



City of Philadelphia

City Council
Chief Clerk's Office
402 City Hall
Philadelphia, PA 19107

**BILL NO. 190766
(As Amended, 11/19/19)**

Introduced October 3, 2019

Councilmember Johnson

**Referred to the
Committee on Rules**

AN ORDINANCE

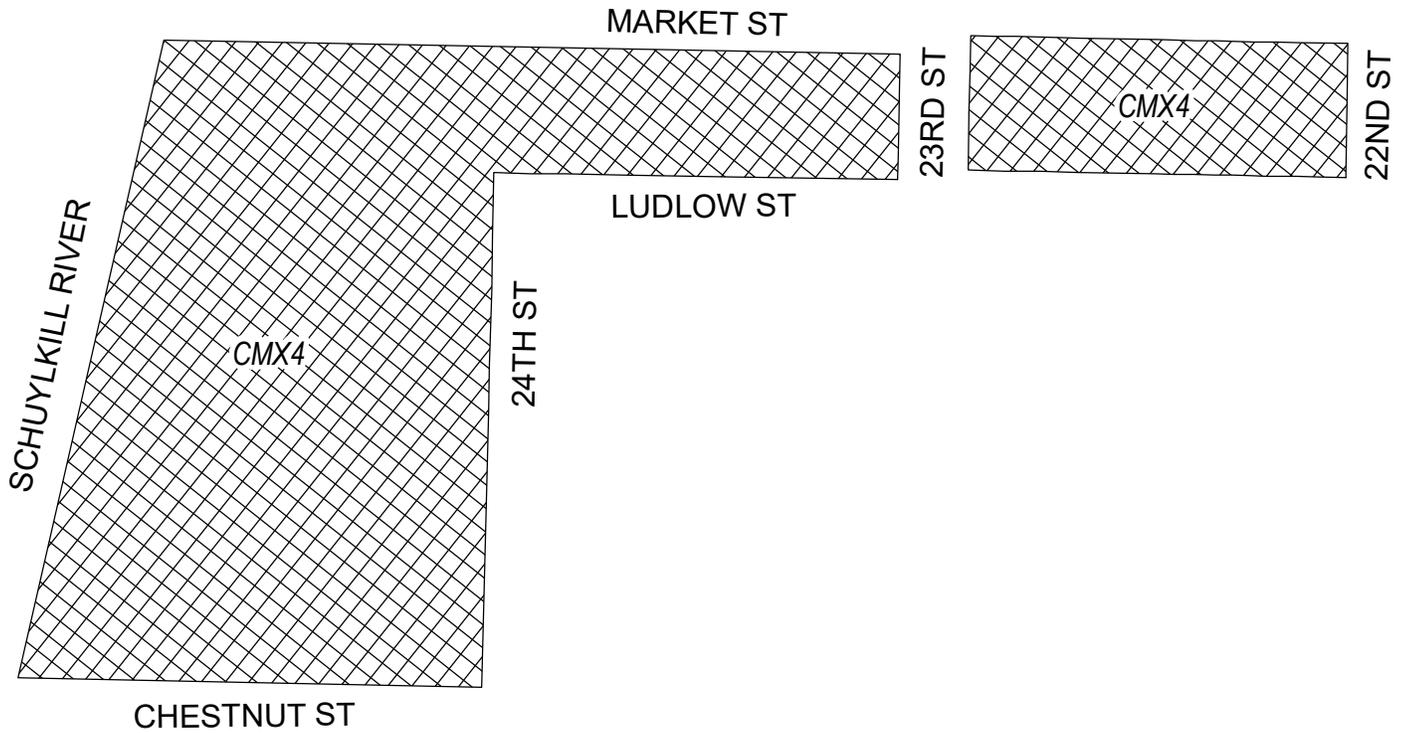
To amend the Philadelphia Zoning Maps by changing the zoning designations of certain areas of land located within an area bounded by Market Street, 22nd Street, Ludlow Street, 24th Street, Chestnut Street, and the Schuylkill River.

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1. Pursuant to Section 14-106 of The Philadelphia Code, the Philadelphia Zoning Maps are hereby amended by changing the zoning designations of certain areas of land within an area bounded by Market Street, 22nd Street, Ludlow Street, 24th Street, Chestnut Street, and the Schuylkill River from the existing zoning designations indicated on Map "A" set forth below to the zoning designations indicated on Map "B" set forth below.

SECTION 2. This Ordinance shall become effective immediately.

City of Philadelphia Map A Existing Zoning

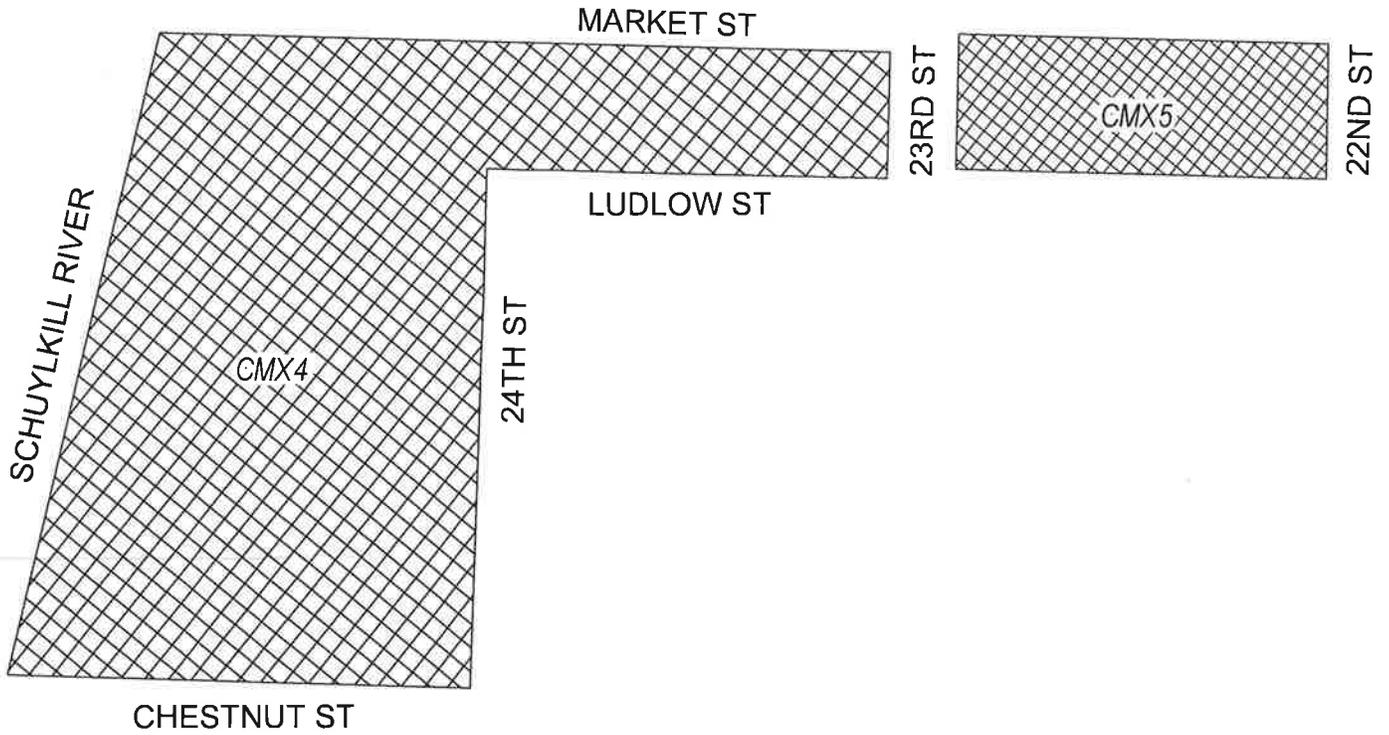


Zoning Districts

 CMX-4, Commercial Mixed-Use
City of Philadelphia



City of Philadelphia Map B Proposed Zoning



Zoning Districts



CMX-4/CMX-5, Commercial Mixed-Use
City of Philadelphia



Project name: 2222 Market St
Name of developer: Market West Associates, LP
Headquarters location: 150 N. Broad St, Philadelphia, PA 19102
No. employees: 0
Annual revenues: \$440,000.00
Project budget (construction): \$95,000,000.00
Project budget (professional services): \$3,500,000.00

City of Philadelphia
Economic Opportunity Plan

2222 MARKET STREET

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I. Introduction and Definitions

The City of Philadelphia strongly encourages the use of certified Minority ("MBE"), Women ("WBE"), Disabled ("DSBE") and Disadvantaged ("DBEs") Business Enterprises (collectively, "M/W/DSBEs") and minority and female workers in all aspects of **2222 Market Street** (the "Project") located at **2222 Market Street** ("the Site") which may include financial investment, design, construction, and operations.¹ In support of this objective, the City of Philadelphia will require that **Market West Associates, LP** (the "Owner") commit to this Economic Opportunity Plan ("EOP" or "Plan"). This Plan contains ranges of projected M/W/DSBE utilization and goals for the employment of minority and female workers in connection with the Project at the Site. This Plan shall be a part of and incorporated into the resulting agreement(s) with the owners of the **2222 Market Street**.

The Owner hereby verifies that all information submitted to the Office of Economic Opportunity ("OEO") in response to this Plan is true and correct and takes notice that the submission of false information is subject to the penalties of 18 PA C. S. Section 4904, relating to unsworn falsification to authorities and 18 PA C. S. Section 4107.2 (a)(4), relating to fraud in connection with minority business enterprises or women's business enterprises.

For the purposes of this Plan, MBE, WBE, DBE and DSBE shall refer to certified businesses so recognized by OEO. Only the work or supply efforts of firms that are certified as M/W/DSBEs by an OEO-approved certifying agency will be eligible to receive credit as a Best and Good Faith Effort.² In order to be counted, certified firms must successfully complete and submit to the OEO an application to be included in the OEO Registry which is a list of registered M/W/DSBEs maintained by the OEO and available online at <https://phila.mwdsbe.com/>.

For this Plan, the term "Best and Good Faith Efforts," the sufficiency of which shall be in the sole determination of the City, means: efforts, the scope, intensity and appropriateness of which are designed and performed to foster meaningful and representative opportunities for participation by M/W/DSBEs and an appropriately diverse workforce and to achieve the objectives herein stated. Best and Good Faith Efforts are rebuttably presumed met when commitments are made within the M/W/DSBE participation ranges established for the Project and a commitment is made to employ a diverse workforce as enumerated herein.

II. Project Scope

Office building with underground parking

III. Goals

A. M/W/DSBE Participation Ranges

As a benchmark for the expression of "Best and Good Faith Efforts" to provide meaningful and representative opportunities for M/W/DSBEs in the Project, the following participation ranges have been established. These participation ranges represent, in the absence of discrimination in the solicitation and selection of M/W/DSBEs, the percentage of MBE, WBE and DSBE participation that is reasonably attainable through the exercise of Best and Good Faith Efforts. These percentages relate to the good faith estimated cost of the entire Project. In order to maximize opportunities for as many businesses as possible, a firm that is certified in two or more categories (e.g., MBE and WBE and DSBE or WBE and DSBE) will

¹ Disadvantaged Business Enterprises ("DBEs") are those socially or economically disadvantaged minority and woman owned businesses certified under 49 C.F.R. Part 26.

² A list of "OEO approved certifying agencies" can be found at www.phila.gov/oeo

only be credited toward one participation range as either an MBE or WBE or DSBE. The ranges are based upon an analysis of factors such as the size and scope of the Project and the availability of MBEs, WBEs, and DSBEs to participate in this development.

The following contract goals have been set for the Project:

Contracts	Minority Owned	Female Owned	DSBE	Total
Construction	20-25%	15-20%	BGFE	35-45%

B. Employment Goals

The Owner agrees to exhaust its Best and Good Faith Efforts to employ minority persons, by race and ethnicity, and females in its workforce of apprentices and journeypersons at the following levels:

African American journeypersons: 22% of all journey hours worked across all trades

Asian journeypersons: 3% of all journey hours worked across all trades

Hispanic journeypersons: 15% of all journey hours worked across all trades

Female journeypersons: 5% of all journey hours worked across all trades

Minority apprentices: 50% of all hours worked by all apprentices

Female apprentices: 5% of all hours worked by all apprentices

Local Residents
32%

The Owner will be required to submit to the City, no later than seven (7) days before the starting date of work on any such contract, a Workforce Diversity Goal Plan which shall include specific availability and utilization strategies for meeting the Workforce Diversity goals. The City’s Labor Standards Unit shall have the responsibility of administering oversight of these Workforce Diversity Goals including evaluating the sufficiency of the Workforce Diversity Goal Plan, and monitoring the successful Bidder’s Best and Good Faith Efforts towards realization of the goals throughout the duration of the contract.

IV. Equity Ownership

The Philadelphia Code 17-1603 requires that each Economic Opportunity Plan include information concerning the Equity Ownership (as defined) of (1) the contractor, developer and/or recipient of financial assistance required to submit the Plan; (2) participants (as defined) engaged by the contractor, developer and/or recipient of financial assistance; and (3) the eventual owner or owners of the project or contract to which the Plan relates; and requiring periodic reports for the purpose of updating Equity Ownership information; all under certain terms and conditions.

Identify the current equity owners of the project.

Type of Ownership	% Minority Owned	% Women-Owned	% Disabled Persons
Sole Proprietorship	0%	0%	0%
Partnership	0%	40%	0%
Corporation	0%	0%	0%

If the project is privately owned, the following individuals will become the anticipated Equity Owners upon completion.

Type of Ownership	% Minority Owned	% Women-Owned	% Disabled Persons
Sole Proprietorship	0%	0%	0%
Partnership	0%	0%	0%
Corporation	0%	0%	0%

Following the completion of the project, the project owner is responsible for meeting the reporting guideline identified in the Philadelphia Code.³

V. Diversity Practices

In compliance with Chapter 17-1603, the Economic Opportunity Plan shall contain a statement from the contractor, developer, and/or recipient of financial assistance summarizing past practices by identifying and describing examples of processes used to develop diversity at any/all levels of its organization including, but not limited to, Board and managerial positions. This statement shall also summarize strategic business plans specific to current or past practices of M/W/DSBE utilization on government and non-government projects and procurement.

1. Describe employment and recruitment policies used to achieve diversity in your workforce.

N/A - The Project Owner has no employees. Project Owner intends to engage a general contractor with a commitment to achieving a diverse workforce. Turner Construction is a federal contractor committed to compliance with OFCCP regulations. Turner's EEO policy (included) is updated annually and reinforces Turner's commitment to provide equal employment opportunity for all employees by hiring and advancing individuals without regard to race, color, religion, sex, sexual orientations, sexual identity, national origin, disability, veteran status, or any other characteristic protected by applicable law. All of our employees including our Trades, and all subcontractors receive a copy of this policy on date of hire and/or in pre-bid materials. Our compensation practices are consistently reviewed to ensure fairness and equity. All recruiting practices are aligned with our commitment to diversity and equal employment opportunity as noted above. Turner's career development program includes efforts to provide equal development and training opportunities for all employees.

³ Per The Philadelphia Code 17-1603: *Continuing Reporting Requirements*.

(i) Within 30 days of each anniversary of the date that the Plan is finally certified, the contractor, developer and/or recipient of financial assistance shall file with the Chief Clerk of Council and the certifying agency an addendum to the original Plan that provides the Equity Ownership information required in subsection (g)(.2), updated so that it is accurate as of the anniversary date. This requirement shall continue until the project is completed.

(ii) The final EOP report required pursuant to § 17-1604(2)(.a) shall include updated Equity Ownership information that is accurate as of the date of the final report.

(iii) After the final EOP report has been filed, the owner or owners of the completed project shall have a continuing obligation to file a Statement of the owner's or owners' Equity Ownership within 30 days of each anniversary of the date that the final EOP report is submitted. The Statement shall be accurate as of the relevant anniversary date, and shall be filed with the Chief Clerk of Council and the certifying agency. No Statement shall be required if the completed project is not privately-owned.

2. Provide the race, gender, and residential (local) status of your:

A. Directors	race: Caucasian; gender: two males and one woman; residential status: one lives in Philadelphia, one lives in Penn Valley and the other lives in Bryn Mawr
B. Management	race: Caucasian; gender: male; residential status: one lives in Philadelphia, one lives in Doylestown and the other lives in Paoli
C. General Workforce	N/A - The Project Owner has no employees.

3. Identify your organization’s methods of solicitation and utilization of Minority, Woman and Disabled Businesses (M/W/DSBEs). Please be specific in describing outreach and any procurement policies that are focused on creating or sustaining business relationships with M/W/DSBEs.

Project Owner intends to engage a general contractor with substantial experience soliciting and utilizing M/W/DSBEs on development projects. Project Owner is committed to working with its general contractor to pursue business relationships with M/W/DSBE's, and to use best efforts to comply with the EOP. The following bullet points outline the key components of Turner Construction's Economic Opportunity and Inclusion Plan: A. Timely dissemination of project information to the MWLBE contracting community B. Assist contractors in becoming Turner Certified C. Facilitate introductions between majority and minority-/women-owned firms D. Develop a diverse construction management team E. Document and report MWLBE utilization on monthly basis F. Document and report workforce diversity on the project G. Utilize Turner’s School of Construction Management Program to introduce more contractors to the ways to do work with the Turner team H. Provide OSHA 30-hour training at cost to MWLBE personnel I. Identify unconventional areas for promotion of local M/WBE Firms J. Goals, good-faith efforts, and counting K. Compliance and enforcement

4. What percentage of your company’s total spend with vendors and suppliers is attributable to M/W/DSBEs? Please include a list of the largest M/W/DSBEs used by your organization in the last 12 months.

A. Identify the type of goods or services purchased.	None. Project Owner does not have many existing contracts for 2222 Market St. at this time. Project Owner will work with its general contractor and use best efforts to meet the goals established by the EOP. Turner Construction provided the following information with respect to the company's total spend with vendors and suppliers attributable to M/W/DSBE's: In calendar year 2018, Turner Construction Company’s M/W/DSBEs vendors, lower tiered subcontractors and suppliers constituted about 13.4% of our diverse spend. In 2019, from January 1 to 11/15/19 thus far Turner has achieved a diversity spend of 23.6%. The below is a listing of 100% M/W/DSBE subcontracts we have
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	<p>issued from January 1, 2019 to November 15, 2019. Note that some of these, such as Tracorp, Central Metals, City Cleaning, Kane Communications, Buttonwood, Cornell & Company, Quality Flooring Workroom Inc. and Guthrie, have been issued two (2) or more contracts during this period. • Tracorp • Laura Fedale dba G. Fedale General Contractors • Guthrie Glass & Mirror Inc. • City Cleaning Company Inc. • Central Metals Inc. • Buttonwood Company Inc. • Benco Inc. • American Floors • Quality Flooring Workroom Inc. • Robert Ganter Contractors, Inc. • Paramount Electrical Services • Old Philadelphia Associates Inc. • EC Fence and Iron Works, Inc. • Aerdux • Turtle & Hughes • Graboyes • Cornel and Company • EPI of Cleveland • FLO Mechanical • Nittany Building Specialties • Owen Steel • Thomas Co, Inc.</p>
<p>B. Amount of the contract.</p>	<p>Subcontracts vary</p>
<p>C. Indicate if any of these M/W/DSBEs are listed in the City of Philadelphia’s Office of Economic Opportunity Registry.</p>	<p>Yes. Tracorp, Central Metals, City Cleaning, Kane Communications, Cornell & Company, Quality Flooring Workroom Inc., Guthrie Glass & Mirror, Robert Ganter Contractors, Inc., Paramount Electrical Services, Old Philadelphia Associates, EC Fence and Iron Works, Inc., Aerdux, Turtle & Hughes, Owen Steel Company.,</p>
<p>D. Are these companies certified as M/W/DSBEs? Do you rely on any particular certifying agency?</p>	<p>Yes. All subcontractors provide relevant certifications as part of purchasing program.</p>
<p>E. If there is no previous M/W/DSBE utilization, the Plan shall contain a statement that explains the reason for the lack of M/W/DSBE participation in past contract(s) or project(s).</p>	

5. Describe any initiatives made by your organization to increase investment and promote equity ownership by minorities and women.

Project Owner intends to engage a general contractor with substantial experience soliciting and utilizing M/W/DSBEs on development projects.

6. The Plan shall contain a statement from the contractor, developer or recipient of financial assistance identifying all City contracts and financial assistance entered into or received by the entity and by any related corporate entities in the three years before execution of the EOP, or such greater amount of time as may be set forth in the record retention requirement of an applicable EOP, that were subject to an EOP that contained M/W/DSBE goals and/or workforce diversity

goals. For purposes of this subsection (f.1), “related corporate entities” means any business entity controlled by a person or business with a majority interest in the business agreeing to the EOP.

While the answers to the above two questions regarding EOP performance are no, an entity related to the Project Owner has submitted an EOP plan on 2000 Arch St. However, development on that project has not begun. Moreover, another entity related to the Project Owner has contracts to provide services at the airport. To show that the Project Owner intends to work with a general contractor that has substantial experience implementing EOP's, we have attached a EOP compliance report provided by Turner Construction that relates to a development on which Turner Construction worked.

VI. Responsiveness

A. The owner shall identify M/W/DSBE commitments and other agreements evidencing their intent to use Best and Good Faith efforts to employ minority persons and females at the levels stated herein. The identified commitments constitute a representation that the M/W/DSBE is capable of providing commercially useful goods or services relevant to the commitments and that the Owner has entered into legally binding commitments or other legally binding agreements with the listed M/W/DSBEs for the work or supply effort described and the dollar/percentage amounts set forth. In calculating the percentage of M/W/DSBE participation, the standard mathematical rules apply in rounding off numbers. In the event of inconsistency between the dollar and percentage amounts listed on the form, the percentage will govern.

B. M/W/DSBE commitments are to be memorialized in a written subcontract agreement. Letters of intent, quotations, contracts, subcontracts and any other documents evidencing commitments with M/W/DSBEs become part of and an exhibit to the Agreement resulting from the RFP.

C. OEO will review the owner’s commitments for the purpose of determining whether Best and Good Faith Efforts have been made. OEO reserves the right to request further documentation and/or clarifying information at any time during the construction and development of the Project.

VII. Compliance and Monitoring of Best and Good Faith Efforts

A. The owner agrees to cooperate with OEO in its compliance monitoring efforts, and to submit, upon the request of OEO, documentation relative to its implementation of the Plan, including the items described below:

- Copies of signed contracts and purchase orders with M/W/DSBE subcontractors
- Evidence of payments (cancelled checks, invoices, etc.) to subcontractors and suppliers to verify participation; and
- Telephone logs and correspondence relating to M/W/DSBE commitments.
- To the extent required by law, the Owner shall ensure that its on-site contractors maintain certified payrolls which include a breakout of hours worked by minority and female apprentices and journeypersons. These documents are subject to inspection by OEO.

B. Prompt Payment of M/W/DSBEs

The owner agrees and shall cause its contractors to ensure that M/W/DSBEs participating on the Project receive prompt payment for their work or supply effort within five (5) days after receipt of payment from the project owner.

C. Oversight Committee

EOP version February 1, 2019

For this Project, an Oversight Committee (“Committee”) must be established if the project budget exceeds five million dollars. With the sole discretion of the City, an oversight committee may consist of representatives from the Owner, representatives of the building trades, the construction manager, and the City which may include the Project site’s district councilperson, OEO, and appropriate community organizations. The Committee will meet regularly to provide advice for the purpose of facilitating compliance with the Plan.

D. Reporting

The owner agrees to file an annual report with the City of Philadelphia and City Council concerning the performance of the Economic Opportunity Plan through the duration of the Project. In addition, during construction, the Owner will provide "snapshot" reports containing updates for certain categories of information contained in its annual report on a monthly basis during construction. Snapshot reporting will include: (i) utilization of M/W/DSBEs, and (ii) the hiring and employment of minorities and females. All reports (quarterly & annually) provided to the City under this section will also be provided to the Office of Economic Opportunity.

VIII. Remedies and Penalties for Non-Compliance

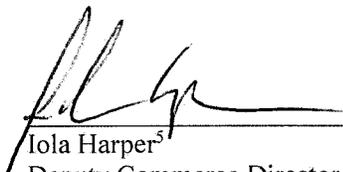
A. The owner agrees that its compliance with the requirements of this Plan is material to the Agreement. Failure to comply with the Plan may constitute a substantial breach of the Agreement and is subject to the remedies and penalties contained therein or otherwise available at law or in equity. Notwithstanding the foregoing, no privity of contract exists between the City and any M/W/DSBE identified in any contract resulting from implementation of the Plan. Neither the Owner nor the City intends to give or confer upon any such M/W/DSBE any legal rights or remedies in connection with subcontracted services under any law or policy or by any reason of any contract resulting from implementation of the Plan except such rights or remedies that the M/W/DSBE may seek as a private cause of action under any legally binding contract to which it may be a party.

Brian Berson

11/18/19

Brian Berson⁴
Senior VP for Real Estate and Development
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Date



11/19/19

Iola Harper⁵
Deputy Commerce Director for the Office of Economic Opportunity
Department of Commerce
City of Philadelphia

Date

⁴ The Owner's Representative is required to sign and date, but the City reserves the right to obtain the Owner's Representative signature thereon at any time prior to Plan certification. The Owner Representative will receive from the City a certified copy of its Plan which should be filed with the Chief Clerk of City Council within fifteen (15) days of the issuance and published by OEO, in a downloadable format, on the OEO website.

⁵ Pursuant to Section 17-1603 (2) of The Philadelphia Code, the representative of the City of Philadelphia's Office of Economic Opportunity, the "certifying agency", certifies that the contents of this Plan are in compliance with Chapter 17-1600.