# *On a Pier in Philadelphia, Luxury Apartments*

**By Maureen Milford**

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Unlike the waterfronts in historic East Coast cities that developed their harbors as attractions for residents and tourists, Philadelphia's bleak eastern edge is experienced by most people as a blur as they rocket by on Interstate 95.

Because the highway parallels the Delaware River, it has served as a psychological and, to a point, physical barrier to redevelopment of the city's colonial gateway.

Now, with construction of a $75 million apartment building -- the first high-rise residential development actually on the river in the city's more than 300-year history -- the wall may be beginning to disappear.

Construction began this fall on Dockside, a 16-story apartment building on Pier 30 South, a finger pier just downstream from the Benjamin Franklin Bridge. When it opens in late 2001, the project, which is being developed by the DePaul Group of Blue Bell, Pa., will add 240 luxury apartments to a downtown begging for high-end rentals.

This sprawling city has experienced large population losses in the last four decades, but central Philadelphia has been gaining residents in recent years, said Paul R. Levy, executive director of the Center City District, a business improvement organization.

In the 1990's alone, the area had an increase of 5,000 people, a 7 percent jump, to a total of about 75,000. Philadelphia now has the nation's third largest downtown residential population, behind New York City and Chicago, according to a study by the University of Pennsylvania and the city.

Center City encompasses an area of about two square miles from the Delaware River west to the Schuylkill and from South Street north to Spring Garden Street. But those boundaries are expanding with the influx of new residents from suburbia and other states, Mr. Levy said. The Dockside development, on Christopher Columbus Boulevard near South Street, is sure to answer some of the pent-up demand for downtown apartments, he said.

There has been no construction of new luxury apartment buildings in the area since the 1980's, said J. Paul Williams, president of Axiom Inc., a Philadelphia-based market research and appraisal company.

The result: occupancy rates for downtown apartments now stand at 98 percent, while rents have been climbing by 3 to 4 percent a year since 1993, Mr. Williams said. Today, a 470- to 530-square-foot studio apartment in Philadelphia rents for $900 to $1,100 a month. A two-bedroom 1,200-square-foot unit rents for about $2,500.

''In the better apartments, vacancy is limited to the time it takes to recarpet and repaint the unit,'' Mr. Williams said.

Besides adding upper-end rental housing to this city of roughly 1.6 million, the construction of Dockside and the recent completion of a 350-room Hyatt Regency hotel on Christopher Columbus Boulevard at Penn's Landing are evidence that the four-mile stretch of riverfront at Center City is coming into its own, city watchers say.

''It's finally going to happen,'' said City Councilman Frank Rizzo Jr., whose larger-than-life father, the late Frank Rizzo, was mayor when the quasi-public Penn's Landing Corporation was created in the 1970's to revitalize the waterfront.

COMBINED, the apartment and hotel developments represent $150 million in private investment on the river, the biggest so far. The previous residential construction on the river occurred in 1985, when Piers 3 and 5 North were converted to condominiums, said Dominic Sabatini, who has headed the corporation for 20 years.

Through a 99-year lease with the city, the corporation controls 11 finger piers, including the one for the Dockside. The company also has charge of 37 acres between Market and South streets that were created with fill and dedicated in 1976 as Penn's Landing, for the city's Quaker founder, William Penn. The area now includes walkways, a boat basin, a restaurant, the Independence Seaport Museum and the Hyatt.

The proposed centerpiece for Penn's Landing is a $300 million Family Entertainment Center. It will include an 18-screen theater, shops, restaurants, a children's museum and an aerial tramway connecting the Philadelphia and Camden waterfronts.

Ground is expected to be broken early next year, but Philadelphians will believe it when they see it. For decades, one ambitious project after has been announced with great fanfare, only to fizzle. When the Simon Property Group of Indianapolis, the most recent developer of the retail and movie component, signed on in 1997, it said the project would be finished in 2000.

James J. Cuorato, the city's commerce director, said the project delays are a result of having four separate parties involved in the overall development: Simon; the Penn's Landing Corporation; the Please Touch Museum, the children's museum; and the Delaware River Port Authority, which is building the aerial tram. The agreements involve such issues as air rights, liability, maintenance, security and construction cost allocations, he said.

City Councilman Frank DiCicco, whose district includes Center City and the riverfront, remembers that when he was a child, the waterfront had an old world charm even when it was well into its downward spiral.

''My father used to take me down there, and we'd go to the wholesale fish markets,'' Mr. DiCicco, 54, said. ''There were cobblestone streets and trucks and pushcarts. Even though it was junky looking, it had a certain ambience. You knew it was part of the city's history.''

Three years after William Penn started Philadelphia in 1681, the first wharf was built on the Delaware River. By the 1720's, the port was second only to London in the amount and value of tonnage handled, according to Walter Licht, professor of history at the University of Pennsylvania. ''The city hovered around the port until after the signing of the Constitution,'' Professor Licht said.

By the 1820's, the city's commercial district began to move west and the port lost commercial prominence to New York City. But the waterfront remained a center for shipbuilding and manufacturing. Indeed, the river has been called ''America's Clyde.''

As Philadelphia began losing its industrial base in the 1920's, the waterfront slid into decline, with large industrial sites blighting the landscape, Professor Licht said.

Once efforts to redevelop the riverfront were under way in 1967, it became clear Interstate 95 would be a problem. Construction of the highway through Philadelphia was stalled for years by litigation brought by nearby residents worried about views. Then, when the partially covered interstate was completed in the late 1970's, there was no direct access to the waterfront.

THAT changed in 1991, with the building of access ramps to Christopher Columbus Boulevard. Two pedestrian bridges over the interstate were constructed to connect the waterfront with downtown, and two other bridges were built for both pedestrians and vehicles.

The initial site for the Dockside apartments was Pier 9 North, but the plans were abandoned after residents in Piers 3 and 5 North objected. Pier 30 South was offered as an alternative.

The finger pier had been used most recently as parking for the Moshulu restaurant, a four-masted ship, moored next door at Pier 34 South. The restaurant closed earlier this year after the tip of Pier 34, used as an outdoor nightclub, collapsed into the river, killing three people. It was one of the piers along the river not owned by the Penn's Landing Corporation.

Leonard S. Poncia, director of development at DePaul, called the pier collapse a tragedy but said it would not affect the Dockside development. Indeed, the developers are driving 450 pilings into the pier with the Moshulu as backdrop.

To accommodate residents of nearby Queen Village, just west of Interstate 95, who said the original design would impair views and the openness of the area, the developers agreed to set the building back 80 feet from the street and to create and maintain a public park in front.

The building's design resembles an ocean liner at berth. Because the narrow pier measures roughly 530 feet long by 120 feet wide, the structure will be offset to soften the bulky appearance and break up the length of the interior corridors, said John Thrower of Bower Lewis Thrower Architects in Philadelphia. The building steps down facing the city.

Each apartment -- whether it is a 669-foot studio or a 1,912-square-foot three-bedroom unit -- will have a terrace. Apartments on the fourth floor, which is the first level above the 370-car garage and approximately 55 feet above street level, will have terraces ranging from 1,000 to 1,400 square feet.

Plans also call for an indoor-outdoor pool, fitness center and community room. Rental rates have not been set, but early estimates have ranged from $1,800 to $4,000 a month. ''I have no doubt it will be rented long before it's complete,'' Mr. Thrower said.