

IMPACT STATEMENT

Legislation title: Grant a franchise to Qwest Corporation d/b/a CenturyLink QC for telecommunications services, for a period of 10 years. (Ordinance)

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Presenter name: Mary Beth Henry

Purpose of proposed legislation and background information:

To provide a legal framework for CenturyLink QC to provide telecommunications in Portland for 10 years. The City has been granting extensions of a temporary, revocable, permit to CenturyLink QC and/or its predecessors (US West and Qwest) since 2001. In June 2001, Qwest filed a lawsuit against the City asserting that the City's policies and procedures for right of way management and compensation were preempted by federal law. This litigation ultimately concluded in the City's favor in a Ninth Circuit ruling in 2008. The proposed franchise will bring to a conclusion the 14 years of extensions of revocable permits, while also achieving a modern franchise agreement. The franchise provides for stability in understanding the roles and responsibilities of the parties for a 10 year period.

Timeline per City Charter Requirements:

April 13 DJC* publish franchise - 20 days prior to City Council 1st Reading
 May 6 1st Reading of MHCRC Recommendation on Renewed Franchise
 June 10 2nd Reading – 30 days after 1st Reading
 August 9 Effective Date - 60-days after 2nd Reading
 September 8 Acceptance signed by CenturyLink - within 30-days of Effective Date

Financial and budgetary impacts:

The CenturyLink franchise provides 7% of gross revenue in franchise fees for the General Fund. There is no change from the current amount of franchise fees paid by CenturyLink under the temporary revocable permit.

Community impacts and community involvement:

n/a

CenturyLink and Comcast are expected to testify.

Budgetary Impact Worksheet**Does this action change appropriations?**

YES: Please complete the information below.

NO: Skip this section