

# City of Philadelphia



(Bill No. 230832)

## AN ORDINANCE

Authorizing the Commissioner of Public Property, on behalf of the City of Philadelphia, to enter into a sublease agreement with the Philadelphia Municipal Authority, as sublandlord, for use by the City, as subtenant, of a portion of the premises located at 216 N. Broad Street, Philadelphia, Pennsylvania, all 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 sublease agreement with the Philadelphia Municipal Authority, as sublandlord, for use by the City, as subtenant, of a portion of the premises located at 216 N. Broad 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 and other documents necessary to effectuate this Ordinance, which sublease 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 and to carry out the purpose of this Ordinance.

# City of Philadelphia

BILL NO. 230832 *continued*

Certified Copy

## EXHIBIT A

### Terms of Proposed Sublease for a portion of 216 North Broad Street, Philadelphia, PA

1. Landlord: IS BBFB, LLC
2. Tenant/Sublandlord: Philadelphia Municipal Authority
3. Subtenant: The City of Philadelphia
4. Premises Address: 216 N. Broad Street, Philadelphia, PA (the “Property”). The City will occupy the entirety of a building on the Property (the “Premises”), consisting of approximately 45,837 rentable square feet.
5. Use of the Premises: To be used for any lawful governmental purpose, which may be limited to use as a family shelter and/or for emergency response services and/or for government offices and/or for any other governmental use as agreed to by Landlord, Tenant/Sublandlord, and Subtenant.
6. Term of Lease: An initial term that includes a fit-out period, followed by up to fifteen (15) years of occupancy following the rent commencement date, with a ten (10) year renewal option exercisable by the City under certain terms and conditions.
7. Rent: The annual base rent for the occupancy period will be \$20.50 per rentable square foot for sublease years 1-5, and will escalate approximately 10% every five years for the length of the initial term of the sublease. Should the City exercise the renewal option in lease year 16, the base rent will be \$28.53 per rentable square foot for the first 5 years of the renewal term and will escalate at approximately 15% every five years. At approximately 45,837 rentable square feet, the first year’s annual base rent will be approximately \$939,658.50.
8. Operating Expenses: The City shall be responsible for its proportionate share of operating expenses.
9. Utilities: The City shall pay directly through the City’s own accounts, if possible, or, if not billed directly, shall reimburse the cost of utilities paid by Landlord on the City’s behalf.
10. Maintenance and Repairs: The City is responsible for all maintenance, repairs, & replacements to the interior of the Premises and the cost of any building services to the Premises. Landlord is responsible for all maintenance, repairs, & replacements of the structural portions of the Premises.

# City of Philadelphia

*BILL NO. 230832 continued*

Certified Copy

**11.** Subtenant Improvements: Landlord shall turn-key the Premises based on a mutually accepted space plan and Landlord shall provide to the City a \$102,038 tenant improvement allowance.

# City of Philadelphia

*BILL NO. 230832 continued*

Certified Copy

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