

Agenda Item Report



Winnebago County
The Wave of the Future

DATE: January 10, 2023
FROM: Mike Elder, Director of Facilities
RE: Ground Lease Approval for Cell Tower at UWO-Fox Cities

General Description:

There is a cell tower located on the UWO-Fox Cities Campus. American Tower Corporation has a ground lease that is nearing the end of its term and requires renewal.

Action Requested:

A motion to approve the multi-year lease and authorize the County Executive to execute the lease.

Procedural Steps:

Committee of Jurisdiction: Facilities and Property Mgmt	Meeting date: 1/18/2023
Action taken: Approved	Vote: 4-0
Committee of Jurisdiction: Personnel and Finance	Meeting date: 2/8/2023
Action taken: _____	Vote: _____
County Board	Meeting date: 2/21/2023
Action taken: _____	Vote: _____

Background:

This is the second lease extension since the counties acquired the property and cell tower lease. Cell tower companies want to lock in long term leases due to the difficulty in siting towers, the cost to erect and potential disruption in cell service to their customers.

Policy Discussion:

UWO-Fox Cities is jointly owned by Winnebago County and Outagamie County. In 2011, UWO-Fox Cities proposed to acquire the ATS Manufacturing building to house the engineering program. Both counties approved and funded the purchase of the building. Situated on the ATS building property is a cell tower own by the American Tower Corporation (ATC) and operated by Verizon. There is a ground lease between ATC and both counties. The leases have usually been for an initial 5 years with multiple 5-year extension. ATC has made it a practice to renew earlier than the end of the multi-year periods to lock in the location.

The last lease was due to expire in July of 2022. The rent was \$10,368 per year. The previous leases incorporated 5-year extensions with the option to not renew solely with ATC. Both counties desired to get more favorable terms, both with rent and the option to not renew the lease at the end of the 5-year

extensions. Winnebago County Facilities negotiated a rent increase to \$1,000 per month and the option to not renew. Outagamie County determined that the rent could be increased.

Outagamie County was successful in increasing the rent to \$3,000 per month, with an increase of 3% each succeeding year. A summary of the expected rental income is attached. The term of the lease is an initial 5 years with 6 additional 5-year periods with the lease being able to be terminated by ATC with 90-day notice.

Both Winnebago County and Outagamie County need to agree to the terms of this lease extension. Both corporation counsel offices have reviewed and approved the lease document.

Attachments:

Rent Summary
Lease agreement