

**11329. RESOLUTION 17-56 – AUTHORIZES A LEASE  
AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND  
PENTAGON PERFORMANCE, INC AT THE MILLVILLE AIRPORT**

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

WHEREAS, Pentagon Performance, Inc. (“Pentagon”) desires to lease approximately 13,567 square feet of office space located in Hangar A at the Millville Airport; and

WHEREAS, Pentagon has agreed to pay the Authority annual rent in the amount of Sixty-Seven Thousand Eight Hundred and Thirty-Five dollars 00/100 (\$67,835.00); and

WHEREAS, the initial term of the Lease (“Lease Agreement”) shall be for three (3) years; and

WHEREAS, Pentagon, with the consent of the Authority, shall have the option of renewing this Lease Agreement for two (2) additional one (1) year terms; and

WHEREAS, rent shall adjust in year two of the initial term to Seventy-Four Thousand Four Hundred and Eighteen Dollars 50/100 (\$74,618.50) annually and in year three of the initial term to Eight-One Thousand Four Hundred and Two Dollars 00/100 (\$81,402.00) annually; and

WHEREAS, rent shall be adjusted annually during each 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 Agreement with Pentagon Performance, Inc. 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 17-56 was made by Commissioner Smith, seconded by Commissioner Ratchford, and approved by a roll call vote of 10-0.

## **Resolution 17-56 Executive Summary**

- Resolution:** Authorizing the Execution of a Lease Agreement between the Delaware River and Bay Authority and Pentagon Performance, Inc., regarding the Millville Airport
- Committee:** Economic Development
- Committee Date:** November 21, 2017
- Board Date:** November 21, 2017
- Purpose of Resolution:** To permit the Executive Director, Chairman and Vice Chairman to execute and deliver a lease agreement for space at the Millville Airport.

### **Background for Resolution:**

The Delaware River and Bay Authority owns a hangar facility commonly referred to as Boeing Hangar A at the Millville Airport. Pentagon wishes to lease 13,567 sq.ft. of this facility in order to operate a drone manufacturing and training program. The additional hangar will be used for any required flight training and leased separately through a license agreement when utilized. Pentagon will be terminating their current lease for office space in Hangar 112 and expanding their operation into Hangar A. They plan on relocating their home offices to this facility and hiring 25 new employees at this location.