



**STAFF REPORT**

*Public Hearing 5-15-18*

AGENDA ITEM #: 18-52  
COUNCIL MTG OF: May 1, 2018  
FROM: Dave Caron, Town Administrator  
OFFERED BY: Administration  
PREPARED BY: Administration  
SUBJECT: Supplemental Appropriation for Derry's 300<sup>th</sup> Celebration

**INTRODUCTION:**

The Town has concluded negotiations with the owners of the cell tower located at 131 East Broadway who were seeking to extend the lease term. After negotiations, staff secured a 25-year lease extension in exchange for a \$50,000 signing bonus, which may be used for expenses associated with Derry's 300<sup>th</sup> Celebration.

**TOWN ADMINISTRATOR COMMENTS:**

The Council is urged to adopt Resolution #2018-022.

**BACKGROUND:**

The cell tower is located behind Central Fire Station and its strategic location commands a fairly significant rent stream at \$3,803/month, increased by a very favorable 4% per year. Presently, there remains 15 years on the current lease, and the parties negotiated an additional 25-year extension (5, 5 year lease periods) under the current terms and conditions. American Town paid an additional \$21,991 in property taxes for improvements at this location in 2016.

As a one-time revenue, the use of these funds is appropriate to fund Derry's 300<sup>th</sup> Celebration which will occur in 2019.

**DISCUSSION:**

The Town Council appropriated \$10,000 for the Celebration in FY18 and further discussed using this funding source to augment the initial appropriation. The Town Administrator will receive a funding plan from the Heritage Commission prior to allocating any funds; any balance in this fund should be encumbered until the conclusion of the Celebration and payment of any expenses.

**FISCAL IMPACT:**

No tax impact as the one-time revenue of \$50,000 will be used as for the one-time expense.

**RECOMMENDED ACTION BY COUNCIL:**

Adopt Resolution #2018-022.

**RECOMMENDED MOTION:**

Please see Resolution #2018-022.