

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

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

1. Name of Initiator Jennifer Li		2. Telephone No. 503-823-5359	3. Bureau/Office/Dept. 4. Bureau/Office/Dept. Office for Community Technology, Revenue Bureau
4a. To be filed (hearing date): December 4, 2013	4b. Calendar (Check One) Regular Consent 4/5ths <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/>		5. Date Submitted to Commissioner's office and CBO Budget Analyst: November 27, 2013
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:

Consent to franchise transfer from Paramount of Oregon, LLC to LCP Oregon Holdings, LLC for pipeline facilities (Ordinance; Transfer Ordinance No. 180378)

2) Purpose of the Proposed Legislation:

Paramount of Oregon, Inc. (Paramount) was first granted a franchise from the City of Portland on October 15, 2006 to construct, operate and maintain pipeline facilities for a period of ten years. LCP Oregon Holdings, LLC (Oregon Holdings) has entered into an agreement under which it will acquire the assets of Paramount, including Paramount's pipeline system underlying the City streets. The transaction was scheduled to close on November 20, 2013.

Paramount's franchise requires Council's written consent prior to any transfer of the franchise. Staff has reviewed available information and determined that Oregon Holdings appears to have the technical, legal and financial ability to meet the obligations of the franchise. Staff recommends the Council consent to the transfer of Ordinance No. 180378 within the City's records to LCP Oregon Holdings, LLC.

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 | | | |

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 financial impact as LCP Oregon Holdings, LLC will continue to pay franchise fees.

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**.)*

None.

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. Paramount of Oregon's franchise restricts the assignment or transfer of the franchise without the prior consent of the City by Ordinance. All franchise provisions will remain identical to the franchise previously approved by Council, and LCP Oregon Holdings, LLC will continue as the franchisee.

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):

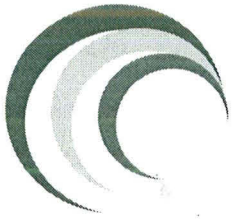
10) Is any future public involvement anticipated or necessary for this Council item? Please describe why or why not.

No future public involvement is anticipated or necessary.



BUREAU DIRECTOR (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

186387

TO: Mayor Charlie Hales and City Council

FROM: Thomas Lannom, Director *Thomas Lannom*
Contact Person: Jennifer Li, x 3-5359 *Alio*

DATE: November 15, 2013

RE: Consent to franchise transfer from Paramount of Oregon, LLC to LCP Oregon Holdings, LLC for pipeline facilities (Ordinance; Transfer Ordinance No. 180378)

Requested Placement Date: Consent Agenda on December 4, 2013

I. RECOMMENDATION. The Office for Community Technology recommends that Council approve this Ordinance consenting to the change in control of the franchise agreement granted to Paramount of Oregon, LLC to LCP Oregon Holdings, LLC.

II. BACKGROUND. Paramount of Oregon, Inc. was first granted a franchise from the City of Portland on October 15, 2006, to construct, operate and maintain pipeline facilities. In 2006, Paramount of Oregon, Inc. merged with and into its affiliate Paramount of Oregon, LLC (Paramount). LCP Oregon Holdings, LLC has entered into an agreement under which it will acquire Paramount's assets, including, but not limited to, all the pipeline system of Paramount underlying City streets. The parties have informed the City that the transaction was scheduled to close on November 20, 2013.

Paramount's franchise restricts the assignment or transfer of the franchise, by any means, "without the prior written consent of the City as expressed by ordinance." Staff has reviewed the available information and determined that LCP Oregon Holdings, LLC appears to have the technical, legal and financial ability to meet the obligations of the franchise. Staff recommends the Council consent to the transfer of Ordinance. No. 180378 within the City's records to LCP Oregon Holdings, LLC as the franchisee.

III. FINANCIAL IMPACT. There will be no financial impact as LCP Oregon Holdings, LLC will continue to pay franchise fees.



IV. LEGAL ISSUES. None

V. CONTROVERSIAL ISSUES. None

VI. LINK TO CURRENT CITY POLICIES:

<http://www.portlandoregon.gov/revenue/article/400937>

VII. CITIZEN PARTICIPATION. None.

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? __ 432743

IS THEIR ACCOUNT WITH THE CITY CURRENT? _yes_

IF NOT, HOW MUCH IS OWING? _N/A_____