

# City of Philadelphia



(Bill No. 140384)

## AN ORDINANCE

Authorizing the Commissioner of Public Property to enter into a lease agreement with the Southeastern Pennsylvania Transportation Authority as landlord and the City of Philadelphia as tenant for office space at 1234 Market Street, 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, as tenant, is hereby authorized to enter into a lease agreement with the Southeastern Pennsylvania Transportation Authority (“SEPTA”), as landlord, for use as office space by the City of a portion of the premises located at 1234 Market Street, 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 lease and other documents necessary to effectuate this Ordinance, which lease and other 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. 140384 continued

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## EXHIBIT "A"

### Terms of Proposed Lease for 1234 Market Street, Philadelphia, PA

1. Landlord: Southeastern Pennsylvania Transportation Authority ("SEPTA").
2. Tenant: City of Philadelphia ("City").
3. Premises Address: 1234 Market Street, Philadelphia, PA.
4. Use of the Premises: Approximately 42,532 rentable square feet, to be used for office space.
5. Term: 10 years.
6. Base Rent Payable by City to SEPTA: The annual base rent will be \$19.50 per rentable square foot and will escalate at a rate of \$.50 per rentable square foot per year. At 42,532 rentable square feet, the first year's annual base rent will be \$829,374.
7. Operating Expenses: Beginning in 2015, the Tenant shall be responsible for its proportionate share of operating expenses in excess of the 2014 base year operating expenses.
8. Tenant improvement allowance: Landlord shall provide a tenant improvement allowance of \$10.00 per rentable square foot. Any unused portion of the Tenant improvement allowance shall be allocated as a rent credit. Landlord shall also provide an allowance of \$10.00 per rentable square foot to upgrade the HVAC system serving Premises.

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BILL NO. 140384 continued

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CERTIFICATION: This is a true and correct copy of the original Bill, Passed by the City Council on June 12, 2014. The Bill was Signed by the Mayor on June 19, 2014.



Michael A. Decker  
Chief Clerk of the City Council