

OEO/CBA Meeting with Darrell Clarke, Dec 8, 2020, 3 PM ZOOM

Attendees:

Council President's Office

Darrell Clarke, Council President  
Mary Jones, Legislative Assistant

Murano

David Davitch, President

CCRA

Maggie Mund, President  
Rick Gross, Exec. VP  
Wade Albert, Counsel

Parkway Corporation

Wale Mabogunje  
Brian Berson

LSNA

Dennis Boylan, President

PMC Property

Arrus Farmer, EVP

Brandywine Realty

Paul Commito

City Of Philadelphia OEO

Eric Watkins

Background and Purpose of Meeting:

When CCRA and LSNA negotiate Community Benefit Agreements ("CBAs") with developers of major projects in Center City West or in Logan Square, we seek commitments from the developers for measurable goals for minority hiring on the projects and for purchasing or subcontracting from minority and women-owned businesses. Recently, both Brandywine (at 21<sup>st</sup> and Market) and Parkway (at 23<sup>rd</sup> and Market), have signed CBA's providing exactly that as they both have entered Economic Opportunity Plans (EOPs) approved by the Philadelphia Office of Economic Opportunity. Those plans have measurable, quantifiable goals and require oversight and regular reporting to be sure that the developers are meeting their commitments. .

In negotiating a CBA with CCRA, LSNA and the Murano for the proposed building in the Trader Joe's parking lot at 33 N. 22<sup>nd</sup>, PMC refused to adopt any specific or quantifiable goals. Instead, it agreed to non-specific language committing itself to try to achieve minority hiring. CCRA and LSNA agreed to this language reluctantly, as both organizations think it is no longer acceptable in the current climate where real, measurable efforts are needed to change this pattern and employ minority tradespeople who live in Philadelphia and to purchase supplies from local women-owned or minority businesses or subcontractors.

After much negotiation, PNC agreed to meet with the RCO's and the Murano (which borders the site) and Council President, at his invitation, so long as other major developers would attend as well. Brandywine and Parkway welcomed the opportunity to explain the successful efforts they undertake in this regard.

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All present agreed that it is not easy to identify qualified sub-contractors and vendors and to meet the 35-45% participation goals. But both Parkway and Brandywine achieve this by:

1. Hiring third party consultants to monitor their commitments and connect them to the experienced, minority sub-contractors and vendors;
2. Hosting a virtual contractor fair to introduce their needs and requirements for minority/DBE/women owned businesses before the project is put out for bid;

3. Acknowledging that sometimes you must go to 2<sup>nd</sup> and 3<sup>rd</sup> tier subs to get the representation needed;
4. Making sure the EOP agreement is part of all contracts with labor unions;
5. Advertising EOP goals in RFPs to construction trades and including goals in all contracts; and
6. Facilitating joint ventures between established contractors and less experienced firms.

#### Action Items.

1. Brandywine and Parkway will share various templates, names of contractors, and consultants with PMC.
2. OEO will work with PMC on ways to remedy their lack of compliance with their existing EOP commitments regarding Riverwalk at 23<sup>rd</sup> and Arch.
3. OEO will review PMC's standard advertisements and contracts etc. to ascertain their clarity regarding EOP commitments with prime and sub- contractors for 33 North 22<sup>nd</sup> Street.
4. Mary Jones will remain the point person in the Council President's office.
5. CCRA, LSNA and Murano will work with PMC to amend the existing CBA to reflect measurable EOP goals.