

Memorandum



Date: February 2, 2021

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

Agenda Item No. 2(B)(3)

From: Daniella Levine Cava
Mayor

A handwritten signature in blue ink that reads "Daniella Levine Cava".

Subject: Miami International Airport (MIA) Retroactive Financial Relief Report –
November 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) including 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 remain as such throughout the first quarter of this year, Board members extended the term of the Relief Plan for certain business partners at MIA two separate times. Each extension waives the Minimum Annual Guarantee (MAG) and/or rent on a month-to-month basis subject to monthly reviews for four consecutive months. The first extension approved at the July 21, 2020 Board meeting via Resolution No. R-749-20 granted an extension from September 1, 2020 to December 31, 2020 for 62 concessionaires and the only fixed-based operator at MIA required to pay a MAG, Signature Flight Support. The second extension approved at the December 15, 2020 Board meeting via Resolution No. R-1254-20 granted an extension from January 1, 2021 to April 30, 2021 for the same business partners included in the first extension in addition to Goodwill Industries of South Florida, Inc. By way of these extensions, the County is providing 64 business partners at MIA 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 third monthly report for the third month of the first extension period, November 2020. The report provides data related to the financial relief offers made by the County to 62 MIA concessionaires and Signature Flight Support as well as updates on the changed financial circumstances due to the COVID-19 crisis.

First 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

In November 2020, the number of domestic air travelers rose more during the Thanksgiving holiday than the previous eight months as travelers around the country boarded planes for the long weekend. Passengers at domestic airport checkpoints totaled 1,176,091 on Sunday, November 29, 2020 according to the Transportation Security Administration (TSA), which is the highest number of screened passengers since March 2020 when the novel COVID-19 pandemic gutted travel demand. However, if compared to the number of passengers TSA screened at checkpoints on the same day in 2019, which totals 2,882,915 passengers, there is still a considerable drop of 59 percent on a year-to-year basis in the demand for air travel. Nonetheless, the Thanksgiving upward tick may be indicative of the start of a slow-climbing recovery nationwide, as evidenced by increases in airline ticket sales, in particular at MIA, where for the first time since mid-March 2020 the daily passenger count reached close to 75,000 passengers on November 29, 2020. More importantly, MIA’s daily passenger counts continued to fluctuate throughout the month of December 2020 between a low of 50,000 passengers to a high of 80,000 passengers a day, which is a marked improvement from MIA passenger counts documented during the second and third quarters of 2020 that totaled between a low of almost 3,400 passengers to a high of approximately 28,000 passengers per day.

The level of passenger traffic flows and business revenues for the month of November 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 November 2019 and November 2020 shows an average decline in passenger flows (arrivals and departures) of 57.5 percent at MIA, with the total number of domestic and international passengers falling from 3,673,408 passengers to 1,561,783 passengers. A more detailed look at the analysis confirms that the number of domestic arrivals decreased by 49.2 percent, from 959,843 passengers to 487,957 passengers while the number of domestic departures dropped by 50.7 percent, from 935,669 passengers to 460,994 passengers. The number of international arrivals decreased by 67.4 percent, from 896,413 passengers to 292,369 passengers, whereas the number of international departures fell by more than 63.6 percent, from 881,483 passengers to 320,463 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, September 2019, October 2019, and November 2019 as compared to the same months in 2020 shows an average decline in passenger flows (arrivals and departures) of 74.5 percent at MIA, with the total number of domestic and international passengers falling from 33,710,345 passengers to 8,597,516 passengers. Furthermore, the analysis confirms that the number of domestic arrivals decreased by 66.4 percent, from 8,592,027 passengers to 2,885,897 passengers while the number of domestic departures dropped by 65.8 percent, from 8,626,438 passengers to 2,947,883 passengers. The number of international arrivals decreased by 84.0 percent, from 8,400,311 passengers to 1,347,614 passengers, whereas the number of international departures fell by more than 82.5 percent, from 8,091,569 passengers to 1,416,122 passengers.

2. Gross Revenues Variance Analysis at MIA

A comparative analysis of total gross revenues for concessionaires for the months of November 2019 and November 2020 is represented in Chart A, as shown below. The analysis shows an average decline in total gross revenues of 64 percent, with revenues falling from \$39,582,377 to \$14,314,404 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	November 2019	November 2020	Variance	Percent Change
MAG and Rent (Duty Free Stores and Concessions who pay MAG as well as rent payments)	\$15,235,795	\$6,235,681	\$9,000,114	59%
MAG only (Signature Flight Support and Concessions who pay MAG only as part of their rent payments)	\$24,346,582	\$8,078,723	\$16,267,859	67%
Total:	\$39,582,377	\$14,314,404	\$25,267,973	64%

On a cumulative basis, a comparative analysis of total gross revenues for concessionaires for March 2019, April 2019, May 2019, June 2019, July 2019, August 2019, September 2019, October 2019, and November 2019 as compared to the same months in 2020 shows an average decline in total gross revenues of 77 percent, with revenues falling from \$360,724,154 to \$82,010,466 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 on the next page illustrates the total dollar amounts of relief provided by the County to concessionaires and Signature Flight Support at MIA for the month of November 2020 as well as the billed percentage fee from gross revenues. Each relief offer made and accepted or declined for the month of November 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 November 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	\$1,423,787
Waiver of MAG only (Includes Signature Flight Support and other Concessions who pay MAG only as part of their rent payments)	\$4,143,259	\$1,274,616

On a cumulative basis (for the months of March 2020, April 2020, May 2020, June 2020, July 2020, August 2020, September 2020, October 2020, and November 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)	\$34,559,130	\$7,600,342
Waiver of MAG only (Includes Signature Flight Support and other Concessions who pay MAG only as part of their rent payments)	\$37,289,330	\$7,740,190

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 and the recently approved Coronavirus Response and Relief Supplemental Appropriations Act 2021.

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.



Jimmy Morales
Chief Operations Officer

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

Miami-Dade Aviation Department
Relief Offered, by Company for November 2020
(Amounts shown are monthly)

Attachment 1

Company	(1) Total Co.	(2) Total Relief Offered	(3) Concession MAG Waived	(4) Other Concession MAG Waived	(5) Concession Fee Billed	(6) Total Relief Provided	(7) Total Relief Declined	(8) Companies Accepting Relief	(9) Companies Declining Relief
Concessionaires									
Airball Sports II LLC		7,887	7,887		4,959	7,887	-	1	
Airport Subway II LLC		1,940	1,940		-	1,940	-	1	
Aldclear LLC		5,565	5,565		46,947	5,565	-	1	
Areas USA, Inc. - 003022/005275		276,937	276,937		80,291	276,937	-	1	
Concessions Miami LLC		214,966	214,966		105,984	214,966	-	1	
Duty Free Americas Miami, LLC		2,774,496	2,774,496		787,077	2,774,496	-	1	
Dade County Federal Credit Union (Rent plus transaction fee)		143	143		666	143	-	1	
Marlins Airport Retail Operator LLC		1,552	1,552		-	1,552	-	1	
Miami Airport Concession LLC		425,416	425,416		270,286	425,416	-	1	
Smarte Carte Inc		31,344	31,344		66,353	31,344	-	1	
URW Airports, LLC		99,658	99,658		61,224	99,658	-	1	
	11	3,839,903	3,839,903		1,423,787	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	29,968	15,605	-	1	
Air Sun JV - #5355 #4942		13,774		13,774	16,758	13,774	-	1	
AMS of South Florida SGH JV (Hudson Group)		24,893		24,893	9,926	24,893	-	1	
AMS-TEI Miami Joint Venture		287,858		287,858	75,878	287,858	-	1	
ATM OPS INC DBA BITSTOP		1,000		1,000	-	1,000	-	1	
BFC Airport Stores LLC		13,586		13,586	2,148	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	14,273	14,102	-	1	
Brookstone Stores Inc		10,123		10,123	-	10,123	-	1	
Carrie Concessions Inc - 011261 (Replace Lease 000283)		14,187		14,187	14,627	14,187	-	1	
Chef Creole Airport LLC		8,731		8,731	3,058	8,731	-	1	
Chefs of the Caribbean LLC		13,711		13,711	-	13,711	-	1	
Communitel Inc - 002231/003759		9,050		9,050	8,292	9,050	-	1	
Cuban Crafters MIA LLC		6,469		6,469	7,284	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	50,704	115,962	-	1	
Fig & Fennel at MIA, LLC		31,319		31,319	5,744	31,319	-	1	
Global Concessions Inc		520,592		520,592	293,518	520,592	-	1	
Half Moon Empanadas at MIA LLC		9,858		9,858	11,924	9,858	-	1	
Holiday CVS, LLC (CVS #10731-01)		19,547		19,547	9,739	19,547	-	1	
Host International Inc - 000197/005812		624,631		624,631	135,256	624,631	-	1	
Icebox Cafe at MIA LLC		24,116		24,116	20,090	24,116	-	1	
InMotion Entertainment Group LLC		9,543		9,543	5,237	9,543	-	1	
Lenlyn Limited dba ICE Currency Services USA - 004192/010449		209,112		209,112	19,630	209,112	-	1	
Master ConcessionAir LLC		55,439		55,439	-	55,439	-	1	
Miami Concepts LLC		23,558		23,558	10,550	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	75,109	538,404	-	1	
NewZoom LLC dba ZoomSystems		19,812		-	-	-	-		
Perry Ellis Menswear LLC		6,692		6,692	6,718	6,692	-	1	
Safe Wrap of Florida JV, LLC		318,162		318,162	174,005	318,162	-	1	
Taxco Sterling Company Inc		21,614		21,614	8,321	21,614	-	1	
WDFG North America LLC - 007913		180,473		180,473	76,129	180,473	-	1	
	35	3,403,514		3,324,866	1,084,886	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	-	12,500	-	1	
American Airlines Federal Credit Union		18,058		-	145	-	-		
American Express Travel Related Services Company I		103,600		-	95,755	-	-		
American Shuttle Inc		21,261		-	-	-	-		
Electronic Media Systems Inc (WIFI)		45,833		45,833	-	45,833	-	1	
Global Lounge AV MIA LLC - 010028/011031		831		831	-	831	-	1	
Global Lounge LA MIA LLC (LATAM) - 010323/011094		720		720	301	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		-	20,255	-	-		
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	116,456	68,393	-	6	0
Fixed Based Operators									
Signature Flight Support		750,000		750,000	73,274	750,000	-	1	
	1	750,000		750,000	73,274	750,000	42,118	1	0
Totals	63	8,236,164	3,839,903	4,143,259	2,698,403	7,983,162	100,954	51	1

Note:

All data presented is based on the relief confirmations received from our partners as of December 23, 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, September, October and November 2020 Combined
(Amounts shown are for nine months)
Attachment 2

Company	(1) Total Co.	(2) Total Relief Offered	(3) Concession MAG Waived	(4) Other Concession MAG Waived	(5) Concession Fee Billed	(6) Total Relief Provided	(7) Total Relief Declined	(8) Companies Accepting Relief	(9) Companies Declining Relief
Concessionaires									
Airball Sports II LLC		70,984	70,984		28,558	70,984	-	1	
Airport Subway II LLC		17,456	17,456		-	17,456	-	1	
Alclear LLC		50,089	50,089		342,051	50,089	-	1	
Areas USA, Inc. - 003022/005275		2,492,431	2,492,431		527,109	2,492,431	-	1	
Concessions Miami LLC		1,934,697	1,934,697		660,526	1,934,697	-	1	
Duty Free Americas Miami, LLC		24,970,463	24,970,463		2,836,525	24,970,463	-	1	
Dade County Federal Credit Union (Rent plus transaction fee)		1,283	1,283		4,564	1,283	-	1	
Marlins Airport Retail Operator LLC		13,965	13,965		684	13,965	-	1	
Miami Airport Concession LLC		3,828,741	3,828,741		2,459,646	3,828,741	-	1	
Smarte Carte Inc		282,097	282,097		284,491	282,097	-	1	
URW Airports, LLC		896,924	896,924		456,187	896,924	-	1	
	11	34,559,130	34,559,130		7,600,342	34,559,130	-	11	0
Concessionaires									
27 Entrepreneurs Miami International Airport LLC		115,057		115,057	7,487	115,057	-	1	
305 Pizza At MIA LLC		140,448		140,448	187,901	140,448	-	1	
Air Sun JV - #5355 #4942		123,965		123,965	72,599	123,965	-	1	
AMS of South Florida SGH JV (Hudson Group)		224,037		224,037	44,089	224,037	-	1	
AMS-TEI Miami Joint Venture		2,590,719		2,590,719	488,905	2,590,719	-	1	
ATM OPS INC DBA BITSTOP		9,000		9,000	2	9,000	-	1	
BFC Airport Stores LLC		122,270		122,270	11,617	122,270	-	1	
Bijoux Nouveau Inc - 003173/003174		529,524		-	237,355	-	529,524		1
Bongos Cuban Cafe Miami Inc dba Estefan Kitchen Ex		126,920		126,920	99,238	126,920	-	1	
Brookstone Stores Inc		91,111		91,111	4,410	91,111	-	1	
Carrie Concessions Inc - 011261 (Replace Lease 000283)		127,680		127,680	95,503	127,680	-	1	
Chef Creole Airport LLC		78,576		78,576	31,779	78,576	-	1	
Chefs of the Caribbean LLC		123,398		123,398	4,469	123,398	-	1	
Communitel Inc - 002231/003759		81,450		81,450	52,525	81,450	-	1	
Cuban Crafters MIA LLC		58,220		58,220	37,657	58,220	-	1	
Duty Free Americas Beauty, LLC		1,273,127		1,273,127	5,619	1,273,127	-	1	
Exactta LLC		219,122		219,122	12,803	219,122	-	1	
FCG of FL Inc Optg as Faber MIA LLC		1,043,662		1,043,662	341,123	1,043,662	-	1	
Fig & Fennel at MIA, LLC		281,869		281,869	23,502	281,869	-	1	
Global Concessions Inc		4,685,325		4,685,325	1,550,704	4,685,325	-	1	
Half Moon Empanadas at MIA LLC		88,721		88,721	60,789	88,721	-	1	
Holiday CVS, LLC (CVS #10731-01)		175,920		175,920	85,675	175,920	-	1	
Host International Inc - 000197/005812		5,621,677		5,621,677	903,479	5,621,677	-	1	
Icebox Cafe at MIA LLC		217,041		217,041	102,409	217,041	-	1	
InMotion Entertainment Group LLC		85,890		85,890	36,438	85,890	-	1	
Lenlyn Limited dba ICE Currency Services USA - 004192/010449		1,882,012		1,882,012	142,589	1,882,012	-	1	
Master ConcessionAir LLC		498,947		498,947	27,611	498,947	-	1	
Miami Concepts LLC		212,024		212,024	62,292	212,024	-	1	
MSI Foods and Services Inc. - 011182/011297		37,500		37,500	1,587	37,500	-	1	
Newslink of South Florida LLC		4,845,636		4,845,636	419,033	4,845,636	-	1	
NewZoom LLC dba ZoomSystems		178,308		-	1,615	-	-	-	-
Perry Ellis Menswear LLC		60,232		60,232	32,986	60,232	-	1	
Safe Wrap of Florida JV, LLC		2,863,458		2,863,458	426,428	2,863,458	-	1	
Taxco Sterling Company Inc		194,524		194,524	35,870	194,524	-	1	
WDFG North America LLC - 007913		1,624,254		1,624,254	472,209	1,624,254	-	1	
	35	30,631,623		29,923,792	6,120,297	29,923,792	529,524	33	1
Other Concessionaires									
94th Spirit Grill, LLC		55,911		55,911	-	55,911	-	1	
AC Holdings Inc dba CNN Airport Network		112,500		112,500	12,572	112,500	-	1	
American Airlines Federal Credit Union		162,521		-	995	-	-	-	-
American Express Travel Related Services Company I		932,399		-	908,928	-	-	-	-
American Shuttle Inc		191,347		-	11,425	-	-	-	-
Electronic Media Systems Inc (WIFI)		412,500		412,500	67,659	412,500	-	1	
Global Lounge AV MIA LLC - 010028/011031		7,481		7,481	1,130	7,481	-	1	
Global Lounge LA MIA LLC (LATAM) - 010323/011094		6,484		6,484	9,064	6,484	-	1	
Global Lounge TK MIA Term E, LLC (Turkish Airlines) - 011093/011		20,662		20,662	1,657	20,662	-	1	
Hilton Miami Airport		540		-	-	-	-	-	-
IMCMV MIA Airport, LLC.		279,315		-	161,307	-	-	-	-
Pfeffer & Marin Holdings LLC dba Comfort Suites Mi		540		-	-	-	-	-	-
Resorts World Omni LLC		540		-	-	-	-	-	-
Robert Abraham Shoeshine		900		-	-	-	-	-	-
Sherry Frontenac Resort Inc dba Sherry Frontenac H		540		-	-	-	-	-	-
Travelers Partners LLC dba Days Inn Miami Airport		540		-	-	-	-	-	-
	16	2,184,722		615,539	1,174,736	615,539	-	6	0
Fixed Based Operators									
Signature Flight Support		6,750,000		6,750,000	445,157	6,750,000	-	1	
	1	6,750,000		6,750,000	445,157	6,750,000	379,059	1	0
Totals	63	74,125,475	34,559,130	37,289,330	15,340,532	71,848,461	908,583	51	1

Note:

All data presented is based on the relief confirmations received from our partners as of December 23, 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