



# City of Philadelphia

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

**BILL NO. 241053**

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**Introduced November 14, 2024**

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**Councilmember Young**

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**Referred to the  
Committee on Public Property and Public Works**

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## **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, for use by the City of a portion of the premises located at 30 S. 15th 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 a sublease agreement with the Philadelphia Municipal Authority, with the City as subtenant, for use by the City of a portion of the premises located at 30 S. 15th Street, Philadelphia, Pennsylvania, 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 any and all instruments and ancillary documents necessary and appropriate for the City 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.

SECTION 3. The City Solicitor is hereby authorized to review, negotiate and approve the sublease and all ancillary documents deemed by the City Solicitor to be necessary and appropriate to carry out the provisions and intent of this Ordinance, which sublease and documents shall contain such terms and conditions deemed by the City Solicitor to be necessary, desirable, proper, and in the best interests of the City of Philadelphia.

# City of Philadelphia

BILL NO. 241053 continued

## EXHIBIT "A"

### Terms of Proposed Sublease For 30 S. 15<sup>th</sup> Street, Philadelphia, Pennsylvania, 19102

1. **Landlord:** Graham I, LLC
2. **Tenant/Sublandlord:** Philadelphia Municipal Authority
3. **Subtenant:** City of Philadelphia
4. **Premises Address:** 30 S 15th Street, Philadelphia, Pennsylvania, 19102
5. **Use of the Premises:** Approximately 30,352 rentable square feet for office use.
6. **Term of Lease:** Ten (10) years
7. **Renewal Term:** The City shall have one (1) three (3) year renewal option.
8. **Rent:** Base rent, for the eighteenth and twenty-first floors, will be \$20.00 per square foot and shall escalate at a rate of approximately 3% per year Lease Years 1 – 5. The rate shall decrease by approximately 21% in Lease Year 6, escalate at a rate of approximately 6% in Lease Year 8, and escalate at a rate of approximately 4.5% in Lease Years 9 and 10. Should the City exercise its renewal term option, the base rent will escalate at a rate of approximately 4.25% per year after Lease Year 10. The total base rent for Lease Year 1, for the eighteenth and twenty-first floors, will be \$404,700.00. Base rent, for the seventeenth floor, will be \$17.75 per square foot and shall escalate at a rate of approximately 2.5% per year over the term including the renewal term. The total base rent for Lease Year 1, for the seventeenth floor, will be \$179,576.75.
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 fit out the Premises based on a mutually accepted space plan and provide a tenant improvement allowance.