

To: **Mayor and City Council**
 Through: **Ryan Schroeder, City Manager**
 From: **Kori Land, City Attorney**
 Date: **July 22, 2019**

First Amendment to Antenna Lease Agreement with Verizon at Harmon Park

BACKGROUND INFORMATION:

The City has a site lease agreement with Verizon for its 87’ antenna tower at Harmon Park, which has been in place since 2006. The existing lease expires on November 30, 2031. Verizon has requested an extension of the lease to secure its rights to maintain an antenna tower at this location into the future.

The current rent is \$1,813.28 per month, or \$21,759.36 per year. There is a 3.5% annual escalator in the lease. Verizon has requested four 5-year extensions to begin at the end of the existing lease, so that the new lease term will expire on November 30, 2051.

The Amended lease is basically the same as the existing lease with a few updated sections. Some unique provisions in this lease are that the City can have space on the tower for public safety equipment if needed, and the City can relocate the tower to a different part of the park if we need to redevelop the site. Although Verizon can terminate the lease with 60 days’ notice, the City can terminate the lease with 12 months’ notice upon proof that an alternate site is not available.

The Amendment is entirely within the Council’s discretion, given that the current lease does not expire until 2031, however, since the City recently completed its improvements to the park and will not likely make significant investments in Harmon Park for several years, the continuous revenue stream is reassuring for budgeting purposes.

FISCAL IMPACT:

		Amount
Fund:		
Department:		
Account:		

STAFF RECOMMENDATION:

Approve the First Amendment to Option and Lease Agreement with Verizon at Harmon Park and authorize the execution of the appropriate agreements.