Submitted by William Decatur, Vice President, Finance and Business Operations

Lease Authorization Request
Cellco Partnership d/b/a Verizon Wireless

Recommendation

Pursuant to University Policy 04-6 Contract Signatories section 4.1.A.2 regarding the lease of real property, where the lease is for a period longer than 120 months including an unconditional right of renewal, it is recommended that the Board of Governors authorize the President, or his designee, to enter into a 60 month (5 year) lease agreement (with three additional 5 year options to renew for a total of an additional 180 months) with Cellco Partnership d/b/a Verizon Wireless, a Delaware Partnership.

Background and Description

The Anthony Wayne Drive Apartment complex is currently under construction on the west side of Anthony Wayne Drive between Kirby Street and Warren Avenue in the residential precinct of campus. In addition to 841 beds of new campus housing and residential program and support spaces, the complex will also provide approximately 26,500 square feet of ground-floor retail space to serve the campus and surrounding communities.

Verizon Wireless currently has a lease agreement in place for an equipment closet located in DeRoy Apartments to support equipment and antennae on the roof of the building, which is connected to their wireless communications network. Since DeRoy is scheduled to begin demolition on May 1, 2019, this new agreement will terminate the existing lease for DeRoy Apartments and will create a new lease with Verizon to locate their antennae and supporting equipment on the rooftop of Building #2 (the eleven-story center wing) in the Anthony Wayne Drive Apartment Complex, as well as in an equipment area on the ground in the generator/mechanical area located directly behind and connected to Building #2.

Verizon Wireless (officially named Cellco Partnership) is an American telecommunications company which offers wireless products and services. It is a wholly-owned subsidiary of Verizon Communications which is the largest wireless communications provider in the United States. Cellco is headquartered in Basking Ridge New Jersey; Verizon Communications is headquartered in New York City. Verizon operates a national network that covers approximately 98% of the U.S. population, and offers mobile phone, home phone, and internet services through a variety of devices.

The initial term of the lease is 5 years, and the new base lease annual rental rate is $39,350. The rent will increase 1½% annually throughout the entire term of the agreement (including the three renewal option periods).

The Anthony Wayne Drive Apartment complex is part of the WSU-Corvias Housing Partnership. WSU and Corvias share responsibility for the selection of tenants that add value for the campus and Midtown communities. WSU as the building owner is the signatory for this retail lease. Corvias as facility manager has been responsible for tenant recruitment and negotiation and will be responsible for managing tenant build-out according to university standards, lease performance, and tenant relations during the term of the lease.
Submitted by William Decatur, Vice President, Finance and Business Operations