



## Legislation Text

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**File #:** ORD 18-0004, **Version:** 2

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**TO:**

Honorable Mayor and Members of the City Council

**THROUGH:**

Bruce Moe, City Manager

**FROM:**

Sanford Taylor, Information Technology Director  
George Gabriel, Management Analyst

**SUBJECT:**

Ordinance to Reauthorize Public, Educational, and Governmental (PEG) Programming Support Fees Pursuant to the Digital Infrastructure and Video Competition Act (DIVCA) (Information Technology Director Taylor).

- a) **CONDUCT SECOND READING**
- b) **ADOPT ORDINANCE NO. 18-0004**

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**RECOMMENDATION:**

Staff recommends that City Council conduct second reading and adopt Ordinance No. 18-0004 reauthorizing Public, Educational, And Governmental (PEG) programming support fees pursuant to the Digital Infrastructure and Video Competition Act (DIVCA).

**FISCAL IMPLICATIONS:**

The City receives significant annual PEG fees from cable franchises. Adopting Ordinance No. 18-0004 ensures that the City continues to receive fees from Charter Communications to support broadcast services on the City's Local Access Channel titled "MBTV." In the past three years, the City has received \$180,136 in PEG fees from cable franchises.

**BACKGROUND:**

California cities, including Manhattan Beach, need to take action once again to reauthorize their Public, Educational, and Governmental (PEG) programming support fees from Charter Communications.

When the Digital Infrastructure and Video Competition Act (DIVCA) was enacted a decade ago, it authorized cities to adopt an ordinance imposing a fee (typically equal to 1% of a video franchisee's gross review) to support PEG programming facilities. Manhattan Beach adopted such an ordinance. DIVCA also provides, however, that an ordinance adopting a PEG fee, "shall expire, and may be reauthorized, upon the expiration of the state franchise."

Manhattan Beach first adopted its PEG fee ordinances in June 2008 when the first state franchises had expired. Manhattan Beach must readopt and reauthorize the PEG fee, or risk a gap in PEG fee payments by Charter Communications.

At the February 20, 2018 City Council meeting, the City Council adopted Urgency Ordinance No. 18-0003-U to ensure uninterrupted PEG fee authorization, and introduced Ordinance No. 18-0004 reauthorizing the PEG fee ordinance.

**DISCUSSION:**

Staff recommends the City Council conduct the second reading and adopt Ordinance No. 18-0004.

**PUBLIC OUTREACH/INTEREST:**

After analysis, staff determined that public outreach was not required for this issue.

**LEGAL REVIEW**

The City Attorney has reviewed this report and determined that no additional legal analysis is necessary.

**Attachment:**

1. Ordinance No. 18-0004