



TOWNSHIP OF MINE HILL, NJ

Request for Proposals

Sale of Cell Tower Easement

Due: December 1, 2022

Township Purchasing Agent's office

"RFP – Sale Cell Tower Lease Rights"

I. General Information

A. Overview

The Township of Mine Hill, New Jersey (“Township”) is requesting proposals from qualified organizations interested in acquiring and easement under the Township’s leasehold rights for the cell tower located at Property located at 1 Bassett Street, Mine Hill, New Jersey also known as a portion of Block 1304, Lot 13 on the Official Tax Map of the Township of Mine Hill which is an area of approximately 5,000 square feet surrounding a communications support structure built pursuant to the original Lease Agreement dated April 22, 2004, between Omnipoint Facilities Network 2, LLC and the Township of Mine Hill (“Tower Lease”). More information about the tower and requested services are included later in this RFP.

Township recognizes that questions may occur prior to vendor preparation of proposals. Any questions pertaining to the Request for Proposal (“RFP”) should be directed via email to:

Mine Hill Township
10 Baker Street
Mine Hill, NJ 070803
Kate@minehill.com

B. RFP Timetable

The following schedule will be followed in the evaluation of proposals:

- RFP availability to vendors: November 8, 2022
- RFP advertised in the Randolph Reporter Newspaper: November 17th and November 24th
- Questions due from vendors: November 25, 2022
- Proposals due from vendors: December 1, 2022

C. Submittal of Proposals

Three complete paper copies and one electronic copy in Adobe Acrobat pdf format of the sealed proposals should be clearly marked “RFP – Cell Tower Management and Marketing” and should be delivered to:

Mine Hill Township
10 Baker Street
Mine Hill, NJ 070803

Proposals must be submitted and delivered by 10:00 AM on December 1, 2022. Proposals submitted after the deadline will be refused and returned to the vendor.

II. Current Leases

A. Tower Ventures/Omnipoint Lease

The Township leases property located at 10 Baker Street (formerly known as 1 Bassett Street), Mine Hill, New Jersey also known as a portion of Block 1304, Lot 13 on the Official Tax Map of the Township of Mine Hill which is an area of approximately 5,000 square feet surrounding a communications support structure built pursuant to the original Lease Agreement dated April 22, 2004, between Omnipoint Facilities Network 2, LLC and the Township of Mine Hill. This lease has subsequently been assigned to Tower Ventures. The site currently contains a 150-foot artificial pine tree type tower. There are three communications providers renting space on the tower to the Township's knowledge: AT&T, T-Mobile, and Verizon. Additionally, Tower Ventures has notified the Township that they will be subleasing to DISH.

Under the Tower Ventures/Omnipoint lease (inclusive of amendments), the Township receives a base lease rate of \$41,115/year which escalates at 3% per year with the next escalation in October 2023. The lease includes language that provides for a 50% revenue share for any sublease tenants other than AT&T or Verizon. This lease expires on October 25, 2024.

This lease provides that at its expiration, the Township has the right to require removal of the tower and pad, or to require Tower Ventures/Omnipoint to *“transfer title to the 150’ monopole and pad to the Lessor, by bill of sale for the sum of \$1.00.”*

B. AT&T and Verizon Additional Ground Space Leases

The Township is also party to two additional ground space lease agreements with AT&T and Verizon.

Standard Lease Agreement Dated August 8, 2005, between the Township of Mine Hill and New Cingular Wireless PCS, LLC.

The Township receives \$42,360/year from AT&T for use of 250sf of ground space adjacent to the Tower Ventures lease area. This lease escalates at 3% per year with the next escalation expected in August of 2023. The lease expires in August of 2023.

Standard Lease Agreement Dated May 8, 2006, between New York SMSA Limited Partnership d/b/a Verizon Wireless and the Township of Mine Hill

The Township receives \$44,079/year from Verizon for use of 512sf of ground space adjacent to the Tower Ventures lease area. This lease escalates at 3% per year with the next escalation expected in May of 2023. The lease expires in 2031.

DISH Sublease Agreement Dated July 1, 2022, between Tower Ventures and DISH Wireless LLC.

Tower Ventures provided notice on July 6, 2022, that they had entered into a sublease agreement with DISH as of July 1, 2022. DISH has started the permitting process but is not installed on the tower as of the date of this RFP. The notice from Tower Ventures indicates that as of January 1, 2024, the Township will commence receiving an additional rental payment of \$2,000/mo. which represents 50% of the sublease rent from DISH.

Attached to this RFP are copies of the current lease agreements, amendments, and the sublease notice regarding DISH. Also attached to this RFP are a recently completed title search and a survey of the prospective easement area.

C. Collective Lease Revenue

Tower Tenant and Subtenants	
Tower Ventures Ground Lease	\$41,115/year
AT&T Additional Ground Space Lease	\$42,360/year
Verizon Additional Ground Space Lease	\$44,079/year
DISH Sublease (commencing 1/1/2024)	\$24,000/year
Total	\$156,065/year

III. Management Services

The Township is seeking a single firm to “step into” the Township’s rights as they stand under the current leases inclusive of the right to take over ownership of the tower as provided in the Omnipoint lease. The Township would prefer to receive a single one-time payment without having

any duties related to the operation, maintenance, or management of the tower or the additional ground space leases during a 60-year term.

The Township is seeking proposals from experienced tower operators that will pay the Township a one-time lump sum fee in exchange for a fixed term easement to sublease, manage, or otherwise operate the tower and the additional ground space adjacent to the current lease area(s). The chosen Vendor will be responsible for all costs and fees related to operation and ownership of the tower including but not limited to income, sales, real and personal property taxes, insurance, utilities, and maintenance costs related to the tower.

Regardless of the proposal accepted, the Township shall retain the right to acquire the tower at termination of the contract for a fee of \$1.00 or to require the Vendor to remove the tower at its sole cost.

IV. Terms and Conditions

- A. That no representations of any kind are made by the Township as to the condition of the property, said premises are being sold in their present condition "as is";
- B. That the Township will execute a definitive Easement Agreement and Assignment of Leases mutually acceptable in form and substance as acceptable to both parties;
- C. That the Buyer, at its sole expense, shall have a right to conduct environmental and other inspections of the Property with results satisfactory to Buyer and its lender but must commence the due diligence within seven (7) days and use commercially reasonable efforts to complete such inspections within thirty (30) days of bid acceptance;
- D. The Township will provide a survey including the portion being conveyed by easement; the Buyer shall have the right to obtain its own survey at Buyer's sole expense, in form and substance satisfactory to the Seller;
- E. Buyer's receipt of a title commitment, which said title commitment will be at Buyer's sole expense, with respect to the Property, to be obtained, stating that Seller has good, indefeasible, and marketable fee simple title to the Property free and clear of all liens and encumbrances except such matters as may be acceptable to Buyer and is able to convey the easement with acceptable encumbrances. The Township has ordered a title report of its own and will provide the Buyer a copy of the title report upon award to assist the Buyer in conducting their own due diligence.
- F. The performance, by Buyer, of a zoning analysis, at Buyer's sole expense, to determine the legality/validity of the use of the property and the impact as it relates to the proposed Acquisition, with results satisfactory to Buyer and its

- lender. Any approvals determined by the Buyer to be necessary shall be obtained by the Buyer at the Buyers cost and expense.
- G. Pursuant to the Lease, Township currently possesses a right, at no cost to Township, to install Township's municipal and emergency antennas and equipment on the wireless telecommunication tower or monopole. It is understood and agreed by both Township and Buyer that Township shall maintain this right, as described in the preceding sentence and the applicable section of the Lease, by entering into a letter agreement with Lease tenant, at or prior to closing, for the reservation, retention and/or possession for the entirety of the easement, at no cost to Seller, of the right described in this section of the Letter Agreement.
- H. It is understood that the Acquisition is subject to applicable New Jersey law concerning disposition of municipal real estate.
- I. The Township represents and warrants as of this date:
- a. it has no knowledge of any pending or threatened condemnation proceedings or other proceedings in the nature of eminent domain in connection with the Property;
 - b. it has no knowledge of any special or general assessment levied, pending or threatened against the Property;
 - c. there is no litigation or proceedings pending, or to Seller's knowledge threatened, against or relating to the Property.
 - d. Seller has not received any notice of termination or election not to renew the leases that are subject of this RFP.
- J. Township reserves the right to reject any, or all, proposals and to waive any irregularities therein deemed to be Township's best interest.
- K. Township may hold proposals for up to sixty (60) days, during which period they may not be withdrawn.
- L. Vendor is responsible for any costs incurred by the vendor or its subcontractors in responding to this RFP.
- M. The contents of this RFP and any clarifications submitted by the successful vendor will be considered as part of the contractual obligation.
- N. Any exceptions to the specifications or terms and conditions must be noted with the proposal.

- O. Failure to supply any information requested in the RFP is cause for rejection of the proposal as non-compliant.
- P. Vendor proposals become the property of the Township and will not be returned.
- Q. All proposals must be submitted in accordance with the RFP instructions.
- R. Township shall not accept the proposal from any vendor who is default on payment of taxes, licenses, utility bills or other monies due to the Township.
- S. The Vendor will be responsible for obtaining adequate commercial general liability insurance of not less than \$2,000,000. Township shall be named as additional insured on the policy.
- T. This RFP does not contain every term or condition that may be required in the marketing, easement purchase, or management agreement. Acceptance of a proposal is subject to approval of lease terms by the Township Law Department.
- U. The Township shall grant exclusive use of this site via an easement to operate a communications tower on the property to the selected vendor for a term of 60 years.
- V. Vendor will have the right to modify, extend, renegotiate, or negotiate new leases provided that at no point may any agreement extend beyond the term of the easement.
- W. Township prefers to retain the right to collect the 50% revenue share from any future tenant besides AT&T, DISH, or Verizon for the term of the easement. Please provide an offer that include the right to any future 50% revenue share and one that does not.
- X. The Township is not offering any additional ground space as part of the award of this RFP. In the event of subleasing in the future that requires additional ground space, the Township may negotiate for an additional ground space lease at that time.
- Y. Township will not accept proposals that are contingent upon whether the vendor is successful at taking over the operation of the existing tower.

V. Form of Proposal

Respondents should provide the following information in their proposal. Brief responses to each item are preferred.

A. Company Qualifications

1. Brief background description of the company.
 - a. Names, contact information and expertise of company principals.
 - b. Resume, experience, and location of employees who would be directly responsible for management of the tower.
 - c. Number of towers actually owned nationally and in NJ
 - d. Number of leases purchased nationally and in NJ
 - e. Number of towers managed nationally and in NJ
 - f. Number of towers where company has taken over ownership from an unrelated company.
2. Provide references of three municipal agencies with which your company has a lease contract, preferably in NJ.

B. Site Specific Qualifications

1. Please confirm your willingness to accommodate future Township wireless equipment on the tower.
2. Please identify any issues that would preclude your company from being successful in negotiating a lease or managing the tower.
3. Please confirm whether you intend to continue managing or operating this tower in 5 years? In 10 years?
4. List any required unique lease terms or language that you would require that are not in the current leases.

C. Financial Proposal

1. Respondent shall complete its fiscal proposal by completing Attachment A.

2. The respondent may submit no more than one alternate fiscal proposal. Submission of more than a total of 2 fiscal proposals may disqualify respondent from further consideration.
3. List any expenses that the Township should be expected to pay (should be none, other than Township staff time for review of proposals).
4. The Township will favor those proposals that include closing on the transaction no later than December 31, 2022. Please confirm whether you are able to close by December 31, 2022. If there are any specific due diligence items that would delay the closing date beyond December 31, 2022, please list them in your financial proposal response.

D. Form of Easement Agreement

1. Please provide a copy of your standard letter of intent and standard easement purchase agreement.

VI. Evaluation of Proposals

- A. Company Qualifications, Site Specific Qualifications, Financial Proposal, and Form of Easement Agreement will be considered in the Township's evaluation.

ATTACHMENT A – FINANCIAL PROPOSAL

Please provide the lump sum amount that you will pay to the Township for the rights to a fixed term of a 60-year easement to own, operate, manage, market, maintain, and lease and sublease the tower site. Please provide bids for both options below even if the bids are the same.

60-Year Term with 50% Revenue Share \$ _____

60-Year Term without 50% Revenue Share \$ _____

The Township will agree to escrow for that portion of the above lump sum amount that is related to the DISH sublease payment. This portion will be released upon DISH's installation on the tower as evidenced by the Certificate of Occupancy being issued by the Township to DISH/Ventures. Please indicate how much of the lump sum above would be allocated to the DISH sublease payment and would therefore be escrowed until DISH installs.

DISH Escrow \$ _____

A deposit of 5% of the entire bid amount will be required to be submitted at the time of the award. This deposit will be refundable if the parties are unable to complete the transaction through no fault of the Vendor. All bids must be valid for a period of 2 months.

Please confirm that you can close this transaction by December, 31, 2022 and list any documentation or due diligence that would be required to do so beyond that which has been provided as part of this RFP.

- 1. _____
- 2. _____
- 3. _____
- 4. _____
- 5. _____

COMPLETE AND ATTACH TO PROPOSAL

In submitting this proposal, it is understood that the right is reserved by Township to reject any and all proposals and to waive any irregularities.

The undersigned further states that this proposal is made in good faith with a complete understanding of the terms and conditions with Township's RFP.

FIRM NAME

SIGNATURE OF PRINCIPAL

NAME OF PRINCIPAL

TITLE

ADDRESS

TOWNSHIP, STATE, ZIP CODE

DATE: _____

PHONE: _____

EMAIL ADDRESS