

# City of Philadelphia



(Bill No. 160709-A)

## AN ORDINANCE

Amending Chapter 17-100 of The Philadelphia Code, entitled “Procurement Contracts,” by further providing with respect to the Local Bidding Preference, including but not limited to provisions concerning penalties, requirements necessary for certification and re-certification, and further providing for the relationship between prime contractors and subcontractors, all under certain terms and conditions.

*THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:*

SECTION 1. Chapter 17-100 of The Philadelphia Code is hereby amended to read as follows:

### CHAPTER 17-100. PROCUREMENT CONTRACTS.

\* \* \*

§17-109 Local Bidding Preference

\* \* \*

(3) Certification.

(a) A Business Entity that seeks to be certified as a Local Business Entity shall make application to the Commissioner on a form provided by the Department. Such application shall not be considered by the Commissioner unless the Business Entity files with the Commissioner:

(i) A written certificate that the Business Entity is not delinquent in the payment of any City or School District of Philadelphia taxes, charges, fees, rents or claims, or that the Business Entity has entered into an agreement to pay any such delinquency and is abiding by the terms of such agreement; and

(ii) A written waiver of the provisions of Section 19-506(2) to expressly authorize the Revenue Department to share with the Department all information in its possession concerning the Business Entity, including any information that would otherwise be confidential.

(b) The Commissioner shall certify a Business Entity as a Local Business Entity if the Commissioner determines:

# City of Philadelphia

BILL NO. 160709-A continued

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(i) That the Business Entity, during the preceding 12 months, has filed a business income and receipts tax return with the City establishing that the contractor conducted business within the City within the calendar year preceding the filing of the return.

(ii) That during the preceding eighteen (18) months the Business Entity:

(A) Has continuously maintained a valid commercial activity license and all other licenses and permits necessary to conduct business with the City;

(B) Has continuously occupied, *staffed and conducted business* in an office within the City[, where business is conducted]; and

(.1) *The Business Entity's principal place of business is located in the City; or*

(.2) *The Business Entity continuously during the preceding eighteen (18) months satisfies at least two of the three following requirements;*

(.i) *More than sixty percent of the Business Entity's full-time employees are reported as Philadelphia Residents on the City of Philadelphia Annual Reconciliation of Employer Wage Tax;*

(.ii) *More than half of the Business Entity's full-time employees work in the City at least sixty percent (60%) of the time; or*

(.iii) *More than three quarters of the Business Entity's gross receipts are reported on the Entity's business and income receipts tax return as Philadelphia receipts.*

[(C) Satisfies at least one of the following requirements:

(.1) More than half of the Business Entity's full-time employees work in the City at least sixty percent of the time;

(.2) More than fifty of the Business Entity's full-time employees work in the City at least sixty percent of the time; or

(.3) The Business Entity's principal place of business is located in the City.]

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# City of Philadelphia

BILL NO. 160709-A continued

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*(10) Ineligibility.*

*(a) The Department, through regulations, shall provide for the ineligibility of a contractor for a local business preference for up to three years upon a finding of any intentional misstatements or noncompliance with any certification relating to LBE status.*

SECTION 2. Effective Date. This Ordinance shall take effect January 1st, 2017.

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Explanation:

*Italics* indicate new matter added.

[Brackets] indicate matter deleted

# City of Philadelphia

BILL NO. 160709-A continued

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CERTIFICATION: This is a true and correct copy of the original Bill, Passed by the City Council on November 17, 2016. The Bill was Signed by the Mayor on November 30, 2016.



Michael A. Decker  
Chief Clerk of the City Council