

Broadband USA Applications Database

Applicant Name: Information Systems Intelligence, LLC

Project Title: Western Michigan Low-Income Housing Broadband Initiative

Project Type: Sustainable Adoption

Executive Summary

The Western Michigan Low-Income Housing Broadband Project proposes to provide extremely low-cost broadband to 7,278 residents of 29 Housing Authorities in West and Central Michigan. These economically disadvantaged residents have less access to broadband than other citizens in the United States due to their low levels of income. The Applicant proposes to encourage a significant rate of broadband adoption by offering high-speed broadband at rates 65% to 85% below the national average for similar services in combination with other services defined herein.

The proposed approach utilizes commercial grade WiFi services to provide coverage within the Housing Authority Complex. The residents access the System by using WiFi-enabled PCs, then register to receive services at the low rates. This approach is innovative in the following ways:

- Low rates of only \$3 per subscriber per month in Year 1, \$5 in Year 2, and \$7 in Year 3, in order to encourage a high rate of broadband adoption compared to a \$19.95 national average for similar services.
- Use of easily accessible WiFi technology to keep coverage areas high and expenses relatively low;
- Provision of customized “flash” screens that allows Housing Management to provide community information to the users at each login;
- Use of customized Web portals for each site to provide links to local job listings,

economic information, healthcare, childcare and family care information, governmental services, non-profits, and other local public services. Users' activities will be tracked to determine how many take advantage of the services offered;

- Quarterly training sessions for the residents by highly qualified, Microsoft Certified Trainers who provide classes on system capabilities, effective use of the Web portal, and general information about digital technology; and
- A resident "check-out"/"check-in" Laptop Program that provides fully-equipped laptops for each eight housing units, or a total of 921 laptops, intentionally targeted to those residents that cannot afford their own personal computer.

In addition to providing services for low-income housing residents, the services will also be available to public safety officials, including EMT's, police, fire, and other first responders. Other programs are also under consideration, including further discounted services to veterans and the physically disabled.

The overall objective for the current project is to obtain a 70% penetration rate (5,095 units) within three years and sustain that level going forward. This objective is achieved after hitting key milestones of 50% within 15-months after approval and 60% after 21-months.

The total cost of the project is \$4,688,170 with 20.5% of this amount to be provided by the Applicant in "in-kind" services. In addition, the Applicant is convinced that the Project is sustainable beyond the Grant Period although modest rate increases may be required. The provided services, including training, the Laptop Program, and the Web Portal Program, will be continued.

In business since 2002, the Applicant meets the definition of a disadvantaged business by the Small Business Act and has an extensive track record providing WiFi services in the Western Michigan service area. During the past three years, it has completed over two dozen similar projects for various clients. As shown by its historical financials submitted as an attachment, the business generated over \$3.1

million in revenue in 2008. Applicant's engineers are highly qualified and have technology certifications from Microsoft, Cisco, HP, IBM, and other leading technology companies.

The project adds 10 new jobs that will be provided by the hiring of direct employees or through contracts with other Section 8(a) socially or economically deprived businesses. Further, partnership programs will garner significant attention of the Applicant. A current partner is the Grand Rapids Community Foundation. Other partnerships with governmental entities and other deprived businesses will be a top priority going forward.

Support for this project is overwhelming. Letters of Endorsement have been received from Fred Upton, U.S. House of Representatives, Deborah Wilson, President of National Association of Housing and Redevelopment Officials; Charles Fullar, South Haven (MI) Housing Director; Bob Genetski, Michigan State Representative; Ann Kemp, Albion Housing Director; and nine other housing directors and public officials. (See attachments for letters.)

The 29 Housing Commissions to be served are less than a third of those in the State of Michigan. Should this application be successful, the Applicant intends to apply for additional BTOP funds for providing similar services to the State's other low-income housing units.