



## ***EXECUTIVE DEPARTMENT***

Information Technology Division  
Memorandum

To: City Council  
From: Sanford Hess, Jason Liggett, Jake Schumacher  
Regarding: Urbana Public Television (UPTV) – Budget Issues and Plans for the Fifth Channel  
Date: January 29, 2019

Council Members,

For 20 years, Urbana Public Television (UPTV) has offered services and outreach to Urbana residents and community organizations at a level unmatched by few, if any, municipalities around the nation. It is a tremendous source of pride for the City and consistently wins awards from its peers for excellence of UPTV content.

UPTV has provided a creative outlet for expression by numerous community producers who create their own television shows with the assistance and support of UPTV staff. UPTV has also been an educational training ground for area youth – through workshops, internships, one-on-one teaching and even part-time employment – a number of whom have gone on to broadcasting careers.

UPTV is virtually unique in that Urbana provides Public, Education and Governmental access programming on one channel. Most Cities operate only the Government access programming, and have sub-contracted with non-profit or other entities for the Public and Educational access.

However, UPTV's excellence requires significant effort – and as the list of services UPTV is asked to provide increases (more detail on that below), its costs grow as well. What is proposed in this memo is a plan to segregate the Public Access component of UPTV, finding a community partner to take on the supervision and programming of a new fifth channel – allowing the City to reduce staffing for UPTV, while continuing to fulfill UPTV's core services to the City's residents.

### ***The History of the Fifth Channel***

Urbana and Champaign received four channels in 1995 as part of the cable franchise agreement with Time Warner Cable (Comcast's predecessor). At the time, the two cities decided to each run one channel for Government Access. One channel was given to Parkland College for Education Access. One channel was given to the U of I for Public Access, but the U of I decided not to allow Public Access on their channel. This prompted the community to ask Urbana to use their channel for Public Access, and we did.

In 2008, after controversial programming was aired on UPTV, some members of the public wanted to end Public Access on UPTV whereas others thought it should be retained. The Urbana City Council decided to keep Public Access until the new cable franchise was settled. At this time, the Council hoped a fifth channel would be granted for a standalone Public Access channel.

In 2010, the cable franchise was settled and the cities received the fifth channel. However, no further action was taken to use the fifth channel for Public Access programming – and UPTV has been the Government, Educational, and Public Access channel ever since.

## **The History of UPTV Finances:**

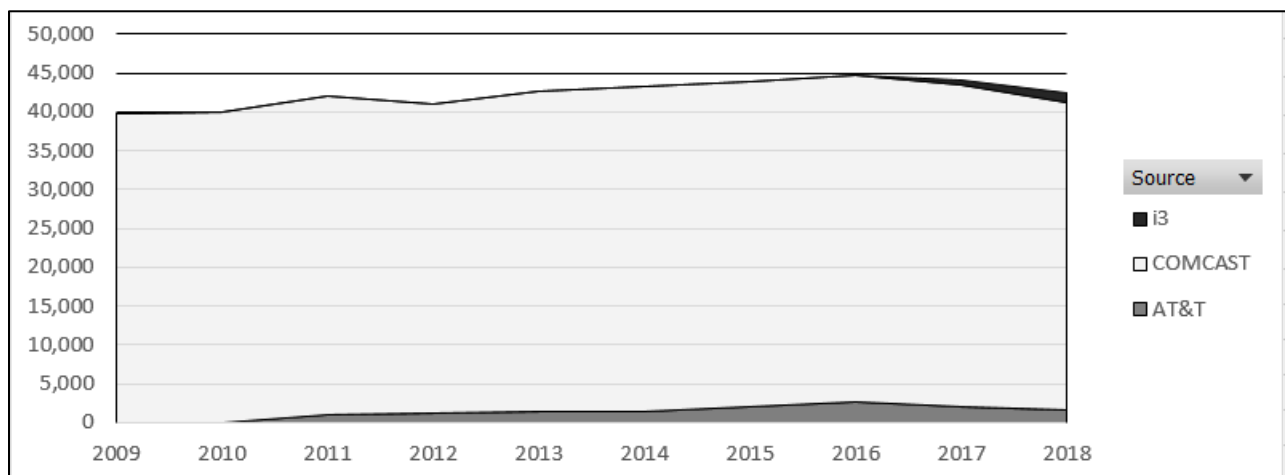
UPTV has the same struggles as the rest of Urbana government – the inventory of services continues to increase, as do costs, without a commensurate increase in revenue to support it. In the past five years, the following additional tasks have been added to the UPTV team’s responsibilities:

- Recording/Post Production for The Urbana Free Library Board meetings
- Recording/Post Production for Champaign County Housing Authority meetings
- “It’s All About U” and Mayor’s Message recording and post-production
- Public Service Announcements / Social Media Videos for City Departments

These are all worthwhile efforts, and directly help Urbana’s Citizens. However, UPTV is understaffed for its workload and personnel expenditures (91% of UPTV spending) are increasing.

Meanwhile the revenue received by the City from Cable Companies is in a long-term decline as consumers move to web streaming platforms (Netflix, Amazon, etc.) from which the City receives zero revenue. (Sample article headline: “Viewers Are Ditching Cable For Streaming Faster Than Anyone Expected” - Fortune Magazine, 4/29/18.)

This graph shows the monthly Cable Franchise Fees collected by the City from AT&T, Comcast, and i3. Note that the peak occurred in 2016, and that even with i3 the totals are in decline.



In 2017, UPTV launched a sponsorship program for revenue to support operations, and collected \$1,200 per year for fiscal year 2018 and 2019. In a best case scenario, it might collect \$10,000, but signing on sponsors requires significantly more effort than UPTV staff have been able to dedicate.

Ultimately, UPTV must plan to do “less with less” – and of the functions performed by UPTV, it is Public Access that we propose should be removed from the City’s inventory of services.

## **The Plan for the Public Access Fifth Channel and UPTV**

In order to sustain Public Access as a benefit for the community, UPTV management will seek out an organization that is willing to take over the Public Access service – assisting local producers and programming content for the fifth channel. (UPTV will continue to perform its other functions and retain its current channel.)

UPTV management will approach local organizations, and garner their level of interest and ability to assume the responsibility of open Public Access television for this area. We hope to have proposals from more than one organization as to how they would maintain and promote the Public Access channel. At that point, we will solicit input from stakeholders: the City, the UPTV Commission, and our current members, to evaluate for best fit those local organizations which have:

- Significant involvement with the widest variety of community segments;
- Interest, and preferably expertise, in digital media of some sort;
- A commitment to free speech and active representation of differing viewpoints.

We propose a transition plan that will reduce staffing costs over the next 30 months by phasing out one full-time UPTV position (nearly half the current staffing), with the ultimate goal of another entity taking over the responsibility of providing Public Access by the end of FY 2021.

#### Our Proposed Timeline:

**February, 2019** - Jake Schumacher will officially retire from the City as full-time UPTV Station Manager, but will return to work at UPTV on a part-time basis at 18 hours/week. His responsibilities would include 24/7 programming of the television channel and mid-week staffing of the office. Jason Liggett will assume the title and duties of UPTV Station Manager, and the position of Production Coordinator would be left vacant. This produces a reduction of 22 staff hours/week.

**July 1, 2019** – Jason (with Jake’s assistance) will report on the feasibility and logistics of launching a fifth PEG channel to be used solely as a Public Access channel and staffed by a willing entity chosen by but separate from the City.

**July 1, 2019 through January 1, 2020** - Jason and Jake will find the best partner to take over the fifth channel and will work out a transition plan of operating the fifth channel.

Should a partner NOT be found, then we will request that Urbana City Council either increase funding for UPTV (which most likely require cuts elsewhere in the budget) or consent to eliminate Public Access and Educational programming.

**July 1, 2020** – If a partner is found, and it is financially and technically feasible, the City will launch the fifth PEG channel. Jake will schedule and promote the fifth channel during the transition period. Jason may take over scheduling the City’s channel (UPTV), or Jake may continue to schedule both during the transition period. The fifth channel will continue to broadcast the full range of Public Access programming. The City’s channel will broadcast Government and Education Access programming. There will be one-time costs to the City to launch the fifth channel, which we estimate to be less than \$5,000 – assuming the City donates its old broadcast server and buys a new one. (Buying a new UPTV broadcast server is on the equipment replacement plan for FY 2023, so this would need to be moved up.)

**December 31, 2020** – The City will eliminate Jake’s part-time position, thus producing another permanent reduction in UPTV staff time of 18 hours a week, as the chosen organization fully assumes control of the fifth channel. The City will continue to run its own channel broadcasting Government and Education Access programs, with Jason as Station Manager.