



Broward County

Legislation Text

File #: 21-1109, 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 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

COVID-19 continues to cause suspensions, closures, or reduced services on rental cars and other businesses operating at FLL.

What Action Accomplishes

Authorizes the County Administrator to waive certain fees owed by rental car companies operating at FLL during Fiscal Year 2021.

Is this Action Goal Related

No

Previous Action Taken

June 1, 2021 (Item 70B) - Deferred for further discussion.

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 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.

On June 1, 2021 (Item No. 70), the Board bifurcated the Item into two parts. Item No. 70A passed for additional in-terminal concession relief, while Item No. 70B was tabled for further discussion based on concerns related to the extremely high rental rates being charged by some rental car companies.

Due to 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 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. The CRSSA allocation for rental car companies in an approximate amount of \$1.9 million is required to be applied proportionately to all eligible Rental Car Center (RCC) concessionaires at FLL.

This action will authorize the County Administrator to execute amendments to agreements to waive certain fees owed by 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 Fixed Rent 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.