10650. RESOLUTION 13-11 – LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND SLEEP AIR, LLC 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, Sleep Air, LLC ("Sleep") desires to lease approximately 11,650 square feet of space at 10 DRBA Way at the New Castle Airport; and

WHEREAS, Sleep has agreed to pay the Authority annual rent in the amount of One Hundred and Forty-One Thousand One Hundred and Thirty-Five Dollars 72/100 ($141,135.72); and

WHEREAS, the initial term of the Lease Agreement ("Agreement") is for one (1) year; and

WHEREAS, Sleep shall have the right to terminate this Agreement upon thirty days prior written notice if Sleep's aircraft is sold.

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of the Agreement with Sleep 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 13-11 was made by Commissioner Dorn, seconded by Commissioner Smith, and approved by a roll call vote of 9-0.

Resolution 13-11 Executive Summary Sheet

Resolution: Authorizing the Executive Director to execute a Lease Agreement with Sleep Air, LLC.

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 10 DRBA Way. The hangar totals approximately 23,300 square feet of hangar, shop and office space. Sleep Air currently occupies this space at the New Castle Airport. Sleep Air's lease has expired. Sleep Air is attempting to sell their aircraft and it is currently advertised for sale. Sleep Air has decided that keeping the aircraft in New Castle is the best option for them while the aircraft is being marketed. They have agreed to enter into a 1 year lease for space with the option to terminate the lease with 30 days written notice only if the aircraft should be sold during the term.