Presented by: Lands Comm. Presented: 07/13/2020 Drafted by: R. Palmer III

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2020-29

An Ordinance Authorizing the Manager to Lease a Fraction of U.S. Survey 1041, Located at 10020 Crazy Horse Drive, to Vertical Bridge Holdings LLC, for a Communications Tower and Facility.

WHEREAS, Vertical Bridge Holdings LLC has applied for a lease and easement totaling approximately 13,139 square feet of land within USS 1041, located at 10020 Crazy Horse Drive, as generally depicted in the attached Exhibit "A"; and

WHEREAS, the purpose of the lease is to allow for the construction, operation, maintenance, and leasing of a communications tower and facility; and

WHEREAS, the Planning Commission, at its regular public meeting on April 14, 2020, adopted the analysis and findings in the Notice of Decision (NOD) and approved the special use permit for this tower; and

WHEREAS, at its June 1, 2020 meeting, the Assembly Lands Committee passed a motion of support to lease property to Vertical Bridge Holdings LLC at 10020 Crazy Horse Drive for fair market value.

THEREFORE, BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

- **Section 1.** Classification. This ordinance is a noncode ordinance.
- **Section 2.** Authorization to Execute Lease. The Manager is authorized to execute a lease to Vertical Bridge Holdings LLC, for approximately 5,625 square feet of City and Borough property described as a fraction of USS 1041, located at 10020 Crazy Horse Drive in the Mendenhall Valley, as generally depicted in Exhibit "A", and to provide for and 7,514 square feet access/utility corridor from Crazy Horse Drive.
- **Section 3. Essential Terms and Conditions.** The lease will include, at a minimum, the following terms and conditions:
- (a) The lease term shall be for a period of five years plus three, five-year renewal periods.

- (b) The use of the lease site shall be for the sole purpose of constructing, maintaining, and operating a communications tower and facility.
 - (c) Rent shall be established according to the following schedule:

\$1,075.00 per month as base rent, which includes the first sublease; plus

30% of rent charged in any second sublease; plus

40% of rent charged in any third sublease; plus

50% of rent charged in any fourth (and each additional) sublease.

Any sublease after the first, which is included in the base rent, shall be calculated and payable on a monthly basis.

In addition, there shall be an automatic three percent annual escalation of the base rent charged.

- (d) During the lease and lease renewal periods, rent shall be subject to adjustment every five years to reflect changes in the market rent.
- (e) Lessee shall ensure all equipment and activities on the leased premises operate in a manner, which will not cause unreasonable interference with the operations of the City and Borough or other authorized users in the vicinity of the leased premises.
- (f) Lessee shall comply with all applicable federal, state, and local laws and regulations in maintaining, operating, and leasing its communications tower and facility on the leased premises.
- (g) Lessee shall indemnify, defend, and hold harmless the City and Borough and its officers, agents, and employees from any claims related to or arising out of Lessee's development, use, operation, or maintenance of the lease and any improvements on the leased premises.
- **Section 4.** Other Terms. The Manager may include other lease terms the Manager determines to be in the public interest.

Section 5. Effective Date. This ordinance shall be effective 30 days after its adoption.

Adopted this 3rd day of August, 2020.

Beth A. Weldon, Mayor

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Attest:

Elizabeth J. McEwen, Municipal Clerk

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