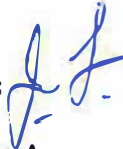


City of Tacoma

City Council Action Memorandum

TO: Elizabeth Pauli, 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 Zayo Group, LLC
DATE: January 17, 2025



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 Zayo Group, LLC. This is the second such ordinance for Zayo, Ordinance No. 28124 was approved by City Council January 29, 2013 and Amended thru Ordinance No. 28199. We have reviewed their request, negotiated terms, and reached a tentative agreement pending City Council consideration and approval. 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.

COMMUNITY ENGAGEMENT/ CUSTOMER RESEARCH:

Residents and Businesses in our community will be impacted by this decision as Zayo has a presence in our community and offers 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. Click or tap here to enter text.

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.

Select an indicator.

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:* Moderate Opportunity

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



Decrease the percentage of individuals who are spending more than 45% of income on housing and transportation costs.

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:

Zayo 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 February 4, 2025.

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

Effective Date: As soon as approved by City Council.

FISCAL IMPACT:

No fiscal impact.

Fund Number & Name	COST OBJECT (CC/WBS/ORDER)	Cost Element	Total Amount
TOTAL			0.00



City of Tacoma

City Council Action Memorandum

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. 28124, the City Council approved Telecommunications Franchise Agreement between the City of Tacoma and Zayo Group, LLC approved January 29, 2013.