

11110. RESOLUTION 16-20 – LEASE AGREEMENT BETWEEN THE DELAWARE RIVER & BAY AUTHORITY AND EXELON CORPORATION

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

WHEREAS, Exelon Business Services Company, LLC. (“Exelon”) desires to lease approximately 23,300 square feet of hangar, shop and office space in a facility commonly referred to as 9 DRBA Way at the New Castle Airport; and

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

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

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

WHEREAS, renewal terms shall be negotiated and rates set at the then Fair Market Value; and

WHEREAS, rent during the initial term shall be adjusted each year by the CPI with a cap of 3%; and

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of the Lease Agreement with Exelon Business Services Company, 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 16-20 was made by Commissioner Lathem, seconded by Commissioner Smith, and approved by a roll call vote of 10-0.

Resolution 16-20 Executive Summary

- Resolution:** Authorizing the Execution of a Lease Agreement between the Delaware River and Bay Authority and Exelon Business Services Company, LLC., regarding New Castle Airport
- Committee:** Economic Development
- Committee Date:** May 17, 2016
- Board Date:** May 17, 2016
- 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. Exelon wishes to lease the hangar space in support of their corporate operations throughout the region. They will be housing several of their corporate aircraft in this facility along with a helicopter. Exelon is also a fairly large customer at Dassault Falcon.