

MT. HOOD CABLE REGULATORY COMMISSION
Remotely via phone or computer, Portland OR
February 20, 2021, Planning Retreat Minutes – APPROVED

SUMMARY MINUTES

Call to Order: 12:00 PM

Attendees:

Commissioners Present: Carol Studenmund (Chair), Scott Harden (Vice Chair), Jeff Dennerline, Norm Thomas, Jacquenette McIntire, Kory Murphy, Richard Roche

Staff Present: Elisabeth Perez, Michael Wong, Bea Coulter, Rana DeBey, Cinthia Diaz Calvo

Other: Martha Pellegrino, Facilitator

Retreat Goals

- Deepen relationships on the Commission and with staff
- Set the vision and programmatic direction for the Commission in 2021
- Finalize the budget for 2021-2022
- Deepen the Commission's commitment to equity in operations and programming
- Have fun!

Director's Report

Perez presented the MHCRC Mission Statement:

"The Mt. Hood Cable Regulatory Commission advocates for and protects the public interest in the regulation and development of cable communications systems in Multnomah County and the Cities of Fairview, Gresham, Portland, Troutdale and Wood Village; monitors and helps resolve cable subscribers' concerns in these jurisdictions; and participates in the planning and implementation of community use of cable communications technologies which make use of the public right of way"

The summary of discussion around the mission statement on the goals include the importance of the Commission and the ability to communicate the mission and successes to the communities served. Furthermore, advocating for public interest and ensuring that cities get value for use of public right-of-way is important to the Commission.

It was suggested that all MHCRC documents begin to shift away from citizen to resident. Not all cable subscribers are citizens.

I-Net Updates

Summary of discussion includes that more and more entities, including City of Portland, are switching to dark fiber Comcast no longer meets the needs of the partners and schools have already moved away from I-Net. Staff anticipate that Comcast will want to reduce the PEG fees to 2%. Staff is working with consultants to calculate increased needs for CMCs and grants in next 10 years.

Regarding communication with jurisdictions, there is a need to establish regular channels of communication to achieve more understanding, more interest and buy-in from jurisdictions.

In regard to continuing local authority regarding cable franchises and the use of the public right-of-way by communication providers, there was consensus that the MHCRC's scope of work is very limited and it does not allow for regulation at any other part of franchising beyond cable.

Bureau Placement Update

Perez reported the Office for Community Technology is now lead by Commissioner Rubio, by whom OCT has full support. Perez will continue to meet with the Commissioner twice a month to discuss and finalize OCT's placement.

The commission's input on staff services evaluation include the need to review and update the evaluation document based on the existing staff service agreement. The commission considers staff involvement would be useful in the creation of this new document. It was noted by Commissioner Thomas that the reduction of the legal counsel may mean a reduction of what the MHCRC is paying for staff services.

Discussion Questions

There was consensus to move the goals discussion to next week. Commissioners will think about what they want to see and things that need to be changed in the coming year.

Policy & Industry Report

Coulter reported that the House is reconsidering numerous FCC Orders that reinterpreted the Telecommunications Act and are preparing a budget reconciliation bill. We're still facing the same challenges that we were facing before the change in administration. There is a stronger need now to continue to be involved in an advocacy way to ensure that policies are not being made that continue to harm our communities. The oral arguments for the 621-order appeal have been scheduled for April.

Coulter provided an overview that include the following takeaways:

- Cable franchise fees and subscribers continue to decline.
- Technology and delivery networks continue to evolve.
- Policy and legislation don't keep up with changes.
- More municipalities are collaborating around broadband and wireless technologies.
- New technologies are coming online that don't currently apply to existing legislation or regulation.
- We are in an environment where change needs to happen at a policy and legislation level.
- The commission needs to consider what is the original intent of the MHCRC and is it in alignment with what the current member jurisdictions prioritize.

Coulter presented the following questions to the commission: Do we know what our jurisdictions need us to be doing and do they have the vested interest in what we are doing? Do they know what could be possible and what we could be doing? Looking at the IGA, is there value in maintaining the commission under the existing IGA or does the IGA need to change to become more effective in supporting the changing needs of our jurisdictions?

Summary of Commissioner discussion:

- This issue is primarily about gain and revenue



- There is a need to continue to protect public, so everyone gets access, there is certainly a public interest issue.
- There is a need to reconsider if the frame of the conversation to extend beyond cable. Or the commission could reconsider the definitions and take on a more active role on changing those definitions.
- What we need to focus on is access to content. (not only video, wires, antenna, that continues to change)
- Content would not be taxed, but they would be tax on the delivery of the content.
- Historically, it's been around the technology that delivers content, but all providers have mixed delivery methods now. What is it that they are benefitting from when they come into those communities and how can we realize revenue from that?
- There is language in IGA that supports looking more broadly at content, streaming. The IGA seems to have anticipating changes in future technology. Wood village would like the MHCRC to do this.
- Gresham jurisdiction supports looking more broadly at content and streaming. If the commission decides that this is something to bring back to jurisdictions and embrace the change to bring in more revenue.
- There is concern that Comcast will try to circumnavigate the MHCRC and go straight to jurisdictions.
- We have to decide which one we want to deal with because both take different approaches. (content and delivery)
- There is a need to look at the atmosphere and thinking more broadly.
- Comcast is its own competitive. Comcast cable vs xfinity.
- The commission has two incredible inputs to leverage (CMCs). There's a way to create a communications strategy to tell the story of the why the MHCRC exist. It was suggested to use a communications campaign to raise public awareness about future of community technology.
- Another great asset is the community needs ascertainment study, but it also needs to be improved. There is a need for more information to feed what the next iteration will look like.

Commissioner Harden wanted to end this retreat differently. Instead of the commission presenting their wishes to staff, the commission can say "we want to govern broadband", and then staff can come back to the commission with a list of steps necessary to do these things in our jurisdictions. He said the commission needs to deal with the information they have right now and making decisions. There was general consensus in the commission to pursue continue the conversation and pursue options.

Adjourn: 5:00 PM

MT. HOOD CABLE REGULATORY COMMISSION
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February 28, 2021, Planning Retreat Minutes – Draft

SUMMARY MINUTES

Call to Order: 12:00 PM

Attendees:

Commissioners Present: Carol Studenmund (Chair), Scott Harden (Vice Chair), Jeff Dennerline, Norm Thomas, Jacquenette McIntire, Kory Murphy, Richard Roche

Staff Present: Elisabeth Perez, Michael Wong, Bea Coulter, Rana DeBey, Cinthia Diaz Calvo

Other: Martha Pellegrino, Facilitator

Retreat Introduction Questions:

Staff presented the following questions to all attendees:

- Name a recent MHCRC grant that you are proud of
- What is the most important “why” of the MHCRC?

Key takeaways of MHCRC grants we are proud of:

- Black Filmmaker Fellowship grant - incredible to see all the work that had been done, monitors at Fairview City Hall.
- Reynolds School District; PRE data shows grant was successful at impacting graduation rates.
- All the grants are great; money without strategy just focused on “disadvantaged” end of day still the same.
- Last round in 2020 – most proud of – navigating unexpected circumstances and are still moving forward on projects; forming partnerships.
- Centennial and Reynolds grants; this year was a really good selection process; various communities – need something a little different based on communication needs.
- Outside the Frame, teachers expressing their appreciation – grants impact in general
- TechSmart technology integration; in the last year this has been very helpful to schools

Key takeaways of what is the most important “why” of the MHCRC:

- To provide for and protect independent, non-commercial media - particularly as private media consolidation continues.
- Protecting public rights involved with delivery of cable and digital content.
- Grants – hitting the mark.
- Ensuring we are defining who the public is and who the programs are serving.
- Education; TechSmart and providing funds for technology that schools can’t afford.
- Protecting the customer; define who the customer is, and does the MHCRC see the internet as part of the scope of regulation
- Fair franchise that contributes funds back to communities to help people build their capabilities

- Protect rights and best interests of our community to continue to build community

Finance Report

Wong presented the following expense report which includes FY 2018-19 and FY 2019-20.

	FY 2018 – 2019	FY 2019 - 2020
Admin & Regulation	\$350,332	\$352,164
Capital Compliance	\$355,971	\$582,432
Community Grants	\$2,692,270	\$4,444,185
Community Media Capital	\$1,841,314	\$1,508,259
Community Technology	-	(\$136,028)
East County Franchise	\$1,644,478	\$1,587,597
I-Net Capital	\$568,179	\$838,278
Mult West Franchise	\$106,701	\$91,773
Total	\$7,559,245	\$9,268,660

Wong explained that the purpose for presenting the FY 2018-2020 expenses was for heightened transparency. He walked through previous expenditures by programs and made reference to performance benefits.

*Descriptions below will not equal to the total exact amounts as shown on the table above, summary of costs are approximated for presentations.

Admin & Regulation:

- FY 2018-2019: \$223K personnel costs; \$71K legal costs; \$17K Columbia Square rent.
- FY 2019-2020: \$206K personnel costs; \$39K legal costs; \$21K administrative costs (outside departments); \$17K Columbia Square rent.

Capital Compliance:

- FY 2018-2019: \$193K personnel costs; \$76K Pacific Research & Evaluation's evaluation of TechSmart Initiative; \$33K administrative (outside departments)
- \$13K legal costs; \$6K Grants Management System (GMS) licensing & maintenance.
- FY 2019-2020: \$257K personnel costs <includes backfill of previous vacancies/increased allocation from Capital Compliance>; \$79K Pacific Research & Evaluation's evaluation of TechSmart Initiative; \$35K administrative costs (outside departments) Offset By: JE for accrual of \$136K in Community Technology.

Community Grants:

- FY 2018-2019: \$839K Portland Public Schools 3rd Grade Literacy project; \$662K David Douglas School District Learn Zillion software; \$159K Centennial School Project TechSmart
- \$152K Big Up TV show designed to teach basic principles of community building to K-5 grades; \$150K Gresham-Barlow School District K-3 grade Technology Integration.
- \$137K Black Filmmaker Fellowship; \$130K Open Signal media arts center; \$129K Make Think Code technology access.



- FY 2019-2020: \$2.6M Portland Public Schools 3rd Grade Literacy project; \$1.0M Reynolds Middle School Technology Upgrades; \$302K Gresham-Barlow School District K-3 grade.
- Technology Integration; \$207K David Douglas School District LearnZillion software; \$166K Centennial School Project TechSmart; \$64K NW Alliance for Alternative Media & Education.

Community Media Capital:

- FY 2018-2019: \$1.8M MetroEast Community Media <includes \$300k in JE corrections that carried over from FY2017-2018, due to timing of accounting close>
- FY 2019-2020: \$1.5M MetroEast Community Media.

Coulter asked if the FY 2019-2020 community media capital reflect the use of the interest, to which Wong said yes.

Community Technology:

- FY 2019-2020: JE for accrual of \$136K for MetroEast Community Media <refer to offset in Admin & Regulation>

East County Franchise:

- FY 2018-2019: \$1.64M Franchise Fees <consists of: Troutdale, Fairview, Multnomah, Wood Village, West County, Gresham>
- FY 2019-2020: \$1.58M Franchise Fees <consists of: Troutdale, Fairview, Multnomah, Wood Village, West County, Gresham>

I-Net Capital:

- FY 2018-2019: \$446K I-Net core electronic upgrades; \$97K Multnomah Education Service.
- FY 2019-2020: \$838K I-Net core electronic upgrades/purchases.

Commissioner Dennerline asked if I-Net was used to buy I-Net, if we are buying bandwidth why are buying hardware? Coulter said that BTS manages the I-Net services for all the I-Net participants, so they have a separate agreement with Comcast for the bandwidth service. The technology for both is paid out of these funds.

Mult West Franchise Fee:

- FY 2018-2019: \$107K
- FY 2018-2019: \$91K

Summary of Discussion:

- There was consensus in the commission to review financials more often. Quarterly was a suggested frequency.
- Some of the titles can be confusing and the commission would like more clarity.
- It would be nice to have a presentation of the bigger picture. A 5-year history would be useful.
- Reports for FY 2017-18 are not available yet in SAP given the transition of OCT becoming its own bureau in 2019. It takes time to extract the data that is currently meshed with another bureau. Wong is working to get this report ready.



Jurisdiction Reports

- Wood Village: Council had their annual strategy meeting in which they discussed wireless. Their annual performance plan will include wireless and construction at City Hall has begun. There will be free wireless through the benches throughout. Council may accept Comcast offer regarding Lift Zones, but they want to ensure it is a genuine offer that will be sustained or if it is a temporary support they are offering due to COVID-19.
- Fairview: The community and council still believe that 5G causes cancer and there seems to be little interest in pursuing wireless.
- Multnomah County: There are issues with staff being moved around. No one shares anything with commissioner Studenmund.
- Gresham: Council is gaining community input on how to spend the very little funding they have. There is a 15-million-dollar deficit. There is new staff and new council members and there is opportunity to provide information and education about the MHCRC and get more involvement.
- Troutdale: There is a new mayor and a new council member. There is opportunity to provide information and education about the MHCRC and get more involvement.
- Portland: There is enthusiasm for having the opportunity to work with Commissioner Rubio.
- Multnomah County: Provided an observation that all commissioners seem to be talking about broadband in this particular report when the focus of the MHCRC is cable. Multnomah County has paused broadband county-wide efforts but is still looking forward on corporate broadband. Multnomah County needs to upgrade their communications infrastructure. There is a rumor that the MHCRC is ending and there needs to be clarity around this within the commission.

MHCRC Community Grants Program Report

Community Grants Program

DeBey explained the rules governing the PEG fees from the franchise agreement and also went over the MHCRC IGA and resolutions. Sections of the IGA include 9.D.1, 9.E.1, 9.E.2, 9.E.3, 9.E.4. Resolutions section included eligibility for grant funding and evaluation criteria.

DeBey shared the criteria that grant funding decisions are based on the rules identified. These criteria are incorporated into current MHCRC grant eligibility requirements, and the grant review documents.

It was noted that the MHCRC amended their current project with an extension for all current grants will wrap-up by December 2022. It was also mentioned that since TechSmart is a good sign of equity and the numbers are a good sign they work; the Equity & Inclusion Committee should consider continuing the program as long as there is long-term value.

Chair Studenmund would like to confirm how many schools received this grant since she remembers when the Portland Tech Grant was set up, all the money was limited to title 1 schools, and parents came in with disagreements on why particular schools received the grants vs others. She believes this was due to the initiative agreement for title 1 schools only and she would like to more information about that.

- Community Technology Grants
 - Projects must produce video content to be shared on the CMCs in order to meet project-related goals and objectives.
 - Grants to nonprofits, educators, libraries, and local governments.
 - 179 grants were given out in the competitive grant round from 1999 – 2020.
 - Total grant awards amounted to \$18,397,369.07, which impacted the community in the following ways:
 - Reducing disparities for underserved communities: 41%
 - Improving Service Delivery: 41%
 - Improving Community Involvement: 12%
 - Cost Reduction: 6%
 - The average grant size being \$75,379 and the median grant size being \$50,856.
- Community Technology Grants Program Statistics: 2016 – 2020
 - 37 grants were given out in the competitive grant rounds amounting to \$2,939,028.30 in total grants awarded.
 - Public benefit areas addressed:
 - Reducing disparities for underserved communities: 76%
 - Improving Service Delivery: 11%
 - Improving Community Involvement: 11%
 - Cost Reduction: 2%
 - Cultural shift and greater awareness happening in our communities and within the MHCRC's work.
 - Grant awards made have shifted considerably toward “Reducing Disparities”.

Commissioner Thomas would like a breakdown of grants by jurisdictions. When talking with the smaller jurisdictions, he said this could be something that to bring up to ensure the MHCRC is spreading the grants fairly.

Vice Chair Harden mentioned that showing that the resources are not just spent in Portland is a good way to show the need for this Committee.

Grantmaking: Short-term Projections

DeBey shared the short-term grant projections. Overall revenues will continue to decline as it has for the past couple of years. If fee revenues dropped to 2% in next franchise, the MHCRC would still have enough to fully fund the compliance budget through FY 2023-24 with a remaining balance \$338,935 to get us through to December 2024.

- Power-building Strategies in Grantmaking
 - Steps forward this year include:
 - BLM statement published.
 - Updated definitions of reducing disparities to be more inclusive.
 - Included monitoring of ‘equity indicators’ in grant cycle review process.



- Clarify and demystify the grant review process through increased transparency.
- Increased outreach to community-based organizations (CBOs).
- Streamlined pre-application questions and process in order to reduce barriers to funding.
- Shifted some burden of application to staff.
- Established feedback process from grantees and MHCRC to promote continuous improvement.

DeBey's recommends the MHCRC supports centering future grantmaking efforts using a racial justice lens. Staff will work with the Equity Committee to identify ways forward that operationalize this work for presentation to the whole Commission. In practice, this might look like video content produced by our communities and shared with our communities via Community Media Centers.

This focus can play a role in:

- Broadening or deepening an active base of constituents who support racial justice efforts.
 - Increasing power, representation, and agency among historically marginalized communities by increasing participation in civic institutions and causes.
 - Creating and growing alliances.
 - Growing knowledge of root causes of systemic racism/discrimination among constituents, policymakers, and/or public.
 - Shifting media coverage of an issue or a community: lift voices of those impacted.
 - Growing ability for CBOs to raise money from diversified sources (virtual fundraisers).
 - Additional support to CMCs to support their work related to power-building and sharing.
- Operationalizing Power-building: Out-of-Cycle Grantmaking
MHCRC has, for many years, included a 'special grant funding' request on MHCRC website. The proposed grant request meets the existing Community Technology Grant funding eligibility requirements and evaluation criteria. The proposed grant request and related availability of other funding is also time-sensitive and cannot be submitted with the regular cycle. Applicants would submit a project narrative and line-item budget with statement of matching funds. The MHCRC has not done more than a handful of these in past and at the moment, there is no targeted outreach being performed.

DeBey's recommendation is that lean into this opportunity to meet the needs of our communities. This idea incorporates intentional 'Responsive Grantmaking.' Responsive grantmaking is being open to receiving proposals and ideas from any nonprofit. This type of grantmaking would further increase the MHCRC's equity-driven practices by allowing the Commission to respond to needs as they arise. DeBey proposes revising the current published process and criteria, incorporate intentional outreach and publicity around this opportunity. DeBey suggested convening the Equity Committee in the next month or two to create an updated process for this type of grantmaking, and officially launch the program in the next few months.

Questions & Answer



- What would this involve? Revisiting materials needed to be submitted by applicants, eligibility criteria (within our scope), and budget considerations. Community Grants Contingency funds could be used as available for out-of-cycle grants. Funds not granted out through the Community Technology Grants cycle could be used for out-of-cycle grants or the MHCRC could set a certain amount for grants out-of-cycle each year.
- What happens to grants that come in that are not awarded? Is there a follow-up or development process for them? DeBey would reach out and walk applicant through what went wrong and would show them how to complete the application for future grants.
- There was general consensus to move forward with revising and publicizing the out-of-cycle grantmaking program.
- In the next year, staff will work with the Equity Committee in a strategic planning process to decide the direction of the MHCRC Community Grants Program moving forward. Is this something you support? There was agreement from everyone except for Commissioner Thomas. He would like some time to think about this.

Goals and Objectives

Group 1: Franchise Management & Compliance

Proposed Goals/Objectives:

- All previous goals seemed to be good objectives.
- I-Net goals can stay the same.

Group 2: MHCRC Community Grants

Proposed Goals/Objectives:

- Continue to expand the outreach for Community Grants.
- Use the Community Grants evaluation to inform and follow through on improvements to meet community needs and expand equity goals.
- They could be synthesized into fewer goals. Three goals are related to essentially monitoring and managing grantmaking programs.
- Commissioners like the goals that were proposed.
- Use the Community Grants Impact Evaluation to inform and follow through on improvements to meet community needs and expand equity goals.
- Engage community media centers on updates to their annual grant contract to focus on priority areas.
- Engage community media centers on updates to reporting requirements to simplify the process and ensure essential information is transmitted efficiently.
- Commissioners liked the idea of putting out some information to promote the work of the MHCRC, commercials about our work.

Group 3: Advocacy and Legal

Proposed Goals/Objectives:

- Expand what the MHCRC governs. In addition to cable, the MHCRC could be in charge of broadband delivery and over-the-top services and cell towers/cell service.



MT. HOOD CABLE REGULATORY COMMISSION

Serving Multnomah County and the Cities of
Fairview, Gresham, Portland, Troutdale and Wood Village

- Expand income sources to close the gap - charging PGE, NW Natural and information delivery more.
- Outreach to non-profit that share the same goals or benefit from the same advocacy. Partner with organizations and identify groups that the MHCRC should be spending their grand dollars on to amplify their work and voices.
- Create a second newsletter to send to executive directors, local non-profits, and board members about the advocacy work.
- Add staff capacity to have focused time on the extra work we want to do in the future – potentially a fellow from Hatfield.

Adjourn: 5:00 PM

Respectfully submitted by:
Cinthia Diaz Calvo, Administrative Specialist