

March 25, 1998

SUBJECT: CLEARNET INC - P.C.S. INSTALLATION AT NAT BAILEY STADIUM

RECOMMENDATION:

- A. THAT the Board grant a site license to Clearnet Inc. for installation of up to four PCS panel antennas on, and up to six steel cabinets at the base of, a light post at Nat Bailey Stadium.**
- B. THAT this site license be granted for an initial term of five years, with three additional renewal periods of five years each and, after the initial five year term, a 12 month demolition clause.**
- C. THAT the annual license fee to be paid by Clearnet Inc. be \$24,000 for the first five year term, to be adjusted at the start of each five year renewal period to market value prevailing at that time.**
- D. THAT the license fee be allocated 50% to the Board and 50% to the Vancouver Canadians or, if the Vancouver Canadians are no longer the major or only tenants of Nat Bailey Stadium, then the Board will retain the full amount of the fee or, at its option, pay 50% of it to a successor tenant at the stadium.**
- E. THAT all details of these arrangements be made to the satisfaction of the General Manager and the Director of Legal Services.**
- F. THAT no legal rights shall be created by the passage of these resolutions and none shall arise hereafter except by the signing of the contemplated document.**

BOARD POLICY

The Board grants site licenses for utilities which do not interfere with the park function.

BACKGROUND

Clearnet Inc approached staff with a proposal for a Personal Communication Services (PCS) installation at Nat Bailey Stadium. Clearnet sees this location as an important part of its network of sites to provide quality PCS coverage in Vancouver.

The PCS equipment would be located on, and around the base of, the light post between the batting cage and the stadium, on the third base side of the field.

Three or four panel antennas would be installed on the light post, just below the lights. They are each approximately 4 ft. high x 8 in. wide x 3 in. thick. Around the base of the pole, there would be up to six steel equipment cabinets, each approximately 2.5 ft. square and 5 ft. high, mounted on a 1 ft. high base. The installation would be located entirely within the stadium grounds, inside a fenced compound, approximately 20 ft. x 8 ft., with access from outside the stadium through a gate to be installed by Clearnet.

Details of the proposed installation are attached as Appendix 1 to this report.

DISCUSSION

Any arrangements the Board makes for licensing the Nat Bailey Stadium location to Clearnet have to also involve the stadium tenants, the Vancouver Canadians Baseball Club. On December 8, 1997, the Board approved a three year renewal of the lease to JSS Sports Inc, owner of the Canadians, for January 1, 1998 to December 31, 2000, with an additional two year option to renew.

The Canadians lease the entire stadium, including the proposed site for the installation, so they are entitled to a share of any revenues accruing from this site, for as long as they are the major or only tenants of the stadium. In addition, any site arrangements, including access, security and safety, must be to their satisfaction.

In discussions with the Canadians, it was agreed that a 50:50 split of any license revenue, between the Board and the Canadians, was reasonable and should be recommended to the Board.

The value of a site for a cellular / PCS installation is a very new issue, and the City has little that can be used by way of precedent to determine the specific value of this site. The City is currently in negotiations with other cellular / PCS companies for other sites around the City. The Board is also in discussions regarding possible sites in Stanley Park.

However, each situation is unique, in terms of the importance of the sites to the companies involved and the specific installations proposed.

The main business terms to which staff, the Canadians and Clearnet have now agreed in principle, subject to Board approval, are as follows:

- a five year initial license term, with three renewal option periods of five years each. After the initial five year term, there will be a demolition clause, with 12 months notice to Clearnet.
- the annual license payment from Clearnet for the initial five year term will be \$24,000, allocated 50% to the Board and 50% to the Canadians

i.e. \$12,000 each. This license payment will be adjusted, at each five year renewal date, to the market value prevailing at that time

- if the Vancouver Canadians are no longer the only, or the major, tenants then the Board will retain the full payment or, at the Board's option, 50% will be paid by it to the successor tenants at the stadium
- this agreement is subject to the Board reviewing Clearnet's detailed plans, and having final approval on work done, to ensure compliance with all relevant codes and legislation, and to ensure that all safety, structural and aesthetic issues are dealt with to the Board's satisfaction.
- all costs relating to installation and operation of the site would be met by Clearnet.

The initial annual payment agreed to by the parties is based on advice received by staff from the City's Real Estate Services Group. Adjusting the license fee to market value at the start of each five year renewal term recognises that this is a rapidly developing business environment and site values may change significantly between each renewal date.

Staff have reviewed, in principle, the technical aspects of Clearnet's proposal, and see no obvious concerns with it.

In regard to health concerns raised in the past by citizens related to the installation and operation of cellular transmission antennae an advisory issued by the Medical Health Officer is attached (Appendix 2). There has been no evidence of any health risk resulting from these antennae and he concludes that there is no public health benefit in avoiding antennae installations.

The visual impact on the neighbourhood will be minor. Directly across the street from the site location is Riley Park Community Centre. All that should be visible from outside the stadium fence would be the antennae on the light post. They can be painted to blend in with the light post. The cabinets would be within a screened compound, and should not be seen from outside.

The legal means to grant this use would be subject to the advice of the Director of Legal Services, and may involve the Board executing a site license agreement with Clearnet, and an agreement with JSS Sports Inc and / or the Canadians, to deal with their situation as stadium lessee and with their share of the compensation from Clearnet.

JUSTIFICATION

The proposed P.C.S. installation at Nat Bailey Stadium will not negatively impact the neighbourhood or the use of the stadium by the Canadians.

The rent is considered to be current market value and will be reviewed every five years.

Prepared by:
Administrative and Revenue Services Division
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PJ/AD