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Philadelphia school board vote clears way for city council action on 76ers arena plan

By Carly Sitrin and Dale Mezzacappa | November 21, 2024, 9:02pm EST



REPUBLISH



The Board of Education Thursday took a procedural vote clearing the way for a new 76ers arena in Center City, which critics say will result in a significant revenue loss for the school district compared to regular property taxes. | (Carly Sitrin / Chalkbeat)

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The Philadelphia Board of Education took the city's first step Thursday night in a controversial process to build a new \$1.3 billion basketball arena for the Philadelphia 76ers.

By a vote of 7-2, the board voted to approve an agreement that would remove the plot of land proposed for the arena from an already existing tax incentive designation. This vote clears the first hurdle in the [arena-building process](#), even as advocates and opponents [continue to pack City Council hearings](#) raising questions and concerns. The agreement now moves to the City Council for consideration.

so members could fully consider the implications. She and Board Vice President Wanda Novales opposed the resolution.

“I don’t believe the benefits presented sufficiently consider the needs of our students,” Novales said. “I feel that we need to advocate for a more comprehensive approach to the community investment and student support.”

After the vote, several people in the audience shouted out, calling the board members “cowards.”

“Shame on you,” members of the public cried.

The vote does not seal the arena’s fate. If the City Council ultimately votes down the proposal in the face of mounting opposition, the board’s action on Thursday would be moot.

According to state law, the school board is required to vote on the designation before the council holds a public hearing on the same resolution.

If the arena proposal moves forward as the 76ers and Mayor Cherelle Parker intend, the team would avoid paying property taxes on the new arena altogether. Instead, they’d make annual direct payments in lieu of taxes to the city and school district — in amounts far less than what they would have paid in property taxes.

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This is [what is done now for the owners of the other sports facilities in South Philadelphia](#), including Lincoln Financial Field (where the Eagles football team plays)

In addition, as part of a separate agreement, the 76ers say they will fund several community programs, including part of [Parker's year-round school initiative](#).

The 76ers have negotiated “a sweetheart proposal that guarantees them a state-of-the-art facility at the expense of Philadelphia’s children,” said Lisa Li of the advocacy group Asian Americans United, which opposes the arena plan.

School board members sought to make it clear Thursday that they were not voting to approve the arena, but to remove the proposed arena land from an existing [Tax Increment Financing](#) (or TIF) district designation. TIFs are commonly used by states and localities to incentivize local economic development programs.

“The decision about whether to approve the development of the arena is entirely City Council’s. It is not our decision,” board member Joan Stern said.

But several speakers felt differently, with one characterizing the resolution as “giving the green light” to what a few called the “destructive” arena and urging the board to vote it down.

In a presentation before the board, Sam Rhoads, executive vice president of the Philadelphia Industrial Development Corporation, said that the board’s action “is in no way a vote for or against the arena.” He and city finance director Rob Dubow explained that the district would receive \$2.8 million in the first year of payments in lieu of taxes compared to \$550,000 paid now in property taxes from businesses on the site.

The proposal to build a new 76ers basketball arena at 10th and Market Street in Center City has polarized the city. Proponents — including Parker, who appointed or reappointed every member of the school board — argue it will create thousands of union construction jobs and economically reinvigorate that section of downtown. It

other events including theatrical productions and musical concerts.

But critics of the arena plan, including all major neighborhood groups that border the proposed site, claim the arena would devastate the vulnerable nearby Chinatown community and lead to dangerous traffic patterns, in addition to depriving the school district of much-needed tax revenue at a time when it is considering closing schools.

Arena proponents say the district will benefit from the deal, but critics say the math doesn't add up

A key part of the arena proposal is the Community Benefits Agreement that, over three decades, will contribute \$50 million for programs, including \$7 million for extended-day, extended-year schooling, Parker's signature education initiative; \$1 million in internships; \$1.5 million for youth basketball leagues; and \$3 million in free game tickets allocated to the School District of Philadelphia.

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Arena supporters say that activities in and around the facility will increase overall tax revenue to the district and city from the PILOTs and Use and Occupancy tax revenue, and the liquor-by-the-drink tax, which is allocated to the district. Over the 30 years of the agreement, the city is projecting the school district will receive \$153 million in revenue from the arena.

But arena opponents argue that since schools are much more dependent on property taxes than the city, district leadership could have lobbied for more money.

community benefits deal “a bad agreement,” in a statement to Chalkbeat.

Brooks said even as the district is preparing to close schools, “our city is being sold out by this proposal.”

Brooks called the arrangement a “\$400 million tax break” over the next 30 years. This is also not the first controversial tax break program the board of education has approved that ultimately reduces the amount of tax money the district receives in an effort to spur development. The board has no taxing power of its own and must rely on City Council and the mayor for its share of city tax dollars.

According to calculations by tax experts and academics working with a coalition of advocacy groups who oppose the arena plan, the 76ers would have contributed \$400 million to the school district over the next 30 years if they paid regular property taxes on the arena. Under the current arena proposal, they say the 76ers would instead pay \$50 million to the district as a PILOT.

Some of those same tax experts told Chalkbeat the 76ers’ projections for the cost of construction and their projected revenues are hard to parse and could end up costing the city \$1 billion.

“The numbers that the 76ers and their consultants have presented are just fiction,” said Domenic Vitiello, an associate professor of city and regional planning at The University of Pennsylvania. He said the city should seek “real numbers” before approving a plan that reduces the amount of taxes paid to the school district.

Some speakers agreed. “Tonight’s presentation from the city was opaque at best,” Philly teacher George Dougherty testified to the board Thursday. A vote for the measure “is for billionaires and against our students,” Dougherty said.

A group of Philadelphia public school parents are also circulating [a petition](#) opposing the arena because of the impact they say it will have on families.

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“At a time when several of our Philadelphia district schools are in danger of closure, and many are in need of significant repairs, such as electrical upgrades, air conditioning, and asbestos removal, it is irresponsible and immoral for our city government to consider what amounts to a \$1 billion tax break to 3 billionaires who do not even live in Philadelphia,” the petition reads, referring to the 76ers owners.

City Council members are considering nearly a dozen pieces of legislation regarding the arena project in the coming weeks. Now that the board voted to approve the TIF agreement, Council will continue its public hearings through Dec. 3, with a final meeting scheduled for Dec. 12.

If the proposal is approved, demolition for the arena is projected to start in 2026 with construction slated to begin in 2028.

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SIXERS ARENA | EVERY VOICE, EVERY VOTE

Vote on Sixers arena proposal a moving target as City Council wraps up hearings

Lawmakers must vote enabling legislation out of committee by Dec. 12 to authorize the arena before the end of the year.



By [Aaron Moselle](#) · Updated Dec. 3, 2024 8:21 pm





Philadelphia City Councilmember Mark Squilla, whose district would host the proposed 76ers arena, speaks during a hearing before City Council Tuesday, Nov. 19, 2024. (Emma Lee/WHYY)

What you need to know

- The 76ers have proposed moving to a **new \$1.55 billion arena near Chinatown** called “76 Place”
- The proposal has drawn swift condemnation, excitement, skepticism — and **plenty of buzz**
- **Black Clergy of Philadelphia** has endorsed the project, while a majority of **Chinatown businesses** and **other community members** have voiced their opposition
- Philly Mayor Cherelle Parker formally **announced her support** for the arena and unveiled a **community benefits agreement**

Philadelphia City Council is still weighing the fate of the 76ers’ arena proposal after concluding a

[string of public hearings](#) devoted to the \$1.3 billion development.

A committee composed of all 17 lawmakers will reconvene early Thursday morning. It's unclear if council members will take a preliminary vote on the arena before its regular weekly meeting.

"I don't know," said City Councilmember Mark Squilla after a daylong hearing Tuesday.

The decision to recess comes weeks after enabling legislation was introduced during a [raucous meeting](#). And it follows hours of testimony from stakeholders, including the Sixers, SEPTA and [Mayor Cherelle Parker's](#) administration. Council members have also heard from a long list of opponents and proponents, as well as the general public.

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On Tuesday, lawmakers sought answers to lingering questions about major components of the team's [controversial proposal](#), but walked away without them, a fact that frustrated some council members as the body prepares to vote on the project.

"I have to tell you it is incredibly frustrating that we're being rushed and we don't have the answers to our questions," said Councilmember Rue Landau.

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**WHYY Penn****Public comment winds down, votes loom for arena project**

Here's what you need to know as City Council moves toward crucial votes at arena hearings.

1 year ago

During their second appearance before Council, Sixers representatives said Tuesday they are negotiating with Council President Kenyatta Johnson over the terms of a community benefits agreement. Lawmakers have repeatedly asked whether the Sixers would be willing to raise the cap of the agreement. It currently sits at \$50 million.

David Gould, chief corporate affairs officer with Harris Blitzer Sports & Entertainment, previously told council members that the Sixers could not go above that figure. But on Tuesday, he said the team is “considering adjustments” to the value of the CBA.

Johnson said Tuesday that all negotiations are a “work in progress,” including those related to the community benefits agreement.

“Whatever number we’re able to negotiate with the Sixers, we’ll let members of council know about it and if they decide to vote ‘yay’ or ‘nay’ based upon that particular number ... then we’ll just go from there,” Johnson said.

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After the hearing, Squilla told reporters that Council has asked the Sixers to increase the price tag of the CBA but declined to share that figure. That includes a request to raise the amount devoted to a fund designed to help small businesses impacted by the construction of the arena.

“The minimum has to be another \$10 million ... if you want to be realistic. But I think we need more than that if you see some of the requests from the community. I don’t think we, as a body, would support anything less than that,” Squilla said.

Lawmakers also continued to grill Gould and Alex Kafenbaum, head of development for Harris Blitzler, about funding for SEPTA.

The team has committed to covering any construction costs tied to building the arena above Jefferson Station. But the Sixers say they are unable to provide funding for additional operating costs the authority would incur as a result of the arena, including [expanded service on its Regional Rail lines to accommodate fans](#).

SEPTA has told City Council it cannot afford to cover those costs as it continues to navigate a [fiscal crisis](#). The city has also said it will not send more money to the authority.

“We remain in active dialogue with SEPTA,” Kafenbaum said.

A SEPTA spokesperson declined to provide further details about those talks.

“The most important thing is to be part of these discussions, and to make sure we are clear with everyone on the basic facts with regard to the impact on SEPTA,” the spokesperson said.

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Show me the money: SEPTA tells City Council it needs millions to expand service for arena goers

The authority is in dire straits as the Sixers seek to build the transit-oriented development. It’s unclear where the additional funding will come from.

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The amount of car traffic generated by the arena — a chief concern among opponents — was yet another loose end that lawmakers sought to tie up.

The team’s proposal is rooted in having just 40% of fans driving to the arena. An impact study commissioned by the city found that going above that threshold [would cause gridlock at major intersections](#).

An updated traffic study is forthcoming but it’s unclear when it will be completed. Michael

Carroll, deputy managing director for the Office of Transportation and Infrastructure, said Tuesday that the report is “maybe a month or two” away from the finish line.

“The cake is done when it’s baked,” Carroll said. He said the 40% figure is feasible if SEPTA expands capacity on roughly a handful of rail lines.

The Sixers have said they need authorization from City Council before the end of the year to open the arena in 2031, the year the team’s lease ends at the Wells Fargo Center in South Philadelphia.

Council would need to vote the enabling legislation out of committee by Dec. 12 to hit the Sixers’ deadline — if an additional meeting is added to the calendar.

Team officials reiterated Tuesday that the franchise hopes to stay in Philadelphia but said a move to New Jersey is not out of the question if City Council votes down the team’s proposal.

New Jersey Gov. Phil Murphy has told the Sixers that the state could award the team up to \$800 million in tax credits. For now, neither the city nor the state has committed to subsidizing the arena.

“2031 is getting closer and closer and we need a place to play. So if we are not able to come to an agreement for this site, the only other viable option that we have as of right now is in Camden, New Jersey,” said Gould.



Every Voice Every Vote

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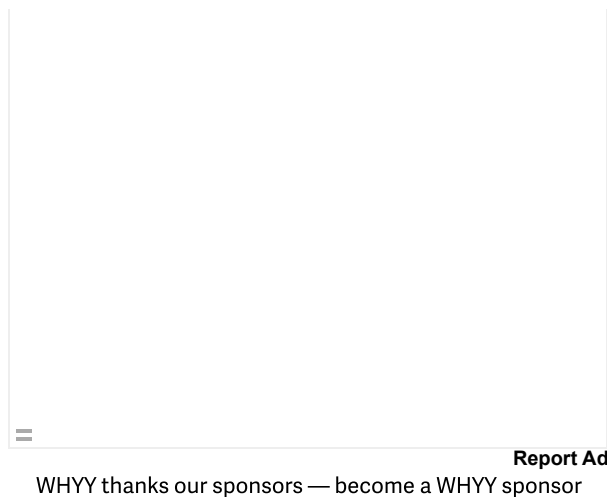
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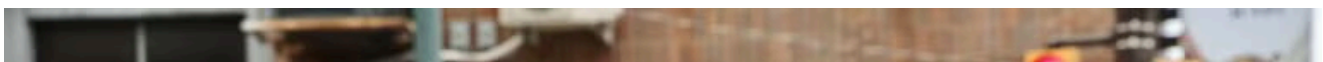
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SIXERS ARENA

A billion-dollar saga: How the Sixers arena proposal went from a done deal to a stunning reversal

The Sixers successfully pushed to build a new arena in Center City. Now the controversial project is in the rearview after an about-face no one saw coming.

By [Aaron Moselle](#) · January 17, 2025



Arena opponents gather at 10th and Arch streets in Chinatown for a press conference celebrating the change of plans that will put a new 76ers arena in South Philadelphia rather than adjacent to Chinatown. (Emma Lee/WHYY)

Have a question about Philly's neighborhoods or the systems that shape them? PlanPhilly reporters want to hear from you! [Ask us a question or send us a story idea you think we should cover.](#)

The news was stunning.

Less than a month after the 76ers got the green light to build a [\\$1.3 billion arena](#) in Center City, the team announced it was [walking away from the project](#) and partnering with Comcast Spectacor to develop a new facility at the [sports complex](#) in South Philadelphia.

The decision, which [came to light Sunday](#), upended a development more than two years in the making, following a string of daylong public hearings, hours of closed-door negotiations and hundreds of protests and rallies organized by arena opponents.

As we await more details on the new proposal, here's how we got to this moment.

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Background

In July 2022, the Sixers [announced a proposal to build a new basketball arena](#) in Center City.

The privately funded facility, dubbed 76 Place, would sit atop SEPTA's Jefferson Station at 10th and Market streets, taking over about a third of the Fashion District mall.

If approved, the team would open the arena in 2031, when its lease expires at the Wells Fargo Center in South Philadelphia.



The proposed Sixers arena would be called 76 Place at Market East. (76 Place)

The news drew a mix of optimism and opposition.

While elected officials and real estate experts applauded the proposal for its potential to help

revitalize a struggling commercial corridor, residents in nearby Chinatown quickly denounced the development, saying it would dismantle the 150-year-old ethnic enclave.

Activists vowed to fight the project with the same gusto they fought other large developments planned for the neighborhood.

“This is not the first time that big developers proposed to build something without our input: the baseball stadium, the casino, to name a few,” said Wei Chen, civic engagement director at the Chinatown-based nonprofit Asian Americans United, in a statement that July. “We have defeated each of them. We are ready to fight to protect our community.”

Revitalizing Market East?

Against that backdrop, the Sixers launched an outreach campaign designed to educate residents and stakeholders about the controversial project. In November, the team [hosted a series of tours of the proposed site](#).

The team’s pitch was rooted in [economic development](#).

The arena, representatives argued, would be a catalyst for changing the fortunes of Market East. Once home to the city’s premier retail hub, the area has widely been considered a dead zone with a disjointed commercial corridor that no one could revive despite millions in investment, including the \$400 million it took to open the Fashion District mall.

Building the arena, slated to be open about 150 nights a year between games and concerts, would encourage private real estate developers to invest in Market East, they said.

David Adelman, chair of 76 Devcorp, the team’s development arm, told reporters the team hoped to have the legislative approvals it needed to start construction by June 2023, as well as a community benefits agreement in place before that.

By then, the Sixers had held over 80 community meetings with more than a dozen groups representing Chinatown.

“I think people are really receptive to what we’re looking to do. And the main reason is if we don’t do this and the mall goes bankrupt, someone knocks it down, you could build three Liberty Place towers on those three blocks by right ... and the community would get nothing,” said Adelman at the time.

But about two months later, the reception at a [packed town hall in Chinatown](#) made it clear that

many residents and business owners in the neighborhood were strongly opposed to the team's arena proposal.

Their top concern: traffic. The arena would create such a traffic nightmare, they argued, that people would avoid Chinatown on game days, hurting hundreds of small businesses in the process. There were also deep concerns about the project displacing longtime residents as a result of rising property values.

As the meeting inside the restaurant Ocean Harbor wrapped up after nearly three hours, members of the audience began to chant as team officials made their exit.

"Hands off Chinatown," they yelled.



David Adelman, part owner of the Philadelphia 76ers, describes how the team's proposed arena would replace a portion of the Fashion District mall and the Greyhound bus terminal. (Emma Lee/WHYY)

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WHYY Penn**'Hands off Chinatown!' Hundreds question Sixers' commitment to community engagement at raucous meeting on arena proposal**

Representatives from 76 Devcorp drew Ben Simmons levels of boos from the crowd.

3 years ago

Preparing for battle

By the time the Sixers announced they were staying in South Philadelphia, arena opponents had organized hundreds of protests, rallies and press conferences to urge elected officials not to back the team's arena proposal.

The opposition was hard to ignore. But the Sixers did have people in their corner pushing for the arena to be built, including the Philadelphia Building and Construction Trades Council, the politically powerful umbrella group that represents more than 50 unions in the [construction industry](#).

Members argued the arena would create hundreds of family-sustaining jobs while providing the city with much-needed tax revenue, and an opportunity to transform Market East.

The Sixers also got support from the Building Industry Association of Philadelphia, the [Black Clergy of Philadelphia and Vicinity](#), the [Philadelphia chapter of the NAACP](#), and the African American Chamber of Commerce.

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Some backed the project because of a promise the Sixers made to create a \$2 million fund

dedicated to preparing Black-owned businesses to be vendors, suppliers and concessionaires at 76 Place. The team also said they wanted to have Black-owned businesses run 40% of the food, drink and concession operations at the arena.

“Too often, Blacks have played on the court, but not at the cash register in the business of professional sports. [76 Place chairman] David Adelman and the 76ers are changing that,” Rev. Robert Collier said during a news conference in October 2023.



Rev. Robert Collier Sr., representing the Black Clergy of Philadelphia and Vicinity (left) and 76ers arena developer David Adelman (right) signed a MOU (memorandum of understanding) as part of a larger effort to create a community benefits agreement at a press conference on Oct. 17, 2023. (Kimberly Paynter/WHYY)

As people and groups took sides, Comcast Spectacor, which owns the Wells Fargo Center, continued to push for the Sixers to remain at the stadium district with the rest of the city's professional sports teams.

That April, then-Mayor Jim Kenney announced the city would commission a group of independent studies that would evaluate and analyze the impacts of the proposed arena. And it was later revealed that the Sixers would be bankrolling the effort.

It was a defining moment in the arena saga.

At the time, few elected officials had weighed in on the arena. And until the results of the studies were released, they wouldn't.

City Councilmember Mark Squilla, whose district included the proposed site, repeatedly told reporters that the impact studies would inform his decision-making, and help guide the legislative process.



Community organizations in Chinatown along with business owners and clergy held a press conference denouncing the process of developing a basketball arena in their neighborhood and calling on Philadelphia Councilmember Mark Squilla to listen to the community on July 21, 2023. (Kimberly Paynter/WHYY)

Because of councilmanic prerogative, it was up to Squilla to introduce any bills authorizing the arena. Technically, he had the power to block the introduction of arena-related legislation.

"If it comes back and says, 'Hey, listen, it doesn't work in this location. The city can't sustain two arenas of this size' or whatever comes back and says it just isn't feasible, then I would say, 'Yeah.' I mean, it's very possible that it wouldn't be introduced," said Squilla that July.

A month earlier, the Sixers released the first set of architectural renderings of the 18,500-seat

[arena.](#)

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The city has finally released its Sixers arena impact studies. Here's what they say

The four analyses are expected to help stakeholders weigh the value of building a privately funded basketball arena in Center City.

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'Opportunity' or 'killer'

In the end, it took more than a year for the [impact studies to be released](#).

Eight months past its original deadline, the city released a community impact assessment, an economic impact analysis, a design consulting, and a traffic, transportation and parking analysis.

The results were mixed.

The community impact study was unequivocal.

The analysis echoed concerns about traffic congestion and displacement, with consultants writing that the controversial development “could potentially result in the loss of Chinatown’s core identity and regional significance.”

“Although the project will not lead to direct housing displacement, there is evidence for increased displacement of small businesses and low- and fixed-income individuals through gentrification and loss of cultural identity in Chinatown if the 76 Place were built,” researchers concluded.

The economic impact analysis found that the Philadelphia metro could support “multiple professional arenas” and that both arenas would ultimately be “financially viable.” The Wells Fargo Center would likely be negatively impacted by the construction of a new arena, however, when it came to suite revenue generation, naming rights and the loss of Sixers games, consultants found.

The traffic report concluded that the Sixers’ hopes of having 40% of fans travel to the arena via

public transportation was “attainable” and that there was “sufficient garage parking” in the vicinity of the arena to meet the expected demand from drivers.

Arena opponents panned the studies while renewing their concerns about the project being a destructive force for Chinatown.

As lawmakers prepared to return from summer recess, Squilla told reporters he wanted to introduce enabling legislation “as soon as possible” to give residents ample time to review them. He had vowed to share copies of the proposed measures with constituents at least 30 days before introduction.

He said he would consult and coordinate with Mayor Cherelle Parker’s administration before getting the ball rolling toward a final decision. To date, Parker had not taken a public stance on the arena, but many expected she would back the project, in part because of her strong political ties to the city’s building trades.

And yet the arena’s future was far from secured.

“Is the project an opportunity or is it a killer? I think we have to look at those things through the studies,” said Squilla.



Wells Fargo Center, home of the Philadelphia Flyers NHL hockey team and the Philadelphia 76ers NBA

Dueling tax incentives and a 'historic agreement'

Roughly a year later, in the fall of 2024, the Sixers were still negotiating with the city over the team's arena proposal. By then, they had spent millions on public outreach and lobbying.

That September, it came to light that New Jersey was making a play to build an arena for the team in Camden. The team already had its headquarters and practice facility across the river.

In a letter signed by Gov. Phil Murphy and sent to the Sixers from the New Jersey Economic Development Authority, officials stated they were "committed to bringing the 76ers to Camden."

"We envision a multi-billion dollar, privately-led comprehensive mixed-use development north of the Ben Franklin Bridge that would serve as a transformative catalyst for Camden and New Jersey," the letter said.

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URBAN PLANNING

New Jersey offers millions in tax credits for a new 76ers arena in Camden

As negotiations over a Center City arena continue to stall, Sixers owners say they "must take all potential options seriously."

1 year ago

To entice the team, the state offered up to \$800 million in tax credits.

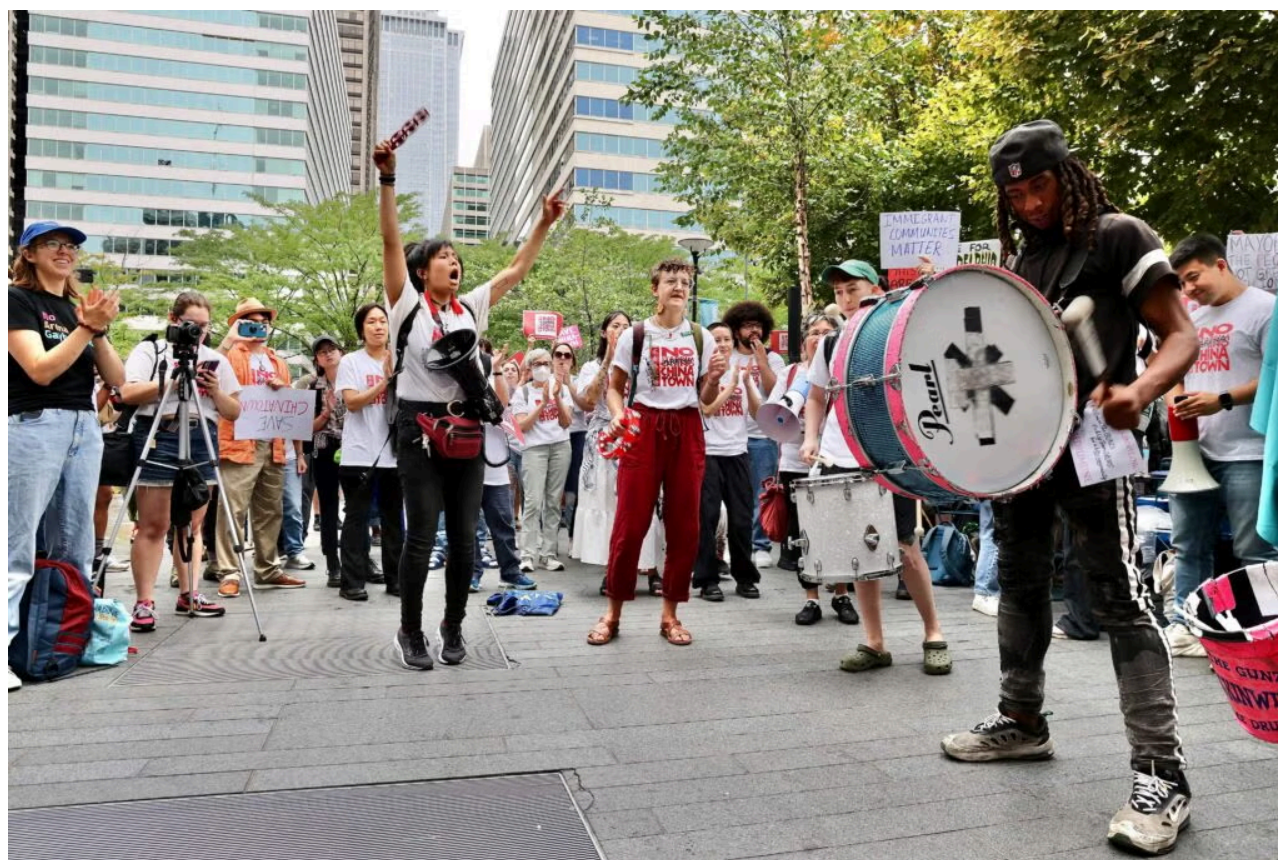
The Sixers, who insisted they needed legislative approval by the end of the year, said in a statement that while their priority was building in Center City, they had to "take all potential options seriously, including this one."

Two weeks later, Parker broke her silence in a pre-recorded video posted to social media.

From her desk on the second floor of City Hall, the mayor announced she was backing the arena and that the city and the team had reached a "historic" agreement that would keep the Sixers in

Philly.

“This is an historic agreement,” Parker said. “It is the best financial deal ever entered into by a Philadelphia mayor for a local sports arena. And I wholeheartedly believe it is the right deal for the people of Philadelphia.”



Activists outside Philadelphia City Hall react to Mayor Cherelle Parker’s announcement that she has reached an agreement to build a new Sixers arena in Center City adjacent to Chinatown. (Emma Lee/WHYY)

The video came a week after Parker presided over a [lively community meeting packed with opponents and supporters](#) of the arena proposal. While she did not take a stance that night, political observers expected her to throw her weight behind the arena given her strong ties to the city’s building trades, the first group to endorse her run for mayor and a major contributor to her campaign.

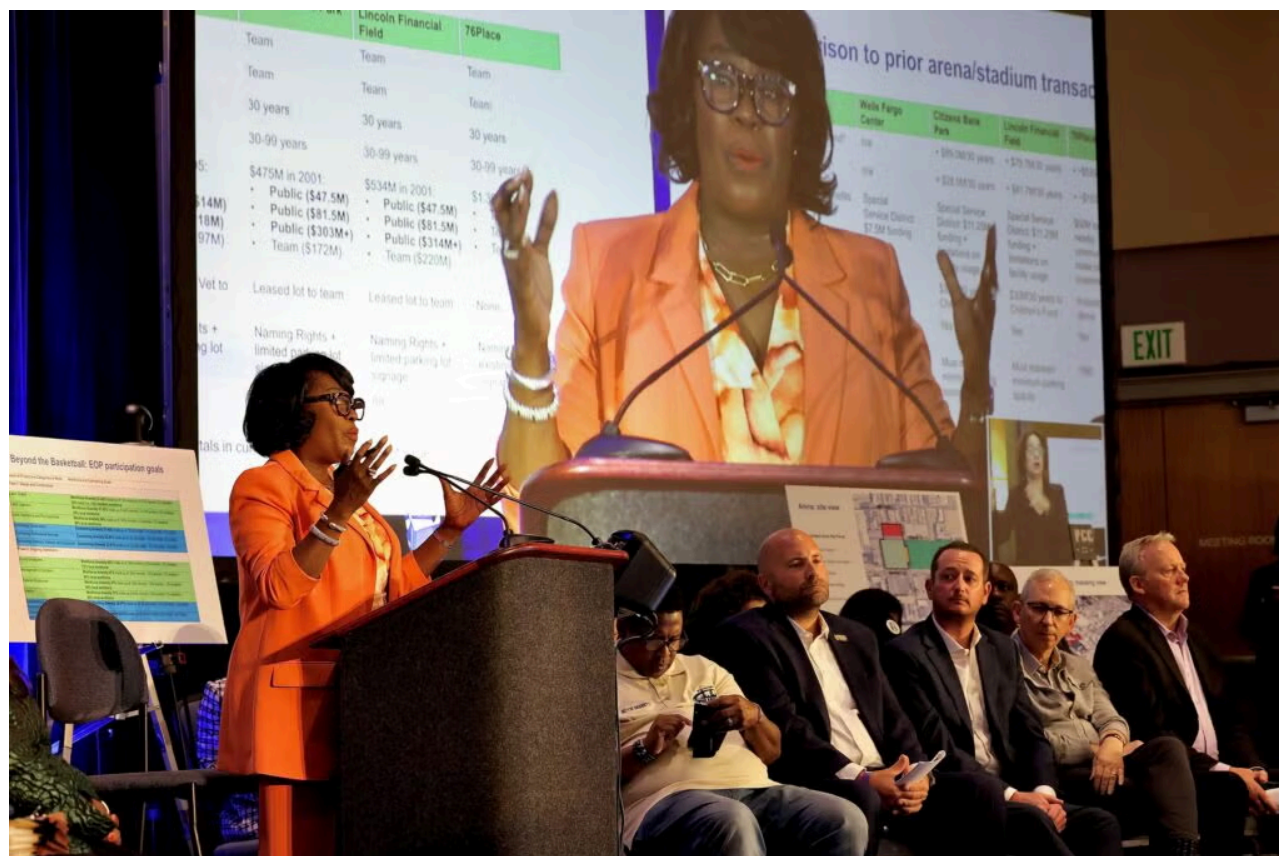
After the mayor’s announcement, things moved quickly.

A week later, Parker held another [community meeting to detail the city’s agreement](#) with the Sixers.

Inside the Pennsylvania Convention Center, she said the team would stay in the city until at least

2061. Under the deal, the team would contribute \$50 million for a community benefits agreement and about \$6 million a year in PILOTS — payments in lieu of taxes — to the city and its school district.

The agreement also included an economic opportunity plan designed to ensure a diverse workforce, including women and minorities, would benefit from the investment.



Philadelphia Mayor Cherelle Parker lays out the details of the city's agreement with the Philadelphia 76ers to build an arena in Center City. (Emma Lee/WHYY)

If there were any question about where Parker stood on the project before the meeting, there wasn't afterward.

"Anyone who has any challenges with what is contained in this agreement, you no longer have the Philadelphia 76ers as the villain here. I am Cherelle L. Parker. I am the 100th mayor of the city of Philadelphia. I am proud of and take full responsibility for what is included in this agreement," said Parker.

Parker told the room her administration would transmit enabling legislation for introduction during City Council's stated meeting on Oct. 24.

Sixers arena sticking points

During a raucous meeting marked by boos and loud chants for and against the arena, Councilmember Squilla introduced a package of bills on behalf of the administration that included 11 ordinances and two resolutions.

Part of the package contained zoning and planning approvals. Other measures were related to an existing neighborhood improvement district and financing arrangements tied to the Fashion District mall.

Squilla also introduced two arena-related bills of his own, including two ordinances designed to help protect Chinatown during construction and beyond.

“It’s gonna be a robust dialogue to make sure that the end product is one that represents what the city of Philadelphia looks like demographically and, most importantly, addressing the district councilperson’s issues and concerns,” said Council President Kenyatta Johnson after the meeting.

Before voting, lawmakers would host a string of full-day hearings devoted to the Sixers’ arena proposal and the agreement the team reached with the city. The hearings would also give the public the opportunity to voice their support or opposition for the project.

Most lawmakers had yet to take a stance on the arena, but it appeared Parker and the Sixers had a good chance of getting what they both wanted: the green light for a new arena in Center City.

In mid-November, City Council began hearing testimony from a range of stakeholders, including the Parker administration, the Sixers and SEPTA.

Lawmakers grilled team officials over the course of two hearings, largely focusing on the value of the community benefits agreement and the lack of funding for SEPTA to expand its rail service to accommodate fans before and after games.





Philadelphia City Councilmember Quetcy Lozada questions Harris Blitzer Sports & Entertainment executives at a hearing devoted to the Sixers' arena proposal Nov. 13, 2024. (Kimberly Paynter/WHYY)

Several lawmakers told the team that \$50 million was insufficient for a CBA, in part because it did not provide enough funding for safeguards for Chinatown, the closest community to the proposed site.

Council members also chided representatives after they learned the team was still negotiating with SEPTA over the cost of providing additional trains for fans who opted to use the authority's Regional Rail lines to get home from games.

Amid a financial crisis, SEPTA had announced plans to increase fare prices and make severe service cuts. Officials would later testify the authority could in no way afford to expand service.

"Here we are, we're ready to figure out what we're gonna do here, and some of these things really should have been nailed down," Councilmember Cindy Bass said.



Philadelphia City Councilmember Cindy Bass puts questions to Harris Blitzer Sports & Entertainment executives at a hearing devoted to the Sixers' arena proposal Nov. 13, 2024. (Kimberly Paynter/WHYY)

Both issues emerged as sticking points as lawmakers continued to probe the proposal while listening to testimony from proponents and opponents, who each got another chance to make their case.

"We can't be NIMBYs — not in my backyard people. You don't get growth that way. You get growth by being bold. And the future always benefits those that are bold," said Ryan Boyer, business manager for the Philadelphia Building and Construction Trades Council.

John Chin, executive director of the Philadelphia Chinatown Development Corporation, an influential organization in the city's Chinese community, told council members that neither the enabling legislation nor the city's broader deal with the Sixers contained nearly enough protections for the neighborhood.

To preserve Chinatown, he said, the neighborhood needed a combination of strong cultural and economic development plans.

"I see none of that," Chin said. "It's barely a mitigation plan."

The saga continues

<https://whyy.org/articles/philadelphia-sixers-arena-center-city-south-philly/>

As the hearings unfolded, lawmakers continued to negotiate with the Sixers behind closed doors over various issues, including the value of the [community benefits agreement](#). During its second hearing, team officials changed course and told council members they'd be willing to add funding.

Time was running out to move the project forward before the end of the year, and it appeared both sides were struggling to reach an agreement, which Johnson wanted to have in hand before calling for a vote.

An initial vote was delayed twice as negotiations stretched on for hours.

"We're still going through the process of addressing issues and concerns of members and hopefully we'll wrap this up tomorrow," Johnson told reporters a day before City Council's final meeting of 2024.

By the following day, the [deal was done](#).

The vote: 12-4.

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PLANPHILLY URBAN PLANNING

With \$60M community benefits agreement, Philly City Council gives initial approval for Sixers arena by a 12-4 vote

The full City Council body is expected to take a second and final vote on the bills on Dec. 19.

12 months ago

The community benefits agreement would now be \$60 million instead of \$50 million. At one point, City Council had asked for \$100 million.

Councilmembers Squilla, Johnson, Katherine Gilmore Richardson, Cindy Bass, Nina Ahmad, Curtis Jones, Brian O'Neill, Quetcy Lozada, Jim Harrity, Michael Driscoll, Anthony Phillips and Isaiah Thomas voted in favor of the arena legislation.

Councilmembers Jamie Gauthier, Rue Landau, Nicolas O'Rourke and Jeffery Young voted against the project.

Johnson said the city would have been "fools" to turn down a proposal with so much potential to

provide so much good for Center City.

Arena opponents were outraged, calling it a “disgrace” and a “betrayal.”

“What kind of city is this? Clearly, our council members who voted for this think this is a billionaire playground — that this is a city for the wealthy,” said Mohan Seshadri, executive director of the Asian Pacific Islander Political Alliance.

“This is a bad deal for working-class Philadelphians,” he added.

A week later, on Dec. 19, City Council took a second and final vote on the arena, [passing the legislation by a 12-5 vote](#).

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PLANPHILLY URBAN PLANNING

After protesters removed from chambers, Philly Council votes 12-5 to approve Sixers’ arena proposal

The controversial development is now on track to open in Center City in 2031.

11 months ago

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The vote, which came after dozens of arena opponents were forcibly removed from council chambers, was largely expected. The Committee of the Whole, which is composed of all 17 members of City Council, had already advanced the legislation, making it very unlikely that lawmakers would change their minds and derail the project a week later.

Parker signed the bills into law just before Christmas.

The saga was over.

Sixers arena whiplash

Until it wasn’t.

On Sunday, Jan. 12, as the city prepared to watch the [Philadelphia Eagles](#) begin their postseason,

it came to light that the Sixers had abandoned their plans to build an arena in Center City.

A news conference the next day offered little insight into what happened.

Josh Harris, co-founder of Harris Blitzer Sports and Entertainment, told reporters the Sixers and Comcast had started discussing the new arena in early December after NBA Commissioner Adam Silver helped bring everyone together, and that “we got the mayor involved as soon as we could.”

“We didn’t really change our mind. We were really committed to Market East ... but our North Star was to do the right thing by Philly,” Harris said. “We felt we could build a better arena and also revitalize Market East ... so we pivoted.”

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PLANPHILLY URBAN PLANNING

Sixers will build new arena in South Philadelphia after deal reached with Comcast Spectacor; Philly to pursue WNBA team

The sudden turn of events comes after Philly City Council recently approved a controversial plan to build an arena in Center City near Chinatown.

11 months ago



Listen 4:13

Comcast CEO Brian Roberts said Monday that NBC becoming a media partner of the NBA was “fortuitous” for the new arena deal.

For now, there are few details about the joint venture in South Philadelphia, which [arena opponents celebrated](#).

The whole process starts over now.

The city will have to wait to see if there’s another plot twist.

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