**Applicant Name:** Benzie County Government Center

**Project Title:** Benzie County Alliance Network

**Project Type:** Last Mile Remote

**Executive Summary**

Benzie County Alliance Network, a community-based nonprofit, will develop a high-speed, wireless communications system to address a remote, unserved and underserved three-county (Benzie, Leelanau and Manistee Counties) region in Northwest lower MI. Led by Benzie County and supported by two adjacent county Boards of Commissioners, our application leverages federal stimulus loan funds to cover the capital critically needed for a regional fixed broadband wireless network. Local government in partnership with a local Wireless ISP and combined with federal funding puts us in the “ready-to-build” position—finally giving us the opportunity to end our communities' unmet and underserved communication needs. Opportunities our proposed system seeks to address: More than $3.8 million is forecasted in incremental annual local spending once the broadband Internet service is in place and we estimate that 21 new service jobs will be generated in the first year of operation. The broadband system will enable our region to expand and diversify economic and educational opportunities. Agriculture is a large part of the service area's economy. This initiative is an opportunity for area farmers to become truly connected to the local, state and national agencies upon which they depend for information and services. The availability of a low-cost, trustworthy, wireless communications system will bring our institutions, residents, and visitors into the 21st century. General description of the proposed funded service areas: Benzie County is the smallest county in Michigan at 316 square miles. Its Lake Michigan shoreline neighbors to the north and south are Leelanau County and Manistee County, respectively. Leelanau and Manistee counties will also have their adjacent unserved and underserved areas covered by Benzie CAN. Benzie, Leelanau and Manistee Counties are known for their historical small towns and villages. Each of these entities is unique with a strong sense of identity, yet they share a common vision for the future of the region as a whole. These three counties along the northwestern tip of lower Michigan are abundantly rich in natural resources with many lakes, rivers, forests. This region is also blessed with thousands of acres of productive farmland. According to the 2007 Ag Census County Profiles, the three-county area includes more than 75,000 acres of farmland. Leelanau County is the top tart cherry producer in the state and Manistee is ranked ninth in the state for cut Christmas Trees and short rotation woody crops. Hunting and fishing, water sports, golf, downhill and cross country skiing, as well as snowmobiling and other forms of recreation provide many leisure opportunities for residents and visitors alike. These resources provide the basis of the regional shoreline economy with tourism, recreation, agriculture, and services forming the major economic sectors of the three counties. Number of households and businesses passed. According to 2000 census data block information; this service area covers 7,371 full-time occupied homes and 1,758 businesses which will all be served by the fixed broadband wireless network being deployed. Number of community anchor institutions involved with
the project. There are 195 Critical Facilities that may be served by the project. There is strong support from a large base of community organizations for the Benzie CAN project - including libraries, home owner associations, banks and credit unions, the City of Frankfort, two area Chambers, the Frankfort Rotary, assisted living facilities, accounting firms, Crystal Mountain Resort & Spa, construction and land survey businesses, realtors, Land Conservancy, insurance firms, various retailers and numerous individuals. In addition, several township supervisors have gone on record in support of the unquestionable need for wireless Internet access for all of their constituents. In addition to the covered adjacent counties, Charlevoix and Grand Traverse Counties have extended their support, as well as has the Grand Traverse Band of Ottawa and Chippewa Indians. The four-county Traverse Bay Economic Development Corporation has also rendered support as has the State of Michigan through the Department of Information Technology. At a recent meeting of the Frankfort Rotary the enormous impact of broadband service to improved health care options, business retention and attraction, and greater educational opportunities for children was discussed at length. The Rotary membership has contributed an initial $1,000 toward the initiative. One letter of support from a local camp for kids highlighted the benefits of having broadband for children to communicate with parents. It further indicated that having this capability would enhance the camping experience and possibly retain 20 seasonal jobs that are at risk. Proposed services and applications. The goals of Benzie CAN illustrate the services and applications planned for this system. Increase Virtual Employment Opportunities— There is approximately 20% unemployment in the region. Having a broadband Internet service will allow for job sharing by providing a means for telecommuting, thus creating new opportunities within the region for employment and job creation. Residents will use the wireless broadband capabilities to conduct more of their business and keep them viable and competitive in today’s economy. Visitors contemplating the possibility of living and working in the region will no longer be discouraged by the absence of high-speed Internet. Currently library parking lots are filled with tourists in their cars using hotspots to contact work and friends. Lack of speed during heavy-use periods is a serious problem. Expand Eco-tourism Business— Another significant initiative of our service areas Economic Development Corporations and Chambers of Commerce will be to exploit this communication capability with continuing ad campaigns that broaden awareness of the region’s rich eco-tourism—and extend the reach of their market at an advertising cost they can afford. Increase Access to Vital Educational Resources— Our educational institutions will be able to use the wireless service to give students and teachers access to currently unavailable educational resources. The region’s remote environment will no longer be a formidable obstacle to foreign language instruction, advanced math or science programs, and other courses which are now prohibitively expensive. Professionals and tradespeople will also be able to pursue the education needed to maintain certifications and stay up-to-date in their chosen fields through on-line educational and training opportunities. Of special note, 64% of all children in the service area are eligible for free or subsidized school lunches and most children do not have access to computers outside of school. The Wi-Fi based system that Benzie CAN will deploy makes the Internet available to students living in remote areas and allows them to make use of low-cost Net Books to access information and knowledge. Eight jobs will be created and associated directly with this project and its ongoing operation. Availability of reliable broadband into this remote and unserved area will increase economic opportunity for the seasonal tourism market as well as create full time employment opportunities made possible through on-line commerce, services and telecommuting. Based on a recent informal poll and region
specific review of spending patterns, the following conclusions can be drawn:

1. 300 summer residents would stay in the region on average 2 weeks longer. It is estimated that a seasonal family of four spends $1,000-$1,500 per week. This would infuse $600K-$750K per year into the local economy.

2. Approximately 10% of the annual visitors would stay one day longer and there would be an overall 8% increase in the number of visitors per year. This would increase the number of visitor days by more than 10,000 annually. Estimating that a visitor spends $125 per day, which includes transportation, food, retail and lodging, an additional $3.75 million will be funneled into the local economy.

3. Availability of cost effective broadband provides an average of 75-100 new job opportunities per county.

4. The average consumer will save an estimated $25.00 per month on telephone service using VoIP. This savings would typically be spent locally or invested within the region.

Our network management practices and policies will:

- Adhere to the principles contained in the FCC’s Internet Policy Statement.
- Not show favoritism to any lawful Internet applications and content over others.
- Display any network management policies in a prominent location on the service provider’s web page and providing notice to customers on any changes to these policies.
- Connect to the public Internet directly, so that the Benzie County Alliance Network is not a private closed network, but open to accessing all Internet resources.
- Offer interconnection, where technically feasible without exceeding current or reasonably anticipated capacity limitations, on reasonable rates and terms to be negotiated with requesting parties.

Type of broadband system that will be deployed: The network type is a wireless fiber redistribution system based on Wi-Fi Alliance technology standard. The Wi-Fi Alliance certification program helps to ensure that Wi-Fi products from multiple manufacturers work together and has become the Defacto Standard for consumers to wirelessly connect.

Qualifications of the applicant: Our team has been operating Wireless broadband systems for more than 10 years. We possess a balanced skill set of Operations, local government, engineering and business expertise.

Overall infrastructure cost of the system: $995,551

Overall expected subscriber projections: At the end of year 5 - residential = 5,129, business = 1,333, Strategic Institutes = 444