Temple University Health System, Inc.
Economic Opportunity Plan
for
The Hospital of the Fox Chase Cancer Center and Jeanes Hospital Patient Facilities
and
Temple University Hospital Parking Facility

I. Project and Plan Introduction and Definitions:

A. The project of the TEMPLE UNIVERSITY HEALTH SYSTEM (The "Owner") consists of renovations and other capital improvements to the facilities of the Hospital of the Fox Chase Cancer Center and Jeanes Hospital (the "Jeanes Project") on parcels of ground bounded by Cottman Avenue, Central Avenue, Shelmire Avenue, Hasbrook Avenue, Hartell Avenue, Burholme Avenue, and Burholme Park. The goal of the Jeanes Project is to convert semi-private rooms within the Hospital of the Fox Chase Cancer Center to private rooms. It is anticipated that about 47 rooms in the Hospital of the Fox Chase Cancer Center will be converted from semi-private rooms as well as remodeling the corridors, the support space, and the nursing stations at the Hospital of the Fox Chase Cancer Center. About 41 beds will be located at Jeanes Hospital in an area that currently serves as administrative space.

B. The project of the TEMPLE UNIVERSITY HEALTH SYSTEM (the "Owner") also consists of construction connected with the replacement of a parking facility at Temple University Hospital (the "TUH Project") on parcels of ground bounded by Broad Street, Ontario Street, Germantown Avenue, and Tioga Street. The TUH Project will construct a new parking facility at the location currently occupied by an existing three-story parking facility. (Hereinafter, both the Jeanes Project and the TUH Project are collectively "the Projects".)

1. The Projects are subject to Chapter 17-1600 of The Philadelphia Code which requires the development and implementation of "Economic Opportunity Plan(s)" for certain classes of contracts and covered projects as defined in Section 17-1601. This Economic Opportunity Plan (the "Plan") memorializes the Owner's commitment to make and to cause its contractors to make best and good faith efforts to provide meaningful and representative opportunities for Minority Business Enterprises ("MBE"), Woman Business Enterprises ("WBE") and Disabled Business Enterprises ("DSBE") (collectively, "M/W/DSBEs") and to employ an appropriately diverse building trades workforce in connection with the Projects.

2. The Owner shall cause all its professional services providers and consultants, and the construction manager retained by the Owner to

construct the Projects, and all vendors of supplies, services, equipment and materials for the Projects (collectively, the "Participants" and each a "Participant") to use their best and good faith efforts, to provide either joint venture partnerships, sub-consulting and/or sub-contracting opportunities for M/W/DSBEs in all phases of the Projects and the Owner will require that all Participants commit to the foregoing. This Plan shall apply to contracts awarded by the Owner and sub-contracts awarded by its Participants. The objectives set forth in the Plan shall be incorporated in requests for proposals, bid packages and solicitations for the Projects and communicated to Participants.

C. Neither the Owner nor any Participant shall 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 Projects or with respect to any and all related employment practices. The Owner is committed to achieving and maintaining diversity goals established within this Economic Opportunity Plan.

D. For the purposes of this Plan, MBE, WBE, DBE and DSBE shall refer to certified businesses so recognized by OEO. Only the work or supply effort of firms that are certified as M/W/DSBEs by an OEO approved certifying agency[1] will be eligible to receive credit as a Best and Good Faith Effort. In order to be counted, certified firms must successfully complete and submit to the OEO an application to be included in the OEO Registry which is a list of registered M/W/DSBEs maintained by the OEO and available online at www.phila.gov/oeo/directory.

E. For this Plan, the term "Best and Good Faith Efforts," the sufficiency of which shall be in the sole determination of the City, means: efforts, the scope, intensity and appropriateness of which are designed and performed to foster meaningful and representative opportunities for participation by M/W/DSBEs and an appropriately diverse workforce and to achieve the objectives herein stated. Best and Good Faith Efforts are rebuttably presumed met, when commitments are made within the M/W/DSBE Participation Ranges established for this development and a commitment is made to employ a diverse workforce as enumerated herein.

1. Participant seeks assistance from the Philadelphia area building trades, apprenticeship and workforce development programs to conduct employment outreach and identify minority and female
2. Participant maintains a published policy of nondiscrimination in the hiring, retention and promotion of employees which includes communication of that policy to all contractor(s) and their project forepersons.
3. Participant makes commitments to use MBEs, WBEs and DSBEs in its

[1] A list of "OEO approved certifying agencies" can be found at www.phila.gov/oeo

contract for commercially acceptable subcontracted services and material supply even when the Participant might otherwise prefer to perform/supply these items without subcontracting.

4. Timely solicitation through all reasonable and available means the interest of M/W/DSBEs that have the capability to perform the work of the contract. Such efforts include use of the 0E0 Registry of Certified Firms, solicitation through pre- bid meetings and job fairs, advertising in minority focused publications, and written mailings to M/W/DSBEs. Participant must determine with certainty if the M/W/DSBEs are interested by taking appropriate steps to follow up on initial solicitations; one time contact, without any follow up, is not acceptable.
5. Providing interested M/WDSBEs adequate information about the plans, specifications, and requirements of the contract in a timely manner to assist them in responding to a solicitation.
6. Providing arms length business assistance to interested M/W/DSBEs which may include access or introduction to major manufacturer/suppliers, lending institutions and union halls.
7. Negotiating in good faith with interested M/W/DSBEs. Participant, using good business judgment, would consider a number of factors in negotiating with subcontractors, including M/W/DSBE subcontractors, and would take a firm's price and capabilities as well as the objectives of Chapter 17-1600 into consideration.

II. Economic Opportunity Plan Commitments:

A. M/W/DSBE Participation

1. Participation Ranges. Participation ranges have been established as a benchmark for providing meaningful and representative opportunities for M/W/DSBEs in the Projects. These participation ranges represent, in the absence of discrimination in the solicitation and selection of M/W/DSBEs, the percentage of MBE, WBE and DSBE participation that the University expects is reasonably attainable on the Projects through the exercise of Participants' best and good faith efforts.

   (a) Design, Engineering and Construction:

   1. MBE 25-30%
   2. WBE 10-15%
   3. DSBE Encouraged

2. Documentation of Best and Good Faith Efforts. Participants shall respond to the Participation Ranges by completing the Documentation of Best and Good Faith Efforts Form ("BGFE Form"), documenting its solicitations and commitments with M/W/DSBEs, and detailing its exercise of best and good faith efforts to include M/W/DSBEs in the contract.

(a)The BGFE Form must include the company name, address, contact person, telephone number, facsimile number and OEO registry number of each M/W/DSBE firm solicited for participation under this RFP (regardless of the response by the firm), a detailed description of the services or the supply effort solicited/quoted and the dollar amount and percentage of contract commitments made to M/W/DSBE firms. Participant must avoid using one-word descriptions of the services or supply effort and is required to submit copies of the supporting quotation(s) or letter(s) of intent. If no commitments are made, or if quotes were not received from M/W/DSBE firms solicited by the Participant, Participant must provide an explanation. Only firms that are recognized by 0E0 as certified M/W/DSBEs will receive credit as a Best and Good Faith Effort. A registry of M/W/DSBEs is maintained by the OEO and is available online at www.phila.gov/oeo/directory.

(b) Participants' identified commitment to use an M/W/DSBE on the BGFE Form constitutes a representation by Participant that the M/W/DSBE is capable of completing the subcontract with its own workforce, and that the Participant has made a legally binding commitment with the firm. The listing of the M/W/DSBE firm by Participant further represents that Participant will subcontract (or partner, in the case of a joint venture) with the listed firm(s) for the work or supply effort described and the dollar/percentage amount(s) set forth on the BGFE Form; M/W/DSBE percentage commitments must be maintained throughout the duration of the Projects.

(c) A Participant that enters into a subcontract with an M/W/DSBE shall be considered to have made a Best and Good Faith Effort only if the M/W/DSBE subcontractor performs a commercially acceptable function ("CAF"). An M/W/DSBE is considered to perform a CAF when it engages in meaningful work or supply effort that provides for a distinct element of the subcontract, where the distinct element is worthy of the dollar amount of the subcontract and where the M/W/DSBE carries out its responsibilities by actually performing, managing and supervising the work involved.

(d) In calculating the percentage of M/W/DSBE participation, Participant shall apply the standard mathematical rules in rounding off numbers. In the event of inconsistency between the dollar and percentage amounts listed on the BGFE Form, the percentage will govern.

(e) Letters of intent, quotations and any other accompanying documents regarding solicitation and commitments with MBEs,

WBEs and DSBEs, including the BGFE Form, become part of this Plan. M/W/DSBE percentage commitments are to be maintained throughout the duration of the Projects and shall apply to the total Project value (including change orders and contract amendments). Participant agrees to immediately report to the OEO any change in commitment, including but not limited to substitutions for the listed firms, changes or reductions in the work and/or listed dollar/percentage amounts Throughout the duration of the Projects, Participant is required to continue its best and good faith efforts.

B. Employment of a Diverse Workforce

1. Employment Benchmarks and Outreach. Participants agree to exhaust their best and good faith efforts to employ minority persons and females in its workforce of both apprentices and journeymen which shall include Project area residents ("Project area residents"). Project Area residents for the Jeanes Project are permanent residents of the following postal zip codes: 19111, 19115, 19116, 19120, 19124, 19135, 19136, 19149, and 19152. Project Area residents for the TUH Project are permanent residents of the following postal zip codes: 19120, 19121, 19122, 19124, 19125, 19132, 19133, 19134, 19140, 19141, and 19144.
2.

(a) As evidence of its Best and Good Faith Efforts, Participants shall establish and maintain a current list of minority and female recruitment sources and provide written notification to these recruitment sources, to community organizations and the trades unions when Participant has employment opportunities available; Participant shall maintain a record of the organizations' responses. Participant agrees to consult with the Diversity Apprenticeship Program, Careerlink Philadelphia, Opportunity Industrial Center, Greater Philadelphia Urban Affairs Coalition, Lucien Blackwell Apprenticeship Program and similar programs to identify pre-apprentices for Participants' referral to trades unions.
(b) Participants are encouraged to sponsor minority and female apprentices.
(c) Participants also agree to work with representatives of trades unions to create apprenticeship opportunities for Project area residents.
(d) Participants are obligated to exhaust their Best and Good Faith Efforts to employ:
    1. Minority Apprentices and Journeymen— 32% of all hours worked across all trades.
    2. Female Apprentices and Journeypersons— 7% of all hours worked across all trades.

3. Training. If Participant operates on-the-job training programs and/or

participates/funds union administered training programs, Participant is required to expressly include opportunities for minority persons, females and Philadelphia residents to participate in such programs, including apprenticeship and trainee programs relevant to Participant's employment needs.

III. Compliance and Monitoring of Best and Good Faith Effort:

A. Participants agree to engage in specific monitoring steps to ensure compliance with this Plan. Participants agree to maintain the following contract documentation for the duration of the Projects and for a period of three (3) years thereafter: Copies of signed contracts and purchase orders with M/W/DSBE subcontractors; Evidence of payments (cancelled checks, invoices, etc.) to subcontractors and suppliers to verify participation; Telephone logs and correspondence relating to M/W/DSBE commitments. Certified payrolls indicating, race, gender, zip code and employment status (i.e., journeyman or apprentice) and hours/dates worked for each worker employed on the Projects.

B. Participants shall submit, on a quarterly basis for the duration of the Projects and in a form acceptable to the 0E0, reports which document the utilization and actual payments to committed M/W/DSBEs and hourly employment of Project area resident minority persons and females in connection with the Projects ("Quarterly Reports").

C. Prompt Payment of M/W/DSBEs:

1. Participants shall pay its M/W/DSBEs within five (5) business days after acceptance of work or materials from an M/W/DSB.

2. The Quarterly Reports shall reconcile actual dollar amounts paid to M/W/DSBEs with M/W/DSBE commitments presented in the BGFE Form.

D. Oversight Committee:

1. The Owner, in consultation with the appropriate agencies and entities, will establish and identify the members of a Project Oversight Committee, including representatives from the Owner, the Construction Manager, Office of Economic Opportunity, City Council, community organizations and the Building Trades. Participants will engage in monitoring, reporting and problem solving activities which are to include regular meetings to address all matters relevant to further development of the Plan, carrying out its implementation and the successful completion of the Projects.

IV. Remedies and Penalties for Non-Compliance:

Participants shall include in all contracts related to the Projects, provisions for enforcement of the Plan requirements and contractual commitments with M/W/DSBEs including, but not limited to, prompt payment of M/W/DSBEs and suspension of payments and cancellation of any contracts for non-compliance.

The Owner agrees that its compliance with the requirements of this Plan is material to the Agreement. Failure to comply with the Plan may constitute a substantial breach of the Agreement and is subject to the remedies and penalties contained therein or otherwise available at law or in equity. Notwithstanding the foregoing, no privity of contract exists between the City and any M/W/DSBE identified in any contract resulting from implementation of the Plan. Neither nor the City intends to give or confer upon any such M/W/DSBE any legal rights or remedies in connection with subcontracted services under any law or policy or by any reason of any contract resulting from implementation of the Plan except such rights or remedies that the M/W/DSBE may seek as a private cause of action under any legally binding contract to which it may be a party.

Robert H. Lux [2]
Vice President and Chief Financial Officer, Treasurer
Temple University Health System

April 30, 2012
DATE

Angela Dowd-Burton
Executive Director, Office of Economic Opportunity[3]

May 1, 2012
DATE

[2]The Owner's Representative is required to sign and date, but the City reserves the right to obtain the Owner's Representative signature thereon at any time prior to Plan certification. The Owner Representative will receive from the City a certified copy of its Plan which should be filed with the Chief Clerk of City Council within fifteen (15) days of the issuance and published by OEO, in a downloadable format, on the OEO website.

[3] Pursuant to Section 17-1603 (2) of The Philadelphia Code, the representative of the City of Philadelphia's Office of Economic Opportunity, the "certifying agency", certifies that the contents of this Plan are in compliance with Chapter 17-1600.