

12585. RESOLUTION 26 - 21 – AUTHORIZING A LEASE AMENDMENT WITH PENTURBO AVIATION, INC. 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, PenTurbo Aviation, Inc. (“PenTurbo”) currently owns a Hangar and leases land and associated ramp space at the Cape May Airport; and

WHEREAS, PenTurbo acquired the hangar and ground lease in 1992 with an initial twenty (20) year term and two (2), ten (10) year renewal options; and

WHEREAS, at the beginning of PenTurbo’s second renewal option, with a start date of June 1, 2022, they requested to amend their lease to reduce the second renewal term to 2 years which was approved by Resolution 22-26; and

WHEREAS, PenTurbo’s planned relocation of the business has not taken place and PenTurbo has requested that the original second renewal period of ten (10) years be reinstated and that the First Amendment be rescinded; and

WHEREAS, the new expiration date will be May 31, 2032; and

WHEREAS, PenTurbo may terminate the lease with Ninety (90) days notice with the consent and approval of the Authority; and

WHEREAS, both Parties agree that the current rent is Forty Thousand Nine Hundred dollars 02/100 (\$40,900.02) annually; and

WHEREAS, rent shall increase annually during the renewal term by the Consumer Price Index (CPI); and

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of the Lease Amendment with Pen Turbo Aviation, Inc. and, with the advice and consent of counsel, to have such Lease Amendment executed by the Chairperson, Vice Chairperson, and the Executive Director.

NOW, THEREFORE BE IT RESOLVED, that Resolution 22-26 is hereby rescinded.

Resolution 26-21 was moved by Commissioner Ratchford, seconded by Commissioner Mehaffey, and was approved by a roll call vote of 11-0.

Resolution 26 - 21 Executive Summary Sheet

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

Committee: Economic Development

Committee Date: April 21, 2026

Board Date: April 21, 2026

Background for Resolution:

Pen Turbo Aviation Inc. owns a hangar and office building at the Cape May Airport and has a land lease with the Airport that PenTurbo occupies with its hangar, office building and ramp space. They have been tenants at the airport since 1992. The company was sold and new owner was planning on relocating the operation to one of their other facilities and requested to reduce the remaining renewal term from 10 years to 2 years which was done in 2022 via a first amendment approved by Resolution 22-26.

The relocation has not occurred and most of the aircraft acquired still remain on site. PenTurbo has requested that the full second renewal term of 10 years be reinstated. The hangar is part of a historic district and there are approximately 14 aircraft on the site. The Authority doesn't have another viable tenant for the space. In addition, this will also defer the Authority's maintenance and liability for an aging structure.