



## Legislation Details (With Text)

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**Title:** Staff Report for an ORDINANCE of the City Council of the City of San Leandro to Waive the First Reading of and Introduce an Ordinance to Reauthorize the City's Public, Educational and Government (PEG) Fee as Provided in section 5-7-115 of the San Leandro Municipal Code

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Date	Ver.	Action By	Action	Result
3/20/2017	1	City Council	Received and Filed	Pass

**Staff Report for an ORDINANCE of the City Council of the City of San Leandro to Waive the First Reading of and Introduce an Ordinance to Reauthorize the City's Public, Educational and Government (PEG) Fee as Provided in section 5-7-115 of the San Leandro Municipal Code**

## RECOMMENDATIONS

Staff recommends that the City Council waive the first reading of and introduce the attached ordinance reauthorizing the City's Public, Educational, and Government ("PEG") fee as provided in Section 5-7-115 of the San Leandro Municipal Code.

## SUMMARY AND BACKGROUND

In accordance with state law, the City imposes a one percent (1%) PEG channel facilities fee on all state-franchised video service providers operating within the City to support PEG programming. Revenues from this fee must be used on capital expenditures that enhance public access to government activities. In the past, the fee was used to support to rehabilitation project in the City Council chambers that enabled the City to broadcast its meetings live on its public access cable channels.

State law provides that a city's PEG fee ordinance must be reauthorized upon expiration of a state franchise. AT&T's state franchise expires on March 30, 2017.

Under Section 5-7-115 of the San Leandro Municipal Code, the City's PEG fee is automatically reauthorized unless a franchise holder gives 60-days' prior written notice to the City that its state franchise will expire. AT&T did not provide the required 60-days' notice to the City. Therefore, under the City's Municipal Code, the City's PEG fee ordinance will be automatically reauthorized when AT&T receives its new or renewed state franchise.

Although staff believes that the City's PEG fee will be automatically reauthorized under the terms of the City's Municipal Code, to account for the inherent uncertainty of the state franchise renewal process, and to ensure continuity in PEG funding when AT&T's franchise is renewed, staff recommends that the City Council adopt a regular ordinance specifically declaring that the City's PEG fee is reauthorized. Staff also separately recommends that the City Council adopt an urgency ordinance to take effect and be enforced immediately upon the commencement of AT&T's new or renewed state franchise under the Digital Infrastructure and Video Competition Act of 2006.