

AN ORDINANCE

Authorizing the Commissioner of Public Property, on behalf of the City of Philadelphia, to enter into a lease agreement with Impact Services Corporation for the use by the City of the Premises located at 1952 East Allegheny Avenue, under certain terms and conditions.

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1. The Commissioner of Public Property, on behalf of the City of Philadelphia, is hereby authorized to enter into a lease agreement with Impact Services Corporation for the premises located at 1952 East Allegheny Avenue, Philadelphia, PA 19134 for use by the City, pursuant to the terms substantially set forth in the document attached hereto as Exhibit A.

SECTION 2. The City Solicitor is hereby authorized to review and approve the lease and other documents necessary to effectuate this Ordinance, which lease and documents shall contain such terms and conditions as the City Solicitor shall deem necessary and proper to protect the interest of the City of Philadelphia and to carry out the purposes of this ordinance.

BILL NO. 230357 continued

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EXHIBIT "A"

Terms of Proposed Sublease For 1952 East Allegheny Avenue

- 1. Landlord: Impact Services Corporation
- **2. Tenant:** City of Philadelphia
- 3. **Premises Address:** 1952 East Allegheny Avenue, Philadelphia, PA 19134
- **4. Use of the Premises:** Approximately 6,914 square feet, to be used by the Philadelphia Police Department.
- 5. Term of Lease: 11 years six months from the lease commencement date, provided, however, the City (in accordance with Section 8-200(3) of the Philadelphia Charter) shall have the right to terminate the lease, at the City's sole option, at any time after the expiration of four years without liability to the Landlord for damages or loss of profits which would have been realized had the lease not been terminated.
- **6. Renewal Term:** The City shall have two five (5) year renewal options.
- **Rent:** The annual base rent will be \$13.27 per square foot for lease year 1, \$14.45 for lease years 2-3, \$15.64 for lease years 5-7, \$16.58 for lease years 8-11. For the first renewal option the price per square foot will be \$18.23. For the second renewal option, the price per square foot will be \$20.06. At approximately 6,914 square feet, the first year's annual base rent will be approximately \$91,731.00.
- **8. Utilities and Operating Expenses:** The City shall pay its proportionate share of operating expenses above the base year (2021) which proportionate share shall equal 17%.
- **9. Tenant Improvements:** Landlord shall provide the City a \$70,000.00 tenant improvement allowance.

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CERTIFICATION: This is a true and correct copy of the original Bill, Passed by the City Council on June 22, 2023. The Bill was Signed by the Mayor on July 12, 2023.

Michael A. Decker

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Chief Clerk of the City Council