



## Request for City Council Committee Action From the Department of Finance and Property Services

**Date:** December 1, 2014

**To:** Honorable John Quincy, Chair Ways & Means Committee

**Subject:** Lease Renewal for Cellular Tower at 103 Lyndale Ave N

**Recommendation:**

That the proper City officers be authorized to execute a Lease with NCWPCS MPL 24 - Year Sites Tower Holdings, LLC for a Cellular Tower at 103 Lyndale Ave N (Linden Yard). The initial lease rate shall be \$25,200 per year and the revenue deposited into the Property Services Fund 06200-8201340-820LEASE.

**Previous Directives:**

- 1/14/94 – Approval of 20 year lease for cellular tower

**Prepared by:** Rebecca Law, Project Manager, Property Services, 673-5064

**Approved by:**

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Kevin Carpenter, Chief Financial Officer; Finance and Property Services Dept.

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Spencer Cronk, City Coordinator

**Presenters:** Rebecca Law, Project Manager

**Reviews**

Permanent Review Committee (PRC):	Approval _NA
Civil Rights Approval	Approval _NA
Policy Review Group (PRG):	Approval _NA

**Financial Impact**

Action provides increased revenue  
Action is within the Business Plan

**Community Impact**

City Goals: A City that works: City government runs well and connects to the community it serves

## **Background/Supporting Information**

The City and AT&T previously entered into a 25 year lease allowing AT&T to construct a cellular tower on part of the Linden Yard site at 103 Lyndale Ave N. That lease expired and AT&T has requested a new long-term lease through its affiliated corporation, NCWPCS MPL 24 - Year Sites Tower Holdings, LLC.

City staff hired a consultant specializing in helping property owners get the appropriate market value and favorable terms on cellular leases. The proposed lease is for a five year term with 3 renewal options at 5 years each. The starting rate is \$25,200 per year with a 3% annual increase. This new lease rate is an increase of approximately 400% over the prior lease. The revenue will be deposited into Property Services Fund 06200-8201340-820LEASE.

If the Linden Yard site is needed for redevelopment over the next 20 years, the new lease gives the City the right to relocate the cellular tower or simply cancel the lease.