

Lease Extension for Existing SaskTel Cell Tower in Churchill Park

ISSUE

Administration has negotiated a new lease agreement with Saskatchewan Telecommunications (SaskTel) for the continued lease of a portion of land in Churchill Park for an existing SaskTel 31.25m tall cell tower. The leasing of park land/space and cell tower lease agreements with SaskTel at rates less than market value require City Council approval and public notice.

RECOMMENDATION

That the Standing Policy Committee on Finance recommend to City Council:

1. That Administration be authorized to enter into a 10-year lease agreement with SaskTel for the exiting cell tower in Churchill Park at 1015 Wilson Crescent on ISC Surface Parcel No.120042931, Parcel A Plan G921, as per the terms outlined in this report; and
2. That Her Worship the Mayor and the City Clerk be authorized to execute the agreement under the Corporate Seal.

BACKGROUND

On January 21, 2013, Saskatoon City Council adopted the updated [Council Policy No. C09-037, Antenna Systems](#) (Antenna Systems Policy). This Antenna Systems Policy provides a set of requirements and guidelines the City of Saskatoon (City) uses to evaluate antenna supporting structures, including such items as public consultation and land use review.

The Antenna Systems Policy is consistent with Innovation, Science and Economic Development Canada's (ISED) requirements regarding the development of antenna supporting structures. The Antenna Systems Policy does not deal with any negotiation aspects of the land lease agreement between the two parties. Items such as lease rate, lease term, and any specific terms of the lease agreement are negotiated between landowners and the cell tower company. The Antenna Systems Policy and public consultation process for cell towers is managed by the City's Development Review Section of the Planning and Development Department.

[Council Policy No. C09-012, Administration of Civic Properties](#), requires that leases of City owned property be at market value. At its [Regular Business Meeting on August 28, 2024](#), City Council authorized Administration to enter into four, 10-year cell tower lease agreements with SaskTel at a non-market rental rate of \$15,000/year with a 2% annual increase throughout the term. The non-market rental rate was deemed acceptable given the business nature of the City and SaskTel's relationship, SaskTel's status as a Saskatchewan Crown Corporation, and the community need for cellular coverage.

The August 2024 report noted that new cell tower lease agreements with SaskTel at rents less than market value, and those on Municipal Reserve (or park land) regardless of value, would require public notice before being considered by City Council as per the Public Notice Policy.

DISCUSSION/ANALYSIS

Since June 2015, the City has had a cell tower lease with SaskTel for the existing 31.25m cell tower located in Churchill Park (see Appendix 1 for location/visual). The term of the existing lease ends May 31, 2025. Instead of executing their five-year renewal option in the current lease, SaskTel has requested a new 10-year lease. Administration and SaskTel have negotiated a new 10-year lease with updated terms. The new lease would be consistent with the terms of the recent agreements which the City has entered into with SaskTel.

Notable terms of the new lease agreement with SaskTel would include:

- Lease term of 10 years (June 1, 2025 to May 31, 2035);
- Annual rent of \$16,892.68 plus GST. Rent has been calculated based on a 2024 base rent of \$15,000 with a 2% annual increase throughout the term and equally paid out;
- SaskTel to keep the site in clean condition and will dispose of all garbage and other refuse within a reasonable period of time;
- Upon expiration of the lease, SaskTel shall remove its structures from the surface of the lands and any items installed under the surface to a depth of 1 meter;
- The site cannot be fenced; and
- Vandalism and graffiti must be removed by SaskTel in a timely manner.

As per policy, revenue from leases on park lands are deposited in the City's Dedicated Lands Account, which is used for parks and recreation related expenditures.

As per [Bylaw No.8171 The Public Notice Policy Bylaw, 2003](#), two public notices were issued February 22, 2025. One indicating the City's intent on entering into a lease agreement with SaskTel for an existing cell tower in Churchill Park and one notifying the annual rent of the Lease would be considered below market value.

FINANCIAL IMPLICATIONS

The current annual rental rate for the Churchill Park cell tower is \$5,000. The new annual rent of \$16,892.68 would result in \$168,926.80 being deposited into the Dedicated Lands Account over the term of the lease.

APPENDICES

1. Location of Existing SaskTel Cell Tower in Churchill Park
2. Copy of Public Notice Advertisements for the intent to lease City-owned property for less than fair market and the intent to lease City-owned park land to Saskatchewan Telecommunications for cellular Antenna Towers.

REPORT APPROVAL

Written by: Scott McCaig, Real Estate Manager

Reviewed by: Frank Long, Director of Saskatoon Land
Andrew Roberts, Director of Recreation and Community Development
Andrew Glum, Senior Legal Counsel, City Solicitor's Office

Approved by: Clae Hack, Chief Financial Officer

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