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REC-115
AUG 9 1999
FEDERAL COMMUNICATIONS COMMISSION



August 6, 1999

Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
445 12th Street, S.W., TW-A325
Washington, D.C. 20554

Re: Promotion of Competitive Networks in Local Telecommunications
Markets, WT Docket No. 99-217; Implementation of the Local Competition
Provisions in the Telecommunications Act of 1996, CC Docket No. 96-98

Dear Ms. Salas:

We write in response to the FCC's Notice of Proposed Rulemaking released on July 7, 1999, regarding forced access to buildings. We enclose six (6) copies of this letter, in addition to this original. We are concerned that any action by the FCC regarding access to private property by large numbers of communications companies may inadvertently and unnecessarily adversely affect the conduct of our business and needlessly raise additional legal issues. The Commission's public notice also raises a number of other issues that concern us.

The Artcraft Companies is in the business of owning and managing affordable rental communities in the Commonwealth of Virginia. We own and/or manage over 4,000 apartment homes and try to run a responsible business, providing outstanding service to our residents. Our properties feature privately funded Boys and Girls Clubs on site, together with counseling programs, tutoring programs, and other services.

First and foremost, we do not believe the FCC needs to act in this field because we are doing everything we can to satisfy our residents' demands for access to telecommunications. In addition, the FCC's request for comments raises the following issues of particular concern to us: "nondiscriminatory" access to private property; expansion of the scope of existing easements; location of the demarcation point; exclusive contracts; and expansion of the existing satellite dish or "OTARD" rules to include nonvideo services.

FCC Action is Not Necessary: We are aware of the importance of telecommunications services to residents, and would not jeopardize our rent revenue stream by actions that would displease our residents. We compete against many other properties in our market, and we have a strong incentive to keep our properties up-to-date.

"Nondiscriminatory" Access: We must have control over space occupied by providers, especially when there are multiple providers involved. We must have control

over who enters a building because we face liability for damage to the building, leased premises, and facilities of other providers, and for personal injury to residents and visitors. We are also liable for safety code violations. Qualifications and reliability of providers are a real issue. What does “nondiscriminatory” mean? Contract terms vary because each contract is different. A new company without a track record poses greater risks than an established one.

Scope of Easements: If we had known governments would allow other companies to piggy-back, we would have negotiated different terms. Expanding rights now would be a taking.

Demarcation Point: Current demarcation point rules work fine because they offer flexibility—there is no need to change them.

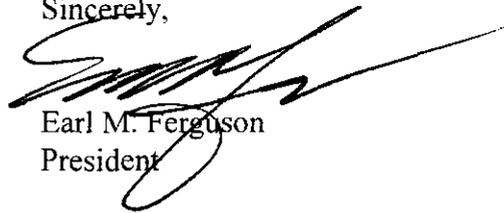
Exclusive Contracts: They generally work to the benefit of our residents and they give competitors a chance to establish a foothold in our area.

Expansion of Satellite Dish Rules: We are opposed to the existing rules because we do not believe Congress meant to interfere with our ability to manage our property.

The FCC should not expand the rules to include data and other services. We believe no further action on these key issues is needed.

Thank you for your attention to our concerns.

Sincerely,

A handwritten signature in black ink, appearing to read 'Earl M. Ferguson', written over the typed name and title.

Earl M. Ferguson
President