

10591. RESOLUTION 12-40 – LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND ENERGI INSURANCE SERVICES, INC., AT THE SALEM BUSINESS CENTRE

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

WHEREAS, Energi Insurance Services, Inc. (“Energi”) desires to lease approximately 3,000 square feet of space in a building located at 1 Collins Drive , commonly referred to as the Salem Business Centre; and

WHEREAS, Energi has agreed to pay the Authority annual rent in the amount of Fifty-Four Thousand Dollars (\$54,000.00); and

WHEREAS, Energi will receive a Tenant Improvement Allowance of Forty dollars (\$40.00) per square foot of space with any overage in Tenant Improvements to be the responsibility of Energi; and

WHEREAS, the Lease Agreement shall provide a lease inducement in the form of a two (2) month rent abatement and reduced Common Area Maintenance fees during the initial year of the lease; and

WHEREAS, the initial term of the Lease Agreement is for five (5) years; and

WHEREAS, Energi with the consent of the Authority, shall have the option of renewing this lease agreement for two (2) option periods of five (5) years each; and

WHEREAS, rent shall increase each year during the initial term by \$0.50 per square foot; and

WHEREAS, rent shall be adjusted at the beginning of each renewal term to the Fair Market Value (FMV).

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of the Agreements with Energi 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 12-40 was made by Commissioner Lathem, seconded by Commissioner Traynor, and approved by a roll call vote of 10-0.

Resolution 12-40 Executive Summary Sheet

Resolution: Authorizing the Executive Director to execute a Lease Agreement with Energi Insurance Services, Inc.

Committee: Economic Development

Committee Date: November 20, 2012

Board Date: November 20, 2012

Purpose and Background for Resolution:

Energi would like to lease approximately 3,000 square feet of space at 1 Collins Drive in a building commonly referred to as the Salem Business Centre. The initial rental rate of \$18.00/sq.ft. is the same rate that the two existing tenants began leasing space in the building. This space has never been occupied and is currently in an unfinished condition. Rent will be adjusted each renewal year by \$0.50/sq.ft. Tenant is an insurance company that is based in Massachusetts and currently has a smaller office in Pennsville but is looking for room to expand.