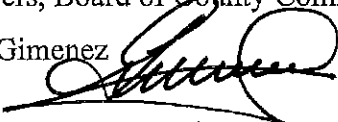


Date: June 30, 2015

To: Honorable Chairman Jean Monestime
and Members, Board of County Commissioners

From: Carlos A. Gimenez
Mayor 

Subject: Approval of First Amendment to Lease Agreement C-006333 with Landmark Aviation
Miami III, LLC

Agenda Item No. 8(A)(1)

Resolution No. R-557-15

RECOMMENDATION

It is recommended that the Board of County Commissioners (Board) approve the attached First Amendment to the 10-year Lease Agreement C-006333 for premises at Miami International Airport (MIA) with Landmark Aviation Miami III, LLC (Landmark), extending the lease for five (5) years in consideration of Landmark's improvements to the facility in the amount of \$3,375,000.00 to be completed by May 1, 2018.

SCOPE

MIA is located primarily within Commission District 6, which is represented by Commissioner Rebeca Sosa. However, the impact of this item is countywide as MIA is a regional asset.

DELEGATED AUTHORITY

This item authorizes the Mayor or Mayor's designee to execute the First Amendment to Lease Agreement C-006333 and to exercise all rights contained therein, including but not limited to extension or termination provisions.

FISCAL IMPACT/FUNDING SOURCE

Lease Agreement C-006333 currently generates more than \$9 million annually for the Miami-Dade Aviation Department (MDAD) and the planned construction requires no monetary outlay from Miami-Dade County.

TRACK RECORD/MONITOR

This Amendment will be administered by MDAD's Real Estate Management & Development Division Director Jason Wilson.


BACKGROUND

Landmark Aviation, a first-class fixed-base operator (FBO), has been a tenant at MIA since June 2011, having been ranked the highest company in the competitive selection process. The company's MIA station, one of 69 Landmark locations worldwide, employs a staff of 58. In 2012, Landmark completed \$1.8 million renovation to their terminal building and, in 2013, added 3,000 square yards of asphalt and pavement to expand its ramp to accommodate additional aircraft parking, at an approximate cost of \$350,000.

Improvements to be completed by Landmark under this amendment will include: (i) a 3,500 square foot terminal facility built on the footprint of the existing Ground Services Equipment (GSE) building or other location approved by MDAD, designed principally to accommodate sports charters,

Honorable Chairman Jean Monestime
and Members, Board of County Commissioners
Page 2

at a minimum expenditure of \$1.3 million; (ii) a 2,500 square foot GSE shop to replace the existing facility if used for construction of the new terminal facility, at a minimum expenditure of \$875,000.00; (iii) significant ramp repairs at a minimum expenditure of \$1 million; and (iv) repainting of the FBO exterior at a minimum expenditure of \$200,000.00.



Jack Osterholt, Deputy Mayor




MEMORANDUM

(Revised)

TO: Honorable Chairman Jean Monestime
and Members, Board of County Commissioners

DATE: June 30, 2015

FROM: 
R. A. Cuevas, Jr.
County Attorney

SUBJECT: Agenda Item No. 8(A)(1)

Please note any items checked.

- "3-Day Rule" for committees applicable if raised
- 6 weeks required between first reading and public hearing
- 4 weeks notification to municipal officials required prior to public hearing
- Decreases revenues or increases expenditures without balancing budget
- Budget required
- Statement of fiscal impact required
- Ordinance creating a new board requires detailed County Mayor's report for public hearing
- No committee review
- Applicable legislation requires more than a majority vote (i.e., 2/3's _____, 3/5's _____, unanimous _____) to approve
- Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required

Approved _____ Mayor
Veto _____
Override _____

Agenda Item No. 8(A)(1)
6-30-15

RESOLUTION NO. R-557-15

RESOLUTION APPROVING FIRST AMENDMENT TO LEASE AGREEMENT BETWEEN MIAMI-DADE COUNTY AND LANDMARK AVIATION MIAMI, LLC, FOR PREMISES AT MIAMI INTERNATIONAL AIRPORT, EXTENDING THE TERM OF THE LEASE BY FIVE YEARS AND PROVIDING FOR TENANT INVESTMENT OF \$3,375,000.00; AUTHORIZING COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO EXECUTE SAME AND EXERCISE ALL RIGHTS CONTAINED THEREIN, INCLUDING BUT NOT LIMITED TO EXTENSION OR TERMINATION PROVISIONS; AND DIRECTING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO PROVIDE A COPY OF THE AMENDMENT TO THE LEASE TO THE PROPERTY APPRAISER

WHEREAS, this Board desires to accomplish the purposes outlined in the accompanying memorandum, a copy of which is incorporated herein by this reference,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that this Board approves the First Amendment to Lease Agreement C-006333 between Miami-Dade County and Landmark Aviation Miami, LLC, for premises at Miami International Airport to provide for a five year extension of the lease term and \$3,375,000.00 in improvements to the leasehold by Landmark Aviation Miami, LLC; and authorizing the County Mayor or County Mayor's designee to execute same and exercise all rights contained therein, including but not limited to extension or termination provisions. The County Mayor or the County Mayor's designee is hereby directed to provide to the Property Appraiser's Office an executed copy of the First Amendment within 30 days of its execution.

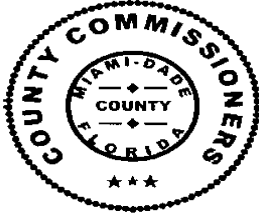
The foregoing resolution was offered by Commissioner **Sally A. Heyman**, who moved its adoption. The motion was seconded by Commissioner **Rebeca Sosa** and upon being put to a vote, the vote was as follows:

	Jean Monestime, Chairman	aye		
	Esteban L. Bovo, Jr., Vice Chairman	aye		
Bruno A. Barreiro	aye	Daniella Levine Cava	aye	
Jose "Pepe" Diaz	absent	Audrey M. Edmonson	aye	
Sally A. Heyman	aye	Barbara J. Jordan	aye	
Dennis C. Moss	aye	Rebeca Sosa	aye	
Sen. Javier D. Souto	aye	Xavier L. Suarez	aye	
Juan C. Zapata	aye			

The Chairperson thereupon declared the resolution duly passed and adopted this 30th day of June, 2015. This resolution shall become effective upon the earlier of (1) 10 days after the date of its adoption unless vetoed by the County Mayor, and if vetoed, shall become effective only upon an override by this Board, or (2) approval by the County Mayor of this Resolution and the filing of this approval with the Clerk of the Board.

MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF
COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK



By: **Christopher Agrippa**
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.

Handwritten signature of David M. Murray in black ink.

David M. Murray

**FIRST AMENDMENT
TO
LEASE AGREEMENT WITH
LANDMARK AVIATION MIAMI, LLC**

THIS FIRST AMENDMENT to Lease Agreement No. C-006333 between Miami-Dade County as **Lessor** and **LANDMARK AVIATION MIAMI, LLC** as **Lessee** ("Lease Agreement") is made and entered into as of this ____ day of ____, 2015.

WHEREAS, effective as of June 11, 2011, the parties entered into Lease Agreement No. C-006333, as approved by the Lessor's Board of County Commissioners in Resolution No. R-12-11, for the purpose of providing full service FBO services in Buildings 836, 839 and 840 at Miami International Airport; and

WHEREAS, Lessee desires to construct additional facilities on the Premises in order to better serve its customers; and

WHEREAS, Lessor is willing to extend the current lease for five (5) years from its current expiration date of June 10, 2021 to June 10, 2026, provided the Lessee completes construction of the facilities by May 1, 2018 at a total approved improvement cost of not less than \$3,375,000.00; and

WHEREAS, the additional facilities to be constructed by Lessee at Lessee's sole cost shall consist of (i) a 3500 square foot terminal facility designed principally to accommodate sports charters, at a minimum expenditure of \$1,300,000.00, such terminal facility to be constructed within the existing ground services equipment (GSE) facility, or at any other location approved by MDAD, (ii) a 2500 square foot GSE shop to replace the existing GSE facility if used for construction of the new terminal facility, at a minimum expenditure of \$875,000.00, (iii) significant ramp repairs at a minimum expenditure of \$1,000,000.00, and (iv) Repaint the entire FBO exterior at a minimum expenditure of \$200,000.00; and

WHEREAS, Lessor is willing to extend the Lease Agreement for the five year period on the condition that, if Lessee fails to obtain a Temporary or permanent Certificate of Occupancy of the terminal facility and the GSE shop (if needed to replace the existing GSE facility), and fails to complete the ramp repairs and repainting of the FBO facilities by May 1, 2018, then the original expiration date of the Lease Agreement of June 10, 2021 shall go back into effect and at the expiration of the Lease Agreement

on June 10, 2021, all facilities on the Premises shall revert to Lessor with no obligation to compensate Lessee in any manner for such facilities or their cost; and

NOW THEREFORE, in consideration of the premises and intending to be legally bound hereby, the parties agree as follows:

1. The foregoing preambles are acknowledged and accepted by the parties and are incorporated herein as if part of this First Amendment.
2. Article 1.01 is hereby deleted in its entirety and is replaced by the following:
 - 1.01 Term: The County hereby leases to the Lessee, and the Lessee hereby leases from the County, commencing on June 11, 2011, and ending on June 10, 2026, the premises described in Article 1.02 (“the “Premises”), for the purposes and uses set forth in Article 2 (“Use of Premises”).
3. Article 1.01 as amended above shall not be effective if by May 1, 2018 (i) Lessee fails to expend at least \$3,375,000 in Improvement costs, or (ii) fails to obtain a Temporary or permanent Certificate of Occupancy for the terminal facility and the GSE shop (if needed because of Lessee’s use of the existing GSE shop for the terminal facility), or (iii) fails to complete (to the satisfaction of the Consulting Engineer of Lessor) the ramp and the repainting of the existing FBO buildings on the Premises. If any of the foregoing do not occur by May 1, 2018, then Article 1.01 as amended above shall be replaced with the original Article 1.01 of the Lease Agreement and the expiration date of the Lease Agreement shall remain as June 10, 2021. Costs eligible for meeting the \$3,375,000 minimum shall be those Approved Improvement Costs as determined by MDAD under Section 5 below.
4. Lessor shall be entitled to impose rents and charges for the ramp and FBO buildings as improved and repainted by Lessee, as determined by MDAD’s standard appraisal process, and Lessee shall not be entitled to any credit because of its renovation work to the ramp and FBO buildings. For the duration of the Lease Agreement, Lessee shall not be required to pay rent on (i) any new terminal facility, (ii) any terminal facility renovated from the GSE shop, or (iii) any new GSE facility that it builds; provided, however, that land and existing pavement rent for any such facilities must be paid by Lessee, and if Lessee continues as a tenant of the Premises following the expiration of the

Lease Agreement, either on June 10, 2026 or June 10, 2021, Lessee shall be required to pay fair market value rentals on all facilities and Improvements on the Premises as of such expiration date. In no event shall Lessor be obligated to compensate or reimburse Lessee for any costs, whether Approved Improvement Costs or otherwise, incurred by Lessee for the construction or renovation work discussed herein.

5. Costs of the project that are eligible for determination of the minimum expenditure of \$3,375,000 shall be limited to Approved Improvements Costs, which shall be defined and determined as follows: Within ninety days of completion of construction of any Improvements, the Lessee shall submit to the Department, a certified audit of the monies actually expended in the design and construction of the reimbursable Improvements in accordance with the Approved Improvements Documents, prepared by an independent certified public accounting firm, approved in advance by the Department ("Auditor"). For costs subject to reimbursement hereunder, the Lessee shall be responsible for documenting for the Auditor that the monies were expended and that they are true, correct and why they are eligible for reimbursement hereunder. The costs of design and construction, in accordance with the Approved Improvements Documents and any changes thereto requested by the Lessee and approved by the Department, including the costs of required bonds, construction insurance and the construction audit ("Approved Improvements Costs"), shall not include the costs of any other consultant, except the owner's Representative, unless otherwise approved in advance by the Department, or accountant fees, financing or legal fees, and furniture and other personal property of the Lessee. The cost of interior decorations, other than standard Department approved finishes, special finishes, wall tile or other special wall finishes and coverings, construction photographs and special external and internal lighting and signage shall not be included in Approved Improvements Costs, unless specifically approved in writing by the Department, upon the separate request of the Lessee. Approval of such decorations, finishes, lighting and signs as part of Approved Improvements Documents shall not constitute an approval of same for inclusion in Approved Improvements Costs. In the event of any disputes between the Department and the Lessee as to whether certain costs are to be included in Approved Improvements Costs, said dispute(s) shall be submitted to the Consulting Engineers named pursuant to the Trust Agreement, as defined in Article 21 hereof. The decision of said Consulting Engineers shall be final and binding upon the parties hereto.

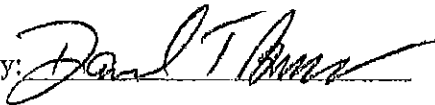
6. In no event shall Lessee commence the design or construction of new facilities or commence the ramp or repainting work without the prior review of the Aviation Department and the approval provided by MDAD in writing for such design, construction, or work. All work must comply with MDAD's design and construction requirements, as provided to Lessee separately or in conjunction with MDAD's approval documents.
7. Notwithstanding Lessee's work performed hereunder at Lessee's cost, Lessor shall not be obligated to extend the Lease Agreement beyond June 10, 2026 or June 10, 2021 or give preference to Lessee for continued use of the Premises beyond the expiration date because of Lessee's construction and renovation work hereunder.
8. The MAG of nine million dollars per year as set forth in Article 3.01, as well as the Opportunity Fee under Article 3.02 and all other charges payable by Lessee under the Lease Agreement are not affected by Lessee's work hereunder and shall continue until the expiration date of the Lease Agreement, whether June 10, 2026 or June 10, 2021.
9. The remainder of the terms and conditions of the Lease Agreement remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their respective representatives as of the date first above written.

MIAMI-DADE COUNTY

LANDMARK AVIATION MIAMI,
LLC

By: _____

By:  _____