



**TO:** Hyun Kim, Interim City Manager  
**FROM:** Amy Clancy, MCO Director  
Jeff Lueders, MCO – Division Manager – Franchise Services  
**COPY:** City Council and City Clerk  
**SUBJECT:** Request for Ordinance for a Telecommunications Franchise Agreement between the City of Tacoma and Level 3 Communications, LLC (a subsidiary of Lumen)  
**DATE:** August 26, 2025

*J.L.*

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**SUMMARY AND PURPOSE:**

The purpose of this item is to Request an Ordinance for a 10-year Telecommunications Franchise Agreement between the City of Tacoma and Level 3 Communications, LLC (a subsidiary of Lumen). This is the third such ordinance for Level 3 (Ord. No. 26465 – 1999, Ord. No. 28214 – 2014). We have reviewed their request, negotiated terms, and reached a tentative agreement pending City Council consideration and approval. Based on Level 3's (a subsidiary of Lumen) Financial and Technical abilities, and History as a provider.

**BACKGROUND:**

This department's recommendation is based on State and Local Law which requires a Telecommunications Provider to have a Franchise Agreement to operate in the City of Tacoma Public Right of Way.

**COMMUNITY ENGAGEMENT/ CUSTOMER RESEARCH:**

Businesses in our community will be impacted by this decision as Level 3 Communications has had a presence in our community for 25 years and will continue to offer competitive services at competitive rates.

**2025 STRATEGIC PRIORITIES:**

**Equity and Accessibility:** *Equity Index Score:* Moderate Opportunity

A competitive Telecommunications marketplace allows all residents and businesses to have choices when selecting services and at reduced prices due to competition.

**Economy/Workforce:** *Equity Index Score:* Low Opportunity

Increase positive public perception related to the Tacoma economy.

Increase the number of infrastructure projects and improvements that support existing and new business developments.

**Education:** *Equity Index Score:* Low Opportunity

Increase digital access and equity across the city.

**Civic Engagement:** *Equity Index Score:* Low Opportunity

Increase the percentage of residents who believe they are able to have a positive impact on the community and express trust in the public institutions in Tacoma.

Representation at public meetings will reflect the diversity of the Tacoma community

**Livability:** *Equity Index Score:* Low Opportunity

Improve access and proximity by residents to diverse income levels and race/ethnicity to community facilities, services, infrastructure, and employment.



**Explain how your legislation will affect the selected indicator(s).**

A competitive Telecommunications marketplace allows all residents and businesses to have choices when selecting services and reduced prices due to competition. A robust marketplace increases livability, service availability and potential employment opportunities. Having multiple service providers increases competition, which in turn provides competitive pricing and improves the quality of life. The increase in infrastructure allows businesses to have choice and get the services they need at competitive prices to move their businesses forward and improves the overall perception of the Tacoma economy.

**ALTERNATIVES:**

Presumably, your recommendation is not the only potential course of action; please discuss other alternatives or actions that City Council or staff could take. Please use table below.

Alternative(s)	Positive Impact(s)	Negative Impact(s)
1. Not Approve this Request for Ordinance		This could cause a lawsuit and/or create a negative perception of the Tacoma Business Community and Economy.
2.		
3.		

**EVALUATION AND FOLLOW UP:**

Level 3 Communications, LLC, continues to successfully do business in Tacoma and through-out the region abiding by Federal, State and Local Laws.

**STAFF/SPONSOR RECOMMENDATION:**

This item was presented to the Government Performance and Finance Committee on August 19, 2025.

Staff is recommending approval of this Request for Ordinance by the City Council. This recommendation will allow a telecommunications provider to continue to do business, providing services desired by governmental agencies and businesses.

Effective Date: June 1, 2024 (retroactive to the expiration of the previous Level 3 Telecommunications Franchise Agreement (Ordinance No. 28214 – 2014).

**FISCAL IMPACT:**

Level 3 Communications, LLC (a subsidiary of Lumen) paid their \$5,000.00 Telecommunications Franchise application fee earlier this year so there is No fiscal impact.

Fund Number & Name	COST OBJECT (CC/WBS/ORDER)	Cost Element	Total Amount
General Fund 0010	Cable Comm. & Franchise Services 20930	GL 4315551	\$5,000.00
<b>TOTAL</b>			<b>\$5,000.00</b>



**Are there financial costs or other impacts of not implementing the legislation?**

No

**Will the legislation have an ongoing/recurring fiscal impact?**

No

**Will the legislation change the City's FTE/personnel counts?**

No

**ATTACHMENTS:**

List attachments using bullet points.

- Attached is a copy of Ordinance No. 26465, the City Council approved Telecommunications Franchise Agreement between the City of Tacoma and Level 3 Communications, LLC in 1999.
- Attached is a copy of Ordinance No. 28214, the City Council approved Telecommunications Franchise Agreement between the City of Tacoma and Level 3 Communications, LLC in 2014.
- Attached is a copy of Ordinance No. , for consideration by the City Council for a Telecommunications Franchise Agreement between the City of Tacoma and Level 3 Communications, LLC (a subsidiary of Lumen) in 2025.