

Legislation Text

File #: 190310, **Version:** 0

Authorizing the Commissioner of Public Property, on behalf of the City of Philadelphia, to enter into a sublease agreement with The Philadelphia Municipal Authority, for use by the City of a portion of the premises located at 804 North Broad Street, all 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 a sublease agreement with The Philadelphia Municipal Authority, with City as subtenant, for use by the City of a portion of the premises located at 804 North 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 sublease and other documents necessary to effectuate this Ordinance, which sublease 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 Sublease For 804 North Broad, Philadelphia, PA

1. Sublandord: The Philadelphia Municipal Authority (The Philadelphia Municipal Authority will to enter into a prime lease for the premises with 804 N. Broad Partners, the Prime Landlord.)
2. Subtenant: The City of Philadelphia
3. Premises Address: 804 North Broad Street, Philadelphia, PA
4. Use of the Premises: Approximately 4,123 rentable square feet, on the ground floor and the mezzanine to be used for office space.
5. Term of Sublease: 10 years, with an option to renew for 5 years.
6. Rent: The annual base rent will be approximately \$15.00 per rentable square foot and will escalate at a rate of approximately 8.5% per rentable square foot per three years. At approximately 4,123 rentable square feet, the first year's annual base rent will be approximately \$61,845.00.
7. Utilities: The City shall pay for Utilities, either under multi-facility payment agreements with utility

services or by payment to the Prime Landlord under the prime lease, in the sum of \$1.80 per rsf per year increasing proportionately with the rent every 3 years. The City is also responsible for \$7,278 annually for its proportionate share of insurance costs and real estate taxes.

8. Operating Expenses: The City shall be responsible for its proportionate share of operating expenses.
9. Tenant Improvements: The Prime Landlord under the prime lease shall fit out the space. All fit out plans and specifications will be subject to the approval of the Department of Public Property.