

COUNCIL COMMUNICATION

DATE: 02/05/24	SUBJECT: Final Reading Ordinance 2024-O-005 Authorizing the City Manager to execute a First Amendment to Ground Lease (Lease”) between the City of Laredo (“Landlord”) and NCWPCS MPL 30 – Year Sites Tower Holdings LLC, a Delaware limited liability company, by and through CCATT LLC, a Delaware limited liability company, its attorney in fact, (“Tenant”) for ground space at 1501 East Lyons St., Laredo, Webb County, Texas, for the continued maintenance and operation of a 80 ft. high self-supporting tower and related ground facilities. Term of the Amendment is for (3) consecutive renewal terms of five (5 years); effective October 21, 2027. The annual rent will increase from \$19,141.00 to \$45,000.00 with a four percent (4%) annual escalator. The city will also receive a Conditional Signing Bonus of \$25,000.00.
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 October 21, 2002, whereby Landlord leased to Tenant the Leased Premises, located within Licensor’s Property on a non-exclusive basis, located on the real property known as 1501 East Lyon Street, Laredo, Webb County, Texas. This Agreement amends and restates the ground lease for an additional three (3) terms of five (5) years effective October 21, 2027. The final renewal expires on October 20, 2042. The annual rent will increase from \$19,141.00 to \$45,000.00 with a four (4%) percent escalator. The leased premises contain an 80 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 \$45,000.00 with a 4% increase on each anniversary of the commencement date. Rent will be credited to General Fund Telecommunications Rentals line item 101-000-361-2006.	