



CITY OF FORT LAUDERDALE
City Commission Agenda Memo
CONFERENCE MEETING

#26-0308

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

FROM: Rickelle Williams, City Manager

DATE: March 19, 2026

TITLE: Fort Lauderdale Executive Airport (FXE) Lease Policy Follow-up with Aviation Advisory Board Recommendations - FXE (**Commission District 1**)

On January 20, 2026, City staff presented a Conference Item (CAM #26-0128) to the City Commission regarding a potential Fort Lauderdale Executive Airport (FXE) leasing policy to seek City Commission feedback on three (3) items related to leases at FXE:

- Development of a lease and rate policy;
- Implementation of a formal leasing policy; and
- Structure of a lease transaction fee.

The City Commission agreed to task the Aviation Advisory Board (Board) and staff to review the proposed leasing policy and the lease transaction fee for comments and feedback to the City Commission for consideration.

Background

FXE is a general aviation airport that is owned and operated by the City of Fort Lauderdale and generates revenue through long term land leases and fuel flowage fees. FXE is self-sustaining and uses these funds for operational costs as well as leveraging federal and state grant funds towards capital improvement projects to enhance and maintain critical Airport infrastructure. Over the last twenty-five (25) years, FXE has undergone a major transformation, fueled by over \$118 million in infrastructure investment. The Airport secured approximately \$101,779,390 in federal and state grant funding, with the Airport local match of approximately \$16,504,880. As an enterprise fund, FXE used its own generated revenue to cover its portion of these costs.

One of the primary revenue sources for FXE are leases of airport property to aviation and non-aviation tenants. Currently, FXE manages thirty-seven (37) leases including seventeen (17) aviation leases and twenty (20) non-aviation leases. The combined leases generate approximately \$11.5 million in revenue to support FXE operations, maintenance, and capital investment. In the absence of a formal leasing policy, FXE lease terms are largely based on the City's goals and policies as well as the need to meet

Federal Aviation Administration (FAA) grant assurances. Meeting FAA grant assurances ensures that FXE is competitive for federal and state grants and that FXE meets the requirements of grant programs. Meeting those requirements and providing transparency and certainty for current and future tenants is the objective for staff's recommendation to create an FXE leasing policy.

Following the January 20, 2026 City Commission Conference Meeting, on February 26, 2026, City staff presented information to the Board along with the proposed transaction fee, evaluation of additional revenue sources, and implementation of a leasing policy. Staff also provided the Board with the Fiscal Year (FY) 2026 Airport Fund Financial Sustainability Analysis, prepared by Stantec (Exhibit 2).

The discussion among the Board resulted in the recommendation to establish a working group of Board members, City staff, and Airport tenants to develop a leasing policy. Additionally, the Board voted against implementing any form of a transaction fee. The Board's recommendations are outlined in its February 26, 2026 draft minutes (Exhibit 3).

If the City Commission agrees with both recommendations, the next step will shift to establishing a working group, which will provide feedback and comments on a draft leasing policy to the Board. The Board will then make a recommendation to the City Commission. Additionally, the two (2) existing leases that include the four percent (4%) transaction fee will need to be amended to remove the transaction fee so that FXE remains compliant with certain FAA grant assurances. The lease amendments will be brought to the Board and the City Commission as separate items.

Should the City Commission desire to incorporate a transaction fee, staff will communicate this to the Board, to potentially become part of the work plan for the lease policy working group.

The City remains committed to investing in and maintaining its self-sustaining Airport to meet the region's air transportation needs. The Airport will continue to drive economic development for aviation-related businesses, promote opportunities for the general aviation community, and uphold its role as a valued community asset, well-positioned to meet future demands.

Resource Impact

There will be no fiscal impact associated with this item.

Strategic Connections

This item is a *FY 2026 Commission Priority*, advancing the Infrastructure and Resilience initiatives.

This item supports the *Press Play Fort Lauderdale 2029 Strategic Plan*, specifically advancing:

- The Infrastructure and Resilience Focus Area,

- Goal 4: Facilitate an efficient, multimodal transportation network.
- The Business Growth and Support Focus Area
- Goal 6: Build a diverse and attractive economy

This item advances the *Fast Forward Fort Lauderdale 2035* Vision Plan: We Are Prosperous.

This item supports the *Advance Fort Lauderdale 2040* Comprehensive Plan, specifically advancing:

- The Business Development Focus Area
- The Economic Development Area
- 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.

- The Internal Support Focus Area
- The Capital Improvements Element
- Goal 1: The City will strive to provide infrastructure as appropriate to meet the standards set forth within the comprehensive plan elements, by preserving, modifying and replacing existing infrastructure and providing new infrastructure related to growth and resiliency.

Attachments

Exhibit 1 – Presentation of AAB Recommendations

Exhibit 2 – Fiscal Year (FY) 2026 Airport Fund Financial Sustainability Analysis

Exhibit 3 – February 26, 2026, AAB Draft Minutes

Prepared by: Rufus A. James, Airport Director, Fort Lauderdale Executive Airport

Department Director: Rufus A. James, Fort Lauderdale Executive Airport