



TO: Elizabeth Pauli, City Manager
FROM: Amy Clancy, Director, Media & Communications Office
Jeff Lueders, MCO Division Manager, Cable & Franchise Services
COPY: Government Performance and Finance Committee
SUBJECT: Zayo Telecommunications Franchise Agreement
DATE: July 16, 2024

SUMMARY:

This memo is written to outline the Zayo Telecommunications Franchise Draft Agreement which will be brought before the Government Performance and Finance Committee on July 16th, 2024, for consideration. After our negotiation process between the City of Tacoma and Zayo we have reached agreement. We recommend this be approved to proceed to City Council for consideration and approval of this Telecommunications Franchise Agreement between Zayo and the City of Tacoma.

BACKGROUND:

Zayo has had a Telecommunications Franchise agreement with the City of Tacoma since 2013 (Ordinance No. 28124 and Ordinance No. 28199 Amendment). Zayo Group provides dark and lit fiber, IP services, and network-neutral co-location and interconnection services to top markets in both the U.S. and Europe through their fiber optic network. Their global network operates in many countries, the majority of U.S. states and the District of Columbia, and spans over thousands of route miles with millions of miles of fiber. Networks and Carriers are requiring more backhaul capacity to help handle the increasing demands for network bandwidth while reducing costs. Zayo is meeting the high demands of today's technology with their Wireless Backhaul Services to assist carriers in addressing subscriber growth, migration plans and service innovation.

ISSUE:

The current Telecommunications Franchise Agreement with Zayo has expired. Negotiations on this new Telecommunications Franchise Agreement went very smoothly and we now have reached an agreement. According to Title 16B of the Tacoma Municipal Code a Telecommunications Provider must have a Telecommunications Franchise Agreement with the City of Tacoma in order to gain permits and operate within our public right of way.

ALTERNATIVES:

Choosing not to approve this Telecommunications Franchise Agreement would reduce the number of options that Residents and Business Owners have to meet their Telecommunications needs.

FISCAL IMPACT:

There is no fiscal impact.

RECOMMENDATION:

Staff recommends that the Government Performance and Finance Committee votes to forward this Request for Ordinance - a Telecommunications Franchise Agreement between Zayo and the City of Tacoma on to the City Council for consideration and approval.