

## FINANCIAL IMPACT STATEMENT For Council Action Items

(Deliver original to Financial Planning Division. Retain copy.)

1. Name of Initiator Julie S. Omelchuck		2. Telephone No. 3-4188		3. Bureau/Office/Dept. OCCFM		
4a. To be filed (date) June 8, 2011	4b. Calendar (Check One) Regular <input checked="" type="checkbox"/> Consent <input type="checkbox"/> 4/5ths <input type="checkbox"/>			5. Date Submitted to FPD Budget Analyst: June 7, 2011		

**1) Legislation Title:** \*Amend grant agreement with Portland Community Media to extend the term of the agreement through and including June 30, 2012 (Ordinance; amend Grant Agreement No. 52904)

**2) Purpose of the Proposed Legislation:**

To extend the term of the Grant Agreement with Portland Community Media to manage certain public, educational and governmental (PEG) access resources under the City's cable services franchises and to provide community media and PEG access services to the public, community groups, schools and the City.

**3) Revenue:**

Will this legislation generate or reduce current or future revenue coming to the City? If so, by how much? If new revenue is generated please identify the source.  
No.

**4) Expense:**

What are the costs to the City as a result of this legislation? What is the source of funding for the expense? (Please include costs in the current fiscal year as well as costs in future years) (If the action is related to a grant or contract please include the local contribution or match required)

Adopted FY11-12 budget for OCCFM includes \$890,394 in funding for PCM.  
The source of funding is the General Fund.

**Staffing Requirements:**

**5) Will any positions be created, eliminated or re-classified in the current year as a result of this legislation?** (If new positions are created please include whether they will be part-time, full-time, limited term or permanent positions. If the position is limited term please indicate the end of the term.)  
No.

**6) Will positions be created or eliminated in future years as a result of this legislation?**  
No.

Complete the following section if you are accepting and appropriating a grant via ordinance. This section should only be completed if you are adjusting total appropriations, which currently only applies to grant ordinances.

**7) Change in Appropriations** (If the accompanying ordinance amends the budget, please reflect the dollar amount to be appropriated by this legislation. If the appropriation includes an interagency agreement with another bureau, please include the partner bureau budget adjustments in the table as well. Include the appropriate cost elements that are to be loaded by the Grants Office and/or Financial Planning. Use additional space if needed.)

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount

APPROPRIATION UNIT HEAD (Typed name and signature)



## CITY OF PORTLAND, OREGON

### Office of Cable Communications and Franchise Management

Dan Saltzman, Commissioner

David C. Olson, Director

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City Council  
Agenda Item  
Staff Supplemental Report

TO: Commissioner Dan Saltzman

THROUGH: Office of Cable Communications and Franchise Management

FROM: David C. Olson, Deputy Director 

ON BEHALF OF: Mt. Hood Cable Regulatory Commission

DATE: June 7, 2011

RE: \*Amend grant agreement with Portland Community Media to extend the term of the agreement through and including June 30, 2012 (Ordinance; amend Grant Agreement No. 52904)

Requested Placement Date: June 15, 2011

#### I. RECOMMENDATION

The Mt. Hood Cable Regulatory Commission (Commission) and OCCFM staff recommend that Council amend the grant agreement with Portland Community Media to extend the term of the agreement through June 30, 2012.

#### II. BACKGROUND

The terms of the current Comcast cable service franchise agreements have been extended through December 31, 2011 and the Commission remains engaged in a process to consider a recommendation for renewing the franchise agreements. Any such renewed franchise agreements will, most likely, contain updated and amended PEG access obligations which will subsequently impact any renewed agreement with Portland Community Media (PCM).

The Commission believes extending the term of the Agreement with PCM is necessary in order to maintain continuity of service to Portland residents while the Commission considers changes in any renewed cable service franchise agreements.

The Commission recommends that the Portland City Council extend the term of the grant agreement with Portland Community Media through June 30, 2012 in order to allow the Commission and PCM time to efficiently address any updated PEG access resources contained in any renewed cable services franchise agreements.

The contract provides for the continuation of core services provided by PCM to the community and the City, while requiring PCM to focus resources on keeping pace with changing content production methods and new ways in which people are using technology to communicate.

III. FINANCIAL IMPACT

Under the current contract funding methodology, PCM's funding for FY2011-12 would be \$890,394.

IV. LEGAL ISSUES

The City Attorney's office has reviewed and approved the proposed term amendment. All other terms and conditions shall remain unchanged and in full force and effect.

V. CONTROVERSIAL ISSUES

None.

VI. LINK TO CURRENT CITY POLICIES

Section 7.1 of the East and West Portland Cable Services Franchise Agreements authorize the City to designate Non-commercial Public, Educational and Government ("PEG") Access providers to control and manage the use of any or all PEG Access facilities and resources provided by the cable services franchisees:

- <http://www.mhcr.org/docs/FranchAgree-EastPortlandFran.pdf>
- <http://www.mhcr.org/docs/FranchAgree-WestPortlandFran.pdf>

Section 3 of the MHCRC Intergovernmental agreement, of which the City is a party, delegates responsibility to the Mt. Hood Cable Regulatory Commission ("MHCRC") for ensuring franchisee compliance with PEG Access provisions and allocating PEG Access capital funds:

[http://www.mhcr.org/docs/about\\_intergovernmental\\_agreement.pdf](http://www.mhcr.org/docs/about_intergovernmental_agreement.pdf)

VII. CITIZEN PARTICIPATION

The recommendation to amend the term of the grant agreement was discussed at several publicly noticed meetings including:

- ▶ The MHCRC April 18 meeting
- ▶ The MHCRC May 16 meeting
- ▶ The MHCRC Finance Committee meeting on May 4
- ▶ PCM Board of Directors' meeting on April 26
- ▶ PCM Executive Committee meetings on April 19 and May 17

VIII. OTHER GOVERNMENT PARTICIPATION

None.

IX. IF THIS IS A CONTRACT, DOES CONTRACTOR HAVE A CURRENT BUSINESS LICENSE? Yes WHAT IS THEIR BUSINESS LICENSE NUMBER? # 991783 IS THEIR ACCOUNT WITH THE CITY CURRENT? Yes