



MAYOR & COUNCIL COMMUNICATION

DATE: July 7, 2015
REGULAR
ITEM # 16

AGENDA ITEM: Verizon Wireless Request to Enter Into Lease Agreements

SUBMITTED BY: Kyle Klatt, Community Development Director

THROUGH: Dean Zuleger, City Administrator

REVIEWED BY: Garret Lysiak, OWL Engineering and Test Labs
Nick Johnson, City Planner

SUGGESTED ORDER OF BUSINESS:

- Introduction of ItemCommunity Development Director
- Report/Presentation.....Community Development Director
- Questions from Council to Staff Mayor Facilitates
- Call for Motion Mayor & City Council
- Discussion Mayor & City Council
- Action on Motion..... Mayor Facilitates

POLICY RECCOMENDER: Staff is recommending that the City Council authorize Staff to negotiate potential lease agreements with Verizon Wireless to locate a new wireless communications antenna on the Ideal Avenue water tower and to build a new stand-alone telecommunications tower on the Langley Court water tower site.

FISCAL IMPACT: TBD – The proposed lease agreements will generate revenue for the City; the water tower lease is expected to generate between \$20,000 to \$30,000 per year. With a stand-alone tower location, the City could either lease the land to a tower company or take ownership of the tower and lease space for multiple antennae on the tower. The total value of this type of lease arrangement has yet to be determined.

SUMMARY AND ACTION REQUESTED: The City Council is being asked to consider a request from TechScape Wireless, on behalf of Verizon Wireless Communication, to engage in lease negotiations with the City for the following:

- To lease space on the City's Ideal Avenue water tower to install a new telecommunications antenna array on the tower. The request also includes the ability to

lease space on the ground adjacent to the water tower for equipment accessory to the antenna.

- To lease property on the site of the Langley Court water tower site to build a new stand-alone telecommunications tower and related equipment building. Verizon would use said tower for a new antenna array.

If the Council agrees to pursue the requested lease agreements, Verizon would likely begin the planning and zoning application process for each site. In this case, the antenna that would be located on the Ideal Avenue water tower could be processed administratively while the new tower on the Langley Court site would need to be reviewed as a Conditional Use Permit.

The suggested motion to take action on the Verizon request is as follows:

“Move to adopt authorize Staff to negotiate lease agreements with Verizon Wireless Communications for the Ideal Avenue and Langely Court water tower sites”

LEGISLATIVE HISTORY/PLANNING COMMISSION REPORT: The Lake Elmo Wireless Communications Tower Ordinance, which was adopted in 2009, establishes a priority level for the consideration of new facility requests. At the top of this list is the placement of antennae on existing buildings and structures. Consistent with the ordinance, Verizon Wireless has been seeking locations for new antennae in Lake Elmo, and was directed to the City’s existing water towers to confirm the suitability of these sites to provide coverage within the City. Both the Ideal Avenue and Langley Court water tower sites have been found to work for Verizon; however, the Langely Court water tower does not have any additional capacity to accommodate another wireless communications array (there are currently three providers already on this tower).

Due to the lack of capacity on this site, Verizon has been looking for another location within the Village Area that can accommodate its equipment. After reviewing public sites within the Village with Staff, Verizon is asking that the City consider leasing space on the Langely Court site to build a new antenna that can accommodate its equipment and additional carriers in the future. This new communications tower would be separate from the water tower, and is proposed to be 100 feet in height (which is very close to the height of the water tower).

Should the Council authorize Staff to negotiate with Verizon on the Langely Court site, Staff will be pursuing an option that would give the City ownership of the tower and the ability to lease to additional carriers in the future. Under this scenario, a taller tower could be constructed on the site that could accommodate the existing carriers that are presently located on the water tower. This action would avoid a potential loss of lease revenue in the future once the water tower is removed, and would also help avoid potential future requests for new antenna or tower sites within the Village.

The City has asked its wireless communications consultant, Garret Lysiak of OWL Engineering, to attend the Council meeting and to address and questions concerning Verizon's request. In addition, TechScape Wireless will have its representatives available to answer questions as well.

BACKGROUND INFORMATION (SWOT):

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| Strengths | <ul style="list-style-type: none">• The proposed lease agreements will generate additional revenue for the City and utilize existing public land.• By using City land, the applicant will not pursue private sites around the Ideal Avenue and Village areas.• The use of public sites is consistent with the recently amended wireless communications ordinance. |
| Weaknesses | <ul style="list-style-type: none">• The Langely Court water tower site is located within a single family area. |
| Opportunities | <ul style="list-style-type: none">• The additional antennae will help improve wireless coverage for Verizon customers in Lake Elmo |
| Threats | <ul style="list-style-type: none">• If the City does not pursue leases on public property, Verizon will be seeking private sites to accommodate its facilities. |

RECOMMENDATION: Based upon the above background information, it is recommended that the City Council authorize Staff to negotiate potential lease agreements with Verizon Wireless to locate a new wireless communications antenna on the Ideal Avenue water tower and to build a new stand-alone telecommunications tower on the Langley Court water tower site by taking the following action / with the following motion:

“Move to adopt authorize Staff to negotiate lease agreements with Verizon Wireless Communications for the Ideal Avenue and Langely Court water tower sites”

ATTACHMENTS:

1. Request Letter – TechScape 6/18/15
 - a. Final Survey Dated 6/3/2015
 - b. Preliminary Construction Drawings Dated 6/18/2015
 - c. Lease Exhibit Dated 5/27/2015
 - d. Site Sketch Dated 2/10/2015
 - e. Verizon Lease Agreement Template
2. Request Letter – TechScape 6/18/15
 - a. Final Survey Dated 6/15/2015
 - b. Lease Exhibit Dated 6/9/2015
 - c. Site Sketch Dated 4/23/2015
 - d. Preliminary Construction Drawings Dated 6/4/2015
 - e. Verizon Lease Agreement Template
 - f. Limited Waiver of Use Restriction and Consent to Lease