



# **Rainier Connect North, LLC, D/B/A Rainier Connect Cable TV Franchise Agreement**

City of Tacoma  
Media & Communications Office  
Government Performance  
and Finance Committee  
November 5, 2019

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## **Primer – Franchising 101**

- Franchise Agreements are the Regulatory Tool utilized by the City to allow Cable TV and Telecommunications Companies to use the Public Right of Way

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## Primer – Franchising 101



- Franchise Agreements are negotiated but they contain definitions, references to appropriate Municipal Code (Title 9, 10, 16), Insurance Provisions, Bonds, Letter of Credit, Term, Regulatory Provisions, Reporting Requirements, and Compensation & Financial Provisions

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## Primer – Franchising 101



- The City has Franchise Agreements with:
  - Cable TV Providers
  - Telecommunications Providers
  - Small Cell/Wireless Providers

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## History



- Due to Federal law (Cable Act) the city is allowed to make Franchise Fees a requirement of this Cable TV Franchise agreement.
- The City is allowed under Federal Law to recover up to 5% of Gross Revenue as a Franchise Fee and a 1% PEG Fee for Capital Costs associated with the PEG Channels.

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## Process



- Completed Application is on file
- Financials have been reviewed
- References contacted
- On-line research completed

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## ••• This Ordinance



Allows the provider to operate  
within the City Right of Way for 20 years

- Protects and Indemnifies the City
- Requires the necessary bonds, letter of credit and insurance required by Title 10 and Title 16B of the Tacoma Municipal Code

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## ••• Next Steps



- City Council Consideration
  - First Reading – Nov. 19, 2019
  - Final Reading – Dec. 10, 2019
- Publication – Dec. 12, 2019
- Effective Date – Jan. 10, 2020 and a date TBD (to coincide with transition of Click to Rainier Connect – estimating first quarter of 2020)

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## Recommendation



- Staff recommends approval of the Rainier Connect North, LLC, D/B/A Rainier Connect, Cable TV Franchise Agreement with the City of Tacoma and further requests that the Government Performance and Finance Committee forward this item to the full City Council for consideration and adoption.

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