

**RESOLUTION 20- 49 LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND DELTA ENGINEERING CORPORATION.**

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

WHEREAS, Delta Engineering Corporation (“Delta”) currently leases one-third of the hangar located at 13 DRBA Way on a long term agreement; and

WHEREAS, Deltas lease is expiring on January 31, 2021; and

WHEREAS, Delta would like to enter into a new lease agreement for one-quarter of the space in 13 DRBA Way, totaling approximately 3,900 sq.ft. of hangar and 1,950 sq.ft. of office space; and

WHEREAS, the initial term of the Agreement shall be for five (5) years; and

WHEREAS, Delta shall have the right to renew this agreement for five (5) additional three (3) year terms; and

WHEREAS, Delta agrees to pay annual rent in the amount of Ninety-Six Thousand Dollars 00/100 (\$96,000.00); and

WHEREAS, rent shall adjust annually during the term of the agreement by the Consumer Price Index (CPI); and

WHEREAS, rent at the beginning of each renewal term shall increase to the current Fair Market Value (FMV); and

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of the Lease Agreement with Delta Engineering Corporation and, with the advice and consent of Counsel, to have such Agreement executed by the Chairperson, Vice Chairperson and the Executive Director.

## **Resolution 20-49 Executive Summary**

**Resolution:** Authorizing the Execution of a Lease Agreement between the Delaware River and Bay Authority and Delta Engineering Corporation regarding the New Castle Airport

**Committee:** Economic Development

**Committee Date:** December 15, 2020

**Board Date:** December 15, 2020

**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 building located at 13 DRBA Way at the New Castle Airport. Delta Engineering has been the occupant of this hangar and a tenant at the airport since 2006. Their lease is expiring at the end of January 2021 and they are looking to enter into a new agreement for space at the airport.