

Legislation Text

File #: 080745, Version: 1

Amending Bill No. 070994-A (approved December 21, 2007), entitled “Authorizing the Director of Finance, Commissioner of Public Property and other officials of the City to execute either directly or through the Philadelphia Authority for Industrial Development various agreements, instruments of conveyance and other transactional documents by and among the City, the Commonwealth of Pennsylvania and the Pennsylvania Convention Center Authority related to the development, construction, financing, operation and management of an expanded Pennsylvania Convention Center and including the defeasance of outstanding Pennsylvania Convention Center Authority bonds, the release of the lien of the Trust Indenture dated as of December 15, 1989, as amended and supplemented, relating to such bonds, the termination of the existing Lease and Service Agreement, the sale of the existing Convention Center building and improvements to the Philadelphia Authority for Industrial Development for further conveyance to the Commonwealth of Pennsylvania, or its designee and the execution of a long term ground lease of the land under the existing Convention Center to the Commonwealth of Pennsylvania; all under certain terms and conditions,” by authorizing an extension in the term of payments, by authorizing appropriations, providing for review of Convention Center budgets by the City, and by authorizing changes to various agreement, all under certain terms and conditions.

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1. Section 2 of Bill No. 070994-A (approved December 21, 2007) is hereby amended to read as follows (**additions in bold**, deletions in ~~strikethrough~~):

“The Director of Finance is authorized to enter into the New Operating Agreement among the Commonwealth, the Authority and the City (substantially in the form attached as Exhibit B) which provides inter alia, for the payment by City to PCCA of ~~\$17,486,522 in Fiscal Year 2008-09 and \$15,000,000 in Fiscal Year 2009-10~~ **in the amount of \$15,000,000 in each fiscal year beginning with the fiscal year in which the Defeasance Bonds are issued** and in each fiscal year thereafter during the term of the New Operating Agreement, but not to extend beyond December 31, ~~2032~~ **2039, except if Defeasance Bonds are issued in Fiscal Year 2008-09 the City’s payment to PCCA shall be \$17,486,522 for that fiscal year. In the event the Effective Date of the New Operating Agreement is other than the first day of a fiscal year the parties agree to pro-rate the City’s payment in accordance with the provisions of Section 4 of Bill No. 080745.** ~~Council~~ **The City** agrees to make appropriations in each of the City's fiscal years to provide for payments due under the New Operating Agreement and to the extent not appropriated in one fiscal year to appropriate in the next fiscal year.”

SECTION 2. The Director of Finance is authorized to include in the New Operating Agreement, the Convention Center Agreement and any other necessary agreements, a covenant that the City will pay over to the Pennsylvania Convention Center Authority (“Authority”) on a monthly basis during the term of the New Operating Agreement the Convention Center Agreement and any other necessary agreements an amount equal to eleven thirtieths (11/30) of the total Hospitality Promotion Tax (as set forth in Chapter 19-2400 of The Philadelphia Code) collected by the City.

SECTION 3. The Director of Finance is authorized to include in the New Operating Agreement, the Convention Center Agreement and any other necessary agreements, a covenant that the City agrees to make

appropriations in each of the City's fiscal years to provide for payments due thereunder and to the extent not appropriated in one fiscal year to appropriate in the next fiscal year.

SECTION 4. The Director of Finance shall not be authorized to enter into the New Operating Agreement unless it contains all of the following: (i) the right of the City to provide comments to the Commonwealth on the Pennsylvania Convention Center Authority's proposed annual Operating Budget and proposed Capital Budget, (ii) a commitment by the Commonwealth and Authority that the City will not be required to make any additional appropriations for the financing, operation or management of the expanded Convention Center beyond those contained in the New Operating Agreement, the Convention Center Agreement and the other Convention Center agreements, (iii) a reconciliation, acceptable to the Director of Finance of the City's expenditures under the Existing Lease and Service Agreement and the New Operating Agreement for the Fiscal Year in which the Defeasance Bonds are issued.

SECTION 5. The Director of Finance, Commissioner of Public Property and other officials of the City are authorized to take all actions necessary to accomplish the intent and purpose of this Amended Ordinance.

SECTION 6. The City Solicitor is hereby authorized to review and approve all instruments and documents necessary to effectuate this Amended 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 of Philadelphia and carry out the purpose of this Ordinance.