

**FINAL**

COUNTY COUNCIL OF ANNE ARUNDEL COUNTY, MARYLAND

Legislative Session 2015, Legislative Day No. 34

Bill No. 95-15

Introduced by Mr. Smith, Vice Chairman  
(by request of the County Executive)

By the County Council, September 21, 2015

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Introduced and first read on September 21, 2015  
Public Hearing set for and held on October 19, 2015  
Bill Expires December 25, 2015

By Order: Elizabeth E. Jones, Administrative Officer

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A BILL ENTITLED

1 AN ORDINANCE concerning: Transfer of Control of Cable Franchisee – Anne Arundel  
2 Broadband, LLC  
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4 FOR the purpose of approving the transfer of control of the cable franchisee Anne  
5 Arundel Broadband, LLC, from WaveDivision Holdings, LLC to WideOpenWest  
6 Finance, LLC and generally relating to the cable franchise held by Anne Arundel  
7 Broadband, LLC.  
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9 WHEREAS, the franchise of Millennium Digital Media Systems, L.L.C.  
10 (“Millennium”) to operate a cable system in defined areas of the County was  
11 renewed pursuant to the terms and conditions of a Cable Franchise Agreement  
12 between Anne Arundel County, Maryland, and Millennium Digital Media dated  
13 September 12, 2006, and approved by Bill No. 93-06 (the “Broadstripe Cable  
14 Franchise Agreement”); and  
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16 WHEREAS, Millennium changed its name to Broadstripe, L.L.C.  
17 (“Broadstripe”), as was acknowledged by the County in Bill No. 64-08; and  
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19 WHEREAS, Broadstripe transferred its cable franchise and cable system assets to  
20 Anne Arundel Broadband, LLC, on January 13, 2012, with the approval of the  
21 County, as set forth in Bill No. 80-11; and  
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23 WHEREAS, contemporaneously with granting its consent to the transfer from  
24 Broadstripe to Anne Arundel Broadband, LLC, the County also approved an  
25 amendment to the Broadstripe Cable Franchise Agreement to expand the Local  
26 Franchise Area to add all unincorporated portions of Anne Arundel County south  
27 of Route 50 (John Hanson Highway); and

1  
2 WHEREAS, Anne Arundel Broadband, LLC was newly formed by WaveDivision  
3 Holdings, LLC, WideOpenWest Finance, LLC, and John Bjorn (an individual) at  
4 the time of the above-mentioned transfer from Broadstripe, LLC, with  
5 WaveDivision Holdings, LLC having an indirect majority ownership and  
6 management control of Anne Arundel Broadband, LLC through its ownership and  
7 control of Maryland Broadband, LLC, the parent of Anne Arundel Broadband,  
8 LLC, and WideOpenWest Finance, LLC having a direct 5% ownership interest in  
9 Anne Arundel Broadband, LLC; and

10  
11 WHEREAS, § 10-3-105(f) of the Anne Arundel County Code (2005, as amended)  
12 and Section 10 of the Broadstripe Cable Franchise Agreement require the prior  
13 consent of the County, in the form of an ordinance enacted by the County  
14 Council, to a Transfer of a franchise, franchisee, or cable system as defined by §  
15 10-3-105(a) of the Anne Arundel County Code (2005, as amended) and Section  
16 1.39 of the Broadstripe Cable Franchise Agreement (as amended); and

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18 WHEREAS, on May 1, 2014, asserting that it believed that the transaction fell  
19 within an exception to the definition of Transfer in § 10-3-105(a)(2)(ii) of the  
20 Anne Arundel County Code (2005, as amended) and Section 1.39.2 of the  
21 Broadstripe Cable Franchise Agreement (as amended), and without the County's  
22 prior approval, WideOpenWest Mid-Michigan Holdings, LLC, which is wholly  
23 owned by WideOpenWest Finance, LLC, acquired a 75.2785% indirect  
24 ownership interest in Anne Arundel Broadband, LLC through an equity  
25 acquisition in Maryland Broadband, LLC pursuant to a Unit Purchase Agreement  
26 by and among WideOpenWest Finance, LLC, Sandler Capital Partners V, L.P.,  
27 SCP V FTE WaveDivision Holdings, L.P., and SCP V Germany WaveDivision  
28 Holdings, L.P. ("Transfer of Control Transaction"); and

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30 WHEREAS, the County disapproves of the premature closing of the Transfer of  
31 Control Transaction and expressly reserves its right to examine any future  
32 transaction and, where applicable, to apply any remedies that may be available at  
33 law or equity for any action that would violate the terms of the franchise or  
34 applicable law; and

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36 WHEREAS, after discussions with the County Cable Television Administrator,  
37 the companies agreed to seek the County's consent to the Transfer of Control  
38 Transaction; and

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40 WHEREAS, under the particular and unique circumstances of this transaction, the  
41 County concludes that the interests of its citizens would best be served by  
42 approval; and

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44 WHEREAS, by written application received on June 26, 2015, and subsequently  
45 supplemented, Anne Arundel Broadband, LLC has requested the consent of the  
46 County to the Transfer of Control Transaction, a transaction constituting a transfer  
47 of the cable franchise, as defined by § 10-3-105(a) of the Anne Arundel County  
48 Code (2005, as amended) and Section 1.39 of the Broadstripe Cable Franchise  
49 Agreement (as amended); and

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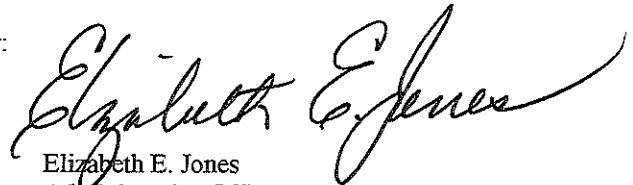
WHEREAS, upon approval of the Transfer of Control Transaction, cable service will continue to be provided to the subscribers of Anne Arundel Broadband, LLC under the terms and conditions of the Broadstripe Cable Franchise Agreement (as amended); now, therefore,

SECTION 1. *Be it enacted by the County Council of Anne Arundel County, Maryland,* That it hereby consents to the transaction described in the written application dated June 26, 2015 and consummated on May 1, 2014, provided that the County receives, within thirty days after enactment of this Ordinance, a copy of the closing documents in that transaction, pursuant to §10-3-105(h) of the County Code, including a copy of Anne Arundel Broadband, LLC's amended and restated LLC agreement, and further provided that the County reserves all rights to examine any future transaction and to apply any remedies that may be available at law or in equity for any future transaction and to apply any remedies that may be available at law or in equity for any actions taken in violation of the franchise or applicable law.

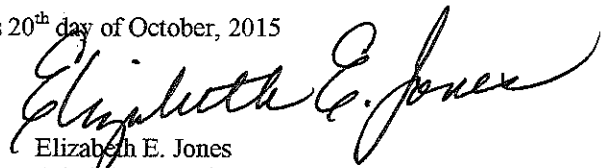
SECTION 2. *And be it further enacted,* That this Ordinance shall take effect 45 days from the date it becomes law.

READ AND PASSED this 19<sup>th</sup> day of October, 2015

By Order:

  
Elizabeth E. Jones  
Administrative Officer

PRESENTED to the County Executive for his approval this 20<sup>th</sup> day of October, 2015

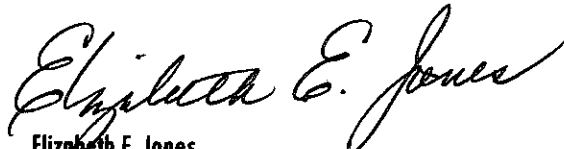
  
Elizabeth E. Jones  
Administrative Officer

APPROVED AND ENACTED this 23 day of October, 2015

  
Steven R. Schuh  
County Executive

EFFECTIVE DATE: December 7, 2015

I HEREBY CERTIFY THAT THIS IS A TRUE AND CORRECT COPY OF BILL NO. 95-15 THE ORIGINAL OF WHICH IS RETAINED IN THE FILES OF THE COUNTY COUNCIL.

  
Elizabeth E. Jones  
Administrative Officer