



Hamilton

CITY OF HAMILTON

PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT
Economic Development Division

TO: Mayor and Members General Issues Committee	WARD(S) AFFECTED: WARD 13
COMMITTEE DATE: March 20, 2013	
SUBJECT/REPORT NO: Conveyance of Easement (Temporary) to Public Mobile Retail Inc. - Part of 00 Suter Crescent, Dundas (PED13046) (Ward 13)	
SUBMITTED BY: Tim McCabe General Manager Planning and Economic Development Department	PREPARED BY: John Hamilton (905) 546-2424 Ext. 7045
SIGNATURE:	

RECOMMENDATIONS

- (a) That the Real Estate Section of the Planning and Economic Development Department be authorized and directed to convey a temporary easement at nominal consideration of \$2 over Part of Lot 46, Concession 1, Ancaster Township, described as Parts 1 to 3 on a Draft Plan prepared by Sexton Mckay Limited dated November 16, 2012, forming part of 00 Suter Crescent in Dundas (Dundas Water Tower), comprising an area of approximately 69.2 square metres (745 square feet) as shown on Appendix "A" attached to Report PED13046;
- (b) That the sale price of \$2 does not include the Harmonized Sales Tax (HST); should HST be applicable and collected by the City, that the HST amount be credited to Account No. 22828 000900 (HST Payable);
- (c) That the sale proceeds be credited to the Dundas Reserve Fund Account 108031;

- (d) That the term of the temporary easement run concurrently with the term of a License Agreement between the City and Public Mobile Retail Inc., approved by Council on December 14, 2011, (Report PED11212), for use of the Dundas Water Tower as a cell tower location;
- (e) 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 December 2011, the City approved a License Agreement permitting Public Mobile Retail Inc. (PMRI) to install a new cell tower antenna on top of the Dundas Water Tower and co-locate its service equipment within the fenced compound at the base of the Water Tower.

The proposed temporary easement is required to extend hydro and fibre infrastructure from a transformer to a ground level equipment shelter. This temporary easement will allow PMRI to move forward and finalize the previously authorized License Agreement.

Alternatives for Consideration - see Page 4

FINANCIAL / STAFFING / LEGAL IMPLICATIONS

Financial: Proceeds from the conveyance of the easement to be credited to the former Dundas Capital Reserve Account 108031. This temporary easement at nominal consideration is a component of and forms part of the approved License Agreement.

The Licence has an initial term of five (5) years with PMRI having three (3) options to renew. The term(s) of the temporary easement and License Agreement are contemporaneous and will run concurrently; both will 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 to flow.

Staffing: There are no staffing implications arising from this recommendation, other than Real Estate and Legal Services staff working together to complete the conveyance of the easement.

Legal: Legal Services Division will be required to assist in the preparation of the necessary documents.

HISTORICAL BACKGROUND

To cell providers, the Dundas Water Tower represents an optimal location for installation of communications equipment. Since 1998 there has been a presence of cell providers (including Rogers Wireless Inc.) on this Water Tower. Bell Mobility Inc. and PMRI are currently in the process of securing new License Agreements on the Water Tower, after which each licensee will generate \$25,000 annually in revenue for the City.

Having shared sites in other municipalities, the three (3) carriers have established an installation format by which their communications equipment can co-exist without interference. As each will be installing new equipment, the three (3) telecoms agreed to consult with Genivar to design a new “equipment build” for compatibility and elimination of antennae interference. This aggregate design has taken a year to complete. With the design now in place, easement requirements have been determined and PMRI is requesting conveyance of a temporary easement to facilitate the installation of its communications infrastructure.

The proposed temporary easement, identified as Parts 2 and 3 on the draft reference plan, shown on Appendix “A” attached to Report PED13046, will accommodate the installation of hydro and fibre, respectively, from a transformer to Part 1, where the ground level equipment shelter will be located. Once this infrastructure is in place, PMRI 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 (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.

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 an escalating net rental rate. Together with other cell providers (Bell Mobility Inc. and Rogers Wireless Inc.) the City will earn \$75,000 per year in net rent from the Dundas Water Tower.

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

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

ALTERNATIVES FOR CONSIDERATION

If Recommendation (a) is not adopted, PMRI will be unable to finalize its License Agreement (previously approved by Council) and will need to search for an alternative location to accommodate its local cell phone coverage.

Pros:

- Long term income stream secured for the City;
- Cell phone coverage for customers will finally improve in Dundas.

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.

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 PMRI.

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.

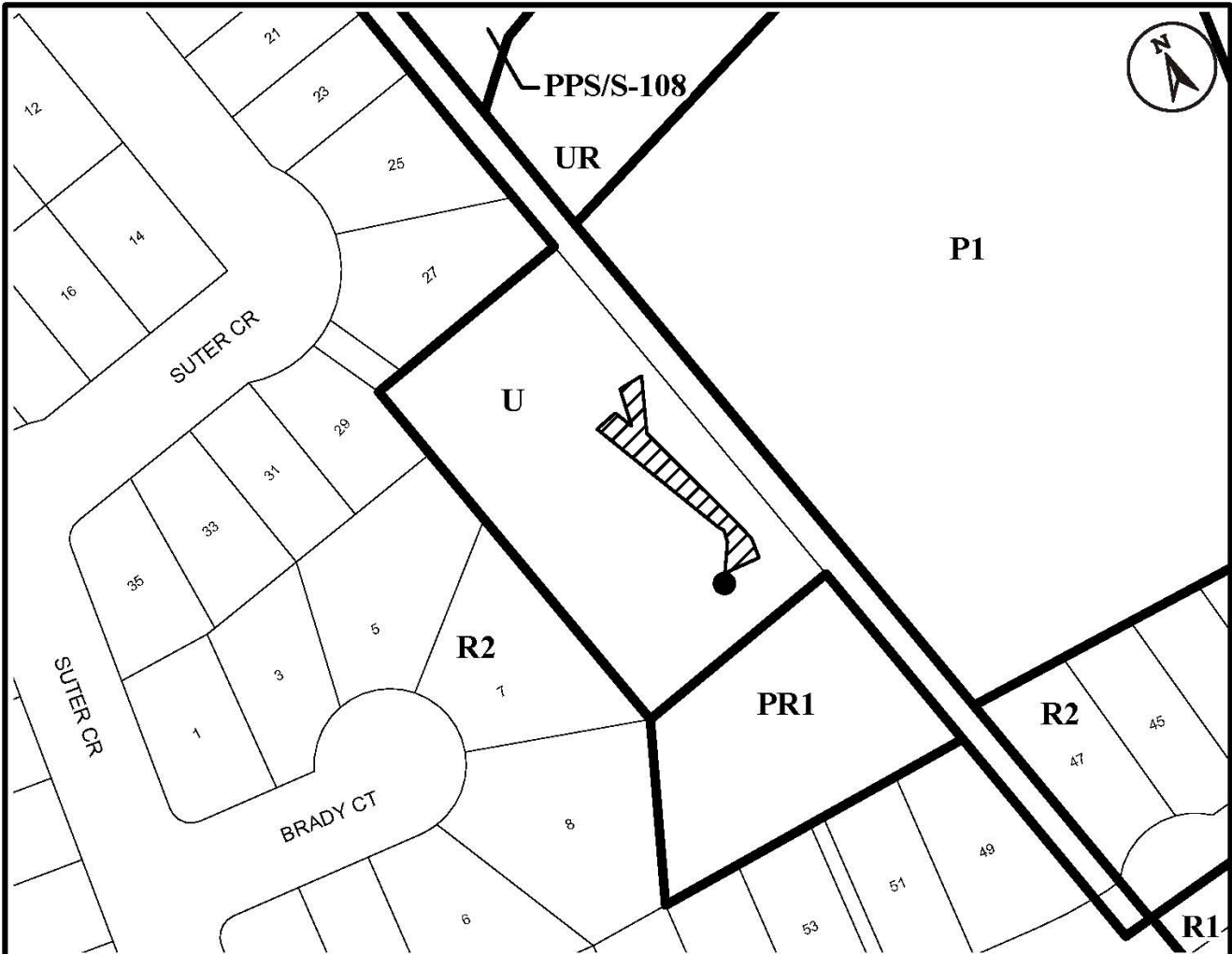
Strategic Objective

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

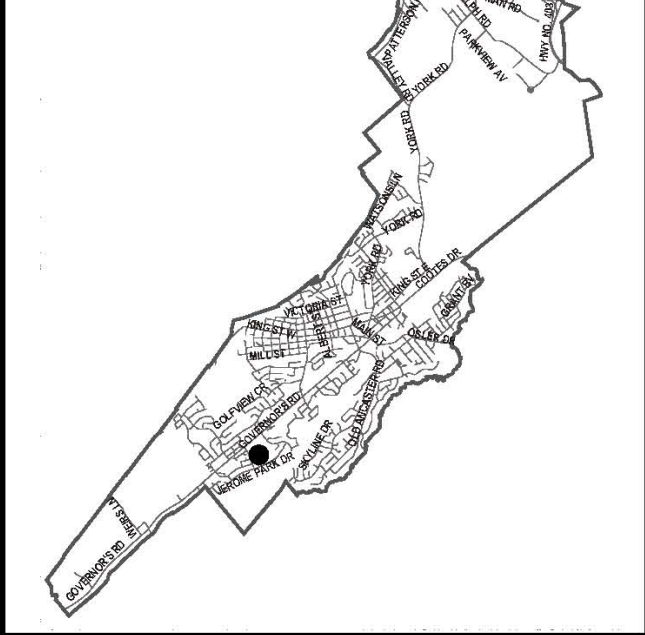
APPENDICES / SCHEDULES

Appendix “A” to Report PED13046 - Location Map

JH/sd



● Location Map



Ward 13 Key Map N.T.S.

Location Map



PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT

File Name/Number:
2011-106


Date:
November 30, 2012


Appendix "A"

Scale:
N.T.S.

Planner/Technician:
JH/AL

Subject Property

 Dundas Water Tower
Suter Crescent, Dundas
Temporary easement over Parts 2 and 3 of Draft Reference Plan to provide access to Public Mobile Inc.'s equipment shelter for hydro and fibre
PIN # 17448-0002 (LT)

 Water Tower