

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SANTA BARBARA ESTABLISHING A FRANCHISE FEE, A FEE FOR PUBLIC, EDUCATIONAL, AND GOVERNMENT ACCESS PURPOSES (PEG FEE), AND A SCHEDULE OF MONETARY PENALTIES FOR MATERIAL BREACHES OF VIDEO FRANCHISE STANDARDS BY STATE VIDEO FRANCHISE HOLDERS WITHIN THE CITY OF SANTA BARBARA.

THE COUNCIL OF THE CITY OF SANTA BARBARA DOES ORDAIN AS FOLLOWS:

SECTION 1. For any state video franchise holder operating within the boundaries of the City of Santa Barbara, there shall be a local franchise fee paid to the City equal to 5% of Gross Revenues of that state video franchise holder, consistent with state and federal law.

SECTION 2. For any state video franchise holder operating within the boundaries of the City of Santa Barbara, there shall be a separate PEG fee to support public, educational and government access (PEG) purposes imposed in an amount up to 1% of Gross Revenues (as defined and as required by state law and Chapter 5.62 of the Santa Barbara Municipal Code) of that state franchise holder, which shall be used by the City for PEG purposes consistent with state and federal law. The specific annual amount of the PEG fee (not to exceed one percent (1%) of Gross Revenues) shall be determined by the Council of the City of Santa Barbara from time to time.

SECTION 3. For any state video franchise holder operating within the boundaries of the City of Santa Barbara, the penalties for material breaches of the state video franchise standards not remedied within the timeframe prescribed under state and federal law shall be assessed as follows:

1. For the first occurrence of a material breach, a fine of \$500.00 shall be assessed for each day the material breach remains in effect, not to exceed \$1,500.00 for each occurrence.
2. For the second occurrence of a material breach of the same nature within 12 months of the first occurrence, a fine of \$1,000.00 shall be assessed for each day the material breach remains in effect, not to exceed \$3,000.00 for each occurrence.
3. For a third or further occurrence of material breach of the same nature within those same 12 months, a fine of \$2,500.00 shall be assessed for each day the material breach remains in effect, not to exceed \$7,500.00 for each occurrence.