

**RESOLUTION 20-34 APROVING OF A MEMORANDUM OF AGREEMENT  
BETWEEN THE COUNTY OF CAPE MAY; THE DELAWARE RIVER AND BAY  
AUTHORITY AND THE TOWNSHIP OF LOWER REGARDING REAL ESTATE  
TAXES WITHIN THE CAPE MAY COUNTY AIRPORT**

WHEREAS, the Cape May County Airport (hereinafter "Airport"), located in the Township of Lower (hereinafter "Township"), County of Cape May, and State of New Jersey, is owned by the County of Cape May (hereinafter "County"); and

WHEREAS, pursuant to a certain Acquisition Agreement, dated as of December 15, 1998, by and between The Delaware River and Bay Authority (hereinafter "Authority") and the County, the Authority agreed to assume operation and control of certain parcels of land and improvements at the Airport and further agreed to operate and manage the Airport and related facilities and to administer various leases relating to tenants at the Airport; and

WHEREAS, the County and Authority entered into that certain Ground Lease dated as of June 8, 1999, a memorandum of which was recorded on June 9, 1999 in the Office of the Clerk of Cape May County in Book 2809, Page 0584, pursuant to which the County leased to the Authority and the Authority leased from the County certain parcels of land and improvements legally described therein as the "Demised Premises" which are located at the Airport; and

WHEREAS, in 2013, the Authority passed Resolution 13-38, the County passed resolution 786-13 and the Township passed Resolution 2013-271 authorizing the parties to enter into a Memorandum of Understanding (hereinafter "MOA 1") to work cooperatively and in harmony with each other party thereto with respect to payment of real estate taxes by third-party tenants on the Leasehold Property; and

WHEREAS, MOA 1 had an initial term of four years, with automatic renewals for successive three year periods; and

WHEREAS, in August 2019, the Township gave notice to the Authority and the County, that upon expiration of MOA 1 on October 27, 2020, it did not intend to renew the MOA in its current form; and

WHEREAS, the parties have successfully negotiated a successor Memorandum of Agreement to work cooperatively and in harmony with each other party thereto with respect to payment of real estate taxes by third party tenants on the Leasehold Property.

NOW, THEREFORE, BE IT RESOLVED, that the Chairperson, Vice Chairperson and Executive Director, with the advice and consent of counsel are hereby authorized to execute and deliver the Memorandum of Agreement attached hereto as Exhibit A.

## **Resolution 20- 34 - Executive Summary**

**Resolution:** Memorandum of Agreement between the County of Cape May, the Delaware River and Bay Authority and the Township of Lower regarding real estate taxes at the Cape May Airport.

**Committee:** Economic Development

**Committee/Board Date:** October 20, 2020

### **Purpose and Background for Resolution:**

The Cape May Airport is operated by the Authority on land owned by the County in Lower Township, New Jersey. There are a number of tenants who operate commercial businesses in the industrial park at the Airport pursuant to Lease Agreements with the Authority. On occasion, there have been delinquent tenants who have failed to make required property tax payments to Lower Township. Since 2013, the parties have operated under a Memorandum of Agreement that resolved past tax concerns and how delinquent tenants would be handled in the future. Lower Township sought amendments to that MOA at the end of the current term. After negotiations, the parties have reached this successor Agreement.