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TELECOMMUNICATIONS STRUCTURE LICENSE AGREEMENTS ANNUAL STATUS REPORT - 2011

The Finance and Administration Committee recommends the adoption of the recommendation contained in the following report dated February 1, 2012, from the Regional Solicitor.

1. RECOMMENDATION

It is recommended that Council receive this report for information.

2. PURPOSE

This report informs Regional Council of (a) the number of telecommunications licenses granted in 2011; and (b) license revenue realized in 2011. It is submitted annually in accordance with the requirements of the Communications Installations on Regional Property Policy.

The attachments to this report are private because their subject matter relates to the security of the property of both the Region and The Regional Municipality of York Police Services Board.

3. BACKGROUND

15 Licensees Maintain Antennas at 27 Region Owned Sites

The Region realizes revenue by granting telecommunications companies and other telecom users licenses to install telecommunications equipment (primarily antennae and related equipment) at 27 Region owned sites (see *Private Attachment 1* for more information). Each telecommunications license is granted subject to the terms and conditions set out in the Regional policy entitled "Communications Installations on Regional Property" (the "**Policy**"). The Region currently has 20 license agreements with 15 different licensees (see *Private Attachment 2).* Each licensee, with the exception of York Regional Police, local area municipalities, government agencies and non-profits, pay the Region annual fees for the privilege of operating its telecommunications equipment upon Regional property.

A New Fee Structure and Annual Reporting Requirement was introduced in 2009

At its meeting of January 22, 2009 Regional Council amended the Regional policy entitled “Communications Installations on Regional Property” by adopting an amended fee structure applicable to licenses granted in 2009 and subsequent years. The Policy did not amend the fee structure applicable to licenses granted before 2009 which licenses continue to be subject to the fees set out in each particular agreement (the “**Old Fee Structure**”). Accordingly, the Region currently administers 2 different fee structures.

The Policy was also amended to require the Regional Solicitor to report in the first quarter of each year on the status of license agreements for the previous calendar year.

This is the third annual report required by the Policy.

4. ANALYSIS AND OPTIONS

2011 Revenue of $731,783.44

The total license revenue for 2011 was $731,783.44. This represents a 15.3% increase in revenue against 2010 revenue of $634,881.81.

New Licenses Granted in 2011

The Region has licensed 7 new installations in 2011 resulting in $75,001.49 of new revenue.

2012 Fee Structure

(a) Licenses Granted in 2012

The Policy requires that the annual license fees set out in the Region’s Fee Structure are subject to a 5% annual increase. Application Fees on the other hand remain fixed at $2,000.00 for 2012 and subsequent years.

Any license granted in 2012 shall be subject to the following Fee Structure:

Table 1
Fee Structure

Fee Description	2012 Fee
Annual License Fee per telecommunications site	$11,576.00
Annual License Fee per antenna	$ 741.00
Application Fee for new installations, and for modification to existing installations	$ 2,000.00

(b) New Fee Structure Applies to License renewals

8 revenue generating licenses will expire in 2012. In the event that the licensee wishes to renew, the Policy requires that the Fee Structure noted above shall apply to the renewal term.

(c) Licenses Granted before 2009

Licenses granted on or before December 31, 2008 continue to be subject to the terms and provisions of the applicable license agreement. License fees are calculated in accordance with the Old Fee Structure.

Link to Key Council–approved Plans

According to the York Region Vision 2051, the Region's population will grow significantly in the next few years. The Region is committed to state-of-the-art advanced telecommunications infrastructure to service both residents and businesses to maintain and improve quality of life and sustain economic competitiveness.

Telecommunication structure license agreements provide the necessary infrastructure to service the needs of the community at the same time allowing for Regional revenues.

5. FINANCIAL IMPLICATIONS

The grant of licenses for the operation of telecommunication structures is a cost recoverable Regional undertaking. Licensees are responsible for all operating and maintenance costs.

6. LOCAL MUNICIPAL IMPACT

There is no local municipal impact. The Policy exempts local municipalities from the payment of license fees.

7. CONCLUSION

The grant of licenses for the operation of telecommunication structures continues to be a cost recoverable Regional undertaking. This report was prepared by Legal Services in consultation with Environmental Services and Property Services.

For more information on this report, please contact Dean Horner, Senior Counsel at Ext.1408.

The Senior Management Group has reviewed this report.