

CITY OF RACINE, WISCONSIN

REDEVELOPMENT AUTHORITY RESOLUTION 18-13

A resolution authorizing the RDA Executive Director and the RDA Chairman to execute a contract with Global Signal Acquisition IV LLC (representing Crown Castle and Verizon) for a perpetual easement for a 2,496 s.f. parcel of property at 1828 DeKoven Avenue/1811 Phillips Avenue for an existing telecommunications tower and ground equipment.

WHEREAS, The Redevelopment Authority currently owns a small parcel within the Southside Industrial Park (northwest corner of Memorial Drive and DeKoven Avenue) addressed 1828 DeKoven/1811 Phillips Avenue that contains a telecommunications tower and ground equipment;

WHEREAS, the Redevelopment Authority has a ground lease with Crown Castle (1,196 s.f.) and Verizon Wireless (800 s.f.) that allows these entities to own and maintain ground equipment and the tower on the site in exchange for a lease payment to the RDA of \$1,451/month (\$17,418/year) for the Verizon lease and \$1,131.74/month (\$12,380/year) for the Crown Castle lease;

WHEREAS, the Redevelopment Authority wishes to achieve an immediate infusion of capital to be spent on projects that further leverage and support quality private-sector investment in economic development and redevelopment within the City, particularly in light of the Foxconn investments;

WHEREAS, As such, City staff propose providing a perpetual easement to Crown Castle and Verizon (through Global Signal Acquisitions IV, LLC) that would provide \$485,000 in a lump sum payment to the RDA;

WHEREAS, City staff believes that this lump sum payment far exceeds what the RDA could expect to generate in monthly payments in the next several years, given the dramatic changes in wireless technology and the move to “small cell” installations;

WHEREAS, the reason for doing this lump sum payment is to take advantage of heightened property values while it still exists and also wanting to stay ahead of changes in technology that may cause the lessees to terminate their leases, as proposed;

BE IT THEREFORE RESOLVED, that the RDA authorize the RDA Executive Director and the RDA Chairman to execute a contract with Global Signal Acquisition IV LLC (representing Crown Castle and Verizon Wireless) for the sale and conveyance of a perpetual easement for a 2,496 s.f. parcel of property at 1828 DeKoven Avenue/1811 Phillips Avenue for an existing telecommunications tower and ground equipment for the lump sum purchase price of four hundred fifty-eight-thousand dollars (\$458,000), consistent with the letter agreement provided.

Fiscal Note: This \$458,000 in sale proceeds, will provide the RDA funds to further leverage and support quality private-sector investment in economic development and redevelopment in the City of Racine

Adopted on: June 7, 2018 *Seal*

By a Vote of

For:

Against:

Abstain:

Attest:

Amy Connolly, Executive Director
City of Racine Redevelopment Authority