



**AIRPORT LEASING
AND
PROPERTY DEVELOPMENT POLICY**

**A POLICY TO GOVERN THE DRAFTING,
IMPLEMENTATION AND MANAGEMENT OF
COMMERCIAL AND AERONAUTICAL PROPERTY
LEASES AND OVERALL AIRPORT LAND DEVELOPMENT
AT THE OCALA INTERNATIONAL AIRPORT (OCF)**

November 2025

TABLE OF CONTENTS

SECTION 1	SUBMISSION AND PRELIMINARY EVALUATION OF INQUIRIES:.....	3
SECTION 2	EVALUATION, FINANCIAL REVIEW, AND INTERVIEWS:.....	3
SECTION 3	NEGOTIATION AND PREPARATION OF LEASE AGREEMENTS:.....	4
SECTION 4	INITIAL APPRAISAL:.....	5
SECTION 5:	APPROVAL OF AGREEMENT:.....	6
SECTION 6:	LEASE SUMMARY FORM:.....	6
SECTION 7:	PERIODIC RENTAL ADJUSTMENTS AND RE-APPRAISALS:.....	7
SECTION 8:	LEASE COMPLIANCE MONITORING:.....	7
SECTION 9:	AUDIT PROVISION:.....	7
SECTION 10:	MARKETING OF DEVELOPABLE LEASEHOLDS:.....	7

SECTION 1: EXCLUSIVE RIGHTS:

Federal law forbids the granting of an exclusive right to provide Aeronautical Services at an airport which has received federal funds. An exclusive right is a power, privilege or other right excluding or debarring another from enjoying or exercising a like power, privilege or right. The City will not grant any such special privilege or monopoly for public use Airport facilities. It is the policy of the City not to enter into any understanding, commitment, or express agreement with a Lessee, Rental Permittee or Applicant to exclude other reasonably qualified Lessees; the presence of only one Lessee engaged in a particular Aeronautical Service at the Airport does not, in and of itself, indicate that an exclusive right has been granted. Accordingly, those who desire to enter into a Lease or Rental Permit with the City to engage in an Aeronautical Activity should neither expect nor request the City to exclude others who desire to engage in the same or similar activities. The opportunity to engage in an Aeronautical Activity shall be made available to those meeting the qualifications and standards as stated herein and stipulated in the Airport Minimum Standards for Commercial Aeronautical Activity and as space may be available.

SECTION 2: SUBMISSION AND PRELIMINARY EVALUATION OF INQUIRIES

Parcels available for development shall be publicized on the Ocala International Airport's interactive website. Interested parties are encouraged to contact Airport Administration in writing via the Aeronautical and Non-Aeronautical Development Inquiry Form ("Inquiry Form") to express their interest in pursuing development opportunities at the Ocala International Airport.

In addition to describing the proposed project, the Inquiry Form will ask interested parties ("Proposers") to provide a financial plan, timeline for the implementation of the project, and a summary of the Proposer's corporate organization., and a description of the Proposer's experience implementing similar projects on airport property. Submittals must be consistent with the Airport's Leasing Policy and Development Standards and be submitted by an entity licensed to do business in Florida. The City of Ocala shall not be liable for any costs incurred by Proposers in preparing or submitting the Inquiry Form or related documentation.

Only those submittals complying with the requirements of the Inquiry Form and consistent with the Airport's Leasing Policy and Development Standards shall be considered. Within 14 days of receipt

of an Inquiry Form, City staff will conduct a preliminary review to determine whether to accept and recommend the submittal for further evaluation (“Detailed Evaluation”). The City of Ocala reserves the right to, in its sole discretion, either elect to work with the Proposer to further develop or refine the project or to instead advertise the receipt of the submittal and issue a Request for Letters of Interest (“LOI”) to solicit competing proposals. Certain projects may require additional details from the interested party and/or a longer review period for City staff. If additional time is required, City staff shall notify the Proposer party prior to the expiration of the preliminary review period.

The City of Ocala reserves the right at all times to reject any or all submittals at any time prior to the execution of a lease agreement and may decline to pursue the proposed project. Any discussions between the City and interested parties concerning required infrastructure, improvements, or services shall not limit the ability of the City to later decide to use standard procurement procedures to meet its infrastructure needs.

SECTION 3: EVALUATION, FINANCIAL REVIEW, AND INTERVIEWS:

Once an interested party has been recommended for further evaluation, the City will schedule an interview with the Proposer to conduct a detailed evaluation of Proposer’s business and development plan and to hold discussions for the purpose of preparing a term sheet which will outline the key lease terms and conditions that will be offered.

Thereafter, the City will require Proposer to provide any or all of the following financial information to its independent Financial Review Committee (“FRC”) for a more comprehensive evaluation of the financial viability and practicality of the proposed project and Proposer’s overall financial health:

1. Information concerning the Proposer’s Principals including prior development experience, current or ongoing development of similar projects in which the Proposer’s Principals have been involved, and credit bureau reports for each Principal.
2. The last two (2) years’ federal corporate income tax returns of the Principals and of Proposer (if Proposer was required to file such tax returns).

3. Financial statements of Proposer and each Principal which accurately represents their financial condition as of a date that is no less than six (6) months prior to the date of delivery of the financial statements.
4. A complete pro forma and cash flow projection for the project, including all assumptions.
5. Feasibility study of the project.
6. Estimates of project construction costs provided by the licensed general contractor that will be used for the project (or for Phase 1 if the project is to be constructed in phases) and copies of the construction contract with such contractor.
7. A loan commitment or other documentation establishing that Proposer or its Principals have sufficient financing or resources in place to develop the project.
8. Proof that Proposer has the Equity Investment required.

The FRC shall review the financial information submitted and make a report to City staff concerning its findings and opinion as to whether Proposer and its Principals have the financial ability to develop the Project and satisfy the financial terms of the long term lease. The decision of the FRC is not binding upon the City. Upon receipt of the FRC's report, the City shall determine, in its sole discretion, whether to proceed with further negotiations and/or the preparation of a Lease Agreement.

Should the decision be made to proceed with the negotiation and preparation of a Ground Lease for Development, City staff will present Proposer with a Term Sheet setting forth the principal terms and conditions that will be addressed in the Ground Lease between the Proposer and the City for the project. The City's Term Sheet is not intended to, nor shall it, create any liability or binding obligation upon the City of Ocala or the Proposer. No binding agreement shall exist until all necessary approvals have been obtained.

SECTION 4: NEGOTIATION AND PREPARATION OF LEASE AGREEMENTS:

If a site is not already specified, City staff will recommend, on a preliminary basis, a general site for the location of the development. A range of rental values may be given to the tenant, with the

understanding that the actual rental rate will be based on the fair market value of the property or a reasonably equivalent property having close proximity to and like use for the intended parcel. If the proposed terms and location are agreeable to the proposed tenant, a draft Ground Lease will be prepared and sent to the tenant. City staff and the City Attorney's Office will then engage in negotiations to prepare a final form of the lease document with the proposed tenant.

The City of Ocala reserves the right to reject any or all proposals at any time prior to the execution of the lease document for any reason and may decline to pursue the proposed project. In the event of the latter, the City may accept new proposals for the proposed project should the City choose to restart the process later. Any discussions between the City and interested parties concerning the required infrastructure, improvements, or services shall not limit the ability of the City to later decide to use standard procurement procedures to meet its infrastructure needs.

SECTION 5: INITIAL APPRAISAL:

If an appraisal of the property to be leased, or an appraisal of reasonably equivalent property in close proximity to the property to be leased, has not been obtained within the last 24 months, staff will contact a Qualified Appraiser familiar with airport property and procure the appraisal based upon its highest and best use. The appraisal will be used to determine the base rental rate.

SECTION 6: APPROVAL OF AGREEMENT:

At such time as the parties agree in principle to the terms of the agreement, staff will prepare a memorandum to the Airport Advisory Board requesting their approval to forward the agreement to the Ocala City Council for formal approval and execution. Terms of the lease normally described in the memorandum include: type of lease, uses of leasehold, leasehold size, length of term, rental rate, rental rate adjustments, investment requirements by lessee, and any obligations of the Airport. This memorandum shall identify any market incentives contained in the proposed lease, the justification for the proposed rental, and the justification for any variations.

A Signed and Sealed boundary survey of the property is then obtained and provided by the developer to accurately describe the lease boundaries and the size of the premises. From this information, rental amounts are calculated on the gross area of the premises and included in the lease agreement.

Upon approval of the lease by the Ocala City Council, the tenant must provide the Airport with evidence of all required insurance coverages and financial security (bond, letter of credit, deposit, etc.), as may be required in the agreement. The agreement is again reviewed by the City of Ocala legal counsel and, if approved, it is then presented to the City Clerk for recording.

SECTION 7: LEASE SUMMARY FORM:

Once the lease agreement has been fully executed, an Agreement Detail Report outlining the terms of the agreement will be prepared and placed in the lease file. The summary form will be utilized to enter the appropriate lease information into the City's computer database information system to ensure reliable monitoring of the lease requirements, obligations, and milestones

SECTION 8: PERIODIC RENTAL ADJUSTMENTS AND RE-APPRAISALS:

Periodic rental adjustments to the financial terms of the lease agreement are monitored in the City's computer database information system. If appraisals are required for periodic rental adjustments the adjustment is calculated, and a notice is provided to the tenant. Any objection to the appraisal and rental increase value shall be contested by the Tenant in accordance with the terms of the lease agreement. All protests to rental adjustments shall be resolved in accordance with the terms of the lease agreement.

SECTION 9: LEASE COMPLIANCE MONITORING

There are several areas of a lease which need to be monitored including: insurance coverages, monthly reports, annual reports, required investment or improvements, addition of subtenants, annual tax certificates, customer service issues, changes in financial terms, length of lease term and options, and condition of premises. Most of these items are monitored through the City's computer database information system for expiration dates or tickler dates. The Agreement Detail Report is then filed with the Agreement and updated as necessary. The City's computer database information system is also used to monitor the expiration of an agreement along with renewal option notices.

SECTION 10: AUDIT PROVISION

Proposer shall be aware that the following Auditing Clause will be included in any Lease or Operating Agreement:

“City shall have the right to audit or authorize audits of Proposer’s book, records and accounts relevant to its operations of Proposer’s Business at the Airport. If either an annual audit or any other lesser period audit performed by City discloses an under reporting of Gross Receipts, Proposer shall pay to City any amounts due under this Lease within fifteen (15) calendar days of written notice by City, plus interest calculated in accordance with paragraph xx of this Lease. If an audit conducted by City or at City’s direction discloses an under reporting of Gross Receipts by two percent (2%) or more for any twelve (12) month period, Proposer shall reimburse City for the full cost of the audit, interest calculated in accordance with paragraph xx, any applicable legal fees and expenses and shall pay a penalty of ten percent (10%) of the under-reported Rent.

Proposer shall provide the name and telephone number of Proposer’s accounting manager who has a thorough knowledge of the accounting system as it pertains to this Lease and who will assist City with its audit. Proposer will also allow interviews of past and present employees who were involved in the financial or operational activities of Proposer as part of the audit.

Proposer agrees to provide appropriate work space to conduct the audit and free access to office and equipment needed to conduct the audit. Proposer will also make the requested original books and records available within ten (10) working days from the date of request by City or City’s representative and will freely lend its own assistance in conducting the audit. If City has authorized Proposer to keep such books and records outside the Airport or outside Marion County, Florida and the same cannot be provided and made available locally, Proposer agrees to reimburse City for expenses incurred in sending representatives to wherever such books and records are maintained. Such expense will include transportation, lodging, food and other out-of-pocket expenses resulting from the necessity to leave Marion County, Florida.”

SECTION 11: MARKETING OF DEVELOPABLE LEASEHOLDS:

Staff will market Airport properties in various ways including: marketing brochures, posting of site availability signs on developable parcels, publishing requests for proposals for various sites, advertising in trade journals, attendance at trade shows and conferences, and the Ocala International Airport’s website.