

NEW CARLISLE CITY COUNCIL WORK SESSION AGENDA

February 3, 2020 @ 6:00pm
Smith Park Shelter House

1. Call to Order
2. Roll Call
3. Invocation (Please note that this will change to a "Moment of Silent Reflection" after this meeting)
4. Pledge of Allegiance
5. Action on Minutes: N/A
6. Communications:
7. City Manager's Report: N/A
8. Comments from Members of the Public: Please limit comments to 5 minutes or less.
9. Committee Reports: None

10. RESOLUTION(S): NONE

11. ORDINANCE(S): NONE

12. OTHER BUSINESS:
 - A. Upcoming Legislation Discussion (No Voting)
 - B. Discussion of City Business
 1. Cell Tower Lease - Information Attached
 2. Discussion of additional City Business

13. EXECUTIVE SESSION: None

14. Adjournment

Next **Regular Meeting** of the City Council will be **Monday, February 3, 2020 @ 7:00pm** after this Work Session.
Location: Smith Park Shelter House, 801 West Jefferson Street, New Carlisle

Next **Work Session** of the City Council will be **Tuesday, February 18, 2020 @ 6:00pm**
Location: Smith Park Shelter House, 801 West Jefferson Street, New Carlisle



L Y L E

The Lyle Company
3140 Gold Camp Dr., Suite 30
Rancho Cordova, CA 95670

An Authorized Partner of
American Tower Corporation



AMERICAN TOWER
CORPORATION

116 Huntington Avenue, 11th Floor
Boston, Massachusetts 02116

January 29, 2020

City of New Carlisle
331 South Church St.
New Carlisle, OH 45344

RE: AMERICAN TOWER SITE #413352v-New Carlisle OH

Dear Randy:

American Tower built or acquired the wireless tower and/or management rights to the tower currently located on your property. As your tower company, we value the partnership we have with you and your property. The wireless telephone companies who lease space on our towers are requesting we secure the tower sites with longer term leases or with an easement. American Tower would like to continue our current relationship with you via an extension of your existing lease, or change your existing lease to a long term easement.

Option 1: Extend the Current Lease an additional 40 years

- ◆ You receive a one-time payment of **\$20,000**.
- ◆ Rental payments and all escalation schedules remain in full force and effect through the extended term. This is not an easement or buyout of your lease.

Option 2: Monthly Installment Perpetual Easement

- ◆ After execution of the easement agreement, you will receive monthly payments
- ◆ 10 year payout **\$2,326**; a total of **\$279,223**.
- ◆ All the protection you currently receive under the existing lease remains (taxes, maintenance, removal, insurance, et al.).
- ◆ The size and use of the lease area will not change, and you will retain ownership of the property.
- ◆ The value of your lease will no longer be dependent on future rent payments.
- ◆ Yearly payments are taxed as Capital Gains (sometimes 1/2 the rate you are being taxed now).

Option 3: Lump Sum Payment

- ◆ The same easement as Option 2, but with a lump sum payment.
- ◆ You are paid **\$230,000** after full execution of the easement agreement.

Why is American Tower making this offer? American Tower is committed to meeting both the needs of landlords and the carriers, which is why being able to offer these programs to a select group of landlords is so important. The wireless tower industry has seen many changes over the years and expects on-going changes to their business, due to mergers and acquisitions and the introduction of more efficient technologies.

What is an easement? A grant of easement is not a land purchase; you will retain title to the land. American Tower records a perpetual easement on the leased area. By doing so, American Tower retains the right to use your land for a specifically stated purpose, until such time as it provides notice of termination or abandons the site. At that time, the recorded easement could be released of record.

Tax benefits? We certainly recommend consulting your tax advisor. With the perpetual easement options, American Tower will issue a 1099-S form. Many of our landowner partners that have accepted this offer have benefited from the fact that payments are taxed at the long term capital gains rate. Depending upon your tax situation, this may be lower than the ordinary income tax rates that your current mode of rent payments is assessed at.

I look forward to discussing this proposal with you to address any questions you may have. On behalf of American Tower, thank you for your consideration.

Respectfully,

Lisa Oelstrom

Lisa Oelstrom
The LYLE Company, an Authorized Partner of American Tower Company
Lease Consultant for American Tower
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"This offer is good for a limited time. This proposal is for discussion purposes only. The parties will not be bound in any respect until and unless a written agreement is signed by all parties expires in 30 days"