A photograph of an empty parking garage. The background is a bright yellow wall. In the foreground, a parking space is marked with white lines and the number 'L157' in yellow. A yellow and black striped parking bumper is positioned at the back of the space. The floor is wet and reflective. The ceiling has concrete beams and pipes.

PARKING INDUSTRY FUELS POVERTY IN PHILADELPHIA



PARKING INDUSTRY FUELS POVERTY IN PHILADELPHIA

PARKING GARAGE WORKERS STUCK IN POVERTY

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EXECUTIVE SUMMARY

ABOUT THE KEYSTONE RESEARCH CENTER

The Keystone Research Center (KRC) was founded in 1996 to broaden public discussion on strategies to achieve a more prosperous and equitable Pennsylvania economy. Since its creation, KRC has become a leading source of independent analysis of Pennsylvania's economy and public policy. KRC is located at 412 North Third Street, Harrisburg, Pennsylvania 17101-1346. Most of KRC's original research is available on the KRC website at www.keystoneresearch.org. KRC welcomes questions or other inquiries about its work at 717-255-7181.

Stephen Herzenberg holds a PhD in economics from MIT and since 1995 has been Executive Director of the Keystone Research Center (KRC), an economic research and policy think tank. Before KRC, Steve worked at the US Congress's Office of Technology Assessment (OTA) and the US Department of Labor (USDOL). At USDOL, Steve served as assistant to the chief negotiator of the labor side agreement to the North American Free Trade Agreement. Steve has written extensively on the challenges associated with economic restructuring, including the transition from a manufacturing-dominated U.S. economy with limited imports to a global, postindustrial, service-dominated economy. His writings for national audiences include *Losing Ground in Early Childhood Education*, *New Rules for a New Economy: Employment and Opportunity in Postindustrial America*; and *US-Mexico Trade: Pulling Together or Pulling Apart?*



Ten years into the current economic expansion, too many working Philadelphians still cannot support their family. More than a quarter of city residents remain in poverty including 14% in “deep poverty” with incomes below half the poverty line. While a growing number of Philadelphians have jobs, some work long hours or have two jobs. Their low wages still leave too many workers with incomes that don't cover the cost of basic necessities or enable workers to buy enough at neighborhood businesses to drive the city economy forward.

The lion's share of working Philadelphians with low incomes work in low-wage service industries such as the city's parking garages. One thousand parking garage workers cater to the city's business, civic, professional, and cultural elite, often braving cold and heat for long hours but are still unable to support their families. These workers also help fill the coffers of what is now a highly profitable \$30 billion U.S. industry with CEOs taking home millions of dollars, a hundred or more times the pay of typical workers. This report explores the consequences of low wages in the parking garage industry based on a new survey of 143 industry workers.

★ At the median parking garage wage of \$9.50 per hour, a single adult in the city of Philadelphia would have to work 68 hours per week to pay for housing, food, public transportation, child care, and other necessities. A single adult with one child would have to work 115 hours—more than 16 hours per day, seven days per week. Half of these parking garage workers have more than one child.

★ Even when they work six or seven days per week, parking garage workers live paycheck to paycheck.

- More than half have difficulty paying one or more of their bills.
- One third struggle to pay utility bills, nearly a third to pay for housing.
- Nearly one fifth of parking workers regularly skip meals because they cannot afford food.

★ These workers receive few benefits: less than half are covered by a company health care plan; 40% do not even receive paid vacation days; and a third have no health insurance at all.

★ Nearly nine out of ten parking garage workers are African or African-American, have lived in Philadelphia for more than five years, and are over age 24—with half aged 45 and older. Six out of 10 were born in the United States with three-quarters of foreign-born workers from Africa.

★ More than three quarters of these workers serve as parking lot attendants, shuttle drivers, or valet, catering to regional commuters.

★ These workers work hard—full time or more. All of those interviewed worked at least a 40-hour week with four in ten working 50 hours or more and one in six working 70 or more hours per week.

★ Parking garage workers, despite many years with their current employer, earn extremely low wages as half earn \$9.50 per hour or less. While wages for many workers are finally rising in a tighter job market, two thirds of parking garage workers have not received a raise in the last 12 months.



Daniel Turner, LAZ Parking

“I am a father of three working two jobs to try and make ends meet. It’s not possible for me to do everything I need to do as a father with the pay I receive. I often find myself feeling the effects of depression due to not being able to do everything I need to do. Because of the horrible pay I was forced to get a second job just to make ends meet and it came at a cost. I don’t really get to spend any time with my family. I can no longer play semi-pro football due to having to work seven days a week.”

SOLUTIONS

With parking lot attendants making as little as \$8 an hour, there are limited opportunities for upward mobility within this industry. There is only one solution that can lift most of these workers into the middle class: they need better pay and benefits. Over the last year, these parking garage workers in Philadelphia have foregone an estimated \$12 million because they did not enjoy the \$15 per hour wage standard increasingly established as a respectable minimum wage in large U.S. cities. Using standard multipliers, a \$15 per hour wage for parking garage workers would have resulted in \$15 million per year in increased economic activity for Philadelphia and its immediate surroundings.



Parking garage workers live in all of Philadelphia’s city neighborhoods and increasing their pay would boost local businesses in those neighborhoods. By contrast, the companies that employ these workers pull profits out of the city and often out of Pennsylvania entirely.

In several other low-wage service industries, Philadelphia workers have recently taken important steps to lift themselves out of poverty. Cleaners in Philadelphia in the early 2000s joined together into an area-wide union that has lifted the base wage for cleaners to over \$18 per hour and negotiated health care, retirement, and legal benefits plus 23 days of paid time off each year. Today, security guards and airport workers have also chosen to come together into industry unions in Philadelphia, bargaining base wages now approaching \$15 per hour and improving benefits.

If the 1,000 Philadelphia parking garage workers do the same, they could:

- ★ Lift themselves out of poverty and into Philadelphia’s new middle class;
- ★ Save taxpayers an estimated \$2.3 million in public assistance for Medicaid and food stamps that currently subsidize the industry’s low-wage jobs but would no longer be needed; and
- ★ Improve service and safety for parking garage customers thanks to lower turnover, and an increase in workers’ experience.

Philadelphians must embrace a local solution that brings parking garage workers into the middle class because the state and U.S. Congress will not provide one. State lawmakers, for example, have blocked Philadelphia’s right to establish a local minimum wage above the state (and federal) \$7.25 per hour.

Many thousands of Philadelphians cater to the most affluent in the city, parking and protecting their cars, cleaning and safeguarding the buildings in which they work, and serving travelers by carrying their bags at the airport. These workers deserve a wage sufficient to support their families.



THE LOW INCOMES OF WORKING FAMILIES IN PHILADELPHIA

The current U.S. economic expansion is now about 10 years old. Over the past decade, Philadelphia has flourished in terms of jobs, development, and other metrics. Philadelphia’s unemployment rate has dropped sharply recently to around 5%.¹ Yet incomes for too many families have remained low. Median household income in Philadelphia dipped in 2017 below \$40,000 as well as below its 2005 level.² Incomes particularly stagnated for those at the lower end of the spectrum. Over a quarter of the city’s population (25.7%)—nearly 300,000 people—remained in poverty in 2017 (the latest figures available). More than 200,000 people (215,320)—14% of the city’s population—lived in deep poverty with incomes below half of the poverty line.³

Employment in the city has grown by over 50,000 since the end of the recession in 2009, so more and more low-income Philadelphians have jobs.⁴ The low wages in too many jobs, however, means that incomes remain stagnant and poverty persists. Even Philadelphia’s median earnings (for individuals) in 2017 (\$32,011)—less than in 2005—were below what a single adult with no children needs to cover the cost of basic necessities in the city.⁵ In addition, the bottom 60% of the wage distribution in Pennsylvania (similar Philadelphia data do not exist) has not seen a meaningful earnings increase in the past decade.⁶

Meanwhile, at the top end of the income distribution, incomes have been rising again (Table 1). The top 1% in Philadelphia saw a 32% increase in its income from 2010 to 2015 (2015 is the latest year these data are available). That increase is about \$177,000, well over four times the median household income in the city (now below \$40,000 as noted above). These top earners include some of the customers of valets, attendants, drivers, and cashiers at parking garages in the city.

Table 1. Income Growth in Philadelphia 2010-15, the Top 1% and Other 99% Compared

| Philadelphia rank for top 1% income growth | Average Income of the Top 1%, 2010 | Average Income of the Top 1%, 2015 | Dollar Increase in Top 1% Average Income | Income Growth 2010-15 | | | |
|--|------------------------------------|------------------------------------|--|-----------------------|------------|--|--|
| | | | | Top 1% | Bottom 99% | Share of total growth (or loss) captured by top 1% | Share of total growth (or loss) captured by bottom 99% |
| 501 out of 3045 U.S. counties | \$555,139 | \$732,220 | \$177,081 | 32% | 7% | 43% | 57% |

Source. Keystone Research based on IRS data. For more on the data and methodology used in developing these estimates, see Estelle Sommeiller and Mark Price, “The New Gilded Age: Income Inequality in the U.S. by state, metropolitan area, and county,” July 19, 2018; online at <https://www.epi.org/publication/the-new-gilded-age-income-inequality-in-the-u-s-by-state-metropolitan-area-and-county>



Don Hayes, Parkway

“I have been with Parkway for a year and a half. We work hard every day. We move people’s cars in the cold and the heat. We deserve better wages and fair treatment. Right after we started fighting for a union, Parkway sent a letter to employees, putting pressure on them. They tried to quiet the storm. I feel like either way, we still need a union because they can terminate you at any time. It is a blessing to have union coverage. A union is like having a benefit. It’s like a warranty on a product. When you have to fend for yourself, all you have is unemployment.”



PHILADELPHIA'S PARKING GARAGE INDUSTRY

Philadelphia’s parking garage industry includes three tiers of parking operators (see Table 2): (1) publicly traded corporations such as SP+), which make up a small part of the Philadelphia market; (2) large privately held companies such as Vancouver-based Impark/DLC Management Group; (3) regional operators such as Parkway, E-Z Park Inc., and Ameripark, the largest part of the Philadelphia industry. Some regional parking operators, including Parkway and E-Z Park Inc., I have developed their lots into luxury residential or hotel space.

Table 2. Major Parking Garage Operators in the Philadelphia Market

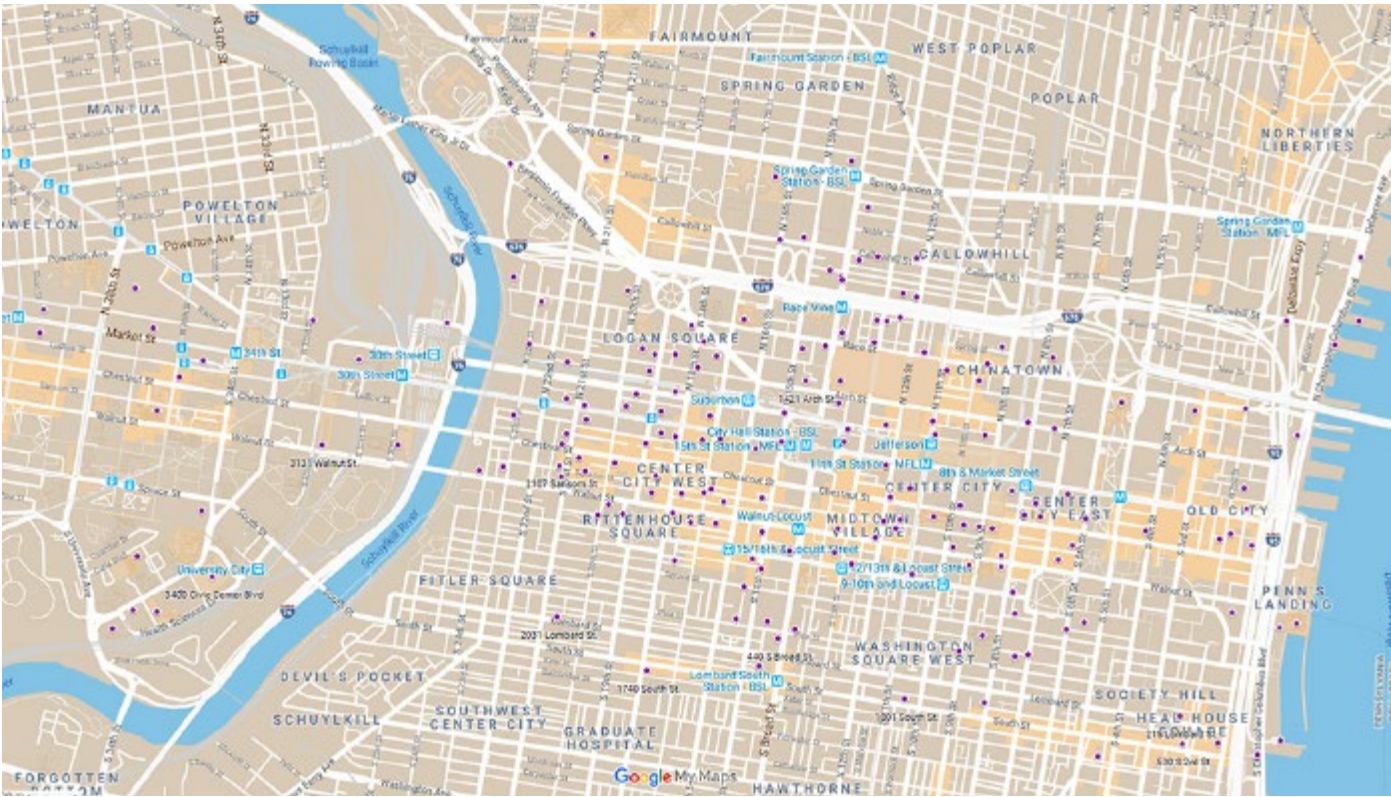
| Operator | Type | Ownership | Scope | Philadelphia Workforce (estimate) |
|---------------------------|---------|-----------------------|---------------|-----------------------------------|
| Impark/ParkJockey | Private | Canadian | International | 34% |
| Park America | Private | Domestic | Regional | 12% |
| LAZ Parking | Private | 50% French via Indigo | National | 10% |
| Lanier Parking/ParkJockey | Private | Domestic | Regional | 10% |
| Parkway Corporation | Private | Domestic | Regional | 9% |
| Towne Park | Private | Domestic | Local | 6% |
| Patriot Parking | Private | Domestic | Regional | 6% |
| E-Z Park | Private | Domestic | Regional | 6% |
| SP+ Parking | Public | Domestic | National | 5% |
| AmeriPark | Private | Domestic | Regional | 1% |

Ernest Hollman, LAZ Parking

“I am 56 and live in North Philly. I have a wife and 5 children to support and only make \$8 hour. I work as many hours as I can get. I work excessive overtime because the pay is so low. I works six days a week, Monday- Saturday, and run about 13-15 hour days. I don’t get benefits. When companies know that you support the union, they try to get you to quit. But I will not quit. I hope these jobs will change because now they can get rid of you without warning, cut your hours, make your life worse. We all need a union. None of the companies really care about the working poor. Their interest is the money they make.”

Counting local operators, we estimate the total city workforce in the city’s roughly 187 lots at approximately 1,000 workers. Parking lots include parking garages within office buildings, stand-alone garages detached from office buildings, and surface lots. Most garages have a second shift and those at hospitals and hotels often have a third shift.

Map 1. Philadelphia’s Garages



As an industry publication says, the parking lot industry is a lucrative and profitable industry, one that has gone from an “...afterthought to...a nearly \$30 billion business.”⁷ CEO salaries—available only for publicly held companies—show that some executives share handsomely in industry profitability. SP+ CEO Marc Baumann made \$1.2 million in 2017.⁸ Parking garage workers, however, earn little—only \$9.50 as a median wage according to survey results.



HARD WORK DOESN'T PAY

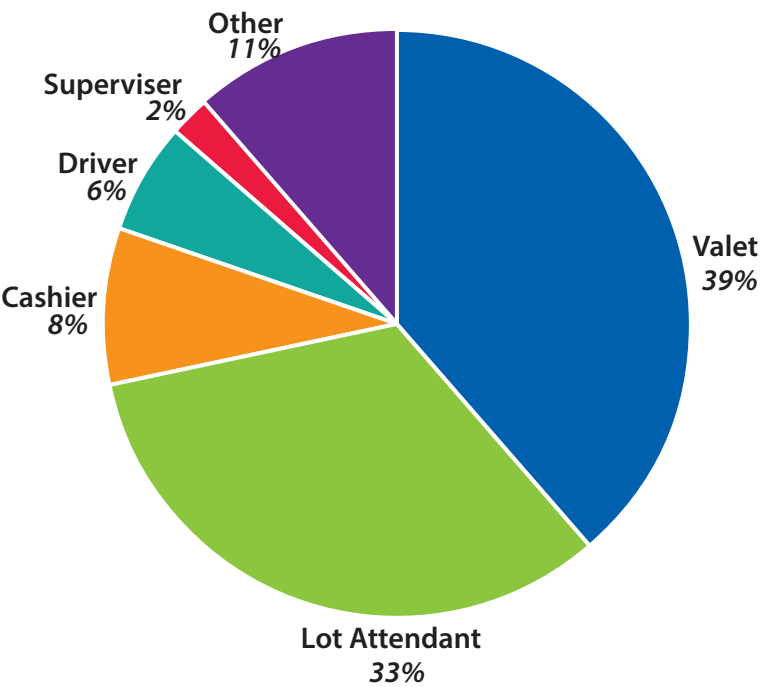
To better understand the quality of parking garage jobs in Philadelphia and how this affects workers and their families, we surveyed 143 workers at the end of 2018 and beginning of 2019. We spoke to workers in a variety of occupations and working for several different parking garage operators, asking them about their jobs, their wages, their families and their lives. A common theme: workers earn low wages and few benefits. Many of them work more than one job and some as many as 70 hours per week. Despite this, many struggle to pay for basic necessities. Their hard work doesn't pay.

THE SURVEY OF PHILADELPHIA PARKING GARAGE WORKERS

From late December 2018 to February 2, 2019, Keystone Research Center and SEIU Local 32BJ collaborated on an in-depth survey of 143 parking garage workers in Philadelphia. To make it more representative of the industry, we interviewed people at different parking garage operators and in different occupations in rough proportion to those companies' and occupations' shares of the industry workforce. To increase the reliability of answers, we guaranteed confidentiality and anonymity. The survey responses should thus provide a generally accurate picture of conditions in the parking garage industry.

More than three quarters of surveyed parking garage workers interviewed (78%) identified themselves as valets (39%), parking lot attendants (33%) or shuttle drivers (6%) (Figure 1). Other occupations included supervisors, maintenance people, and people performing two different functions (e.g., cashier and driver).

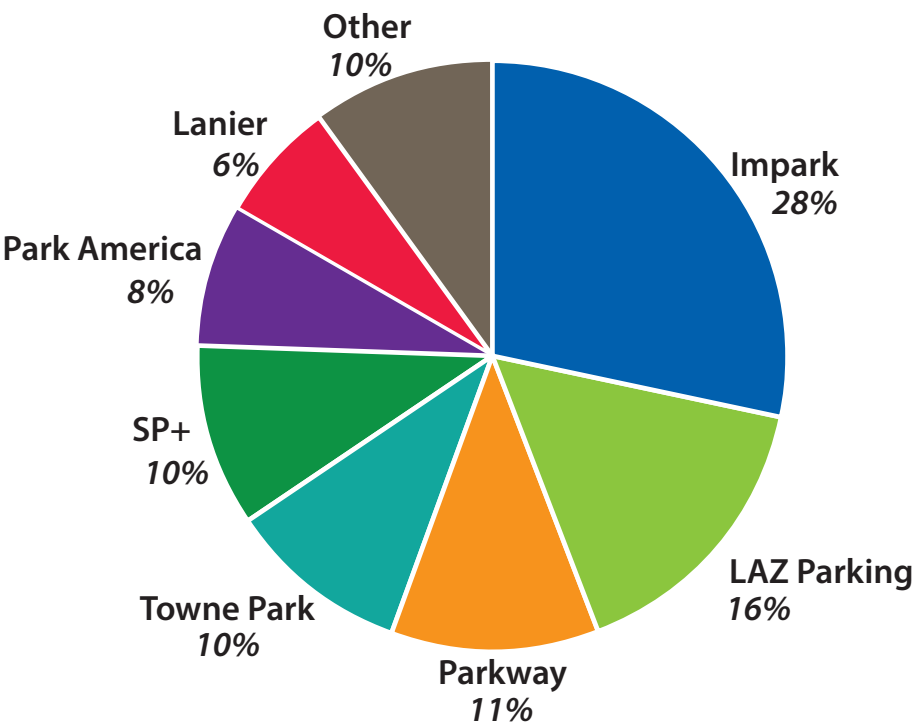
Figure 1. Jobs Held by Parking Garage Workers Surveyed



Source note for figures and tables: except where otherwise noted, the source for all figures and tables in this eibic dafa report is the survey of 143 parking garage workers.

Impark/DLC Management Group workers accounted for more than a quarter of those surveyed; LAZ parking for another 15%; and Parkway, Towne Park, and SP+ each for about 10% (Figure 2). The final 30% of workers spanned six different parking garage operators (Park America, Lanier (LPS Services Inc) Ameripark, Patriot, Paramount, and E-Z Park Inc.).

Figure 2. Parking Garage Operators of Workers Surveyed



WHO ARE THE WORKERS SURVEYED?

As one might expect for jobs that include customer service, public safety considerations (for customers and for workers), and in some cases working at night, the parking garage workforce tends to be full-time and adult. Half the workforce is also aged 45 and older.

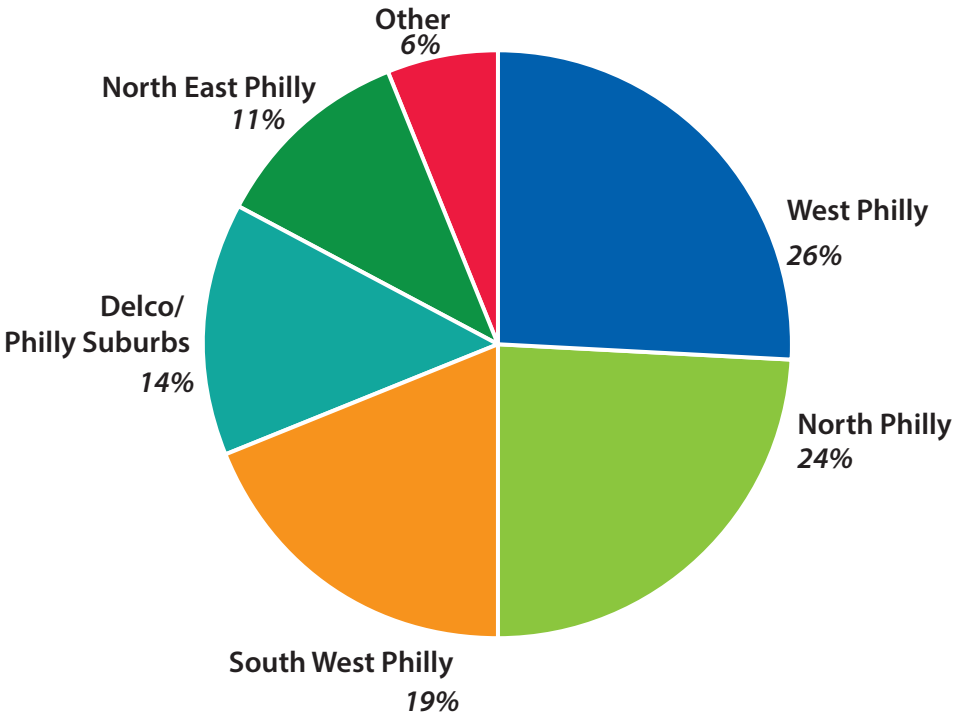
Nearly two thirds of workers have at least one child and half have more than one. Nearly six out of every 10 workers are U.S.-born. Of those born outside the United States, 32% of the 42% were born in an African country with Mali, Ethiopia, and Liberia the most common countries of origin. Nearly nine out of 10 (87%) workers have been living in Philadelphia for five or more years. The same 87% described themselves as African-American or African.

Table 3. Characteristics of Surveyed Parking Garage Workers

| Characteristic | Percent |
|---|---------|
| Gender | |
| Men | 84 |
| Women | 16 |
| Age | |
| 18-24 | 12 |
| 25-34 | 23 |
| 35-44 | 15 |
| 45-54 | 23 |
| 55+ | 27 |
| Children | |
| One child | 16 |
| More than one child | 49 |
| US born | 58 |
| Foreign born | 42 |
| Living in Philadelphia more than 5 years | 87 |
| Race and Ethnicity | |
| African-American, African, or black | 87 |
| White | 6 |
| Latino/Latina or Hispanic | 5 |

Parking garage workers live primarily in working class neighborhoods. Local businesses in these neighborhoods would receive an economic boost if the parking garage workers who lived there earned higher wages and could buy more at the local grocery store, hardware store, and other businesses.

Figure 3. Neighborhoods Where Workers Surveyed Live



..... LOW WAGES AND FEW BENEFITS

The parking garage workers we surveyed earn very low wages—an average wage of \$10.25 per hour and a median wage of only \$9.50 per hour (Table 4). That median wage is only about half the median wage in the state of Pennsylvania and likely below the median wage in Philadelphia itself. Tips raise wages a little but only by about \$1-\$1.50 per hour for the half of workers who receive tips and about 60 cents per hour in tips averaged across all workers (including those who get no tips)—too little to have much impact on workers’ incomes or quality of life. While many workers are now enjoying some wage growth as a consequence of a tighter job market, two thirds of workers of parking garage have not received a raise in the past 12 months.

Table 4. Wages of Surveyed Parking Garage Workers

| | |
|--|---------|
| Average wage of parking lot workers | \$10.25 |
| Median wage of parking lot workers | \$9.50 |
| Lowest reported hourly wage | \$5.15 |
| Share of workers who had not received a raise in 12 months | 65% |
| Share of employees who reported incorrect pay sometimes or regularly | 35% |
| Pennsylvania median wage 2017-18* | \$18.24 |

* Mark Price and Stephen Herzenberg, “State of Working Pennsylvania 2018,” Harrisburg, Keystone Research Center; online at <https://www.keystoneresearch.org/SWP2018>.

Parking garage workers also receive sparse benefit coverage: two out of every five do not get any vacation days; less than half participate in a company-sponsored health plan; nearly one third do not have any health insurance at all (Table 5).

Table 5. Benefits of Surveyed Parking Garage Workers

| | |
|---|------|
| Percent who do not get paid vacation days | 40% |
| Percent on a company health plan | 44% |
| Share on a company health plan who contribute to the premium | 83% |
| Average worker contribution to the premium per pay period (every two weeks) | \$73 |
| Percent on a government health plan | 23% |
| Percent who do not have any health insurance | 31% |
| Percent who have gone without medication or medical treatment because of cost | 28% |

FULL-TIME WORK AND LONG HOURS

Part-time work as well as poor pay plagues many low-wage industries, including the retail and restaurant industries. Parking garage workers, however, virtually all work at least full time (Table 6). Employers need a stable crew at each garage on each shift. Moreover, they pay full-time workers such low wages that there is not a lot of room for further cutting labor costs. Further, turnover is already high with a third of the workforce having less than a year’s experience and only a third having more than five years (Table 6). Part-time jobs would drive up turnover further.

Table 6. Working Long Hours and Multiple Jobs

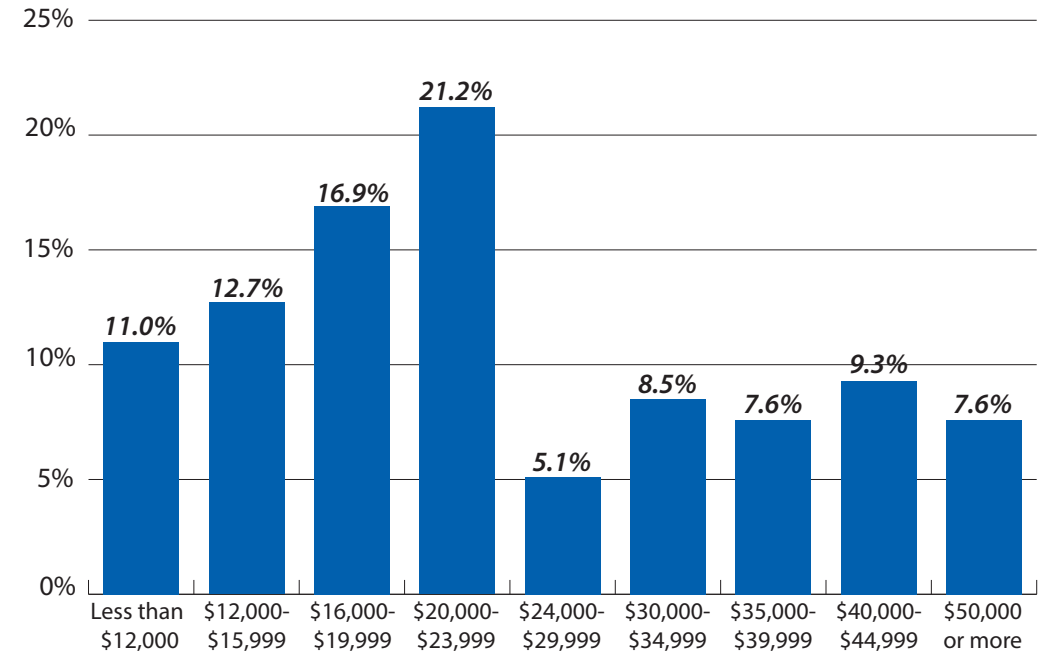
| Job Characteristic | Percent |
|-----------------------|---------|
| Hours worked per week | |
| 40 | 58% |
| 50-70 | 25% |
| 70+ | 17% |
| More than one job | 43% |
| Years at current job | |
| Less than a year | 32% |
| 1-5 years | 37% |
| More than 5 years | 32% |

Many parking garage workers try to compensate for low pay by working a second job and/or working long hours in their parking job (Table 6). More than two in five workers (43%) hold at least two jobs. Four in 10 workers log 50 hours or more each week (on all of their jobs). One in six work more than 70 hours, a work week reminiscent of factory steel mills and sweatshops of the early 1900s—or in some Asian factories today. While necessary in some cases to put food on the table and a roof over their heads, very long hours play havoc with workers’ family responsibilities

LOW INCOMES AND DIFFICULTY PAYING FOR BASIC NECESSITIES

Despite working long hours, parking garage workers have low incomes. About eight in 10 have household incomes below the city median household income (which, as noted earlier and in end note 3, is just below \$40,000) (Figure 4). Four in 10 have an income below \$20,000—less than half the median income in the city.

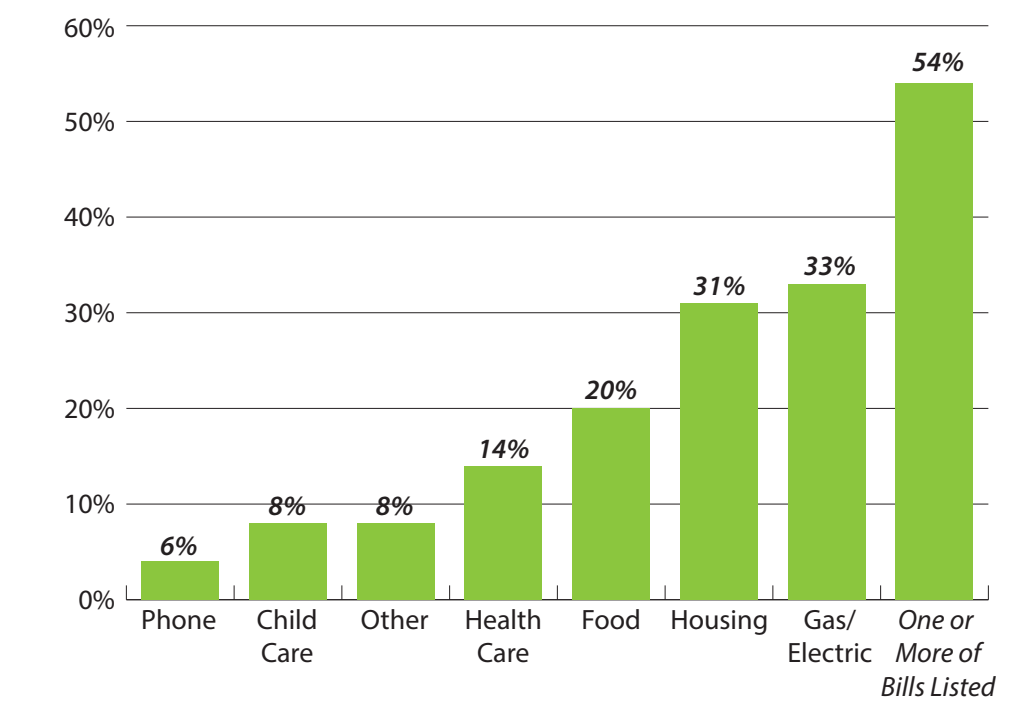
Figure 4. Household Income of Surveyed Workers



The wages and incomes of most parking garage workers are far below what it takes to pay for a basic family budget in Philadelphia. According to the EPI family budget calculator, a single adult requires an income of more than \$33,000 to pay for housing, food, public transportation, child care, and other necessities in the city of Philadelphia.⁹ At the median parking garage wage of \$9.50 per hour, it would require 68 hours per week to earn enough to cover this amount. For a single parent with one child, EPI estimates a family budget as nearly \$57,000. At the parking garage median wage, it would take 115 per week to earn that much—more than 16 hours per day seven days per week.

Not surprisingly, over half of garage workers surveyed (54%) reported that they have difficulty paying the bills to cover the costs of basic necessities (Figure 5).

Figure 5. Which Bills Do Parking Garage Workers Have Difficulty Paying?



THE HIGH COST OF LOW PAY

The low wages that parking operators pay result in a significant share of garage workers depending on taxpayer-funded public assistance for low-income families—which means taxpayers end up footing the bill. Based on our survey, 15.7% workers reported relying on food stamps and at least 15% (including some of the same people) reported relying on government-sponsored public health insurance such as Medicaid or Medicare. Given these percentages, of the 1,000 Philadelphia parking garage workers, an estimated 157 rely on food stamps and 150 on Medicaid.

Based on publicly available data we estimate the cost of Medicaid per enrollee at \$10,000 annually and food stamps per recipient (which depends on family size) at \$5,000 annually.¹⁰ Applying these figures to the parking industry in Philadelphia means that these two public benefits cost taxpayers \$2.3 million alone. If we added the cost of child care, housing, and utility benefits that some workers receive, the taxpayer subsidy to the parking garage industry would grow.



BRINGING PARKING GARAGE WORKERS INTO THE 21ST CENTURY

Philadelphia parking garage workers should benefit from the rising tide of economic development within the city. As new construction takes place in Center City and housing stock and prices escalate in residential neighborhoods, it is imperative that the jobs of those who serve our downtown’s business core are justly and adequately compensated for their hard work. As Philadelphia continues to grow and evolve into the 21st century, so must the working conditions of those that provide the services necessary to a bustling, thriving city.

Workers in three other low-wage industries in Philadelphia, the building cleaning sector—the security guard industry, and contractors that serve the Philadelphia airport, have shown how to turn poverty-wage jobs into middle-class ones. In each case, workers have joined together into a union that bargains for all workers where the industry concentrates. For example, cleaners who belong to Service Employees International Union (SEIU) 32BJ in many of the office buildings in Philadelphia now earn over \$18 an hour with a health plan.¹¹ Security guards maintain a wage of nearly \$25,000 with a health plan. These three service industries now afford workers a decent living and a platform from which they and their children stand a chance to experience the American Dream of upward mobility.

These other industries resemble the parking garage industry in that they can’t relocate to the suburbs, to the south, to Mexico, to China—the office buildings being cleaned and guarded are in Philadelphia, and so are the customers at the airport. Another similarity: the demographics of workers in these industries and the parking garage industry include high proportions of minorities.

A critical difference with the parking garage sector today is that workers in these other service industries have already come together to exercise their fundamental and democratic freedom to form a union. This has enabled workers in these other industries to increase their wages toward or beyond \$15 per hour, lifting thousands of them out of poverty, and beginning to build for Philadelphia a new middle class.

We might wish that Washington, D.C., or Pennsylvania, would see fit to raise wages for all workers to \$15 per hour—and then to increase the minimum wage in tandem with middle-class wages going forward. But that will not happen in the near term. In fact, the state legislature in Harrisburg continues to block Philadelphia and other higher-wage cities in the state from establishing their own minimum-wage above the state and federal minimum wages as many other big cities have done. Thus, Philadelphia needs another locally grown pathway out of poverty for parking garage workers—honoring workers’ freedom to come together so that they can negotiate for the wage and benefit levels enjoyed by other low-wage service workers.

As lower-paid workers spend much of their extra earnings, this would have a ripple effect on local businesses in Philadelphia. Using standard multipliers, this increase in wages would result in \$15 million in increased economic activity and Philadelphia and the inner suburban communities where some workers live.¹² Raising the wage for workers would place many on the path to a middle-class lifestyle and allow nearly a thousand workers approach the city’s median household income of \$41,449.¹³

In a city plagued with persistent poverty and gaping inequality, improving jobs is the real anti-poverty strategy. Raising wages and benefits for parking garage workers could help ensure that all those who touch the major commercial and public buildings downtown, and cater to the region’s economic, professional, civic, and cultural elite, can afford to live in the city.

Rashid Elliott, Towne Park

“I have five kids to support, including a three year-old son. I make close to the minimum wage. It is hard to support my family with pay so low. I struggle to pay my bills. My wife and I go without meals sometimes so that our kids can eat. I work very hard and I deserve to earn a wage that allows me to support my family. It shouldn’t be this much of a struggle when you are doing the right thing and working hard every day.”



1. The city’s unemployment rate from August to December 2018 ranged between 4.9% (the preliminary estimate for December) and 5.2%; see https://www.bls.gov/eag/eag.pa_philadelphia_co.htm.

2. See Mark Price, “The State of Working Philadelphia 2018,” Harrisburg, Pennsylvania, October 2018, p. 11; online at https://www.keystoneresearch.org/sites/default/files/KRC_SWPHL2018.pdf.

3. In 2017, median household income in Philadelphia fell to \$39,759. Price, “The State of Working Philadelphia 2018,” p. 10.

4. Price, “The State of Working Philadelphia 2018,” p. 10.

5. Price, “The State of Working Philadelphia 2018,” p. 11. According to the Economic Policy Institute’s Family Budget Calculator, a bare bones family budget in Philadelphia city for a single adult is \$33,420.

6. Mark Price and Stephen Herzenberg, “State of Working Pennsylvania 2018,” Harrisburg, Pennsylvania, August 2018, Figure 7, p. 8. The 20th to 60th percentiles of the wage distribution all saw wages decline from 2007-08 to 2017-18. The 10th percentile saw a small wage increase, possibly because states around Pennsylvania have been increase their state minimum wages. https://www.keystoneresearch.org/sites/default/files/KRC_SWP_2018.pdf

7. “How the Parking Lot Industry Is a Highly Lucrative and Profitable Industry,” ParkingZone, April 19, 2016; <https://www.parkingzone.com/resources/how-the-parking-lot-industry-is-a-highly-lucrative-and-profitable-industry/>

8. SP-Plus Corporation Schedule 14A for 2017, online at <http://ir.spplus.com/static-files/22a4aaad-d4ee-4575-81b8-179a18ae100b>, p. 38. The company reported its mediation compensation (for its 20,437 employees), as \$20,567, for a CEO-worker pay ratio of 75.

9. According to the Economic Policy Institute’s Family Budget Calculator, a bare bones family budget in Philadelphia city for a single adult is \$33,420. At the median parking garage of \$9.50, it takes 68 hours per week for 52 weeks to earn that much. See <https://www.epi.org/resources/budget/>.

10. The Center on Budget and Policy Priorities provides the average monthly cost of food stamps based on family size at <https://www.cbpp.org/research/policy-basics-the-supplemental-nutrition-assistance-program-snap>. Based on the garage worker survey, we estimate that parking garage workers have a family size of between three and four, which translates to a food stamp cost of \$416 per month or \$4,992 annually, about \$5,000. According to the Centers for Medicaid and Medicare services, the Medicaid cost in Pennsylvania in 2014 was \$9,407 per enrollee (go to <https://www.cms.gov/research-statistics-data-and-systems/statistics-trends-and-reports/national-healthexpenddata/nhe-fact-sheet.html> and download “Healthcare expenditures by state of residence, summary tables, 1991-2014”). We assume some cost increases since 2014 and so round up to \$10,000.

11. Official government statistics for the entire five-county Philadelphia metro area in Pennsylvania show indications of the impact of workers joining unions in the cleaning and security guard industries. Bureau of Labor Statistics BLS) Occupational Employment Statistics data for 2017 (“metropolitan and nonmetropolitan area”) show that janitorial and security guard pay in the five-county region exceeds that for parking lot attendants. The mean wage for cleaners (SOC Cod 37-2011) equaled \$14.81 and that for security guards (SOC Code 33-9032) \$13.30, compared to the \$11.25 average for parking lot attendants (53-6021). BLS data indicate that there are 16,650 cleaners and 12,240 security guards in the region, along with the 2,350 parking lot attendants. Lifting wages for all three industries throughout the region could lift over 30,000 workers into the middle class, a major step towards reducing poverty.

12. Economists estimate the economic activity resulting from each dollar that goes to working families to range from 1.09 (for a payroll tax cut) to 1.38 for an increase in the child tax credit to 1.61 for extending unemployment benefits. (See Chad Stone and Hannah Shaw, “Zandi Analyses Show ‘Democratic’ Measures in Tax Cut-UI Deal Boost Economy, ‘Republican’ Measures Add to Deficit Risks,” Center on Budget and Policy Priorities, December 22, 2010, Table 1; <https://www.cbpp.org/research/zandi-analyses-show-democratic-measures-in-tax-cut-ui-deal-boost-economy-republican>.) We assume that the child tax credit—which goes to low-income working people—best approximates the multiplier for a wage increase for parking garage workers. In addition, while these workers would spend most of this increase in wages in the region, some of this economic activity would leak outside the region. Thus, we lower the 1.38 multiplier to 1.25.)

13. Pew Charitable Trusts “2018 State of Philadelphia.” <https://www.pewtrusts.org/en/research-and-analysis/reports/2018/04/philadelphia-2018-the-state-of-the-city>

