Connect NY Broadband Grant Program

DESCRIPTION:

Governor Cuomo has committed $25 million to increase broadband deployment and adoption in New York State. The integration of technology and broadband into regional revitalization and economic development strategies is a critical success factor for the sustainability and enhancement of New York’s Digital Economy. With affordable broadband technology as an equalizer, distance is no longer an obstacle to information and economic opportunity across business sectors. Whether it’s education, healthcare, public safety, or government, high-speed Internet capabilities are necessary to connect citizens, businesses and communities.

Each region faces unique challenges when it comes to universal broadband access. The Connect NY Broadband Grant Program is administered by the New York State Empire State Development Broadband Program Office (NYS ESD BPO), and includes funding for last-mile solutions to expand broadband connectivity in unserved¹ and underserved² areas of New York State. Broadband deployment grants are critical to spur investment by broadband service providers and expand broadband connectivity and economic development in each region. Applicants will deploy broadband using a combination of new and existing infrastructure.

Many broadband projects have been funded through existing grant and loan programs, including federal American Recovery and Reinvestment Act (ARRA) Broadband Grants and Loans (National Telecommunications and Information Administration and Rural Utilities Services), United States Department of Agriculture (USDA) Broadband Grants and Loans, and NYS Broadband Grant funding. A vast majority of ARRA broadband projects include funding for middle-mile projects. The intent of the Connect NY Broadband Grant Program is to leverage existing broadband networks, where practical, to expand service areas to include unserved regions of the State.

¹An **Unserved** area is defined as an area where broadband service is not available from a wireline or wireless facilities-based provider offering service at advertised speeds equal or higher than **6 Mbps download and 1.5 Mbps upload**.

²An **Underserved** area is defined as an area where 50% or more of the households have no broadband service from wireline or wireless facilities-based providers offering service at advertised speeds equal or higher than **6 Mbps download and 1.5 Mbps upload**.
**Connect NY Broadband Grant Program: up to $25 million**

The Connect Broadband Grant Program will fund projects which will acquire and install broadband equipment to expand last-mile services to unserved and underserved areas using existing networks, as well as deploying new infrastructure where applicable. Projects must be ready to begin immediately and be fully funded with a combination of requested and matching funds, and other public funds.

**Eligibility:**

Eligible types of applicants include, but are not restricted to:

- An incorporated organization;
- An Indian tribe or tribal organization;
- A local unit of government; and
- A cooperative, private corporation or limited liability company organized on a for-profit or not-for-profit basis.

**PROGRAM SELECTION CRITERIA – UP TO 100 POINTS**

**Priority Areas and Demonstrated Need:**

Applications for broadband funding must propose to serve areas which are identified as being unserved or underserved, according to the NYS Broadband Map: [http://www.broadbandmap.ny.gov/](http://www.broadbandmap.ny.gov/).

In addition to the data contained on the NYS Broadband Map, applicants may also submit supplemental data (validated by the respective REDC) regarding additional unserved and underserved areas to New York State’s designated broadband mapping entity, the Division of Homeland Security and Emergency Services (DHSES), Office of Cyber Security (OCS). Upon validation of the submitted information, OCS will update the broadband availability and mapping data on the State’s official mapping website. The validated availability data will then be considered for eligibility for the Connect NY Broadband Grant Program. The public and incumbent broadband providers will also be able to challenge proposed service areas being considered for public funding before grant awards are made.

Projects will be evaluated in this category according to the degree in which the proposed project:

1. **Provides Broadband Access to Unserved Areas** – Applications must propose to serve areas currently identified as being unserved by the NYS Broadband Map, or validated to be unserved by the submission of supplemental information authorized by the respective REDC, and updated on the NYS Broadband Map.

2. **Provides Broadband Access to Underserved Areas** – Applications must propose to serve areas currently identified as being underserved by the NYS Broadband Map, or validated to be underserved by the submission of supplemental information authorized by the respective REDC.
3. **Serves Community Anchor Institutions:** Offer new or substantially upgraded service to community anchor institutions within the region served. Community anchor institutions include, but are not limited to libraries, public safety facilities, community centers, educational institutions, and healthcare facilities.

4. **Facilitates the Use of Telemedicine and Electronic Health Records:** Propose to serve rural healthcare clinics and hospitals in an underserved region of the State, in areas which could benefit from the adoption of electronic medical records and the use of telemedicine systems, which meet the current requirements for the delivery of these services.

5. **Serve Economically Distressed Areas:** Propose to offer broadband service to spur economic growth in areas of the State which are economically distressed. Projects that have a significant regional impact or are likely to increase the community’s economic and social viability and vitality will be given additional consideration.

**Impact and Adoption:**

Public investments in broadband technology must be part of a comprehensive strategy to transform communities and enhance the lives of residents. The significant impact of broadband is only realized when there is a comprehensive plan to increase and sustain the adoption of individuals and business sectors in the communities where broadband networks are being deployed. Broadband deployment efforts are not successful unless individuals and businesses across each economic sector utilize broadband to enhance quality of life, start new businesses or expand existing businesses.

Applicants should demonstrate how the deployment of broadband will be incorporated into specific community programs such as libraries, education, workforce preparation, small business support, economic development, telemedicine and healthcare, and housing.

Projects will be evaluated in this category according to the degree in which the proposed project:

1. **Provides Digital Literacy Programs to Increase Adoption:** Includes plans to increase adoption by supporting digital literacy programs in the community.

2. **Addresses Affordability:** Includes programs to allow economically disadvantaged individuals to afford the cost of monthly Internet service and computer equipment to use broadband. *(i.e. Provider discounts for eligible applicants offering discounted rates for Internet service and low cost computer equipment.)*

3. **Offers Training Programs for Business Sectors:** Includes training programs and support for specific business sectors to increase the adoption of broadband by each sector. *(i.e. In proposed service areas with a high percentage of agriculture businesses, programs to support the implementation of technology based applications, training programs to increase adoption rates, and subsidies to offset the cost of computer equipment and Internet service plans for farmers.)*

4. **Increases Broadband Awareness:** Include programs which serve to increase awareness of broadband and understanding of the benefits broadband brings to individuals and businesses in the community. *(i.e. marketing campaign to promote digital literacy programs, business sector training classes, and messages which promote the use of broadband for the benefit of individuals and the community.)*
Collaboration and Community Support:

A critical success factor for broadband deployment projects is strong community support for the project and a community vested in the successful outcome of the project. Projects which are supported by a coalition of broadband stakeholders representing individual citizens, each sector of the business community, and disadvantaged populations have a greater likelihood of realizing the economic and social benefits of broadband access.

Projects will be evaluated in this category based on the following:

1. **Aggregation of Demand**: Letter of commitment from prospective governmental or other large institutional users acting as “Anchor Tenants,” with the development of a business model to increase the availability of broadband to disadvantaged members of the community.
2. **Public-Private Partnerships**: Points awarded to projects which include a public-private partnership between government, non-profit entities and broadband providers.
3. **Stakeholder Support**: Whether the project has demonstrated support from local government and private sector leaders in the locality and the region where the project will be located.
4. **Provider Support**: Commitment letter from a broadband service provider to implement the proposed technical solution proposed in the application.

Leveraging Existing Infrastructure and Funding Sources:

**Network Infrastructure**

Many of the broadband access challenges which exist in New York are due to the high cost of last-mile access, particularly in rural and remote areas of the State. Applications which avoid overlapping service areas and propose to extend existing service to unserved homes and business will receive higher scores in this category. Unserved areas which contain existing interconnection points should endeavor to expand service from that point to unserved areas within the same or contiguous service areas.

The cost to build a broadband network during the construction phase of roads and bridge project is significantly less than opening roadways and digging trenches for the sole purpose of laying fiber and installing telecommunications equipment. In addition to leveraging existing telecommunications infrastructure, points will also be awarded for integrating a plan to build a broadband network during the construction phase of public works transportation and highway projects.

Points in this category will be awarded to:

1. Projects that create a direct connection to the customer utilizing at least one or more existing interconnection points, a loop or a fiber ring.
2. Projects that collocate on preexisting public or private infrastructure (through interconnection points).
3. Projects that provide transport services to a last mile provider that is serving the customer (e.g., backhaul, Internet access) or make enhancements to middle-mile infrastructure to support the last mile.
4. Projects which maximize the use of existing network capacity and infrastructure to expand broadband service to unserved and underserved areas.
5. Projects that include the placement of telecommunications conduit, fiber, and equipment during the construction phase of capital improvement projects that require road openings.
Funding Sources:

The Connect NY Broadband Grant Program requires matching funds equal to 20% of the total project cost. The program may provide additional funding for a project if a compelling financial need is demonstrated by the applicant.

There are a number of federal, state, and local grant and loan programs which provide funding for broadband projects. Projects which have already been awarded funding from federal or state grant programs, (either completed or in progress), which propose to expand existing service areas to include additional unserved and underserved areas, will be given higher priority for the Connect NY Broadband Grant Program.

In addition, the United States Department of Agriculture (USDA) currently offers several broadband grant and loan programs for various purposes. Broadband projects which qualify for existing USDA Broadband Grant and Loan programs will be given priority for State funding. These include the following USDA programs:

- USDA Rural Broadband Loan Program – Loans to improve and build telecommunications service in rural communities.
- Community Connect Grant Program – Grants for broadband service providers and others who offer broadband services in rural and remote areas.
- Distance Learning and Telemedicine Program – Loans and Grants for providing Distance Learning and Telemedicine services to rural residents and anchor institutions in rural and remote areas.
- Community-Oriented Connectivity Broadband Grant Program – serves rural communities without existing broadband service (private entities, state and local jurisdictions included)
- Telecommunications Loan Program - ongoing loan program for building broadband networks in rural communities.

Points in this category will be awarded to applications which:

1. Include additional matching funds in excess of the required 20% from other public or private sources.
2. Received previous funding from public grant sources and are proposing to expand the service area to include additional unserved or underserved areas (includes telemedicine grants and loans seeking to expand access to unserved and underserved communities and anchor institutions, if permitted by the conditions of the grant program.)
3. Qualify for existing federal broadband grant and loan programs, with a pending application already filed with the administering grant or loan authority.

REGIONAL ECONOMIC DEVELOPMENT COUNCIL ENDORSEMENT:

Up to an additional 20% of the evaluation criteria will be based on the degree to which the Connect NY project meets and advances the goals and objectives stated in the Regional Council Strategic Plan.

Additional Resources:

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