Legislation Text

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Authorizing the Commissioner of Public Property, on behalf of the City of Philadelphia, to enter into a lease agreement with NF 6601 New State Road Partners, L.P., for use by the City, of all or a portion of the premises located at 6601 New State Road, 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 of Philadelphia, is hereby authorized to enter into a lease agreement with NF 6601 New State Road Partners, L.P., for use by the City, of all or a portion of the premises located at 6601 New State Road, 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 draft, negotiate, review and to approve, prior to execution, all documents necessary and helpful to effectuate this Ordinance and to include in those documents all provisions the City Solicitor deems necessary and proper to protect the interests of the City.

EXHIBIT "A"

Terms of Proposed Lease
For 6601 New State Road, Philadelphia, PA

1. Landlord: NF 6601 New State Road Partners, L.P.

2. Tenant: City of Philadelphia

3. Premises Address: 6601 New State Road, Philadelphia, PA 19135

4. Use of the Premises: Approximately 25,068 rentable square feet plus the exterior parking area to be used as a warehouse and office space

5. Term of Lease: Fifteen (15) years, provided, however, that the City in accordance with Section 8-200(3) of the Philadelphia Home Rule Charter, shall have the right to terminate the Lease, at the City's sole option, at any time after the expiration of four (4) years without liability to the Landlord for damages or loss of profits which would have been realized had the lease not been terminated.

6. Renewal Term: One (1) five (5) year renewal at the City's option

7. Rent: Base rent during Lease Year 1 will be $6.67 per rentable square foot and shall escalate at a rate of approximately 10% every five (5) years over the fifteen (15) year term and the renewal term, if exercised. The total base rent for Lease Year 1 will be $167,203.56.

8. Operating Expenses: The City shall be responsible for its proportionate share of operating expenses.

9. Utilities: The City shall pay directly through the City's own accounts or, if not billed directly, shall reimburse the cost of utilities paid on City's behalf.

10. Tenant Improvements: Landlord shall provide the City with a $400,000.00 tenant improvement allowance.