

Legislation Text

File #: BILL NO. 18-24, **Version:** 1

AN ORDINANCE AUTHORIZING THE EXECUTION OF A LEASE AGREEMENT BY AND BETWEEN THE CITY OF LEE'S SUMMIT AND VERIZON WIRELESS, LLC ESTABLISHING THE LEASE TERM AND ANNUAL RENTAL PAYMENT FOR TELECOMMUNICATIONS EQUIPMENT TO BE INSTALLED ON THE CITY'S WATER STORAGE TOWER LOCATED AT 801 SW HOOK ROAD. (F&BC 2-5-18)

Issue/Request:

An ordinance authorizing execution of a lease agreement between City of Lee's Summit and Verizon Wireless LLC that allows Verizon to install, operate, and maintain communications equipment on the City's property and water storage tower located at 801 SW Hook Road.

Key Issues:

The City of Lee's Summit owns a parcel of land at 801 SW Hook Road in the City of Lee's Summit on which a water storage facility is located.

Verizon Wireless LLC ("Verizon") wishes to lease from the City a portion of the Property and Tower Facilities for the purpose of constructing, installing, maintaining, operating, and removing at Verizon's expense, a directional antenna, connecting cables, support structures, and related site equipment for communication facilities.

Verizon representatives and City staff negotiated a lease agreement establishing a lease term for ten (10) years commencing on or after February 1, 2018, with three (3) possible renewal terms of five (5) years each. Terms and conditions of the lease are detailed in the Lease Agreement and attached exhibits.

The Lease establishes annual rent of \$27,000 for the Leased Facilities with an annual increase of 3% upon each annual renewal.

The terms and conditions of this lease are consistent with those of similar lease agreements on other City properties.

Proposed City Council Motion:

FIRST MOTION: I move for second reading of AN ORDINANCE AUTHORIZING THE EXECUTION OF A LEASE AGREEMENT BY AND BETWEEN THE CITY OF LEE'S SUMMIT AND VERIZON WIRELESS, LLC ESTABLISHING THE LEASE TERM AND ANNUAL RENTAL PAYMENT FOR TELECOMMUNICATIONS EQUIPMENT TO BE INSTALLED ON THE CITY'S WATER STORAGE TOWER LOCATED AT 801 SW HOOK ROAD.

SECOND MOTION: I move for adoption of AN ORDINANCE AUTHORIZING THE EXECUTION OF A LEASE AGREEMENT BY AND BETWEEN THE CITY OF LEE'S SUMMIT AND VERIZON WIRELESS, LLC ESTABLISHING THE LEASE TERM AND ANNUAL RENTAL PAYMENT FOR TELECOMMUNICATIONS EQUIPMENT TO BE INSTALLED ON THE CITY'S WATER STORAGE TOWER LOCATED AT 801 SW HOOK

ROAD.

Impact/Analysis:

The initial term of the proposed lease is ten (10) years and shall be automatically renewed for three (3) additional terms of five (5) years each unless terminated pursuant to terms of the lease. The lease provides for annual rent of \$27,000 with a 3% increase at annual anniversary dates.

Presenter: Bette Wordelman

Committee Recommendation: ACTION: A motion was made by Vice Chair Edson, seconded by Councilmember Faith, that this Ordinance be recommended for approval to the City Council - Regular Session, due back on 2/15/2018. The vote was unanimous.