

COUNCIL COMMUNICATION

DATE: 02/05/2024	SUBJECT: Final Reading Ordinance No 2024-O-003 Authorizing the City Manager to execute a First Amendment to the Ground Lease between the City of Laredo ("Landlord") and American Towers LLC, a Delaware limited liability company ("Tenant"), as predecessor in Interest to Nextel WIP Lease Corp., for ground space at 3019 Cortez, Laredo, Webb County, Texas, for the continued maintenance and operation of a 100 ft. high self-supporting type tower and related ground facilities for use in their communications business. Term of the Amendment is one (1) initial term of five (5) years commencing November 21, 2025 and ending November 20, 2030, with four (4) additional five (5) year renewal options. The annual fee will increase from \$15,652.91 to \$45,000.00 with a three percent (3%) annual escalator. The city will also receive a \$25,000.00 one-time payment within 30 days of Licensee's receipt of this amendment executed by Landlord for processing and documenting this Amendment.
INITIATED BY: Rosario C. Cabello, Deputy City Manager	STAFF SOURCE: Joe Rivera, I.S.T. Director
BACKGROUND: Landlord and Tenant entered into a Ground Lease dated November 21, 2000, whereby Landlord leased to Tenant on a non-exclusive basis, ground space located on the real property known as 3019 Cortez, Laredo, Webb County, Texas. This Agreement amends and restates the ground lease for an initial term of five (5) years commencing November 21, 2025 and ending November 20, 2030, with four (4) additional five (5) year renewal options and increases the annual rent from \$15,652.91 to \$45,000.00, with a 3% escalator. The leased premises contain a 100 ft. high self-supporting type tower and existing concrete pads, and/or shelters. Staff continues to propose the use of City of Laredo property to promote the orderly growth and placement of cellular tower sites in our municipality. City staff has diligently attempted to regulate the proliferation of towers in our community by promoting the use of water storage tanks and other city structures.	
FINANCIAL IMPACT: The city will receive an annual rent of \$45,000 with a 3% increase on each anniversary of the commencement date. Rent to be credited to General Fund - Telecommunications Rentals line item#101-0000-361-2006.	