

March 21, 2016

CITY COUNCIL AGENDA MEMORANDUM

SUBJECT

Resolution No. 9078 authorizing execution of a five-year Wireless Communication Facilities Site Lease Agreement with an automatic five-year extension with Clear Wireless LLC at the Woodridge Water Reservoir Site located at 1843 125th Avenue SE, Bellevue, Washington.

FISCAL IMPACT

Approving this Resolution will result in the Water Utility Fund receiving annual rent of \$30,600 beginning April 1, 2016 upon execution of the lease. The annual rent will increase each year by 3%. Fair market value for the City's wireless lease rates are established by appraisal of market rents. The current rate was updated on November 1, 2015. This revenue source will be used to decrease revenues required from water utility rates.

STAFF CONTACT

Max Jacobs, Real Property Manager, 452-4182
Patti Ebert, Sr. Real Property Agent, 452-5203
Civic Services Department

Nav Otal, Director of Utilities, 452-2041
Utilities Department

POLICY CONSIDERATION

Bellevue City Code:

BCC Section 4.30.020 requires Council approval of leases that exceed one year in duration. City property is leased at no less than fair market value.

Land Use Code Section 20.20.195 regulates placement of wireless communication facilities.

Comprehensive Plan:

The City's Comprehensive Plan supports increasing the availability of improved telecommunication services for its citizens and businesses, and the location of telecommunications antennas on public facilities.

Policy UT-88 For infrastructure opportunities on City property, other than street rights-of-way, encourage the use of appropriate City-owned properties for lease to install wireless communications equipment that is compatible with existing City uses of the sites and consistent with land use requirements.

Policy UT-89: Encourage the co-location of telecommunications equipment on City sites, which reduces total impact of antennas on the community.

BACKGROUND

In 1998, Council responded to a request from wireless carriers seeking to install more wireless antenna sites in Bellevue by enacting policies favoring placement of wireless facilities on public rather than

private property, and by authorizing the creation of a standard lease agreement. City staff subsequently developed the agreement template, which was put into use in 2000 and has been updated every five years (most recent revision completed January 2016). Staff performs periodic reviews of market rent to ensure lease rates are current (last appraisal completed November 2015).

Council previously approved a lease with Clearwire LLC at this site on March 1, 2006. In 2013 a merger agreement was completed and Sprint acquired full ownership of Clearwire. That lease expired on March 1, 2016 and Sprint wishes to continue leasing the Woodridge Reservoir site to support wireless communication services for the surrounding neighborhood under the name of Clear Wireless LLC. Approval of this lease does not guarantee land use approval or the issuance of permits which would be required for any future upgrades to that equipment.

In operating the wireless facility, Clear Wireless LLC will continue to coordinate with the Utilities Department to ensure there is no impact to reservoir operations. The Utilities Department has no concerns with the execution of a new lease, continuing Clear Wireless LLC's use of our Woodridge Reservoir for their wireless facilities.

EFFECTIVE

If approved, this Resolution becomes effective immediately upon Council adoption.

OPTIONS

1. Adopt the Resolution authorizing execution of a five-year Wireless Communication Facilities Site Lease Agreement with an automatic five-year extension with Clear Wireless LLC, for existing equipment at the Woodridge Water Reservoir located at 1843 125th Avenue SE, in Bellevue, Washington.
2. Do not adopt the Resolution and provide alternative direction to staff.

RECOMMENDATION

Option 1.

MOTION

Move to adopt Resolution No. 9078 authorizing execution of a five-year Wireless Communication Facilities Site Lease Agreement with an automatic five-year extension with Clear Wireless LLC for existing equipment at the Woodridge Water Reservoir located at 1843 125th Avenue SE, in Bellevue, Washington.

ATTACHMENTS

Site/Vicinity Map

Proposed Resolution No. 9078

AVAILABLE IN COUNCIL DOCUMENT LIBRARY

Previously Approved Wireless Communications Facilities Site Lease Agreement with Clearwire
New Wireless Communication Facilities Site Lease Agreement with Clear Wireless LLC