A. Statement of the Problem As a collective region, 24 counties in rural southwest and west central Minnesota face staggering economic and demographic challenges. These counties together comprise nearly 1/4th of Minnesota's square mileage but less than 7% of its population. Together, the counties have an aging and declining but rapidly diversifying population base, a population with significantly lower per capita income levels than statewide and national averages, and significantly lower educational attainment levels than the state on the whole. Conclusions reached by several studies regarding the factors (e.g., age, income, education) that impact rates of broadband adoption, are confirmed by research conducted by the Center for Rural Policy and Development (The 2007 Minnesota Internet Survey: Tracking the progress of broadband) which indicates that rural Minnesota lags behind the rest of the state and particularly the metropolitan Twin Cities area in broadband adoption. The research finds a rural Minnesota broadband adoption rate of 52.3%, in contrast to a 57.8% statewide adoption rate and a 62.9% metropolitan region adoption rate. 2009 Pew Research shows adoption rates in metropolitan areas to be 67% nationally and 63% in all areas. Recent inventories of broadband service conducted in the state indicate that the 24 county region is also underserved in comparison to other areas of the state and is unserved in some locations. In light of the challenges identified above, the 24 county region has a clear and compelling need for new and more efficient models of educational services delivery and aggressive and innovative approaches to resolving the disparities in broadband adoption rates and broadband access that are evident. B. Overall Approach to Addressing the Need In order to address this need, a partnership among three different types of educational service providers has been forged. These providers represent higher education, K-12 education and adult basic education. The partners propose to develop a "Regional Electronic Learning Commons". The Commons or RELC will be a platform for meeting the educational service and broadband demand stimulation needs of this rural region. This cooperative and innovative approach will increase broadband adoption by providing 1) broadband-enabled educational services via a mix of solutions and 2) implementing innovative broadband promotion strategies to increase broadband usage and adoption. Project partners intend for this approach to be replicable in other rural environments. An existing educational telecommunications system that serves 14 higher education campuses and centers, including 11 community college locations, in addition to K-12 schools in the region will be expanded. This expansion will result in 39 additional "broadband services public access sites" at adult basic education centers and other locations. In addition, the technology mix to be utilized will permit delivery of services to homes with broadband services. Educational programs will be provided with technology tools currently supported by the project partners. Specific technologies to be used include instructional management software, web
conference, streaming media, and desktop and group video conferencing. The project will provide training and equipment access to instructional staff and persons from targeted vulnerable population groups. These groups are Hispanic, Hmong and Somali immigrant groups; youth; lower income persons; the unemployed; and persons employed in agribusiness pursuits. A special emphasis will be placed on serving small business owners, including family farmers. Broadband usage and adoption stimulation strategies will include broadband awareness and literacy programs; a voucher program in conjunction with area broadband service providers for new subscribers, creation of a region-specific inventory of broadband capabilities, and community-based coalition building activities for at least five communities focused on stimulating broadband adoption by small businesses and attracting affordable broadband service to unserved and underserved areas. An ongoing assessment and evaluation process will ensure that the project's services, including specific strategies and program content, are having the intended effect—increased broadband usage and adoption. Project evaluation will also measure the impact of project services on such areas as economic enhancement for individuals that utilize project services. C. Project Service Area The 24 counties (Big Stone, Brown, Chippewa, Cottonwood, Grant, Jackson, Kandiyohi, Lac qui Parle, Lincoln, Lyon, Martin, McLeod, Meeker, Murray, Nobles, Pipestone, Redwood, Renville, Rock, Stevens, Swift, Traverse, Watonwan and Yellow Medicine) to be served by the RELC have an estimated total population of 359,024 (Minnesota State Demographic Center, 2008). The region's population has experienced a 2.6% population loss since the 2000 U.S. Census and an 8.9% loss since 1980. The region also has the greatest concentration of residents age 65 or older in the state. The region has a population density of 23 persons per square mile of land area and no city above 20,000 persons. 2007 State Demographic Center data estimates per capita income levels in the 24 counties to range from $26,206 to $35,470. These levels significantly lag behind state ($41,105) and national ($38,615) averages. 2000 Census data indicated all 24 counties have significantly lower rates of educational attainment (Bachelors Degree) than the Minnesota average of 27.4%. In contrast to 2.2% in 1990, minority population groups in the region comprised 8.4% of the population in 2007. State Demographic Center data demonstrates that much of this minority population is foreign born. The RELC intends to provide broadband-enabled educational services to 6,500 persons from target population groups at 39 public access sites, existing higher education sites and residences. A project goal is to create 700 new household and businesses broadband subscribers during the project period. D. Applicant Qualifications Southwest Minnesota State University (SMSU), as the fiscal agent for the Southwest Higher Education Organization for Telecommunications and Technology (SHOT), is the primary applicant for this proposal. Four other higher education institutions—Ridgewater College, Minnesota West Community and Technical College, the University of Minnesota-Morris, and the University of Minnesota, Southwest Research and Outreach Center—are members of SHOT with SMSU. SHOT is an educational telecommunications services consortium. SHOT will assume primary responsibility for implementing and managing the project. Other key partners for the project include the Southwest/West Central Service Cooperative (SW/WC SC)—a regional K-12 educational service agency that provides technology and other services to 56 public school districts—and two regional adult basic education (ABE) consortia. The two ABE consortia, the Southwest ABE Consortium and the Glacial Lakes ABE Consortium, provide adult education services to 64 public school districts within the 24 county service region. SHOT and the SW/WC SC bring significant technology and network services management expertise to this partnership. SHOT services to its member institutions' 14 campuses include video conferencing, voice, web
conferencing and streaming media support. The SW/WC SC manages a wide area telecommunications network and related services for most of its member school districts. It also provides technology training and site-based technology support. Collectively, these two organizations will support the RELC's technology services. The higher education institutions and the ABE consortia will take the lead on the provision of broadband-enabled educational services to the targeted population groups. A project steering committee representing all partners will work the SHOT Executive Director and project staff to implement broadband adoption stimulation strategies. This partnership involving a broad variety of educational service providers and existing educational telecommunications systems will ensure the sustainability of broadband-enabled educational services and continued broadband adoption in the region following the conclusion of the project period. E. Jobs to be Saved or Created Based upon a review of the Council of Economic Advisors' guide to job creation estimates, the RELC Project anticipates that 26 jobs will be created as a result of this project. Through, the delivery of educational services and implementation of broadband strategies, it is anticipated that the project will also have a positive impact on the region's overall economic development. F. Overall Cost of Proposed Project The RELC Project has a total project cost of $2,035,730 for the two year project period. The grant request is $1,424,583. Matching funds of $611,147 are committed.