



Legislation Text

File #: 18-1155, **Version:** 1

MOTION TO APPROVE THE FIRST AMENDMENT TO THE LEASE AGREEMENT BETWEEN THE CITY AND VERTICAL BRIDGE DEVELOPMENT, LLC. FOR A CELL TOWER AT THE ACADEMIC VILLAGE CAMPUS.

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. On April 18, 2018, the City Commission approved the assignment of the agreement from Southern Tower Antenna Rental II, LLC, to Vertical Bridge Development, LLC.
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. Currently the City receives \$38,245, in annual rent, which will increase by 3%, per year.
7. Vertical Bridge requires an additional Three Hundred and Ninety-Two square feet (392 sq. ft.) expansion of the Leased Property ("Expansion Space"), as depicted on Exhibit C, for a new Co-location subtenant.
8. Pursuant to Section 6.02.1 of the Lease, the City will receive an additional 50% of the Co-Location rent which will amount to \$11,700 (\$975 per month)
9. Recommend Commission to approve the first amendment to the lease agreement between the City and Vertical Bridge Development LLC.

Item has been reviewed by the Commission Auditor and approved for the Agenda.

FINANCIAL IMPACT DETAIL:

a) Initial Cost: There is no cost to the City; the City will receive additional lease revenues of \$11,700 per year or (\$975.00) per month.

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 cost of the project

	Current FY	Year 2	Year 3	Year 4	Year 5
Rent	\$38,245	\$39,393	\$40,575	\$41,792	\$43,046
Co-location	\$11,700	\$11,700	\$11,700	\$11,700	\$11,700
Total revenues	\$49,945	\$51,093	\$52,275	\$53,492	\$54,746

e) Detail of additional staff requirements: Not Applicable