



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

#20-0825

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

FROM: Chris Lagerbloom, ICMA-CM, City Manager

DATE: November 17, 2020

TITLE: Resolution Authorizing a Consent to Assignment of Lease Agreement from
ICM (VII) Cypress LP to Cypress Corporate Center LLC for Lots 22, 41 and
42 at Fort Lauderdale Executive Airport – **(Commission District 1)**

Recommendation

Staff recommends the City Commission adopt a resolution authorizing the City Manager to execute a Consent to Assignment of Lease Agreement from ICM (VII) Cypress LP to Cypress Corporate Center LLC at Fort Lauderdale Executive Airport (FXE).

Background

ICM (VII) Cypress LP (ICM) leases Lots 22, 41 and 42 in the Industrial Airpark by virtue of a Lease Agreement dated May 6, 1993, which was the result of a consolidation of three leases commencing on February 1983. The lease has a 50-year term and an option to extend for an additional 35 years, which was exercised on June 2015. The leasehold consists of 9.85 acres of Airport Industrial Park (AIP) zoned property with a current annual rent of \$338,315.62. The rent is adjusted every three years with the next adjustment scheduled for August 1, 2022.

The property has been improved with the construction of a 140,000 square foot first-class building on Lot 42 and an automobile parking lot on Lots 22 and 41 (Exhibit 2). ICM has requested to assign its ground lease for described property to HS Capital Fund Inc. (HSCF). For purposes of acquiring the Leasehold interest, HSCF has established Cypress Corporate Center LLC, a Florida Limited Liability Company, in connection with the sale.

According to the information provided, HSCF was formed in 2014 and has grown to own and manage several real estate investment sites located in Florida and North Carolina with a total portfolio value of \$400 million (Exhibit 3).

An assignment of this type is permitted under the terms of the lease, subject to written consent of the City. At Aviation Advisory Board meeting of October 22, 2020, the Board supported staff's recommendation to approve the Consent to Assignment of Lease Agreement for Lots 22, 41 and 42.

Resource Impact

There is no new fiscal impact associated 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*.

Attachments

Exhibit 1 - Lease Agreement and Amendments

Exhibit 2 - Map of Lots 21, 41 and 42

Exhibit 3 - HS Capital Fund Inc. Overview

Exhibit 4 - Consent to Assignment of Lease Agreement

Exhibit 5 - Resolution

Prepared by: Rufus A. James, Airport Manager

Charter Officer: Chris Lagerbloom, ICMA-CM, City Manager