



Legislation Text

File #: 09-0168, **Version:** 1

Recommendation to authorize City Manager to execute lease agreements with Long Beach City College, Long Beach Transit, Long Beach Unified School District, St. Mary Medical Center, Southern California Gas Company, City of Cerritos, and City of Signal Hill, to use space at the City's radio transmitter facilities. The term of the proposed leases is five years, and shall be renewed for an additional five years, subject to the approval of the City Manager. (Citywide)

The City of Long Beach manages and maintains the City's main radio transmitter facility (Site) atop Signal Hill. The Site, located at 2321 Stanley Avenue in the City of Signal Hill, is strategically located to serve Long Beach. In addition to supporting the City's own transmissions, the Site is leased to several other agencies to allow transmission of their radio signals.

In 2003, the City renewed the lease agreements with tenants including Long Beach City College, Long Beach Transit, Long Beach Unified School District, St. Mary Medical Center, Southern California Gas Company, City of Cerritos, and City of Signal Hill for a six-year term. Incorporated in the agreements were the Master Operation Plan and the Technical Site Rules that had previously been adopted. These two documents will also be included in the new agreements, but will have no revisions. In addition to the Signal Hill site, there are other transmitter sites in the City that can be used for the same purpose. At this time, it is necessary to initiate renewed lease agreements to adjust the tower lease rates. The new contracts cover lease options at the Signal Hill site as well as other City locations as well.

In developing the proposed lease rates, the intent was to remain competitive while fully recovering the cost to operate the sites by allocating a portion of the costs to tenants based on their equipment requirements at the site. A survey of similar sites indicated that our current rates are below the market. As a result, a proposed rate increase of the annual Consumer Price Index (CPI), or 3.5 percent, whichever is greater, is recommended for the term of the lease.

The term of the proposed leases is five years, to be renewed for an additional five years upon approval of the City Manager. The City or the tenant may cancel prior to the end of the term with 90 days written notice.

This matter was reviewed by Deputy City Attorney Gary Anderson on January 28, 2009 and by Budget Management Officer Victoria Bell on January 30, 2009.

All current lease agreements expire on March 1, 2009. Accordingly, City Council action is requested at the meeting scheduled on February 17, 2009.

Revenue from existing lease agreements totaled \$104,335 in FY 08 and is currently approximately \$8,695 per month. Incremental FY 09 revenue derived from the updated rate structure is an additional \$2,138 for a total of \$108,000. Revenue from the lease agreements is deposited in the General Services Fund (IS 385) and is managed by the Department of Technology Services (TS).

Approve recommendation.

CURTIS TANI
DIRECTOR OF TECHNOLOGY SERVICES

APPROVED:

PATRICK H. WEST
CITY MANAGER