

RESOLUTION 24-04 - LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND SATYS AEROSPACE

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

WHEREAS, Satys Aerospace (“Satys”) desires to lease a paint hangar totaling approximately 38,000 sq.ft. in a facility on approximately 2.3 acres commonly referred to as the Dassault paint hangar at 191 North DuPont Hwy. at the Wilmington Airport; and

WHEREAS, the initial term of the Lease (“Lease Agreement”) is for two (2) years; and

WHEREAS, Satys has agreed to pay the Authority Three Hundred Thousand Dollars 00/100 (\$300,000.00) annually during year 1 and Six Hundred Thousand Dollars-00/100 (\$600,000.00) annually during year 2 of the initial term; and

WHEREAS, Satys shall have the right to renew this agreement for a first renewal term of Three (3) years and a second renewal term of Ten (10) years; and

WHEREAS, rent during the first renewal term shall increase as follows:

- Year 1 - \$650,00.00 annually
- Year 2 - \$675,000.00 annually
- Year 3 - \$700,000.00 annually

WHEREAS, rent during the second renewal term shall increase annually by a fixed amount of 2.5%; and

WHEREAS, the Authority agrees that it will execute a Lease Agreement with Stays Aerospace for the above property at the airport pending the approval of the modification of the Dassault leasehold to remove this facility from their Lease 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 Satys Aerospace, and, with the advice and consent of counsel, to have such Agreement executed by the Chairperson, Vice Chairperson and the Executive Director.

NOW, THEREFORE, BE IT RESOLVED, that Resolution 23-42 is hereby rescinded.

Resolution 24-04 - Executive Summary

Resolution: Authorizing the Execution of a Lease Agreement between the Delaware River and Bay Authority and Satys Aerospace, regarding the Wilmington Airport.

Committee: Economic Development

Committee Date: January 17,2024

Board Date: January 17, 2024

Purpose of Resolution: To permit the Executive Director, Chairman and Vice Chairman to execute and deliver a Lease Agreement for space at the Wilmington Airport.

Background for Resolution: The Delaware River and Bay Authority is in the process of acquiring the rights to a paint hangar that is currently part of the Dassault leasehold. The Dassault lease is being modified to remove the facility from their existing parcel. Satys desires to lease the facility along with parking spaces for approximately 40 employees. The rental rate is based upon the current FMV.