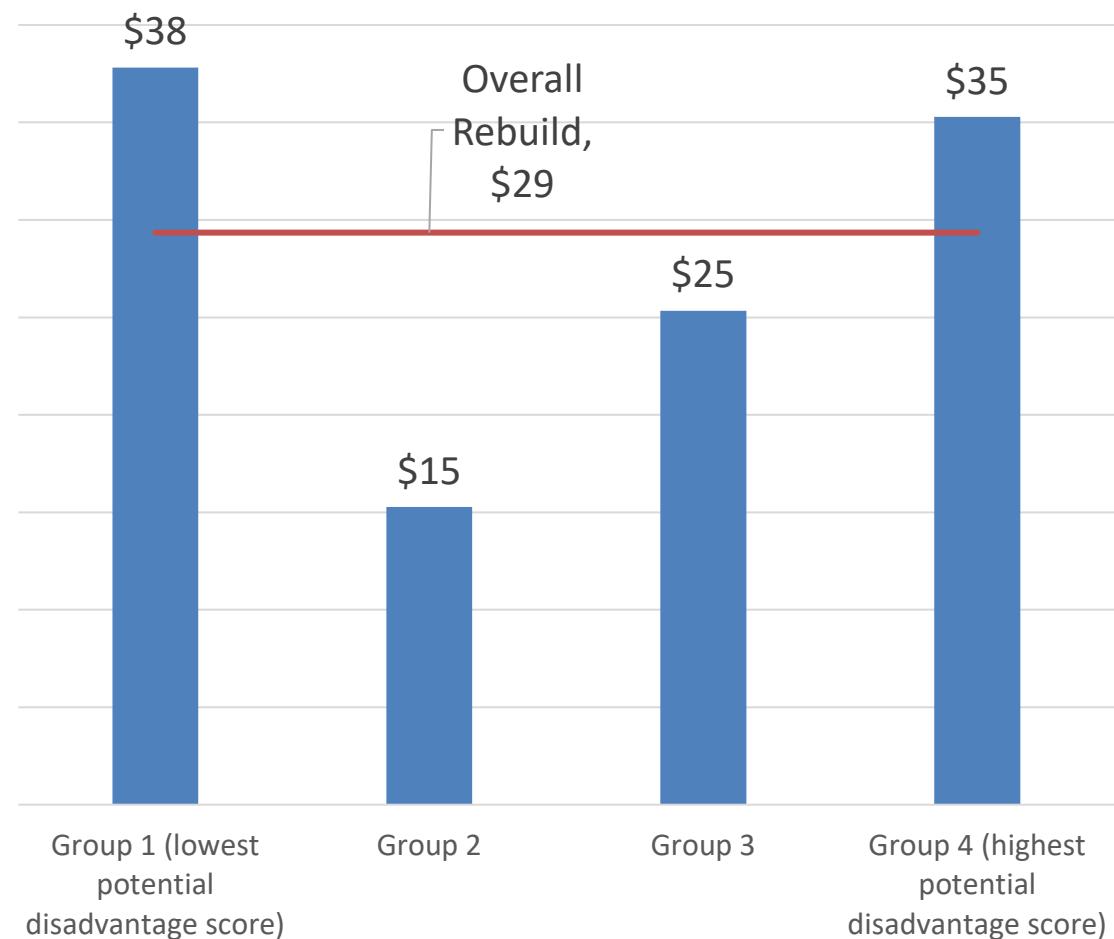
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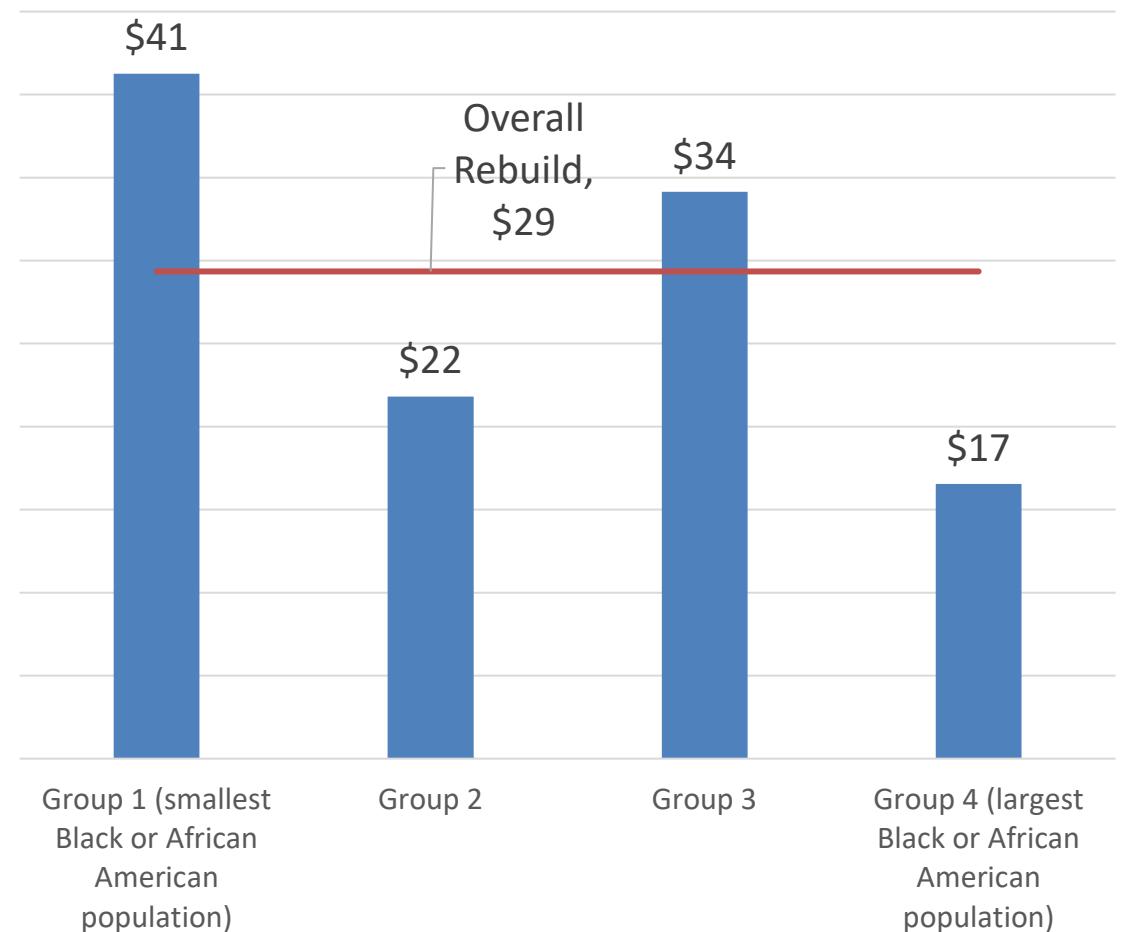
# Rebuild Program

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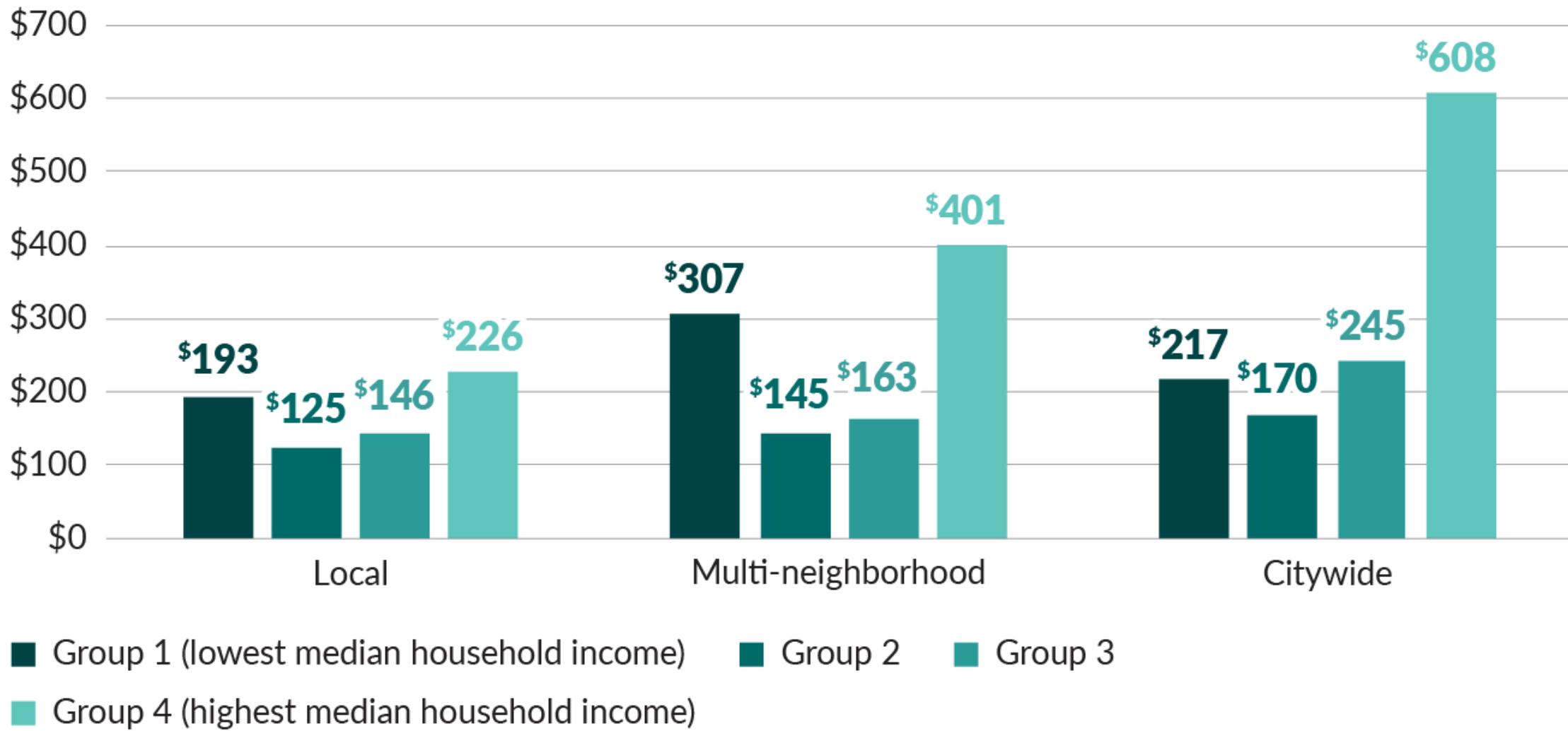
Investment by IPD



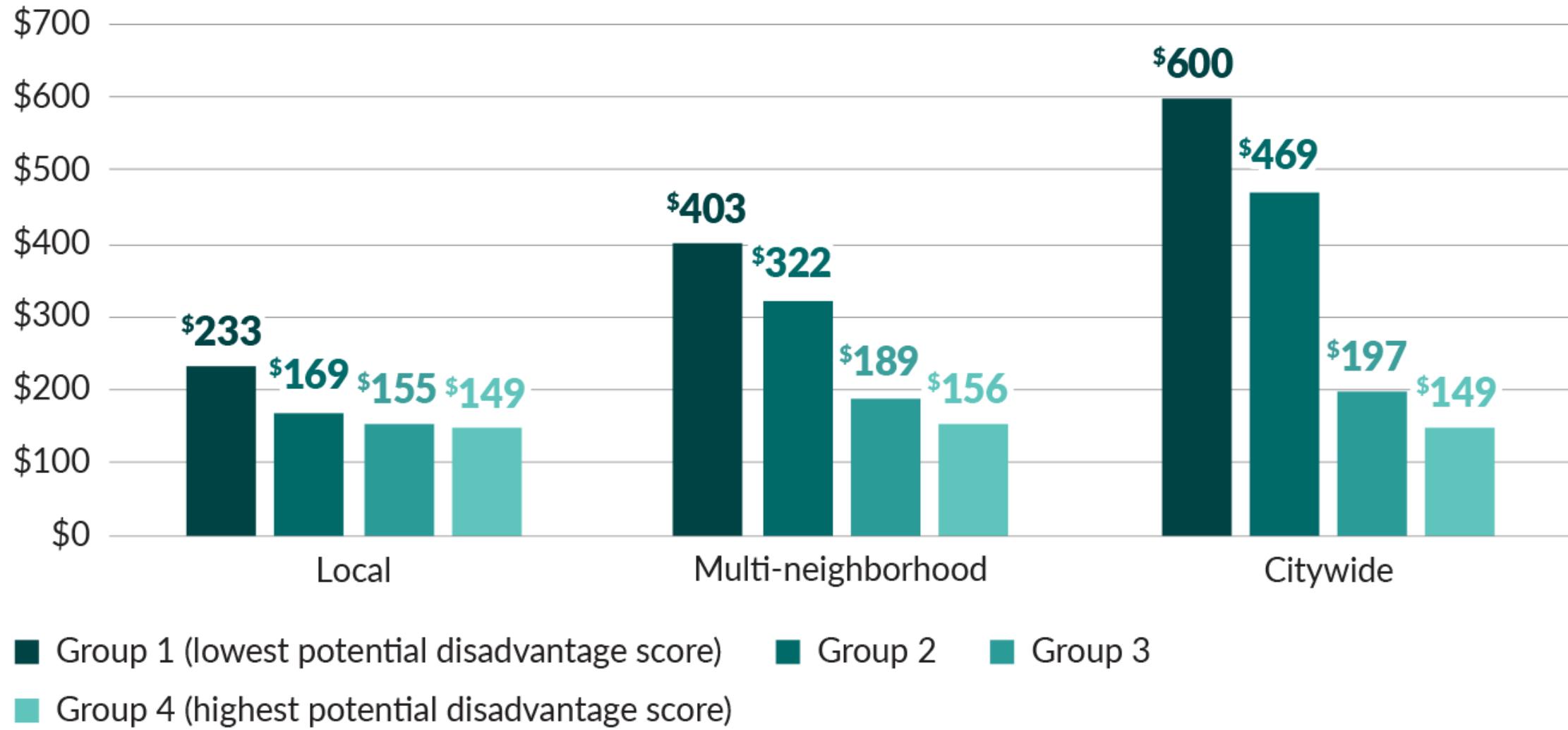
Investment by Black/ AA Population



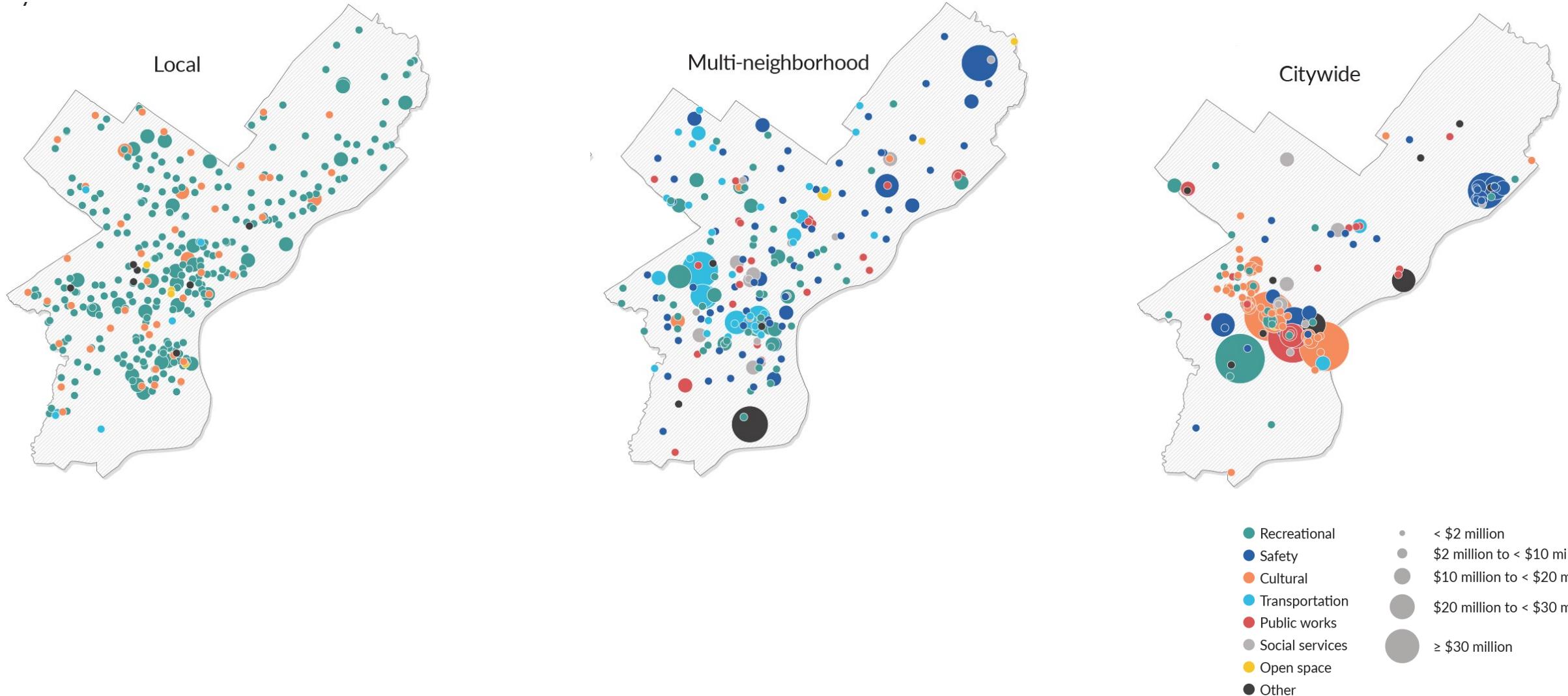
# Per Capita Investment by Area of Influence – Median Household Income



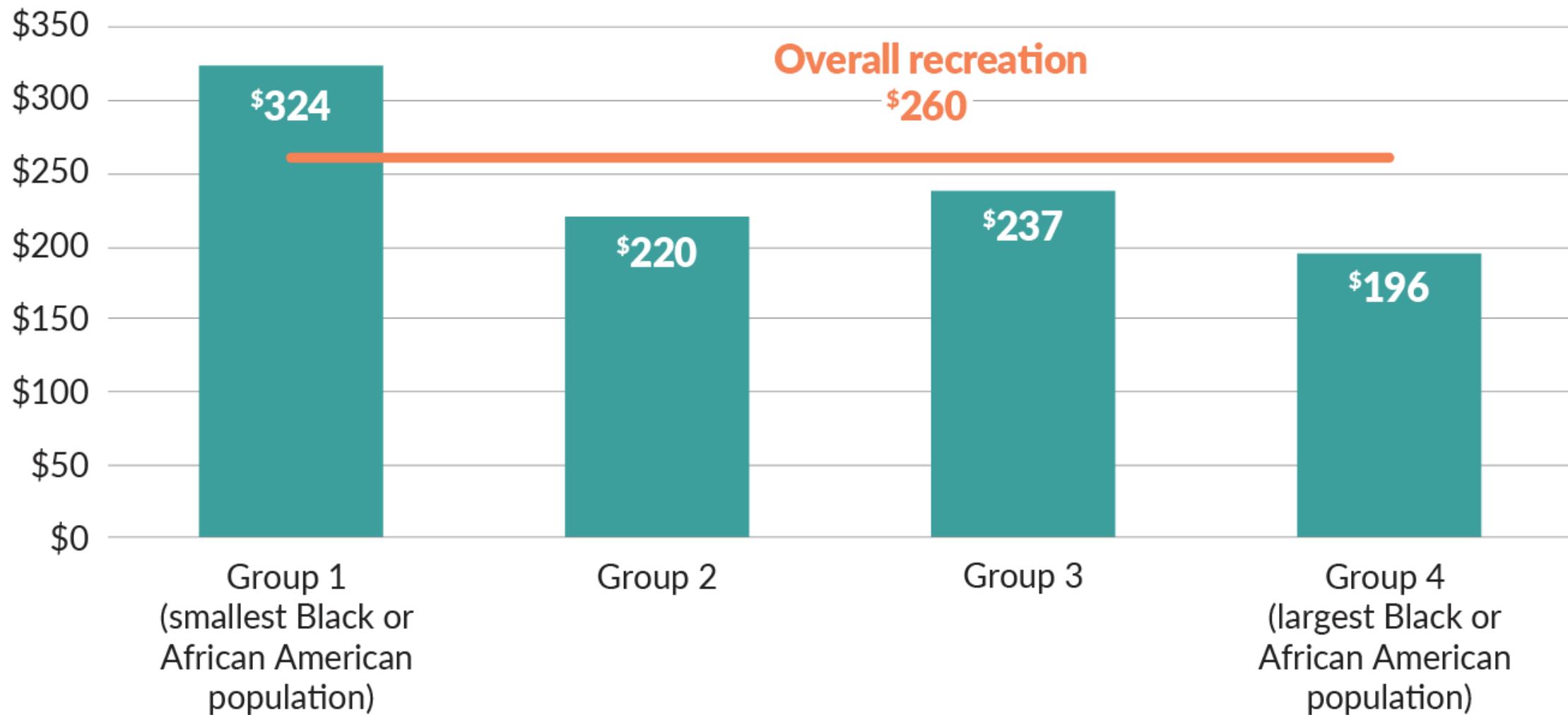
# Per Capita Investment by Area of Influence – Potential Disadvantage



# Investments by Area of Influence and Activity, FY 2011-22

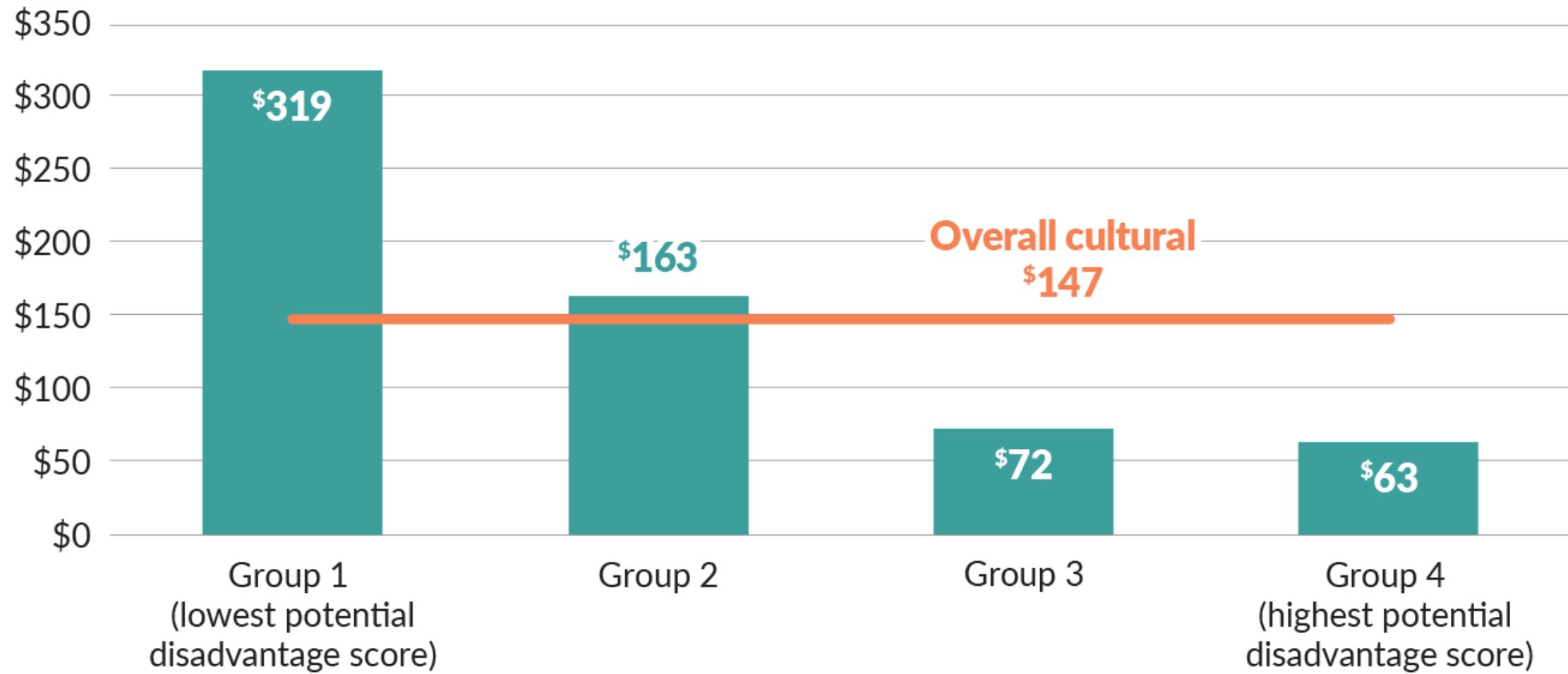


# Recreational Per Capita Investment— Black/ African American Population



# Cultural Per Capita Investment—Potential Disadvantage Levels

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# Future work and explorations

A tool was created to guide the City in Capital Budget decision making.

There were limits in the scope of the project to what we could cover.

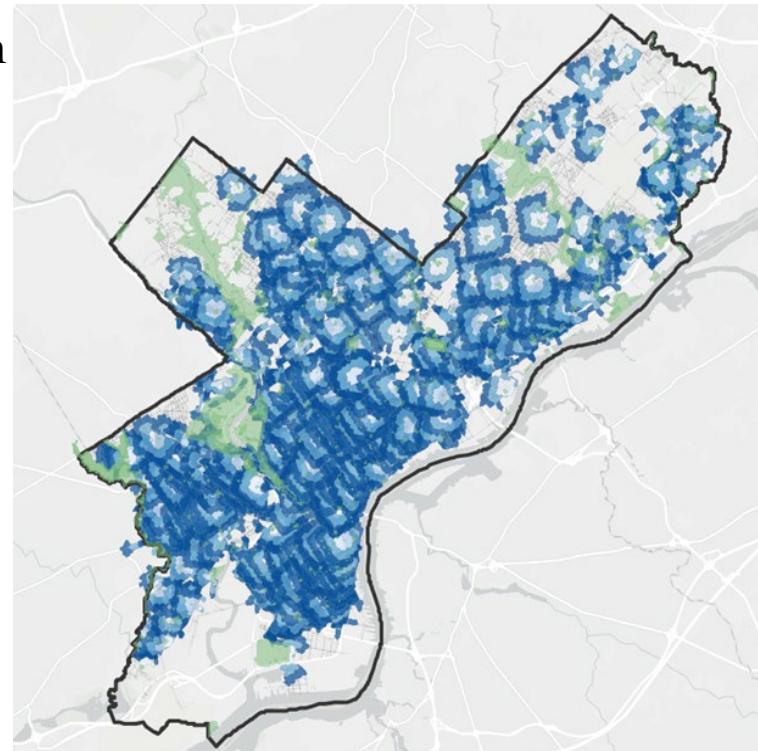
## Potential future explorations

Physical access

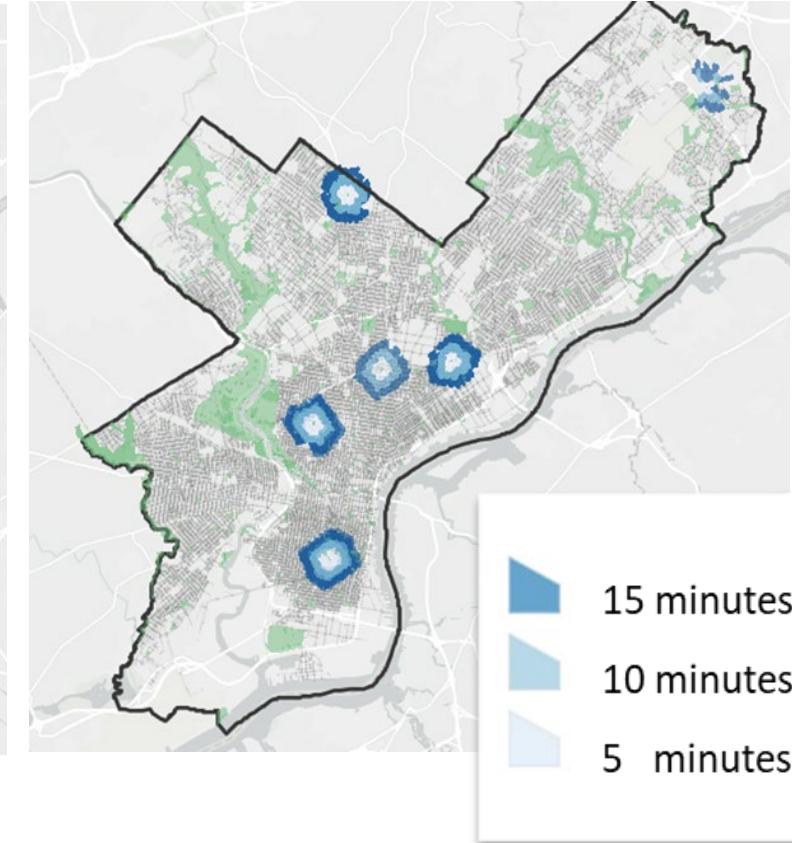
Selection matrix

Private sector involvement

Playgrounds



Older Adult Centers



# Thank you! Contact us.

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Learn more by visiting:

<https://www.pewtrusts.org/en/research-and-analysis/reports/2024/09/capital-budgeting-in-philadelphia>

