

May 21, 2018

CITY COUNCIL AGENDA MEMORANDUM

SUBJECT

Resolution authorizing execution of a five-year Wireless Communication Facilities Site Lease Agreement with an automatic five-year extension with T-Mobile 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 June 1, 2018 upon execution of the lease. The annual rent will increase each year by 3 percent. Fair market value for the City's wireless lease rates is established by appraisal of market rents for similar facilities in the region and is not directly reflective of land values in the area. The current appraisal was prepared and updated on November 1, 2015. The term for this lease is for five years with an automatic renewal extension for another five years.

STAFF CONTACTS

Laurie Leland, Interim Director, 452-4366
Ira McDaniel, Real Property Manager, 452-4182
Patti Ebert, Sr. Real Property Agent, 452-5203
Civic Services Department

Nav Otal, Director, 452-2041
Utilities Department

POLICY CONSIDERATION

Bellevue City Code:

Bellevue City Code Section 4.30.020 requires Council approval of leases that exceed two years in duration. City property is leased at no less than fair market value.

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

Comprehensive Plan:

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

Policy UT-66: 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-67: Encourage the co-location of telecommunications equipment on City sites, which reduces total impact of antennas on the community.

BACKGROUND

In 1998, the City 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 appraisals (every five years) of market rents for similar facilities in the region to ensure the City's lease rates reflect fair market value. The market rate for wireless facilities are not directly tied to land values and, therefore, do not rise and fall as quickly as the land and housing market. The last appraisal was completed November 2015.

Council previously approved a lease with T-Mobile at this site on June 1, 2008, which expires on May 31, 2018. T-Mobile wishes to continue leasing the Woodridge Water Reservoir Site to support wireless communication services for the surrounding neighborhood. Approval of this lease does not guarantee land use approval or the issuance of permits, both of which would be required should there be any future upgrades to that equipment in the future.

In operating the wireless facility, T-Mobile will continue to coordinate with the Utilities Department to ensure there are no impacts to reservoir operations. The Utilities Department supports the execution of a new lease and continuing T-Mobile's use of the Woodridge Water Reservoir Site for their wireless communication facilities to support improved services for citizens.

EFFECTIVE DATE

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 T-Mobile at the Woodridge Water Reservoir Site located at 1843 125th Avenue SE, Bellevue, Washington.
2. Do not adopt the Resolution and provide alternative direction to staff.

RECOMMENDATION

Option 1

MOTION

Move to adopt Resolution No. 9405 authorizing execution of a five-year Wireless Communication Facilities Site Lease Agreement with an automatic five-year extension with T-Mobile at the Woodridge Water Reservoir Site located at 1843 125th Avenue SE, Bellevue, Washington.

ATTACHMENTS

A. Vicinity Map
Proposed Resolution No. 9405

AVAILABLE IN COUNCIL DOCUMENT LIBRARY

- A. Previously Approved Wireless Communications Facilities Site Lease Agreement with T-Mobile
- B. New Wireless Communication Facilities Site Lease Agreement with T-Mobile