

10557. RESOLUTION 12-26 – LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND STARAERO PARTNERS GROUP LLC AT THE MILLVILLE AIRPORT

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

WHEREAS, Staraero Partners Group LLC (“Staraero”) desires to lease approximately 6,540 square feet of space in a hangar located at 90 Easterwood Street, commonly referred to as Hangar 90 at the Millville Airport; and

WHEREAS, Staraero has agreed to pay the Authority annual rent in the amount of Thirty-Four Thousand Three Hundred Thirty Five Dollars and Twelve Cents (\$34,335.12); and

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

WHEREAS, Staraero, 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 Staraero 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 12-26 was made by Commissioner Dorn, seconded by Commissioner Van Sant, and approved by a roll call vote of 12-0.

Resolution 12-26 Executive Summary Sheet

Resolution: Authorizing the Executive Director to execute a Lease Agreement with the Staraero Partners Group LLC.

Committee: Economic Development

Committee Date: July 17, 2012

Board Date: July 17, 2012

Purpose and Background for Resolution:

Staraero was an original tenant at the Millville Airport when the DRBA took over the operations at the airport in 1998. The original lease with Staraero expired and a new appraisal was commissioned for the hangar. The rate in this lease reflects the new appraised value of the hangar. Staraero provides maintenance services at the airport. They are also looking to sublet the facility to Atlantic Helicopter, an emergency medical service provided in the area.