



Legislation Text

File #: 15-5855, Version: 1

Telecommunications Ground Lease

Action:

- A. Adopt a Resolution approving a 25-year ground lease with Communications Tower Group, LLC, at 5824 Jim Kidd Road at a base rent rate of \$1,500 per month with 15 percent escalation every five years, and**
- B. Authorize the City Manager to negotiate and execute the ground lease.**

Staff Resource(s):

Mike Davis, Engineering and Property Management
Tony Korolos, Engineering and Property Management
Barry Gullet, Charlotte Water

Explanation

- The City owns an approximately 194-acre property at 5824 Jim Kidd Road as part of the McDowell Wastewater Treatment Plant facility.
- Staff determined space was available for a ground lease of a 10,000 square foot area with Communications Tower Group, LLC for construction and operation of a telecommunications tower.
- The terms of the lease are:
 - Lessee: Communications Tower Group, LLC
 - Term: 25 years
 - Base rent rate: \$1,500/month
 - Escalation: 15% every five years
 - Revenue share: \$500/month paid by lessee for each sublessee added to the telecommunications tower, in addition to base rent
- The rent rate was negotiated based on other City telecommunications ground lease rates and available market information.
- This lease is consistent with the recently approved City-owned Real Estate and Facilities Policy.

Fiscal Note

Funding: Charlotte Water Operating Budget

Attachment(s)

Map
Resolution