

## Legislation Text

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Proposing an amendment to the Philadelphia Home Rule Charter to provide for the creation, appointment, powers and duties of an International Trade and Investment Authority, with the authority to establish a fund to attract overseas investment, and providing for the submission of the amendment to the electors of Philadelphia.

WHEREAS, A comprehensive global business strategy is critical to Philadelphia's economic future as it seeks to reverse a protracted history of net job losses, and to generate new sources of revenue for investing in its infrastructure and services; and

WHEREAS, According to the U.S. Department of Commerce, Foreign Direct Investment (FDI) supports about 5.3 million jobs in the U.S. and U.S. affiliates of foreign firms generate over 20% of U.S. export. In 2010, U.S. communities received \$228 billion in FDI, representing a 50% increase from 2009, and it is projected that exports will account for \$16.8 trillion by 2020, amounting to 39.7% of U.S. GDP growth; and

WHEREAS, In recognition of the importance of international investment and trade to the U.S. economy, and the growing competition for FDI among cities around the world, President Barack Obama created the SelectUSA initiative to support U.S. communities with outreach, information, and an ombudsman service at the federal level to promote FDI, by executive order on June 15, 2011. In addition, in 2010, President Obama implemented a National Export Initiative to double U.S. exports by 2015; and

WHEREAS, The Philadelphia metropolitan region is the economic engine for the Commonwealth of Pennsylvania, contributing nearly 60% annually to the Commonwealth's total Gross Domestic Product (GDP) of the Commonwealth, which was \$629, 851 Millions of Dollars in 2012, according to the U.S. Bureau of Economic Analysis; and

WHEREAS, Despite Philadelphia's many economic competitive advantages, such as arts and culture, location relative to key markets, education and medical centers, and a growing concentration of innovation,

Philadelphia has not been able to attract a significant level of international investments. According to a finding from FDI Market, Philadelphia was not included among the top 20 U.S. cities receiving FDI between 2003-2012. New York City (NY) was the top recipient of FDI at \$16.2 Billion and Dallas (TX) was the 20th top recipient of FDI at \$2.35 Billion; and

WHEREAS, A series of public hearings held by Council's Committee on Global Opportunities and the Creative/Innovative Economy on Philadelphia's global competitiveness identified that: 1) a key barrier for Philadelphia's future as a global city is the lack of a comprehensive strategy for international trade and investment attraction and 2) in order for Philadelphia to compete more effectively with other major cities in the U.S. and abroad for jobs, investments, and talent, it must assume its role as a major city and establish an International Business System responsible for organizing and initiating foreign relations and business allowing a focused and consistent strategy for developing Philadelphia as a premier international city and making it an economic hub for international trade and investment; and

WHEREAS, Under Section 6 of the First Class City Home Rule Act (53 P.S. §13106), an amendment to the Philadelphia Home Rule Charter may be proposed by a resolution of the Council of the City of Philadelphia adopted with the concurrence of

two-thirds of its elected members; now, therefore

RESOLVED, BY THE COUNCIL OF THE CITY OF PHILADELPHIA, That the following amendment to the Philadelphia Home Rule Charter is hereby proposed and shall be submitted to the electors of the City on an election date designated by ordinance:

### ARTICLE III

#### EXECUTIVE AND ADMINISTRATIVE BRANCH ORGANIZATION

#### CHAPTER 1

#### OFFICERS, DEPARTMENTS, BOARDS,

#### COMMISSIONS AND OTHER AGENCIES

§3-100. Executive and Administrative Officers, Departments, Boards, Commissions and Agencies Designated.

The executive and administrative work of the City shall be performed by:

- (a) The following elected or appointed officers:

\* \* \*

Handicapped and Disabled Advocate [.]; *and*  
*Director of International Trade and Investment*

\* \* \*

#### ARTICLE IV

#### EXECUTIVE AND ADMINISTRATIVE BRANCH - POWERS AND DUTIES

The Mayor, The City Representative and Departments, Boards and Commissions under

The Mayor

#### CHAPTER 5

Department of Commerce and Its Departmental Board

§ 4-500. Functions.

The Department of Commerce shall have the power and its duty shall be to perform the following functions:

- (a) Promotion of economic development activity within the City of Philadelphia. It shall promote and develop opportunities for business growth in the City and the City's commerce and

industry, and shall encourage the increased use of the Port and airports of Philadelphia and Philadelphia's workforce. *Nothing in this subsection shall preclude the exercise of the powers and duties of the International Trade and Investment Authority as specified in Section § 7-701 .*

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## ARTICLE VI

### EXECUTIVE AND ADMINISTRATIVE BRANCH - POWERS AND DUTIES

Director of Finance, Financial Departments, Boards and Commissions, City Treasurer, Procurement Department, [and] Boards of Pensions and Retirement, *and Authorities*

### CHAPTER 7

#### *International Trade and Investment Authority*

§ 7-700. *Creation.*

*The International Trade and Investment Authority, with the authority to establish a fund to attract overseas investment, is hereby created with appointed members from the City of Philadelphia and the of Commonwealth of Pennsylvania, headed by a Director of International Trade and Investment.*

§ 7-701. *Powers and Duties.*

*The International Trade and Investment Authority shall have the power, and its duty shall be, to perform the following functions:*

- (a) Provide a centralized support for attracting trade and foreign direct investment with close cooperation with the State and Federal agencies, and local and regional economic development organizations.*
  
- (b) Establish the City of Philadelphia's Overseas Investment Fund for attracting immigrant and other overseas investors: (i) the Fund will be dedicated to supporting economic development projects for developing Philadelphia as a premier international city; and (ii) the use of this dedicated Fund will be to promote the City's global strategy and enhancing the capabilities of the International Trade and Investment Authority.*
  
- (c) Establish criteria for building partnerships and alliances with foreign cities, governments, businesses, and organizations by: (i) developing an international protocol for the City of Philadelphia to extend hospitality to the Heads of State, government officials, distinguished visitors, and other dignitaries; (ii) managing inbound and outbound overseas visits and trade missions to promote Philadelphia's business opportunities, including maintaining a record of their goals, relevant details, and outcomes that can be utilized on a continual basis to pursue long-term relationships and partnership-building; and (iii) serving as liaison to embassies and consulate offices, and promote the establishment of foreign consulate offices.*
  
- (d) Address the City's competitive disadvantages that affect investment climate through advocacy and policy development.*

*§ 7-702. Authority Member Appointments.*

- (a) The International Trade and Investment Authority shall be comprised of twelve (12) members, appointed as follows: (i) Three (3) members shall be appointed by the Mayor; (ii) Three (3) members shall be appointed by City Council; (iii) Two (2) members shall be appointed by the Governor; (iv) Two (2) members shall be appointed by the President of State Senate; (v) Two (2) members shall be appointed by the Speaker of the House of Representatives.*
  
- (b) The Authority shall appoint the Director of International Trade and Investment and provide expert advice and oversight of the powers and duties exercised in Section § 7-701.*

- (c) *Qualifications.* Members shall have expertise in relevant areas, including, but not limited to: international business, economic development, marketing, real estate development, law, tourism, arts, and technology commercialization: (i) at least five (5) members of the International Trade and Investment Authority must be representatives of businesses and organizations that have a multinational presence, with each appointing authority to appoint one (1) such member.
- (d) *Term.* All members shall serve terms concurrent with the appointing authority, and may only be removed for cause.
- (e) *Vacancies.* Any vacancy in an appointed position shall be filled by the original appointing authority within thirty (30) days of the creation of the vacancy.
- (f) *Compensation.* The members of the Authority shall not be compensated.
- (g) *A chair shall be appointed by majority vote of all the members of the Authority.*
- (h) *A quorum consists of 7 members.*

§ 7-703. *Ethics.*

- (a) *The Authority shall be governed by rules and regulations of the Ethics Act of the Commonwealth of Pennsylvania.*

APPENDIX

\* \* \*

CHAPTER A-2

§ A-200. Schedule.

This charter shall become effective on the first Monday of January, 1952, except in the following particulars:

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*(8) The amendments to this Charter relating to the International Trade and Investment Authority shall take effect January 1, 2017.*

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Explanation:

[Brackets] indicate matter deleted.

*Italics* indicate new matter added.