



**CITY OF FORT LAUDERDALE  
City Commission Agenda Memo  
REGULAR MEETING**

**#18-0515**

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

**FROM:** Lee R. Feldman, ICMA-CM, City Manager

**DATE:** June 5, 2018

**TITLE:** Resolution to Approve a Land Lease Agreement with the United States of  
America, Army Reserve for Parcel 17 at the Fort Lauderdale Executive  
Airport

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**Recommendation**

It is recommended that the City Commission approve a resolution authorizing the City Manager to enter into a Land Lease Agreement with the United States of America for Executive Airport Parcel 17, in substantially the form attached, at an annual lease rate of \$170,000 from June 1, 2018 to June 30, 2019 with three (3) one year options to renew through June 30, 2022, exercisable by the United States of America with notice 90 days prior to the lease expiration date.

**Background**

The United States of America (Government) leases Executive Airport Parcel 17, consisting of 184,733 square feet or 4.241 acres, for use as the U.S. Army Nininger Reserve Center (Exhibit 1). The original Lease Agreement was dated November 28, 1961 and expired on November 30, 2012. A five (5) year Lease extension was negotiated and approved as the Government contemplated acquiring property elsewhere to consolidate several reserve units in one location. Unfortunately, the Government experienced some delays at the new location and was unable to begin construction as anticipated.

The Government has requested a Lease Agreement for the term beginning June 1, 2018 through June 30, 2019 with options to extend annually, but not to extend beyond June 30, 2022. Annual rent shall be \$170,000.00, which represents eight percent (8%) of the appraised value of \$2,125,000.00. The Government has requested that the annual lease rate remain the same for the four-year period, given the short length of the lease.

This new Lease is consistent with Federal Aviation Administration (FAA) guidelines and provides the Airport with an opportunity to generate more than a fair return of revenue on the property. The term allows the Army to continue its operations throughout the duration and gives the Airport time to develop a long-term strategy for the property. Staff has presented the proposed terms to the FAA and the agency has no objections.

At its meeting of April 26, 2018 the Aviation Advisory Board supported staff's recommendation to enter into a Lease with the United States Government for Parcel 17.

**Resource Impact**

There will be a positive fiscal impact in the amount of \$56,666.67 in rent revenue (June-September) and additional revenue could occur for Fiscal Year 2019 through Fiscal Year 2022 if the option to extend is exercised.

<b>Funds available as of April 24, 2018</b>					
<b>ACCOUNT NUMBER</b>	<b>INDEX NAME (Program)</b>	<b>CHARACTER CODE/ SUB-OBJECT NAME</b>	<b>AMENDED BUDGET (Character)</b>	<b>AMOUNT RECEIVED (Character)</b>	<b>AMOUNT</b>
468-TAM070101-J602	Executive Airport	Charges for Service/ PAR 17 US GOVT	\$3,897,382	\$1,802,864	\$56,666.67
				<b>TOTAL ►</b>	\$56,666.67

**Strategic Connections**

This item is a *Press Play Fort Lauderdale Strategic Plan* initiative, included within the Business Development Cylinder of Excellence, specifically advancing:

- Goal 7: Be a well-positioned City within the global economic and tourism markets of the South Florida region, leveraging our airports, port, and rail connections.
- Objective 4: Deliver best-in-class regional general aviation airport amenities and services to domestic and international stakeholders.
- Initiative 1: Examine the highest and best use of airport property to stimulate economic development and create jobs.

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

**Related CAM**

#18-0224 Consolidated Budget Amendment

**Attachments**

- Exhibit 1 - Parcel Map
- Exhibit 2 - Land Lease Agreement
- Exhibit 3 - Resolution

Prepared by: Rufus A. James, Transportation and Mobility

Department Director: Diana Alarcon, Transportation and Mobility