



CITY OF NOVI CITY COUNCIL JUNE 2, 2025

SUBJECT: Consideration of approval of Resolution authorizing a Uniform Video Service Local Franchise Agreement with Charter Communications, LLC, dba Spectrum.

SUBMITTING DEPARTMENT: City Manager

KEY HIGHLIGHTS:

- The Agreement offered by Charter Communications is a standard form agreement which the City is obligated to approve
- Public Act 480 of 2006, does not provide the franchising entity [City of Novi], with the authority to deny or negotiate the provisions of a proposed franchise
- Combined PEG and Franchise Fees for 2024 are \$677,313
- Receivables for 2025 are trending slightly lower

BACKGROUND INFORMATION:

In a letter dated May 16, 2025, Charter Communications/ Spectrum requested the City approve a new Video Franchise Agreement. The City also has Video Franchise Agreements with AT&T, Bright House and Comcast. Video Franchise Agreements are standard form agreements approved by the Michigan Public Services Commission pursuant to the Uniform Video Services Local Franchise Act, Public Act 480 of 2006, MCL 484.3301 et. seq., ("Act 480").

The standard form agreements leave little discretion for a municipality. The City is required under Act 480 to approve a fully completed franchise agreement within 30 days of the date it receives the franchise agreement from a video service provider. If the City does not notify a provider that its agreement is incomplete, or fails to approve an agreement within 30 days, the agreement is considered complete and approved. The agreement remains in effect for a period of 10 years and may be renewed for an additional ten years at the request of the video provider.

RECOMMENDED ACTION: Approval of the Resolution authorizing a Uniform Video Local Franchise Agreement with Charter Communications LLC, dba Spectrum, with a 5% Franchise Fee and a 2% Public, Education and Government Access Fee.