

**11329 RESOLUTION 17-57 – AUTHORIZING THE PURCHASE OF
LAND AND LEASE AMENDMENT AT DELAWARE AIRPARK, CHESWOLD, DE.**

WHEREAS, the Delaware River and Bay Authority (the “Authority”), is the operator of the Delaware Airpark (“Airport”), Cheswold, Delaware pursuant to that certain Ground Lease dated July 31, 2000 by and between the Authority, as lessee, and the State of Delaware, acting by and through the Department of Transportation (the “State”), as lessor, as amended from time to time (the “Ground Lease”); and

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

WHEREAS, in recognition of this fact, the State under the guidance of the FAA has agreed to acquire property owned by William Mosley which currently contain multiple obstructions to the approach to the Airport; and

WHEREAS, William Mosley desires to sell and the State desires to purchase approximately 6.5 acres of land located adjacent to the Airport and the airfields taxiways and runways; and

WHEREAS, the Authority will fund the purchase price for the State’s acquisition pursuant to a Letter Agreement between the State and the Authority; and

WHEREAS, the State of Delaware and William Mosley have negotiated an arm’s length transaction in good faith to purchase the land for the appraised Fair Market Value not to exceed Four Hundred Thousand Dollars (\$400,000.00); and

WHEREAS, pursuant to discussions with the FAA, the State will acquire the parcel as soon as possible and the Authority shall seek reimbursement of 90% of its acquisition cost, in accordance with FAA guidelines during the 2018 FAA Grant Submission and Award Process; and

WHEREAS, once the property is acquired by the State, the State and the Authority shall enter into an amendment to the Ground Lease adding such property to the Authority’s leasehold and such change will be reflected in the Airport Property Description; and

WHEREAS, the State and the Authority shall also record an amendment to the Memorandum of Ground Lease reflecting the addition of such property.

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized (i) to fund the acquisition price, (ii) to finalize the terms and conditions of the Side Letter and the amendments to the Ground Lease and Memorandum of Ground Lease, (iii) with the advice and consent of counsel, to have such Side Letter and amendments to the Ground Lease and Memorandum of Ground Lease executed by the Chairperson, Vice Chairperson, and the Executive Director, and (iv) to execute any other ancillary documents required in connection with the transaction referenced above.

A motion to approve Resolution 17-57 was made by Commissioner Decker, seconded by Commissioner Carey, and approved by a roll call vote of 10-0.

Resolution 17-57 Executive Summary Sheet

Resolution: Authorizing the Executive Director to execute a Purchase Agreement and Lease Amendment with the State of Delaware and William Mosley

Committee: Economic Development

Committee Date: November 21, 2017

Board Date: November 21, 2017

Purpose and Background for Resolution:

William Mosley owns approximately 6.5 acres directly adjacent to the Delaware Airpark. A new runway has been constructed at the Airpark and in a recent assessment of the approaches to the new runway it was determined that there were obstructions to the approach on Mr. Mosley's property. Mr. Mosley was only interested in granting access to remove the obstructions if we agreed to begin the process to acquire the property. The FAA has determined that the property will be required for future growth of the airport and as such believe the acquisition price to reimbursable by FAA Grant. In order to ensure no impacts to the approaches of the Airpark, the airport is acquiring the property.