

**9479. RESOLUTION 06-44 - AUTHORIZING A LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND MOREY ORGANIZATION, INC. FOR PREMISES SITUATE AT THE CAPE MAY AIRPORT.**

The Executive Director presented the following Resolution.

WHEREAS, The Delaware River and Bay Authority (the "Authority"), is the operator of the Cape May Airport ("Airport"), Erma, New Jersey; and

WHEREAS, The Morey Organization, Inc. ("Morey") desires to enter into a ground lease (the "Lease Agreement") for certain premises consisting of approximately 4,680 square feet of land (the "Premises") situate within the Airport; and

WHEREAS, Morey desires to construct a hangar on the Premises; and

WHEREAS, Morey will agree to construct and operate the hangar in conformance with all Authority standards and conditions; and

WHEREAS, the initial term of the Lease Agreement shall be twenty-three (23) years; and

WHEREAS, Morey has agreed to pay the Authority annual rent equal \$0.18 per square foot of land leased for the first year of the Lease Agreement, subject to annual Consumer Price Index ("CPI") increases thereafter; and

WHEREAS, in addition to the aforesaid CPI adjustments, the rent during initial term shall be adjusted to reflect the fair market value thereof (as determined by the Authority) ("Fair Market Value") at the beginning of the eleventh year of the term; and

WHEREAS, Morey shall have the option to renew the Lease Agreement for one (1) period (the "Option Period") of fifteen (15) years; and

WHEREAS, rent during the Option Period shall be based upon the Fair Market Value thereof (as determined by the Authority) as of the first year of the Option Period subject to annual CPI adjustments for the balance of the Option Period; and

WHEREAS, the Economic Development Committee has reviewed the terms of the proposed Lease Agreement and recommends approval thereof by the Commissioners.

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of the Lease Agreement with Morey Organization, Inc. and, with the advice and consent of counsel, to have such Lease Agreement executed by the Economic Development Committee Chairperson, Authority Vice Chairperson, and the Executive Director.

A motion to approve Resolution 06-44 was made by Commissioner Simmerman, seconded by Commissioner Koebig and approved by a roll call vote of 10-0.