



# City of Philadelphia

Philadelphia, PA 19107

## **RESOLUTION NO. 040284**

---

**Introduced March 18, 2004**

---

**Councilmember Nutter**

---

**Referred to the  
Committee on Law and Government**

---

## **RESOLUTION**

Proposing an amendment to the Philadelphia Home Rule Charter relating to Council approval of leases, contracts and concessions to which the City is a party and Council's power to provide by ordinance for certain disclosures by persons seeking or awarded such contracts, and providing for the submission of the amendment of the electors of Philadelphia.

WHEREAS, Under Section 6 of the First Class City Home Rule Act (53 P.S. §13106), an amendment to the Philadelphia Home Rule Charter may be proposed by a resolution of the Council of the City of Philadelphia adopted with the concurrence of two-thirds of its elected members; now therefore

RESOLVED, BY THE COUNCIL OF THE CITY OF PHILADELPHIA, That the following amendment to the Philadelphia Home Rule Charter is hereby proposed and shall be submitted to the electors of the City on an election date designated by ordinance:

### ARTICLE II LEGISLATIVE BRANCH

The Council — Its Election,  
Organization, Powers and Duties

### CHAPTER 3 LEGISLATION

\* \* \*

Section 2-309. Leases and Contracts [for More than One Year].

# City of Philadelphia

RESOLUTION NO. 040284 continued

(1) The Council may by ordinance authorize the leasing of real estate for more than one year and the contracting for personal property to be supplied or for services to be rendered over a period of more than one year without making appropriations therefor beyond the current year. Such leases and contracts shall be valid and binding upon the City although no appropriations have been made for the ensuing years during which the leases and contracts are to be operative; but it shall be the duty of the Council to make subsequent appropriations from year to year to pay amounts coming due under such leases and contracts. The obligation of the City under such leases and contracts shall not be considered to be a part of the indebtedness of the City. *For purposes of this Section and Sections 8-200 and 8-201, the following contracts and leases shall be deemed to be for the supply of property or the rendering of services over a period of more than one year or to have a term of more than one year, and therefore require approval by ordinance to be effective and binding on the City:*

(a) *Any contract or lease that contains a stated term in excess of one year;*

(b) *Any contract or lease that grants any party or parties thereto the option to extend the term of said contract or lease beyond one year;*

(c) *Any contract or lease that grants any party or parties thereto the option to renew said contract or lease for an additional term or terms such that the total of the original and any potential renewal terms exceeds one year; or*

(d) *Any contract or lease that provides that unless one or more parties to the contract give notice of non-extension or non-renewal, the term of the contract or lease will:*

(.1) *automatically be extended beyond one year; or*

(.2) *the contract or lease will automatically be renewed for an additional term or terms such that the total of the original and any potential renewal terms exceeds one year.*

(2) *No lease, contract or other agreement of any kind, except those awarded by the Procurement Department pursuant to Section 8-200 of this Charter, shall oblige the City to pay an amount in excess of two hundred fifty thousand dollars (\$250,000) unless such agreement is formalized in a writing signed by all the parties thereto and unless such agreement is specifically approved by ordinance.*

(3) *Council shall have power by ordinance to address public confidence in the integrity of the City's contracting process by requiring certain disclosures by persons*

# City of Philadelphia

RESOLUTION NO. 040284 continued

*seeking City leases, contracts, concessions, or other agreements of any kind, and persons who have entered into such agreements, including, but not limited to, disclosure of campaign contributions and disclosure of relatives who are City employees.*

\* \* \*

## ARTICLE IV EXECUTIVE AND ADMINISTRATIVE BRANCH POWERS AND DUTIES

The Mayor, The City Representative and  
Departments, Boards and Commissions  
under the Mayor

\* \* \*

## CHAPTER 5 DEPARTMENT OF COMMERCE AND ITS DEPARTMENTAL BOARD

§4-500. Functions.

The Department of Commerce shall have the power and its duty shall be to perform the following functions:

\* \* \*

(b) Wharf, Dock and Harbor Facilities. The Department shall itself, or by contract, maintain, improve, repair and operate City wharf, dock and harbor facilities; when authorized by the Council, acquire, design and construct additional such facilities; and conduct necessary harbor cleaning, deepening, dredging and ice-breaking operations and maintain and operate equipment for such purposes. The Department may grant leases and licenses for the use of City wharf, dock and harbor facilities, *provided that any such lease or license must be approved by Council by ordinance prior to execution if it has a term of more than one year, as defined in Section 2-309(1).*

(c) Airport Facilities. The Department shall itself, or by contract, maintain, improve, repair, and operate City airport facilities and equipment and when authorized by the Council acquire, design and construct additional such facilities. The Department may grant leases and licenses for use of City airport facilities, *provided that any such lease or license must be approved by Council by ordinance prior to execution if it has a term of more than one year, as defined in Section 2-309(1).*

# City of Philadelphia

RESOLUTION NO. 040284 continued

\* \* \*

## ARTICLE VIII PROVISIONS OF GENERAL APPLICATION

\* \* \*

### CHAPTER 2 CONTRACTS, PROCUREMENT, PROPERTY AND RECORDS

#### §8-200. Contracts.

\* \* \*

(3) Contracts may be made for the leasing of real estate and for personal property to be supplied or services to be rendered over a period of more than one year only when permitted by ordinance. Otherwise no contract shall be binding upon the City unless there is an appropriation available for its payment. When the term of a contract exceeds four years, there shall be inserted a clause reserving to the City the right to terminate it at the option of the City at any time after the expiration of four years without liability to the other party for damages or loss of profits which would have been realized had the contract not been terminated, *provided that*—~~The~~ *the* limitations of this ~~paragraph~~ *sentence* shall not apply to any contract entered into between the City and any authority.

#### §8-201. Concessions.

All concessions granted by any officer, department, board or commission of the City for the sale of products or the rendition of services for a consideration on City property (*whether such concession is granted by the execution of a concession contract, a lease, a license, or otherwise*) shall be awarded by the Procurement Department only pursuant to the specifications of such officer, department, board or commission after competitive bidding and to the highest responsible bidder in a manner similar to that required by the preceding section relating to contracts for procurement involving an expenditure of more than twenty-five thousand dollars (\$25,000). *No concession with a term of more than one year, as defined in Section 2-309(1), or for which payment of twenty-five thousand dollars (\$25,000) or greater is to be made to the City, shall be granted without Council approval by ordinance.*

\* \* \*

# City of Philadelphia

*RESOLUTION NO. 040284 continued*

---

**Explanation:**

[Brackets] indicates matter deleted.

~~Strikethrough~~ indicates matter deleted.

*Italics* indicates matter added.

# City of Philadelphia

*RESOLUTION NO. 040284 continued*