

**SUMMARY and FISCAL NOTE\***

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\* 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