

**CITY OF FLORENCE
ORDINANCE NO. 12, SERIES 2016**

**AN ORDINANCE OF THE CITY OF FLORENCE AMENDING ORDINANCE No. 19, Series
2008 AND APPROVING THE ASSIGNMENT OF A NON-EXCLUSIVE
TELECOMMUNICATION FRANCHISE**

RECITALS:

1. The City of Florence ("Grantor") granted to CoastCom, Inc., an Oregon corporation ("Grantee"), a franchise as set forth in Ordinance No. 19, Series 2008, dated September 22, 2008, to own and operate a telecommunications system in Florence, Oregon (the "Franchise");
2. On June 3, 2016, Grantee and Astound Broadband, LLC ("Assignee") entered into an Asset Purchase Agreement (the "Purchase Agreement") for the sale of the assets of Grantee, including the Franchise, to Assignee (the "Transaction"); and
3. Grantee and Assignee submitted a letter to Grantor on or about July 12, 2016, requesting Grantor's consent to the assignment and transfer of the Franchise from Grantee to Assignee (the "Consent Request"); and
4. Grantor has conducted a review of the legal, technical and financial qualifications of Assignee to hold the Franchise and own and operate the telecommunications network authorized by the Franchise; and
5. Grantor, Grantee, and Assignee have agreed in writing to the assignment and transfer; and
6. Based on the foregoing, Grantor has concluded Assignee has established it meets the legal, technical and financial criteria to hold the Franchise and to operate the telecommunications network.

Based on these findings,

THE CITY OF FLORENCE ORDAINS AS FOLLOWS:

1. Grantor hereby approves the Consent Request and consents to the assignment and transfer of the Franchise from Grantee to Assignee, subject to the terms herein and effective upon the closing of the Transaction.
2. Grantor confirms that: (a) the Franchise was duly issued to Grantee, is valid and enforceable in accordance with its terms, (b) other than as set forth in this Consent and Approval, there have been no amendments or modifications to the Franchise; (c) to Grantor's knowledge, there are no 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 closing of the Transaction, the duly authorized franchisee under the Franchise will be Assignee.

3. The term of the Franchise shall be extended for an additional 1 (one) year commencing on the date hereof. Grantor reserves the right to adopt ordinances, rules and regulations which shall be applicable to this Franchise and to Assignee.
4. Assignee may hereafter, without the need to obtain the prior consent of Grantor, pledge or grant a security interest in its assets, including but not limited to the Franchise, or of the ownership interests in Assignee, to any secured lender(s) for purposes of securing indebtedness.
5. The Franchise and this Consent and Approval were and are made, passed and adopted in accordance with all applicable notice and procedure requirements under all laws applicable to Grantor, and with all applicable notice and procedure requirements, and do not conflict with the laws, ordinances, resolutions and other regulations of Grantor, as presently in effect or as the same were in effect at the time the particular action was taken.
6. Grantor's approval of the Consent Request and its consent to the assignment of the Franchise to Assignee shall be effective from and after its adoption by the Grantor. Assignee shall notify the Grantor in writing upon the closing of the Transaction (the "Closing Date").
7. Grantor releases Grantee, effective upon the Closing Date, from all obligations and liabilities (including any guarantee or surety) under the Franchise occurring on and after the Closing Date. Assignee assumes and shall be responsible for any obligations and liabilities under the Franchise on and after the Closing Date.

The City Recorder is authorized to administratively correct any reference errors contained herein or in other provisions of the Florence City Code to the provisions added, amended, or repealed herein, and to attach written notification required per Section 6 of the agreement.

ADOPTION:

First Reading on the 15th day of August, 2016.

Second Reading on the 15th day of August, 2016.

This Ordinance is passed and adopted on the 15th day of August, 2016.

AYES	5	Councilors Lacer, Lyddon, Greene, Preisler, and Mayor Henry
NAYS	0	
ABSTAIN	0	
ABSENT	0	



 Joe Henry, Mayor

Attest:



 Kelli Weese, City Recorder

CONSENT OF FRANCHISE ASSIGNMENT

The below parties agree to the amended terms and conditions of the Franchise Agreement, which is adopted as ORDINANCE No. 19, Series 2008 as amended by Ordinance No. 12, Series 2016, and approve of the assignment of the non-exclusive telecommunications franchise to Astound Broadband, LLC.

FROM: CoastCom, Inc.

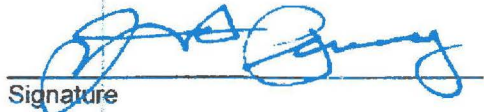

Signature

8/15/16
Date

RD UPDENKEIDER
Print Name

VICE PRESIDENT
Title

TO: Astound Broadband, LLC


Signature

September 2, 2016
Date

James A. Penney
Print Name

General Counsel
Title

City of Florence


Signature

September 9, 2016
Date

Erin R Reynolds
Print Name

Florence City Manager
Title