

City of Philadelphia



(Bill No. 100363)

AN ORDINANCE

Authorizing the amendment of certain agreements between the City of Philadelphia and the Philadelphia Authority for Industrial Development ("PAID") relating to an area surrounded by Pattison Avenue, 11th Street, Terminal Avenue and Broad Street (the "Wachovia and Arena Parcels"), to revise lot lines and make other technical changes; authorizing amendments to certain subleases for the Wachovia and Arena Parcels; and authorizing the grant to PAID of an easement over certain portions of FDR Park, all under certain terms and conditions.

WHEREAS, Spectrum Area Limited Partnership, an affiliate of Comcast Spectacor in partnership with the Cordish Company proposes to develop a mixed use sports-themed restaurant and entertainment venue of approximately 378,000 square feet and a 300-room hotel on the site of the Spectrum and adjacent portions of the Wachovia and Arena Parcels ("Philly Live! Project"). Phase 1 will include approximately 40,000 square feet of development and is expected to commence by the end of this year; and

WHEREAS, The Philadelphia City Planning Commission has reviewed and approved the Philly Live! Project and determined that the proposed development is consistent with the original 1994 Master Plan for the Wachovia and Arena Parcels; and

WHEREAS, It is necessary to amend certain agreements, collectively referred to as the Wachovia and Arena Development Agreements (attached hereto as Exhibits A through F), to consolidate title to the Philly Live! Project into one parcel in order to allow the project to be financed; and

WHEREAS, The Philly Live! Project has received conceptual approval from the Philadelphia Water Department for a storm water management program that will discharge storm water into a lagoon at FDR Park and will require the City to grant to PAID an easement thru FDR Park for the storm water management discharge pipe; now, therefore

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1. The Commissioner of Public Property, the Director of Commerce, and the Commissioner of Parks and Recreation are authorized, on behalf of the City of Philadelphia, to execute and deliver to the Philadelphia Authority for Industrial Development ("PAID") the following contractual amendments, in substantially the form attached hereto: (i) Second Amendment to Assignment, Assumption and Lease Agreement between City and PAID, attached hereto as Exhibit A; (ii) Second

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Amendment to Lease Agreement, attached hereto as Exhibit B; and (iii) Third Amendment to Lease Agreement, attached hereto as Exhibit C.

SECTION 2. The Director of Finance and City Solicitor are hereby authorized to consent to the execution and delivery by PAID of the following agreements, in substantially the form attached hereto: (i) Second Amendment to Lease and Development Agreement By and Between PAID and Spectrum Arena Limited Partnership, attached hereto as Exhibit D; (ii) Sixth Amendment to Construction and Lease Agreement By and Between PAID and Spectrum Arena Limited Partnership, attached hereto as Exhibit E; and, (iii) Third Amendment to Lease and Development Agreement By and Between PAID and Spectacor Adjoining Real Estate New Arena, L.P., attached hereto as Exhibit F.

SECTION 3. The Commissioner of Public Property and the Commissioner of Parks and Recreation are authorized on behalf of the City of Philadelphia to execute and deliver to PAID an agreement granting an easement across certain lands located in FDR Park for the purposes of constructing, operating and maintaining a storm water management discharge system from the Philly Live! Project site.

SECTION 4. The Economic Opportunity Plan for the Philly Live! Project, attached hereto as Exhibit G, is hereby approved.

SECTION 5. The City Solicitor is hereby authorized to make such modifications to the terms and provisions of the documents attached as exhibits to this Ordinance as may be necessary or appropriate to protect the interests of the City.

SECTION 6. The Clerk of City Council shall keep on file and make available for public inspection all agreements and exhibits referred to and incorporated in this Ordinance.

SECTION 7. This Ordinance shall take effect immediately.

[Note: Exhibits to this Bill are on file in the Office of the Chief Clerk.]

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CERTIFICATION: This is a true and correct copy of the original Bill, Passed by the City Council on June 17, 2010. The Bill was Signed by the Mayor on June 30, 2010.



Michael A. Decker
Chief Clerk of the City Council

EXHIBIT # 4

PhillyLive!

Economic Opportunity Plan

May 18, 2010

I. Project Description

Philadelphia Live, LLLP, ("Owner") is a joint venture between Comcast Spectacor, owner of Wachovia Center, the 76ers and the Flyers, and The Cordish Company of Baltimore, Maryland, a fourth generation family real estate business with a special expertise in entertainment, mixed-use and sports anchored developments. Owner proposes to construct a multi-purpose retail, dining and entertainment project including a hotel within the Stadium Complex in South Philadelphia. The proposed project exercises development rights granted by ordinance and leases to Comcast Spectacor as part of its private investment to build the Wachovia Center. The Owner's proposed plan was approved by the City of Philadelphia Planning Commission on October 20, 2009.

As part of the development of the Wachovia Center, a series of lease and development agreements were entered into. These documents included an obligation for Comcast Spectacor to follow certain construction goals for minority-owned business enterprise ("MBE's"), and women-owned businesses ("WBE's") in the construction and operation of the arena facility contemplated under the agreement. The City's guidance on MBE/WBE participation has evolved since the execution of the original agreements. The Nutter Administration recently released a report titled *Inclusion Works: Economic Opportunity Strategic Plan* which provides additional perspective on the City's efforts to expand engagement of disadvantaged business and streamline the development of EOPs. The Owner has substantial experience throughout the country implementing minority contractor participation plans.

II. Plan Goals

The owners are committed to meeting the requirements of the leases and pledge their best faith efforts to provide meaningful and representative opportunities for participation by minority-owned, woman-owned, disabled-owned business enterprises, and disadvantaged business enterprises ("M/W/DSBE/DBE") and Philadelphia residents in all phases of the development project.

The following targets have been set for the Owner's project:

a.) Construction Contractors

MBE - 25-30% WBE 8-15%

b.) Construction Workforce

Local residents - 50% Minority - 32% Female - 7%

c.) Post Construction Workforce

Local Residents - 50% Minority - 30% Women - 40%

d.) Professional Services

MBE - 15-20% WBE - 10-15%

e.) Supplier Diversity

MBE - 25-30% WBE - 10-15%

III. Procedures for Recruitment and Minority Opportunities

The Owner, working in conjunction with the general contractor, will promote M/W/DSBE/DBE participation in the project. The M/W/DSBE/DBE objectives will be included in all requests for proposals, bid packages, and solicitations for the project. Pro-active outreach efforts will include:

- A review of Office of Economic Opportunity (OEO) Registry of Certified Firms by specialty for submission of bid documents for phases of the project
- Require the general contractor to identify local, qualified sub-contractors for project components
- Review of recent EOP development project reports to identify qualified contractors for comparable services
- Schedule project opportunity seminar with Philadelphia Area African American Chamber of Commerce, Greater Philadelphia Hispanic Chamber of Commerce, and the Philadelphia Asian American Chamber of Commerce
- Posting of contractor opportunities link on Cordish project website
- Coordinate Philadelphia resident building trades labor force initiative with the City's OEO Director

IV. Monitoring and Plan Execution

The owners anticipate retaining the services of an experienced local monitor ("the Monitor") to assist with EOP implementation. The Monitor will develop a monitoring and reporting protocol that will track the EOP developments from initiation of contracting through completion of construction activities. The protocol will include these features:

- Establish a working committee with owner representative, general contractor, and the monitor to review contractor opportunities prior to release of bids
- Execute Recruitment activities outlined in previous section and provide a qualified M/W/DSBE list to all bidders prior to bid release
- Evaluate all qualified bid responses for M/W/DSBE/DBE inclusion
- Coordinate with Philadelphia Building Trades Council project liaison for Philadelphia resident initiative to pre-screen eligible trades members for contractor hiring

V. Compliance and Enforcement

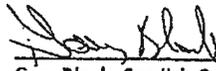
The owners will participate in the development of a project oversight committee under the direction of the City. The owners anticipate that the oversight committee will conduct an ongoing review of the EOP execution and provide interim recommendations for compliance if the owners require assistance in meeting program targets.

VI. Records and Final EOP Reporting

The owners will provide data and submit reports consistent with current requirements of the City of Philadelphia. Draft reports will be submitted to the City and a final EPO project report will be available for public inspection.

This Plan, executed by an authorized representative of the owners and the City, shall be effective upon adoption of the Project Ordinance submitted for City Council's approval.

Angela Dowd Burton
Executive Director
Office of Economic Opportunity
City of Philadelphia



Gary Block, Cordish Company
Authorized Representative of
Philadelphia Live, LLLP