PALM BEACH COUNTY	
BOARD OF COUNTY COMMISSIONERS	

Agenda Item:

AGENDA ITEM SUMMARY

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Meeting Date:	October 2, 2007	[X]	Consent Workshop	[r] Regular] Public Hearing
Department:			F	•]
Submitted By:	Department of Airports				
Submitted For:					
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I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to adopt: a resolution establishing rental rates for certain hangar facilities at the North County General Aviation Airport (Airport); authorizing the County Administrator or his designee to increase rental rates for certain hangar facilities at the Airport; and superseding and replacing rental rates established pursuant to Resolution No. 2003-0552.

The Department recently obtained an appraisal from Slack, Johnston and Summary: Magenheimer, which indicated that the County is charging below market rental for certain hangar facilities located at the Airport. A summary of current and appraised rates are set forth on Attachment 2. This Resolution will increase the rental rates for the hangars over a three-year period to the current appraised rate and will authorize the County Administrator or his designee to annually increase rental rates commencing October 1, 2010, by an amount not to exceed the greater of fair market rental as determined by appraisal or three percent per year. The Department is recommending a phased increase with the first increase on December 1, 2007, to give existing tenants the opportunity to prepare for the rental increases. The Aviation and Airports Advisory Board approved the proposed rate increases at its August 15, 2007 meeting. Countywide (AH)

Background and Justification: On January 14, 1997, the Board approved an increase in the rental rates for the existing T-hangars and shade hangars at the Airport. On April 15, 2003, the Board approved rental rates for 78 new T-hangars at the Airport pursuant to Resolution 2003-0552.

Attachments:

1. Resolution

2. Summary of current and appraised rates

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Recommended By: _	Ann Pelly	8/38/07
	Department Director	Date
Approved By: _	charles	Acabo
	County Administrator	Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Capital Expenditures Operating Costs Operating Revenues Program Income (County) In-Kind Match (County)	(132,500)	<u>(316,000)</u>	<u>(468,500)</u>	<u>(468,500)</u>	(468,500)
NET FISCAL IMPACT	<u>(132,500)</u>	(316,000)	(468,500)	<u>(468,500)</u>	<u>(468,500)</u>
# ADDITIONAL FTE POSITIONS (Cumulative)					
Is Item Included in Current Budget? Yes <u>x</u> No Budget Account No: Fund <u>4100</u> Department <u>120</u> Unit <u>8250</u> RSource <u>4415</u> Reporting Category					

B. Recommended Sources of Funds/Summary of Fiscal Impact:

Current revenue from the hangars generates approximately \$932,500 per year under the existing rate structure. Approval of the proposed rate structure shown on Exhibit "A" will produce increased revenue as shown above. These increases assume vacancy factors which may vary. This analysis assumes no change in rates or other assumptions beyond fiscal year 2010 due to uncertainty.

C. Departmental Fiscal Review:

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Development and Control Comments:

B. Legal Sufficiency:

19/07 9 Jul 2 Assistant County Attorne

C. Other Department Review:

Department Director

8/07

RESOLUTION NO. 2007-

RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA; ESTABLISHING RENTAL RATES FOR CERTAIN HANGAR FACILITIES AT THE NORTH COUNTY GENERAL AVIATION AIRPORT; AUTHORIZING THE COUNTY ADMINISTRATOR OR HIS DESIGNEE TO INCREASE RENTAL RATES FOR HANGAR FACILITIES AT THE NORTH COUNTY AIRPORT; SUPERSEDING AND REPLACING RENTAL RATES ESTABLISHED PURSUANT TO RESOLUTION NO. 2003-0522; PROVIDING FOR REPEAL OF CONFLICTING **RESOLUTIONS; PROVIDING FOR SEVERABILITY; AND** PROVIDING AN EFFECTIVE DATE.

WHEREAS, on January 14, 1997, the Board of County Commissioners (the "Board") approved rental rates for certain existing and new hangar facilities at the North County General Aviation Airport (the "Airport"); and

WHEREAS, on April 15, 2003, the Board approved rental rates for certain new hangar facilities at the Airport pursuant to Resolution 2003-0522; and

WHEREAS, the current standard form agreement for T-hangars does not specify how rental escalation will be determined; and

WHEREAS, the Department of Airports has obtained an appraisal of the hangar facilities at the Airport, which indicates the facilities are currently being leased at below market rental rents; and

WHEREAS, the Board desires to increase the rental rates for the hangar facilities at the Airport.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, that:

1. The foregoing recitals are true and correct and are expressly incorporated herein by reference and made a part hereof.

2. The Board of County Commissioners hereby approves the rental rates for the Airport hangar facilities set forth in Exhibit "A", attached hereto and incorporated herein. The rental rate increases shall become effective on the dates set forth in Exhibit "A".

3. Commencing on October 1, 2010, the County Administrator or his designee, the Director of the Department of Airports, may annually increase the rental rates for the hangar facilities identified on Exhibit "A" to an amount not to exceed the greater of the fair market rental as determined by appraisal or three percent (3%) per year. Nothing in this Resolution shall be construed as requiring an appraisal to be obtained prior to approval of an increase of three percent (3%) or less to the rental rates. A summary of the new rental rates approved pursuant to this Resolution shall be received and filed with the Clerk of the Board within ninety (90) days of approval.

4. The rental rates set forth in Section 2 of Resolution No. R-2003-0522 shall be superseded and replaced with the rates set forth in Exhibit "A" of this Resolution effective December 1, 2007. All resolutions, which are in conflict with this Resolution, are hereby repealed to the extent of such conflict.

5. The Department shall provide the Aviation and Airports Advisory Board ("AAAB") a copy of any proposed rental rate increases to be approved by the County Administrator or his designee pursuant to this Resolution for review and comment at a regularly scheduled meeting of the AAAB prior to approval.

6. If any section, sentence, clause, phrase, or word of this Resolution is held invalid or unconstitutional by a Court of competent jurisdiction, then said holding shall in no way affect the validity of the remaining portions of this Resolution.

7. This Resolution shall become effective immediately upon adoption.

The foregoing resolution was offered by Commissioner ______, who moved its adoption. The motion was seconded by Commissioner ______, and, being put to a vote, the vote was as follows:

Commissioner Addie L. Greene, Chairperson	-
Commissioner John F. Koons, Vice Chair	-
Commissioner Karen T. Marcus	-
Commissioner Robert J. Kanjian	-
Commissioner Mary McCarty	-
Commissioner Burt Aaronson	-
Commissioner Jess R. Santamaria	-

Then the Chairperson thereupon declared the resolution duly passed and adopted this _____ day of _____, 2007.

PALM BEACH COUNTY, FLORIDA, BY ITS BOARD OF COUNTY COMMISSIONERS

Sharon R. Bock, Clerk & Comptroller

By:

Deputy Clerk

APPROVED AS TO FORM AND LEGAL SUFFICIENCY

By: ____

County Attorney

EXHIBIT "A"

	NORTH COUNTY GENERAL AVIATION AIRPORT			
Building	HAF Building Type/Approx. Square Footage	NGAR RENTAL INC Effective December 1, 2007	Effective October 1, 2008	Effective October 1, 2009
Building 11200	Executive Hangar (1,410 sq. ft./low clear height)	\$433	\$516	\$600
Building 11210	Executive Hangar (5 smaller units 1,742 sq. ft)	\$591	\$683	\$775
Building 11210	Executive Hangar (4 larger units 3336 sq. ft.)	\$1269	\$1538	\$1807
Buildings 11220 11230 11240	T-Hangar (1,400 sq. ft./higher clear height)	\$500	\$600	\$700
Buildings 11300 11350	T-Hangar (1,126 sq. ft.)	\$350	\$425	\$500
	Shade Hangar (1,126 sq. ft.)	\$175	\$200	\$225
Buildings 11720 11730 11740 11750	T-Hangar (1399 sq. ft./higher clear height)	\$583	\$641	\$700

ATTACHMENT "2"

Building	Building Type/Approx.	Appraised Rent/Mo.	Current Rental
	Square Footage		
Building	Executive	\$600	\$350*
11200	Hangar	\$000	\$550
11200	(1,410 sq. ft.)		
Building	Executive	\$775	\$500*
11210	Hangar	• · · · -	
	(5 smaller units		
	1,742 sq. ft)		
Building	Executive	\$1807	\$1000*
11210	Hangar		
	(4 larger units		
Buildings	3336 sq. ft.) T-Hangar	\$700	\$400*
11220	(1,400 sq. ft.)	\$700	\$ 100
11230	(-,,,		
11240			
Buildings	T-Hangar	\$500	\$275*
11300	(1,126 sq. ft.)		
11350			
	Shade Hangar	\$225	\$150*
	(1,126 sq. ft.)		
Buildings	T-Hangar	\$700	\$525**
11720	(1399 sq. ft.)		
11730			
11740			
11750		<u> </u>	

*Rates were last increased for these hangars in January 1997. ** Rates were last increased for these hangars in April 2003.