

Business leaders oppose any talk of public cable TV

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SANTA CRUZ — Business leaders are reacting negatively to any talk of public ownership of the cable system serving the city of Santa Cruz and the northern part of the county.

During a speech by Mayor Bruce Van Allen Wednesday before the Santa Cruz Area Chamber of Commerce committee, business leaders applauded Chamber Manager Lionel Stoloff, who said:

"Public ownership would be an impingement of my First Amendment rights and my civil liberties. I don't want any public agency regulating what comes over my television." Stoloff said, during a meeting of the Economic Concerns Committee of the Santa Cruz Area Chamber of Commerce.

Van Allen assured the business leaders the council has adopted no policy on the issue of public ownership. In fact, Van Allen said, he wishes it weren't an issue.

"I wish we would all stop being hung up on the ownership question," Van Allen said. "...Really what we ought to do is focus on getting the best deal for the community."

The mayor said his top priorities when it comes to cable television are good service and good programming at a low rate.

City and county officials aren't taking too well to Group W Cable's proposal for a new cable television system because of the rates offered, Van Allen stated.

"In the opinion of the city and county, the offer from Group W is hard to take seriously," he said.

Group W's offer, which is part of renewing its franchise with the city of Santa Cruz and the county, doesn't stand up to what's offered in similar communities when it comes to rates and programming, Van Allen asserted.

Stu Butler, Group W's representative at the luncheon, sat in silence. Butler said before the talk that he didn't know the city's position on the offer.

But this isn't the first time a government official has blasted the offer, which begins with two basic rates of \$9.35 a month for 27 channels or \$11.95 for 40 channels and progresses to additional charges for extra features.

County Administrative Officer George Newell last month criticized the offer for being too expensive for consumers.

An evaluation of the offer by a firm of experts is due next week and once it's submitted, the city and county will start negotiations with Group W. Group W was given first chance at the franchises because it's the existing cable operator in the city and northern part of the county.

If the company's offer is rejected, then the franchises will be open for bids from other companies. There's also been talk about public ownership.

Van Allen said he's been getting a lot of pressure from his constituency for a publicly-owned system. At the same time, he said, others are telling him to "let the market provide" a cable system.

While not directly advocating public ownership, Van Allen said he would be "intellectually prepared" for it if it came about.

When questioned by certified public accountant Bob McKenzie on what he meant by this, Van Allen said that while he doesn't believe public ownership necessarily means better rates and service, it does have a better chance in a small community than in a large community.

The mayor added he could see how it could be very responsive to the public and

not overly bureaucratic.

Van Allen urged the business leaders to make their sentiments known on April 26 when the council holds a public hearing on Group W's proposal and on the evaluation by the law firm of Rutan and Tucker.

But one chamber member questioned all the fuss over cable television. Bob Semas of Thomas J. Lipton Inc. said he finds it incredible there's so much concern about a new cable television system when technology soon will make cable "archaic."

Van Allen agreed this is an important point since future systems will allow citizens to pull in broadcasts from satellites without using the cable.

The mayor also asked for reactions from the business community on making the San Lorenzo River safe from flooding, on the current and 1983-84 budgets and on the shelter project for the homeless.

He invited chamber members to a council discussion April 26 on the need to make the river through the city safe from flooding. This Tuesday, he noted, the council will look at the current budget and the possibility of cutting planned capital improvements.

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