



CITY OF FORT LAUDERDALE
City Commission Agenda Memo
REGULAR MEETING

#23-0966

TO: Honorable Mayor & Members of the
Fort Lauderdale City Commission

FROM: Greg Chavarria, City Manager

DATE: October 3, 2023

TITLE: Resolution Approving a Lease Agreement with Florida Jet Center, Inc. for
Parcel 7A at the Fort Lauderdale Executive Airport and Authorizing the City
Manager to Execute the Lease Agreement – **(Commission District 1)**

Recommendation

Staff recommends the City Commission adopt a resolution authorizing the City Manager to execute a lease agreement with Florida Jet Center, Inc. for Parcel 7A, substantially the form attached, at the Fort Lauderdale Executive Airport (FXE).

Background

Parcel 7A consists of approximately .433 acres (18,876 square feet), which includes one hangar totaling 4,550 square feet (Exhibit 1). The current Annual Rent is \$91,385.28, which includes annual rent escalation using the Consumer Price Index (CPI).

Florida Jet occupies the leasehold and makes use of the facility for overflow storage of aircraft and parts for their adjacent business located on Airport property. Mr. Terry Robertson is the owner of Florida Jet, which has been in business since 1976 and commenced renting hangar space at FXE in 1986. Mr. Robertson started his business with a small team of aircraft mechanics and now employs a team of 38 employees. The company is a Federal Aviation Administration (FAA) approved repair station, providing services to the flying public, ranging from routine aircraft maintenance inspections to major repairs, and operates several aircraft under their air charter certificate.

Florida Jet presented a redevelopment plan for Parcel 7A to expand the leasehold to 1.16 acres (50,530 square feet) and intended to demolish the existing structure. The redevelopment included construction of a 14,500 square foot hangar, roadway access improvements, automobile parking, ramp space and site improvements.

Florida Jet has worked with their architect engineer and identified the following issues that will have a significant impact on the redevelopment of Parcel 7A:

- Relocation of the Runway 9 Run-up Area
- Installation of a Run-up Area Blast Fence
- Relocation of the City's Underground Water Main
- Demolition of the City's Lift Station

The Runway 9 Runup Area relocation project is scheduled to commence in December 2023 and will be completed in January 2025. The Run-up Area will also include the installation of a blast fence, which will be positioned between the proposed hangar and the new Run-up Area. Based on the location of the blast fence in relation to the hangar door opening, the aircraft ramp will not provide a direct path to the hangar.

After reviewing the utilities atlas, the actual location of City potable water and raw water main was found to be located near and within the hangar project area. To relocate the water mains would add several hundred thousand dollars to the cost of the project and possibly jeopardize Florida Jet's financing and ability to complete the project. Airport staff will engage with the Public Works Department to achieve a feasible remedy to the water main situation to determine the best course of action.

Florida Jet is requesting a 5-year short-term Lease, which will provide ample time to observe the impacts of the Runway 9 Run-up Area relocation, ensure the most feasible option for the City water utilities, and reorient the hangar door location or reducing the hangar square footage.

Annual Rent will increase by 10% to \$100,523.80 with annual CPI adjustments. Additionally, Florida Jet will be required to bring the hangar structure in compliance with the forty (40) year building inspection.

At its meeting of September 28, 2023, the Aviation Advisory Board supported staff's recommendation to execute the Lease Agreement for Parcel 7A.

Resource Impact

There is a positive fiscal impact in the amount of \$9,138.25 for unanticipated rent for FY2023-24.

Funds available as of October 1, 2023					
ACCOUNT NUMBER	COST CENTER NAME (Program)	ACCOUNT/ ACTIVITY NAME	AMENDED BUDGET (Character)	AMOUNT RECEIVED (Character)	AMOUNT
10-468-0000-000-344-900-FXE632	Executive Airport	Service Charge – Other Transportation Charges/Par 7A AOG Aircraft Service	\$6,428,676	\$0	\$9,138.25
APPROPRIATION TOTAL					\$9,138.25

Strategic Connections

This item supports the *Press Play Fort Lauderdale 2024 Strategic Plan*, specifically advancing:

- The Business Development Focus Area
- Goal 5: Build an attractive global and local economic community marketplace.
- Objective: Provide the best-in-class regional general aviation airport amenities and

services

- Objective: Create a responsive and proactive business climate to attract emerging industries

This item advances the *Fast-Forward Fort Lauderdale Vision Plan 2035: We are Prosperous*.

This item supports the Advance Fort Lauderdale Comprehensive Plan, specifically advancing:

- The Business Development Focus Area
- The Economic Development Element
- Goal 3: Recognize and include in economic development planning the role of Port Everglades and the Fort Lauderdale-Hollywood International Airport and Fort Lauderdale Executive Airports.

Related CAM

23-0872

Attachments

Exhibit 1 – Parcel 7A Map

Exhibit 2 – Florida Jet Center, Inc. Lease

Exhibit 3 – Resolution

Prepared by: Rufus A. James, Airport Director

Charter Officer: Greg Chavarria, City Manager