



January 3, 2006

To: Metropolitan Policy Committee
From: Milo Mecham
Subject: Item 6: Metropolitan Cable Franchise Renewal

Action Recommended: Adoption of Resolution 2006-2 regarding Cable Franchise Renewal Discussions

Issue Summary

As directed by the MPC, staff, along with staff from Springfield, Eugene and Lane County have had preliminary discussions with Comcast representatives. These discussions arose from Comcast's request to renew the current cable TV franchise, pursuant to section 16(2)(f) of the franchise. The language of Section 16(2)(f) is set forth in the recitals of the proposed resolution.

The discussions with Comcast began with an extensive review of the franchise provisions and what evidence might be supplied to demonstrate compliance. One important issue that was raised was whether Section 16(2)(f) had been properly invoked. Comcast was concerned that it did not want to invest additional time in preparing documentation to show compliance with Section 16(2)(f) if the MPC had not decided that Comcast had properly initiated proceedings under Section 16(2)(f).

The question of how it would be best to proceed was made more complex when, on December 15, Comcast sent a letter formally initiating the franchise renewal process in accordance with procedures set forth in the Federal Communications Act. This is a more involved process than called for in Section 16(2)(f), although there are choices that can be exercised to make the federally described process less formal.

Section 16(2)(f) is not as clearly written as it could be. Comcast has apparently read the provision to mean that it can start discussions about substantial compliance with the franchise within the time period specified, without necessarily having the MPC make a decision within the original six month window. In our first discussion with Comcast we were able to identify most, if not all, of the areas of major concern. If, as Comcast indicated, it is willing to discuss these matters and potentially work out an understanding of past and future behavior so that compliance with the franchise is more certainly defined, there are advantages to this process rather than the longer renewal process under the Federal Act.

Comcast's invocation of the Federal Communications Act process creates a situation where the choices are more clear. If the MPC proceeds with Section 16(2)(f) process and decides that there is not enough evidence of compliance to allow renewal of the franchise under 16(2)(f), then the Federal process is available. If the MPC decides that it is not appropriate to proceed under Section 16(2)(f), then Comcast and the local franchise authorities would have to take up the process under the Federal Act. Because the Section 16(2)(f) process will be easier if it is successful, staff recommends adopting a resolution formally stating an intent to go forward under the Section 16(2)(f) process to whatever conclusion can be reached in that process.

Attachments: Proposed Resolution
Letter from Comcast