ORDINANCE NO. 2020-018

AN ORDINANCE AUTHORIZING THE SAFETY DIRECTOR OF THE CITY OF FINDLAY, OHIO TO RENEGOTIATE AND EXTEND TERMS OF AN EXISTING LEASE AGREEMENT WITH A TOWER MANAGEMENT COMPANY FOR A RADIO TOWER AT FINDLAY FIRE STATION #3.

BE IT ORDAINED by the Council of the City of Findlay, State of Ohio, two-thirds (2/3) of all members elected thereto concurring:

SECTION 1: That the Safety Director of the City of Findlay, Ohio be and he is hereby authorized to enter into an agreement which will permit a tower management company to lease space to telecommunications companies.

SECTION 2: This Ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, health and safety of the inhabitants of the City of Findlay, Ohio, and for the further reason it is immediately necessary to enter into said agreement so that this new facility may be constructed thus making this tower available to the City as well as other potential users forthwith;

WHEREFORE, this Ordinance shall take effect and be in force from and after its passage and approval by the Mayor.

PRESIDENT OF COUNCIL

MAYOR

PASSED

ATTEST

CLERK OF COUNCIL

APPROVED



Office of the Mayor

Christina Muryn

318 Dorney Plaza, Room 310 Findlay, OH 45840 Telephone: 419-424-7137 • Fax: 419-424-7245 www.findlayohio.com

> Paul E. Schmelzer, P.E.P.S. Service-Safety Director

February 12, 2020

City Council

American Tower – Station 3 lease.

Members,

The City of Findlay is currently in a land lease agreement with American Tower Company for a cellular tower on property at Findlay Fire Station 3. The lease was originated in 1999. With extension the lease term is 30 years. There are 10 years left on the current lease. The Company has asked the City to consider an extension.

The annual revenue from the lease has grown from approximately \$12,000 per year to \$17,000 per year. The current rate of growth is tied to growth in the CPI with a maximum rate of 15% per 5 year term.

I have asked the Company to provide us new terms in order to consider an extension. A few options are now available for Council's consideration:

Option 1: Perpetual Easement

\$350,000.00 for an exclusive easement on existing leased space with a non-exclusive easement for access and utilities for the current existing footprint we are using now.

Option 2: Perpetual Easement Installment Plan

120 Monthly payments \$3,600.00 for an exclusive easement on existing leased space with a nonexclusive easement for access and utilities for the current existing footprint we are using now.

Option 3: Lease Extension

- Increase monthly rental payment from \$1,483.08 to \$2,250.00 a month, escalation rate will change from 15% per term to 3% annually as soon as we have a fully executed agreement. 15% rev share for each new sublease.
- Extend your current lease ending 11/15/2028 for six additional (5) year terms, which would be a total of 30 additional years.

Option 4: Lease Extension

- Increase monthly rental payment from \$1,483.08 to \$2,600.00 a month, escalation rate will change from 15% per term to 1% annually as soon as we have a fully executed agreement. 15% rev share for each new sublease.
- Extend your current lease ending 11/15/2028 for six additional (5) year terms, which would be a total of 30 additional years.

In my opinion, option 3 has the largest opportunity to maximize revenue. As 5G and wireless canopies continue to develop, the 15% revenue share with a higher inflation rate has more potential for an increased rate at the maturity of the lease.

American Tower is interested in an answer to these proposals in early March due to a potential opportunity. They have indicated that they are losing opportunity because there are only 10 years left on the lease and the infrastructure costs for cellular build out require a longer lease term to pay off.

Sincerely,

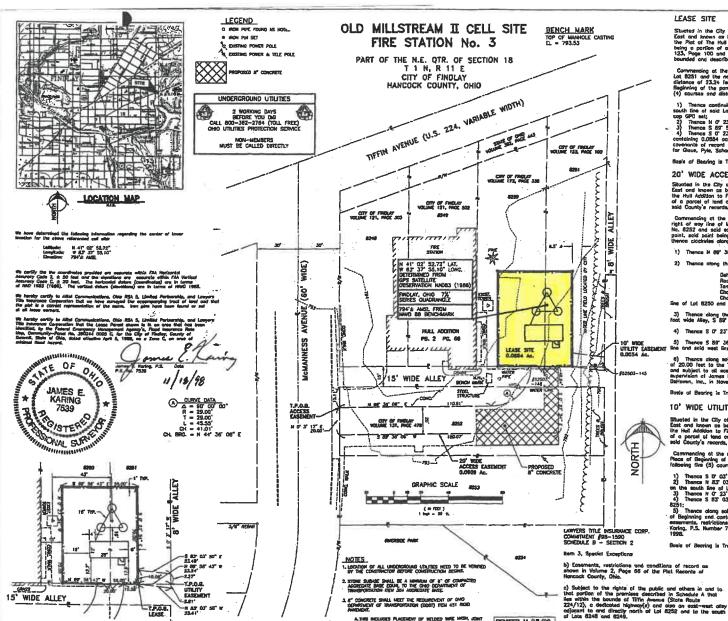
Paul E. Schmelzer, P.E., P.S.

Safety Director

pc:

Christina Muryn Don Rasmussen

Jim Staschiak



SITE DETAIL

LEASE SITE

Studied in the City of Findley, County of Moncock, Suite of Dhip, Township 1 North, Ronge 11 East and Janons as being a port of Lot Nos. 8250 and 8231 and a part of a 15 foot wide at the Plot of The Hull Addition to Findly or recented in Plot Gook 2, Page 66, also known as being to parties of a parcial of lond conveyed to the City of Findley as recorded in Deed Book 125, Page 100 and Deed Book 127, Page 33 of seld Country's records, and being further

Commencing of the southeast corner of sold Lot No. 8251, thence along the south fine of soi Lot 8251 and the north line at a 15 feat wide Alley, N 85° 55° 43° W for a distance of 32.24 feat to a 2.9% inch rebor with cop CPD set, and if above set being the True Pl Beginning of the porcel of land harsharder described, thence clockets along the following four (4) courses and distances:

- 1) Thance continuing along sold south line, sold north line of 15 foot wide Alley and along the south line of sold Lot 8250, N 83° 58° 43° W for a distance of 53,00 feet to a 3/8 inch rebo
- south fine of said Lot 8230, N 85' 35' 43' W for a distance of 53,00 feet to a 5/8 inch rebo cop GPU set/.

 2) Therace N 0' 23' 54' W for a distance of 70,00 feet to a 5/8 inch rebor with cap GPU 3) Therace S 85' 55' 43' E for a distance of 35,00 feet to a 5/8 inch rebor with cap GPU 4) Therace S 0' 23' 54' E for a distance of 70,00 feet to the True Place of Beginning and containing 0,0084 cores of land, mort or feets, and subject to diseasements, retificience and containing 0,0084 cores of land, mort or feets, and subject to diseasements, retificience and containing 0,0084 cores of land, mort or feets, and subject to diseasements, retificience and containing 0,0084 cores of land the supervision of Johns E. Kofring, P.S. Namber 7339, for Claus, Pys. Schman, Barra and Delevanor, Inc., in Clouder of 1980.

Basis of Bearing is True North

20' WIDE ACCESS EASEMENT

Situated in the City of Finding, County of Hencouck, State of Ohio, Tevrathip 1 North, Ronge 11 East and Invance as being a part of Lat Ma. 8232, and a part of a 15 feet wide city in the Fix the Hnil Arkition to Finding or recorded in Post Seok 2, Post Sei, also known ore being a pertion of a part of land County of County of Pinding or recorded in Dead Book 131, Pose 479 of said County's records, and being further bounded and determined as follows:

Commencing of the northwest corner of soid Lot No. 8232, said corner also being on the east right of say line of McMonness Avenue (80 feet wide), thence along the west line of said Lot No. 8222 and said said said right of way fine, \$5 0.3° 1.7° W for a distance of 15.11 feat to a point, said point being the True Place of Beginning of the parcel of lond hereinofter described, thence obscribes along the following by (6) courses and detances:

- 1) Thence N 89" 36" 06" E for a distance of 110.91 feet to a point of Eurosture;
- 2) Thence along the arc of a curve to the left having the following properties:

Oetta = '90' 00' 00"
Radika = '29,00
Tengent = 29,00
Chord = 41,01
Chord Bearing = H 44' 35' 05' E for a distance of 45,55 feet to a point on
line of Lat 8250 and the north line of a 15 foot wide Alley:

- There along the south line of soid Lot 8250, south line of Lot 8251 and soid morth line of wide Alley, S 85' 56' 43' E for a distance of 20.00 feet to a point.
- 4). Thence 5 0' 23' 54" E for a distance of 48.84 feet to a point;
- Thereos S 85" 36" 06" W for a distance of 160.07 feet to a point on sold east right of wa line and sold west line of Lot B252;

6) Thence along seid dost right of way line and said weet line, M 0" 0.3" 17" E for a distance of Beginning and containing 0.0509 corts of load, more or lass, and subject to discourants, restrictions and covenants or linear areas as surveyed under the apparaison of Jemes E. Koring, P.S. Number 75.39, for Claus, Pyls, Schemer, Burns and Datinevan, Inc., in November of 1998.

Boole of Searing in True North

10' WIDE UTILITY EASEMENT

Situated in the City of Findsoy, County of Moncock, State of Ohio, Township 1 North, Ronge 11 East and known as being a part of Lot Mo. 8251 and a part of a 15 feet side along in the Prid the Prince of the County of the Prince of the County of the County

Commencing at the southeast corner of sold Lot No. 8251, sold southeast corner being the True Place of Beginning of the parcel of land hereinafter described, thence clockwise along the Tolkelming five (3) courses and distances:

- Thence S IV 03' 17" W for a distance of 2.81 feet to a 5/8 inch refer with cop GPD
 Thence N 23' 03' 50" W for a distance of 23.41 feet to a 5/8 inch refer with cop GPD
 The south first of Lud 2321 and the north first of a 15 foot wide Alleys
 Thence N 0' 23' 54" W for a distance of 10,05 feet to a point.
 Thence S IV 0' 25' 50" E for a distance of 2.34 feet to a point on the cent line of sold

5291;

5). Thence dong sold east line, S 0° 03° 17° W for a distance of 7.27 feet to the True Place
of Beginning and containing 0.0054 cores (233 sq.ft.) of lond, more or less, and subject to all
eassements, restrictions and condensts of raced as surveyed order the supervision of James E.
Koring, P.S. Nember 7338, for Claus, Pyks, Schamer, Burns and Detroves, inc. in October 1.

Books of Bearing is True North

ITEM 3(b) & 3(c). (NO VACATION OF RECORD FOR THE 15 FOOT WIDE ALLEY NORTH OF LOT NO. 8252. DOES NOT AFFECT SITE)

REVISED 11/18/98 REVISED 10/28/98 REVISED 10/22/98

SITE PLAN

PREPARED BY: GPD ASSOCIATES MARS ARCHITECTS PLAN

OHIO RSA 5 LIMITED PARTNERSHIP OLD MILLSTREAM CELL SITE

AUTE COMMUNICATIONS O'Hare Plaza 8725 W. Higgins Road Chicago, IL 60631-270