

ORDINANCE No.

Extend term of franchise granted to Sprint Communications Company L.P. to build and operate telecommunications facilities in City streets (Ordinance; amend Ordinance No. 172141)

The City of Portland ordains:

Section 1. The Council finds:

1. On April 8, 1998, the Council granted a Franchise to Sprint Communications Company L.P. ("Sprint") to build and operate telecommunications facilities within the City's streets. Ordinance No. 172141.
2. City staff are negotiating a renewal agreement with Sprint, including updated franchise language and compensation consistent with similarly situated franchisees. Although franchise negotiations for a renewal agreement are in progress, the parties have not reached agreement on all terms.
3. City staff recommends that the Council extend the existing Sprint Franchise to allow time for the parties to complete negotiations and to formally conclude the Portland City Charter procedure for franchises, which can take up to four months or more from the date of required initial publication.
4. The City Council previously extended the term of Sprint's telecommunications Franchise until February 14, 2017. Ord. No. 186948.
5. The City and Sprint acknowledge that the provisions of a mutually agreeable renewed franchise agreement between Sprint and the City will supersede the provisions of the current extended Franchise, and time is of the essence to conclude negotiations.

NOW, THEREFORE, the Council directs:

- a. Ordinance No. 172141 is hereby amended to extend the term of the Franchise, continuously and without interruption, through the earlier to occur of: (i) December 31, 2017 or (ii) the effective date of a renewal agreement agreed to by Sprint and the City and approved by City Ordinance.
- b. All other terms and conditions of the franchise shall remain the same and unchanged.
- c. On or before the thirtieth (30th) day after this ordinance becomes effective, Sprint Communications Company, LP shall file in the Office of the Auditor of the City of Portland a written acceptance of this ordinance, executed by Sprint, meeting the approval of the City Attorney. Any failure on the part of Sprint to file such written acceptance within such time shall be deemed an abandonment and rejection of this ordinance, and this ordinance shall thereupon be null and void. Such acceptance shall be unqualified and shall be construed to be an acceptance of all the terms contained in this ordinance.

Passed by the Council:

Mayor Ted Wheeler
Prepared by: MRiddick/BEWalters
November 9, 2017

Mary Hull Caballero
Auditor of the City of Portland
By:
Deputy

IMPACT STATEMENT

Legislation title: Extend term of franchise granted to Sprint Communications Company, LP to build and operate telecommunications facilities in City streets (Ordinance; amend Ordinance No. 172141)

Contact name: Melvin Riddick
Contact phone: 3-0066
Presenter name: Melvin Riddick

Purpose of proposed legislation and background information:

In 1998, the Council granted a franchise to Sprint Communications Company, LP (“Sprint”), to use designated streets within the City of Portland to provide telecommunications services. City staff is currently negotiating a renewal franchise with Sprint. City staff recommends that the Council extend the existing franchise through December 31, 2018 to allow parties time to complete negotiations and to complete the formal franchising process required by the Portland City Charter.

Financial and budgetary impacts:

The City will continue to receive franchise fees for use of the right of way from Sprint.

Community impacts and community involvement:

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 |
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