

11237. RESOLUTION 17-20 - AUTHORIZES A LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND LASSONDE PAPPAS AND COMPANY, INC. AT THE SALEM BUSINESS CENTRE

WHEREAS, The Delaware River and Bay Authority (the “Authority”), is the owner-operator of an approximately 80,000 square foot building in the Salem Business Centre (“SBC”), Carney’s Point, New Jersey; and

WHEREAS, Lassonde Pappas and Company Inc. (“Lassonde”) currently leases Forty-One Thousand One Hundred and Seventy-Four (41,174) square feet of space in the Salem Business Centre; and

WHEREAS, Lassonde desires to lease and additional Five Thousand Three Hundred and Nine (5,309) square feet of space in the building; and

WHEREAS, the term of this Lease Amendment shall run concurrent with the original lease and expire on August 6, 2022; and

WHEREAS, Lassonde shall have an Early Termination right at December 31, 2018 with an agreed upon early termination fee and reimbursement fee; and

WHEREAS, Lassonde has agreed to pay the Authority annual rent of Twenty-Two Dollars 50/100 (\$22.50) per square foot, in the amount of One Hundred Nineteen Thousand Four Hundred Fifty-Two Dollars 50/100(\$119,452.50) until December 31, 2018; and

WHEREAS, rent during the first year after the early termination shall be Twenty-One Dollars 25/100 (\$21.25) per square foot and shall increase each year by Fifty Cents (\$0.50) per square foot; and

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of the Lease Amendment with Lassonde Pappas and Company, LLC and, with the advice and consent of counsel, to have such Agreements executed by the Chairperson, Vice Chairperson, and the Executive Director.

A motion to approve Resolution 17-20 was made by Commissioner Smith, seconded by Commissioner Ford, and approved by a roll call vote of 10-0.

Resolution 17-20 Executive Summary Sheet

Resolution: Authorizing the Executive Director to execute a Lease Amendment with Lassonde Pappas and Company, LLC

Committee: Economic Development

Committee Date: March 21, 2017

Board Date: March 21, 2017

Purpose and Background for Resolution:

Lassonde Pappas and Company, LLC is currently a tenant in the Salem Business Centre located at 1 Collins Drive. They began leasing space in 2006. Lassonde's business has been growing and they would like to amend their lease to add an additional 5,309 sq.ft. of space in the building. The initial rental rate is \$22.50/sq.ft. This space was previously occupied by NAES but has not been occupied since 2011.