



City of Philadelphia

City Council
Chief Clerk's Office
402 City Hall
Philadelphia, PA 19107

BILL NO. 251100

Introduced December 11, 2025

Councilmember Young

**Referred to the
Committee on Public Property and Public Works**

AN ORDINANCE

Authorizing the Commissioner of Public Property, on behalf of the City of Philadelphia, to enter into an amendment to a sublease agreement with the Philadelphia Municipal Authority, for use by the City of all or a portion of the premises located at 1600-26 John F. Kennedy Boulevard, 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 amend a sublease agreement with the Philadelphia Municipal Authority, with the City as subtenant for use by the City of all or a portion of the premises located at 1600-26 John F. Kennedy Boulevard, Philadelphia, Pennsylvania, 19103, pursuant to terms substantially set forth in Exhibit "A".

SECTION 2. The Commissioner of Public Property is hereby authorized to take all actions deemed by the Commissioner to be necessary and appropriate to carry out the provisions and intent of this Ordinance, including executing all instruments and ancillary documents necessary and appropriate for the City to carry out the purposes of this Ordinance, which sublease amendment and documents shall contain such terms and conditions as the City Solicitor shall deem necessary and proper to protect the interests of the City of Philadelphia.

SECTION 3. The City Solicitor is hereby authorized to review, negotiate, and approve the sublease amendment and all instruments and documents necessary and helpful to effectuate this Ordinance, and to include in those documents all provisions the City Solicitor deems necessary and proper to protect the interests of the City to carry out the purpose of this Ordinance.

City of Philadelphia

BILL NO. 251100 continued

EXHIBIT “A”

Terms of Proposed Lease Amendment For 1600-26 John F Kennedy Boulevard, 17th and 18th Floor, Philadelphia, Pennsylvania, 19103

1. **Landlord:** Four Penn Center Owner LLC
2. **Tenant/Sublandlord:** Philadelphia Municipal Authority
3. **Tenant:** City of Philadelphia
4. **Premises Address:** 1600-26 John F. Kennedy Boulevard, Philadelphia, Pennsylvania 19103
5. **Use of the Premises:** Adding the 18th floor consisting of approximately 26,776 rentable square feet, to the existing space leased under the current lease agreement for office use.
6. **Term of Lease:** Coterminous with the existing 15-year lease term expiring January 12, 2040.
7. **Renewal Term:** The City shall have one (1) three-year renewal option and if the City exercises the three-year option, the City shall subsequently have one (1) two-year renewal option.
8. **Rent:** Base rent for the 18th floor will be the same rate as the existing premises for the remainder of the term. Base Rent begins at \$18.50 per square foot and shall escalate at a rate of approximately 5.4% after Lease Year 3, 3.69% after Lease Year 6, 6.03% after Lease Year 9, and 5.97% after Lease Year 12.
9. **Utilities:** The City shall pay directly through the City’s own accounts or, if not billed directly, shall reimburse the cost of utilities paid on City’s behalf.
10. **Operating Expenses:** The City shall be responsible for its proportionate share of operating expenses.
11. **Tenant Improvements:** Landlord shall provide Tenant with \$25.84 per square foot Tenant Improvement Allowance for the 18th floor in installments over the Term of the Lease for a total of \$691,891.40.