

FILED
OFFICE OF THE CITY CLERK
OAKLAND

2010 FEB 18 PM 5:22

CITY OF OAKLAND



CITY HALL • 1 FRANK H. OGAWA PLAZA • OAKLAND, CALIFORNIA 94612

Office of the City Administrator
Dan Lindheim
City Administrator

(510) 238-3301

March 2, 2010

City Council
Oakland, California

President Brunner and Members of the City Council:

RE: Report and Resolution Authorizing the City Administrator, On Behalf of the City of Oakland, to Apply for, Accept and Appropriate Grant Funds from the American Recovery and Reinvestment Act of 2009 (Federal Government's "Stimulus Package") for Up to \$40 million from the U.S. Department of Commerce's Broadband Technology Opportunities Program (BTOP) Grant for the Purpose of Providing Broadband Infrastructure Support and Expansion for Public and Community Institutions

SUMMARY

Under the American Recovery and Reinvestment Act of 2009 ("ARRA" or Federal Government's "Stimulus Package"), the U.S. Department of Commerce has developed the Broadband Technology Opportunities Program ("BTOP") to enhance broadband access and usage nationwide. There are two rounds of funding available, the first of which is being awarded to grantees on a rolling basis. Staff recommends the submission of a Round 2 grant application for up to \$40 million to support broadband infrastructure development with a focus on anchor public and private institutions throughout Oakland. Grant applications for the Round 2 are due on March 15, 2010.

Item #: _____
Council
March 2, 2010

FISCAL IMPACT

The grant application for BTOP will be for up to \$40 million. There is a 20% match requirement for the grant application that the City's private partner will provide.

KEY ISSUES AND IMPACTS

Funded at \$4.7 billion nationally, BTOP provides grants to support the deployment of broadband infrastructure in unserved and underserved areas, to enhance broadband capacity at public computer centers, and to encourage sustainable adoption of broadband service. Through this support, BTOP seeks to also advance the Recovery Act's objectives to spur job creation and stimulate long-term economic growth and opportunity.

There are two rounds of funding availability. The first round provides up to \$1.6 billion in BTOP funds to fund three categories—broadband infrastructure in unserved and underserved areas; public computer centers; and sustainable broadband adoption. Based on the grants awarded thus far, Round 1 funding appears to prioritize the funding of broadband infrastructure projects. The City of Oakland had submitted an application for Round 1 in partnership with the Oakland Unified School District and community-based organizations seeking support to fund community-serving programs under the category of sustainable broadband adoption. The City's application was not funded in Round 1 and the U.S. Department of Commerce recommended that the City resubmit its application for Round 2. However, given that the City currently has no existing staffing infrastructure to adequately serve as the lead agency and anchor for the community-based programs, it was determined not to resubmit the City's application for sustainable adoption.

For Round 2, the BTOP has \$2.6 billion available to fund three categories, with the broadband infrastructure category now restructured as Comprehensive Community Infrastructure (CCI). BTOP's funding priority for Round 2 is CCI projects, particularly "Middle Mile"¹ broadband infrastructure projects that offer new or substantially upgraded connections to key community anchor institutions, especially community colleges.

Comprehensive Community Infrastructure Grant Application

The City of Oakland will establish and lead a partnership with private and public partners to apply for the BTOP grant under the CCI category, which focuses on broadband network infrastructure. The partnership will offer services to community anchor institutions, including community colleges, unserved and underserved areas of the City, and public safety agencies.

¹ "Middle Mile" refers to those components of a Comprehensive Community Infrastructure project that provide broadband service from one or more centralized facilities to an Internet point of presence.

The private partner(s) shall bring cash and/or in-kind services to the project to meet the BTOP minimum matching funds requirement of 20%, with a desired match of 30%. In addition, the City seeks to create new jobs in the community through its private partners.

Staff recommends that the City serve as the lead agency with public and private partners in the submission of a grant application in Round 2 under the Comprehensive Community Infrastructure (CCI) category which focuses on broadband network infrastructure development. The application will seek to build out citywide broadband network in order to better serve key anchor institutions throughout the City including the following organizations:

- Parks and recreation centers
- Public schools
- Public libraries
- Senior Centers
- Community colleges
- Healthcare institutions
- Port of Oakland
- Oakland Housing Authority
- Community-based technology centers

The BTOP CCI category strongly prefers that public agencies serve as the lead agency and that private entities are partners in the grant application. In addition, there is a minimum match requirement of 20%, with many successful applications in Round 1 exceeding the 20% match.

Staff is in discussion with possible private partners who have approached the City with interest in the BTOP opportunity and will be seeking the following commitments:

- Provision of at least a 20% match for the grant request.
- Commitments to work with local, small and minority contractors.
- Commitments for local employment opportunities.

In addition, staff is in discussion with the above public and community-based entities about their partnership on the grant application.

Public Safety Regional Application

The City is part of a regional public safety network, the Bay Area Urban Area Security Initiative (UASI), consisting of ten counties, which is considering the submission of a grant application to BTOP for a public safety broadband wireless network. Staff is working closely with neighboring Public Safety Agencies in the grant planning to develop and deploy an interoperable and sustainable broadband wireless network, including with the following entities:


- Alameda County Sheriff
- Contra Costa County Sheriff
- County and City of San Francisco
- County of San Mateo
- County of Marin

The private partner will be selected through a competitive process, to create a public-private partnership which leverages our current public safety telecommunications assets to build a resilient public safety broadband network in the Bay Area. UASI grant funds have been set aside towards segments of the network within Oakland and future sustainment costs may be eligible in the 2011 UASI program.

RECOMMENDATION

Staff recommends that the Council approves the resolution authorizing the City Administrator to apply for, accept, and appropriate grant funds from the U.S. Department of Commerce for the Broadband Technology Opportunities Program for up to \$40 million to support the development of broadband infrastructure.

Respectfully submitted,



Dan Lindheim
City Administrator

FILED
OFFICE OF THE CITY CLERK
OAKLAND

2010 FEB 18 PM 5:22

DRAFT

Approved as to Form and Legality

Oakland City Attorney's Office

OAKLAND CITY COUNCIL

Resolution No. _____ C.M.S.

Report and Resolution Authorizing the City Administrator, On Behalf of the City of Oakland, to Apply for, Accept and Appropriate Grant Funds from the American Recovery and Reinvestment Act of 2009 (Federal Government's "Stimulus Package") for Up to \$40 million from the U.S. Department of Commerce's Broadband Technology Opportunities Program Grant for the Purpose of Providing Broadband Infrastructure Support and Expansion for Public and Community Institutions

WHEREAS, it is anticipated that the U.S. Government will award grant funds in the amount of approximately \$787 million dollars from the American Recovery and Reinvestment Act of 2009 (Federal Government's "Stimulus Package") to state and local governments to stimulate the economy by creating and preserving jobs, and

WHEREAS, the City of Oakland may be eligible to receive a portion of the grants funds; and

WHEREAS, due the urgent economic conditions, the federal government is releasing information on an ongoing basis regarding application deadlines and the criteria for funding and the types of programs, projects that will qualify for the funding and the Mayor, City Administrator and the City Council wish to be in the best posture (1) to be apprised of and updated regarding developments regarding the Stimulus Package and the City's options and (2) to prepare and complete and revise as necessary timely grant applications and (3) to obtain the maximum amount of grant funds for which the City of Oakland may be eligible; and

WHEREAS, the City learned that funds are available from the U.S. Department of Commerce's Competitive Broadband Technology Opportunities Program (BTOP) and the City wishes to apply for a grant from the Stimulus Package for said purpose; now therefore be it

RESOLVED: that the City Council hereby authorizes the City Administrator or his designee to apply for, accept and appropriate up to \$40,000,000 in grant funds from the American Recovery and Reinvestment Act of 2009 (Federal "Stimulus Package") in order to fund the build-out of broadband network infrastructure in partnership with other public agencies, private entities, and community-based organizations; and be it

FURTHER RESOLVED: that the City Council hereby authorizes the City Administrator to conduct negotiations, execute documents, and take any other action with respect to the grant and projects consistent with this Resolution and its basic purpose; and be it

FURTHER RESOLVED: that prior to execution, all contracts and agreements shall be reviewed and approved for form and legality by the Office of the City Attorney and a final copy shall be placed on file in the Office of the City Clerk.

IN COUNCIL, OAKLAND, CALIFORNIA, _____

PASSED BY THE FOLLOWING VOTE:

AYES -BROOKS, DE LA FUENTE, KAPLAN, KERNIGHAN, NADEL, QUAN, REID,
AND PRESIDENT BRUNNER

NOES -

ABSENT -

ABSTENTION -

ATTEST:

LATONDA SIMMONS
City Clerk and Clerk of the Council of
the City of Oakland, California