

TOWNSHIP OF DENNIS
TOWNSHIP COMMITTEE
WORKSESSION AGENDA

APRIL 05, 2016

6:30 P.M. (prevailing time)

CALL TO ORDER:

Mayor's announcement: The notice requirements provided for in the "Open Public Meetings Act" have been satisfied. Notice of this meeting was properly given in Resolution No. 2015-137 entitled the Annual Meeting Notice which was adopted by the Dennis Township Committee on December 15, 2015. A meeting notice has been published and posted in accordance with the act.

FLAG SALUTE:

ROLL CALL OF MEMBERS PRESENT:

___ Fry-DeRose, J.; ___ Tozer, D.; ___ Salimbene, L.; ___ O'Connor, B.; ___ Murphy, J;

SPECIAL PRESENTATIONS OR DISCUSSIONS:

None.

DEPARTMENTAL REPORTS AND PROJECT UPDATES:

Administration & Finance:

Discuss correspondence from American Tower regarding the lease agreement. .

Legal:

None.

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Public Buildings & Grounds: None.

Engineering: None.

Construction/Plan/Zone: None.

RESOLUTIONS:

None.

ORDINANCES:

None.

MOTION TO ADJOURN THE MEETING:



AMERICAN TOWER®
CORPORATION

March 28, 2016

DENNIS TOWNSHIP NJ
CLERK ADMINISTRATOR
P O BOX 204
DENNISVILLE, NJ 08214



RE: American Tower Site No. 306622 / South Dennis

Dear Valued Landlord,

As the leading independent operator of wireless and broadcast communication sites, American Tower understands the importance of maintaining long term relationships with landlords. We also firmly believe that it is in both of our best interests to grow and develop our partnership. Over the past several years, an increasing number of landlords have contacted us about taking advantage of the equity in the tower located on their property by selling their lease agreement for a lump-sum payment.

In connection with this interest and our own desire to establish a long-term relationship with you, American Tower is pleased to present you with the following conditional offers:

Option 1: Full Monetization

- Lump sum cash payment of **\$915,000.00** in exchange for fee-simple or perpetual easement interest in your property paid at close in lieu of rental payments

Option 2: Installment Plan

- Approximately **120 monthly** payments of approximately **\$0.00** in exchange for a perpetual easement interest in your property in lieu of rental payments
- Total value of payments over plan period of approximately **\$0.00**; or
- An installment structure personalized to fit your short and/or long-term financial needs

Options 3: Lease Extension

- A one-time signing bonus of **\$50,000.00**
- Extend your current lease for an additional five (5) years beyond the current expiration date with options to renew for seven (7) additional five (5) year terms
- All rental payments and escalations to remain in full force and effect through the extended term

If you are interested in discussing any of these options or have been approached by other companies interested in purchasing your lease, ***we want to hear from you!*** We can likely match or exceed any offers you receive and will work with you to structure a plan best suited to meet your financial goals.

Respectfully,

Jeremiah Johnson

Account Manager, Land Acquisitions

Jeremiah.Johnson@AmericanTower.com

Direct: 781-926-4933 or Toll Free: 1-866-586-9377 (Option 4 and ask to speak with Jeremiah Johnson)

****PLEASE NOTE: This conditional offer expires on April 30, 2016 and is for discussion purposes only. The parties will not be bound in any respect until and unless a written agreement is signed by all applicable parties.**



Dear Valued Landlord:

As the leading independent operator of wireless and broadcast communication sites, American Tower understands the importance of maintaining long term relationships with our Landlords. Over the past several years, we have been informed by a significant number of you that various third-party “aggregating companies” have been aggressively seeking to purchase land rights to your property (including perpetual easements under our towers) and/or our lease agreement. The tactics employed by these companies have left many of our Landlords confused by the offerings, which may come in the form of unsolicited phone calls, mass mailings, and the like. We, too, find ourselves questioning some of the more surprising overtures and as an industry leader, feel obligated to set the record straight.

1. **Third party aggregating companies do not own the tower and they cannot market our sites:** An aggregating company has no rights to install or allow modifications to equipment on any American Tower owned, operated and/or managed tower. Accordingly, they have no means of creating additional tenant or tower revenue to pass along to you the Landlord. Additionally, American Tower advertises and markets all Towers we operate. We have well established relationships with all major wireless industry providers and a national sales team dedicated to collocating tenants on our sites. We have no need for marketing services offered by third party aggregators.
2. **Be careful of end of lease renegotiation clauses:** Aggregating companies may offer to renegotiate your lease with American Tower and share any rent increase with you. We call this the “End of Lease Renegotiation” clause. So what’s the problem? Unfortunately, instead, numerous aggregating companies that promote this product have sold lease portfolios back to the tower operator and many Landlords relying on this promise were left forgotten. In these cases a Landlord will likely fail to realize the intended benefit of this clause. The operators won't increase rent on themselves.
3. **Revenue Share for additional land/lease area does not mean revenue share for a new tenant installed on the tower:** Aggregators cannot install carriers on our Towers and therefore, they cannot generate revenue from our assets in this manner. Instead, third party aggregating companies actually offer a “revenue share” for American Tower’s speculative use of additional land. To be clear, this only applies if the current leased premises are fully occupied. In only those specific circumstances, the aggregating company may try to lease your additional land to American Tower, thereby giving you only a percentage of rent. By waiting until we need that space, you can collect 100% of the value the additional land, rather than 30%, 40% or the 50% revenue share an aggregating company offers you.

Next Steps:

As a Landlord you have many choices and we understand that navigating the market is difficult, especially with so many parties calling regarding our Tower and your lease - a problem often compounded by the use of high-pressure tactics. We also understand the introduction of aggregators into this landscape makes determining the true value of your lease more difficult. American Tower representatives will never use high-pressure tactics or other ploys and as the current operator of the tower on your property, we believe our Landlords should be fully informed of current market place conditions.

As you may know, most aggregating companies are privately financed for the purpose of amassing tower lease portfolios to sell to the highest bidder. By contrast, American Tower has the reputation, credibility and financial stability to pay you reliable income over the long-term, or in the alternative, possesses the resources to purchase your lease and likely provide you greater value. We have a true appreciation of the business value that can be achieved through establishing trust with our 40,000+ Landlords and we are hopeful to maintain our relationships with our Landlords for years to come.

If you have questions about your lease and/or questions regarding a third party offer, please do not hesitate to call your dedicated Account Manager, **Jeremiah Johnson** at **781-926-4933** or by email at Jeremiah.Johnson@americantower.com