



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

#22-0655

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

FROM: Chris Lagerbloom, ICMA-CM, City Manager

DATE: July 5, 2022

TITLE: Resolution Approving a First Amendment to the Land Lease with the United States of America, for Parcel 17 at the Fort Lauderdale Executive Airport –
(Commission District 1)

Recommendation

Staff recommends the City Commission approve a resolution for the First Amendment to the Land Lease with the United States of America for Parcel 17 at the Fort Lauderdale Executive Airport and authorizing the City Manager to execute the First Amendment to the Land Lease on behalf of the City, in substantially the form attached. The First Amendment to the Land Lease will extend the term of the lease for six months until December 31, 2022.

Background

The United States of America (Government) leases Fort Lauderdale 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-year Lease extension was negotiated and approved as the Government contemplated acquiring property elsewhere to consolidate several reserve units in one location.

The most recent Land Lease originally had a term from July 1, 2018 through June 30, 2022. Annual rent is \$170,000, which represents eight percent (8%) of the appraised value of \$2,125,000. The Government has requested a six-month extension to continue negotiations for a new lease. The Airport has procured the services of Meacham and Associates to perform an appraisal for the Fair Market Value rent.

Upon receipt of the updated appraisal, the Airport will finalize negotiations with the Government, and the new Lease will be presented to the Commission for approval. The six-month term allows the Government to continue its operations throughout the duration and gives the Airport time to develop a long-term strategy for the property.

At its meeting of June 23, 2022, the Aviation Advisory Board supported staff's recommendation to extend this Lease to December 31, 2022.

Resource Impact

The amount of \$42,500 for July–September has been budgeted for rent revenue for this FY2022, and \$42,500 for October–December 2022 has been budgeted for FY2023.

<i>Funds available as of June 22, 2022</i>					
ACCOUNT NUMBER	INDEX NAME (Program)	CHARACTER CODE/ SUB-OBJECT NAME	AMENDED BUDGET (Character)	AMOUNT RECEIVED (Character)	AMOUNT
468-MGR180101-J602	Executive Airport	Charges for Service/ PAR 17 US GOVT	\$5,409,031	\$4,657,835	\$85,000
TOTAL ►					\$85,000

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 - Parcel Map

Exhibit 2 - Land Lease Agreement

Exhibit 3 - Resolution

Exhibit 4 - First Amendment to the Land Lease

Prepared by: Rufus A. James, Airport Director – City Manager’s Office

City Manager: Chris Lagerbloom, ICMA-CM