



## City of Philadelphia City Council

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### **Councilman Henon Joins Fellow Manufacturing Task Force Co-Chairs and Members to Present Final Report Findings to Mayor Nutter** ***Report Identifies Manufacturing Sector in Philadelphia, Charts Path for Growth***

**Philadelphia** – Councilman Bobby Henon (6<sup>th</sup> District) joined by fellow Manufacturing Task Force co-chairs Alan Greenberger, Deputy Mayor for Economic Development; Bill Hunt, CEO of AgustaWestland Philadelphia and Dan Fitzpatrick, CEO of RBS Citizens Pennsylvania, New Jersey, New York and Delaware and Chairman of the Greater Philadelphia Chamber of Commerce, presented the final task force report to Mayor Michael Nutter today. The report identifies the manufacturing sector in Philadelphia and charts a roadmap for future growth.

The report was produced in partnership with the Philadelphia Industrial Development Corporation, Select Greater Philadelphia, Greater Philadelphia Chamber of Commerce, along with task force members, including representatives from Philadelphia government agencies, area universities and non profits, manufacturing firms and a diverse cross section of private sector partners.

“This report is decades in the making. We may have started this task force last year, but the need to grow our manufacturing sector is something we’ve all been passionate about for some time,” said Councilman Henon. “We shouldn’t rely on the manufacturing jobs of our parents – that’s not the aim of this report. We need to help our neighbors meet the educational demands of these jobs, make our City a more attractive place to do business in a tax and regulatory sense, and help our manufacturers start, develop and grow here – and stay here.”

The report is divided into three tasks: identify the manufacturing sector in Philadelphia and the Greater Philadelphia Region; analyze foundational issues; and make recommendations for growth. In all, 13 strategies were recommended, among them:

- Expand technical training opportunities provided by community colleges that are aligned to the needs of the manufacturing sector.
- Expand programs at high school career and technical education (CTE) schools in STEM subjects and competencies needed in manufacturing.
- Create or expand linkages between university programs for product development and manufacturing firms.
- Explore new university innovation centers and incubators.
- Provide a source of flexible growth capital to support small-to-mid-sized manufacturers.
- Expand available resources to support local community development financial institutions’

lending programs.

- Conduct an image campaign to educate students, parents, teachers, and guidance counselors about employment opportunities in manufacturing.
- Conduct a focused business attraction campaign to publicize Philadelphia’s current competitive advantages for the manufacturing sector.
- Increase the supply of natural gas and natural gas liquids available at a competitive, delivered price to industrial users by building new pipeline capacity.
- Promote the use of distributed energy systems that increase energy efficiency of manufacturing campuses and district.
- Decrease tax and regulatory burden on manufacturing companies.
- Preserve and upgrade existing industrial districts and facilities to support modern manufacturing.
- Establish a specialized group within the City of Philadelphia to address the unique needs of manufacturers.

In his remarks, Councilman Henon outlined specific areas he plans to focus on – and others on which he’s already begun work. Bill #130451, which Councilman Henon introduced to exempt manufacturing firms from Use and Occupancy Tax, is on Council’s final passage calendar.

In addition, legislation he co-introduced with Councilman Bill Green and Councilwoman Quinones-Sanchez to gradually eliminate the net income portion of the Business Income and Receipts Tax was reported out of the Finance Committee favorably in the most recent Council session. He promised action on some version of both bills when Council reconvenes in January.

“The use and occupancy of a manufacturing plant should not be calculated on the same level as a commercial high-rise office space. 10 office workers might take up a large room, but 10 workers producing furniture might take up a whole block. We have the space. We shouldn't penalize companies for using it,” he said. “Also, nearly everyone agrees that we need to change the current system of taxing businesses in Philadelphia from one that is competitive rather than punitive. I plan to pursue those changes, hopefully through the legislation already in Council.”

Councilman Henon’s interest in revitalizing the manufacturing sector in Philadelphia is buoyed by his own experience. “When I was younger, my father worked at Yale & Town and Budd Company to provide for our family,” he said. “I remember, each time he left, it was because those plants closed their doors for good. Now, all that’s left of those jobs are the vacant industrial lots and shuttered factories. We can make manufacturing matter again but this report is just the beginning. Now we have a roadmap. I want to hit the ground running with everyone on this task force to see that its recommendations are implemented.”

The full report will be available on the Philadelphia Industrial Development Corporation website, [www.pidc-pa.org](http://www.pidc-pa.org).

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