



City Hall, 215 Sycamore St.  
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**Finance and Records**

**MEMO**

To: Gregg Mandsager, City Administrator

From: Nancy A. Lueck, Finance Director

Date: May 31, 2016

Re: Resolution Setting a Public Hearing on the First Amendment to the Option and Lease Agreement with Crown Castle Towers 05 LLC for their Cell Tower and Equipment at Greenwood Cemetery

**Introduction:**

On October 15, 2000, the City entered into a lease agreement with Crown Castle Towers 05 LLC for property at Greenwood Cemetery for their cell tower and related equipment. The original agreement was for a five-year period through October 14, 2005 and provided for four five-year extensions with the final extension expiring on October 14, 2025.

**Background Information:**

Several months ago Crown Castle contacted the City and indicated that they were interested in extending the current lease for additional five-year terms after it expires in 2025. After several months of negotiations, terms of the lease amendment were agreed to, subject to City Council approval. The proposed lease amendment provides for (1) six additional five-year extensions through October 14, 2055, (2) commencing October 15, 2025, the monthly rent would increase by 3% per year, (3) there would also be a one-time 15% increase in the monthly rent on October 15, 2025 at the time the lease amendment goes into effect, and (4) a \$5,000 one-time amount paid after the lease amendment is executed by the City and Crown Castle. The amendment also includes provisions for (1) additional lease payments if Crown Castle sub-leases a portion of their equipment, and (2) a provision for Crown Castle to lease up to 1,000 additional square feet of adjacent property at their option.

The 30 year extension and 3% annual lease escalation is the same as the terms recently negotiated for the USCOC (US Cellular) lease extension for the Clark House property.

**Recommendation:**

Since the proposed lease amendment is for more than three years, a public hearing is required before entering into the lease amendment. Please include the attached resolution setting a public hearing on the proposed lease amendment on the agenda for the June 2, 2015 meeting.

Please contact me if you have any questions or need additional information.

RESOLUTION NO. \_\_\_\_\_

**RESOLUTION SETTING TIME AND PLACE FOR A PUBLIC HEARING  
ON THE PROPOSED FIRST AMENDMENT TO OPTION AND LEASE  
AGREEMENT WITH CROWN CASTLE TOWERS 05 LLC  
FOR THE CELL TOWER LOCATED AT GREENWOOD CEMETERY**

WHEREAS, the City of Muscatine has received a request for a lease amendment for continued use of space located at the Greenwood Cemetery for the Crown Castle cell tower, telephone communication antennas, and related equipment; and

WHEREAS, a public hearing must be conducted for any agreement that involves more than a (3) year lease of real property.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MUSCATINE THAT:

SECTION 1: On June 16, 2016 at 7:00 p.m. in the City Council Chambers at City Hall, Muscatine, Iowa, this Council shall hold a public hearing on the proposed lease amendment with Crown Castle Towers 05 LLC for their communications equipment.

SECTION 2: The City Clerk shall give notice of such public hearing by publication in the Muscatine Journal not less than four (4) nor more than twenty (20) days prior to the date set for the public hearing. The notice shall be in the following form:

(Notice of Public Hearing attached)

PASSED, APPROVED AND ADOPTED THIS 2<sup>nd</sup> DAY OF JUNE, 2016.

CITY COUNCIL OF THE CITY OF MUSCATINE, IOWA

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Diana L. Broderson, Mayor

ATTEST:

\_\_\_\_\_  
Gregg Mandsager, City Clerk

**PUBLIC NOTICE**

**NOTICE OF TIME AND PLACE OF PUBLIC HEARING  
ON THE PROPOSED FIRST AMENDMENT TO OPTION AND LEASE  
AGREEMENT WITH CROWN CASTLE TOWERS 05 LLC  
FOR THE CELL TOWER LOCATED AT GREENWOOD CEMETERY**

Public Notice is hereby given that the City Council of the City of Muscatine, Iowa, will hold a Public Hearing to allow comments on the proposed first amendment to option and lease agreement with Crown Castle Towers 05 LLC for their cell tower, telephone communication antennas, and related equipment at Greenwood Cemetery.

This Public Hearing will be held in the City Council Chambers of City Hall located at 215 Sycamore Street in Muscatine, Iowa, on June 16, 2016 at 7:00 p.m. All interested persons are invited to attend and will be given an opportunity to be heard relative to this matter.

Gregg Mandsager, City Clerk