

**10347. RESOLUTION 11-12 - LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND BLUE RIDGE AIR, INC AT THE NEW CASTLE AIRPORT**

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

WHEREAS, Blue Ridge Air, Inc. (“Blue Ridge”) desires to lease approximately 25% of the space in the building located at 139 North DuPont Hwy. commonly referred to as Hangar A at the Airport; and

WHEREAS, Blue Ridge has agreed to pay the Authority annual rental in the amount of Seventy-Five Thousand Dollars (\$75,000.00); and

WHEREAS, the initial term of the Lease Agreement (“ Agreement”) is for five (5) years; and

WHEREAS, Blue Ridge shall have the option of renewing the Agreement for five (5) three (3) year periods; and

WHEREAS, rent at the beginning of the option periods shall be adjusted by the Consumer Price Index(CPI).

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of the Lease Agreement with Blue Ridge 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 11-12 was made by Commissioner Favre, seconded by Commissioner Green, and approved by a roll call vote of 11-0.

## **Resolution 11-12 Executive Summary**

**Resolution:** Authorizing the Execution of a Lease Agreement between the Delaware River and Bay Authority and Blue Ridge Air, Inc., regarding New Castle Airport

**Committee:** Economic Development

**Committee Date:** March 1, 2011

**Board Date:** March 15, 2011

**Purpose of Resolution:**

To permit the Executive Director, Chairman and Vice Chairman to execute and deliver a Lease Agreement for space at the New Castle Airport.

**Background for Resolution:**

The Delaware River and Bay Authority owns a hangar facility located at 139 North DuPont Hwy. The hangar totals approximately 23,000 square feet of space. Blue Ridge Air, Inc. wishes to lease 25% of this space from the Authority to house a corporate aircraft.

This aircraft has been at the airport since 1999 and has been a tenant of the Authority. The lease for this tenant is expiring and the tenant wishes to stay at New Castle Airport in the same hangar space. The lease price is based upon the current FMV.