



## COUNTY OF SONOMA

575 ADMINISTRATION  
DRIVE, ROOM 102A  
SANTA ROSA, CA 95403

### SUMMARY REPORT

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**Agenda Date:** 4/7/2020

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**To:** Sonoma County Board of Supervisors  
**Department or Agency Name(s):** General Services, Sheriff's Office  
**Staff Name and Phone Number:** Caroline Judy, 565-8058  
**Vote Requirement:** 4/5th  
**Supervisory District(s):** Third

**Title:**

Telecommunications Site Option and Lease Agreement with GTE Mobilnet/Verizon for County Fairgrounds, Santa Rosa.

**Recommended Action:**

Authorize the Director of General Services to execute a Site Option and Lease Agreement with GTE Mobilnet (dba Verizon Wireless) as Tenant, for a wireless telephone communication facility at County-owned premises at 1350 Bennett Valley Road, Santa Rosa, Sonoma County, California 95404 ("County's Real Property"); identified as Assessor's Parcel Number 009-371-010. The option to lease is valid for up to 18 months, and upon exercise of the option, the initial term of the Lease will be five (5) years, with three (3) additional five (5) year extensions. Consideration for the option is a payment of \$5,000 to Fair. Rent will be \$2,500/mo at commencement to adjust 3% annually thereafter.  
(Third District) (4/5 Vote Required)

**Executive Summary:**

The Director of General Services, in consultation with the Sonoma County Fair and Exposition, Inc., ("Fair"), requests Board consideration of a Lease at 1350 Bennett Valley Road, Santa Rosa for approximately 800 square feet of the Fairgrounds Property with Verizon Wireless ("Tenant"), a commercial carrier for a wireless telephone communication facility. During the option period, the Tenant will develop construction plans and submit to County planning for approval. The County, acting through Permit Sonoma, is the entitling jurisdiction for this use and has issued a Use Permit (UPE19-0053) dated February 18, 2020 in connection with this lease. Permit Sonoma determined that the proposed telecommunications project is categorically exempt from the provisions of the California Environmental Quality Act pursuant to the Provisions of Title 14 of the California Administrative Code, Section 15303, because it is new construction of a small structure.

An important purpose for entering into this Lease is that Verizon cellular coverage is very spotty at the fairgrounds. During large events, such as the annual Sonoma County Fair, Country Summer and others, the ability to call out or text with the Verizon network is compromised. This new cell tower will also increase County's and Fair's ability to communicate during emergency evacuations as well as large Fairgrounds events.

Provided all necessary permits can be obtained, the Tenant may exercise the lease option, which allows the Tenant to construct a tower and conduct its communications use. The Tenant shall pay rent to the Fair to support Fairgrounds operations. The lease offers space on the tower for public emergency communications, fire cameras, and fairgrounds safety and security communications at no cost. The County retains the right to

approve any commercial subtenants the Tenant may invite to use the tower.

**Discussion:**

The Sonoma County Fair and Exposition, Inc., ("Fair"), is the County's property manager for the County-owned Fairgrounds Property. Verizon has requested use of a portion of the Fairgrounds Property for a wireless telephone communication facility pursuant to a lease agreement with the County.

The Board of Supervisors' approval is required for the lease and the improvements it contemplates, which entail construction of the tower and related structures. Pursuant to the County-Fair Operating Agreement, the revenue generated from the proposed lease will accrue to the Fair for the purposes of partially offsetting operations and maintenance expenses of the Fairgrounds property.

Upon Board authorization to enter into the proposed Lease, County will grant to Verizon, as the Tenant the right and option to lease approximately 800 square feet of the Fairgrounds Property. The Option will commence on the date the Site Option and Lease Agreement is fully executed and will expire eighteen (18) months later. As consideration for the Option, the Tenant must submit a \$5,000 payment to the Fair. In addition, the Tenant shall pay the Fair a one-time sum of Five Thousand Dollars (\$5,000.00) to defray the Fair's legal and administrative costs in connection with the negotiation of the agreement. The Lease of the Premises to the Tenant is for the installation, maintenance and operation of a wireless telephone communication facility, including an antenna support structure (tower) and associated equipment. The Tenant may use the Premises only for the purpose of constructing, maintaining, repairing and operating a communications facility, and any related foundation, utility lines, transmission lines, electronic equipment, radio transmitting and receiving antennas, supporting equipment and structures. The design and type of antenna support structure is subject to prior written approval by County and will be limited to ninety feet (90') in total overall height, consisting of a high quality faux tree with a minimum of three and one-half (3.5) fiberglass reinforced plastic branches per foot. Initial term of this lease is five (5) years. On the Commencement Date of the Lease, the Tenant will pay to the Fair as rent for the Premises the sum of \$2,500.00 ("Rent") per month. Said Rent will be paid to the Fair in advance, due no later than the 5<sup>th</sup> day of the month. Rent will increase by an amount equal to three percent (3%) of the annual rent paid during the immediately preceding year. The Tenant will have three (3) successive options to extend the Initial Term of this Lease, in each case for a period of five (5) years, for a cumulative total of 20 years. The County is consenting to the Fair retaining the rents payable under the lease to assist the Fair in reducing the ongoing costs of operation and maintenance of the Fairgrounds.

The Tenant may sublease tower space to a third-party only with County permission, which can be conditioned on the subtenant entering into a ground lease with the County for no less than the fair market value of the ground lease. The Tenant is solely responsible for its utility service and costs, which utility service extension must be underground and located in an existing access driveway. The Tenant will provide all necessary infrastructure for an additional 400 amp electrical service for future use by the County or a future tenant at no cost to the County. The Tenant will maintain the tower facilities at its sole cost and expense with the requirements of applicable law. The Tenant's facilities will be installed, operated and maintained in accordance with the highest standards now or hereafter generally employed for similar equipment.

Pursuant to the terms of the lease, the County will be responsible for repair and maintenance of access roads to the Premises. The Fair currently pays for all such maintenance at the Fairgrounds, including repairs and

paving of access roads, with funds generated through its operations, such as this proposed Lease.

Prior to any alteration, or addition to the Premises, the Tenant will submit to the County, for County's written approval in County's sole discretion, a set of construction documents together with a construction schedule, specifications, safety standards. The County's review of such documents shall be limited to a determination as to whether the proposed design and construction details will conflict with existing Fair uses of the property.

The County and its licensees, which may include other public agencies and nonprofits, shall have the right to place equipment on the tower for public safety, public services, weather and natural hazard monitoring, emergency services or fairgrounds security communications. The County may also install fire cameras and related equipment at higher elevations.

Upon the expiration or termination of the Lease, the Tenant shall remove such of its structures and equipment, including the Antenna Facilities, as designated by County, restore the Premises to its original condition (except for ordinary wear and tear), and vacate the Premises. A restoration bond in the amount of \$250,000 is required of Tenant to ensure Tenant's compliance with this obligation to fully restore the Premises, as required by the Lease terms.

In the event that the Premises are needed for another purpose, which determination may be made by County at its sole discretion, the County may cause the Tenant to relocate to another location on the Fair Property, which right may be exercised one time after the Initial Term. The County shall pay all costs incurred by the Tenant for relocating the Tenant's equipment.

The Tenant may terminate this Lease at any time by providing at least one hundred eighty (180) days' prior written notice to the County and by paying an amount equal to the Rent that would be paid to the County for the balance of the then-current term.

At the end of the lease term, any further occupancy by the Tenant shall be deemed a tenancy from month-to-month and all obligations of the Lease applicable to Tenant shall remain in full force and effect, with the Tenant being subjected to a month payment rate of 150% of the then-current rental rate.

County retains the right to perform an annual inspection of the Tenant's equipment and improvements. Authority to enter into the Lease is provided by Government Code Section 25536(a), which reads as follows:

" Nothing in this article shall prevent the board of supervisors of a county from, and the board of supervisors of any county is empowered to make contracts, acquiring, leasing, or subleasing property pursuant to Section 1261 of the Military and Veterans Code, or, by a four-fifths vote of the board, entering into leases, or concession or managerial contracts involving leasing or subleasing all or any part of county-owned, leased, or managed property devoted to or held for ultimate use for airport, vehicle parking, fairground, beach, park, amusement, recreation, or employee cafeteria purposes, or industrial or commercial development incidental thereto or not inconsistent therewith without compliance with this article."

**Prior Board Actions:**

None

**FISCAL SUMMARY**

| <b>Expenditures</b>                | <b>FY 19-20<br/>Adopted</b> | <b>FY20-21<br/>Projected</b> | <b>FY 21-22<br/>Projected</b> |
|------------------------------------|-----------------------------|------------------------------|-------------------------------|
| Budgeted Expenses                  | \$12,500                    | \$30,900                     | \$31,827                      |
| Additional Appropriation Requested |                             |                              |                               |
| <b>Total Expenditures</b>          | <b>\$12,500</b>             | <b>\$30,900</b>              | <b>\$31,827</b>               |
| <b>Funding Sources</b>             |                             |                              |                               |
| General Fund/WA GF                 |                             |                              |                               |
| State/Federal                      |                             |                              |                               |
| Fees/Other                         | \$12,500                    | \$30,900                     | \$31,827                      |
| Use of Fund Balance                |                             |                              |                               |
| Contingencies                      |                             |                              |                               |
| <b>Total Sources</b>               | <b>\$12,500</b>             | <b>\$30,900</b>              | <b>\$31,827</b>               |

**Narrative Explanation of Fiscal Impacts:**

Tenant shall pay the Fair \$5,000 as consideration for the right and option to lease the Premises for the term. Fair is responsible for road maintenance at its cost. Tenant shall pay rent of \$2,500/month to the Fair adjusted at 3% annually over the total cumulative term of 20 years. Should the Tenant exercise all three successive options to extend the term of the lease agreement, the projected rent revenue over 20 years will total \$783,611.

Tenant shall pay to construct the pad, tower and utility connections. Fair pays to maintain the access roads.

| <b>Staffing Impacts:</b>                       |  |                               |                               |
|--|--|-------------------------------|-------------------------------|
| <b>Position Title (Payroll Classification)</b> | <b>Monthly Salary Range<br/>(A-I Step)</b> | <b>Additions<br/>(Number)</b> | <b>Deletions<br/>(Number)</b> |
|  |  |                               |                               |
|  |  |                               |                               |
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**Narrative Explanation of Staffing Impacts (If Required):**

None

**Attachments:**

Attachment 1 - Telecommunications Site Option and Lease Agreement  
Attachment 2 - Building and Grounds Committee Approval of Lease dated March 12, 2020  
Attachment 3 - Use Permit UPE19-0053 issued by Permit Sonoma  
Attachment 4 - Exhibit A-Landlord's Real Property  
Attachment 5 - Exhibit B-The Premises

**Related Items "On File" with the Clerk of the Board:**

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**Agenda Date:** 4/7/2020

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None