

11194. RESOLUTION 16-44 AUTHORIZES A LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND BIG SKY AVIATION 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, Big Sky Aviation (“Big Sky”) desires to lease approximately 3,750 square feet office space at Thunderbolt Dr. and 3,600 square feet of land for a shop hangar at Millville Airport; and

WHEREAS, Big Sky has agreed to pay the Authority annual rent in the amount of Twenty Seven Thousand Three Hundred and Thirty-Three 00/100 dollars (\$27,330.00); and

WHEREAS, the initial term of the Lease (“Lease Agreement”) shall be for nine (9) years; and

WHEREAS, Big Sky, with the consent of the Authority, shall have the option of renewing this Lease Agreement for two (2) additional three (3) year terms; and

WHEREAS, rent shall be adjusted annually by the Annual Consumer Price Index (CPI); and

WHEREAS, rent during any renewal period shall adjust to the Fair Market Value; and

WHEREAS, any and all existing agreements with Big Sky shall be terminated and replaced with the new agreement; and

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of the Lease Agreement with Big Sky Aviation 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 16-44 was made by Commissioner Smith, seconded by Commissioner Downes, and approved by a roll call vote of 11-0.

Resolution 16-44 Executive Summary

Resolution: Authorizing the Execution of a Lease Agreement between the Delaware River and Bay Authority and Big Sky Aviation, regarding the Millville Airport

Committee: Economic Development

Committee Date: December 20, 2016

Board Date: December 20, 2016

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 operates two hangars located on Thunderbolt Dr. located at the Millville Airport. Big Sky Aviation wishes to lease approximately 3750 sq. ft. of office space in one of the hangars in order to operate a first class FBO. Big Sky is the current FBO at the airport. The buildings that they currently operate are small and not conducive to the operation of a modern FBO operation. Big Sky plans on expanding their marketing in an attempt to grow their business at the airport and to attract more jet traffic. The lease rate is the same per square foot rate that Boeing was paying for the property. They will be keeping their 3,600 sq. ft. maintenance hangar but all other agreement between Big Sky and the DRBA will be terminated and replaced with this new agreement.