

Resolution # _____-2018

**Authorizing the Execution of a New Lease Agreement
Between the Millville Housing Authority and the Cumberland County Department of
Health**

WHEREAS, THE Housing Authority of the City of Millville, a Public body created and organized pursuant to and in accordance with the provisions of the Laws of the State of New Jersey has a current lease agreement with the Cumberland County Department of Health to rent 6,947 sq. Ft. of office space in Maurice View Plaza for \$60,720/yr. plus meter reads for utilities;

AND WHEREAS, the Cumberland County Health Department desires to rent an additional 2,033 sq. ft. of office space recently vacated by the MHA in the same Maurice View Plaza building;

AND WHEREAS, the MHA has determined the yearly rent for this additional space will be \$21,968, plus \$4,200/yr. fixed utility charges;

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF MILLVILLE that the Executive Director is authorized to execute a lease agreement with the Cumberland County Department of Health for a total of \$86,888.42/yr. plus meter reads in their current office space. A yearly increase of rent will be equal to the Philadelphia/Wilmington/Atlantic City area Consumer Price Index.

Heather Santoro

Larry Miller

Paula Ring

Robert Tesoroni

Dale Finch

Robert Tesoroni

DATE:

LEASE AGREEMENT

This Lease Agreement (“Lease”) is made on the 1st day of March 2018, by and between the **Millville Housing Authority** (“Landlord”), whose address is 122 East Main Street, Millville, NJ 08332, hereinafter collectively referred to as "Landlord" and **Cumberland County Department of Health** (“Tenant”) whose address is 309 Buck Street, Millville, NJ 08332 hereinafter referred to as "Tenant".

1. Premises. Landlord, in consideration of the covenants hereinafter contained, does hereby demise and lease to Tenant, and Tenant does hereby take and lease from Landlord that certain portion of the land and premises, including improvements located thereon (“Leased Space”), in the County of Cumberland and State of New Jersey which Leased Space and improvements comprise select sections of Block 366, Lot 1, in the City of Millville. The Leased Space consists of the following three areas.

- a. Approximately 6,947 square feet of offices on the 1st and 2nd floors of the real property located at 309 Buck Street, Millville, NJ 08332 and is identified on Lease attachments “A,” “B” and “C.” Tenant shall have exclusive use of the main entrance facing Buck Street and the entrance facing Mulberry St.

NOTE: This particular Leased Space is designated on Attachment “A” as “Existing Health Department Offices” on the Ground and Second Floors.

- b. Approximately 2,033 square feet of offices on the 1st floor of the real property located at 1 East Vine Street, Millville, NJ 08332 and as identified on Lease attachments "A" and "D." Tenant shall have exclusive use of the main entrance facing East Vine Street and the two (2) entrances leading into the Leased Space from the interior of the building.

NOTE: This particular Leased Space is designated on Attachment "A" as "New Health Department Offices"

- c. Approximately 208 square feet of storage space located in the basement of the real property located at 1 East Vine Street, Millville, NJ 08332 and as identified on Lease Attachment "A" as "Existing Storage".

2. Commencement and Term

- a. Term. The term of this Lease shall commence on March 1, 2018 and shall continue for a period of five (5) years thereafter, unless sooner terminated as hereafter provided.
- b. Option to Renew: The Tenant shall have the option to renew the Lease for an additional period of five (5) years, upon termination of the lease term. Tenant shall provide Landlord with thirty (30) days advance notice of intention to renew.

3. Annual Rent. It is agreed by Landlord and Tenant that the Fixed Annual Rent has three (3) components as follows:

- a. The Annual Rent for the 6,947 square feet of offices on the 1st and 2nd floors of the real property located at 309 Buck Street, Millville, NJ 08332 shall be \$60,720.00 payable at a rate of \$15,180 per quarter with the first payment starting March 1, 2018. Payments thereafter shall be made every three (3) months, in

advance, at Landlord's address set forth in the preamble hereof, or at such other place designated by Landlord, without any prior demand therefore and without any deduction or set-off whatsoever.

b. The Annual Rent for the 2,033 square feet of offices on the 1st floor of the real property located at 1 East Vine Street, Millville, NJ 08332 shall be \$21,968.42 payable at a rate of \$5,492.11 per quarter with the first payment due March 1, 2018. Payments thereafter shall be made every three (3) months, in advance, at Landlord's address set forth in the preamble hereof, or at such other place designated by Landlord, without any prior demand therefore and without any deduction or set-off whatsoever.

c. There is no fee for the approximately 208 square feet of storage space located in the basement of the real property located at 1 East Vine Street, Millville, NJ 08332.

4. Rent Escalation. At the beginning of each year within the Lease, the Rent payable by Tenant shall be increased in an amount equal to the product of the Rent times a number equal to the percentage increase in the Philadelphia/Wilmington/Atlantic City Consumer Price Index (CPI) over a 12-month period, calculated by using the most recently published CPI and the CPI published 12 months earlier by the United States Department of Labor, Bureau of Labor Statistics. If the CPI is negative, the rent will remain the same for that year.

5. Late Charge. Landlord may collect charge of five (5%) percent of each payment tendered after the tenth (10th) day of any quarter starting March 1, 2018.

6. Security Deposit. The Landlord has not required a security deposit.

7. Use by Tenant. Tenant covenants and agrees that Tenant, at its own cost and expense, will keep all exterior and interior surfaces of the Leased Space clean and will maintain the Leased Space, all corridors immediately adjoining the Premises, all storage areas and all loading areas, in a clean, orderly and sanitary condition, free of trash, garbage, insects, rodents, vermin and other pests, or any other debris arising from or occasioned by Tenant's use and occupancy of the flammable or hazardous material and other objectionable matters, and shall not encumber nor obstruct the sidewalks, parking areas, yards, entrances, hallways or stairs or other common areas of which the Leased Space is a part, or any other portion thereof.
8. Improvements and Renovations.
 - a. As is. The Tenant accepts the Leased Space, with such improvements as are presently in place, and with the entire facility on an "as is" basis.
 - b. Alterations. Any alterations, decoration, installation, additions or improvements and renovations to be made by Tenant shall be subject to Landlord's prior approval, which approval shall not be unreasonably withheld.
9. Cost. Any and all, alterations, decorations, installations, additions, or improvements and renovations to the leased space, shall be done at Tenant's expense and in full compliance with all laws, rules regulations, and requirements of all governmental bodies having jurisdiction there over. Such alterations, decorations, installations, additions, or improvements may include equipment and trade and other fixtures as are necessary or convenient to Tenant in the operation of its business. Such equipment and trade and other fixtures shall remain the personal property and title thereto shall continue in the owner thereof regardless of the manner in which they may be attached or affixed to the Leased

Space and shall be removed by Tenant at the expiration of this Lease. Tenant shall repair and restore any damage or injury to the Leased Space caused by the installation or removal of any such equipment and trade and other fixtures. In the event such equipment and trade or other fixtures are subject to a lien or title retention instrument, the holder of any such lien or title retention instrument shall have the right and be able to enforce the same as stated therein. Tenant shall not do, or fail to do, anything which would give rise to any mechanic's, material men's or other similar liens being placed against the Leased Space. If any such lien is asserted against the Leased Space, Tenant shall promptly cause such lien to be released, discharged or bonded against to the satisfaction of Landlord.

10. Maintenance; Repairs.

- a. Tenant shall be responsible for all maintenance and repairs to the interior of the building. Landlord shall be responsible for all maintenance and/or repairs to the exterior roof of the building, the exterior HVAC units and the elevator, plumbing, and electrical systems from the interior walls outward. Tenant, however, shall pay for the repair of damages caused by the Tenant or its operations. Tenant shall maintain the building in a neat, clean and orderly condition throughout the term of this lease.
- b. Snow and Ice Removal. Landlord agrees to be responsible for snow and ice removal including salting and shoveling.

11. Utilities

- a. For the 6,947 square feet of Leased Space on the 1st and 2nd floors located at 309 Buck St., Millville, NJ, 08332 Tenant shall be responsible for all utilities serving the leased premises, including but not limited to electric and natural gas monitored by separate meters in the name of Tenant together with any pro rata share of the sewer and water

determined by comparing present readings with empty offices vs. reading while occupied or in any other manner agreed to by the parties. Tenant may utilize the existing security systems but must enter into their own monitoring contract. Tenant shall advise Landlord of the security access code(s) to be utilized only for emergency access to the Leased Space.

- b. For the 2,033 square feet of Leased Space at 1 East Vine St., Millville, NJ 08332, Tenant shall pay a flat utility fee of \$350/month. This fee will be subject to review every twelve (12) months following the inception of the lease.
- c. For the 208 square feet of storage space located in the basement of the real property located at 1 East Vine Street, Millville, NJ 08332 there will be no utility charge.

12. Sign(s). Tenant will pay for Tenant's signage including any necessary electrical work. Tenant agrees to comply with the City of Millville, NJ zoning regulations respecting Tenant's signage.

13. Compliance with Laws and Ordinances.

- a. Tenant will, at its sole cost and expense, comply with all federal, state, county, and municipal laws and ordinances, and the rules and regulations of any duly constituted authority affecting or respecting the Leased Space arising from Tenant's occupancy, use or manner of use of the Leased Space or any installations made thereon by or at Tenant's request other than those required to be performed by Landlord by this Lease or required by reason of a breach of any of Tenant's covenants or agreements hereunder.
- b. If Tenant or Landlord receives any notice of any violation of any laws, ordinances, rules, orders, or regulations applicable to the Leased Space Tenant or Landlord respectively shall give prompt notice to the other.

- c. Tenant will comply with the Industrial Sites Recovery Act, if applicable.
14. Landlord's Access to the Leased Space. Landlord and its agents, employees, officers, and independent contractors shall have access to the Leased Space at all reasonable times for the purpose of examining and inspecting same upon reasonable notice to and convenience of Tenant.
15. Parking – The Landlord agrees to negotiate with the Tenant for assigned parking for Tenant-owned vehicles in the event the Tenant loses access to the space occupied at the time of lease inception.
16. Insurance.
- a. A. Liability. Tenant, at all times during the term of this Lease and at its sole cost and expense, will procure, maintain and keep in force, General Liability including Products and Completed Operations insurance with a combined single limit of liability per occurrence for bodily injury and property damage of one million (\$1,000,000) dollars with a minimum aggregate of two million (\$2,000,000) dollars. Landlord shall be named as “Additional Insured.”
 - b. Fire and Extended Risk. Tenant, at all times during the term of this Lease, and at its sole cost and expense, will procure, maintain and keep in force, fire and extended risk insurance for the building and fixtures, in an amount not less than the replacement value thereof, for the benefit of Landlord.
 - c. Contents. Tenant shall be responsible for insuring tenant’s contents.
 - d. Certificates of such insurance will be delivered to Landlord prior to occupancy.
 - e. The policy or policies of insurance will be issued by a company or companies satisfactory to Landlord, licensed in the State of New Jersey, and will provide that such

policy or policies will not be canceled without the insurance company first giving Landlord written notice thereof at least thirty (30) days before such cancellation shall become effective.

17. Hold Harmless and Indemnification. Tenant agrees to indemnify and hold Landlord, its commissioners, directors, employees, agents and assigns harmless from any and all claims, suits, debts, or demands arising in connection with the Tenant's operations and from any and all liability arising from injury to any person or property, occurring in, on or about the Leased Property.
18. Waiver of Subrogation: Tenant releases the Landlord and waives any right of recovery against the Landlord for loss or damage to the Leased Property, which occurs on or about the Premises (whether due to the negligence of either party, their agents, employees, licensees, invitees or otherwise), to the extent that such loss or damage is reimbursed by insurance proceeds. Tenant agrees that all policies of insurance obtained in connection with the Premises shall contain appropriate waiver of subrogation clauses.
19. Assignment and Subletting. Tenant shall not have the right or the power to assign this Lease, or its rights hereunder, or to sublet all or any part of the Leased Space at any time during the term of this Lease without the prior written consent of the Landlord which such consent the Landlord will not unreasonably withhold. Any purported or attempted assignment or sublease without complying with this paragraph shall be null and void and of no force or effect. In all cases, the assignment or subletting shall be by written instrument which shall be made subject to the terms and conditions of this Lease and provide for all assignees' or subtenants' subordination to Landlord's rights as provided in this Agreement. Consent by Landlord in any one instance to an assignment or sublease

shall not be deemed consent to or a waiver of the right to consent to any and all future or subsequent proposed assignments or subleases.

20. Default.

- a. If the rent required by this Lease or any other charges to be paid hereunder by Tenant, or any part thereof, are not paid when due and remain unpaid for a period of thirty (30) days or if Tenant shall fail to promptly perform any other covenant, condition or provision to be performed by Tenant hereunder, and such failure shall continue for a period of thirty (30) days after receipt by Tenant of written notice from landlord specifying the nature of such failure; or if Tenant abandons the Leased Space; or if Tenant breaches any other obligation under this Lease to be performed by Tenant which cannot be cured, then in that event, Tenant shall be deemed to be in default and Landlord, without further notice, shall mitigate damages as required by law and may, at its option, re-enter and take possession of the Leased Space, including all improvements and fixtures located at, in or about the Leased Space excluding items not owned by Tenant or items encumbered by liens as permitted by law and take, operate or re-let same, in whole or in part, for the account of Tenant at such rental, on such conditions and to such tenants as Landlord, in good faith, may deem proper. Landlord shall receive all proceeds and rentals accruing from such operation or re-letting and shall apply such proceeds and rentals to the payment of all amounts due or becoming due from tenant under the provisions of this Lease and, secondly, if there be any excess, to Tenant.
- b. In the event the proceeds or rentals received by Landlord pursuant to this clause are insufficient to pay all costs and expenses incurred by Landlord and all amounts due and

becoming due under this Lease, Tenant shall pay to Landlord, on demand, any such deficiency as may from time to time occur or exist.

- c. Additional rent: If the Tenant fails to comply with the terms of this Lease, the Landlord may take any necessary and permitted action and may charge the cost, including reasonable attorney's fees, to the tenant as additional rent. Failure to pay such additional rent upon demand is a violation of this Lease.
- d. No re-entry, repossession, operation, or re-letting of the Leased Space or the fixtures therein or thereon shall be construed as an election by Landlord to terminate this Lease.
- e. In the event of Tenant's default as provided in this paragraph (including the giving of any notice required), Landlord may, at its option, without further notice, terminate this Lease and any and all interest of Tenant hereunder.
- f. Landlord shall have the right to seek all remedies provided in this Lease and by law. Each and all of the remedies provided Landlord in this Lease or by law shall be cumulative, and the exercise of one right or remedy by Landlord shall not impair its right to exercise any other right or remedy.
- g. Anything hereinbefore contained to the contrary notwithstanding, if any default shall occur, other than in the payment of money, which cannot with due diligence be cured within a period of thirty (30) days from and after the giving of notice as aforesaid, if Tenant shall commence to eliminate the cause of such default, shall proceed diligently and with reasonable dispatch to take all steps and do all work required to cure such default, and shall thereafter cure such default, then Landlord shall not have the right to terminate this Lease by reason of such default.

h. In the event Landlord shall default in the performance of any of the term provisions of this Lease, Tenant shall promptly so notify Landlord in writing. If Landlord shall fail to cure such default within thirty (30) days after receipt of such notice, or if the default is of such character as to require more than thirty (30) days to cure as agreed upon between Landlord and Tenant shall fail to commence to do so within thirty (30) days after receipt of such notice and thereafter diligently and with reasonable dispatch proceed to cure such default then, in either of such event, Tenant may:

i. Cure such default and Landlord shall, within ten (10) days following receipt of written notice of same, reimburse Tenant for all Tenant's expenses reasonably necessary to effectuate such cure and/or permit Tenant, by written agreement, to make offsets against rent due to Landlord; or

ii. Terminate this Lease.

21. Holding Over. In the event Tenant shall continue to occupy the Leased Space after the last day of the term hereby created, in the absence of a Notice of Renewal, and Landlord shall elect to accept rent thereafter, Tenant shall become a month-to-month tenant of Landlord upon all of the terms specified in this Lease as applicable immediately prior to the expiration of such term.

22. Service of Notice. Any and all notices, demands or communications required to be given hereunder to the parties hereto and/or their respective mortgagees, secured parties or building investors, if any, shall be in writing and sent by certified mail properly addressed and with proper postage:

If intended for Landlord to:

Millville Housing Authority
122 East Main St.
Millville, NJ 08332

If intended for Tenant to:

Cumberland County Department of Health
309 Buck St.
Millville, NJ 08332

23. Casualty Damage.

- a. If the Leased Space is substantially destroyed and rendered unfit for the occupancy or use by Tenant as contemplated by this Lease, this Lease shall thereupon terminate and Tenant shall have no further obligation to Landlord under the terms of this Lease except for accrued rent which shall be prorated up to the date of such destruction.
- b. If the Leased Space is damaged by fire or other casualty, but such loss or destruction does not substantially destroy the Leased Space or render it unfit for Tenant's use and occupancy as contemplated by this Lease, Landlord, at its sole expense, promptly [and in no event later than forty-five (45) days after the occurrence of the loss] shall commence and thereafter proceed with due diligence and without interruption to complete the restoration of the Leased Space to the condition which existed prior to the occurrence of the loss.
- c. During the period from the date of the occurrence of the loss until the Leased Space is repaired and restored to the condition which existed prior to the occurrence of the loss, Tenant's obligation to pay rent and other obligations shall equitably abate.

24. Covenant of Title and Quiet Enjoyment. Landlord covenants and warrants to Tenant that, Landlord has full right and lawful authority to enter into this Lease for the term of this Lease, that Landlord is lawfully in possession of the Leased Space, and that if the Tenant is not in default herein, Tenant's quiet and peaceable enjoyment of the Leased Space during the term of this Lease shall not be disturbed nor interfered with by anyone.

25. Surrender of Leased Space. Upon the expiration or other termination of the term of this Lease, Tenant shall quit and surrender the Leased Space in good order and condition, ordinary wear and tear accepted, and to remove all its property therefrom, except as otherwise provided in this Lease. Tenant's obligation to observe and perform this covenant shall survive the expiration or other termination of the term of this Lease. Any property not so removed from the Leased Space shall be deemed abandoned by Tenant and shall become the sole property of Landlord.

26. Miscellaneous.

- a. This Lease represents the entire understanding and agreement between the parties hereto with respect to the subject matter hereof, supersedes all prior negotiations between such parties, and cannot be amended, supplemented or changed orally, but only by an agreement in writing signed by the party against whom enforcement of any such amendment, supplement or modification is sought and making specific reference to this Lease.
- b. No waiver of any breach or default hereunder shall be considered valid unless in writing and signed by the party giving such waiver, and no such waiver shall be deemed a waiver of any subsequent breach or default of the same or similar or different nature.

- c. This Lease shall be binding upon and inure to the benefit of each party hereto, its successors and assigns.
- b. The clause and paragraph headings contained herein are for the purpose of convenience only and are not intended to define or limit the contents of the respective paragraphs.
- c. Each party hereto shall cooperate, take such further action and execute and deliver such further documents as may be reasonably requested by the other party in order to carry out the provisions and purposes of this Lease including, but not limited to, estoppel certificates containing assertions in writing addressed to the other party certifying that this Lease is unmodified and in full force and effect (or, if there have been modification, that the same is in full force and effect as modified and stating the modification), stating the dates to which the rent and other charges have been paid, and stating whether or not to the best knowledge of the signer of said certificate, there exists any default in the performance of any covenant, agreement, term, provision, or condition contained in this Lease and, if so, specifying each such default of which the signer may have knowledge; it being intended that any such statement delivered pursuant hereto may be relied upon by the other party and by any mortgagee or prospective mortgagee of any mortgage affecting the Leased Space or Tenant's interest in this Lease and by any Successor Landlord or by any subtenant or assignee of Tenant's interest.
- d. This Lease and all amendments thereof shall be governed by and construed in accordance with the laws of the State of New Jersey applicable to contracts made

and to be performed therein. In the event of any dispute, the parties agree that the venue will be Superior Court of New Jersey, Cumberland County.

**CUMBERLAND COUNTY
DEPARTMENT OF HEALTH**

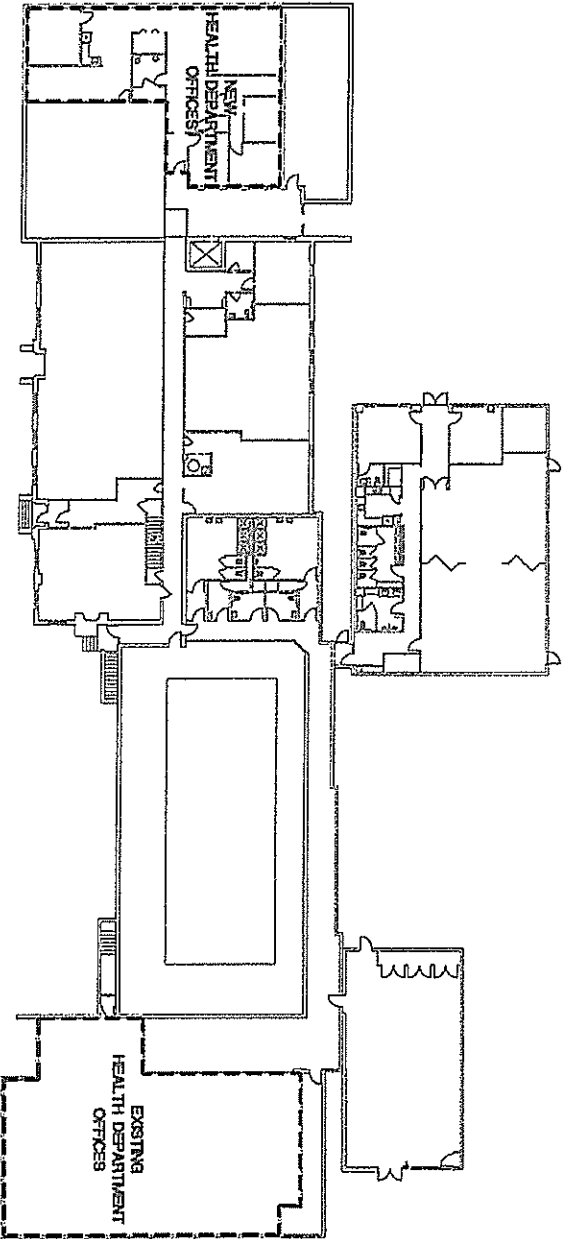
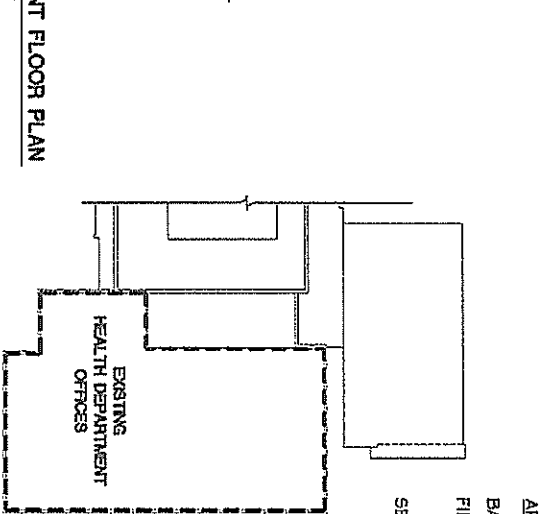
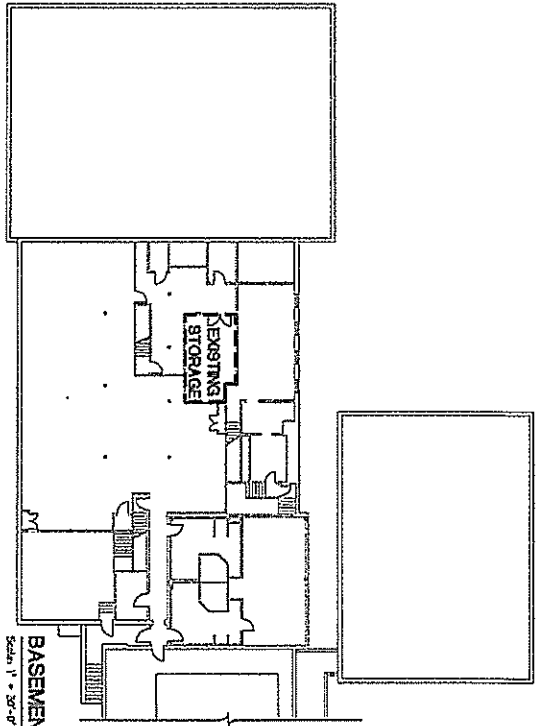
Date: _____

Megan Sheppard, Health Officer

MILLVILLE HOUSING AUTHORITY

Date: _____

Paul Dice, Executive Director

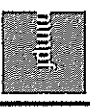


AREA-CALCULATION FOR TENANT

BASEMENT:	EXISTING:	292 S.F.
FIRST FLOOR:	EXISTING:	3482 S.F.
	NEW:	2197 S.F.
SECOND FLOOR:	EXISTING:	3515 S.F.
TOTAL AREA:		9476 S.F.

Revisions	No.	Date	Description

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Client: **MAYNARD HOUSING AUTHORITY**
 300 NEW STATE
 MINNEAPOLIS, MN 55412

HEALTH DEPARTMENT EXPANSION

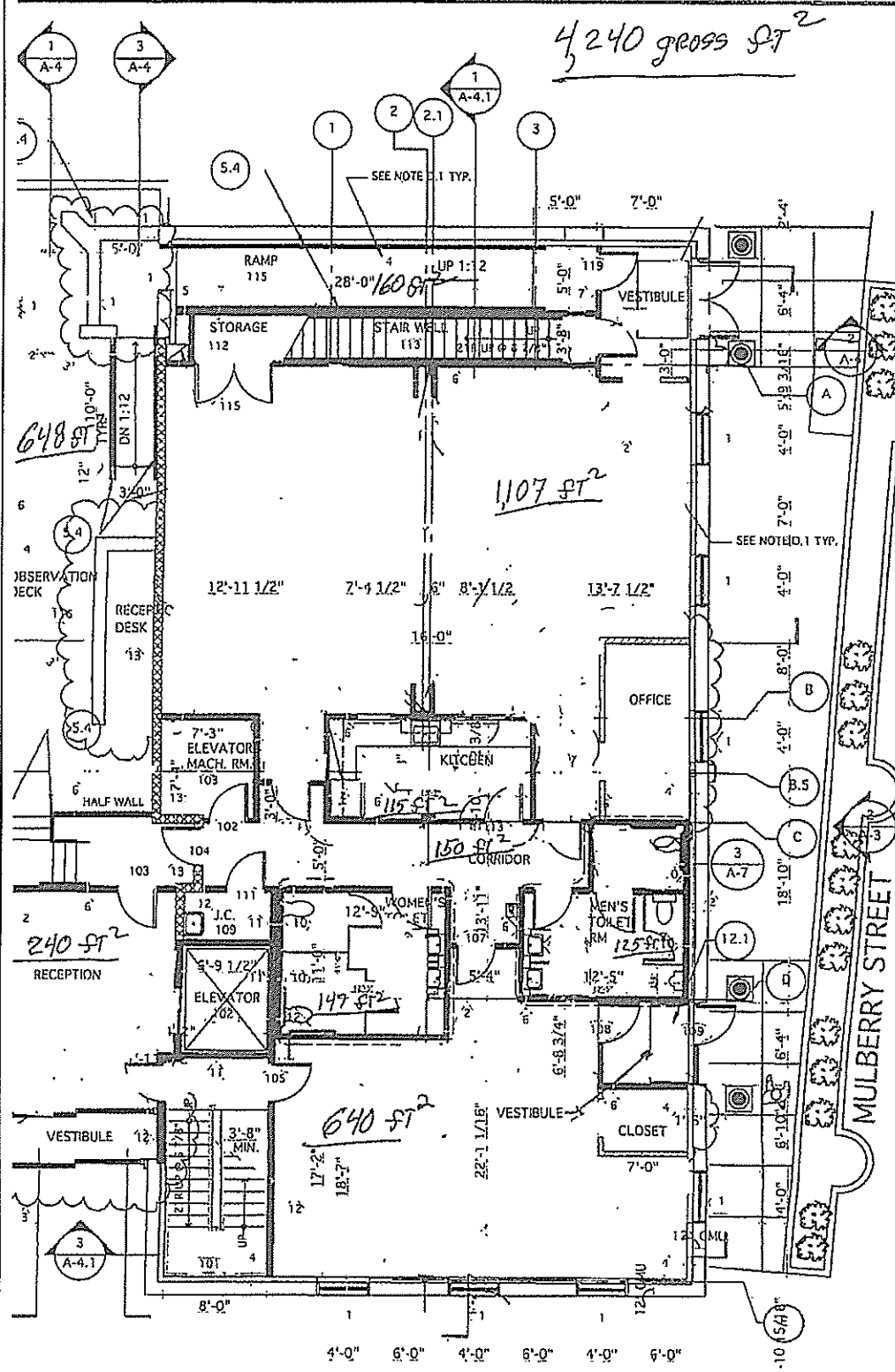
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Sheet: **R-1** of 1

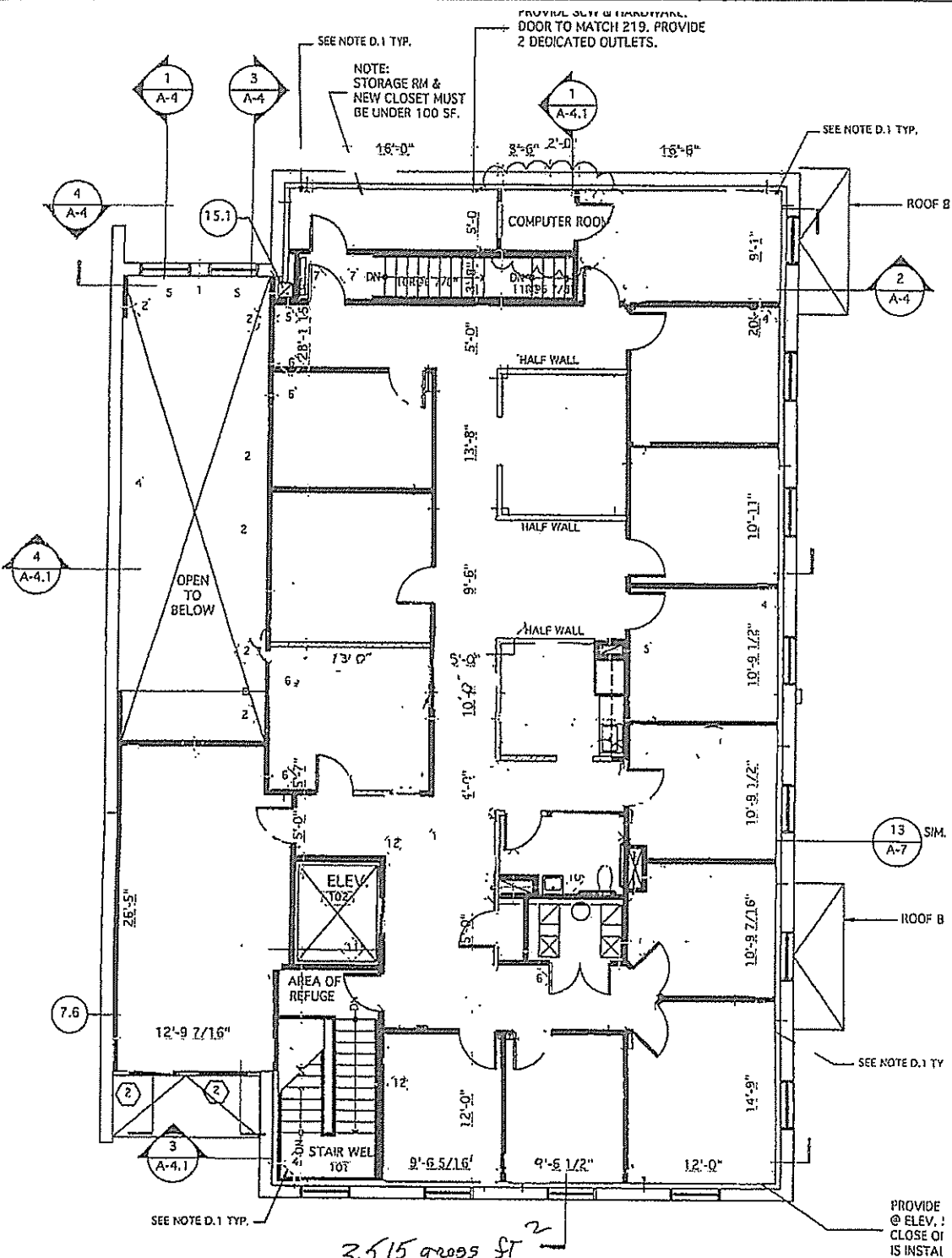
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FIRST FLOOR



MULBERRY STREET

Public:Projects:1999:99081:archicad:061208_rev_floor_plan.pln, FIRST & SECOND FLOOR PLAN Monday, June 16, 2008, 4:43 PM



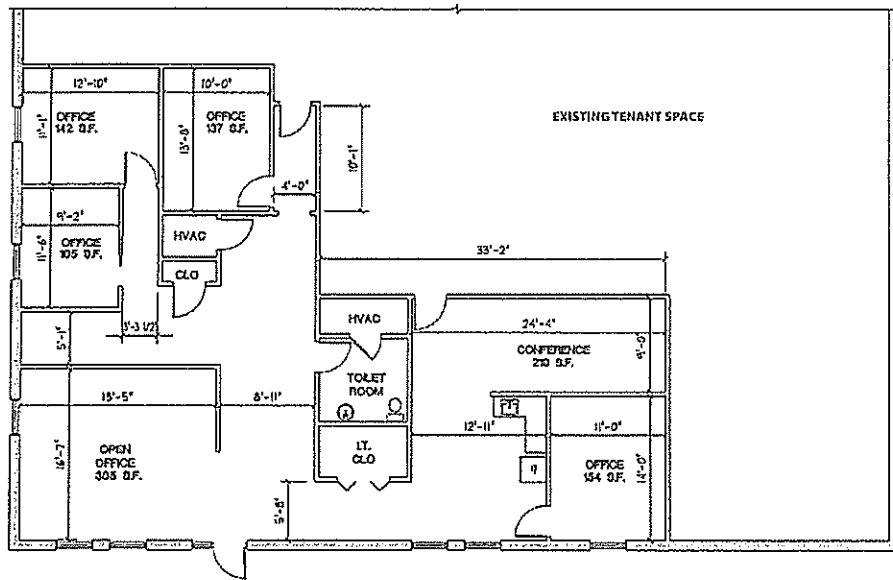
3515 gross SF

SECOND FLOOR PLAN

SCALE 1/8" = 1'-0"
NOTE: BID #2-
PROVIDE ONLY BOLDED
PARTITIONS, DOORS & WINDOWS

2

0



TOTAL AREA: 2,033 SQ. FT.

MILLVILLE HOUSING AUTHORITY

EXISTING ADMINISTRATIVE OFFICES
1 EAST VINE STREET, MILLVILLE, NJ

NOVEMBER 14, 2017

manders merighi portadin farrell

