


### CITY COUNCIL ACTION REQUEST

<b>DEPARTMENT(S)</b> Library	<b>CEQA</b> Not a Project, Categorically Exempt, File No. ER25-051, CEQA Guidelines Section 15301, Existing Facilities.	<b>COORDINATION</b> City Attorney's Office, City Manager's Budget Office, Department of Public Works, Department of Transportation	<b>Director Approval</b> /s/ Jill Bourne
<b>COUNCIL DISTRICT(S)</b> Citywide			<b>CMO Approval</b>  4/9/25

**SUBJECT: Amendment to Agreement with Verizon for Small Cells Licenses and Permits**

### RECOMMENDATION

Adopt a resolution authorizing the City Manager or her designee to:

- (a) Negotiate and execute a Seventh Amendment to the Master Agreement between the City of San José (City) and Verizon Business Network Services, Inc., GTE Mobilnet of California Limited Partnership, dba Verizon Wireless, by Cellco Partnership, its general partner and their Affiliates (collectively, Verizon) to include a commitment by the City to license and permit up to 50 small cell upgrades on existing SmartPoles by September 2025 and for Verizon to replace up to 50 SmartPoles with City streetlight poles by September 2027; and
- (b) Negotiate and execute an Amended and Restated Funding and Reimbursement Agreement between the City and Verizon to incorporate limited-term SmartPole small cell licensing and make other changes to modify and clarify small cell license fees, small cell license effective date, rent commencement date, and payment obligation for each licensed small cell site, site license termination and equipment removal requirements, and notification requirements.

### BASIS FOR RECOMMENDATION

On September 25, 2018, the City and Verizon entered into a joint strategic development master agreement value exchange partnership to advance the City's and Verizon's mutual interest in addressing digital inclusion and the accelerated deployment of an enhanced fiber and an advanced wireless network, including small cells, together with smart city solution pilots, in order to provide residents, visitors and businesses located in the City with the benefits of a state-of-the-art connected community. Since the initial agreement, six amendments have been executed for various smart city solutions pilots.

Business terms of these amendments include:

- Permitting for up to 50 SmartPole small cell installations with limited-term site licenses.
- Verizon commitment to replace up to 50 SmartPoles with City-approved standard streetlight poles at no cost to the City by September 2027 (or other mutually agreed to timeline) or pay the City up to \$50,000 for each unreplaced SmartPole.
- Clarification of small cell license fees and payment terms associated with small cell installations on City streetlight poles.
- Streamlined process for modifications to existing, licensed small cell installations.
- Clarification of requirements for terminating small cell licenses.
- Updated noticing requirements.

On November 13, 2017, City Council approved the City's Broadband and Digital Inclusion Strategy and directed the City Manager to engage in value exchange agreements to accelerate broadband deployments in San José with the goals of economic development, digital inclusion, and support for Smart Cities and the Internet of Things.

The proposed amendments enable critical deployment of small cells and next generation mobile technology, which advance the 2017 Broadband and Digital Inclusion Strategy. The communications technology marketplace continues to demand more connected devices, higher data volumes, and increased speed to meet customer expectations. Verizon is meeting these demands by investing in small cell mobile network infrastructure, which these amendments enable.

Approving this amendment will enable City staff to negotiate final terms with Verizon, ensuring that the agreement continues to support the accelerated deployment of an advanced wireless network while supporting the maintenance and integrity of the City's public streetlight infrastructure.

#### **COMMISSION RECOMMENDATION AND INPUT**

No commission recommendation or input is associated with this action.

#### **COST AND FUNDING SOURCE**

The master agreement and funding and reimbursement agreement provide the City revenue. All proceeds from these agreements are deposited in the General Fund and used to fund the Digital Inclusion Program.

**FOR QUESTIONS CONTACT:** Abigail Shull, Interim Division Manager, Digital Empowerment and Public Technology at [Abigail.Shull@sjlibrary.org](mailto:Abigail.Shull@sjlibrary.org)