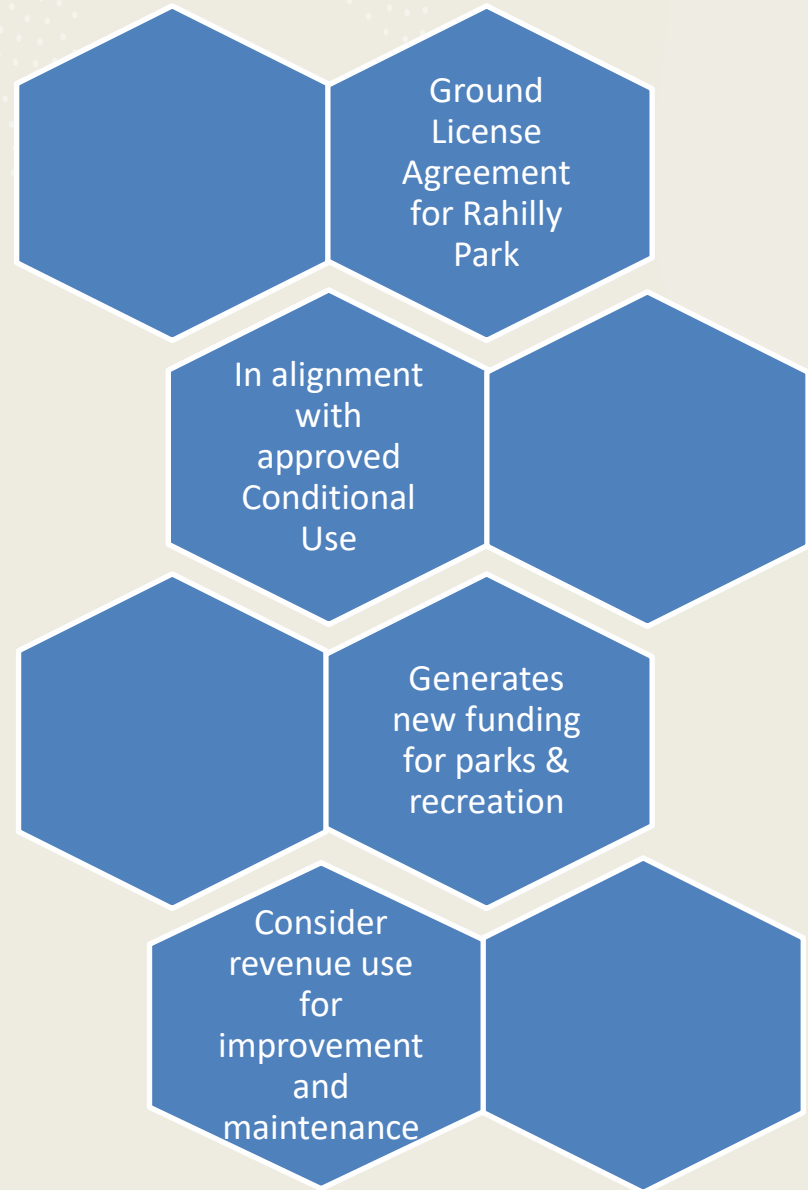


Proposed Ground Lease- Rahilly Park Wireless Facility



Report in Brief



Background

Application
reviewed by
Planning
Commission

Commission
approved → decision
appealed

Council denied
appeal on basis that
application met
required CUP
conditions

Negotiations with
AT&T led to
proposed lease
agreement terms
and conditions

Goals of Agreement

- Request site plan incorporate added utility to existing features
- Obtain one time Capital Improvement Funds to address existing safety and operational concerns in host Park
- Ensure ongoing revenues will be used to help cover rising costs of routine maintenance and ongoing repairs in City park system



Lease Terms

- Tenant: New Cingular Wireless PCS, LLC
- Term: 5 years, with 4 optional 5-year renewals
- One-time Rahilly Park Capital Fee: \$30,000
- Lease rate: \$3,000/month + 3% annual increase
- Potential 25-year revenue: \approx \$1.33 million

Use of Ongoing Revenue

Option 1 – Dedicate all to Rahilly Park to increase beautification and maintenance

Option 2 – Split between Rahilly Park & Citywide Community Parks

Option 3 – Add to Parks Capital Fund (use at City Council discretion with no dedication to specific park(s))



Suggested Investments

\$30,000 one-time improvements at Rahilly Park

- \$20,000 → Picnic Shelter upgrades
- \$10,000 → Walking path repairs
- Continued LED lighting upgrades



Fiscal Impacts

Community Impacts

- \$30,000 one-time capital improvements
 - \$27,000 revenue FY25 (Oct–June)
 - ≈ \$36,000/year thereafter (with 3% increases)
 - ≈ \$1.33M total revenue over 25 years
-
- Capital Improvements to address existing park disrepair
 - Playground equipment, shelter, walking paths, amenities, ADA access to playground
 - Increased level of effort for ongoing maintenance and operations
 - Irrigation repairs, restroom maintenance, reservation preparations
 - Safer conditions
 - Better lighting, security cameras, timely playground repairs

Conclusion

The Lease Agreement ensures that use of the park to expand Wireless Services equates to ongoing investments back into the park system.

The agreement creates one time revenue to address immediate needs at Rahilly Park and new ongoing revenues to address levels of maintenance not currently available.

Recommendations:

- Approve lease agreement
- Authorize City Manager or designee to execute necessary documents
- Appropriate \$30,000 one-time revenue (Capital Fund)
 - Use for Rahilly Park Improvements
- Appropriate \$27,000 FY25 revenue (Oct–June)
 - Use to increase level of maintenance effort at Rahilly Park