City of Philadelphia

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

Legislation Details (With Text)

File #:	250323	**Version:**	0	**Name:**	
Type:	Bill			**Status:**	ENACTED
File created:	4/10/2025			**In control:**	Committee on Public Property and Public Works
On agenda:				**Final action:**	5/8/2025

Title: Authorizing the Commissioner of Public Property, on behalf of the City of Philadelphia, to enter into a sublease agreement with the Philadelphia Authority for Industrial Development for use by the City of premises located at 4101 Market Street, Philadelphia, Pennsylvania, under certain terms and conditions.

Sponsors: Council President Johnson, Councilmember Gauthier

Indexes: LEASE AGREEMENT, PHILADELPHIA AUTHORITY FOR INDUSTRIAL DEVELOPMENT

Code sections:

Attachments: 1. Bill No. 25032300, 2. CertifiedCopy25032300

Date	Ver.	Action By	Action	Result	Tally
5/28/2025	0	MAYOR	SIGNED		
5/8/2025	0	CITY COUNCIL	READ AND PASSED	Pass	16:0
5/1/2025	0	CITY COUNCIL	SUSPEND THE RULES OF THE COUNCIL		
5/1/2025	0	CITY COUNCIL	READ AND ORDERED PLACED ON NEXT WEEK'S SECOND READING CALENDAR		
5/1/2025	0	CITY COUNCIL	ORDERED PLACED ON THIS DAY`S FIRST READING CALENDAR		
4/24/2025	0	Committee on Public Property and Public Works	HEARING NOTICES SENT		
4/24/2025	0	Committee on Public Property and Public Works	HEARING HELD		
4/24/2025	0	Committee on Public Property and Public Works	REPORTED FAVORABLY, RULE SUSPENSION REQUESTED		
4/10/2025	0	CITY COUNCIL	Introduced and Referred		

Authorizing the Commissioner of Public Property, on behalf of the City of Philadelphia, to enter into a sublease agreement with the Philadelphia Authority for Industrial Development for use by the City of premises located at 4101 Market 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, is hereby authorized to enter into a sublease agreement, as subtenant, with the Philadelphia Authority for Industrial Development, as tenant and sublandlord (the "Sublease") for use by the City of Philadelphia of premises located at 4101 Market Street, Philadelphia, Pennsylvania, pursuant to terms substantially set forth in Exhibit "A."

SECTION 2. The Commissioner of Public Property and other proper City officials are hereby authorized to take all necessary and proper actions to carry out the provisions and intent of this Ordinance and to fulfill the terms and provisions of the Sublease, including without limitation, negotiating and executing any and all

ancillary and supplemental instruments and documents associated with the Sublease that the Commissioner and those proper City officials deem necessary, proper, and desirable to promote and protect the interests of the City.

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

EXHIBIT "A"

Terms of Proposed Sublease
For 4101 Market Street, Philadelphia, Pennsylvania, 19104

1. Landlord: UPA 3.0 Owner, LLC

2. Tenant/Sublandlord: Philadelphia Authority for Industrial Development.

3. Subtenant: City of Philadelphia.

4. Premises Address: 4101 Market Street, Philadelphia, Pennsylvania, 19104

5. Use of the Premises: Approximately 118,000 rentable square feet for use by the Philadelphia Police Department for operational, administrative and accessory uses, other uses customarily incidental to the City's governmental and civic uses, and any other associated incidental lawfully permitted uses.

6. Term of sublease: Twenty-nine (29) years and eleven (11) months.

7. Rent: Annual base rent of $9,274,800.00 for the term.

8. Utilities: Landlord shall submeter the Premises and the City shall be responsible for reimbursing Landlord for its utility consumption in the Premises based upon submeter readings. The City shall pay directly through the City's own accounts or, if not billed directly, shall reimburse the cost of utilities paid on the City's behalf.

9. Operating Expenses: The City shall be responsible for its proportionate share of operating expenses; provided, however, the City's percentage share of controllable operating expenses shall not increase annually on a per square foot basis by more than five percent (5%) over the preceding year's percentage share of controllable operating expenses.

10. Tenant Improvements: Landlord shall fit out the Premises based on a mutually accepted space plan and provide a tenant improvement allowance of $15,340,000.00.