

Memorandum



Date: March 29, 2018

Agenda Item No. 2(B)3

June 5, 2018

To: Honorable Chairman Esteban L. Bovo, Jr.
and Members, Board of County Commissioners

From: Carlos A. Gimenez
Mayor

A handwritten signature in blue ink, appearing to read "Carlos A. Gimenez", is written over the name in the "From:" field.

Subject: Potential Growth Opportunities at Miami Opa-Locka Executive and Miami Executive Airports – Directive 171428

In accordance with Resolution No. R-710-17, sponsored by Commissioner Sally A. Heyman and adopted by the Board on July 6, 2017, the attached report prepared by A. L. Jackson & Company, P.A. in cooperation with the Miami-Dade Aviation Department is provided on existing services and potential growth opportunities at Miami Opa-Locka Executive Airport and Miami Executive Airport.

If additional information is required, please contact MDAD Director Lester Sola at 305-876-7077.

Pursuant to Ordinance 14-65, this report will be placed on the next available Board of County Commission meeting agenda.

- c: Abigail Price-Williams, County Attorney
- Geri Bonzon-Keenan, First Assistant County Attorney
- Jack Osterholt, Deputy Mayor, Office of the Mayor
- Lester Sola, Director, Aviation Department
- Cathy Jackson, Interim Commission Auditor
- Eugene Love, Agenda Coordinator
- Christopher Agrippa, Clerk of the Board



ANALYSIS OF EXISTING SERVICES & POTENTIAL GROWTH OPPORTUNITIES
Miami-Opa Locka Executive (OPF) & Miami Executive (TMB) Airports

February 2018



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Analysis of Existing Services & Potential Growth Opportunities
Miami-Opa Locka Executive & Miami Executive Airports

Overview of Report Contents



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- II. Overview / Highlights
- III. Summary of Legally Permissible Airport Uses
- IV. Underserved Markets
- V. Identification, Evaluation and Ranking of Airport Property Development Opportunities
- VI. Financial Self-Sustainability
- VII. Observations / Recommendations

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- 2. Overview / Highlights
- 3. Legally Permissible Airport Uses
- 4. Underserved Markets
- 5. Analysis / Evaluation of Airport Property / Business Development Opportunities
- 6. Summary Evaluation and Ranking of Available Airport Property Development Opportunities
- 7. Financial Self-Sustainability
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- B. OPF CDMP Map
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- F. Legally Permissible Airport Uses
- G. Responsibilities of Airport Sponsors
- H. Charter Service Rates
- I. OPF Tenant Lists
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Analysis of Existing Services & Potential Growth Opportunities
Miami-Opal Locka Executive & Miami Executive Airports

SECTION 1

Executive Summary



Executive Summary Contents



- I. Purpose
- II. Overview / Highlights of Miami-Opa Locka and Tamiami Executive Airports
- III. Summary of Legally Permissible Uses
- IV. Underserved Markets
- V. Identification, Evaluation and Ranking of Airport Property Development Opportunities
- VI. Financial Self-Sustainability
- VII. Observations / Recommendations



I. Executive Summary – Purpose



To Comply With Miami-Dade County Board of County Commissioners

Resolution No. 171428:

“RESOLUTION DIRECTING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO PROVIDE A REPORT ANALYZING EXISTING SERVICES AND POTENTIAL GROWTH OPPORTUNITIES AT MIAMI-OPA LOCKA EXECUTIVE AND MIAMI EXECUTIVE AIRPORTS; DIRECTING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO PROVIDE A REPORT”

Prime Sponsor: Commissioner Sally A. Heyman



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Analysis of Existing Services & Potential Growth Opportunities
Miami-Opa Locka Executive & Miami Executive Airports

I. Executive Summary – Purpose (cont.)



To meet the goals and objectives of this Resolution, the following tasks were performed:

- ✈ Assessed whether existing facilities and services comply with the uses defined in the County's Comprehensive Master Development Plan, Airport Zoning and FAA rules and regulations.
- ✈ Assessed effectiveness of Miami-Dade County's job creation efforts at OPF and TMB against other Top 20 GA Airports with similar characteristics (overall flight activity and composition, level of charter operations, proximity to major large hub airports and cities, etc.)
- ✈ Identified underserved markets at OPF and TMB.
- ✈ Identified, evaluated and ranked potential development options for legal permissibility, infrastructure sufficiency, financial feasibility, maximum productivity and Net Present Value.

III. Executive Summary – Overview / Highlights – Comprehensive Master Development Plan Objectives



The Miami Dade-County Comprehensive Master Development Plan has established several objectives, some of which requires MDAD to:

- ✈ Maintain and enhance the role of each airport in the aviation system.
- ✈ Provide additional facility and operational capacity in the aviation systems in locations that offer greatest potential for expansion of aviation related-economic development and employment.
- ✈ Provide and maximize non-aviation and revenue-generating development opportunities within certain areas of the airports in order to foster economic development.
- ✈ Utilize (develop) the general aviation facilities to be “MIA general aviation reliever and international corporate and business aviation jet centers (Transport Airports)”.

I. Executive Summary – Overview / Highlights

Operating Characteristics



OPF



- Approximately 96% of all available assets (land and County owned structures) are leased or in process of being leased; only land is available. Remainder of land is largely unusable / unsuitable for lease activity, rendering OPF at near full capacity.
- Approximately 96% of all available assets are leased to private entities through Master Development Agreements ranging from 30 – 55 years in duration.



TMB



- Approximately 83% of all available assets (land and County owned structures) have been or in process of being leased; only land is available. Sixty percent (60%) of leasable land is used for non-aviation related uses including farmland; 53% of leasable land is being used for agriculture.
- Approximately 22% of all available assets are leased to private entities through development agreements of up to 30 years in duration.

The CDMP restricts the nature of aviation operations by stipulating **“Develop no air carrier or air cargo facilities at general aviation airports.”**



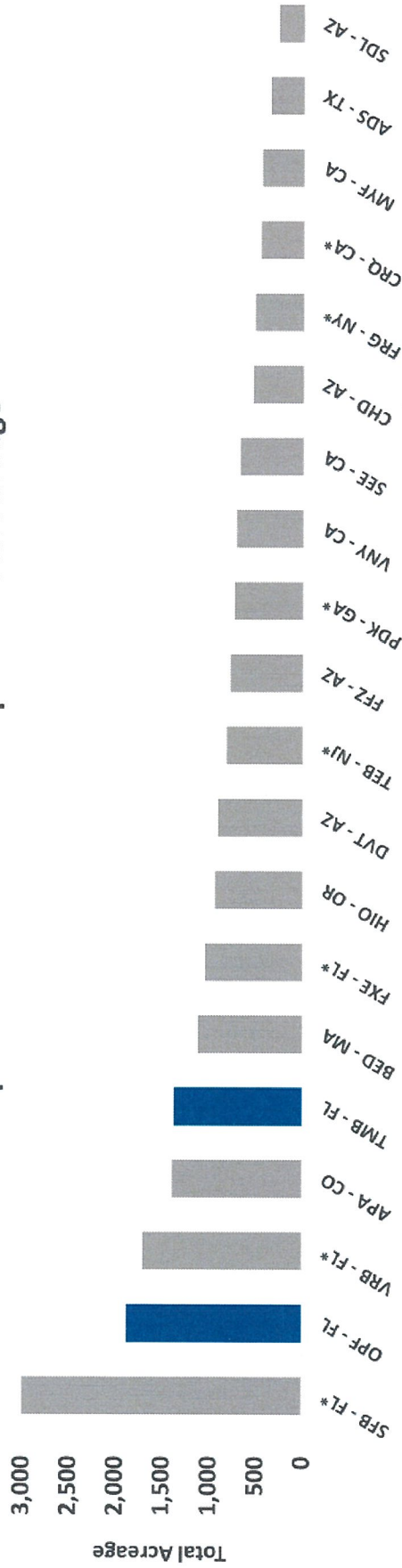
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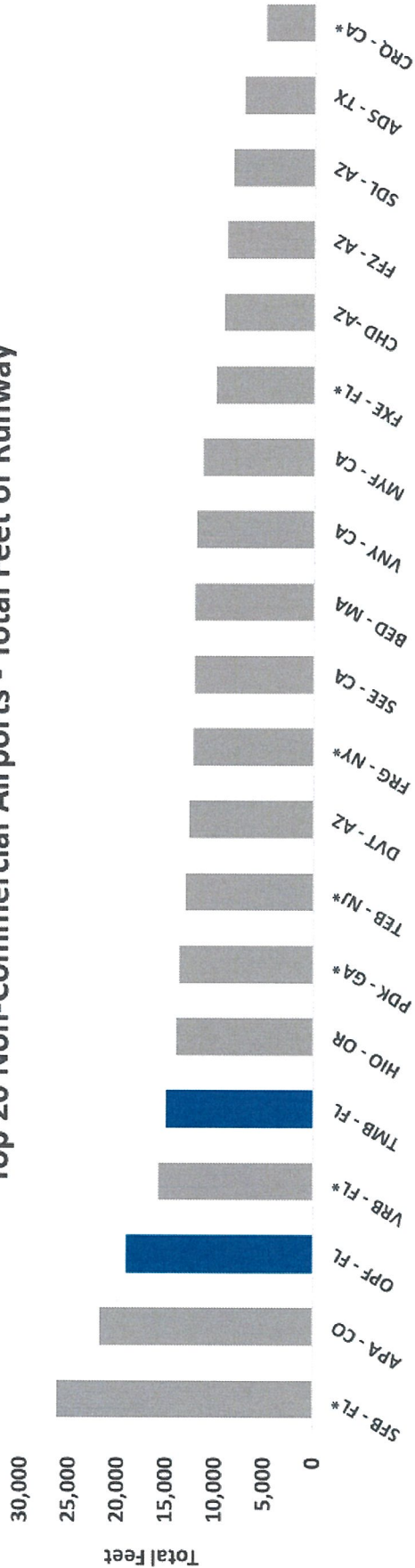
II. Executive Summary – Overview / Highlights – Acreage & Runway Capacity Comparison



Top 20 Non-Commercial Airports - Total Acreage



Top 20 Non-Commercial Airports - Total Feet of Runway



*Part 139 Airport

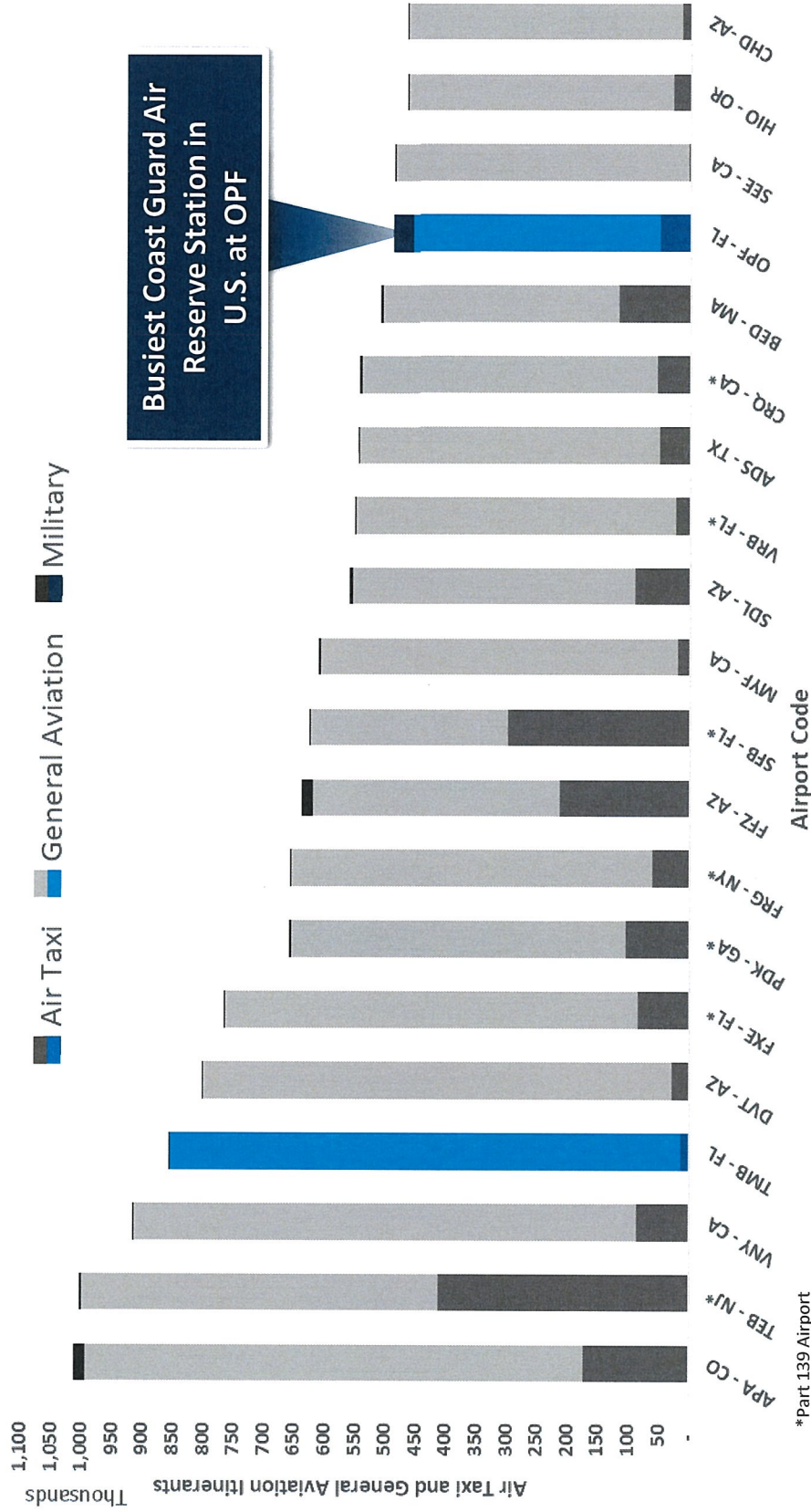
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II. Executive Summary – Overview / Highlights – Air Taxi, General Aviation & Military Flight Operations 2012-2017



Top 20 Non-Commercial Airports Air Taxi, General Aviation and Military Flight Operations 2012-2017

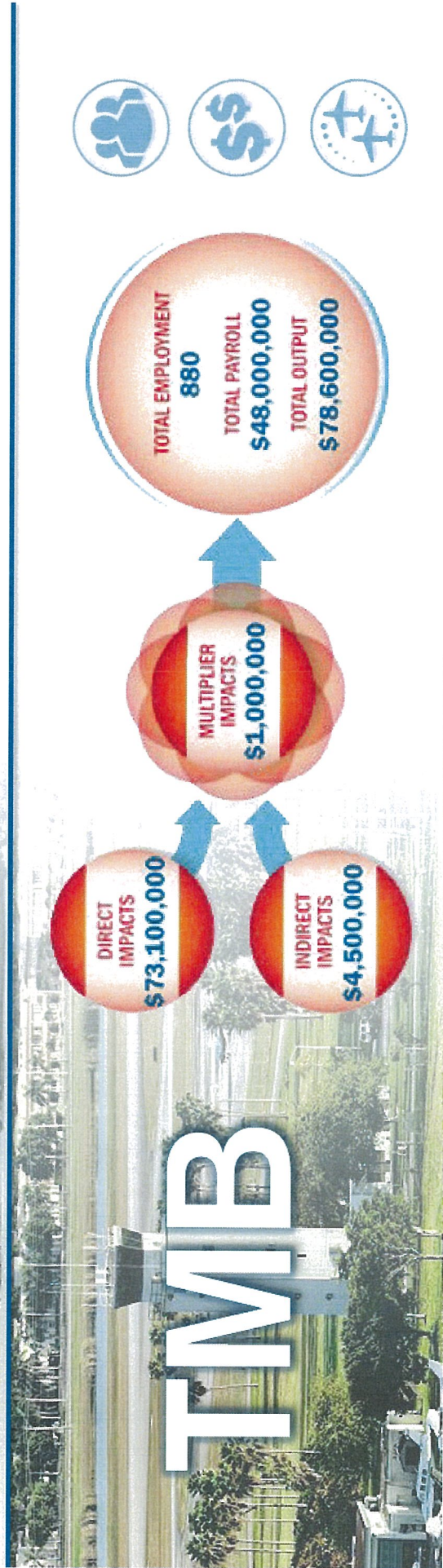
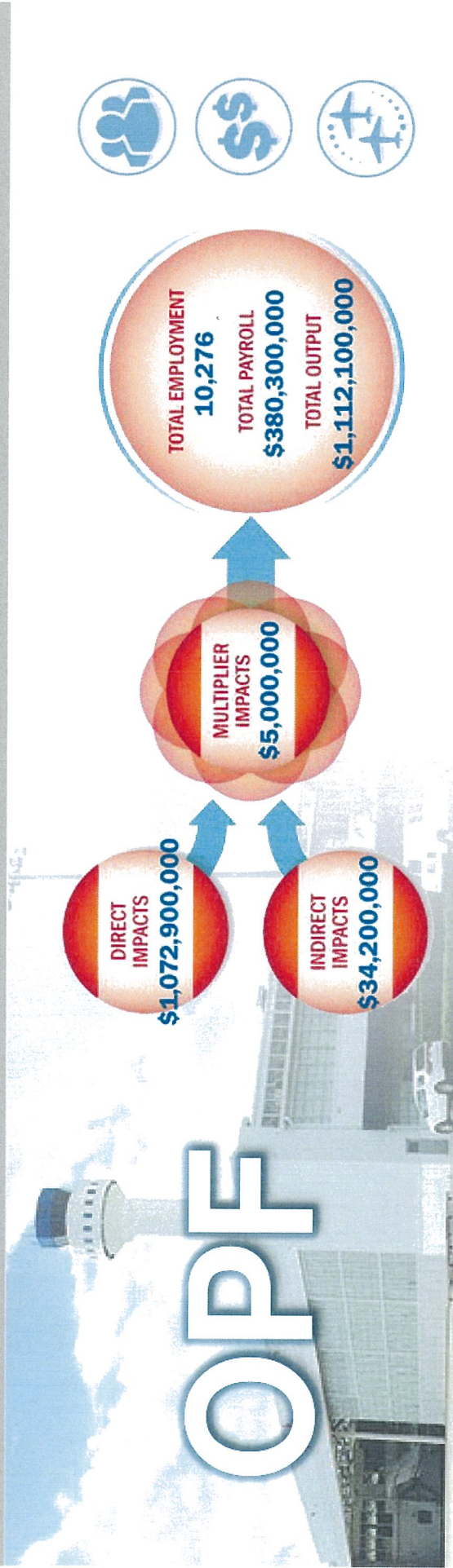


*Part 139 Airport
Source: FAA Air Traffic Activity System (ATADS). Data through 11/2017.

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II. Executive Summary – Overview / Highlights – Economic Impact OPF & TMB



Source: "The Economic Impacts of Miami International Airport and the General Aviation Airports Within the Miami-Dade County Airport System," Martin Associates, February 2017.
 Analysis of Existing Services & Potential Growth Opportunities
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III. Executive Summary – Summary of Legally Permissible Airport Uses



Aviation Uses – Restricted Public Access

- Airfield - Runways, Taxiways, Aprons, Landing Zones, etc.
- Support and Maintenance Facilities – Control Towers, Flight Service, Fire Stations, Fuel Farms Storage and Aircraft Maintenance and Repair Facilities and Hangars*
- Aircraft and Aircraft Parts Maintenance and Manufacturing and Storage*
- Fixed Base Operators and Specialized Aircraft Service Operations*
- Agricultural (when not prohibited by Federal Law)*



Aviation Related Uses – Restricted / Unrestricted Public Access

- General Aviation Aircraft (Private and Corporate Jets and Auto Rental Establishments)
- Terminal area for GA passenger traffic (offices, personal services, retail, restaurants, etc.)
- Parking garages and lots serving airport, ground transportation
- Flying Clubs / Flight Schools / Museums and Other Educational Facilities / Air shows / Skydiving
- Lodgings / Hotels / Motels
- Retail / Restaurants and Personal Service Establishments



Non-Aviation Uses – Unrestricted Public Access

- Office Buildings
- Lodgings / Hotels / Motels
- Industrial
- Agricultural
- Lodgings / Hotels / Motels
- Retail / Restaurants and Personal Service Establishments

* Also aviation related uses



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IV. Executive Summary – Underserved Markets






Per discussions with tenants, MDAD staff, airport tours and general observations, the following were identified as services / amenities where demand or public interest currently exceeds service availability. Those market needs that clearly facilitate or promote the GA airports' roles as Transport Airports received due consideration.

OPF Underserved Markets

-  Flying Clubs
-  Museums / Educational Facilities
-  Restaurants / Food Establishments for General Public

TMB Underserved Markets

-  Corporate and Private Charter Jet Services
-  Additional Flight School Training Facilities
-  U.S. Customs & Border Protection Facilities and Services

V. Executive Summary – Identification, Evaluation and Ranking of Available Land Development Opportunities – OPF



<i>Airport Property Description</i>	<i>Highest Best Use Factors</i>				<i>Net Present Value (Millions)</i>
	<i>Permissible</i>	<i>Sufficient Infrastructure</i>	<i>Financial Feasibility</i>	<i>Maximally Productive</i>	
Area 2 – Opa-Locka Blvd. - South - 2 Parcels – 16 and 9 Acres <i>Aviation Related Uses</i>	✓	✓	✓	✓	\$ 9.3
Area 1 – Biscayne Canal - North – 23 Acres <i>Aviation / Aviation Related Uses</i>	✓	✗	✗	✗	Negative
Area 3 – 1.18 Acres Corner of Le Jeune / 135th – Runway Protection Zone Restricted <i>Non-Aviation Uses</i>	✗	✗	✗	✗	N/A

V. Executive Summary – Identification, Evaluation and Ranking of Available Land Development Opportunities – TMB



Airport Property Description	Highest Best Use Factors				Net Present Value
	Permissible	Sufficient Infrastructure	Financial Feasibility	Maximally Productive	
Parcel 1 – WMD Mall Project – 30 Acres	✓	✓	✓	✓	\$20 million
Area 1 – Agricultural – 90 Acres	✓	✓	✓	✗	\$302,000
Area 2 – Hangars / Aviation Maint. / Support – 18 Acres	✓	✓	✓	✓	\$1.2 million
Area 3 – Hangars / Aviation Maint. / Support – 22 Acres	✓	✗	✓	✓	\$800,000
Area 4 – Hangars / Aviation Maint. / Support – 12 Acres	✓	✗	✗	✗	Negative
Area 5 – Hangars / Aviation Maint. / Support – 14 Acres	✓	✗	✗	✗	Negative

VI. Executive Summary – Financial Self-Sustainability



For purposes of this exercise, financial self-sustainability is reached when revenues exceed 1) direct and indirect expenses, 2) overhead, and 3) reserve maintenance expenditures.



OPF



Has achieved financial self-sustainability *for each of the past fiscal years ending September 30, 2017.*



Financial self-sustainability should continue through the foreseeable future, particularly with Amazon and other master developer leases / facilities coming online.



TMB



Has achieved financial self-sustainability *for the fiscal year ended September 30, 2017.*



Income from WMD mall project, if approved, and additional agricultural leases should assist in achieving financial self-sustainability for the foreseeable future.



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VIII. Executive Summary – Observations / Recommendations – OPF



I. Job Creation

Observation

In comparison to other GA airports with similar flight activity, OPF is a top-tier performer as it relates to job creation and overall economic output even amongst those with Part 139 designations. It is ranked 4th among other GA airports, and 3rd when Part 139 (commercial) airports are removed from the population.

Recommendation

Miami-Dade County, through the Carrie Meek Foundation, has begun extensive outreach efforts to attract County residents for training and employment opportunities with Amazon and other organizations. MDAD should consider actively engaging other private developers and tenants to participate in County-sponsored recruitment initiatives, such as the Community Workforce Program and Residents First. With a coordinated effort amongst the County, private developers and other tenants, OPF can realize an even greater economic impact, and distinguish itself as a national leader and model for job creation.



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VII. Executive Summary – Observations / Recommendations – TMB



I. **Strategic Planning / Visioning**

Observation

The CDMP has tasked MDAD with providing additional facility and operational capacity in the aviation systems in locations that offer the greatest potential for expansion of aviation related-economic development and employment. The CDMP defined TMB's role to be a reliever airport for MIA and an international corporate and business aviation jet center (Transport Center). The locations at TMB that offer the greatest potential for a Transport Center and aviation related development appear to be in the areas currently being used for farmland. Approximately 53% of total leasable land is used for this purpose, which is probably not the highest and best use per the CDMP. However, given the lack of outside interest and capital, it does represent the interim highest and best uses of this area at the current time.

Recommendation

MDC will have to increase facility and operational capacity at TMB to attract the private sector capital and expertise needed to become an international corporate and business aviation jet center. In advance of the needed finance and development activities, MDC should consider creating a long-term strategic plan or vision for TMB that provides the blueprint for the nature (passenger airline vs. charter) timing (near, intermediate, long term) and extent (zoning, noise, community compatibility) of future development. The plan should minimally include:

- 1) New air traffic control tower that will scale with future aviation related development activity
- 2) Construction / extension of runways, taxiways and aprons, bridges and roadways to facilitate larger corporate and business jets, hangars and maintenance facilities
- 3) Construction / extension of water and sewer infrastructure to support aviation economic development.



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II. Private Activity Bonds

Observation

The cornerstone of MDAD’s Airport Master Plan is to attract private developers to fund the much-needed capital and infrastructure needs of TMB. However, attracting such interest / capital from private developers has been a daunting challenge and proven to be somewhat unfruitful over the past decade. OPF, which has enjoyed great success over this same period, was able to attract approximately \$.5 billion of private investment. Conversely, TMB has attracted approximately \$30 million over this same period; a fraction of the cost of infrastructure needed for TMB to achieve its maximum economic potential.

Recommendation

MDAD should research the feasibility of issuing Private Activity Bonds (PABs), which are in essence municipal bonds for private companies. While these instruments have investment risk, PABs also provide favorable tax treatment preserved in the recently passed tax reform act. PABs also figure very prominently in the Trump Administration’s recently released Infrastructure Plan, which favors the private sector by relaxing the rules, restrictions and oversight of the FAA and has created new funding opportunities for GA airports. PAB’s may provide the incentive needed to draw interest and capital from the public and private sector and facilitate TMB becoming one of MIA’s reliever airports and international corporate and business jet center. Los Angeles World Airports recently utilized this financing vehicle to fund a multimillion-dollar terminal project.

VII. Executive Summary – Observations / Recommendations – TMB (cont.)



III. Operating Hours of U.S. Customs and Border Protection

Observation

Per interviews with some of the tenants, it was noted the CBP's operating hours are 10 AM-6PM, which from their vantage point significantly curtails the amount of private and corporate flight activity. This condition is exacerbated for international travelers and the tenants supporting charter flight operations believe the airport is underserved as demand exceeds the provision of these services.

Recommendation

The tenants at TMB have indicated a willingness to fund the salaries and benefits of CBP's officers in order to extend the hours of operation to 9PM. If this indeed proves to be a reality, then MDAD might consider working with CBP and the tenants in accommodating an extension of operating hours to 9PM.

In January 2018, Homeland Security began pulling screeners from US airports to cover what is deemed a matter of national security at the US borders resulting in a nationwide shortage of 3,700 officers. This could complicate discussions with CBP.



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Miami-Opa Locka Executive & Miami Executive Airports

SECTION 2

Analysis of Existing Services & Potential Growth Opportunities Miami-Opa Locka Executive & Miami Executive Airports Report.



Overview of Report Contents



- 1. Purpose**
- 2. Overview / Highlights**
- 3. Legally Permissible Airport Uses**
- 4. Underserved Markets**
- 5. Analysis / Evaluation of Available Airport Property Development Opportunities**
- 6. Summary Evaluation and Ranking of Available Airport Property Development Opportunities**
- 7. Fiscal Self-Sustainability**
- 8. Observations / Recommendations**



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Analysis of Existing Services & Potential Growth Opportunities
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1. Purpose



To Comply With Miami-Dade County Board of County Commissioners Resolution No. 171428:

“RESOLUTION DIRECTING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO PROVIDE A REPORT ANALYZING EXISTING SERVICES AND POTENTIAL GROWTH OPPORTUNITIES AT MIAMI-OPA LOCKA EXECUTIVE AND MIAMI EXECUTIVE AIRPORTS; DIRECTING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO PROVIDE A REPORT”

Prime Sponsor: Commissioner Sally A. Heyman

1. Purpose (cont.)



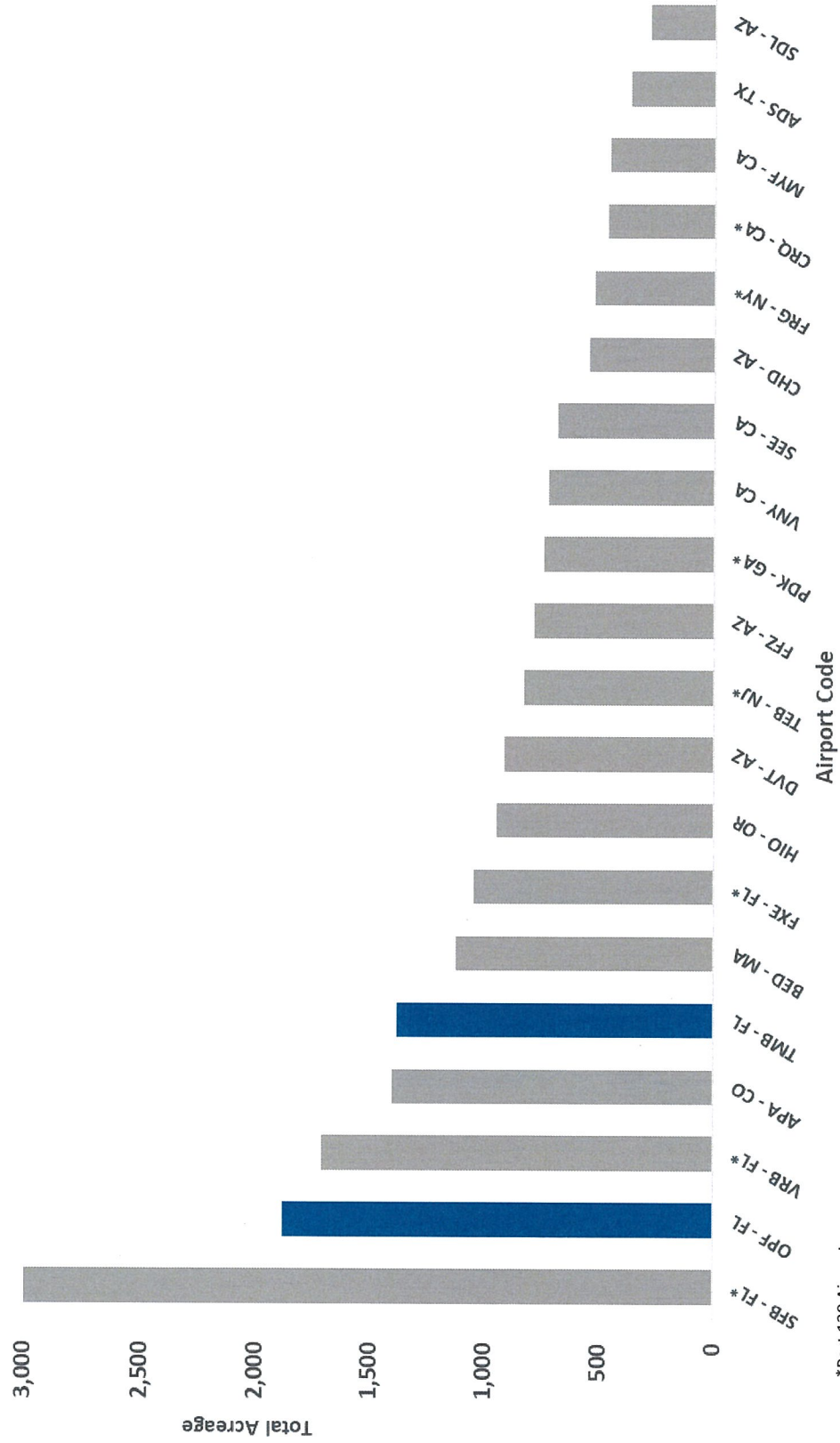
To meet the goals and objectives of this Resolution, the following tasks were performed:

- ✈ Assessed whether existing facilities and services comply with the uses defined in the County's Comprehensive Master Development Plan, Airport Zoning and FAA rules and regulations.
- ✈ Assessed effectiveness of Miami-Dade County's job creation efforts at OPF and TMB in comparison with other Top 20 GA airports with similar characteristics (flight activity, flight composition, charter flights, proximity to large hub airports, etc.)
- ✈ Identified underserved markets at OPF and TMB.
- ✈ Identified, evaluated and ranked potential development options for legal permissibility, infrastructure sufficiency, financial feasibility, maximum productivity and positive Net Present Value.

2. Overview / Highlights – Acreage Comparison



Top 20 Non-Commercial Airports - Total Acreage



*Part 139 Airport

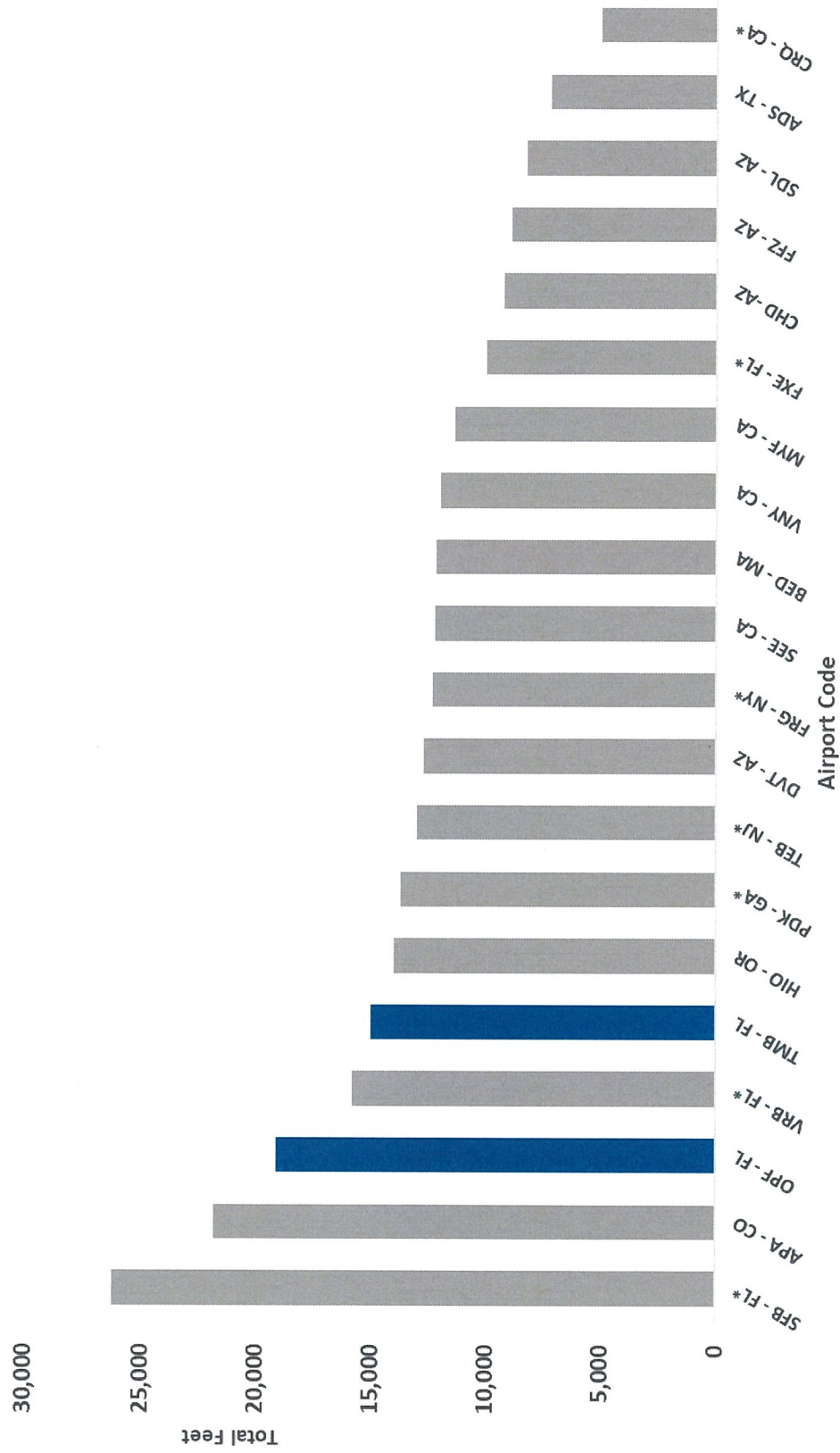
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2. Overview / Highlights – Runway Comparison



Top 20 Non-Commercial Airports - Total Feet of Runway



*Part 139 Airport



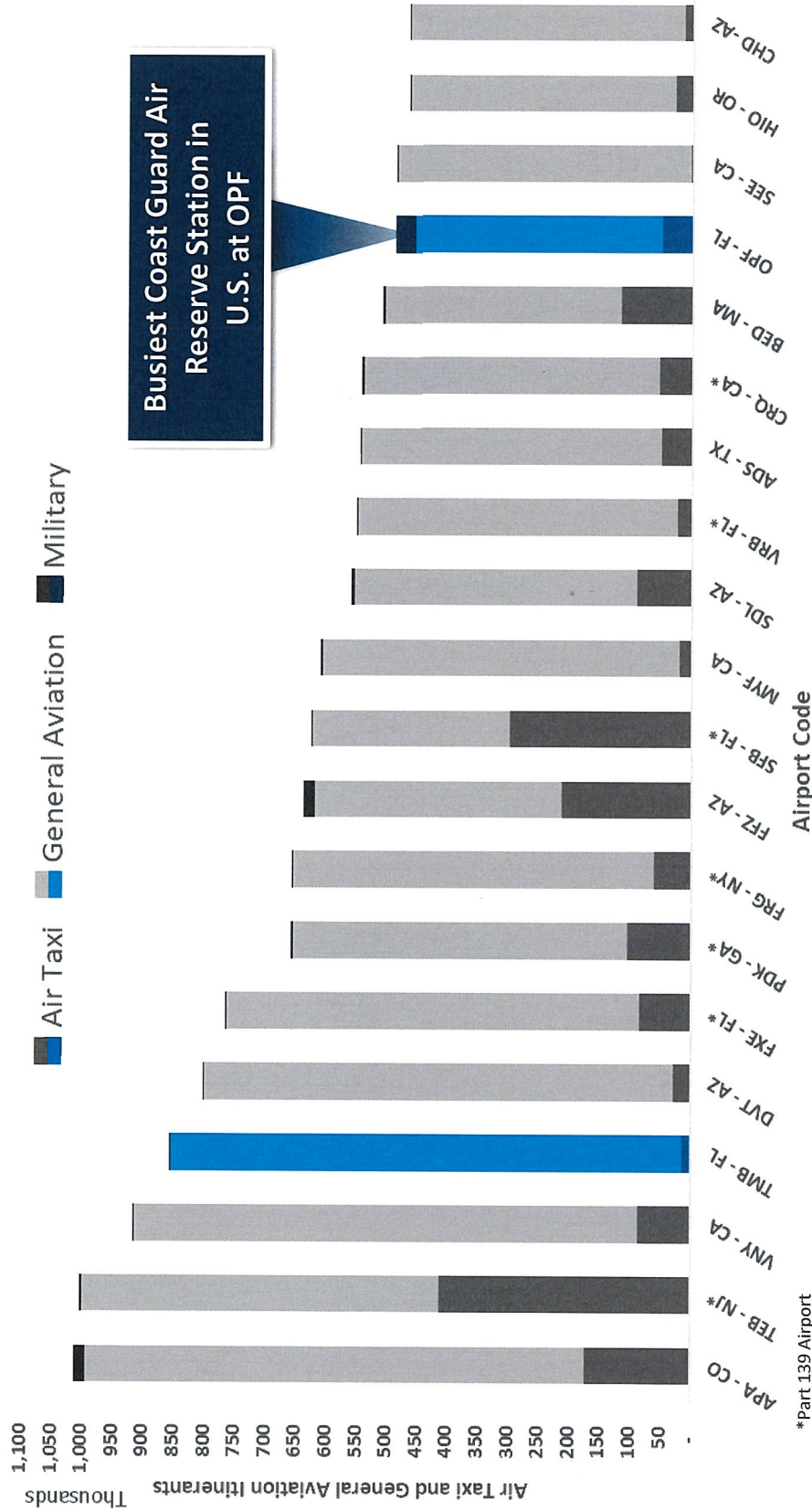
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2. Overview / Highlights – Flight Operations 2012-2017



Top 20 Non-Commercial Airports Air Taxi, General Aviation and Military Flight Operations 2012-2017



*Part 139 Airport
Source: FAA Air Traffic Activity System (ATADS). Data through 11/2017.

2. Overview / Highlights – Economic Impact



General Aviation Airport Generated Impacts		OPF	TMB
JOBS (Adjusted for CMF / Amazon 1,000 projected jobs)			
Direct	2,799		378
Induced	1,575		169
Indirect	<u>5,902</u>		<u>333</u>
TOTAL JOBS	10,276		880
PERSONAL INCOME (\$ MILLIONS) (unadjusted for CMF)			
Direct	\$99.8		\$15.5
Re-spending/Consumption	\$117.6		\$18.3
Indirect	<u>\$162.9</u>		<u>\$14.3</u>
TOTAL INCOME	\$380.3		\$48.0
AVERAGE INCOME/DIRECT EMPLOYEE (unadjusted for CMF)	\$55,477		\$40,964
BUSINESS REVENUE (\$ MILLIONS) (unadjusted for CMF)	\$751.0		\$48.7
LOCAL PURCHASES (\$ MILLIONS) (unadjusted for CMF)	\$326.9		\$24.4
STATE AND LOCAL TAXES (\$ MILLIONS) (unadjusted for CMF)	\$33.8		\$4.3
FEDERAL GOVERNMENT AVIATION-SPECIFIC TAXES (\$ MILLIONS)	\$0.4		\$0.2

Source: "The Economic Impacts of Miami International Airport and the General Aviation Airports Within the Miami-Dade County Airport System," Marin Associates, February 2017.



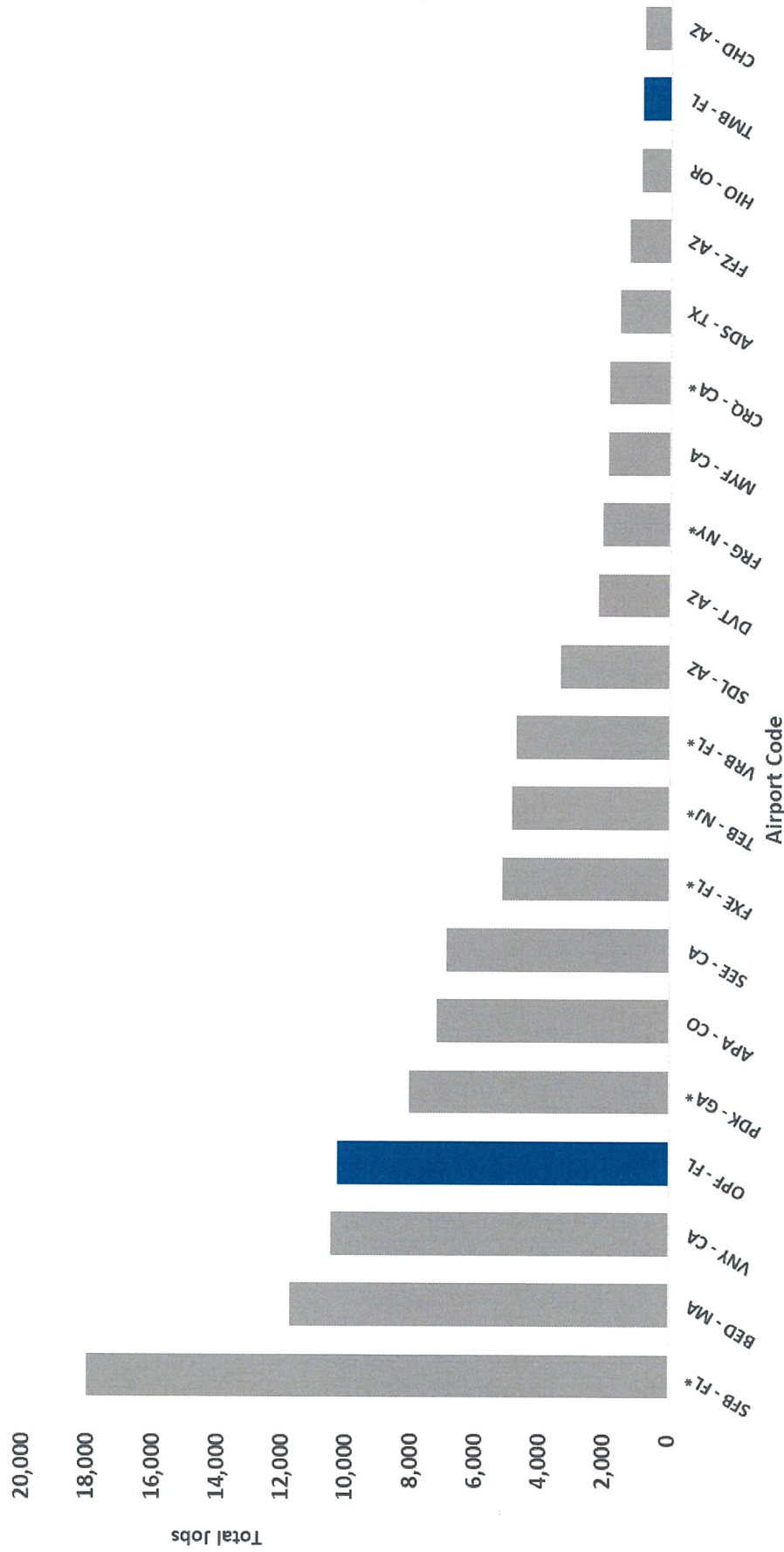
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2. Overview / Highlights – Economic Impact (cont.)



Top 20 Non-Commercial Airports - Total Estimated Impact Jobs



*Part 139 Airport

Source: Economic Impact Studies for Various Airports, adjusted for job growth.

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Miami-Opa Locka Executive & Miami Executive Airports

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2. Overview / Highlights – Private Development Investment






Developer	Land Area	Lease Term	Required Investment (Rounded)
OPF			
AA Acquisitions	240 Acres	55 Years	\$ 162 Million
AVE LLC	178 Acres	55 Years	\$ 187 Million
Carrie Meek Foundation	121 Acres	55 Years	\$ 110 Million
Turnberry / Fountainbleu	<u>41 Acres</u>	30 Years	<u>\$ 22 Million</u>
Total Private Investment – OPF	580 Acres		\$ 481 Million
TMB			
WMD	29 Acres		\$ 1 Million
Air – Sal	10 Acres		\$ 8 Million
Falcon Trust	31 Acres		\$ 3 Million
GR Jet Services	13 Acres		\$ 1 Million
Reliance Aviation	3 Acres		\$ 2 Million
Tamiami Air	<u>15 Acres</u>		<u>\$ 15 Million</u>
Total Private Investment – TMB	101 Acres		\$ 30 Million
Total Private Investment – Combined	609 Acres		\$ 511 Million

3. Legally Permissible Airport Uses



Permissible Airport Uses Governed Primarily By the Following Rules, Ordinances and Orders.

-  Miami-Dade County Comprehensive Development Master Plan, Aviation Element
-  Miami-Dade County Code of Ordinances, Part III, Chapter 33 “Zoning”
-  Federal Aviation Administration Airport Compliance Manual; Order 5190.6B “Airports” and other relevant FAA regulations

3. Legally Permissible Airport Uses – Aviation



Aviation Use	OPF	TMB
Airfield (Runways, Taxiways, Aprons, Runway Protection)	✓	✓
Support and maintenance facilities	✓	✓
Aircraft and aircraft parts manufacturing and storage	✓	✓
Fixed base operators	✓	✓
Air cargo operations	✓	✓
Specialized aircraft service operations	?	?
Fuel farms	✓	✓
Agricultural uses	✗	✓



3. Legally Permissible Airport Uses – Aviation Related



Aviation Related Use	OPF	TMB
Terminal area / Fixed Base Operator's lounge areas	✓	✓
Parking garages and lots	✓	✓
Access roadways	✓	✓
Offices of aviation industry companies & MDAD	✓	✓
FBO facilities	✓	✓
Hangar rentals and tie downs	✓	✓
Ground transportation services	✓	✓
General aviation aircraft	✓	✓
Aviation-related educational uses	✗	✓
Aviation-related governmental agency facilities	✓	✓
Flying club facilities	✗	✓
Aviation-related entertainment	✗	✗
Aviation-related retail	✓	✓
Storage and aircraft maintenance and repair	✓	✓
Aircraft and aircraft parts manufacturing and storage	✓	✓
Air cargo operations	✓	✓
Specialized aircraft service operations	✓	✗

Analysis of Existing Services & Potential Growth Opportunities
 Miami-Opa Locka Executive & Miami Executive Airports



3. Legally Permissible Airport Uses – Non-Aviation



Non-Aviation Use	OPF	TMB
Lodgings such as hotels and motels	✓	✗
Office buildings	✓	✓
Industrial uses such as distribution, storage, manufacturing research and development and machine shops	✓	✗
Agricultural uses	✗	✓
Retail, restaurants, and personal service establishments	✓	✓

4. Underserved Markets



What is an “Underserved Market”?

un • der • served \ , en-dər-'sərvd \
adjective | used to describe a place, market, etc.
where fewer goods or services are available than
there should be: *They are encouraging retail
development in underserved neighborhoods.*

Cambridge Business English Dictionary © Cambridge University Press



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4. Underserved Markets (cont.)



Underserved markets identification process

- ✈ Meetings / discussions with lessors (master developers and other private companies at the airports)
 - ➔ Very little participation
- ✈ Discussions with MDAD Real Estate Management
- ✈ Benchmarking of Comparable Airports
- ✈ Publications, articles, etc.



Underserved markets include:

- ✈ Legally permissible services which were not provided by OPF / TMB where demand / public interest exists
- ✈ Serves the public interest (Order 5190.6B, Chapter 3 Federal Obligations from Property Conveyances), and are
- ✈ Not provided for by GA airport



Underserved markets not facilitating TMB's role as a reliever airport and international corporate and business jet aviation center (Transport Airport) were not given due consideration in evaluating development opportunities.



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4. Underserved Markets (cont.)



The following were identified as services / amenities where demand currently exceeds the provision:

OPF Underserved Markets

Flying Clubs

Interest has been expressed by the general public for “affordable” facilities to accommodate flying clubs and other public uses of the airport.

Museums / Educational Facilities

Zoning ordinance provides for such facilities and approximately 50% of studied airports have them.

Restaurants / Food Establishments for General Public

FBO operators provide food which many times is catered. The rank and file employees have to go off airport to find places to find quick and affordable menu items.

TMB Underserved Markets

Corporate and Charter Jet Services

Aircraft fuel, maintenance and support lessors indicated that there is a demand for private and corporate jet service, but the current facilities (Air Traffic Control Tower, Shorter Runways, Old / Small Hangars) have restricted expanding aviation and aviation related activity at TMB.

Additional Flight School Training Facilities

Flight schools indicated their business could grow by 30-50% if there were additional facilities available.

U.S. Customs & Border Protection Facilities and Services

Lessors cite the restricted and inconvenient hours of operation as a major detriment to increasing corporate and private charter jet services in the short term.



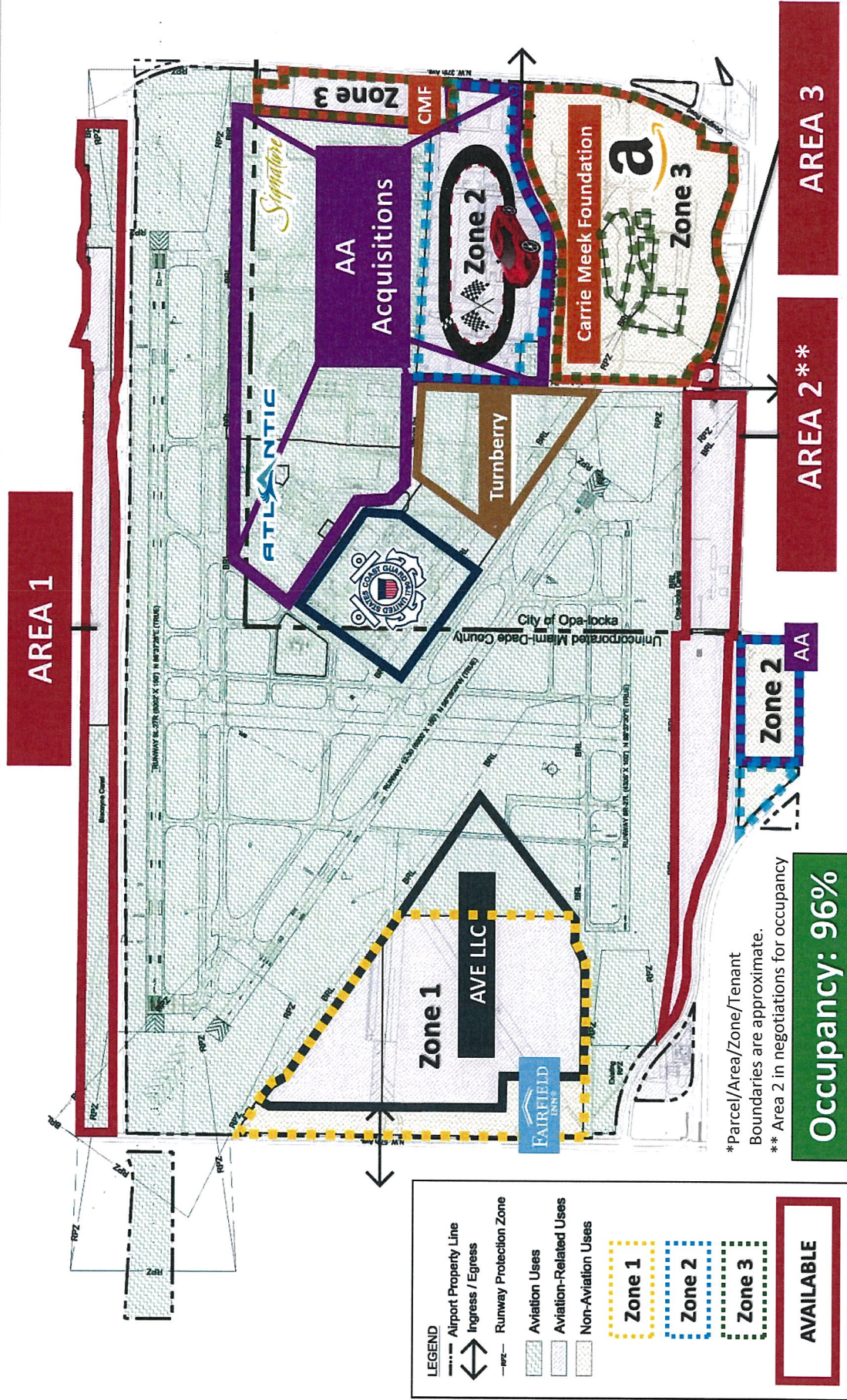
5. Analysis / Evaluation of Available Airport Property Development Opportunities - Assumptions



The following assumptions were used in identifying and evaluating land development opportunities:

- ✈ In general, the best and highest use of GA facilities is that which 1) provides capacity to become a reliever airport to MIA and 2) increases the aviation or aviation related activities, including international corporate and business aviation jet activity.
- ✈ The current Airport Master Plan does not identify any significant capital projects / expenditures for the development GA of airports.
- ✈ MDAD will continue to seek private sector participation to fund new / improved facilities and infrastructure at the GA airports.
- ✈ Buildings / other MDAD facilities are fully occupied. Only land is available.
- ✈ Development with negative NPV should not be pursued. NPV calculated using an 8% discount rate over 10 years; rate is common in the industry.

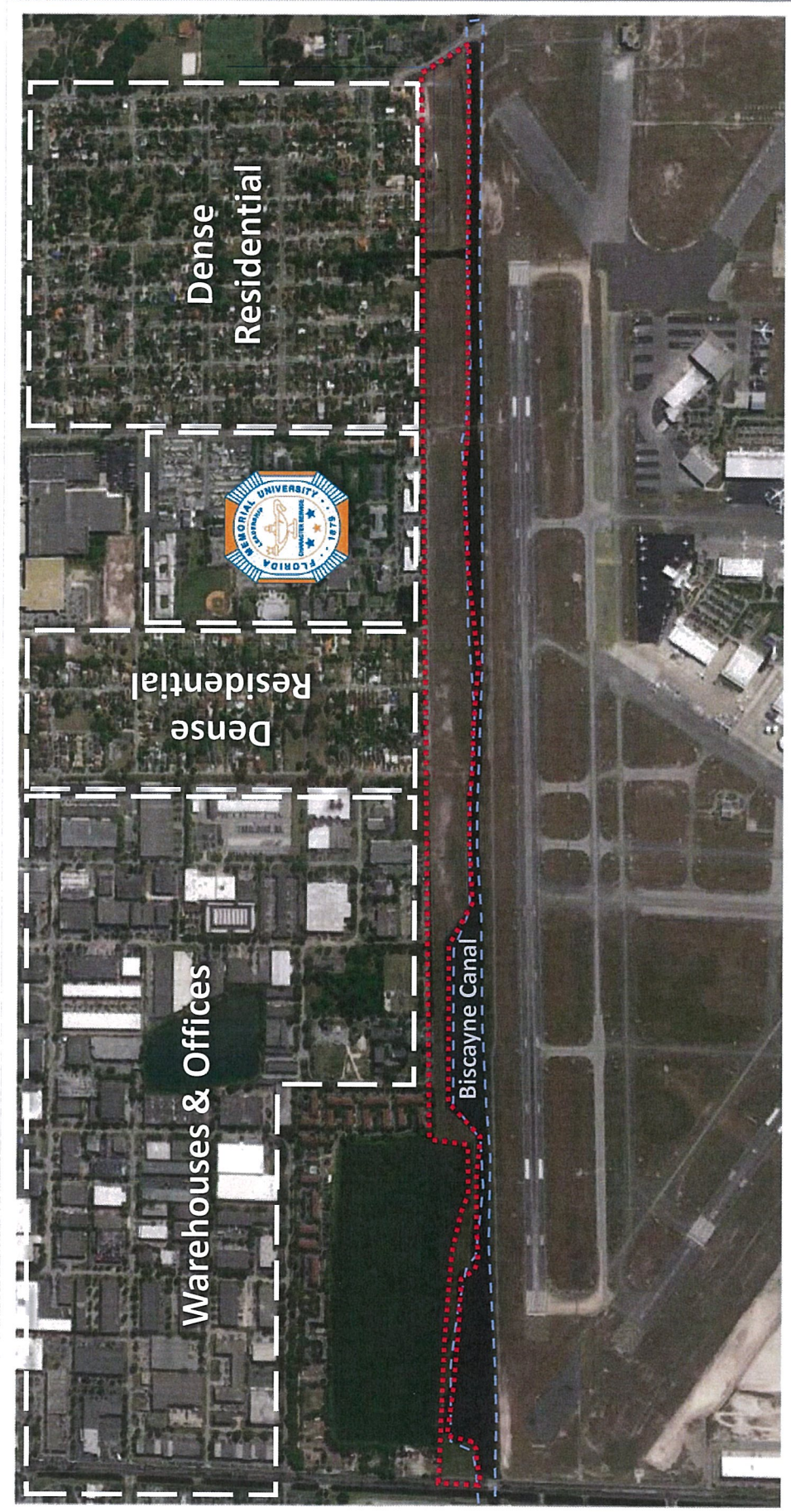
5. Analysis / Evaluation of Available Airport Property Development Opportunities – OPF



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Analysis of Existing Services & Potential Growth Opportunities
Miami-Opalocka Executive & Miami Executive Airports

5. Analysis / Evaluation of Available Airport Property Development Opportunities – OPF - Area 1 – Aerial Photo



*Parcel Boundaries are approximate.







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Miami-Opa Locka Executive & Miami Executive Airports

5. Analysis / Evaluation of Available Airport Property Development Opportunities – OPF - Area 1







General Description

-  One parcel, 24 acres
-  Eastern portion across street from Florida Memorial College campus
-  Central / Western portion across from dense residential and warehouses
-  Portion of the property is in a Runway Protection Zone.

Permitted Uses / Zoning (See Appendix for detail discussion of permitted uses)

-  Aviation / Aviation Related

Infrastructure Restrictions / Limitations

-  Land separated from aviation activities by Biscayne canal which restricts its permitted uses.
-  A bridge capable of supporting a 747 is needed costing millions in infrastructure costs.
-  Accessed through a densely populated residential area negatively impacting safety and quality of life for residents and raises community compatibility concerns.
-  Odd land configuration significantly constrains the size / number of hangars.



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5. Analysis / Evaluation of Available Airport Property Development Opportunities – OPF - Area 1 (cont.)



Financial Considerations

- ✈ Airport Master Plan contains no dedicated funds allocated nor any projects planned over next 10 years for infrastructure or capital improvements.
- ✈ Private developers have shown NO interest.



Maximally Productive Considerations

- ✈ Optimal productive use is for hangars and / or aviation maintenance / support.
- ✈ Restaurant or food service facility not deemed to be a feasible use.
- ✈ Given infrastructure constraints, the community impact and financial considerations, maximally productive uses cannot be achieved in a cost beneficial manner.



Net Present Value (NPV) Considerations

- ✈ The annual payments from leasing these parcels would be \$174,240 and \$98,040 per year; Net Present Value of future rental payments is \$1.83 million.
- ✈ Cost of a bridge estimated to be \$2 million resulting in a negative Net Present Value.



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Analysis of Existing Services & Potential Growth Opportunities
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5. Analysis / Evaluation of Available Airport Property Development Opportunities – OPF - Area 2 – Aerial Photo



* Parcel Boundaries are approximate.



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5. Analysis / Evaluation of Available Airport Property Development Opportunities – OPF - Area 2



General Description

- ✈ Two parcels 16 and 9 acres respectively along Opa-locka Blvd.
- ✈ Portion currently used for helicopter / ARFF training.

Permitted Uses / Zoning

- ✈ Aviation Related

Infrastructure Restrictions / Limitations

- ✈ Portion needed for water / flood mitigation.
- ✈ Eastern portion in Runway Protection Zone.
- ✈ Limited infrastructure / water and sewer hookups.
- ✈ Eastern portion has WWII bunkers that may not be allowed to be altered or moved for historical preservation purposes.

5. Analysis / Evaluation of Available Airport Property Development Opportunities – OPF - Area 2 (cont.)



Financial Considerations

- ✈ Airport Master Plan contains no dedicated funds allocated nor any projects planned over next 10 years for infrastructure or capital improvements.
- ✈ Despite infrastructure constraints there has been great interest and MDAD is in the process of leasing the area.
- ✈ No capital contribution will be required from MDAD.



Maximally Productive Considerations

- ✈ The interest by current lessors is to use for aviation related purposes.



Net Present Value (NPV) Considerations

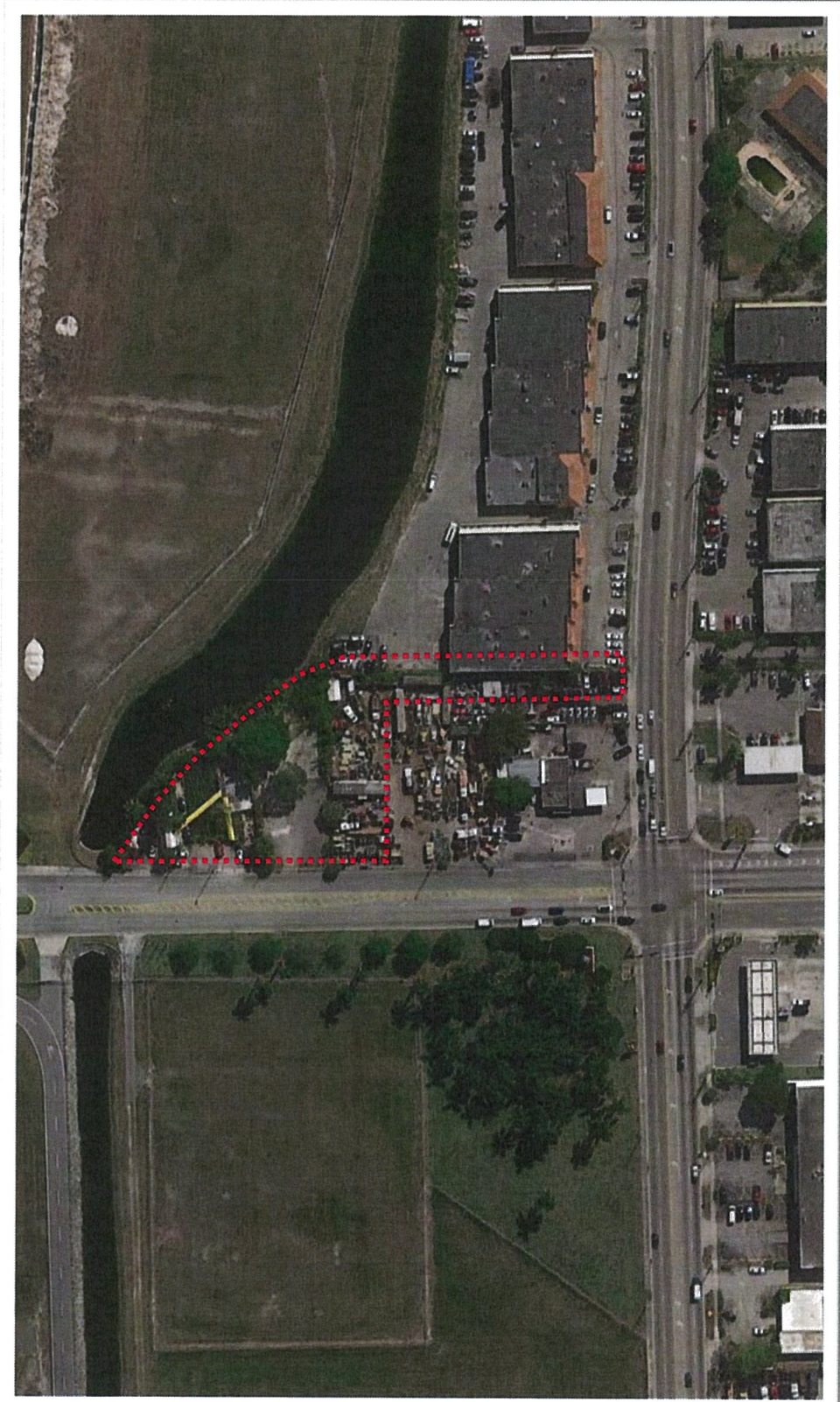
- ✈ The Annual Rent for leasing these parcels would be approximately \$1.2 million. The NPV of these income streams would be approximately \$9.3 million.



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Analysis of Existing Services & Potential Growth Opportunities
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5. Analysis / Evaluation of Available Airport Property Development Opportunities – OPF - Area 3 – Aerial Photo



*Parcel Boundaries are approximate.















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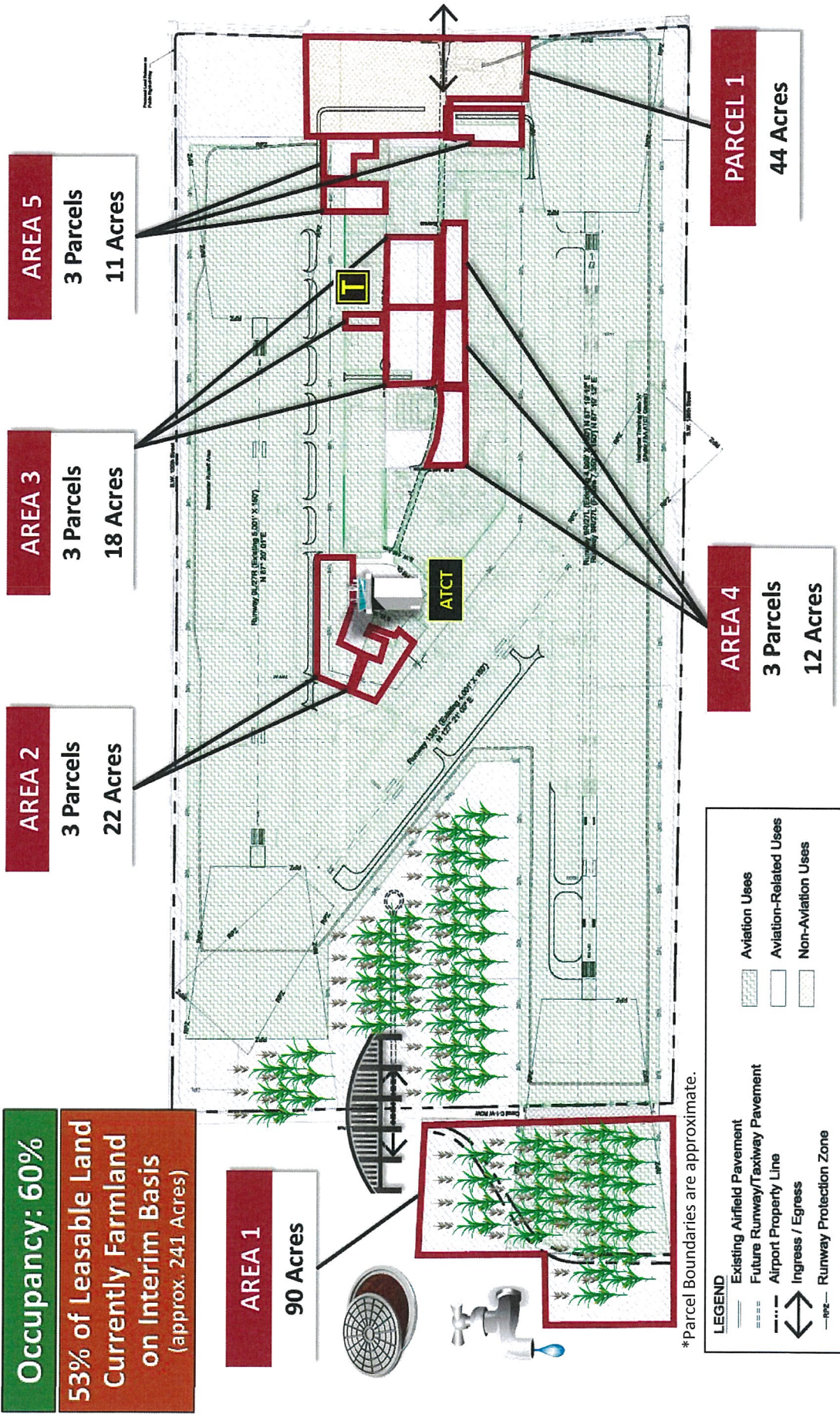
Analysis of Existing Services & Potential Growth Opportunities
Miami-Opa Locka Executive & Miami Executive Airports

5. Analysis / Evaluation of Available Airport Property Development Opportunities – OPF - Area 3



-  **General Description**
 -  Parcel of about 2 acres at the SW corner of CMF property, close to the intersection of Le Jeune Road and Opa-locka Boulevard with heavy congestion during rush hour.
-  **Permitted Uses / Zoning**
 -  Aviation related
-  **Infrastructure Restrictions / Limitations**
 -  Runway Protection Zone and must remain undeveloped.
-  **Financial Considerations**
 -  N/A
-  **Maximally Productive**
 -  N/A
-  **Net Present Value**
 -  N/A

5. Analysis / Evaluation of Available Airport Property Development Opportunities – TMB



5. Analysis / Evaluation of Available Airport Property Development Opportunities – TMB – Aerial Photo



*Parcel Boundaries are approximate.



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Analysis of Existing Services & Potential Growth Opportunities
Miami-Opal Locka Executive & Miami Executive Airports

5. Analysis / Evaluation of Available Airport Property Development Opportunities – TMB - Area 1



General Description / Land Facts

- ✈ Approximately 90 acres of farmland, more than half is within the Runway Protection Zone (RPZ): no structures are allowed in RPZ but RPZ can be used for agricultural uses
- ✈ MDAD is in current negotiations with prospective tenant for agricultural use of all 90 acres.
- ✈ Since this is deemed an interim use for land, MDAD has negotiated flexible lease arrangements and takeback provisions to facilitate conversion to aviation / aviation related uses if a future developer shows interest.



Zoned Permitted Uses

- ✈ Aviation and Aviation Related



Infrastructure Restrictions / Limitations

- ✈ Land parcel is separated by a canal from rest of the airport.
- ✈ A bridge would need to be constructed to realize aviation and aviation related uses.
- ✈ Agricultural uses could be limited in RPZ in future to prevent the prevalence of bird strikes.
- ✈ Limited water / sewer connections and infrastructure.



5. Analysis / Evaluation of Available Airport Property Development Opportunities – TMB - Area 1 (cont.)



Financial Considerations

- ✈ Airport Master Plan contains no dedicated funds allocated nor any projects planned over next 10 years for infrastructure or capital improvements.
- ✈ No capital outlays from the County required.



Maximally Productive Considerations

- ✈ Given current infrastructure and fiscal constraints, the most maximally productive use is agricultural.
- ✈ Optimal use would be for aviation and aviation related uses.



Net Present Value (NPV) Considerations

- ✈ Based on current land rental rates, the annual revenue would be \$45,000 and the NPV of future cash flows over next ten years would be \$301,954.



5. Analysis / Evaluation of Available Airport Property Development Opportunities – TMB - Area 2



General Description

- ✈ Consists of three vacant parcels in NW section of airport totaling approx. 780,000 sq. ft. or 18 acres
- ✈ Accessible from two runways
- ✈ Next to U.S. Customs and Air Traffic Control Tower



Permitted Uses

- ✈ Aviation Related



Infrastructure Restrictions / Limitations

- ✈ Current hangars are too small to accommodate medium and larger private and corporate jets
- ✈ U.S. Customs and Border Protection only opens M-Su from 10:00 AM – 6:00 PM.
- ✈ FAA conducting report on the general condition / safety of the existing control tower to determine if another one should be built by FAA. Report due in 5/18.



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Analysis of Existing Services & Potential Growth Opportunities
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5. Analysis and Evaluation of Available Airport Property Development Opportunities – TMB - Area 2 (cont.)



Financial Considerations

- ✈ Airport Master Plan contains no dedicated funds allocated nor any projects planned over next 10 years for infrastructure or capital improvements.



Maximally Productive Considerations

- ✈ Maximally productive uses are aviation related such as hangars, aircraft maintenance, etc. but the uncertainty regarding the Air Traffic Control Tower has stifled interest by the development community.
- ✈ Maximally productivity will only be achieved when operated in accordance with the aviation or aviation related uses.



Net Present Value (NPV) Considerations

- ✈ The land rents for these parcels would approximate \$172K per year, and the NPV of these cash inflows over the ten-year period would be approximately \$1.2 million.

5. Analysis / Evaluation of Available Airport Property Development Opportunities – TMB - Area 3



General Description

- ✈ Consists of three vacant parcels in NW section of airport totaling approx. 975,000 sq. ft. or 22 acres.
- ✈ Includes a taxiway that allows access to runways.



Permitted Uses

- ✈ Aviation Related



Infrastructure Restrictions / Limitations

- ✈ FAA requires the taxiway to be refurbished to accommodate 747 -size jetliners. Estimated cost is \$1 million.



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Analysis of Existing Services & Potential Growth Opportunities
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5. Analysis / Evaluation of Available Airport Property Development Opportunities – TMB - Area 3 (cont.)



Financial Considerations

- ✈ Airport Master Plan contains no dedicated funds allocated nor any projects planned over next 10 years for infrastructure or capital improvements.
- ✈ Developers are deterred by the cost to refurbish taxiway.



Maximally Productive Considerations

- ✈ Maximally productive use would be aviation related uses such as hangars, aircraft maintenance.



Net Present Value (NPV) Considerations

- ✈ The land rents for these parcels would approximate \$215K per year, and the NPV of these cash inflows over the ten year period would be approximately \$1.8 million.
- ✈ The estimated cost of building / refurbishing the taxiway for runway access would be approximately \$1.0 million, and when applied against the NPV of future cash flows results in an overall positive NPV of \$800,000.



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Miami-Opa Locka Executive & Miami Executive Airports

5. Analysis / Evaluation of Available Airport Property Development Opportunities – TMB - Area 4



General Description

- ✈ Consists of three vacant parcels in center of airport totaling approximately 502,000 sq. ft. or 12 acres.
- ✈ Parcels do not have or allow access to airfield and in essence have become a non -aviation related use property.



Permitted Uses

- ✈ Aviation Related



Infrastructure Restrictions / Limitations

- ✈ Access to runway is restricted, which limits or prevents aviation related uses.



5. Analysis / Evaluation of Available Airport Property Development Opportunities – TMB - Area 4 (cont.)



Financial Considerations

- ✈️ Airport Master Plan contains no dedicated funds allocated nor any projects planned over next 10 years for infrastructure or capital improvements.
- ✈️ Developers are deterred by lack of access to runway and cost to establish access.



Maximally Productive Considerations

- ✈️ Maximally productive use would be aviation related uses such as hangars and aircraft maintenance.



Net Present Value (NPV) Considerations

- ✈️ The land rents for these parcels would approximate \$110K per year, and the NPV of these cash inflows over a ten-year period would be approximately \$956K.
- ✈️ The estimated cost of building taxiways, aprons, etc. to gain access to the runway and the attendant building improvements would cost millions of dollars, and when applied against the NPV of future cash flows results in a significantly negative NPV.



5. Analysis / Evaluation of Available Airport Property Development Opportunities – TMB - Area 5



General Description

- ✈ Three parcels located at NW (2) and SW (1) sections of proposed mall development totaling 602,000 sq ft or approximately 14 acres.
- ✈ No direct access to runways.
- ✈ All three parcels not contiguous.



Permitted Uses

- ✈ Aviation Related



Infrastructure Restrictions / Limitations

- ✈ To establish access to airfield, a series of improvements would need to be made including construction of taxiways / aprons and other related improvements.



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Analysis of Existing Services & Potential Growth Opportunities
Miami-Opa Locka Executive & Miami Executive Airports

5. Analysis / Evaluation of Available Airport Property Development Opportunities – TMB - Area 5 (cont.)



Financial Considerations

- ✈ Airport Master Plan contains no dedicated funds allocated nor any projects planned over next 10 years for infrastructure or capital improvements.
- ✈ The size of hangars many not justify any improvements to be made.



Maximally Productive Considerations

- ✈ Maximally productive use would be aviation related uses such as hangars and aircraft maintenance.
- ✈ Acceptable productive use may be for flight school facilities, which would require MDAD / private investment



Net Present Value (NPV) Considerations

- ✈ The annual rental revenue for these parcels would be \$132K per year with an NPV of \$1.2 million over ten years.
- ✈ The cost of infrastructure needed to gain access to the airfield would exceed the NPV of future revenue streams over ten years.
- ✈ The cost of flight school facilities would exceed the NPV of future revenue streams over ten years.



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Miami-Opa Locka Executive & Miami Executive Airports

5. Analysis / Evaluation of Available Airport Property Development Opportunities – TMB - Parcel 1



General Description

- ✈ Forty-four (44) acres at the entrance of the airport; fourteen (14) in RPZ and only 30 acres leasable.
- ✈ Consists of mall / shopping center and related services and amenities.
- ✈ Development lease with WMD is currently under negotiations and under the “Cone of Silence.”



Permitted Uses

- ✈ Non-Aviation



Infrastructure Restrictions / Limitations

- ✈ No infrastructure / water and sewer hookups.
- ✈ Developer will be responsible to cure any restrictions / limitations.
- ✈ Will take possession in “As-Is” condition.



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Analysis of Existing Services & Potential Growth Opportunities
Miami-Opa Locka Executive & Miami Executive Airports

5. Analysis / Evaluation of Available Airport Property Development Opportunities – TMB - Parcel 1 (cont.)



Financial Considerations

- ✈ Airport Master Plan contains no dedicated funds allocated nor any projects planned over next 10 years for infrastructure or capital improvements.
- ✈ No capital contributions required from the County / MDAD.
- ✈ Financial terms are under current negotiations.



Maximally Productive Considerations



Net Present Value (NPV) Considerations

- ✈ Based on current land rental rates, the annual revenue would be \$2.59 million and the net present value of future cash flows over next ten years would be approximately \$20 million.



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Analysis of Existing Services & Potential Growth Opportunities
Miami-Opa Locka Executive & Miami Executive Airports

6. Summary Evaluation and Ranking of Available Airport Property Development Opportunities – OPF



Airport Property Description	Highest Best Use Factors				Net Present Value (Millions)
	Permissible	Sufficient Infrastructure	Financial Feasibility	Maximally Productive	
Area 2 – Opa Locka Blvd. - South - 2 Parcels – 16 and 9 Acres <i>Aviation Related Uses</i>	✓	✓	✓	✓	\$ 9.3
Area 1 – Biscayne Canal - North – 23 Acres <i>Aviation / Aviation Related Uses</i>	✓	✗	✗	✗	Negative
Area 3 – 1.18 Acres Corner of Le Jeune / 135th – Runway Protection Zone Restricted <i>Non-Aviation Uses</i>	✗	✗	✗	✗	N/A

6. Summary Evaluation and Ranking of Available Airport Property Development Opportunities – TMB



Airport Property Description	Highest Best Use Factors				Net Present Value
	Permissible	Sufficient Infrastructure	Financial Feasibility	Maximally Productive	
Parcel 1 – WMD Mall Project – 30 Acres	✓	✓	✓	✓	\$20 million
Area 1 – Agricultural – 90 Acres	✓	✓	✓	✗	\$302,000
Area 2 – Hangars / Aviation Maint. / Support – 18 Acres	✓	✓	✓	✓	\$1.2 million
Area 3 – Hangars / Aviation Maint. / Support – 22 Acres	✓	✗	✓	✓	\$800,000
Area 4 – Hangars / Aviation Maint. / Support – 12 Acres	✓	✗	✗	✗	Negative
Area 5 – Hangars / Aviation Maint. / Support – 14 Acres	✓	✗	✗	✗	Negative

7. Financial Self-Sustainability



For purposes of this exercise, financial self-sustainability is reached when revenues exceed 1) direct and indirect expenses, 2) overhead, and 3) reserve maintenance expenditures.



OPF



Has achieved financial self-sustainability for **each** of the past fiscal years ending September 30, 2017.



Financial self-sustainability should continue through the foreseeable future, particularly with Amazon and other aviation related leases / facilities coming online.



TMB



Has achieved financial self-sustainability for the fiscal year ended September 30, 2017.



Income from WMD mall project, if approved, and additional agricultural leases should assist in achieving financial self-sustainability for the foreseeable future.



8. Observations / Recommendations – OPF



I. Job Creation

Observation

In comparison to other Top 20 GA airports, OPF is a top-tier performer as it relates to job creation and overall economic output. It is ranked 4th among Top 20 GA airports, and 3rd when Part 139 (commercial) airports are removed from the population.

Recommendation

Miami-Dade County, through the Carrie Meek Foundation, has begun extensive outreach efforts to attract County residents for training and employment opportunities with Amazon and other organizations. MDAD should consider actively engaging other private developers and tenants to participate in County sponsored recruitment initiatives, such as the Community Workforce Program and Residents First. With a coordinated effort amongst the County, private developers and other tenants, OPF can realize an even greater economic impact, and distinguish itself as a national leader and model for job creation.



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Analysis of Existing Services & Potential Growth Opportunities
Miami-Opa Locka Executive & Miami Executive Airports

8. Observations– Observations / Recommendations – TMB



I. Strategic Planning / Visioning

Observation

The CDMP has tasked MDAD with providing additional facility and operational capacity in the aviation systems in locations that offer the greatest potential for expansion of aviation related-economic development and employment. The CDMP defined TMB's role to be a reliever airport for MIA and an international corporate and business aviation jet center (Transport Center). The locations at TMB that offer the greatest potential for a Transport Center and aviation related development appear to be in the areas currently being used for farmland. Approximately 53% of total leasable land is used for this purpose which is probably not the highest and best use per the CDMP. However, given the lack of outside interest and capital, it does represent the interim highest and best uses of this area at the current time.

Recommendation

MDC will have to increase facility and operational capacity at TMB to attract the private sector capital and expertise needed to become an international corporate and business aviation jet center. In advance of the needed finance and development activities, MDC should consider creating a long-term strategic plan or vision for TMB that provides the blueprint for the nature (passenger airline vs. charter), timing (near, intermediate, long term) and extent (zoning, noise, community compatibility) of future development. The plan should minimally include:

- 1) New air traffic control tower that will scale with future aviation related development activity
- 2) Construction / extension of runways, taxiways and aprons, bridges and roadways to facilitate larger corporate and business jets, hangars and maintenance facilities
- 3) Construction / extension of water and sewer infrastructure to support aviation economic



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Miami–Opa Locka Executive & Miami Executive Airports

8. Observations / Recommendations – TMB (cont.)



II. Private Activity Bonds

Observation

The cornerstone of MDAD’s Airport Master Plan is to attract private developers to fund the much-needed capital and infrastructure needs of TMB. However, attracting such interest / capital from private developers has been a daunting challenge and proved to be somewhat unfruitful over the past decade. OPF, which has enjoyed great success over this same period, was able to attract approximately \$.5 billion of private investment. Conversely, TMB has attracted approximately \$30 million over this same period; a fraction of the cost of infrastructure needed for TMB to achieve its maximum economic potential.

Recommendation

MDAD should research the feasibility of issuing Private Activity Bonds (PABs), which are in essence municipal bonds for private companies. While these instruments have investment risk, PABs also provide favorable tax treatment that was preserved in the recently passed tax reform act. PABs also figure very prominently in the Trump Administration’s recently released Infrastructure Plan, which favors the private sector in relaxing the rules, restrictions and oversight of the FAA and has created new funding opportunities for GA airports. PAB’s may provide the incentive needed to draw interest and capital from the public and private sector and facilitate TMB becoming a MIA reliever airport and / or international corporate and business jet center. Los Angeles World Airports recently utilized this financing vehicle to fund a multimillion-dollar terminal project.



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Miami-Opa Locka Executive & Miami Executive Airports

8. Observations / Recommendations – TMB (cont.)



III. Operating Hours of U.S. Customs and Border Protection

Observation

Per interviews with some of the tenants, it was noted the CBP's operating hours are 10 AM-6PM, which from their vantage point significantly curtails the amount of private and corporate flight activity. This condition is exacerbated for international travelers and the tenants supporting charter flight operations believe the airport is underserved since the demand exceeds the provision of these services.

Recommendation

The tenants at TMB have indicated a willingness to fund the salaries and benefits of CBP's officers in order to extend the hours of operation to 9PM. If this indeed proves to be a reality, then MDAD might consider working with CBP and the tenants in accommodating an extension of operating hours from 6PM to 9PM.

In January 2018, Homeland Security began pulling screeners from US airports to cover what is deemed a matter of national security at the US borders and there is already a nationwide shortage of 3,700 officers.

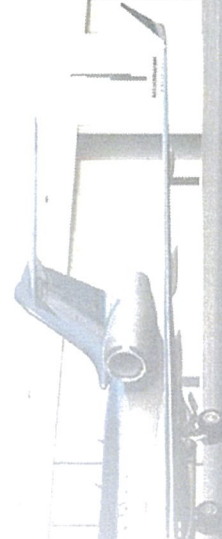


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Analysis of Existing Services & Potential Growth Opportunities
Miami-Opa Locka Executive & Miami Executive Airports

SECTION 3

Appendices



Appendices



- A. Board of County Commissioners Resolution No. 171428**
- B. OPF Community Development Master Plan (CDMP) Map**
- C. OPF Airport Development Zone Map**
- D. TMB Community Development Master Plan (CDMP) Map**
- E. Airport Benchmarking**
- F. Legally Permissible Airport Uses**
- G. Responsibilities of Airport Sponsors**
- H. Charter Service Rates**
- I. OPF Tenant Lists**
- J. TMB Tenant Lists**



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Analysis of Existing Services & Potential Growth Opportunities
Miami-Opa Locka Executive & Miami Executive Airports

A. Board of County Commissioners Resolution No. 171428



Approved _____ Mayor
 Veto _____
 Override _____

Agenda Item No. 11(A)(4)
 7-6-17

RESOLUTION NO. _____
RESOLUTION DIRECTING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO PROVIDE A REPORT ANALYZING EXISTING SERVICES AND POTENTIAL GROWTH OPPORTUNITIES AT MIAMI-OPA LOCKS EXECUTIVE AND MIAMI EXECUTIVE AIRPORTS; DIRECTING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO PROVIDE A REPORT

WHEREAS, Miami-Opa Locks Executive Airport (OFF) is larger in land area than the Guadalupe Airport in New York City; and

WHEREAS, Miami Executive Airport (TMB) is capable of handling significant aviation traffic; and

WHEREAS, large portions of OFF and TMB have been leased to master developers; and

WHEREAS, the Miami-Dade County Aviation Department has not yet leased developed certain portions of OFF and TMB; and

WHEREAS, OFF and TMB should be leading engines for jobs creation in South Florida given their size, ease of access to multiple locations within Miami-Dade, Broward, and Mecklenburg Counties; and their airfield capacity; and

WHEREAS, the County should proactively work to ensure that TMB and OFF are utilized; and

WHEREAS, in pursuit of such utilization, the County should identify local, state, and federal requirements that may prevent OFF and TMB from achieving their full potential; and

WHEREAS, the County should work with developers or lessees to bring aviation and aviation related businesses to OFF and TMB to help these airports achieve their potential;

Agenda Item No. 11(A)(4)
 Page No. 2

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that:

Section 1. The County Mayor or County Mayor's Designee is hereby directed to provide a report analyzing the existing services offered at OFF and TMB to determine whether such services are the highest and best uses of these airports in terms of jobs creation and ensuring that OFF and TMB are fiscally self-sustaining. Such analysis shall require that aviation areas at these airports remain available for aviation uses consistent with federal law. This analysis shall identify underserved markets and also aviation and non-aviation activities with the potential for substantial growth at OFF and/or TMB. This analysis shall also identify any regulatory constraints on the achievement of such growth, including any existing local, state, or federal regulations.

Section 2. The County Mayor or County Mayor's designee shall provide the report identified in Section 1 to this Board within 180 days of the effective date of this resolution and place the completed report on an agenda of the Board in accordance with Ordinance No. 14-65

The Prime Sponsor of the foregoing resolution is Commissioner Sally A. Heyman. It was offered by Commissioner _____, who moved its adoption. The motion was seconded by Commissioner _____ and upon being put to a vote, the vote was as follows:

- | | |
|-------------------------------------|-------|
| Esoban L. Bevo, Jr., Chairman | _____ |
| Audrey M. Edmonson, Vice Chairwoman | _____ |
| Bruce A. Burreiro | _____ |
| Jose "Pepe" Diaz | _____ |
| Barbara J. Jordan | _____ |
| Jean Monestime | _____ |
| Rebecca Sosin | _____ |
| Xavier F. Suarez | _____ |
| Daniella Levine Cava | _____ |
| Sally A. Heyman | _____ |
| Joe A. Martinez | _____ |
| Dennis C. Moss | _____ |
| Sen. Javier D. Souto | _____ |

Agenda Item No. 11(A)(4)
 Page No. 3

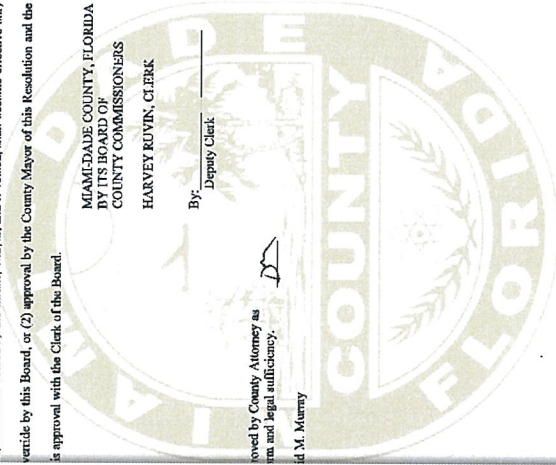
The Chairperson thereupon declared the resolution duly passed and adopted this 6th day of July, 2017. This resolution shall become effective upon the earlier of (1) 10 days after the date of adoption unless vetoed by the County Mayor, and if vetoed, shall become effective only upon approval by this Board, or (2) approval by the County Mayor of this Resolution and the filing is approval with the Clerk of the Board.

MIAMI-DADE COUNTY, FLORIDA
 BY ITS BOARD OF
 COUNTY COMMISSIONERS
 HARVEY KUVIN, CLERK

By: _____
 Deputy Clerk

Approved by County Attorney as
 true and legal sufficiency.

 Aid M. Murray



B. OPF – Comprehensive Master Plan Development Map

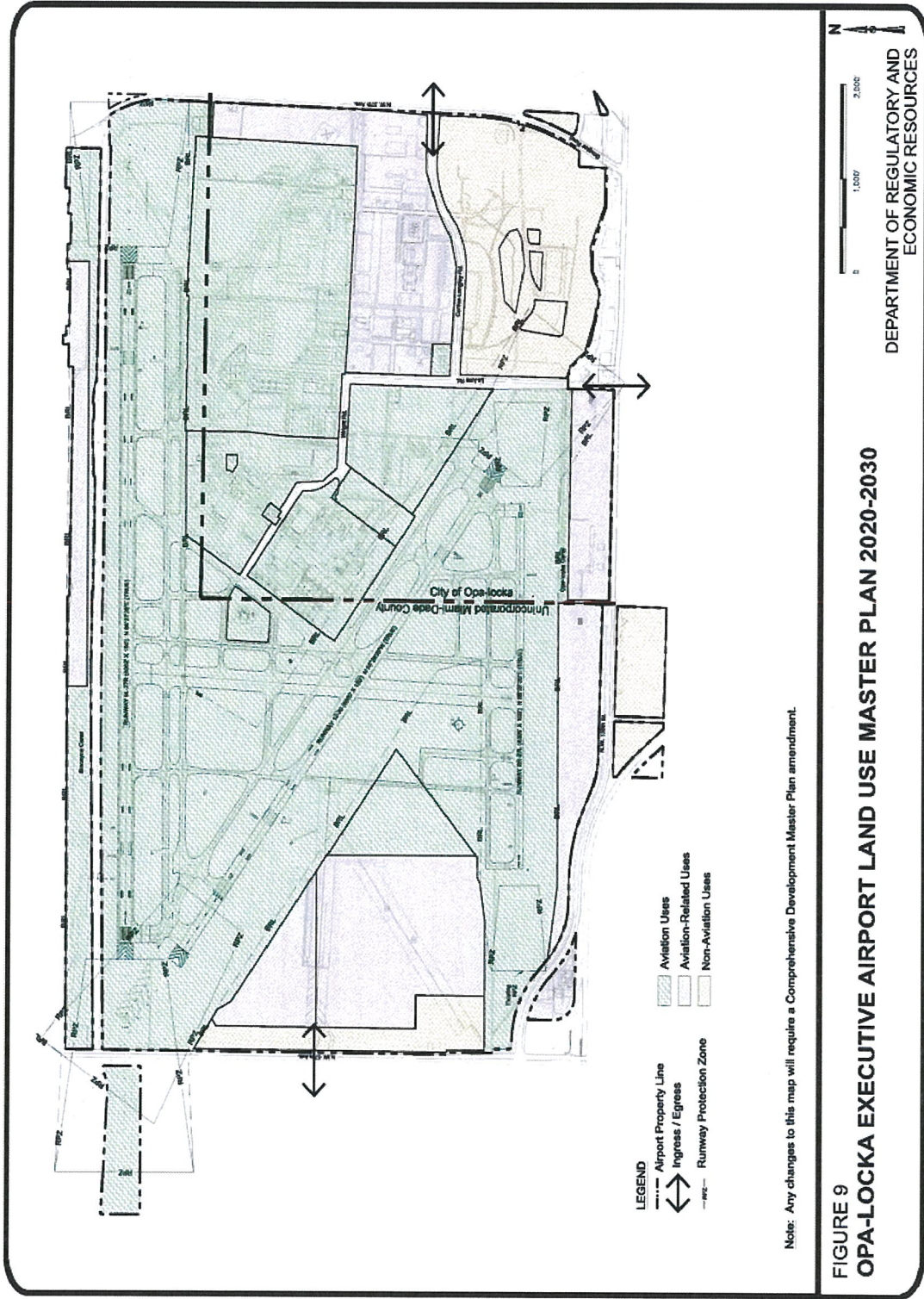
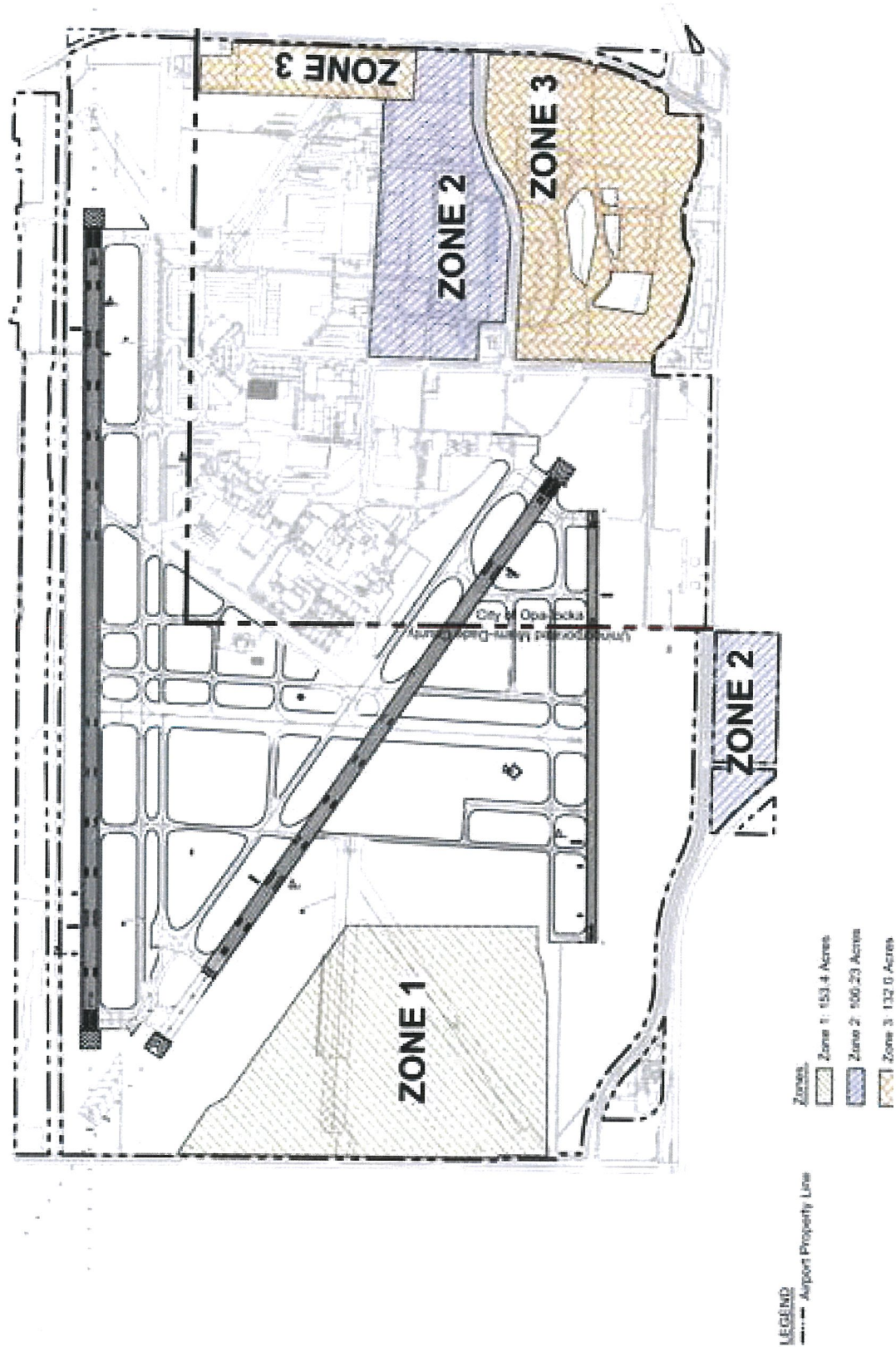


FIGURE 9
OPA-LOCKA EXECUTIVE AIRPORT LAND USE MASTER PLAN 2020-2030

DEPARTMENT OF REGULATORY AND ECONOMIC RESOURCES

C. OPF – Development Zone Map



Analysis of Existing Services & Potential Growth Opportunities
 Miami-Opa Locka Executive & Miami Executive Airports

D. TMB – Comprehensive Master Plan Development Map

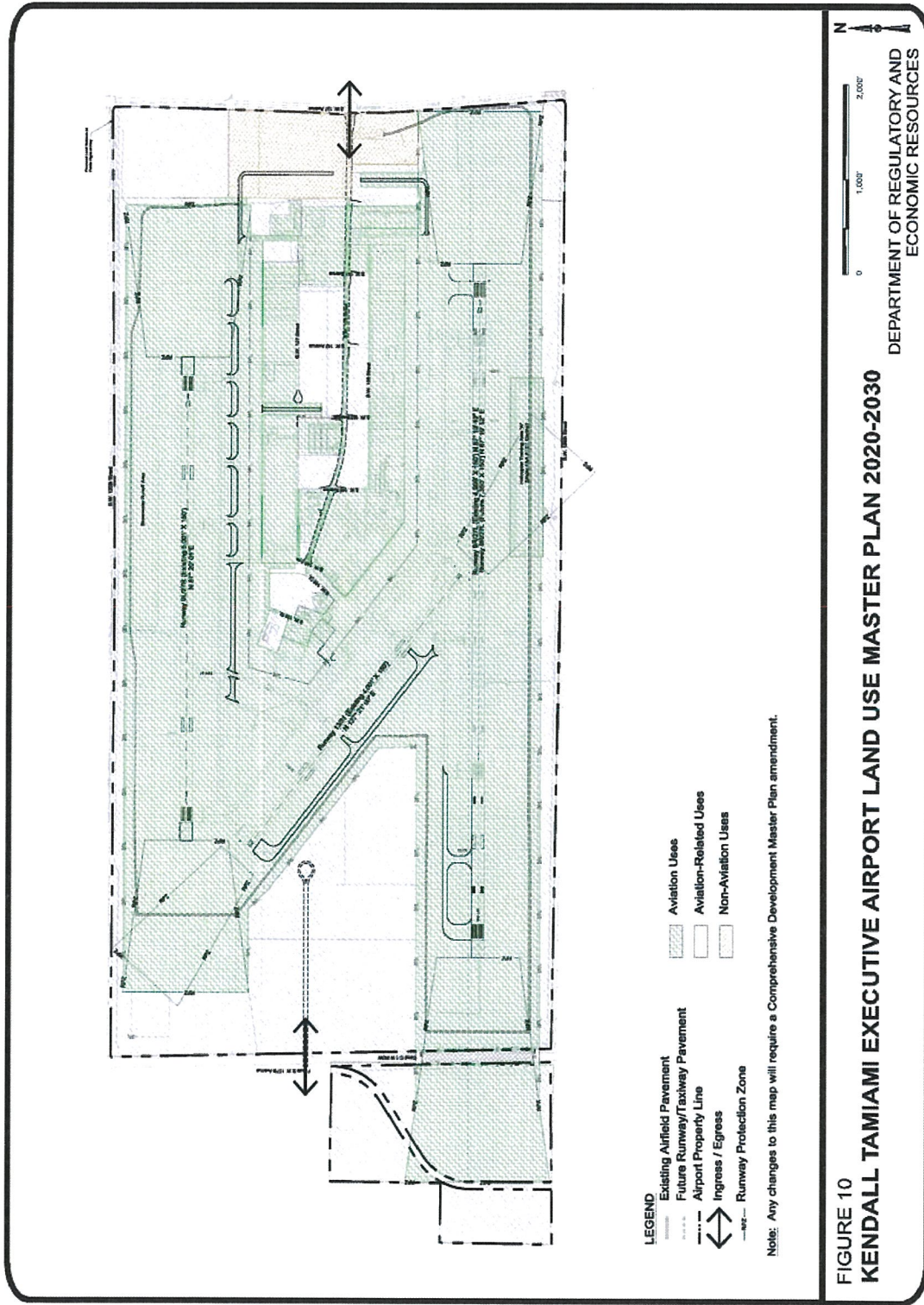


FIGURE 10
KENDALL TAMIAMI EXECUTIVE AIRPORT LAND USE MASTER PLAN 2020-2030

E. Airport Benchmarking



Miami Dade Aviation Department Peer Airport Benchmarking Miami Opa Locka Executive & Miami Executive Airports														
Rank	Airport Name	Airport Code & State	Size (Acres)	Flight Operations 2012 - 2017				Runways			Estimated Impact Jobs	Restaurant	Education Museum	Hotel / Motel
				Itinerant Air Taxi	Itinerant GA	Itinerant Military	Total	# of Runways	Longest Runway	Total Ft. of Runways				
1	Centennial	APA - CO	1,400	173,812	819,440	19,284	1,012,536	3	10,001	21,801	7,200	N	N	
2	Teterboro*	TEB - NJ	827	412,627	586,681	2,826	1,002,134	2	7,000	13,013	4,901	N	N	
3	Van Nuys	VNY - CA	725	86,797	827,022	2,370	916,189	2	8,001	12,014	10,480	N	N	
4	Miami Executive	TMB - FL	1,380	13,489	840,240	1,728	855,457	3	5,999	15,003	880	N	N	
5	Phoenix Deer Valley	DVT - AZ	914	28,542	771,959	591	801,092	2	8,196	12,696	2,213	Y	N	
6	Fort Lauderdale Executive*	FXE - FL	1,050	84,610	679,181	1,284	765,075	2	6,002	10,002	5,178	Y	N	
7	Dekalb-Peachtree	PK - GA	745	103,690	551,618	3,706	659,014	3	6,001	13,714	8,062	Y	N	
8	Republic*	FRG - NY	526	60,521	593,969	1,055	655,545	2	6,833	12,349	2,069	Y	N	
9	Falcon Field	FFZ - AZ	784	213,405	406,586	19,135	639,126	2	5,101	8,900	1,250	Y	N	
10	Orlando Sanford International*	SFB - FL	3,000	297,619	326,237	1,255	625,111	4	11,002	26,229	18,025	Y	N	
11	Montgomery-Gibbs Executive	MYF - CA	456	20,056	588,463	3,570	612,089	3	4,577	11,380	1,926	Y	N	
12	Scottsdale	SDL - AZ	282	89,213	467,164	4,400	560,777	1	8,249	8,249	3,400	Y	N	
13	Vero Beach Municipal*	VRB - FL	1,707	22,544	527,595	667	550,806	3	7,314	15,792	4,769	N	N	
14	Addison	ADS - TX	368	49,814	494,264	2,064	546,142	1	7,202	7,202	1,565	Y	N	
15	McClellan-Palomar*	CRQ - CA	466	54,191	485,989	4,691	544,871	1	4,987	4,987	1,887	N	N	
16	Hanscom Field	BED* - MA	1,125	117,579	388,260	3,499	509,338	2	7,067	12,174	11,765	N	N	
17	Opa Locka Executive	OPF - FL	1,880	49,934	406,788	31,997	488,719	3	8,002	19,111	10,276	N	N	
18	Gillespie Field	SEE - CA	688	2,826	482,515	1,926	487,267	3	5,342	12,225	6,901	N	X	
19	Portland-Hillsboro	HIO - OR	950	27,358	437,496	1,771	466,625	3	6,600	14,021	906	Y	N	
20	Chandler Municipal	CHD - AZ	550	13,086	451,280	651	465,017	2	4,820	9,221	811	Y	N	

* Part 139 Airport

Sources: FAA Air Traffic Activity System (ATADS); Websites of airports containing recent economic impact studies, adjusted for 3% annual job growth



Analysis of Existing Services & Potential Growth Opportunities
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F. Permissible Airport Uses – OPF – Aviation Uses



Per § 33-363.1. Uses permitted on Opa-locka Airport lands in the GP Governmental Property zoning district are:

(a) Aviation uses where general public access is restricted may include existing uses and the following or substantially similar uses:

1. Airfield uses such as runways, taxiways, aprons, clear zones, landing areas
2. Support and maintenance facilities such as control towers, flight service stations, access roads, fire stations and storage
3. Aircraft maintenance and repair facilities and hangars, Aircraft and aircraft parts manufacturing and storage
4. Fixed base operators
5. Air cargo operations
6. Specialized aircraft service operations
7. Fuel farms
8. Agricultural uses



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F. Permissible Airport Uses – TMB – Aviation Uses



Per § 33-396.1. Uses permitted on Kendall Tamiami Executive Airport lands in the GP Governmental Property zoning district:

- (A) **Aviation Uses:** The portion of the airport designated in the Comprehensive Development Master Plan (CDMP) for aviation uses, shall be deemed to consist of all portions of the airport where general public access is restricted (but not including terminal concourses).
- (1) Areas designated for aviation uses shall be limited to aviation uses, including, but not limited to:
- a) Airfield uses such as runways, taxiways, aprons, runway protection zones, safety areas, landing areas, and support and maintenance facilities such as control towers, flight service stations, access roads, fire stations, storage and aircraft maintenance and repair facilities and hangars,
 - b) Aircraft and aircraft parts manufacturing and storage
 - c) Fixed base operators,
 - d) Air cargo operations,
 - e) Specialized aircraft service operations,
 - f) Fuel farms,
 - g) Where not otherwise prohibited by law, open space and interim or existing agricultural uses and zoning may also be permitted in the portions of the airport designated for aviation use, subject to such conditions and requirements as may be imposed to ensure public health and safety.



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Analysis of Existing Services & Potential Growth Opportunities
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F. Permissible Airport Uses – OPF – Aviation Related Uses



Per § 33-363.1. Uses permitted on Opa-locka Airport lands in the GP Governmental Property zoning district are:

(a) Aviation related uses where general public access is allowed may include existing uses and the following or substantially similar uses:

1. Terminal area for general aviation passenger traffic, such as private or corporate aircraft passenger traffic, which may include non-aviation related uses designed to serve the traveling public and on-site employees, such as offices, personal services, retail activities, restaurants, auto rental businesses, and lodging establishments,
2. Parking garages and lots serving the airport,
3. Access roadways serving the airport,
4. Offices of aviation industry companies and the Miami-Dade County Aviation Department,
5. Facilities of fixed base operators,
6. Hangar rentals and tie downs,
7. Ground transportation services,
8. General aviation aircraft, such as private and corporate jets or other aircraft, and automobile rental establishments,
9. Aviation-related educational uses such as flight schools, simulator training facilities, helicopter and aerobatics training and other educational facilities providing aviation courses,
10. Aviation-related governmental agency facilities,
11. Flying club facilities,
12. Aviation-related entertainment uses such as museums and sightseeing services,
13. Aviation-related retail uses such as general aviation aircraft sales, electronic and instrument sales and pilot stores,
14. Storage and aircraft maintenance and repair facilities and hangars,
15. Aircraft and aircraft parts manufacturing and storage,
16. Air cargo operations, and
17. Specialized aircraft service operations.



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F. Permissible Airport Uses – OPF – Aviation-Related Uses (cont.)



Per § 33-363.1. Uses permitted on Opa-locka Airport lands in the GP Governmental Property zoning district:

(b) Aviation-related uses, which shall include, but not be limited to:

- 1) Manufacturing**
- 2) Storage**
- 3) Office**
- 4) Service**
- 5) Similar uses ancillary to or supportive of aviation uses may be approved in the aviation-related and non-aviation areas**



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Analysis of Existing Services & Potential Growth Opportunities
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F. Permissible Airport Uses – TMB – Aviation-Related Uses



Per § 33-396.1. Uses permitted on Kendall Tamiami Executive Airport lands in the GP Governmental Property zoning district:

(B) Aviation-Related and Non-Aviation Uses: The portion of the airport designated in the Comprehensive Development Master Plan for aviation-related and non-aviation uses, shall be deemed to consist of all portions of the airport where general public access is not restricted, and may be developed with aviation uses (aviation facilities), aviation-related uses and non-aviation uses that are compatible with airport operations and consistent with applicable law.

(1) Aviation-related uses:

a) Facilities where general public access is allowed may include existing uses and the following or substantially similar uses:

- 1) Fixed Base Operator's lounge areas for aviation passenger traffic, including private or corporate aircraft passenger traffic, which may include non-aviation uses designated to serve the traveling public and on-site employees, such as offices, personal services, retail activities, restaurants, auto rental businesses, and lodging establishments,
- 2) Parking garages and lots serving the airport,
- 3) Access roadways serving the airport,
- 4) Offices of aviation industry companies and the Miami-Dade Aviation Department,
- 5) Hangar rentals and tie-downs,
- 6) Ground transportation services,
- 7) General aviation aircraft, such as private and corporate jets or other aircraft, and automobile rental establishments,
- 8) Aviation-related educational uses such as flight schools, simulator training facilities, helicopter and aerobatics training and other educational facilities providing aviation courses,
- 9) Aviation-related governmental agency facilities,
- 10) Flying club facilities,
- 11) Aviation-related entertainment uses such as museums and sightseeing services,
- 12) Aviation-related retail uses such as general aviation aircraft sales, electronic and instrument sales and pilot stores,
- 13) Storage and aircraft maintenance and repair facilities and hangars,
- 14) Aircraft and aircraft parts manufacturing and storage,
- 15) Air cargo operations, and
- 16) Specialized aircraft service operations.



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F. Permissible Airport Uses – OPF – Non-Aviation Uses



Per § 33-363.1. Uses permitted on Opa-locka Airport lands in the GP Governmental Property zoning district:

(c) Subject to the restrictions contained herein, the following non-aviation uses may be approved in the aviation-related and non-aviation areas of the Opa-locka Airport:

- 1) Lodgings** such as hotels and motels,
- 2) Office buildings (except in terminal concourses),**
- 3) Industrial uses** such as distribution, storage, manufacturing research and development and machine shops (except in terminal concourses),
- 4) Agricultural uses,** and
- 5) Retail, restaurants, and personal service establishments.**



F. Permissible Airport Uses – TMB – Non-Aviation Uses



Per § 33-396.1. Uses permitted on Kendall Tamiami Executive Airport lands in the GP Governmental Property zoning district:

(2) Non-aviation uses:

- a) Subject to the restrictions contained herein, the following non-aviation uses may be approved in the aviation-related and non-aviation areas of the airport:**
- 1) Lodgings such as hotels and motels,**
 - 2) Office buildings,**
 - 3) Industrial uses such as distribution, storage, manufacturing research and development and machine shops,**
 - 4) Agricultural uses, and**
 - 5) Retail, restaurants, and personal service establishments.**

FAA Property Conveyance Agreement Requirements for Airport Sponsors:

- Maintain the airport in good and serviceable condition.*
- Operate the airport in the public interest.*
- Ensure there is no grant of an exclusive right for any aeronautical purpose.*
- Use specific lands approved by the FAA for nonaeronautical use to generate revenue to support the airport's aviation needs.*

Source: FAA Federal Handbook Section 5190.6B, Chapter 3, "Federal Obligations from Property Conveyances"






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Analysis of Existing Services & Potential Growth Opportunities
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H. Charter Service Rates



Source: "The Sherpa Report Guide to Private Aviation," November 2017.

			
Seating Capacity	Up to 8	Up to 9	Up to 18
Trip Length	Designed for shorter regional	4-5 hours	6+ hour transcontinental flights
Cabin / Amenities	Limited movement in cabin	Ample room to move around	Comfortable unrestricted movement; flight attendants
Rate Per Hour <i>(flight time only)</i>	\$4,038	\$4,615	\$6,346
One-Way From LA <i>(5.2 hours)</i>	\$21,000	\$24,000	\$33,000

I. OPF Tenant List



Tenants / Sub Tenants

AA Acquisition
Amazon
Atlantic Aviation
Avionic Sales Corp.
AVE, LLC
Biscayne Capital
Boca Aircraft Maintenance
CCRE Meek , LLC
Enterprise
Executive Air Services
Endeavor Flight Training
Fox Aviation Management
Go Fly
Turnberry Airport Holdings d/b/a/ Fountainbleau
Miami Helicopter
Nicklaus Children's Hospital
Off.Lease Only Miami
Reliable Jet Maintenance
Signature Flight Support
Turbo Power
U.S. Coast Guard Air Station
U.S. Customs and Border Protection
U.S. Postal Service
Wayman Aviation

Services Provided

Master Developer
Industrial/ Shipping, Receiving , Distribution
FBO, Car Rental
Avionics Sales and Repair
Master Developer
Private Hangar Storage
Aircraft Maintenance
Master Developer
Ground Transportation
Charter Services
Flight School
Charter Services
Tours / Flight Schools
Developer / Full Time FBO, Rental Car, Hangar
Helicopter Tours
Air Ambulance
Retail Auto Sales
Aircraft Maintenance
FBO Service, Air Charters, Car Rental, Food Service
Aircraft Maintenance & Repair
Military Search & Rescue
Private Aircraft Security Clearance
Post Office
Flight School



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Analysis of Existing Services & Potential Growth Opportunities
Miami-Opal Locka Executive & Miami Executive Airports

J. TMB – Tenant List



Tenants / Sub Tenants

Advanced Real Estate Holdings
Air Sal d/b/a International Flight Center
B&B, LLC
C. R. Aviation
Cuban Pilots' Association
Landmark d/b/a Falcon Trust Air
International Flight Center
JNJ Growers
Ledford Farms
Miami Dade College
Miami-Dade Fire & Rescue
Miami-Dade Police Aviation
Miami Executive Services(G.R. Jet Services)
Peninsula Avionics
Reliance Aviation
Signature Flight Support
Silver Express
Tamiami Air
Wings Over Miami

Services Provided

Maintenance and Storage
Maintenance, Fuel, Hangars, Restaurant, Car Rental
Storage Hangar Facility
Maintenance, Fuel, Hangars
Education / Bay of Pigs Memorial
Maintenance, Flight School, Car Rentals, Hangars
Maintenance, Fuel, Car Rentals, Hangar Tie Downs
Agricultural Farmland
Agricultural Farmland
Flight Simulator Lab, Aviation Training
Air Fire & Rescue
Security
Fixed Based Operations Facility
Avionics Sales & Services, Repairs, Hangar Tie Downs
Air Charters, Maintenance, Fuel, Hangars, Flight School
Maintenance, Fuel, Flight School,
Flight School, Rentals, Fuel, Maintenance, Pilot Shop,
Hangars, tied Downs, Maintenance, Pilot Shop
Airport Tours / Gift Shop / Educational

