



**TO:** Elizabeth Pauli, City Manager  
**FROM:** Amy Clancy, Media & Communications Office  
 Jeff Lueders, MCO Division Manager – Franchise Services *J.L.*  
**COPY:** Government Performance and Finance Committee; Andy Cherullo – Executive Liaison; D’Angelo Baker - Staff  
**PRESENTER:** Jeff Lueders, MCO  
**SUBJECT:** Request for Ordinance for a Telecommunications Franchise Agreement between the City of Tacoma and Ziplly Fiber Pacific, LLC  
**DATE:** January 23, 2024

**PRESENTATION TYPE:**  
 Request for Action

**SUMMARY:**  
 The purpose of this item is to Request an Ordinance for a 10 year Telecommunications Franchise Agreement between the City of Tacoma and Ziplly Fiber Pacific, LLC. This is the first such ordinance for Ziplly Fiber. We have reviewed their request, negotiated terms, and reached a tentative agreement pending City Council consideration and approval. Based on Ziplly Fiber’s Financial and Technical abilities, and History as a provider and vendor, we are recommending passage of this Request for Ordinance.

**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.

**ISSUE:**  
 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:**  
 There are no alternatives presented.

**FISCAL IMPACT:**  
 Ziplly paid an application fee of \$5,000.00 to the City of Tacoma which according to this agreement (Section 6 – COMPENSATION AND FINANCIAL PROVISIONS, 6.1 Fees; Taxes, B. Franchise Obligated to Pay Administrative Costs (PAGE 38)) will be used to cover the administrative costs of evaluating their application.

**RECOMMENDATION:**  
 Staff is recommending passage of this Request for Ordinance by the City Council. This recommendation will allow a new telecommunications provider into our community to do business, providing services desired by residents, governmental agencies, and businesses.



Upon City Council Approval, Publication and Enactment the Effective Date: April 8, 2024.