



Lexington-Fayette Urban County Government

200 E. Main St
Lexington, KY 40507

Legislation Details (With Text)

File #: 1224-15 **Version:** 1 **Name:** Charter Communications Settlement and Assumption Agreement

Type: Resolution **Status:** Approved

File created: 9/28/2015 **In control:** Urban County Council

On agenda: 10/8/2015 **Final action:** 10/8/2015

Enactment date: 10/8/2015 **Enactment #:** R-621-2015

Title: A Resolution consenting to the transfer of control of Insight Ky. Partner II, L.P., from Time Warner Cable Inc. to Charter Communications, Inc. and authorizing the Mayor to execute a Settlement Agreement with Time Warner Cable Midwest LLC and an Assumption Agreement with Charter Communications, Inc. [Dept. of General Services, Reed]

Sponsors:

Indexes:

Code sections:

Attachments: 1. Memorandum - Charter Assumption and Settlement Agreements.pdf, 2. Lexington Settlement Agreement Final.pdf, 3. Lexington Assumption Agreement Final.pdf, 4. Exhibit A - Form of Consent Resolution.pdf, 5. RESOLUTION - 621-2015, 6. 217-2015 CONTRACT, 7. 217-2015 CONTRACT -

Date	Ver.	Action By	Action	Result
10/8/2015	1	Urban County Council		
10/8/2015	1	Urban County Council		
10/8/2015	1	Urban County Council		
10/6/2015	1	Urban County Council Work Session	Approved and Referred to Docket	Pass

A Resolution consenting to the transfer of control of Insight Ky. Partner II, L.P., from Time Warner Cable Inc. to Charter Communications, Inc. and authorizing the Mayor to execute a Settlement Agreement with Time Warner Cable Midwest LLC and an Assumption Agreement with Charter Communications, Inc. [Dept. of General Services, Reed]

Authorization to execute a Settlement Agreement and an Assumption Agreement with Charter Communications who is acquiring the Lexington Cable Franchise operations from Time Warner Cable. These two separate agreements facilitate the transfer of the franchise. There is no cost for the franchise agreement. The LFUCG shall receive revenue for the franchise. (L1224-15)(Reed)

Budgetary Implications: Yes

Advance Document Review: Department of Law (David Barberie)

Fully Budgeted: NA

Account Number: 1101-011001-0001-40190

This Fiscal Year Impact: \$250,000 (Revenue)

Annual Impact: NA

Project:

Activity: Change Order

Budget Reference:

Current Balance:

WHEREAS, Insight Kentucky Partners II, L.P. ("Franchisee") is lawfully operating a cable television system in the Lexington-Fayette Urban County Government ("Lexington") under a franchise created by Ordinance No. 152-2014 (the "Franchise"); and

WHEREAS, on May 23, 2015, Charter Communications, Inc. ("Charter Communications") along with its subsidiary CCH I, LLC ("New Charter") entered into agreements with Time Warner Cable Inc. ("TWC") (the ultimate parent company of Franchisee), Advance/Newhouse Partnership ("A/N"), and Liberty Broadband Corporation ("Liberty") in order to merge with TWC, the ultimate parent of the Franchisee (the "Transaction"); and

WHEREAS, TWC will merge into a subsidiary of New Charter; and

WHEREAS, Charter Communications will merge with a subsidiary of New Charter, and New Charter will assume the name Charter Communications, Inc. ("Charter"); and

WHEREAS, Charter filed an FCC Form 394 with Lexington with respect thereto; and

WHEREAS, Lexington has considered and approves the Transaction subject to the conditions set forth in the body of this Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE FRANCHISE AUTHORITY AS FOLLOWS:

The foregoing recitals are approved and incorporated herein by reference.

1. Lexington consents to the Transaction contingent on the receipt of required approvals of the Transaction from the Federal Communications Commission and the United States Department of Justice. Said consent does not constitute and shall not be construed to constitute a waiver of any lawful obligations of the Franchisee or Charter under the Franchise.
2. Lexington confirms that the Franchise is valid and outstanding, in full force and effect. Subject to compliance with the terms of this Resolution, all action necessary to approve the transfer of control of the Franchisee to Charter has been duly and validly taken.
3. Charter or the Franchisee may (a) assign or transfer its assets, including the Franchise, provided that such assignment or transfer is to an entity directly or indirectly controlling, controlled by or under common control with Charter; (b) restructure debt or change the ownership interests among existing equity participants in Charter; (c) pledge or grant a security interest to any lender(s) of Charter's assets, including, but not limited to, the Franchise, or of interest in Charter, for purposes of securing any indebtedness; and (d)

sell equity interests in Charter or any of Charter's affiliates.

4. The Mayor is hereby authorized to execute the Settlement Agreement between Lexington and Franchisee (attached hereto and incorporated herein by reference as Exhibit A) and the Assumption Agreement between Charter and Lexington (attached hereto and incorporated herein by reference as Exhibit B.)
5. The Franchisee shall remain bound by the lawful terms and conditions of the Franchise and the Settlement Agreement, attached hereto and incorporated herein by reference as Exhibit A.
6. Upon closing of the Transaction, Charter shall remain bound by the lawful terms and conditions of the Franchise and the Assumption Agreement, attached hereto and incorporated herein by reference as Exhibit B.
7. This Resolution shall be deemed effective upon adoption.
8. This Resolution shall have the force of a continuing agreement with Charter, Franchisee, and Lexington, and Lexington shall not amend or otherwise alter this Resolution without the consent of Franchisee and Charter.

PASSED, ADOPTED AND APPROVED this ____ day of _____, 2015.

By: _____

Name: _____

Title: _____

ATTEST:

Clerk