Executive Summary
Opportunity:
The FHREDI region is the six counties of DeSoto, Glades, Hardee, Highlands, Hendry and Okeechobee along with the cities of Belle Glade, Pahokee, South Bay and Immokalee; it is the South Central rural heartland of Florida. The region is rich in rural traditions; pristine waterways; patriotic, hardworking people; beautiful scenery and unrivaled quality of life, but its economy is poor. It was designated the South Central Rural Area of Critical Economic Concern by the governor. Each county has a state Enterprise Zone, meaning high unemployment, wages and per capita income notably lower than the state average and pockets of severe poverty. All of Hendry County is an Enterprise Zone. The City of Immokalee is designated a USDA Enterprise Community, and DeSoto, Glades, Hardee and Highlands County are USDA designated Champion Communities.

The region is agricultural and depends on citrus, sugar cane and cattle production as its major industries. The citrus industry is affected by serious diseases that destroy fruit and trees. U.S. Sugar is a major industry of Glades and Hendry County. The proposed buy-out by the State of Florida will leave a gapping hole in the economies of these counties. The regions’ limited manufacturing industry has been severely injured by the economic crisis. More than 455 lost manufacturing jobs have devastated the economy and people of the region. The region was declared a disaster area because of a three year drought, and it resulted in a 25% tourism reduction.

The FHREDI region is no stranger to home foreclosures and a moribund housing market. The construction industry collapsed along with it. Construction companies closed and laid off their crews. Our reliance on a few industries makes the domino effect quickly realized in rural areas. Once they falter, they bring down the small businesses that relied on them for income. An already fragile economy has been critically damaged by the economic crisis.

The BTOP and BIP are an unprecedented opportunity for the FHREDI region to fulfill the promise of the ARRA and its essential goal of alleviating the economic crisis and laying a foundation for future growth.

Description: The FHBN will be a fiber deployment through the six county FHREDI region with fiber handling the connectivity to the end user. Fiber was chosen over copper or current DOCSIS standard for its higher available bandwidth capabilities. (Complete technical description in 29.) Build-out will begin with the transport hub in the Town of Lake Placid in Highlands County. A connection with Florida Lambda Rail at Fort Ogden will provide access to internet. Fiber optic cable will be laid along state highways in the region with interconnections to the anchor tenants in the cities. The distribution hub will be tied into the transport hub via dedicated fiber that is similar to ring architecture.

Number of households and businesses passed: The FHBN system will pass approximately 10,8197 households and 10,074 businesses. FHBN will not be a last mile provider, but it will encourage private providers to connect and build out their systems to reach the unserved and underserved in the region. County and city free-nets will be encouraged with low cost connections. The goal is to use these once in a life-time ARRA stimulus dollars to provide as much high-speed broadband connectivity as possible. We will be laying a solid foundation for economic growth along with the FHBN fiber optic cable network.

Number of community: FHBN is a middle mile project, so community anchor institution and critical facilities are the center of our project. The amount of anchor
The number of institutions to be connected is 150. They have been involved with the project from its inception. The first regional meeting to discuss the Stimulus grant had 160 attendees. Every county was represented; our regional legislators were present, as were representatives from the Governor’s Office of Tourism, Trade and Economic Development (OTTED), Enterprise Florida, Workforce Florida, and the Governor’s Office of Economic Recovery. The State of Florida supports the FHBN grant with an in-kind match of $12 plus million for use of state road right of way. OTTED provided a grant of $33,000 for grant development and writing. The people of this region and their critical institutions enthusiastically support this project and have demonstrated it with attendance at meetings, technical support and encouragement. Fifty-five letters of support have been received. Those from our proposed anchor tenants indicate an interest in connecting to the FHBN system. Because FHBN provides service to the regions’ government, schools and critical facilities it also supports the 250,000 citizens of the region making the cost of this grant approximately $103 per person.

**Proposed services, etc:** Florida’s Heartland Broadband Network will deploy a system built with fiber optics throughout the FHREDI region. The capacity will be to internal network traffic of 96Gbps. It will provide internet, telephone VoIP Solutions, video conferencing, video streaming, tele-learning, tele-health and security systems. Services will be offered at Fair Market Value, and the system is designed to meet the needs of the future.

**Non-discrimination and interconnection obligations:** FHBN will ensure that its network is widely deployed, open, affordable, and accessible to all consumers. The following FHBN policy statement will be posted on its website. FHBN consumers are entitled to access the lawful Internet content of their choice. FHBN consumers are entitled to run applications and use services of their choice, subject to the needs of law enforcement. FHBN consumers are entitled to connect their choice of legal devices that do not harm the network. FHBN consumers are entitled to competition among network providers, application and service providers, and content providers. FHBN will negotiate dispute resolution in good faith and will encourage third party mediation.

**Type of broadband system:**

**Applicant Qualifications:** FHREDI realizes the importance and value to our region in successfully providing the needed broadband services we are lacking. The best and most efficient way to implement, manage and operate a broadband services network is to align ourselves with existing experts in this area. FHREDI has formed an alliance with MP Instrument Company (MPI) and Vital Systems Electronics (VSE) who combined have over 60 years experience in the Broadband and Telecommunications Industries. MPI, VSE and FHREDI have formed a limited partnership for this project. MPI is the managing partner, VSE is the operational supervisor and FHREDI is grant recipient and administrator. We can begin the project upon receipt of grant funds.

**Overall infrastructure cost of the broadband system:** Projected cost of the system is $24,601,024 grant dollars. The match includes in-kind of $333,333 in Workforce Florida training dollars and approximately $12.8 million in State of Florida road right of way.
Total cost of the project including match is $38,938.204. Matching funds are 34% of total project cost, and 51% of grant funds requested.

**Overall subscriber projections for the project:** At least 150 anchor tenants are projected to subscribe and have demonstrated an interest with their support letters. Our projection is conservative as additional anchor tenants such as airports and industrial parks are also expected to subscribe, and providers that serve residents and business are likely to connect.

**Number of jobs estimated to be created or saved as a result of this project:**

A major factor in locating high-wage, high-growth industries is infrastructure that meets their need. The FHBN is a new type of infrastructure that provides a better, greener way of connecting. Permanent job creation for the FHBN is 10 high-skills, high-wage jobs, and construction will create 42 jobs. The real economic impact is in the economic growth and job creation that it will produce throughout the region.

A catalyst project developed in cooperation with the counties and the state is focused on locating medical research and technology facilities to a site in Highlands County. Projected job creation for the catalyst project is more than 500 high-skills, high-wage jobs. It must have the high-speed broadband connectivity that FHBN will provide to be successful. Glades and Hendry Counties have submitted sites for an in-land port project designed to move distribution away from the metro areas of the coast. Potential job creation is over 1000 and the economic impact will be more than $500 million. The FHBN already in place will improve the probability that it will locate in our region. Other high-tech businesses can locate to the region and it will assist our existing business to remain competitive, stay in business and expand. We will no longer train our children and export them to benefit other areas.

The FHREDI region is ready to grow its skills, its jobs, its businesses and its economy. With assistance from stimulus dollars, the region can build the FHBN engine that will propel us across the digital divide, help us drop our economically challenged designations and become a prosperous and thriving region with a sustainable economic future. We give NTIA the right to waive any requirements needed to fund this project.