



THE MAYOR AND BOROUGH COUNCIL
of the
BOROUGH OF GLEN RIDGE
County of Essex
State of New Jersey

Monday, October 24, 2022

RESOLUTION NO. 144-22

Offered by Councilor **MORROW**
Seconded by Councilor

**APPROVAL TO EXECUTE A LEASE EXTENSION AGREEMENT WITH NEW JERSEY
TRANSIT FOR THE RENTAL OF THE GLEN RIDGE TRAIN STATION**

BE IT RESOLVED, that the Borough Council of the Borough of Glen Ridge, formally approves the attached lease amendment for the Glen Ridge Train Station between the Borough of Glen Ridge and New Jersey Transit; and,

BE IT FURTHER RESOLVED, that the Borough Administrator is hereby authorized to finalize the aforementioned Lease Extension Agreement substantially in the form attached hereto as Attachment 1 and to sign the same and any and all other contract documents necessary. The Borough Attorney shall review any and all contractual documents prepared in furtherance of the foregoing.

BE IT FURTHER RESOLVED, that the Administrator is hereby authorized to sign the agreement on behalf of the Borough of Glen Ridge and that his signature constitutes acceptance of the terms and conditions of the lease extension agreement and approves the execution of the lease extension agreement.

SECOND LEASE AMENDMENT
BETWEEN
NEW JERSEY TRANSIT CORPORATION
AND
THE BOROUGH OF GLEN RIDGE

This Lease Amendment (hereinafter "Amendment") is an agreement between New Jersey Transit Corporation, an instrumentality of the State of New Jersey, whose address is One Penn Plaza East, Newark, New Jersey 07105-2246 (hereinafter "Lessor") and the Borough of Glen Ridge, a municipal corporation, with offices located at 825 Bloomfield Avenue, P.O. Box 66, Glen Ridge, New Jersey 07028-0066 (hereinafter, "Lessee").

WHEREAS, Lessor and Lessee originally entered into a Lease Agreement (hereinafter "Lease") on November 4, 1997, for the Ridgewood Avenue Train Station, situated on Block 55, Lot 14, containing approximately 2,100 square feet, located in the Borough of Glen Ridge, County of Essex, State of New Jersey (hereinafter, the "Demised Premises"); and

WHEREAS, Lessor and Lessee entered into the First Lease Amendment on March 14, 2018 which, inter alia, extended the Term of the Lease to October 31, 2022; and

WHEREAS, the original Term of the Lease expires on October 31, 2022; and

WHEREAS, Lessor and Lessee have agreed to further extend the First Lease Amendment for an additional five (5) year term with a revised Expiration Date of October 31, 2027;

WHEREAS, Lessor and Lessee have agreed to such amendment of the Lease subject to the terms and conditions of this Amendment.

NOW, THEREFORE, in consideration of the mutual covenants, terms and conditions set forth herein, the parties hereto agree as follows:

1. Effective November 1, 2022, the Lease Term, as amended, shall commence on November 1, 2022, and shall expire on October 31, 2027, unless sooner terminated as provided in the Lease.
2. Effective November 1, 2022, Section 2(b) is deleted in its entirety and replaced by the following:

(b) Prior to the close of the twenty-ninth year of the term of this Lease, it is Lessor's intention to market the Demised Premises for lease at "fair market rent" for alternative uses. Lessee, as the local governing body, hereby agrees that professional offices

and/or non-food retail establishments would be acceptable alternative uses for the Demised Premises. Prior to marketing the Demised premises as hereinbefore stated, however, Lessor agrees to allow Lessee the opportunity to exercise a "first right of refusal" in order to allow Lessee the option to extend the term of this Lease at fair market rent. In the event Lessee wishes to exercise said option to extend the term of this Lease, rent for the extended term shall be set at a "fair market" rate to be determined by an appraiser mutually selected and paid for by Lessor and Lessee on an equal basis. In determining said fair market rate for rent, the appraiser shall consider the highest and best use of the Demised Premises, including, but not limited to, use of the Demised Premises as professional office(s) and/or a non-food retail establishment(s). The number of years which shall constitute said extension of the term of this lease shall be mutually agreed upon by Lessor and Lessee prior to initiation of said extension.

3. Effective November 1, 2022, Section 4(d) is deleted in its entirety and replaced by the following:

(d) Late Payment of Minimum Base Rent and/or Additional Rent: If any installment of Minimum Base Rent, Percentage Rent and/or Additional Rent is not paid by the due date, Lessee shall pay Lessor a late charge of three percent (3%) of the said Minimum Base Rent, Percentage Rent and/or Additional Rent which is past due and has not been paid, and an additional late charge for each additional thirty (30) day period that the payment shall remain unpaid provided, however, that such late charge shall, regardless of the actual amount of such late charge, in no event be less than Twenty-Five Dollars (\$25.00) for any month or portion of a month that Basic Rent, Percentage Rent and/or Additional Rent shall remain unpaid. In the event any check submitted to Lessor for payment of Rent shall be uncollected, Lessee shall pay an additional fee of twenty-five dollars (\$25.00) in each instance.

Place of Payment: (Lockbox)

NEW JERSEY TRANSIT CORP.
P.O. Box 416168
Boston, Massachusetts 02241-6168

4. Effective November 1, 2022, Section 23 is deleted in its entirety and replaced by the following:

23. INDEMNIFICATION

Lessee, its related entities and contracting parties, shall indemnify, defend and save harmless the State of New Jersey, Lessor and its subsidiaries, their agents, officials, employees, servants, invitees and any other operating authorities Lessor may designate (the "Indemnified Parties") against all just or unjust claims, demands, actions, suits, causes of action, damages, liabilities, judgments, losses of any kind whatsoever, costs and expenses including, but not limited to, reasonable court costs and counsel fees occurring as a result of any alleged injuries, deaths, illegal acts, property damage or violations of any statute or incidents or any other cause whatsoever which may arise or accrue against the Indemnified Parties, which (a) arise from or in connection with Lessee's possession, use, occupancy, management, repair, maintenance or control of the Demised Premises or any portion thereof; (b) arise from or in connection with any act or omission of Lessee or Lessee's

agents, officials, employees, contractors, servants or invitees; (c) result from any default, breach, violation or non-performance of this Lease or any provision thereof by Lessee; (d) result in injury to person or property or loss of life sustained in or about the Demised Premises as a result of Lessee's use, occupancy, management, repair, maintenance or control of the Demised Premises. Lessee shall, at its own expense, appear and defend the Indemnified Parties and pay all charges of attorneys and all costs and other expenses arising therefrom or incurred in connection therewith, and if any judgment shall be rendered against Lessor or other Indemnified Parties in any action, Lessee shall, at its own expense, satisfy and discharge the same. Lessee shall make no claim against Lessor for or on account of any loss damage whatsoever including, but not limited to, business losses or losses sustained by fire, wind or water and will cause its insurer to waive subrogation rights against Lessor or any designee of Lessor for any claims resulting from any such loss.

In defense of any such claims, demands, suits, actions or proceedings, the Lessee shall not raise or introduce without the express written permission in advance of the Attorney General of the State of New Jersey, any defense involving in any way the immunity of NJ Transit or the State of New Jersey, the jurisdiction of the tribunal over NJ Transit or the State of New Jersey, or the provisions of any statute respecting suits against NJ Transit or the State of New Jersey.

5. Effective November 1, 2022, Section 24 is deleted in its entirety and replaced by the following:

24. INSURANCE

(a) Insurance During the Entire Term

Lessee shall procure and maintain, and shall require its assignees and contractor(s), if any, to procure and maintain, during the entire term, and any holdover period, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the Lessee's operation and use of the leased premises. The cost of such insurance shall be borne by the Lessee.

MINIMUM SCOPE AND LIMIT OF INSURANCE

Coverage shall be at least as broad as of the following kinds and minimum amounts:

(i) Commercial General Liability (CGL): Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than \$5,000,000 per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit. Coverage provided under this liability policy shall include premises operations liability, blanket contractual liability, independent contractor's liability, mobile equipment, damage from explosion, collapse and underground hazards, and cross liability and severability of interests clause. There shall be no coverage exceptions for property containing or adjacent to railroad facilities or other transportation facilities and the policies shall be endorsed evidencing the contractual exclusion related to construction activity, or any access whatsoever, within fifty (50) feet of the railroad has been deleted.

(ii) Workers' Compensation and Employer's Liability Insurance: Lessee shall and shall require its assignees and/or contractor(s), if any, to purchase and maintain during the term of this Lease, a policy of worker's compensation insurance within the statutory limits of the State of New Jersey. In case any class of employees is not protected under the Worker's Compensation Statute, Lessee shall provide and shall cause each contractor to provide employer's liability insurance for the protection of each of its employees as are not otherwise protected. Such policy shall cover any disease, including communicable disease, occupational and bacterial, and, if permitted by law, shall contain a waiver of subrogation in the benefit of the Indemnified parties. Employer's Liability Insurance with limits of no less than:

Employer's Liability	\$1,000,000 each accident
	\$1,000,000 each employee disease
	\$1,000,000 policy limit – disease

(iii) Property insurance: Covering against all risks of loss, including but not limited to the perils of fire, flood, windstorm, terrorism, and including business interruption for a period of up to one (1) year, covering the full replacement cost of the Demised Premises (which insurance shall take into account the Demised Premises' status as a historic structure, if applicable, and, in the event of a fire or other casualty, must be rebuilt as such) as well as all tenant improvements or betterments, equipment, installations, fixtures and contents in the Demised Premises at full replacement cost with no coinsurance penalty provision. If the Lessee maintains broader coverage and/or higher limits than the minimums shown above, NJ Transit requires and shall be entitled to the broader coverage and/or the higher limits maintained by the Lessee. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to NJ Transit. NJ Transit shall be named on the policy as Loss Payee, as their interests appear in this Lease.

(iv) If applicable Liquor Legal Liability: If Lessee will be supplying alcoholic beverages, the general liability insurance shall include host liquor liability coverage. If Lessee is using a cater or other vender to supply alcohol that vendor must have liquor liability coverage. If Lessee intends to sell alcohol, the Lessee shall provide Liquor Legal Liability in with limits of no less than \$2,000,000 each occurrence.

(v) Automobile Liability: Covering any auto (Code 1), and with limits of no less than \$2,000,000 per accident for bodily injury and property damage.

(b) Insurance During Alterations, Additions or Improvements

The Lessee shall or shall cause any contractor retained to perform work in furtherance of any Alterations as defined in Section 8 performed on the Demised Premises to procure or cause to be procured and maintained until completion of the work or otherwise required in this Section, the types of insurance and in the minimum limits specified below:

(i) Commercial General Liability Insurance: Commercial General Liability Insurance with a minimum amount of \$10,000,000 combined single limit per occurrence, in a per project aggregate, shall be maintained, for damages arising out of bodily injuries or death and/or property damage. This policy shall name the Indemnified Parties as additional insureds. The liability policy(ies) shall be written on a form as broad as ISO Form CG 20 10 10 01 for ongoing operations work, and ISO Form CG 20 37 10 01 for completed operations work, and shall include a cross-liability coverage providing severability of interests so that coverage will respond as if separate policies were in force for each

insured. Coverage provided under this liability policy shall be on an occurrence basis and shall include, but not be limited to, premises operations liability, personal injury liability, property damage liability, contractual liability, independent contractors liability, products liability, and completed operations extending two years following completion of the work. There shall be no coverage exceptions for property containing or adjacent to railroad facilities and the policies shall be endorsed evidencing the contractual exclusion related to construction activity, or any access whatsoever, within fifty (50) feet of the railroad has been deleted. All hazards to be covered shall include the so-called "XCU" coverage for explosion, collapse, and damage where work is to be done over or under Lessor's property.

(ii) Workers' Compensation and Employer's Liability Insurance: Lessee shall and shall require its assignees and/or contractor(s), if any, to purchase and maintain during the term of this Lease, a policy of worker's compensation insurance within the statutory limits of the State of New Jersey. In case any class of employees is not protected under the Worker's Compensation Statute, Lessee shall provide and shall cause each contractor to provide employer's liability insurance for the protection of each of its employees as are not otherwise protected. Such policy shall cover any disease, including communicable disease, occupational and bacterial, and, if permitted by law, shall contain a waiver of subrogation in the benefit of the Indemnified parties. Employer's Liability Insurance with limits of no less than:

Employer's Liability	\$1,000,000 each accident
	\$1,000,000 each employee disease
	\$1,000,000 policy limit – disease

(iii) Builder's Risk Insurance Coverage: Shall include terrorism coverage, for 100% of the construction value of the Demised Premises on which the work is to be executed or which is to be constructed, and shall also cover materials that will eventually form a permanent part of the finished improvements, stored in temporary structures, at off-site facilities, or in the open. The Indemnified Parties are to be named on the policy as Loss Payees, as their interests appear in this Agreement. Fire Insurance with Extended Coverage Endorsement: Fire insurance covers damage or loss to a property because of fire. An extended coverage endorsement provides coverage beyond fire damage. It protects property against losses caused by the perils of windstorm, hail, explosion, civil commotion, riot and riot attending a strike, aircraft damage, vehicle damage, and smoke damage.

(iv) Commercial Automobile Liability Insurance: Automobile Liability Insurance with a minimum of \$2,000,000 combined single limit per accident, covering any auto, for bodily injury and property damage liability shall be maintained during the period work is performed on the Demised Premises and any future work to be performed on the Demised Premises.

(v) Contractor's Pollution Legal Liability and/or Asbestos Legal Liability (if applicable) Insurance: If at any time any party is performing environmental removal or remediation work, or removal of any Asbestos Containing Material {ACM}, Lessee shall cause the performing party to procure and maintain throughout their entire period of the performance of work, Contractor's Pollution Legal Liability and/or Asbestos Legal Liability Insurance, including lead abatement if required, and removal operations with a

minimum amount of \$5,000,000 per occurrence and \$10,000,000 per project aggregate. Transport of any hazardous waste generated pursuant to the performance of work Articles IV or V shall require Hazardous Waste Haulers Insurance (MCS90) in an amount of \$5,000,000 per occurrence or statutory minimum, whichever is greater. Such policy shall contain a six (6) year extended reporting period.

(vi) Railroad Protective Liability Insurance: Where work performed pursuant to Section 8 includes work across, under or within 50 feet of railroad tracks or the right-of-way, Lessee shall or shall cause the Contractor to procure and maintain Railroad Protective Liability Insurance (AAR – AASHTO Form) in the name of NJ TRANSIT Rail Operations and other affected railroads providing for bodily injury limits of not less than **\$2,000,000** per occurrence for damage arising out of bodily injury or death, and railroad protection property damage limits of not less than \$2,000,000 for damages to or destruction of property, including the loss of use thereof, in any one occurrence, and not less than **\$6,000,000** In the aggregate. (Reference: “Standard Provisions for General Liability Policies” as contained in U.S. Department of Transportation, Federal Highway Administration, Federal-Aid Highway Program Manual Volume 6, Chapter 6, Section 2, Sub-Section 2, Attachment 1).

The Railroad Protection Policy must contain the following endorsements:

- a. I.S.O. (Insurance Services) Office Endorsement: GL 00 30 03 83.
- b. Manuscript endorsement with the following wording: “It is understood and agreed that Insuring Agreements, Section II, Definitions (c) (3) is amended to read: ‘Any employee of the insured not within (1) or (2) who is specifically loaned or assigned to the work of the Contractor for prevention of accidents or protection of property, regardless at whose cost those services are provided.’
- c. The Contractor shall furnish to Lessor and other specified railroads a Certificate of Insurance for Contractor’s Public Liability Insurance and the original of the AAR-AASHTO policy for Railroad Protective Liability Insurance and all other insurance as required, prior to Execution of the Contract.
- d. Each policy shall include specific endorsements to said policy or policies as stated in this Article providing for thirty (30) days written notice to Lessor of any cancellation or material change in the policy.

(vii) In lieu of requiring its assignees or contractors to carry this coverage, Lessee may elect to cover them under its policies of insurance with advance written approval of Lessor.

If any loss is paid to Lessee, it will be held by Lessee in trust for application to the cost of restoring, repairing, replacing or rebuilding the Demised Premises, and will be disbursed promptly upon receipt by Lessee.

If the Lessee, or any of its Contractors, maintains broader coverage or policies, and/or higher limits than the minimum shown above, then the full limits of that insurance coverages or policies will be available to respond to any claims asserted against the Lessor or the Indemnified Parties.

The foregoing insurance coverage is not intended to, nor does it limit the liability of the Lessee to hold the Indemnified Parties harmless as set forth in Section 23 above.

(c) Other Insured Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions:

(i) *Additional Insured Status:* NJ TRANSIT, the State of New Jersey, other railroad(s) operating on the affected property, their successors, assigns, agents, employees, servants, and officials, and each and every one of them (“Indemnified Parties”), are to be covered as additional insureds on the CGL policy with respect to liability arising out of leased premises or any work or operations performed by or on behalf of the Lessee including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Lessee’s insurance (at least as broad as ISO Form CG 20 10). Additional insured endorsement CG2026 11/85, CG 2010 11/85 or CG 2010 10/93 (but only if modified to include both ongoing and completed operations) naming the Indemnified Parties.

(ii) *Primary Coverage:* For any claims related to this contract, the Lessee’s insurance coverage shall be primary insurance coverage at least as broad as ISO CG 20 01 04 13 as respects to the Lessor, its officers, officials, employees, volunteers, and any indemnified party. Any insurance or self-insurance maintained by the Lessor, its officers, officials, employees, or volunteers shall not contribute to any loss or claim.

(iii) *Notice of Cancellation:* Each insurance policy required above shall provide that coverage shall not be canceled, and shall be endorsed stating the following cancellation notice:

“This policy is not subject to cancellation or material change until thirty (30) days after NJ TRANSIT has received written notice thereof as evidenced by return receipt of a registered letter addressed to NJ TRANSIT, Attn: Greystone Management Solutions, One Penn Plaza East, Real Estate Department, 7th Floor, Newark, NJ 07105-2246.”

(iv) *Waiver of Subrogation:* Lessee hereby grants to Lessor a waiver of any right to subrogation which any insurer of said Lessee may acquire against the Lessor by virtue of the payment of any loss under such insurance. Lessee agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the Lessor has received a waiver of subrogation endorsement from the insurer.

(v) *Acceptability of Insurers:* Insurance is to be placed with insurers authorized to conduct business in the state of New Jersey with a current A.M. Best’s rating of no less than A: VIII.

(vi) *Self-Insured Retentions:* Self-insured retentions must be declared to and approved by the Lessor. At the option of the Lessor, either, the Lessee shall obtain coverage to reduce or eliminate such self-insured retentions; or the Lessee shall provide a financial guarantee satisfactory to the Lessor, guaranteeing payment of losses and related investigations, claim administration, and defense expenses. If any such program is approved by Lessor, the Lessee and any of its Contractors represent that such program provides the Indemnified Parties with all rights, immunities and protections that would be provided by traditional

independent insurance required under the Lease, including, but not limited to, the defense obligations that insurers are required to undertake in the liability policies pursuant to the terms of the Lease.

(vii) *Verification of Coverage*: Lessee, and any of its contractors, shall furnish the Lessor with original Certificates of Insurance including all required amendatory endorsements and a copy of the Declarations and Endorsement Page of the CGL policy listing all policy endorsements to Lessor prior to occupancy or commencement of any work of Improvements, Alterations or "Major Repairs" as outlined in this Agreement. However, failure to obtain the required documents prior to occupancy or commencement of any work or Improvements shall not waive the Lessee's obligation to provide them. The Lessor reserves the right to require complete, certified copies of all required insurance policies, including endorsements, required by these specifications, at any time. Said certificates and endorsements shall be delivered to NJ TRANSIT, Attn: Greystone Management Solutions, One Penn Plaza East, Real Estate Department, 7th Floor, Newark, NJ 07105-2246. The Certificate of Insurance must state in the description of operations section the lease number.

(viii) *Special Risks or Circumstances*: Lessor reserves the right to modify these requirements at any time, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances, and is customarily maintained for buildings of similar construction, use and class in the area in which the Demised Premises is located. Each insurance policy required to be maintained under this Lease shall state that with respect to the interest of Lessor and the Additional Insureds, the insurance maintained pursuant to each such policy shall not be invalidated by any action or inaction of Lessee and shall insure Lessor and the Additional Insureds regardless of any breach or violation of any warranties, declarations, conditions or exclusions by Lessee. It is understood and agreed that the procurement of insurance in the amounts required does not in any way or manner whatsoever limit Lessee's liability to NJ TRANSIT. In the event the insurance so provided by Lessee does not apply to or cover a particular loss, Lessee shall be liable to NJ TRANSIT for the full amount of any and all loss and/or damage as provided herein. Lessee shall also be liable to NJ TRANSIT for the full amount of any and all loss and/or damage for which Lessee is responsible.

6. All other terms and conditions of said Lease shall remain in full force and effect. In the event of an inconsistency between this Amendment and the Lease, the terms of this Amendment shall control.

7. **Authority to Sign**

Lessee represents that the individual executing this Second Lease Amendment to the Lease on behalf of the Lessee is fully authorized to do so and that the execution of this Second Amendment on the part of such individual shall bind Lessee to its obligations set forth in Second Amendment.

8. This Amendment is hereby made a part of the Lease.

