

**RESOLUTION 20-32 - LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND GRINDSTONE AVIATION, LLC 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, Grindstone Aviation, LLC (“Grindstone”) desires to lease hangar space at the airport located at 13 ½ Penns Way totaling approximately 7,500 sq.ft. of space at the New Castle Airport; and

WHEREAS, Grindstone has agreed to pay the Authority annual rental in the amount of Eighty-Four Thousand Four Dollars (\$84,000.00); and

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

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

WHEREAS, Grindstone shall have the right to renew the Lease Agreement for one (1) five (5) year renewal options; and

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

WHEREAS, rent during years 2-4 of the renewal term shall be adjusted annually by the 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 Grindstone Aviation, LLC, and, with the advice and consent of counsel, to have such Agreement executed by the Chairperson, Vice Chairperson and the Executive Director.

## **Resolution 20-32 Executive Summary**

Resolution Authorizing the Execution of a Lease Agreement between the Delaware River and Bay Authority and Grindstone Aviation, LLC, regarding New Castle Airport.

Committee: Economic Development

Committee Date: October 20, 2020

Board Date: October 20, 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 hangar facility located at 13 and 13 1/2 Penns Way. The hangar totals approximately 7,500 square feet of space at 13 1/2 Penns Way. Grindstone Aviation, LLC wishes to lease this hangar space from the Authority to house a corporate aircraft. Grindstone has been a tenant of the airport and occupied this space since the Authority has operated the Airport.