

**CITY OF BUCKEYE
Regular Council Meeting
COUNCIL ACTION REPORT**

MEETING DATE: 05/19/26	AGENDA ITEM: 4.I. PMO - Ground Lease with Vertical Bridge for a Wireless Communications Tower and Related Facilities
DATE PREPARED: 05/14/26	DISTRICT NO.: 2
STAFF LIAISON: Paul Baumgardt, Contract Real Estate Coordinator, pbaumgardt@buckeyeaz.gov, (480) 952-5114	
DEPARTMENT: Program Management Office	AGENDA ITEM TYPE: Consent Agenda Items / New Business

ACTION/MOTION: (This language identifies the formal motion to be made by the Council)
Council to take action on Resolution No. 48-26 approving the Telecommunications Facilities Ground Lease Agreement and Memorandum of Option to Lease, between the City of Buckeye, as Lessor, and VB BTS III, LLC, a Delaware limited liability company, as prospective Lessee, for a Ground Lease at Sundance Crossings Center, and authorizing the City Manager to execute and deliver said Ground Lease and Memorandum of Option to Lease on behalf of the City of Buckeye; and further, to authorize the City Manager to execute and deliver the Memorandum of Lease for recording on behalf of the City of Buckeye, upon Lessee's timely exercise of its option under the Memorandum of Option to Lease.

GOALS AND OBJECTIVES FOR THE STRATEGIC PLAN FOCUS AREAS:

Infrastructure

SUMMARY

PROJECT DESCRIPTION:

On April 18, 2024, an application and project details were submitted to the City by a development consulting firm representing Vertical Bridge for a 110' wireless communications tower on City-owned property at the Center. The Planning and Zoning Commission approved Application No. PLZU-23-00007 on July 9, 2024, issuing a Conditional Use Permit for a Multi-Carrier Telecommunications Facility, one of the conditions being Council approval of lease prior to issuance of building and engineering permits. City staff from Real Estate and the Assistant City Attorney have been in negotiations with Vertical Bridge to finalize a ground lease. The Ground Lease terms include an initial 1-year option period, a 1-year renewal option period, followed by an initial five-year term and four successive terms of five years, each term automatically renewed. Thereafter, there are three conditional terms of five years each, with each renewal requiring written consent from the City. In sum-total, the option period is a maximum of 2 years and the lease period is a maximum of 40 years. The Ground Lease allows Vertical Bridge to construct the tower within a 30' x 30' area, located west of the southwest corner of the building at 21765 West Yuma Road, along with space for a Generator to the south of the tower compound and non-exclusive access for ingress-egress and underground utilities. Designated access to the tower and generator area will be from the western driveway along the back side of the building at 21765 West Yuma Road. At the end of the Ground Lease, the cell tower improvements and personal property of Vertical Bridge and any sub-lessees must be removed.

BENEFITS:

The Ground Lease will generate income for the City over a minimum period of 25 years and maximum period of 40 years. The potential for negotiating a new lease beyond the 40-year life span of the current lease may result in continued income generation.

FUTURE ACTION:

The City will need to execute the Telecommunications Facilities Ground Lease Agreement and execute and record the Memorandum of Option to Lease. Additionally, if Vertical Bridge timely exercises its option, the Memorandum of Lease will need to be executed and recorded. Vertical Bridge will be responsible for acquiring all outstanding permits from the City and remittance of payment for the Option period and subsequent Ground Lease payments.

FINANCIAL IMPACT STATEMENT:

Income generation for the City through the Telecommunications Facilities Ground Lease Agreement.

CURRENT FISCAL YEAR TOTAL COST:

Income generation for the City through the Telecommunications Facilities Ground Lease Agreement.

BUDGETED:

No

FISCAL YEAR:

FY2026

Items related to a project or facility location must include an attached vicinity map for Council Review.

ATTACHMENTS:

[Vicinity Map](#)

[PE Ground Lease_US-AZ-7073_P-024997 Vertical Bridge.pdf](#)

[Memorandum of LA P-1-9 Vertical Bridge \(PE\).pdf](#)

[Memorandum of Option to Lease P-1-9 Vertical Bridge PE\).pdf](#)

[Resolution 48-26 - Vertical Bridge Telecomms Grnd Lease v3.pdf](#)