



MEMORANDUM TO VENICE CITY COUNCIL

THROUGH CHARTER OFFICER: Edward Lavalley, City Manager

E-SIGN:

FROM: Mark Cervasio, Airport Director

DEPARTMENT: Airport

DATE: 8/24/23
2023

MEETING DATE: September 12,

SUBJECT / TOPIC: Tristate Aviation Group of Florida, LLC is an aeronautical land lease tenant that leases 9.82 acres of land at the airport located at 400, 220 and 200 Airport Avenue East. The tenant has requested that the City approve the assignment of the lease to Skyport Aviation Inc. and an Amendment extending the term of the lease under certain conditions.

BACKGROUND INFORMATION:

Tristate Aviation Group of Florida, LLC is an aeronautical land lease tenant that leases 9.82 acres of land at the airport located at 400, 220 and 200 Airport Avenue East. Tristate wishes to divest of the business and has negotiated a purchase agreement with Skyport Aviation, Inc. They have requested the City's approval of an assignment of the lease to Skyport Aviation, Inc. The lease currently comes to term on October 31, 2045 and has the provision for a five (5) year extension, at the tenant's option, for a termination date of October 30, 2050.

Skyport Aviation, Inc. owns and operates three (3) successful fixed base operation (FBO) facilities in Harrisburg, PA, Jacksonville, NC and at Tampa Executive Airport. In order to facilitate the sale, the lessee requests that the City extend the lease term to 2048 with a five year extension at the lessee's option for a full 30 year term under certain conditions they have agreed to. Those conditions would be to increase the lease rate from the existing \$.31 per square foot (\$143,484.40 annually) to \$.36 per square foot (\$184,840.92 annually) continuing the CPI rent adjustments every three (3) years effective upon the execution of the assignment. In addition, Skyport proposes to increase the fuel flowage fee required by the lease from the existing \$.05 per gallon to \$.08 per gallon effective upon execution of the assignment.

Requested Action: Staff requests that City Council authorize the Mayor to execute the Second Amendment to the lease between the City of Venice and Tristate Aviation Group Of Florida, LLC and the Assignment of the lease to Skyport Aviation, Inc. for the property located at 400, 220 and 200 Airport Avenue East.

SUPPORTS STRATEGIC PLAN: Goal Four: Upgrade and Maintain City Infrastructure and Facilities

COUNCIL ACTION REQUESTED: For Council Adoption by Consent Motion

Yes N/A

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| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Document(s) Reviewed for ADA compliance (required if for agenda posting) |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | City Attorney Reviewed/Approval |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Risk Management Review |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Finance Department Review/Approval |
| | | Funds Availability (account number): |