

December 13, 2022

C-9

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager to execute all documents necessary for an Amended and Restated Communications Site Lease No. 29392 with T-Mobile West, LLC, a Delaware limited liability company as successor in interest to Sprint PCS Assets, LLC, a Delaware limited liability company for the continued operation and maintenance of wireless telecommunication antennas and accessory equipment on the roof of City of Long Beach-owned property located at 1150 East 4th Street, commonly known as the Long Beach Senior Center. (District 2)

DISCUSSION

On September 20, 2005, the City Council authorized the City Manager to enter into a Communications Site Lease No. 29392 (Lease) with Sprint PCS Assets, LLC, a Delaware limited liability company (Sprint PCS) for the construction, operation, and maintenance of rooftop-mounted wireless telecommunication antennas and accessory equipment atop City of Long Beach-owned (City) property located at 1150 East 4th Street, commonly known as the Long Beach Senior Center (Communications Site) (Attachment). In 2021, Sprint PCS's local Cellular Network was transferred to T-Mobile West, LLC, a Delaware limited liability company (T-Mobile). Concurrent with the transfer, Sprint PCS requested a termination of the Lease with immediate effect; however, the request was subsequently rescinded by T-Mobile as the successor in interest to Sprint PCS. To allow T-Mobile to continue to operate and maintain the Communications Site as well as memorialize the change in ownership and bring the terms of the Lease in line with the City's standard Communications Site Lease terms, City staff is recommending an Amendment and Restatement of the Lease.

An Amended and Restated Communications Site Lease has been negotiated with the following Terms and Conditions:

- Landlord: City of Long Beach, a municipal corporation.
- Tenant: T-Mobile West, LLC, a Delaware limited liability company.
- Communications Site: Wireless telecommunication antennas and accessory equipment atop City-owned property located at 1150 East 4th Street, commonly known as the Long Beach Senior Center.
- Initial Term: The Initial Term will be for five (5) years, commencing upon the date of full execution of the Amended and Restated Lease; or January 1, 2023, whichever comes first (Commencement Date); and terminating on the fifth (5th) anniversary of the Commencement Date.

- Renewal Options: The Tenant will have four (4) consecutive five (5)-year renewal options.
- Annual Rent: Within 30 days of the Commencement Date, the Tenant shall pay the City an initial Annual Rent of \$45,000.
- Rental Adjustments: On the second anniversary of the Commencement Date and every year thereafter, Annual Rent will increase by four percent (4%) annually.
- Co-location Rent: In addition to Annual Rent, the City will receive monthly Co-location Rent from the Tenant in an amount equal to forty percent (40%) of the rents received by the Tenant for the use of any portion of the Premises by any subtenant(s), licensee(s) and/or Co-locator(s).

This matter was reviewed by Principal Deputy City Attorney Richard F. Anthony on November 17, 2022 and by Budget Operations and Development Officer Rhutu Amin Gharib on November 28, 2022.

TIMING CONSIDERATIONS

City Council action is requested on December 13, 2022, to allow T-Mobile to continue to operate and maintain the Communications Site at 1150 East 4th Street.

FISCAL IMPACT

Beginning in Fiscal Year 2023, the Tenant will pay the City an Annual rent in the amount of \$45,000. The amount of anticipated Co-location Rent is currently unknown. Subsequent annual rent payments will be subject to automatic rent escalators of 4 percent. All Lease revenues derived from the Annual and Co-location rental payments will accrue to the General Fund Group in the Parks, Recreation, and Marine Department. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. There is no local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



BO MARTINEZ
DIRECTOR OF ECONOMIC DEVELOPMENT

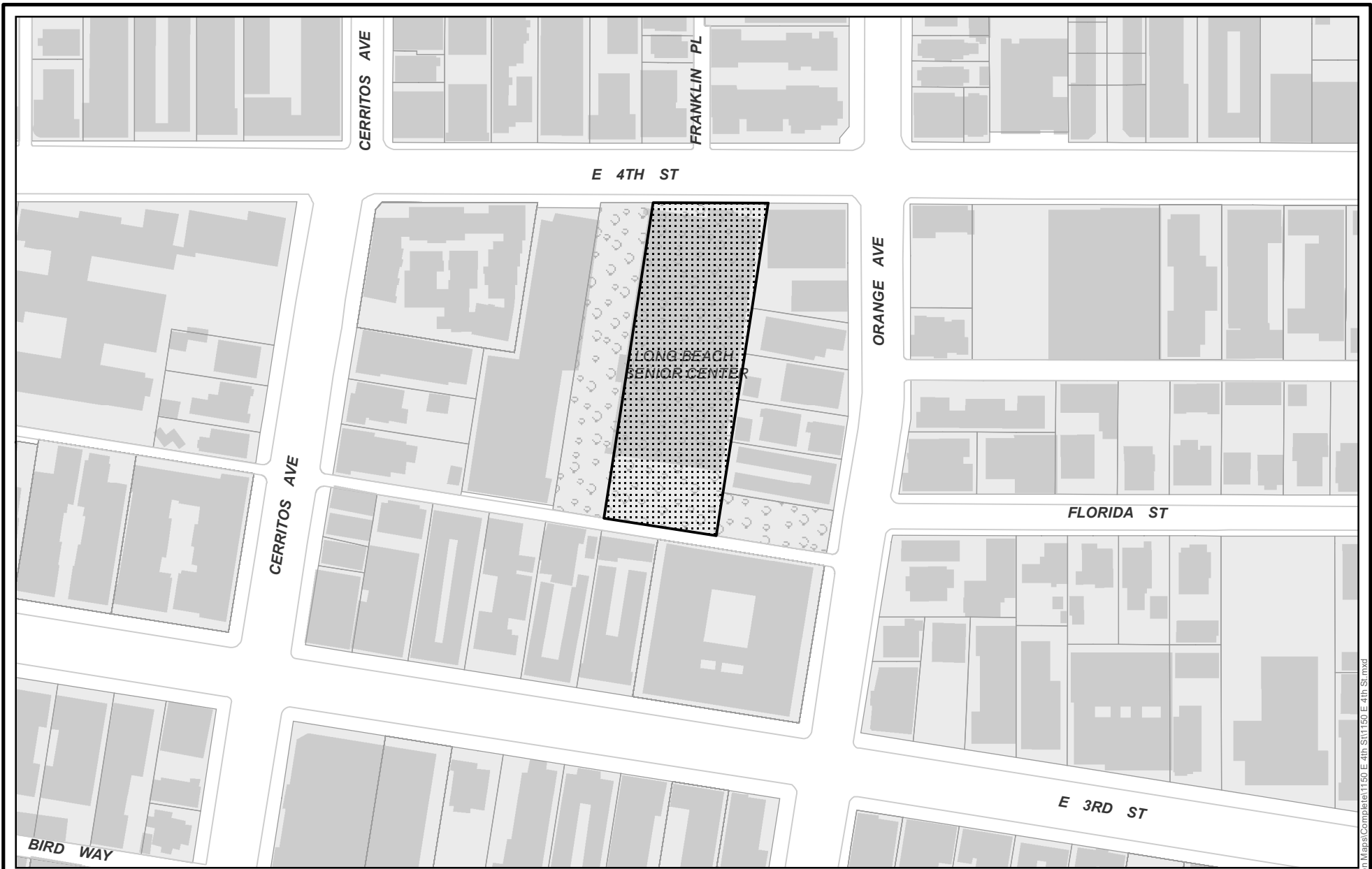


BRENT DENNIS
DIRECTOR OF PARKS,
RECREATION AND MARINE

APPROVED:



THOMAS B. MODICA
CITY MANAGER



Subject Property:
 1150 E 4th St
 Council District : 2

Attachment

