




CITY OF FORT LAUDERDALE
City Commission Agenda Memo
REGULAR MEETING

#23-0511

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

FROM: Greg Chavarria, City Manager 

DATE: June 6, 2023

TITLE: **REVISED CR-7** - Resolution Approving a Third Amendment to Lease Agreement with Lynx FBO Fort Lauderdale, LLC d/b/a Atlantic Aviation for Parcels 8CE, 10AB and 11ABCD 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 Third Amendment to the Lease Agreement with Lynx FBO Fort Lauderdale, LLC d/b/a Atlantic Aviation for Parcels 8CE, 10AB and 11ABCD, in substantially the form attached, at the Fort Lauderdale Executive Airport (FXE).

Background

Lynx FBO Fort Lauderdale, LLC (Lynx) was acquired by Atlantic Aviation Infrastructure Corporation (Atlantic Aviation) through an equity and transfer of control. Atlantic Aviation is the primary holding company for the Atlantic Aviation network of FBOs and leases Parcels 8CE, 10, and 11 at the Fort Lauderdale Executive Airport (FXE). ~~It is under a thirty (30) year Lease Agreement dated January 8, 2019, and is scheduled to expire on January 31, 2049.~~ The Lease Agreement with Lynx is for a thirty (30) year term and is scheduled to expire on January 31, 2049. The total annual rent is approximately \$744,251.11 and is adjusted annually using the Consumer Price Index (CPI) adjustment method.

At the November 1, 2022 Commission meeting, staff recommended approving a revised site plan, which included approximately 96,000 square feet of new hangars, 8,500 square feet of attached office space, and construction of a new 72,000-gallon fuel farm facility. After the Commission meeting on November 1, 2022, Lynx requested changes to the Third Amendment of the Lease Agreement that was approved by the City Commission but Lynx did not execute the Third Amendment to the Agreement. Therefore, the Third Amendment that was previously approved by the City Commission is not effective. Staff has brought a new proposed Third Amendment for the City Commission's approval that incorporates some of the changes requested by the Lessee after the November 1, 2022, City Commission meeting.

The Phase 3 development is on schedule per the Lease Terms and the required Phase 2, which consisted of a new 7,500 square foot terminal building on Parcel 8CE is complete. The previous proposed site plan that was approved by the City Commission in November 2022 listed Hangar A at 36,000 square feet and Hangar B at 60,000 square feet. Upon completion of the terminal building in January 2023, Atlantic Aviation commenced preliminary review of the Phase 3 development and realized an opportunity to maximize the square footage of Hangar A by an additional 3,000 square feet.

When completed, the revised site plan will still exceed the minimum development requirements of the Lease, which will consist of Hangar A: 39,000 square feet with 3,750 square feet of office space, Hangar B: 60,000 square feet with 4,800 square feet of office space, and construction of a new 72,000-gallon fuel farm facility. This proposed configuration will provide for the maximum amount of ramp space to facilitate aircraft movement and storage and achieve the goals of constructing approximately 99,000 square feet of new hangars and 8,550 square feet of attached office space.

In summary, the recommended Third amendment will provide for the following improvements to the site plan for Phase 3 development:

- Hangar A 39,000 square feet with 3,750 square feet of office space
- Hangar B 60,000 square feet with 4,800 square feet of office space
- Construction of a new 72,000-gallon fuel farm facility

At its meeting of March 30, 2023, the Aviation Advisory Board supported staff's recommendation to execute the Lease Amendment for Parcel 8CD, 10 and 11.

Resource Impact

There is no fiscal impact association with this action.

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.

Attachments

Exhibit 1 – Parcels 8CE, 10 and 11 Map

Exhibit 2 –Third Amendment to Lease Agreement with Lynx FBO Fort Lauderdale, LLC
d/b/a Atlantic Aviation

Exhibit 3 – Resolution

Prepared by: Rufus A. James, Airport Director

Director: Rufus A. James