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FCC FORM 37

Before the
Federal Communications Commission
Washington, D.C. 20554

FCC 04M-09
03081

In the Matter of)	EB Docket No. 03-152
)	
WILLIAM L. ZAWILA)	Facility ID No. 72672
)	
Permittee of FM Station KNGS, Coalinga, California)	
)	
AVENAL EDUCATIONAL SERVICES, INC.)	Facility ID No. 3365
)	
Permittee of FM Station KAAX, Avenal, California)	
)	
CENTRAL VALLEY EDUCATIONAL SERVICES, INC.)	Facility ID No. 9993
)	
Permittee of FM Station KAJP, Firebaugh, California)	
)	
H. L. CHARLES D/B/A FORD CITY BROADCASTING)	Facility ID No. 22030
)	
Permittee of FM Station KZPE, Ford City, California)	
)	
LINDA WARE D/B/A LINDSAY BROADCASTING)	Facility ID No. 37725
)	
Licensee of FM Station KZPO, Lindsay, California)	

ORDER

Issued: March 3, 2004

Released: March 5, 2004

1. Under consideration are a Joint Petition for Extraordinary Relief, filed on February 9, 2004, by William L. Zawila, Avenal Educational Services, Inc., Central Valley Educational Services, Inc., H. L. Charles d/b/a Ford City Broadcasting, and Linda Ware d/b/a Lindsay Broadcasting (collectively the "Petitioners"), and a letter to the Presiding Judge, dated March 1, 2004, from counsel for the Petitioners.

2. This proceeding was designated for hearing by *Order to Show Cause, Notice of Opportunity for Hearing, and Hearing Designation Order*, 18 FCC Rcd 14,938 (released July 16, 2003).¹ Numerous issues were specified to determine whether the Petitioners and/or William L. Zawila in his individual capacity, among other things, misrepresented facts to or lacked candor with

¹ Also designated for hearing was the application of Western Pacific Broadcasting, Inc., for renewal of its license for AM Station KKFO, Coalinga, California. However, this application was voluntarily dismissed. See *Order*, FCC 03M-55, released December 11, 2003.

the Commission; willfully or repeatedly violated myriad regulations contained in Parts 11, 17 and 73 of the Commission's Rules; violated Section 310(d) of the Communications Act by engaging in unauthorized transfers of control of various facilities; and were undisclosed real parties-in-interest in certain applications. Ultimately, the issues sought to determine whether the Petitioners possessed the requisite qualifications to be or to remain Commission permittees or licensees. 18 FCC Rcd at 14,967-69 (¶¶ 113-14). In addition, had it been shown that the Petitioners willfully or repeatedly violated certain provisions of Parts 11, 17 and/or 19 of the Commission's Rules, then it was to be further determined whether forfeitures, in the maximum cumulative amount of \$900,000, should be imposed. *Id.* at 14,971 (¶¶ 118-20).

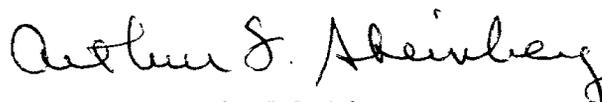
3. A prehearing conference was held on September 9, 2003. At the conference, counsel for the Petitioners stated that the Petitioners had elected to pursue sales of their facilities pursuant to the Commission's minority distress sale policy. This policy permits a permittee or licensee whose authorization has been designated for revocation hearing, or whose application has been designated for hearing on basic qualifications issues, to assign its permit or license to a minority controlled entity prior to the commencement of the hearing. *Statement of Policy on Minority Ownership of Broadcasting Facilities*, 68 FCC 2d 979 (1978); *Clarification of Distress Sale Policy*, 44 RR 2d 479 (1978). In order to allow the Petitioners sufficient time to arrange appropriate sales, this proceeding was stayed until February 9, 2004. *Order*, FCC 03M-39, released September 12, 2003.

4. In their Joint Petition for Extraordinary Relief, the Petitioners report that they have reached an agreement with Lazer Broadcasting Corporation ("Lazer") providing for the sale of the captioned facilities. The Petitioners contend that the proposed transactions meet the requirements of the Commission's minority distress sale policy. Specifically, the Petitioners assert that the buyer is a *bona fide* minority owned corporation, and that the purchase price for each facility is no more than 75 percent of its fair market value as determined by independent professional appraisals. Joint Petition at 2-4. Appended to the Joint Petition are the Asset Purchase Agreement entered into by the Petitioners and Lazer, the declaration of the president and 100 percent shareholder of Lazer representing that Lazer is a minority owned entity, and copies of the appraisals of the Petitioners' facilities. *Id.* at Exhibits A-D. Based upon this submission, the Petitioners request a further stay of this proceeding in order to allow the Media Bureau to process applications for the assignment of the facilities in question pursuant to the minority distress sale policy. In this regard, in her March 1 letter, counsel for the Petitioners states that all of the various assignment applications have been filed. Counsel for the Enforcement Bureau has informally advised the Presiding Judge that no objection to a grant of the Joint Petition will be interposed.

5. Good cause having been shown, and without objection, the Joint Petition will be granted. Consequently, this proceeding will be stayed pending action by the Media Bureau on the Petitioners' applications for consent to the assignment of their authorizations.

Accordingly, IT IS ORDERED that the Joint Petition for Extraordinary Relief, filed by the Petitioners on February 9, 2004, IS GRANTED, and that this proceeding IS STAYED pending Media Bureau action on the applications of the Petitioners for consent to the assignment of their authorizations.

FEDERAL COMMUNICATIONS COMMISSION



Arthur I. Steinberg
Administrative Law Judge