

GOVERNMENT OPERATIONS COMMITTEE REPORT relative to application from Hood 1703, LLC (Hood) to develop undersea (subsea) fiber optic telecommunications cable landing infrastructure.

Recommendations for Council action:

1. APPROVE the application from Hood to develop undersea (subsea) fiber optic telecommunications cable landing infrastructure to further the City of Los Angeles' growth as a digital technology hub.
2. REQUEST the City Attorney to prepare and present a draft Ordinance with a 21-year term allowing for this franchise.

Fiscal Impact Statement: The Information Technology Agency reports that approval of this IT System franchise will generate \$2,500 in application fees and \$70,500 in annual franchise fees over the next 21 years for a total of \$1,480,500 during the 21 year term of the franchise.

Community Impact Statement: None submitted.

Summary:

On March 3, 2026, your Committee considered a February 23, 2026 ITA report relative to application from Hood to develop undersea (subsea) fiber optic telecommunications cable landing infrastructure. According to the ITA, an IT System franchise is an encroachment permit that provides for the interconnection between two points in the public right-of-way (PROW), utilized solely for signal transmission and not to serve any customer within the City. Hood 1703, LLC. seeks to further the Los Angeles region's continued growth as a digital technology hub and is proposing to develop undersea (subsea) fiber optic telecommunications cable landing infrastructure that could receive up to four future submarine cable systems and connect that infrastructure to a terrestrial landing site and terrestrial conduits installed along the PROW to existing data centers in the region, including the El Segundo area. From the landing site, a subterranean terrestrial conduit system would be installed within the PROW within the cities of Los Angeles and El Segundo. In the City of Los Angeles the proposed conduit system and associated manholes would occupy the PROW on Imperial Highway between Vista Del Mar and Hillcrest Street. Hood is requesting an IT System franchise be granted for 21 years. After consideration and having provided an opportunity for public comment, the Committee moved to recommend approval of the recommendations contained in the ITA report. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

Government Operations Committee

COUNCILMEMBER VOTE

PADILLA: YES

LEE: YES

JURADO: ABSENT

ARL

3/3/26

-NOT OFFICIAL UNTIL COUNCIL ACTS-