



## Legislation Text

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**File #:** 16-734, **Version:** 1

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Resolution setting two public hearings to receive public comment on the renewal of the Comcast cable franchise agreement

**Presenter:**

Bret Waters, Deputy Chief of Staff

**Summary:**

The City of Colorado Springs granted a cable television franchise to the predecessor of Comcast of Colorado/Pennsylvania/West Virginia, LLC (locally known as Comcast) (“Comcast”) on November 7, 2000 by the electors of Colorado Springs voting to approve Ordinance No. 00-119. The franchise has expired. The City administration, at the direction of City Council, has negotiated a renewal of the Comcast franchise agreement. City Council desires to receive public input on the proposed franchise agreement at two public hearings.

**Previous Council Action:**

On March 24, 2014, in closed executive session, Council met with the City’s Director of Informational Technology, the Chief Financial Officer, and the Deputy City Attorney to discuss the legal issues and negotiation strategy involved with renewing the franchise with Comcast.

On June 9, 2014, Tom Florczak, Deputy City Attorney, briefed Council on procedures relating to the renewal of the franchise agreement.

Outside Counsel, Ken Fellman provided an update to Council at its May 11, 2015, work session.

On July 13, 2015, City staff presented a plan to obtain public comment related to the franchise. On July 28, 2015, City Council adopted a resolution setting a hearing to receive public comment on the City’s future cable-related community needs and interests and Comcast’s performance under the existing franchise.

Council held a public hearing on August 10, 2015 to receive public comment on the franchise renewal.

On August 10, 2015, City Council received an informational report from the Southern Colorado Educational Television Consortium related to educational access programming and its Comcast franchise-related needs.

On September 8, 2015, City Council received an informational report from SpringsTV and the Colorado Springs Fire Department related to government access programming and their Comcast franchise-related needs.

On October 13, 2015, City Council adopted a resolution extending the term of the franchise up to and including June 30, 2016.

On June 27, 2016, Deputy Chief of Staff, outside counsel Ken Fellman, and the City Attorney’s Office provided City Council with an update of the status of renewal negotiations in a closed executive session.

On June 14, 2016, City Council adopted a resolution extending the term of the franchise up to and

including December 31, 2016.

On September 12, 2016, Deputy Chief of Staff and the City Attorney's Office provided City Council with an update of the status of renewal negotiations in a closed executive session.

**Background:**

Pursuant to Colorado law, the City Charter and ordinance, and federal law, including the Cable Act, the City is authorized to grant or renew franchise to construct, operate and maintain cable television systems utilizing public rights-of-way and properties within the City's jurisdiction. In 2000, by Ordinance No. 00-119 which was approved by City Council and a vote of a majority of the Colorado Springs electors, the City of Colorado Springs entered into an agreement (the "Franchise") with Century Colorado Springs Partnership, d/b/a Adelphia Cable Communications ("Adelphia") whereby the City granted a revocable, non-exclusive cable television franchise to Adelphia. Adelphia's successor-in-interest under the Franchise is Comcast.

Pursuant to the terms of the Franchise, the City's grant of franchise to Comcast was set to expire on November 7, 2015. The Cable Act includes the procedures for renewing a franchise agreement. Comcast requested for the City to commence the renewal process under the Cable Act.

The City has engaged in an informal renewal process with Comcast, including providing the public with an opportunity to provide comment on the cable operator's performance under the franchise and the community's future cable-related needs and interests.

At the direction of City Council, City administration has been negotiating with Comcast on the renewal. City Charter section 10-20 reserves the powers concerning the method of granting, amending, revoking, or otherwise dealing in franchises to City Council. The City administration believes that it has successfully negotiated a franchise agreement with Comcast that incorporates City Council's wishes.

The City administration has provided City Council with a draft franchise agreement for Council to consider. City Council has indicated that it would like to set two public hearings to receive public comment on the proposed franchise renewal. The proposed resolution sets two such public hearings in the month of January: January 19, 2017 at 5:30 p.m. and January 31 at 1:00 p.m.

This item supports the City's strategic goal relating to investing in infrastructure and building community and collaborative relationships.

**Financial Implications:**

The current Franchise agreement, inclusive of all providers, generated \$1.2 million of revenue in 2014, and almost \$1.3 million in 2015. Assuming the number of subscribers remains relatively constant, the proposed franchise would provide approximately \$2 million in 2017, \$3 million in 2018, \$4 million in 2019, and in excess of \$4 million each year of the franchise thereafter.

**Board/Commission Recommendation:**

N/A

**Stakeholder Process:**

City Council has met with staff on multiple occasions to direct the negotiations. City Council

conducted a public hearing on August 10, 2015 to receive public comment on the franchise renewal. Public comment was also received through online and email communications, in person, by mail and over the phone. Additionally, City staff has worked with the following constituent groups: City Communications Department (SpringsTV), City IT Department, Colorado Springs Fire Department, and the Southern Colorado Educational Television Consortium.

**Alternatives:**

Approve the resolution setting the hearings, or choose alternate dates/times for the hearings, or only set one hearing.

**Proposed Motion:**

Move to approve the resolution setting two public hearings to receive public comment on the renewal of the Comcast cable franchise agreement

N/A