

### **Description of Transaction-Amendment**

This is an amendment to the May 2015 supplement to the application seeking Commission consent to the assignment of WLYH-TV, Lancaster, Pennsylvania (the “Station”) from Nexstar Broadcasting, Inc. (“Nexstar”) to HSH Lancaster (WLYH) Licensee, LLC (“HSH Licensee”) (BALCDT-20150202ACY). The sole member of HSH Licensee is HSH Lancaster (WLYH), LLC (“HSH Parent”). The sole member of HSH Parent is Howard Stirk Holdings II, LLC (“HSH II”), which is owned and operated by Armstrong Williams.

Mr. Williams is one of the few African American television broadcasters today. Through HSH Holdings, LLC, Mr. Williams currently owns television stations WWMB(TV), Myrtle Beach, South Carolina and WEYI-TV, Flint Michigan. On February 27, 2015 HSH II closed on the purchase of television stations WGWG(TV) (formerly WMMP(TV)), Charleston, South Carolina, WGWW(TV) (formerly WJSU-TV), Anniston, Alabama, and WSES(TV) (formerly WCFT-TV), Tuscaloosa, Alabama.<sup>1</sup> Mr. Williams’ ownership of these stations manifestly furthers competition, diversity, localism and the public interest. Moreover, WGWW, WSES, and WGWG were all slated to go dark and have their licenses returned to the Commission.<sup>2</sup> Due to Mr. Williams’ acquisition, however, the stations have remained on the air and there has been no loss of service to the public.

Mr. Williams has been able to provide a new and competing voice in all the communities where he has a station, created new local programming, and is engaging the local community in ways that did not exist before he acquired the stations. Mr. Williams proposes to do the same for the Lancaster, Pennsylvania community with the acquisition of the Station. Below is a list of a few examples of the types of public interest actions and service that HSH Holdings, LLC and Mr. Williams advanced since acquiring WWMB and WEYI in November, 2013:

1. increased the public affairs and local programming by adding local public affairs program(s) during prime time.
2. increased the coverage of local events, people and leaders through guests on local public affairs programs.
3. produced and aired public affairs shows hosted by Mr. Williams and covering current issues such as: Right to Work, Small Business & Economic Development and

---

<sup>1</sup> In addition, through HSH II, Mr. Williams also has a pending assignment application to acquire KVMY(TV), Las Vegas, Nevada (BALCDT-20150128AUL).

<sup>2</sup> As part of the Allbritton transactions last year, Sinclair Television Group, Inc. had voluntarily agreed to relinquish these licenses in order to come into compliance with the Commission's local ownership limits in the markets where they operate. See, *Applications for Consent to Transfer of Control From License Subsidiaries of Allbritton Communications Co. to Sinclair Television Group, Inc.*, DA 14-1055 (July 24, 2014)

Reducing Crime.

4. held and hosted town hall meetings televised in prime time. These town halls will cover topics of local interest (previous town hall meetings Mr. Williams has hosted include: health care, domestic violence, immigration, gun violence, and most recently in the wake of the horrendous church shooting and murderers in Charleston, SC, on racism and moving the country forward to reconciliation and healing.)
5. obtained programs of particular interest and enjoyment to minority communities, such as *The Steve Harvey Show* and *Queen Latifah*.
6. sought to advance minority employment and is implementing an internship program targeted at minority students interested in the technical side of the television business.

The Chairman has expressed appreciation and support for station sales to “minority owned entities [ ] that would increase diversity of ownership and programming.”<sup>3</sup> He has further noted that “[s]uch actions demonstrate how our rules can actively promote both competition and diversity, keep stations on the air, and serve the public interest.”<sup>4</sup> Mr. Williams believes his proposed acquisition of the Station from Nexstar promotes the same interests and will preserve service in the public interest, and advance the Commission’s interest of diversifying the voices provided by over-the-air-free-to-the-home broadcasting.

Pursuant to an Option Agreement dated October 31, 1995 (the “Option”)<sup>5</sup>, Gateway Communications, Inc. (“Gateway”) granted an option to Clear Channel Television, Inc. (“Clear Channel”), pursuant to which Clear Channel had an assignable option to purchase certain assets, including the station license and related authorizations, of the Station (“Option Assets”).<sup>6</sup> In connection with the Option, Gateway and Clear Channel also entered into a grandfathered time brokerage agreement on October 31, 1995 (“TBA”).<sup>7</sup> Subsequently, the Option Assets, and Gateway’s rights and obligations under the Option and TBA were assigned to Nexstar and Clear Channel’s rights and obligations under the Option and TBA were assigned to Newport Television Group (“Newport”). Sinclair Television Group, Inc. (“STG”) assumed Newport’s rights under the Option and TBA in connection with its acquisition of WHP-TV and certain other assets from Newport in 2012. On January 14, 2015, STG assigned its rights in the Option to HSH Licensee (the “Assignment”).<sup>8</sup> On January 15, 2015, HSH Licensee notified Nexstar that it

---

<sup>3</sup> See August 27, 2014 FCC News Release, *Statement from FCC Chairman Tom Wheeler on Gray/MMTC Selection of Buyers for Former Stations*.

<sup>4</sup> *Id.*

<sup>5</sup> A copy of the Option is attached at Exhibit 13.

<sup>6</sup> The Option Assets are set forth in the original purchase agreement pursuant to which Gateway sold certain assets relating to the Station to Clear Channel ( a copy of which is attached at Exhibit 17 (“Gateway/Clear Channel APA”), and include the FCC license and authorizations, all Station logs, reports, applications, and records maintained or required by the Commission, including the public file, all trademarks, service marks, trade names, copyrights and applications, if any, including the Station name and logo, and call letters, and an equipment and studio lease (see Gateway/Clear Channel APA at p 4).

<sup>7</sup> An un-redacted copy of the TBA is attached at Exhibit 17.

<sup>8</sup> An un-redacted copy of the Assignment is attached at Exhibit 13. The reference to “Ancillary Agreements” in section 6.2 of the Assignment is intended to cover only customary

was exercising its right to acquire the Option Assets pursuant to the Option (“Notice of Exercise”).<sup>9</sup> Pursuant to the terms of the TBA, and in compliance with Commission rules and policy, the grandfathered TBA will also be assigned to HSH Licensee upon closing of the transactions contemplated by this Application.<sup>10</sup>

Pursuant to the Assignment, HSH Licensee and STG have agreed that, upon HSH Licensee’s consummation of the transactions contemplated by this application, they will enter into a tower, studio and equipment lease (“Tower and Studio License Agreement”) providing for the lease of facilities and equipment used in the operation of the Station.<sup>11</sup> The July 10, 2015 Amendment to Assignment deletes the requirement that the parties enter into an option for (i) the Option Assets or (ii) the issued and outstanding equity of HSH Licensee.<sup>12</sup>

Finally, the license renewal application for the Station is pending (BRCDT-20150401ADW). In *Stockholders of CBS Inc.*, 11 FCC Rcd 3733 (1995), the Commission held that it may consider and act on an application for the assignment of a station notwithstanding the pendency of a renewal application. HSH Licensee respectfully requests that the Commission process this assignment application pursuant to the procedures established in that decision. In that regard, it hereby agrees to assume the consequences associated with succeeding to the place of the existing licensee if the renewal application for the Station remains pending at the time of consummation of closing pursuant to approval of this assignment application.

---

closing documents, such as a Bill of Sale, Assignment, Certificate of Good Standing, Bring Down Certificate, and Resolution of Authority, but it is not an otherwise defined term.

<sup>9</sup> Copy of the Notice of Exercise is attached at Exhibit 13.

<sup>10</sup> See *1999 LMA Report & Order*, FCC 99-209, released August 6, 1999 (¶146).

<sup>11</sup> A copy of the Tower and Studio License Agreement is attached at Exhibit 13.

Neither STG nor any of its affiliates is providing financing or debt guarantee to HSH Licensee or its affiliates with respect to the Station or has any other agreements with HSH Licensee with respect to the Station other than as set forth in this Application.

<sup>12</sup> A copy of the July 10, 2015 Amendment to Assignment is attached at Exhibit 13. Since the parties will not enter into an option agreement, the form Replacement Option Agreement, with all schedules thereto, previously submitted is no longer applicable and has been deleted.