



# City of Pensacola

222 West Main Street  
Pensacola, FL 32502

## Memorandum

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**File #:** 20-00390

City Council

8/13/2020

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### **LEGISLATIVE ACTION ITEM**

**SPONSOR:** Grover C. Robinson, IV, Mayor

**SUBJECT:**

AIRPORT - APPROVAL OF AMENDMENT NO 5 TO THE LEASE AND OPERATING AGREEMENT BETWEEN THE CITY OF PENSACOLA AND PENSACOLA AVIATION CENTER, LLC (F/K/A AEROSE LLC)

**RECOMMENDATION:**

That City Council authorize the Mayor to execute Amendment No. 5 to the Lease and Operating Agreement between the City of Pensacola and Pensacola Aviation Center, LLC (f/k/a Aerose LLC) at the Pensacola International Airport. Further, that City Council authorize the Mayor to take all actions necessary to execute the Amendment No. 5.

**HEARING REQUIRED:** No Hearing Required

**SUMMARY:**

The City of Pensacola and Aerose LLC entered into a 30-year Lease and Operating Agreement dated July 29, 2004. Under the Agreement, Aerose LLC leased certain property at the Pensacola International Airport on which it developed a corporate hangar and office complex at the Airport's General Aviation Corporate Ramp.

In order for Aerose LLC to provide Fixed Base Operator services to the general public, the lease was later amended to expand the leasehold in accordance with the requirements of the Airport's Minimum Standards for Commercial Aeronautical Activities. Amendment No. 2 added approximately 78,000 square feet of rotary wing aircraft apron area to the leasehold.

On August 2, 2016, Aerose LLC assigned all of its rights, title, interest and leasehold estate in, to and under the lease to Pensacola Aviation Center, LLC. Pensacola Aviation Center, LLC is a full-service Fixed Base Operator serving the Pensacola International Airport since 1997. In June 2020, Pensacola Aviation Center, LLC notified staff that it did not need the additional rotary wing aircraft apron parking space and requested that the space be deleted from its leasehold. The subject apron area was also identified in the most recent Airport Master Plan as a location for future Air Carrier parking.

**PRIOR ACTION:**

May 5, 2004 - City Council approved the lease with Aerose LLC.

September 9, 2007 - City Council approved Amendment No. 1.

November 15, 2012 - City Council approved Amendment No. 2.

June 18, 2015 - City Council approved Amendment No.3.

July 14, 2016 - City Council authorized the assignment and assumption of the lease from Aerose LLC to Pensacola Aviation Center, LLC.

June 11, 2020 - City Council approved Amendment No. 4.

**FUNDING:**

N/A

**FINANCIAL IMPACT:**

The \$72,576.68 annual rent for Pensacola Aviation Center, LLC will be reduced by \$24,776.99 for a new annual rent of \$47,799.69.

**CITY ATTORNEY REVIEW:** Yes

7/21/2020

**STAFF CONTACT:**

Keith Wilkins, City Administrator

Richard Barker, Jr., Deputy City Administrator - Administration & Enterprise

Matthew F. Coughlin, Airport Director

**ATTACHMENTS:**

- 1) Pensacola Aviation Center (fka Aerose LLC) Amendment No 5

**PRESENTATION:** No