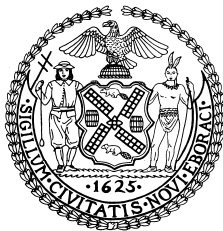


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The City of New York
Manhattan Community Board 8
Communications Committee Meeting

NYC Blood Center, 310 E. 67th Street, Conference Room #1
July 14, 2011 at 6:30 PM

Community Board Members: Dave Rosenstein, Will Sanchez (co-chairs), Lori Bores

Public Members: Benjamin Kallos, Monica McKane-Sanchez

Guests: Zenaida Mendez, Director, External Affairs, Manhattan Neighborhood Network (MNN); Jimmy Yan, General Counsel to the Manhattan Borough President (MBP); Kristen Ellis, MBP liaison to CB8M

Summary: Manhattan Neighborhood Network (MNN), which provides free training, access to studios and four public access cable TV channels (on Time Warner they are ch. 34, 56, 57 and 67), and from which CB8 Speaks is taped and telecast, is struggling to maintain service with revenues based on a franchise agreement that expired in 2008 and with funding based on 1998 cable TV rates, which have increased in the intervening 13 years. A new agreement awaits completion of final details and is to be presented at a public hearing on August 8, after which the city's Franchise and Concession Review Committee is scheduled to vote on it on August 10, 2011. The Manhattan Borough Board voted in 2008 (full text below) urging the FCRC "to support the franchise provision that requires capacity and support for public, educational and government access." The following reviews the discussion at the July 14 committee meeting and the franchise process, and offers a resolution for the full board's consideration endorsing the 2008 Borough Board resolution and urging the long-delayed completion of the franchise renewal process.

The meeting was convened at 6:30 PM.

Co-chair Dave Rosenstein said that CB8M became familiar with MNN some years ago when our committee members trained there as associate producers and began taping our monthly "CB8 Speaks" broadcast at MNN's West 59th Street studios. Over time, we noticed equipment at MNN was deteriorating, drape backgrounds were ragged, nonworking editing equipment was not replaced, interviews were often delayed while a MNN engineer was located who could troubleshoot problems with aging equipment, etc. We were unable to schedule key public figures who had limited time available because we could not assure that we could complete the setup (sound, lighting etc.) and the 30 min. taping itself within their limited available time, e.g., 45 minutes.

We asked and were told the latest franchise agreement, when finalized, would reopen the pipeline of funds for capital improvements, as well as increase the ongoing funds that had been held to a baseline amount of 44 cents per TimeWarner Cable subscriber, set in 1998.

When we asked when that would happen, answers were unavailable, so we held this meeting to learn more and, if it would be helpful to the agencies involved in moving the agreement process forward, offer a draft resolution for the full community board's approval. Such a resolution follows a summary of the franchise agreement process and the extensive delays and their impact.

Ms. Mendez explained, and the MBP's general counsel Jimmy Yan confirmed, that the funds that support MNN and the other "Communications Access Organizations" (CAOs), the formal term for public access organizations like MNN in the other boroughs, come in two forms, capital grants and

sustaining expense funds based on both the number of subscribers, which changes as new subscribers obtain cable TV service, and a fixed rate per subscriber.

The capital grant would have come at the start of the next 10 year franchise agreement in 2008, but as the agreements are almost three years overdue those funds have not been forthcoming, and, when received, will not be retroactive to 2008, but will restart when the new agreements are finalized, and approved by the state. Those funds are lost and the many community organizations that benefit from the training and facilities of MNN are the losers.

The fixed rate per subscriber was set in 1998 based on cable TV rates in effect then and clearly, cable rates have escalated significantly since 1998. The payments by the various cable companies to support public access cable TV would have increased proportionally in 2008, and when finally signed, will reflect current revenues to Time Warner et al., increasing the revenues paid to MNN and the other CAOs (as well as providing badly needed capital funds).

The Manhattan Borough Board resolution of 2008, called for completion of the franchise agreements, which expired that year, to be implemented without further delay. That 2008 resolution said:

WHEREAS: The Manhattan Neighborhood Network (MNN) is the non-profit organization that administers the four free public access cable stations in Manhattan as part of New York city Public Educational and Government (PEG) channels.

WHEREAS: MNN has been providing the residents of Manhattan in the last Eighteen years with video training, television production, equipment, studios facilities, resources for not for profit organizations, Youth outreach, and free airtime.

WHEREAS: Public Educational and Governmental (PEG) TV channels have long established themselves in local communities nationwide as an invaluable marketplace for ideas. They are financed in part by fees paid to local municipalities by cable companies and video providers in exchange for the right to dig up city streets to lay cable.

WHEREAS: In September 2006 The New York 's City council unanimously passed a resolution authorizing the Mayor's Department of Information Technology and Telecommunications to start re-negotiation with the telecommunications companies for the granting of telecommunications franchises to provide cable television services in New York City and

WHEREAS: the city council resolution requests that the City of New York requires that cable companies shall continue the capacity and support for public, educational and government access and

WHEREAS: In September 2008 Time Warner and Cablevision are up for franchise renewal

THEREFORE BE IT RESOLVED: That the Manhattan Borough Board a body that represents all of the Manhattan communities boards urges the New York City's Franchise and Concession Review Committee (FCRC) and the Mayor of New York City to support the franchise provision that requires capacity and support for public, educational and government**access from the Telecommunications companies.

Summary of the Cable TV Franchise Process

The City of New York signed a series of 10-year franchise agreements in September and October 1998 with cable TV providers Cablevision, Queens Inner Unity, Time Warner Cable, TWC Cable (Staten Island), and in 2008 with Verizon. The 1998 agreements expired in the fall of 2008. The city charter and state law call for these steps when approving or renewing franchise agreements. The NYC Department of Information Technology and Telecommunications (DOITT), which was invited to the committee meeting but declined to attend, is the lead agency in this process, which includes:

- 1) Approval of an Authorizing Resolution (done by City Council in 2006)
- 2) Issuance of solicitations (issued by DOITT in 2008)

- 3) Negotiation and Approval of Franchise Agreements (two-stage process):
 - a) Negotiations, which are essentially complete with some final details being worked out
 - b) Approval by the City's Franchise and Concession Review Committee (FRCR), which consists of members appointed by the five borough presidents, the mayor and the comptroller. Approval by the Deputy Mayor for Operations is required subsequent to the FRCR's review and approval.
- 4) Registration by the Comptroller
- 5) Confirmation by the State's Public Service Commission

Proposed Resolution for CB8M's Consideration:

The Committee, recognizing the important services provided by MNN and its peer Community Access Organizations (CAOs) and takes note of the long delay in restoring full funding to the CAOs through a franchise renewal agreement, offers the following resolution for the consideration of Manhattan Community Board #8:

WHEREAS the City of New York has the right to require that some channels be set aside by the cable companies for public, educational and government channels, and

WHEREAS the City of New York has exercised this right by supporting the creation of MNN and its peer Community Access Organizations, and

WHEREAS the agreements, signed in 1998 (except for Verizon signed in 2008) were for 10 years and expired in 2008, and

WHEREAS the Manhattan Borough Board voted in 2008 to urge the Franchise Concession and Review Committee (FCRC) to approve the renewal of the city's cable TV franchise agreements, and

WHEREAS Manhattan Neighborhood Network and its peers have been operating with inadequate funding, with resulting impairment of their public access mission as a direct result of the long delay in renewing the franchise agreements,

THEREFORE BE IT RESOLVED, that Manhattan Community Board #8 supports the position taken by the Manhattan Borough Board in 2008 regarding the cable TV franchise agreements and urges the FCRC to support the renewal agreements at its August meeting.

There being no further business the meeting was adjourned at 8:15 PM.

Respectfully submitted,
David Rosenstein and Will Sanchez, Co-Chairs, Communications Committee