



Agenda Report

Fullerton City Council

MEETING DATE: APRIL 15, 2025

TO: CITY COUNCIL / SUCCESSOR AGENCY

SUBMITTED BY: SUNAYANA THOMAS, DIRECTOR OF COMMUNITY AND ECONOMIC DEVELOPMENT

PREPARED BY: TAYLOR SAMUELSON, SENIOR ADMINISTRATIVE ANALYST

SUBJECT: \$893,000 AGREEMENT WITH PHOENIX TOWER INTERNATIONAL FOR WIRELESS CELLULAR TOWER LEASE AT 2470 WEST PIONEER AVENUE

SUMMARY

Phoenix Tower International seeks a land lease to construct a monopine cellular tower at 2470 West Pioneer. The agreement would generate \$74,450.98 annually with a four percent escalator for five years with an automatic renewal for an additional five years, generating approximately \$893,000 in revenue over the first ten years of the agreement.

PROPOSED MOTION

1. Approve lease agreements with Phoenix Tower International (PTI) for cellular monopine tower site construction, operation and maintenance located at 2470 West Pioneer Avenue, Parcel No. 280-021-03.
2. Authorize City Manager to execute the lease agreement, in a form approved by the City Attorney.

ALTERNATIVE OPTIONS

- Approve the Proposed Motion
- Do not approve lease agreements and provide further direction
- Other options brought by City Council.

STAFF RECOMMENDATION

Staff recommends the Proposed Motion.

CITY MANAGER REMARKS

The City Manager recommends approval.

PRIORITY POLICY STATEMENT

This item matches the following Priority Policy Statements:

- Fiscal and Organizational Stability
- Infrastructure and City Assets.

FISCAL IMPACT

The City General Fund would receive \$74,450.98 annually with a four percent escalator. This amount would continue for the first ten years. Total projected revenues generated under this initial term total approximately \$893,866 in new General Fund revenue.

BACKGROUND AND DISCUSSION

The City of Fullerton leases city-owned property to cell service providers for network infrastructure. This lease would offer an expanded site through a tower group and AT&T subtenant to operate multiple cell antennas and radio systems at the lease site. The new land lease incorporates cellular tower construction as a monopine 'stealth' tower.

The applicant submitted tower plans for City review and would coordinate with Public Works to secure any required encroachments with specific delineations (Attachment 2). The design has a high-quality faux tree structure with minimal impact on the surrounding area located in proximity to an existing cell tower near city-owned water tanks and infrastructure.

This tower meets the threshold for CA Department of General Services (CADGS) telecom rate guideline for macro-systems in prime urban areas, defined as a facility with nine or more antennas and / or fenced area with equipment building or concrete pad space and space required for the monopole or tower foundation, when combined exceeds 500 square feet, not to exceed 16 antennas or 2,500 square feet. This yields the highest rental return to the City for the location. More specifically, the lease would generate \$74,450.98 annually while escalating by four percent each year. The City utilizes the CADGS rate guide to standardize cell tower negotiations and ensure rates align with the government-owned land and facilities market.

Attachments:

- Attachment 1 – Lease Agreement Phoenix Tower International
- Attachment 2 – Phoenix Tower Draft Plans (AT&T Subtenant)

cc: City Manager Eric J. Levitt