



IN CAMERA

ADMINISTRATIVE REPORT

Report Date: July 12, 2012
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Meeting Date: July 24, 2012

TO: Vancouver City Council

FROM: Director of Real Estate Services in consultation with the Chief Constable of the Vancouver Police Department

SUBJECT: License of City-owned property at 3585 Graveley Street to Rogers Communications Inc.

IN CAMERA RATIONALE

This report is recommended for consideration by Council in the In Camera agenda as it relates to Section 165.2(1) of the *Vancouver Charter*: (e) the acquisition, disposition or expropriation of land or improvements, if the Council considers that disclosure could reasonably be expected to harm the interests of the city.

RECOMMENDATION

THAT Council authorize the Director of Real Estate Services to negotiate and execute a license agreement with Rogers Communications Inc. for a portion of the premises situated at 3585 Graveley Street, legally described PID: 023-838-779, as Parcel 3, Block 113, Section 28, Town of Hastings Suburban Lands, New Westminster District, Plan LMP34147 (the "Premises"), on the following terms and conditions:

Term: Five (5) years commencing September 1, 2012.

License Area: Approximately 79.12 square feet of rooftop area, and approximately 63.08 square feet of ground area.

License Fee: s. 17(1) (d) (e) & (f) and s. 21(1),

Years 1 to 5: s. 17(1) (d) (e) & (f) and s. 21(1).

- Use: Rooftop and ground areas of the property for the installation of telecommunications equipment.
- Renewal Option: Three (3) consecutive renewal terms (in 2017, 2022, and 2027) of five (5) years each, **s. 17(1) (d) (e) & (f) and s. 21(1).**
- Cancellation: The Licensor may terminate the license upon providing the Licensee with twelve (12) months written notice of cancellation, after the initial five (5) years and with approval from Council.
- Other Terms: The license will be provided on the City's current Standard Form of License for Telecommunications Equipment. Terms and conditions of the License are to be drawn to the satisfaction of the Directors of Legal and Real Estate Services, it being noted that no legal right or obligation shall arise or be created until the execution of the license.

The signing fee and annual licence fee revenue to be credited to the Property Endowment Fund ("PEF").

REPORT SUMMARY

The purpose of this report is to seek Council approval to license a portion of the ground and rooftop area of the Premises at 3585 Graveley Street (the "License Area") to Rogers Communications Inc. ("Rogers") for a term of five (5) years commencing September 1, 2012, plus three (3) renewal terms of five (5) years each.

COUNCIL AUTHORITY/PREVIOUS DECISIONS

The Director of Real Estate Services can approve leases, lease renewals, and licenses if:

- The total value does not exceed the sum of \$250,000
- The term is no more than ten years (including renewal options)

The proposed license exceeds the total term which can be approved by the Director Real Estate Services and is therefore submitted to Council for approval.

CITY MANAGER'S/GENERAL MANAGER'S COMMENTS

The General Manager of Real Estate and Facilities Management RECOMMENDS approval of the foregoing.

REPORT

Background/Context

Rogers is pursuing a long term relationship with the City to install telecommunications equipment upon City-owned properties and structures throughout the city, including the Premises. The proposed license is for installation of telecommunications equipment onto the rooftop of a highly desirable location at 3585 Graveley Street, currently leased to the Vancouver Police Department (“VPD”). Rogers has proposed a term of five (5) years plus three (3) renewal terms of five (5) years each. The License Area is approximately 79.12 square feet on the rooftop of the Premises, plus 63.08 square feet at ground level for the utility cabinet to service the rooftop telecommunications equipment.

Rogers has expressed strong interest in securing a five (5) year license, plus three (3) renewal terms of five (5) years each to offset the stated significant capital investment of the telecommunications installations.

Strategic Analysis

Rogers, being one of the leaders and major providers of telecommunications services throughout the City and region identified the proposed location as strategic for their continuing growth and expansion.

Plans and technical specifications were submitted to Facilities Planning and Development for review, and to Development Services for Regulatory approval.

Facilities Planning and Development’s technical review confirms the proposed installations are satisfactory and acceptable to the City.

The building’s tenant, VPD, has expressed concerns regarding Rogers access to the Premises particularly with respect to the rooftop of a secured police facility. Rogers have agreed to the VPD required level of security clearance for Rogers staff and any personnel requiring access to the property, the access logistics, and other requirements of the license. Rogers obligations and agreement to minimize VPD operational impacts and concerns and to bear the associated costs to remedy situations have assured the VPD that Rogers will be able to meet and mitigate any of those concerns should the need arise.

Following negotiations, Rogers has agreed to a five (5) year initial license term (September 1, 2012 to August 31, 2017), **s. 17(1) (d) (e) & (f) and s. 21(1).**

Financial

The license fees and one-time signing fee will be credited to the PEF.

CONCLUSION

The Director of Real Estate Services is of the opinion the license fee negotiated for the Premises is considered to be standard among telecommunications equipment providers, and therefore acceptable.

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