

RESOLUTION 23-30 - LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND CAPE MAY BREWING LLC AT THE SRE BUILDING AT THE CAPE MAY AIRPORT

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

WHEREAS, Cape May Brewing, LLC (“CMB”) desires to lease approximately 6,000 square feet of space located in the SRE Building for storage at the Cape May Airport; and

WHEREAS, CMB has been in occupancy of this building space since 2020; and

WHEREAS, CMB has agreed to pay the Authority annual rent in the amount of Twenty-Four Thousand Five Hundred and Forty Dollars (\$24,540.00); and

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

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

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

WHEREAS, rent shall adjust annually during each term by the Consumer Price Index (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 Cape May Brewing LLC and, with the advice and consent of counsel, to have such Lease Agreement executed by the Chairperson, Vice Chairperson and the Executive Director.

Resolution 23-30 - Executive Summary

Resolution: Authorizing the Execution of a Lease Agreement between the Delaware River and Bay Authority and Cape May Brewing LLC, regarding the SRE Building at the Cape May Airport

Committee: Economic Development

Committee Date: June 21, 2023

Board Date: June 21, 2023

Purpose of Resolution: To permit the Executive Director, Chairman and Vice Chairman to execute and deliver a lease agreement for lease space at the Cape May Airport.

Background for Resolution: The Delaware River and Bay Authority (Authority) operates the Cape May Airport at which the Cape May Brewery (CMB) leases multiple spaces. This space is part of the airport Snow Removal Equipment building at the airport. The lease was originally leased by Cape Beverage and subsequently assigned to CMB. The facility houses both dry storage and cold storage for the brewery. Brewery is currently occupying approximately a total of 36,000 square feet of building space at the airport.