



Takoma Park City Council Meeting – July 20, 2016 Agenda Item 4

Voting Session

Second Reading Ordinance Approving the Franchise Agreement with RCN

Recommended Council Action

Adopt Ordinance at second reading.

Context with Key Issues

The City of Takoma Park has franchise agreements with three cable companies: Comcast, RCN and Verizon. The franchise agreement with Comcast has recently been renewed and the agreement with Verizon is continuing. A renewal agreement with Starpower, doing business as RCN, has been negotiated and approved by Montgomery County and is now before the Takoma Park City Council for final approval.

The City testified in support of the agreement in the County's public hearing, consistent with the points made in Resolution #2015-62 on the subject. The RCN agreement and related settlement agreement offer significant advantages for Takoma Park and Montgomery County including:

- RCN commits to work with Takoma Park to add a channel to its lineup in Gaithersburg so that residents there may view Takoma Park City TV
- Takoma Park will be provided free cable modem service and equipment at four locations, and a fiber connection from the Takoma Park City Hall to RCN's IP network
- Takoma Park will be provided a free metro Ethernet connection at a minimum of 20 Mbps (symmetrical) at the Takoma Park City Hall
- PEG Channels will be provided in both SD and HD format, will be accessible from program guides, and will be of equivalent quality to local broadcast channels
- RCN will assist the County in converting PEG channels into Internet protocol television to more easily distribute the channels to agencies and schools
- RCN will allow the municipalities to use the PEG grant for capital or non-capital support for PEG purposes.

Council Priority

A Financially Sustainable Government
Engaged, Responsive, Service-Oriented Government

Environmental Impact of Action

N/A

Fiscal Impact of Action

Approximately \$12,783 in PEG (Planning, Education and Government) operating revenue.

Attachments and Links

- Draft Ordinance
- RCN Franchise Agreement and Settlement Agreement

Introduced by: Councilmember Kovar

First Reading: July 6, 2016

Second Reading:

Effective:

CITY OF TAKOMA PARK, MARYLAND

ORDINANCE 2016-30

(Granting a Non-Exclusive Cable Franchise Upon Certain Conditions

And Authorizing a Franchise Agreement Between the City of Takoma Park, Maryland

And Starpower Communications, LLC, d/b/a RCN)

WHEREAS, pursuant to §5-201 *et seq.* of the Local Government Article, Annotated Code of Maryland, the City of Takoma Park, Maryland (hereinafter, the “City”) has the power to pass such ordinances as it deems necessary to protect the health, safety and welfare of the citizens of the municipality and to prevent and remove nuisances; and

WHEREAS, pursuant to §5-204(d) of the Local Government Article, Annotated Code of Maryland, the City may grant a franchise for a cable television system; and

WHEREAS, Starpower Communications, LLC, has been operating a cable communication franchise within the City as authorized by Resolution No. 1999-35, adopted July 26, 1999; and

WHEREAS, Starpower Communications, LLC (doing business as RCN) applied for a new non-exclusive franchise for the operation of a cable communications system within the corporate limits of the City; and

WHEREAS, the City, in conjunction with Montgomery County, Maryland, conducted a public hearing on the proposed franchise on November 3, 2015; and

WHEREAS, based upon the application and supporting materials supplied by Starpower Communications, LLC, and the record of the hearing, and of the hearing before

the City Council, the Council finds that the proposed franchise will serve the best interests of the City and its residents, provided that the franchise is upon the terms and conditions set forth herein; and

WHEREAS, Montgomery County, Maryland has granted a franchise for the operation of a cable communications system within the unincorporated portions of Montgomery County upon the terms and conditions set forth in a certain Cable Franchise Agreement by and between Montgomery County, Maryland and Starpower Communications, LLC, approved by the Montgomery County Council on May 3, 2016 and effective on July 1, 2016 (the “Franchise Agreement”).

Section 1. NOW THEREFORE, BE IT ORDAINED AND ENACTED, by the Council of the City of Takoma Park, Maryland, that renewal of a non-exclusive franchise for the operation of a cable communications system within the corporate limits of the City be granted to Starpower Communications, LLC upon the following conditions:

1. Starpower Communications, LLC shall enter into an agreement with the City upon the same terms and conditions as are set forth in the Franchise Agreement.

2. Starpower Communications, LLC and Montgomery County shall enter into a franchise agreement, containing the same terms and conditions as are set forth in the Franchise Agreement, granting a franchise in the unincorporated areas of Montgomery County.

3. The effective date of the franchise within the City shall be the same date as the franchise is effective in the unincorporated areas of Montgomery County.

Section 2. AND BE IT FURTHER ORDAINED AND RESOLVED, that the City Manager of the City is hereby authorized to execute any and all documents necessary to effectuate the intent and purpose of this Ordinance.

Section 3. EFFECTIVE DATE: This Ordinance shall become effective immediately upon adoption.

ADOPTED BY THE COUNCIL OF THE CITY OF TAKOMA PARK, MARYLAND, THIS _____ DAY OF _____, 2016, BY ROLL-CALL VOTE AS FOLLOWS:

AYE:

NAY:

ABSENT:

ABSTAIN: