



## Legislation Text

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File #: 22-0289, Version: 1

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Resolution Authorizing the Execution of a Lease for a 3,160 sq. ft. Portion of Land Over City Owned Property Located at 1590 Briarfield Road, LRSN: 1000275 to Crown Communication LLC, for a Power Equipment Compound and Cell Tower

### **PURPOSE/BACKGROUND:**

New Cingular PCS, LLC, ("New Cingular"), a Delaware limited liability company, entered into a lease with the City of Hampton (the "City"), dated October 26, 2007, adopted by City Council on November 7, 2007, and effective on November 16, 2007 (the "Original Lease"), for a 1,600 sq. ft. portion of 1590 Briarfield Road (the "Leased Premises). On or about December 31, 2007, the Original Lease was amended by New Cingular's assignee Crown Communication, Inc. ("Crown, Inc."), a Delaware limited liability company, to expand the Leased Premises to 3,160 square feet. The Original Lease expired on November 16, 2012.

Crown Communication LLC ("Crown"), a successor to Crown, Inc., entered into a lease with the City effective on December 10, 2017, for the Leased Premises (the "Second Lease"). The Second Lease expired December 10, 2017, and Crown negotiated a new lease (the "Third Lease"). The Third Lease expires December 10, 2022.

The attached lease, the proposed "Fourth Lease", is for five years with an effective commencement date of December 10, 2022. Rent for the first year is \$25,805.19 annually payable in advance with a 3% escalation. Crown will pay the City 30% of any rents obtained from subtenants (co-locators) on the cell tower.

City staff recommends approval of the Resolution. This matter was advertised pursuant to Virginia Code §15.2-1813.

### **Discussion:**

See Purpose/Background above.

### **Impact:**

See Purpose/Background above.

### **Recommendation:**

Conduct public hearing and approve the Resolution.

WHEREAS, the City of Hampton (the "City") owns a parcel of land at 1590 Briarfield Road (the "Property");

WHEREAS, the City entered into a lease, dated October 26, 2007, approved by City Council on November 7, 2007, and effective on November 16, 2007, for a 1,600 sq. ft. portion of the Property (the "Leased Premises") with New Cingular Wireless PCS, LLC ("New Cingular") together with the grant of related access and utility easements for a power equipment compound and a cell tower (the "Original Lease");

WHEREAS, the Original Lease was amended, on or about December 31, 2007, by New Cingular's assignee, Crown Communication, Inc. ("Crown, Inc.") to expand the Leased Premises to 3,160 sq. ft.;

WHEREAS, the Original Lease expired on November 16, 2012, and Crown Communication LLC ("Crown"), a successor to Crown, Inc., negotiated and entered into a new five-year lease, dated December 13, 2012, approved by Council December 12, 2012, and effective on December 10, 2012, for the Leased Premises, together with the grant of the related access and utility easements (the "Second Lease");

WHEREAS, the Second Lease expired on December 10, 2017, and Crown negotiated and entered into a new five-year lease dated November 14, 2017, approved by Council November 8, 2017, and which commenced December 10, 2017, for the Leased Premises (the "Third Lease");

WHEREAS, the Third Lease expires on December 10, 2022, and Crown has negotiated a new five-year lease for the Leased Premises (the "Fourth Lease"); and

WHEREAS, the Fourth Lease of the Leased Premises is deemed fair and reasonable, and the terms of the Lease Agreement, a copy of which is attached to this Resolution, is reasonable and acceptable.

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

1. That the lease (the "Fourth Lease") of a certain 3,160 sq. ft. portion of the City owned property located at 1590 Briarfield Road is hereby approved; and
2. That the City Manager or her authorized designee is hereby authorized and directed to execute the Lease Agreement between the City of Hampton and Crown Communications LLC, a Delaware limited liability company, in substantially the same form as set forth in this Resolution, and to take any and all actions necessary to carry out the purposes of this Resolution, subject to approval by the City Attorney.