



Broward County

Legislation Details (With Text)

File #: 22-994 **Version:** 1

Status: Agenda Ready

In control: AVIATION DEPARTMENT

On agenda: 6/14/2022 **Final action:** 6/14/2022

Title: MOTION TO APPROVE Lease Agreement between Broward County (“County”) and 1600 NE 7th Avenue, LLC (“Landlord”) pursuant to which the County will lease, as tenant, a parcel consisting of 189,445 square feet for use by the Aviation Department, for an initial term of ten years and a renewal option of ten years to be exercised by the Director of Aviation in their sole discretion, at a rental rate of \$846,000 for the first year with a 3% increase each year thereafter in substantially the form of Exhibit 1; and authorize the Director of Aviation to make changes that do not materially increase the financial cost or exposure to the County and to execute the Lease Agreement on behalf of Broward County provided it has been reviewed and approved as to legal sufficiency by the Office of the County Attorney.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Exhibit 1 - Lease Agreement

Date	Ver.	Action By	Action	Result
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Broward County Commission Regular Meeting

Director's Name: Mark Gale

Department: Aviation

Division: Business

Information

Requested Action

MOTION TO APPROVE Lease Agreement between Broward County (“County”) and 1600 NE 7th Avenue, LLC (“Landlord”) pursuant to which the County will lease, as tenant, a parcel consisting of 189,445 square feet for use by the Aviation Department, for an initial term of ten years and a renewal option of ten years to be exercised by the Director of Aviation in their sole discretion, at a rental rate of \$846,000 for the first year with a 3% increase each year thereafter in substantially the form of Exhibit 1; and authorize the Director of Aviation to make changes that do not materially increase the financial cost or exposure to the County and to execute the Lease Agreement on behalf of Broward County provided it has been reviewed and approved as to legal sufficiency by the Office of the County Attorney.

Why Action is Necessary

Board approval is required for the County to enter into the Lease Agreement and to authorize the Director of Aviation to execute the Lease Agreement.

What Action Accomplishes

Approves the Lease Agreement between the County and the Landlord and authorizes the Director of

Aviation to execute the Lease Agreement.

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 the Lease Agreement between the County and the Landlord for use of a parcel by the Broward County Aviation Department (“BCAD”) and authorizes the Director of Aviation to execute the Lease Agreement.

Keolis Transit Services, LLC (“Keolis”), which provides shuttle bus and other transportation services for Fort Lauderdale-Hollywood International Airport (“Airport”), has been relocated from Airport property on several occasions, causing Keolis to currently perform a split bus maintenance operation, leasing space at 110 SW 12th Avenue, Dania Beach FL, as well as occupying certain Airport property located at 1203 SW 41st Court, Fort Lauderdale FL.

In addition, SP Plus Curbside Management Joint Venture (“SP+”) has occupied and operated from a trailer located on the northeast corner of the Airport, between East Perimeter Road and SW 2nd Avenue, for several years. The trailer’s current condition appears to have exceeded its useful life and needs to be removed along with the other two deteriorating trailers. From a safety perspective, BCAD staff determined that it is in the best interest of the County and SP+ for SP+ to be relocated to a new property.

If the Board approves the proposed Lease Agreement, BCAD intends to relocate both Keolis and SP+ (contingent on Keolis and SP+ entering into subleases with the County) to the leased property (“Leased Property”). In addition, the County intends to relocate (as soon as possible) all the ground transportation buses that currently occupy Airport property to the Leased Property. The Lease Agreement provides, among other things, as follows: (i) the County is responsible for reimbursing the Landlord for all real estate taxes and insurance premiums in connection with the Leased Property; (ii) the Landlord will be responsible for maintaining and repairing the Leased Property; (iii) mutual indemnification provisions for claims asserted by third parties for any intentional, reckless, or negligent act or omission of the Landlord or the County; and (iv) the Director of Aviation is authorized to exercise any termination rights or to renew the Lease Agreement for an additional ten-year term in his or her sole discretion.

This action also authorizes the Director of Aviation to execute the Lease Agreement on behalf of Broward County. The proposed Lease Agreement has been reviewed and approved as to form by the Office of the County Attorney.

Source of Additional Information

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

Fiscal Impact

Fiscal Impact/Cost Summary

The estimated first year annual lease rate for the Lease Agreement will be \$846,000, or approximately \$70,500 monthly payable on the first day of each month. Subsequently, on an annual basis, there will be an escalation of three percent (3%) to the rent.