



CITY OF FORT LAUDERDALE
City Commission Agenda Memo
REGULAR MEETING

#22-0840

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

FROM: Greg Chavarria, City Manager

DATE: November 1, 2022

TITLE: Resolution Approving a Third Amendment to the Lease Agreement to
Revise the Improvements Required for Parcel 8CE at the Fort Lauderdale
Executive Airport - **(Commission District 1)**

Recommendation

Staff recommends the City Commission adopt a resolution approving a Third Amendment to the Lease Agreement to revise the improvements required for Parcel 8CE at the Fort Lauderdale Executive Airport.

Background

Lynx FBO Fort Lauderdale, LLC (Lynx) leases Parcels 8CE, 10, and 11 at the Fort Lauderdale Executive Airport (FXE), which is under a thirty (30) year Lease Agreement dated January 2019 and is scheduled to expire on January 31, 2049. The combined parcels consist of approximately 39.2 acres (1,710,600 square feet) of General Aviation Airport (GAA) zoned property, which have all been improved with aircraft hangars, office space and associated parking from the previous leasehold (Exhibit 1). The total annual rent is approximately \$697,751 and is adjusted annually using the Consumer Price Index (CPI) adjustment method.

Lynx proposed an initial capital investment of \$14 million in improvements and completed the Phase 1 street front beautification of hangars and enhancement of the landscaping on Parcel 11. At the July 23, 2020 Aviation Advisory Board meeting, staff recommended, and the Board approved, the relocation of Phase 2, 3, 4, and 5 capital expenditures from Parcels 10 and 11 to an alternative site plan on Parcel 8CE, which consisted of a terminal building and 3 hangars.

As work progressed with the establishment of the terminal building foundation on Parcel 8CE, Atlantic Aviation Infrastructure Corporation (Atlantic Aviation) acquired the equity and transfer of control of the holding company for Lynx. Atlantic Aviation is the primary holding company for the Atlantic Aviation network of FBOs and is the second largest FBO chain in the United States. The Chief Executive Officer (CEO), Lou Pepper, has over 40 years of experience in General Aviation and acquired Atlantic Aviation in 2000 as part-owner and CEO. He began his career at Teterboro Airport and was the original owner / franchisor of the Million Air FBO (Exhibit 2).

With this acquisition and transfer of control, Atlantic Aviation intends to meet the minimum construction requirements and deadlines contained in the Lease Agreement and will develop a first class FBO facility on the leasehold. In addition, Atlantic Aviation has presented a revised proposed site plan compared to the conceptual plan, which displayed three separate hangars, each totaling 12,500 square feet.

When completed, the revised site plan would exceed the minimum requirements in the original Lease Agreement, which will consist of Hangar A: 36,000 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 (Exhibit 3). This proposed configuration will provide for the maximum amount of ramp space to facilitate aircraft movement and storage and still achieve the goals of constructing approximately 96,000 square feet of new hangars, 8,500 square feet of attached office space, and 7,500 square feet of FBO building.

At its meeting of August 25, 2022, the Aviation Advisory Board supported staff's recommendation to revise the improvements required in the Lease Agreement.

Resource Impact

There will be no fiscal impact associated with the proposed 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.

Related CAM

22-0851

Attachments

Exhibit 1 – Parcel Map

Exhibit 2 – Atlantic Aviation Background

Exhibit 3 – Proposed Site Plan

Exhibit 4 – Third Amendment to the Lease Agreement

Exhibit 5 - Resolution

Prepared by: Rufus A. James, Airport Director

Charter Officer: Greg Chavarria, City Manager