



CITY OF PHILADELPHIA

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HAROLD T. EPPS
Director of Commerce

April 8, 2016

The Honorable Darrell Clarke
City Council President
City Hall, Room 490
Philadelphia, PA 19107

Dear Council President Clarke:

This letter is in response to questions raised at the April 29, 2016 hearing before the Committee of the Whole on the Fiscal Year 2017 proposed Operating budget and FY17-FY21 Five Year Financial and Strategic Plan. At this hearing, Councilman Domb asked the following question:

Philadelphia has slipped to the 7th largest U.S. metro area by population. A critical component of our job base is the technology sector. Can the City come up with a plan to embrace more technology companies and grow that area of the economy?

The Commerce Department's answer is yes. The City already has a plan in place to recruit and retain companies and to incentivize the creation of startups. StartupPHL, an initiative of the Department of Commerce, is a dedicated resource for the tech sector. Through StartupPHL, we have invested in 9 companies in Philadelphia in the last 3 years that have gone on to create close to 100 jobs in City. We have also seeded organizations teaching coding and entrepreneurship to immigrants, young girls and minorities in the City thereby producing a pipeline of talent that tech companies can potentially hire. We have and will continue to do heavy outreach to college campuses to engage students interested in entrepreneurship into the larger Philadelphia community.

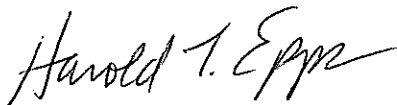
Future plans include:

1. Continued efforts to promote StartupPHL nationally and globally by attending influential conferences such as South by Southwest (SXSW).
2. Promoting Philadelphia as a key location for gateway offices to venture capital firms and technology companies in other cities/regions like Silicon Valley plagued with high cost of living and a transient pool of talent.
3. Building bridges to connect young startups to anchor institutions in Philadelphia who can serve as first customers.
4. Sourcing new pools of capital to invest directly into Philadelphia's tech ecosystem – similar to Detroit, Atlanta and Miami.

In addition to the efforts through startup PHL, the City offers tax credits to new businesses, and for job creation through Jump Start Philly and the Job Creation Tax Credit program. We also have played a lead role in the development of new innovation neighborhoods and the overlay of incentives tools (most notably the Keystone Opportunity Zone).

Please feel free to contact me with any questions you may have about the information provided in this response.

Sincerely,

A handwritten signature in black ink that reads "Harold T. Epps". The signature is written in a cursive, flowing style.

Harold T. Epps
Commerce Director