

10769. RESOLUTION 14-02 – AUTHORIZING THE PURCHASE OF LAND AT THE CAPE MAY AIRPORT, RIO GRANDE, NJ

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

WHEREAS, the Federal Aviation Administration (FAA) has approved the Authority’s Airport Layout Plan which recognizes the importance of safety improvements/enhancements to the continued health and development of the Airport and the County; and

WHEREAS, in recognition of this fact, the Authority and the FAA have agreed to work together to acquire property owned by Pen Turbo Aviation, Inc.(Penn Turbo) which contains an airport Runway Safety Area (RSA): and

WHEREAS, Pen Turbo desires to sell and the Authority desires to purchase approximately 58.09 acres of land (the “Property”) located directly adjacent to the Airport and includes the RSA; and

WHEREAS, the Authority and Pen Turbo have negotiated in good faith to purchase the Property for One Million Two Hundred Seventy-Seven Thousand Nine Hundred Eighty Dollars (\$1,277,980.00); and

WHEREAS, the FAA has agreed to provide a grant for the purchase that will pay for 90% of the acquisition cost of the Property; and

WHEREAS, title to the Property is intended to ultimately vest with the County of Cape May as the owner of the Airport and the Authority’s Ground Lease Agreement with the County ("Ground Lease") will be modified to reflect the changes to the Airport Property Description to add the Property to the leased premises under the Ground Lease.

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of the Purchase Agreement (“Agreement”) with Pen Turbo and, with the advice and consent of counsel, to have such Agreement, together with such other documentation necessary upon advice of counsel for the subsequent conveyance of the Property to the County (or assignment of the Agreement to the County) for inclusion in the Airport including, but not limited to, a deed of conveyance, Ground Lease Amendment and other necessary documents, executed by the Chairperson, Vice Chairperson, and the Executive Director.

A motion to approve Resolution 14-02 was made by Commissioner Murphy, seconded by Commissioner Lowe, and approved by a roll call vote of 11-0.

Resolution 14-02 Executive Summary Sheet

Resolution: Authorizing the Executive Director to execute a Purchase Agreement with Pen Turbo Aviation, Inc.

Committee: Economic Development

Committee Date: January 14, 2014

Board Date: January 14, 2014

Purpose and Background for Resolution:

Pen Turbo Aviation Inc. owns approximately 58.09 acres directly across from the one end of Runway 1-19. Within this property is the Runway Protection zone for the 1-19 Runway. The FAA has issued advisories which state that an airport should control these areas whenever possible in order to prevent safety hazards including any congregation of people.

Several times during the past 10 years the owner of this property has attempted to develop the land. Each time the Airport has objected to the development at local approval hearings. In discussions with the FAA regarding the Airport Layout Plan, it was decided that the Airport should attempt to acquire the property to ensure no future development in this safety area.