

11156. RESOLUTION 16-32 – AUTHORIZES A LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND LASIRENA77, LLC AT THE CAPE MAY AIRPORT

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

WHEREAS, Lasirena77, LLC. (“Lasirena”) desires to lease approximately 1,500 square feet of warehouse/store front space located in Unit 4 Building 96 at the Cape May Airport; and

WHEREAS, Lasirena has agreed to pay the Authority annual rent in the amount of Twelve Thousand dollars (\$12,000.00); and

WHEREAS, the Authority has agreed to provide 3 months free rent during the initial year of the term; and

WHEREAS, the initial term of the Lease (“Lease Agreement”) shall be for three (3) years; and

WHEREAS, Lasirena, with the consent of the Authority, shall have the option of renewing this Lease Agreement for two (2) additional five (5) year terms; and

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

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

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of the Lease Agreement with Lasirena77, 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 16-32 was made by Commissioner Van Sant seconded by Commissioner Smith, and approved by a roll call vote of 10-0.

Resolution 16-32 Executive Summary

Resolution: Authorizing the Execution of a Lease Agreement between the Delaware River and Bay Authority and Lasirena77 LLC., regarding the Cape May Airport

Committee: Economic Development

Committee Date: September 20, 2016

Board Date: September 20, 2016

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

Background for Resolution:

The Delaware River and Bay Authority operates Building 96 located in the Cape May Airport Industrial Park. Lasirena77, LLC wishes to lease Unit 4 in Building 96 in order to operate a food production and retail sales. The owner of Lasirena currently has locations in Cape May and West Cape May, operating under the name of The Red Store and the Little Store. They are looking to expand their production to include pickles and hot sauce and will be operating a counter/takeout Mexican food shop. The lease rate is reflective of the FMV for the property