

Portland, Oregon

**FINANCIAL IMPACT and PUBLIC INVOLVEMENT STATEMENT
For Council Action Items**

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

1. Name of Initiator M. Riddick		2. Telephone No. Ext. 3-0066	3. Bureau/Office/Dept. OCT
4a. To be filed (date): October 26, 2011	4b. Calendar (Check One) Regular <input type="checkbox"/> Consent <input checked="" type="checkbox"/> 4/5ths <input type="checkbox"/>		5. Date Submitted to Commissioner's office and FPD Budget Analyst: October 14, 2011
6a. Financial Impact Section: X Financial impact section completed		6b. Public Involvement Section: X Public involvement section completed	

1) Legislation Title:

Grant a franchise to Astound Broadband, LLC for telecommunications services for a period of ten years. (Ordinance).

2) Purpose of the Proposed Legislation:

Grant a franchise to Astound Broadband, LLC for telecommunications services.

3) Which area(s) of the city are affected by this Council item? (Check all that apply—areas are based on formal neighborhood coalition boundaries)?

- | | | | |
|--|------------------------------------|------------------------------------|--------------------------------|
| <input checked="" type="checkbox"/> City-wide/Regional | <input type="checkbox"/> Northeast | <input type="checkbox"/> Northwest | <input type="checkbox"/> North |
| <input type="checkbox"/> Central Northeast | <input type="checkbox"/> Southeast | <input type="checkbox"/> Southwest | <input type="checkbox"/> East |
| <input type="checkbox"/> Central City | | | |
| <input type="checkbox"/> Internal City Government Services | | | |

FINANCIAL IMPACT**4) Revenue: Will this legislation generate or reduce current or future revenue coming to the City? If so, by how much? If so, please identify the source.**

Astound will pay the greater of either the minimum annual franchise fee of \$10,000 or 5% of its gross revenues earned in the City of Portland.

5) Expense: What are the costs to the City related to 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. If there is a project estimate, please identify the *level of confidence*.)

N/A- cost of processing franchises is in OCT budget.

6) Staffing Requirements:

- **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
- **Will positions be created or eliminated in future years as a result of this legislation?**
NO

(Complete the following section only if an amendment to the budget is proposed.)

7) Change in Appropriations *(If the accompanying ordinance amends the budget please reflect the dollar amount to be appropriated by this legislation. Include the appropriate cost elements that are to be loaded by accounting. Indicate "new" in Fund Center column if new center needs to be created. Use additional space if needed.)* N/A

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

[Proceed to Public Involvement Section — REQUIRED as of July 1, 2011]

PUBLIC INVOLVEMENT

8) Was public involvement included in the development of this Council item (e.g. ordinance, resolution, or report)? Please check the appropriate box below:

- YES:** Please proceed to Question #9.
 NO: Please, explain why below; and proceed to Question #10.

This Ordinance is a routine franchising item with no new impact on the community. The City of Portland granted a temporary revocable permit to allow Astound construction of its telecommunications system in the public right-of-way. All other franchise provisions will remain identical to franchisees previously approved by Council.

9) If "YES," please answer the following questions:

a) What impacts are anticipated in the community from this proposed Council item?

b) Which community and business groups, under-represented groups, organizations, external government entities, and other interested parties were involved in this effort, and when and how were they involved?

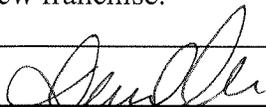
c) How did public involvement shape the outcome of this Council item?

d) Who designed and implemented the public involvement related to this Council item?

e) Primary contact for more information on this public involvement process (name, title, phone, email):

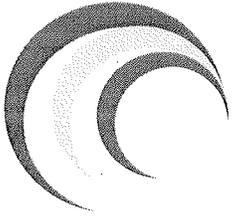
10) Is any future public involvement anticipated or necessary for this Council item? Please describe why or why not.

No future public involvement is anticipated or necessary as this Ordinance grants the term of a new franchise.



BUREAU DIRECTOR (Typed name and signature)

David C. Olson, Director



City of Portland

Office for Community Technology

Broadband & Communications Technology Policy | Cable Regulation & Consumer Protection | Utility Franchises, Licenses & Wireless

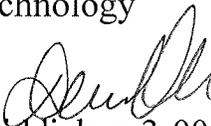
Dan Saltzman, Commissioner
David C. Olson, Director
1120 SW 5th Avenue, Room 1305
Portland, OR 97204

185018

City Council
Agenda Item
Staff Supplemental Report

TO: Commissioner Dan Saltzman

THROUGH: Office for Community Technology

FROM: David C. Olson, Director 
Contact Person: Melvin Riddick, x 3-0066

DATE: October 14, 2011

RE: Grant a franchise to Astound Broadband, LLC for telecommunications services for a period of ten years. (Ordinance).

Requested Placement Date: Consent Agenda on October 26, 2011

I. RECOMMENDATION

Grant a franchise to Astound Broadband, LLC for telecommunications services for a period of ten years.

II. BACKGROUND

Astound Broadband is a CLEC who is seeking a franchise to construct a telecommunications service in Portland. The City of Portland and Astound have reached final agreement on a ten-year franchise, which the City will shortly begin consideration following the formal City Charter procedure of public notice and hearing. The City of Portland granted a temporary revocable permit to allow Astound construction of its telecommunications system in the public right-of-way.

III. FINANCIAL IMPACT

Astound Broadband will pay its franchise fees of either a minimum of \$10,000 per year or 5% of gross revenues, whichever is greater.



- IV. LEGAL ISSUES
N/A
- V. CONTROVERSIAL ISSUES
N/A
- VI. LINK TO CURRENT CITY POLICIES
<http://www.portlandonline.com/auditor/index.cfm?c=28215>
- VII. CITIZEN PARTICIPATION
N/A
- VIII. OTHER GOVERNMENT PARTICIPATION
N/A
- IX. IF THIS IS A CONTRACT, DOES CONTRACTOR HAVE A CURRENT BUSINESS LICENSE? Yes
- WHAT IS THEIR BUSINESS LICENSE NUMBER? 714169
- IS THEIR ACCOUNT WITH THE CITY CURRENT? Yes
- IF NOT, HOW MUCH IS OWING? N/A