

1 [Master License Agreements - GTE Mobilnet of California Limited Partnership, d/b/a Verizon
2 Wireless - Install Wireless Telecommunications Equipment on SFMTA and SFPUC Poles -
3 Revenue to Exceed \$1,000,000]

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4 **Resolution approving execution of Master License Agreements between the City and**
5 **County of San Francisco and GTE Mobilnet of California Limited Partnership,**
6 **d/b/a Verizon Wireless for the installation of wireless telecommunications antennae**
7 **and equipment on San Francisco Municipal Transportation Agency (SFMTA) and San**
8 **Francisco Public Utilities Commission (SFPUC) poles, each for a term of 12 years and**
9 **resulting in revenues that could exceed \$1,000,000 effective upon approval of this**
10 **Resolution; and affirming the Planning Department’s determination under the**
11 **California Environmental Quality Act.**

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13 WHEREAS, Charter, Section 8A.102(b)1, provides that the San Francisco Municipal
14 Transportation Agency (SFMTA) has "exclusive authority over the acquisition, construction,
15 management, supervision, maintenance, extension, operation, use, and control of all property,
16 as well as the real, personal, and financial assets of the Agency; and [has] ... exclusive
17 authority over contracting, leasing, and purchasing by the Agency"; and

18 WHEREAS, Charter, Section 4,112(d), provides that the San Francisco Public Utilities
19 Commission (SFPUC) "shall have charge of the construction, management, supervision,
20 maintenance, extension, operation, use and control of all water and energy supplies and
21 utilities of the City as well as the real, personal and financial assets, which are under the
22 Commission's jurisdiction on the operative date of this Charter, or assigned pursuant to
23 Section 4.132."; and

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1 WHEREAS, The SFMTA owns approximately 10,000 transit poles that are of various
2 types of construction and are used to support the overhead catenary traction power system
3 that powers trolley buses and light rail vehicles; and

4 WHEREAS, The SFPUC owns approximately 30,000 streetlight poles in San Francisco
5 that are of various types of construction and are used to support streetlights; and

6 WHEREAS, During 2012 through 2014, the SFMTA and the SFPUC separately
7 negotiated Master License Agreements (“2014 MLAs”) with various telecommunications
8 carriers, which established the terms and conditions that govern licenses issued under the
9 2014 MLAs and the procedures the licensees were required to follow to install outdoor
10 distributed antenna system (“ODAS”) equipment on SFMTA and SFPUC poles; and

11 WHEREAS, To date, under four 2014 MLAs the SFMTA has issued 253 pole licenses,
12 and SFPUC has issued approximately 578 pole licenses; and

13 WHEREAS, To respond to increasing public demand for wireless services,
14 telecommunications carriers are seeking to install additional ODAS facilities on SFMTA and
15 SFPUC poles to support 5G services; and

16 WHEREAS, In 2018, the Federal Communications Commission construed federal law
17 to limit to cost recovery the fees that the City can charge telecommunications carriers for the
18 use of SFMTA and SFPUC poles for ODAS equipment, which will reduce annual pole license
19 revenues to the SFMTA from the current \$1,200,000 to \$220,000-\$330,000 and to the SFPUC
20 from \$3,100,000 to \$160,000-\$230,000, and to impose other conditions, including changes to
21 licensing procedures, which required the SFMTA and SFPUC to negotiate new terms and
22 conditions of their Master License Agreements; and

23 WHEREAS, The Mayor’s Office of Economic and Workforce Development led
24 negotiations with SFMTA and SFPUC and telecommunications carriers for new Master
25 License Agreements (“2023 MLAs”); and

1 WHEREAS, The 2023 MLAs will increase pole license application fees, decrease
2 annual license fees, and annually amend fees using an annual escalation rate; and

3 WHEREAS, The 2023 MLAs will provide a common set of contract requirements for the
4 licensing of City poles by SFMTA and SFPUC; and

5 WHEREAS, SFMTA and SFPUC have informally agreed as a matter of policy that the
6 agreed terms and conditions of the 2023 MLA will be the same for any telecommunications
7 carrier that elects to sign the 2023 MLA and to install ODAS equipment on SFMTA or SFPUC
8 poles; and

9 WHEREAS, The existing 253 SFMTA pole licenses and 800 SFPUC pole licenses
10 issued under the 2014 MLAs will remain subject to the 2014 MLAs until the 2014 MLAs
11 expire, after which the licensees may apply to have those existing pole licenses reissued
12 under the 2023 MLA; and

13 WHEREAS, The 2023 MLA provides that the SFMTA and SFPUC have the absolute
14 right in their sole discretion to terminate any or all pole licenses if either City agency
15 determines that use of a pole by a telecommunications carrier adversely affects or poses a
16 threat to public health and safety, constitutes a public nuisance, interferes with transit
17 operations or streetlighting, or requires the City agency to maintain a pole that is no longer
18 required for City purposes; and

19 WHEREAS, The 2023 MLA provides that the SFMTA and SFPUC have the right to
20 remove any SFMTA or SFPUC pole or remove a licensee's equipment from a pole should
21 either agency determine that removal is necessary for City operations; and

22 WHEREAS, The form 2023 MLA contains a mechanism for issuing individual pole
23 licenses, each pole license identifying the locations of the licensed pole, describing the ODAS
24 equipment to be installed on said pole, and establishing conditions or requirements unique to
25 the used licensed pole for by the licensees to install and maintain ODAS equipment; and

1 WHEREAS, Board of Supervisors' approval of the 2023 MLAs is required under
2 Charter, Section 9.118(a), because the term for each of the 2023 MLAs will exceed 10 years
3 and the estimated revenues from each 2023 MLA could exceed \$1,000,000; and

4 WHEREAS, Verizon have all executed a 2023 MLA, a copy of such executed MLAs are
5 on file with the Clerk of the Board in File No. 230620; and

6 WHEREAS, On March 24, 2023, the SFMTA, under authority delegated by the
7 Planning Department, determined that the SFMTA's approval of the form 2023 MLA and
8 execution of the 2023 MLAs with Verizon is not a "project" under the California Environmental
9 Quality Act (CEQA) pursuant to Title 14 of the California Code of Regulations, Sections
10 15060(c) and 15378(b); the approval and execution of those agreements do not commit the
11 SFMTA to authorize the use of specific poles; ODAS installation under individual pole licenses
12 will require separate environmental review, and the SFMTA will not approve a pole license
13 until the proposed installation has been reviewed and the appropriate environmental review
14 under the CEQA has been completed; and

15 WHEREAS, A copy of the CEQA determination a is file with the Clerk of the Board in
16 File No. 230620; and

17 WHEREAS, In Resolution No. 23-0058 dated March 14, 2023, the SFPUC determined
18 that approval of the 2023 MLA does not commit the SFPUC or authorize the use of specific
19 poles; and therefore, the approval and execution of the 2023 MLA does not fall with the
20 definition of a "project" under CEQA Guidelines section 15378; and approval of individual pole
21 licenses by the General Manager would not occur until the proposed work is reviewed and the
22 appropriate environmental review under the CEQA is completed; and

23 WHEREAS, In Resolution No. 23-0058 the SFPUC approved the terms and conditions
24 of the 2023 MLA, authorized to seek Board of Supervisors approval of the 2023 MLA, and
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1 further authorized execute the 2023 MLA with licenses upon Board of Supervisors approval;
2 and

3 WHEREAS, A copy of Resolution No. 23-0058 is on file with the Clerk of the Board in
4 File No. 230620; now, therefore, be it

5 RESOLVED, That the Board of Supervisors approves the 2023 Master License
6 Agreement, and Pole Licenses issued under that Agreement, with GTE Mobilnet of California
7 Limited Partnership, d/b/a Verizon Wireless, a California limited partnership, for a term of 12
8 years and anticipated revenues exceeding \$1,000,000; and, be it

9 FURTHER RESOLVED, That the Board of Supervisors authorizes the SFMTA's
10 Director of Transportation and the SFPUC's General Manager, as applicable, to approve any
11 additions, amendments or other modifications to Master License Agreements (including,
12 without limitation, preparation and attachment of, or changes to, any or all of the exhibits and
13 ancillary agreements) that they, in consultation with the City Attorney, determine are in the
14 best interest of the City, do not materially increase the obligations or liabilities of the City, or
15 materially decrease the public benefits accruing to the City, and are necessary or advisable to
16 complete the transactions contemplated and effectuate the purpose and intent of this
17 Resolution, such determination to be conclusively evidenced by the execution and delivery by
18 the SFMTA Director of Transportation or the SFPUC General Manager (as applicable) of any
19 such documents; and, be it

20 FURTHER RESOLVED, That the Board of Supervisors requests that all revenue from
21 the proposed MLAs generated from SFPUC poles be appropriated to the SFPUC Streetlight
22 Program and all MLA revenue generated from SFMTA poles be appropriated to Transit
23 Operations; and, be it

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1 FURTHER RESOLVED, That within thirty (30) days of any additional the Master
2 Licenses being fully executed by all parties, the SFMTA and SFPUC shall provide final
3 versions of said Master Licenses to the Clerk of the Board for inclusion into the official file.
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