



City of Pembroke Pines, FL

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Agenda Request Form

Agenda Number: 11.

File ID: 18-0344

Type: Agreements/Contracts

Status: Passed

Version: 1

**Agenda
Section:**

In Control: City Commission

File Created: 04/12/2018

Short Title: Lease Agreement for a cell tower at the Academic Village

Final Action: 04/18/2018

Title: MOTION TO APPROVE THE ASSIGNMENT AND ASSUMPTION OF THE LEASE AGREEMENT, FOR A CELL TOWER AT THE ACADEMIC VILLAGE CAMPUS, BETWEEN THE CITY AND VERTICAL BRIDGE DEVELOPMENT, LLC.

***Agenda Date:** 04/18/2018

Agenda Number: 11.

Internal Notes:

Attachments: 1. Assignment Agreement between the City of Pembroke Pines and Vertical Bridge, 2. Academic Village Lease Agreements

1 City Commission 04/18/2018 approve Pass
Action Text: A motion was made to approve on the Consent Agenda
Aye: - 5 Mayor Ortis, Commissioner Castillo, Commissioner Schwartz,
Commissioner Siple, and Vice Mayor Good Jr.
Nay: - 0

SUMMARY EXPLANATION AND BACKGROUND:

1. The City operates several cell tower lease agreements at various locations throughout the City.

2. On June 18, 2014, the City Commission approved the lease agreement with New Cingular Wireless PCS, LLC to construct, maintain and operate a cell tower at the Academic Village Campus located at 17189 Sheridan Street, Pembroke Pines, FL 33331.

3. On August 19, 2015, the City Commission approved the assignment of the agreement from New Cingular Wireless PCS, LLC to Southern Tower Antenna Rental II, LLC.

4. Vertical Bridge Development, LLC is now acquiring the lease from Southern Tower Antenna Rental II, LLC, and requests an assignment of the lease to them, under the same terms and conditions.

Per Section 10 of the Original Agreement; "This Agreement may not be sold, subleased, assigned or transferred at any time except to TENANT's principal affiliates or subsidiaries or its principal, or to any company upon which TENANT is merged or consolidated. As to other parties, this Agreement may not be sold, subleased, assigned or transferred without the written consent of the CITY; such consent shall not be unreasonably withheld. This provision will not preclude TENANT from allowing other parties to co-locate on the facility, so long as this Agreement is in effect."

5. The original agreement is for a period of ten (10) years, with one (1) 5-year renewal option. The initial 10-year period will end on May 31, 2024.

6. The City is entitled to receive annual rent payments which increase by 3% per year. The City is also entitled to a 50% co-location revenue share of any additional providers who sub-lease on the tower. For the period June 1, 2018 to May 31, 2019 (4th Year of the contract), the annual rent will be \$38,245. Southern Tower Southern Tower Antenna Rental II, LLC is current and up-to-date on its rent payments.

7. Recommend Commission to approve the assignment and assumption lease agreement between the City and Vertical Bridge Development LLC.

FINANCIAL IMPACT DETAIL:

a) **Initial Cost:** There is no cost to the City; the City will receive lease revenues of \$38,245.

b) **Amount budgeted for this item in Account No:** Since the tower is located at the schools, rent revenues received are coded to Academic Village Account 172-362031-5053- - - 3425

c) **Source of funding for difference, if not fully budgeted:** Not Applicable

d) **5 year projection of the operational revenues of the project**

	Current Year	Year 2	Year 3	Year 4	Year 5
Revenues	\$38,245	\$39,393	\$40,575	\$41,792	\$43,046
Expenditures					
Net Revenues	\$38,245	\$39,393	\$40,575	\$41,792	\$43,046

e) **Detail of additional staff requirements:** Not Applicable