

Memorandum



Date: January 20, 2021

To: Honorable Chairman Jose “Pepe” Diaz
and Members, Board of County Commissioners

Agenda Item No. 2(B)(2)

From: Danielle Levine Cava
Mayor

Subject: Miami International Airport (MIA) Retroactive Financial Relief Report –
September 2020

At the April 7, 2020 Board of County Commissioners (Board) meeting, Board members adopted Resolution No. R-332-20 as amended, approving a Retroactive Financial Relief Plan (Relief Plan) for airlines, concessionaires, car rental companies, cargo handlers, general aeronautical service permittees, fixed-base operators and any other tenant providing services at Miami International Airport (MIA), and for the aeronautical business operators at the General Aviation Airports (GAA) due to the steep decline in business revenues because of the “coronavirus disease 2019” (COVID-19) pandemic. This Relief Plan, which went into effect on April 18, 2020 complies with the guidelines published by the Federal Aviation Administration (FAA) in early April.

The Relief Plan, which was set to expire on August 31, 2020, was approved by Board members with an initial term of three months and a one-time three-month extension subject to monthly reviews. Because business revenue levels continue to remain low throughout MIA and are forecasted to stay low through year-end, the Relief Plan was extended at the July 21, 2020 Board meeting via Resolution No. R-749-20 exclusively for MIA’s concessionaires and the only fixed-based operator at MIA required to pay a Minimum Annual Guarantee (MAG), Signature Flight Support. The extension waives the MAG and/or rent for 62 MIA concessionaires and Signature Flight Support on a month-to-month basis for four additional consecutive months (subject to monthly reviews) from September 1, 2020 to December 31, 2020. By way of this extension, the County will provide MIA’s concessionaires and Signature Flight Support with the additional assistance needed to help sustain their businesses in light of the continued decrease in passenger traffic resulting from the ongoing pandemic.

The Miami-Dade Aviation Department (MDAD) has prepared its first monthly report for the first month of the extension period, September 2020. The report provides data related to the financial relief offers made by the County to MIA’s concessionaires and Signature Flight Support as well as updates on the changed financial circumstances due to the COVID-19 crisis.

Four Month Extension of the Relief Plan

Per Resolution No. R-749-20, the Relief Plan for MIA’s concessionaires and Signature Flight Support was extended for four continuous months beginning on September 1, 2020 and ending on December 31, 2020, subject to monthly reviews. A summary of the type of financial relief offered through the extension is as follows:

- 1) Waiver of monthly MAG payments, rent, and other related fees for duty-free stores and any other concession operators contracted to pay MAG monthly payment as well as monthly rent. Such waivers are effective on a month-to-month basis from September 1, 2020 to December 31, 2020 and are subject to monthly reviews. These concessionaires will continue to pay

the assigned percentage fee of gross revenues in lieu of the MAG and rent for such time period.

- 2) Waiver of MAG monthly payments and other related fees for Signature Flight Support and all other concessionaires with MAG payments. Such waivers are effective on a month-to-month basis from September 1, 2020 to December 31, 2020 and are subject to monthly reviews. These concessionaires will continue to pay the assigned percentage fee of gross revenues in lieu of the MAG for such time period.

Impacts of COVID-19 Pandemic

Over Labor Day weekend, there was an uptick in air travel. The Transportation Security Administration (TSA) reported screening a total of 968,673 passengers on September 4, 2020, which is the highest number of passengers screened since March 2020. Throughout the month of September, the number of screened passengers fluctuated daily with 516,068 passengers recorded on September 1st as the lowest number and 968,673 passengers recorded on September 4th as the highest number. It should be noted that these numbers continue to show a significant year-to-year decrease when compared to the same days in 2019, during which time, 2,037,750 passengers and 2,198,828 passengers were screened, respectively.

The level of passengers traffic flows and business revenues for the month of September 2020, which are the metrics being used to measure the demand for air travel at MIA are noted below with comparisons to the levels reported in 2019.

1. Passenger Traffic Flows at MIA

A comparative analysis of passenger traffic levels for the months of September 2019 and September 2020 shows an average decline in passenger flows (arrivals and departures) of 72.5 percent at MIA, with the total number of domestic and international passengers falling from 3,192,720 passengers to 876,621 passengers. A more detailed look at the analysis confirms that the number of domestic arrivals decreased by 60.1 percent, from 834,038 passengers to 332,982 passengers while the number of domestic departures dropped by 59.5 percent, from 811,253 passengers to 328,661 passengers. The number of international arrivals decreased by 86.2 percent, from 796,799 passengers to 110,303 passengers, whereas the number of international departures fell by more than 86.1 percent, from 750,630 passengers to 104,675 passengers.

On a cumulative basis, a comparative analysis of passenger traffic levels for March 2019, April 2019, May 2019, June 2019, July 2019, August 2019 and September 2019 as compared to the same months in 2020 shows an average decline in passenger flows (arrivals and departures) of 78 percent at MIA, with the total number of domestic and international passengers falling from 26,613,457 passengers to 5,863,659 passengers. Furthermore, the analysis confirms that the number of domestic arrivals decreased by 70.3 percent, from 6,724,485 passengers to 1,994,968 passengers while the number of domestic departures dropped by 69.1 percent, from 6,809,948 passengers to 2,104,052 passengers. The number of international arrivals decreased by 87.1 percent, from 6,670,966 passengers to 862,402 passengers, whereas the number of international departures fell by more than 85.9 percent, from 6,408,058 passengers to 902,237 passengers.

2. Gross Revenues Variance Analysis at MIA

A comparative analysis of total gross revenues for the months of September 2019 and September 2020 is represented below in Chart A. The analysis shows an average decline in total gross revenues of 75 percent, with revenues falling from \$33,827,189 to \$8,324,536 for concession operators contracted to pay MAG payments in addition to rent as well as for Signature Flight Support and concession operators whose MAG payments include rent.

Chart A – Total Gross Revenues Variance Analysis

Type of Gross Revenues	September 2019	September 2020	Variance	Percent Change
MAG and Rent (Duty Free Stores and Concessions who pay MAG as well as rent payments)	\$12,835,770	\$3,536,354	\$9,299,416	72%
MAG only (Signature Flight Support and Concessions who pay MAG only as part of their rent payments)	\$20,991,420	\$4,788,182	\$16,203,238	77%
Total:	\$33,827,189	\$8,324,536	\$25,502,653	75%

On a cumulative basis, a comparative analysis of total gross revenues for March 2019, April 2019, May 2019, June 2019, July 2019, August 2019 and September 2019 as compared to the same months in 2020 shows an average decline in total gross revenues of 80 percent, with revenues falling from \$284,001,813 to \$57,494,534 for concession operators contracted to pay MAG payments in addition to rent as well as for Signature Flight Support and concession operators whose MAG payments include rent.

Chart C, as shown below illustrates the total dollar amounts of relief provided by the County to concessionaires and Signature Flight Support at MIA for the month of September 2020 as well as the billed percentage fee from gross revenues. Each relief offer made and accepted or declined for the month of September 2020 is detailed on Attachment 1, as enclosed.

Chart C – Relief Provided to Concessionaires and Signature Flight Support at MIA

Business Partners	Relief Provided for September 2020	Billed Percentage Fee from Gross Revenues
Waiver of MAG and Rent (Duty Free Stores and Concessions who pay MAG and rent payments)	\$3,839,903	\$765,196
Waiver of MAG only (Includes Signature Flight Support and other Concessions who pay MAG only as part of their rent payments)	\$4,143,259	\$771,236

On a cumulative basis (for the months of March 2020, April 2020, May 2020, June 2020, July 2020, August 2020 and September 2020) the total dollar amounts of relief provided by the County

to concessionaires and Signature Flight Support at MIA as well as the billed percentage fee from gross revenues are shown below in Chart D. Each relief offer made and accepted or declined is detailed on Attachment 2, as enclosed.

Chart D – Cumulative Relief Provided to Concessionaires and Signature Flight Support at MIA

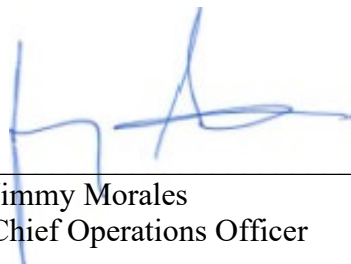
Business Partners	Relief Provided (Cumulative)	Billed Percentage Fee from Gross Revenues (Cumulative)
Waiver of MAG and Rent (Duty Free Stores and Concessions who pay MAG and rent payments)	\$26,879,324	\$5,238,569
Waiver of MAG only (Includes Signature Flight Support and other Concessions who pay MAG only as part of their rent payments)	\$29,002,813	\$5,605,308

This relief offer is supplemental to any federal aid (e.g., loans, loan guarantees, grants, paycheck protection program, employee retention credits, payroll tax deferrals, etc.) our business partners may be eligible for through the CARES Act.

Pursuant to Ordinance No. 14-65, this memorandum will be placed on a Board agenda for review within 30 days.

Should you have any questions or require additional information, please contact Lester Sola, Miami-Dade Aviation Department Director at 305-876-7066.

- C: Geri Bonzon-Keenan, County Attorney
Office of Mayor Senior Staff
Lester Sola, Aviation Director
Yinka Majekodunmi, CPA, Commission Auditor
Eugene Love, Agenda Coordinator
Melissa Adames, Acting Director, Clerk of the Board



Jimmy Morales
Chief Operations Officer

**Miami-Dade Aviation Department
Relief Offered, by Company for September 2020
(Amounts shown are monthly)
Attachment 1**

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Company	Total Co.	Total Relief Offered	Concession MAG Waived	Other Concession MAG Waived	Concession Fee Billed	Total Relief Provided	Total Relief Declined	Companies Accepting Relief	Companies Declining Relief
Concessionaires									
Airball Sports II LLC		7,887	7,887		6,272	7,887	-	1	
Airport Subway II LLC		1,940	1,940		-	1,940	-	1	
Aldclear LLC		5,565	5,565		38,649	5,565	-	1	
Areas USA, Inc. - 003022/005275		276,937	276,937		56,905	276,937	-	1	
Concessions Miami LLC		214,966	214,966		77,041	214,966	-	1	
Duty Free Americas Miami, LLC		2,774,496	2,774,496		267,051	2,774,496	-	1	
Dade County Federal Credit Union (Rent plus transaction fee)		143	143		440	143	-	1	
Marlins Airport Retail Operator LLC		1,552	1,552		-	1,552	-	1	
Miami Airport Concession LLC		425,416	425,416		249,374	425,416	-	1	
Smarte Carte Inc		31,344	31,344		27,247	31,344	-	1	
URW Airports, LLC		99,658	99,658		42,217	99,658	-	1	
	11	3,839,903	3,839,903		765,196	3,839,903	-	11	0
Concessionaires									
27 Entrepreneurs Miami International Airport LLC		12,784		12,784	-	12,784	-	1	
305 Pizza At MIA LLC		15,605		15,605	18,945	15,605	-	1	
Air Sun JV - #5355 #4942		13,774		13,774	13,744	13,774	-	1	
AMS of South Florida SGH JV (Hudson Group)		24,893		24,893	4,857	24,893	-	1	
AMS-TEI Miami Joint Venture		287,858		287,858	54,011	287,858	-	1	
ATM OPS INC DBA BITSTOP		1,000		1,000	-	1,000	-	1	
BFC Airport Stores LLC		13,586		13,586	648	13,586	-	1	
Bijoux Nouveau Inc - 003173/003174		58,836		-	-	-	58,836		1
Bongos Cuban Cafe Miami Inc dba Estefan Kitchen Ex		14,102		14,102	13,586	14,102	-	1	
Brookstone Stores Inc		10,123		10,123	-	10,123	-	1	
Carrie Concessions Inc - 011261 (Replace Lease 000283)		14,187		14,187	10,758	14,187	-	1	
Chef Creole Airport LLC		8,731		8,731	3,279	8,731	-	1	
Chefs of the Caribbean LLC		13,711		13,711	-	13,711	-	1	
Communitel Inc - 002231/003759		9,050		9,050	4,502	9,050	-	1	
Cuban Crafters MIA LLC		6,469		6,469	4,405	6,469	-	1	
Duty Free Americas Beauty, LLC		141,459		141,459	-	141,459	-	1	
Exactta LLC		24,347		24,347	-	24,347	-	1	
FCG of FL Inc Optg as Faber MIA LLC		115,962		115,962	36,871	115,962	-	1	
Fig & Fennel at MIA, LLC		31,319		31,319	3,353	31,319	-	1	
Global Concessions Inc		520,592		520,592	156,160	520,592	-	1	
Half Moon Empanadas at MIA LLC		9,858		9,858	6,828	9,858	-	1	
Holiday CVS, LLC (CVS #10731-01)		19,547		19,547	10,651	19,547	-	1	
Host International Inc - 000197/005812		624,631		624,631	92,486	624,631	-	1	
Icebox Cafe at MIA LLC		24,116		24,116	15,145	24,116	-	1	
InMotion Entertainment Group LLC		9,543		9,543	4,414	9,543	-	1	
Lenlyn Limited dba ICE Currency Services USA - 004192/010449		209,112		209,112	12,414	209,112	-	1	
Master ConcessionAir LLC		55,439		55,439	-	55,439	-	1	
Miami Concepts LLC		23,558		23,558	8,875	23,558	-	1	
MSI Foods and Services Inc. - 011182/011297		4,167		4,167	-	4,167	-	1	
Newslink of South Florida LLC		538,404		538,404	40,057	538,404	-	1	
NewZoom LLC dba ZoomSystems		19,812		-	-	-	-		
Perry Ellis Menswear LLC		6,692		6,692	5,932	6,692	-	1	
Safe Wrap of Florida JV, LLC		318,162		318,162	11,139	318,162	-	1	
Taxco Sterling Company Inc		21,614		21,614	6,029	21,614	-	1	
WDFG North America LLC - 007913		180,473		180,473	47,145	180,473	-	1	
	35	3,403,514		3,324,866	586,232	3,324,866	58,836	33	1
Other Concessionaires									
94th Spirit Grill, LLC		6,212		6,212	-	6,212	-	1	
AC Holdings Inc dba CNN Airport Network		12,500		12,500	5,004	12,500	-	1	
American Airlines Federal Credit Union		18,058		-	107	-	-		
American Express Travel Related Services Company I		103,600		-	101,424	-	-		
American Shuttle Inc		21,261		-	-	-	-		
Electronic Media Systems Inc (WIFI)		45,833		45,833	22,436	45,833	-	1	
Global Lounge AV MIA LLC - 010028/011031		831		831	-	831	-	1	
Global Lounge LA MIA LLC (LATAM) - 010323/011094		720		720	-	720	-	1	
Global Lounge TK MIA Term E, LLC (Turkish Airlines) - 011093/011		2,296		2,296	-	2,296	-	1	
Hilton Miami Airport		60		-	-	-	-		
IMCMV MIA Airport, LLC.		31,035		-	14,701	-	-		
Pfeffer & Marin Holdings LLC dba Comfort Suites Mi		60		-	-	-	-		
Resorts World Omni LLC		60		-	-	-	-		
Robert Abraham Shoeshine		100		-	-	-	-		
Sherry Frontenac Resort Inc dba Sherry Frontenac H		60		-	-	-	-		
Travelers Partners LLC dba Days Inn Miami Airport		60		-	-	-	-		
	16	242,747		68,393	143,672	68,393	-	6	0
Fixed Based Operators									
Signature Flight Support		750,000		750,000	41,332	750,000	-	1	
	1	750,000		750,000	41,332	750,000	42,118	1	0
Totals	63	8,236,164	3,839,903	4,143,259	1,536,432	7,983,162	100,954	51	1

Note:
All data presented is based on the relief confirmations received from our partners as of October 21, 2020
Since most of our partners self report their revenue, there will be a one month lag in providing monthly information
(1) Number of companies relief was offered to
(2) Amount of relief offered to our partners
(3) MAG payments, rent and other related fees for duty-free stores and any other concession operator contracted to pay MAG monthly payments as well as monthly rent that was waived
(4) MAG payments and other related fees for all other concessionaires and operators with such MAG payment that was waived
(5) Amount of percentage fee billed
(6) Amount of relief accepted by our partners
(7) Amount of relief declined by our partners
(8) Number of companies that accepted the relief
(9) Number of companies that declined the relief

Miami-Dade Aviation Department
Relief Offered, by Company for March, April, May, June, July, August and September 2020 Combined
(Amounts shown are for seven months)
Attachment 2

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Company	Total Co.	Total Relief Offered	Concession MAG Waived	Other Concession MAG Waived	Concession Fee Billed	Total Relief Provided	Total Relief Declined	Companies Accepting Relief	Companies Declining Relief
Concessionaires									
Airball Sports II LLC		55,210	55,210		18,126	55,210	-	1	
Airport Subway II LLC		13,577	13,577			13,577	-	1	
Aiclear LLC		38,958	38,958		255,793	38,958	-	1	
Areas USA, Inc. - 003022/005275		1,938,558	1,938,558		383,623	1,938,558	-	1	
Concessions Miami LLC		1,504,764	1,504,764		460,339	1,504,764	-	1	
Duty Free Americas Miami, LLC		19,421,471	19,421,471		1,611,032	19,421,471	-	1	
Dade County Federal Credit Union (Rent plus transaction fee)		998	998		3,384	998	-	1	
Marlins Airport Retail Operator LLC		10,862	10,862		684	10,862	-	1	
Miami Airport Concession LLC		2,977,910	2,977,910		1,987,677	2,977,910	-	1	
Smarte Carte Inc		219,409	219,409		178,309	219,409	-	1	
URW Airports, LLC		697,608	697,608		339,601	697,608	-	1	
	11	26,879,324	26,879,324		5,238,569	26,879,324	-	11	0
Concessionaires									
27 Entrepreneurs Miami International Airport LLC		89,489		89,489	7,487	89,489	-	1	
305 Pizza At MIA LLC		109,237		109,237	137,641	109,237	-	1	
Air Sun JV - #5355 #4942		96,417		96,417	38,909	96,417	-	1	
AMS of South Florida SGH JV (Hudson Group)		174,251		174,251	28,537	174,251	-	1	
AMS-TEI Miami Joint Venture		2,015,004		2,015,004	356,431	2,015,004	-	1	
ATM OPS INC DBA BITSTOP		7,000		7,000	2	7,000	-	1	
BFC Airport Stores LLC		95,099		95,099	8,017	95,099	-	1	
Bijoux Nouveau Inc - 003173/003174		411,852		-	237,355	-	411,852		1
Bongos Cuban Cafe Miami Inc dba Estefan Kitchen Ex		98,716		98,716	73,944	98,716	-	1	
Brookstone Stores Inc		70,864		70,864	4,410	70,864	-	1	
Carrie Concessions Inc - 011261 (Replace Lease 000283)		99,307		99,307	67,724	99,307	-	1	
Chef Creole Airport LLC		61,115		61,115	25,296	61,115	-	1	
Chefs of the Caribbean LLC		95,976		95,976	4,469	95,976	-	1	
Communitel Inc - 002231/003759		63,350		63,350	38,270	63,350	-	1	
Cuban Crafters MIA LLC		45,283		45,283	25,628	45,283	-	1	
Duty Free Americas Beauty, LLC		990,210		990,210	5,619	990,210	-	1	
Exactta LLC		170,428		170,428	12,803	170,428	-	1	
FCG of FL Inc Optg as Faber MIA LLC		811,737		811,737	248,222	811,737	-	1	
Fig & Fennel at MIA, LLC		219,231		219,231	13,449	219,231	-	1	
Global Concessions Inc		3,644,142		3,644,142	1,077,239	3,644,142	-	1	
Half Moon Empanadas at MIA LLC		69,005		69,005	40,911	69,005	-	1	
Holiday CVS, LLC (CVS #10731-01)		136,827		136,827	66,447	136,827	-	1	
Host International Inc - 000197/005812		4,372,415		4,372,415	669,515	4,372,415	-	1	
Icebox Cafe at MIA LLC		168,810		168,810	63,982	168,810	-	1	
InMotion Entertainment Group LLC		66,803		66,803	26,553	66,803	-	1	
Lenlyn Limited dba ICE Currency Services USA - 004192/010449		1,463,787		1,463,787	104,505	1,463,787	-	1	
Master ConcessionAir LLC		388,070		388,070	27,611	388,070	-	1	
Miami Concepts LLC		164,907		164,907	42,790	164,907	-	1	
MSI Foods and Services Inc. - 011182/011297		29,167		29,167	1,587	29,167	-	1	
Newslink of South Florida LLC		3,768,828		3,768,828	293,189	3,768,828	-	1	
NewZoom LLC dba ZoomSystems		138,684		-	1,615	-	-		
Perry Ellis Menswear LLC		46,847		46,847	21,729	46,847	-	1	
Safe Wrap of Florida JV, LLC		2,227,134		2,227,134	225,242	2,227,134	-	1	
Taxco Sterling Company Inc		151,296		151,296	20,273	151,296	-	1	
WDFG North America LLC - 007913		1,263,309		1,263,309	334,857	1,263,309	-	1	
	35	23,824,596		23,274,060	4,352,258	23,274,060	411,852	33	1
Other Concessionaires									
94th Spirit Grill, LLC		43,487		43,487	-	43,487	-	1	
AC Holdings Inc dba CNN Airport Network		87,500		87,500	12,572	87,500	-	1	
American Airlines Federal Credit Union		126,405		-	738	-	-		
American Express Travel Related Services Company I		725,199		-	711,719	-	-		
American Shuttle Inc		148,826		-	11,425	-	-		
Electronic Media Systems Inc (WIFI)		320,833		320,833	67,659	320,833	-	1	
Global Lounge AV MIA LLC - 010028/011031		5,819		5,819	1,130	5,819	-	1	
Global Lounge LA MIA LLC (LATAM) - 010323/011094		5,043		5,043	8,441	5,043	-	1	
Global Lounge TK MIA Term E, LLC (Turkish Airlines) - 011093/011		16,071		16,071	1,657	16,071	-	1	
Hilton Miami Airport		420		-	-	-	-		
IMCMV MIA Airport, LLC.		217,245		-	121,149	-	-		
Pfeffer & Marin Holdings LLC dba Comfort Suites Mi		420		-	-	-	-		
Resorts World Omni LLC		420		-	-	-	-		
Robert Abraham Shoeshine		700		-	-	-	-		
Sherry Frontenac Resort Inc dba Sherry Frontenac H		420		-	-	-	-		
Travelers Partners LLC dba Days Inn Miami Airport		420		-	-	-	-		
	16	1,699,228		478,752	936,489	478,752	-	6	0
Fixed Based Operators									
Signature Flight Support		5,250,000		5,250,000	316,561	5,250,000	-	1	
	1	5,250,000		5,250,000	316,561	5,250,000	294,824	1	0
Totals	63	57,653,147	26,879,324	29,002,813	10,843,877	55,882,136	706,675	51	1

Note:
All data presented is based on the relief confirmations received from our partners as of October 21, 2020
Since most of our partners self report their revenue, there will be a one month lag in providing monthly information
(1) Number of companies relief was offered to
(2) Amount of relief offered to our partners
(3) MAG payments, rent and other related fees for duty-free stores and any other concession operator contracted to pay MAG monthly payments as well as monthly rent that was waived
(4) MAG payments and other related fees for all other concessionaires and operators with such MAG payment that was waived
(5) Amount of percentage fee billed
(6) Amount of relief accepted by our partners
(7) Amount of relief declined by our partners
(8) Number of companies that accepted the relief
(9) Number of companies that declined the relief