

**Boca Raton Airport Authority
Meeting Minutes
February 17, 2021
Renaissance Boca Raton Hotel**

Mr. Pollack called the meeting to order at 6:00 p.m.

BOARD MEMBERS

Melvin Pollack	Chair
Randy Nobles	Vice-Chair
James R. Nau	Secretary/Treasurer
Cheryl Budd	Board Member
Mitchell Fogel	Board Member
Gene Folden	Board Member
Bob Tucker	Board Member

COUNSEL

Amy Petrick, Esquire – Lewis Longman Walker

STAFF

Clara Bennett, Executive Director
Travis Bryan, Operations Manager
Christine Landers, Business Manager
Robert Abbott, Operations and Finance Analyst
Robert Pratt, Operations and Administration Coordinator

APPROVAL OF MINUTES

A MOTION to approve the minutes of the January 20, 2021 Regular Meeting was made by Ms. Budd and seconded by Mr. Tucker. The Motion carried unanimously.

AGENDA CHANGES

There were no agenda changes.

PUBLIC REQUESTS

There were no public requests.

CONSENT AGENDA

There were no items on the consent agenda.

FEDERAL, STATE AND MUNICIPAL INPUT

There was no Federal, State or Municipal Input.

FINANCIAL REPORT

Mr. Nau advised that he had reviewed the January Financial Report and found it satisfactory.

Ms. Bennett presented the Financial Report for January 2021.

A MOTION to approve the Financial Report for January 2021 was made by Mr. Nobles and seconded by Mr. Fogel. The Motion carried unanimously.

TENANT REPORTS AND REQUESTS

Ms. Bennett provided an overview of the Ninth Amendment to Lease Agreement with Premier Aviation of Boca Raton, LLC (Premier), which requires Premier to meet certain quarterly milestones related to the Phase III development. Premier met the first milestone in October with their presentation for the conceptual plan of Phase III to accommodate Ashley HomeStore. Ms. Bennett advised the Board that Premier is not ready to present the 50% plan requirement due at this time because of ongoing negotiating of a sublease with City Furniture.

Mr. Hamid Hashemi, CEO of Premier Aviation of Boca Raton LLC, provided an update on the Phase III development progress. Mr. Hashemi stated that Premier is currently working on a proposal with Signature Flight Support and City Furniture, adding that the main concern is the lease terms. Mr. Hashemi stated that his goal is to present the sublease at the next Airport Authority Board meeting.

Mr. Pollack asked what assurances Mr. Hashemi could provide to the Board to bring this to completion. Mr. Hashemi advised the Board that the lease terms are a concern but he expects to present a sublease agreement in the next 30 days.

Ms. Budd asked Ms. Bennett to summarize what the Authority Board needs to obtain from this negotiation relative to FAA requirements and the proposed plan.

Ms. Bennett stated that, based on conversations with Mr. Hashemi, her understanding is that Premier wants to exercise the three lease options for renewal and negotiate terms with the Airport Authority in order to facilitate the development of Phase III to accommodate City Furniture. Ms. Bennett added that, if renewal terms are negotiated, rent for non-aeronautical uses should be based on fair market value and the agreement should be submitted to the FAA for approval. Airport Management and Legal Counsel would need to review the sublease between Premier and City Furniture and any amendments to current subleases to ensure compliance.

Ms. Budd asked Legal Counsel to explain the relationship between non-aeronautical property and aeronautical property regarding fair market value.

Ms. Petrick advised the Board that if the Board wants to amend the lease, it can be amended. There is an appraisal process outlined in the lease to determine fair market value, should Premier wish to exercise that part of the lease. Grant assurances require fair market value for non-aeronautical property and this is not something the Airport can vary from. The FAA allows for a different process for valuing aeronautical property, as long as the Airport is self-sustaining.

Ms. Budd asked Mr. Hashemi if he understood this concept. Mr. Hashemi said he is aware of this and is willing to get an appraisal now.

Mr. Fogel clarified that for Mr. Hashemi to complete the deal, he must exercise the extension of the lease. The challenge today is setting what the lease rent will be in 14 years. The Authority Board needs to be confident in this action.

Mr. Hashemi asked the Airport Authority Board to waive the 50% plan delivery today and stated that he will obtain an appraisal.

Ms. Bennett stated the recommendation is not to waive the 50% requirement but to grant an extension and asked for direction from the Authority Board regarding a Tenth Amendment.

Mr. Folden asked why after being told in the fall that 50% plans would be presented within 30 days, they have not been presented and whether City Furniture continues to be committed to this sublease.

Mr. Hashemi stated that delivering 50% plans in that short amount of time was not reasonable and now the sublease with City Furniture is dependent on the outcome of extending the lease terms.

A discussion ensued.

Ms. Budd proposed that the Board authorize Airport Management and Legal Counsel to draft a Tenth Amendment, addressing the concerns discussed during the meeting and grant approval for the Chair to execute it.

Mr. Tucker asked if there was any progress with the vacant restaurant. Mr. Hashemi said he has two interested parties and is optimistic about bringing a sublease to the Board within the next 60 days.

A MOTION to extend the 50% plan requirement of the Ninth Amendment to April 13, 2021; direct Airport Management to negotiate the potential early exercise of lease renewals provided for in the Lease Agreement at fair market value; and delegate authority to Chair Pollack to execute a Tenth Amendment effectuating the intent of this Motion was made by Ms. Budd and seconded by Mr. Fogel. The Motion carried unanimously.

Mr. Jose Cabrera General Manager, Signature Flight Support Corporation, presented Signature Renew Initiative.

Mr. Tucker asked how Signature will promote the initiative. Mr. Cabrera stated they are looking at various ways, including working with the City of Boca Raton's Economic Development team.

EXECUTIVE DIRECTOR AND STAFF REPORTS

Mr. Pratt presented the Noise Abatement/Operations Summary for the month of January 2021.

Mr. Abbott presented an overview of the FAA Neighborhood Environmental Survey.

Mr. Nobles provided a brief overview of the Airport Master Plan project including the FAA requirements and the expected outcome. Mr. Nobles introduced Mr. Brad Weston, Managing Consultant, and Sebastien Carreau, Director, Ricondo and Associates.

Mr. Weston provided an overview of the Airport Master Plan, including what has been completed and remaining steps.

AUTHORITY MEMBERS REQUESTS AND REPORTS

There were no Member requests or reports.

PUBLIC INPUT

There was no public input.

OTHER BUSINESS

There was no other business.

MISCELLANEOUS

The next regular meeting is scheduled for March 17, 2021 at 6:00 p.m. Due to COVID-19, information on the location of the meeting and how to participate will be announced at a later date via the meeting notice.

ADJOURNMENT

Meeting adjourned at 7:21 p.m.

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Melvin Pollack, Chair Date