

IMPACT STATEMENT

Legislation title: Grant a one-year temporary, revocable permit to Verizon Wireless LLC for wireless communications services in the City (Ordinance)

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Purpose of proposed legislation and background information:

In 2006, the Council granted a franchise to Verizon Wireless LLC to build and operate wireless facilities within the City's streets to provide mobile telecommunications services. Verizon's franchise has been amended and extended several times.

In October 2018, the Federal Communications Commission (FCC) issued an order – effective in early 2019 – limiting local government's ability to impose requirements on small cell deployments, including fee limitations. Portland is leading a national coalition of local governments in litigation against FCC overreach in the small cell order.

In September 2018, Mayor Wheeler and Commissioner Eudaly identified priorities to include in any new franchise with a wireless carrier. Those priorities are embedded in the City's updated standard franchise for wireless carriers, which complies with federal law and ensures that all carriers are treated similarly. Verizon has agreed to the new franchise for a ten-year term. However, because one Commissioner position is currently vacant, Verizon has asked Council to consider granting a temporary, revocable permit under substantially similar terms as the new franchise. The temporary, revocable permit will allow Verizon to continue providing wireless service and begin deployment of small wireless facilities. The temporary, revocable permit will be superseded by the franchise after the franchise is passed by Council.

Financial and budgetary impacts:

Verizon has agreed to pay \$1,250 per year per small wireless facility and \$8,000 per year for macro wireless facilities. These rates are for 2019 and are subject to an annual inflation escalator of 3%.

In addition, Verizon will pay a one-time catch-up payment of \$115,000 in total for both 2019 and 2020. The one-time payment will be due within thirty (30) calendar days of the permit's effective date.

Community impacts and community involvement:

Verizon has committed to pay for such mutually-agreed-upon necessary structural or electrical improvements to the City's infrastructure that is related to Verizon's deployment of small wireless facilities.

The temporary, revocable permit allows Verizon to apply for individual site permits with the Bureau of Transportation. Verizon will be required to follow applicable rules and regulations for permit applications for small cell and macro site permits, including notice requirements.

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