



## AGENDA REPORT

### City Council Meeting

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**TODAY'S DATE:** October 13, 2026

**MEETING DATE:** October 21, 2026

**TO:** Mayor Grimm, Sandpoint City Council

**FROM:** Jason Welker, Planning & Community Development Director

**SUBJECT:** SBA cell tower ground lease at War Memorial Field Park

#### Requested Council Action

Approve the replacement ground lease with SBA 2012 TC Assets, LLC for the existing cell tower site at War Memorial Field Park and authorize the Mayor to execute the lease and related recording memorandum, subject to reconciliation of the documents and final City Attorney review described below.

#### Background

The City owns the park property at 801 Ontario Street. On July 17, 2009, the City entered into a ground lease with TowerCo Assets LLC for wireless communications use. TowerCo changed its name to SBA 2012 TC Assets, LLC effective October 1, 2012 and became an affiliate of SBA Communications Corporation.

The proposed instrument is a new ground lease that expressly supersedes and replaces the 2009 lease upon commencement. It covers approximately 2,500 square feet, together with nonexclusive access and utility easements, for continued operation of the existing facility. Equipment schedules identify T-Mobile and Verizon equipment. The related memorandum would provide recorded notice of the lease.

#### Principal Lease Terms

**Term and renewal.** The draft commences October 21, 2026 and ends September 30, 2036, with two automatic ten-year renewal terms if neither party provides notice of nonrenewal. Full renewal would extend occupancy through September 30, 2056. Nonrenewal rights are limited: the City must reasonably determine that the site is needed for a bona fide municipal purpose; SBA must reasonably determine that the facility is no longer economically viable. The draft establishes a six- to twelve-month notice window for SBA; the City's notice deadline should be made explicit.

**Rent.** Annual base rent is \$23,623.66 for October 1, 2026 through September 30, 2027, payable within 30 days of commencement. Rent increases 2% each October 1. Equipment changes may adjust rent under the City's adopted fee schedule. Additional increases for documented City expenses require 60 days' notice and an amendment signed by both parties.

**Site operations and City oversight.** SBA is responsible for utilities, tower and equipment maintenance, required permits, and compliance with applicable requirements. Equipment and frequency changes require prior written City authorization.

**Insurance and removal.** The lease requires liability coverage of at least \$1 million per claim and \$2 million aggregate, with the City named as an additional insured, and includes indemnification

obligations. At termination, SBA must remove the tower, equipment, impervious surfaces and outbuildings unless otherwise agreed. The City has remedies for property left behind.

#### Park Use and Relocation

The agreement commits a portion of City park property to continued telecommunications use for an initial term and potentially two renewals. The City retains rights to compatible uses of the premises, but its ability to decline renewal is tied to a municipal need for the leased site. The relocation language therefore directly affects flexibility for future park improvements.

#### Fiscal Impact

The proposed first-year base rent provides \$23,623.66 in annual City revenue. A 2% increase would produce base rent of \$24,096.13 for the following lease year.

#### Recommended Motion

"I move to approve the replacement Ground Lease Agreement for Wireless Cell Tower between the City of Sandpoint and SBA 2012 TC Assets, LLC at War Memorial Field Park and authorize the Mayor to execute the lease and related memorandum following reconciliation of the documents and final City Attorney review, with any material changes returned to Council for approval."

#### Attachments

1. Proposed Ground Lease Agreement, October 5, 2026 draft, Lease No. A26-1600-11.
2. Proposed Memorandum of Ground Lease Agreement for recording.