



Legislation Text

File #: 20-0906, Version: 1

MOTION TO APPROVE THE FIRST AMENDMENT TO LEASE AGREEMENT BETWEEN CITY OF PEMBROKE PINES AND STC FIVE LLC. ("TENANT") BY AND TROUGH GLOBAL SIGNAL ACQUISITIONS III LLC. TO ADD FOUR (4) ADDITIONAL FIVE (5) YEAR RENEWAL TERMS TO THE AGREEMENT BEYOND THE ORIGINAL TERM EXTENDING ITS TOTAL TERM TO APRIL 21, 2042. **(BU #878210 - 9500 Pines Boulevard, Pembroke Pines, FL).**

SUMMARY EXPLANATION AND BACKGROUND:

1. City and Sprint Spectrum L.P., a Delaware limited partnership ("Sprint"), entered into a Lease Agreement dated April 22, 1997, whereby City leased to Sprint approximately 1,048 square feet portion of that property located at 9500 Pines Boulevard, Pembroke Pines, Florida.
2. The term of the Agreement commenced on April 22, 1997, and has an original term, including all renewal terms, that will expire on April 21, 2022.
3. City and Tenant now desire to amend Section 5.01 of the Original Agreement to replace "three (3)" with "seven (7)", thereby adding four (4) additional five (5)-year renewal terms to the Agreement beyond the Original Term, and extending its total term to April 21, 2042.
4. Tenant is further requesting an additional ground space of approximately 400 square feet. for a total of ground space of approximately 1,448 square feet. This additional space has been utilized by the Tenant for more than 20 years, but it was never formally memorialized by the parties.
5. As additional consideration for amending the Agreement in accordance with the First Amendment, Tenant agrees to pay the City Twenty Thousand Dollars (\$20,000.00) within sixty (60) days of full execution of the First Amendment.
6. Each annual rent payment shall increase at a rate of 5% compounded annually. In addition to the rental payment described in Section 6.03 of the Original Agreement, Tenant shall pay to City 50% of all rental revenue received from any third party source for co-location within thirty days of receipt of same.
7. Recommend City Commission approve the First Amendment to lease agreement between City of Pembroke Pines and STC FIVE LLC. ("Tenant") by and trough global signal acquisitions III LLC. to add four (4) additional five (5) year renewal terms to the agreement beyond the original term extending its total term to April 21, 2041.

FINANCIAL IMPACT DETAIL:

a) Estimated Annual Revenue: The estimate annual revenue for FY2022 is \$63,392.56. Each

annual rent payment shall increase at a rate of 5% compounded annually. In addition to the rental payment described in Section 6.03 of the Original Agreement, Tenant shall pay to City 50% of all rental revenue received from any third party source for co-location within thirty days of receipt of same.

b) Amount budgeted for this item in Account No: Account 1-362031-6001 -Rental Cell Towers

c) Source of funding for difference, if not fully budgeted: Not applicable.

d) 5 year revenue projection:

	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	
Revenues	\$63,392.56	\$66,562.19	\$69,890.30	\$73,384.82		\$77,054.06
Expenditures	\$.00	\$.00	\$.00	\$.00		
Net Revenue	\$63,392.56	\$66,562.19	\$69,890.30	\$73,384.82		\$77,054.06