

RESOLUTION NO. 15-

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF FORT LAUDERDALE, FLORIDA, ESTABLISHING THE MINIMUM ANNUAL LEASE RATES AND ADOPTING A BROKERAGE COMMISSION POLICY FOR PROPERTY AVAILABLE FOR LEASE AT FORT LAUDERDALE EXECUTIVE AIRPORT.

WHEREAS, Section 8.10 of the City Charter requires the periodic calling of a public hearing for the determination of the minimum rent or rent per acre or per parcel of property that may be accepted by the City in negotiations authorized by the Charter, and for the determination of the amount of professional brokerage fees that may be paid and the procedures and standards that will govern the payment of such fees; and

WHEREAS, the City Commission adopted Resolution No. 12-227 on November 20, 2012 and, in accordance with the Charter, is holding a public hearing to review this policy; and

WHEREAS, the Airport Advisory Board at its meeting of October 15, 2015, did approve the adoption of the annual lease rates and the brokerage policy as recommended by City staff; and

WHEREAS, pursuant to Resolution No. 15-241 adopted by the City Commission on November 3, 2015, a public hearing was called with respect to annual lease rates and a brokerage policy, pertaining to development of the Fort Lauderdale Executive Airport and the adjacent Industrial Airpark, which lands are available to accommodate aviation-oriented businesses and light, clean industry, respectively; and

WHEREAS, such public hearing was duly held on November 17, 2015 at Fort Lauderdale City Hall;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF FORT LAUDERDALE, FLORIDA:

SECTION 1. That the minimum annual rent for property available for lease at the Fort Lauderdale Executive Airport shall be as follows:

A. AVIATION USES

For such uses as defined in and by Resolution 05-29 adopted February 15, 2005 with subsequent revisions as the City may adopt from time to time, which established Minimum Standards for Fixed Base Operators and Airport Tenants at Fort Lauderdale Executive Airport.

(1) NEW LEASES

\$0.37 per square foot.

(2) EXISTING LEASES

In the event it becomes necessary to amend an existing lease to allow for the lease of additional land, the lease rate for such additional land shall be negotiated between the City and the lessee. The proposed lease amendment will be subject to the review and approval process observed by the City for a new lease.

B. NON-AVIATION USE LAND

The minimum annual lease rate for undeveloped airport land not used for aviation purposes (whether for a new lease or a lease amendment to allow for lease of additional land) shall be based on the appraised value of the fee title at a rate consistent with Federal Aviation Administration guidelines, established within six (6) months prior to the effective date of the Lease Agreement or within such other time period as authorized by the City Commission and approved by the FAA as required.

C. LEASE PRICES

Lease prices and rates as established above shall be for property in "AS IS" condition, and shall apply to any lease, the application for which is approved by the City Commission after the effective date of this Resolution.

D. COMPETITIVE BIDS

In the event the City offers any aviation or non-aviation property for lease on a competitive bid basis, bids will be evaluated, among other things, on the basis of the guaranteed net revenue to be derived by the City from the lease.

E. TERMS OF LEASE AGREEMENT

- (1) Each Aviation Use Lease Agreement shall be for a maximum term of twenty-five (25) years, including a periodic rent escalation based on a periodic five (5) year Consumers' Price Index standard; or a maximum of thirty (30) years, including a periodic rent escalation based on an annual Consumers' Price Index standard.
- (2) Each Non-Aviation Use (e.g., an Industrial Airpark) Lease Agreement shall be for a maximum term of fifty (50) years including a periodic rent escalation based on either a five (5) year reappraisal of the fee or a periodic five (5) year Consumers' Price Index standard, as determined by the City.

SECTION 2. That the brokerage commission policy for property available for lease at Fort Lauderdale Executive Airport shall be as follows:

A. Non-Aviation Property. Except as provided below, a real estate commission based on the appraised value of the leased premises shall be paid to a broker who has qualified with the City as a broker in a transaction and who has entered into a written agreement with the City concerning such brokerage on the basis of one-half (½) of all rental amounts received by the City, as

received, until the commission is paid in full, provided the Lease Agreement is for a period of at least twenty (20) years; otherwise, if the Lease Agreement is for a term of less than twenty (20) years, the brokerage commission shall be as negotiated with the City prior to complete execution of a Lease Agreement. The rate of the commission paid will be based upon Four Percent (4%) of the appraised land value of the premises, which appraisal has been obtained or accepted by the City.

Should a lessee default in the payment of rental obligations, prior to the payment of the brokerage commission in full, no further commission shall be paid and there shall be no recourse against the City for any unpaid balance of the commission.

B. Aviation Property. Real estate brokerage commissions are paid only on non-aviation property. No real estate commission will be paid on any aviation use property.

In any case in which a request is approved by the City to permit an assignment, sublease or any other transfer involving a Lease Agreement, no real estate commission shall be paid.

SECTION 3. All previous Resolutions establishing minimum annual lease rates and brokerage commission policy are hereby rescinded.

SECTION 4. That this Resolution shall be in full force and effect upon final adoption.

ADOPTED this the ____ day of _____, 2015

Mayor
JOHN P. "JACK" SEILER

ATTEST:

City Clerk
JEFFREY A. MODARELLI

L:/COMM2015/Resos/Nov 17/Airport Lease Rates