

Portland, Oregon  
**FINANCIAL IMPACT and PUBLIC INVOLVEMENT STATEMENT**  
**For Council Action Items**

(Deliver original to City Budget Office. Retain copy.)

1. Name of Initiator Mary Beth Henry		2. Telephone No. Ext 3-5414	3. Bureau/Office/Dept. Revenue/Office for Community Technology
4a. To be filed (hearing date):  November 27, 2013	4b. Calendar (Check One)  Regular Consent 4/5ths X		5. Date Submitted to Commissioner's office and CBO Budget Analyst: 11.7.13
6a. Financial Impact Section: <input checked="" type="checkbox"/> Financial impact section completed		6b. Public Involvement Section: <input checked="" type="checkbox"/> Public involvement section completed	

**1) Legislation Title:** \* Extend term of CenturyLink cable franchises (Ordinance)

**2) Purpose of the Proposed Legislation:** Under the Intergovernmental Agreement creating the MHCRC, only the City Council can renew or extend the terms of an existing cable franchise; the MHCRC is a recommending body in this instance. The MHCRC, on behalf of the City of Portland, has been negotiating with representatives of Qwest Broadband Services, Inc., operating under the assumed business name (abn) of CenturyLink, regarding terms of renewal of the cable franchise. All parties acknowledge that cable franchise renewals are subject to the provisions of Section 626 of the Cable Communications Policy Act of 1984, 47 U.S.C. §546.

In February, 2013, Qwest Broadband Services requested that, based upon internal business decisions, the franchise negotiations be suspended until September, 2013. Representatives from Qwest Broadband Services have recently requested an extension of the term of the cable franchise to allow the company additional time to evaluate business opportunities in offering cable services.

At a meeting held on October 21, 2013, the MHCRC considered this request, and adopted a recommendation that the Council grant an additional extension of the term of the Qwest Broadband Services cable franchise for an additional two years until December 31, 2015.

The parties have expended significant time and resources in negotiating the renewal of the cable franchise, in accordance with the informal franchise renewal process. In an effort to continue the progress the parties have made to date during the negotiation process, when renewal negotiations continue, the parties will begin with the last draft of the franchise agreement exchanged between the parties, attached to this ordinance as Exhibit A. The parties acknowledge they have not reached final agreement on the terms in Exhibit A and until the parties have reached mutual agreement on all terms, no party shall be bound by the terms in the draft agreement.

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)?

- City-wide/Regional       Northeast       Northwest       North
- Central Northeast       Southeast       Southwest       East
- Central City

**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.

There will be no fiscal impact to the general fund.

5) **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 year, including Operations & Maintenance (O&M) costs, if known, and estimates, if not known. 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

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.

There is no financial impact to the City from this ordinance. The proposed amendment to the Utility License Law will reflect the actual rate being paid by the Bureau of Environmental Services and the Portland Water Bureau for bureaus' annual utility license fee payments.

**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?**

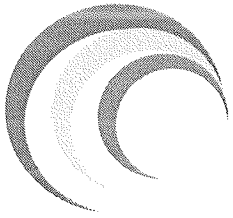
**e) Primary contact for more information on this public involvement process (name, title, phone, email):**

**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.



APPROPRIATION UNIT HEAD (Typed name and signature) Thomas W. Lannom



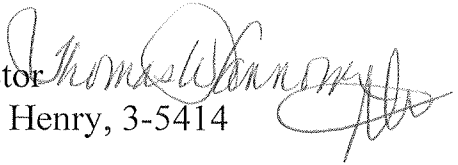
**Office for  
Community Technology**

Charlie Hales, Mayor  
Jack D. Graham, CAO  
Thomas W. Lannom, Director  
**Mary Beth Henry, Manager**  
111 SW Columbia, #600  
Portland, OR 97201

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

City Council  
Agenda Item  
Staff Supplemental Report

TO: Mayor Charlie Hales

FROM: Thomas W. Lannom, Director   
Contact Person: Mary Beth Henry, 3-5414

DATE: Nov 7, 2013

RE: Extend term of Qwest Broadband Services, Inc. cable franchise  
(Ordinance)

Requested Placement Date: Consent Agenda on November 27, 2013

I. **RECOMMENDATION.** The Mt Hood Cable Regulatory Commission (MHCRC) recommends that Council approve the extension of the Qwest Broadband Services, Inc. cable franchise.

II. **BACKGROUND.** The MHCRC, on behalf of the City of Portland, has been negotiating with representatives of Qwest Broadband Services, Inc., operating under the assumed business name (abn) of CenturyLink, regarding terms of renewal of the cable franchise. All parties acknowledge that cable franchise renewals are subject to the provisions of Section 626 of the Cable Communications Policy Act of 1984, 47 U.S.C. §546.

In February, 2013, Qwest Broadband Services requested that, based upon internal business decisions, the franchise negotiations be suspended until September, 2013. Representatives from Qwest Broadband Services have recently requested an extension of the term of the cable franchise to allow the company additional time to evaluate business opportunities in offering cable services.

At a meeting held on October 21, 2013, the MHCRC considered this request, and adopted a recommendation that the Council grant an additional extension of the term of the Qwest Broadband Services cable franchise for an additional two years until December 31, 2015.

The parties have expended significant time and resources in negotiating the renewal of the cable franchise, in accordance with the informal franchise renewal process. In an effort to continue the



progress the parties have made to date during the negotiation process, when renewal negotiations continue, the parties will begin with the last draft of the franchise agreement exchanged between the parties, attached to this ordinance as Exhibit A.

FINANCIAL IMPACT. There will be no financial impact.

- I. LEGAL ISSUES. None
- II. CONTROVERSIAL ISSUES. None
- III. LINK TO CURRENT CITY POLICIES:  
<http://www.portlandonline.com/auditor/index.cfm?c=28809>
- IV. CITIZEN PARTICIPATION. N/A
- V. OTHER GOVERNMENT PARTICIPATION. N/A
- IX. IF THIS IS A CONTRACT, DOES CONTRACTOR HAVE A CURRENT BUSINESS LICENSE? N/A  
  
WHAT IS THEIR BUSINESS LICENSE NUMBER? N/A  
  
IS THEIR ACCOUNT WITH THE CITY CURRENT? N/A  
  
IF NOT, HOW MUCH IS OWING? N/A