

# **TOWNSHIP OF LOWER MERION**

## **Building and Planning Committee**

### **Issue Briefing**

**Topic:** Crown Castle Lease Extension

**Prepared by:** Robert Duncan, Assistant Township Manager

**Date:** November 30, 2016

#### **I. Action to Be Considered by The Board:**

The Board is being asked to extend an existing lease for the wireless antenna monopole structure at the sewer pump station at Mt. Pleasant Road and Spring Mill Road, Bryn Mawr through August 31, 2039.

#### **II. Why This Issue Requires Board Consideration:**

The Board of Commissioners must approve a lease extension for the use of Township property.

#### **III. Current Policy or Practice (If Applicable):**

The Township has entered into many wireless antenna leases at various locations to improve cell phone service throughout the Township. The Commissioners have expressed a desire to continue with these leases to maintain or improve cell service with the use of smaller antenna sites to avoid the need to build new antenna towers.

#### **IV. Other Relevant Background Information:**

The current lease for this monopole will expire in 2019. This monopole antenna is approximately 50' tall and has the appearance of a utility pole with a single whip antenna at the top. Crown Castle would like to extend this lease to demonstrate to cell phone carriers that they have a long term commitment to continue to provide this service. They also would like to pursue and additional carrier at this location but will require a longer term lease to convince another carrier to locate on this pole. Crown Castle is seeking approval to extend this lease for four additional five year terms, through August 2039.

The monthly rentals for a monopole lease are typically much less than tower leases because they do not provide as much coverage and have limited capabilities to add multiple users. The current lease is in the final term and the monthly rental is \$1,139. Crown Castle's proposal would increase this rent in 2019 by 10% to \$1,253. In September 2020 and every year after, the rent will increase by an additional 3%. They will also pay the Township a onetime fee of \$7,500. The 50% revenue sharing currently in place for other users of this antenna structure will remain in the lease.

If Crown Castle is able to add another carrier to this site, the 50% revenue sharing co-location fee will be paid to the Township. If another carrier is added, the additional monthly rents received by the Township could be in the \$600 to \$900 range. We have also worked with Crown Castle to include a requirement for a business summary affidavit annually to allow us to verify the co-location rental fees.

**V. Impact On Township Finances:**

This application will increase revenue to the Township as outlined above with no additional expenses to the Township.

**VI. Staff Recommendation:**

Staff supports the approval of this lease extension as outlined in the proposal.