



# CITY OF SEATTLE

## City Council

### Agenda

Monday, April 26, 2021

2:00 PM

Remote Meeting. Call 253-215-8782; Meeting ID: 586 416 9164; or  
Seattle Channel online.

M. Lorena González, President

Lisa Herbold, Member

Debora Juarez, Member

Andrew J. Lewis, Member

Tammy J. Morales, Member

Teresa Mosqueda, Member

Alex Pedersen, Member

Kshama Sawant, Member

Dan Strauss, Member

Chair Info: 206-684-8809; [Lorena.González@seattle.gov](mailto:Lorena.González@seattle.gov)

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<http://seattle.gov/cityclerk/accommodations>.



# CITY OF SEATTLE

## City Council Agenda

**April 26, 2021 - 2:00 PM**

### **Meeting Location:**

Remote Meeting. Call 253-215-8782; Meeting ID: 586 416 9164; or Seattle Channel online.

### **Committee Website:**

<http://www.seattle.gov/council>

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*In-person attendance is currently prohibited per Washington State Governor's Proclamation 20-28.15, until the COVID-19 State of Emergency is terminated or Proclamation 20-28 is rescinded by the Governor or State legislature. Meeting participation is limited to access by telephone conference line and online by the Seattle Channel.*

Register online to speak during the Public Comment period at the 2:00 p.m. City Council meeting at

<http://www.seattle.gov/council/committees/public-comment>.

Online registration to speak at the City Council meeting will begin two hours before the 2:00 p.m. meeting start time, and registration will end at the conclusion of the Public Comment period during the meeting. Speakers must be registered in order to be recognized by the Chair.

Submit written comments to all Councilmembers at

[Council@seattle.gov](mailto:Council@seattle.gov)

Sign-up to provide Public Comment at the meeting at

<http://www.seattle.gov/council/committees/public-comment>

Watch live streaming video of the meeting at

<http://www.seattle.gov/council/watch-council-live>

Listen to the meeting by calling the Council Chamber Listen Line at 253-215-8782 Meeting ID: 586 416 9164

One Tap Mobile No. US: +12532158782,,5864169164#

### **A. CALL TO ORDER**

**B. ROLL CALL****C. PRESENTATIONS****D. APPROVAL OF THE JOURNAL**

[Min 328](#) April 12, 2021

**Attachments:** [Minutes](#)

[Min 329](#) April 19, 2021

**Attachments:** [Minutes](#)

**E. ADOPTION OF INTRODUCTION AND REFERRAL CALENDAR**

*Introduction and referral to Council committees of Council Bills (CB), Resolutions (Res), Appointments (Appt), and Clerk Files (CF) for committee recommendation.*

[IRC 300](#) April 26, 2021

**Attachments:** [Introduction and Referral Calendar](#)

**F. APPROVAL OF THE AGENDA****G. PUBLIC COMMENT**

*Members of the public may sign up to address the Council for up to 2 minutes on matters on this agenda; total time allotted to public comment at this meeting is 20 minutes.*

Register online to speak during the Public Comment period at the 2:00 p.m. City Council meeting at <http://www.seattle.gov/council/committees/public-comment>.

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**H. PAYMENT OF BILLS**

*These are the only Bills which the City Charter allows to be introduced and passed at the same meeting.*

- [CB 120049](#) AN ORDINANCE appropriating money to pay certain audited claims for the week of April 12, 2021 through April 16, 2021 and ordering the payment thereof.

## I. COMMITTEE REPORTS

*Discussion and vote on Council Bills (CB), Resolutions (Res), Appointments (Appt), and Clerk Files (CF).*

### **FINANCE AND HOUSING COMMITTEE:**

1. [CB 120041](#) AN ORDINANCE relating to the 2021 Budget; amending Ordinance 126237, which adopted the 2021 Budget; changing appropriations to various departments; creating positions exempt from civil service; and ratifying and confirming certain prior acts; all by a 3/4 vote of the City Council.

**The Committee recommends that City Council pass the Council Bill (CB).**

**In Favor: 4 - Mosqueda, Herbold, González , Lewis**

**Opposed: None**

**Supporting Documents:** [Summary and Fiscal Note](#)

### **TRANSPORTATION AND UTILITIES COMMITTEE:**

2. [CB 120043](#) AN ORDINANCE relating to cable television; authorizing the Mayor or the Mayor's designee to approve the transfer of control, subject to conditions, of WaveDivision I, LLC; authorizing the Mayor or the Mayor's designee to execute a Cable Franchise Transfer of Controlling Interest Consent Agreement for the purpose of implementing and administering the transfer; and ratifying and confirming certain prior acts.

**The Committee recommends that City Council pass the Council Bill (CB).**

**In Favor: 4 - Pedersen, González , Herbold, Morales**

**Opposed: None**

**Absent(NV): 1 - Juarez**

**Attachments:** [Ex A - Corporate Guaranty](#)  
[Ex B - Cable Franchise Transfer of Controlling Interest Consent Agreement](#)

**Supporting Documents:** [Summary and Fiscal Note](#)  
[Summary Att A - Application Review Report](#)  
[Summary Att A Att A - Legal Review](#)  
[Summary Att A Att B - Financial Review](#)

#### J. ADOPTION OF OTHER RESOLUTIONS

#### K. OTHER BUSINESS

#### L. ADJOURNMENT



Legislation Text

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**File #:** Min 328, **Version:** 1

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April 12, 2021

# SEATTLE CITY COUNCIL

600 Fourth Ave. 2nd Floor  
Seattle, WA 98104



## Journal of the Proceedings of the Seattle City Council

Monday, April 12, 2021

2:00 PM

Remote Meeting. Call 253-215-8782; Meeting ID: 586 416 9164; or  
Seattle Channel online.

### City Council

*M. Lorena González, President*

*Lisa Herbold, Member*

*Debora Juarez, Member*

*Andrew J. Lewis, Member*

*Tammy J. Morales, Member*

*Teresa Mosqueda, Member*

*Alex Pedersen, Member*

*Kshama Sawant, Member*

*Dan Strauss, Member*

Chair Info: 206-684-8809; [Lorena.González@seattle.gov](mailto:Lorena.González@seattle.gov)

*In-person attendance is currently prohibited per Washington State Governor's Proclamation 20-28.15, until the COVID-19 State of Emergency is terminated or Proclamation 20-28 is rescinded by the Governor or State legislature. Meeting participation is limited to access by telephone conference line and online by the Seattle Channel.*

#### **A. CALL TO ORDER**

The City Council of The City of Seattle met remotely pursuant to Washington State Governor's Proclamation 20-28.15, and guidance provided by the Attorney General's Office, on April 12, 2021, pursuant to the provisions of the City Charter. The meeting was called to order at 2:00 p.m., with Council President González presiding.

#### **B. ROLL CALL**

**The following Councilmembers were present and participating electronically:**

**Present:** 8 - González , Herbold, Juarez, Lewis, Morales, Mosqueda, Pedersen, Sawant

**Excused:** 1 - Strauss

#### **C. PRESENTATIONS**

Councilmember González presented a Proclamation in remembrance and honor of Kim Pham, and declaring April 17, 2021, Ngày Ông Kim Pham Day. By unanimous consent, the Council Rules were suspended to allow Councilmember González to present the Proclamation to Don Pham, son of Kim Pham, and to allow him to address the Council.

#### **D. APPROVAL OF THE JOURNAL**

[Min 327](#)

**April 5, 2021**

**Motion was made, duly seconded and carried, to adopt the proposed Minutes by the following vote, and the President signed the Minutes:**

**In Favor:** 8 - González , Herbold, Juarez, Lewis, Morales, Mosqueda, Pedersen, Sawant

**Opposed:** None



**E. ADOPTION OF INTRODUCTION AND REFERRAL CALENDAR**

[IRC 298](#)      **April 12, 2021**

**Motion was made, duly seconded and carried, to adopt the proposed Introduction and Referral Calendar (IRC) by the following vote:**

**In Favor:** 8 - González , Herbold, Juarez, Lewis, Morales, Mosqueda, Pedersen, Sawant

**Opposed:** None

**F. APPROVAL OF THE AGENDA**

Motion was made, duly seconded and carried, to adopt the proposed Agenda.

**G. PUBLIC COMMENT**

The following individuals addressed the Council:

- Howard Gale
- Peter Condit
- Travonna Thompson-Wiley
- Deborah Frausto
- Rosanna Sze
- Flora Wright
- Julia Buck
- Zac Cooper
- QoQo Weber
- Alyssa Nator
- Rick Hooper
- Sam Sueoka
- BJ Last
- Emily Graham
- David Haines
- Monsieree de Castro

**H. PAYMENT OF BILLS**

[CB 120031](#) **AN ORDINANCE appropriating money to pay certain audited claims for the week of March 29, 2021 through April 2, 2021 and ordering the payment thereof.**

Motion was made and duly seconded to pass Council Bill 120031.

**The Motion carried, the Council Bill (CB) was passed by the following vote, and the President signed the Bill:**

**In Favor:** 8 - González , Herbold, Juarez, Lewis, Morales, Mosqueda, Pedersen, Sawant

**Opposed:** None

**I. COMMITTEE REPORTS**

**TRANSPORTATION AND UTILITIES COMMITTEE:**

1. [CB 120013](#) **AN ORDINANCE relating to the Department of Transportation; authorizing the Director of the Department of Transportation to accept the donation of real property via quit claim deed from the Seattle Parks Foundation, a Washington nonprofit corporation, situated in a portion in Lot 4, Block 13, University Lake Shore Addition Divisions 1, 2, and 3; placing the real property rights conveyed by such deed under the jurisdiction of the Seattle Department of Transportation to be used as part of the Lake City Living Memorial Triangle; laying off the property as right-of-way; and ratifying and confirming certain prior acts.**

**The Committee recommends that City Council pass the Council Bill (CB).**

**In Favor:** 4 - Pedersen, González , Herbold, Morales

**Opposed:** None

**The Council Bill (CB) was passed by the following vote, and the President signed the Council Bill (CB):**

**In Favor:** 8 - González , Herbold, Juarez, Lewis, Morales, Mosqueda, Pedersen, Sawant

**Opposed:** None

2. [CB 120014](#) **AN ORDINANCE relating to the City Light Department and Seattle Public Utilities; transferring partial jurisdiction of a portion of City Light's Georgetown Steam Plant flume property to Seattle Public Utilities for maintenance, repair, replacement, and operation of public stormwater drainage infrastructure.**

**The Committee recommends that City Council pass the Council Bill (CB).**

**In Favor: 4 - Pedersen, González , Herbold, Morales**

**Opposed: None**

**The Council Bill (CB) was passed by the following vote, and the President signed the Council Bill (CB):**

**In Favor:** 8 - González , Herbold, Juarez, Lewis, Morales, Mosqueda, Pedersen, Sawant

**Opposed:** None

3. [Appt 01847](#) **Reappointment of Akshali Gandhi as member, Seattle Pedestrian Advisory Board, for a term to March 31, 2022.**

**The Committee recommends that City Council confirm the Appointment (Appt).**

**In Favor: 4 - Pedersen, González , Herbold, Morales**

**Opposed: None**

**ACTION 1:**

Motion was made by Councilmember Pedersen, duly seconded and carried, to amend Appointment 01847, Appointment Packet, by amending the Roster's Residential Council District number from number 1 to number 3 for appointee Akshali Gandhi.

**ACTION 2:**

Motion was made and duly seconded to confirm Appointment 01847 as amended.

**The Motion carried, and the Appointment (Appt) was confirmed as amended by the following vote:**

**In Favor:** 8 - González , Herbold, Juarez, Lewis, Morales, Mosqueda, Pedersen, Sawant

**Opposed:** None

4. [Appt 01848](#) **Reappointment of Han-Jung Ko as member, Seattle Pedestrian Advisory Board, for a term to March 31, 2023.**

**The Committee recommends that City Council confirm the Appointment (Appt).**

**In Favor: 4 - Pedersen, González , Herbold, Morales**

**Opposed: None**

**ACTION 1:**

Motion was made by Councilmember Pedersen, duly seconded and carried, to amend Appointment 01848, Appointment Packet, by amending the Roster's Residential Council District number from number 1 to number 3 for appointee Akshali Gandhi.

**ACTION 2:**

Motion was made and duly seconded to confirm Appointment 01848 as amended.

**The Motion carried, and the Appointment (Appt) was confirmed as amended by the following vote:**

**In Favor:** 8 - González , Herbold, Juarez, Lewis, Morales, Mosqueda, Pedersen, Sawant

**Opposed:** None

5. [Appt 01849](#) **Reappointment of Maria Sumner as member, Seattle Pedestrian Advisory Board, for a term to March 31, 2023.**

**The Committee recommends that City Council confirm the Appointment (Appt).**

**In Favor: 4 - Pedersen, González , Herbold, Morales**

**Opposed: None**

**ACTION 1:**

Motion was made by Councilmember Pedersen, duly seconded and carried, to amend Appointment 01849, Appointment Packet, by amending the Roster's Residential Council District number from number 1 to number 3 for appointee Akshali Gandhi.

**ACTION 2:**

Motion was made and duly seconded to confirm Appointment 01849 as amended.

**The Motion carried, and the Appointment (Appt) was confirmed as amended by the following vote:**

**In Favor:** 8 - González , Herbold, Juarez, Lewis, Morales, Mosqueda, Pedersen, Sawant

**Opposed:** None

**FINANCE AND HOUSING COMMITTEE:**

6. [CB 120030](#) **AN ORDINANCE relating to taxation; amending the payroll expense tax on persons engaging in business in Seattle; amending Section 5.38.020 of the Seattle Municipal Code; and adding a new Section 5.38.025 to the Seattle Municipal Code.**

**The Committee recommends that City Council pass the Council Bill (CB).**

**In Favor: 5 - Mosqueda, Herbold, González , Lewis, Morales**

**Opposed: None**

**The Council Bill (CB) was passed by the following vote, and the President signed the Bill:**

**In Favor:** 8 - González , Herbold, Juarez, Lewis, Morales, Mosqueda, Pedersen, Sawant

**Opposed:** None

7.     [CB 120018](#)    **AN ORDINANCE relating to grant funds from non-City sources; amending Ordinance 126237, which adopted the 2021 Budget; authorizing the Mayor or Mayor’s designees to accept specified grants and execute related agreements for and on behalf of the City; changing appropriations to various departments; and ratifying and confirming certain prior acts.**

**The Committee recommends that City Council pass as amended the Council Bill (CB).**

**In Favor: 5 - Mosqueda, Herbold, González , Lewis, Morales**

**Opposed: None**

**The Council Bill (CB) was passed by the following vote, and the President signed the Council Bill (CB):**

**In Favor: 8 - González , Herbold, Juarez, Lewis, Morales, Mosqueda, Pedersen, Sawant**

**Opposed: None**

8. [CB 120029](#) **AN ORDINANCE amending Ordinance 126237, which adopted the 2021 Budget; changing appropriations to various departments and budget control levels, and from various funds in the Budget; and adding provisos; all by a 3/4 vote of the City Council.**

**The Committee recommends that City Council pass the Council Bill (CB).**

**In Favor: 4 - Mosqueda, Herbold, González , Lewis**

**Opposed: None**

**Absent(NV): 1 - Morales**

**ACTION 1:**

Motion was made by Councilmember Mosqueda, duly seconded and carried, to amend Council Bill 120029, by amending the recitals and Section 2, as shown in Attachment 1 to the Minutes.

**ACTION 2:**

Motion was made by Councilmember González, duly seconded and carried, to amend Council Bill 120029, by amending Sections 1 and 2, as shown on Attachment 2 to the Minutes.

**ACTION 3:**

Motion was made and duly seconded to pass Council Bill 120029 as amended.

**The Motion carried, the Council Bill (CB) passed as amended by the following vote, and the President signed the Council Bill (CB):**

**In Favor:** 8 - González , Herbold, Juarez, Lewis, Morales, Mosqueda, Pedersen, Sawant

**Opposed:** None

9. [Appt 01831](#) **Appointment of Dan Torres as member, Sweetened Beverage Tax Community Advisory Board, for a term to August 31, 2021.**

**The Committee recommends that City Council confirm the Appointment (Appt).**

**In Favor: 5 - Mosqueda, Herbold, González , Lewis, Morales**

**Opposed: None**

**The Appointment (Appt) was confirmed by the following vote:**

**In Favor:** 8 - González , Herbold, Juarez, Lewis, Morales, Mosqueda, Pedersen, Sawant

**Opposed:** None

10. [Appt 01859](#) **Appointment of Joel Shapiro as member, Labor Standards Advisory Commission, for a term to April 30, 2023.**

**The Committee recommends that City Council confirm the Appointment (Appt).**

**In Favor: 5 - Mosqueda, Herbold, González , Lewis, Morales**

**Opposed: None**

**The Appointment (Appt) was confirmed by the following vote:**

**In Favor:** 8 - González , Herbold, Juarez, Lewis, Morales, Mosqueda, Pedersen, Sawant

**Opposed:** None

**CITY COUNCIL:**

11. [CF 314471](#) **Seattle Information and Technology Department request for a six-month extension for the filing of the Group 4 Surveillance Impact Report (SIR) due on March 1, 2021.**

Motion was made and duly seconded to approve and file Clerk File 314471.

**The Motion carried, and the Clerk File was approved and filed by the following vote:**

**In Favor:** 8 - González , Herbold, Juarez, Lewis, Morales, Mosqueda, Pedersen, Sawant

**Opposed:** None

12. [CF 314472](#) **Master List of Surveillance Technologies (Revised March 2021)**

Motion was made and duly seconded to file Clerk File 314472.

**The Motion carried, and the Clerk File was filed by the following vote:**

**In Favor:** 8 - González , Herbold, Juarez, Lewis, Morales, Mosqueda, Pedersen, Sawant

**Opposed:** None



13. [Appt 01850](#) **Appointment of Ahana Roy as member, Seattle Youth Commission, for a term to August 31, 2021.**

Motion was made and duly seconded to confirm Appointment 01850.

**The Motion carried, and the Appointment (Appt) was confirmed by the following vote:**

**In Favor:** 8 - González , Herbold, Juarez, Lewis, Morales, Mosqueda, Pedersen, Sawant

**Opposed:** None

14. [Appt 01851](#) **Appointment of Anjelica Valenzuela as member, Seattle Youth Commission, for a term to August 31, 2021.**

Motion was made and duly seconded to confirm Appointment 01851.

**The Motion carried, and the Appointment (Appt) was confirmed by the following vote:**

**In Favor:** 8 - González , Herbold, Juarez, Lewis, Morales, Mosqueda, Pedersen, Sawant

**Opposed:** None

15. [Appt 01852](#) **Appointment of Samara Wijesekera as member, Seattle Youth Commission, for a term to August 31, 2021.**

Motion was made and duly seconded to confirm Appointment 01852.

**The Motion carried, and the Appointment (Appt) was confirmed by the following vote:**

**In Favor:** 8 - González , Herbold, Juarez, Lewis, Morales, Mosqueda, Pedersen, Sawant

**Opposed:** None

16. [Appt 01853](#) **Appointment of Elsa Assefa as member, Seattle Youth Commission, for a term to August 31, 2022.**

Motion was made and duly seconded to confirm Appointment 01853.

**The Motion carried, and the Appointment (Appt) was confirmed by the following vote:**

**In Favor:** 8 - González , Herbold, Juarez, Lewis, Morales, Mosqueda,  
Pedersen, Sawant

**Opposed:** None

17. [Appt 01854](#) **Appointment of Eleanor Cename as member, Seattle Youth Commission, for a term to August 31, 2022.**

Motion was made and duly seconded to confirm Appointment 01854.

**The Motion carried, and the Appointment (Appt) was confirmed by the following vote:**

18. [Appt 01855](#) **Appointment of Diego Escame-Hedger as member, Seattle Youth Commission, for a term to August 31, 2022.**

Motion was made and duly seconded to confirm Appointment 01855.

**The Motion carried, and the Appointment (Appt) was confirmed by the following vote:**

**In Favor:** 8 - González , Herbold, Juarez, Lewis, Morales, Mosqueda,  
Pedersen, Sawant

**Opposed:** None

19. [Appt 01856](#) **Appointment of Edhil Haid as member, Seattle Youth Commission, for a term to August 31, 2022.**

Motion was made and duly seconded to confirm Appointment 01856.

**The Motion carried, and the Appointment (Appt) was confirmed by the following vote:**

**In Favor:** 8 - González , Herbold, Juarez, Lewis, Morales, Mosqueda,  
Pedersen, Sawant

**Opposed:** None

20. [Appt 01857](#) **Appointment of Leah Scott as member, Seattle Youth Commission, for a term to August 31, 2022.**

Motion was made and duly seconded to confirm Appointment 01857.

**The Motion carried, and the Appointment (Appt) was confirmed by the following vote:**

**In Favor:** 8 - González , Herbold, Juarez, Lewis, Morales, Mosqueda,  
Pedersen, Sawant

**Opposed:** None

21. [Appt 01858](#) **Appointment of Lincoln Hilliard Wilmore as member, Seattle Youth Commission, for a term to August 31, 2022.**

Motion was made and duly seconded to confirm Appointment 01858.

**The Motion carried, and the Appointment (Appt) was confirmed by the following vote:**

**In Favor:** 8 - González , Herbold, Juarez, Lewis, Morales, Mosqueda,  
Pedersen, Sawant

**Opposed:** None

#### J. ADOPTION OF OTHER RESOLUTIONS

22. [Res 32001](#) **A RESOLUTION supporting the Uptown neighborhood and requesting that City departments and other parties use the correct name for Uptown.**

Motion was made and duly seconded to adopt Resolution 32001.

**The Motion carried, the Resolution (Res) was adopted by the following vote, and the President signed the Resolution:**

**In Favor:** 8 - González , Herbold, Juarez, Lewis, Morales, Mosqueda,  
Pedersen, Sawant

**Opposed:** None

#### K. OTHER BUSINESS

Motion was made, duly seconded and carried, to excuse Councilmember Mosqueda from the April 26, 2021 City Council meeting.

#### L. ADJOURNMENT

There being no further business to come before the Council, the meeting was adjourned at 3:47 p.m.

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**Linda Barron, Sr. Executive Assistant**

Signed by me in Open Session, upon approval of the Council, on April 26, 2021.

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**M. Lorena González, Council President of the City Council**

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**Monica Martinez Simmons, City Clerk**

**Att 1 - Action 1 of CB 120029**

**Att 2 - Action 2 of CB 120029**

Att 1 – Action 1 of CB 120029

**Amendment 1**  
**to**  
**CB 120029 – AAPI Community Investments ORD**

Amend the recitals and Section 2 of CB 120029 as follows:

WHEREAS, the racism, xenophobia, and intolerance against Asian American ~~and~~ Pacific Islander (“AAPI”) people is rooted in American history from the Chinese Exclusion Act of 1882 to prohibit the immigration of Chinese laborers; ~~to the unconscionable internment of Japanese American citizens during World War II guided by an idea that Asian Americans are “perpetual foreigners;”~~ to the murder of Vincent Chin in 1982 and subsequent failure of justice that ignited a national coalition of Asian American activists to call for an end to address anti-Asian bias and racial intolerance ~~—and importantly, propelled Asian Americans into the civil rights movement;~~ and

WHEREAS, the recent mass murders of eight people, six of them Asian American women, in Atlanta, Georgia, has highlighted the violent, racist anti-Asian American sentiment that has been surging in our country; and

WHEREAS, inflammatory and racist rhetoric during the COVID-19 pandemic across the country has stoked unfounded fears and perpetuated stigma about Asian Americans, specifically Chinese Americans, and ~~have~~ has contributed to increasing rates of bullying, harassment, and hate crimes against AAPI persons; and

WHEREAS, since the start of the pandemic, there has been a frightening increase in violence and discrimination ~~in cities across the country~~ against members of the AAPI community in cities across the country, including Seattle’s Chinatown-International District, where

an alarming random act of violence occurred against a Japanese American teacher who was out walking and shopping; and

WHEREAS, elder Asian-Americans have been targeted by violent assaults and robberies, some of them fatal in other West Coast cities; and

WHEREAS, the Center for the Study of Hate and Extremism at California State University, San Bernardino, has reported that anti-Asian hate crime in 16 of America's largest cities increased 149 percent in 2020 based on an analysis of official preliminary police data, with the first spike occurring in March and April amidst a rise in COVID cases and negative stereotyping of Asians relating to the pandemic; and

WHEREAS, the impact of the pandemic on the AAPI community in ~~the City of~~ Seattle is particularly profound. Beyond the pandemic's effect on public health, economic growth, education, medical services, food supply, and international relations, the AAPI community has been blamed for the pandemic and has been the target of hate and violence; and

WHEREAS, the national Pew Research Center has reported that 40 percent of U.S. adults believe "it has become more common for people to express racist views toward Asians since the pandemic began"; and

WHEREAS, according to a report issued by the organization Stop AAPI Hate, it ~~has~~ received a staggering 3,795 reports of anti-Asian hate incidents ~~over a~~ between March 19, 2020 ~~to and~~ February 28, 2021 ~~period~~; and

WHEREAS, the FBI has reported more than 2,500 reports of anti-Asian hate incidents related to COVID-19 between March and September 2020 across the U.S., and this number

understates the actual number of anti-Asian hate incidents because most incidents are not reported; and

WHEREAS, ~~often~~ mistrust of government and law enforcement among AAPI communities often leads to underreporting of hate crimes due to the belief that reporting a hate crime will not address the underlying bias and racially-motivated crimes; and

WHEREAS, The City of Seattle supports inclusion and belonging for people of all races, ethnicities, genders, and national origins. The City condemns and combats racism, xenophobia, violence, and hate crimes against AAPI persons and will take measures to ensure that all persons are treated with dignity, equity, and respect – no matter their race, ethnicity, primary language, country of origin, religious beliefs, gender, or background; and

WHEREAS, the Executive’s outreach and engagement with the AAPI community in Seattle has identified investments in community safety and wellness to provide bystander training, public awareness campaign and direct funding for community organizations to add additional capacity for services that include: mental health support, counseling, trauma response and care, and advocacy; community-based grants informed by community in areas that have been identified as gaps; mini-grants to youth led organizations to focus on youth support; and, ~~small business grants directed to those businesses that have had a direct impact and crime prevention support~~ small grants to businesses to support crime prevention efforts; NOW, THEREFORE,

\* \* \*

Section 2. This ordinance imposes three provisos, as follows:

“Of the appropriations in the 2021 budget for the Civil Rights Budget Summary Level (BO-CR-X1R00) in the Office for Civil Rights, ~~\$50,000~~\$100,000 is appropriated solely for contracts with community-based organizations to support the Coalition Against Hate and Bias and may be spent for no other purpose.”

“Of the appropriations in the 2021 budget for the K-12 Programs Budget Summary Level (BO-EE-IL200) in the Department of Education and Early Learning, \$100,000 is appropriated solely for mini-grants to youth-led groups and clubs for special projects focused on issues of racism, discrimination, and bias and may be spent for no other purpose.”

“Of the appropriations in the 2021 budget for the Criminal Investigations Budget Summary Level (BO-SP-P7000) in the Seattle Police Department, \$150,000 is appropriated solely for a Bias Crimes Prevention Coordinator(s) and may be spent for no other purpose.”

**Effect:** This amendment would reflect the activity of a national coalition of activists who were protesting anti-Asian bias; make technical changes to the recitals; and change the proviso imposed on funding in the Office for Civil Rights from \$50,000 to \$100,000 to account for both the existing and the new funds added to the office.



Att 2 – Action 2 of CB 120029

**Amendment 2**  
**to**  
**CB 120029 – AAPI Community Investments ORD**

Amend Sections 1 and 2 of CB 120029 as follows:

Section 1. In order to pay for necessary costs and expenses incurred or to be incurred in 2021, but for which insufficient appropriations were made due to causes that could not reasonably have been foreseen at the time of the making of the 2021 Budget, appropriation for the following items in the 2021 Budget are increased from the funds shown, as follows:

<b>Item</b>	<b>Fund</b>	<b>Department</b>	<b>Budget Summary Level</b>	<b>Amount</b>
1.1	General Fund (00100)	Executive (Office of the Employee Ombud)	Office of Employee Ombud (BO-EM-V10MB)	\$155,000
1.2	General Fund (00100)	Human Services Department	Supporting Safe Communities (BO-HS-H4000)	\$400,000
1.3	General Fund (00100)	Executive (Office for Civil Rights)	Civil Rights (BO-CR-X1R00)	\$50,000
1.4	General Fund (00100)	Executive (Office of Economic Development)	Business Services (BO-ED-X1D00)	\$100,000
<u>1.5</u>	<u>General Fund (00100)</u>	<u>Department of Neighborhoods</u>	<u>Community Building (BO-DN-I3300)</u>	<u>\$150,000</u>
<b>Total</b>				<b>\$705,000</b> <b>\$855,000</b>

Section 2. This ordinance imposes three provisos, as follows:

“Of the appropriations in the 2021 budget for the Civil Rights Budget Summary Level (BO-CR-X1R00) in the Office for Civil Rights, \$50,000 is appropriated solely for contracts with community-based organizations to support the Coalition Against Hate and Bias and may be spent for no other purpose.”

“Of the appropriations in the 2021 budget for the K-12 Programs Budget Summary Level (BO-EE-IL200) in the Department of Education and Early Learning, \$100,000 is appropriated solely for mini-grants to youth-led groups and clubs for special projects focused on issues of racism, discrimination, and bias and may be spent for no other purpose.”

~~“Of the appropriations in the 2021 budget for the Criminal Investigations Budget Summary Level (BO-SP-P7000) in the Seattle Police Department, \$150,000 is appropriated solely for a Bias Crimes Prevention Coordinator(s) and may be spent for no other purpose.”~~

“Of the appropriations in the 2021 budget for the Community Building Budget Summary Level (BO-DN-I3300) in the Department of Neighborhoods, \$150,000 is appropriated solely to fund a position in a community-based organization to act as a public safety coordinator for the Chinatown-International District and may be spent for no other purpose.”

**Effect:** This amendment would: remove the proviso on \$150,000 of existing funds in the police department; add \$150,000 to the Department of Neighborhoods budget; and imposes a proviso. The proviso would restrict the \$150,000 in DON’s budget for a contract with a community-based organization who will hire a public safety coordinator for the Chinatown-International District. This would add funding to expand DON’s contract with the Seattle Chinatown-International District Preservation and Development Authority (SCIDpda) for a second public safety coordinator.



Legislation Text

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**File #:** Min 329, **Version:** 1

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April 19, 2021

# SEATTLE CITY COUNCIL

600 Fourth Ave. 2nd Floor  
Seattle, WA 98104



## Journal of the Proceedings of the Seattle City Council

Monday, April 19, 2021

2:00 PM

Remote Meeting. Call 253-215-8782; Meeting ID: 586 416 9164; or  
Seattle Channel online.

### City Council

*M. Lorena González, President*

*Lisa Herbold, Member*

*Debora Juarez, Member*

*Andrew J. Lewis, Member*

*Tammy J. Morales, Member*

*Teresa Mosqueda, Member*

*Alex Pedersen, Member*

*Kshama Sawant, Member*

*Dan Strauss, Member*

Chair Info: 206-684-8809; [Lorena.González@seattle.gov](mailto:Lorena.González@seattle.gov)

*In-person attendance is currently prohibited per Washington State Governor's Proclamation 20-28.15, until the COVID-19 State of Emergency is terminated or Proclamation 20-28 is rescinded by the Governor or State legislature. Meeting participation is limited to access by telephone conference line and online by the Seattle Channel.*

#### **A. CALL TO ORDER**

The City Council of The City of Seattle met remotely pursuant to Washington State Governor's Proclamation 20-28.15, and guidance provided by the Attorney General's Office, on April 19, 2021, pursuant to the provisions of the City Charter. The meeting was called to order at 2:00 p.m., with Council President González presiding.

#### **B. ROLL CALL**

**Present:** 7 - González , Juarez, Lewis, Morales, Mosqueda, Pedersen, Sawant

**Excused:** 1 - Strauss

**Late Arrival:** 1 - Herbold

#### **C. PRESENTATIONS**

*Councilmember Herbold joined the meeting at 2:02 p.m.*

Councilmember González presented a Proclamation in remembrance and honor of Khoa Pham, and declaring April 21, 2021, Khoa Pham Day. By unanimous consent, the Council Rules were suspended to allow Councilmember González to present the Proclamation to Yenvy Pham, sister of Khoa Pham, and to allow her to address the Council.

#### **D. APPROVAL OF THE JOURNAL**

There were no Minutes presented for approval.

#### **E. ADOPTION OF INTRODUCTION AND REFERRAL CALENDAR**

[IRC 299](#)

**April 19, 2021**

**Motion was made, duly seconded and carried, to adopt the proposed Introduction and Referral Calendar (IRC) by the following vote:**

**In Favor:** 8 - González , Herbold, Juarez, Lewis, Morales, Mosqueda, Pedersen, Sawant

**Opposed:** None

**F. APPROVAL OF THE AGENDA**

Motion was made, duly seconded and carried, to adopt the proposed Agenda.

**G. PUBLIC COMMENT**

The following individuals addressed the Council:

Howard Gale  
Cynthia Spiess  
David Haines

**H. PAYMENT OF BILLS**

[CB 120047](#) **AN ORDINANCE appropriating money to pay certain audited claims for the week of April 5, 2021 through April 9, 2021 and ordering the payment thereof.**

Motion was made and duly seconded to pass Council Bill 120047.

**The Motion carried, the Council Bill (CB) passed by the following vote, and the President signed the Council Bill (CB):**

**In Favor:** 7 - González , Herbold, Lewis, Morales, Mosqueda, Pedersen, Sawant

**Opposed:** None

**Absent(NV):** 1 - Juarez

**I. COMMITTEE REPORTS**

**CITY COUNCIL:**

1. [CB 120034](#) **AN ORDINANCE relating to City employment; authorizing the execution of a collective bargaining agreement between The City of Seattle and PROTEC17 Strategic Advisor-Legislative Bargaining Unit to be effective January 1, 2019 to December 31, 2021; and ratifying and confirming certain prior acts.**

Motion was made and duly seconded to pass Council Bill 120034.

**The Motion carried, the Council Bill (CB) passed by the following vote, and the President signed the Council Bill (CB):**

**In Favor:** 7 - González , Herbold, Juarez, Lewis, Morales, Mosqueda, Sawant

**Opposed:** None

**Absent(NV):** 1 - Pedersen

2. [CB 120035](#) **AN ORDINANCE relating to the City Light Department; amending terms and conditions pertaining to the emergency bill assistance program and temporarily expanding access to assistance to certain eligible households for a limited time in response to the COVID-19 emergency; and amending Section 21.49.042 of the Seattle Municipal Code.**

Motion was made and duly seconded to pass Council Bill 120035.

**The Motion carried, the Council Bill (CB) passed by the following vote, and the President signed the Council Bill (CB):**

**In Favor:** 8 - González , Herbold, Juarez, Lewis, Morales, Mosqueda, Pedersen, Sawant

**Opposed:** None

3. [CB 120036](#) **AN ORDINANCE relating to Seattle Public Utilities' Emergency Assistance Program; temporarily expanding access to assistance; and amending Section 21.76.065 of the Seattle Municipal Code.**

Motion was made and duly seconded to pass Council Bill 120036.

**The Motion carried, the Council Bill (CB) passed by the following vote, and the President signed the Council Bill (CB):**

**In Favor:** 8 - González , Herbold, Juarez, Lewis, Morales, Mosqueda, Pedersen, Sawant

**Opposed:** None

**GOVERNANCE AND EDUCATION COMMITTEE:**

4. [Res 32002](#) **A RESOLUTION supporting renewal of King County’s Best Starts for Kids Levy.**

The Committee recommends that City Council adopt the Resolution (Res).

In Favor: 4 - González , Juarez, Mosqueda, Sawant

Opposed: None

The Resolution (Res) was adopted by the following vote, and the President signed the Resolution (Res):

In Favor: 8 - González , Herbold, Juarez, Lewis, Morales, Mosqueda, Pedersen, Sawant

Opposed: None

5. [Appt 01868](#) **Appointment of Zachary Pekelis Jones as member, Seattle Ethics and Elections Commission, for a term to December 31, 2022.**

The Committee recommends that City Council confirm the Appointment (Appt).

In Favor: 4 - González , Juarez, Mosqueda, Sawant

Opposed: None

The Appointment (Appt) was confirmed by the following vote:

In Favor: 8 - González , Herbold, Juarez, Lewis, Morales, Mosqueda, Pedersen, Sawant

Opposed: None

6. [Appt 01869](#) **Appointment of Kristin A. Hawes as member, Seattle Ethics and Elections Commission, for a term to December 31, 2023.**

The Committee recommends that City Council confirm the Appointment (Appt).

In Favor: 4 - González , Juarez, Mosqueda, Sawant

Opposed: None

The Appointment (Appt) was confirmed by the following vote:

In Favor: 8 - González , Herbold, Juarez, Lewis, Morales, Mosqueda, Pedersen, Sawant

Opposed: None



**PUBLIC SAFETY AND HUMAN SERVICES COMMITTEE:**

7. [Appt 01872](#) **Appointment of Katherine Seibel as member, Community Police Commission, for a term to December 31, 2021.**

**The Committee recommends that City Council confirm the Appointment (Appt).**

**In Favor: 5 - Herbold, González , Lewis, Morales, Sawant**

**Opposed: None**

**The Appointment (Appt) was confirmed by the following vote:**

**In Favor: 8 - González , Herbold, Juarez, Lewis, Morales, Mosqueda, Pedersen, Sawant**

**Opposed: None**

8. [Appt 01873](#) **Appointment of Le'Jayah A. Washington as member, Community Police Commission, for a term to December 31, 2021.**

**The Committee recommends that City Council confirm the Appointment (Appt).**

**In Favor: 5 - Herbold, González , Lewis, Morales, Sawant**

**Opposed: None**

**The Appointment (Appt) was confirmed by the following vote:**

**In Favor: 8 - González , Herbold, Juarez, Lewis, Morales, Mosqueda, Pedersen, Sawant**

**Opposed: None**

**TRANSPORTATION AND UTILITIES COMMITTEE:**

9. [CB 120024](#) **AN ORDINANCE relating to surveillance technology implementation; authorizing approval of uses and accepting the surveillance impact report for the Seattle Police Department's use of 911 Logging Recorder technology.**

**The Committee recommends that City Council pass as amended the Council Bill (CB).**

**In Favor: 4 - Pedersen, González , Herbold, Morales**

**Opposed: None**

ACTION 1:

Motion was made by Councilmember Herbold, duly seconded and carried, to amend Council Bill 120024, by adding a sixth recital as shown in the underlined and strike through language below:

WHEREAS, development of the SIR and review by the Working Group have been completed ~~NOW, THEREFORE, ; and~~

WHEREAS, Ordinance 126233 created a new Community Safety and Communications Center to include, effective the earlier of June 1, 2021 or 30 days after the Executive receives the Originating Agency Identifier (ORI), the 9-1-1 dispatch center currently housed within SPD and the SIR will need to be updated to reflect the new organizational structure;  
NOW, THEREFORE,

ACTION 2:

Motion was made and duly seconded to pass Council Bill 120024 as amended.

**The Motion carried, the Council Bill (CB) passed as amended by the following vote, and the President signed the Council Bill (CB):**

**In Favor:** 8 - González , Herbold, Juarez, Lewis, Morales, Mosqueda, Pedersen, Sawant

**Opposed:** None

10. [CB 120025](#) **AN ORDINANCE relating to surveillance technology implementation; authorizing approval of uses and accepting the surveillance impact report for the Seattle Police Department's use of Automated License Plate Reader technology.**

**The Committee recommends that City Council pass as amended the Council Bill (CB).**

**In Favor: 4 - Pedersen, González , Herbold, Morales**

**Opposed: None**

**ACTION 1**

Motion was made by Councilmember Herbold, duly seconded and carried, to amend Council Bill 120025, Section 3, as shown in the underlined and strike through language below:

Section 3. The Council requests the Seattle Police Department to report no later than the end of the third quarter of 2021 on the feasibility of retaining records of non-case specific Automated License Plate Reader data for no more than ~~seven days~~ 48 hours.

**ACTION 2:**

Motion was made and duly seconded to pass Council Bill 120025 as amended.

**The Motion carried, the Council Bill (CB) passed as amended by the following vote, and the President signed the Council Bill (CB):**

**In Favor:** 7 - González , Herbold, Juarez, Lewis, Morales, Mosqueda, Pedersen

**Opposed:** 1 - Sawant

11. [CB 120026](#) **AN ORDINANCE relating to surveillance technology implementation; authorizing approval of uses and accepting surveillance impact reports for the Seattle Police Department's use of Parking Enforcement Systems including Automated License Plate Reader technology.**

The Committee recommends that City Council pass as amended the Council Bill (CB).

In Favor: 4 - Pedersen, González , Herbold, Morales

Opposed: None

The Council Bill (CB) was passed by the following vote, and the President signed the Council Bill (CB):

In Favor: 7 - González , Herbold, Juarez, Lewis, Morales, Mosqueda, Pedersen

Opposed: 1 - Sawant

12. [CB 120027](#) **AN ORDINANCE relating to surveillance technology implementation; authorizing approval of uses and accepting the surveillance impact report for the Seattle Police Department's use of Computer-Aided Dispatch technology.**

The Committee recommends that City Council pass as amended the Council Bill (CB).

In Favor: 4 - Pedersen, González , Herbold, Morales

Opposed: None

The Council Bill (CB) was passed by the following vote, and the President signed the Council Bill (CB):

In Favor: 8 - González , Herbold, Juarez, Lewis, Morales, Mosqueda, Pedersen, Sawant

Opposed: None

13.     [CB 120028](#)    **AN ORDINANCE relating to surveillance technology implementation; authorizing approval of uses and accepting the surveillance impact report for the Seattle Police Department’s use of the CopLogic technology.**

**The Committee recommends that City Council pass as amended the Council Bill (CB).**

**In Favor: 4 - Pedersen, González , Herbold, Morales**

**Opposed: None**

**The Council Bill (CB) was passed by the following vote, and the President signed the Council Bill (CB):**

**In Favor: 8 - González , Herbold, Juarez, Lewis, Morales, Mosqueda, Pedersen, Sawant**

**Opposed: None**

**J. ADOPTION OF OTHER RESOLUTIONS**

There were none.

**K. OTHER BUSINESS**

There was none

**L. ADJOURNMENT**

There being no further business to come before the Council, the meeting was adjourned at 3:09 p.m.

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**Linda Barron, Sr. Executive Assistant**

Signed by me in Open Session, upon approval of the Council, on April 26, 2021.

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**M. Lorena González, Council President of the City Council**

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**Monica Martinez Simmons, City Clerk**



Legislation Text

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**File #:** IRC 300, **Version:** 1

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April 26, 2021



## Introduction and Referral Calendar

List of proposed Council Bills (CB), Resolutions (Res), Appointments (Appt) and Clerk Files (CF) to be introduced and referred to a City Council committee

Record No.	Title	Committee Referral
<b><u>By: Mosqueda</u></b>		
1. <a href="#">CB 120049</a>	AN ORDINANCE appropriating money to pay certain audited claims for the week of April 12, 2021 through April 16, 2021 and ordering the payment thereof.	City Council
<b><u>By: González</u></b>		
2. <a href="#">Res 32003</a>	A RESOLUTION retiring introduced and referred Council Bills, Resolutions, Clerk Files, and Appointments that have received no further action.	City Council
<b><u>By: Sawant</u></b>		
3. <a href="#">Res 32004</a>	A RESOLUTION prioritizing people over the profits of pharmaceutical companies; supporting the production of COVID-19 vaccine around the world; urging President Biden to end U.S. opposition to the Waiver from Certain Provisions of the Trade-Related Aspects of Intellectual Property Rights (TRIPS) Agreement for the Prevention, Containment and Treatment of COVID-19 at the World Trade Organization (WTO).	City Council
<b><u>By: No Sponsor Required</u></b>		
4. <a href="#">CF 314474</a>	Application of Acer House, LLC for a contract rezone of a 19,343 square foot site located at 701 23rd Avenue from Neighborhood Commercial 1-40 with an MHA suffix (NC1-40 (M)) and partially with an MHA 2 suffix (NC1-40 (M2)) to Neighborhood Commercial 1-55 (NC1-55 (M)) and NC1-55 (M2)) (Project No. 3037717-EG; Type IV).	Land Use and Neighborhoods Committee
<b><u>By: Juarez</u></b>		
5. <a href="#">CB 120048</a>	AN ORDINANCE relating to the City-owned real property known as the Red Barn Ranch and to the future North Rainier Park; authorizing the Superintendent of Parks and Recreation to execute documents removing recreational covenants from the Red Barn Ranch; and placing a restrictive covenant onto the North Rainier landbanked development property.	Public Assets and Native Communities Committee



**By: Juarez**

6. [CB 120050](#) AN ORDINANCE relating to Seattle Parks and Recreation; authorizing the Superintendent of Parks and Recreation to execute, for and on behalf of the City, a Use, Occupancy and Maintenance Agreement with Southwest Youth and Family Services to provide family support center programs consistent with Seattle Parks and Recreation purposes.
- Public Assets and Native Communities Committee

**By: Juarez**

7. [CB 120051](#) AN ORDINANCE relating to public assets, land use, and zoning; establishing regulations for the Center Campus Subarea within the sign overlay district for the Seattle Center; amending Section 23.55.054 of, and adding a new Section 23.55.062 to, the Seattle Municipal Code.
- Public Assets and Native Communities Committee

**By: Sawant**

8. [CB 120056](#) AN ORDINANCE related to termination of residential tenancies; extending just cause protections to rental agreement renewals or extensions; providing a defense to eviction when a landlord violates the duty to renew or extend a tenancy except for a just cause; and amending Section 22.206.160 of the Seattle Municipal Code.
- Sustainability and Renters' Rights Committee

**By: Morales, Lewis**

9. [CB 120057](#) AN ORDINANCE relating to the renewal or continuation of residential rental tenancies; requiring a landlord have just cause for refusing to renew or continue a rental agreement for a specified time; and amending Sections 7.24.030 and 22.206.160 of the Seattle Municipal Code.
- Sustainability and Renters' Rights Committee

**By: Pedersen**

10. [CB 120052](#) AN ORDINANCE relating to the City Light Department; authorizing the General Manager and Chief Executive Officer of City Light to execute an Interlocal Agreement with Skagit County for the transfer of real property from Skagit County to The City of Seattle, to execute conveyance documents and agreements deemed necessary for the transfer of the property on behalf of The City of Seattle, and to accept a Quit Claim Deed from Skagit County for such property; and placing the conveyed property under the jurisdiction of City Light as part of its Endangered Species Act Land Program.
- Transportation and Utilities Committee

**By: Pedersen**

11. [CB 120053](#) AN ORDINANCE relating to surveillance technology implementation; authorizing approval of uses and accepting the 2020 surveillance impact report and 2020 executive overview for the Seattle Police Department's use of Forward Looking Infrared Real-Time Video.
- Transportation and Utilities Committee

**By: Pedersen**

12. [CB 120054](#) AN ORDINANCE relating to surveillance technology implementation; authorizing approval of uses and accepting the 2020 surveillance impact report and 2020 executive overview for the Seattle Police Department's use of Situational Awareness Cameras Without Recording. Transportation and Utilities Committee

**By: Pedersen**

13. [CB 120055](#) AN ORDINANCE relating to surveillance technology implementation; authorizing approval of uses and accepting the 2020 surveillance impact report and 2020 executive overview for the Seattle Police Department's use of Video Recording Systems. Transportation and Utilities Committee



Legislation Text

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**File #: CB 120049, Version: 1**

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**CITY OF SEATTLE**

**ORDINANCE \_\_\_\_\_**

**COUNCIL BILL \_\_\_\_\_**

AN ORDINANCE appropriating money to pay certain audited claims for the week of April 12, 2021 through April 16, 2021 and ordering the payment thereof.

**BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

Section 1. Payment of the sum of \$10,605,331.26 on PeopleSoft 9.2 mechanical warrants numbered 4100451368 - 4100453249 plus manual or cancellation issues for claims, E-Payables of \$99,097.25 on PeopleSoft 9.2 9100008970 - 9100009031 and Electronic Financial Transactions (EFT) in the amount of \$50,720,066.98 are presented for ratification by the City Council per RCW 42.24.180.

Section 2. Payment of the sum of \$50,315,055.23 on City General Salary Fund mechanical warrants numbered 51345047- 51345538 plus manual warrants, agencies warrants, and direct deposits numbered 160001 - 162674 representing Gross Payrolls for payroll ending date April 13, 2021 as detailed in the Payroll Summary Report for claims against the City which were audited by the Auditing Committee and reported by said committee to the City Council April 22, 2021 consistent with appropriations heretofore made for such purpose from the appropriate Funds, is hereby approved.

Section 3. Any act consistent with the authority of this ordinance taken prior to its effective date is hereby ratified and confirmed.

Section 4. This ordinance shall take effect and be in force 30 days after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.

Passed by the City Council the 26<sup>th</sup> day of April 2021, and signed by me in open session in authentication of its passage this 26th day of April 2021.

\_\_\_\_\_  
President \_\_\_\_\_ of the City Council

Approved / returned unsigned / vetoed this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
Jenny A. Durkan, Mayor

Filed by me this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
Monica Martinez Simmons, City Clerk

(Seal)



Legislation Text

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**File #:** CB 120041, **Version:** 1

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**CITY OF SEATTLE**

**ORDINANCE \_\_\_\_\_**

**COUNCIL BILL \_\_\_\_\_**

AN ORDINANCE relating to the 2021 Budget; amending Ordinance 126237, which adopted the 2021 Budget; changing appropriations to various departments; creating positions exempt from civil service; and ratifying and confirming certain prior acts; all by a 3/4 vote of the City Council.

WHEREAS, the World Health Organization (WHO) has declared that COVID-19 disease is a global pandemic, which is particularly severe in high risk populations such as people with underlying medical conditions and the elderly, and the WHO has raised the health emergency to the highest level requiring dramatic interventions to disrupt the spread of this disease; and

WHEREAS, on February 29, 2020, Governor Jay Inslee declared a statewide state of emergency in response to outbreaks of the COVID-19 disease in Washington; and

WHEREAS, in response to outbreaks of the COVID-19 disease in Seattle, Mayor Jenny Durkan proclaimed a civil emergency exists in the City of Seattle in the Mayoral Proclamation of Civil Emergency dated March 3, 2020, modified by the City Council through Resolution 31937; and

WHEREAS, on March 23, 2020, the Governor issued a “Stay Home, Stay Healthy” order, which, combined with other measures taken to prevent the transmission of COVID-19, effectively closed many businesses in the state of Washington; and

WHEREAS, many people in Seattle continue to struggle with the impacts of the COVID-19 public health emergency and the measures taken to prevent its spread, including unemployment, housing insecurity, food insecurity; and

WHEREAS, local companies have reported laying off employees, experiencing substantial revenue losses,

dealing with lost business due to fear and stigma, and seeing major declines in foot traffic as tens of thousands of employees are being asked to work from home; and

WHEREAS, these impacts are being felt across all industry sectors, including retail, restaurant, hospitality, transportation, logistics, arts, and culture; and

WHEREAS, many of the impacts of the COVID-19 pandemic and resulting economic downturn are being felt disproportionately by our communities of color; and

WHEREAS, the COVID-19 pandemic requires additional efforts to protect and address the needs of people experiencing homelessness, including expanding and de-intensifying emergency shelter, increasing access to hygiene services and increasing the provision of meals; and

WHEREAS, a number of City departments have implemented immediate assistance for affected local small businesses and displaced workers; and

WHEREAS, the federal CARES Act was adopted on March 27, 2020 and contained approximately \$131.5 million of Coronavirus Relief Fund that was distributed directly to the City to respond to the public health emergency, and responses to the secondary effects of the emergency such as expanded shelter, food procurement and distributions, and economic support to those suffering from employment or business interruptions; and

WHEREAS, the City appropriated those Coronavirus Relief Fund funds in 2020, although not all of those funds were spent, making them available to support continued relief in 2021; and

WHEREAS, the Mayor and City Council wish to reappropriate these funds in 2021 to continue to support the people of Seattle during the ongoing COVID-19 public health emergency and resulting economic downturn; NOW, THEREFORE,

**BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

Section 1. In order to pay for necessary costs and expenses in 2021, but for which insufficient appropriations were made due to causes that could not reasonably have been foreseen at the time of the making

of the 2021 Budget, appropriations for the following items in the 2021 Budget are increased from the funds shown, as follows:

<b>Item</b>	<b>Department</b>	<b>Fund</b>	<b>Budget Summary Level/ BCL Code</b>	<b>Amount</b>
1.1	Department of Education and Early Learning	General Fund (00100)	Early Learning (BO-EE-IL100)	\$600,000
1.2	Executive (Office of Sustainability and Environment)	General Fund (00100)	Office of Sustainability and Environment (BO-SE-X1000)	\$100,000
1.3	Human Services Department	General Fund (00100)	Supporting Affordability and Livability (BO-HS-H1000)	\$2,120,000
1.4	Executive (Office of Sustainability and Environment)	General Fund (00100)	Office of Sustainability and Environment (BO-SE-X1000)	\$1,141,600
1.5	Executive (Office of Immigrant and Refugee Affairs)	General Fund (00100)	Office of Immigrant and Refugee Affairs (BO-IA-X1N00)	\$1,317,000
1.6	Department of Neighborhoods	General Fund (00100)	Community Building (BO-DN-I3300)	\$183,000
1.7	Human Services Department	General Fund (00100)	Supporting Affordability and Livability (BO-HS-H1000)	\$1,663,200
1.8	Human Services Department	General Fund (00100)	Supporting Affordability and Livability (BO-HS-H1000)	\$3,734,800
1.9	Seattle Department of Transportation (SDOT)	General Fund (00100)	Maintenance Operations (BO-TR-17005)	\$2,500,000
1.10	Seattle Parks & Recreation (SPR)	General Fund (00100)	Parks and Facilities Maintenance and Repairs (BO-PR-10000)	\$2,900,000
1.11	Executive (City Budget Office)	General Fund (00100)	City Budget Office (BO-CB-CZ000)	\$290,320

1.12	Department of Finance and Administrative Services	Finance and Administrative Services Fund (50300)	Facilities Services (BO-FA-FACILITY)	\$234,213
1.13	Executive (Office of Emergency Management)	General Fund (00100)	Office of Emergency Management (BO-EP-10000)	\$274,255
1.14	Seattle Public Utilities (SPU)	General Fund (00100)	Utility Service and Operations (BO-SU-N200B)	\$100,000
1.15	Seattle Public Utilities (SPU)	General Fund (00100)	Utility Service and Operations (BO-SU-N200B)	\$320,000
<b>Total</b>				<b>\$17,478,388</b>

Section 2. The following new positions, which are exempt from Civil Service and Public Safety Civil Service rules and laws, are created in the department listed below:

Department	Position Title	Position Status	Number
Executive (City Budget Office)	Strategic Advisor 2	Full-time	3.0

The Director of the department listed above is authorized to fill these position subject Seattle Municipal Code Title 4, the City’s Personnel Rules, and applicable employment laws. It is the intent of the Council and Mayor that these positions will be abrogated on December 31, 2024.

Section 3. Any act consistent with the authority of this ordinance taken after its passage and prior to its effective date is ratified and confirmed.

Section 4. This ordinance shall take effect and be in force 30 days after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.

Passed by a 3/4 vote of all the members of the City Council the \_\_\_\_\_ day of



\_\_\_\_\_, 2021, and signed by me in open session in authentication of its passage this  
\_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
President \_\_\_\_\_ of the City Council

Approved / returned unsigned / vetoed this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
Jenny A. Durkan, Mayor

Filed by me this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
Monica Martinez Simmons, City Clerk

(Seal)

**SUMMARY and FISCAL NOTE\***

<b>Department:</b>	<b>Dept. Contact/Phone:</b>	<b>CBO Contact/Phone:</b>
LEG	Aly Pennucci / 4-8148	Julie Dingley / 4-5523

*\* Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

**1. BILL SUMMARY**

**Legislation Title:** AN ORDINANCE relating to the 2021 Budget; amending Ordinance 126237, which adopted the 2021 Budget; changing appropriations to various departments; creating positions exempt from civil service; and ratifying and confirming certain prior acts; all by a 3/4 vote of the City Council.

**Summary and background of the Legislation:** The federal CARES Act was adopted on March 27, 2020 and contained approximately \$131.5 million in direct funding to the City of Seattle to support the City’s response to the COVID-19 public health emergency and resulting economic downturn. Those funds were accepted and appropriated in August 2020 via Ordinance 126130.

City departments used these relief funds to provide direct support to the people of Seattle in a number of ways, including food vouchers, rental assistance, small business relief, assistance to immigrant and refugee families, and emergency child care. The funds were also used to change City operations for things like the Stay Healthy Street program, making City facilities safe for employees and visitors, and providing free COVID-19 testing to the public.

At the conclusion of 2020, approximately \$18 million of the City’s \$131.5 million in Coronavirus Relief Funds remained unspent. This legislation reappropriates those funds in 2021 for continued support to the people of Seattle, including:

- \$600,000 in the Department of Education and Early Learning (DEEL) for the City’s childcare operator stabilization grant fund. These funds will enable the grant fund to cover unfunded operators who either served a child on state or local subsidy within the last 12 months or operated in a priority geographical area as defined by the City RSJI Equity Index.
- \$100,000 in the Office of Sustainability and Environment (OSE) to close out the existing Emergency Grocery Voucher program.
- \$2.12 million in the Human Services Department (HSD) for support to community food banks, ensuring existing food bank contracts will be funded through the end of 2021.
- \$1.14 million in OSE to continue the School Produce Bags program.
- \$1.32 million in the Office of Immigrant and Refugee Affairs (OIRA) for COVID-19 vaccine outreach to underserved communities to promote more equitable vaccination rates. (There is a related item below for the Department of Neighborhoods for this purpose.)
- \$183,000 in the Department of Neighborhoods (DON) for COVID-19 vaccine outreach to underserved communities to promote more equitable vaccination rates. (There is a related item above for the Office of Immigrant and Refugee Affairs for this purpose.)

- \$1.66 million in HSD to continue providing meals to people in shelters.
- \$3.73 million in HSD to continue providing meals for people in permanent supportive housing and shelter hotel programs.
- \$2.5 million in the Seattle Department of Transportation (SDOT) to extend funding for the Clean City Initiative through 2021 by continuing the investment to clean up litter and garbage across the city. (The Clean City Initiative pulls together and expands efforts from Seattle Public Utilities (SPU), Seattle Parks and Recreation (SPR), Office of Economic Development, and SDOT to address the backlog in maintenance.)
- \$2.9 million in SPR to extend funding for the Clean City Initiative through 2021 by continuing the investment to clean up litter and garbage across the city. (There are related items above for SDOT and below for SPU.)
- \$290,320 in the City Budget Office to support three sunsetting positions to manage federal funding source implementation, including problem identification, solution development, internal and external liaising, budgeting, reporting, and tracking.
- \$234,213 in FAS for three temporary positions to support internal project management and accounting staffing related to tracking, correcting, documenting, and reporting City expenditures for FEMA and other federal funds.
- \$274,255 in the Office of Emergency Management for three temporary positions to assist with coordination of recovery efforts related to the COVID-19 pandemic.
- \$100,000 in SPU to extend funding for the Clean City Initiative through 2021 by continuing the investment to clean up litter and garbage across the city. (There are related items above for SDOT and SPR.)
- \$320,000 in SPU to extend funding for the Clean City Initiative through 2021 by continuing the investment in graffiti abatement, expanded access for needle disposal, and expanded litter abatement routes. (There are related items above for SDOT and SPR.)

**2. CAPITAL IMPROVEMENT PROGRAM**

Does this legislation create, fund, or amend a CIP Project? \_\_\_ Yes  X  No

**3. SUMMARY OF FINANCIAL IMPLICATIONS**

Does this legislation amend the Adopted Budget?  X  Yes \_\_\_ No

Appropriation change (\$):	General Fund \$		Other \$	
	2021	2022	2021	2022
	\$17,244,175		\$234,213	
Estimated revenue change (\$):	Revenue to General Fund		Revenue to Other Funds	
	2021	2022	2021	2022
Positions affected:	No. of Positions		Total FTE Change	
	2021	2022	2021	2022
	3		3.0	

**Does the legislation have other financial impacts to the City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?**

Strategic use of Coronavirus Relief Funds will allow Seattle to rebound and recover from the COVID-19 pandemic and resulting economic downturn. This is likely to result in higher City tax revenues than if these funds are not accepted and appropriated.

**Is there financial cost or other impacts of *not* implementing the legislation?**

No.

**3.a. Appropriations**

**X This legislation adds, changes, or deletes appropriations.**

Fund Name and number	Dept	Budget Control Level Name/#*	2021 Appropriation Change	2022 Estimated Appropriation Change
General Fund (00100)	DEEL	Early Learning (BO-EE-IL100)	\$600,000	
General Fund (00100)	OSE	Office of Sustainability and Environment (BO-SE-X1000)	\$100,000	
General Fund (00100)	HSD	Supporting Affordability and Livability (BO-HS-H1000)	\$2,120,000	
General Fund (00100)	OSE	Office of Sustainability and Environment (BO-SE-X1000)	\$1,141,600	
General Fund (00100)	OIRA	Office of Immigrant and Refugee Affairs (BO-IA-X1N00)	\$1,317,000	
General Fund (00100)	DON	Community Building (BO-DN-I3300)	\$183,000	
General Fund (00100)	HSD	Supporting Affordability and Livability (BO-HS-H1000)	\$1,663,200	
General Fund (00100)	HSD	Supporting Affordability and Livability (BO-HS-H1000)	\$3,734,800	

General Fund (00100)	SDOT	Maintenance Operations (BO-TR-17005)	\$2,500,000	
General Fund (00100)	SPR	Parks and Facilities Maintenance and Repairs (BO-PR-10000)	\$2,900,000	
General Fund (00100)	CBO	City Budget Office (BO-CB-CZ000)	\$290,320	
Finance and Administrative Services Fund (50300)	FAS	Facilities Services (BO-FA-FACILITY)	\$234,213	
General Fund (00100)	OEM	Office of Emergency Management (BO-EP-10000)	\$274,255	
General Fund (00100)	SPU	Utility Service and Operations (BO-SU-N200B)	\$100,000	
General Fund (00100)	SPU	Utility Service and Operations (BO-SU-N200B)	\$320,000	
<b>TOTAL</b>			<b>\$17,478,388</b>	

\*See budget book to obtain the appropriate Budget Control Level for your department.

**Is this change one-time or ongoing?**

One-time.

**3.b. Revenues/Reimbursements**

     This legislation adds, changes, or deletes revenues or reimbursements.

**3.c. Positions**

  X   This legislation adds, changes, or deletes positions.

**Total Regular Positions Created, Modified, or Abrogated through this Legislation, Including FTE Impact:**

Position # for Existing Positions	Position Title & Department*	Fund Name & #	Program & BCL	PT/FT	2021 Positions	2021 FTE	Does it sunset? (If yes, explain below in Position Notes)
	Strategic Advisor 2, Exempt (CBO)	General Fund (00100)	City Budget Office (BO-	FT	3	3.0	Yes

			CB- CZ000)				
<b>TOTAL</b>					<b>3</b>	<b>3.0</b>	

\* List each position separately

This table should only reflect the actual number of positions created by this legislation. In the event that positions have been, or will be, created as a result of previous or future legislation or budget actions, please provide details in the Notes section below.

**Position Notes:** The intent is that these positions will sunset at the end of 2024.

**4. OTHER IMPLICATIONS**

**a. Does this legislation affect any departments besides the originating department?**

This budget bill will impact several City departments. Those departments are listed in the appropriations sections above.

**b. Is a public hearing required for this legislation?**

No.

**c. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**

No.

**d. Does this legislation affect a piece of property?**

No.

**e. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities? What is the Language Access plan for any communications to the public?**

The impacts of the COVID-19 pandemic and measures taken to combat it disproportionately impact vulnerable communities, including people experiencing homelessness and people with low incomes. This bill aids the City’s ability to mitigate the negative impacts on those communities as well as the community at large.

**f. Climate Change Implications**

**1. Emissions: Is this legislation likely to increase or decrease carbon emissions in a material way?**

No.

**2. Resiliency: Will the action(s) proposed by this legislation increase or decrease Seattle’s resiliency (or ability to adapt) to climate change in a material way? If so, explain. If it is likely to decrease resiliency in a material way, describe what will or could be done to mitigate the effects.**

No.

- g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s).**

N/A

**List attachments/exhibits below:**



Legislation Text

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File #: CB 120043, Version: 1

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CITY OF SEATTLE

ORDINANCE \_\_\_\_\_

COUNCIL BILL \_\_\_\_\_

AN ORDINANCE relating to cable television; authorizing the Mayor or the Mayor’s designee to approve the transfer of control, subject to conditions, of WaveDivision I, LLC; authorizing the Mayor or the Mayor’s designee to execute a Cable Franchise Transfer of Controlling Interest Consent Agreement for the purpose of implementing and administering the transfer; and ratifying and confirming certain prior acts.

WHEREAS, WaveDivision I, LLC, a Washington limited liability company (“Wave”), operates a cable system in Seattle under a franchise with The City of Seattle (“City”) authorized under Ordinances 125403 and 125430 (“Wave Cable Franchise”); and

WHEREAS, Wave is a wholly owned subsidiary of WaveDivision Holdings, LLC, a Delaware limited liability company (“Wave Holdings”); and

WHEREAS, Wave Holdings is wholly owned by OH WDH Holdco, LLC, a Delaware limited liability company, which is wholly owned by Wave Holdco, LLC, a Delaware limited liability company (“Wave Holdco”); and

WHEREAS, Wave Holdco is an indirect wholly owned subsidiary of Radiate Holdings, L.P. (“Radiate”); and

WHEREAS, on October 31, 2020, the current ownership of Wave (Radiate and its affiliates) entered into an Agreement and Plan of Merger with Stonepeak Associates IV, LLC, a Delaware limited liability company (“Applicant”) and certain of its affiliates (the “Merger Agreement”); and

WHEREAS, as a result of the transactions contemplated by the Merger Agreement (“Transactions”), Radiate will be an indirect wholly owned subsidiary of the Applicant; and

WHEREAS, on December 9, 2020, counsel for Radiate and the Applicant provided to the City’s Information



Technology Department an FCC Form 394 and associated exhibits (“Application”), which seeks consent to the proposed transfer of control of Wave to the Applicant; and

WHEREAS, pursuant to Section 14 of the Wave Cable Franchise, and Seattle Municipal Code (SMC) subsection 21.60.110.A, any sale or transfer of the franchise, or fundamental corporate change of or in a grantee, including, but not limited to, a fundamental corporate change in the grantee’s parent corporation or entity having a controlling interest in the grantee, the sale of a controlling interest in the grantee’s assets, a merger including the merger of a subsidiary and parent entity, consolidation, or the creation of a subsidiary or affiliate entity, requires the approval of the City; and

WHEREAS, the Transactions contemplated by the Merger Agreement constitute a transfer pursuant to SMC 21.60.110.A; and

WHEREAS, pursuant to 47 U.S.C. § 537, the City has 120 days to act upon a request for approval of a transfer after receipt of a completed application unless an agreement is reached to extend the date; and

WHEREAS, the City has received information sufficient to make a determination regarding the Application; and

WHEREAS, the City has determined that the proposed transfer is not contrary to public interest or federal, state, or local law; and

WHEREAS, Wave and Wave Holdings have agreed to enter into a Cable Franchise Transfer of Controlling Interest Consent Agreement (“Consent Agreement”) with the City, in substantially the form attached to this ordinance as Exhibit B, which requires them to comply with the terms of the Cable Franchise and to otherwise continue to operate the cable system in a manner that benefits the residents of the City; and

WHEREAS, Wave will continue to be the grantee under the Wave Cable Franchise and is not seeking any modification of the terms and conditions of the Wave Cable Franchise in connection with the transfer; and

WHEREAS, the Applicant has agreed to use its best efforts to comply with all provisions of the Wave Cable

Franchise and to meet or exceed all applicable and lawful federal, state, and local requirements including, but not limited to, those relating to franchise fees, customer service, and technical standards; and

WHEREAS, in its review of the Application, the City has determined that it is prudent and advisable to secure from the Applicant a corporate guaranty to ensure that, following completion of the Transactions, Wave will continue to possess the requisite financial qualifications to own, operate, and maintain the system;

NOW, THEREFORE,

**BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

Section 1. The City hereby consents to and approves the transfer of control of WaveDivision I, LLC subject to Stonepeak Associates IV, LLC (“Applicant”) delivering to the City a corporate guaranty executed by Radiate HoldCo, LLC, a Delaware limited liability company, a copy of which is attached hereto as Exhibit A.

Section 2. The Mayor, or the Mayor’s designee, is authorized to execute the Cable Franchise Transfer of Controlling Interest Consent Agreement (“Consent Agreement”) in substantially the form attached to this ordinance as Exhibit B, and to take such further action as may be necessary to implement the Consent Agreement.

Section 3. If the transaction or transactions that are the subjects of this ordinance do not close for any reason; or if such transaction or transactions close on terms substantially or materially different from the terms described in the FCC Form 394 provided to the City’s Information Technology Department on December 9, 2020; or if Wave and Wave Holdings do not accept and comply with each and every condition of the transfer of control required of them respectively as set forth in the Consent Agreement; then the consent provided for in Section 1 of this ordinance shall be null and void, and the City shall be deemed to have disapproved the transfer under the Wave Cable Franchise and federal law, and all remedies under the Wave Cable Franchise and the law shall be available to the City.

Section 4. Within ten days of the Mayor’s signature of this ordinance, Wave shall file with the City

Clerk a fully executed Consent Agreement, substantially in the same form as Exhibit B to this ordinance, and shall send a copy of the same to City's Office of Cable Communications.

Section 5. Any act consistent with the authority of this ordinance taken after its passage and prior to its effective date is ratified and confirmed.

Section 6. This ordinance shall take effect and be in force 30 days after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.

Passed by the City Council the \_\_\_\_\_ day of \_\_\_\_\_, 2021, and signed by me in open session in authentication of its passage this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
President \_\_\_\_\_ of the City Council

Approved / returned unsigned / vetoed this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
Jenny A. Durkan, Mayor

Filed by me this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
Monica Martinez Simmons, City Clerk

(Seal)

Attachments:

Exhibit A - Corporate Guaranty

Exhibit B - Cable Franchise Transfer of Controlling Interest Consent Agreement between The City of Seattle and Wave and Wave Holdings

## CORPORATE GUARANTY

THIS AGREEMENT is made this \_\_\_\_\_ day of \_\_\_\_\_, 2021, by and among Radiate HoldCo, LLC, a Delaware limited liability company (the “Guarantor”), the City of Seattle, Washington (“City”), and WaveDivision I, LLC (“Company”).

### WITNESSETH

WHEREAS, the City has entered into Cable Television Franchises dated November 11, 2017 with the Company (hereinafter collectively the “Franchise Agreement”), pursuant to which the City has granted the Company a franchise, to construct, own, operate, and maintain a cable television system (“System”) in the City; and

WHEREAS, Guarantor is the indirect owner of the Company and has a substantial interest in the System and the conduct of the Company in complying with the Franchise Agreement and any and all amendments thereof and any agreements related thereto, which Franchise Agreement and amendments are hereby specifically referred to, incorporated herein, and made a part hereof; and

WHEREAS, the Guarantor desires to provide its unconditional guaranty to the City that Company will honor its obligations under the Franchise Agreement.

NOW, THEREFORE, in consideration of the foregoing premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Guarantor, hereby unconditionally guarantees the due and punctual payment and performance of all of the debts, liabilities and obligations of Company contained in the Franchise Agreement (“Indebtedness”).

This Agreement, unless terminated, substituted, or canceled, as provided herein, shall remain in full force and effect for the duration of the term of the Franchise Agreement, except as expressly provided otherwise in the Franchise Agreement.

Upon substitution of another guarantor reasonably satisfactory to the City, this Agreement may be terminated, substituted, or canceled upon thirty (30) days prior written notice from the Guarantor to the City and the Company.

Such termination shall not affect liability incurred or accrued under this Agreement prior to the effective date of such termination or cancellation.

The Guarantor will not exercise or enforce any right of contribution, reimbursement, recourse or subrogation available to the Guarantor against the Company or any other person liable for payment of the Indebtedness any collateral security therefor, unless and until all the Indebtedness shall have been fully paid and discharged.

The Guarantor will pay or reimburse the City for all reasonable out of pocket costs and expenses (including reasonable attorneys’ fees and legal expenses) incurred by the City in

connection with the protection, defense or enforcement of this guaranty in any arbitration, litigation or bankruptcy or insolvency proceedings.

Whether or not any existing relationship between a Guarantor and the Company has been changed or ended and whether or not this guaranty has been revoked, the City may, but shall not be obligated to, enter into transactions resulting in the creation or continuance of Indebtedness, without any consent or approval by the Guarantor and without any notice to the Guarantor. The liability of the Guarantor shall not be affected or impaired by any of the following acts or things (which the City is expressly authorized to do, omit or suffer from time to time, without notice to or approval by the Guarantor): (i) any acceptance of collateral security, guarantors, accommodation parties or sureties for any or all Indebtedness; (ii) any one or more extensions or renewals of Indebtedness (whether or not for longer than the original period) or any modification of the interest rates, maturities or other contractual terms applicable to any Indebtedness; (iii) any waiver or indulgence granted to the Company, any delay or lack of diligence in the enforcement of any Indebtedness, or any failure to institute proceedings, file a claim, give any required notices or otherwise protect any Indebtedness; (iv) any full or partial release of, settlement with, or agreement not to sue, the Company or any other guarantor or other person liable in respect of any Indebtedness; (v) any discharge of any evidence of Indebtedness or the acceptance of any instrument in renewal thereof or substitution therefor; (vi) any failure to obtain collateral security (including rights of setoff) for Indebtedness, or to see to the proper or sufficient creation and perfection thereof, or to establish the priority thereof, or to protect, insure, or enforce any collateral security; or any modification, substitution, discharge, impairment, or loss of any collateral security; (vii) any foreclosure or enforcement of any collateral security; (viii) any transfer of any Indebtedness or any evidence thereof; (ix) any order of application of any payments or credits upon Indebtedness; (x) any election by the City under § 1111(b)(2) of the United States Bankruptcy Code.

The Guarantor waives presentment, demand for payment, notice of dishonor or nonpayment, and protest of any instrument evidencing Indebtedness. The City shall not be required first to resort for payment of the Indebtedness to the Company or other persons or their properties, or first to enforce, realize upon or exhaust any collateral security for Indebtedness, before enforcing this guaranty. The Guarantor will not assert, plead or enforce against the City any defense of discharge in bankruptcy of the Company, statute of frauds, or unenforceability of the Guaranty which may be available to the Company or any other person liable in respect of any Indebtedness, or any setoff available against the City to the Company or any such other Person, whether or not on account of a related transaction.

Any notices given pursuant to this Agreement shall be addressed to the Guarantor and Company at 650 College Road East, Suite 3011, Princeton, New Jersey 08540, Attn: General Counsel and to the City, \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_.

IN WITNESS WHEREOF, the Company, City, and Guarantor have executed this Corporate Guaranty as of the day, month and year first above written.

**GUARANTOR:**

RADIATE HOLDCO, LLC

By: \_\_\_\_\_  
Its: \_\_\_\_\_

**COMPANY:**

WAVEDIVISION I, LLC

By: \_\_\_\_\_  
Its: \_\_\_\_\_

**CITY:**

CITY OF SEATTLE, WASHINGTON

By: \_\_\_\_\_  
Its: \_\_\_\_\_

**[EXHIBIT B]**  
**CABLE FRANCHISE TRANSFER OF CONTROLLING INTEREST  
CONSENT AGREEMENT**

This Cable Franchise Transfer of Controlling Interest Consent Agreement (“Agreement”) is entered into effective as of the Effective Date (as defined in Section 2. below), by and among WaveDivision I, LLC, a Washington limited liability company (“Wave”), WaveDivision Holdings, LLC, a Delaware limited liability company (“Wave Holdings”) and the City of Seattle, a Washington municipal corporation (“City”), each of which may be referred to individually as a “Party” and collectively referred to as the “Parties.”

**RECITALS**

- A. As authorized under City of Seattle Ordinances 125403 and 125430, the City and Wave are parties to a cable television franchise agreement (the “Franchise Documents”) permitting Wave to construct, maintain, and operate a cable television system in the City.
- B. Wave’s sole member and manager is Wave Holdings.
- C. Wave Holdings is wholly owned by OH WDH Holdco, LLC, a Delaware limited liability company, which is wholly owned by Wave Holdco, LLC, a Delaware limited liability company (“Wave Holdco”)
- D. Wave Holdco is an indirect wholly owned subsidiary of Radiate Holdings, L.P., a Delaware limited partnership (“Radiate”).
- E. On October 31, 2020, Radiate and certain of its affiliates entities entered into an Agreement and Plan of Merger with Stonepeak Associates IV, LLC, a Delaware limited liability company (“Stonepeak IV”) and certain of its affiliates (the “Merger Agreement”) that will result in a transfer of the controlling interest in Radiate. There will be no changes to any of the subsidiaries of Radiate, Wave Holdco or Wave Holdings.
- F. On or about November 30, 2020, Radiate and Stonepeak IV submitted an FCC Form 394 Application for Franchise Authority Consent to Change of Control or Transfer of Control of Cable Television Franchise with the City (“Application”), seeking the City’s consent to the proposed transfer of a controlling interest.
- G. Section 14 of the Franchise and Subsection 21.60.110.A of the Seattle Municipal Code (“SMC”) provide that any sale, transfer, or fundamental corporate change of or in a grantee of a cable franchise, including, but not limited to, a fundamental corporate change in the grantee’s parent corporation or entity having a controlling interest in the grantee’s assets, requires the approval of the City.
- H. The transactions contemplated by the Merger Agreement constitute a “Transfer” as that term is defined in Subsection 21.60.110.A of the SMC, and shall hereinafter be referred to as a “Transfer.”



- I. Wave and Wave Holdings have agreed to honor the terms and conditions of the Franchise Documents and the Application should the Transfer be approved by the City.
- J. In the Financial Review of Transfer of Franchise Report dated March 29, 2021 prepared by Ashpaugh & Sculco, CPAs, PLC, financial consultants for the City recommended approval of the transfer requested by the Application be conditioned upon the receipt of a guarantee of performance from Radiate HoldCo, LLC, a Delaware limited liability company (“Radiate Holdco”).
- K. On \_\_\_\_\_, 2021, the Seattle City Council passed the ordinance introduced as Council Bill \_\_\_\_\_ approving the Transfer, and thirty (30) days after the Mayor signed the ordinance introduced as Council Bill \_\_\_\_\_ it became effective. The City’s approval of the Transfer is subject to execution and filing of this Agreement by Wave. The date on which Wave files the executed Agreement with the City Clerk shall be the Approval Date.

## **AGREEMENT**

1. **Consent.** Subject to the terms and conditions of this Agreement, the City consents to the Transfer as specified in the Application. The City acted on the Application in a timely manner under Applicable Law. For purposes of this Agreement, “Applicable Law” shall mean any law, statute, charter, ordinance, rule, regulation, code, license, certificate, franchise, permit, writ, ruling, award, executive order, directive, requirement, injunction (whether temporary, preliminary or permanent), judgment, decree or other order that has been issued, executed, entered and deemed applicable to City, either specifically or by reference to a class including City, by any court of competent jurisdiction or other federal or state department, commission, board or agency, as any of the same may be amended from time to time. The City’s consent to the Transfer shall be null and void and the City shall be deemed to have acted to reject the Application, if a duly authorized officer or agent of Wave fails to deliver the notice required pursuant to Section 16 of this Agreement.

2. **Effective Date.** For purposes of this Agreement, the “Effective Date” shall be the Approval Date so long as the Approval Date is no later than five (5) days after the “Closing Date” as defined in Section 2.02 of the Merger Agreement.

3. **Reservation of Rights.** The City reserves all rights not otherwise expressly granted in this Agreement. In particular, and without limitation:

3.1 Neither this Agreement, nor any other action or omission by the City at or before the execution of this Agreement, shall be construed to grant the City’s consent to any future transfer of the Franchise or the Cable System, or change in ownership or control of Wave, or to mean that the City’s consent to any future transaction that is required by the Franchise is otherwise not required.

3.2 As a result of the Transfer, the City does not waive its rights with respect to Wave’s compliance with the terms, conditions, requirements, and obligations set forth in the Franchise Documents; Title 21, Chapter 21.60, of the Seattle Municipal Code; and any other

applicable agreement and other Applicable Law, including the City's right to compel Wave or its successors in interest to comply with the provisions of the Franchise Documents.

3.3 The City's approval of the Transfer shall in no way be deemed a representation by the City that Wave or its successors in interest are in compliance with all of Wave's obligations under the Franchise Documents; provided, however, other than the matters of non-compliance expressly set forth in this Agreement the City, following due inquiry, is not presently aware of any default by Wave to comply with the terms, conditions, requirements, and obligations set forth in the Franchise Documents and no event has occurred and is continuing that, with the giving of notice or passage of time, or both, could constitute a default thereunder.

#### 4. **Compliance with Franchise Documents.**

4.1 Wave accepts, acknowledges, and agrees to continue to be bound by all terms and conditions of the Franchise Documents. Neither the Transfer nor the City's consent thereto shall diminish or otherwise affect Wave's commitments, duties, liabilities, or obligations embodied in the Franchise Documents, except as may be specifically provided for and described herein.

4.2 Wave shall comply with all provisions of the Franchise Documents.

4.3 Neither the Transfer nor the City's approval of the Transfer shall in any respect relieve Wave of responsibility for past acts or omissions, known or unknown, unless expressly stated in this Agreement or otherwise expressly described in writing by the City.

#### 5. **Guaranty.**

5.1 Obligations Guaranteed. In consideration of the City's approval of the Transfer, Radiate HoldCo, LLC has irrevocably and unconditionally guaranteed the full and faithful performance by Wave of all of the terms, covenants, conditions and agreements contained in the Franchise Documents subject to Applicable Law.

5.2 Representations and Warranties. Wave Holdings and Wave hereby represent and warrant that:

(A) Wave has investigated fully whether any benefit or advance will inure to Wave by reason of the execution of this Agreement and has determined that a direct or indirect benefit will inure to Wave by reason of the execution of this Agreement.

(B) This Agreement is a legal, valid and binding agreement of Wave and Wave Holdings that is enforceable in accordance with its terms, subject to Applicable Law.

(C) The Franchise is legal, valid, binding and enforceable against Wave and Wave Holdings, in accordance with its terms, subject to Applicable Law.

(D) Wave and Wave Holdings each has the full right, power and authority to execute and deliver this Agreement, and to perform the undertakings contained herein and the transactions contemplated hereby, and all corporate or other action necessary to authorize the

execution and delivery of this Agreement, and the performance of the undertakings contained herein and the transactions contemplated hereby, have been taken.

(E) No approval, consent, exemption or other action by, or notice to or filing with, any governmental or public body or authority is required in connection with the execution, delivery, performance and enforcement of this Agreement.

6. **Technological Currency.** Wave shall maintain its cable system at a high level of performance and continue to invest adequate funds in the Seattle cable system to ensure that it achieves a reasonable level of technical parity, in terms of advanced services, quality and options, to that provided by other franchised operators in the City.

7. **Renewal.** Except as specifically provided herein, this Agreement shall not have any effect on the City's authority to enforce Wave's compliance with the Franchise Documents following the Effective Date. Further, this Agreement shall not have any effect on any authority the City may have to review, conditionally approve or deny the renewal of the Franchise held by Wave. The City expressly reserves its rights to conduct a complete renewal proceeding pursuant to 47 U.S.C. § 546, or other Applicable Law including but not limited to, conducting a complete review of Wave's compliance with, and performance under, the Franchise and any other obligation Wave may have under Applicable Law, beginning from the Effective Date through the end of the Franchise term, November 10, 2027, and including, without limitation, any Franchise term extensions thereto up to and including during the Franchise renewal process, and to conditionally approve or deny a renewal based on any Franchise noncompliance or violation.

8. **Basic Cable Service Rate.** The Transfer shall not result in an increase in the rate for basic cable service as uniformly applied in the service area covered by the Franchise, consistent with Applicable Law. Nothing shall prohibit rate increases made in the ordinary course of business in compliance with Applicable Law. Wave shall not rely upon an increase in debt service or in debt service coverage, if any, that results from the Transfer to justify an increase in the rate for basic cable service.

9. **Representations and Warranties.** The City's consent to the Transfer is in reliance upon the written information provided by Radiate and Stonepeak IV, as described in the Application and as described in other supplemental information provided by Wave, Wave Holdco, Radiate and Stonepeak IV. If prior to the Effective Date Wave becomes aware of any material misrepresentation set forth in materials submitted to the City in connection with the Application, Wave shall provide prompt written notice of any such matter to the City.

10. **Enforcement.** Any breach of this Agreement shall be deemed a breach of the Franchise subject to the remedies provided in the Franchise Agreement or the Seattle Municipal Code, as well as other remedies provided by other Applicable Law or in equity. Any action to interpret or enforce any provision in this Agreement, the Franchise or the Seattle Municipal Code may only be brought in a court of competent jurisdiction in the State of Washington, and the parties agree to be subject to the jurisdiction of Washington state and federal courts, located in King County, for such purposes. This Agreement shall be governed by the law of the State of Washington.

11. **Authority.** Each of the persons executing this Agreement represents that he or she is authorized by the respective Party to execute this Agreement and to bind that party.
12. **Notices.** All notices required or permitted under the Franchise Documents shall be delivered in the manner provided in Section 20.9 of the Franchise.
13. **Insurance.** Prior to the earlier of the Effective Date or the commencement of any activity whatsoever relating to the operation of the Cable System, Wave shall provide the City with certificates of insurance and original endorsements, unless such information is already on file with the City, evidencing the insurance coverage is in accordance with Section 12.2 of the Franchise.
14. **Security Fund.** Unless such information is already on file with the City, within ten (10) calendar days of the Effective Date, Wave shall provide the required performance bond and security fund set forth in Sections 12.4 and 12.5 of the Franchise.
15. **Effect on Franchise.** This Agreement shall have no effect on the Franchise except as specifically provided in this Agreement.
16. **Notice Regarding Closing of Merger Agreement.** Within five (5) calendar days of the Closing Date, Wave shall execute and file this Agreement with the City Clerk and the Office of Cable Communications. At such time, all of the pre-conditions and requirements of this Agreement shall be executed, met, or completed, unless otherwise specified herein.
17. **Reimbursement for Out of Pocket Expenses.** Within twenty (20) days of the date of request by the City, Wave shall reimburse the City, or at the direction of the City the City's consultants and attorneys directly, for all reasonable documented (in a manner reasonably, acceptable to the Parties) out of pocket expenses incurred by the City, including all reasonable fees, costs and expenses incurred by the City for outside consultants and attorneys, related to the Transfer.
18. **Counterparts.** This Agreement may be executed in several counterparts, each of which when so executed shall be deemed to be an original copy, and all of which together shall constitute, an agreement binding on all Parties, notwithstanding that all Parties may not have signed the same counterpart.
19. **Voluntary Agreement.** This Agreement is freely and voluntarily entered into by each Party, without any duress or coercion, and after each Party has had an opportunity to consult with its counsel. Each Party has carefully and completely read all of the terms and provisions of this Agreement. It is understood and agreed by the City and Wave that neither this Agreement nor anything herein shall be deemed to be an admission or confession of any liability whatsoever or any breach of the terms of the Franchise or violation of SMC 21.60.110. If this Agreement should be found to be unenforceable by a court of competent jurisdiction, the Parties shall have all rights under Applicable Law to pursue any and all remedies available.
20. **Binding Agreement.** This Agreement shall bind and benefit the Parties hereto and their respective heirs, beneficiaries, administrators, executors, receivers, trustees, successors and assigns. This Agreement shall be effective only upon the execution of this Agreement by all

Parties hereto. Any purported transfer of this Agreement is void without the express written consent of the Parties hereto.

21. **Reliance on Own Judgment.** Each of the Parties represents that in executing this Agreement it relied solely on its own judgment, belief, and knowledge, and upon the advice and recommendations of its own independently selected counsel and consultants, concerning the nature, extent, and duration of its rights and obligations, and that it has not been influenced in executing this Agreement by any of the other Parties or by any person representing them. This Agreement shall not be deemed to have been drafted by any individual Party and shall not thereby be construed against any Party.

22. **Severability.** If any section, sentence, paragraph, term, or provision of this Agreement is determined to be illegal, invalid, or unconstitutional by any court of competent jurisdiction or by any state or federal regulatory authority having jurisdiction thereof, such determination shall have no effect on the validity of any other section, sentence, paragraph, term or provision of this Agreement, all of which will remain in full force and effect for the term of the Franchise or any renewal or renewals thereof.

23. **Entire Agreement.** This Agreement constitutes the entire agreement of the Parties with respect to the matters addressed herein. This Agreement may only be modified by a written amendment signed by all Parties.

**IN WITNESS WHEREOF**, the Parties have executed this Agreement as their free and voluntary acts and deeds.

Dated: \_\_\_\_\_

CITY OF SEATTLE

BY: \_\_\_\_\_  
\_\_\_\_\_, Chief Technology Officer

Dated: \_\_\_\_\_

WAVEDIVISION I, LLC

BY: \_\_\_\_\_  
\_\_\_\_\_, EVP

Dated: \_\_\_\_\_

WAVEDIVISION HOLDINGS, LLC

BY: \_\_\_\_\_  
\_\_\_\_\_, EVP

**SUMMARY and FISCAL NOTE\***

<b>Department:</b>	<b>Dept. Contact/Phone:</b>	<b>CBO Contact/Phone:</b>
Seattle Information Technology	Vinh Tang	Neal Capapas/206-684-5292

\* Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.

**1. BILL SUMMARY**

**Legislation Title:** AN ORDINANCE relating to cable television; authorizing the Mayor or the Mayor’s designee to approve the transfer of control, subject to conditions, of WaveDivision I, LLC; authorizing the Mayor or the Mayor’s designee to execute a Cable Franchise Transfer of Controlling Interest Consent Agreement for the purpose of implementing and administering the transfer; and ratifying and confirming certain prior acts.

**Summary and background of the Legislation:**

This legislation seeks approval of a transfer of controlling interest (“Transfer”) in the cable franchise agreement (“Franchise”) between The City of Seattle and WaveDivision I, LLC (“Wave”). Wave is a subsidiary of Radiate Holdings, L.P. (“Radiate”). Radiate has entered into an agreement and plan of merger with Stonepeak Associates IV, LLC (“Stonepeak”). The purchase agreement would result in a change in the equity ownership of Radiate, which effectively results in the transfer of control of Wave.

Stonepeak IV and Radiate submitted the required FCC Form 394 *Application for Franchise Authority Consent to Change of Control or Transfer of Control of Cable Television Franchise* to the City seeking the City’s consent to the proposed transfer of a controlling interest. As a result, the City must process the Application in accordance with applicable federal laws and regulations and must issue a written determination approving or denying the proposed transfer of a controlling interest.

Additionally, the Franchise and Seattle Municipal Code 21.60.110 provide that neither a cable franchise nor a cable system operated thereunder may be transferred without the approval of the City. SMC 21.60.110 requires the Seattle Information Technology’s Office of Cable Communications (OCC) to conduct a review of the proposed transferee’s qualifications, and submit a report (Attachment A), recommendation, and proposed legislation to the Council.

The OCC’s review found that the Transfer does not propose any change in direct operations or management of Wave’s cable system in Seattle, the Transfer will not reduce competition in the Seattle cable market, and there is no legal, financial, or technical basis for the City to deny the Transfer.

The OCC recommends Council approve the Transfer subject to certain conditions contained in a Corporate Guaranty, and a Consent Agreement from Radiate HoldCo, LLC to unconditionally guarantee the full and faithful performance by Wave under the Franchise.

## 2. CAPITAL IMPROVEMENT PROGRAM

Does this legislation create, fund, or amend a CIP Project?      \_\_\_ Yes X No

## 3. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation amend the Adopted Budget?      \_\_\_ Yes X No

Does the legislation have other financial impacts to The City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?  
No.

Is there financial cost or other impacts of *not* implementing the legislation?  
No.

## 4. OTHER IMPLICATIONS

- a. Does this legislation affect any departments besides the originating department?  
No.
- b. Is a public hearing required for this legislation?  
No.
- c. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?  
No.
- d. Does this legislation affect a piece of property?  
No.
- e. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities? What is the Language Access plan for any communications to the public?  
None
- f. **Climate Change Implications**
  1. **Emissions:** Is this legislation likely to increase or decrease carbon emissions in a material way?  
No.
  2. **Resiliency:** Will the action(s) proposed by this legislation increase or decrease Seattle's resiliency (or ability to adapt) to climate change in a material way? If so, explain. If it is likely to decrease resiliency in a material way, describe what will or could be done to mitigate the effects.  
No.



- g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s)?**

There is no new initiative or programmatic expansion associated with this legislation.

**List attachments/exhibits below:**

Summary Attachment A - Application Review Report: Transfer of Controlling Interest in Wave Cable Television Franchise  
Attachment A - Legal Report to the City of Seattle, Washington  
Attachment B - Financial Review of Transfer of Franchise



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# Application Review Report

Transfer of Controlling Interest in Wave Cable  
Television Franchise

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## Introduction

On December 9, 2020, the Office of Cable Communications (OCC) received an official FCC Form 394<sup>1</sup> Application for *Franchise Authority Consent to Assignment or Transfer of Control of Cable Television Franchise* from Stonepeak Associates IV, LLC (“Stonepeak”). Stonepeak has entered into an agreement to acquire Radiate Holdings, L.P. (“Radiate”). WaveDivision I, LLC (“Wave”) - the holder of a Seattle Cable Television Franchise Agreement (“Franchise”) - is a wholly owned subsidiary of Radiate<sup>2</sup>. The proposed purchase agreement will result in a change in the equity ownership of Radiate, which effectively results in the transfer of control of Wave.

Under federal law, the City of Seattle (“City”) has 120 days from the date of receiving a completed FCC Form 394 transfer application to approve, approve with conditions, or deny the transfer. If the City fails to act within the specified 120 period, by operation of Federal law, the City will be deemed to have consented to the transfer.

Under Seattle law the transfer of cable franchises is also governed by SMC 21.60.110, which requires the Office of Cable Communications (OCC) to submit to the Council a report summarizing the legal, financial, and technical qualifications of the proposed transferee, along with a recommendation for Council action. Accordingly, this report provides Council with information to make an informed decision on the Transfer of Controlling Interest request (“Transfer”).

The OCC’s due diligence for this report included retaining specialized legal and financial consultants to assist with the reviews to determine if Stonepeak and Radiate have the financial capability to assume the franchise obligations and comply with applicable law, and a review of the FCC Form 394 for a legal analysis of the Transfer.

The legal, financial, and technical reviews of the Transfer confirm that the proposed ownership change is a change to equity interest in Wave; it is not a change in the entity that will manage or operate the local cable system, and it will not result in reducing competition in the Seattle cable market.

This report recommends Council approval of the Transfer, subject to certain conditions and commitments that are incorporated into a Corporate Guaranty and Consent Agreement that accompany the proposed Transfer legislation.

## About Stonepeak

According to the FCC Form 394, Stonepeak is a Delaware limited liability company controlled and majority owned by an entity ultimately controlled by Stonepeak Infrastructure Partners. Stonepeak Infrastructure Partners is a specialized private equity firm that invests in strategically important infrastructure assets within the communications, energy, power, water, renewables, and transportation sectors. Stonepeak Infrastructure Partners was founded in 2011, is headquartered in New York, and manages over \$29.2 billion of capital for its investors. Stonepeak has considerable experience in the digital infrastructure sector with select investments across residential broadband, data centers, enterprise fiber, towers, and small cells that give it visibility and expertise across the broader communications sector. Stonepeak is not a telecommunications service provider.

Stonepeak’s stated goal in the proposed purchase transaction is to make more resources available to an already excellent group of cable, broadband, and telephone providers. The FCC application also states there are currently no changes planned to the current terms and conditions of service or operations of the system by Wave. Wave will continue to operate in Seattle under the Wave brand and customers should not see a difference in operations.

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<sup>1</sup> FCC Form 394 is the Federal Communications Commission (FCC) form operators use to request local franchising authority’s consent to acquisitions, mergers, and - in this case - transfer of controlling interest - of the local franchisee or any of its parent corporations.

<sup>2</sup> See Exhibits A, B and C for Pre and Post Transfer Ownership Structures, per FCC Form 394

## Legal Review

The OCC retained attorney Brian Grogan with Moss & Barnett, specialized in telecommunication law, to complete a legal review of the proposed Transfer, to confirm the legal qualification of the parties involved, and to identify any adverse legal impacts from the Transfer. Mr. Grogan has prepared a report summarizing his findings (Attachment A).

The legal qualification standard relates primarily to the analysis of whether Wave, following completion of the proposed Transfer, will have the requisite authorization to operate and control the cable system and Franchise serving the City. The applicable standard of review is that the City's consent shall not be unreasonably withheld.

In this proposed Transfer, Wave will remain the "Grantee" under the Franchise. All of the membership interests in Wave will continue to be held by Wave Holdings which will continue to be an indirect wholly owned subsidiary of Wave Holdco. Wave Holdco will also continue to be an indirect wholly owned subsidiary of Radiate. What is changing is control of the equity interests in Radiate. In very basic terms, Stonepeak is acquiring indirectly an ownership interest in Radiate, which effectively results in the transfer of control of Wave.

Radiate Holdings, L.P. was formed on August 9, 2016 by the Secretary of the State of Delaware. Wave Holdco, LLC was formed on June 3, 2014 by Delaware Secretary of State. Following completion of the proposed Transfer, Radiate will continue to own indirectly 100% of the equity interests in Wave Holdco. Radiate will be owned by funds affiliated with Stonepeak through multiple intervening entities.

In concluding his legal review, Mr. Grogan, finds no basis for the City to deny the proposed Transfer based on a lack of legal qualifications of Radiate or Stonepeak. However, based on the "*Financial Review of Transfer of Franchise*" report prepared by the City's financial review consultant, Ashpaugh & Sculco, Mr. Grogan recommends that City consent to the proposed Transfer be conditioned on a guarantee from Radiate HoldCo, LLC, or another entity acceptable to the City, that requires the guarantor to irrevocably and unconditionally guarantee the full and faithful performance by Wave of all of the terms, covenants, conditions and agreements contained in the Franchise.

## Financial Review

The OCC retained Garth Ashpaugh with Ashpaugh & Sculco CPAs, PLC ("A&S") to conduct a financial review of the proposed Transfer to determine what effect, if any, the Transfer will have on Wave's financial health and its ability to meet its franchise obligations and other commitments to the City. A&S has extensive experience analyzing the financial workings of cable operators and has prepared a report summarizing its findings (Attachment B).

From the review of the data obtained, A&S made the following observations:

- Stonepeak has demonstrated that it has access to the needed funding for the franchise.
- While several different companies are involved in the chain of ownership, the entities with the resources to make investments in the local cable system post-transaction will be Stonepeak and the franchisee (Wave) because it will have cash flow from the system operations and own the asset.
- Data has been provided showing that Stonepeak would have access to additional financial resources, if it chose to do so, to invest in the system in the City.
- Prior transfers of control in the equity ownership interests of Wave show a pattern of the equity ownership using debt to fund distributions to shareholders/owners. This has resulted in continued increases in the level of debt. Future cash flow will have to be used to repay the current level debt and any future debt incurred. This is not a sustainable scenario if there are changes in current financial conditions that limit the debt capacity available to meet the future needs of the company for operations and needed capital improvements (plant and equipment).

- While Stonepeak has shown that it has access to financial capability necessary for the Transfer, the City should consider what steps can be taken to assure the continued viability of the franchise.
- One potential condition would be to require a guarantee of performance from a company that is in a position to make significant capital investments as needed to ensure franchise compliance. Based on the information A&S was provided, the guarantee would need to be from Radiate HoldCo, LLC, a subsidiary of Stonepeak whose 2019 financials were provide to A&S for review.
- Stonepeak should commit to not taking any actions itself or through its subsidiary companies that would prevent the franchisee (Wave) from maintaining the cable system at a high level of performance and investing in the system so that it remains capable of providing services of a quality and type similar to that provided by other franchised operators.

A&S notes that the pattern of using debt to fund distributions to shareholders/owners has long term implications. In the case of the entities that have been part of past buyouts of Wave's parent ownership, the result has been continued increases in the level of debt. While it is not an unusual situation for cable operators to be highly leveraged, it is in the City's interest to assure that resources are not simply stripped from the local level in a way that affects the quality of service or the quality of the system.

Based on A&S's observations and recommendations, the City should consent to the proposed Transfer conditioned upon on a commitment that Radiate HoldCo, LLC guarantee the full performance by Wave under the Franchise.

## Technical Review

As confirmed in the legal analysis, the Transfer application under review is a change in control of the equity interests related to Wave; it is not a change in the entity that will be operating the local cable system. Stonepeak is not a telecommunication service provider and there is no basis to conduct a review of Stonepeak's technical qualifications to operate a cable system. Instead, the OCC confirmed that the Transfer does not proposed any change in direct operations or management of Wave's cable system in Seattle. Wave has demonstrated it has existing technical expertise to operate a cable system in accordance with federal and local laws and regulations and to meet the technical and safety requirements of the FCC and the City and no technical expertise will be sought from Stonepeak.

## Conclusion

Based on the OCC review, Stonepeak has sufficient legal and financial qualifications to warrant City approval of the Transfer of Controlling Interest in Wave's Franchise, subject to the conditions outlined in the proposed Corporate Guaranty and proposed Consent Agreement. Wave will continue to be the grantee under the Wave Cable Franchise and is not seeking any modification of the terms and conditions of the Wave Cable Franchise in connection with the transfer. Through the conditions of a Corporate Guaranty and Consent Agreement, Radiate HoldCo, LLC, will be an appropriate entity to ensure Wave continues to comply with the Franchise and Seattle Municipal Code requirements.

## Recommendation for Council Action

The OCC recommends that Council approve the Transfer subject to the conditions of a Corporate Guaranty and a Consent Agreement which accompanies proposed legislation submitted by Seattle IT.

Among the Consent Agreement conditions the OCC recommends the Council impose on its approval of the Transfer:

- **Impact on Rates:** The Transfer shall not directly result in an increase in the rates for Wave's basic cable service in Wave's franchise area.

- **A Performance Guarantee:** The City will require assurances that Wave will continue to meet its obligations and that Radiate HoldCo, LLC will guarantee Wave’s full and faithful performance under its Franchise.
- **Technological Currency Commitment.** The City shall require assurances that Wave will maintain its cable system at a high level of performance and continue to invest adequate funds in the Seattle cable system to ensure that it keeps a reasonable level of technical parity, in terms of advanced services, quality and options, to that provided by other franchised operators in the City.
- **Reimbursement of City Costs** – As required by SMC 21.60.110.D, Wave and Stonepeak must fully reimburse the City for all reasonable costs and expenses incurred by the City in reviewing and evaluating an application for Transfer, including applicable consultant and attorney fees related to the City’s review.



Exhibit A. Current Parent Entity Ownership Structure of Franchise Authority Holders

Pre-Close Ownership of Authority Holders

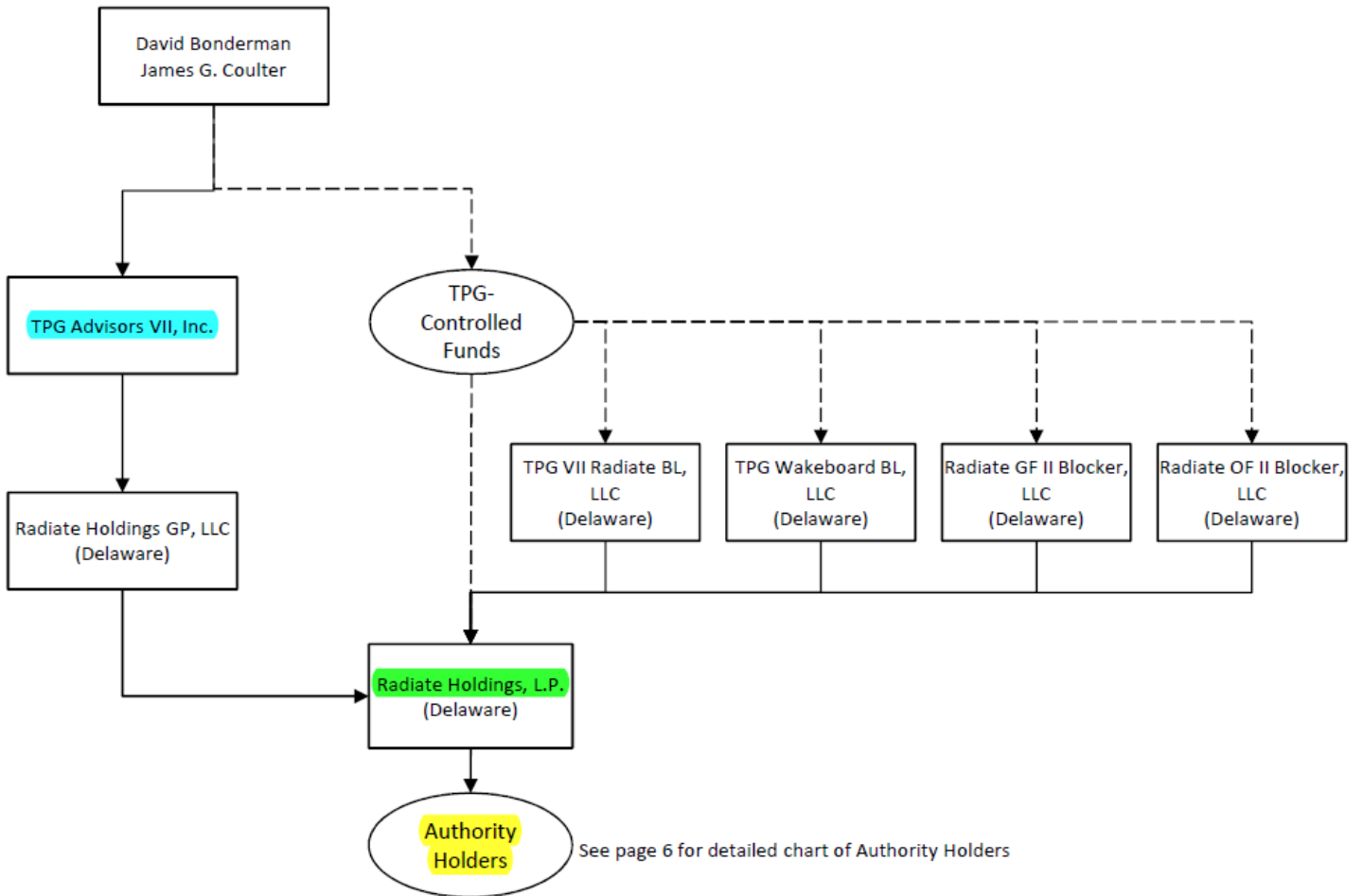




Exhibit B. Post Transfer of Controlling Interest - Ownership Structure of Franchise Authority Holders

Post-Close Ownership of Authority Holders (Indirect Control of Authority Holders)

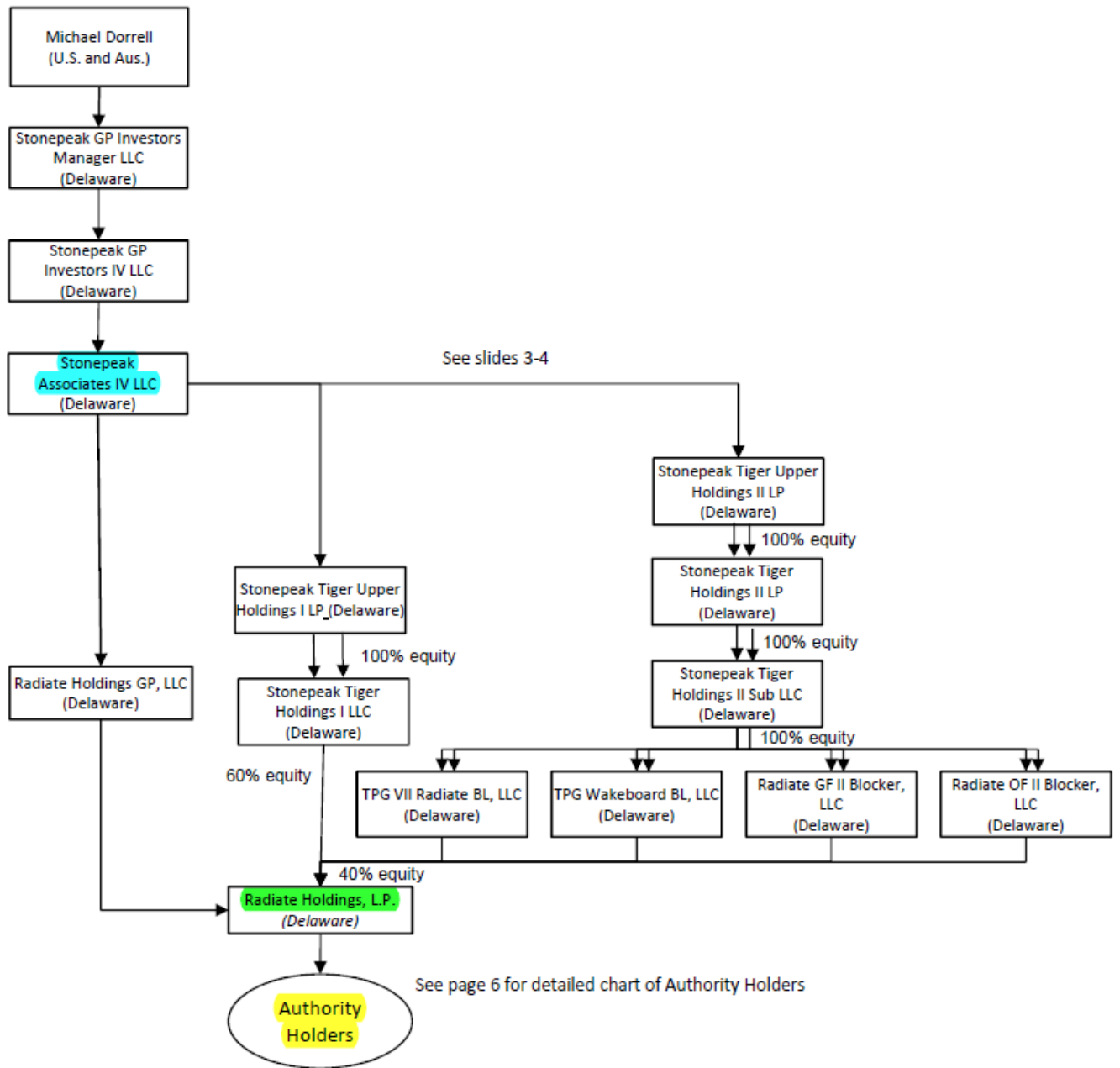
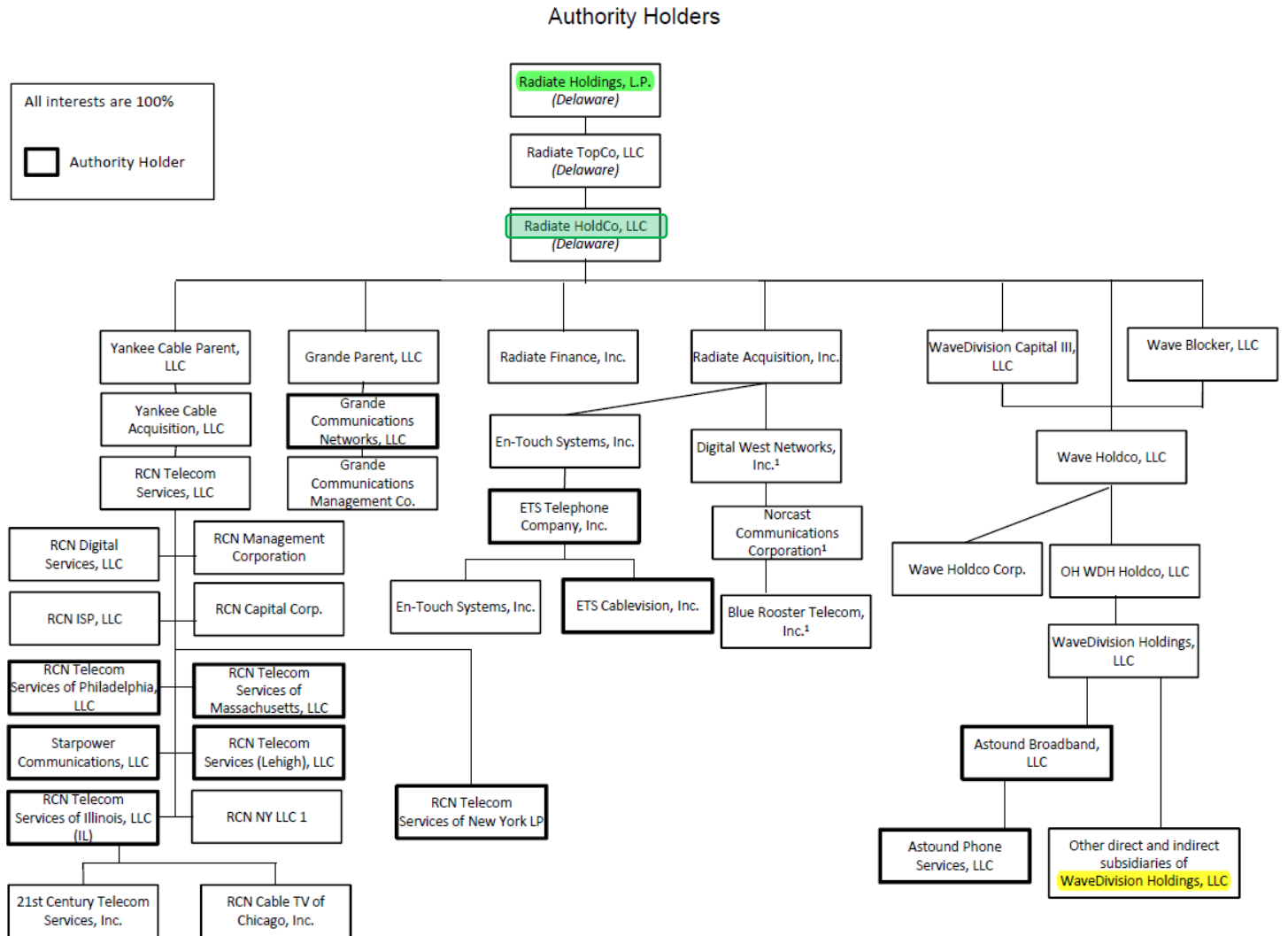


Exhibit C. Chart of Franchise Authority Holders



<sup>1</sup> Pending close of transaction.



## Legal Report to the City of Seattle, Washington

**To:** City of Seattle, Washington  
**From:** Brian T. Grogan  
**Date:** March 29, 2021  
**Re:** Proposed Transfer of Controlling Interest of WaveDivision I, LLC

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### 1. Background

On or about November 21, 2011 the City passed Ordinance 123741 approving the Assignment of a Cable Franchise to WaveDivision I, LLC, a Washington limited liability company (“Wave-I”). Wave-I maintained local management and operation of the cable system authorized under the franchise but underwent two changes to the controlling financial interests in the company. On or about September 4, 2012, the City passed Ordinance 123954 approving the transfer of the controlling interest in WaveDivision Holdings, LLC, parent company of WaveDivision I, LLC to Oak Hill Capital Partners III, L.P., Oak Hill Capital Management Partners III, L.P., and GI Wave Holdings LLC. Oak Hill Capital Partners and GI Partners are private equity firms. On or about September 24, 2012, the City passed Ordinance 124009 to make a technical adjustment to correct the named entities subject to the Consent Agreement, which is Attachment A to Ordinance 123954.

On September 12, 2017, the City passed Ordinance 125403 approving the renewed Cable Television Franchise Agreement with Wave-I. (the “Franchise”) At the same time Wave-I underwent another change to the controlling financial interests in the company. On October 5, 2017 the City passed Ordinance 125430 approving the transfer of controlling interest in Wave Holdco becoming a wholly-owned subsidiary of Radiate HoldCo and an indirect subsidiary on Radiate Holdings, L.P, a Delaware limited partnership.

Wave-I’s sole member and manager is WaveDivision Holdings, LLC, a Delaware limited liability company (“Wave Holdings”). Wave Holdings is wholly owned by OH WDH Holdco, LLC, a Delaware limited liability company which, in turn, is wholly owned by Wave Holdco, LLC, a Delaware limited liability company (“Wave Holdco”). Wave-I is the “Grantee” under the Franchise and Wave Holdings is the “Guarantor” under the Franchise. Section 14 of the Franchise and Subsection 21.60.110 of the Seattle Municipal Code (“SMC 21.60.110) require the City’s advance written consent to any transfer of controlling interest of the Grantee or Guarantor under the Franchise.

### 2. Description of the Transaction

On October 31, 2021, an Agreement and Plan of Merger (the “Merger Agreement”) was entered into by and among Radiate Holdings, L.P., a Delaware limited partnership

City of Seattle, Washington

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("Radiate"), certain affiliates of Radiate<sup>1</sup>, Stonepeak Associates IV, LLC, a Delaware limited liability company ("Stonepeak IV") and certain affiliates of Stonepeak IV<sup>2</sup> and TPG VII Radiate Holding I, L.P., a Delaware limited partnership (solely in its capacity as the "Representative" as such term is defined in the Merger Agreement").

Pursuant to the Merger Agreement, the equity ownership in Radiate will be transferred to a different private equity firms, resulting in a transfer of the controlling interest of Radiate. There will be no changes to any of the subsidiaries of Radiate, including Wave Holdco and Wave I.

On or about November 30, 2020, Stonepeak IV and Radiate submitted FCC Form 394 Application for Franchise Authority Consent to Change of Control or Transfer of Control of Cable Television Franchise (the "Application") seeking the City's consent to the proposed transfer of a controlling interest. As a result, the City must process the Application in accordance with applicable federal laws and regulations and must issue a written determination approving or denying the proposed transfer of a controlling interest.

### **3. Franchise and City Code Requirements**

Section 14 of the Franchise and SMC 21.60.110 provide that any proposed transfer or assignment of the Grantee under the Franchise requires the approval of the City. The transactions contemplated by the Merger Agreement constitute transfer of the Grantee as defined in SMC 21.60.110. SMC 21.60.110 provides that a transfer or assignment of the Franchise shall be deemed to occur if there is a sale or transfer of the Franchise, or sale, transfer, or fundamental corporate change of or in Grantee, including, but not limited to, a fundamental corporate change in Grantee's parent corporation or any entity having a controlling interest in Grantee, the sale of a controlling interest in Grantee's assets, a merger including the merger of a subsidiary and parent entity, consolidation or the creation of a subsidiary or affiliate entity, or a sale, transfer, exchange or assignment of stock in Grantee, or Grantee's parent corporation or any other entity having a controlling interest in Grantee, so as to create a new controlling interest. The transactions contemplated by the Purchase Agreement constitute a "transfer or assignment" of the Franchise under SMC 21.60.110.

For purposes of this Report, the transactions contemplated by the Merger Agreement shall hereinafter be referred to as a "Transfer of Controlling Interest." The recommendations contained herein relate to the proposed Transfer of Controlling Interest which includes the City's approval of the proposed assignment of the Franchise set forth in SMC 21.60.110.

### **4. Federal Law**

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<sup>1</sup> Radiate Holdings GP, LLC, TPG VII Radiate BL, LLC; TPG Wakeboard BL, LLC; Radiate GF II Blocker, LLC; Radiate OF II Blocker, LLC, and TPG VII Radiate Holdings I, L.P.

<sup>2</sup> Stonepeak Tiger Holdings I LLC, Stonepeak Tiger Holdings II Sub LLC, Stonepeak Tiger Blocker I LLC, Stonepeak Tiger Blocker II LLC, Stonepeak Tiger Blocker III LLC, Stonepeak Tiger Blocker IV LLC, Stonepeak Tiger GP Merger Sub LLC, and Stonepeak Tiger Partnership Merger Sub LP.

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The Cable Communications Policy Act of 1984, as amended by the Cable Consumer Protection and Competition Act of 1992 and the Telecommunications Act of 1996 ("Cable Act"), provides at Section 617 (47 U.S.C. § 537):

**Sales of Cable Systems.** A franchising authority shall, if the franchise requires franchising authority approval of a sale or transfer, have 120 days to act upon any request for approval of such sale or transfer that contains or is accompanied by such information as is required in accordance with Commission regulations and by the franchising authority. If the franchising authority fails to render a final decision on the request within 120 days, such request shall be deemed granted unless the requesting party and the franchising authority agree to an extension of time.

The Cable Act also provides at Section 613(d) (47 U.S.C. § 533(d)) as follows:

*(d) Regulation of ownership by States or franchising authorities. Any State or franchising authority may not prohibit the ownership or control of a cable system by any person because of such person's ownership or control of any other media of mass communications or other media interests. Nothing in this section shall be construed to prevent any State or franchising authority from prohibiting the ownership or control of a cable system in a jurisdiction by any person (1) because of such person's ownership or control of any other cable system in such jurisdiction, or (2) in circumstances in which the State or franchising authority determines that the acquisition of such a cable system may eliminate or reduce competition in the delivery of cable service in such jurisdiction.*

Further, the Federal Communications Commission ("FCC") has promulgated regulations governing the sale of cable systems. Section 76.502 of the FCC's regulations (47 C.F.R. § 76.502) provides:

**Time Limits Applicable to Franchise Authority Consideration of Transfer Applications.**

- (a) A franchise authority shall have 120 days from the date of submission of a completed FCC Form 394, together with all exhibits, and any additional information required by the terms of the franchise agreement or applicable state or local law to act upon an application to sell, assign, or otherwise transfer controlling ownership of a cable system.*
- (b) A franchise authority that questions the accuracy of the information provided under paragraph (a) must notify the cable operator within 30 days of the filing of such information, or such information shall be deemed accepted, unless the cable operator has failed to provide any additional information reasonably requested by the franchise authority within 10 days of such request.*
- (c) If the franchise authority fails to act upon such transfer request within 120 days, such request shall be deemed granted unless the franchise authority and the requesting party otherwise agree to an extension of time.*

City of Seattle, Washington

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## 5. Legal Standard of Review

The legal qualification standard relates primarily to the analysis of whether Wave-I, following completion of the proposed Transfer of Controlling Interest, will have the requisite authorization to operate and control the cable system and Franchise serving the City. The applicable standard of review is that the City's consent shall not be unreasonably withheld.

## 6. Legal Review

In this proposed Transfer of Controlling Interest Wave-I, will remain the "Grantee" under the Franchise. All of the membership interests in Wave-I will continue to be held by Wave Holdings which will continue to be an indirect wholly owned subsidiary of Wave Holdco. Wave Holdco will also continue to be an indirect wholly owned subsidiary of Radiate. What is changing is control of the equity interests in Radiate. In very basic terms, Stonepeak IV is acquiring indirectly an ownership interest in Radiate, which effectively results in the transfer of control of Wave-I.

Radiate Holdings, L.P. was formed on August 9, 2016 by the Secretary of the State of Delaware<sup>3</sup>. Wave Holdco, LLC was formed on June 3, 2014 by Delaware Secretary of State<sup>4</sup>. Following completion of the proposed Transfer of Controlling Interest, Radiate Holdings, L.P. will continue to own indirectly 100% of the equity interests in Wave Holdco. Radiate Holdings, L.P. will be owned by funds affiliated with Stonepeak IV through multiple intervening entities.

Based on the report prepared by Mr. Garth Ashpaugh, "Financial Review of Transfer of Franchise" we concur that the City would be prudent to require a guarantee of performance. Based on the information we have been provided, that company would be Radiate HoldCo, LLC or another entity higher in the corporate structure that would be in a position to make required capital investments as needed to ensure Franchise compliance.

Therefore the City's consent to the proposed Transfer of Controlling Interest should be conditioned on a guarantee from Radiate HoldCo, LLC or another entity acceptable to the City. This guaranty should require the guarantor to irrevocably and unconditionally guarantee the full and faithful performance by Wave-I of all of the terms, covenants, conditions and agreements contained in the Franchise.

## 7. Other Considerations

Another significant consideration in jurisdictions where more than one cable operator is authorized to provide cable television service is whether the transfer will result in the potential for a reduction in competition as a result of any sale or transfer of control. In particular, Section 613(d) (47 U.S.C. § 533(d)) of the Cable Act permits a franchising authority such as the City to prohibit the Transfer of Controlling Interest of the Cable System if the City determines that the acquisition of the Cable System may eliminate or

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<sup>3</sup> See attached online entity status from the Delaware Secretary of State for Radiate Holdings, L.P., Radiate TopCo, LLC and Radiate Holdco, LLC.

<sup>4</sup> See attached online entity status from the Delaware Secretary of State for Wave Holdco, LLC, WaveDivision Holdings, LLC and OH WDH Holdco, LLC, and Certificate of Existence from the Washington Secretary of State for WaveDivision I, LLC.

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reduce competition in the delivery of cable service in such jurisdiction. Generally, this provision is of concern when one of the franchised cable operators seeks to acquire the competing system thereby reducing competition which may have an adverse impact on subscriber rates, programming and services. Given that Comcast and CenturyLink are also franchised cable operators in the City and neither Radiate, Wave-I, Wave Holdco, or Stonepeak IV are in any way owned or controlled by Comcast or CenturyLink, there is no immediate concern with reduced competition resulting from the proposed Transfer of Controlling Interest.

## **8. Recommendation**

Based upon our review of the proposed Transfer of Controlling Interest described in the Application, we see no basis for the City to deny the Transfer of Controlling Interest based on a lack of legal qualifications of Radiate or Stonepeak IV. As set forth above, we further recommend that the City should obtain a guarantee from Radiate HoldCo, LLC or other entity acceptable to the City which will irrevocably and unconditionally guarantee the full and faithful performance by Wave-I of all of the terms, covenants, conditions and agreements contained in the Franchise.

**~ END OF REPORT ~**

6840186v5



**ASHPAUGH & SCULCO, CPAs, PLC**  
Certified Public Accountants and Consultants

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Via Email: [Alice.Lawson@seattle.gov](mailto:Alice.Lawson@seattle.gov)

March 29, 2021

Alice Lawson  
Broadband and Cable Program Manager  
Office of Cable Communications  
City of Seattle  
P.O. Box 94709  
Seattle, Washington 98124-4709

**Subject: Financial Review of Transfer of Franchise**

**THIS REPORT IS IDENTIFIED AS CONFIDENTIAL AND CONTAINS INFORMATION THAT WAS MARKED AS CONFIDENTIAL BY RADIATE HOLDINGS, LP AND STONEPEAK INFRASTRUCTURE PARTNERS**

Dear Ms. Lawson:

Ashpaugh & Sculco, CPAs PLC (“A&S”) has been retained by the City of Seattle, Washington (the “LFA” or the “City”), to conduct a financial review of the proposed transfer of control of WaveDivision I, LLC, which is a wholly-owned subsidiary of WaveDivision Holdings, L.L.C. (“Wave”), which is a wholly owned subsidiary of Radiate Holdings, L.P. (“Radiate”), a subsidiary of affiliates of TPG Capital. TPG’s ownership of Wave will be transferred to Stonepeak Infrastructure Partners and affiliates (“Stonepeak”).<sup>1</sup> As a result of the proposed transaction, the franchise or control of the franchisee will be transferred.

**EXECUTIVE SUMMARY**

While the ultimate transfer of the ownership is rather straightforward, the steps to accomplish it involve a complex transaction. (See the ownership diagrams attached as Exhibit 1.) A&S’s analysis will not address the steps of the transaction and will only concentrate on (1) the financial capability of the proposed new owners, the affiliated companies of Stonepeak and (2) the financial status of the existing franchise at transfer.

While several different companies are involved in the chain of ownership, the entities with the resources to make investments in the system post-transaction will be the franchisee (because it will have cash flow from the system operations, and own the asset) and Stonepeak. Based on the information provided to us, Radiate will not be in a comparable

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<sup>1</sup> As set out in Exhibit 1 and in filings with the City, Stonepeak Infrastructure Partners and affiliates involved in this transaction include Stonepeak Tiger Holdings I LLC, Stonepeak Tiger Holdings II Sub LLC, Stonepeak Tiger Blocker I LLC, Stonepeak Tiger Blocker II LLC, Stonepeak Tiger Blocker III LLC, Stonepeak Tiger Blocker IV LLC, Stonepeak Tiger GP Merger Sub LLC and Stonepeak Tiger PartnershipMerger SUB LP.



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position to make those investments or to guarantee performance since it a holding company and its only assets are Wave and other telecommunication companies.

The LFA has an interest in ensuring that resources are not simply stripped from the local level in a way that affects the quality of service or the quality of the system.

Financial Capability

Stonepeak has demonstrated that it has access to the needed funding for the franchise. As will be discussed below, Radiate and the franchisee may require capital infusions to meet interest payments on the high level of debt that they currently carry (which is reflected in Radiate's financial statements), and to meet the franchisee's needed capital expenditures.

Financial Status of the Franchisee at Transfer

Radiate made a distribution to its owners (TPG and minority investors) in 2019 of [REDACTED] [REDACTED] financed by debt. It should be noted that prior owners used the same method for funding distributions that resulted in increasing debt from [REDACTED] in 2010 to over [REDACTED] as of December 31, 2019. This debt will remain with the company after TPG's transfer of ownership and control to Stonepeak and may have a substantial impact on the franchisee's ability to meet the needs of the LFA, the community or to adequately maintain the system.

**ANALYSIS**

A&S reviewed the limited financial data provided by or on behalf of Radiate and Stonepeak. The information predominantly was identified as confidential and, so, will only be discussed in summary fashion in this report.

As identified in Exhibit 1 at page 6, Stonepeak is effectively buying TPG's ownership in the following communications companies, among others: RCN Telecom Services, LLC (owners of RCN and Starpower), Grande Communications Networks, LLC, En-Touch Systems, Inc. and WaveDivision Holdings, LLC (owners of WaveDivision companies and Astound Broadband, LLC).

While requested, no financial projections were provided to A&S by Radiate or Stonepeak. A&S used unaudited financials of Radiate for the year ended December 31, 2019, to assess the operational results of Radiate (which collects management fees from Wave and the RCN companies). The unaudited data indicate that Radiate has a healthy cash flow supplemented by additional debt that was primarily used as a distribution to TPG. Cash flow (and retained capital), or capital invested by the new owner, must be sufficient to support continued operation and maintenance of the system as well as additional investments to maintain and attract subscribers. On a standalone basis, for reasons we discuss, there is reason to believe additional capital investment will be required from the franchisees and Stonepeak.

Data has been provided showing that Stonepeak would have access to additional financial resources, if it chose to do so, to invest in the system in the City.

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Through a series of similar debt-financed distributions and sales by prior owners, the debt which management fees from the Wave and RCN companies must support has increased dramatically since 2007. In 2007, RCN, an affiliated company of Wave, acquired new debt of [REDACTED] and used it to pay [REDACTED] in distributions. In 2010, when ABRY, through its subsidiaries, acquired RCN, debt assumed for the cable and fiber business segments was planned at [REDACTED]. Even though subsequent owner Yankee only had a cash balance of approximately [REDACTED] on a consolidated basis, it was able to fund a “distribution to members” by taking on [REDACTED] of new debt in 2013 and 2014 through its operating subsidiaries. The new debt also retired [REDACTED] of prior debt in 2013 and [REDACTED] in 2014. As of June 30, 2016, this had ballooned to [REDACTED], a [REDACTED], while equity decreased from [REDACTED] to a [REDACTED], a decrease of [REDACTED]. A large component of the negative equity at the time was attributed to “distributions to members” of [REDACTED] in 2013 and [REDACTED] in 2014 (a total of [REDACTED]).

Then in 2019, Radiate similarly took on additional debt to make a distribution. As of December 31, 2019, Radiate’s debt was [REDACTED] [REDACTED] of long-term debt, [REDACTED] of notes payable and [REDACTED] of debt in a revolving credit facility) and cash had decreased during the year from [REDACTED] to [REDACTED]. While Radiate shows equity of [REDACTED] as December 31, 2019, this reflects a balance of intangible assets of [REDACTED].

## SUMMARY

While Stonepeak has shown that it has access to financial capability necessary for the transfer, the City should consider what steps can be taken to assure the continued viability of the franchise. Data provided shows the number of video revenue generating units (“RGUs”) in the City in 2020 is [REDACTED] of what it was in 2018, while the number of customers (video, voice and Internet) in the City has increased [REDACTED] over the same time period. The decline in video RGUs has a major impact on franchise fees.

The pattern of using debt to fund distributions to shareholders/owners has long term implications and has resulted in continued, significant increases in the level of debt. Radiate and the prior owners took money out by leveraging the company as there were not earnings sufficient to support the distributions. However, the cash flow was sufficient to support the increase in debt payments. Future cash flow will have to be used to repay the debt incurred. This is not a sustainable scenario if there are changes in current financial conditions, such as an increase in interest rates, and may not leave debt capacity available to meet the future needs of the company for operations and needed capital improvements (plant and equipment).

One potential condition would be to require a guarantee of performance from a company that is in a position to make significant capital investments as needed to ensure franchise compliance. Based on the information we have been provided, the guarantee would need to be from Radiate HoldCo, LLC.

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Another would be conditions intended to ensure that the system is properly maintained and upgraded so that it can continue to provide advanced services. The guarantee is important in the event of default, but the second may be important to protect against default. As the ultimate owner, Stonepeak should commit to not taking any actions that would prevent the franchisee from maintaining the system at a high level of performance, and investing in the system so that it is capable of providing services of a quality and type similar to that provided by other franchised operators.

Please let us know if we can be of further assistance.

Sincerely,

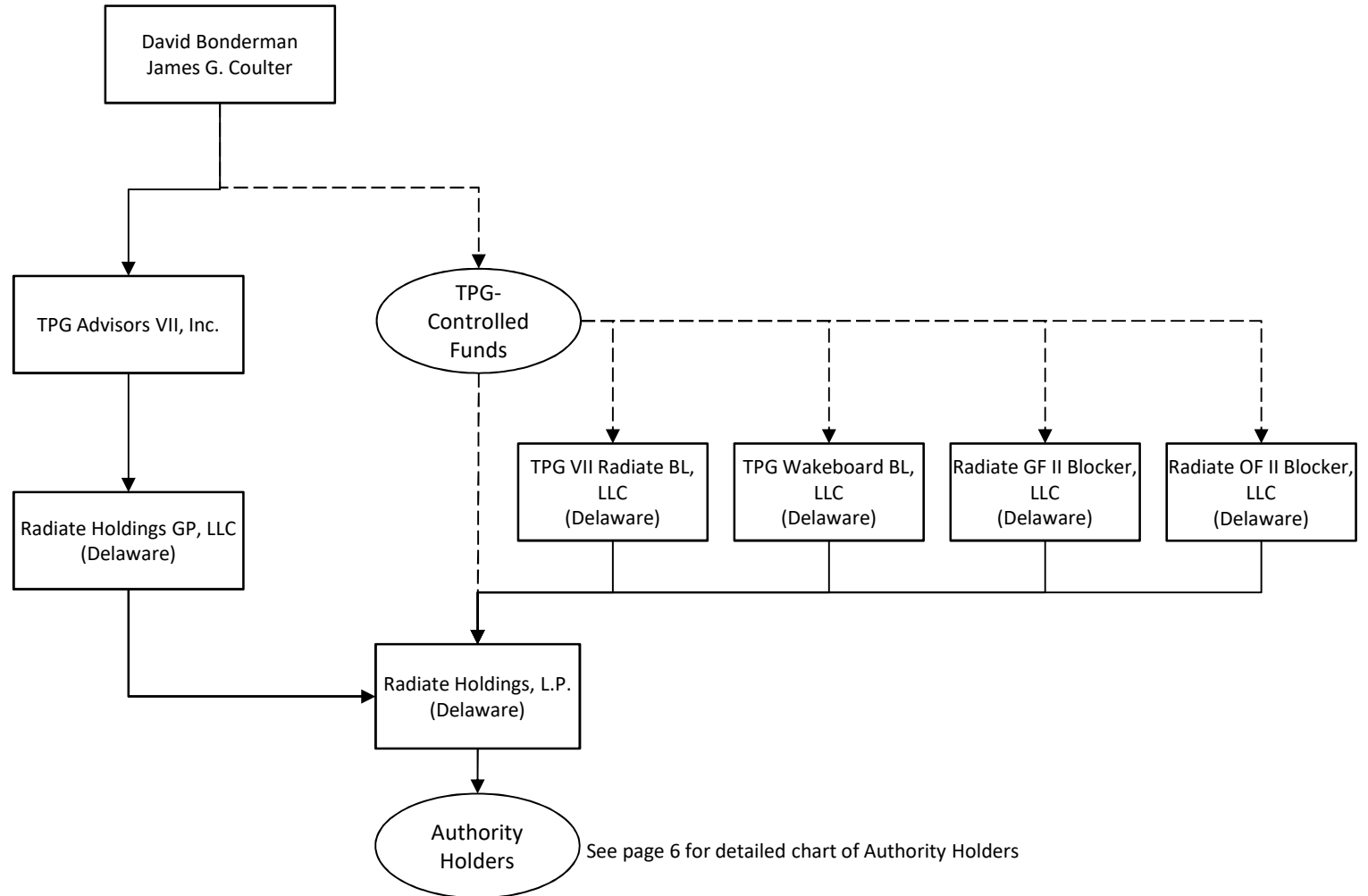


Garth T. Ashpaugh, CPA  
Ashpaugh & Sculco, CPAs, PLC

cc: Suzanne Smith, Esquire, City of Seattle, City Attorney's Office,  
Suzanne.Smith@seattle.gov  
Brian Grogan, Esquire, Moss & Barnett, brian.grogan@lawmoss.com

Pre-Close Ownership of Authority Holders

Red: GP or other controlling person  
Blue: Non-controlling member/limited partner equity interests  
 Controlling interests are 100% unless otherwise indicated  
 Dash lines indicate indirect interest.



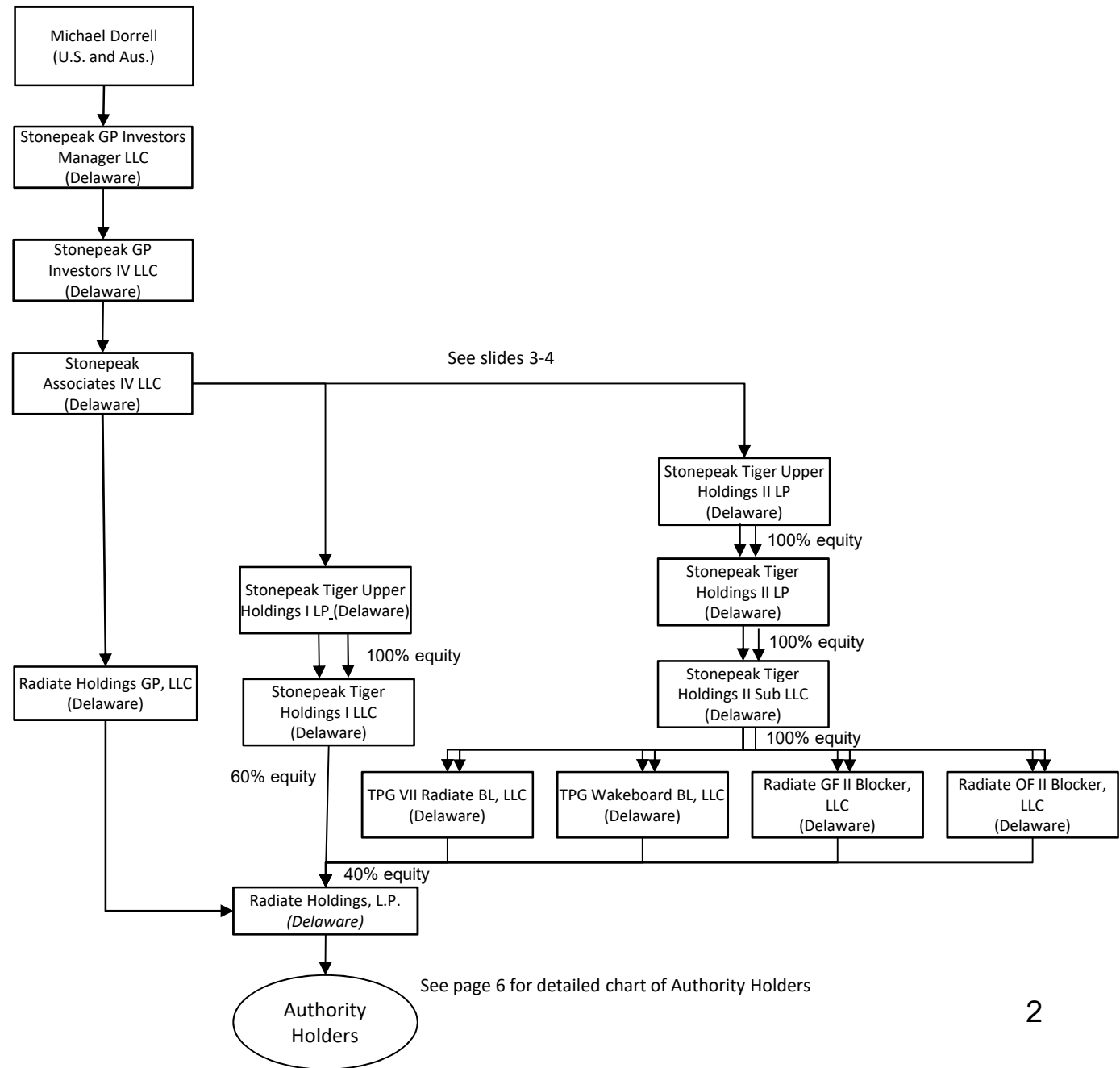
Red: GP or other controlling person

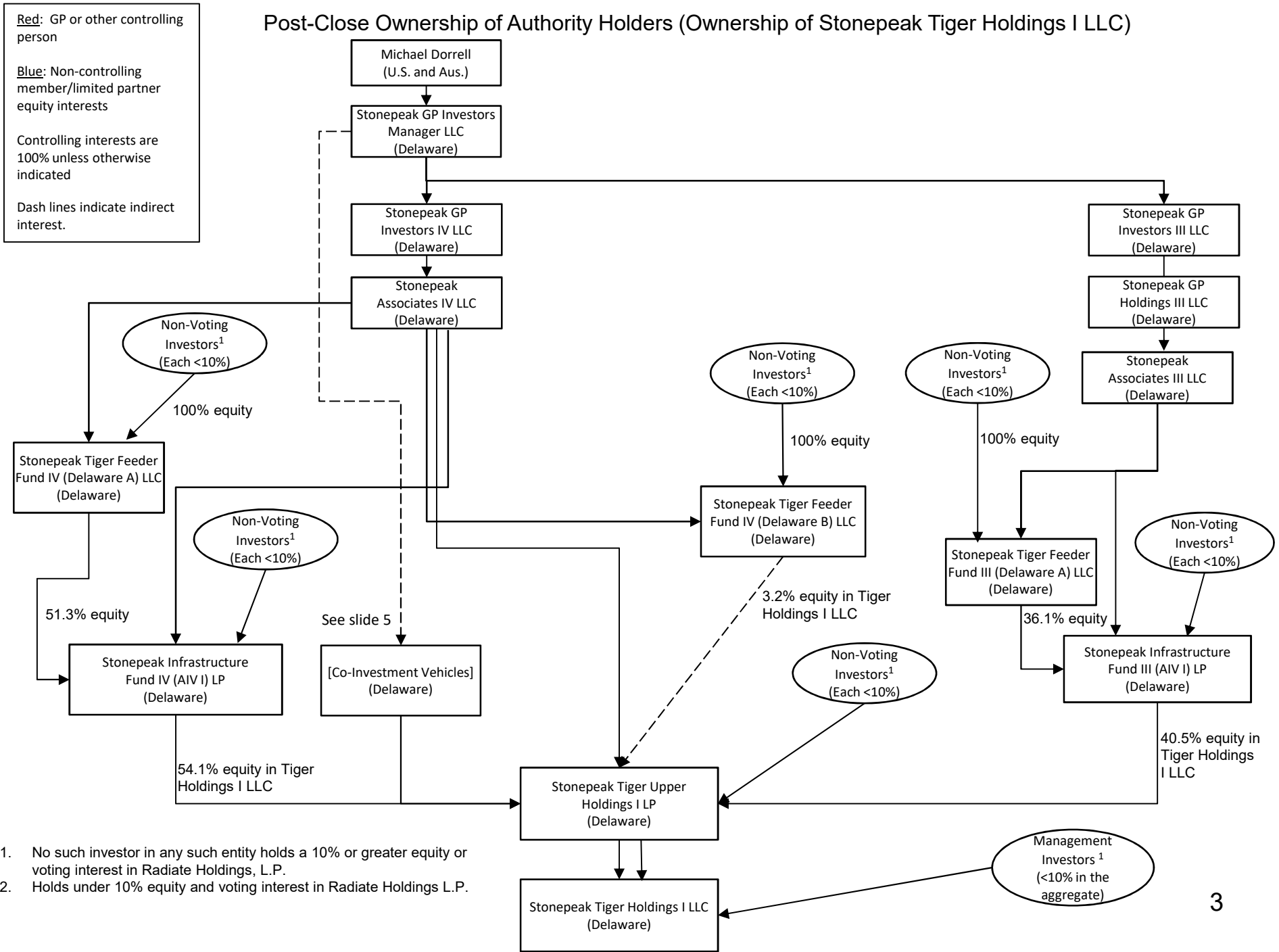
Blue: Non-controlling member/limited partner equity interests

Controlling interests are 100% unless otherwise indicated

Dash lines indicate indirect interest.

Post-Close Ownership of Authority Holders (Indirect Control of Authority Holders)

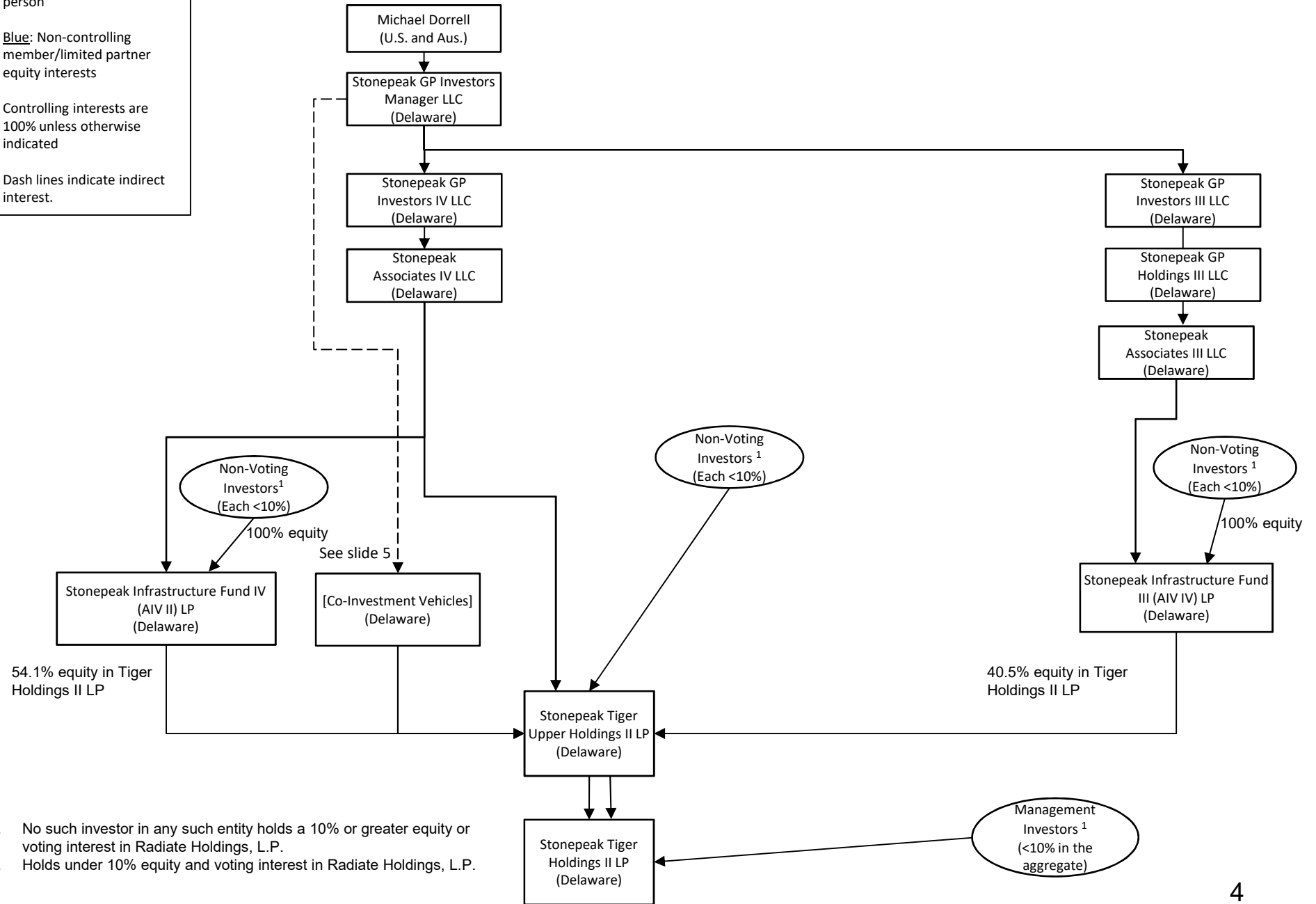




1. No such investor in any such entity holds a 10% or greater equity or voting interest in Radiate Holdings, L.P.
2. Holds under 10% equity and voting interest in Radiate Holdings L.P.

Red: GP or other controlling person  
Blue: Non-controlling member/limited partner equity interests  
 Controlling interests are 100% unless otherwise indicated  
 Dash lines indicate indirect interest.

Post-Close Ownership of Authority Holders (Ownership of Stonepeak Tiger Holdings II LP)



1. No such investor in any such entity holds a 10% or greater equity or voting interest in Radiate Holdings, L.P.  
 2. Holds under 10% equity and voting interest in Radiate Holdings, L.P.

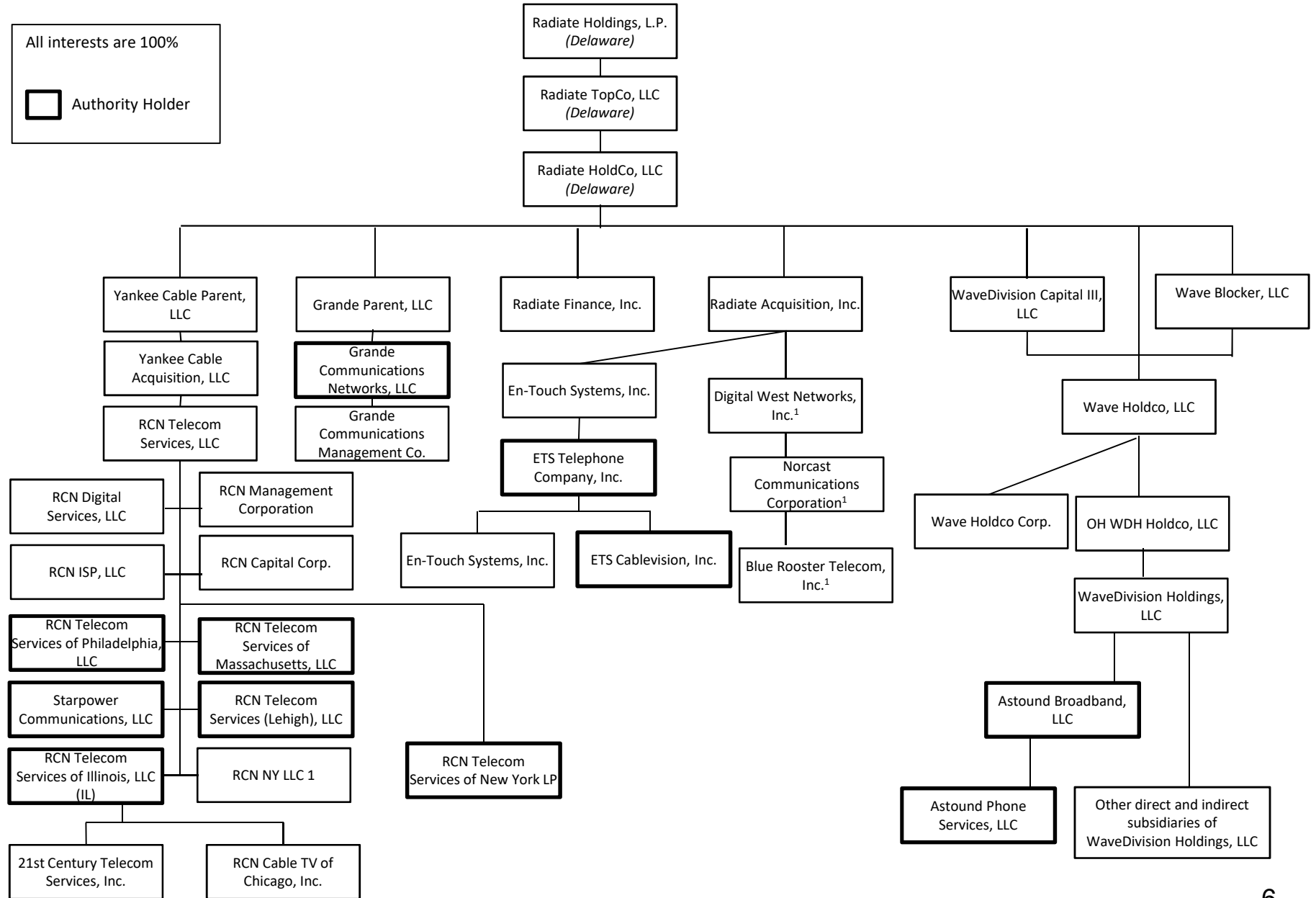




### Authority Holders

All interests are 100%

Authority Holder



<sup>1</sup> Pending close of transaction.