

Submitted by: Chair of the Assembly at the
Request of the Mayor
Prepared by: Port of Alaska
For reading: June 20, 2023

**ANCHORAGE, ALASKA
AO No. 2023-74**

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

8
9 **WHEREAS**, Atlas Tower 1, LLC 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 purposes
11 of constructing and operating concrete pad and cell tower not to exceed 150' in
12 height; and
13

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

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

29 PASSED AND APPROVED by the Anchorage Assembly this _____ day of
30 _____, 2023.
31

32
33 _____
34 Chair of the Assembly

35 ATTEST:
36
37

38 _____
39 Municipal Clerk

MUNICIPALITY OF ANCHORAGE
Summary of Economic Effects -- Utilities

AO Number: 2023-74

Title: **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.**

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

CHANGES IN REVENUES AND EXPENSES:	(In Thousands of Dollars)				
	<u>FY23</u>	<u>FY24</u>	<u>FY25</u>	<u>FY26</u>	<u>FY27</u>
Capital Revenues:	-				
TOTAL OPERATING REVENUES	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Expenses	-				
TOTAL OPERATING EXPENSES	\$ -	\$ -	\$ -	\$ -	\$ -
Non-Operating Revenues:					
Port Lease Revenue	\$ 8	\$ 15	\$ 15	\$ 15	\$ 15
TOTAL NON-OPERATING REVENUES	\$ 8	\$ 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. 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

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MUNICIPALITY OF ANCHORAGE

Assembly Memorandum

No. AM 485-2023

Meeting Date: June 20, 2023

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 ATLAS TOWER 1, LLC OF MUNICIPAL**
6 **PROPERTY, LEGALLY DESCRIBED AS A PORTION OF TRACT J,**
7 **PORT OF ANCHORAGE SUBDIVISION ADDITION NO. 2 FOR THE**
8 **CONSTRUCTION AND OPERATION OF A COMMUNICATIONS**
9 **FACILITY.**

10
11 The proposed action authorizes the Port of Alaska to enter into a lease agreement
12 with Atlas Tower 1, 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. 2
14 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 recurring
18 revenues to the Municipality for an initial term of five (5) years with nine (9) five-year
19 options with rent escalators. Lease adjustments will be made in the amount of the
20 rent to reflect the Fair Market Rental Values of the premises upon commencement
21 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: Tiffany E. Briggs, Real Estate Services Program &
29 Policy Director
30 Concur: Courtney Petersen, Director, OMB
31 Concur: Alden Thern, Acting CFO
32 Concur: Anne Helzer, Municipal Attorney
33 Concur: Kent E. Kohlhase, P.E., Municipal Manager
34 Respectfully submitted: Dave Bronson, Mayor