

# **CITY OF HAMILTON**

# PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT Economic Development Division

TO: Mayor and Members WARD(S) AFFECTED: WARD 15 **General Issues Committee COMMITTEE DATE:** May 1, 2013 SUBJECT/REPORT NO: Conveyance of Temporary Easement to Bell Mobility Inc. - Part of 115 Cole Street, Waterdown (PED13078) (Ward 15) **SUBMITTED BY:** PREPARED BY: Tim McCabe John Hamilton General Manager (905) 546-2424 Ext. 7045 Planning and Economic Development Department SIGNATURE:

#### **RECOMMENDATIONS**

- (a) That the Real Estate Section of the Economic Development Division of the Planning and Economic Development Department be authorized and directed to convey a temporary easement in accordance with Procedural By-law 04-299, over Block 169, Plan 62M-1125, Town of Flamborough, identified as PIN 17511-0343, (Waterdown Water Tower) described as Parts 2, 3 and 4 on Survey Plan W3693, prepared by J. D. Barnes Limited dated July 12, 2012, covering an area of approximately 272.3 square metres (2,931 square feet) as shown on Appendix "A" attached to Report PED13078;
- (b) That the Real Estate Section of the Economic Development Division of the Planning and Economic Development Department be authorized and directed to convey the temporary easement described in Recommendation (a) of Report PED13078 to Bell Mobility Inc. for the nominal consideration of \$2, exclusive of HST;
- (c) That any applicable HST be collected by the City and credited to Account No. 22828 009000 (HST Payable);

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- (d) That the sale proceeds be credited to the Waterdown Reserve Fund Account 108032:
- (e) That the term of the proposed easement run concurrently with the term of the License Agreement between the City and Bell Mobility Inc. approved by Council on March 28, 2012 (Report PED12024), for use of the Waterdown Water Tower as a cell tower location;
- (f) That the Mayor, General Manager of Finance and Corporate Services, and City Clerk be authorized and directed to execute the Offer to Purchase (Temporary Easement) Agreement in a form satisfactory to the City Solicitor.

#### **EXECUTIVE SUMMARY**

In March 2012, the City approved a License Agreement permitting Bell Mobility Inc. (BMI) to install a new cell tower antenna on top of the Waterdown Water Tower and colocate its service equipment within the fenced compound at the base of the Water Tower.

A temporary easement is required to extend hydro and fibre infrastructure from Cole Street to the ground level equipment shelter to provide cabling access from the equipment shelter to the tower, and vehicular access from Cole Street to the equipment shelter. This temporary easement will allow BMI to move forward and finalize the previously authorized License Agreement.

Alternatives for Consideration - see Page 4

#### FINANCIAL / STAFFING / LEGAL IMPLICATIONS

### Financial:

The temporary easement at the nominal consideration of \$2 is a component of and forms part of the consideration of the approved License Agreement, credited to the former Waterdown Capital Reserve Account 108032.

The Licence has an initial term of five (5) years with BMI with three (3) options to renew. The term(s) of this temporary easement and the License Agreement will run concurrently and expire on the same date.

Upon the granting of this temporary easement, the License Agreement will be implemented and revenue of \$25,000 per year will begin.

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Staffing: There are no staffing implications arising from this recommendation, other

than Real Estate and Legal Services staff working together to complete the

sale of the easement.

**Legal**: Legal Services Division will be required to assist in the preparation of the

necessary easement documents.

#### HISTORICAL BACKGROUND

To cell providers, the Waterdown Water Tower represents an optimal location for installation of communications equipment. BMI is in the process of securing a new License Agreement for space on the Water Tower after which the Licensee will generate \$25,000 annually in revenue for the City, escalating after the first year.

Bell's new equipment will be compatible to that of Hamilton Emergency Services which already has antennae on the Water Tower. BMI is requesting conveyance of this temporary easement to supply access, hydro and fibre to its equipment shed.

The proposed temporary easement, identified as Parts 2, 3 and 4 on the survey shown on Appendix "A" to Report PED13078, will accommodate the installation of fibre, hydro and vehicular access from Cole Street to Part 1, where the equipment shelter is located. Once this infrastructure is in place, BMI can move forward with completing its installation of communications equipment on the Tower, and finalize the previously authorized License Agreement.

#### POLICY IMPLICATIONS/LEGISLATED REQUIREMENTS

This recommendation is consistent with the Real Estate Management Portfolio Strategy Plan as approved by City Council on November 24, 2004, and the "Procedural By-law for the Sale of Land", By-law 04-299.

Since the term of the easement will run concurrent with the License Agreement for a term of less than 21 years, a surplus declaration for the easement is not required in this instance.

The land required for the easement has not been circulated to other departments as it is a small area relevant only to Public Works, which was consulted.

The market value of the temporary easement land (used as parkland) is considered nominal. The consideration of \$2 is considered to be equitable as the easement is a necessary component of the License Agreement.

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#### RELEVANT CONSULTATION

- City Manager's Office, Legal Services Division
- Public Works Department, Environment and Sustainable Infrastructure Division

# **ANALYSIS / RATIONALE FOR RECOMMENDATION**

By adopting Recommendation (a), the City will begin to earn a long term revenue stream at a net rental rate of \$25,000 per year in the first year (and escalating thereafter) from the Waterdown Water Tower.

The subject land is extraneous to the operation of the Water Tower by Public Works and it will not interfere with any other potential use.

Provision of this temporary easement for access, hydro and fibre to BMI is a housekeeping matter required for the previously approved License Agreement to reach fruition.

#### ALTERNATIVES FOR CONSIDERATION

If Recommendation (a) of Report PED13078 is not adopted, BMI will be unable to finalize its License Agreement with the City which was previously approved by Council. BMI will need to search for an alternative location in the area to accommodate its local cell phone coverage.

#### Pros:

- Long-term income stream secured for the City; and,
- Cell phone coverage for BMI customers will finally improve in Waterdown.

#### Cons:

None evident.

### ALIGNMENT TO THE 2012 - 2015 STRATEGIC PLAN

#### Strategic Priority #1

A Prosperous & Healthy Community

WE enhance our image, economy and well-being by demonstrating that Hamilton is a great place to live, work, play and learn.

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# **Strategic Objectives**

- 1.2 Continue to prioritize capital infrastructure projects to support managed growth and optimize community benefit.
- 1.6 Enhancement of Overall Sustainability (financial, economic, social and environmental). The land used by the temporary easement has nominal value and is necessary to implement the License Agreement between the City and BMI.

# Strategic Priority #3

Leadership & Governance

WE work together to ensure we are a government that is respectful towards each other and that the community has confidence and trust.

# **Strategic Objective**

3.1 Engage in a range of inter-governmental relations (IGR) work that will advance partnerships and projects that benefit the City of Hamilton.

#### **APPENDICES / SCHEDULES**

Appendix "A" to Report PED13078 - Location Map

JH/sd

