

# City of Philadelphia



(Bill No. 251100)

## 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

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## EXHIBIT "A"

Terms of Proposed Lease Amendment  
For 1600-26 John F Kennedy Boulevard, 17<sup>th</sup> and 18<sup>th</sup> 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 18<sup>th</sup> 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 18<sup>th</sup> 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 18<sup>th</sup> floor in installments over the Term of the Lease for a total of \$691,891.40.

# City of Philadelphia

*BILL NO. 251100 continued*

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CERTIFICATION: This is a true and correct copy of the original Bill, Passed by the City Council on May 7, 2026. The Bill was Signed by the Mayor on May 12, 2026.

A handwritten signature in black ink, reading "Elizabeth McCollum". The signature is written in a cursive style with a large, looping initial "E".

Elizabeth McCollum  
Chief Clerk of the City Council