



Legislation Details (With Text)

File #: 2023-0753 **Version:** 2 **Name:**

Type: Consent **Status:** Agenda Ready

File created: 9/26/2023 **In control:** City Council

On agenda: 10/3/2023 **Final action:**

Title: CONSIDER APPROVAL OF THE FIRST AMENDMENT TO THE LICENSE AGREEMENT WITH VERIZON WIRELESS TO LEASE A PORTION OF ANDERSON PARK (19101 S. WILMINGTON AVENUE) FOR THE CONTINUED OPERATIONS OF AN ANTENNA FACILITY/CELL TOWER AND ESTABLISHING THE LEASE TERMS (CITY COUNCIL)

Sponsors:

Indexes:

Code sections:

Attachments: 1. Original License Agreement, 2. Amendment No. 1 to License Agreement

Date	Ver.	Action By	Action	Result
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Report to Mayor and City Council

Tuesday, October 03, 2023

Consent

SUBJECT:

CONSIDER APPROVAL OF THE FIRST AMENDMENT TO THE LICENSE AGREEMENT WITH VERIZON WIRELESS TO LEASE A PORTION OF ANDERSON PARK (19101 S. WILMINGTON AVENUE) FOR THE CONTINUED OPERATIONS OF AN ANTENNA FACILITY/CELL TOWER AND ESTABLISHING THE LEASE TERMS (CITY COUNCIL)

I. SUMMARY

On August 4, 2009, the City Council approved a license agreement with Verizon Wireless (Verizon) to construct and operate a wireless telecommunications tower in Anderson Park. The initial term of Original License Agreement was five years from effective date with two automatic five-year renewal options. The term expires August 2024, (Exhibit No. 1).

The proposed terms include increasing the monthly rent from \$2,522.67 to \$4,000 per month (a 58.5% increase), a one-time extension bonus of \$10,000, an automatic annual escalation of 3%, and four 5-year term extension options. The terms of the Amendment (Exhibit No. 2) will take effect August 2024 when the current License Agreement expires.

Staff is requesting the City Council to approve Amendment No. 1 to the License Amendment with Verizon Wireless.

II. RECOMMENDATION

1. **APPROVE** Amendment No. 1 to the License Agreement with Verizon Wireless to lease a portion of Anderson Park for the continued operations an Antenna Facility/Cell Tower and establishing the lease terms.

2. **AUTHORIZE** the Mayor to execute the Amendment No. 1 to License Agreement.

III. ALTERNATIVES

TAKE another action the City Council deems appropriate.

IV. BACKGROUND

At its meeting held on August 4, 2009, the City Council approved a license agreement with Verizon that permitted the construction and operation of a 56-foot wireless telecommunication tower at Anderson Park located at 19101 S. Wilmington Avenue (Exhibit No. 1). The initial term of the agreement was for 5 years with two additional and successive 5-year terms. The rent from Verizon started at \$1,900 per month and is adjusted every November of each year by Consumer Price Index (capped at 5%). Current monthly payment is now at \$2,522.67 or \$30,272.04 per year. The proposed amount would increase the monthly rent to \$4,000 per month beginning August 2024

V. FISCAL IMPACT

The City will continue to receive from American Tower the ground lease stipulated in the license agreement. Revenues will continue to be recorded under General Fund Account Number: 101-99-999-999-4402.

VI. EXHIBITS

1. Original License Agreement, dated August 10, 2009 (pgs. 3-27)
2. Amendment No. 1 to License Agreement (pgs. 28-35)

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