

REPORT FROM

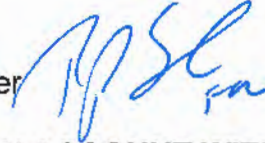
OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: June 17, 2015

CAO File No.
Council File No. 15-0600-S8
Council District: ALL

To: City Council

From: Miguel A. Santana, City Administrative Officer



Subject: **REPORT BACK ON THE CREATION OF AN ACCOUNT WITHIN THE
TELECOMMUNICATIONS LIQUIDATED DAMAGES AND LOST FRANCHISE
FEE FUND**

SUMMARY

As part of the 2015-16 Adopted Budget, the Mayor and City Council instructed the City Administrative Officer to report to the Innovation, Technology and General Services Committee regarding "the creation of an account within the Telecommunications Liquidated Damages and Lost Franchise Fee Fund to collect Public, Educational, and Government (PEG) Access Capital Franchise Fees separately from other revenue collected by the Telecommunications Development Account (TDA)."

The PEG Access Capital Franchise Fees are collected in the TDA, along with all other revenue received by this Fund. The PEG fees must be used to pay capital costs related to providing PEG access programming. The co-mingling of the revenue necessitates an arduous manual process to segregate these restricted funds. The creation of a new fund will provide a clear delineation of these funds and will eliminate the laborious reconciliation of the revenue.

RECOMMENDATION

That the City Council request the City Attorney to prepare and present an ordinance amending Section 5.97 of the Los Angeles Administrative Code to create an account within the Telecommunications Liquidated Damages and Lost Franchise Fees Fund to collect Public, Educational, and Government (PEG) Access Capital Franchise Fees separately from other revenue collected by the Telecommunications Development Account.

FISCAL IMPACT STATEMENT

This report has no fiscal impact.

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