



Broward County

Legislation Text

File #: 21-856, Version: 1

Broward County Commission Regular Meeting

Director's Name: Mark Gale

Department: Aviation

Division: Business

Information

Requested Action

MOTION TO AUTHORIZE County Administrator to execute amendments to agreements to waive certain fees owed by concessionaires and rental car companies operating at Broward County's Fort Lauderdale-Hollywood International Airport; the form of all amendments being subject to review by the Office of the County Attorney for legal sufficiency; and provided the County Administrator notifies the Board of each such waiver.

Why Action is Necessary

Broward County Board of County Commissioners ("Board") authority is needed to authorize the County Administrator to take the referenced actions.

What Action Accomplishes

Authorizes the County Administrator to take the referenced actions.

Is this Action Goal Related

No

Previous Action Taken

None.

Summary Explanation/Background

THE AVIATION DEPARTMENT RECOMMENDS APPROVAL OF THE ABOVE MOTION.

This action will authorize the County Administrator to execute amendments to agreements to waive certain fees owed by concessionaires and rental car companies operating at Broward County's Fort Lauderdale-Hollywood International Airport ("FLL").

On April 7, 2020 (Item No. 34), the Board authorized the County Administrator to enter into agreements to defer payments owed by concessionaires and other businesses operating on Broward County property for thirty days after such payments would otherwise be due, with an option to continue such deferrals in additional 30-day increments thereafter as deemed appropriate.

On April 21, 2020 (Item No. 40), the Board authorized the County Administrator to accept grant funding for economic relief in the estimated amount of \$135,027,903 from the Federal government administered by the Federal Aviation Administration ("FAA") in support of FLL and the North Perry

Airport pursuant to the Coronavirus Aid, Relief, and Economic Security ("CARES") Act (H.R. 748, Public Law 116-136), signed into law by the President on March 27, 2020. The CARES Act provided economic relief to U.S. airports that met certain conditions and continue to meet certain conditions. Pursuant to the Board approval, applications for grant funding were made and grant agreements have been executed.

On June 16, 2020 (Item No. 68), the Board authorized the County Administrator to execute amendments to agreements to waive certain fees owed by concessionaires and rental car companies operating at FLL for the three month period of April, May, and June 2020; the form of all amendments being subject to review by the Office of the County Attorney for legal sufficiency; and provided the County Administrator notified the Board of each such waiver.

Because of the impacts of COVID-19 in Broward County, there continues to be suspension, closure, or reduction in services of concessions and other businesses operating on Broward County property, including, but not limited to, concessionaires and other business operating at FLL (including, but not limited to, airlines, car rental companies, and retail concessionaires).

The Broward County Aviation Department ("BCAD") is able to provide relief in the form of waiver of fixed rent and/or minimum annual guarantee for in-terminal airport concessionaires and on-airport rental car companies as a result of the funds being provided by the Coronavirus Response and Relief Supplemental Appropriation Act ("CRRSA") in the amount of \$3,844,634, and funds anticipated to be received from the Federal government pursuant to the American Rescue Plan Act.

The American Rescue Plan Act of 2021 (H.R. 1319, Public Law 117-2), signed into law by the President on March 11, 2021, includes \$8 billion in funds to be awarded as economic assistance to eligible U.S. airports to prevent, prepare for, and respond to the COVID-19 pandemic.

This action will authorize the County Administrator to execute amendments to agreements to waive certain fees owed by concessionaires and rental car companies operating at FLL during Fiscal Year 2021. The waiver period under consideration for Fiscal Year 2021 is the entire 12 months. The form of the amendments being subject to review by the Office of the County Attorney for legal sufficiency. Nothing in this item will impact or modify any authority of the County Administrator, Director of Aviation, or other contract administrator under existing agreements.

The proposed request for waivers of certain fees is presented in an abundance of caution, given the uncertainty regarding the impacts of COVID-19 on Broward County concessionaire and rental car companies' operations at FLL, the County's desire to provide appropriate relief to these businesses considering the current situation arising from COVID-19 and the importance of having solvent tenants that can resume normal operations when the impacts of COVID-19 ease. BCAD reserves the right to make determinations of participant eligibility as authorized in the applicable legislation, including, but not limited to, the availability of other financial relief to the companies and compliance with FAA Grant Assurances.

Source of Additional Information

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

Fiscal Impact

Fiscal Impact/Cost Summary

The estimated fiscal impact to Broward County for a waiver of the proportionate share of the MAG for the full 12 months of Fiscal Year 2021 is undetermined at this time. This action does not affect the continued obligation to remit monthly privilege fees, Customer Facility Charges, or fixed space rents.