

ARTICLE 40
AD HOC SUBCOMMITTEE REPORT

SUMMARY

Article 40 is a resolution that asks the Town to commit to providing stable funding for Brookline Interactive Group (BIG), to explore partnerships to further utilize BIG's resources and to establish a study committee that would reexamine the ways that cable licensing could provide future benefits to the Town.

By a vote of 3-0 with no abstentions, the Ad hoc Subcommittee recommends FAVORABLE ACTION on Article 40 as amended.

BACKGROUND

Brookline Interactive Group (BIG) is an independent, non-profit organization that has been partnering with the Town to serve the community media needs of Brookline residents for more than 35 years.

BIG provides contractually obligated services to the Town including broadcast meeting coverage (Select Board, School Committee, Town Meeting), public access to equipment and facilities and community accessible education and training programs.

BIG's community cable channels distribute public safety and community governance information, coverage of community-wide discussions, news journalism programs, and media coverage for hundreds of hours of local events, lectures, and performances.

As a result of COVID, BIG saw a three-fold increase in live and recorded content from 2019 to 2020 including increased government meeting coverage and training programs for elected, staff and Town committees and commissions. The organization also experienced a rise in operating costs due to an increase in demand and the need to operate remotely.

BIG's funding comes primarily through cable franchise fees. BIG receives 97% of its funding from the per-subscriber cable fees allowable under Federal cable franchise law. The fee is split 40/60 with BIG receiving 40% of the collected fees, the Town 60%. In 2019 \$504,000 was allocated to BIG while \$594,000 went to the Town.

Both the Town and BIG are experiencing reduced revenue as a result of the decline in subscriber cable fees due to users switching to the internet and content streaming services such as Netflix. Subscriber revenue fees from Comcast and RCN have been declining 11% to 14% annually.

The continued reduction in cable franchise fee revenue coupled with the increase in demand and costs for remote, live and recorded media has resulted in the need for BIG to identify a long-term, viable economic model and funding source for its continued, contractually obligated services to the Town.

DISCUSSION

The committee discussed several issues related to the proposed Warrant Article. The following is a summary of the issues raised.

1. ARPA Funds - The subcommittee discussed the possibility of using America Rescue Plan Act funds to help BIG get past the decline in non-cable fee revenue. Specific guidance has yet to be issued for ARPA funds. However, it is anticipated that funds may be allocated to public/private partnerships, especially those impacted by COVID. The committee discussed ARPA funds being one-time money that should be used for capital investments and not for long-term operating expenses. This use could come in the form of BIG investing in capital infrastructure to support the increase in demand while directing cable fees to ongoing expenses
2. Change in Funding Model - Federal law governs cable fee payments and It is unlikely that the funding model (cable vs. internet) will change any time soon. The executive director of BIG is working with our State Reps to investigate alternative funding at the State level. This will take time and the outcome is uncertain.
3. Town Funding Commitment – The subcommittee felt that the resolution should not commit the Town to providing stable funding to BIG nor commit to a change in cable fee allocations until the study committee has completed its work and made recommendations.

The subcommittee, with support from the petitioners, revised the resolution language to reflect the discussion.

RECOMMENDATION

By a vote of 3-0 with no abstentions, the Ad hoc Subcommittee recommends FAVORABLE ACTION on Article 40 as amended.