

VILLAGE OF HOMEWOOD



BOARD AGENDA MEMORANDUM

DATE OF MEETING: July 8, 2025

To: Village President and Board of Trustees

Through: Napoleon Haney, Village Manager

From: Terence Acquah, Assistant Village Manager

Topic: Lease Renewal Letter Agreement for T-Mobile Cell Tower

PURPOSE

Leasing water tower space to private telecommunications companies offers the Village an opportunity to generate revenue, enhance public services, and support the digital needs of our residents. Utilizing existing water towers for telecommunications infrastructure is often preferable to constructing new standalone cell towers, reducing environmental disruption and land use concerns.

T-Mobile currently has a lease agreement with the Village for telecommunications equipment located at 18355 Pierce Avenue, commonly referred to as the Landscape and Maintenance water tower. They have formally notified the Village of their intent to renew the lease agreement for an additional five-year term effective December 9, 2025. This renewal requires Board approval.

PROCESS

The original lease agreement between the Village of Homewood and VoiceStream GSM I Operating Company, LLC (now operating as T-Mobile), was executed on November 8, 2005. The agreement provided an initial 10-year term with three (3) optional five-year extensions, subject to mutual agreement and notice provisions.

Under the terms of the agreement:

- T-Mobile leases a 10' x 20' ground space and antenna mounting space on the water tower.
- the site supports wireless communications operations, including six antennas and related transmission equipment.
- T-Mobile is responsible for maintaining its equipment, complying with all local, state, and federal regulations, and reimbursing the Village for any tax impacts directly related to its use.
- rent payments began at \$31,000 annually with a 3% annual escalator, and have increased accordingly each year since its commencement. Annual rent beginning December 9, 2025 will be \$61,553.97 and will increase 3% each year for the next five years.

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The site has not presented any operational issues and T-Mobile has maintained all required insurance, permits, and compliance obligations throughout the term of their lease. This renewal will represent the final of three (3) five-year extensions authorized under the original lease.

OUTCOME

T-Mobile's timely notice allows for uninterrupted use of the site and continued rental income to the Village.

FINANCIAL IMPACT

- **Funding Source:** N/A
- **Budgeted Amount:** N/A

LEGAL REVIEW

Completed

RECOMMENDED BOARD ACTION

Pass an ordinance authorizing the Village President to extend the lease agreement with T-Mobile for cell tower space at 18355 Pierce Avenue for an additional five (5) years.

ATTACHMENT(S)

- Ordinance
- Lease Extension Letter
- Original Contract