



Albemarle County

Legislation Text

File #: 20-445, **Version:** 1

AGENDA DATE: 9/2/2020

TITLE:

Buck's Elbow Mountain Tower Lease

SUBJECT/PROPOSAL/REQUEST: Request to Set a Public Hearing to Approve a Telecommunications Tower Lease on Buck's Elbow Mountain

ITEM TYPE: Consent Action Item

STAFF CONTACT(S): Richardson, Walker, Kamptner, Herrick, Saxton, Elias

PRESENTER (S): Andy Herrick

LEGAL REVIEW: Yes

REVIEWED BY: Jeffrey B. Richardson

BACKGROUND: The County owns a 120-foot telecommunications tower and tower site located on Buck's Elbow Mountain. This tower hosts equipment used by the Charlottesville-U.Va.-Albemarle County Emergency Communications Center ("ECC") as part of the regional 800 MHz. public safety radio system. From 1996 to 2001, the County leased excess space on the tower, as well as ground space for an equipment shelter, to Charlottesville Cellular Partnership, the local licensing entity for U.S. Cellular Corporation. In July, 2001, the County renewed the lease for another five-year term that ended in July, 2006. Following the expiration of that lease, U.S. Cellular remained on-site and continued to make payments according to the lease terms. After obtaining a fair market value study from RCC Consulting, a firm that the ECC contracted for various telecommunications matters, the parties subsequently entered a new five-year lease (for 7/1/2008-6/30/2013), with two additional five-year extensions (for 7/1/2013-6/30/2018 and 7/1/2018-6/30/2023, respectively). USCOC of Virginia RSA #3, Inc. now wishes to enter a new lease with an initial term of 7/1/2023-6/30/2028. The resulting lease, attached to this summary, has been accepted by U.S. Cellular. *Virginia Code* § 15.2-1800 requires the Board to hold a public hearing prior to approving a lease of this County property.

STRATEGIC PLAN: Quality Government Operations: Ensure County government's capacity to provide high quality service that achieves community priorities

DISCUSSION: The proposed lease is based on 3% annual rental increases from the fair market values determined by the prior RCC Consulting study. See Attachment A, Section 7 - Rent. For the first year of the new term (July 1, 2023-June 30, 2024), U.S. Cellular would pay \$37,685.76, an increase of 3% from the prior year. During the 5-year term, rent would increase by 3% each year. Following this initial term, the parties could extend the lease for up to two renewal terms of five years each. Rental rates for these renewal terms would be negotiated based on then prevailing fair market values for the tower space.

BUDGET IMPACT: In addition to the \$37,685.76 payment for Year 1 of the lease, the following payments would be made in subsequent years of the 5-year term:
Year 2 (7/1/24-6/30/25) -- \$38,816.33

Year 3 (7/1/25-6/30/26) -- \$39,980.82

Year 4 (7/1/26-6/30/27) -- \$41,180.25

Year 5 (7/1/27-6/30/28) -- \$42,415.65

RECOMMENDATION:

Staff recommends that the Board set a future public hearing to consider the attached lease proposal in accordance with *Virginia Code* §15.2-1800.

ATTACHMENTS:

A - Proposed Lease

B - Proposed Memorandum of Lease