

**ORDINANCE NO. 7-2003**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ELK GROVE  
AMENDING SECTIONS 5.75.102, 5.75.104, 5.75.504 AND  
5.75.700 OF CHAPTER 5.75 AND ADDING SECTIONS 5.75.110 AND  
5.75.206 TO CHAPTER 5.75, TITLE 5 OF THE ELK GROVE MUNICIPAL CODE  
RELATING TO LICENSING OF CABLE TELEVISION FRANCHISES**

The City Council of the City of Elk Grove, State of California, ordains as follows:

**SECTION 1. Section 5.75.102 of Chapter 5.75, Title 5 of the City of Elk Grove**

Municipal Code is hereby amended to read as follows:

**5.75.102 CONTENTS OF APPLICATION.** Applications for a License shall include at a minimum:

- (a) a clear description of the identity of the applicant, including but not limited to the name of the applicant, the address of the applicant, the nature of business entity;
- (b) copies of the policy of policies of liability insurance, including comprehensive general liability insurance, products, and contractors protective liability, broad form property damage, contractual liability, automobile liability (owned, non-owned, and hired automobiles), workers compensation and employer liability required by section 5.75.604;
- (c)(1) a clear description of the boundaries of the precise geographic area for which applicant seeks a License ("License Area") defining the area by metes and bounds in terms of street name and direction or (2) a map or maps of a scale of not less than one inch (1") equals one thousand feet (1000') showing the License Area boundaries; and
- (d) a calculation and certification of the initial penal sum of the performance bond which will be provided prior to the initiation of construction pursuant to section 5.75.600 or the election of the application to provide the alternative performance bond specified by section 5.75.601.
- (e) a service activation plan and schedule utilizing census tract or similar demographic data that demonstrates that the Applicant will provide cable television services within the service area on a non-discriminatory basis (racial/ethnic/economic), when evaluated beginning with the first anniversary of the issuance of the License and on a semi-annual basis thereafter. The format and reporting detail shall be subject to the approval of the Commission.**

**SECTION 2. Section 5.75.104 of Chapter 5.75, Title 5 of the City of Elk Grove**

Municipal Code is hereby amended to read as follows:

**5.75.104 ISSUANCE OF LICENSES.** The Cable Television Commission shall issue all Licenses for which applications are received unless (1) the application shall fail to comply with the provisions of Section 5.75.102 above or (2) any License theretofore

issued to any affiliate, subsidiary or parent of the Licensee or any other person or entity in which the Licensee has a financial interest or which has a financial interest in the Licensee shall be thereupon in default as to any provision of this Chapter or as to any provision of any License issued hereunder; **or (3) the applicant fails to submit an service activation plan and schedule that meets the requirements of 5.75.102, as determined by the Commission.**

SECTION 3. Section 5.75.110 is hereby added to Chapter 5.75, Title 5 of the City of Elk Grove Municipal Code to read as follows:

**5.75.110 DENIAL.** If an Applicant is a Licensee, an affiliate of a Licensee or controlled by a Licensee, the Commission may deny issuance of a License if the Commission finds and determines that the issuance of any subsequent license(s) and the geographic areas requested to be served, may result or appears to result in an overall service territory for the Licensee or its affiliates or controlled entities that discriminates against any community, neighborhood or geographic area for socio-economic reasons.

SECTION 4. Section 5.75.206 is hereby added to Chapter 5.75, Title 5 of the City of Elk Grove Municipal Code to read as follows:

**5.75.206 INTERCONNECT.** The Licensee shall provide interconnection of its Cable System to other franchised, licensed or authorized Cable Systems within the County for the purpose of transporting and distributing PEG programming. The Licensee shall make all reasonable efforts to coordinate the cablecasting of PEG access programming upon its Cable System at the same time and upon the same channel designations as such programming is cablecast upon other Cable Systems. However, the Licensee shall not be bound by these interconnection requirements if interconnection is impractical or infeasible due the refusal of the other cable operators to share equitably in the cost of interconnection. Any denial of interconnection by a Licensee shall be subject to the reasonable review and reversal of the Commission.

SECTION 5. Section 5.75.504 of Chapter 5.75, Title 5 of the City of Elk Grove

Municipal Code is hereby amended to read as follows:

**5.75.504 INTEREST ON DELINQUENT LICENSE FEES.** Any License Fees which remain unpaid after the dates specified in Section 5.75.502 above shall be delinquent and shall thereafter accrue interest at the maximum legal rate until paid. **As used in**

**this section the maximum legal rate shall be that rate set forth in section 685.010 of the California code of Civil Procedure, as amended from time to time, or any successor California statute establishing the rate interest accrues for money judgments.**

SECTION 6. Section 5.75.700 of Chapter 5.75, Title 5 of the City of Elk Grove

Municipal Code is hereby amended to read as follows:

**5.75.700 TRANSFERS PROHIBITED.** (a) Except as otherwise expressly provided in this Chapter, no part or element of a Cable Television System or any other real or personal property which is a part of said Cable Television System shall be sold, transferred, assigned, mortgaged, pledged, leased, sublet or otherwise encumbered for any purpose whatsoever, nor shall title thereto, either legal or equitable, or any right or interest therein pass to or vest in any party, **nor shall there be any transfer or change of control of the Licensee** without the prior written consent of the Cable Television Commission. Such consent of the Commission shall not be unreasonably withheld.

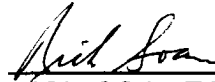
A License issued pursuant to the provisions of this Chapter shall not either in whole or in part, be sold, transferred, assigned, mortgaged, pledged, leased, sublet, or otherwise encumbered for any purpose whatsoever; nor shall title thereto, either legal or equitable, or any right or interest therein, pass to or vest in any party without the prior written consent of the Cable Television Commission. Such consent of the Commission shall not be unreasonably withheld.

Any such sale, transfer, assignment, mortgage, pledge, lease, sublease or other encumbrance of whatever kind or nature made in violation of the provisions of this Section shall be void.

**(b) As used in this section "transfer or change of control" shall mean the acquisition of sufficient dominance to determine the operational and financial policies of the Licensee, including but not limited to the disposition of its assets. The word "control" as used in this section is not limited to major stockholders or financial interests but also includes actual working control in whatever manner exercised and includes, but is not limited to (i) the acquisition of accumulation by any party or association of parties of ten (10%) or more of the voting shares or stock of the Licensee or named owner of the Licensee; (ii) a change in general partners of a Licensee or named owner of the Licensee; or (iii) a merger or consolidation of the Licensee or named owner of the Licensee.**

**SECTION 7.** This ordinance was introduced and the title thereof read at the regular meeting of the City Council on February 19, 2003 and on March 5, 2003. This ordinance shall take effect and be in full force on and after thirty (30) days from the date of its passage. In lieu of publication of the full text of the ordinance within 15 days after its passage, a summary of the ordinance may be published at least five days prior to and fifteen (15) days after adoption by the City Council, and a certified copy shall be posted in the office of the City Clerk, pursuant to GC 36933 (c)(1). The City Clerk will forward the ordinance amendments to the Cable Commission.

PASSED AND ADOPTED by the City Council of the City of Elk Grove on this 5<sup>th</sup> day of March 2003.



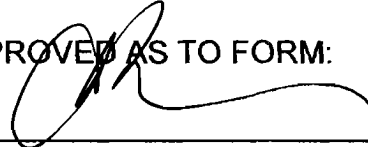
RICK SOARES, MAYOR, of the  
CITY OF ELK GROVE

ATTEST:



PEGGY E. JACKSON, CITY CLERK

APPROVED AS TO FORM:



ANTHONY B. MANZANETTI,  
CITY ATTORNEY

**Effective Date: April 4, 2003**

**AYES:** Soares, Briggs, Cooper  
Scherman, Leary

**NOES:** None

**ABSTAIN:** None

**ABSENT:** None