



Legislation Details (With Text)

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In control: Board of County Commissioners

On agenda: 5/17/2022 **Final action:**

Title: APPROVAL OF ASSIGNMENT OF LEASE AT MARTIN COUNTY AIRPORT/WITHAM FIELD FROM TRIUMPH AEROSTRUCTURES, LLC TO DAHER AEROSPACE INC.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Daher Consent and Estoppel.pdf

Date	Ver.	Action By	Action	Result
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PLACEMENT: Consent

TITLE:

APPROVAL OF ASSIGNMENT OF LEASE AT MARTIN COUNTY AIRPORT/WITHAM FIELD FROM TRIUMPH AEROSTRUCTURES, LLC TO DAHER AEROSPACE INC.

EXECUTIVE SUMMARY:

This agenda item concerns the approval of the assignment of lease at Martin County/Witham Field from Triumph Aerostructures, LLC to Daher Aerospace Inc.

DEPARTMENT: Airport

PREPARED BY: **Name:** Sam Carver
Title: Airport Manager

REQUESTED BY: Airport

PRESET:

PROCEDURES: None

BACKGROUND/RELATED STRATEGIC GOAL:

This agenda item concerns the approval of the assignment of lease at Martin County/Witham Field (the "Airport") from Triumph Aerostructures, LLC ("Triumph") to Daher Aerospace Inc. ("Daher Aerospace").

Triumph has leased its premises from Martin County (the "County") since 2010 and has used the premises to manufacture aircraft structures. Triumph is the most recent assignee of what was the former Grumman leasehold, which began in 1994, and the premises has been used continuously for

the manufacture of aircraft and/or aircraft structures. The lease expires on June 30, 2024 and there is no extension option.

The lease in Section 16.1 provides Triumph shall have the right to assign the leasehold subject to the County's written approval that shall not be unreasonably withheld, delayed, or conditioned. The lease further provides in considering whether to approve the assignment, the County may consider the financial stability of the assignee, the proposed use of the premises, and the economic impact on the local economy.

Triumph desires to assign its leasehold interest to Daher Aerospace, a Delaware corporation that is a wholly-owned subsidiary of Daher, a French corporation founded in 1863. The same family has owned Daher since its founding, and Daher's shares are not publicly traded.

Daher is an industrial conglomerate and its most recent revenues were approximately 1.1 Billion Euros or 1.156 Billion Dollars at the current exchange rate, of which approximately 80% is derived from its manufacture of aircraft, aircraft parts, and aerospace technology. The remaining 20% includes industrial logistics, manufacturing services, transportation projects, and nuclear technology. Since 1999, Daher's revenue has increased by about 800 Million Euros or 840 Million Dollars. Daher operates in 13 different countries, including the United States, and has approximately 9,400 employees worldwide.

In Florida, Daher's subsidiary Daher Aircraft, Inc. has a facility at the Pompano Beach Airpark in Broward County. Staff contacted the airport manager for Pompano Beach Airpark and the landlord for Daher's subsidiary there, both of whom spoke highly of Daher Aircraft, Inc. Daher also has facilities in Alabama, Georgia, Idaho, and Washington state.

Clearly the financial stability of Daher, which has been in business for well over 150 years, and Daher Aerospace is beyond question.

Staff met with corporate executives of Triumph and Daher at the premises, and during the meeting, Daher expressed the desire to continue the same or similar aircraft structures manufacturing as Triumph. The economic impact to the community would be unchanged.

Since the lease will be expiring in 2024, staff intends to prepare a request for proposal for the premises prior to the lease expiration, and Daher has expressed an interest in submitting a bid.

Staff recommends the Board approve the assignment. To effectuate the approval, this agenda item includes a standard consent and estoppel form, which the County has used for the assignment of the Airport's Fixed Based Operators, for the Chairman's signature.

ISSUES:

None

LEGAL SUFFICIENCY REVIEW:

This item has been reviewed for legal sufficiency to determine if it is consistent with applicable law, and in doing so, legal staff have identified legal risks, and have developed strategies for legal defensibility.

RECOMMENDED ACTION:

RECOMMENDATION

Move that the Board approve the assignment of lease at Martin County/Witham Field from Triumph Aerostructures, LLC to Daher Aerospace Inc.

ALTERNATIVE RECOMMENDATIONS

Pull this item from the Consent Agenda and direct staff accordingly.

FISCAL IMPACT:

RECOMMENDATION

None

ALTERNATIVE RECOMMENDATIONS

None

DOCUMENT(S) REQUIRING ACTION:

- | | | |
|--|---------------------------------------|---|
| <input type="checkbox"/> Budget Transfer / Amendment | <input type="checkbox"/> Chair Letter | <input type="checkbox"/> Contract / Agreement |
| <input type="checkbox"/> Grant / Application | <input type="checkbox"/> Notice | <input type="checkbox"/> Ordinance |
| <input type="checkbox"/> Other: | <input type="checkbox"/> Resolution | |

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