



2025

INFRASTRUCTURE SOLUTIONS TEAM REPORT AND ACTION PLAN



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INTRODUCTION





INFRASTRUCTURE FOR ALL, OPPORTUNITY FOR ALL

**Creating opportunities for
Philadelphians to build, grow, and
maintain wealth through the strategic
use of infrastructure investments.**

Our priority remains clear - utilize infrastructure spending to grow Philadelphia's businesses and workforce.

Building Economic Opportunity

Philadelphia has a clear need to create equitable opportunities for our residents and businesses. Despite the poverty rate declining to 20.3% in 2023 - the lowest level in more than 20 years - Philadelphia is still the poorest big city in the nation.¹ In a study analyzing intergenerational mobility trends, Philadelphians born into low-income households had the greatest decline in adulthood incomes compared to other American cities.² In addition, upward economic mobility of younger generations of Philadelphians is stagnant.

Meanwhile, the City of Philadelphia is making substantial investments in the infrastructure that residents rely on every day, which poses a major opportunity to harness economic spending. Nearly \$1 billion in federal funds were authorized each year from 2022 to 2024 for transportation projects across the city.³ In parallel, the City's overall procurement activity presents a powerful lever for impact: in 2024 alone, Philadelphia awarded 1,771 contracts totaling \$1.16 billion across Public Works, Personal & Professional Services, and Service, Supply & Equipment categories.⁴

The Parker Administration is working to unlock access to economic opportunity for all so each generation of Philadelphians can build wealth, learn the skills necessary for essential jobs, and thrive while supporting their families and strengthening their communities. Harnessing the power of infrastructure investments is a key strategy.



¹ United States Census Bureau. 2023. S1701: Poverty Status in the Past 12 Months. https://data.census.gov/profile/Philadelphia_city,_Philadelphia_County,_Pennsylvania?g=060XX00US4210160000#income-and-poverty

² Opportunity Insights. July 2024. Changing Opportunity: How Changes in Children's Social Environments Have Increased Class Gaps and Reduced Racial Gaps in Economic Mobility. https://opportunityinsights.org/wp-content/uploads/2024/07/ChangingOpportunity_Nontech.pdf

³ Highway, Bridge, and Transit funding data from City of Philadelphia, PennDOT, SEPTA, White House Investing in America Map, AECOM Analysis. \$862,578,299 was authorized in FY2022. \$993,359,261 was authorized in FY2023. \$885,437,251 was authorized in FY2024.

⁴ Econsult Solutions, Inc. (ESI). 2025. Philadelphia Small and Local Business Study.

What does “access to economic opportunity for all” mean for Philadelphia?

Our region’s economy is driven primarily by four key sectors: Healthcare, Life Sciences, Energy, and Infrastructure.⁵ The Parker Administration is leveraging projects and initiatives in these sectors to create economic opportunities through job creation and business attraction and growth.



“Through strong intergovernmental collaboration, the City and our partners deliver transformative projects in neighborhoods across Philadelphia. We remain committed to advancing the Mayor’s vision for a cleaner, greener, and safer Philadelphia with access to economic opportunity for all.”

—Michael A. Carroll, Deputy Managing Director for Transportation and Infrastructure, Managing Director’s Office





⁵ Philadelphia Works. 2025. PA Good Jobs. philaworks.org/pa-good-jobs/.

Philadelphia Infrastructure Investments

Infrastructure is the basic physical and organizational structures and facilities needed for a society to operate.

By redirecting a greater share of infrastructure spending toward underrepresented businesses and workers, the City can increase local economic impact.

The City of Philadelphia invests in a variety of infrastructure projects, including:

	Transportation infrastructure , like roads, highways, bridges, transit, and rails;
	Water infrastructure , like drinking water, wastewater, and storm water;
	Clean Energy infrastructure , like energy generation and Electric Vehicle (EV) charging installations; and
	Airport infrastructure , like runways and terminals.

Infrastructure Solutions Team Goals

To maximize the benefits of infrastructure investments, the City created the Infrastructure Solutions Team (IST) in 2022. The IST is a cross-departmental group led by the Office of Transportation and Infrastructure Systems (OTIS).

The IST is driving **economic mobility** for Philadelphia's infrastructure workforce and businesses. Our vision for Philadelphia is transformative: a Philadelphia where the workers and businesses who design, build, and maintain our infrastructure reflect the full diversity and talent of the city.



Goal 1:

Ensure that infrastructure workers, from planning to construction, reflect the population of Philadelphia



Goal 2:

Increase participation of historically underutilized businesses (HUBs) on City contracts



CHAPTER 1



→ SEPTA
Regional Rail
Car Rental
← Market Street
Market-Frankford Line
Trolley Lines

Train Information					
Time	No.	Train	To	Status	Gate
3:11p	2265	Acela	Washington	Now 3:13p	5
3:23p	94	N.E. Regional	Boston	Now 3:24p	5
3:25p	42	Pennsylvanian	New York	On Time	7
3:33p	161	N.E. Regional	Washington	Now 3:42p	7
3:41p	2260	Acela	Boston	On Time	
3:55p	19	Crescent	New Orleans	On Time	
4:06p	2253	Acela	Washington	On Time	
4:10p	670	Keystone	New York	On Time	
Messaging					



INFRASTRUCTURE AS AN ECONOMIC ENGINE

Generational wealth is the passing down of financial assets and resources from one generation of a family to the next. Generational wealth can provide future generations with a financial head start and opportunities.

Building wealth is a complex process influenced by numerous factors. There is no single solution to establish the conditions for accumulating wealth, and wealth accumulation is at constant odds with **wealth extraction**.⁶ We also know that, historically, wealth has been manufactured for some, while being stolen and blocked for others.⁷ Not everyone has the same opportunities to build wealth and pass down assets to the next generation.

⁶ The Maven Collaborative. February 2024. Leveraging Our Local Power: A Framework for Building Wealth for Black Americans at the Local Level. https://cdn.prod.website-files.com/67345d496ae7c885b68d331f/675901b34250bacc73514ac2_Maven%20Collaborative%20Leveraging%20Our%20Local%20Power.pdf

⁷ United for a Fair Economy. May 2022. Government Boost and Blocks to Wealth Building. https://assets.nationbuilder.com/ufo/pages/4389/attachments/original/1651532224/Boosts_and_Blocks_Timeline_-_Handout_Size_288.5x11%29_%281%29.pdf?1651532224

An individual's net worth is more than just a number – it is a tool to maintain financial stability, take care of loved ones, invest in a family's wellbeing, and pursue long-term goals.

The Aspen Institute's Financial Security Program identified the five primary functions of wealth:⁸

1. Wealth provides **resilience**, allowing people to meet their basic needs even in times of hardship.
2. Wealth enables **investments in economic mobility**. Having wealth helps individuals build more wealth over time by investing in appreciating **assets**.
3. Wealth supports **health and quality of life**. Financial insecurity has been linked to detrimental physical and mental health conditions. Having wealth provides flexibility and breathing room that is beneficial to a person's wellbeing.
4. Wealth provides a **sense of ownership, voice, and control**, affording people autonomy and decision-making power over their own life.
5. Wealth enables **intergenerational support**. Having wealth allows people to endow the next generation with resilience, mobility, freedom, and opportunity. This last function is what we refer to as **generational wealth**.

"The City must foster an inclusive, thriving economy that helps put people across all backgrounds on a path to self-sufficiency."

—Cherelle Parker, 100th Mayor of Philadelphia

⁸ Aspen Institute. May 2022. 101 Solutions for Inclusive Wealth Building. https://www.aspeninstitute.org/wp-content/uploads/2022/04/ASP-FSW_101Solutions_FINAL_Single1.pdf

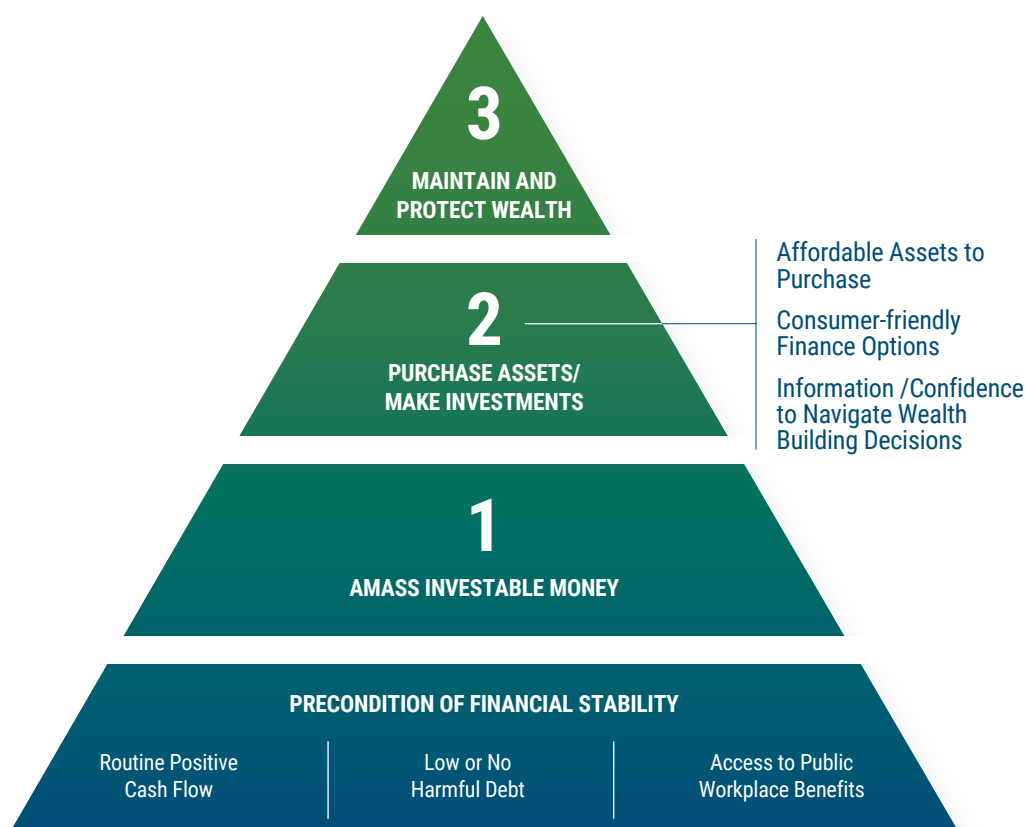
Strategies to Reverse Historic Trends and Build Equitable Wealth

While there is no single way to build wealth, there is a general framework for successful wealth building (Figure 1). To build wealth, households first need **financial stability** to cover their short-term needs and set aside savings.

Three elements - routinely positive cash flow, low or no harmful debt, and access to and workplace benefits – are prerequisites to financial stability.

Only once the precondition of financial stability is met, can individuals begin to amass investable sums of money, purchase assets and make investments, and maintain wealth.⁹

FIGURE 1 | Key Elements to Establish Financial Stability



⁹ Aspen Institute. May 2022. 101 Solutions for Inclusive Wealth Building. https://www.aspeninstitute.org/wp-content/uploads/2022/04/ASP-FSW_101Solutions_FINAL_Single1.pdf

Achieving Financial Stability

There are three elements to achieving financial stability: routinely positive cash flow, low or no harmful debt, and access to workplace benefits.



Routinely Positive Cash Flow. While income from a job alone has little to do with determining a person's wealth, having consistent and stable cash flow is foundational to a household's ability to build and preserve wealth from generation to generation.



Low or No Harmful Debt. Many infrastructure jobs – particularly in the skilled trades and construction industries – typically require lower educational qualifications for entry. Training programs for these careers often allow participants to earn income while they receive training (“earn while you learn”) rather than accumulating educational debt.



Access to Workplace Benefits. Many of the infrastructure jobs have access to workplace benefits that enable households to build and preserve wealth beyond just income. Non-wage compensation like retirement savings, pensions, health insurance, and consistent work without gaps in employment are benefits referred to as **employment capital**.¹⁰



¹⁰ Brandeis University IASP. December 2013. Employment Capital: How Work Builds and Protects Family Wealth and Security. <https://heller.brandeis.edu/iere/pdfs/racial-wealth-equity/leveraging-mobility/employment-capital.pdf>

The IST is primarily focused on helping residents meet the precondition of financial stability to increase the likelihood that wealth can grow and be maintained. Addressing the systemic challenges that Philadelphians face in accessing quality, **family-sustaining jobs** and successfully competing for City contracts can help foster wealth creation and contribute to closing the wealth gap across the city.

Careers in infrastructure sectors – from the skilled trades to owning a construction firm - can help residents meet the preconditions of financial stability.



THE ONE PHILLY APPROACH



The ethos of the Parker Administration is that the sum is greater than its parts.

While IST is spearheading the City's approach to facilitating coordinated investments in infrastructure as an economic engine for Philadelphia, the success of our city's workforce development and business participation initiatives are dependent on strong intergovernmental collaboration and partnerships.

One Philly in Action: Partnerships That Drive Progress

- Mayor's Office: making Philadelphia the safest, cleanest, and greenest big city in the nation, with economic opportunity for all.
- Office of Transportation and Infrastructure Systems (OTIS): leading the work of the IST. The Office of Multimodal Planning (OMP), a team in OTIS: designing streets to ensure safe access for all users.
- Department of Aviation: making critical improvements and develops new infrastructure at both Philadelphia International Airport (PHL) and the Northeast Philadelphia Airport (PNE).
- Streets Department: designing, building, and repairing the City's streets and roadways.
- Water Department: supplying drinking water, wastewater, and stormwater services to customers within the City.
- Commerce Department: collaborating with IST to create quality job opportunities and implement new workforce development initiatives.
- Office of Business Impact and Economic Advancement: working to grow and advance small, local, and diverse businesses across the City.
- Office of Business Growth: boosting local, small, and diverse business participation in City procurement.
- Department of Labor: tracking and monitoring compliance with Geographic and Economic Hiring Preferences (GEHP).
- Procurement Department: assisting in getting the City all of the materials and services it needs to serve its residents.
- Law Department: acts as general legal counsel for IST initiatives.

- Office of the Chief Administrative Officer: manages the City College for Municipal Employment (CCME) program.
- Office of Community Empowerment and Opportunity: Promotes equity and financial stability through programs, funding and outreach for the cities most vulnerable populations; leading CityStart initiative (see below).
- Risk Management Division: creating and managing the City's Owner Controlled Insurance Program (OCIP).
- Office of Sustainability: advancing environmental justice, progressing Philadelphia's climate and energy goals, and preparing the City for a hotter and wetter future.

A Coordinated Blueprint for Racial Wealth Equity in Philadelphia

In 2024, the City of Philadelphia was selected to participate in the CityStart Initiative. As a participating city, Philadelphia is working to develop a financial empowerment blueprint focused on fostering generational financial stability and advancing racial wealth equity.

Through robust stakeholder engagement with community organizations and City departments, four priority areas were identified:

- Housing
- Wealth Extraction
- Access to Capital
- Asset Preservation

The plan identifies key programs in each priority area that the City has successfully built and can continue to strengthen. It'll also identify additional actionable opportunities for wealth creation and preservation tailored to Philadelphia.

The Office of Community Empowerment and Opportunity (CEO) is leading this work, and the plan is expected to be released in December 2025.

Federal, state, and local infrastructure investments provide an opportunity for philanthropy and the private sector to amplify the impacts of public spending. It'll take a united effort to make Philadelphia the safest, cleanest, greenest city with access to economic opportunity for all.

CHAPTER 2





WORKFORCE DEVELOPMENT

Ensuring that infrastructure workers, from planning to construction, reflect the population of Philadelphia.

The Philadelphia region is expected to experience significant growth in the number of Good Jobs across many infrastructure occupations in the coming years. Infrastructure projects provide a critical opportunity for Philadelphians to access good quality jobs with family-sustaining wages.

Assessing Philadelphia's Current Workforce Landscape

Over the next 10 years, national forecasts indicate strong growth in infrastructure jobs in occupations ranging from construction, to engineering, to maintenance. Recent job growth in construction industries was four times greater than previous trends, reaching 2,800 jobs per month compared to an average of 700 jobs per month from 2011 to 2019.¹¹

Philadelphia's infrastructure industries are predominantly white and predominately male; but Philadelphia's general population looks very different (Figure 2).

Economic opportunity for all means making sure Philadelphians who fall outside of these demographics also have access to the increased incomes, job quality, and stability that comes from many infrastructure jobs.

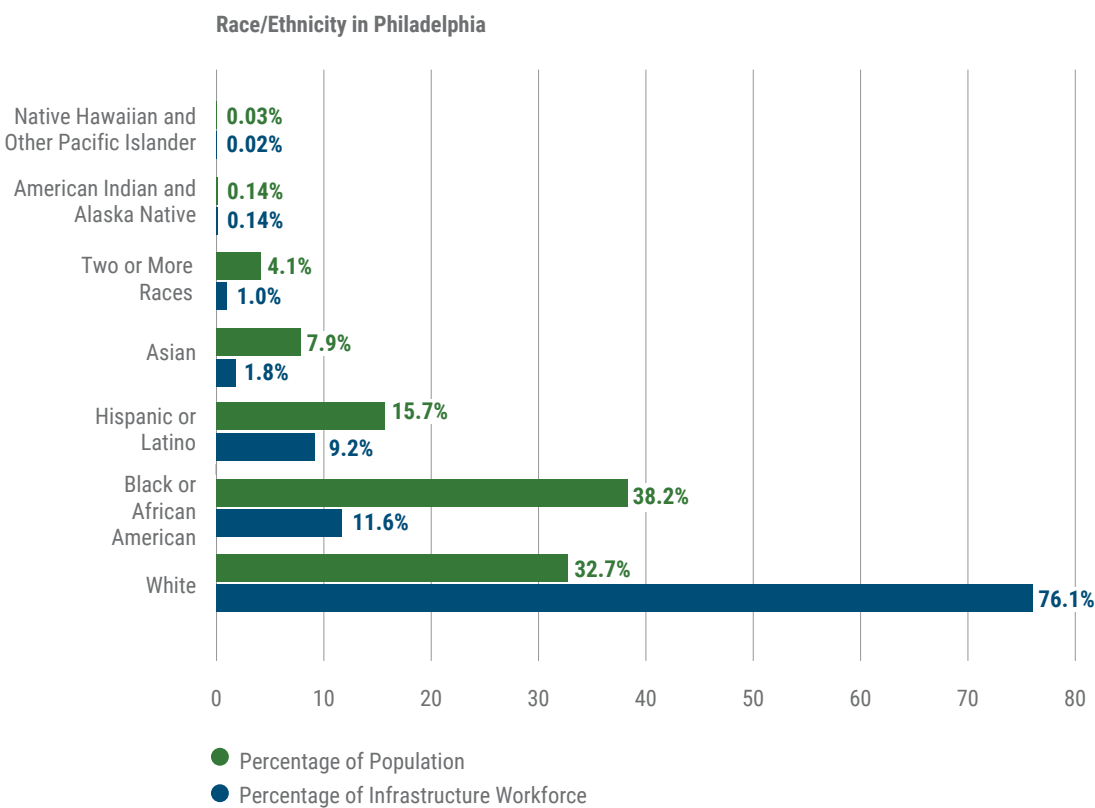
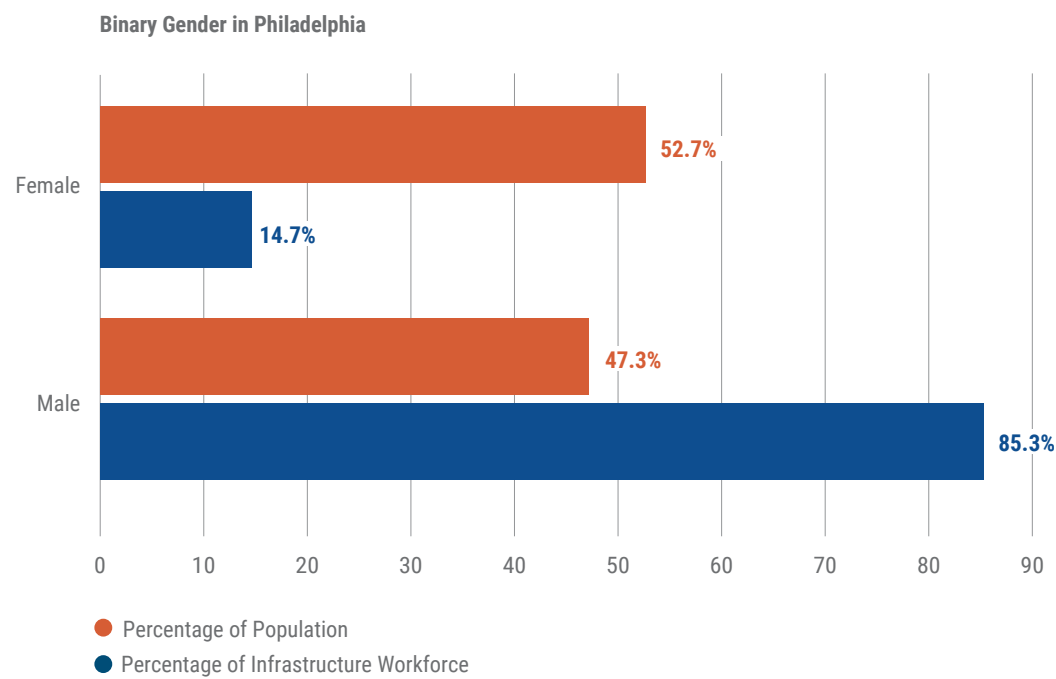
What is a Good Job?

A "Good Job" is defined as a paid position of regular employment that aligns with the Good Jobs Principles. The Good Jobs Principles include jobs that ensure all workers:

- are paid a stable, predictable living wage
- receive basic benefits, like paid leave, health insurance, retirement/savings plan
- have safe working conditions
- have the ability to form and join unions and engage in protected, concerted activity without fear of retaliation
- have equitable opportunities and tools to progress to future good jobs

¹¹ City of Philadelphia Infrastructure Solutions Team. 2024. Infrastructure Solutions Team Report and Action Plan.

FIGURE 2 | Comparison of demographic census data of Philadelphia County and demographic data of Philadelphia’s infrastructure workforce

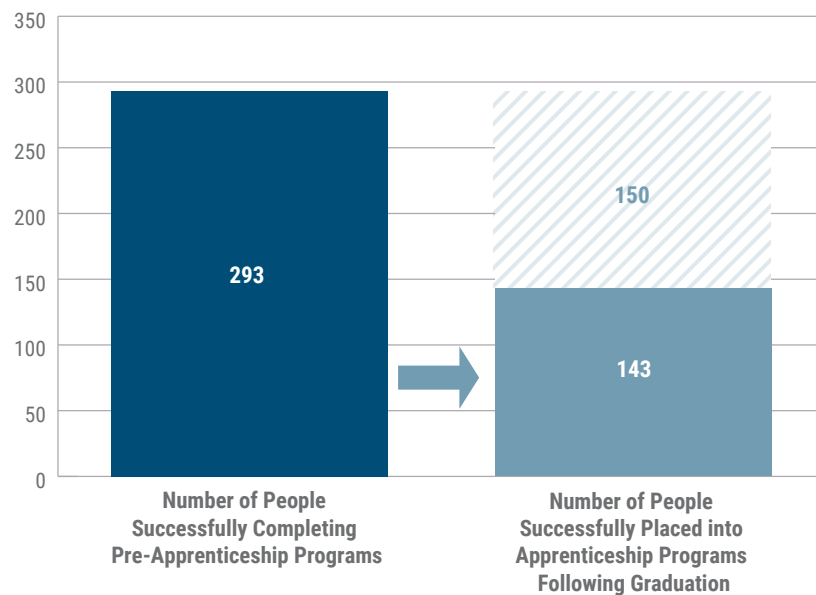


Census Data Source: DP05 ACS 2023 1-Year Estimates.
Workforce Data Source: calculated using the average percentage from the top six infrastructure industries, PhilaWorks 2024

Landscape Assessment of Philadelphia Construction Pre-Apprenticeship Programs

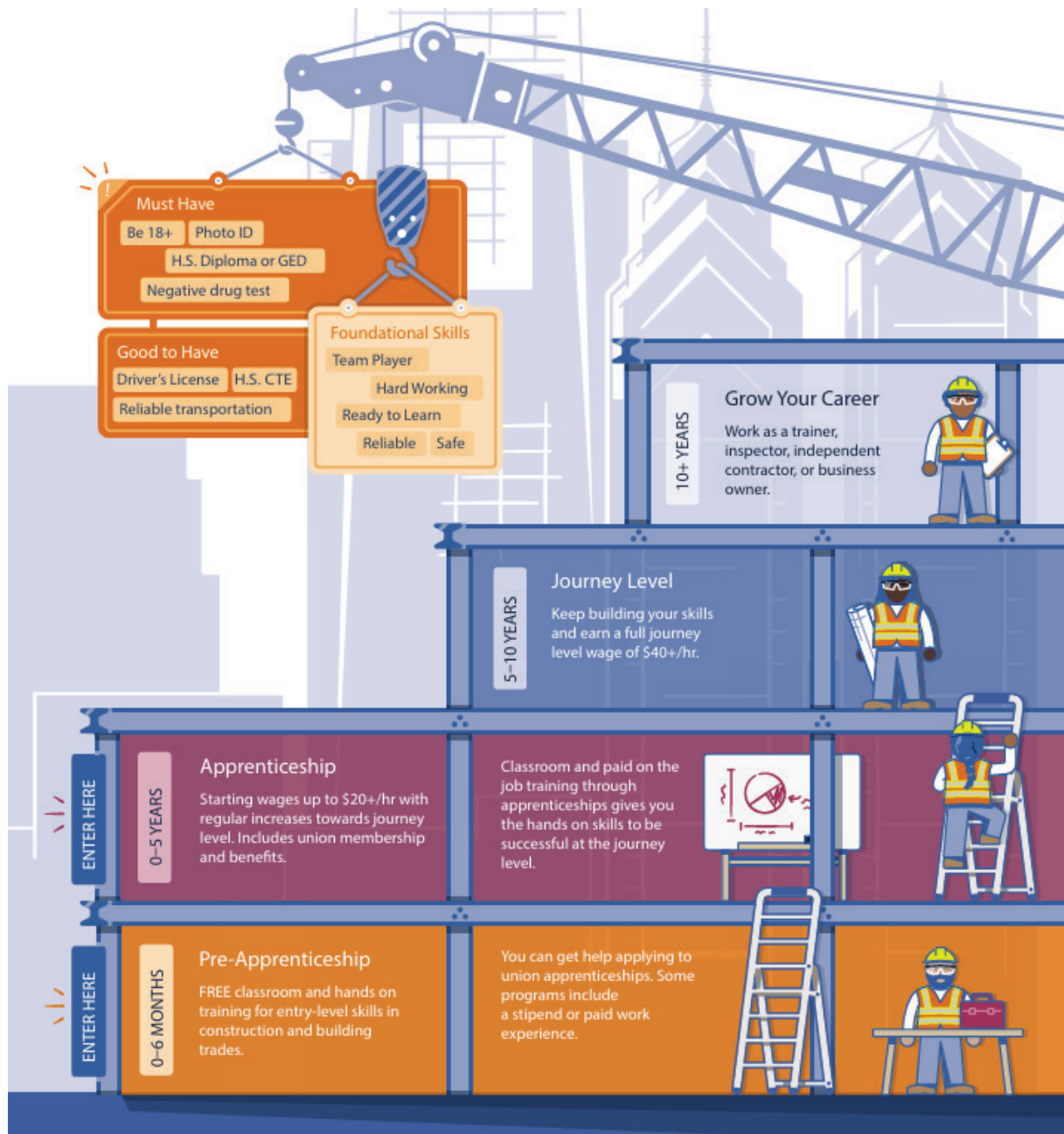
In 2024, IST conducted an initial landscape assessment of Philadelphia’s construction pre-apprenticeship programs to better understand existing pathways and identify gaps in support for prospective workers. This assessment allowed us to map out the diverse range of programs available, highlighting key strengths and areas for further development to ensure equitable access to quality career opportunities within the construction industry in Philadelphia. Figure 3 provides a look into the estimated annual pipeline for individuals moving from pre-apprenticeship to registered apprenticeship programs each year. Of these graduates, approximately 143 successfully transition into registered apprenticeship programs, while 150 do not continue into an apprenticeship pathway. Bridging this gap is essential to creating a diverse, sustainable, and qualified workforce that can meet the demand of Philadelphia’s growing infrastructure sector and provide economic opportunity for all.

FIGURE 3 | Estimated Annual Pre-Apprenticeship to Apprenticeship Pipeline in Philadelphia’s Heavy Highway and Utility Trades



Scaffolds for Success: Mapping Construction Careers

Construction careers can begin at either the **pre-apprenticeship** or **apprenticeship** level, providing jobseekers with multiple on-ramps to a quality career. The IST is investing in both pathways to support the next generation of skilled trades workers.

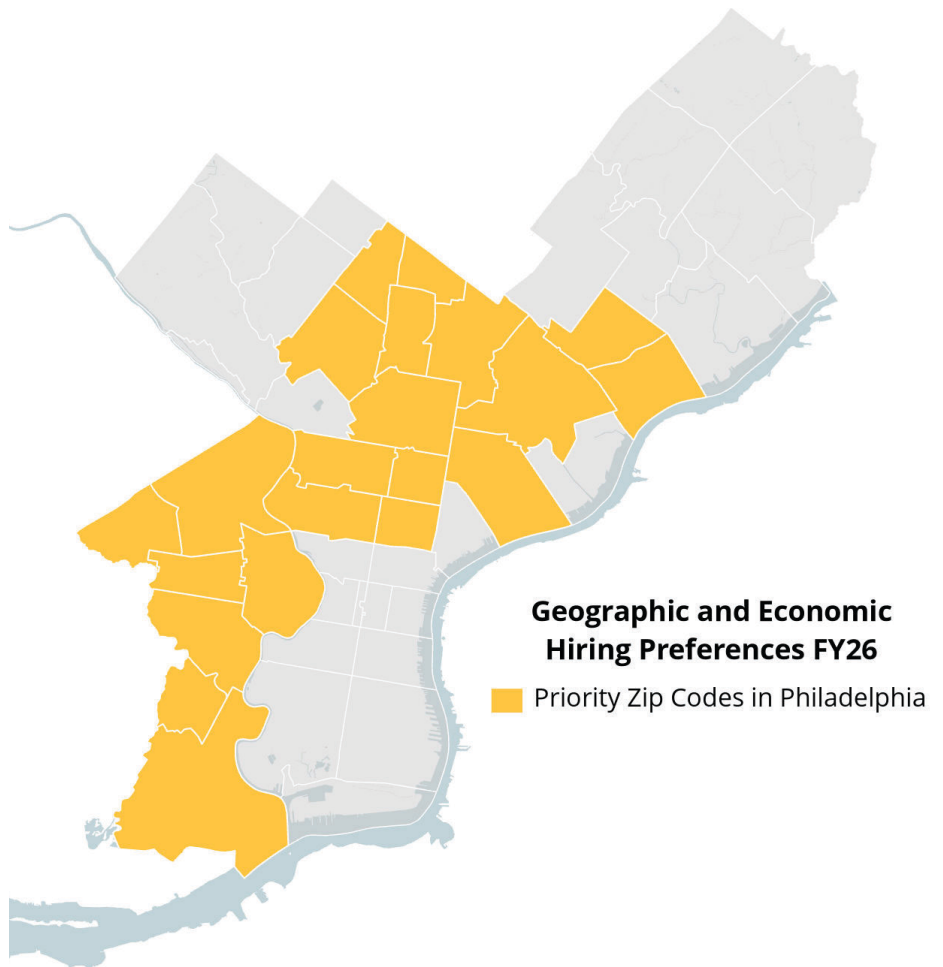


Creating Pathways to Infrastructure Careers

In 2025, the City of Philadelphia launched Geographic and Economic Hiring Preferences (GEHP) on select public works projects. GEHP requires contractors to hire apprentices and journeypersons from select zip codes to increase access and participation of underrepresented workers.

The GEHP pilot program has the potential to apply to over \$1 billion in public works projects in the coming years, which would add approximately 200 new apprentices from historically underserved communities to the labor market

FIGURE 4 | Example of Priority Zip Codes in Philadelphia



Census Data Source: S1701 ACS 1-Year Estimates Subject Tables

Scaling Up the Infrastructure Workforce

Through three years of technical assistance from the United States Department of Transportation's (USDOT) Thriving Communities Program (TCP), the IST will create an evaluation framework for the GEHP pilot program to understand its impact on increasing the conditions for wealth building for workers and historically underserved communities.

In addition to residency requirements, the GEHP apprentice goal is further broken down to give preference to apprentices who have either graduated from a Registered Pre-Apprenticeship Program or a high school-level Career and Technical Education (CTE) program. In the next iteration of the pilot, projects with GEHP will also require that 10% of the total project labor hours be performed by apprentices of each trade.



Thriving Together

The Thriving Communities Program (TCP) is also providing technical assistance to key community partners: Philadelphia Works, Inc., Called to Serve (CTS), North10, and the Philadelphia Area Labor Management Committee (PALM). Two of these community partners, North 10 and CTS, received sub-grants from TCP to support the broader evaluation framework. Both efforts strengthen our shared capacity to monitor barriers, measure interventions, and improve job placement and retention in GEHP zip codes.



Supportive Services Subgrant

Funding to support participants obtain their driver's permit or license



Capacity Building Subgrant

Funding to strengthen capacity to collect, analyze, and utilize data to inform program design and outcomes

Charged for Success: Building Philly's EV Workforce

In 2024, the U.S. Joint Office of Energy and Transportation awarded the City \$1.5 million through the Ride and Drive Electric grant program to support *Plug In Philly*, a workforce development pilot program aimed at recruiting and training diverse Philadelphians for careers in electric vehicle supply and equipment (EVSE). OTIS will lead the initiative in partnership with the International Brotherhood of Electrical Workers Local 98 and their training arm, ATEI, as well as PhilaWorks, Community College of Philadelphia, School District of Philadelphia, and the National Association of Women in Construction Philadelphia Foundation.



In 2025, *Plug In Philly* will develop curriculum for the training program and conduct outreach to prospective participants. Additional partners, including PECO, SEPTA, the Auto Dealers Association of Greater Philadelphia, Electrification Coalition, Eastern Pennsylvania Alliance for Clean Transportation, and the Philadelphia Energy Authority, will help shape the pilot program with their expertise in EVSE and workforce development. The first cohort is scheduled to begin in late 2025.

Collaborations Across Pennsylvania

Pennsylvania Department of Transportation's Transportation Advisory Committee (TAC) featured the IST as a leader in equitable infrastructure workforce development in its TAC Workforce Study. The report highlighted IST's efforts to drive economic mobility through innovative policies, strategic funding, and cross-sector partnerships that expand access to careers in infrastructure and transportation. The report is intended to serve as a model for other cities, showcasing best practices in workforce development that can be adapted statewide. Among its key recommendations is a call for a coordinated statewide collaboration to strengthen and scale transportation workforce initiatives across Pennsylvania.

Bridging Workforce Gaps with Philanthropy

In 2025, \$1.95 million in philanthropic funding was secured to strengthen Philadelphia's infrastructure workforce by expanding access to critical **supportive services**. Catalyzed by Philadelphia's designation as a White House Workforce Hub, this effort was led by the City's Department of Commerce, Office of Transportation and Infrastructure Systems, Philadelphia Works, and the Chamber of Commerce for Greater Philadelphia. The flexible funding for this pilot provides stipends and resources that reduce systemic barriers, enabling more individuals to complete training and connect to high-quality infrastructure career paths. This investment plays a vital role in building a more inclusive, prepared, and resilient workforce to meet the city's growing infrastructure needs.



STRENGTH IN NUMBERS

City College for Municipal Employment

The City College for Municipal Employment (CCME) launched its first class of 77 students in October 2024. A partnership between the City, Community College of Philadelphia, School District of Philadelphia, and Philadelphia Works, CCME is a workforce development center designed to help people start their careers and improve their skills for better job opportunities.

With nearly 6,000 open jobs across City government, CCME will play a critical role in recruiting, training, and deploying highly qualified Philadelphians directly into the City's workforce.

Building Pathways to Infrastructure Jobs

In 2024, Philadelphia Works, Inc. in partnership with the City of Philadelphia, SEPTA, and PECO, was awarded \$2 million from the United States Department of Labor's (USDOL) Building Pathways to Infrastructure Jobs (BPIJ) Grant Program to create sustainable career pathways by providing high-quality training in critical infrastructure sectors.

Uniquely, this grant program aims to increase public-private partnerships to create and scale worker-centered training for workers already on an infrastructure career path. This approach prioritizes the development of an "opportunity infrastructure" - a system that allows workers at every level to advance and fill critical roles, from entry-level positions to more specialized jobs.



Philadelphia Energy Authority Workforce Development Programs

As the energy sector lead for Southeastern PA's Good Jobs Challenge, the Philadelphia Energy Authority (PEA) is helping to scale its workforce development programs regionally.

The Green Retrofit Immersive Training (GRIT) program offers an 18-week paid training for adults focused on weatherization, construction, and energy auditing, connecting 39 participants with good-paying jobs in green home retrofitting in 2024.

The Bright Solar Futures (BSF) program is the nation's first three-year vocational program for high school students. Throughout 2024, BSF trained 34 young Philadelphians in solar and battery storage installation, preparing them for careers in the clean energy economy.



By Fall 2026, the IST will:



Develop a performance monitoring and evaluation framework for Geographic and Economic Hiring Preferences (GEHP)



Apply Geographic and Economic Hiring Preferences (GEHP) to **15** infrastructure projects across **3** City departments



Launch and graduate the first cohort of the Plug In Philly Pre-Apprenticeship Program



Map clear pathways to City employment to fill critical infrastructure roles



Leverage workforce development funding to provide supportive services and training to apprentices and workers on City projects

By 2030, the IST will:



Institutionalize Geographic and Economic Hiring Preferences (GEHP) as a standard hiring practice across all eligible City infrastructure projects



Increase participation of workers and apprentices from Geographic and Economic Hiring Preferences (GEHP) zip codes by **20%**



Provide training to **33** Plug In Philly participants and connect graduates to Registered Apprenticeship Programs, employment, or post-secondary education pathway



Increase access to critical municipal infrastructure roles, resulting in fewer vacant City positions



Establish a citywide workforce development model that integrates supportive services and training across all City infrastructure projects

CHAPTER 3

Remarks from
Mayor Cherelle Parker

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BUSINESS PARTICIPATION

Economic opportunity for all means that when we remove barriers to economic mobility, the entire economy thrives.

Business ownership and business growth are effective drivers to increase economic mobility. Investing in increased supplier diversity through institutional procurement will directly catalyze the creation of new diverse businesses, expand existing ones, and ultimately narrow the **racial wealth gap**.

Assessing Philadelphia's Current Construction Business Landscape

Similar to workforce, Philadelphia's business ownership does not reflect the makeup of the City. While Black and Latinx Philadelphians accounted for 44% and 17% of the City's population in 2021 respectively, they only owned 5% and 4% of all small businesses.¹²

Leveraging the City's procurement process can create significant opportunities for small business growth. For example, in 2021, only 6% to 13% of Philadelphia's public and **quasi-public** contracting dollars went to minority business enterprises (MBEs). Raising participation to 25% could increase annual minority spend to \$1.7 billion.¹³

There are also indirect benefits to increasing small, local, and diverse business participation. It is estimated that every \$100 million directed to local businesses generates an additional \$50 million in local spending and creates 1,000 jobs.¹⁴ Similarly, small businesses tend to hire from the community, so the jobs created are often increasing economic empowerment for neighborhood residents.¹⁵

Small businesses are the backbone of Philadelphia's economy, culture, and communities.

Barriers to Inclusive Growth

The City of Philadelphia has identified three specific barriers to inclusive business growth persistent within the construction industry and is working with partners to break down these barriers:



Barriers at the **firm level**, including access to capital to support business growth and project execution, lack of technical skills education or training, or challenges with consistently staffing skilled labor.



Barriers at the **project-owner and prime contractor level**, such as lack of prompt payment and inability to size projects, so they are conducive to small business participation.



Barriers within **the ecosystem**, such as challenges in connecting and developing relationships between underrepresented firms and project owners/prime contractors, which are necessary for project participation.

¹² United Way of Greater Philadelphia and Southern New Jersey. May 2021. Philadelphia Equitable

¹³ McKinsey. 2021. Analysis of Supplier Diversity in Philadelphia Public Procurement.

¹⁴ McKinsey. 2021. Analysis of Supplier Diversity in Philadelphia Public Procurement.

¹⁵ Association for Enterprise Opportunity (AEO). February 2017. The Tapestry of Black Business Ownership in America: Untapped Opportunities for Success. https://research.aeoworks.org/wp-content/uploads/2023/12/AEO_Black-Owned-Business-Report_02_16_17_FOR_WEB-1.pdf

Breaking Down Barriers at the Firm Level: Capital Access Fund

Access to capital remains a significant challenge and barrier for small and diverse businesses. Black entrepreneurs particularly face substantial disparities in accessing startup capital. According to a 2020 report by the Kauffman Foundation, Black-owned businesses receive less than 1% of venture capital funding nationwide.¹⁶

The SupplyPHL Capital Access Fund is strategically designed to empower firms within the SupplyPHL network to effectively compete for and execute public works projects throughout Philadelphia. To achieve this, the Fund integrates targeted, project-specific support and resources. A core component of this initiative is the pairing of financial education and robust funds management practices with facilitated access to essential financial products, specifically bonding and a Line of Credit (LOC), tailored to meet the capital demands of Philadelphia contractors.

Initially capitalized through seed funding provided by the City's Infrastructure Solutions Team, this investment will establish vital working capital. This capital will fuel a revolving loan pool and enable access to specialized financial solutions crafted for the unique needs of Philadelphia-based businesses.



¹⁶ Washington Employers for Racial Equity (WERE). November 2022. Spotlight: Access to Capital for Black Business Owners. https://wearewere.org/wp-content/uploads/2025/01/WERE_SpotlightAccess2Capital_Nov.2022.pdf

Central to the Capital Access Fund are Two Key Financial Components

The Capital Access Fund is a pilot program launching in 2026.



Mobilization Line of Credit (LOC)

This financial instrument will offer approved contractors and subcontractors access to upfront capital. These funds are specifically intended to cover the initial financial demands of project mobilization, including the procurement of essential materials, the leasing of necessary equipment, and the coverage of initial labor costs. Eligibility for the LOC will take into account the successful completion of required training programs and an assessment of the firm's financial stability. The ability to draw down funds from the LOC will be directly linked to the achievement and verification of key project milestones. Critically, the awarded construction contracts will play a key role in securing this Line of Credit.



Loan Loss Reserve Guarantee

To strategically mitigate potential financial risks associated with the provision of credit, a dedicated Loan Loss Reserve fund will be established. This reserve, funded by the City's Infrastructure Solutions Team (IST) will function as a crucial financial safeguard. Its primary purpose is to absorb potential losses that may arise from instances of contractor default on their Line of Credit obligations. By providing this layer of financial security, the Loan Loss Reserve enhances the overall financial robustness and viability of the program for all stakeholders involved.

Breaking Down Barriers at the Project Owner and Prime Contractor Level: OCIP

The City's Risk Management Division, in partnership with the IST, is launching the City of Philadelphia's Owner Controlled Insurance Program (OCIP). Sometimes referred to as "Wrap Up Insurance," an OCIP is a type of insurance policy where the owner of a public works project provides the necessary insurance coverage for the contractors and subcontractors on the project. In this case, the City would provide General Liability, Excess Liability, and Workers Compensation for eligible public works projects, permissible under 17-108 of The Philadelphia Code.

Centralizing insurance coverage for all contractors and subcontractors can lower costs and improve risk management, particularly for **historically underutilized businesses**. OCIPs remove barriers to entry, enabling HUBs to compete for and complete construction jobs more effectively.

Breaking Down Barriers Within the Ecosystem: Procurement Forecast

A project initiated and led by the IST since 2023, the Procurement Forecast responds directly to feedback from business partners who expressed the need for earlier insights into contracting opportunities. By proactively advancing this initiative, the IST established a more transparent contracting process, empowering businesses to better prepare for upcoming work and strategically position themselves for success.

The fourth iteration of the forecast was released in May 2025 and includes approximately 130 public works and professional service contracts, totaling approximately \$360 million in upcoming procurement opportunities. The Spring Update offers the business community a preview of upcoming opportunities ahead of the larger Fall Update, which is released annually.



STRENGTH IN NUMBERS

Business Impact and Economic Advancement

In March 2025, Mayor Parker announced a new Office of Business Impact and Economic Advancement (BIEA) to champion diversity and inclusion within Philadelphia's small and local business community. BIEA's partnership with the IST is driving forward pilot projects aimed at increasing supplier diversity in the construction industry, including the Capital Access Fund.

For example, there is a consistent backlog of curb ramps in Philadelphia that need to be updated compliant to the Federal Americans with Disabilities Act. To meet the increased volume of ramps required for construction, BIEA, in partnership with the IST and Streets Department, is also launching a mentor-protégé program for ADA curb ramp construction. The mentor-protégé program will ensure that there is a larger pool of qualified contractors to meet the increased volume of ramps required for construction in Philadelphia.



SupplyPHL

SupplyPHL is a public-private partnership between the City of Philadelphia and three nonprofits – The Urban League of Philadelphia, The Economy League of Greater Philadelphia, and The Enterprise Center. SupplyPHL’s mission is to enhance the capabilities and capacity of diverse businesses to engage in public works projects in Philadelphia.

“SupplyPHL has been instrumental in helping LSN gain access to new clients, resulting in additional projects that have significantly expanded our backlog. Through their network, we have connected with organizations seeking reliable contractors, allowing us to showcase our expertise and secure new business opportunities. The platform has also facilitated key introductions to industry leaders, opening doors to future partnerships that align with our growth strategy. These connections have strengthened our presence in the market and positioned us for sustained success.”

—Randy Washington, President & CEO, LSN Contractors and Construction Managers



By Fall 2026, the IST will:



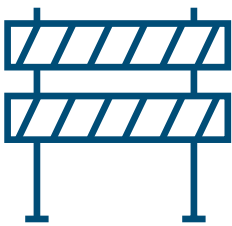
Support BIEA in identifying at least **\$4M** in additional funding for the Capital Access Fund



Assist BIEA in engaging **20** small and local firms through the ADA Curb Ramp mentor-protégé program



Institutionalize the Procurement Forecast to include upcoming opportunities from all City and quasi-public agencies



Develop a plan to pilot innovative procurement methods to increase business participation

By 2030, the IST will:



Award **over \$20M** in ADA curb ramp contracts to small and local firms



Digitize and integrate the Procurement Forecast into the City of Philadelphia's new procurement platform



Evaluate the success of innovative procurement methods in increasing business participation



Leverage its investment in the Capital Access Fund to assist **50** firms obtain bonding and financing





LOOKING AHEAD

As Philadelphia continues to leverage historic investments in infrastructure, the focus of the IST remains on ensuring that these resources build equitable opportunities for our City's residents and businesses.

Through this report, the IST renews and reaffirms its commitment to building more inclusive, equitable, holistic, and stronger infrastructure—both tangible and intangible—that benefits workers, communities, and businesses across Philadelphia.

"I don't know what the future holds, but we are committed to preparing for any challenges that come our way under the Parker Administration. We will continue working to make Philadelphia the cleanest, greenest, and safest city in the nation, with access to economic opportunity for all—and nothing will stand in the way of that."

—Mayor Cherelle L. Parker

GLOSSARY

TERM	DEFINITION
Apprenticeship	An apprenticeship program allows individuals to learn a trade by combining on-the-job training with classroom instruction and mentorship. Apprentices earn a salary, with benefits, while gaining practical experience and skills that replicate the workforce. The apprenticeship model offers workers with a pathway into the workforce where they can earn while they learn, gaining industry-recognized credentials without the burden of educational debt.
Assets	Assets are the tangible financial, personal, institutional, and social resources available to households that can be drawn upon in times of need or can be invested for the future.
Debt	Debt is something, usually money, owed by one party to another. Debt is used by many individuals and companies to make large purchases that they could not afford under other circumstances. Unless a debt is forgiven by the lender, it must be paid back, typically with added interest.
Economic Mobility	The ability of individuals and families to improve their economic status over time.
Employment Capital	Employment capital is the employment-based resources and job characteristics beyond income that enable families to build and preserve wealth.
Family-Sustaining Occupation	A job that pays enough to cover the basic living expenses of a family in a particular location. These expenses include food, housing, transportation, childcare, and medical care.
Financial Stability	Short-term financial stability is characterized by having routinely positive cash flow, low or no harmful debts, and access to quality public and workplace benefits that protect against extraordinary shocks. Financial stability is a precondition to support successful wealth building.
Historically Underutilized Businesses (HUBs)	Businesses that are at least %51 owned by people from minority groups, such as Black, Hispanic, Asian-American, American Indian, women, socially and economically disadvantaged individuals, or people with disabilities.
Pre-Apprenticeship	A pre-apprenticeship program is a short-term training experience designed to prepare individuals for entry and success in a Registered Apprenticeship Program (RAP), that includes hands-on training, classroom instruction, and facilitated entry to apprenticeships through documented partnerships.
Quasi-Public	An entity that provides services that are typically public but is owned or managed by a private entity.
Racial Wealth Gap	The racial wealth gap is the disparity in wealth between racial and ethnic groups in the United States.
Wealth Extraction	The process by which economic value is taken out of a system—such as a company, community, or economy—by individuals or entities, often without creating new value in return. Black Americans are often the target of financial predation through payday loans, predatory banking, installment loans, criminal and legal fees, and other mechanisms that continue to extract wealth inordinately from Black and brown communities.
Wraparound Supportive Services	Wraparound services are a holistic approach to removing barriers, allowing individuals to fully engage in job training programs and overcome the challenge of finding and maintaining family-sustaining employment. Wrap-around services can include childcare, transportation, housing, counseling/coaching, and other social service supports.



**Office of Transportation
and Infrastructure Systems**

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