

# INDIAN RIVER COUNTY, FLORIDA

## MEMORANDUM

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**TO:** Jason E. Brown, County Administrator

**FROM:** Dan Russell, Information Technology Director

**SUBJECT:** TIGR Acquisitions II, LLC Letter of Intent for Possible Purchase of 810 Bailey Road Tower

**DATE:** March 15, 2021

**DEPARTMENTAL**

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### **BACKGROUND:**

Indian River County ("County") County owns a property located at 810 Bailey Drive in the City of Sebastian. In December 1995, County entered into an agreement with Talcom, Inc., in which Talcom, Inc. made a one-time payment to County in exchange for the right to build a tower at the location (the "North Tower Lease Agreement"). Currently, the County receives income from subleases under the North Tower Lease Agreement. The current monthly revenue is \$4,945.98 with a 3% annual increase. The County also receives income from a lease directly with M/A COM, which is an annual revenue of \$12,000, and a lease directly with FPL, which for the period between April 2020 and March 2021 is \$10,964.38. This amount is subject to a 4% annual increase.

On May 12, 2020 the County Attorney's Office recommended, to the Board, that the County Attorney's Office send notice of termination to New Cingular Wireless and all subtenants for both the North and South Tower Lease Agreements. The County Attorney's Office further recommended that the Board authorized County staff to procure the services of a consultant with expertise in communications leases that could assist the County in obtaining a lease with a carrier for collocation space on the towers at the best possible rental rate. The Board authorized both of these recommendations.

### **ANALYSIS**

On March 12<sup>th</sup> the County's consultant presented a letter of intent from TIGR Acquisitions II, LLC (Buyer) for the possible purchase of the following (collectively, the "Assets"): (i) the grant to Buyer from Seller of a Perpetual Easement underlying and surrounding the Tower (the "Site"), along with any and all access and utility easements serving the Site; (ii) the Tower, together with all related improvements, fixtures and personal property; (iii) all of those leases, subleases, licenses and other agreements which grant others a right to use or occupy a portion of the Tower or Site (the "Collocation Agreements"); (iv) any permits associated with the Tower or the Site; and (v) any other personal or real property or rights associated with the Tower.

Based on the information provided to date, the Buyer is willing to purchase the Assets for \$4,050,000.00 cash payable in U.S. Dollars (the "Purchase Price"). This offer is subject to satisfactory completion of due diligence and execution of definitive agreements. The Buyer has sufficient cash on hand to pay the Purchase Price, and therefore the offer is not contingent upon obtaining financing.

**FUNDING**

Proposed Sales Price           \$4,050,000

Expenses:

Consultant's Fee               \$ 243,000

Transfer Taxes                 \$       TBD

Recording Fees                 \$       TBD

Estimated Proceeds           \$3,807,000 (less transfer taxes and recording fees)

Staff recommends that the proceeds of this sale be allocated to meet future Telecommunications and Emergency Services requirements.

**RECOMMENDATION**

Staff recommends that the Board of County Commissioners enter into Letter of Intent (LOI) agreement with TIGR Acquisitions II, LLC and proceed with due diligence.

**ATTACHMENTS**

TIGR Acquisitions II, LLC – Letter of Intent

**DISTRIBUTION**

Dylan Reingold – County Attorney

Tad Stone – Director, Emergency Services

Kristen Daniels, Director Management and Budget