

**11906 22-05 - LEASE AMENDMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND VELOCITY MAINTENANCE SOLUTIONS, 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, Velocity Maintenance Solutions, LLC (“Velocity”) currently leases 25% of the hangar, shop and office space in a facility commonly referred to as Hangar 6 at the New Castle Airport; and

WHEREAS, Velocity has been delayed in receiving its FAR Part 145 repair station certificate from the FAA which is required to operate the business as intended. The company believes that issuance of its 145 certificate will be delayed until March of 2022; and

WHEREAS, as a result, Velocity and the Authority have agreed that the Tenant will delay their expansion to the planned 50% share of the hangar space until the end of December 2022 due to this delay; and

WHEREAS, Velocity will increase their leasehold to the full hangar on July 1, 2023, which follows the original expansion plan and schedule; and

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

Resolution 22-05 was moved by Commissioner Smith, seconded by Commissioner McCann, and was approved by a roll call vote of 10-0.

## **Resolution 22-05 - Executive Summary**

**Resolution:** Authorizing the Execution of a Lease Agreement between the Delaware River and Bay Authority and Velocity Maintenance Solutions, LLC, regarding New Castle Airport

**Committee:** Economic Development

**Committee Date:** February 15, 2022

**Board Date:** February 15, 2022

**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 6 DRBA Way, commonly referred to as Hangar 6 at the New Castle Airport. Velocity Maintenance Solutions (Velocity) wishes to delay their planned increase to a 50% share of the hangar space until the end of 2022. Velocity is a startup aircraft maintenance business, and a 145 certificate is required in order for the opening of their repair station. The certificate issuance has been delayed in the FAA approval process and delivery of Velocity's certificate is anticipated in March of 2022. The requested delay in the share expansion is therefore directly attributable to the receipt of this FAA approval.