



CITY OF PHILADELPHIA
Department of Commerce

Harold T. Epps
Director of Commerce

1515 Arch Street, 12th Floor
Philadelphia, PA 19102

MEMORANDUM

Date: October 31, 2018

To: Council President Darrell Clarke; Chief Clerk of Council Michael A. Decker

Cc: James Leonard, Department of Records

From: Harold T. Epps, Director of Commerce

RE: First Source Jobs Policy, Quarter III 2018 Report

Per the First Source Jobs Policy, Chapter 17-1900 of the Philadelphia Code, the Department of Commerce (designated by the Mayor as the "Designated Department" responsible for overall implementation and enforcement of the "First Source Jobs Policy") is submitting the 3rd Quarter Report for the 2018 calendar year.

Since the implementation of the First Source Jobs Policy, the Department of Commerce has been made aware of four beneficiaries that are covered by and will comply with the First Source legislation. The original beneficiaries are:

1. Pennsylvania Real Estate Investment Trust (Gallery Project)
2. Orinoka Mills, L.P.
3. New Kensington Community Development Corporation
4. The W/Element Hotel*

The Gallery Project remains a TIF, and the Orinoka Mills and New Kensington projects are below market rate land transactions.

* The W/Element Hotel has opted *not* to utilize TIF and therefore is not subject to First Source requirements.

To date, there have been no additional beneficiaries to the report since Quarter II. All of the projects above are still in the development phase and will continue to be tracked until ready to prepare for hiring employees and transaction of business or services.

The project with the Pennsylvania Real Estate Investment Trust (PREIT) that is re-developing the former Gallery Mall into the Fashion Outlets of Philadelphia, continues to move forward. Recent communications with PREIT provided an update that the Fashion District is planning to open in September 2019. They continue to provide regular updates and activity that supports the First Source provisions. The Commerce Department remains in communication with the representatives of PREIT, Macerich, and the attorneys for the project.

In addition, an update from Philadelphia Works/PA CareerLink included the following information:

- PA CareerLink and PREIT marketing representatives will develop the vendor outreach and marketing plan
- A video targeted to PREIT's Fashion District vendors will be created to advertise the accessibility and use of the public workforce system registry and services for recruitment and hiring in Philadelphia
- PA CareerLink will begin vendor outreach and on-boarding starting January 2019 and a plan in place with each vendor by March 2019

The Department of Commerce continues to monitor the three projects closely in their phases of construction and will report on these projects once construction is complete and entry-level jobs are created.