

AGENDA REPORT

TO: Mayor Pat Humphrey and the Clare City Commission
FROM: Jeremy Howard, City Manager
DATE: August 28, 2025
RE: T-Mobile Water Tower Contract Amendment/Extension

For the Agenda of September 2, 2025

Background. The City has received a request from T-Mobile USA, Inc. to amend and extend their lease of space on the City water tower along with a small building to house electronic equipment associated with the system. An initial five-year lease was signed in 2001 with provisions for four (4) five-year extensions. The lease expires in 2026, and this renewal/extension will continue to generate monthly revenue for the City's Water Fund with an automatic 3% annual price increase in monthly lease payments.

The City Commission is asked to consider approving the requested lease with T-Mobile USA, Inc.

Issues & Questions Specified. Should the City Commission enter into a lease agreement with T-Mobile USA, Inc., continue to lease space on its water tower and property at the base of the water tower?

Alternatives.

1. Approve the proposed lease amendment/extension.
2. Approve a modified version of the lease amendment/extension.
3. Disapprove the lease amendment/extension.
4. Table the matter for future consideration and further deliberation.

Financial Impact. Approval of the lease amendment/extension will provide the Water Fund additional annual revenue as it has done for the last 20 years.

Recommendation. I recommend that the City Commission approve the proposed lease amendment/extension with T-Mobile USA, Inc. by adoption of Resolution 2025-076 (*att'd*).

Attachments.

1. Proposed Lease Amendment/Extension.
2. Resolution 2025-076.

FIRST AMENDMENT TO SITE LEASE

This First Amendment to Site Lease (the “**First Amendment**”) is effective on the date of the last signature (the “**Effective Date**”) by City of Clare, a Michigan municipal corporation (“**Owner**”), and T-Mobile Central LLC, a Delaware limited liability company (“**Tenant**”).

Owner and Tenant or their predecessors-in-interest entered into a Site Lease dated August 15, 2001, (collectively, the “**Lease**”) regarding the leased space (“**Site**”) located at 202 West 5th Street, Clare, MI 48617 (“**Property**”).

Owner and Tenant now agree as follows:

1. Tenant is granted five (5) additional five (5) year Renewal Term beginning on August 20, 2026.
2. Monthly Rent will be Two Thousand Thirty-Two and 81/100 (\$2,032.81) Dollars per month beginning on August 20, 2026.
3. Beginning on October 1, 2026, Monthly Rent will escalate by three (3%) annually.

RENT SCHEDULE

Beginning Rent: August 20, 2026 - \$2,032.81

1st Renewal Term: August 20, 2026 – August 19, 2031

October 1, 2026	\$2,093.79
October 1, 2027	\$2,156.60
October 1, 2028	\$2,221.30
October 1, 2029	\$2,287.94
October 1, 2030	\$2,356.58

2nd Renewal Term: August 20, 2031 – August 19, 2036

October 1, 2031	\$2,427.28
October 1, 2032	\$2,500.10
October 1, 2033	\$2,575.10
October 1, 2034	\$2,652.35
October 1, 2035	\$2,731.92

3rd Renewal Term: August 20, 2036 – August 19, 2041

October 1, 2036	\$2,813.88
October 1, 2037	\$2,898.30
October 1, 2038	\$2,985.25
October 1, 2039	\$3,074.81
October 1, 2040	\$3,167.05

4th Renewal Term: August 20,2041 – August 19, 2046

October 1, 2041	\$3,262.06
October 1, 2042	\$3,359.92
October 1, 2043	\$3,460.72
October 1, 2044	\$3,564.54
October 1, 2045	\$3,671.48

5th Renewal Term: August 20, 2046 – August 19, 2051

October 1, 2046	\$3,781.62
October 1, 2047	\$3,895.07
October 1, 2048	\$4,011.92
October 1, 2049	\$4,132.28
October 1, 2050	\$4,256.25

4. Tenant and its agents will have 24/7 access to the Site.
5. Tenant may complete upgrades and additions of new equipment inside its Site for no additional consideration or fee, in compliance with required permits.
6. Tenant may terminate the Lease by providing Owner at least thirty (30) days prior written notice due to technological, economic, or regulatory reasons.
7. Tenant may not assign the Lease or sublease to another company without providing Owner with written notice.
8. Tenant and Owner will cooperate with each other's requests to approve permit applications and other documents related to the Site.
9. Owner may bill Tenant for any charges related to the Lease besides Monthly Rent within twelve (12) months of incurring the cost or the charges are waived.
10. Owner may assign the Lease immediately upon receiving Tenant's consent to the assignment.
11. If Tenant needs to temporarily relocate its equipment for Owner repairs of the Property, Owner will provide at least six (6) months' prior written notice and Tenant may install a temporary communications facility in a mutually agreeable location on the Property until the repairs are complete. The Tenant will be solely responsible for all costs associated with the temporary relocation.

12. The current notice addresses for the Owner and Tenant:

If to Owner:

City of Clare
202 West Fifth Street
Clare, MI 48617

If to Tenant:

T-Mobile USA, Inc.
12920 SE 38th Street
Bellevue, WA 98006
Attn: Lease Compliance / BS01040A

13. The terms of this First Amendment will control if any provisions conflict with the Lease, otherwise, all other Lease terms will remain in full force and effect. Capitalized terms used but not defined in this First Amendment will have the same meanings as in the Lease.

14. Owner and Tenant represent that it has the authority to sign this First Amendment and has obtained any needed third-party consent to do so.

Owner:

City of Clare, a Michigan municipal corporation

By: _____

Print Name: _____

Title: _____

Date: _____

Tenant:

T-Mobile Central LLC, a Delaware limited liability company

By: _____

Print Name: _____

Title: _____

Date: _____

RESOLUTION 2025-076

A RESOLUTION OF THE CLARE CITY COMMISSION APPROVING A LEASE AMENDMENT/EXTENSION FOR SPACE ON THE CITY'S WATER TOWER.

WHEREAS, the City of Clare received a request from T-Mobile USA, Inc. to amend and extend their lease of space on the City water tower along with a small building to house electronic equipment associated with the system; and

WHEREAS, the City Commission has reviewed and considered the request for said lease amendment/extension and determined that approval is in the best interests of the City as said lease shall generate additional revenues for the City's Water Fund; and

NOW THEREFORE BE IT RESOLVED that the City Commission of the City of Clare hereby approves a lease amendment/extension with T-Mobile USA, Inc. to rent space on the City's water tower and simultaneously lease property at the base of the City's water tower, the terms, conditions, and specifications of said lease to be stipulated in the appropriate lease documents signed by appropriate representatives of both parties of the lease, an original copy of which shall be maintained under the custody and control of the City Clerk of the City of Clare for the life of said lease.

ALL RESOLUTIONS AND PARTS OF RESOLUTIONS INSOFAR AS THEY CONFLICT WITH THE PROVISIONS OF THIS RESOLUTION BE AND THE SAME ARE HEREBY RESCINDED.

The Resolution was introduced by Commissioner _____ and supported by Commissioner _____. The Resolution declared adopted by the following roll call vote:

YEAS:

NAYS:

ABSENT:

Resolution approved for adoption on this 2nd day of September, 2025.

Diane M. Lyon, City Clerk