

# City of Philadelphia



(Bill No. 050428)

## AN ORDINANCE

Proposing an amendment to the Philadelphia Home Rule Charter relating to City leases, contracts, concessions and the provision of financial assistance, 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

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

(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*

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*year or to have a term of more than one year, and therefore require authorization 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, other than the City, 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, other than the City, 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, including the City, 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) *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 option to renew or extend the term of a contract or lease shall be exercised by the City if the total of the original and any renewal or extension terms exceeds one year, unless the head of the contracting department or agency files with the Mayor, the President of Council, the Chief Clerk of Council, and the Department of Records a written certification that such renewal or extension is in the best interest of the City. The Department of Records shall make such certifications available for public inspection, and shall arrange for publication of such certifications on the City's official website in a searchable format. No renewal or extension of a contract or lease effected without compliance with this subsection shall be binding upon the City.*

(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 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, and by providing by ordinance as to whether persons who have made, have solicited or have been otherwise involved in raising certain campaign contributions may be eligible or ineligible for City leases, contracts, concessions, or other agreements of any kind, or for a grant, loan, tax incentive, or other form of financial assistance from the City.*

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## ARTICLE IV EXECUTIVE AND ADMINISTRATIVE BRANCH POWERS AND DUTIES

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

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## ARTICLE VIII PROVISIONS OF GENERAL APPLICATION

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

#### §8-200. Contracts.

(1) Except in the purchase of unique articles or articles which for any other reason cannot be obtained in the open market, competitive bids shall be secured before any purchase, by contract or otherwise, is made or before any contract is awarded for construction, alterations, repairs or maintenance or for rendering any services to the City other than professional services and the purchase shall be made from or the contract shall be awarded to the lowest responsible bidder; provided, however, that City Council may, by ordinance, prescribe bid preferences for businesses located in or doing business in Philadelphia, *and provided further that Council may, by ordinance, regulate the process by which purchases and contracts not subject to the lowest responsible bidder requirement of this paragraph are awarded, and may require that contracts with agencies (as that term is defined in subsection 6-400(c) of this Charter) or with other entities include provisions obligating such agencies or entities to comply with any process established by Council under the authority of this subsection, except that such regulations may not require Council authorization of a contract unless Council authorization is required by some other provision of this Charter.*

\* \* \*

#### §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

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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), including, but not limited to, any concession granted by the Department of Commerce under Section 4-500(b) or (c), shall be granted without Council authorization by ordinance.*

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**Explanation:**

[Brackets] indicate matter deleted.  
*Italics* indicate new matter added.

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CERTIFICATION: This is a true and correct copy of the original Bill, Passed by the City Council on May 26, 2005.

A handwritten signature in black ink, reading "Patricia Rafferty". The signature is written in a cursive, flowing style.

Patricia Rafferty  
Chief Clerk of the City Council