COUNCIL ACTION FORM

<u>SUBJECT</u>: LEASE WITH VERIZON WIRELESS TO PLACE A CELLULAR ANTENNA AT SQUAW CREEK COMMUNITY GARDENS

BACKGROUND:

Since March 2012, City staff has been in discussions with a firm representing Verizon Wireless to place a cellular antenna on City property. Following these negotiations, City staff and Verizon have tentatively agreed to terms for leasing this property.

Proposed Site:

The proposed site is located south of the Department of Transportation approximately 350 feet east of South Maple Avenue near the Park and Recreation Department's Squaw Creek Community Gardens. The proposed lease area is approximately 3,800 square feet. Verizon would install an equipment shed and a monopole antenna, both enclosed by a fence. The antenna would be 129 feet tall and could accommodate Verizon and two future wireless carriers. Each future carrier would require its own equipment shed within the site.

Although the antenna is 129 feet in height, the lower half is shielded by mature trees. This situation is similar to the cellular antenna on City property at Homewood Golf Course, which is set into the forested area and shielded from most public exposures.

Because this site is located in the floodway fringe, Verizon must obtain a Conditional Use Permit from the Zoning Board of Adjustment (ZBA) prior to development. This permit requires three key conditions: 1) All electrical connections on site must be elevated to three feet above the base flood elevation, 2) No fuels or other materials that could become a hazard in the event of a flood may be stored on site, 3) A licensed engineer must certify that a 100-year flood would rise no higher with this installation. Verizon has already met this final requirement.

At its meeting on December 19, 2013, the Parks and Recreation Commission unanimously recommended that the City Council approve a contract for Verizon to use this location. In January 2014, City Council approved an agreement providing Verizon temporary access to the site to conduct tests and take measurements. Although cellular antennas are a visual disruption, this site minimizes this issue compared to other potential locations in this area. Trees would shield the antenna from view for several hundred yards to the east, west, or south. The northern exposure of the antenna would be visible from the DOT's equipment lot, but the nearest public right of way with a clear view of this antenna is approximately 800 feet to the north.

With this antenna installation and another antenna project at Jack Trice Stadium, it is anticipated that Verizon will no longer need to place temporary antennas outside Jack Trice Stadium to effectively serve its customers during the ISU football season. It should be noted that the City's emergency responders rely on Verizon's network for a substantial part of their communications equipment. Improving Verizon service is anticipated to be very helpful to emergency communications in this area, particularly during football game days.

Proposed Lease Terms:

The proposed lease term is for five years, which automatically renews five times (for a total of 30 years). Verizon would make a one-time payment of \$4,800 to the City. Monthly rent would be \$1,800, which would increase by 3% annually. The City and Verizon would equally divide the rent from any future sub-lessees. Revenues from this agreement would be deposited in the General Fund. In consideration of the installation of the antenna on park property, City staff recommends that the one-time payment be deposited in the Park Development Reserve portion of the Local Option Sales Tax Fund. The proposed lease terms are competitive with the City's other wireless antenna leases and leases with public entities elsewhere in the state.

Should the City Council approve a lease with Verizon for this area, Verizon would be required to obtain a Special Use Permit prior to construction of an antenna. To do this, Verizon must present evidence to the ZBA to justify this particular location and design. According to the lease, monthly rental payments begin when construction commences.

ALTERNATIVES:

- 1. Approve a lease agreement with Verizon Wireless to place a cellular antenna on City property near the Squaw Creek Community Gardens.
- 2. Direct staff to modify the proposed lease agreement with Verizon Wireless.
- 3. Do not approve a lease with Verizon Wireless.

MANAGER'S RECOMMENDED ACTION:

The City has previously entered into contracts with a number of cellular providers to use City property for cellular antennas. This location would help Verizon improve network coverage at Iowa State athletics facilities and in the adjacent area. This location would also benefit City emergency responders who rely on Verizon's network. Additionally, Verizon would fairly compensate the City for the use of this property.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving a lease agreement with Verizon Wireless to place a cellular antenna on City property near the Squaw Creek Community Gardens.

