



CITY OF PHILADELPHIA

Department of Commerce

Michael A. Rashid
Director of Commerce

1515 Arch Street, 12th Floor
Philadelphia, PA 19102

MEMORANDUM

Date: November 10, 2021

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

Cc: James Leonard, Department of Records

From: Michael A. Rashid, Director of Commerce

**RE: First Source Jobs Policy, Quarter III 2021 Report
July 1, 2021 – September 30, 2021**

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 fourth quarter report for calendar year 2020.

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 Fashion District Project remains a tax increment financing (TIF) project, 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 I. All projects will continue to be tracked as needed and are ready for hiring employees and transaction of business or services.

At the time of this report, which spans the period from July 1, 2021 to September 30, 2021, the impact of the COVID-19 pandemic has shown some signs of recovery as it relates to businesses/retail spaces

re-opening or opening and reorganizing to increase sales and building back business in the Fashion District. Given the current shortage of staff on all major retail and restaurant businesses, we continue to ensure the PA CareerLink system is able to recruit and refer viable candidates for hire to the Philadelphia business community as the holiday season comes along.

We continue to follow the City of Philadelphia’s guidance on prevention measures and other resources for local businesses as it relates to the mitigation of the spread and infection rates of the COVID-19 virus. Vaccination and masking policies and recommendations are adhered to and supported; the Commerce Department teams are supporting and providing resources to local businesses in addition to providing technical assistance and access to funds when available.

The Business Services Team and PA CareerLink® Philadelphia staff are now working with jobseekers and connecting with employers in person as the PA CareerLink® centers are fully open. Virtual services are still available through the Portal for jobseekers and employers to ensure there are multiple points of access and connectivity. They continue to ensure all safety precautions and strategies are in place for jobseekers and employers to promote increased business and sales and revenue.

Updates on Fashion District retailers as reported by **PA CareerLink® Business Services Team** as 09/30/21:

Total businesses that will be tenants/contractors at Fashion District: 86 (↑ from Q2 by 3)

Total businesses that we received contact information for: 69 (↑ from Q2 by 3)

Total number of businesses that responded to outreach: 35 (no change)

Total number of businesses that have not responded to outreach: 51 (↑ from Q2 by 3)

Total number of job orders received: 67 (up from Q2 by 1)

Total number of hires reported: 198 (↑ by 3 compared to Q2)

Table 1 Fashion District Stores active with PA CareerLink®
 (* highlighted updates provided by Macerich Team)

| | | |
|--------------------------------------|---------------------------------------|------------------------------------|
| Burlington | Columbia Sportswear | Round 1 |
| Allied Security | Dolly’s Boutique | Samsonite |
| American Eagle | Guess | Skechers |
| American Hats - CLOSED | H&M | SMS |
| As Seen on TV - CLOSED | Jewels and Treasures | Spencer’s Gifts |
| Asics | Justice - CLOSED | Stockings to Stuff - CLOSED |
| Beef Jerky Outlet | Las Vegas Hemp - CLOSED | Sunglass Hut |
| Bella Shoes – CLOSED | Miracle Brow – Never opened | Ulta |
| Century 21 - CLOSED | Nike | Wills Eye |
| City Winery | REC Philly | Zales |
| AMC | Dunkin Donuts | Eddie Bauer |
| Francesa’s | American Shaman – Never opened | A/X Armani |
| Claire de Lune – Never opened | Windsor | Kate Spade |
| Yoyoso – Never opened | Sephora | Primark |
| Ardene | Torrid | |

The chart below reflects changes as compared to Q2 activity. The Q3 updated numbers below reflects the returning activity with the Fashion District of Philadelphia businesses as the evolving of COVID-19 continues to effect business).

**Table 2: Referrals to Fashion District businesses (cumulative data – not per quarter)
Referrals sent to Fashion District businesses by PA CareerLink® Staff**

| Total Referrals | | | | | |
|---------------------|------------|--------------|--------------|------------------|-------------|
| | Hired | Interviewing | Not Selected | Pending Feedback | Grand Total |
| Aramark | 131 | | 251 | | 382 |
| Asics | 2 | | 2 | 12 | 16 |
| Candytopia | 4 | | | 2 | 6 |
| City Winery | 3 | | 1 | 13 | 17 |
| Columbia Sportswear | 6 | | 4 | 67 | 77 |
| H&M | 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 | 3 | | | 3 | 4 |
| Eddie Bauer | 1 | | | | 1 |
| Sephora | | | | 1 | 1 |
| Wetzel's Pretzels | 1 | | | 17 | 18 |
| DSW | 4 | | | 29 | 30 |
| Kate Spade | | | 1 | 15 | 16 |
| Fason De Viv | 3 | 4 | 6 | 6 | 18 |
| Burlington | 1 | 6 | | 6 | 12 |
| Samsonite | 1 | | | | 1 |
| Grand Total | 198 | 10 | 298 | 253 | 752 |

Fashion District Update from Macerich, Inc.:

Anchoring the west side of the center, Primark opened 9/16/21, with great customer turnout -- it was their #1 opening of their 13 US locations. The new deals and openings in the 2st quarter are listed below. The standard lease contains the First Source Agreement for all permanent Tenants. The Macerich team makes new Tenants aware of the agreement early in the lease process by discussing it and sending out a marketing brochure on PA Career Link. Macerich supports Tenant compliance with the program and encourages tenants to reach out about their staffing needs, to take full advantage of this hiring resource. As of this writing, there were 4 new leases signed during Q2 with anticipated openings listed below.

| NEW FDP TENANTS/DEALS | OPEN DATE | UPDATES |
|-------------------------------------|---------------------------------------|--|
| Primark | 9/16/21 | |
| Aim Point | 10/15/21 | Temp Space, Small independent business |
| Showtime Sneaker Boutique | 10/15/21 | Temp Space, Small Independent business |
| | | |
| 2020 leases - Opening Update | | |
| Dollar Party | <i>Anticipated Late Nov. 2021</i> | Temp Space, Small independent business |
| Heirloom Market | <i>Anticipated Dec 2021</i> | Under Construction |
| Papaya | Anticipated Dec 2021 | Under Construction |
| DEO | Anticipated May 2022 | Will start construction approximately 2/1/22 |

The Department of Commerce will continue to monitor and track the status of the three projects in their phases of development and reopening or other changes and will report on these projects as we move through the Response, Restart and Reimagine phases of the City’s recovery and recharge from the COVID-19 impact.

**Note during this period ending 9/30/21, face to face services via the PA CareerLink® are available virtually and in person as of July when the centers resumed full open access with safety precautions in place as per the City’s guidelines and policies.*