


Robert Cennamo

FROM	NAME & TITLE	Robert Cennamo, Budget Chief	CITY of BALTIMORE MEMO	
	AGENCY NAME & ADDRESS	Department of Finance Room 432, City Hall (410) 396-4774		
	SUBJECT	CCB 19-0408 - Amending Ordinance 15-428 - Franchise - Crown Castle Fiber LLC		

TO

DATE:

The Honorable President and
Members of the City Council
Room 400, City Hall

August 27, 2019

Introduction

We are herein reporting on City Council Bill 19-0408, which calls for amending Ordinance 15-428 to reflect the name change to the franchisee since the Ordinance enactment; to add Park Properties to the areas where the Distributed Antenna Systems (DAS) and Small Cell wireless services are provided; and provide for a special effective date.

Background

Current legislation grants franchise rights to Crown Castle to construct, install, maintain, repair, operate, relocate, replace, and remove certain facilities relating to the provision of a DAS and Small Cell wireless services in and across certain streets and public ways. The proposed amendment would expand these franchise rights to include property owned by the Baltimore City Department of Recreation and Parks. The amendment would also change the franchisee name to reflect its legal name accurately.

Fiscal Analysis

The Department of Finance considers the proposed legislation to have a positive impact on City revenues, but an overall neutral fiscal impact. Currently, the City charges Crown Castle a fixed \$4,670 application fee for each new proposed node installation and a fixed \$270 per year per pole. Note that each pole may contain multiple installed nodes. In Fiscal 2019, the City billed Crown Castle for 490 nodes and they have submitted approximately 150 applications since March 2019. Additionally, 25 more permits are currently under evaluation. Any additional poles or nodes installed would necessarily increase revenue under the fee structure above.

However, recent FCC legislation prohibits the City from charging DAS and Small Cell wireless franchise holders any fees that exceed approved costs. As such, any revenues received related to additional poles or nodes installed on Park Property or in the public way would offset additional costs and remain fiscally neutral.

Despite the minimal fiscal impact, there are other benefits to the City associated with the installation of additional poles and nodes. An expansion to the program would increase the City's technological and wireless capabilities.

Conclusion

The Finance Department supports the passage of CC Bill 19-0408.

cc: Henry Raymond
Nicholas Blendy