Economic Opportunity Plan

The Convention Center Parking Facility

Developed by Realen Properties. Inc.

I. PROJECT AND PLAN INTRODUCTION.

A. The project consists of the design and construction of a new public parking facility with ground floor retail space and other improvements (the "**Project**") by the development team led by Realen Properties, Inc. (the "**Developers**") in Philadelphia, Pennsylvania. The Project will be constructed by the Developers in the City of Philadelphia in the block bounded by Arch Street on the north, Juniper Street on the east, Cuthbert Street on the south and a certain property line that separates the site from the adjacent Arch Street United Methodist Church on the west, (the "**Site**"). The purpose, standards and procedures of this Economic Opportunity Plan (the "**Plan**") are the expressed wishes of the Developers as set forth herein. Participants shall include any design or other professional services providers and their respective consultants, the general contractor or retained by the Developers to construct the Project (hereinafter referred to as, the "**General Contractor**") and the General Contractor's subcontractors, and all vendors of supplies, services, equipment and materials for the design and construction of the Project (collectively, the "**Participants**" and each a "**Participant**"). All Participants shall be obligated to fully comply with the requirements of the Plan.

B. The Developers are committed to provide meaningful and representative opportunities for minority-owned, women-owned and disabled-owned business enterprises (referred to hereafter individually, as "**MBEs**", "**WBEs**", "**DSBEs**", respectively and collectively, as"**M/W/DSBEs**"), socially and economically disadvantaged owned business enterprises (referred to hereafter as "**DBEs**") and individuals that are Philadelphia residents (referred to hereafter as "**local residents**"), in all phases of the design and construction of the Project. The Developers will require that all Participants commit to the commitments in this Plan. Neither the Developers nor any Participant shall (and furthermore each Participant shall ensure that their associates, partners or representatives shall not) discriminate on the basis of race, color, religion, sex, national origin, sexual orientation, gender identity, ancestry, age, or handicap in the award and performance of contracts pertaining to the Project or with respect to any and all related employment practices.

C. All Participants in the Project shall observe and be subject to the enforcement of all relevant City of Philadelphia, Commonwealth of Pennsylvania, and federal laws, ordinances, orders, rules and/or regulations regarding M/W/DSBEs and locally-based business enterprises. Furthermore, the Developers shall take affirmative

action, consistent with sound procurement policies and applicable laws, to ensure that M/W/DSBEs are afforded a meaningful and representative opportunity to participate in contracts relating to the Project.

D. For the purposes of this Plan, the term "**minority person**" means the following: African American or Black (persons having origins in any of the Black racial groups of Africa); Hispanic American (persons of Mexican, Puerto Rican, Cuban, Dominican, Central or South American, or other Spanish or Portuguese culture or origin regardless of race); Asian American (persons having origins from Japan, China, Taiwan, Korea, Burma (Myanmar), Vietnam, Laos, Cambodia (Kampuchea), Thailand, Malaysia, Indonesia, the Philippines, Brunei, Samoa, Guam, the U.S. Trust Territories of the Pacific Islands (Republic of Palau), the Commonwealth of the Northern Marianas Islands, Macao, Fiji, Tonga, Kiribati, Juvalu, Nauru, Federated States of Micronesia, Hong Kong, India, Pakistan, Bangladesh, Bhutan, the Maldives Islands, Nepal or Sri Lanka); and Native Americans (which includes persons who are American Indians, Eskimos, Aleuts, or Native Hawaiians).

E. Agencies and representatives of the City of Philadelphia and/or Commonwealth of Pennsylvania may be consulted regarding the appropriate inclusion of M/W/DSBEs and DBEs in this Project as outlined in this Plan and with regard to its implementation.

II. PROCEDURES FOR DETERMINATION.

A. Scope/Duration. This Plan shall apply to contracts awarded and procurements sourced by the Developers and all Participants throughout the construction of the Project.

B. Statement of Objectives. The objectives set forth in the Plan shall be incorporated in all requests for proposals, bid packages and solicitations for the Project or clearly communicated to all Participants.

C. Good Faith Efforts. Participants shall use best and good faith efforts (as defined hereunder) to provide appropriate participation and utilization opportunities for M/W/DSBEs, minority workers, female workers and local resident workers. All Project contractors and vendors will be required to do likewise, consistent with best and sound procurement practices, and with applicable law. Best and good faith efforts are those efforts, the scope, intensity and appropriateness of which are designed and performed to achieve the objectives of this Plan including ranges and goals expressed herein. Best and good faith efforts will be deemed adhered to when a Participant meets the criteria set forth in this Plan and demonstrates and documents its efforts throughout the duration of

the Project. Each Participant must submit a Subcontracting/Vendor Plan showing how best and good faith efforts were made to achieve said ranges, even if the ranges were not met. This plan must include, but not be limited to, the following:

1. Written request for assistance to the Developers three (3) business days prior to the bid due date.

2. Solicitation through job fairs, newspapers, periodicals, advertisements and other organizations or media that focus on construction and are owned by M/W/DSBEs and/or that focus on M/W/DSBEs.

3. Telephone logs.

4. Evidence of solicitation to qualified M/W/DSBEs and DBEs certified by the Philadelphia Minority Business Enterprise Council ("**MBEC**") or any successor agency, or members of the Pennsylvania Unified Certification Program ("**PaUCP**").

5. Bid results and (if applicable) reasons as to why no awards were made to M/W/DSBEs.

6. Use of City/MBEC-certified business firms via the MBEC directory.

7. Correspondence between the contracting firm and any M/W/DSBE firms.

8. Attendance logs and/or records of any scheduled pre-bid or pre-proposal meeting.

9. Specific, general and technical assistance offered and provided to M/W/DSBEs related to their portion of the Project.

10. Proof there was notification of and access to bid documents at the contracting firm's office or other office locations for open and timely review.

D. Monitoring of Best and Good Faith Efforts. The monitoring and reporting of best and good faith efforts of the Participants shall be established by the Developers in consultation with appropriate city, state and federal agencies and/or private professional entities, and shall include (in addition to any further measures that may be required) the following:

1. Participants shall submit copies of signed contracts and purchase orders with M/W/DSBE contractors and subcontractors.

2. Participants shall be ready to provide evidence of timely payments to M/W/DSBE subcontractors, sub-consultants and supply vendors for participation verification. This documentation should be provided monthly or included with every request for payment.

3. At the conclusion of the Project, Participants shall provide evidence of the actual dollar amounts paid to M/W/DSBE contractors or subcontractors.

4. All Participants that are on-site contractors involved in the construction of the Project shall be prepared to submit "certified" payrolls listing the following items for all on-site employees:

a. Full name.

b. Social security number.

c. Full address.

d. Trade classification (e.g., laborer, carpenter, apprentice, electrician, plumber, and foreman).

e. Gender

f. Race.

g. Hours worked.

h. All withholding (e.g., laborer, local, state, FICA, etc.).

i. Name of the contractor and name of the prime for subcontractors.

j. Name of Project.

5. Certified payroll reports shall be signed by an authorized officer of the applicable Participant.

6. Participants shall comply with all applicable requirements of any federal, state or local law, ordinance, or regulation relating to contract and payroll compliance.

E. Documentation of Best and Good Faith Efforts and Compliance. Two components have been established to facilitate the inclusion of M/W/DSBEs as contractors and vendors, and minority/female/local residents as Project site workforce participants:

1. M/W/DSBE Contracting and Vending Participation Levels. The basis for each determination will be the percentage of the total dollar amount of Participant's bid/contract or the total dollar amount of the bid/contract for the identified Project task.

2. Minority/Female/Local Resident Employment Participation Levels. The basis for each determination will be the projected total on-site field employee hours divided by the number of minority, female and local resident employee hours anticipated to be performed on the contractor's payroll, and each of the contractor's on-site subcontractors payrolls.

F. Oversight Committee. The Developers, in consultation with the appropriate agencies and entities, will establish and identify the members of a "**Project Oversight Committee**." The Project Oversight Committee shall include representatives of the Developers, the General Contractor, and the Council member of Philadelphia City Council's First District (or the member's designee from the member's staff), and shall meet during all phases of the Project. The Developers and the Project Oversight Committee will engage in monitoring, reporting and problem solving activities including regular meetings to address all matters relevant to further development of this Plan, carrying out its implementation and the successful completion of the Project. In addition, the Developers will contract with the Greater Philadelphia Urban Affairs Coalition or an equivalent organization ("**GPUAC**") to assist the Developers and the Project Oversight Committee in the monitoring and reporting for the Project.

III. CERTIFIED M/W/DSBEs.

A. Only businesses that are owned and controlled, in both form and substance, as M/W/DSBEs shall be counted towards participation under this Plan. To ensure this standard, all businesses, including joint ventures, must be certified by MBEC, or any successor agency or the PaUCP. Both agencies are authorized to certify such enterprises.

B. M/W/DSBE certification shall not be the sole determination of a bidder's or contractor's financial or technical ability to perform specified work. The Developers reserve the right to evaluate the contractor's or subcontractor's ability to satisfy financial, technical, or other criteria separate and apart from said certifications before bid opening. Pre-qualification conditions and requirements shall be conveyed in a fair, open and non-discriminatory manner to all.

C. The Developers recognize that M/W/DSBE certifications may expire or the firm may experience decertification by an authorized governmental entity. Certifications that expire during a M/W/DSBE's participation on a particular phase of the Project may be counted toward overall goals for participation ranges. However, said firm

must become recertified prior to consideration for future range/goal credit in this Plan. If a firm has been decertified, said firm will not be eligible to participate.

IV. NON-COMPLIANCE.

A. In cases where the Developers have cause to believe that a Participant, acting in good faith, has failed to comply with the provisions of this Plan, the Developers in consultation with the Project Oversight Committee and/or appropriate agencies and professional entities, will attempt to resolve the noncompliance through conciliation and mediation.

B. In conciliation, a Participant must satisfy the Developers and the Project Oversight Committee that said Participant has made best and good faith efforts to achieve the agreed upon participation ranges and/or goals. Demonstration of best and good faith efforts on the part of a Participant includes:

1. Entering into a contractual relationship with the designated M/W/DSBE firm in a timely, responsive and responsible manner, and fulfilling all contractual requirements, including payments, in said manner.

2. Notifying all parties, including the Developers, the M/W/DSBE, the Project Oversight Committee and all relevant Participants of any problems in a timely manner.

3. Requesting assistance from the Developers and/or the Project Oversight Committee in resolving any problems with any M/W/DSBE.

4. Making every reasonable effort to appropriately facilitate successful performance of contractual duties by a M/W/DSBE through timely, clear and direct communications and reasonable business assistance.

C. In cases where the Developers, in consultation with the Project Oversight Committee, have cause to believe that any Participant has failed to comply with the provisions of this Plan, the Developers will conduct an investigation.

D. After affording the Participant notice and an opportunity to be heard, the Developers in consultation with the Project Oversight Committee, will take corrective, remedial and/or punitive action. Such actions may include, but are not limited to:

1. Declaring the Participant as non-responsible and/or non-responsive, with a determination being made that the Participant is ineligible to receive the award of a contract, ineligible to continue a contract and/or ineligible for any other future contracts affiliated with the Project;

2. Suspending the violating Participant from doing business with the Developers;

3. Withholding payments to the violating Participant; and/or

4. Pursuing and securing any relief which the Developers, in consultation with the Project Oversight Committee, may deem to be necessary, proper, and in the best interest of the Developers and the Project and consistent with applicable policy and law.

V. GUIDELINES FOR JOINT VENTURING.

A. Joint Venture relationships with certified M/W/DSBEs must meet the following criteria in order to receive credit towards the participation goals:

1. The M/W/DSBE partner(s) must be certified by MBEC, PaUCP or an agency authorized by law to certify such enterprises prior to proposal/bid submission.

2. The M/W/DSBE partner(s) must be substantially involved in significant phases of the contract including, but not limited to, the performance (with its own work force) of a portion of the on-site work, and of administrative responsibilities, such as bidding, planning, staffing and daily management.

3. The business arrangements must be customary (i.e., each partner shares in the risk and profits of the joint venture commensurate with their respective ownership interest).

4. If a certified partner is a M/W/DSBE, the participation will be credited only to the extent of the partner's ownership interest in the joint venture. M/W/DSBE participation ranges or goals will apply to the joint venture.

VI. PARTICIPATION RANGES AND GOALS.

A. Demolition and Construction Employment Opportunities.

1. In support of federal and local policies that target economic benefits to low-income residents, the Developers shall require its contractors involved in construction of the Project (including, but not limited to any demolition and/or environmental remediation) to make best and good faith efforts to employ local Philadelphia residents. The Developers will also require its General Contractor to use nondiscriminatory employment practices and make best and good faith efforts to employ minority and female persons in the demolition, environmental remediation, and

construction workforce consistent with work-hour goals of 25% and 5%, respectively. The Developers will include these goals in all construction related contracts (including but not limited to any demolition and/or environmental remediation) and will require its General Contractor to reference these work-hour goals in all of its subcontracts.

B. Contract Opportunities.

1. Architecture and Engineering and Other Professional Services. The Developers will make best and good faith efforts to engage a design team, including architects, engineers, and other design and professional service providers, with the stated goals of not less than 20% participation by MBEs, not less than 8% participation by WBEs and not less than 2% participation by DSBEs. These percentages for participation will be applied to the total dollar value of the architectural, engineering and other design and professional service contracts let by the Developers, including change orders and scope adjustments.

2. Demolition and Construction. The Developers shall require that the General Contractor and its subcontractors make best and good faith efforts to provide contract opportunities for certified M/W/DSBEs with the stated goals of 20% participation by MBEs, 8% participation by WBEs and 2% participation of DSBEs. These percentages are not applicable to the suppliers of pre-cast concrete. These percentages for participation will be applied to the total dollar value of all contracts let by the Developers or the General Contractor, including all change orders and scope adjustments.

City of Philadelphia

BILL NO. 100759 continued

Certified Copy

CERTIFICATION: This is a true and correct copy of the original Bill, Passed by the City Council on March 24, 2011. The Bill was Signed by the Mayor on April 5, 2011.

Michael A. Decker

Michael A. Decker
Chief Clerk of the City Council