

To the Baltimore City Council:

We write this joint letter with the hope that our combined seventy plus years of experience in public access would provide some insight into the importance of your decision to approve a cable franchise. Upon the invitation of concerned residents we explored some of the current concerns with the City's efforts to complete refranchising with Comcast of Baltimore L.P.

In summary:

- This decision is a window of opportunity the City will not see for another twelve years
- Consider taking additional time to ensure all issues are resolved
- Comcast's primary objective is increasing return on investment at the City's expense
- Comcast should be paying their fair share for using Baltimore's rights of way
- Comcast's not paying for PEG access would set precedence
- PEG access is only successful when operations are funded from cable fees
- There is inaccurate information about how pass through fees can be used
- With this vote you have an opportunity to increase localism in media
- Public access deserves the same or greater support than government or education
- Not having a specific equipment payment schedule with up-front payments will significantly delay the implementation of public access
- Public access governing board appointments should be confirmed and ensure broad community based representation with minimal conflict of interests

This is a significant decision, one the City will likely live with for twelve years and thus warrants careful consideration and due diligence. Experts familiar with the refranchising process strongly urge communities to begin the process two years before expiration of the franchise. Other cities have decided on the side of caution to ensure adequate time to fully explore the benefits available through cable franchising. In Baltimore, it is our understanding that many groups and individuals have already commented that the opportunities for quality input were inadequate. They have requested more time as a necessary means to ensure that Baltimore is receiving the best benefits for its residents. We add our voices to that concern that it is best to fully resolve the last minute amendments and adjustments that overshadow the propriety of the new agreement.

Comcast's earnings from just the last quarter were \$5.1 Billion with \$220 Million in net earnings. Comcast has advanced a strategy designed to reduce the public benefits in its franchises to increase profits and working capital. These profits come from our communities and while some of those dollars come back in philanthropic efforts, Comcast should be paying for the fair use of Baltimore's rights of way. That should include operating expense, equipment and bandwidth for public, educational and governmental access.

Comcast has been attempting to convince communities that they cannot afford provisions such as public access and that to fund them would set precedence. They want you to

believe that communities that have such provisions ensuring adequate funding for PEG access are in high income communities and that Baltimore is unique. Yet their own rate structure does not reflect such differences. See the chart on cable rates. Some communities have done exhaustive financial analysis of cable companies and found that requiring PEG access provisions had no negative impact on financial position of the companies.

Rate Comparison					
Service	Baltimore	Howard	Montgomery	San Jose	DC
Digital 2	\$74.07	\$81.95	\$76.95	\$85.38	\$90.65
Digital 1	\$63.07	\$72.95	\$69.95	\$73.38	\$76.40
Digital	\$56.35	\$59.95	\$56.92	\$55.38	\$55.45
Standard	\$38.05	\$47.65	\$46.97	\$45.43	\$41.48
Basic	N/A	N/A	\$14.75	\$14.44	\$13.43

Public access is only successful when the local franchising authority, the City, ensures an adequate funding mechanism. We know of no successful public access organization that rely upon sources other than franchise related fees or pass throughs as their primary source of revenue. All of the successful or nationally recognized organizations are funded through a portion of the 5% franchise fee or an additional per subscriber fee. Your own history has demonstrated that up-front lump payments or reliance upon other fundraising is preprogramming public access for failure.

We were surprised to find recommendations to restrict additional pass through fees to equipment only. Furthermore, comments appear to state that the City is restricted from using the funds for operations, yet recent franchises use just such a strategy to fund public access operations. See the Monterey, California franchise that provides a minimum of \$.50 per subscriber per month with no ceiling. This option should be explored should the Council find that use of the 5% franchise fee as an unacceptable source of funding for public access. The cable franchise is the instrument to ensure that public access is sustainable.

Localism in media is a growing and valid concern. With the vast number of channels available on the cable system, only the public access channel ensures that your residents can participate in the creation and distribution of local programming. It is in your interest to ensure that your residents have such access and to preserve the decreasing amount of non-commercial public interest media.

Public access is different from educational or governmental access as there is no inherent institutional support. Public access deserves more support than your government or educational channels as the City and board of education have the power to fund if it is a priority. Your residents have no such authority or mechanism to ensure a sustainable effort. In many areas operating funds and equipment funds have been specifically earmarked for public access to ensure that the balance is maintained among the potentially competing interests. The pictures in the community needs assessment submitted by Virchow Kraus and Company paints a telling image. You have equipped the City with the adequate means to communicate. Your residents deserve no less.

Of particular note the proposed agreement lacks up-front equipment payments or an equipment payment schedule for the twelve years. The proposed agreement instead calls for a per subscriber pass through fee which would not meet the initial needs required to equip a public access center. This would mean it would take a significant amount of time to build up enough capital to relaunch an adequate production facility as proposed in the needs assessment. The assessment appears to lack clear recommendations and funding requirements to launch a production facility such as proposed in the narrative.

The creation of an independent non-profit organization is the most effective method of implementing public access. It should operate in the public interest in a highly transparent process with a high degree of public accountability. Appointment of the governing board is critical and we would recommend that any governmental appointment be confirmed by a legislative body similar to most commissions. In addition there should be a plan transition the board to include a mixture of appointed and elected representatives to the board and to remove any potential conflict of interests.

In conclusion, this decision is an opportunity to increase community benefits without impinging on general tax funds. It is a significant opportunity to engage your residents in building community. Whether it is youth programming like that being generated by Wide Angle Media, or community organizations like the NAACP or ACORN. Public access channels provide your community a window into itself. With shifting demographics it is a way for new residents to discover their own communities in an increasingly diversified landscape.

Thank you for your consideration.

Richard Turner, Rockville, MD
rdtmdus@yahoo.com

Steve Ranieri, Albuquerque, NM
sranieri@quote-unquote.org

Anthony Riddle, New York, NY
gaia@mtn.org