



2026

INFRASTRUCTURE SOLUTIONS TEAM PROGRESS AND PRIORITIES REPORT



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A Message From Mayor Parker

My Fellow Philadelphians,

Since I took office as your Mayor in 2024, I have been laser-focused on making Philadelphia the safest, cleanest, and greenest big city in the country, with economic opportunity for all. The work highlighted in this report shows how strategic investments in our city's infrastructure are helping us deliver on that vision. It gives progress updates on how we are achieving this goal together by investing in our city's infrastructure.

Infrastructure projects don't just result in safer streets, cleaner water, and more reliable services. Done right, these investments create well-paying jobs for our residents, opportunities for local businesses, stronger neighborhoods, and pathways to economic mobility for communities across Philadelphia.

The projects and pilot programs highlighted in this report are designed to improve the lives of Philadelphians. That means expanding access to pre-apprenticeship programs like *Plug In Philly*, so residents have the training and support they need to advance their careers. It means reimagining the City's contracting process through the S.M.A.R.T. Contracts Initiative, so small and local businesses can better access opportunity. And it means advancing neighborhood-centered projects that create opportunities for the people and businesses in the communities where this work is getting done.

The success of this work depends on strong partnerships — across government, across sectors, and across communities. This "One Philly" approach is how we grow our workforce and our businesses, and create greater economic opportunity. It is also how we make our neighborhoods more livable, more accessible, and more affordable.

I am proud of the momentum we are building across Philadelphia, and even more excited about what comes next. Together, we are investing not only in Philadelphia's infrastructure, but in the people, neighborhoods, and opportunities that will shape our city's future.



Cherelle L. Parker
Mayor, City of Philadelphia

One Philly, A United City



1. Introduction

Infrastructure For All, Opportunity For All

Philadelphia has experienced strong economic growth in 2026. The city's poverty rate fell below 20 percent — the lowest level since 2000 — and Philadelphia is no longer the poorest large city in the United States.¹

While incomes have risen modestly in recent years, the benefits of that growth have not been evenly shared across Philadelphia, leaving many residents with limited ability to build financial security and achieve greater economic success. At the same time, economic mobility has declined, making it increasingly difficult for Philadelphians to achieve greater economic success than the generation before them. Gains in educational attainment have also slowed in comparison to the previous decade, further limiting pathways to upward mobility.² Recent labor market conditions have added to these challenges, with Philadelphia's unemployment rate rising to 5.1 percent, consistent with broader national trends.³

Philadelphia's ongoing infrastructure investments present a major opportunity to leverage public spending to generate wealth for Philadelphians.

Each year, the City of Philadelphia invests substantially in the construction, rehabilitation, and maintenance of critical infrastructure that supports daily life. This includes our roads, airports, and water systems. In the next year alone, the City and partner agencies are projected to spend over \$1 billion in infrastructure investments across Philadelphia.

These investments can serve as a powerful tool to expand access to quality jobs, strengthen local businesses, and ensure that the economic benefits of public spending reach communities across the city, particularly those that have historically experienced disinvestment. Because infrastructure spending happens year after year, bringing greater intentionality to how these dollars are expended can transform routine spending into a long-term strategy that ensures public dollars deliver lasting benefits for more Philadelphians.

The Infrastructure Solutions Team (IST) is committed to creating opportunities for Philadelphians to build, grow, and maintain wealth through the strategic use of infrastructure investments.

1 <https://www.pew.org/en/research-and-analysis/reports/2026/04/philadelphia-2026>.
2 <https://www.pew.org/en/research-and-analysis/reports/2026/04/philadelphia-2026>.
3 <https://phlcouncil.com/wp-content/uploads/2025/01/Opportunity-Insights.pdf>.

Unlocking Economic Opportunity

The Parker Administration is working to make Philadelphia the cleanest, greenest, and safest big city in the nation with economic opportunity for all. Aligned with the Mayor's vision, the Infrastructure Solutions Team (IST) uses a three-pillar approach to ensure that each generation of Philadelphians can build wealth, learn the skills necessary for essential jobs, and thrive while supporting their families and strengthening their communities.



**Secure
infrastructure
investments**



**Ensure workforce reflects
every neighborhood of
Philadelphia**



**Increase participation
of small and local
businesses**

Infrastructure as an Economic Engine

While there is no single solution to wealth building, economic well-being starts with financial stability.

There are three elements to achieving financial stability: consistent income, access to workplace benefits, and low or no harmful debt.⁴ Infrastructure jobs provide consistent and stable cash flow, benefits like health insurance and retirement savings, and often don't require accumulating large amounts of educational debt.

By addressing the systemic barriers that limit access to quality, family-sustaining jobs and helping local businesses compete for City contracts, the IST aims to expand economic opportunity and support wealth creation for Philadelphians.

⁴ 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

2. Infrastructure Investments

Philadelphia saw a major increase in infrastructure investments due to the Bipartisan Infrastructure Law (BIL), also known as the Infrastructure Investment and Jobs Act (IIJA). Between 2022 and 2024, nearly \$1 billion in federal funds were authorized annually for transportation projects across the city.⁵

These dollars are still being invested in our communities as projects advance from planning to design to construction.

In fiscal year 2026, the City made headway on critical infrastructure projects ahead of America's 250th anniversary, including:

- **Philadelphia International Airport Improvements**
- **Baxter Water Treatment Plant Upgrades**
- **Old City Market Street**

The work doesn't end when the events do – it continues every day in the neighborhoods where Philadelphians live, work, and raise their families.

5

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.





PHILADELPHIA INTERNATIONAL AIRPORT IMPROVEMENTS

In December 2025, Philadelphia International Airport (PHL) opened a new exit lane system in Terminals D and E, the first in the airport's upgraded unmanned exit lane system project. The upgrade included the installation of new state-of-the-art glass corridor exit lanes equipped with a combination of cameras, motion detectors, presence sensors, and video analytics. The corridor system monitors unauthorized access and guides passengers safely and efficiently from the secure gate area to non-secured areas for baggage claim and airport exits. The project received a \$600,000 grant from the Pennsylvania Department of Community and Economic Development Multimodal Transportation Fund (MTF).



PHL also completed Phase 1 of its Taxiway S Reconstruction Project in November 2025. Taxiway S serves as a parallel taxiway to the airport's busiest runway. The project included replacing asphalt pavement, adding two new taxiways, and upgrading lighting, signage, and drainage. These upgrades enhance safety, improve aircraft maneuverability, and ensure compatibility with present and future airline fleet mixes. Phase 1 received \$6,861,010 from United States Department of Transportation (USDOT) Federal Aviation Administration (FAA) Airport Infrastructure Grant funding and had a federal Disadvantaged Business Enterprise (DBE) goal of 12%. PHL is now in Phase 2 of the project.

BAXTER WATER TREATMENT PLANT UPGRADES

In April 2026, the Philadelphia Water Department (PWD) held a ribbon-cutting to celebrate the completion of an updated zinc orthophosphate system at the Samuel S. Baxter Water Treatment Plant located in Northeast Philadelphia. Zinc orthophosphate is a treatment process that forms a protective coating inside pipes to prevent lead plumbing from dissolving into water. These upgrades are essential in supporting the continued delivery of safe, high-quality water to Philadelphia residents. The completed facility also includes modern chemical storage tanks, metering pumps, piping, instrumentation, controls, and access platforms designed to improve operational reliability, maintainability, and long-term system performance. Twenty-four percent (24%) of participating businesses on this project were registered with the City's Office of Economic Opportunity (OEO).



OLD CITY MARKET STREET

Philadelphia welcomed the world in Summer 2026 and proved we could deliver. In preparation for the influx of visitors to Old City, Market Street between 2nd and 6th Streets was redesigned to better serve everyone, whether they walk, bike, use transit, or drive. Construction started in December 2024 and completed in June 2026. This \$16,000,000 project had a mix of federal, state, and city funding sources. Forty-six percent (46%) of the construction dollars went to nontraditional firms.

Upgrades include:

- **Wider sidewalks and new sidewalk-level bike lanes** make walking and biking in Old City safer and less crowded.
- **New ADA curb ramps and the curbless Plaza at 2nd and Market** also make it easier for people using wheelchairs or other mobility devices to get around.
- **New bus boarding bump-outs** create designated spaces for bus riders, increase visibility, and make boarding and exiting the bus easier.
- **High-visibility pavement markings, upgraded traffic signals, and pedestrian signals** make intersections clearer for people driving, walking, or biking.
- **New left turn lanes and signals at 3rd and 4th Streets** also help keep traffic moving smoothly.





Before (Above) and After (Below) at Market and 2nd Street.



3. Workforce Development

Infrastructure projects don't just appear – they are planned, designed, and built by workers who dedicate their talents and efforts to improving our city. These projects help to make Philadelphia run smoothly, and rely on experts across the workforce, from professional services to skilled trades.

Increased investments from BIL/IIJA have created thousands of jobs, particularly in the construction industry. Local and national projections indicate that employment growth in the infrastructure sector will outpace overall employment growth in the next several years.

The IST's workforce development strategy is focused on expanding access to infrastructure careers and ensuring that Philadelphia's full talent pool has pathways into opportunities across the field, from planning through construction.



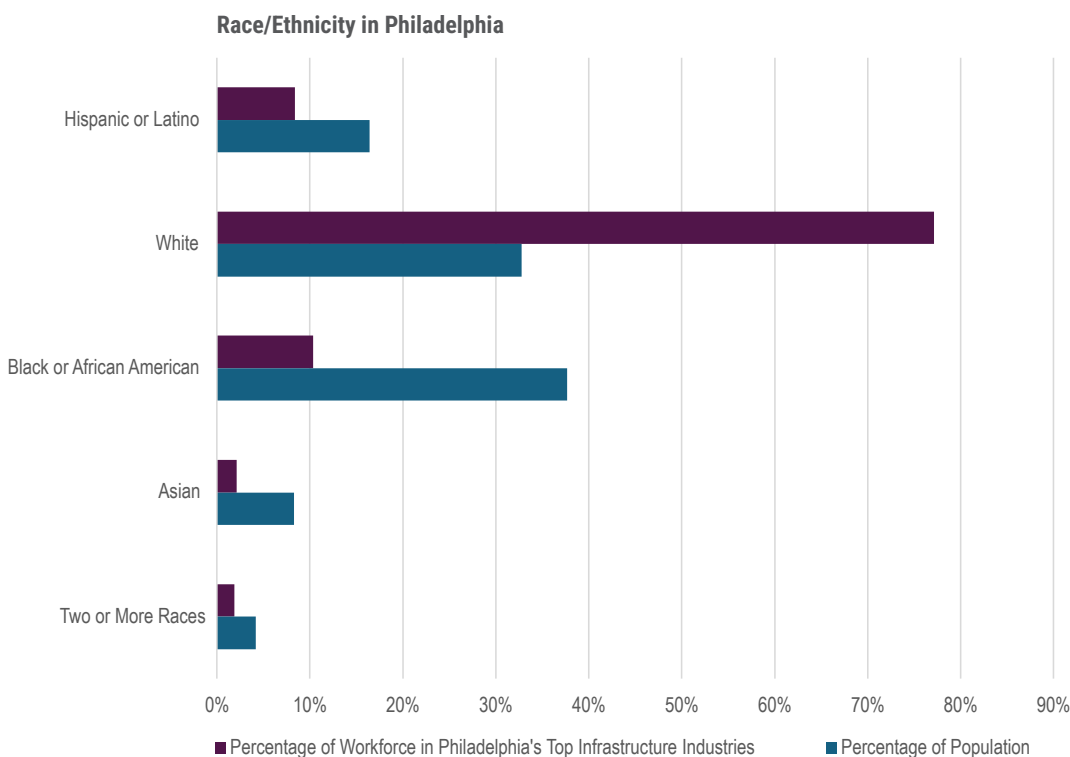


THE WORKFORCE LANDSCAPE

Meeting this growing demand requires expanding and diversifying the infrastructure workforce. Today, infrastructure workers in Philadelphia don't fully reflect the diversity of our city. Workers are overwhelmingly white (Figure 1), male (Figure 2), and nearing retirement age (Figure 3). These disparities highlight the need to create pathways to long term, well-paying jobs and invest in the future generation of infrastructure workers. There is an opportunity to connect Philadelphia's growing pool of younger and nontraditional talent to careers in the infrastructure field.

Intentionally designed workforce development programs can provide the training necessary for nontraditional talent to participate on infrastructure projects, ensuring that infrastructure projects are built by – and for – residents across the city.

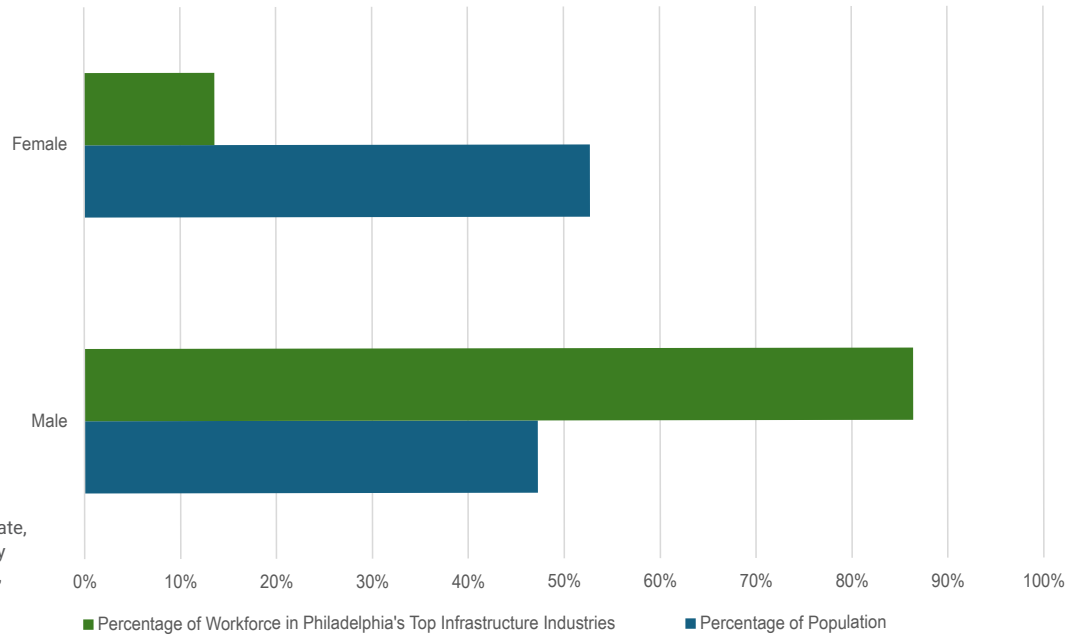
FIGURE 1 | Comparison of demographic census data of Philadelphia County and race and ethnicity data of Philadelphia's infrastructure workforce. (PhilaWorks 2026).



Source:
ACS 2024 1 year Estimate,
Lightcast data pulled by
PhilaWorks on June 29,
2026

FIGURE 2 | Comparison of demographic census data of Philadelphia County and binary gender data of Philadelphia's infrastructure workforce. (PhilaWorks 2026).

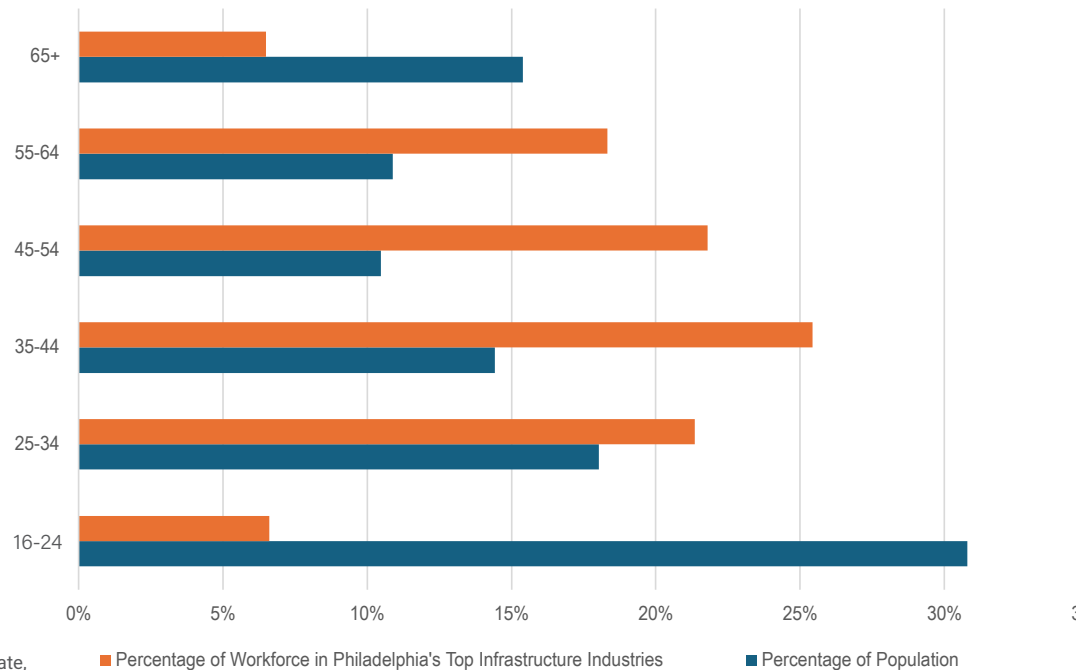
Binary Gender in Philadelphia



Source:
ACS 2024 1 year Estimate,
Lightcast data pulled by
PhilaWorks on June 29,
2026

FIGURE 3 | Comparison of demographic census data of Philadelphia County and age data of Philadelphia's infrastructure workforce. (PhilaWorks 2026).

Workforce Age Breakdown In Philadelphia



Source:
ACS 2024 1 year Estimate,
Lightcast data pulled by
PhilaWorks on June 29,
2026

GEOGRAPHIC AND ECONOMIC HIRING PREFERENCES

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 economically disadvantaged workers. A GEHP Priority ZIP Code is any U.S. ZIP Code that has 42% or more of the population with incomes at or below 200% of the federal poverty line. Figure 4 illustrates Priority ZIP Codes in Philadelphia and the surrounding collar counties.

Local hire preferences like GEHP are an effective race-neutral strategy to expand access to well-paying jobs and diversify the construction workforce.⁶ When infrastructure funds are spent locally, communities benefit from both physical improvements and meaningful employment opportunities.

By Fall 2026

-  **In Progress:** Identify and apply GEHP to 15 infrastructure projects across three City departments
-  **Completed:** Develop a performance monitoring and evaluation framework for GEHP

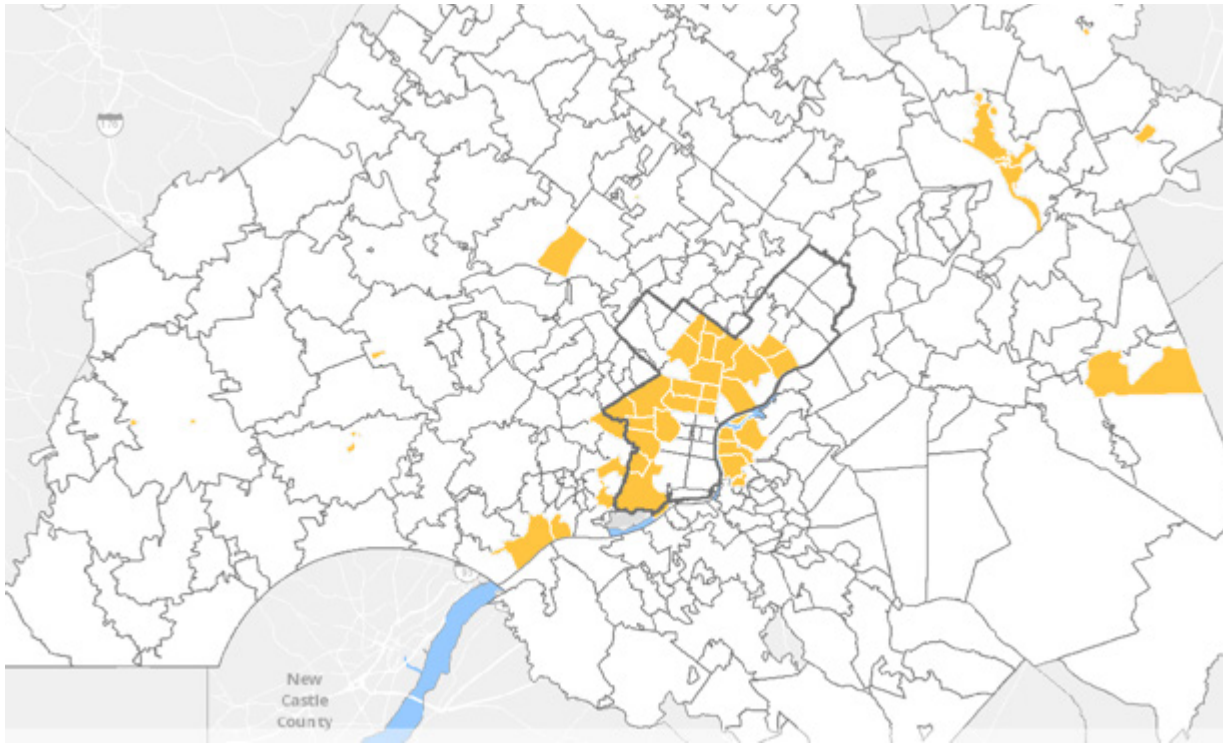
As of August 2026, a total of 15 GEHP pilot projects have been identified across three City departments: the Streets Department of Transportation, the Philadelphia Water Department, and the Department of Aviation. Three of these projects – a citywide street repaving project, replacement of the East Park Booster Pumping Station, and airport outdoor security upgrades – are currently under construction and have shown promising preliminary results in meeting workforce participation goals for residents of GEHP Priority ZIP Codes. The remaining identified projects will begin construction during the next year.

**Total estimated value of public works
projects utilizing GEHP**
\$312 million

In 2026, the IST also developed an implementation framework to assess how contractors are meeting their GEHP goals. An evaluation framework is currently in progress to measure the impact of GEHP in creating local jobs for Philadelphians residing in Priority ZIP Codes.

⁶ https://www.transportation.gov/sites/dot.gov/files/2024-02/Best_Practices_to_Expand_Access_to_Jobs_and_Economic_Opportunity_final.pdf.

FIGURE 4 | GEHP Priority Zip Codes in Philadelphia and surrounding collar counties.



Source: S1701 ACS 1-Year-Estimates Subject Tables

The Road to 2030

-  **In Progress:** By 2028, identify and apply hiring preferences on 15 Professional Services infrastructure projects across three City departments
-  **In Progress:** By 2030, institutionalize GEHP as a standard hiring practice across all eligible City infrastructure projects
-  **In Progress:** By 2030, increase participation of workers and apprentices from GEHP Zip Codes by 20%

Moving forward, GEHP will be used to inform other workforce development programs focused on occupations like engineers, planners, and project managers. Increased worker access and participation across sectors will ensure that the benefits of public infrastructure investments are shared more equitably across the city. Ongoing program evaluation will measure GEHP's impact and inform future hiring policies designed to expand economic opportunity.

INFRASTRUCTURE WORKFORCE FUNDING STRATEGY

The IST has developed a three-pronged workforce funding strategy:

GRANT STRATEGY

Include dedicated workforce development budgets in project applications, based on total project cost

This year, the IST continued to incorporate a dedicated workforce development budget into several federal discretionary grants for heavy highway projects.

PHILANTHROPIC FUNDING

Leverage flexible funding sources to cover supportive services not typically included in federal funding

This year, the IST launched a supportive services pilot in partnership with Philadelphia Works. A 2024 landscape analysis revealed that only 50% of infrastructure related Apprenticeship Readiness Program (ARP) graduates in Philadelphia successfully enter into a Registered Apprenticeship Program (RAP). Industry leaders recognized that the matriculation gap was a result of lack of supportive services. The pilot uses philanthropic funding to increase worker retention by providing wraparound services enabling more individuals to complete training and connect to high-quality infrastructure jobs. Lessons learned will help inform future supportive service delivery for workers and apprentices on City public works projects.

WORKFORCE PROGRAMS

Invest directly in workforce development programs to increase labor supply and workforce diversity

This year, the IST pursued new funding opportunities for workforce initiatives, including bridge funding to launch *Plug In Philly*, a pre-apprenticeship training program for electric vehicle supply and equipment (EVSE) maintenance. Investing directly into workforce programs expands the infrastructure talent pipeline and supports specialized skills training.

One Philly: Partnerships that Drive Progress

City College for Municipal Employment

The City College for Municipal Employment (CCME) provides free workforce training and a pathway to employment with the City of Philadelphia.

Programming is available to individuals who are interested in a City career, but who lack the necessary education, training, or certifications. CCME also upskills current City employees who want to advance their careers. Students receive wraparound services and support to help them succeed in their program. This includes access to:

- Career counseling and tutoring.
- Internships, externships, and job shadowing.
- Financial education, legal aid, free tax preparation, and more.

Everybody Builds Philadelphia

Everybody Builds works to diversify Philadelphia's construction industry and build sustainable capacity for growth among businesses and workers.

Working in partnership with the region's largest contractors, developers, property owners, and unions, Everybody Builds aligns market opportunities and prepares nontraditional workers, contractors, and subcontractors to play a substantial role in Philadelphia's growth.

In partnership with the City's College for Municipal Employment (CCME), the City's workforce board Philadelphia Works, and other teams, the IST will continue to expand workforce development programs and invest in supportive services programs for municipal infrastructure workers. These investments will provide more workers with the training and wraparound supports needed to successfully enter and advance in infrastructure fields. By investing in workforce development and supportive services, the City will reduce barriers to participation and increase access to quality infrastructure jobs.

By Fall 2026



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

The Road to 2030



In Progress: By 2030, establish a standardized citywide workforce development model that integrates supportive services and training across all City-led infrastructure projects, with implementation guidelines adopted by participating departments

PLUG IN PHILLY

Plug In Philly is a workforce development pilot program aimed at recruiting and training Philadelphians for careers in the electric trades, particularly in electric vehicle supply and equipment (EVSE). The program combines industry-recognized electrical trades curriculum with soft-skills and career readiness training that will help participants translate their technical learning into professional skills.

By Fall 2026



Completed: Launch the first cohort of the *Plug In Philly* Pre-Apprenticeship Program

The program launched its pilot cohort in September 2026, serving 15 participants through eight-weeks of classes. Participants will also work directly with a career coach to advance their individual job searches and connect the training experience to concrete employment opportunities post-graduation. Cohorts 2 and 3 are scheduled for 2027.

The Road to 2030



In Progress: By 2030, provide training to 45 *Plug In Philly* participants and connect graduates to Registered Apprenticeship Programs, employment, or post-secondary education pathways

Following the pilot cohorts, the IST will evaluate the impact of *Plug In Philly* and consider an expansion of the program. The IST will also retain post-graduation communication with program participants to monitor their career development and offer career-advancement support. These efforts will ensure that Philadelphians are well positioned to participate in the growing clean energy economy, making the city cleaner and greener and with access to opportunity for all.



MUNICIPAL INFRASTRUCTURE EMPLOYMENT

In-demand infrastructure jobs are not limited to private sector employers; the City and other public agencies need qualified, trained workers to build and maintain infrastructure systems. Last year, the IST created materials to help demystify the variety of pathways available for workers to enter into the skilled trades. The IST has also previously worked with the City College for Municipal Employment (CCME), the Streets Department of Transportation, Hopeworks, and Rodriguez University to create a worker upskilling program to advance 12 participants from entry-level Engineering Aide I and II positions into more experienced Engineering Aide III and Surveyor roles. As of February 2025, nine of the participants were employed, and the remaining participants were waiting on job interviews at the time of reporting.

By Fall 2026



Completed: Map clear career pathways to fill critical infrastructure roles

This year, the IST is supporting CCME, Rodriguez University, and the Streets Department of Transportation in delivering the Infrastructure Career Pathways Bootcamp – an 18-week upskilling training combining classroom instruction, field exposure, CAD training, infrastructure fundamentals, safety practices, professional skill development, and employer engagement activities. Other forthcoming programs from the IST include an electrician upskilling program and an ADA curb ramp in-house crew training.





The Road to 2030



In Progress: By 2029, launch two new workforce development initiatives for City employees to support career advancement and address critical workforce needs

The City of Philadelphia will continue to invest in upskilling current staff and attracting new talent. The IST also aims to create greater public awareness of municipal infrastructure careers by elevating worker stories and showcasing pathways into and through City employment.

WORKER VOICES



Rene Caufee

Network Support Specialist

Philadelphia Water Department
Northeast Water Plant

Tenure: 7 years

“This position has helped me strengthen my self-confidence.”

Career Path: I started as an Electronic Instrumentation Technician before being promoted to a Network Support Specialist in the same plant here in Northeast.

Favorite Part of the Job: I love that the plant is constantly evolving. We are building a preliminary treatment facility that will provide an additional 250 million gallons of water, which is fantastic. And it’s just one of many major projects at this plant. I like that there is always something new to run.

Proudest Moment: Being able to perform successfully at a job where I initially did not have the skills was a meaningful achievement for me. And the compensation of this position naturally benefited my family, as well.



Karen Pagen

Industrial Hygienist

Beyond Literacy Pre-Apprenticeship
Program Graduate

“Do it. Do it. Do it. An apprenticeship or pre-apprenticeship, whichever one you decide to follow, does require sacrifice and space and time, but it’s going to change your life. It’s going to have lasting effects, and it’s going to open doors for opportunities that you never thought were even available to you.”

Career Path: I began my career with Beyond Literacy’s Pre-Apprenticeship Program. There, I earned several certifications, including OSHA-30 and Hazwoper 40. Today, I monitor job site conditions. I test for hazards like silica, lead, and asbestos. My work is vital for protecting the health of workers and the community, including projects with the School District of Philadelphia.



Fernando Santiago

Industrial Process Mechanic Group Lead

Philadelphia Water Department
Northeast Water Plant

Tenure: 12 years

“I became a better mechanic here.”

Proudest Moment: The building that I run, the main pump broke down and went off the grid from the computer. It was my job to contain it and keep it running until we found another pump and motor to replace it. It took about thirty days, but I kept it running as much as possible. Once the job was done, everybody was happy.

4. *Business Participation*

Economic opportunity for all means that when we remove barriers to upward mobility, the entire economy thrives. Business ownership and business growth are effective drivers to increase economic mobility.

City spending represents a significant but underutilized opportunity to support business growth, create pathways to wealth creation, and advance local economic development.





THE BUSINESS PARTICIPATION LANDSCAPE

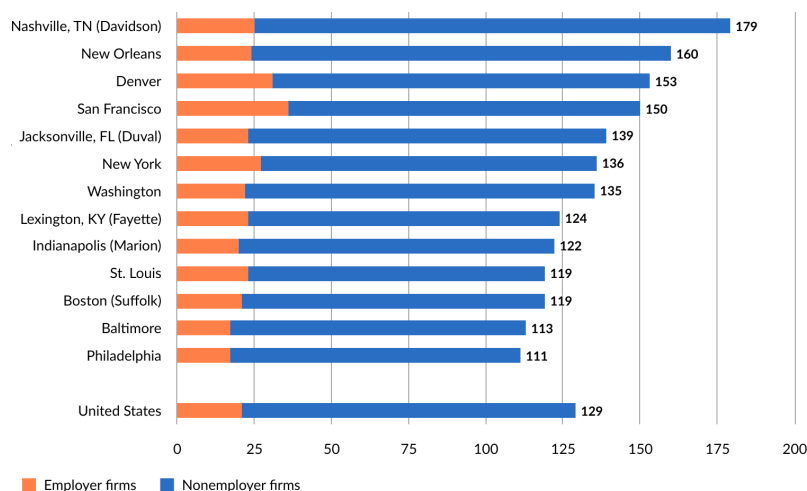
Business ownership can be a major driver of wealth for many individuals and families; yet Philadelphia’s business density remains below that of comparable cities and the nation (Figure 5). Business ownership and participation vary across Philadelphia’s business community, highlighting opportunities to strengthen access to resources, contracting opportunities, and pathways for businesses to grow and compete (Figure 6).

FIGURE 5 | Employer and Nonemployer Firm Density by Select City, 2022.

Figure 1

Employer and Nonemployer Firm Density by Select City, 2022

Ranked from most to fewest firms per 1,000 residents



Notes: Figures may not sum precisely due to rounding. The differences in rankings may fall outside the margin of error and therefore may not be statistically significant. Density figures are based on residents 16 and older and on firms classifiable by owners' personal characteristics, which excludes most large corporations, nonprofits, and government-owned firms. Employer firms have at least one employee, and nonemployer firms (such as contractors or gig workers) have zero employees. See methodology for details.

Sources: U.S. Census Bureau, *Annual Business Survey*; University of Minnesota, *IPUMS USA*; U.S. Census Bureau, *Nonemployer Statistics by Demographics (NES-D)*

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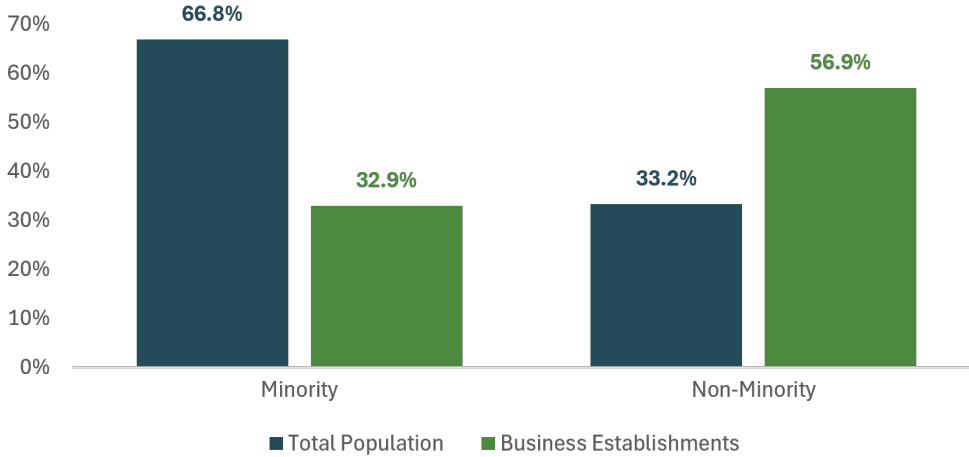
<https://www.pew.org/en/research-and-analysis/issue-briefs/2025/11/business-ownership-in-philadelphia-and-other-major-us-cities>

Similarly, business revenues also differ starkly between demographic groups and compared to peer localities (Figure 7). This data helps the City understand patterns in business formation, revenue, and participation. It also helps the City identify barriers affecting firms’ ability to compete for public contracts. Small businesses are the backbone of Philadelphia’s economy. While small and local firms represent 78% of all Philadelphia business establishments, they received only 27% of City contract funding in FY2025 – the same share as in FY2024.⁷ This comes despite the City spending over \$130 million more in services in preparation for the historic 2026 summer.

This disparity underscores structural barriers in City contracting. The IST is working to remove these barriers and increase the participation of small and local businesses on City contracts.

FIGURE 6 | Binary gender and race/ethnicity demographics of Philadelphia residents and Philadelphia business owners. Source: American Community Survey 5-year Estimates (2024), Annual Business Survey (2023), Econsult Solutions, Inc. (2026)

Minority Representation in Population vs. Business Ownership, Philadelphia, 2023



Gender Representation in Population vs. Business Ownership, Philadelphia, 2023

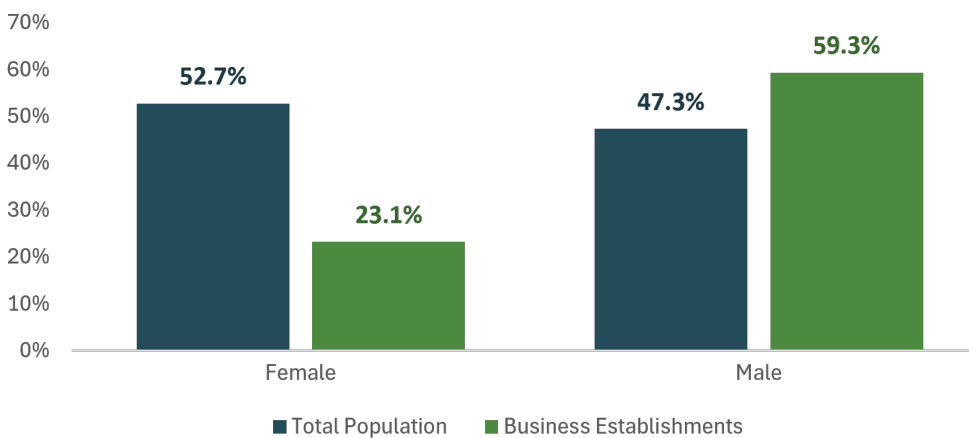
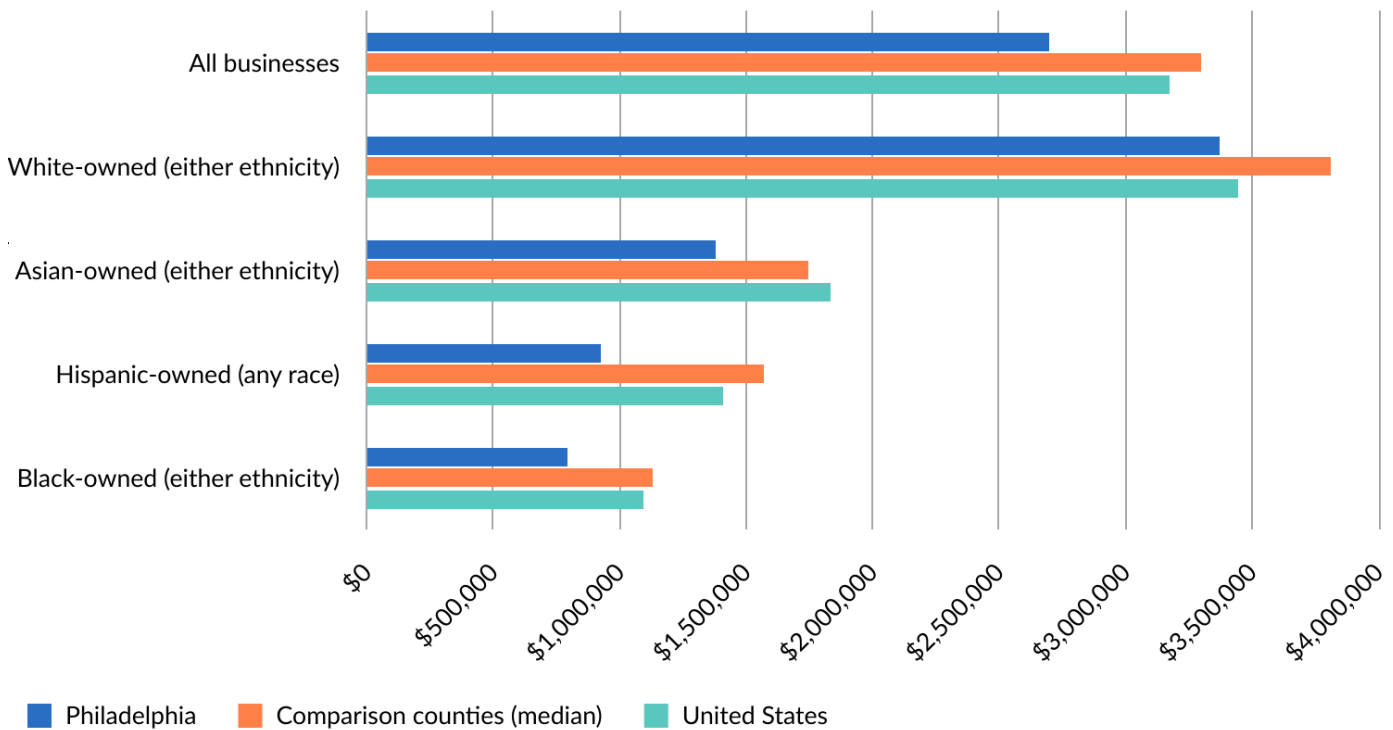


FIGURE 7 | Average Revenue of Employer Firms by Owner’s Race and Ethnicity, 2022



<https://www.pew.org/en/research-and-analysis/issue-briefs/2025/11/business-ownership-in-philadelphia-and-other-major-us-cities>

The IST has identified three key barriers to business growth within the construction industry:

	Barriers	Addressing Barriers
 Firm Level	Barriers at the firm level limit an individual firm’s ability to compete for public works projects. These include limited access to capital and bonding, insufficient back-office administrative capacity, and gaps in technical expertise.	• Mentor-Protégé Program • Capital Access Fund and Bonding Pilot
 Project Owner Level	Barriers at the project owner and prime contractor level stem from contracting and payment practices that often disadvantage smaller firms. Common challenges include delays in payment, as well as contract sizes and scopes that are not well aligned with the capacity of small and local firms.	• S.M.A.R.T. Contracts Initiative
 Within the Ecosystem	Barriers within the ecosystem relate to the broader contracting environment. These include limited transparency into upcoming contracting opportunities and a lack of opportunities to build relationships with project owners and prime contractors.	• Procurement Forecast



Equity in Infrastructure Pledge

The City of Philadelphia, alongside SEPTA and PennDOT, is a signatory to the Equity in Infrastructure Project (EIP) Pledge. The EIP Pledge is a voluntary commitment to increase the number, size, and percentage of businesses growing to prime contractors, participating in joint ventures or as equity participants by:

- Increasing the number, size and proportion of contracting opportunities going to small businesses and first-time prime contractors;
- Streamlining the administration of contracting with centralized qualifications, improved payment time, and standardized transparent data collection;
- Increasing the amount and type of financing available to small businesses aiming to meet infrastructure contracts by working with private and public partners; and
- Expanding the number of signatories to this Pledge.

The IST's business participation strategies and pilot initiatives directly operationalize these commitments. By reducing barriers to participation, strengthening pathways to prime contracting, and expanding access to capital and bonding, the IST is translating the City's commitment into measurable action that advances equitable economic growth.

CAPITAL ACCESS AND BONDING

By Fall 2026



Completed: Support the Mayor's Office of Business Impact and Economic Advancement (BIEA) in identifying at least \$4M in additional funding for the Capital Access Fund

Bonding requirements and access to working capital remain a significant barrier for small and local businesses in City contracting. It is estimated that prime contractors need upfront working capital equal to as much as 30% of the bid value to cover initial project costs. Most upcoming public works opportunities are valued between \$1 million to \$3 million, with some as high as \$50 million. This means contractors need anywhere from \$300,000 to \$15 million in working capital available in order to even bid on the project.

The City of Philadelphia also requires contractors to furnish three types of surety bonds for public works contracts: a bid bond, a performance bond, and a payment bond. Obtaining bonds requires adequate working capital, net worth, and bonding capacity.

The Capital Access Fund and Bonding Program provides targeted, project-specific support and resources to help firms build the financial capacity needed to compete for and deliver public works contracts. With \$1.1 million in City-invested seed funding, the program pairs financial education and funds management with bonding and low-barrier, low-interest lines of credit to bolster Philadelphia contractors. In 2026, the IST launched the Program and onboarded a Fund Manager and Program Administrator (FMPA) to manage administration and operations.

The goals of the Capital Access and Bonding Program are to:

- Provide working capital to small and local businesses bidding on City of Philadelphia public works contracts
- Increase the number of bondable and bankable small businesses who can compete for public works contracts in Philadelphia

The Road to 2030



In Progress: By 2030, leverage investment in the Capital Access Fund to assist 50 firms in obtaining bonding and financing

The FMPA is on track to provide bonding services to 10 firms and administer four loans of approximately \$150,000 each during the pilot phase of the program. With \$5 million in additional funding commitments from a financial institution, the program will enable even more firms to receive bonding and financing during the pilot phase.

Looking ahead to 2027, program capacity will increase in partnership with the Commerce Department’s Grow Philly bonding program, which successfully provided bonding and education for eight firms in 2026. This will enable the City to maximize the impact of its investments by offering a “one-stop-shop” for firms seeking bonding and capital support. At the end of the pilot phase, the IST will evaluate the initiative and consider an expansion of the program.

THE 411 ON BONDING

Bonding requirements provide the City with financial security and reduce the risk of nonperformance or nonpayment by a contractor.

	Bid Bond	Performance Bond	Payment Bond
Purpose	Ensures that the contractor will honor their bid if they are awarded the contract	Guarantees that a contractor will fulfill their contractual obligations upon completion of the project	Ensures full and prompt payment to subcontractors, suppliers, and others providing labor or materials for the project
Application	Applies to all public works contracts Required at the time of bid submission	Applies to contracts > \$10,000 Required within 10 working days of contract award	Applies to contracts > \$1,000 Required within 10 working days of contract award
Requirement	Typically, 10% of the gross amount of the bid	100% of contract amount	100% of contract amount

MENTOR PROTÉGÉ PROGRAM

While many small and local businesses have the technical skills needed to complete public works projects, they often face challenges navigating the City's complex procurement process. Furthermore, City contracts are often structured to favor large prime contractors who have the financial capacity and back-office support needed to deliver on larger dollar projects.

In 2026, the IST launched a **Mentor-Protégé Program** to increase the capacity of small and local contractors to compete for and perform public works projects in Philadelphia. The program pairs small and local "protégé" firms with an established "mentor" to provide:



Classroom training on construction management and public contracting fundamentals



Hands-on construction of critical infrastructure projects like ADA curb ramps



Business development support including back-office administration and certification support



Preparation for future city contracts, including referrals for capital and bonding

Twenty (20) firms will be enrolled as protégés in the inaugural cohort, with classroom training slated to start this Fall and construction training to begin in Spring 2027. The first cohort will focus on constructing ADA-compliant curb ramps on 20 street corners. This is a high-demand area of work in Philadelphia that will equip participants with skills transferable to other road and highway construction opportunities.

By Fall 2026

 **In Progress:** Engage 20 small and local firms through the Mentor-Protégé Program

The Road to 2030

 **In Progress:** By 2028, expand the program to include other small-scale infrastructure projects

 **In Progress:** By 2030, award over \$20M in ADA curb ramp contracts to small and local firms

The Mentor Protégé Program is just one part of a comprehensive strategy to expand opportunities for small and local firms in City contracting.

The IST is developing future Strategic, Market-Aligned, Right-sized, and Targeted (S.M.A.R.T.) contract opportunities – including ADA curb ramp packages – designed for protégés to bid on as prime contractors upon training completion.



S.M.A.R.T. CONTRACTS

Many structural barriers exist in City contracting. This includes contract size and complexity, financial pre-qualifications, and requirements that favor firms with prior City contracting experience. These barriers can make many contract opportunities inaccessible to small and local firms. This limits market competition and, in turn, can delay the delivery of essential public infrastructure projects and increase costs for taxpayers.

The **S.M.A.R.T. Contracts Initiative** is a joint effort between the IST, BIEA, and the Procurement Department to address these barriers and create meaningful pathways into prime contracting for small and local firms, including graduates of the City's Mentor-Protégé Program.

What makes a contract S.M.A.R.T.?



Repeatable work tasks that do not require complex coordination or large startup costs



Projects reflect local vendor availability and capacity



Contracts sized to align with labor and financial capacity of small/local firms



Opportunities designed to position protégés to perform City work as prime contractors

S.M.A.R.T. Contracts are designed to align with the scale, experience, availability, and operational capability of small and local firms, creating meaningful pathways into prime contracting.

The IST is anticipating the first S.M.A.R.T. Contracts will hit the market in Summer 2027. In preparation, the team will develop an evaluation framework to track impact. Key metrics of success include the number and value of S.M.A.R.T. Contracts won by small and local firms and the number of first-time prime contractors with the City.

By Fall 2026



Completed: Develop a plan to pilot innovative procurement methods to increase prime contracting opportunities for small and local businesses

The Road to 2030



In Progress: By 2028, award four S.M.A.R.T. Contracts to small and local firms



In Progress: By 2030, evaluate the success of innovative procurement methods, such as S.M.A.R.T. Contracts, in increasing business participation



PROCUREMENT FORECAST

Launched by the IST in 2023, the Procurement Forecast responds directly to feedback from the business community seeking earlier awareness of upcoming City contracting opportunities. By providing more transparency into future procurements, the forecast enables businesses to plan ahead, build capacity, and better position themselves to compete for and win contracts.

The May 2026 Procurement Forecast includes 250 contracting opportunities across 12 departments and agencies. Projects include roads and bridges, public transportation, water systems, and climate resilience work, totaling more than \$1 billion in investments across Philadelphia over the next year. The seventh edition of the Procurement Forecast will be released in October 2026.



The City of Philadelphia's Optimizing Procurement and Accounting Logistics (OPAL) project is redesigning the City's financial, grants, procurement, and supply chain systems and business processes. After its launch in Summer 2027, the IST will work with the OPAL team to digitize and integrate future editions of the Procurement Forecast into the new system.

By Fall 2026



Completed: Institutionalize and expand the Procurement Forecast to include upcoming opportunities from City and quasi-public agencies

The Road to 2030



In Progress: By 2030, digitize and integrate the Procurement Forecast into the City's new procurement platform

One Philly: Partnerships that Drive Progress

Interdepartmental Efforts

OPAL is just one of the many ways Philadelphia is making it easier for businesses to work with City government. In 2026, the **Procurement Department** launched the Philadelphia Vendor Cooperative (PVCOOP), a centralized support team that helps vendors navigate City processes, resolve issues, and access the information they need to do business with the City. At the same time, the **Chief Administrative Office (CAO)** has led a cross-departmental effort to investigate contract conformance delays, recognizing that hold ups in contract execution can prevent vendors from submitting invoices and receiving payment for completed work.

Building on these efforts, the IST partnered with the **Mayor's Office of Policy Planning and Delivery** to take a deeper look at prompt payment challenges and identify opportunities to improve payment timelines.

Together, these initiatives reflect the City's ongoing commitment to creating a more efficient, responsive, and business-friendly government.

SupplyPHL

SupplyPHL is a public-private partnership with the City of Philadelphia and three non-profits. Its mission is to enhance the capabilities of small and local businesses and bridge access to contracting opportunities with major institutions. As of April 2026, SupplyPHL is working with 50 firms. Collectively, these firms have won almost \$50 million in contracts since working with SupplyPHL.



The Enterprise
Center



The Urban League of
Philadelphia



The Economy
League

5. Looking Ahead

The recent influx of infrastructure funds from the Bipartisan Infrastructure Law (BIL), also known as the Infrastructure Investment and Jobs Act (IIJA), enabled unprecedented investment in Philadelphia's built environment and also highlighted an opportunity that had been hiding in plain sight: routine public spending can improve our infrastructure systems while simultaneously generating economic benefits for Philadelphia residents.

The BIL/IIJA is set to finalize in September 2026, and the next federal surface transportation reauthorization bill – the BUILD Act – is on the horizon for Fall 2026. This proposed legislation focuses on standard transportation infrastructure similar to funding packages in recent history, and is narrower in scope than the BIL/IIJA. The BUILD Act is a \$580 billion five-year spending proposal that includes substantial funding for local transportation infrastructure such as roads and bridges. Alongside these anticipated federal funds, the IST will continue to leverage local and state dollars to secure infrastructure investments that have transformative impacts for communities. Moving forward, the focus of the IST remains on ensuring that these resources create wealth building opportunities for our City's residents and businesses.

Through this report, the IST renews and reaffirms its commitment to building a more inclusive, equitable, holistic, and stronger infrastructure ecosystem – one that benefits workers, communities, and businesses across Philadelphia.





APPENDIX I

Goals and Strategies | **WORKFORCE DEVELOPMENT**

By Fall 2026

GEHP	Identify and apply GEHP to fifteen infrastructure projects across three city departments.	In Progress
	Develop a performance monitoring and evaluation framework for GEHP.	Completed
Infrastructure Workforce Funding	Leverage workforce development funding to provide supportive services and training to apprentices and workers on city projects.	In Progress
Plug in Philly	Launch the first cohort of the <i>Plug in Philly</i> Pre-Apprenticeship Program.	Completed
Municipal Infrastructure Employment	Map clear pathways to fill critical infrastructure roles.	Completed

By 2030

GEHP	By 2028, identify and apply hiring preferences on 15 Professional Services infrastructure projects across 3 City Departments.	In Progress
	By 2030, institutionalize GEHP as a standard hiring practice across all eligible City infrastructure projects.	In Progress
	By 2030, increase participation of workers and apprentices from GEHP Zip Codes by 20%.	In Progress
Infrastructure Workforce Funding	By 2030, establish a standardized citywide workforce development model that integrates supportive services and training across all City-led infrastructure projects, with implementation guidelines adopted by participating departments.	In Progress
Plug in Philly	By 2030, provide training to 45 <i>Plug In Philly</i> participants and connect graduates to Registered Apprenticeship Programs, employment, or post-secondary education pathways.	In Progress
Municipal Infrastructure Employment	By 2029, launch two new workforce development initiatives for City employees to support career advancement and address critical workforce needs.	In Progress

APPENDIX I

Goals and Strategies | BUSINESS PARTICIPATION

By Fall 2026

Capital Access & Bonding	Support the Mayor's Office of Business Impact and Economic Advancement (BIEA) in identifying at least \$4M in additional funding for the Capital Access Fund.	Completed
Mentor-Protégé	Engage 20 small and local firms through the Mentor-Protégé Program.	In Progress
S.M.A.R.T. Contracts	Develop a plan to pilot innovative procurement methods to increase prime contracting opportunities for small and local businesses	Completed
Procurement Forecast	Institutionalize and expand the Procurement Forecast to include upcoming opportunities from City and quasi-public agencies.	Completed

By 2030

Capital Access & Bonding	By 2030, leverage investment in the Capital Access Fund to assist 50 firms in obtaining bonding and financing.	In Progress
Mentor-Protégé	By 2028, expand the program to include other small-scale infrastructure projects.	In Progress
	By 2030, award over \$20M in ADA Curb ramp contracts to small and local firms.	In Progress
S.M.A.R.T. Contracts	By 2028, award four S.M.A.R.T. Contracts to small and local firms.	In Progress
	By 2030, evaluate the success of innovative procurement methods, such as S.M.A.R.T. Contracts, in increasing business participation.	In Progress
Procurement Forecast	By 2030, digitize and integrate the Procurement Forecast into the City's new procurement platform.	In Progress

APPENDIX II

Glossary

Apprenticeship Readiness Program (ARP): 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.

Bipartisan Infrastructure Law (BIL): The Bipartisan Infrastructure Law (BIL) also known as the Infrastructure Investment and Jobs Act (IIJA) is a generational investment in our nation's infrastructure. It makes the largest investment in bridges since the interstate system was built, the largest investment in transit in U.S. history, the greatest investment in passenger rail since the creation of Amtrak, and the largest investment in EV infrastructure in U.S. history.

Business Density: The number of firms per 1,000 residents 16 and older.

Family-Sustaining Job: 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.

Infrastructure: The basic physical and organization structures and facilities needed for the operation of a society or enterprise. The BIL 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 EV charging installations), and airport infrastructure.

Journey person: A skilled trades worker who has completed an apprenticeship and met the requirements for certification or journey person status in their trade, allowing them to work independently.

Registered Apprenticeship Program (RAP): 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.

Supportive Services: Wraparound supportive 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. Wraparound services can include childcare, transportation, housing, counseling/coaching, and other social service supports.

Upward Mobility: Defined by the [Urban Institute](#) as having three interconnected dimensions: dignity and belonging, economic success, and power and autonomy.



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