

1 [Settlement of Claims.]

2 **Ordinance approving the settlement of certain non-litigated claims on behalf of the City**
3 **and County of San Francisco against Comcast of California III, Inc.**
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5 Be it ordained by the People of the City and County of San Francisco:

6 Section 1. The Executive Director of the Department of Telecommunications and
7 Information Services (“DTIS”) and the City Attorney are hereby authorized to settle certain
8 non-litigated claims made by the City and County of San Francisco (“City”) against Comcast
9 of California III, Inc. (“Comcast”) related to the City’s claim that Comcast failed to comply with
10 certain of the terms and conditions of the cable television franchise granted to Comcast’s
11 predecessor-in-interest (Television Signal Corporation) and approved by the Board of
12 Supervisors (“Board”) and the Mayor on April 22, 1964 pursuant to Ordinance Number 105-
13 64, as amended from time to time, including, most recently, by Ordinance No. 266-99. The
14 terms and conditions of the settlement are set forth in the Settlement Agreement on file with
15 the Clerk of the Board in File No. 051006, which is hereby declared to be part of this
16 ordinance as if set forth fully herein, and in the Rebuild Extension Ordinance on file with the
17 Clerk of the Board in File No. 051005. The Executive Director of DTIS and the City Attorney
18 are authorized to execute any documents that are necessary to effectuate this settlement.

19 Section 2 Franchise Renewal Process. To ensure that the City engages in a vigorous,
20 thorough franchise renewal process that advances the City’s interests and considers the
21 views of stakeholders and the policy imperatives of the Board of Supervisors, DTIS shall
22 ensure that the renewal process includes a timeline for accomplishing key elements of the
23 process, a plan for obtaining community feedback throughout the renewal process, and a plan
24 for obtaining feedback from the Board of Supervisors throughout the process.
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1 As part of the formal renewal process, the City must assess community needs and
2 interests and review Comcast's performance under the franchise, consistent with federal law
3 and the San Francisco Administrative Code. Between January 1 and June 30, 2007, either
4 the City or Comcast may initiate the formal renewal process. The steps outlined below will
5 position the City to move forward with the formal renewal process expeditiously.

6 A. Renewal Milestones and Timeline. Under federal law the formal franchise
7 renewal period may begin 36 months before the end of the franchise, which in this case is
8 January 2007. Prior to that date, the City may continue to take steps to prepare for the formal
9 renewal period. DTIS shall develop a renewal plan that meets the following schedule:

10 i) Complete public meetings by October 30, 2005. As part of the original
11 renewal process, DTIS planned for community meetings in each supervisorial district to
12 provide information to and seek input from members of the public. Five of those meetings
13 remain to be completed.

14 ii) Complete the first phase of the community needs assessment and report
15 results to Board of Supervisors in the first quarter of 2006. DTIS engaged an expert
16 consultant to provide a report on community needs and interests. The consultant report will
17 incorporate the results of the public meetings and will identify the cable system services and
18 capabilities required to meet those needs. Under federal law, a community needs
19 assessment is a key component of a franchise renewal process.

20 iii) Complete survey of residents and report on survey results in the first quarter
21 of 2006. DTIS will survey residents regarding customer service, including billing issues,
22 system performance, and other service quality issues. This survey will be an important part of
23 reviewing Comcast's past performance under the franchise.

1 iv) Complete technical assessment of cable system in the first quarter of 2006.
2 An independent expert will inspect Comcast's rebuilt cable system to assess Comcast's
3 compliance with the franchise, the City's electrical code and federal law. DTIS will review this
4 assessment along with other compliance and performance issues and report to the Board of
5 Supervisors regarding these issues in the second quarter of 2006.

6 v) Prepare draft documents for public comment in third quarter of 2006. Using
7 the information gathered during the process described above, DTIS will draft the following
8 documents for public review: a report on community needs, a report on Comcast's
9 performance under the franchise and a request for renewal proposal.

10 vi) DTIS will revise the documents based on public input and submit revised
11 documents to the Board of Supervisors in fourth quarter 2006.

12 vii) After January 1, 2007, the Board of Supervisors will provide direction to
13 DTIS with respect to further steps in the franchise renewal process and may direct DTIS to
14 issue the request for renewal proposal. The review and processing of a renewal proposal
15 shall be consistent with the requirements of 47 USC 546 and Chapter 11 of the San Francisco
16 Administrative Code.

17 B. Community Outreach. DTIS shall conduct public meetings with stakeholders to
18 discuss the franchise renewal process and receive input from community stakeholders.
19 These public meetings shall take place at least once per quarter.

20 C. Communication with the Board of Supervisors. DTIS shall report regularly to the
21 Board of Supervisors on the franchise renewal process, including the City's progress in
22 meeting the milestones identified above. These reports, which may be made by letter, shall
23 occur at least once per quarter.

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APPROVED AS TO FORM AND
RECOMMENDED:

DENNIS J. HERRERA
City Attorney

By: _____
THERESA L. MUELLER
Deputy City Attorney