

# Rooftop Leasing Initiative

## Toolkit for Non-Profit Housing Providers

Prepared By:



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## **1. Current Context**

Non-profit providers of housing are increasingly looking for ways to become self-sufficient and decrease dependence on government funding. BCNPHA has been working to enhance the financial sustainability of the non-profit housing sector through a number of activities and initiatives. These include strategies to increase revenues that are sustainable and can be retained by providers to fund programs and services.

Opportunities currently exist through placing antennas on buildings owned by non-profit housing providers. Telecommunication firms in B.C. need to find additional locations for cell sites due to vastly increasing bandwidth needs of consumers as data use is anticipated to double in the next four years. In addition, there are new players in the data area who need sites, including Shaw, Wind and Dave Wireless. These opportunities will continue into 2012 when telecommunication carriers will bid for a new frequency to be auctioned by the CRTC.

Existing city buildings are being sought in preference to building new towers. As sites are being placed in between existing sites, building height requirements are more flexible, and more buildings are eligible for antenna placement. Sites being sought are primarily in urban cores where population density is highest. Site eligibility is primarily defined by the relationship of the building to other antenna sites.

BCNPHA and BC Housing are working together to consider all aspects of rooftop leasing, disseminate relevant information, and provide support to housing providers in this initiative and to build non-profit sustainability.

## **2. Opportunities**

### a. Revenue potential

Non-profit housing societies in B.C. with an eligible building have opportunities to realize from \$15,000 to \$30,000 per year for antenna leasing, with sustainable revenues through contracts from 10 to 20 years.

### b. Review of existing contracts

Societies who already are in fixed long-term contracts with telecommunication carriers also have an opportunity to review those contracts in the context of the changing market.

## **3. Retention of Revenues**

BC Housing has agreed that all revenues earned by non-profit housing societies can be retained without claw-back of subsidies (see copy of letter attached as pdf). Non-profits will be able to apply this revenue to their existing programs.

## 4. Key Issues

- a. Site eligibility  
Site eligibility can be determined either with each individual telecommunication organization, or centrally through a third-party contract negotiation and management supplier on a fee basis.\*
- b. Negotiation and management of contracts  
Telecommunication contracts can be challenging to negotiate. Regular evaluation and monitoring during the contract period is important to ensure that communication companies are adhering to contract conditions. Societies may wish to utilize third-party resources for all or part of negotiations, roof evaluation and contract management\*.
- c. Building and roof structure  
Roof and building structures have to be assessed for structural viability\*.
- d. Emissions measurement and site management  
Industry Canada has requirements around installation of antennas, including emissions. Third-party technically competent organizations are available for emission measurement and site management of antenna areas.

Further information can be accessed at:

Industry Canada - <http://www.ic.gc.ca/eic/site/smt-gst.nsf/eng/sf08792.html>

World Health Organization - <http://www.who.int/mediacentre/factsheets/fs304/en/>

US Federal Communications Commission - <http://www.fcc.gov/oet/rfsafety/ef-faqs.html>

- e. Tenant communication  
In British Columbia a landlord can pursue leasing their buildings' roof top space to telecommunication carriers for the purpose of placing a cell tower on the roof. Landlords should be aware that there have been instances where tenants have opposed the implementation of cell towers due to health and safety concerns and be prepared to address these concerns should they arise.

There are existing models for tenant communication and engagement in this area. Non-profit providers who have experience around this will share methods and strategies on request. \*\*

\* (See Resources section for further details.)

\*\* (See Appendix A)

## 5. Rooftop Leasing Database

### Summary of existing data

**15 buildings around the Lower Mainland generate annual revenue of \$350,737 with an average of \$23,382 per building per year.**

BCNPHA is expanding its database to include actual revenue realized through rooftop leasing and other initiatives where appropriate in order to track and analyze relevant information around financial sustainability.

Non-profit housing societies who realize revenue from rooftop leasing are asked to contribute data, and will receive a specific request from BCNPHA. (All information received will be held confidential as per BCNPHA's policies and the *Freedom of Information and Protection of Privacy Act*; aggregate figures will be released from time to time and on request).

## 6. Resources

### a) Telecommunications companies

Societies entering into negotiations should be aware that they may be negotiating with agents or contractors of the telecommunication organization who work on a commission basis, and not directly with the telecommunication company in question.

<b>Company Name</b>	<b>Contact</b>	<b>Phone #</b>	<b>E-mail</b>
Microcell (FIDO)	Fido Solutions Inc. Tracy Robinson	604-431-1379	Tracy.Robinson@rci.rogers.com
Fido/Rogers(Microcell)	Rogers Communications Inc. Walter Cirko Real Estate Analyst	604-431-1568	walter.cirko@rci.rogers.com
Terago	Sherilyn Batchelder Site Development Manager	403-668-5319	Sherilyn.Batchelder@terago.ca
Telus	Lori White Real Estate Manager 1-15079-64 Ave. Surrey V3S 1X9	604-432-3928	lori.white@telus.com
Bell Mobility	Renee Homewood Property Administrator 2611 Nootka St. Vancouver, BC V5M 3M4	1-888-759-3474	renee.homewood@bell.ca
Rogers	Fred Kozier Real Estate Analyst 1600-4710 Kingsway, Burnaby V5H 4W4	604-431-1306	fred.kozier@rci.rogers.com

Globalive	(Agents for Globalive) Brent Shannon Medallion Land Services	1-866-980-5263	BrentShannon@telus.net
Globalive	Irv Hildebrand	604-596-1028	ihildebrand@dccnet.com
Globalive	(Agents for Globalive) Cam Carruthers, Leasing Coordinator, Standard Land Company Inc. 610-688 W. Hastings St. Vancouver, BC V6B 1P1	604-687-1119	standard@standardland.com
Globalive	(Agents for Globalive) James Shaw, Wireless Leasing Specialist, Standard Land Company Inc. 610-688 W. Hastings St. Vancouver, BC V6B 1P1	604-687-1119	james@standardland.com
DAVE Wireless	Ryan McKeown Site Acquisition Specialist 201-1275 West 6 <sup>th</sup> Ave., Vancouver, BC V6H 1A6	604-616-2901	Ryan.mckeown@mobilitycity.ca
Shaw Wireless	Harvey Schmidke Shaw Wireless Account Alcatel-Lucent Canada 100-4190 Still Creek Drive Burnaby BC V5C 6C6 Manager, Real Estate	W: 604-419-5338 C: 604-340-7818	harvey.schmidke@alcatel-lucent.com

**b) Third party resources**

**General support**

**i) Jacqui Mendes**

Associate Director, Member Services  
BC Non-Profit Housing Association  
Suite 303 - 3680 E. Hastings Street, Vancouver, BC, V5K 2A9  
Tel: 604 291 2600 Ext. 225  
Toll Free: 1-800-494-8859  
Fax: 604 291 2636  
Email: [jacqui@bcnpha.ca](mailto:jacqui@bcnpha.ca)  
Website: [www.bcnpha.ca](http://www.bcnpha.ca)

**ii) Ron Hansen**

Senior Manager, Real Estate Services  
BC Housing Management Commission  
Suite 1701-4555 Kingsway, Burnaby, BC, V5H 4V8  
Tel: 604 439 4710  
Fax: 604 439 4726  
Email: [rhansen@bchousing.org](mailto:rhansen@bchousing.org)  
Website: [www.bchousing.org](http://www.bchousing.org)

**Technical & Legal Support**

BCNPHA, through its Consulting Department, has undertaken a due diligence process for third party resources for rooftop leasing, following below. These include specialists in telecommunication contract negotiation and management, structural engineers, emission engineers and lawyers.

BCNPHA Consulting is a social enterprise which provides information, sector specific product development, referral and case management services for consultants to access the non-profit sector, as well as consulting services to the non-profit housing sector, communities and organizations in British Columbia. BCNPHA Consulting identifies competent and experienced consultants through the use of a competency based management system for external consultant evaluation.

- i) Antenna Management Corp (AMC) is a cell antenna consulting service for property managers and owners across Canada. They negotiate cell contracts to provide long term profits while limiting cell antenna liabilities. Clients own or manage properties that have or wish to have cell antenna revenue. AMC assists clients through all stages of cell antenna contract negotiations. AMC provides information such as pricing on similar cell sites, on-site inspections, legal contract reviews and recommendations, and advice on hidden liabilities and insurance shortfalls. They assist with identifying opportunities and negotiating leverage for the property owner. If a lease has already been signed they can provide a review of options and recommendations.

**Roy Bennett**

President  
Antenna Management Corp.  
218 – 2760 West Broadway, Vancouver BC V6K 2G4  
Tel: 604 566 9811 Office 604 780 4146 Mobile  
Email: [roy@AntennaMgt.com](mailto:roy@AntennaMgt.com)  
Website: [www.antennamgt.com](http://www.antennamgt.com)

- ii) Telecomm Lease Consulting Services advises cell site landlords during initial contract negotiations, carrier collocation, term renewal and arbitration proceedings. Services offered include market rent evaluation, contract analysis, and site inventory. Recommendations are made regarding market rent, contract revisions, negotiating strategy, and rent preservation. Mr. Stronge has worked in the wireless telecommunications industry since 1998 and has

negotiated well over 100 cell site contracts. A consultant since 2001, he has analysed over 600 cell site contracts. He maintains a database of 1500+ B.C. cell sites; over 950 are in the Lower Mainland.

**Gordon Stronge**

President

Telecomm Lease Consulting Services

P.O. Box 45549

3456 Dunbar Street, Vancouver, BC V6S 2N5

Tel: 604.985.0782

[gstronge@telus.net](mailto:gstronge@telus.net)

- iii) Planetworks Consulting Corporation provides services around ensuring that antennas installed have been done so safely and according to industry standards in terms of radio frequency (RF) exposure. In late 2009 Health Canada updated their documentation for Safety Code 6 and with Industry Canada defined a framework which can be used by professional radio engineers to certify radio and roof top sites to code. Safety Code 6 defines safe radio frequency exposure limits for the general public and for RF workers. Planetworks offers of qualified professional radio engineers, each with a minimum of ten years' experience, available to conduct site certifications. The engineers visit each site, review antenna placements for possible emission hazards, recommend remedial actions for hazards, measure the emissions throughout the site with Industry recognized test equipment and generate a stamped report for each site.

**Susanna Reardon, P.Eng. & Karl Reardon, P.Eng.**

Planetworks Consulting Corporation

Suite 650 - 220 Cambie Street, Vancouver, BC V6B 2M9

Tel: 604-924-4980 Office 604 828 9621 Mobile

Email: [sreardon@planetworks.ca](mailto:sreardon@planetworks.ca)

Website: [www.planetworks.ca](http://www.planetworks.ca)

- iv) Dubas Engineering Inc. provides resources around roof structure management to ensure building envelope integrity when placing antennas. Jack Dubas works with non-profit housing societies, government, strata management and other entities.

**Jaroslav (Jack) Dubas, M.A.Sc., P.Eng**

Senior Project Engineer

Dubas Engineering Inc.

Suite 105 – 3993 Henning Drive, Burnaby BC V5C 6N5

Tel: 604 875 1930

Fax: 604 604 875 1987

Email: [jdubas@dubasengineering.com](mailto:jdubas@dubasengineering.com)

Website: [www.dubasengineering.com](http://www.dubasengineering.com)

- v) **Haddock & Co.** provides legal advice around cell antenna rooftop leasing agreements with telecommunication companies. Their practice areas include corporate housing law under which most of our clients fall, including housing co-operatives, both equity and subsidized, housing corporations and housing societies.

**Grant Haddock**

Lawyer

Haddock & Company

200 - 1695 Marine Drive, North Vancouver, BC V7P 1V1

Tel: 604.983.6670 ex.1

Fax: 604.983.6607

Email: [cgh@haddock-co.ca](mailto:cgh@haddock-co.ca)

Website: [www.haddock-co.ca](http://www.haddock-co.ca)

**c) Agreement template:**

BCNPHA has developed an agreement template for the use of non-profit housing societies as a basis for negotiation.

This has been drafted by a lawyer specifically retained for this purpose, and is intended to ensure an equitable agreement for non-profit landlords.

Please note that BCNPHA offers this template for the use of non-profits, but this does not constitute legal advice. Societies are encouraged to have a lawyer review the final agreement for you.

Standard agreements offered by telecommunication companies are generally very one-sided, and the negotiation process can be onerous. Going into a negotiation with a strong agreement template backed by the strength of the aggregated non-profit housing sector will empower non-profits to retain a pro-owner agreement.

Exclusivity clauses for rooftops specified in any contract should be verified as these may not be enforceable by telecommunication companies.

Confidentiality clauses specified by telecommunication companies should also be vetted as these may conflict with the fiduciary duties of non-profit housing staff and directors.

*(The template will be sent electronically as an attachment in PDF format. An editable Word version is available on request from BCNPHA (contact Jacqui at [jacqui@bcnpha.ca](mailto:jacqui@bcnpha.ca) or at 604 291 2600 Ext. 225)*

## Appendix A).

Please note that societies should obtain independent legal advice as to the content and legal effect of the following examples.

### Tenant Engagement examples

#### **iii) This example of tenant engagement was recently used by a non-profit housing society before antenna negotiations took place.**

- 1. Community consultation was undertaken by way of holding a meeting. Printed information was made available (materials from Health Canada and the WHO for instance) as well as pictures of a similar project at another site, to give the residents a visual idea of what the structures would look like.*
- 2. The residents had an opportunity for questions and comments. The meeting did not "vote" on the issue, as the question was not put to the residents as a voting issue (this housing site has a formal Tenant Association which elects representatives and votes on priorities for the site each year). This was considered an information meeting, to share information about the fact that the housing society was considering a proposal to erect cell towers on the roof of the building and offered the tenants an opportunity for question and comment.*
- 3. Materials brought to the meeting were left in common areas (laundry room) for those who could not attend the meeting to read, as noted in the minutes which were distributed to all households.*
- 4. The housing society waited for a period of time for comments and concerns (also giving those who attended the meeting an opportunity to digest the information and do some of their own research).*
- 5. Receiving no negative feedback, the housing society proceeded to negotiate the terms of the rooftop leasing contract.*

#### **ii) Waiver**

This example of a tenant waiver is used at present by a non-profit housing society with existing antennas which have in place for some time.

*In order to fulfill its mission to provide affordable housing to low-income people, (Housing Society Name) must generate revenue through various means including leasing space to cell phone providers for rooftop antennae.*

*This building may already have or may have in the future, cell phone antennae on the building. I have accepted this suite knowing there are or may be cell phone antennae on the roof of the building and that the Foundation has or may have contracts in place with cell phone companies which they will honour.*

*If I decide at a later date that I do not wish to live in a building with antennae of the roof, I will vacate my suite voluntarily.*

*(Signed and dated by tenant)*