



Legislation Details (With Text)

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Title: Actions pertaining to the use of Parking Garage 7:
 1. Adopt a finding of Categorical Exemption pursuant to Section 15301 (Existing Facilities) of the California Environmental Quality Act Guidelines.
 2. Approve the Second Amendment to the License Agreement between the City of Fresno, and T-Mobile West, LLC., to license use of certain real property, together with access and utility rights located at the Fresno City Parking Garage 7 (801 Van Ness Avenue, Fresno, CA 93721) for four (4) five-year terms and total contract revenue of \$436,920 (District 3)

Sponsors: Planning and Development Department

Indexes:

Code sections:

Attachments: 1. Second Amendment to License Agreement T-Mobile, LLC., 2. First Amendment to License Agreement T-Mobile, LLC., 3. License Agreement

Date	Ver.	Action By	Action	Result
8/18/2022	1	City Council		TABLED

REPORT TO THE CITY COUNCIL

FROM: JENNIFER CLARK, Director
Planning & Development Department

BY: CHERIE VICK, Executive Assistant to the Director
Planning & Development Department

SUBJECT

Actions pertaining to the use of Parking Garage 7:

1. Adopt a finding of Categorical Exemption pursuant to Section 15301 (Existing Facilities) of the California Environmental Quality Act Guidelines.
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RECOMMENDATION

Staff recommends that the City Council approve and allow the Planning & Development Director, or designee, to enter into the Second Amendment to the License Agreement between the City of Fresno, through the Planning & Development Department and T-Mobile West, LLC., for use of City property at the Fresno Parking Garage 7. The Second Amendment of the License Agreement will

allow the City to license premises at the Garage 7 for the purpose of the placement of T-Mobile West wireless communications equipment, including without limitation, transmission, and the reception of radio communication signals on various frequencies and the construction, maintenance, and operation of related communications facilities.

EXECUTIVE SUMMARY

The current License between the City of Fresno and T-Mobile West, LLC., expires October 27, 2022; the City and Licensee mutually agree to amend the License. The Second Amendment will start October 28, 2022, with annual revenue of \$17,500, and automatically renew for 20 years [four (4) five-year terms] expiring October 27, 2042, for a total contract revenue of \$436,920.30. The revenue escalation is 15% over the previous term plus one-time \$10,000 non-refundable contract renewal fee. These terms are comparable to a similar license agreement between the City and another major carrier.

BACKGROUND

The City of Fresno and Pacific Bell Wireless, LLC., d/b/a Cingular Wireless entered into a License Agreement dated November 1, 2002, for use of the property at Fresno Parking Garage 7 the placement of wireless communications equipment, including without limitation, transmission, and the reception of radio communication signals on various frequencies and the construction, maintenance, and operation of related communications facilities. T-Mobile West, LLC., a Delaware limited liability company, formerly known as T-Mobile West Corporation, as successor-in-interest to TMO CA/NC LLC., formerly known as Pacific Bell Wireless, LLC., a Nevada limited liability company, d/b/a Cingular Wireless, is currently the licensee under the License as successor in interest to the Original Licensee. The License had an original term that commenced on November 1, 2002. However, the License provided for three extensions of five years each, all of which were exercised by Licensee resulting in the License expiring on October 27, 2022.

The License is for a period of twenty (20) years in total, four (4) automatically renewing terms of five (5) years each. The License provides for a rent escalation of 15% per five (5) year term commencing October 28, 2022. The License increases the base rent to \$17,500 per year from \$12,814.45, paid annually effective November 2022. A one-time signing payment of \$10,000 shall also be made available to City within 60 days of the effective date.

Staff identified a comparative license agreement the City of Fresno has with AT&T at Garage 7 executed in 2017 for \$12,000/year for a total of 25 years [five (5) five-year terms]. Rent increase occurs at term renewal for 7.5% over previous term.

ENVIRONMENTAL FINDINGS

This Agreement falls within the Class 1 Categorical Exemption for Existing Facilities set forth in CEQA Guidelines, Section 15301 for existing facilities, as it involves no alteration of existing facilities, with no expansion of use, and will not result in any significant negative effects relating to traffic, noise, air quality or water quality. Furthermore, none of the exceptions to Categorical Exemptions set forth in the CEQA Guidelines, Section 15300.2 apply to this project.

LOCAL PREFERENCE

Local preference is not applicable to this item because this is an amendment to an existing agreement.

FISCAL IMPACT

This will add revenue to the General Fund as a result of approving this Agreement.

Attachments:

Second Amendment to License Agreement T-Mobile, LLC.,
First Amendment to License Agreement T-Mobile, LLC.,
License Agreement