

10876. RESOLUTION 14-41 – LEASE AGREEMENT BETWEEN DELAWARE RIVER AND 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”) desires to lease approximately 23,400 square feet of hangar space located at 9 DRBA Way at the New Castle Airport; and

WHEREAS, Estates has agreed to pay the Authority annual rental in the amount of Three Hundred Thousand Dollars (\$300,000.00); and

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

WHEREAS, Estates shall have the right to renew this Lease Agreement for two(2) additional five (5) year terms; and

WHEREAS, rent shall be adjusted at the beginning of each option period to the Fair Market Value (FMV);

WHEREAS, rent during the initial term and each renewal term shall be adjusted each year by the CPI; and

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of the Lease Agreement with Estates Aviation Services, LLC 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 14-41 was made by Commissioner Ford and seconded by Commissioner Dorn. Resolution 14-41 was approved by a roll call vote of 10-0.

Resolution 14-41 Executive Summary Sheet

Resolution: Authorizing the Execution of a Lease Agreement between the Delaware River and Bay Authority and Estates Aviation Services, LLC, regarding New Castle Airport

Committee: Economic Development

Committee Date: October 21, 2014

Board Date: October 21, 2014

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

Background for Resolution:

The Delaware River and Bay Authority owns a hangar located at 9 DRBA Way at the New Castle Airport. Estates Aviation Services, LLC wishes to lease 100% of this hangar facility for the storage of personal corporate aircraft and to operate a trust office. The lease price is based upon an appraisal and market demand.