

## MEMORANDUM

MARCH 14, 2013

**TO:** ECONOMIC DEVELOPMENT AND INDUSTRIAL CORPORATION  
AND PETER MEADE, DIRECTOR

**FROM:** LARRY MAMMOLI, DIRECTOR ENGINEERING AND FACILITIES  
MANAGEMENT  
DENNIS DAVIS, DEPUTY DIRECTOR, INDUSTRIAL DEVELOPMENT  
AND COMMERCIAL LEASING

**SUBJECT:** PROPOSED LEASE AMENDMENT BETWEEN EDIC AND MAGELLAN  
DISTRIBUTING AT 12 CHANNEL STREET

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**SUMMARY:** This Memorandum requests that the Director be authorized to enter into a Lease Amendment between The Economic Development and Industrial Corporation of Boston and Magellan Distributors ("Magellan") for 11,757 square feet consisting of 2 suites on the 8<sup>th</sup> floor of 12 Channel Street in the BMIP, and any and all other agreements and documents, that the Director deems appropriate and necessary with respect to the Lease.

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### **BACKGROUND**

Magellan Distributors has been a tenant at 12 Channel Street since 2003 where they occupy 11,757 square feet on the eighth floor and operate a computer parts warehouse and distribution facility. Their current Lease expires in 2013.

The proposed Lease Amendment will add an additional three years to the Lease extending the term expiration to February 28, 2016.

### **PROPOSED LEASE TERMS**

The rent will remain at its current rate of \$10.15 per square foot for the through February 28, 2016.

Magellan will continue to occupy a 1,502 square foot storage cage in the basement on a month to month basis for an additional \$500 per month.

The security Deposit will remain at one month's rent. Parking space allocation will be increased from 1 space to 2 to acknowledge Magellan's leasing of two suites.

All other terms and conditions of the Lease will be unchanged.

**FISCAL IMPACT**

EDIC will receive a minimum net payment of a \$119,333.55 per year for the three year term for a total of \$358,000.65

An appropriate vote follows:

**VOTED:** That the Director be, and hereby is, authorized on behalf of the Economic Development and Industrial Corporation of Boston to execute a Lease Amendment with Magellan Distributors for 11,757 square feet of space on the 8<sup>th</sup> floor of 12 Channel Street on terms and conditions substantially consistent with the Board Memorandum submitted at the meeting of March 14, 2013, and any and all other agreements and documents, that the Director deems appropriate and necessary with respect to the Lease.