

Cell Towers on Church Properties – Good Idea or Bad?

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With the rapid increase in cellular technology and usage, the demand for additional cell towers continues to grow. Church properties can sometimes make ideal locations for cell tower placement, and the towers can often be hidden in a steeple or flagpole, or shaped to look like a tree or a cross. Having a cell tower on church property can be a financial windfall for the church because of the steady income from lease payments. However, before entering into a cell tower lease agreement, there are many things to consider. Here is just a partial list:

- What will the neighbors think? Unless well hidden or disguised, cell towers can be an eyesore and can impact neighborhood property values. There may also be concerns over electromagnetic fields or radio frequency emissions.
- Are we in this for the long haul? Lease terms are often quite long and may impact future use of the property or its resale value.
- Let the buyer (or seller) beware! The initial offer from the carrier will probably be much more favorable to them than to the church.
- You have the power. If a wireless carrier has expressed interest in using your property, you probably have a lot of negotiating power. Be willing to use it.
- Someone else may have a say. Zoning regulations may preclude locating a cell tower on your property. Further, if there is a mortgage on your property, you will likely need lender approval. Don't assume that lender approval means that the lease is a good deal for the church.
- Get some help. Unless you have people on your team who are well versed in cell tower leases, don't sign anything until you have competent professional counsel.
- Side effects may include... (Read and understand the fine print). Are there restrictions on the church's use or expansion of the property, or on your ability to lease to additional wireless carriers? Who is responsible for liability insurance on the tower? There can be a lot of important stuff lurking in the fine print, so make sure it is not working against you.
- The taxman cometh. Your church may or may not be liable for Unrelated Business Income (UBI) tax for cell tower lease income. Additionally, the lease agreement may affect your church's property tax exemption.

There are quite a few more things to consider including many I am sure I haven't even thought of. The point is that cell tower leases can be complicated transactions and potentially a public relations issue. If your church is approached with the opportunity of leasing space for a cell tower, the decision should be addressed with great care and wise counsel.