

**10650. RESOLUTION 13-12 – LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND EXELIS INC AT THE NEW CASTLE AIRPORT**

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

WHEREAS, Exelis, Inc. (“Exelis”) desires to lease approximately 5,825 square feet of space (25% of the space) at 17 DRBA Way at the New Castle Airport; and

WHEREAS, Exelis has agreed to pay the Authority annual rent in the amount of Ninety-Six Thousand and Seven Hundred and Seventy-Two Dollars 04/100 (\$96,772.04); and

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

WHEREAS, Exelis shall have the option of renewing this Agreement for two (2) option periods of three (3) years each; and

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

WHEREAS, rent shall be adjusted to the current fair market value at the beginning of the each renewal term.

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of the Agreement with Exelis 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 13-12 was made by Commissioner Dorn, seconded by Commissioner Smith, and approved by a roll call vote of 9-0

## **Resolution 13-12 Executive Summary Sheet**

**Resolution:** Authorizing the Executive Director to execute a Lease Agreement with Exelis, Inc.

**Committee:** Economic Development

**Committee Date:** March 19, 2013

**Board Date:** March 19, 2013

### **Purpose and Background for Resolution:**

The Delaware River and Bay Authority owns a hangar facility located at 17 DRBA Way. The hangar totals approximately 23,300 square feet of hangar, shop and office space. Exelis Inc. currently occupies this space at the New Castle Airport but its lease is due to expire this month. Exelis Inc. would like to continue to occupy space at the New Castle Airport upon the terms and conditions set forth in the new lease.