

City of Philadelphia



(Bill No. 040472)

AN ORDINANCE

Authorizing the Commissioner of Public Property, on behalf of the City of Philadelphia, to extend the term of an agreement to sublease from the Philadelphia Municipal Authority the building located at 111-131 W. Hunting Park Avenue, and to purchase fee simple title to the land and improvements thereon known as 111-131 W. Hunting Park Avenue, 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 extend the term of the Sublease of April 3, 2002 (the "Sublease"), pursuant to which the City leases from the Philadelphia Municipal Authority the building located at 111-131 W. Hunting Park Avenue, for an additional four years, thereafter renewable at the City's sole option for an additional five years, then for a second additional five years, and then for a third additional five years.

SECTION 2. The Commissioner of Public Property, on behalf of the City, is hereby authorized to purchase fee simple title to the land and improvements thereon known as 111-131 W. Hunting Park Avenue and more particularly described in Exhibit "A" attached hereto. The City's consideration for the purchase of this property shall be as set forth in Exhibit "B" attached hereto.

SECTION 3. The City Solicitor is hereby authorized to review and to approve all instruments and documents necessary to effectuate this Ordinance, which instruments and documents shall contain such terms and conditions as the City Solicitor shall deem necessary and proper to protect the interests of the City.

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EXHIBIT "A" **Legal Description**

ALL THAT CERTAIN lot or piece of ground with the buildings and improvements thereon erected, Situate in the 42nd Ward of the City of Philadelphia, and described according to a Survey Plan of Property made by James E. Shomper, Surveyor and Regulator of the Sixth Survey District, dated March 13, 2002, file BB-217.

BEGINNING at a point, on the Northeasterly side of Hunting Park Avenue (100 feet wide) measured North 78 degrees, 39 minutes, 00 seconds West, along the Northeasterly side of said Hunting Park Avenue, the distance of 150.000 feet from the intersection formed by the Northeasterly side of said Hunting Park Avenue and the Northwesterly side of Front Street (80 feet wide); THENCE extending from said point of beginning, North 78 degrees, 39 minutes, 00 seconds West, along the Northeasterly side of said Hunting Park Avenue, the distance of 347.021 feet to a point; THENCE extending North 11 degrees, 08 minutes, 30 seconds East, the distance of 302.000 feet to a point; THENCE extending South 78 degrees, 39 minutes, 00 seconds East, the distance of 347.021 feet to a point; THENCE extending South 11 degrees, 08 minutes, 30 seconds West, the distance of 302.000 feet to a point on the Northeasterly side of said Hunting Park Avenue, being the first mentioned point and place of beginning.

Containing in area 104,799 square feet or 2.40586 acres.

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EXHIBIT "B" **Purchase Price**

| <u>Option Periods</u> | <u>Purchase Price</u> |
|----------------------------------------|-----------------------|
| Third Lease Year (beginning 8/16/04): | \$650,000.00 |
| Fourth Lease Year (beginning 8/16/05): | \$575,000.00 |
| Fifth Lease Year (beginning 8/16/06): | \$495,000.00 |

Thereafter, during any month
of the Lease ("Extended Option Period"): Adjusted Purchase Price
Calculated as follows:

Adjusted Purchase Price shall be determined by calculating the product obtained by multiplying \$495,000 by a fraction of the numerator of which is the Consumer Price Index Seasonally Adjusted U.S. City Average for All Items for all Urban Consumers (1982-84 = 100) published monthly in the Monthly Labor Review of the Bureau of Labor ("CPI-U") for the third month prior to the expiration of the Fifth Lease Year, and the denominator of which is the CPI-U for the third month prior to the settlement date for the transfer of title to the City. In no event shall the Purchase Price during the Extended Option Period be less than \$495,000. In the event the CPI-U is discontinued, comparable statistics on the purchasing power of the consumer dollar published by the Bureau of Labor Statistics of the United States Department of Labor shall be used for making the computation above. If the base year (1982-84 = 100) selected by the United States Department of Labor shall be changed, then the resultant index shall be readjusted so as to reflect the base initially established above. If the aforesaid indexes shall no longer be published by the Bureau of Labor Statistics of the United States Department of Labor, or cannot be readjusted in accordance therewith, then another index generally recognized as authoritative shall be substituted by the owner.

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CERTIFICATION: This is a true and correct copy of the original Bill, Passed by the City Council on June 10, 2004. The Bill was Signed by the Mayor on June 21, 2004.



Patricia Rafferty
Chief Clerk of the City Council