

RESOLUTION NO. 2772

A RESOLUTION OF THE CITY OF WILSONVILLE CONSENTING TO THE TRANSFER OF CONTROL OF THE CABLE FRANCHISE FROM FRONTIER COMMUNICATIONS CORPORATION TO NORTHWEST FIBER, LLC, WITH CONDITIONS.

WHEREAS, on September 17, 2007, the City of Wilsonville (“City”) granted a cable television franchise (“Franchise”) to Verizon Northwest Inc. (“Original Franchisee”) through Ordinance No. 640 and approved a Cable Franchise Agreement (“Franchise Agreement”); and

WHEREAS, in May 2009, Verizon Communications, Inc. (“Verizon”), the parent company of Original Franchisee, and Frontier Communications Corporation (“Frontier”), reached an agreement to transfer control of some of Verizon’s services to Frontier; and

WHEREAS, the City consented to the transfer of control on December 21, 2009 through adoption of Resolution No. 2221, and, as a result, the Original Franchisee became an indirect wholly owned subsidiary of Frontier and changed its name to Frontier Communications Northwest Inc. (“Current Franchisee”); and

WHEREAS, in May 2019, Frontier entered into an agreement with Northwest Fiber, LLC (“Northwest Fiber”) whereby Northwest Fiber would acquire control of Frontier’s cable franchise in the City and take control over the Current Franchisee; and

WHEREAS, on or about July 19, 2019, the City received a Federal Communications Commission Form 394 Application (“Application”) by which Frontier and Northwest Fiber request the City’s consent of a transfer of control of Current Franchisee from Frontier to Northwest Fiber; and

WHEREAS, Northwest Fiber included information related to its legal, technical, and financial qualifications with the Application; and

WHEREAS, Current Franchisee will become a wholly-owned subsidiary of Northwest Fiber and Northwest Fiber will have ultimate control of the Franchise and Current Franchisee; and

WHEREAS, Current Franchisee will remain the Franchisee, and abide by the obligations of the Franchise Agreement; and

WHEREAS, Article 11 of the Franchise Agreement and 47 U.S.C. 537 require that the City consent before any transfer of the Franchise can take place; and

WHEREAS, on October 1, 2019, the Metropolitan Area Communications Commission (“MACC”), an intergovernmental commission representing many of the other local franchise authorities in the area, approved the transfer of control; and

WHEREAS, the City has reviewed and considered the Application and the included information and approves the transfer of control of the Current Franchisee, the Franchise, and the Franchise Agreement from Frontier to Northwest Fiber.

NOW, THEREFORE, THE CITY OF WILSONVILLE RESOLVES AS FOLLOWS:

1. Findings: The Council hereby adopts the foregoing recitations as findings and conclusions of law.
2. Order: Based on all relevant information the City Council of the City of Wilsonville finds that Northwest Fiber has the necessary legal, technical, and financial qualifications to perform the required duties under the Franchise Agreement and hereby consents to the transfer of control of the Current Franchisee, the Franchise, and the Franchise Agreement as described in the Federal Communications Commission Form 394, subject to the following conditions:
 - a. The purchase transaction of Current Franchisee by Northwest Fiber from Frontier must close with all material terms substantially consistent with the information provided to the City by the Application.
 - b. The purchase is approved by all required federal agencies and the Oregon Public Utilities Commission.
 - c. The Current Franchisee, under the control of Northwest Fiber, agrees to remedy any Franchise non-compliance issues, including any underpayment of franchise and PEG fees by Franchisee, regardless of whether such non-compliance issues are discovered prior to or following the Transfer of Control.
 - d. The Current Franchisee, under the control of Northwest Fiber, shall comply with all valid local laws, agreements, and Franchise requirements consistent with federal and state law.
 - e. In all aspects and without exception, Current Franchisee, under the control of Northwest Fiber, agrees to continue to abide by all terms of the existing Franchise Agreement and acknowledges that the transfer of control will not

affect, diminish, impair, or supersede the binding nature of the Franchise Agreement or any other ordinances, resolutions, or agreements applicable to the operation of the cable system in the City.

- f. The City's consent to the Transfer of Control will not be construed to constitute a waiver or release of any rights it may have under the Franchise Agreement or any separate written agreements with the Current Franchisee or Current Franchisee's lawful successors.
 - g. Current Franchisee, under the control of Northwest Fiber, will provide the City with a progress report of its acquisition of content, including a listing of national and local content providers and their associated channels, and video on demand providers, with which: (1) Current Franchisee has signed agreement; (2) Current Franchisee has pending agreement being negotiated; and (3) Current Franchisee is pursuing agreements. No later than 30 days after completion of the transaction, Franchisee shall deliver certification by a corporate officer that it has acquired rights to distribute linear video, broadcast, and video on demand programming content from vendors, which rights: (a) include at least 75% of the channels provided by Franchisee; (b) include all Portland area local broadcasters; and (c) include commitments to carrying the majority of this content for a period not less than two years.
 - h. Northwest Fiber must acknowledge substantially similar conditions of approval of the transfer of control in writing in a form and by a date acceptable to the City.
4. This Resolution becomes effective upon adoption.

ADOPTED by the Wilsonville City Council at a regular meeting thereof this 4th day of November, 2019, and filed with the Wilsonville City Recorder this date.


TIM KNAPP, MAYOR

ATTEST:



Kimberly Veliz, City Recorder

SUMMARY OF VOTES:

Mayor Knapp	Yes
Council President Akervall	Yes
Councilor Lehan	Yes
Councilor West	Yes
Councilor Linville	Yes