Broadband USA Applications Database

**Applicant Name:** ELAUWIT COMMUNITY ENHANCEMENT FOUNDATION TN, LLC

**Project Title:** Tennessee Public Housing Broadband Adoption Project

**Project Type:** Sustainable Broadband Adoption

_______________________ Executive Summary _______________________

Public Housing Authorities represent large populations of underserved households, disconnected from the benefits of broadband adoption. The project is designed to address the major overlapping obstacles to broadband adoption in low-income, vulnerable communities: absence of affordable broadband services, education (computer literacy), perceived lack of relevance, and a lack of computer ownership. According to Pew Research Center, high education and income level remain the strongest predictors for broadband adoption. The recent stagnation in broadband adoption and Internet use is most pronounced in low income populations or areas of low population density, though in the case of many communities it can be measured in terms of city blocks. The marketplace is no longer working to bring new users on-line. In fact, as FCC Commissioner Mignon Clyburn stated on March 10, 2010, 'just as we are in the process of proposing steps to ensure that more people are comfortable signing up for broadband service, providers of that very service are raising prices.' As we can see, broadband access does not necessarily equate to broadband adoption, otherwise there would not be 93 million Americans who do not currently have broadband at home to get on-line. In the recent FCC Survey, 36% of non-adapters, or 28 million adults, said that they do not have home broadband because of affordability. ECEF’s Tennessee Public Housing Broadband Adoption Project is designed to provide affordable, sustainable broadband service to one of America’s most vulnerable, disenfranchised group of citizens. The Tennessee Public Housing Broadband Adoption Project Summary: 'ECEF intends to diminish adoption barriers through the introduction of long-term, sustainable broadband Wi-Fi access. We have agreements with major equipment manufacturers to design and implement the installation of wireless broadband mesh networks engineered for outdoor and indoor use. Mesh protocols automatically determine the best route through the network and can dynamically reconfigure the network if a link becomes unusable. ECEF plans to utilize local area network products based on IEEE 802.11 standards. 'ECEF shall adhere to the four principles contained in the FCC’s Internet Policy Statement (FCC 05-151, adopted August 5, 2005) to ensure that broadband networks are widely deployed, open, affordable, and accessible to all consumers. 'ECEF shall adhere to a policy of Net Neutrality with respect to connection to the public internet 'ECEF also addresses the complementary issue of public safety within the community, giving Housing Authorities the option of requesting Broadband-integrated security cameras. Over the Internet, police and other first responders will be able to view the camera feeds in real-time or call up past recordings, giving them an advantage currently unavailable. 'Broadband wireless Internet shall be delivered at speeds of 6 Mgbs download, and 512 Kbs upload 'ECEF has incorporated three years of free broadband access and maintenance into our Sustainable Broadband Adoption proposal. Bandwidth, maintenance and staffing costs beyond the three-year period will be maintained through a combination
of savings to existing internal Housing Authority telecommunications budgets, web advertising and the eventual subscription contributions of individual community members. After the initial three-year period, Elauwit will provide subscription Internet service to the community at approximately 50% of the cost compared to the current price of national providers. Individual Wi-Fi subscriptions will begin at $9.95/month in year four, increasing to $14.95/month in year five and eventually reaching $19.95/month. There will be no terms and conditions to the subscriptions and they will not require a commitment. The subscription offer is intended as an enhancement to the managed access afforded at the Public Computer Centers and represents a substantial savings when compared to private options. At their peak, the subscription cost to the individual will be approximately one half of that of local cable companies' current costs. ECEF will implement and oversee a 'computer recycling program' in every community served, partnering with local business, government and private agencies. Our recycling program will take donated computers from local businesses and reformat them as netPCs capable of performing as usable Internet network computers, great for web surfing, email and basic computer functions. The computers will be fitted with a full suite of web-based free office software.

FINANCIAL OVERVIEW OF PROJECT

We are requesting $11,193,103 in federal grant funds for this project. The total costs for the entire project is $16,125,598. The $4,932,496 difference (30.6%) will be funded by a cash match from ECEF, a cash and in-kind match from project partners, and projected program revenues. Our project will leverage a 30.6% match to maximize the use of federal funds. Our project is forecast to create 175 jobs, of which 112 are direct and indirect, and 63 are induced. STATEMENT OF NEED

ECEF has partnered with Housing Authorities to provide affordable in-home broadband access to one of the most currently underserved populations in Tennessee. The population served by the Housing Authorities has the following characteristics: Tennessee Public Housing households face high levels of unemployment. 71% of the state's Public Housing households earn below 30% of the median annual income, 18% earn 50% of the median, and 6% earn 80% of the median (Source: HUD Resident Characteristics Report, As of February 28, 2010). Minority populations are overrepresented in Tennessee Public Housing households. 49% of Tennessee Public Housing households are African American, while 50% are Caucasian (Source: HUD Resident Characteristics Report, As of February 28, 2010). 32% of the low-income housing population is disabled (according to HUD). Of the disabled population, only 38% report Internet use, but only 19% say that their disability makes Internet use difficult. This means that four out of five members of the disabled community are not using the Internet for reasons unrelated to their disability. 41% of Housing Authority households include children. The dense population of school-aged individuals highlights the need for Public Computer Centers and educational programs. 31% of Housing Authority residents are elderly. The elderly report a high level of negative perceptions concerning the Internet. Only 35% of American households with annual incomes of $20,000 or less enjoyed the benefits of life online ('Home Broadband Adoption 2009'). ORGANIZATION'S HISTORY

Elauwit Community Enhancement Foundation is a nonprofit formed to leverage its expertise in providing cost-effective broadband solutions to vulnerable populations. Our executive team has previously applied for and implemented approximately $100 million in grant awards for 50 non-profit entities. In addition, we are one of the few providers experienced in deploying wireless mesh networks for Housing Authorities. We have also designed and managed computer centers in a K-12 public education environment. By adopting this consortium strategy, ECEF will be able to negotiate superior purchasing arrangements, eliminate significant on-site management costs and concentrate accountability in a single, private entity.
PROJECT PARTNERS Columbia, TN Public Housing Authority Nashville, TN Public Housing Authority Knoxville, TN Public Housing Authority Clinton, TN Public Housing Authority Loudon, TN Public Housing Authority Oak Ridge, TN Public Housing Authority