

10347. RESOLUTION 11-13 - LEASE AMENDMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND BOEING VERTOL COMPANY 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, Boeing Vertol Company ("Boeing") currently leases two adjacent parcels of land at the New Castle Airport; and

WHEREAS, Parcel A was originally executed May 16, 1985 and the original term of the Lease Agreement ("Agreement") and all options expired April 30, 2010; and

WHEREAS, Parcel C/D was originally executed October 1, 1986 and the original term of the Agreement and all options are due to expire December 31, 2011; and

WHEREAS, both the Authority and Boeing desire to extend the Agreement for Parcel A so that it is coterminous with the Parcel C/D Agreement; and

WHEREAS, rent during the extension period shall be at the current rent for the period of May 1, 2005 – April 30, 2010 of the original Agreement, Seven Thousand Five Hundred and Forty-Six Dollars 50/100 (\$7,546.50) per month; and

WHEREAS, the Authority and Boeing are currently negotiating a new Agreement to take effect January 1, 2012.

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of the Lease Amendment with Boeing 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 11-13 was made by Commissioner Favre, seconded by Commissioner Green, and approved by a roll call vote of 11-0.

Resolution 11-13 Executive Summary

Resolution: Authorizing the Execution of a Lease Amendment between the Delaware River and Bay Authority and Boeing Vertol Company, 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 amendment for land at the New Castle Airport.

Background for Resolution:

The Boeing Vertol Company (“Boeing”) has been a longtime tenant at the New Castle Airport. They currently occupy 2 hangar facilities that they originally constructed and own. They lease approximately 17 acres of land which these improvements occupy.

This leasehold is comprised of two independent leases that are not coterminous. In renewing these leaseholds, it was determined that it would be beneficial to have both leaseholds combined into one lease. We are currently negotiating a new lease with Boeing for this combined parcel.