

ORDINANCE NO. _____

AN UNCODIFIED ORDINANCE OF THE CITY OF
PASADENA AUTHORIZING THE EXECUTION OF A
FRANCHISE AGREEMENT BETWEEN THE CITY AND
ALTRIO COMMUNICATIONS, INC. TO CONSTRUCT
AND TO OPERATE AN OPEN VIDEO SYSTEM

THE PEOPLE OF THE CITY OF PASADENA ORDAIN AS FOLLOWS:

Section 1. This uncodified ordinance is adopted in consideration of the following facts and circumstances:

A. Altrio Communications, Inc., a Delaware corporation ("Franchisee"), has applied for a franchise ("Franchise") that authorizes the construction, operation, and maintenance of an open video system within the City of Pasadena ("Franchise Authority").

B. Negotiations between the Franchise Authority and the Franchisee commenced in June 2001. An agreement has been negotiated entitled "An Agreement between the City of Pasadena and Altrio Communications, Inc., Granting Nonexclusive Rights to Construct and to Operate an Open Video System in the City of Pasadena and Setting Forth Terms and Conditions Relating to the Exercise of Those Rights" ("Franchise Agreement").

C. The Franchise Authority has reviewed the present and future cable-related needs of the community and its residents, the Franchisee's ability to carry out its obligations under the Franchise Agreement, and the Franchisee's financial, legal, and technical qualifications to hold and to operate an open video system, and has determined that the public interest would be served by authorizing the execution of the Franchise Agreement. This determination is based upon the findings set forth below that are made by the Franchise Authority following a noticed public hearing that was held on August 13, 2001, in accordance with the provisions of California Government Code Section 53066.3:

1. Franchisee proposes to construct and to operate an advanced open video system network that will be capable of providing various "bundled"

broadband television and telecommunications services, including analog and digital video service, high-speed Internet service, and local and long-distance telephone services.

2. Franchisee's open video system architecture will incorporate advanced fiber-optic network technologies and will be installed in a manner similar to that used by the incumbent cable television operator and in compliance with all applicable construction requirements and environmental procedures imposed by the Franchise Authority.

3. Franchisee is among the first facilities-based service providers to be certified by the Federal Communications Commission to offer bundled and unbundled video and telecommunications services in Southern California in direct competition with incumbent service providers.

4. The Franchise Authority seeks to promote a competitive marketplace and consumer choice of service providers that offer video and other broadband telecommunications services.

5. The Franchise Authority's staff has reviewed the legal, technical, and financial qualifications of the Franchisee to construct and to operate a competitive open video system within the City. In addition, staff has considered the potential economic, aesthetic, and disruptive impacts of the Franchisee's proposed open video system and has determined that the Franchisee's open video system would not have an unreasonable adverse economic or aesthetic impact upon public or private property within the City, nor would it cause any unreasonable disruption or inconvenience to the existing or future use of utility poles, public easements, or public rights-of-way contrary to the intent of the California Public Utilities Code.

6. After considering the staff report and all other submissions, both written and oral, made in the course of the noticed public hearing that was held on August 13, 2001, the Franchise Authority finds and determines that the economic and social interests of the City and its residents will best be served by authorizing the Franchisee to construct and to operate a competitive open video system in accordance with the terms of the Franchise Agreement.

Section 2. The Franchise Authority authorizes the grant of a nonexclusive franchise to the Franchisee to construct, operate, and maintain an open video system within the City. This authorization is made in accordance with the applicable provisions of Title 18 of Article VI of the Pasadena Municipal Code, and the

applicable provisions of state and federal law. A copy of the Franchise Agreement in the form presented to this meeting is directed to be retained in the office of the City Clerk for the purpose of public inspection.

Section 1. That certain Franchise Agreement in the form presented to this meeting is approved, and the City Manager is authorized to execute that agreement on behalf of the Franchise Authority following its execution by the Franchisee.

Section 2. The City Clerk is directed to transmit a certified copy of this ordinance to: Chief Executive Officer, Altrio Communications, Inc., 2702 Media Center Drive Los Angeles, California 90065.

Section 3. The City Clerk is directed to certify to the passage and adoption of this ordinance and to cause it to be published or posted as required by law.

Section 4. This ordinance will become effective upon the expiration of 30 days from its publication.

Signed and approved this ____ day of _____, 2001.

Bill Bogaard
Mayor of the City of Pasadena

I HEREBY CERTIFY that the foregoing ordinance was adopted by the City Council of the City of Pasadena at its meeting held the _____ day of _____, 2001, by the following vote:

Ayes:

Noes:

Absent:

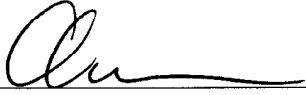
Abstain:

Published:

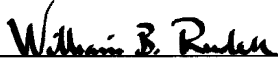
Jane L. Rodriguez
City Clerk

[Signatures Continue.]

APPROVED AS TO FORM:



Asst. City Attorney



Special Counsel