

IMPACT STATEMENT

Legislation title: Grant a ten-year franchise to New Cingular Wireless PCS, LLC for wireless communications services in the City (Ordinance)

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Purpose of proposed legislation and background information:

In 2012, the Council granted a right-of-way use agreement to New Cingular Wireless PCS, LLC (AT&T) to build and operate wireless facilities within the City's streets for providing mobile telecommunications services. Most recently, Ordinance No. 188987 extended the franchise term through June 30, 2019. City staff have been working to standardize and modernize the terms and conditions of use of the right-of-way by wireless providers and to revise the program to account for other wireless technologies, such as small cellular technology.

On March 13, 2019, City Council granted New Cingular Wireless PCS, LLC a temporary, revocable permit Ordinance No. 189420 for wireless communications services in the City. The first reading of the agreement was on 2/13/19, followed by the second reading 3/13/19, with franchise effective 4/12/19.

Financial and budgetary impacts:

AT&T has agreed to prepay \$1.25 million in two up-front payments for annual right-of-way and wireless permit fees for approximately one hundred fifty (150) small wireless facilities. Beyond the prepayment, AT&T has agreed to pay \$1,250 per year per small cell wireless facility and \$8,000 per year for macro wireless facilities. These rates are subject to an annual inflation escalator of 3%.

Community impacts and community involvement:

Through this agreement, AT&T has agreed to fund \$200,000 to support digital inclusion work by a local non-profit of their choice. This agreement is a direct result of City Council adopting the DEAP and the Office for Community Technology moving forward to implement the plan in conjunction with PBOT. In addition, as noted above, there will be \$1,250,000 in up-front payments from AT&T to the City to cover the cost of deployment in accordance with the City's core principles. Finally, AT&T has committed to pay for such mutually agreed-upon necessary structural or electrical improvements to the City's infrastructure that is related to AT&T's deployment of small wireless facilities. Under City Charter requirements, the franchise was published in full in the Daily Journal of Commerce and an additional notice was published in the Oregonian.

Timeline per City Charter Requirements:

April 3, 2019 Daily Journal of Commerce notice

- April 3, 2019 Oregonian notice – 20 days prior to City Council 1st reading
- May 1, 2019 1st Reading
- June 5, 2019 2nd Reading–30 days after 1st Reading
- August 4, 2019 Effective Date–60 days after 2nd Reading
- September 3, 2019 Acceptance signed by franchisee within 30 days of Effective Date

100% Renewable Goal:

N/A

Budgetary Impact Worksheet

Does this action change appropriations?

- YES:** Please complete the information below.
- NO:** Skip this section

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