



Legislation Text

File #: 20-0909, 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 II LLC. TO ADD FOUR (4) ADDITIONAL FIVE (5) YEAR RENEWAL TERMS TO THE AGREEMENT BEYOND THE ORIGINAL TERM EXTENDING ITS TOTAL TERM TO MAY 31, 2041 (**BU #878296 - 13975 PEMBROKE ROAD, 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 August 29, 2001, whereby City leased to Sprint a portion of land described as approximately 1,047 square feet of that property located at 13975 Pembroke Road, Pembroke Pines, Florida.
2. The term of the Agreement commenced on August 29, 2001, and has an original term, including all renewal terms, that will expire on May 31, 2021.
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 May 31, 2041.
4. Commencing on October 1, 2021, and every year thereafter (each an "Adjustment Date"), the annual rent shall increase by an amount equal to five percent (5%) of the annual rent in effect for the year immediately preceding the Adjustment Date. Currently, each annual rent payment is increased by three percent (3%).
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. Recommend the City Commission to approve the First Amendment to lease agreement between City of Pembroke Pines and STC FIVE LLC. ("Tenant") by and trough Global Signal Acquisitions II LLC. to add four (4) additional five (5) year renewal terms to the agreement beyond the original term extending its total term to May 31, 2021.

FINANCIAL IMPACT DETAIL:

a) Estimated Annual Revenue: The estimate annual revenue for FY2021 is \$48,747.47. 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: Revenue Acct 1-362031-6001 -Rental Cell Towers.

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

d) 5 year revenue projection:

	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	
Revenues	\$48,747.47	\$51,184.84	\$53,744.08	\$56,431.29		\$59,252.85
Expenditures	\$.00	\$.00	\$.00	\$.00		
Net Revenue	\$48,747.47	\$51,184.84	\$53,744.08	\$56,431.29		\$59,252.85