

10951. RESOLUTION 15-18 - LEASE TERMINATION AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND DALLAS AIRMOTIVE, INC

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

WHEREAS, Dallas Airmotive, Inc. (“Dallas ”) leases a parcel of land at the Millville Airport on which they constructed a hangar pursuant to a Lease between the Authority and Dallas the term is set to expire October 31, 2016 (the “Lease”); and

WHEREAS, Dallas no longer has work for that facility and is looking to restructure their operations and terminate the Lease; and

WHEREAS, Dallas has agreed to pay an early termination fee of Thirteen Thousand Four Hundred and Ninety-Six Dollars 53/100 (\$13,496.53); and

WHEREAS, the Authority and Dallas agree that the Lease shall expire on April 30, 2015; and

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

A motion to approve Resolution15-18 was made by Commissioner Murphy and seconded by Commissioner Wilson. Resolution 15-18 was approved by a roll call vote of 10-0.

Resolution 15-18 Executive Summary

Resolution: Authorizing the Termination of a Lease Agreement between the Delaware River and Bay Authority and Dallas Airmotive, Inc.

Committee: Economic Development

Committee Date: April 21, 2015

Board Date: April 21, 2015

Purpose of Resolution: To permit the Executive Director, Chairman and Vice Chairman to execute and deliver a Lease Termination Agreement for Dallas Airmotive, Inc. at the Millville Airport.

Background for Resolution:

Dallas Airmotive, Inc. leased a large parcel of land on which they constructed a large manufacturing plant with warehouses and an aircraft hangar. Around 2005, Dallas ceased their manufacturing operation at Millville and reduced their operation to just the hangar repair shop. The hangar lease is set to expire on October 31, 2016. Dallas requested to terminate the remaining term of the lease. The termination payment represents the present value of the remaining lease payments.