

9758. RESOLUTION 08-19 - AUTHORIZING AMENDMENTS TO A LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND A NEW JERSEY COMPANY FOR PREMISES SITUATE AT THE SALEM BUSINESS CENTRE, CARNEYS POINT, NEW JERSEY

WHEREAS, The Delaware River and Bay Authority (the "Authority"), owns a two story 80,000 square foot office building (the "Building") in the Salem Business Centre (the "Centre"), located in Carneys Point, Salem County, New Jersey; and

WHEREAS, the Authority desires to lease office space at the Centre; and

WHEREAS, the Clement Pappas Company (the "Company") leased approximately 28,469 square feet of office space on the second floor of the Building pursuant to a written lease agreement (the "Lease Agreement") dated December 19, 2006; and

WHEREAS, the Company desires to amend the Lease Agreement to lease an additional 1,939 square feet of space on the second floor of the Building adjacent to the original office space (the "Additional Space"); and

WHEREAS, the Company further desires to amend the Lease Agreement to lease an additional approximately 10,766 square feet of space on the first floor of the Building for use as laboratory and office space (the "Laboratory Space"); and

WHEREAS, the term of Lease Agreement pertaining to the Additional Space will be coterminous with the Lease Agreement at rental rates equivalent to those specified in the Lease Agreement, plus Tenant electric and utility charges; and

WHEREAS, the term of the Lease Agreement pertaining to the Laboratory Space will be for an initial term coterminous with the Lease Agreement at rental rates equivalent to those specified in the Lease Agreement, plus Tenant electric and utility charges; and

WHEREAS, the Company will be responsible for its share of all Operating Expenses over the base year of the Lease; and

WHEREAS, the Company will have an Early Termination Option after ten (10) years with an agreed upon early termination fee and reimbursement fee; and

WHEREAS, with respect to the Laboratory Space the Lease Agreement shall provide a certain lease inducement in the form of a mutually agreed rent abatement; and

WHEREAS, the Company will receive a Tenant Improvement Allowance of Thirty-Three and 75/100 Dollars (\$33.75) per square foot of space for the Laboratory Space with any overage in Tenant Improvements to be the responsibility of the Company; and

WHEREAS, the Company will have the option to extend the term of the Lease Agreement for three (3) consecutive periods of five (5) years each at the then mutually determined (or appraised) fair market value; and

WHEREAS, the Authority and Company are to agree to mutually acceptable forms of the proposed Amendment to Lease Agreement with respect to the Additional Space and the proposed Amendment to Lease Agreement with respect to the Laboratory Space; and

WHEREAS, the Economic Development Committee has reviewed the terms of the proposed Amendment to Lease Agreement with respect to the Additional Space and the proposed Amendment to Lease Agreement with respect to the Laboratory Space and recommends approval thereof by the Commissioners.

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to negotiate and finalize the terms and conditions of the proposed Amendment to Lease Agreement with respect to the Additional Space between the Authority and the Company for an additional 1,939 square feet of rental space on the second floor of the Building and the proposed Amendment to Lease Agreement with respect to the Laboratory Space for an additional approximately 10,766 square feet of rental space on the first floor of the Building, and, with the advice and consent of counsel, to have such Amendments to Lease Agreement executed by the Economic Development Committee Chairperson, Authority Vice Chairperson, and the Executive Director

A motion to approve Resolution 08-19 was made by Commissioner Simmerman, seconded by Commissioner Smith, and approved by a roll call vote of 10-0.