

**CITY OF IOWA CITY
POLICY
LEASE OF CITY PROPERTY FOR PLACEMENT OF
TELECOMMUNICATIONS EQUIPMENT**

The following policy applies to leases between a telecommunications provider and the City for placement of telecommunications equipment on City-owned property. The policy does not apply to placement of equipment or facilities in the public right-of-way.

- I. Process - The process to enter into a lease consists of the following five (5) steps:
- A. Application.
 - 1. The business must complete an application form available at the City Clerk's office and the City Manager's office.
 - 2. The business must pay an application fee of \$300.00. The fee is non-refundable and must accompany the application form.
 - B. Recommendation of applicable advisory board/commission.
 - C. Staff approval.
 - D. Board of Adjustment approval if necessary (separate application and fee for special exception required).
 - E. City Council approval of lease.
- II. Criteria - In determining whether to approve a lease, staff and Council will consider the following:
- Need for telecommunications facility demonstrated by applicant.
 - Recommendation from applicable Board or Commission.
 - Compliance with zoning regulations and other legal requirements.
 - Location:
 - a) Is the site compatible with City operations?
 - b) Is the site compatible with neighboring property and land uses?
 - Aesthetics (size/nature of equipment and buildings).
 - The feasibility of screening or camouflaging the equipment.
 - Public input.
 - Such other information as necessary given the location and size/nature of the equipment.

III. Lease Terms: Lease negotiations shall address the following and include the following terms as applicable.

- Description of leased premises: The City in its sole discretion may require the applicant to provide a survey.
- The initial term shall not exceed 5 years with two 5-year renewal options which may be exercised by the Tenant, unless the Tenant is in default with other terms of the agreement. Terms are variable based on the projected future use and life expectancy of the facility or property in question. Any renewals must be subject to City approval. Provisions for canceling the lease shall be included based on the potential need to change the use of the facility or property or close the facility.
- Rent to be no less than fair market value. The City in its sole discretion may have the proposed lease appraised to determine its fair market value, and the tenant shall reimburse the City for the full cost of the appraisal. Cost is nonrefundable.
- Rent to increase annually by three percent (3%) or the applicable consumer price index, whichever is greater.
- Where technically feasible as determined by City, provisions for placement of City equipment or City use at no cost to City. Lease should reserve to City any use that does not interfere with Tenant's use.
- The City may require that the facility be constructed to provide the space and structural capacity for the co-location of up to five (5) similar facilities to the one placed by the Tenant in addition to the provision of space for City owned equipment.
- City must review and approve subleases. The Tenant may charge rent to the subtenant in an amount no greater than two times the amount that the Tenant pays to the City. For each sublease the City will receive an additional fee from the Tenant in the amount of 25% of the rent due to Tenant from the subtenant. Without approval of the City, Tenant may not reject co-location of a facility similar to that of the Tenant.
- Tenant to have liability insurance in an amount determined by the City's Risk Manager with the City being named additional insured.
- Tenant to indemnify the City and hold the City harmless.
- Screening or camouflaging may be required at City's sole discretion and tenant's sole cost.
- Taxes, insurance, utilities and maintenance shall be the responsibility of Tenant.
- Design of any structure must be approved by the City.
- Tenant is responsible for removal of facility and equipment at the end of the lease term unless City chooses to maintain ownership of the facility. Tenant shall provide a bond, letter of credit or other security approved by the City to guarantee payment of the cost of removal of the facility and equipment.