

10538. RESOLUTION 12-22 – LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND JUMPIN’ JOE’S AT THE CAPE MAY AIRPORT

WHEREAS, The Delaware River and Bay Authority (the “Authority”), is the operator of the Cape May Airport (“Airport”), Cape May, New Jersey; and

WHEREAS, Jumpin’ Joe’s desires to lease approximately 15,000 square feet of space at 460 Saratoga Rd., commonly referred to as the Tomwar Building at the Cape May Airport; and

WHEREAS, Jumpin’ Joe’s has agreed to pay the Authority annual rent in the amount of Fifty Thousand Dollars (\$50,000.00); and

WHEREAS, the initial term of the Lease Agreement (“Agreement”) is for five (5) years; and

WHEREAS, the building requires improvements to the interior to include plumbing, HVAC, electric and cosmetic enhancements that are estimated to cost approximately \$140,000; and

WHEREAS, the Authority will allow a rent abatement during the first year of \$50,000, an abatement of \$15,000 during the second year and an abatement of \$10,000 during the third year; and

WHEREAS, Jumpin’ Joe’s, with the consent of the Authority, shall have the option of renewing this Agreement for two (2) option periods of five (5) years each; and

WHEREAS, rent shall be adjusted annually by the Consumer Price Index (CPI); and

WHEREAS, rent shall be adjusted to the Fair Market Value of the property at the beginning of the renewal term.

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of the Agreement with Jumpin’ Joe’s and, with the advice and consent of counsel, to have such Agreement executed by the Chairperson, Vice Chairperson, and the Executive Director.

A motion to approve Resolution 12-22 was made by Commissioner Favre, seconded by Commissioner Smith, and approved by a roll call vote of 8-0.

Resolution 12-22 Executive Summary Sheet

Resolution: Authorizing the Executive Director to execute a Lease Agreement with the Jumpin' Joe's.

Committee: Finance

Committee Date: June 19, 2012

Board Date: June 19, 2012

Purpose and Background for Resolution:

Jumpin' Joe's is a start-up business. They will be operating an indoor "family fun center". They are looking to lease a building at the airport that totals approximately 15,000 square feet of warehouse and unfinished space. This facility has been vacant since spring of 2008. The building was previously listed as available with a Request for Proposals which did not result in a viable lease agreement. Jumpin' Joe's plans on hiring 10-14 part time employees that will be local residents. They also plan on partnering with local businesses at the airport for marketing materials and catering.