

# CITY OF HAMILTON PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT Economic Development Division

то:	Mayor and Members General Issues Committee
COMMITTEE DATE:	August 13, 2018
SUBJECT/REPORT NO:	New Cellular Ground Tower Lease at Sherwood Park, Stoney Creek (PED18179) (Ward 10)
WARD(S) AFFECTED:	Ward 10
PREPARED BY:	John Hamilton (905) 546-2424 Ext. 7045
SUBMITTED BY:	Glen Norton Director, Economic Development Planning and Economic Development Department
SIGNATURE:	

Discussion of Confidential Appendix "B" to Report PED18179 in closed session is subject to the following requirement(s) of the City of Hamilton's Procedural By-law and the *Ontario Municipal Act*, 2001:

• A proposed or pending acquisition or disposition of land for City purposes;

### RECOMMENDATION

- (a) That the lands designated as Part 1 on Plan 62R-20104, forming part of 14-24 Sherwood Park Road, Stoney Creek, being Part of PIN 17350-0081 (LT) having an area of approximately seven sq m (75 sq ft) as shown in Appendix "A" to Report PED18179, be declared surplus to the requirements of the City of Hamilton in accordance with Procedural By-law 14-204 for the purposes of temporary easement;
- (b) That an Offer to Purchase (Easement) by Rogers Communications Inc., scheduled to close on or before October 1, 2015, for the temporary easement land described in Recommendation (a) to Report PED18179, be approved and completed at the price of \$2 (excluding HST);
- (c) That a Lease with Rogers Communications Inc,. over the land described as Part 2, Plan 62R-20104 to erect a 35 m high cell tower a slim-line monopole capable of co-sharing with another carrier, substantially based on terms and conditions attached as Appendix "B" to Report PED18179, and any other terms and

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conditions deemed appropriate to the General Manager, Planning and Economic Development, be approved;

- (d) That a Right-of-Way for Rogers Communications Inc. over the land described as Part 3, Plan 62R-20104 to provide vehicular access to the tower compound area be approved;
- (e) That the Lease proceeds be credited to Account No. 48300-3301609610;
- (f) That any costs related to the Lease, including Real Estate and Legal Fees (\$7,700) be funded from Account No. 48300-3301609610 and credited to Account No. 45408-812036;
- (g) That the General Manager, Planning and Economic Development Department, or designate, acting on behalf of the City as landlord, be authorized to provide any consents, approvals and notices related to the Lease Agreement outlined herein;
- (h) That the Mayor and Clerk be authorized and directed to execute the necessary documents, in a form satisfactory to the City Solicitor;
- (i) That Appendix "B" to Report PED18179, respecting the ground tower lease of part of 14 Sherwood Park Drive remain confidential until completion of the real estate transaction.

### **EXECUTIVE SUMMARY**

Rogers Communications Inc. proposes to erect a new, 35 m cell tower together with an equipment compound within the area defined as Part 2 on Plan 62R-20104, attached as Appendix "A" to Report PED18179. The proposed tower will be designed for co-sharing, thereby preventing the need for additional cell towers in this vicinity. The compound area will be enclosed with a cedar fence and landscaped for aesthetic reasons to help prevent vandalism.

Rogers Communication Inc. is requesting a long-term lease commitment on Part 2, together with an associated right of way over Part 3, Plan 62R-20104 with a temporary easement over Part 1, Plan 62R-20104 to facilitate this communication tower. The compound is located at the rear of the Sherwood Park Arena, west of the soccer fields and away from residential/recreational uses. Rogers Communications Inc. will require an easement over the existing paved driveway (Part 1) to extend hydro services and fibre to the compound area. The utility easement will be a short distance from the compound to a nearby hydro pole.

### Alternatives for Consideration – N/A

### FINANCIAL – STAFFING – LEGAL IMPLICATIONS

**Financial:** The cell tower will provide a new long-term source of revenue, escalating annually, to the community. The net Lease proceeds will be credited to Account No. 48300-3301609610.

The sale price of \$2 does not include the HST; if applicable the HST will be credited to Account No. 22828 009000 (HST Payable).

- **Staffing:** There are no increases to staff levels associated with the recommendations of this Report.
- **Legal:** Legal Services Division will be involved in the development of the Lease Agreement through to its completion.

### HISTORICAL BACKGROUND

The Telecommunications Tower and Antenna Protocol approved by Council guides the design and siting of new telecommunications facilities within the City of Hamilton. Included in the protocol are special instructions for cell towers on City-owned property.

In September 2013, WIND Mobile Inc. submitted an application to the City to erect a cell tower at Sherwood Park. The tower was approved by Council (Report PED15113). Wind was subsequently taken over by Freedom Mobile which elected not to proceed with the agreement. Roger Communications contacted the City in June 2018 to scout a location for a tower. The final site, part way between the rear of the arena and the soccer fields, was selected.

### POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

This recommendation is consistent with the City's Real Estate Portfolio Management Strategy Plan as approved by City Council on November 24, 2004 and the Procedural By-law for the Sale of Land, By Law No. 14-204.

#### **RELEVANT CONSULTATION**

- Legal Services Division, City Manager's Office;
- Parks and Cemeteries Division, Public Works Department; and,
- Councillor Pearson.

### ANALYSIS AND RATIONALE FOR RECOMMENDATION

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Rogers Communications Inc. wishes to erect a new, 35 m cell tower together with an equipment compound within the area defined as Part 2 on Plan 62R-20104, attached as

Appendix "A" to Report PED18179. The proposed tower will improve cellular service within the neighbourhood and it is designed for co-sharing, thereby preventing the need for additional cell towers in this vicinity. The compound area will be enclosed with a cedar fence and landscaped for aesthetic reasons to help prevent vandalism.

Rogers Communications Inc. is requesting a long-term lease commitment on Part 2, together with an associated right of way over Part 3, Plan 62R-20104 with a temporary easement over Part 1, Plan 62R-20104 to facilitate this communication tower. The compound is located at the rear of the Sherwood Park Arena, west of the soccer fields and away from residential/recreational uses. The utility easement will be a short distance from the compound to a nearby hydro pole.

By adopting the recommendation(s), the City will have secured a long-term revenue source at rates that are considered at the top of the market. Revenues earned will escalate annually at 3% and will remain within the Ward for use locally within the neighbourhood. Any other telecoms co-locating on the tower will increase revenues by 40%.

The Lease will allow Rogers Communications Inc. to provide improved coverage in a developing Hamilton area and, more importantly, it will enable them to handle the increased demand it has experienced since the advent of smartphones.

Real Estate staff considers the terms and conditions of the Agreement to be fair, reasonable and at market value. The Ward Councillor is aware of the pending transaction.

## ALTERNATIVES FOR CONSIDERATION

N/A

## 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.

## Strategic Objective

1.1 Continue to grow the non-residential tax base.

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- 1.2 Continue to prioritize capital infrastructure projects to support managed growth and optimize community benefit.
- 1.6 Enhance Overall Sustainability (financial, economic, social and environmental).

## Strategic Priority #2

Valued & Sustainable Services

WE deliver high quality services that meet citizen needs and expectations, in a cost effective and responsible manner.

### Strategic Objective

2.1 Implement processes to improve services, leverage technology and validate cost effectiveness and efficiencies across the Corporation.

### Strategic Objective

3.2 Build organizational capacity to ensure the City has a skilled workforce that is capable and enabled to deliver its business objectives.

## APPENDICES AND SCHEDULES ATTACHED

Appendix "A"– Location Map Appendix "B"–Terms and Conditions Sheet