

CITY OF LONG BEACH

DEPARTMENT OF PARKS, RECREATION & MARINE

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September 20, 2005

HONORABLE MAYOR AND CITY COUNCIL City of Long Beach

RECOMMENDATION:

Authorize the City Manager to execute a third amendment to Lease No. 24384 with Verizon Wireless, LLC, to exercise a five-year lease renewal of the antenna tower at El Dorado Golf Course through September 30, 2010. (District 5)

DISCUSSION

California

On August 15, 1995, the City Council authorized the City Manager to execute a lease agreement with AirTouch Cellular, now Verizon Wireless, LLC (Verizon), for a 2,500 square foot area at the El Dorado Golf Course for installation of a 58-foot antenna tower and equipment building (see Attachment A).

On February 6, 2001, the City Council authorized the City Manager to execute the first amendment to the lease to extend the lease term through September 30, 2005, with one, five-year option to extend (see Attachment B). The current annual rent equals \$19,643, with an annual Consumer Price Index adjustment of not less than 3 percent or greater than 8 percent.

On November 13, 2001, the City Council authorized the City Manager to execute a second amendment to the lease to allow for the replacement of the antenna tower with an 80-foot tower designed to look like a pine tree, commonly referred to as a "monopine," capable of accommodating multiple cellular carriers (see Attachment C).

Verizon is now requesting a third amendment to exercise the second option to renew the lease for a five-year term through September 30, 2010.

All other terms and conditions of the lease will remain in effect, including:

- <u>Premises</u>: The site is located on the far east side of the El Dorado Golf Course, adjacent to the San Gabriel River easement, between the tenth hole green and eleventh hole tee (see aerial map Attachment D).
- Term: The lease will terminate on September 30, 2010.

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- Rent: The annual rental payment for 2004 was \$19,643. Consistent with the prior lease term, a rental adjustment will be calculated each successive year of the extended term. The adjustment will be based on the prior year's rent (base rent), plus any increase in the U.S. Department of Labor, Bureau of Labor Statistics Consumer Price Index (CPI) (All Urban Consumers) for the Los Angeles-Riverside-Orange County, California area. The CPI statistical data reported for the month of September will be used to calculate the increase, which shall be no less than 3 percent and no greater than 8 percent. Annual rent for 2005 is estimated at a minimum amount of \$20.232.
- Maintenance: The Tenant is responsible for maintenance of the leased property.
- Utilities: The Tenant is responsible for payment of utilities.

This matter was reviewed by Deputy City Attorney Everett Glenn on September 8, 2005. and Budget Management Officer David Wodynski on September 9, 2005.

TIMING CONSIDERATIONS

City Council action is requested on September 20, 2005, to allow the execution of a third amendment to the lease to renew the term for an additional five years, through September 30, 2010.

FISCAL IMPACT

Revenue for the extended five-year term is estimated at a minimum of \$107,416 and will accrue to the General Fund (GP) in the Department of Parks, Recreation and Marine (PR).

SUGGEST ACTION:

Approve recommendation.

Respectfully submitted,

PHIL T. HESTER

DIRECTOR OF PARKS, RECREATION AND MARINE

PTH:GP

Attachments

APPROVED:

GERALD R. MILLER CITY MANAGER