



# INSURANCE REQUIREMENTS

September 2019

# PHILADELPHIA HOUSING DEVELOPMENT CORPORATION (PHDC)

## INSURANCE REQUIREMENTS

The individual or entity seeking to enter into a contract with the Philadelphia Housing Development Corp. or who is entering into a contract with such individual or entity (collectively, the “Contracting Party”) will procure and maintain during the entire period of the contract, the insurance described below. All coverages must be provided by an insurance company authorized to do business in the Commonwealth of Pennsylvania and with a minimum A.M. Best Rating of A- Class VIII. All insurance, except Professional Liability, must be written on an “Occurrence Basis” and not a “Claims-Made Basis.”

The insurance policies must provide for at least thirty (30) days prior written notice to be given to the Philadelphia Housing Development Corp. (“PHDC”) in the event that coverage is materially changed, cancelled or non-renewed or once any policy limits have been exhausted by fifty percent (50%). In the event of material change, cancellation or non-renewal of coverage(s), the Contracting Party must replace the coverage(s) to comply with the contract requirements to prevent a lapse of coverage for any time period during the term of the contract.

The Contracting Party will provide the PHDC with the provisions from each of the required insurance policies or endorsements for each of the required insurance policies stating the following:

- 1) Contracting Party’s insurance coverage is on a primary and non-contributory basis with any insurance carried or administered by the PHDC;
- 2) includes coverage for ongoing operations and completed operations;
- 3) PHDC, the City of Philadelphia (the “City”) and their respective officers, directors, employees and agents are named as additional insured on a primary and non-contributory basis on all of the insurance policies, except for workers’ compensation and professional liability insurance policies, even for claims regarding their partial negligence;
- 4) includes a waiver of subrogation in favor of the PHDC and all of the other aforementioned additional insureds;
- 5) coverage is applicable separately to each insured against whom a claim is made or suit is brought and there is no “Cross Liability” exclusion on the insurance policies that preclude coverage for suits or claims between the Contracting Party and the PHDC or between the PHDC and any other insured or additional insured under the insurance policies; and
- 6) no act or omission of the PHDC, the City, or their respective officers, directors, employees or agents will invalidate coverage.
- 7) Contracting Party shall not have a Self- Insured Retention (“SIR”) on any policy greater than \$50,000, which is the responsibility of the Contracting Party. If Contracting Party’s policy(ies) has a SIR exceeding this amount, approval must be received from PHDC prior to starting work. In the event any policy includes an SIR, the Contracting Party is solely responsible for payment within the SIR of their policy(ies) and the Additional Insured requirements specified herein shall be provided within the SIR amount(s).

Endorsement forms required include CG 20 01, CG 20 10 and CG 20 37 as published by the Insurance Services Office (“ISO”) or on equivalent forms that are satisfactory to the PHDC.

If the contract pertains to a specific property, the property address must be identified on the Certificate of Insurance. Otherwise a contract/work order number or project reference should be included.

Certificates of Insurance must be addressed to:

Philadelphia Housing Development Corporation, 1234 Market Street, 17th floor,  
Philadelphia, PA 19107.

The PHDC reserves the right to request and obtain complete copies of the Contracting Party's insurance policies.

I. Insurance Review - Insurance requirements are subject to the periodic review by the PHDC. Any failure, actual or alleged, on the part of the PHDC to monitor or enforce compliance with any of the insurance requirements will not be deemed as a waiver of any rights on the part of the PHDC. The PHDC may require additional types of insurance or higher limits if, in its sole discretion, the potential risk warrants it. The amount of insurance provided in the required insurance coverages outlined below, shall not be construed to be a limitation of the liability on the part of the Contracting Party.

II. Without in any way affecting the indemnity obligations of the Contracting Party pursuant to its contract with the PHDC and in addition thereto, the insurance coverage required by all Contracting Parties is as follows:

- a. **Commercial General Liability:** The policy will include a "Cross Liability" endorsement, name the PRA, the City, and their respective officers, directors, employees and agents as **Additional Insured** and include coverage for all operations performed by or on behalf of the Contracting Party for bodily injury and property damage arising out of:

Products and Completed Operations

Premises Operations and Mobile Equipment

Independent Contractors

Employees and Volunteers as Additional Insured

Elevators and/or Escalators (if applicable)

Blanket Contractual Liability (written and oral and must include liability for employee injury assumed under a contract as provided in the standard ISO policy form)

No amendment to the definition of an "Insured Contract"

No sexual abuse and molestation exclusion

Broad Form Property Damage (including completed operations)

Coverage for Resulting Damage (Expanded Definition of Occurrence-Property Damage)

Explosion, Collapse and Underground Hazards

Personal Injury and Advertising Injury

No Exclusions for development, construction, building conversion, etc. (if applicable)

No Exclusions for residential construction with respect to the work to be completed by the Contracting Party (if applicable)

- The following minimum limits will be provided:

\$1,000,000      Each Occurrence (combined single limit for bodily injury (including death) and property damage)

\$1,000,000      Personal and Advertising Injury

\$2,000,000      General Aggregate (other than Products/Completed Operations)

\$1,000,000      Products/Completed Operations Aggregate

- The General Aggregate Limit must apply on a Per Project basis.
  - The definition of “occurrence” must be expanded via endorsement to state the following:  
 “Occurrence” means an accident, including continuous or repeated exposure to substantially the same general harmful conditions. Faulty workmanship in “your work” is not an “occurrence” but “property damage” that is ancillary and accidental damage caused by faulty workmanship in “your work” is considered an “occurrence” if the following conditions are met:
    - 1) faulty workmanship in “your work” causes “property damage” to property other than “your work;” and
    - 2) such “property damage” was not expected or intended by you or the persons performing your work.”
- b. **Workers’ Compensation and Employer’s Liability Insurance:** The Contracting Party will obtain a workers’ compensation policy which provides benefits in accordance with the statutory requirements of the Commonwealth of Pennsylvania and includes “all states” coverage or at least coverage in all other states in which the Contracting Party performs work or through which the Contracting Party’s employees travel. This policy will also include coverage for United States Longshoremen and Harbor Workers (if applicable) and employer’s liability. The following minimum employer’s liability limits will be provided:
- |                         |                           |
|-------------------------|---------------------------|
| \$100,000 Each Accident | Bodily Injury by Accident |
| \$100,000 Each Employee | Bodily Injury by Disease  |
| \$500,000 Policy Limit  | Bodily Injury by Disease  |
- Coverage should cover all individuals, including volunteers, providing services on behalf of the Contracting Party.
- c. **Automobile Liability Insurance:** The policy will name the PHDC, the City, and their respective officers, directors, employees and agents as **Additional Insured** and cover liability arising out of the use of all owned, non-owned and hired automobiles (or symbol 1 - Any Auto) with the following minimum coverages:
- |             |  |
|-------------|--|
| \$1,000,000 | Per Occurrence (combined single limit for bodily injury (including death) and property damage) |
|-------------|--|
- For Contractor(s) involved in the transportation of hazardous material, include the following endorsements: MCS-90 and ISO-9948
  - Contractual Liability Coverage (including liability for employee injury assumed under a contract as provided in the standard ISO policy form)
  - Coverage for all owned automobiles will be waived if the Contracting Party does not own any automobiles so long as the Contracting Party provides the PHDC with a letter stating that the Contracting Party does not own any automobiles. The letter must be on company letterhead and executed by an individual authorized to make such a representation on behalf of the Contracting Party. When the Contracting Party does not own any automobiles, coverage for non-owned and hired automobiles must be endorsed to the commercial general liability policy or provided under a separate non-owned and hired automobile liability policy.

- d. **Professional Liability:** Where services provided involve inspection, design, consulting and/or other professional services such as construction management, the Contracting Party is required to obtain Professional Liability Insurance with a minimum policy limit of \$1,000,000 per claim and aggregate with a deductible not to exceed \$50,000. This insurance shall extend to the Contracting Party and its legal representatives in the event of death, dissolution or bankruptcy, and cover provided will cover all actual or alleged acts, errors and omissions arising out of the professional services rendered by the Contracting Party's agents, employees or any person for whom the Contracting Party is responsible in the performances of the services under the contract as well as liability assumed under the contract. The retroactive date must be on or prior to the contract date. The Contracting Party will also obtain tail coverage, an extended reporting period, or maintain its current coverage for occurrences happening during the performance of the contract for at least 2 years after completion of the contract.
- III. The PHDC may require additional types of insurance or higher limits if, in its sole discretion, the potential risk warrants it.