

TO: Elizabeth Pauli, City Manager

FROM: Jeff Lueders, MCO Division Manager – Franchise Services

Amy Clancy, Director, Media & Communications Office

**COPY:** Government Performance and Finance Committee; Andy Cherullo – Executive

Liaison; D'Angelo Baker - Staff

PRESENTER: Jeff Lueders, MCO

SUBJECT: Request for an Ordinance for a Telecommunications Franchise Agreement

between the City of Tacoma and Zayo Group, LLC

DATE: December 18, 2024

### PRESENTATION TYPE:

Request for Action

### **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 February 4th, 2025, for consideration. After our lengthy negotiation process, the City of Tacoma and Zayo have reached an agreement. We recommend this Telecommunications Franchise Agreement between Zayo and the City of Tacoma be approved to proceed to City Council for consideration and approval.

## 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:**

There are no alternatives presented.



# FISCAL IMPACT:

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 Group, LLC and the City of Tacoma on to the City Council for consideration and approval.