

CITY OF LOS ANGELES

CALIFORNIA

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June 8, 2015

REF: ASB-129-15

Honorable Members of the City Council
City of Los Angeles
Room 395, City Hall
Los Angeles, CA 90012

Attn: Innovation, Technology and General Services Committee

Subject: **CHURCH OF SCIENTOLOGY PRIVATE LINE FRANCHISE RENEWAL
APPLICATION AND RECOMMENDATION OF APPROVAL
COUNCIL FILE NO. 05-0218**

This report is in response to an application received by the Information Technology (ITA) from the Church of Scientology requesting the approval and issuance of the grant of a private line telecommunications facilities franchise by the City Council and Mayor. Pursuant to the Los Angeles Administrative Code, ITA prepares recommendations to the City Council regarding applications and other actions to be taken by the City regarding information technology systems franchises that encroach upon the City's public rights-of-way.

Background

A private line telecommunications facility is an encroachment permit that provides for the interconnection between two points in the public rights-of-way (PROW), utilized solely for signal transmission and not to serve any customer within the City of Los Angeles (City). The Church of Scientology is requesting that the City grants the renewal of a limited franchise to continue the operation of a private line telecommunications facility using the City's PROW. That facility will continue to connect fiber cable between the Franchisee's buildings located at 1830 N. Broxton Avenue and 5930 Franklin Avenue in the Hollywood area of the City as set forth in the draft renewal ordinance prepared and filed to the City Council by the City Attorney's Office.

Fiscal Impact

If approved, renewal of this private line telecommunications franchise will generate revenue in the amount of \$300.00 per year. If the Church of Scientology elects to pay the full amount due for the ten year term of the renewed franchise, the additional revenue due will be \$3,000.00. In addition, the Church of Scientology is required to continue to maintain a franchise performance bond in the amount of \$10,000.

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Pricing Rates

The regular franchise fee rates that apply to the City's private telecommunications franchisees is \$5/linear foot for fiber and conduit in City's public rights-of-way (PROW), \$2.50/linear foot for aerial installations and \$15/cubic foot for other telecom facilities such as vaults and boxes in the City's PROW. The annual franchise payment amount is calculated as follows:

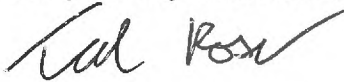
$$\begin{aligned} 60 \text{ linear feet} \times \text{one conduit}/\$5/\text{linear foot} &= \$300.00/\text{year} \\ 10/\text{years}/\text{franchise term} \times \$300.00/\text{yr} &= \$3,000.00 \end{aligned}$$

Recommendation

ITA has reviewed the renewal application of the Church of Scientology for the City of Los Angeles' (City) grant of a private line telecommunications franchise and subject to the consent of City Council and Mayor, recommends approval of that renewal application request as set forth above.

If you have any questions, please contact Mark P. Wolf at (213) 978-3311 or William Imperial at (213) 922-8383.

Respectfully submitted,



Ted Ross
Interim General Manager

cc: Honorable Mayor Eric Garcetti
Honorable Ron Galperin, City Controller
Miguel Santana, City Administrative Officer
Mandana Khatabshahidi, Office of the Chief Legislative Analyst
Mike Dundas, Office of the City Attorney
Honorable Councilmember & Chair, Bob Blumenfield
Mark P. Wolf, ITA
William Imperial, ITA