

11366 RESOLUTION 18-09 - LEASE AGREEMENT AND AMENDMENT TO LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND CAPE MAY BREWING LLC.

WHEREAS, The Delaware River and Bay Authority (the "Authority"), is the operator of the Cape May Airport ("Airport"); and

WHEREAS, CMB desires to continue to lease approximately 6,000 square feet of space in Building 96 comprised of Units 5,6,7 & 8 at the Cape May Airport; and

WHEREAS, Cape May Brewing LLC has agreed to pay the Authority annual rent in the amount of Forty-Three Thousand Eight Hundred and Ninety-Three 00/100 Dollars (\$43,893.00); and

WHEREAS, the initial term of this agreement shall be for two (2) years and four (4) months so as to coincide with the term of lease for Building 97; and

WHEREAS, rent shall increase during the initial term annually beginning on July 1, 2019 by the Consumer Price Index (CPI); and

WHEREAS, CMB shall have the right to renew this agreement for one (1) three (3) year renewal period

WHEREAS, rent shall increase by the Fair Market Value during the initial year of the renewal period; and

WHEREAS, rent shall increase annually by the Consumer Price Index (CPI) during the remain years of the renewal period; and

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

A motion to approve Resolution 18-09 was made by Commissioner Ratchford, seconded by Commissioner Decker, and approved by a roll call vote of 10-0-1 with Commissioner Bennett Abstaining.

Resolution 18-09 Executive Summary

Resolution: Authorizing the Execution of a Lease Agreement between the Delaware River and Bay Authority and Cape May Brewing LLC, regarding Cape May Airport

Committee: Economic Development

Committee and Board Date: March 20, 2018

Purpose of Resolution: To permit the Executive Director, Chairman and Vice Chairman to execute and deliver a lease agreement for existing lease space at the Cape May Airport.

Background for Resolution:

The Delaware River and Bay Authority operates a retail building at the Cape May Airport commonly referred to as Building 96. Cape May Brewing currently leases Units 5, 6, 7 & 8 in the building at the Cape May Airport. Cape May Brewing would like to continue to lease the space and operate their tour, tap room and sales office from the space. The term of the lease coordinates with the remaining term of the Building 97 lease so that they will both expire at the same time.