

## Legislation Text

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Authorizing the Mayor, on behalf of the City of Philadelphia, to enter into Amendments to the City's Lease Agreements with the Philadelphia Eagles Limited Partnership, a Delaware limited partnership, and with The Phillies, a Pennsylvania limited partnership, co-tenants at City's Veterans Stadium, to provide for certain capital repairs, restorations and replacements to be made to Veterans Stadium in the event that ordinances necessary for the financing, development and leasing of a new football stadium and of a new baseball ballpark are not enacted by City Council and approved by the Mayor by November 3, 2000, all under certain terms and conditions.

WHEREAS, The City and the Philadelphia Authority for Industrial Development ("PAID") are currently engaged in negotiations with the Philadelphia Eagles Limited Partnership, a limited partnership organized and existing under the laws of the State of Delaware (the "Eagles"), and with The Phillies, a Pennsylvania limited partnership ("The Phillies"), currently co-tenants at City's Veterans Stadium, for the purpose of agreeing upon proposals for the financing, development and leasing of a new football stadium and a new baseball ballpark, which proposals will be presented to City Council for consideration this year; and

WHEREAS, The particular circumstances of the Eagles require them to have new football stadium development ordinances enacted by City Council and approved by the Mayor by November 3, 2000; and

WHEREAS, In the event that the City is unable to enact and approve new football stadium and new baseball ballpark financing, development and leasing ordinances by November 3, 2000, various capital repairs, restorations and replacements will have to be made to Veterans Stadium if the Eagles and The Phillies are to continue to play their home games at Veterans Stadium; and

WHEREAS, The City and the Eagles and The Phillies desire to immediately enter into appropriate amendments to the Veterans Stadium leases to insure that the agreed upon capital repairs, restorations and replacements to Veterans Stadium, to be carried out within an agreed upon time frame, can promptly begin in the event and upon the City's failure to enact and approve new football stadium and new baseball ballpark financing, development and leasing ordinances by November 3, 2000; now therefore

*THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:*

SECTION 1. The Mayor, on behalf of the City of Philadelphia, is hereby authorized to enter into an Agreement (the "Eagles Agreement") with the Philadelphia Eagles Limited Partnership, a limited partnership organized and existing under the laws of the State of Delaware, (the "Eagles"), amending the terms of that certain Lease of Veterans Stadium between the City and the Eagles dated February 21, 1966, as heretofore amended, to provide for up to an aggregate of \$80,000,000 in capital repairs, restorations and replacements to be made to Veterans Stadium by or on behalf of the City to the extent required by the existing Lease, but only in the event that the City fails to enact and approve by November 3, 2000 new football stadium financing, development and leasing ordinances mutually acceptable to the City and the Eagles; provided, however, that if the Mayor transmits such ordinances, including substantially final forms of all agreements (including any exhibits) authorized by such ordinances, to Council after September 8, 2000, the City shall have fifty-six (56)

calendar days after the date the Mayor transmits such ordinances and documents to the Council to enact and approve such ordinances; provided further, however, that such final action by the City shall not occur any later than November 30, 2000. The up to \$80,000,000 in capital repairs, restorations and replacements to be made to Veterans Stadium shall be decided by agreement among the City, acting through the Commissioner of Public Property, the Eagles and the Phillies, and a list of the said capital repairs, restorations and replacements shall be attached as an exhibit to the Eagles Agreement, which shall be subject to approval by Resolution of City Council prior to its execution and delivery. The Eagles Agreement shall acknowledge that a similar agreement has been entered into with the Phillies and that the City's entire financial obligation under both agreements is up to \$80,000,000 in expenditures for capital repairs, restorations and replacements. The Agreement shall, *inter alia*, provide that, effective on or before ninety (90) days after Substantial Completion (as defined in the Practice Facility Lease) of the Practice Facility, the Eagles shall have the right, exercisable by notice to the City, to vacate up to nine thousand five hundred (9,500) square feet of office and storage space in Veterans Stadium now occupied pursuant to Section 201(2) of the Lease, and, upon such vacating, the City and the Eagles shall negotiate an equitable reduction in the rent payable pursuant to the Lease based upon the square footage of the space vacated; and that effective as of the first to occur of (i) June 30, 2001, or (ii) such date as the Eagles are reasonably satisfied that the condition of the outdoor practice fields at the Practice Facility is such that said fields can be permanently employed for professional football team practices, Eagles shall release the City from its obligation under the Lease to provide and maintain for Eagles' use, at all appropriate times, an appropriate natural turf field suitable for training and practice of a professional football team at a site as convenient as practicable to Veterans Stadium. Notwithstanding the foregoing, if after the close of Eagles' 2000-2001 football season (including any post season games in which the Eagles are involved), the City reasonably determines that it needs to use all or any portion of the land on which the existing football practice facility at the Veterans Stadium complex is situate, the City and Eagles shall cooperate in good faith to locate a reasonably suitable alternative practice facility for the Eagles within the geographical boundaries of the City. The Phillies are an intended third party beneficiary of this provision. All existing rights, powers and duties under the existing Lease shall remain in force and effect.

SECTION 2. The Mayor, on behalf of the City of Philadelphia, is hereby authorized to enter into an Agreement (the "Phillies Agreement") with The Phillies, a Pennsylvania limited partnership, amending the terms of that certain Lease of Veterans Stadium between the City and The Phillies dated February 21, 1966, as heretofore amended, to provide for up to an aggregate of \$80,000,000 in capital repairs, restorations and replacements to be made to Veterans Stadium by or on behalf of the City, to the extent required by the existing Lease, but only in the event that the City fails to enact and approve by November 3, 2000 new baseball ballpark financing, development and leasing ordinances mutually acceptable to the City and The Phillies; provided, however, that if the Mayor transmits such ordinances, including substantially final forms of all agreements (including any exhibits) authorized by such ordinances, to Council after September 8, 2000, the City shall have fifty-six (56) calendar days after the date the Mayor transmits such ordinances and documents to the council to enact and approve such ordinances; provide further, however, that such final action by the City shall not occur any later than November 30, 2000. The up to \$80,000,000 in capital repairs, restorations and replacements to be made to Veterans Stadium shall be decided by agreement among the City, acting through the Commissioner of Public Property, the Eagles and The Phillies, and a list of the said capital repairs, restorations and replacements shall be attached as an exhibit to the Phillies Agreement, which shall be subject to approval by Resolution of City Council prior to its execution and delivery. The Phillies Agreement shall acknowledge that a similar agreement has been entered into with the Eagles and that the City's entire financial obligation under both agreements is up to \$80,000,000 in expenditures for capital repairs, restorations and replacements. All existing rights, powers and duties under the existing Lease shall remain in force and effect.

SECTION 3. The City Solicitor is authorized to include in the Agreements authorized by Section 1 and

Section 2 of this Ordinance such other terms and conditions, not inconsistent with this Ordinance, as he or she deems necessary or desirable to accomplish the purposes of this Ordinance.

SECTION 4. The Chief Clerk of Council shall keep on file and make available for public inspection all Exhibits referenced in this Ordinance.

SECTION 5. This Ordinance shall take effect immediately.