



KING COUNTY

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Signature Report

December 12, 2017

Ordinance 18629

Proposed No. 2017-0432.1

Sponsors von Reichbauer

1 AN ORDINANCE approving the transfer of control of
2 WaveDivision I, LLC, a franchisee under King County
3 cable franchise 5602.

4 **STATEMENT OF FACTS:**

- 5 1. WaveDivision I, LLC, a Washington limited liability company d/b/a
6 Wave, owns and operates a cable system in the county rights of way under
7 King County cable franchise 5602.
- 8 2. Under the franchise, Wave serves approximately one thousand six
9 hundred seventy seven customers in the unincorporated north and
10 northeast areas of King County.
- 11 3. Wave is a wholly-owned subsidiary of WaveDivision Holdings, LLC
12 ("WDH"), a Delaware limited liability company.
- 13 4. WDH is wholly-owned by OH WDH Holdco, LLC, a Delaware limited
14 liability company, which is wholly-owned by Wave Holdco, LLC ("Wave
15 Holdco").
- 16 5. On May 18, 2017, Wave Holdco and other entities entered into a
17 securities purchase agreement that will result in a transfer of the
18 controlling interest in Wave Holdco and, by extension, an indirect transfer
19 of controlling interest in Wave. As a result of this purchase agreement,

Wave Holdco will become a wholly-owned subsidiary of Radiate Holdco, LLC, a Delaware limited liability company controlled by Radiate Holdings, L.P. ("Radiate").

6. On or about June 16, 2017, Wave Holdco applied to the King County office of cable communications, via Federal Communications Commission Form 394, for approval of the proposed transfer of controlling interest.

7. The sales transaction is expected to close in 2017. Upon closing, cable franchise 5602 will continue to be held by Wave, the same legal entity that currently holds the franchise. Wave is not seeking any modifications to the franchise as a result of the proposed sales transaction. Wave will continue to provide cable service to county customers in accordance with the franchise agreement terms; however, it will do so under the ultimate ownership and indirect control of Radiate, rather than Wave Holdco.

8. Under Section 4 of the Wave franchise and K.C.C. 6.27A.010.CC a sale, transfer or change in control of ownership or other interest of a franchisee requires the county's consent.

9. K.C.C. 6.27A.050.E. states that "[a]n application for approval of a transfer of a franchise must contain, at minimum, information regarding the applicant's technical and financial ability to construct and operate the system and a statement that the proposed transferee will comply with the transferor's franchise agreement, this chapter, the cable rules and applicable law."

10. The office of cable communications retained an independent

consultant to evaluate the technical qualifications of Radiate. The consultant concluded that Radiate is technically-qualified to assume control of the Wave system.

11. The office of cable communications retained an independent consultant to evaluate the financial qualifications of Radiate and the current status of franchise 5602. The consultant concluded that Radiate has the financial capability to provide the needed funding for the franchise.

12. In accordance with section 4(e) of the Wave franchise, Radiate certifies that it will comply with the terms of the franchise agreement, the cable ordinance and applicable law.

13. Based on its evaluation of the information in Federal Communications Commission Form 394, the conclusions of the technical and financial consultants, and additional information provided by Radiate and WaveHoldco, the cable communications office recommends approval of the transfer of control of Wave.

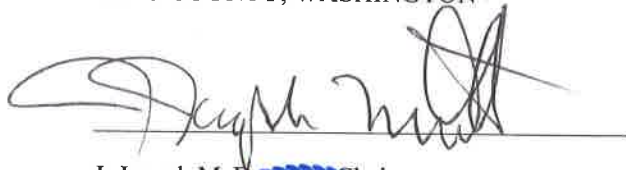
BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

SECTION 1. The transfer of control of WaveDivision I, LLC, a franchisee under King County cable franchise 5602, is approved. However, if the purchase and sale under the sales transaction does not close for any reason, or if such transaction closes on terms materially different from the terms described in the Federal Communications Form 394, then this approval shall be null and void. In addition, this approval shall be subject to receipt by the office of cable communications of written confirmation from WaveHoldco,

66 LLC, and Radiate Holdings, L.P., that the approval shall not waive or release any rights
67 of the county under the franchise agreement or applicable law, including those arising
68 before the effective date of the transfer of control.

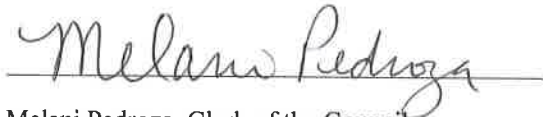
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KING COUNTY COUNCIL
KING COUNTY, WASHINGTON



J. Joseph McDermott, Chair

ATTEST:




Melani Pedroza, Clerk of the Council



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KING COUNTY COUNCIL

APPROVED this 14th day of DECEMBER, 2017



Dow Constantine, County Executive

Attachments: None