

Work Session

Agenda Item #	7
Meeting Date	February 24, 2016
Prepared By	Suzanne R. Ludlow

Discussion Item	Briefing on Cable Franchise Agreements and Agreement with Montgomery County regarding Franchise Fee Distribution and Cable Grant
Background	<p>The City of Takoma Park has franchise agreements with three cable companies: Comcast, RCN and Verizon. The agreements are due to be renewed with Comcast and RCN.</p> <p>Montgomery County staff have recently negotiated cable franchise renewal agreements with Comcast and RCN on behalf of the County and most Montgomery County municipalities. The City has testified in favor of the agreements, with some additional recommendations, in County public hearings. The Montgomery County Council has voted to approve the Comcast Franchise Agreement. The agreement must also be voted on by each represented municipality. The RCN agreement has not yet been considered by the Montgomery County Council, but is likely to proceed through the process in the next several months.</p> <p>As part of the discussion over the terms of the franchise agreements, discussion has also taken place about amending the Memorandum of Understanding (MOU) between the County and each represented municipality regarding how cable franchise fee and grant funds are distributed. A portion of the funds that would otherwise come to the municipalities go to the County to maintain the overall system and handle consumer complaints about the cable companies. However, there has been interest by the County and most municipalities about changing the type (operating or capital) and amount of funding going to each. The municipalities do not wish to move forward on approving the franchise agreements until agreement is also reached about how to distribute the funds between the County and the municipalities.</p> <p>At the work session, staff will brief the Council on new information about the proposed terms for the amended MOU with Montgomery County that is expected to be obtained on Friday, February 19.</p>
Policy	Council Priorities: A Financially Sustainable Government
Fiscal Impact	N/A
Attachments	None
Recommendation	Receive briefing
Special Consideration	