



KING COUNTY

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Signature Report

January 9, 2012

Ordinance 17251

Proposed No. 2011-0491.1

Sponsors Lambert

1 AN ORDINANCE approving the extension of franchise
2 13637 for eighteen months and the transfer of franchise
3 13637 to WAVEDIVISION I, LLC.

4 STATEMENT OF FACTS:

- 5 1. Summit Cablevision L.P., as franchisee, and Millennium Digital Media
6 Systems, L.L.C., now known as Broadstripe, LLC, the sole general partner
7 and the owner of all partnership interests in Summit Cablevision L.P., as
8 guarantor, own and operate a cable television system in unincorporated
9 King County pursuant to a cable television franchise ("the franchise
10 agreement") authorized by Ordinance 13637.
- 11 2. On January 2, 2009, the franchisee and guarantor commenced
12 proceedings under Chapter 11 of Title 11 of the United States Code ("the
13 bankruptcy proceedings").
- 14 3. During the pendency of the bankruptcy proceedings, the franchise was
15 extended to October 11, 2011, as authorized by Ordinance 16772.
- 16 4. Since October 11, 2011, the franchisee has continued to provide cable
17 service under the franchisee as a holdover, and perform its obligations
18 owed to the county under the franchisee agreement.

- 19 5. The franchisee and the guarantor have entered into a purchase and sale
20 agreement for the sale of the assets of franchisee ("the transaction"),
21 including the franchise agreement, to WAVEDIVISION I, LLC.
- 22 6. The franchisee and WAVEDIVISION I, LLC, filed a Federal
23 Communications Commission Form 394 Application for Franchise
24 Authority Consent to Assignment or Transfer of Control of Cable
25 Television Franchise ("Form 394") with King County on or about August
26 29, 2011. Form 394 includes a statement that WAVEDIVISION I, LLC,
27 will comply with the franchise agreement, K.C.C. chapter 6.27A, the
28 county cable rules and applicable law.
- 29 7. Although the bankruptcy proceeding has not yet been concluded,
30 WAVEDIVISION I, LLC, is the only bidder for the franchise agreement
31 and is expected to be awarded the franchise by the bankruptcy court, and
32 thus enables the transaction to achieve closing.
- 33 8. The office of cable communications has duly conducted a thorough
34 review and investigation into the legal, technical and financial
35 qualifications of WAVEDIVISION I, LLC, to own and operate the cable
36 television system.
- 37 9. Based on the information in Form 394, the review and investigation
38 conducted by the office of cable communications, all comments and staff
39 reports received and made a part of the record for this ordinance, the
40 council finds that WAVEDIVISION I, LLC, has established that it meets

41 the legal, technical and financial criteria to operate the cable television _
42 system.

43 10. In order to provide King County and WAVEDIVISION I, LLC, time
44 to negotiate new terms for a renewal of the franchise, it is in the best
45 interests of the county, subject to conditions, to approve transfer of the
46 franchise agreement to WAVEDIVISION I, LLC, and extend the
47 franchise agreement to April 11, 2013.

48 11. The county has published its intent to extend and transfer franchise
49 13637 in a local newspaper with broad distribution.

50 BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

51 SECTION 1. A. The council hereby grants an extension to the term of the
52 franchise agreement until April 11, 2013, and authorizes the executive to enter into an
53 extension in substantially the same form as Attachment A to this ordinance.

54 B. The council hereby approves transfer of the franchise agreement to
55 WAVEDIVISION I, LLC, and authorizes the executive to enter into a consent and
56 approval of assignment of cable television franchise in substantially the same form as
57 Attachment B to this ordinance.

58 C. The approvals and authorizations granted in subsections A. and B. of this
59 section are expressly conditioned upon confirmation and approval of the transaction by
60 the bankruptcy court and closing of the transaction by the franchisee, guarantor and
61 WAVEDIVISION I, LLC. To that end:

62 1. The franchisee, the guarantor and WAVEDIVISION I, LLC, shall submit
63 written confirmation that the bankruptcy court has approved the transfer of the franchise
64 and its related assets; and

65 2. The franchisee, the guarantor and WAVEDIVISION I, LLC, shall submit
66 written confirmation of the closing of the transaction and satisfaction of all conditions
67 precedent, if any, to transfer of the franchise.


68 SECTION 2. Where this ordinance requires submittal of written confirmations by
69 the franchisee, the confirmation shall be filed with the clerk of the council, and a copy
70 shall be filed with the office of cable communications. If any of the conditions in section

71 1.C. of this ordinance remain unsatisfied as of _____, franchise 13637 shall be
72 deemed to have ceased effective on that date.
73

Ordinance 17251 was introduced on 11/21/2011 and passed by the Metropolitan King County Council on 1/9/2012, by the following vote:

Yes: 9 - Mr. Phillips, Mr. von Reichbauer, Mr. Gossett, Ms. Hague,
Ms. Patterson, Ms. Lambert, Mr. Ferguson, Mr. Dunn and Mr.
McDermott
No: 0
Excused: 0

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON

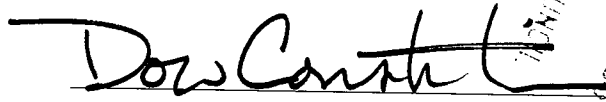

Larry Gossett, Chair

ATTEST:



Anne Noris, Clerk of the Council

APPROVED this 21 day of JANUARY, 2012.


Dow Constantine, County Executive

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2012 JAN 23 PM 4:05
KING COUNTY COUNCIL
CLERK

Attachments: A. Amendment No. 2 to Franchise Agreement No. 13637, B. Consent and Approval Agreement to Assignment of Cable Television Franchise

ATTACHMENT A
AMENDMENT NO. 2

To

FRANCHISE AGREEMENT NO. 13637

Franchise Agreement No. 13637 currently in effect between King County and Summit Cablevision L.P., Franchisee, and Millennium Digital Media Systems, L.L.C., now known as Broadstripe, LLC, the sole general partner and the owner of all partnership interests in Summit Cablevision L.P., as Guarantor, is hereby amended to extend the franchise term to April 11, 2013.

This Amendment No. 2 shall take effect upon enactment of an ordinance authorizing the County Executive's execution of this Amendment No. 2 and the satisfaction of all the franchise extension requirements described in the authorizing ordinance.

Except as provided herein, all terms and conditions of Franchise No. 13637 as heretofore modified shall remain unchanged and in full force and effect.

FRANCHISEE
SUMMIT CABLEVISION L.P.

GUARANTOR
BROADSTRIPE, LLC, F/K/A
MILLENNIUM DIGITAL
MEDIASYSTEMS, L.L.C.

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

KING COUNTY WASHINGTON

By: _____

Name: _____

Title: _____

Date: _____

ATTACHMENT B
CONSENT AND APPROVAL
AGREEMENT
TO
ASSIGNMENT OF CABLE TELEVISION FRANCHISE

WHEREAS, King County ("County") granted to Summit Cablevision L.P., as franchisee ("Franchisee") and Millennium Digital Media Systems, L.L.C., now know as Broadstripe, LLC, the sole general partner and the owner of all partnership interests in Summit Cablevision L.P., as guarantor ("Guarantor"), a franchise as set forth in Ordinance No. 13637 to own and operate a cable television system in unincorporated King County with a term, as modified by Amendment No 1, that is due to expire on April 11, 2013 (the "Franchise"); and

WHEREAS, on August 16, 2011, Franchisee and Guarantor and WAVEDIVISION I, LLC ("WAVE") entered into a Purchase and Sale Agreement for the sale of the assets of Franchisee and Guarantor, including the Franchise, to WAVE (the "Transaction"); and

WHEREAS, Franchisee and Guarantor and WAVE filed an FCC Form 394 Application for Franchise Authority Consent to Assignment or Transfer of Control of Cable Television Franchise, accessible by the County, on or about August 29, 2011; and

WHEREAS, pursuant to Ordinance ____, the Metropolitan King County Council has concluded that WAVE has established that it meets the legal, technical and financial criteria to operate the cable television system, and authorized the King County Executive to execute this Consent and Approval Agreement, subject to specific conditions.

NOW, THEREFORE, in consideration of the foregoing, County and Franchisee and Guarantor agree by this Consent and Approval Agreement to Assignment of Cable Television Franchise ("Consent and Approval") as follows:

1. County consents to the assignment of the Franchise from Franchisee to WAVE subject to the conditions in paragraph 6 below.

2. County confirms that (a) the Franchise was duly issued, is valid and enforceable in accordance with its terms, and is in full force and effect; (b) other than as set forth in this Consent and Approval, there have been no amendments or modifications to the Franchise; (c) there are no known defaults under the Franchise, and no event has occurred and is continuing which, with the giving of notice or passage of time, or both, could constitute a default thereunder; and (d) upon the assignment of the Franchise from Franchisee to WAVE at the closing of the Transaction, the duly authorized franchisee under the Franchise will be WAVE.

3. County acknowledges (a) Franchisee and Guarantor shall remain responsible for obligations of the franchisee under the Franchise that relate to the period prior to the date of

the closing of the Transaction; (b) WAVE shall be responsible only for obligations of the Franchisee under the Franchise that accrue from and after the date of the closing of the Transaction; and (c) upon this Consent and Approval taking effect, Summit Cablevision L.P. shall no longer be the Franchisee.

4. County acknowledges receipt of Franchisee and Guarantor's notice of its intent to renew the Franchise and County hereby deems that Franchisee and Guarantor has properly and timely invoked its franchise renewal rights under Section 626 of the Cable Communications Policy Act of 1984, as amended, which franchise renewal rights will be held by WAVE following the closing of the Transaction.

5. County confirms that Wave may, without obtaining prior consent of the County, from time to time, pledge or grant a security interest in its assets, including but not limited to the Franchise, or of interests in Wave, to any lender(s) for purposes of securing indebtedness.

6. This Consent and Approval shall take effect upon satisfaction of the following requirements:

i. Franchisee, Guarantor and WAVE shall submit written confirmation to County that the U.S. Bankruptcy Court for the District of Delaware in the bankruptcy case of In re Broadstripe, LLC, et al., No. 09-10006, has approved the transfer of the Franchise and its related assets from Grantee to WAVE; and

ii. Franchisee, Guarantor and WAVE shall submit written confirmation to the County that Transaction closing has occurred and all other conditions precedent, if any, to transfer of the Franchise have been satisfied.

7. This Consent and Approval shall remain in effect through the remainder of the term of the Franchise.

DATED THIS ___ day of _____, 2011.

**FRANCHISEE
SUMMIT CABLEVISION L.P.**

By: _____

Name: _____

Title: _____

Date: _____

**GUARANTOR
BROADSTRIPE, LLC, F/K/A MILLENNIUM
DIGITAL MEDIASYSTEMS, L.L.C.**

By: _____

Name: _____

Title: _____

Date: _____

WAVEDIVISION I, LLC

By: _____

Name: _____

Title: _____

Date: _____

KING COUNTY WASHINGTON

By: _____

Name: _____

Title: _____

Date: _____