

REQUEST FOR PROPOSAL("RFP")
FOR THE LEASE OF THE
SOUTH OFFICE AND STORAGE SPACE
IN HANGAR #1 ("PREMISES")
ON CITY OF ST. PETERSBURG'S ("CITY")
ALBERT WHITTED AIRPORT ("AIRPORT")

INQUIRIES AND QUESTIONS

As indicated in the RFP:

SECTION 19: INQUIRIES AND QUESTIONS

*All inquiries, questions, requests for interpretation, correction, or clarification **must be submitted in writing**, either by mail, e-mail or by facsimile to the City Contact, and shall arrive not later than 12:00 P.M. EDT on June 2, 2017. All responses from the City shall be in writing, either by email, or facsimile. Following the closing date for questions, all submitted questions, along with City's responses thereto, will be available on the City's website: www.stpete.org/realestate, under "Requests for Proposal / Solicitations".*

Below are questions and /or requests for clarification regarding the above referenced RFP, as of June 2, 2017 12:00 PM EDT:

1. Submitted Question:

"can you tell me what the approximate property taxes are on the space involved and if there are any back taxes currently owed?"

Response:

Property taxes are determined by the taxing authority based upon the use of the Premises. F.S. 196.199, F.S. 196.012, and F.A.C 12D-7.016 (6) are applicable to the Airport. Proposers should review the following language and consult with their professional advisors.

A. Florida Statute 196.199 (2) (a) states:

(2) Property owned by the following governmental units but used by nongovernmental lessees shall only be exempt from taxation under the following conditions:

(a) Leasehold interests in property of the United States, of the state or any of its several political subdivisions, or of municipalities, agencies, authorities, and other public bodies corporate of the state shall be exempt from ad valorem taxation and the intangible tax pursuant to paragraph (b) only when the lessee serves or performs a governmental, municipal, or public purpose or function, as defined in s. 196.012(6).

(b) Except as provided in paragraph (c), the exemption provided by this subsection shall not apply to those portions of a leasehold or other interest defined by s. 199.023(1)(d), Florida Statutes 2005, subject to the provisions of subsection (7). Such leasehold or other interest shall be taxed only as intangible personal property pursuant to chapter 199, Florida Statutes 2005, if rental payments are due in consideration of such leasehold or other

interest. All applicable collection, administration, and enforcement provisions of chapter 199, Florida Statutes 2005, shall apply to taxation of such leaseholds. If no rental payments are due pursuant to the agreement creating such leasehold or other interest, the leasehold or other interest shall be taxed as real property. Nothing in this paragraph shall be deemed to exempt personal property, buildings, or other real property improvements owned by the lessee from ad valorem taxation.

B. 196.012(6) states:

Governmental, municipal, or public purpose or function shall be deemed to be served or performed when the lessee under any leasehold interest created in property of the United States, the state or any of its political subdivisions, or any municipality, agency, special district, authority, or other public body corporate of the state is demonstrated to perform a function or serve a governmental purpose which could properly be performed or served by an appropriate governmental unit or which is demonstrated to perform a function or serve a purpose which would otherwise be a valid subject for the allocation of public funds. For purposes of the preceding sentence, an activity undertaken by a lessee which is permitted under the terms of its lease of real property designated as an aviation area on an airport layout plan which has been approved by the Federal Aviation Administration and which real property is used for the administration, operation, business offices and activities related specifically thereto in connection with the conduct of an aircraft full service fixed base operation which provides goods and services to the general aviation public in the promotion of air commerce shall be deemed an activity which serves a governmental, municipal, or public purpose or function. Any activity undertaken by a lessee which is permitted under the terms of its lease of real property designated as a public airport as defined in s. 332.004(14) by municipalities, agencies, special districts, authorities, or other public bodies corporate and public bodies politic of the state, a spaceport as defined in s. 331.303, or which is located in a deepwater port identified in s. 403.021(9)(b) and owned by one of the foregoing governmental units, subject to a leasehold or other possessory interest of a nongovernmental lessee that is deemed to perform an aviation, airport, aerospace, maritime, or port purpose or operation shall be deemed an activity that serves a governmental, municipal, or public purpose.

C. Florida Administrative Code Chapter 12D-7.016 states:

12D-7.016 Governmental Exemptions:

(6) Leasehold interests in governmentally owned real property used in an aeronautical activity as a full-service fixed-base operation which provides goods and services to the general aviation public in the promotion of air commerce are exempt from ad valorem taxation, provided the real property is designated as an aviation area which has aircraft taxiway access to an active runway for take-off on an airport layout plan approved by the Federal Aviation Authority.

(a) A fixed-base operator is an individual or firm operating at an airport and providing general aircraft services such as maintenance, storage, ground and flight instruction. See Appendix 5, Federal Aviation Authority Order 5190.6A.

(b) An “aeronautical activity” has been defined as any activity which involves, makes possible, or is required for the operation of aircraft, or which contributes to or is required for the safety of such operation. See Federal Aviation Authority Advisory Circular 150/5190-1A. The following examples are not considered aeronautical activities: ground transportation (taxis, car rentals, limousines); hotels and motels; restaurants; barber shops; travel agencies and auto parking lots.

Rulemaking Authority 195.027(1), 213.06(1) FS. Law Implemented 196.012, 196.199 FS. History—New 10-12-76, Formerly 12D-7.16, Amended 12-27-94.

2. Submitted Question:

“are there any conditions that exist in the space that could be considered detrimental such as leaks in the roof or conditions of structural instability? Has the current tenant made any such complaint of problems that may exist?”

Response:

The City is unaware of any structural issues at this time. The Premises has experienced past issues regarding leaks, particularly in the shop/storage area. In 2015 the City completed an analysis of Hangar #1 to identify areas to be upgraded and secured some grant funds to start improvements. In 2016, the City replaced the rusted gutter along the south side of the building that was believed to be part of the cause of the leaks. However, some of the leak issues may be a result of aged windows. The City has completed limited window maintenance, however the windows need a greater degree of repair. The City seeks to replace the windows, however a funding source has not yet been identified, and given the historic designation of Hangar #1, the repair/replacement would have added costs associated with the project.