

SPECIAL COMMITTEE ON REGULATORY REVIEW & REFORM

2018 PROGRESS REPORT



**City
Council**
PHILADELPHIA



City of
Philadelphia

LETTER FROM THE CO-CHAIRS

Dear Fellow Philadelphians,

Over the past year and a half, a devoted group of representatives from the public and private sectors have worked to improve the regulatory environment and make Philadelphia a great place to do business. The Special Committee on Regulatory Review and Reform, appointed by Council President Clarke in 2017, was charged with recommending revisions that would enhance the City's business environment; and we believe this report will serve as a tool to inform the public of the changes already being made and guide the City's actions moving forward. Although the members come from diverse backgrounds and experiences, they are united by their dedication to improving Philadelphia and their commitment to growing job opportunities for our residents.

Since 2010, Philadelphia has added 50,000 jobs and the unemployment rate has decreased significantly. This is a great time to do business in Philadelphia, but there is still much more to be done to help grow our economy, expand the tax base, create jobs, and increase wages. With this report, we are sharing our findings from the last 18 months, but our work will not end. We will continue to convene stakeholders from across multiple sectors to make progress on the areas highlighted in this report and identify new areas for regulatory reform and process improvement in the city of Philadelphia.

We would like to express our sincere thanks for the hard work of everyone who was involved in this effort, in particular the leaders from the private sector who generously donated their time and energy to help guide their subcommittees through this process. We look forward to continuing this level of cross-sector and cross-departmental communication and collaboration as we move forward to improve the city that we all call home.

Sincerely,



Derek S. Green
Councilman At-Large, City of Philadelphia



Harold T. Epps
Commerce Director, City of Philadelphia



Rob Wonderling
President and CEO, Chamber of Commerce for Greater Philadelphia

MISSION

The mission of the Special Committee on Regulatory Review and Reform is to identify archaic, superfluous, and confusing provisions in the Philadelphia Code and in departmental regulations; and to recommend revisions that streamline, clarify and enhance the City's regulatory environment, for the purpose of accelerating the growth of well-paying jobs in Philadelphia while ensuring the safety and well-being of its residents.

BACKGROUND

On February 23, 2017, City Council authorized a resolution, introduced by Council President Darrell L. Clarke (5th District) and Councilman Derek S. Green (At Large) creating a Special Committee on Regulatory Review and Reform. In March 2017, Clarke named Councilman Green, Commerce Director Harold T. Epps, and the Chamber of Commerce for Greater Philadelphia President and CEO Rob Wonderling co-chairs of the Special Committee. The remaining Special Committee members and subcommittee co-chairs were announced in May 2017.

SUBCOMMITTEES

The Special Committee on Regulatory Review and Reform is comprised of six subcommittees headed by private sector leaders. These subcommittees identified key issues within their respective sectors, which are outlined within the Recommendations section of this report.

Subcommittee	Description	Chair(s)
Child Care	Child care professionals and providers convened to identify inconsistencies and recommend changes for child care ordinances and requirements.	Leslie Spina, Kinder Academy
Construction & Real Estate	Professionals from the construction and real estate development industries addressed construction-related matters, such as zoning and updating the language within the International Plumbing Code.	Michael Brown, Environmental Construction Services Pamela Fly, P.A. Fly Contracting
Food & Hospitality	Mix of restaurateurs, hospitality industry leaders, and experienced food service representatives discussed issues from their respective parts of the industry, such as process improvement for opening a food business and licensing pertaining to sidewalks cafes and signage.	Saba Tedla, Booker's Restaurant and Askum Cafe Nick Bayer, Saxby's
Manufacturing	Together with PIDC, met to address issues such as lack of quality workforce, residential conversion of industrial land and buildings, confusing permitting processes, inaccessibility of financing, and high taxes, all of which impede manufacturing retention and expansion in the city.	Chet Riddick, Alpha Enterprise Group
Small Businesses	Diverse group of business owners, coalitions, and chambers provided insight about the City's website and online forms, licensing processes, and the dumpster medallion system.	Anuj Gupta, Reading Terminal Market Jennifer Rodriguez, Greater Philadelphia Hispanic Chamber of Commerce
Tech & Startups	Local tech industry and startup leaders worked toward identifying solutions for improving the local tech talent pipeline and increasing recognition of Philadelphia as a center for technology and innovation.	Laurie Actman, Penn Center for Innovation

LEGISLATIVE ACCOMPLISHMENTS

A main charge of the Special Committee was to identify parts of the Philadelphia Code that are archaic and outdated. In December 2017, seven regulations were repealed as a direct result of this work. A second round of nine repeal bills were adopted in February 2018. The repealed bills are listed in the table below:

Regulations repealed in December 2017	
Bill No. 170794	Repeal of Milk Product Restrictions
Bill No. 170795	Repeal of Premarital Examinations
Bill No. 170796	Repeal of Electronic Scanner Restrictions
Bill No. 170797	Repeal of Aircraft Littering Prohibition
Bill No. 170798	Repeal of Restriction on Sale of Pagers
Bill No. 170799	Repeal of Restriction on Shoe Fluoroscopes
Bill No. 170800	Repeal of Restrictions on Public Baths
Regulations repealed in February 2018	
Bill No. 171118	Repeal of Reviewing Stands Permit
Bill No. 171119	Repeal of Motor Bus Carrier License
Bill No. 171120	Repeal of Motion Picture Obscenity Ordinance
Bill No. 171121	Repeal of Private Garbage Collection License
Bill No. 171122	Repeal of Excavation and Obstruction Ordinance
Bill No. 171123	Repeal of Compulsory Vehicular Device Insurance
Bill No. 171124	Repeal of Sale of Used Cars Ordinance
Bill No. 171126	Repeal of Police and Fire Scanner Permit
Bill No. 171127	Repeal of Garbage Disposal Unit Ordinance

The Special Committee on Regulatory Review and Reform is also working with members of City Council on bills that would streamline processes and clarify the City Code. A list of adopted and pending legislation is listed in the table below:

Adopted legislation	
Bill No. 180215	Extends deadline for lead certifications for family day cares
Bill No. 180139	Revises the timing of Use and Occupancy assessments
Pending legislation	
Bill No. 180107	Clarifies the definition of a commercial blockface; extends the curfew to 12 a.m. for take-out restaurants
Bill No. 180077	Allows a new business to make no estimated BIRT payments in their first year, and make quarterly estimated payments in the second year.
Bill No. 180261	Expands tax credits for Community Development Corporations

ADDITIONAL WINS

A new quarterly newsletter, “Taking Care of Business,” highlighting process improvements at L&I, Revenue, Health, and other City departments, was established and sent out to the Department of Commerce’s listserve of 7,000+ business and civic contacts on April 10 and July 12, 2018.

A weekly informational newsletter is distributed to a growing stakeholder group known as the Business Legislative Advisory Group (BLAG). The newsletter was redesigned and is now distributed to an estimated 130 business leaders – informing them of new business-related legislation introduced in City Council and regulations disseminated by various departments.

Commerce, L&I, and Health, with guidance from Philly 311 and the Office of Innovation and Technology, are working together on a pilot program to improve customer service and process efficiency in opening a food establishment. The program began in September and will use customer relationship management (CRM) software to help new restaurants navigate the process of opening a food establishment in Philadelphia. The insights gained from this experience will help improve the process of opening a restaurant, and possibly be used to help the City scale up and use CRM software for all business owners who interface with City agencies.

L&I established an EZ zoning permit for signage that can be completed over the counter without the need for a site visit.

RECOMMENDATIONS FOR SHORT-TO-MEDIUM-TERM CHALLENGES

After meeting within their individual subcommittees, each group identified certain challenges in the city’s business environment and provided specific action steps that could be taken within the next 12 months to address those challenges. While we recognize these may not be perfect solutions, and that alternate approaches or timelines may be adopted, we wanted to share the breadth of ideas from the business community that emerged from this process.

RECOMMENDATIONS FOR SHORT-TO-MEDIUM-TERM CHALLENGES

Challenge	Framework for action	Leads & key partners	Subcommittee
There is currently a license for family child care providers, but child care centers are licensed through the more general process that restaurants follow	Create a child care center license to help structure these centers' health and safety practices and ensure they are up to date with necessary guidelines. A new license will give the Department of Licenses and Inspections the ability to communicate with all licensed child care programs, as opposed to the 25% who hold family child care licenses.	L&I	Child Care
Language for child care across regulatory agencies is inconsistent	Standardize the language and definitions used across City agencies to read "child care" instead of "day care," reflecting the fact that not all care occurs during the day and abiding by the language preferred by the industry.	Health, L&I	Child Care
Pathways for consistent and ongoing feedback from child care provider community to the City is needed	Re-establish quarterly Interagency Child Care Committee meetings, and engage a few providers or provider representatives to work with the Health Department to shape the agenda ahead of time. This will allow an opportunity for the City to solicit ongoing feedback from the child care community.	Health	Child Care
Information about the City's child care licensing process is decentralized and difficult to find	City agencies should discuss how to spread the word about licensing processes and steer traffic to/optimize use of City's website. Additionally, changes or updates to the licensing process should be communicated clearly and repeatedly to all child care providers, support agencies, 311, etc., not just to family providers.	Commerce, L&I	Child Care
The review process for domestic water service is difficult and time consuming	Implement a domestic water service approval process that mirrors PWD's current stormwater review process in order to streamline procedures.	Water Department	Construction & Real Estate
Local plumbing code is outdated	Although the latest International Building Code was adopted in 2018, Philadelphia should also replace currently outdated plumbing code with the International Plumbing Code in an effort to make the city more business-friendly and easier for development.	L&I	Construction & Real Estate
The process of opening a food business is long, complex, and unpredictable	Pilot a CRM system that helps to manage the restaurant-opening process in an effort to alleviate difficulties for the business-owner and increase communication efficiency across city departments. Explore additional process improvements through technology, staffing or procedural changes.	CAO, Commerce, Health, L&I, OIT, Philly 311, Revenue	Food & Hospitality

RECOMMENDATIONS FOR SHORT-TO-MEDIUM-TERM CHALLENGES

Challenge	Framework for action	Leads & key partners	Subcommittee
The legislative process for obtaining a sidewalk cafe license is long and tedious	Add Commercial Corridors to the by-right sidewalk cafe application, thus eliminating the need for legislative approval in those areas and alleviating some of the current challenges with the sidewalk cafe approval process.	City Council, Health, L&I, Streets	Food & Hospitality
The outcome of health inspections can feel subjective and the criteria is not always clear	Implement a streamlined customer service training and a clear set of criteria that emphasizes consistency, thus eliminating any disparities within the inspection process and providing a transparent process for businesses to appeal inspector decisions.	Health	Food & Hospitality
Curfew laws for take-outs need to be more clearly defined and enforceable	Pass Bill No. 180107 which clarifies the definition of a commercial blockface, extends the curfew to 12 a.m., and requires stickers for businesses that do not have to comply with curfew (specifically, business that are not take-outs and that are on completely commercial blocks/corners).	City Council, Zoning	Food & Hospitality
Language for food waivers needs clarification	Rename the “Limited Cooking Waiver” to the “Heat and Serve Waiver” to clarify the purpose.	Health	Food & Hospitality, Child Care
Conversion of industrial areas to residential are pushing manufacturing outside of the City	Coordinate with Commerce, the City Planning Commission, City Council, the Zoning Board of Adjustment, and the manufacturing community to oppose the residential and commercial conversion of industrial land and buildings in certain areas.	City Council, Commerce, PIDC, Planning and Development	Manufacturing
Sign approval is overly complex and slows down business openings	Worked with L&I to develop an over the counter EZ application for signage. Next steps include putting the form online and streamlining Art Commission approval.	L&I	Small Businesses
Information related to City and State business incentives needs to be easily accessible and centralized	Make incentive-related information for businesses located in Philadelphia, including tax credits and tax abatements, easier to access; increase targeted marketing to businesses through further social media and email promotion.	Commerce, PIDC, Revenue	Small Businesses
Process for notifying the public about proposed regulations need to be improved	Improve interdepartmental communications. Expand regulations advertising more widely to diverse and bilingual media and online outlets. Increase targeted, direct communication to small businesses through email and other distribution lists. Ensure proposed regulations are able to be viewed in multiple languages.	Records	Small Businesses

LONG-TERM CHALLENGES & OPPORTUNITIES

We know there are persistent challenges relating to many of the processes involved with running a business in Philadelphia, and we are committed to reducing these pain points. Multiple subcommittees underscored the need to instill a customer service-driven culture within agencies that are compliance-driven, which we will seek to achieve through the creation and adoption of a Business Bill of Rights. We must also seek to streamline processes and reduce costs wherever possible, thereby leveling the playing field for smaller businesses with limited resources. We value the diversity of our business community and are committed to keeping opportunities open for all.

While the mission of this Committee focused on regulatory reform and process improvement, it was clear through the work in our subcommittees that there are other areas of the City that need improvement. Some additional long-term challenges that face businesses in Philadelphia include, but are not limited to:

1

WORKFORCE DEVELOPMENT

2

TAX STRUCTURE & POLICY

3

BRANDING & IDENTITY OF THE CITY OF PHILADELPHIA

We hear these concerns, and remain committed to working alongside stakeholders from the private sector to ensure that Philadelphia is a place where innovation and entrepreneurship thrive.

Although the City of Philadelphia has made considerable improvements to its regulatory environment and processes, we know there is still much work to be done to support businesses of all sizes, which is why we will continue to convene a group of stakeholders from the public and private sectors to carry forward this important work. The following plan has been put in place to achieve the desired goals of ongoing business input on regulations and legislation, and continuous improvement of industry-facing government processes and procedures:

1

Reconstitute membership of Special Committee for ongoing consultation and review of new and existing regulatory and legislative initiatives.

2

Enhance the Business Legislative Advisory Group (BLAG) run by Commerce to include a comprehensive list of regulatory proposals alongside legislative introductions, while continually adding interested businesses to the list, so they can provide real time feedback on both.

3

Proceed with Commerce-based CRM pilot for streamlining the process of opening new restaurants, with an eye toward scaling up and creating a multi-department CRM system to improve client experience in all industries.

4

Direct more resources towards process improvement and strategic initiatives within business-facing City departments.

ACKNOWLEDGEMENTS

SPECIAL COMMITTEE & SUBCOMMITTEE MEMBERS

* *Committee chairs are noted in orange.*

SPECIAL COMMITTEE	
Name	Organization
Laurie Actman	Penn Center for Innovation
Michael Brown	Environmental Construction Services
Harold T. Epps	Department of Commerce
Anuj Gupta	Reading Terminal Market
Councilman Derek Green	City Council
Councilman Bobby Henon	City Council
Councilman Kenyatta Johnson	City Council
Councilwoman Maria Quiñones-Sanchez	City Council
Chet Riddick	Alpha Enterprises, Inc.
Anna Shipp	Sustainable Business Network
Leslie Spina	Kinder Academy
Councilman Al Taubenberger	City Council
Saba Tedla	Booker's Restaurant
Rob Wonderling	Chamber of Commerce for Greater Philadelphia

CHILD CARE		FOOD & HOSPITALITY	
Name	Organization	Name	Organization
Damaris Alvarado	Children's Playhouse Early Learning	Nick Bayer	Saxbys Coffee
Christie Balka	Office of Community Empowerment and Opportunity	Rebecca Davis	Kitchen Cabinet
Justine Bolkus	Department of Commerce	Sylvie Gallier Howard	Department of Commerce
Shante A. Brown	PHLpreK	Renee Gilinger	Business Corridor Solutions
Latonta Godbolt	Small Wonders FCCH	Curtis Gregory	Department of Commerce
Margarita Hernandez	PA Headstart Association	Rob Keddie	Garces Group
Frank Iannuzzi	City Council	Kelly McAlister	Saxbys Coffee
Bernice Johnson	Licenses & Inspections	Rob Mitchell	PMFA
Natrice Johnson	Candy's Kids Learning Academy	Stephanie Orlando	Department of Commerce
Ann Kim	Rising Sun Children's Center	Alison Perelman	Philadelphia 3.0
Michelle Linder-Coates	School District of Philadelphia	Libby Peters	Department of Commerce
D Logan	Smart Beginnings ELC	Richard Rollier	Saxbys Coffee
Leigh-Anne Rainford	Health Department	Justin Rosenberg	Honeygrow
Leslie Spina	Kinder Academy	Vincent Stipo	MSC Retail
		Saba Tedla	Booker's Restaurant
		Tim Thornton	311
		Ting Wang	Department of Commerce
		Steven Zhu	Chinese Restaurant Association

ACKNOWLEDGEMENTS

SPECIAL COMMITTEE & SUBCOMMITTEE MEMBERS

MANUFACTURING

Name	Organization
Jacki Branson	Alpha Office Supply
Maurice Braswell	Diversified Financial Services
Diane Charlton	Northeast Fence & Ironworks
Paul J. Deegan	Philadelphia Industrial Development Corporation
Altoro Hall	Department of Commerce
Heather Hanowitz	Philadelphia Industrial Development Corporation
Pam Henshall	Northeast Philadelphia Chamber of Commerce
Tom Holroyd	City Council
Eileen Longstreath	Northeast Fence & Iron Works
Randy McCullough	Rhoads Industries
Chet Riddick	Alpha Office Supply
Mike Savage	PTR Baler
Patricia Thomas-LaRoche	Cameron and Associates
Joe Welsh	Rhoads Industries
Ken Wong	CIG Asia

TECH, STARTUP & LIFE SCIENCES

Name	Organization
Laurie Actman	Penn Center for Innovation
Marc Coleman	The Tactile Group
Brigitte Daniel Corbin	Wilco Electronic Systems
Alex Gilbert	P'unk Avenue
Jon Gosier	Southbox Ventures
Chris Goy	City Council
Felix Hsu	WuXi AppTec
Le Roy Jones	GSI Health
Samantha Lyons	Grace and River Strategies
Bob Moore	Crossbeam, Philly Startup Leaders

CONSTRUCTION & REAL ESTATE

Name	Organization
Paul Badger	The Badger Group
Brian Berson	Brandywine Realty Trust
Michael Brown	Environmental Construction Services
Lance Claiborne	General Building Contractors Association
Brian Emmons	Building Industry Association
Pamela Fly	P.A. Fly Contracting
Nicholas Jann	Department of Commerce
Brian Keech	Drexel University
Sara Lepori	Department of Commerce
John Mondlak	Department of Planning & Development
Marjorie Ogilvie	Philadelphia Business & Technology Center
Jennifer Tintenfass	Capstone Law
Meredith Trego	Department of Planning & Development

SMALL BUSINESSES

Name	Organization
Alex Balloon	Tacony CDC
Michael Banks	African American Chamber of Commerce of PA, NJ and DE
Seline Braswell	Abundant Blooms
Darrell Davis	Chamber of Commerce for Greater Philadelphia
David Deets	Browns ShopRite
Anuj Gupta	Reading Terminal Market
Patricia Pinto	AJ Appliances
Jennifer Rodriguez	Greater Philadelphia Hispanic Chamber of Commerce
Anna Shipp	Sustainable Business Network of Greater Philadelphia
David Singer	Michael Singer Real Estate
Steven Singer	Steven Singer Jewelers
Jonathan Snyder	Department of Commerce
Zachary Wilcha	Independence Business Alliance

ACKNOWLEDGEMENTS

ADDITIONAL CONTRIBUTIONS

We must also thank the numerous City departments and agencies who dedicated their staff and resources to this process and have worked with us to develop many of the solutions recommended in our report. This includes: Department of Commerce, Department of Finance, Department of Health, Department of Licenses & Inspections (L&I), Department of Records, Department of Revenue, Philadelphia Water Department, Philly 311, Streets Department, and the support of City Council members and their staff.

RESOURCES

[DEPARTMENT OF COMMERCE](#)

Resources to plan, launch, and manage your business.

[DEPARTMENT OF RECORDS](#)

New regulations are posted on this website for 30 days before being adopted.

[PHILADELPHIA CITY COUNCIL](#)

Learn about initiatives taking place in City Council and watch sessions live.

[PHILADELPHIA DELIVERS](#)

See what makes Philadelphia an amazing place to do business.

[PHILLY 311](#)

Report an issue or track a service request using this fully integrated platform.

[PIDC](#)

Provides access to land and financing for business retention and expansion to small, medium, and large businesses in the city or considering the city as a new location for their businesses.

[TAKING CARE OF BUSINESS NEWSLETTER](#)

Sign up here to receive a quarterly newsletter on process improvements throughout the City of Philadelphia.

[WEEKLY LEGISLATIVE UPDATES](#)

Sign up here to receive weekly updates on business legislation when City Council is in session.