

STAFF REPORT

City of Lancaster

CC 17
9/13/2022
JC

Date: September 13, 2022

To: Mayor Parris and City Council Members

From: Sonya Patterson, Director – Parks, Arts, Recreation, and Community Services

Subject: **SBA Cell Tower #CA4564-A Early Lease Extension at Rawley Duntley Park**

Recommendation:

- Approve the early cell tower lease extension with SBA 2012 TC Assets, LLC, A Delaware limited liability company, at Rawley Duntley Park, also known as cell tower #CA4564-A Desert View.
- Accept a one-time sign-on bonus of \$20,000 and \$1,954.27 in monthly rent to revenue account 101-3402-100.
- Authorize City Manager, or his designee, to sign all agreements and associated documents.

Fiscal Impact:

Increase FY23 revenue in the amount of a one-time signing bonus of \$20,000. The current monthly revenue of \$1,954.27 and an annual CPI escalation that shall not be less than 3% nor more than 5% of the current rent per year will remain in effect.

Background:

Founded in 1989, SBA Communications Corporation (SBA) is a leading independent owner and operator of wireless communications infrastructure, including a cell tower located at Rawley Duntley Park, 3334 West Ave. K, Lancaster CA 93534.

The Renewal Terms of the original Agreement (April 22, 2000) included five (5) additional successive terms of five (5) years (each a “Renewable Term”) and is set to expire on May 1, 2030. The amendment will commence on May 2, 2030, upon the expiration of the Renewal Term on May 1, 2030; each Renewal Term shall be deemed automatically extended through 2055 unless Lessee notified the Lessor of its intention not to renew the Agreement before the commencement of the succeeding Renewal Term.

In exchange for the lease of land and early extension, SBA has agreed to pay a sign-on bonus of \$20,000 and monthly revenue of \$1,954.27, and an annual CPI escalation that shall not be less

than 3% nor more than 5% of the current rent per year. Otherwise, the terms of the original lease and the first amendment shall remain the same.

SP:ac

Attachment:

Amendment to Communications Site Lease Agreement