

CITY OF PHILADELPHIA

Department of Commerce

Harold T. Epps Director of Commerce

1515 Arch Street, 12th Floor Philadelphia, PA 19102

MEMORANDUM

Date: November 4, 2019

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 2019 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 2019 calendar year.

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

- 1. Pennsylvania Real Estate Investment Trust (Fashion District of Philadelphia Project))
- 2. Orinoka Mills, L.P.
- 3. New Kensington Community Development Corporation

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

To date, there have been no additional beneficiaries to the report since Quarter II. All of the projects will continue to be tracked as needed and are ready for hiring employees and transaction of business or services.

Since the inception of the documentation of the beneficiaries above and their activity for hiring within the First Source legislation requirements, Orinoka Mills/NKCDC has hired a Manager for their residential housing project. A candidate sourced from the PA CareerLink[®] registry was hired September 2017.

The project with the Pennsylvania Real Estate Investment Trust (PREIT) that is re-developing the former Gallery Mall into the Fashion District of Philadelphia (FDP), is open and had a Grand Opening event on September 19, 2019. To date, the FDP continues to lease agreements with the incoming retail tenants to complete its occupancy.

The following is an update from the PA CareerLink[®] Center team that is providing services for First Source projects:

Members from the PA CareerLink Business Services Representatives ("BSR") team, (the "First Source Registry"), and the Business Engagement staff team of Philadelphia Works, continued to plan, meet and communicate with the current and future tenants of the Fashion District of Philadelphia with the following results:

- Total businesses that have connected with PA CareerLink that will be tenants/contractors at Fashion District: 61
- Total businesses that PA CareerLink team have received contact information for recruitment and business services: 42
- Total number of businesses that responded to outreach: 29
- Total number of businesses that have not responded to outreach: 13
- Total number of job orders received: 38
- Total number of businesses that attended the 8/20/19 job fair: 22
- Total number of hires reported: 150
- Future highlight: Business Team is in the development of hosting a recruitment event for the tenant <u>Wonder Spaces</u>
- Larger venues will be opening in November 2019

The tables below represent activity for PREIT and PA CareerLink Team since the last quarterly report: **Table 1** represents the new/additional retail tenants that have signed leases with PREIT for business in the Fashion District of Philadelphia; **Table 2** represents the number of candidates/jobseeker referrals sent to specific retail tenants for interviews and the outcomes of the referrals:

| Retail Businesses with fully Executed leases as of 10/26/19 | | | | | |
|---|---------------|-------------------|--|--|--|
| Currency Exchange | Blush | Potato Corner | | | |
| Justice | Clair de lune | Starbuck's | | | |
| Perfect Photo | DSW | Utepia | | | |
| The Vision | Francesca's | Wetzel's Pretzels | | | |
| A/X Armani | Kate Spade | Windsor | | | |
| American Shaman | Poke/Sushi | Yoyoso | | | |

Retail Businesses with fully Executed leases as of 10/28/19

Table 1- Newly Signed Retail Tenants

| Employers | Hired | Interviewing | Not Selected | Pending Feedback | Grand Total |
|-----------------|-------|--------------|-----------------|------------------|-------------|
| Aramark | 100 | 1 | 65 | 188 | 354 |
| Asics | 2 | 1 | | 13 | 16 |
| Candytopia | 4 | | | 2 | 6 |
| City Winery | 3 | 1 | | 13 | 17 |
| Columbia | 6 | 1 | 3 | 67 | 77 |
| Sportswear | | | | | |
| H&M | 1 | | | | 1 |
| Justice | 4 | | | 11 | 15 |
| Levi's | 7 | | | | 7 |
| Pandora | 1 | | | | 1 |
| Ulta | | | | 18 | 18 |
| Allied Security | 1 | | | | 1 |
| American Eagle | 3 | | | | 3 |
| Pandora | 1 | | | 32 | 33 |
| Skechers | 1 | | | 22 | 23 |
| Sunglass Hut | | 1 | | | 1 |
| SMS | 11 | | | 13 | 24 |
| Wonder Spaces | | | 9 | | 9 |
| Guess | 5 | | | | 5 |
| Grand Total | 150 | 5 | 77 | 379 | 611 |

Referrals sent to Fashion District businesses

Pennsylvania

Table 2 – Business Services Team Contact and work with PREIT FDP Tenants March 2019- October 2019

Through October, heavy recruiting and hiring time for the retail tenants will continue and the BSR team will implement their systems to manage and track new hires and position postings on Job Gateway. The BSR team and PA CareerLink staff will continue to work with the tenants to ensure backfill, holiday and regular recruiting candidates are provided through the system.

The Department of Commerce and the Office of Workforce Development continue to monitor the three projects in their phases of development and will report on these projects as construction is completed, entry-level jobs, created and hires are confirmed.