



Broward County

Legislation Details (With Text)

File #:	23-910	Version:	1
		Status:	Agenda Ready
		In control:	AVIATION DEPARTMENT
On agenda:	6/13/2023	Final action:	6/13/2023
Title:	A. MOTION TO APPROVE Second Amendment to the Agreement of Lease between Broward County and ACAP Broward County, LLC for property located at Broward County's Fort Lauderdale-Hollywood International Airport; and authorize the Mayor and Clerk to execute same. (Transferred to the Consent Agenda.) ACTION: (T-10:40 AM) Approved. VOTE: 9-0. B. MOTION TO AUTHORIZE Director of Aviation to execute a Consent to the Assignment of Lease between ACAP Broward County, LLC and Sheltair Aviation Center, LLC, provided it has been reviewed and approved as to legal sufficiency by the Office of the County Attorney. (Transferred to the Consent Agenda.) ACTION: (T-10:40 AM) Approved. VOTE: 9-0.		
Sponsors:			
Indexes:			
Code sections:			
Attachments:	1. Exhibit 1 - Second Amendment		

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

A. MOTION TO APPROVE Second Amendment to the Agreement of Lease between Broward County and ACAP Broward County, LLC for property located at Broward County's Fort Lauderdale-Hollywood International Airport; and authorize the Mayor and Clerk to execute same.

(Transferred to the Consent Agenda.)

ACTION: (T-10:40 AM) Approved.

VOTE: 9-0.

B. MOTION TO AUTHORIZE Director of Aviation to execute a Consent to the Assignment of Lease between ACAP Broward County, LLC and Sheltair Aviation Center, LLC, provided it has been reviewed and approved as to legal sufficiency by the Office of the County Attorney.

(Transferred to the Consent Agenda.)

ACTION: (T-10:40 AM) Approved.

VOTE: 9-0.

Why Action is Necessary

Motion A. Chapter 2, Section 2-40 (a) of the Broward County Code of Ordinances, requires that the Broward County Board of County Commissioners ("Board") authorize any commercial activities or occupy any portion of the airport for any purpose unless specifically authorized by Broward County ("County").

Motion B. Board approval is required to authorize the Director of Aviation to execute a Consent to the Assignment of Lease between ACAP Broward County, LLC and Sheltair Aviation Center, LLC.

What Action Accomplishes

Motion A. This action approves a Second Amendment to the Agreement of Lease ("Agreement") between the County and ACAP Broward County, LLC ("ACAP") to extend the due diligence period and modify the permitted and prohibited uses for premises at Broward County's Fort Lauderdale-Hollywood International Airport ("FLL").

Motion B. Authorizes the Director of Aviation to execute a Consent to the Assignment of the Agreement between ACAP and Sheltair Aviation Center, LLC ("Sheltair").

Is this Action Goal Related

No

Previous Action Taken

None.

Summary Explanation/Background

THE AVIATION DEPARTMENT RECOMMENDS APPROVAL OF THE ABOVE MOTIONS.

On June 14, 2022 (Item No. 54), the Board approved the Agreement of Lease between the County and ACAP and authorized the Director of Aviation to execute the Agreement on behalf of the County. The Agreement was signed by the Director of Aviation on June 15, 2022.

On November 8, 2022, as authorized in the Agreement, the Director of Aviation executed the First Amendment to the Agreement accepting the survey and legal description of the parcel and replacing the existing Exhibit A with a revised Exhibit A depicting the new survey.

ACAP has advised the Aviation Department that it cannot obtain the financing to complete the improvements and meet the minimum capital investment of \$22,000,000 required in the Agreement and has disclosed that it has been in discussions with Sheltair to sell ACAP's leasehold interest.

The initial due diligence period will expire on June 30, 2023, and ACAP has requested an amendment to the Agreement to extend the due diligence period through September 30, 2023, to allow Sheltair sufficient time to finalize its due diligence review of the parcel to determine whether to acquire the leasehold. Additionally, the Agreement is being amended to clarify that the use of the leased premises is solely for a maintenance, repair, and overhaul facility with the capacity to provide major maintenance to wide-body aircraft, and it may not operate as a fixed based operator.

Following receipt of a proper application requesting assignment of the Agreement and completion of due diligence regarding the assignment, by way of Motion B in this action, the Director of Aviation is given the authority to execute a Consent to the Assignment of the Agreement between ACAP and Sheltair.

The proposed Second Amendment to the 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, Aviation Department, (954) 359-6199

Fiscal Impact

Fiscal Impact/Cost Summary

The rent will be adjusted annually by the greater of 3% or the Consumer Price Index and will be adjusted to full land market rent on the first day of the fourth (4th) lease year.