

Cable co-op gets financial backing

By BUD O'BRIEN

The local cooperative seeking the franchise to provide cable television in most of Santa Cruz County announced this week it has received a funding commitment from the National Consumer Cooperative Bank.

Santa Cruz attorney Edward Newman, president of the Cable Co-op of Greater Santa Cruz, said the co-op bank "has agreed to supply risk capital covering half of (our) \$86,000 budget for bidding" on the franchise to furnish cable television to the city of Santa Cruz and all the unincorporated areas of the county except Freedom, served by Sonic Cable TV.

The local cable co-op was formed in an effort to gain community control of cable television. The franchise for both the city and county is now held by Group W Cable. Negotiations between Group W and a

joint city-county committee on a new 15-year cable franchise when the current one expires next year, broke down on the issue of controlling rates charged subscribers.

As a result, the county and city called for bids from other cable firms. The Cable Co-op of Greater Santa Cruz was then formed with the goal of submitting a bid.

Referring to the funding commitment from the national bank, Newman said, "We interpret this as a major vote of confidence. The (consumer bank) staff came here and investigated the situation, checked out our organization, and then they went back and gave us exactly what we requested."

Newman said one of the reasons the national institution was willing to invest in the co-op was the success the co-op

has had in raising money locally.

"We're committed to raising \$43,000 on our own," Newman said, "and we already have 60 percent of that."

Bids for the franchise are due Dec. 31. But legal questions for the county and city still remain. It is the position of Group W that new federal and state laws give it the right to renew its franchises, with or without the acquiescence of the governmental jurisdictions involved, and it has indicated it intends to proceed as if that were the case.

There is also considerable opposition to the idea of public ownership of a cable franchise — even if it's in the form of a cooperative — from conservatives in the county. Leading that opposition is a Midcounty-based organization called Associates for Good Government. But none of that seems to have

dimmed the enthusiasm of the co-op people

"We really couldn't ask for stronger community support than we're getting right now," Newman said. "With Nashoba Communications (a Massachusetts firm) signed on as our management partner, and the consumer bank behind us, we can guarantee that the co-op is going to be a prime contender for the franchise."

County and city residents who want to learn exactly what the co-op wants to accomplish can attend a public meeting of the co-op's advisory board Wednesday at 7:30 p.m. at the Santa Cruz High School auditorium. At that meeting, the board of directors of the co-op will present an outline of its bid proposal for the cable franchise. The public will have the opportunity to ask questions or offer comments about the proposal.