



Legislation Text

File #: ID 15-0402, **Version:** 1

Ordinance Amending Chapter 28.1 of the Greensboro Code of Ordinances with Respect to Telecommunications

Department: Engineering and Inspections

Council District: All

Public Hearing: No

Advertising Date/By: N/A

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PURPOSE:

To amend Chapter 28.1 of the Greensboro Code of Ordinances to reduce the annual per linear foot fee from \$1.75 to \$0.30 per linear foot for telecommunications companies that encroach in the City's rights-of-way.

BACKGROUND:

Historically, the City of Greensboro has charged a fee for telecommunications franchises and encroachers to install within the City's rights-of-way. The City has authority to charge such fees under Chapter 28.1-18 of the Greensboro Code of Ordinances and under the Federal Telecommunications Act of 1996 (FTA), 47 USC §253 (c), which states generally that a local government may manage the public rights-of-way or require "fair and reasonable compensation from telecommunications providers, on a competitively neutral and nondiscriminatory basis."

Currently, the City charges a rate of \$1.75 per linear foot for occupation in City rights-of-way. However, based upon research of similar sized cities and a recent review of the costs that Greensboro expends to maintain and manage its rights-of-way, City staff finds that a rate of thirty cents (\$0.30) per linear foot is legally appropriate and places the City of Greensboro in line with other communities in the state and the southeast.

The City will notify all telecommunications franchisees and encroachers regarding this rate. Moving forward, the City will apply this fee across the board in a competitively neutral and nondiscriminatory manner, and will achieve full compliance with all franchisees operating within City rights-of-way.

Upon adoption of this Ordinance change, staff will bring updated franchise agreements to City Council for each franchise operating in the City's rights-of-way. These franchise agreements must be voted on twice by City Council and will be placed on the consent agendas in the near future.

BUDGET IMPACT:

Under the old rate of \$1.75, the fiscal year 2016 revenues for the City would have been \$297,941 for franchises and \$11,126 for encroachments. The new rate of \$0.30 per linear foot will result in fiscal year 2016 revenues of: \$169,007 for franchise fees and \$1,907 for encroachments. These revenue estimates are included in the Manager's current budget proposal.

RECOMMENDATION / ACTION REQUESTED:

Engineering and Inspections recommends City Council approve this ordinance amendment.