



City of Philadelphia

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

BILL NO. 250573

Introduced May 29, 2025

Councilmember Gilmore Richardson for Council President Johnson

**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 lease agreement with 2401 Walnut LP, for use by the City of all or a portion of the premises located at 2401 Walnut Street, Philadelphia, Pennsylvania, 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 lease agreement with 2401 Walnut LP, for use by the City of all or a portion of the premises located at 2401 Walnut Street, 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.

SECTION 3. The City Solicitor is hereby authorized to review and approve the lease 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. 250573 continued

EXHIBIT “A”

Terms of Proposed Lease Amendment For 2401 Walnut Street, Suite 501-502, and 602 Philadelphia, Pennsylvania, 19103

1. **Landlord:** 2401 Walnut LP
2. **Tenant:** City of Philadelphia
3. **Premises Address:** 2401 Walnut Street, Suite 501, 502, and 602, Philadelphia, Pennsylvania 19103
4. **Use of the Premises:** Adding Suite 602 consisting of approximately 5,561 rentable square feet, to the existing space leased under the current lease agreement for office use.
5. **Term of Lease:** Coterminous with the existing Lease term expiring May 10, 2034, however the City may exercise its option in accordance with Section 8-200(3) to terminate the Lease, at the City’s sole option, at any time after four years.
6. **Renewal Term:** The City shall have one (1) five year renewal option.
7. **Rent:** Base rent for Suite 602 will be the same as the existing premises for the remainder of the term. Base Rent begins at \$25.06 per square foot and shall escalate at a rate of approximately 7.35% after Lease Year 2, Lease Year 5, and Lease Year 6. The base rent shall escalate at a rate of approximately 2.5% per year after Lease Year 7 for the remaining years of the term including the renewal term.
8. **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.
9. **Operating Expenses:** The City shall be responsible for its proportionate share of operating expenses.