ANCHORAGE, ALASKA
AO No. 2023-74

AN ORDINANCE AUTHORIZING A FIVE (5) YEAR LEASE BETWEEN THE MUNICIPALITY OF ANCHORAGE, PORT OF ALASKA (PORT) AND ATLAS TOWER 1, LLC OF MUNICIPAL PROPERTY, LEGALLY DESCRIBED AS A PORTION OF TRACT J, PORT OF ANCHORAGE SUBDIVISION ADDITION NO. 2 FOR THE CONSTRUCTION AND OPERATION OF A COMMUNICATIONS FACILITY.

WHEREAS, Atlas Tower 1, LLC is seeking to lease a 10,000 square foot area, legally described as a portion of Tract J Port of Anchorage Addition No. 2, for the purposes of constructing and operating concrete pad and cell tower not to exceed 150’ in height; and

WHEREAS, entering a lease with Atlas Tower 1, LLC at fair market value with rent escalators for an initial term of five (5) years with nine (9) five-year options is in the best interest of the Municipality; now, therefore,

THE ANCHORAGE ASSEMBLY ORDAINS:

Section 1. The lease of 10,000 square foot area to Atlas Tower 1, LLC of municipal property, legally described as a portion of Tract J Port of Anchorage Addition No. 2 is hereby authorized at fair market value for an initial term of five (5) years with nine (9) five-year options upon mutual consent and such other terms and conditions deemed by the Mayor to be within the best interest of the Municipality.

Section 2. This Ordinance shall become effective immediately upon passage and approval by the Anchorage Assembly.

PASSED AND APPROVED by the Anchorage Assembly this _______ day of ______________, 2023.

______________________________
Chair of the Assembly

ATTEST:

______________________________
Municipal Clerk
MUNICIPALITY OF ANCHORAGE
Summary of Economic Effects -- Utilities

Title: AN ORDINANCE AUTHORIZING A FIVE (5) YEAR LEASE BETWEEN THE MUNICIPALITY OF
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Sponsor: MAYOR
Preparation Agency: Port of Alaska
Others Impacted:

CHANGES IN REVENUES AND EXPENSES:
(In Thousands of Dollars)

<table>
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<tr>
<th>FY23</th>
<th>FY24</th>
<th>FY25</th>
<th>FY26</th>
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<td>Capital Expenses</td>
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<td>Non-Operating Revenues:</td>
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<td>TOTAL NON-OPERATING EXPENSES</td>
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</table>

NET INCOME (REGULATED): N/A - Port of Alaska is not a regulated utility

POSITIONS: FT/PT and Temp: N/A - no required positions affiliated with this lease.

PUBLIC SECTOR ECONOMIC EFFECTS:

Estimated revenue earned will be recorded in Port Lease Revenue and will provide annual, recurring revenue to be used for maintaining services at the Port of Alaska. Rent adjustments will be made upon commencement of each renewal term based on "Fair Market Rental Value" of the property set forth in the lease agreement.

PRIVATE SECTOR ECONOMIC EFFECTS:

The proposed lease for the purpose of constructing and maintaining a cell tower provides benefits to all citizens of Anchorage by providing options for cell services.

Prepared by: Cheryl Beckham, Finance & Admin Manager
Telephone: (907) 343-6204
FROM:  MAYOR

SUBJECT:  AN ORDINANCE AUTHORIZING A FIVE (5) YEAR LEASE BETWEEN THE MUNICIPALITY OF ANCHORAGE, PORT OF ALASKA (PORT) AND ATLAS TOWER 1, LLC OF MUNICIPAL PROPERTY, LEGALLY DESCRIBED AS A PORTION OF TRACT J, PORT OF ANCHORAGE SUBDIVISION ADDITION NO. 2 FOR THE CONSTRUCTION AND OPERATION OF A COMMUNICATIONS FACILITY.

The proposed action authorizes the Port of Alaska to enter into a lease agreement with Atlas Tower 1, LLC for a ten thousand (10,000) square foot area of municipal property, legally described as a portion of Tract J Port of Anchorage Addition No. 2 for the purposes related to the construction and operation of a communications facility.

This proposed fair market value lease is anticipated to provide a source of recurring revenues to the Municipality for an initial term of five (5) years with nine (9) five-year options with rent escalators. Lease adjustments will be made in the amount of the rent to reflect the Fair Market Rental Values of the premises upon commencement of any Renewal Term.

THE ADMINISTRATION RECOMMENDS APPROVAL.

Prepared by:  Port of Alaska
Approved by:  Stephen Ribuffo, Port Director
Concur:      Tiffany E. Briggs, Real Estate Services Program & Policy Director
Concur:      Courtney Petersen, Director, OMB
Concur:      Alden Thern, Acting CFO
Concur:      Anne Helzer, Municipal Attorney
Concur:      Kent E. Kohlhase, P.E., Municipal Manager
Respectfully submitted:  Dave Bronson, Mayor