



CITY OF OAKLAND

# AGENDA REPORT

**TO:** Elizabeth Lake  
Acting City Administrator

**FROM:** Tony Batalla  
Director, ITD

**SUBJECT:** OaklandConnect Fiber Network  
Partnership Legislation

**DATE:** May 22, 2026

City Administrator Approval

  
Betsy Lake (May 28, 2026 11:14:28 PDT)

Date: May 28, 2026

## RECOMMENDATION

**Staff Recommends That The City Council Adopt A Resolution Authorizing the City Administrator To:**

- 1. Waive the Competitive Solicitation Process And Enter Into An Indefeasible Rights of Use (IRU) Agreement With Sonic.net, LLC, A Wireline Internet Service Provider, In An Amount Not To Exceed Seven Hundred Twenty Thousand Dollars (\$720,000) For A Term of Fifteen (15) Years To Lease Dark Fibers To Complete The City-Owned Network, OaklandConnect;**
- 2. Enter Into Memoranda Of Understanding To Connect to The City-Owned Network At No Charge For A Term Not To Exceed Ten (10) Years With The Following Housing Providers Or Affiliated Entities Of (A) The Housing Authority of the City of Oakland (OHA), (B) Fruitvale Development Corporation, and (C) BRIDGE Housing Corporation; And**
- 3. Waive the Competitive Solicitation Process And Enter Into A Fiber License Agreement With Another Corporate ISP, LLC DBA Monkeybrains, A Local Internet Service Provider, To Access and Integrate City Fibers Into Its Service Network To Enhance Broadband Availability For Oakland Residents At a Rate of Zero Dollars (\$0.00) For a Term of Ten (10) Years**

## EXECUTIVE SUMMARY

Staff recommends that the City Council approve the proposed resolution authorizing three actions that together advances the \$16 million "OaklandConnect" broadband project to deliver free and affordable broadband service to affordable housing sites and locations throughout West Oakland, Downtown, Fruitvale, and East Oakland.

The proposed resolution waives the competitive solicitation process and authorizes the acquisition of fiber optics from Sonic in the form of an Indefeasible Right of Use (IRU) with a

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term of fifteen (15) years and a total amount of \$720,000. This route will be in East Oakland and complete a key missing segment of the planned fiber-optic backbone. The route will be fully maintained by Sonic for the duration of the IRU. This investment will strengthen City operations, be immediately available, and will lower capital expenditure costs due to the locations being cost-prohibitive for construction.

The City Council is recommended to approve a Resolution authorizing a Memorandum of Understanding with the Housing Authority of the City of Oakland (OHA) to allow the City to perform construction activities on certain OHA properties to install and connect fiber-optic broadband infrastructure to the OaklandConnect network. This also includes internal wiring upgrades at some locations that are necessary to deliver reliable high speed Internet service. As a public benefit, the MOU also dedicates, in perpetuity and at no cost, sufficient fiber-optic capacity to OHA to enable current and future connectivity to OHA sites. This partnership ensures that the OaklandConnect project reaches affordable housing sites throughout Oakland with free, high-speed broadband Internet service.

Lastly, staff recommends waiving the competitive solicitation process and authorizing an agreement with Monkeybrains, a local Internet Service Provider in Oakland, allowing the company to access City-owned fiber optics at no-cost in exchange for delivering and maintaining free and/or low-cost high-speed Internet throughout coverage areas in East Oakland, West Oakland, Fruitvale, and Downtown. Monkeybrains will commit to delivering free fiber Internet service for up to 2,500 affordable housing units as part of the Agreement.

Together, these actions will expand access to high-quality Internet for communities that have been most impacted by the Digital Divide, and will improve City technology infrastructure, ensuring that public investments in broadband infrastructure deliver real and tangible benefits to Oaklanders.

## **BACKGROUND / LEGISLATIVE HISTORY**

In 2021, the American Rescue Plan Act, established the Federal Funding Account (FFA) to support the deployment of last-mile broadband infrastructure in unserved and underserved communities. The State of California incorporated these federal dollars into its broader statewide broadband investment package, through Senate Bill 156 (SB 156), which prioritized last-mile, and middle-mile infrastructure intended to expand reliable, high-speed Internet access to residents, improve affordability, and address systemic digital inequities. SB 156 set the program funding split to dedicate the majority of funding dollars toward last-mile capital expenditure projects, while providing substantial resources for the State's open-access middle-mile network.

In December 2022, the California Public Utilities Commission (CPUC) awarded the City a Local Agency Technical Assistance (LATA) grant to fund preparation of a comprehensive broadband planning document, of which the City Council formally accepted that award under [Resolution No. 89537 C.M.S.](#) Under this award, the City developed preliminary plans that directly shaped the grant application in 2023 and eventually became the Oakland's [2025 Broadband Master Plan](#), which was completed and submitted to the CPUC in late December 2024.

The Broadband Master Plan provides a detailed assessment of Oakland's broadband conditions, including affordability challenges, infrastructure gaps, and performance disparities, particularly in older multi-dwelling buildings and in historically underinvested neighborhoods such as West Oakland, East Oakland, and Fruitvale. The Plan documents that many residents in these areas continue to rely on aging copper infrastructure, receive speeds far below advertised levels, and face limited or no competitive choice of Internet Service Providers. The Plan further identifies the City's existing publicly owned fiber routes, their limitations, and opportunities to leverage this infrastructure for residential broadband service.

The last-mile grant is administered by the CPUC, which opened a competitive grant window for the FFA Last-Mile Broadband Program on June 30, 2023, and closed on September 29, 2023. The City of Oakland applied for this funding seeking to design and construct what is now 'OaklandConnect – Last Mile Connectivity for Oaklanders Project'.

In July 2024, after reviewing statewide applications, the CPUC awarded the City \$14,026,946 through the FFA program to support construction of a City-owned hybrid middle-mile and last-mile fiber-optic network. In its application, the City included a \$2 million match to be funded through Measure U funding – placed on the ballot and passed by voters on November 8, 2022, pursuant to [Resolution No. 89314 C.M.S.](#), for a total project amount of \$16,026,946. Measure U placed an authorization of \$850 million in general obligation bonds to fund affordable housing and housing preservation projects, transportation projects, and various City infrastructure improvements. The Measure U bond appropriation included as the match component for the project refers specifically to "Citywide Facility Preservation and Improvement Projects" involving the "acquisition, construction, improvement, or rehabilitation of City-owned telecommunications infrastructure."

On September 17, 2024, the City Council formally accepted the CPUC award and appropriated the required City matching funds, supported by Measure U allocations in the FY 2023–2025 adopted budget, pursuant to [Resolution No. 90407 C.M.S.](#) This action authorized the City to proceed with project planning, design, and subsequent implementation milestones.

The OaklandConnect Project is the most impactful step yet taken by the City to drive digital equity and expand broadband access for Oakland residents. The City began formal broadband planning in 2015 with the Fiber-Optic Network Master Plan, which documented fragmented City fiber assets and identified the need for an integrated, citywide infrastructure framework. This work was updated in 2019, when the [Fiber-Optic Network Master Plan](#) Update recommended modernization of City telecommunications systems, proposed policies to support community broadband expansion, and outlined strategies to better coordinate fiber deployment across departments.

The City's current legislative actions are informed by this sequence of prior plans and analyses. The OaklandConnect Project was designed using the data, community engagement findings, and infrastructure assessments developed through the 2025 Broadband Master Plan and prior planning documents.

Together, these efforts are a major step forward in implementing a municipal broadband network, including fiber acquisition, inter-agency agreements, and public-private partnerships. The actions now before the City Council occur within this established policy and legislative

framework, advancing work already initiated through previously adopted plans, grant awards, and Council Resolutions.

**ANALYSIS AND POLICY ALTERNATIVES**

This agenda item advances the City’s priority of developing **vibrant, sustainable infrastructure** by presenting Resolutions that strengthen long-term, publicly owned fiber-optic infrastructure designed to support equitable access to essential services, education, and economic opportunity. This investment establishes a durable and reliable network foundation that enhances community resilience and promotes sustainable growth throughout Oakland.

For the proposed lease with Sonic, only three dark-fiber providers were available to supply a leased fiber segment along International Boulevard from 66th Avenue to 98th Avenue. The OaklandConnect project’s preliminary design had this initially proposed as relying on the Bus Rapid Transit (BRT) cable, first deployed in 2018 as a joint effort with Alameda-Contra Costa Transit and Caltrans but has since experienced major outages due to fiber cuts and has left the network unstable.

Each provider submitted one-time pricing proposals that would enable the City to utilize available grant funding and establish interconnection points along the route to support future municipal uses, including potential Internet-of-Things (IoT) applications and the reallocation of backhaul capacity for OakWiFi. See Table 1, which below summarizes the providers’ respective offerings in response to the City’s pricing inquiry for dark fiber providers.

**Table 1. Dark Fiber Lease Costs by Available Providers**

Lease Options by Provider						
International Boulevard Backhaul Provider	Length of Lease in Years	Number of Fiber Optic Strands	Length of Segment in Miles	Up-Front Price of Lease	Additional Costs to the City?	Midspan Interconnection Available?
AT&T	10	12	1.85	\$ 473,626.02	No	No
Zayo	20	12	2.05	\$ 2,476,800.00	Yes	Yes, prenegotiated
Sonic	15	12	3.1	\$ 720,000.00	No	Yes, prenegotiated and allows for future interconnection points

[Oakland Municipal Code Section 2.04.042](#) provides that for the acquisition of any Computerized or Information Technology (IT) Systems, the City Administrator shall conduct a multiple-step solicitation process by soliciting proposals, requiring vendor demonstrations when appropriate and feasible, and evaluating and rating proposals and performance in demonstrations on the basis of uniform criteria to be determined by the City Administrator on a case-by-case basis. Contracts for IT Systems shall be awarded based on the combination of product suitability for the proposed project and record of product performance, vendor(s) qualifications, expertise and record(s) of performance on projects for other agencies or businesses, prices and fees and other appropriate criteria the City Administrator determines to best meet the needs of the City. However, the City Council may waive the competitive solicitation process upon a recommendation of the City Administrator and a finding and determination by the City Council that it is in the best interests of the City to waive solicitation processes.

Here, based on the pricing inquiry conducted by the City and the proposals submitted by AT&T, Zayo, and Sonic, City staff requests that the City Council make a finding and determination that it is in the best interests of the City to waive the competitive solicitation process and determine that Sonic's offering provided the greatest overall value. Sonic's pricing, the availability of required interconnection points, and the inclusion of an additional five years of lease term with a marginal cost increase compared to AT&T's ten-year proposal, collectively made Sonic's proposal the most advantageous option for the City.

For the Memoranda of Understanding with the Housing Authority of the City of Oakland (OHA), the Fruitvale Development Corporation, and BRIDGE Housing Corporation or their affiliated entities for a term not to exceed ten (10) years, the OaklandConnect project proposes to deliver free, high-speed, in-home Internet service to residents at affordable housing sites across Oakland. The City's Broadband Master Plan and digital needs assessment identified West Oakland, Fruitvale, and Deep East Oakland as priority areas for investment based on gaps in access to reliable home Internet service. OHA serves nearly 16,500 families and seniors across these communities and has implemented a Free WiFi initiative to provide Internet access to its residents. The Fruitvale Development Corporation is a community-based nonprofit with deep roots in Fruitvale and East Oakland, operating affordable housing alongside economic development and resident services. BRIDGE Housing Corporation is one of California's largest nonprofit housing providers, with a diverse portfolio of multifamily properties that expands the reach and scalability of the OaklandConnect project.

The OHA, the Fruitvale Development Corporation, and BRIDGE Housing Corporation were selected as core partners based on demonstrated need, operational alignment, and their collective ability to connect thousands of low-income Oaklanders through multifamily housing. Approximately 60% of Oakland households live in multi-unit buildings, where the high cost of Internet service and limited investment in network infrastructure can lead residents to pay more for lower-quality service. By focusing on multifamily properties across these partners, the project can deliver connectivity to a large number of residents at once, including residents who are priced out of reliable home Internet service. Site-level assessments across partner properties show that, even where broadband is technically available, existing connections do not consistently provide reliable, in-home service. Many OHA and affiliated properties are located along corridors targeted for infrastructure investment, creating opportunities to expand connectivity over time and deepen the impact of this partnership as the network is built out. On May 18, 2026, the OHA Board has authorized the execution of a Memorandum of Understanding between the OHA and City of Oakland to connect to the City-owned network.

The partnership includes OHA, the Fruitvale Development Corporation, and BRIDGE Housing Corporation properties across the project area, with priority sites including Lockwood Gardens, Lakeside Senior, Foothill Family Apartments, Mandela Gateway, Town Center and Courtyard, Casa Sueños and Casa Arabella, and Harrison Towers, as well as other locations as opportunities arise. Based on current project planning, the OaklandConnect project proposes to provide free, high-speed Internet service to approximately 2,500 housing units and extend network infrastructure to several thousand additional units, substantially expanding connectivity across Oakland's affordable housing. The project provides dedicated fiber infrastructure and site-specific capital improvements to deliver reliable, in-home Internet service for residents.

Through these partnerships, the City will extend its municipal fiber network to designated properties and fund site-specific capital improvements, including in-building wiring, network

equipment, and in-unit connections where needed to deliver reliable, high-speed Internet service. The agreements also dedicate fiber capacity at no cost to the housing partners, ensuring long-term access to the City's network while preserving flexibility for Internet Service Providers to deliver service to residents.

Together, these partnerships enable the City to scale deployment across multiple affordable housing providers, increasing the overall reach and efficiency of the OaklandConnect project. By leveraging a consistent MOU framework across OHA, the Fruitvale Development Corporation, and BRIDGE Housing Corporation or their affiliated entities, the City can maximize the impact of public investment in broadband infrastructure while ensuring that connectivity improvements translate into meaningful, in-home access for residents most affected by the digital divide.

Lastly, the proposed Fiber License Agreement with Monkeybrains is informed by outreach conducted by the City in Fall 2022 and Summer 2024. During this period, the City issued a 'Request for Information (RFI) for the Broadband & Digital Literacy Program Partner Oakland' initiative (**Attachment A**) and administered the 'Oakland Broadband Last-Mile Connectivity Planning and Design Project Internet Service Provider Survey' (**Attachment B**). These efforts gathered feedback from Internet Service Providers that helped identify potential areas for collaboration and future partnership opportunities.

In reviewing responses from sixteen Internet Service Providers, several consistent themes emerged. Smaller ISPs indicated that access to the City's fiber network would meaningfully extend their service reach and reduce deployment costs, whereas some national providers did not identify similar benefits. Multiple providers expressed interest in using City-owned vertical assets (rooftops, buildings, poles, and easements) to mount equipment and expand coverage. Respondents also emphasized the need for a more streamlined permitting and construction process, including clear technical specifications, guidance for installations in the public right-of-way, and potential options for blanket permits or micro-trenching standards. Finally, regional providers noted challenges in entering Oakland's broadband market due to the dominance of AT&T and Comcast and requested City assistance with outreach to potential customers, particularly in low-income areas where recovering capital costs is more difficult.

Monkeybrains not only participated in the City's RFI process but also submitted a comprehensive proposal outlining its objectives, technical capabilities, and approach to a municipal partnership. The proposal highlighted Monkeybrains' more than 20 years of experience as a local Internet Service Provider, its operation of a high-capacity wireless network serving over 20,000 locations, and its history of self-financed, debt-free network expansion. In addition, Monkeybrains detailed its significant local and community investment experience, including deployment of free or low-cost high-speed Internet in low-income communities and participation in workforce development initiatives aimed at hiring Oakland residents. The company also provided a proven municipal partnership model through its role in the City and County of San Francisco's Fiber-to-Housing program, where it designed and implemented fiber infrastructure serving thousands of affordable-housing units as part of a successful public-private partnership. This prior work demonstrates Monkeybrains' ability to collaborate with public agencies, leverage municipal assets, and deliver high-quality broadband services in support of digital equity goals. A copy of that proposal is attached to the Agenda Report as a supplemental document. Given the RFI process conducted, staff therefore requests that the City Council make a finding and determination that it is in the best interests of the City to waive the

competitive solicitation process for IT systems and authorize the proposed fiber license agreement with Monkeybrains.

### **RELATED PLANNING EFFORTS**

The following shows alignment with existing Oakland strategic planning documents, particularly the Economic Development Action Plan 2025 – 2029 and the 2025 Broadband Master Plan.

### **ECONOMIC DEVELOPMENT ACTION PLAN 2025 - 2029**

- **Goal 1 – Attract and Grow Key Sectors** the Plan explicitly references high-connectivity infrastructure as evidence of essential citywide support for deploying fiber-optic and related broadband assets by helping “identify zoning policies to meet the evolving needs of key industries” through cross-departmental efforts.
- **Goal 4 – Invest in Places** the Plan endorses cross-department coordination for technology infrastructure, creating the conditions to strengthen municipal broadband and integrate it into broader capital improvements.

### **2025 BROADBAND MASTER PLAN**

The agenda item directly aligns with and advance the core goals and strategic priorities outlined in the City of Oakland’s 2025 Broadband Master Plan, which serves as the City’s comprehensive roadmap for deploying municipal broadband infrastructure and achieving digital equity. As articulated in the BMP, the purpose of the plan is to guide the development of a City-owned, hybrid middle-mile and last-mile network that leverages existing public assets, expands modern fiber connectivity into unserved and underserved neighborhoods, and supports affordable, reliable high-speed Internet service for residents, particularly those in historically marginalized communities such as West Oakland, East Oakland, and Fruitvale. The Plan emphasizes closing the Digital Divide by addressing the intertwined barriers of affordability, availability, and performance, and by prioritizing multi-dwelling units, community anchor institutions, and neighborhoods that have suffered from decades of underinvestment driven by digital redlining. The policies and actions identified, such as coordinating fiber deployment, integrating broadband into capital projects, and enabling public-private partnerships, directly support the Plan’s implementation strategy, which envisions a resilient, future-proof municipal network capable of delivering equitable access, fostering competition, and ensuring long-term community benefit.

### **FISCAL IMPACT**

On September 17, 2024, the Oakland City Council passed 90407 C.M.S authorizing the City Administrator to accept and appropriate grant funds in the amount of \$14,026.946.15 from the CPUC Last Mile Broadband Program to reimburse the City’s cost for planning, designing and constructing a fiber optic broadband network. The accompanying staff report noted that additional Resolution(s) would be required to authorize agreements and pursue construction of the network.

Sufficient grant funds are included in the Fiscal Year 2025-2027 Biennial Adopted budget as approved in 90407 C.M.S. and carried forward into FY 2026-2027.

A breakdown of the appropriated project funding sources is included in Table 1:

**Table 1: Project Funding Source**

<b>Fund Source</b>	<b>Organization</b>	<b>Account</b>	<b>Project</b>	<b>Program</b>	<b>Amount</b>
(Fund # and Name)	(Org # and Name)	(Account # and Name)	(Project # and Name)	(Program # and Name)	
2159: State of CA Other	46111: Administrative Services	54930: Services: Professional	1007889 Oakland Connect Last Mile	IP62: Technology Management	\$720,000
<b>Total Project:</b>					\$720,000
<b>Total Ongoing:</b>					\$720,000

During provider outreach, City staff specified that no recurring charges would be accepted and that all operating and maintenance costs must be presented as a single, one-time charge to be covered by the grant. The resulting IRU provides full service for the entire fifteen-year term with no changes in performance or additional operating costs.

Accordingly, the fiscal impact is limited to a single expenditure of \$720,000 in the first fiscal year. No costs will be incurred in the remaining fourteen fiscal years.

### **PUBLIC OUTREACH / INTEREST**

The City's outreach to external stakeholders in Fall 2022 and Summer 2024, conducted through the Broadband & Digital Literacy Program RFI and the 'Oakland Broadband Last-Mile Connectivity Planning and Design Project ISP Survey', provided essential industry input that informed the proposed Fiber License Agreement with Monkeybrains.

### **COORDINATION**

This item was prepared in coordination with the Office of the City Attorney and the Department of Race and Equity.

### **RACE AND EQUITY**

The recommended policy/program/planning actions proposed are built upon previous work done in collaboration with community partners to address the digital divide within Oakland. The

Department of Information Technology and the City of Oakland's former Mayor Libby Schaff's office collaborated in two reports that support the actions proposed to close the gaps in access to Internet services for low-income residents in Oakland.

The report 'Digital Exclusion in Oakland', led by #OaklandUndivided, analyzed over half a million Internet performance tests from more than 18,000 locations to assess end-user broadband reliability across the City. Findings show deep disparities within communities with lower incomes and higher proportions of people of color, particularly in historically redlined areas, consistently experiencing significantly slower and less reliable Internet service, with over half of all tests falling below 25 Mbps. Overall, the median download speed of just 21 Mbps classifies much of Oakland as effectively unserved, despite the physical availability of broadband infrastructure.

The report led by the Greenlining Institute, entitled 'Achieving Digital Equity -The Oakland Town Link Program Playbook', outlines Oakland's Town Link digital inclusion program to expand digital literacy, affordable Internet access, and device availability for low-income residents. Findings from surveys and program data show persistent barriers to home Internet access, device ownership, and digital literacy, particularly among low-income, Black, Latino, immigrant, and senior residents. The report provides detailed recommendations for local governments seeking to use Digital Equity Act funding to build sustainable, community-centered digital inclusion programs.

Data disparity in Internet service bandwidth and access to services informed our recommendations. Going forward, the following data will be tracked in order to measure the short- and long-term impacts of this policy/program/planning action, as well as Federal and State requirements for Federal Funding Account awardees for compliance:

- Network performance metrics, including speed, latency, reliability, uptime, and service availability
- Number of locations served, such as households, multi-dwelling units, community anchor institutions, and un/underserved addresses newly connected.
- Adoption and subscription data, covering how many residents are using the service, enrollment trends, and uptake in low-income or priority communities.
- Outreach and community engagement activities, including information on enrollment support and efforts to reach underserved populations.
- Environmental, workforce, and contracting compliance, such as adherence to labor standards, local-hire requirements, and procurement policies.

**ACTION REQUESTED OF THE CITY COUNCIL**

Staff Recommends That The City Council Adopt A Resolution Authorizing the City Administrator To:

1. Waive the Competitive Solicitation Process And Enter Into An Indefeasible Rights of Use (IRU) Agreement With Sonic.net, LLC, A Wireline Internet Service Provider, In An Amount Not To Exceed Seven Hundred Twenty Thousand Dollars (\$720,000) For A Term of Fifteen (15) Years To Lease Dark Fibers To Complete The City-Owned Network, OaklandConnect.
2. Enter Into Memoranda Of Understanding To Connect to The City-Owned Network At No Charge For A Term Not To Exceed Ten (10) Years With The Following Housing Providers or Affiliated Entities of (A) The Housing Authority of the City of Oakland (OHA), (B) Fruitvale Development Corporation, and (C) BRIDGE Housing Corporation
3. Waive the Competitive Solicitation Process And Enter Into A Fiber License Agreement With Another Corporate ISP, LLC DBA Monkeybrains, A Local Internet Service Provider, To Access and Integrate City Fibers Into Its Service Network To Enhance Broadband Availability For Oakland Residents At a Rate of Zero Dollars (\$0.00) For a Term of Ten (10) Years.

For questions regarding this report, please contact Luisa Calumpong, Assistant to the Director/ ITD Broadband, at (510) 929-2527.

Respectfully submitted,



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Attachments (2):

A: Request for Information (RFI) for the 'Broadband & Digital Literacy Program Partner Oakland' Initiative Summary and Respondent Description Table

B: Oakland Broadband Last-Mile Connectivity Planning and Design Project Internet Service Provider Survey