

Harold T. Epps Director of Commerce

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## **MEMORANDUM**

Date: January 31, 2020

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 IV 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 4th 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 III. 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 hired a Manager

for their residential housing project. A candidate sourced from the PA CareerLink® registry was hired in September 2017.

The Pennsylvania Real Estate Investment Trust (PREIT) project, that has re-developed the former Gallery Mall into the Fashion District of Philadelphia (FDP), has been open officially since September 2019 and held a Grand Opening event on September 19, 2019. To date, the FDP continues to enter into lease agreements with the incoming retail tenants; at this point, 90% of space is under agreement with retail tenants scheduled to hire tenants and occupy within the next year.

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 PA CareerLink has knowledge that will be tenants/contractors at Fashion
   District: 73
- Total businesses that we received contact information for: 56
- Total number of businesses that responded to outreach: 33
- Total number of businesses that have not responded to outreach: 19
- Total number of job orders received: 50
- Total number of businesses that attended the 8/20 job fair: 22
- Total number of hires reported: 185

The PA CareerLink, PWI and PREIT are in the planning stages of facilitating a Spring Job Fair within the Fashion District facility for late March. These plans are being discussed and will be confirmed when an official date and objectives are determined.

The tables below represent activity for PREIT and PA CareerLink® Team: Table 1 represents all reported 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:

Table 1: All Retail Businesses with fully executed leases as of 12/30/19\*

Currency Exchange	Blush	Potato Corner		
Justice	Clair de lune	Starbuck's		
Perfect Photo	DSW	Utopia		
The Vision	Francesca's	Wetzel's Pretzels		
A/X Armani	Kate Spade	Windsor		
American Shaman	Poke/Sushi	Yoyoso		

Candytopia City Winery Columbia Dunkin Donuts Eddie Bauer Guess	
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H&M Levi's Nike	

REC Philly	Round 1	Samsonite
Sunglass Hut	Uniquely Philly Hats	Uniquely Philly-Dolly's Boutique
Wills Eye	Zales	Pandora
Aramark	Asics	Columbia Sportswear
Allied Security	Skechers	Burlington
SMS		

## Leases executed /signed Oct - Dec 2019 (Q4)

Torrid	
Wetzel's Pretzels	
Kate Spade New York	
Sephora	
Primark	
Ardene	

<sup>\*</sup>Signed Retail Tenants reported by PREIT

Table 2: Referrals sent to Fashion District businesses by Philadelphia Works\*

Employers	Hired	Interviewing	Not Selected	Pending Feedback	Grand Total
Aramark	130	1	222		353
Asics	2		2	12	16
Candytopia	4			2	6
City Winery	3	1		13	17
Columbia Sportswear	6	1	3	67	77
н&м	1				1
Justice	5		10		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	5		9	10	24
Guess	2				2
Burlington	1				1
Eddie Bauer	1				1
<b>Grand Total</b>	185	4	259	176	624

<sup>\*</sup>Business Services Team Contact and work with PREIT FDP Tenants October 1, 2019- December 31, 2019

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.