

**ECONOMIC DEVELOPMENT ADVISORY BOARD (EDAB)  
MEETING MINUTES  
CITY OF FORT LAUDERDALE  
100 NORTH ANDREWS AVENUE  
8<sup>TH</sup> FLOOR CONFERENCE ROOM  
WEDNESDAY October 9, 2013 – 3:45-5:15 P.M.**

<u>Board Members</u>		<u>Attendance – January thru December</u>	
		<u>Present</u>	<u>Absent</u>
Sheryl Dickey, Chair	P	8	1
Kit Denison, Vice Chair	P	8	1
Jason Scott Crush	P	8	1
Al Calloway	A	7	2
Cary Goldberg	P	7	2
Jason Hughes	P	9	0
Cort Niemark	P	2	re-apptd 9/13
George Mihaiu	P	8	1
Denyse O’Grady 3:55 p.m.	P	7	2
Dev Motwani	P	8	1
John Scherer	A	6	3

At this time, there are 10 appointed members to the Board, which means 6 would constitute a quorum.

**Staff**

Karen Reese, Economic Dev. Rep., Economic & Community Reinvestment  
Patricia L. Smith, Secretary III

**I. Call to Order & Determination of Quorum**

Chair Dickey called the meeting to order at 3:55 p.m. and it was determined that a quorum was present.

**Communications to City Commission**

**Motion** made by Mr. Motwani and seconded by Mr. Crush that in light of the recent local and national economic changes the dynamic at the Fort Lauderdale Executive Airport and uncertainty about the proposed recreational use to look at alternative uses for the Lockhart Stadium property.

Discussion ensued.

**Motion** amended by Ms. O’Grady and seconded by Mr. Crush to also state that any new development does not restrict or impede the airport’s ability to further expand its runway. **Motion** passed unanimously.

## **II. Introductions**

The Board, staff members, and guests introduced themselves.

## **III. Approval of September 11, 2013 Minutes**

**Motion** made by Mr. Motwani and seconded by Mr. Neimark to approve the minutes of the September 11, 2013 meeting. In a voice vote, the **motion** passed unanimously.

## **IV. Foreign Trade Zone 241 (FTZ241)–Clara Bennett, Dep. Dir. Trans. & Mobility**

Ms. Bennett introduced herself and gave a brief history of the Fort Lauderdale Executive Airport informing the Board that Fort Lauderdale Executive Airport (FXE) is currently the fifth busiest general aviation airport in the country. FXE is also the second busiest international customs facility in the country.

Ms. Bennett stated that as an integral part of the City's economic development effort FXE is always looking at ways not only to be a good neighbor to the uptown businesses, they also want to attract business that will prosper and be a benefit to the area, optimize safety and accomplish their mission and vision of creating the finest general aviation airport in the country.

She stated that FXE is exclusively a landlord or land development operation, meaning FXE does not provide any services to any of the aircraft. Banyan Air Service is a Fixed Base Operator (FBO) and offers all the services that aircraft need and is located on the property. She stated that FXE operates a 24 hour Air Traffic Control Tower, aircraft rescue and firefighting dedicated to the airport as well as a Police substation and the best staff they could want to work with. FXE also operates the downtown helistop. Revenue is generated through land leases and fees charged and FXE is one of the biggest tax payers in the City of Fort Lauderdale. Approximately 60% of FXE's revenue is collected from the industrial park which is specifically for non-aeronautical use, and is completely self-sufficient.

Ms. Bennett stated that there are seven sites that FXE is currently working on to bring to market in the next eighteen months, the largest being the stadium property. FXE is working with Schlitterbahn to develop a waterpark for this site which will bring in approximately \$810,000 in yearly rental income.

She stated that the total number of jobs created on FXE property according to the Florida Department of Transportation exceeds 5000 and the economic impact is over \$800 million.

By doing a feasibility study about 13 years ago FXE found about 40% of the businesses they came in contact with were involved in international business in some way. She felt

those numbers would be much higher today. This study showed there was a need for a Foreign Trade Zone (FTZ) at FXE. The goal is to expedite and make international trade in the U.S. fast and efficient, less costly for business and to create jobs. FXE's foreign trade zone is the 241<sup>st</sup> zone in the U.S. – FTZ241.

A FTZ can be located anywhere because it is a legal designation of a facility which must comply with all U.S. Customs and Border Patrol regulations. For the purpose of payments, customs tariffs or duties it is considered an international commerce and any foreign or domestic material can be moved into an FTZ without being subject to U.S. Customs duties. The merchandise is handled as if it is still sitting in a barge off-shore. Merchandise can be packaged, tested, sampled, assembled, among other things but retail trade is not allowed.

The benefits of a FTZ are duty deferral, elimination and reduction of duty and you can also get direct delivery, which means your products enter the port and go directly to your federally designated pre-approved facility. Duty deferral is the most basic benefit and it means you don't pay duty fees until those goods enter U.S. commerce. Duty elimination is when the goods enter the FTZ, and are re-exported. At that point you no duty fees paid, therefore you do not have to wait to be reimbursed any fees. Duty reduction can be obtained when a product enters the FTZ, is assembled or manufactured with different component parts and the duty can be negotiated on the finished product.

Ms. Bennett said that FXE has an Alternative Site Framework designation (ASF). The Airport is the HUB or general purpose site, and currently has two other sites in Weston and in Pompano. These are magnet sites located in industrial parks. The ASF site is a usage driven site and can be located anywhere there is a demonstrable need.

Ms. Bennett spoke about the fees involved in becoming a FTZ, and explained the procedure for becoming an approved FTZ operator. She also stated that the City Manager approved a full time position for a person dedicated to the FTZ.

The Board wanted more information about how and why the stadium property was being used for a waterpark. Some members felt that that a waterpark is not the highest and best use of the property. Ms. Bennett explained that this particular piece of property has height restrictions and the Commission has expressed they want to continue to foster and develop the recreational use of the property. The City Commission has directed staff to continue to pursue the recreational use of the property. She also informed the Board that the property had been land use and zoned as open space and the deed has since been changed to reflect recreational use and general aviation use.

The Board continued to discuss height limits and other highest and best avionic uses for the 60 acre property. They also discussed the need for a possible back-up plan to Schlitterbahn or have a consultant do a study.

Ms. Bennett discussed with the Board that FXE is having discussion with the City of Tamarac regarding imposed wheel weight restrictions being lifted in order to accommodate larger planes to land at FXE. The Board wanted to know if the stadium area property might be needed in the future as opposed to a 40 year water park lease. The Board asked if there were comparable FXE properties. Ms. Bennett stated there is not.

Ms. Bennett verbalized to the Board that the City Commission's direction to staff was to look at this property for recreation. The proposals discussed were that the waterpark would go on the old stadium parcel, enhance the stadium itself and try to bring back high school football, Strikers would remain there, concerts could be held there, retail, sports complex, with a lazy river to connect everything.

The Board thanked Ms. Bennett for her presentation.

#### **V. Old/New Business**

Ms. Reese informed the Board that the Economic Development Plan contract has been signed with Willdan and the Board will receive monthly updates.

The Board discussed the November agenda.

The Board discussed the potential economic impact that developing the stadium property could have on the City and FXE. They spoke about the possibility of a new study being done for that property or that it be included as part of the master plan study. The Board felt the City should be looking at developing this property as well as other FXE properties from an aviation point of view.

**Motion** made by Mr. Motwani and seconded by Mr. Crush that in light of the recent local and national economic changes the dynamics at the Fort Lauderdale Executive Airport and uncertainty about the proposed recreational use, to look at alternative uses for the Lockhart Stadium property.

Discussion ensued.

**Motion** amended by Ms. O'Grady and seconded by Mr. Crush to also state that any new development does not restrict or impede the airport's ability to further expand its runway. **Motion** passed unanimously.

There being no further business to come before the Board at this time, the meeting was adjourned at 5:17 p.m.

[Minutes prepared by Patricia L. Smith, Secretary III]