

11110. RESOLUTION 16-19 – LEASE TERMINATION AGREEMENT BETWEEN THE DELAWARE RIVER & BAY AUTHORITY AND ESTATES AVIATION SERVICES, LLC.

WHEREAS, the Delaware River and Bay Authority (the “Authority”), is the operator of the New Castle Airport (“Airport”); and

WHEREAS, Estates Aviation Services, LLC. (“Estates”) currently leases one hundred percent (100%) share of a hangar located at 9 DRBA Way at the New Castle Airport for the operation of a corporate flight department; and

WHEREAS, Estates would like to relocate their corporate flight department to White Plains, NY; and

WHEREAS, the Authority has located a new tenant to lease 9 DRBA Way; and

WHEREAS, Estates has agreed to pay an early termination fee of Fifty Thousand Dollars 00/100 (\$50,000.00); and

WHEREAS, the Authority and Estates agree that the lease shall expire on July 1, 2016; and

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of the Lease Termination Agreement Estates Aviation Services, LLC. and, with the advice and consent of counsel, to have such Amendment executed by the Chairperson, Vice Chairperson and the Executive Director.

A motion to approve Resolution 16-19 was made by Commissioner Lathem, seconded by Commissioner Ford, and approved by a roll call vote of 10-0.

Resolution 16-19 Executive Summary

- Resolution:** Authorizing the Execution of a Lease Termination Agreement between the Delaware River and Bay Authority and Estates Aviation Services, LLC, regarding the New Castle Airport
- Committee:** Economic Development
- Committee Date:** May 17, 2016
- Board Date:** May 17, 2016
- Purpose of Resolution:** To permit the Executive Director, Chairperson and Vice Chairperson to execute and deliver a lease termination agreement for space at the New Castle Airport.
- Background of Resolution:** The Delaware River and Bay Authority owns a hangar located at 9 DRBA Way at the New Castle Airport. Estates leases 100% of this facility beginning in July 2015. Estates wishes to relocate closer to the home offices to White Plains, NY and has requested to terminate the remaining term of the lease. The Authority has an agreement in place with Exelon Corporation which affords an opportunity for enhanced operations leading to possible increased landing and fuel fees, makes the termination potentially beneficial. The termination fee represents 2 months of rental payments.