

**RESOLUTION 22-20 – LEASE AMENDMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND LASSONDE PAPPAS AND COMPANY, INC. (FORMERLY KNOWN AS CLEMENT 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 Fifty-six Thousand Three Hundred and Seventeen (56,317) square feet of space in the Salem Business Centre; and

WHEREAS, the initial term of this Lease Agreement expires on August 6, 2022, and the Lease provides Tenant with three (3) five year renewal periods; and

WHEREAS, Section 1.b. of the Lease requires that Tenant provide its written notice of its intention to exercise its first renewal option (“Renewal Notice”) to Landlord by November 1, 2021; and

WHEREAS, Landlord and Tenant verbally agreed to an extension on the deadline for the Renewal Notice to April 1, 2022; and

WHEREAS, Tenant has requested an additional extension on the Renewal Notice to September 1, 2022 and a commensurate extension on the Term of the Lease to December 31, 2022 and

WHEREAS, Landlord has determined that the modifications set forth in this Amendment fulfill the requirements of the Compact and are necessary for the sound economic development of the State of New Jersey and Landlord has agreed to such modifications upon the terms and conditions set forth herein; 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.

## **Resolution 22-20 Executive Summary Sheet**

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

**Committee:** Economic Development

**Committee Date:** May 17, 2022

**Board Date:** May 17, 2022

**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 renewal notice has been delayed and impacted by two things. Due to Covid, Lassonde's employees are still primarily working remote. They have also had a complete change-over of their US executive staff and have not been in a position to renew or negotiate any changes to their leasehold. In addition, with the potential sale and possible new owners of the SBC, the Authority has been reluctant to negotiate a transaction that would impact the new owners. We would prefer that Lassonde and the new owners negotiate the renewal together. The extension should allow for the time needed to resolve both of these concerns.