



Broward County

Legislation Text

File #: 21-2308, Version: 1

Broward County Commission Regular Meeting

Director's Name: Mark Gale

Department: Aviation

Division: Business

Information

Requested Action

MOTION TO APPROVE Consent to Leasehold Mortgage between Broward County, Airside Florida, LLC, and Americo Financial Life and Annuity Insurance Company.

Why Action is Necessary

The Agreement of Lease between Broward County and Airside Fort Lauderdale, LLC, requires the prior approval of any leasehold mortgage from the Broward County Board of County Commissioners ("Board"). Chapter 2 of the Broward County Code of Ordinances provides that the Board approve all changes to any Agreement of Lease.

What Action Accomplishes

This action approves a Consent to Leasehold Mortgage Agreement ("Consent Agreement") between Broward County ("County"), Airside Florida, LLC ("Airside Florida"), and Americo Financial Life and Annuity Insurance Company ("Mortgagee") to secure a leasehold mortgage as permitted in the Agreement of Lease ("Agreement") for property located at Broward County's Fort Lauderdale-Hollywood International Airport ("FLL").

Is this Action Goal Related

No

Previous Action Taken

None.

Summary Explanation/Background

THE AVIATION DEPARTMENT RECOMMENDS APPROVAL OF THE ABOVE MOTION.

This action approves a Consent Agreement between the County, Airside Florida, and Mortgagee, to secure a leasehold mortgage on the Agreement for property located at FLL ("Leased Premises").

On June 12, 2018 (Item No. 72), the Board approved the Agreement between the County and Airside Ft. Lauderdale, LLC for a lease term of 22 years.

On August 26, 2021, the County consented to an assignment of the Agreement from Airside Fort Lauderdale, LLC, to Airside Florida.

At the time of the assignment, Airside Florida was unable to finalize an acquisition loan. Airside Florida purchased the leasehold interest of the Agreement from Airside Fort Lauderdale, LLC, for \$12,250,000 in cash. This Consent Agreement is requesting a mortgage for \$7,500,000 that provides Airside Florida access to a percentage of its invested equity.

Pursuant to Article 18 of the Agreement, Airside Florida must receive prior written consent from the County to secure a leasehold mortgage.

The proposed Consent Agreement has been reviewed and approved as to form by the Office of the County Attorney.

Source of Additional Information

Mark E. Gale, A. A. E., CEO/Director of Aviation, (954) 359-6199

Fiscal Impact

Fiscal Impact/Cost Summary

There is no fiscal impact associated with this action. Airside Florida will be solely responsible for the debt service of the Leasehold Mortgage.