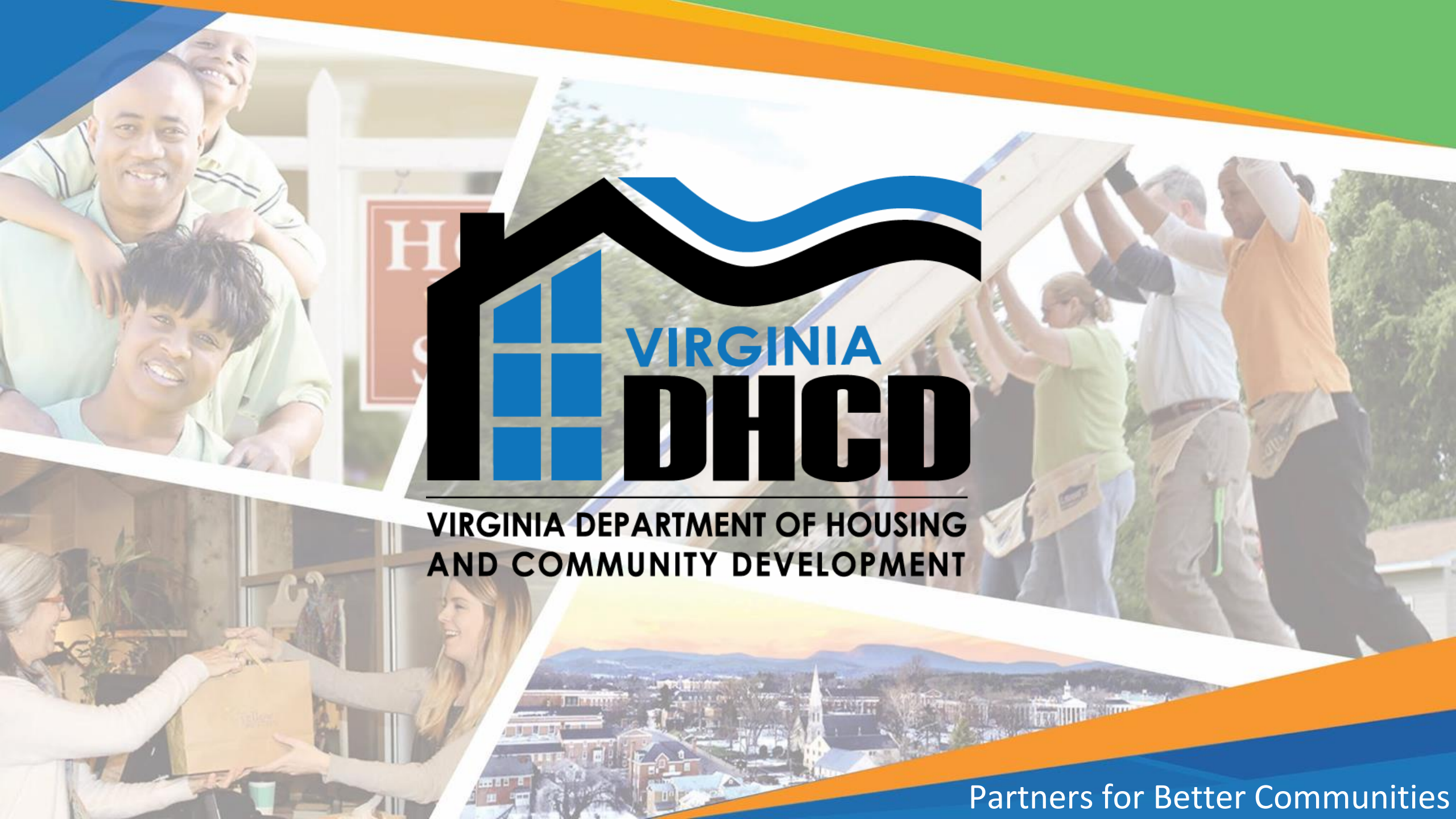


VIRGINIA DHCD

VIRGINIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

Partners for Better Communities

DHCD - Office of Broadband

Central Shenandoah Planning District Commission

June 15, 2021

Tamarah Holmes, Ph.D

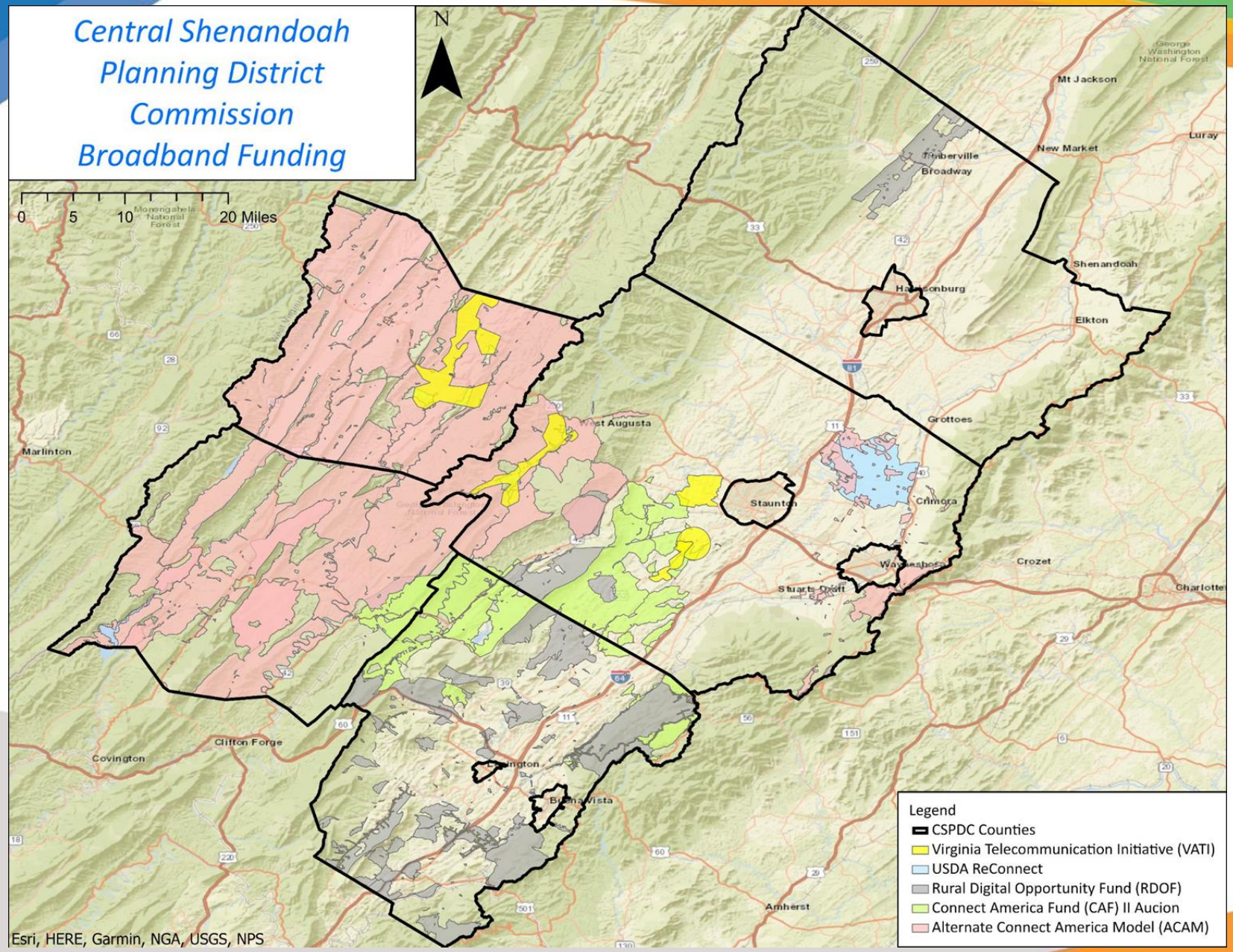
Lonnie Hamilton

Agenda

- Introductions
- Mapping and Broadband Planning
  - Lonnie Hamilton
- Office of Broadband and Virginia Telecommunication Initiative
  - Tamarah Holmes, Ph.D

Broadband Planning

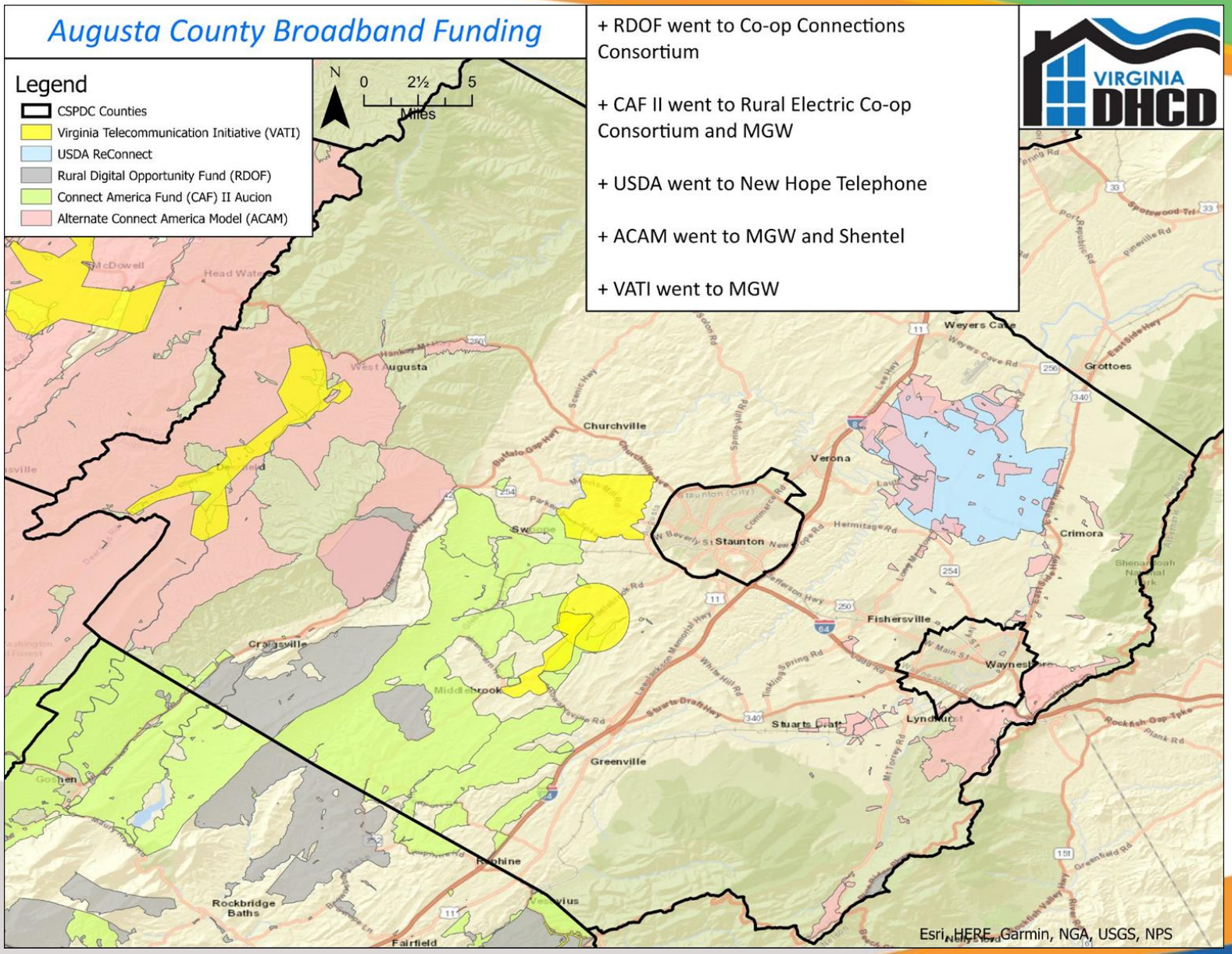
- Key Goals
  - Identifying existing ISPs
  - Identifying existing funding
  - Identifying remaining service gaps
  - Planning on how to fill them
- Starts with leadership investment
- We have ample resources and desire to help
  - Broadband Toolkit

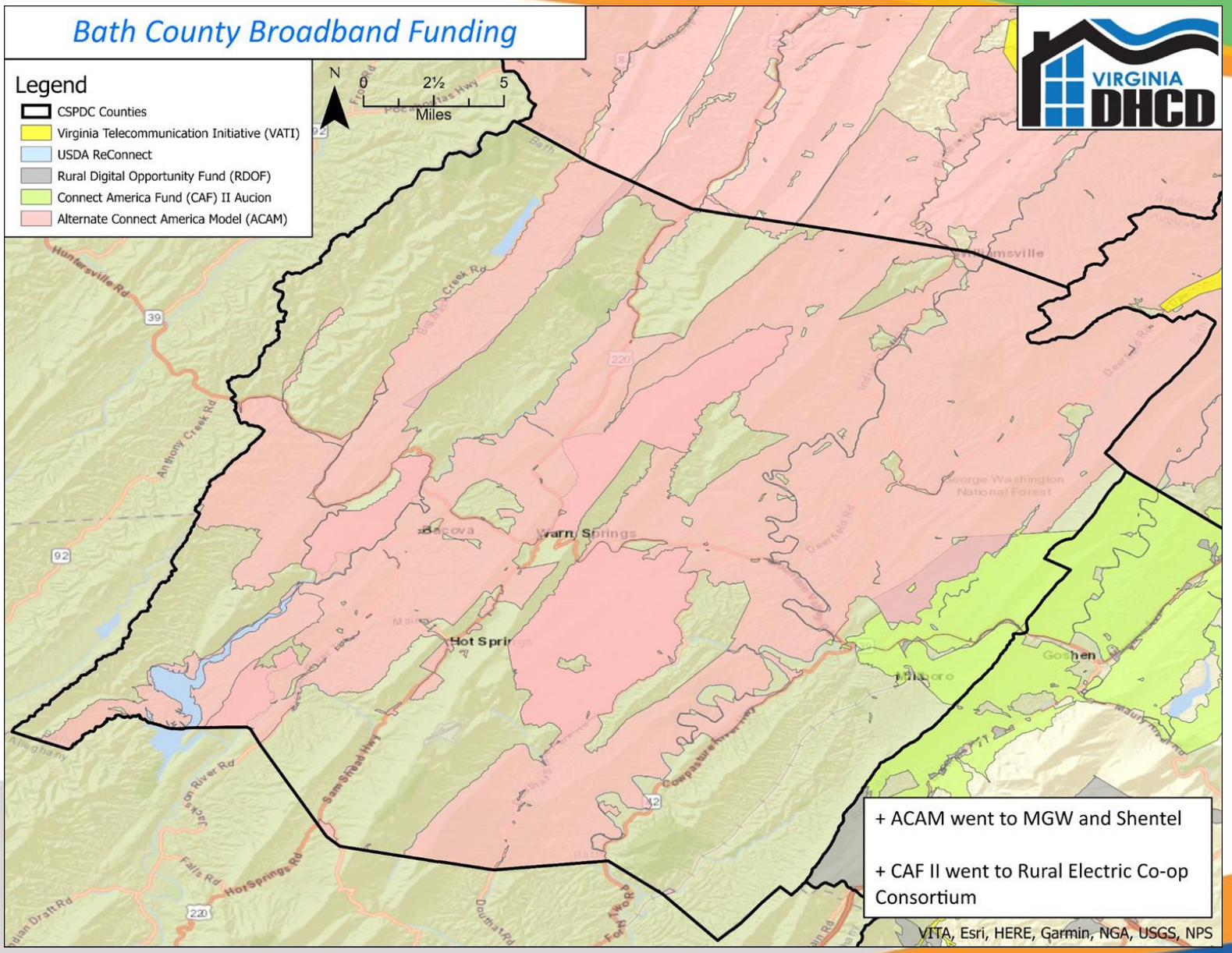


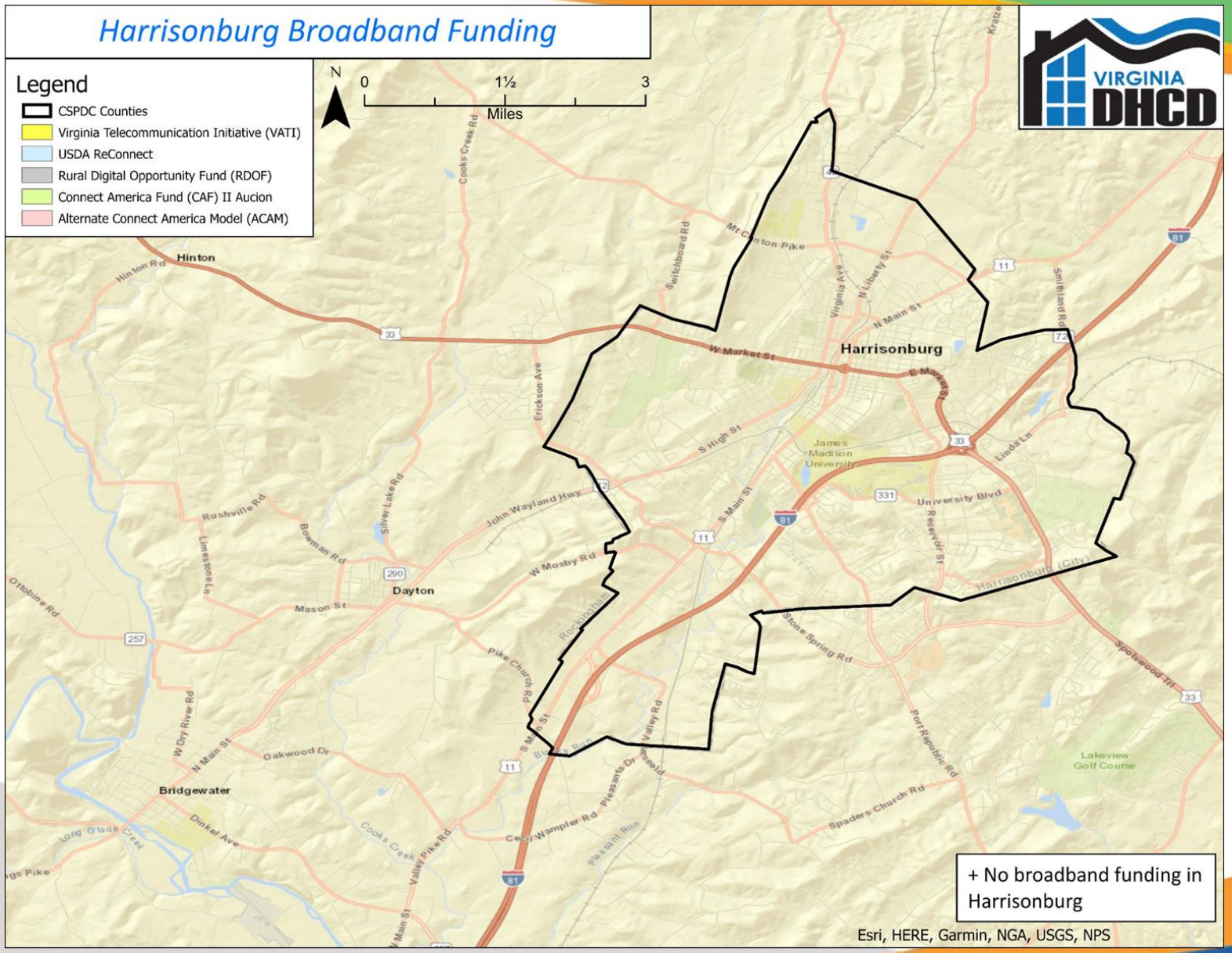
Mapping

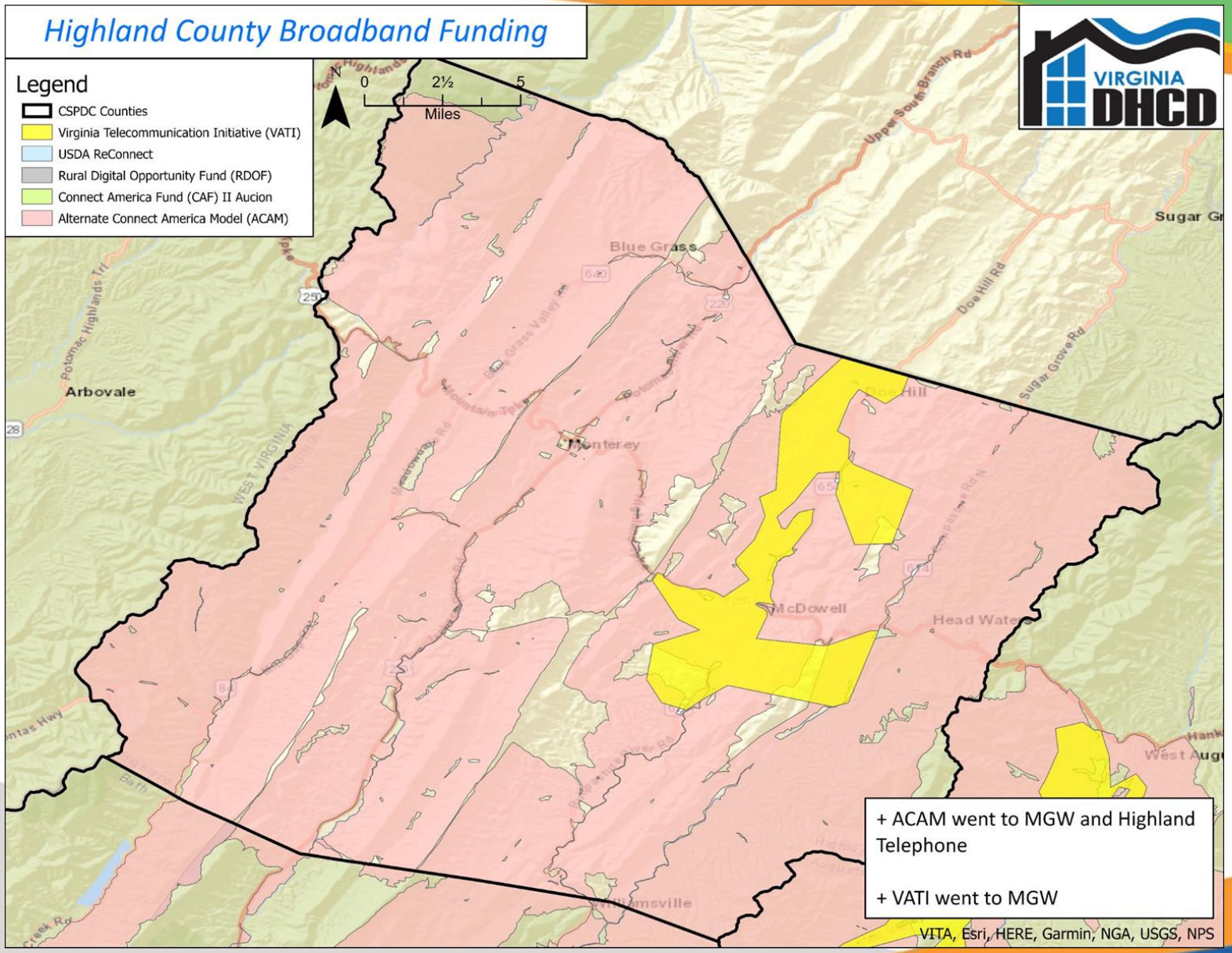
- Identify providers
- Identify existing funding
- Identify unserved households for new funding

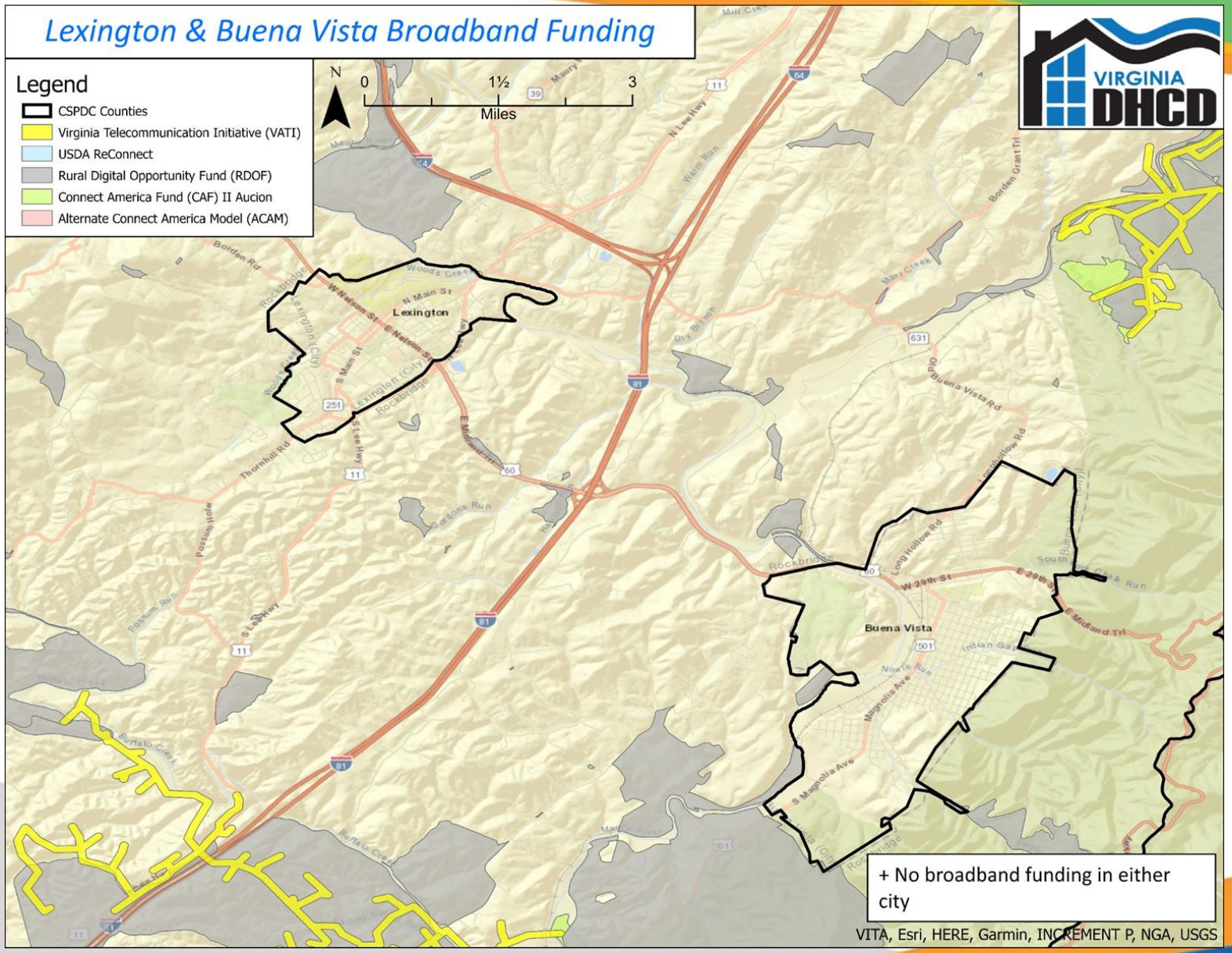
Augusta County Broadband Funding

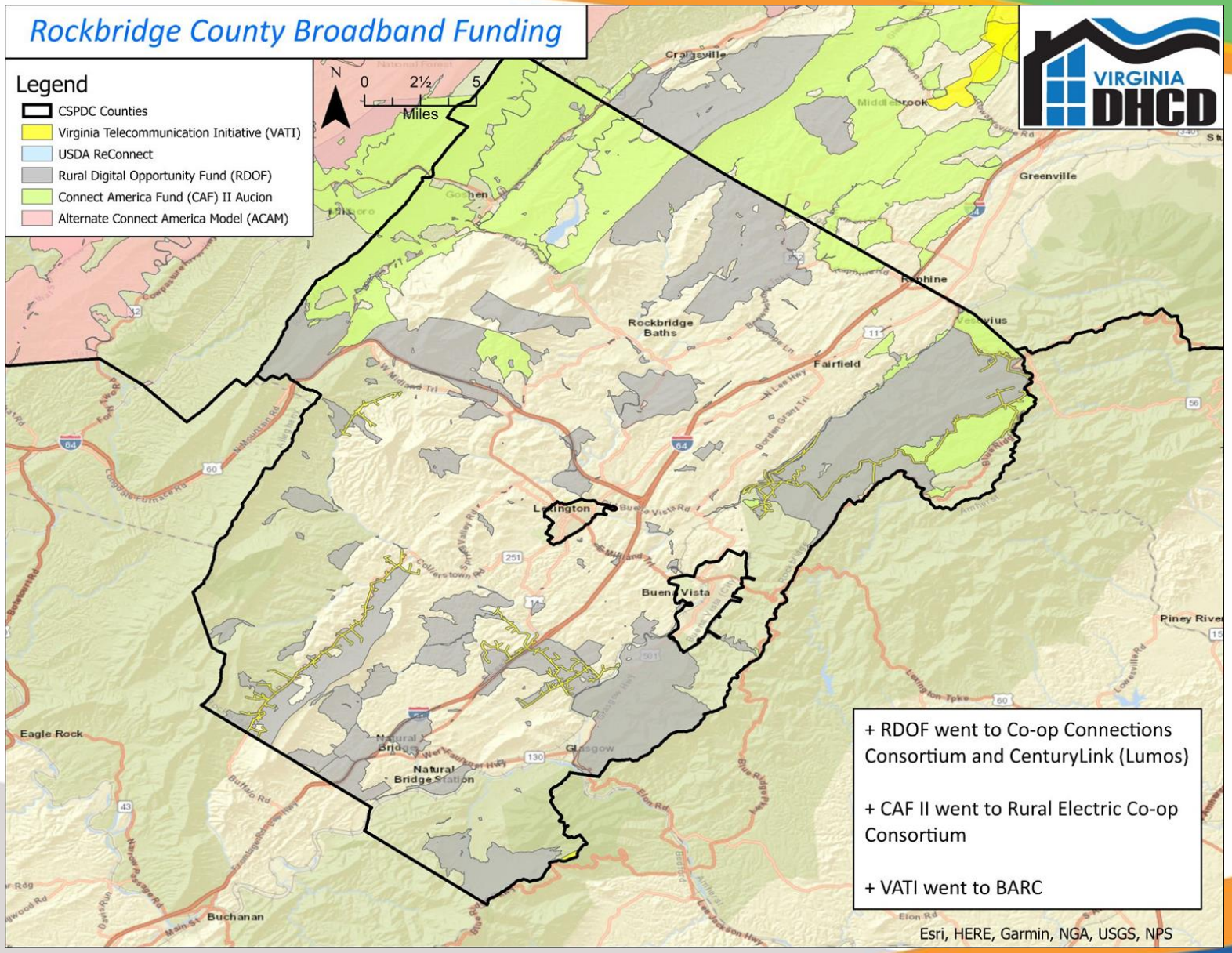


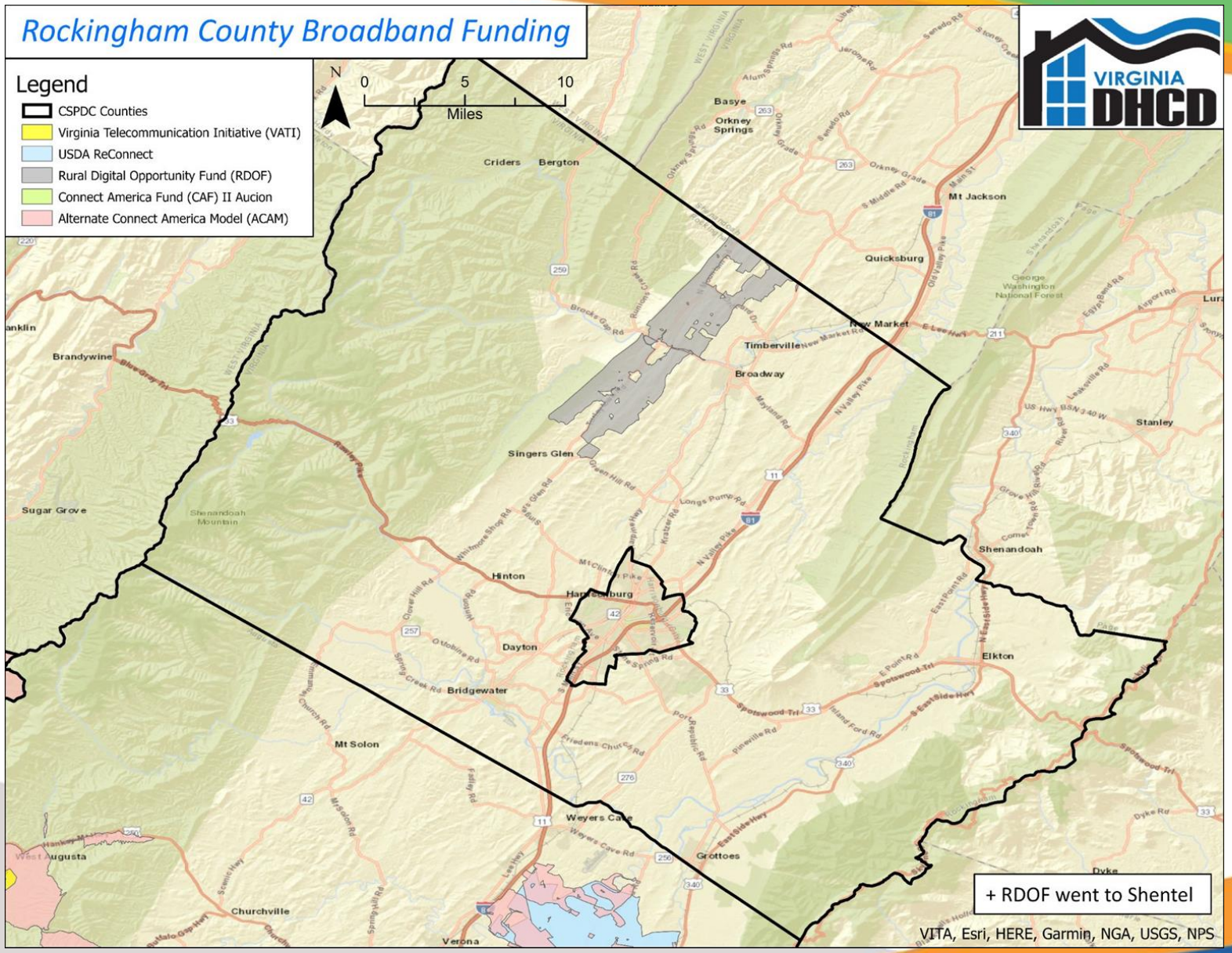

Bath County Broadband Funding
Legend
CSPDC Counties
Virginia Telecommunication Initiative (VATI)
USDA ReConnect
Rural Digital Opportunity Fund (RDOF)
Connect America Fund (CAF) II Aucion
Alternate Connect America Model (ACAM)
N
0
2½
5
Miles
VIRGINIA DHCD
+ ACAM went to MGW and Shentel
+ CAF II went to Rural Electric Co-op Consortium
VITA, Esri, HERE, Garmin, NGA, USGS, NPS

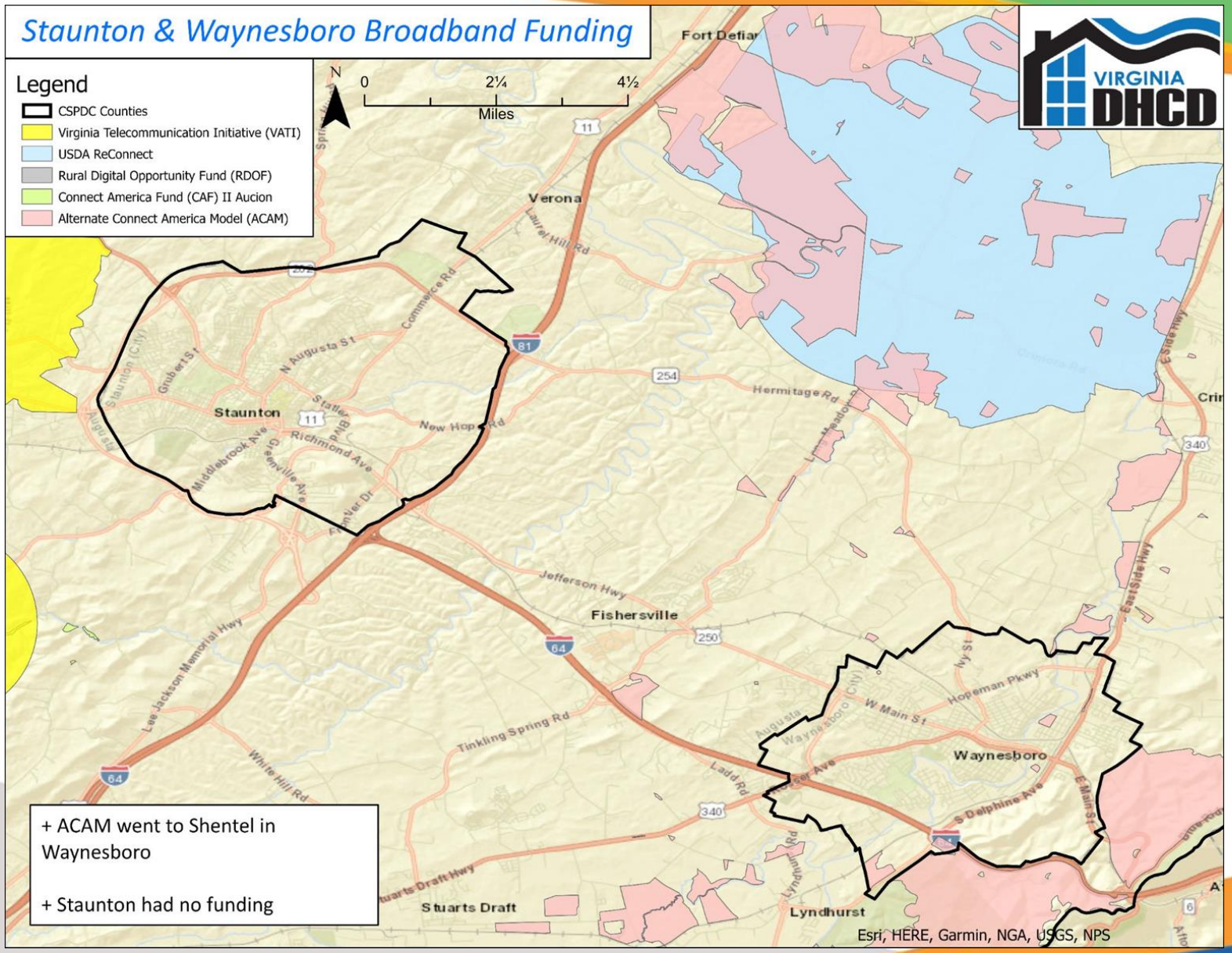

Harrisonburg Broadband Funding
Legend
CSPDC Counties
Virginia Telecommunication Initiative (VATI)
USDA ReConnect
Rural Digital Opportunity Fund (RDOF)
Connect America Fund (CAF) II Aucion
Alternate Connect America Model (ACAM)
N
0
1½
3
Miles
VIRGINIA DHCD
Harrisonburg
Dayton
Bridgewater
Hinton
James Madison University
+ No broadband funding in Harrisonburg
Esri, HERE, Garmin, NGA, USGS, NPS


Highland County Broadband Funding
Legend
CSPDC Counties
Virginia Telecommunication Initiative (VATI)
USDA ReConnect
Rural Digital Opportunity Fund (RDOF)
Connect America Fund (CAF) II Aucion
Alternate Connect America Model (ACAM)
N
0
2½
5
Miles
VIRGINIA DHCD
Arbovale
Monterey
McDowell
Blue Grass
Upper South Branch Rd
Doe Hill Rd
Sugar Grove Rd
+ ACAM went to MGW and Highland Telephone
+ VATI went to MGW
VITA, Esri, HERE, Garmin, NGA, USGS, NPS


Lexington & Buena Vista Broadband Funding
Legend
CSPDC Counties
Virginia Telecommunication Initiative (VATI)
USDA ReConnect
Rural Digital Opportunity Fund (RDOF)
Connect America Fund (CAF) II Aucion
Alternate Connect America Model (ACAM)
N
0
1½
3
Miles
VIRGINIA DHCD
Lexington
Buena Vista
+ No broadband funding in either city
VITA, Esri, HERE, Garmin, INCREMENT P, NGA, USGS


Rockbridge County Broadband Funding
Legend
CSPDC Counties
Virginia Telecommunication Initiative (VATI)
USDA ReConnect
Rural Digital Opportunity Fund (RDOF)
Connect America Fund (CAF) II Aucion
Alternate Connect America Model (ACAM)
N
0
2½
5
Miles
VIRGINIA DHCD
Craigsville
Greenville
Rockbridge Baths
Fairfield
Lexington
Buena Vista
Eagle Rock
Natural Bridge
Natural Bridge Station
Glasgow
Buchanan
+ RDOF went to Co-op Connections Consortium and CenturyLink (Lumos)
+ CAF II went to Rural Electric Co-op Consortium
+ VATI went to BARC
Esri, HERE, Garmin, NGA, USGS, NPS


Rockingham County Broadband Funding
Legend
CSPDC Counties
Virginia Telecommunication Initiative (VATI)
USDA ReConnect
Rural Digital Opportunity Fund (RDOF)
Connect America Fund (CAF) II Aucion
Alternate Connect America Model (ACAM)
N
0
5
10
Miles
VIRGINIA DHCD
Basye
Orkney Springs
Criders
Bergton
Mt Jackson
Quicksburg
New Market
Timberville
Broadway
Brandywine
Singers Glen
Sugar Grove
Shenandoah Mountain
Stanley
Shenandoah
Hinton
Harrisonburg
Dayton
Elkton
Bridgewater
Mt Solon
Weyers Cave
Grottoes
West Augusta
Churchville
Verona
+ RDOF went to Shentel
VITA, Esri, HERE, Garmin, NGA, USGS, NPS


Staunton & Waynesboro Broadband Funding
Legend
CSPDC Counties
Virginia Telecommunication Initiative (VATI)
USDA ReConnect
Rural Digital Opportunity Fund (RDOF)
Connect America Fund (CAF) II Aucion
Alternate Connect America Model (ACAM)
N
0
2¼
4½
Miles
VIRGINIA DHCD
Fort Defiance
Verona
Staunton
Fishersville
Waynesboro
Stuarts Draft
Lyndhurst
+ ACAM went to Shentel in Waynesboro
+ Staunton had no funding
Esri, HERE, Garmin, NGA, USGS, NPS

Office of Broadband Responsibilities

- Assist communities with Broadband Planning efforts
- Provide technical assistance to stakeholders on accessing Tribal and Federal broadband programs
- Virginia Telecommunication Initiative (VATI)
  - Technical Assistance (pre and post application)
  - Grants Management
- Oversight of the State Broadband Map

Virginia Telecommunication Initiative

Demand and Success

- 145 Applications
- $166,439,630 requested
- $74 million awarded
- $86,310,641 leveraged
- 78,035 connections
- 47 projects awarded across 44 localities

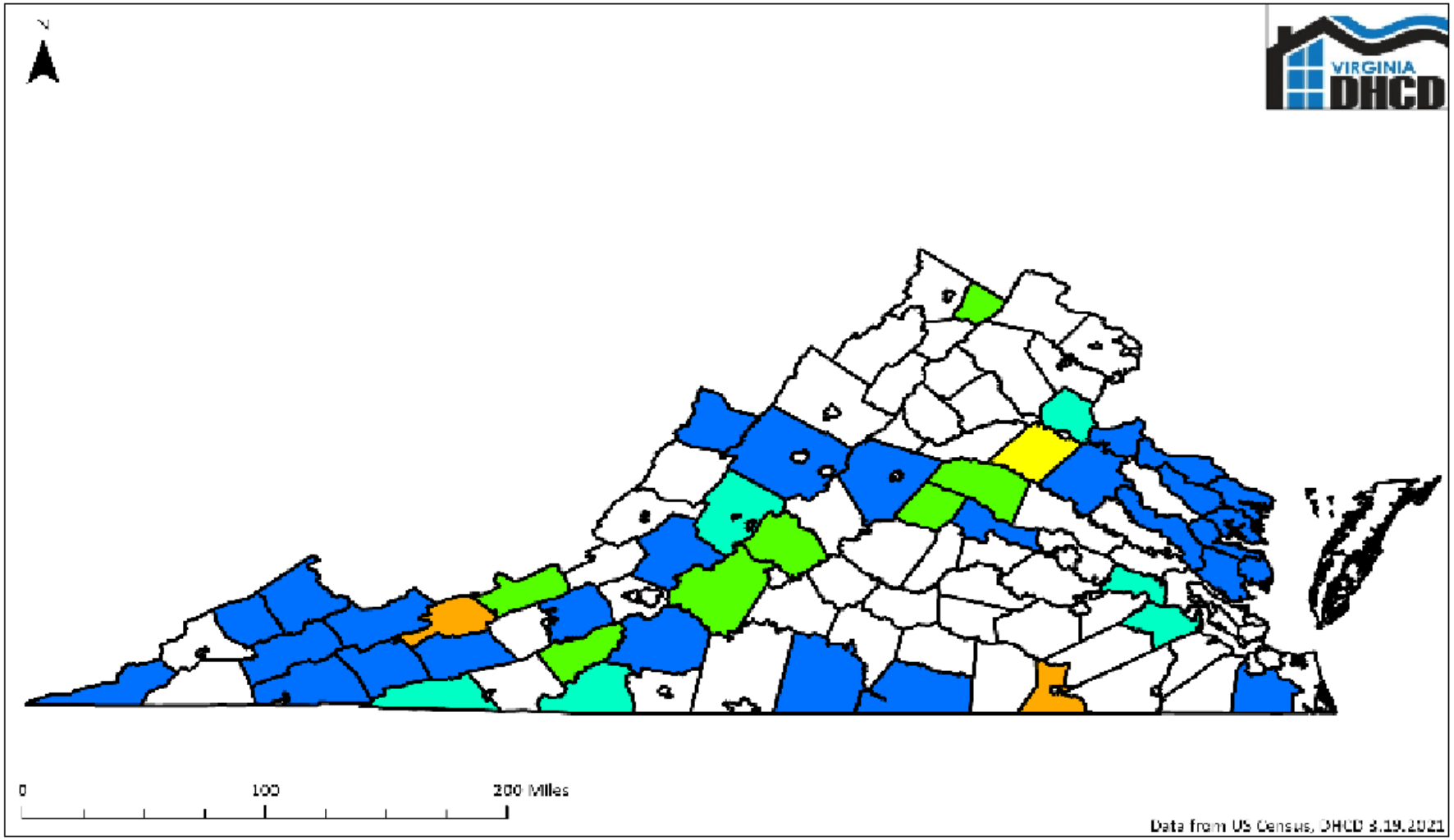
FY2021 Virginia Telecommunication Initiative Requests

- 45 applications
- $105 million requested

FY2021 Virginia Telecommunication Initiative Awards

- 16 awarded projects over 28 counties
- $49.2 million awarded
- $53,997,350 leveraged in local and private investment
- 24,615 Virginians Connected

Virginia Telecommunications Initiative (VATI) Grant Awards 2017 - 2021



In some circumstances, localities have received awards for more than one year. The color for each reflects the most recent year for which an award was made. For details on localities that received awards for more than one year, please contact DHCD staff.

Technical Assistance and Application Development

- Connect local government with internet service providers
- Identify served, unserved areas in the locality or region
- Telecommunications Engineering Expertise
- VATI is an “Open Book” test-Contact the Office of Broadband staff during application development

Email: vati@dhcd.Virginia.gov

Question and Answer Session

Contact: vati@dhcd.virginia.gov

Key Dates:

June 17, 2- 4pm – VATI How-to-Apply Webinar

June 17 – Applications Open

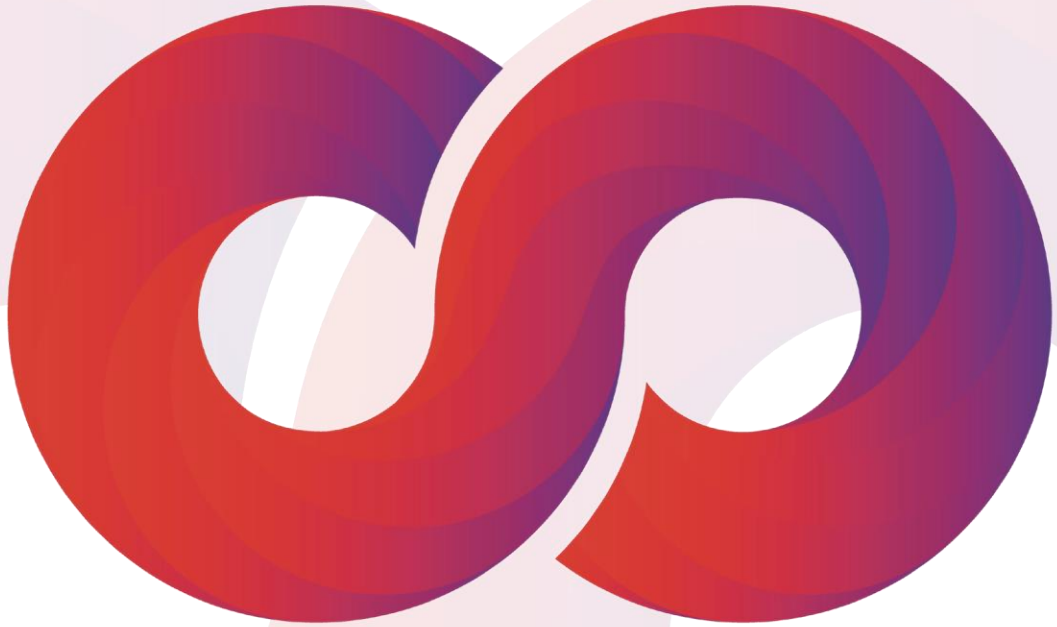
TODAY thru September 13 – VATI Technical Assistance and Project Development Sessions

July 27 – Notice of Applications Due

August 3 – DHCD Posts Notices of Application on VATI website

September 14 – Applications Due

Late December - Anticipated Announcement of Awards



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The Problem

- 350,000 unserved locations (new estimate to be released soon)
- Primary problem is the economics of the infrastructure to serve these areas
- Impetus to solve the problem comes from many angles
  - Economic
  - Social/political
  - Moral
- Governor set bold goal of universal access by 2028
- **$124 million** has been awarded since 2017, connecting **140,895** homes, businesses, and community anchors to broadband.

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Economic Impact

- According to an Amazon/US Chamber of Commerce Study, increased connectivity will impact Virginia's rural economic growth tremendously. They estimate:
  - **$2.24 billion** increased annual sales
  - **$1.29 billion** annual value added
  - **9,415** added jobs
  - **$452.4** million in annual wages

- According to a 2019 USDA study, if broadband and precision agriculture tools were ubiquitous, the U.S. could realize economic benefits of 18 percent of total production. For Virginia, 18% would be equivalent to a **$16.3 billion increase in VA Agriculture and Forestry output**.

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The Plan

- Proceeding along three tracks:
  1. Direct grants to public private partnerships to “make the math work”
  2. Policy changes
  3. Local planning support

- All supported by over 130 members of Commonwealth Connect Coalition

facebook
VEA Virginia Education Association Teaching. Learning. Leading.
AT&T
Virginia Chamber The Voice of Business
Walmart
Microsoft
Virginia Sheriffs' Association VSA
VCTA Virginia Cable Telecommunications Association
Virginia REALTORS®
VACo Virginia Association of Counties
VML Virginia Municipal League
amazon
commonwealth connect

State Grant Programs

- Department of Housing and Community Development - Virginia Telecommunication Initiative (VATI)
- Tobacco Region Revitalization Commission – Regional Economic Development Program
- Community Development Block Grant Planning Grant (CDBG)
- Department of Housing and Community Development – GO Virginia (middle mile)
- Appalachian Regional Commission (ARC)

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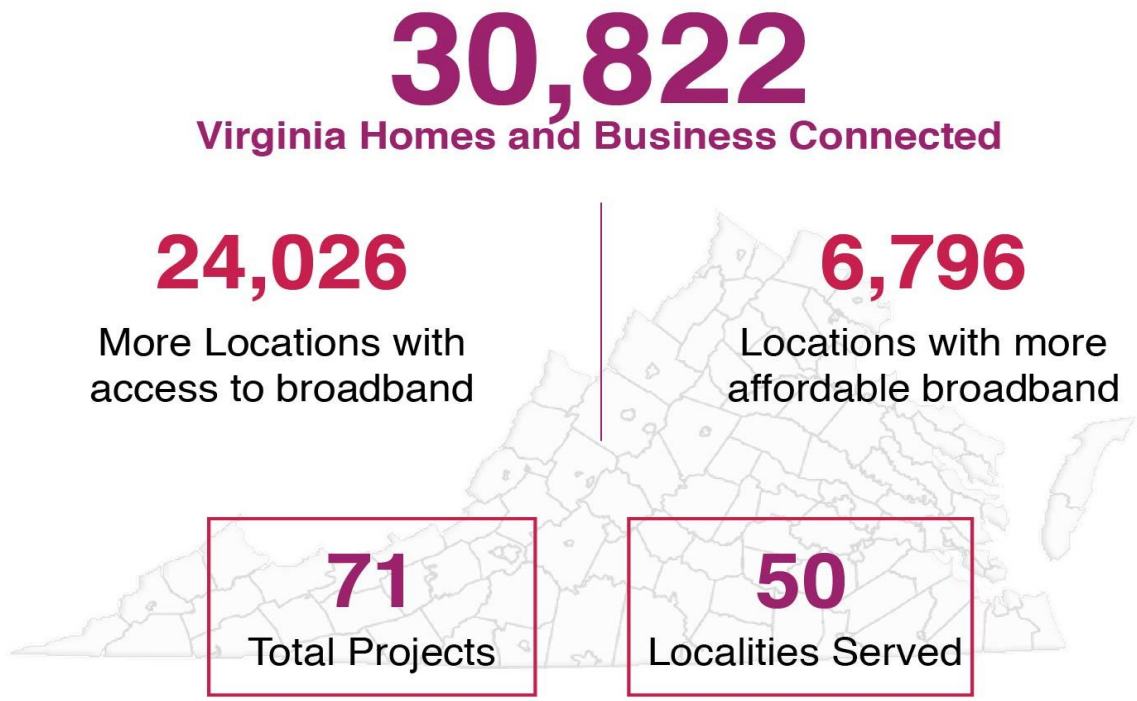
CARES Act Broadband Funding

- $30 million allocated for broadband connectivity in October 2020

- Shenandoah Valley Localities:
  - Page County - $2.1m (2 projects)
  - Augusta County - $900k (3 projects)
  - Rockbridge County - $770k



Projects by Type:

5 Affordability
33 Last Mile - Fiber
12 Last Mile - Fixed Wireless
11 Middle Mile
2 Mobile Hotspot
8 Public Wifi

State Fiscal Recovery Fund

Governor Northam and leaders of the General Assembly on priorities:

- "Fully deploy broadband across Virginia. The pandemic highlighted a fundamental economic reality: People without broadband get left behind. This is a once-in-a generation opportunity. Let's accelerate a 10-year plan over the next 18 months—and bring broadband to all of Virginia's cities and rural areas."

- $4.3 billion in state funding – to be appropriated by GA in summer special session
- $3.7 billion in local funding – transferred in two tranches, one year apart from each other.

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Fiscal Recovery Fund – Broadband Guidelines

Timeline:

- Funds must be obligated by 12/31/24 and expended by 12/31/26
- Funds can cover costs incurred after 3/3/21

Speed:

- Unserved - lacking access to a wireline connection capable of reliably delivering at least minimum speeds of 25/3.
- Network speeds should provide 100/100 mbps symmetrical services
- Speeds of 100/20 mbps acceptable when facing challenges with geography, topography, or excessive costs associated with a project.
- 100/20 mbps projects must be scalable to 100/100 mbps.

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Fiscal Recovery Fund – Broadband Guidelines

- Assistance to households facing negative economic impacts due to COVID-19 is also an eligible use, including internet access or digital literacy assistance.

- Recipients are encouraged to:
  - integrate affordability options
  - prioritize last mile connections and fiber investments
  - avoid investing in locations that have existing agreements to build wireline service with minimum speeds of 100/20 by December 2024
  - prioritize networks owned/operated/affiliated by local governments, non-profits, and co-ops

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Best Practices

- **Think Big**
  - Once-in-a-generation investment in broadband.
  - Avoid cherry-picking and if possible, partner with neighboring localities.
  - Prioritize projects that achieve universal broadband service to your locality.
  - If incumbent providers are not willing to partner for universal service, now is the time to find a new partner(s).

- **You've Got Time**
  - Funds must be obligated by 12/31/24 and expended by 12/31/26
  - At a minimum, localities should wait to see how much the Commonwealth devotes to broadband.

- **Leverage LFRF with the Commonwealth's Resources**
  - The Office of Broadband can be free consultants!
  - Cost efficiency is a core metric of VATI and LFRF will be considered as matching dollars.

- **Talk with the Office of Broadband!**

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Broadband Legislation

SB 1413/HB 2304

- Makes permanent the utility leverage pilot program, permitting Dominion Energy and Appalachian Power to build and lease excess fiber (middle mile networks) to ISPs during grid modernization.

- Adding more middle-mile fiber throughout the state has increased competition and improved economics for ISPs.

- Program has facilitated universal broadband coverage in Grayson, Surry, Northumberland, Westmoreland, Richmond, and King George counties. At least a dozen additional universal projects are in the works.

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Thank You!

Kyle Rosner – Deputy Broadband Advisor

Kyle.Rosner@governor.Virginia.gov

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