



Legislation Text

File #: 23-0255, Version: 1

Resolution Authorizing the Execution of a Lease for 1,600 sq. ft. of City-owned Land Located at 300 Butler Farm Road to New Cingular Wireless, PCS, LLC for a Power Equipment Compound

PURPOSE/BACKGROUND:

On August 8, 2018, Council approved a lease with New Cingular Wireless PCS, LLC ("New Cingular") to lease 1600 square feet of land (the "Leased Premises") and related access and utility easements for a telecommunications facility/equipment compound (the "Facility") located at 300 Butler Farm Road (the "Property"). The Facility serves an antenna co-located on a nearby Dominion Virginia Power Tower pursuant to a private lease agreement between those two parties.

Discussion:

The Facility was first located on the Leased Premises in 2008. At that time, the City also granted multiple easements to facilitate the installation, operation, and maintenance of the Facility. The current lease expired August 18, 2023. The aforesaid access and utility easements continue to remain effective without further action. New Cingular has asked to continue to lease the Leased Premises for five additional years. City staff recommends that the commencement date for the Lease Agreement should be retroactive to August 18, 2023, so that there are no gaps in the prior and new lease terms.

The proposed lease agreement is attached, and provides for an initial annual lump sum rental payment in the amount of \$18,788.74, payable in advance, with a 3% increase in rent annually. The City's Police and Parks, Recreation, and Leisure Services Departments use the Property. Those departments have previously approved of the lease and approve of New Cingular's continued operation of the Facility on the Leased Premises.

City staff recommends approval of the Resolution. This matter requires a public hearing pursuant to §§15.2-1800 and 15.2-2100 of the Code of Virginia of 1950, as amended, which was duly advertised pursuant to Code of Virginia §15.2-1813.

Impact:

Initial annual lump sum rental payment in the amount of \$18,788.74, payable in advance, with a 3% increase in rent annually; 5 year term.

Recommendation:

Conduct a public hearing and approve the Resolution.

WHEREAS, the City of Hampton, Virginia (the "City") owns a parcel of land on 300 Butler Farm Road (the "Property");

WHEREAS, by motion made and adopted April 30, 2008, the City originally authorized the lease of a 1600 square foot portion of the Property (the "Leased Premises") to New Cingular Wireless PCS, LLC ("New Cingular") for the purpose of installing and operating thereon an equipment building with appurtenant facilities to be used to operate a telecommunications facility (the "Facility");

WHEREAS, the City has authorized continuations of the lease since April 2008 with the last continuation being authorized by motion made and adopted on August 8, 2018, for five (5) years pursuant to the provisions of the Code of Virginia Sections 15.2-1800 and 15.2-2100;

WHEREAS, the lease approved in 2018 expired August 18, 2023;

WHEREAS, New Cingular has negotiated a new five-year lease with City staff (the "Lease Agreement");

WHEREAS, the City Council of the City has determined that the terms and conditions of the Lease Agreement are fair and reasonable; and

WHEREAS, the City Council of the City agrees that the commencement date for the Lease Agreement should be retroactive to August 18, 2023, so that there are no gaps in the prior and new lease terms.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Hampton, Virginia, as follows:

1. That the Lease Agreement for the Leased Premises on which the Facility is situated on the Property is hereby approved;
2. That the commencement date for the Lease Agreement shall be August 18, 2023; and
3. That the City Manager or her designee is hereby authorized and directed to execute the Lease Agreement in substantially the same form as presented and any documents related thereto and necessary to effectuate the purposes of that agreement, subject to the approval of the City Attorney.