



CITY OF FORT LAUDERDALE
City Commission Agenda Memo
REGULAR MEETING

#16-0485

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

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

DATE: May 17, 2016

TITLE: Resolution Approving an Amended Lease Agreement with Sheltair Executive South, Inc. for an additional Six-Month Lease Extension for Parcel 20, 20A at Fort Lauderdale Executive Airport

Recommendation

It is recommended the City Commission authorize the City Manager to enter into an Amended Lease Agreement for Parcel 20, 20A with Sheltair Executive South, Inc., for an additional six (6) months, expiring November 30, 2016.

Background

At the January 28, 2016 Aviation Advisory Board meeting, staff recommended a 90-day Lease extension for Parcel 20 with Sheltair Executive South, Inc., (Sheltair). Sheltair leases Parcel 20, 20A (Exhibit 1) consisting of 1.15 acres of aviation property under a 30-year lease agreement dated March 1, 1986, which was scheduled to expire on February 28, 2016. The current annual lease payments total \$30,157.56 (\$0.60 per square foot).

The Parcel has been improved with approximately 21,175 square feet of hangar and office space. The hangar facility currently houses a helicopter maintenance operation and several smaller aviation operators occupy the offices.

In order to ensure a thorough analysis of the existing improvements, staff has coordinated with the Airport's contracted vendor Meacham & Associates, Inc. (Meacham & Associates) to provide an appraisal of the existing property and building structures. Meacham and Associates is a MAI designated firm specializing in the appraisal of aircraft hangar facilities, hotels, industrial properties, warehouses, and office buildings.

Meacham & Associates have been in communication with Sheltair to arrange site inspections and collection of data, (surveys, floor plans, and operating expenses), which will be used in the analysis of Parcel 20, to arrive at a market value that is reasonably acceptable and in line with market standards. The Amended Lease is scheduled to expire on May 28, 2016, so additional time will be needed to review the appraisal when it is completed, and to determine the best approach for a new lease contract.

At its recent meeting of April 28, 2016, the Aviation Advisory Board supported staff's recommendation to extend the lease with Sheltair Executive South, Inc. for an additional six months.

Resource Impact

There is no fiscal impact associated with this action.

Strategic Connections

This item is a *Press Play Fort Lauderdale Strategic Plan 2018* 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.
- 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*

Attachments

Exhibit 1 - Parcel 20-20A Map

Exhibit 2 – Second Amendment to Lease Agreement

Exhibit 3 – Resolution

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