

**RESOLUTION 21-16 - LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND EXELON BUSINESS SERVICES COMPANY, LLC.**

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

WHEREAS, Exelon Business Services Company, LLC. (“Exelon”) desires to lease approximately 23,300 square feet of hangar, shop and office space in a facility commonly referred to as 9 DRBA Way at the New Castle Airport; and

WHEREAS, Exelon has agreed to pay the Authority annual rental in the amount of Three Hundred and Eighty-Four Thousand Dollars (\$384,000.00); and

WHEREAS, the Authority has agreed to provide five months free rent during the initial term of the agreement. The credit will be provided during the last month of each year of the term; and

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

WHEREAS, rent during the initial term shall increase annually by the Consumer Price Index (CPI) with a cap of 3%; and

WHEREAS, Exelon shall have the right to renew this agreement for one (1) additional five (5) year renewal; and

WHEREAS, renewal rent shall be set at the then Fair Market Value; and

WHEREAS, after two (2) years the tenant shall have the right to terminate the agreement with notice and the payment of an early termination fee equal to Fifty (50%) percent of the remaining rent of the term; and

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of the Lease Agreement with Exelon Business Services Company, LLC., and, with the advice and consent of counsel, to have such Agreement executed by the Chairperson, Vice Chairperson and the Executive Director.

## **Resolution 21-16 Executive Summary**

**Resolution:** Authorizing the Execution of a Lease Agreement between the Delaware River and Bay Authority and Exelon Business Services Company, LLC., regarding New Castle Airport

**Committee:** Economic Development

**Committee Date:** May 18, 2021

**Board Date:** May 18, 2021

**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 located at 9 DRBA Way at the New Castle Airport. Exelon wishes to lease the hangar space in support of their corporate operations throughout the region. They have been a tenant in this space since 2016. They house several of their corporate aircraft in this facility along with a helicopter. Exelon is also a fairly large customer at Dassault Falcon.