

# City of Philadelphia



(Bill No. 230858)

## AN ORDINANCE

Authorizing the Commissioner of Public Property, on behalf of the City of Philadelphia, to enter into an amendment to a sublease with the Philadelphia Municipal Authority, for use by the City, of an additional portion of the premises located at 1327-29 Chestnut 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 enter into an amendment to a sublease agreement with the Philadelphia Municipal Authority, for use by the City, of an additional portion of the premises located at 1327-29 Chestnut Street, Philadelphia, Pennsylvania, pursuant to terms substantially set forth in the document attached hereto as Exhibit "A".

SECTION 2. The City Solicitor is hereby authorized to review and to approve the sublease amendment and other documents necessary to effectuate 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 and to carry out the purpose of this Ordinance.

# City of Philadelphia

BILL NO. 230858 *continued*

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## EXHIBIT "A"

### Terms of Proposed Sublease Amendment For 1327-29 Chestnut Street, Philadelphia, PA

1. Landlord: Chestnut Street Realty Limited Partnership, LP
2. Tenant/Sublandlord: Philadelphia Municipal Authority
3. Subtenant: City of Philadelphia
4. Premises Address: 1327-29 Chestnut Street, Philadelphia, PA
5. Use of the Premises: Adding 26,585 rentable square feet, to be used for office space, to an existing sublease (the "Expansion Premises").
6. Term of Sublease: The term for the Expansion Premises is effective upon execution with an expiration date of December 31, 2032, to coincide with the remaining term of the existing sublease.
7. Rent: The annual base rent for the Expansion Premises will be approximately \$25.00 per rentable square foot until January 31, 2024, and will escalate at approximately One dollar (\$1) per rentable square foot, per year, until January 31, 2026. At that time, the Expansion Premises base rent will be the same as the base rent in the existing Lease agreement, which is approximately \$27.75 per rentable square foot with an annual escalation rate of approximately 2.7%.
8. Operating Expenses: The City shall be responsible for its proportionate share of operating expenses.
9. Tenant Improvements: Landlord shall provide a \$531,700.00 tenant improvement allowance.
10. Rent Abatement: Landlord shall provide Tenant with nine months of rent abatement on the Expansion Premises at various intervals throughout the term.

# City of Philadelphia

*BILL NO. 230858 continued*

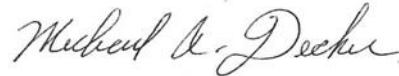
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# City of Philadelphia

*BILL NO. 230858 continued*

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CERTIFICATION: This is a true and correct copy of the original Bill, Passed by the City Council on December 14, 2023. The Bill was Signed by the Mayor on December 20, 2023.



Michael A. Decker  
Chief Clerk of the City Council