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The city sunk \$50 million into a West Philly police HQ, then walked away. How did that happen?


The Provident Mutual building has since been reimaged, and an elementary school is moving in this fall.



The Provident Mutual Insurance building at 46th and Market in West Philadelphia
ASHLEY HAHN FOR PLANPHILLY

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The doors of the Philadelphia Police Department's new headquarters opened last week to local media, who took their first steps into the reinvented 400 N. Broad St. (<https://billypenn.com/2022/04/01/philadelphia-police-hq-public-services-inquirer-building-north-broad/>), known for decades as home of The Philadelphia Inquirer. The plan for police to operate out of the tower was a work in progress for about seven years, spanning nearly the entire administration of Mayor Jim Kenney.

A column in The Inquirer described the new police facilities as cloistered and poorly lit (<https://www.inquirer.com/columnists/philadelphia-police-roundhouse-inquirer-building-review-20220404.html>), sapping what could have been the exciting potential of a new space in a historic building.

Some in West Philadelphia would find that sense of dashed expectations familiar. The PPD's move eschewed years of planning for a relocation to another historic site: the Provident Mutual Life Insurance building.

Built in 1926, the grand, 325,000-sq.-ft. structure housed on 13 acres at 46th and Market was acknowledged for years as the future home of the Philly police – by then-Mayor Michael Nutter, by multiple police commissioners, and by community stakeholders.

Then, in the blink of an eye, it wasn't.

The new Philadelphia Public Services Building (design critiques aside) may become all the PPD hopes it will be, with its touted proximity to City Hall and the federal courthouse, though there are still questions about future costs.

Meanwhile, what became of the Provident – and how much did the change of plans already cost Philly taxpayers?

What prompted the plan to move to the Provident Mutual building?

Reporting from the late 2000s frequently mentions Everett Gillison, then deputy mayor for public safety, as the most active advocate of a move to the Provident Mutual building. Gillison noted its size, space, and stately aesthetic – not to mention the economic opportunities the facility could bring to West Philly.

And police leaders were ready for a change.

Former Police Commissioner Charles Ramsey began his tenure in January 2008, and by years' end he had very frank words (https://www.inquirer.com/philly/news/local/20081224_City_proposes_moving_police_HQ.html) for the Roundhouse, as the former HQ building at 750 Race St. is known.

"I've never seen anything like that, and that's not a positive statement, it's a very negative statement," Ramsey said. "It's just not a good building." He referenced a lack of space many police officers had long been concerned about.

John McNesby, president of the Fraternal Order of Police Lodge 5, also decried the Roundhouse, citing inadequate temperature control and pest infiltrations. Back in 2008, McNesby said a move towards the center of the city would be ideal (talk about foreshadowing), even though Mayor Nutter had already announced the Provident building was his ideal pick.

There were extensive plans for what was supposed to be the "Public Safety Services Campus" (https://web.archive.org/web/20171018032855/https://philpssc.files.wordpress.com/2015/02/pssc_fact_sheet_dec2014.pdf), even a groundbreaking ceremony (<https://philadelphia.cbslocal.com/2014/10/20/work-begins-to-convert-west-phila-landmark-into-new-police-hq/>).

So what happened? Why wasn't it used?

It was May 2017 when Mayor Kenney announced the new plan, shifting police HQ sights to North Broad.

Most reasons offered for the switch were practical. Articles in the mid-2010s referenced officers' lack of enthusiasm (<https://www.inquirer.com/philly/news/what-the-50-million-for-police-headquarters-bought-20170606.html>) for the West Philly location, noting it was further away from critical offices and buildings police have to frequent. The Inquirer tower alleviated that concern, being closer to the federal and municipal courthouses in Center City, and nearer to federal law enforcement facilities in South Philadelphia.

Then-Commissioner Richard Ross also noted a North Broad site was more convenient for officers who were largely based in Northeast Philly.

The increased space at the Broad Street location was also proffered as justification, with the prospect of housing both the 6th and 9th police districts in the same building seen as a benefit.

How much taxpayer money went toward the Provident project?

The city spent about \$52 million to purchase and renovate the West Philly location before moving forward with a new plan. The Provident Mutual building was sold for \$10 million in early 2019, making the sunk cost of the aborted move about \$42 million .

Roughly, city expenditures for the Provident broke down like this:

- \$4 million to purchase the property

- \$13 million for extensive cleaning, interior renovations, addressing environmental hazards, demolition, and electrical work

- \$11 million to redo the roof and facade

- \$18 million for design plans and work

- \$4 million for labor costs and insurance

Also, the city issued a \$65.2 million bond (<https://www.phila.gov/media/20201222120109/Philadelphia-Municipal-Authority-City-Agreement-Revenue-Bonds-Series-2014A-Taxable-and-2014B-Tax-Exempt.pdf>) that funded the renovations, which added costs due to long-term interest payments.

Councilmember Allan Domb, a real estate professional by trade, was not a fan of the proposed selling price of \$10 million, [saying that considering the interest due \(https://why.org/articles/provident-mutual-building-sale-on-hold-endangering-planned-west-philly-health-campus/\)](https://why.org/articles/provident-mutual-building-sale-on-hold-endangering-planned-west-philly-health-campus/), “Our total costs at 46th and Market are \$94 million and at a sales price of \$10 million, we are losing \$84 million of taxpayer money,” a sum that “could fund the libraries for two years.”

Mayor Kenney responded through a [2018 press release \(https://www.phila.gov/2018-12-13-statement-from-mayor-kenney-regarding-4601-market-street/\)](https://www.phila.gov/2018-12-13-statement-from-mayor-kenney-regarding-4601-market-street/) addressing some of Domb’s claims and other criticisms. In it he referred to a \$42 million dollar loss as a “myth,” saying the city would ultimately benefit from the property and business taxes that new developers would have to pay, taxes which would not similarly apply if the space was a municipal facility.

In his view, Philly would receive “an estimated \$158 million in additional revenue over 20 years,” a chunk of change that would put the city up \$40 million, even when accounting for the debt servicing that Domb worried about.

What was the fallout in West Philadelphia?

The conversations that led the PPD away from West Philly didn’t fully include the community organizations that had vouched for and [worked towards \(https://sciwestblog.wordpress.com/2012/12/12/urban-remix-residents-and-area-stakeholders-join-planners-designers-in-re-imagining-46th-and-market-street/\)](https://sciwestblog.wordpress.com/2012/12/12/urban-remix-residents-and-area-stakeholders-join-planners-designers-in-re-imagining-46th-and-market-street/) the plans on 46th Street.

Leaders from community associations representing Spruce Hill, Walnut Hill and Garden Court [wrote a letter to Mayor Kenney \(https://billypenn.com/2017/09/06/west-phillys-abandoned-police-hq-plan-and-what-comes-next-for-46th-and-market/\)](https://billypenn.com/2017/09/06/west-phillys-abandoned-police-hq-plan-and-what-comes-next-for-46th-and-market/) noting how “upset and disappointed” they were about the abrupt switch in plans, pushing for the city to carry over preexisting local staffing and minority contracting agreements in any future deals with a developer.

After a short period of showings for potential developers, the city chose Iron Stone Real Estate Partners to take over the Provident Mutual Building.

In late 2018, days before the vote to finalize the transfer of property, then-Councilmember Jannie Blackwell [told The Philadelphia Tribune \(https://www.phillytrib.com/news/local_news/blackwell-questions-sale-of-former-provident-mutual-building/article_42fa84d3-4ec2-5722-b69b-58caa2726d47.html\)](https://www.phillytrib.com/news/local_news/blackwell-questions-sale-of-former-provident-mutual-building/article_42fa84d3-4ec2-5722-b69b-58caa2726d47.html) that the city and developers had been working towards their goals “without dealing openly with me and with the community.”

Less than a week later she invoked [councilmanic prerogative \(https://billypenn.com/2019/04/15/councilmanic-prerogative-in-philly-what-it-is-who-benefits-and-why-its-hard-to-change/\)](https://billypenn.com/2019/04/15/councilmanic-prerogative-in-philly-what-it-is-who-benefits-and-why-its-hard-to-change/) to [halt the sale \(https://why.org/articles/provident-mutual-building-sale-on-hold-endangering-planned-west-philly-health-campus/\)](https://why.org/articles/provident-mutual-building-sale-on-hold-endangering-planned-west-philly-health-campus/).

This drew backlash from Mayor Kenney. In the aforementioned statement, Kenney said, “She [Blackwell] and her staff were fully informed and involved in the discussions every step of the way. To say otherwise is to contradict the facts.”

The bust up took place as Council closed for the calendar year, so the issue spilled over into early 2019.

By that time, Blackwell had received a steady stream of signed agreements between the developers and community groups – for instance, Ryan Boyer, then leading the Laborers Council, sent Blackwell a letter noting that he had received assurances about contracting. Her approval was the final obstacle needed for [new developments to move forward \(https://why.org/articles/provident-mutual-building-redevelopment-to-move-forward-with-blackwells-support/\)](https://why.org/articles/provident-mutual-building-redevelopment-to-move-forward-with-blackwells-support/).

What’s going on at 4601 Market Street now?

Since the sale of 4601 Market St., developers have been excited about crafting a “public health campus” on the property. The Provident Campus, the apt title of the still forming space, is inching closer to making that vision a reality.

The Public Health Management Corporation and the Children’s Hospital of Philadelphia are partner and anchor tenants, respectively, aiming to ground the “290,000 square feet of modern office and medical office space” available on Provident Campus grounds – space which, outside of a few office suites, is fully leased.

The third major tenant will be [KIPP Philadelphia Octavius Catto Elementary \(https://kippphiladelphia.org/our-schools/kipp-philadelphia-octavius-catto-elementary/\)](https://kippphiladelphia.org/our-schools/kipp-philadelphia-octavius-catto-elementary/), a K-1 school that’s the newest of the charter school organization’s seven schools in the city.

Community organizations like Men of Mill Creek Community Organization and the Walnut Hill Community Association pledged their support in exchange for community facilities within the Provident Campus, green space available to the public, and a permanent advisory council headed by local groups. Jason Friedland, a partner at Iron Stone, shared that three conference rooms are being made available to these organizations.

Other planned amenities include Provident Park, which would be an on-site playground and bike share location, as well as a lounge and gym for the employees of tenants located on the building's fifth floor.

CHOP and PHMC begin moving in this summer, so once Catto Elementary kicks off the 2022-23 school year in the building this fall, Provident Campus will be operating in full swing.

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