

## Broadband USA Applications Database

**Applicant Name:** Village of New Albany

**Project Title:** Village of New Albany, Ohio Business Park East Fiber Optic Infrastructure and Public Safety Network

**Project Type:** Last Mile Non-Remote

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### Executive Summary

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The proposed project aspires to expand the Village of New Albany, Ohio's fiber optic network into the Licking County portion of the Village to drive economic development by providing wireline fiber optics to the newly created business park, provide wireless broadband internet to the surrounding residents in the service area, and constructing a lateral to create a safety network by connecting the Plain Township Fire Department to New Albany's existing fiber optic network. This application includes the installation of conduit and running the dark fiber through it. Next, the application proposes to build a point of presence which is required to light the dark fiber and thereby expand the existing internet services to business and residents in the service area. Business will be able connect directly into the wireline fiber optics. The application also proposes to add a wireless network in the service area so that the residents adjacent to the business park can also subscribe to broadband internet. Finally, the application intends to build two laterals off an existing section of New Albany fiber optic network to a fire station. The proposed service area is currently undeveloped, predominately open space, with the exception of 52 rural, unserved households. The entire service area is within the corporate limits of the Village of New Albany, Ohio. The Village recently rezoned 574 acres in Licking County, which is within the proposed service area, to allow for an assortment of commercial uses including health centers, medical offices, and research and production such as medical research and testing laboratories. A Community Reinvestment Area (CRA) was created in this New Albany Business Park East district, the proposed service area, to provide additional incentives for businesses to development at this location. This allows a maximum tax exemption to be negotiated in the CRA for up to 15 years and up to 100% of construction of new commercial structures. Finally, the community reinvestment area agreement that was entered into by the Village and the developer promises to create at least 8,000 new jobs, with the approximate total cost of the construction of the project, including all machinery, equipment and fixtures to be incorporated therein, to exceed \$260,000,000 (two hundred and sixty million dollars) and is expected to result in the creation of no less than 4,000,000 (four million) square feet of commercial space. The expansion of the fiber optic network into the newly expanded business park is vital to the creation of the proposed jobs because this area is aimed at research and technology firms which require state-of-the-art broadband technology such as fiber optics. The added incentive of redundant fiber optics in this business park expansion will provide an additional incentive to help bring jobs to Ohio. The Village could not find any evidence that broadband is available to either businesses or residents in the proposed service area. Many large-scale internet providers have contemplated expanding into this area, but all have pulled out due to cost constraints. Likewise, the Plain Township Fire Department have been

unable to connect to a portion of New Albany's existing fiber optic network due to costs outside their budget. The total cost of the proposed project is \$828,364.80. The creation of the point of presence necessary to the light the dark fiber in the service area will cost \$260,664.80. The installation of conduit and fiber optic cable is estimated at \$391,700.00 for 18,602 feet of cable and 26 pull boxes. The two laterals for the fire station are estimated at \$26,000.00 and the wireless service for residents will cost an estimated \$150,000.00. The Village of New Albany has created the New Albany Broadband Council – a collaborative group of public and private entities that assists with the planning and implementation of broadband strategies. The public sector members of the group include the Plain Township Fire Department, the New Albany Plain Local School District, and OARNet (formerly known as the Ohio Third Frontier Network). The Plain Township Fire Department wishes to collaborate with the Village Police Department and other public safety organizations from the region to create a public safety network. This connection is not possible without the proposed grant. The New Albany Plain Local Schools currently utilizes the New Albany fiber optic network, however the extension into Licking County and point-of-presence facility will allow for greater utilization of the network. OARNet is a state funded organization that connects the public research and education institution within the state of Ohio. The Licking County fiber optic extension and point-of-presence facility will help to bring this service to businesses, residents and schools within Licking County – offering access to a multitude of educations and research opportunities. New Albany is also a partner in the regional broadband group COBB – Central Ohio Broadband. The other members include the cities of Westerville, Gahanna, Dublin and Delaware as well as Delaware County. The extension into Licking County and point-of-presence facility will contribute to the collaborative municipal efforts for regional public safety as well as disaster recovery and emergency preparedness. The Village of New Albany is prepared and ready to implement, manage and operate a broadband services network. The Village has successfully operated its existing fiber optic network since it became operational in the spring of 2008. The Plain Local School District tied into the New Albany's fiber optic network in August of 2008 because of the Village's successful implementation and management of the system. The Village will ensure that the necessary sales, operational, and billing support systems are in place to provide the proposed wired and wireless services in this application through contractual agreements with the Blue Mile organization and American Electric Power (AEP) that are already in place. The Village entered into a contract with the Blue Mile organization in April 2009 to have Blue Mile manage the fiber optic network. Blue Mile is responsible for handling all customer related functions relating the network with the exception of any infrastructure that is owned or installed by AEP. AEP is under a contractual agreement with the Village to perform routine maintenance on New Albany's fiber strands and repair, or assist New Albany repairing, any damage done to the cables from fiber breaks. Blue Mile and AEP both bring experience and knowledge to the New Albany's fiber optic network management team. These two contractual agreements result in the Village of New Albany being prepared and ready to implement, manage and operate a broadband services network. The New Albany network is a transport only network that connects to a carrier neutral cross connect platform. In that New Albany doesn't provide services on the network but a means to connect to one of 155 different service providers, there is not a discrimination of access issue. Additionally, all speeds available to any of the users of the network are available to any other user on the network. The physical cross connect mechanisms are handled by Bluemile and utilize their nationwide optical backbone to interconnect out of market service providers to users in New

Albany to create a rich tapestry of choice and solutions unusual to other networks in the Midwest. The Village of New Albany currently has approximately 24 miles of fiber optics in the ground within its corporate limits and under its supervision. The proposed fiber optic loop in the business park expansion is significant towards the park's ability to compete effectively for new job creation, and the Village is replicating a successful and sustainable growth pattern of its business park with this proposed fiber optic expansion. The current business park occupants, as well as other entities in New Albany outside of its business park, use the fiber optic network. The existing network has been essential to attracting businesses to the Village. This proposed project will share the same sustainable growth pattern as the rest of the business park has in the past. This sustainable growth pattern is being replicated and can be replicated again to improve future projects. New Albany's proposed project's budget is reasonable, necessary, and appropriate for the amount of businesses that will be attracted to the area, the number of residents that will be serviced with wireless, and the connection of the fire department to the fiber optic network. If this project is awarded federal funds, the end result will be approximately 40 businesses employing at least 8,000 people with 52 households housing 132 residents, and the Plain Township Fire Department will have redundant connections to the fiber optic network so that it can better improved response time to residents and businesses in New Albany and Plain Township, and coordinate with surrounding townships and cities. The net benefits outweigh the costs due to the economic prosperity that will ensue from this infrastructure expansion and providing residents in a rural setting a choice of 155 different broadband internet providers where without this federal funding, not one service provider is willing to expand service to this area due to costs. Blue Mile has priced the business park east business high speed internet costs at \$800/month for 10.0MBps and \$3,500.00/month for 10,000.0MBps. This is highly competitive with existing broadband providers in New Albany where service is currently offered. Other businesses in New Albany pay \$800.00-\$1,000.00/month for 10.0MBps and \$13,000.00/month for 10,000.0MBps from providers other than those through Blue Mile. The proposed project will provide significant savings to businesses using broadband. Residential wireless user