



**CITY OF PHILADELPHIA**  
Department of Commerce

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Director of Commerce

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## MEMORANDUM

Date: September 7, 2022

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

Cc: James Leonard, Department of Records  
James Engler, Chief of Staff, Office of the Mayor

From: Heloise Jettison, Deputy Commerce Director, Chief of Staff

**RE: First Source Jobs Policy, Quarter II 2022 Report  
April 1, 2022 – June 30, 2022**

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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 second quarter report for calendar year 2022.

Since the implementation of the First Source Jobs Policy, the Department of Commerce has been aware of the 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 continue to be tracked as needed and are set for hiring employees and transaction of business or services.

At the time of this report, which spans the period from *April 1, 2022, through June 30, 2022*, the impact of the COVID-19 *endemic* has seen some abatement as some businesses have seen a slight increase in traffic and sales, continued to impact business, hiring and growth. However, there are continued challenges in recruitment and hiring in many industries, particularly in the retail sector. There are signs of increased consumer shopping and foot traffic in center city but there is more work to do to increase it to February 2020

levels. Nonetheless, our local retailers continue to transition and innovate and move forward, making progress with signs of recovery and expansion as it relates to business and retail spaces.

The PA CareerLink® system continues to adjust its service delivery, outreach, and impact to recruit and refer viable candidates for hire to the Philadelphia business community. All parties 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 COVID-19 virus. The Commerce Department teams are supporting and providing resources to all local businesses in addition to providing technical assistance and access to other supports as needed.

The Business Services Team and PA CareerLink® Philadelphia staff are working with jobseekers and connecting with employers virtually and in-person as the PA CareerLink® centers are open with limited staff and by appointment in-person services. Virtual services are always available through the PA CareerLink® 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.

## Fashion District of Philadelphia- Quarterly First Source Report ( DONE

*Quarter 2- April 1, 2022 - June 30, 2022*

### Employer Engagement Data

- Total businesses that we’re aware that will be tenants/contractors at Fashion District: 88
- Total businesses that we received contact information for: 70
- Total number of businesses that responded to outreach: 38
- Total number of businesses that have not responded to outreach: 32
- Total number of job orders received: 65
- Total number of hires reported: 204

The PA CareerLink® Business Services team continues its due diligence regarding employer engagement and reaffirmation for all of the employer contacts last quarter. It is anticipated that with the recent activity, it continues to energize business productivity moving forward with a greater number of businesses responding to their outreach.

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

Burlington	Columbia Sportswear	Round 1
Allied Security	Fason Di Viv - CLOSED	Samsonite
Asics	Guess	
American Eagle	H&M	Skechers
Burlington	Kate Spade	SMS
Beef Jerky Outlet	Levi’s	Spencer’s Gifts
Burger Fi	Nike	Sunglass Hut
Claire’s	Pandora	Ulta
DSW	Papaya	Kate Spade
City Winery	REC Philly	Wills Eye
Claire’s	Dollar Party	Primark
AMC	Dunkin Donuts	Zales
Francesca’s	Windsor	Eddie Bauer
Fever – different experiences	Sephora	A/X Armani
	Torrid	Wetzel’s Pretzels

The chart below reflects changes as compared to Q1 activity. The Q2 updated numbers below reflect slight change since Q1

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

Employer Referral	Hired	Not Selected	Pending Feedback	Grand Total
Allied Security	1			1
American Eagle	3			3
Aramark	131	251		382
Asics	2	14		16
Burlington	4	12		16
Candytopia	4	2		6
City Winery	3	14		17
Columbia Sportswear	6	71		77
DSW	4	26		30
Eddie Bauer	1			1
Fasion De Viv	3	10	7	20
Guess	2			2
H&M	1			1
Justice	5	10		15
Kate Spade		16		16
Levi's	7			7
Pandora	2	32		34
Papaya Clothing			4	4
Samsonite	1			1
Sephora		1		1
Skechers	4	19		23
SMS	11	13		24
Sunglass Hut		1		1
Ulta	2	16		18
Wetzel's Pretzels	1	17		18
Wonder Spaces	5	19		24
Panera	1			1
<b>Grand Total</b>	<b>204</b>	<b>544</b>	<b>11</b>	<b>759</b>

**Fashion District Update from Macerich, Inc.:**

Anchoring 9<sup>th</sup> & Market Streets entrance of the center, Fever opened on 6/14/22, with great customer turnout – they sold 6,000 tickets prior to Grand Opening. The new deals and openings in the 2nd 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 3 new permanent and 2 temporary leases signed during Q1 with openings scheduled as below:

<b>NEW FDP TENANTS/DEALS</b>	<b>OPEN DATE</b>	<b>UPDATES</b>
<b>Showtime Sneaker Boutique</b>	9/1/22	This tenant started as a temporary tenant in the center. They are open and will become permanent 9/1/22
<b>Fever</b>	6/14/22	This tenant is an entertainment that rotates the concepts every 3-6 months.
<b>2021 leases - Opening Update</b>		
<b>DEO</b>	Unknown	Construction delayed indefinitely
<b>2022 leases - Opening Update</b>		
<b>Claire's</b>	05/13/2022	Gallery II
<b>Custom Apparel Company (CAC)</b>	06/01/2022	Gallery I
<b>Stay Humble Stay Hungry</b>	06/01/2022	Gallery II
<b>Got The Look</b>	9/30/2022	Gallery I
<b>Ruby Thai</b>	9/30/2022	Gallery I

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 year.