

Legislation Text

File #: 190942, **Version:** 0

Authorizing the Commissioner of Public Property, on behalf of the City, to enter into an amendment to a lease agreement with St. Agnes MOB, LLC, for use by the City of all or a portion of the premises located at 1930 South Broad 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, is hereby authorized to enter into an amendment to a lease agreement with St. Agnes MOB, LLC, with City as tenant, for use by the City, of all or a portion of the premises located at 1930 South 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 lease amendment and other documents necessary to effectuate this Ordinance, which lease 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 of Philadelphia and to carry out the purpose of this Ordinance.

EXHIBIT "A"

Terms of Proposed Lease Amendment For 1930 South Broad Street, Philadelphia, PA

- 1. Landlord:** St. Agnes MOB, LLC
- 2. Tenant:** The City of Philadelphia
- 3. Amendment Premises Address:** 1930 South Broad Street, Philadelphia, PA
- 4. Amendment Premises:** Twenty One Thousand Seven Hundred Fifteen (21,715) square feet to be added to the Nineteen Thousand Three Hundred Twelve (19,312) square feet leased under the existing lease.
- 5. Use of the Premises:** Approximately 41,027 square feet, to be used for office space.
- 6. Term of Lease:** To be coterminous with the City of Philadelphia's present lease set to expire on December 10, 2033. The City (in accordance with Section 8-200(3) of the Philadelphia Charter) shall have right to terminate the Lease, at the City's sole option, at any time after the expiration of four years. In the event of such termination, Tenant shall pay any unamortized transaction costs.

7. **Renewal Terms:** One (1)- Ten (10) Year Renewal Option and an additional Four (4) Year Renewal Option.
8. **Rent:** The annual base rent will be approximately \$27.79 per square foot for the first five years with approximately 15% escalations every five years. The first year's annual base rent will be approximately \$1,140,193.80, an increase of \$603,459.85 over the original authorization with no increase in price per square foot.
9. **Operating Expenses:** The City shall be responsible for its pro rata share of common area costs.
10. **Utilities:** The City shall be responsible for all utility charges related to water, electricity, gas and HVAC consumed in the premises and based on the City's proportionate share of usage.