

Submitted by: Chair of the
Assembly at the
Request of the Mayor
Prepared by: Port of Alaska
For reading: September 27, 2022

**ANCHORAGE, ALASKA
AO No. 2022-86**

1 **AN ORDINANCE AUTHORIZING A FIVE (5) YEAR LEASE BETWEEN THE**
2 **MUNICIPALITY OF ANCHORAGE, PORT OF ALASKA (PORT) AND VB BTS,**
3 **LLC (VERTICAL BRIDGE) OF MUNICIPAL PROPERTY, LEGALLY**
4 **DESCRIBED AS A PORTION OF TRACT J, PORT OF ANCHORAGE**
5 **SUBDIVISION ADDITION NO. 2 FOR THE CONSTRUCTION AND OPERATION**
6 **OF A COMMUNICATIONS FACILITY.**
7

8
9 **WHEREAS**, Vertical Bridge is seeking to lease a 10,000 square foot area, legally
10 described as a portion of Tract J Port of Anchorage Addition No. 2, for the
11 purposes of constructing a concrete pad and operating a cell tower not to exceed
12 150' in height; and
13

14 **WHEREAS**, entering a lease with Vertical Bridge at fair market value with rent
15 escalators for an initial term of five (5) years with nine (9) five-year options is in the
16 best interest of the Municipality; now, therefore,
17

18 **THE ANCHORAGE ASSEMBLY ORDAINS:**
19

20 **Section 1.** The lease of 10,000 square foot area to Vertical Bridge of municipal
21 property, legally described as a portion of Tract J Port of Anchorage Addition No.
22 2 is hereby authorized at fair market value for an initial term of five (5) years with
23 nine (9) five-year options upon mutual consent and such other terms and
24 conditions deemed by the Mayor to be within the best interest of the Municipality.
25

26 **Section 2.** This Ordinance shall become effective immediately upon passage
27 and approval by the Anchorage Assembly.
28

29
30 PASSED AND APPROVED by the Anchorage Assembly this _____ day
31 of _____, 2022.
32
33
34

35 _____
36 Chair of the Assembly

37 ATTEST:
38
39
40

41 _____
42 Municipal Clerk



MUNICIPALITY OF ANCHORAGE

Assembly Memorandum

No. AM 521-2022

Meeting Date: September 27, 2022

1 **From: MAYOR**

2
3 **Subject: AN ORDINANCE AUTHORIZING A FIVE (5) YEAR LEASE**
4 **BETWEEN THE MUNICIPALITY OF ANCHORAGE, PORT OF**
5 **ALASKA (PORT) AND VB BTS, LLC (VERTICAL BRIDGE) OF**
6 **MUNICIPAL PROPERTY, LEGALLY DESCRIBED AS A PORTION**
7 **OF TRACT J, PORT OF ANCHORAGE SUBDIVISION ADDITION**
8 **NO. 2 FOR THE CONSTRUCTION AND OPERATION OF A**
9 **COMMUNICATIONS FACILITY.**

10
11 The proposed action authorizes the Port of Alaska to enter into a lease agreement
12 with VB BTS, LLC for a ten thousand (10,000) square foot area of municipal
13 property, legally described as a portion of Tract J Port of Anchorage Addition No.
14 2 for the purposes related to the construction and operation of a communications
15 facility.

16
17 This proposed fair market value lease is anticipated to provide a source of
18 recurring revenues to the Municipality for an initial term of five (5) years with nine
19 (9) five-year options with rent escalators. Lease adjustments will be made in the
20 amount of the rent to reflect the Fair Market Rental Values of the premises upon
21 commencement of any Renewal Term.

22 23 24 **THE ADMINISTRATION RECOMMENDS APPROVAL.**

25
26 Prepared by: Port of Alaska
27 Approved by: Stephen Ribuffo, Port Director
28 Concur: Lance Wilber, Acting Community
29 Development Director
30 Concur: Courtney Petersen, Director, Office of
31 Management & Budget
32 Concur: Ross H. Risvold, Acting CFO
33 Concur: Blair M. Christensen, Acting Municipal Attorney
34 Concur: Amy Demboski, Municipal Manager
35 Respectfully submitted: Dave W. Bronson, Mayor
36

MUNICIPALITY OF ANCHORAGE
Summary of Economic Effects -- Utilities

AO Number: 2022-86

Title: AN ORDINANCE AUTHORIZING A FIVE (5) YEAR LEASE BETWEEN THE MUNICIPALITY OF ANCHORAGE, PORT OF ALASKA (PORT) AND VB BTS, LLC (VERTICAL BRIDGE) 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.

Sponsor: **MAYOR**
 Preparing Agency: Port of Alaska
 Others Impacted:

CHANGES IN REVENUES AND EXPENSES:	(In Thousands of Dollars)				
	<u>FY22</u>	<u>FY23</u>	<u>FY24</u>	<u>FY25</u>	<u>FY26</u>
Capital Revenues:	-				
TOTAL OPERATING REVENUES	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Expenses	-				
TOTAL OPERATING EXPENSES	\$ -	\$ -	\$ -	\$ -	\$ -
Non-Operating Revenues:					
Port Lease Revenue	\$ 4	\$ 15	\$ 15	\$ 15	\$ 15
TOTAL NON-OPERATING REVENUES	\$ 4	\$ 15	\$ 15	\$ 15	\$ 15
Non-Operating Expenses:					
TOTAL NON-OPERATING EXPENSES	\$ -	\$ -	\$ -	\$ -	\$ -
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.

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.

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