Executive Summary

The City of Mobile (official applicant) Congressional District One of Alabama, in partnership with The University of South Alabama, Bishop State Community College, Mobile Housing Board, Mobile-Works, Mobile County Public Schools, Franklin Primary Medical Centers (Federal Qualified Health Center), MLK Redevelopment Corporation, and Information Transport Solutions (private technology consultant/contractor) are actively pursuing funding under the NTIA-BTOP-CCI to acquire a middle mile system with a last mile broadband infrastructure component. The City of Mobile has an existing plan to deploy a fixed wireless broadband system in a low income underserved areas of Mobile Al, but will not be able to implement this system during the grant period without federal grant assistance. In addition, the City of Mobile has letters of support from US Congressman Jo Bonner, US Senator Jeff Sessions, and State Congresswoman Vivian Figures. Letters of partnerships from the said local agencies most Senior Management figures are in place as well. The Digital Mobile Middle Mile initiative is a multi agency collaborative project utilizing a middle mile and last mile fixed wireless broadband system covering approximately 12 square miles total and targeting 14 contiguous census tracts/blocks of Mobile AL. With the proposed middle mile system we will have the ability to expand last mile coverage in the future. The 14 contiguous tracts consist of central city urban low income residents. The median household income level in the targeted area for this broadband service is $18,820 (2000 US Census.) Per 2000 census estimates there are approximately 34,681 people/population in the broadband target zone and approximately 2,400 small businesses. There are 14,973 households. By utilizing recent NTIA and US Bureau of Census estimates, 20.4% of the US population with income levels "between" $15,000-$19,999 is considered to have internet or a computer. We estimate per these Federal estimates that 7,074 people in the target area have internet or a computer, while '79.6%, or 27,606' of the same target population 'do not' have internet access. Per BTOP underserved guidelines, if a contiguous tract has less than 40% broadband subscription it is underserved. We can justify our targeted service area as underserved, since the estimated subscriber ship is 20%. In addition, 80% of students attending Mobile County Public Schools in the target area receive free and reduced lunch and 36% of the household live in poverty, per Census 2000. According to the Mobile Education Foundation, the drop out rate for this targeted service area is 48%. This same target area consists of 74% African Americans and vulnerable population and includes 6 Section 8 Public Housing Communities, which houses some of the poorest residents in the City of Mobile. Based on US Poverty household income levels, a majority of the residents in this target area lack the discretionary income to acquire broadband services at the current competitive rates. We canvassed the area to perform a poll study. We estimated per our local poll study, that broadband subscriber ship is approximately 10%. The City of Mobile as the official applicant has
created a multi-agency consortium (12 Anchor Institutions) that consists of The University of South Alabama Continuing Education and Medical Center, Bishop State Community College Department of Information Technology and Workforce Development, Mobile Housing Board that manages six Section 8 Public Housing facilities within the broadband target area, Franklin Primary Health Center (a Federal Qualified Health Clinic) that operates five facilities in the broadband target area, MLK Redevelopment Corporation, Mobile Works/Alabama Career Centers, Mobile County Public Schools, which has 9 public schools in the broadband target area and Information Transport Solutions (private technology consultant/contractor). In addition to The City of Mobile's Mayor Office, the following City departments are also participating in this broadband initiative; City of Mobile Department of Information Technology, City of Mobile Police and Fire Department and the Mobile Public Library. We propose to provide a two-tier pricing model for household use, entry level and premium level. The pricing for entry level is $9.95/month and for premium $12.95/month, both will be prepaid services to help us control accounting/billing processes. We estimate that our take rate over a 5 year forecast will be 49% or 7337 households. We propose a one-tier pricing model for the business class broadband. The cost of the business class broadband will be $24.95/month. We estimate our take rate for the businesses in the target area will be 50% over the 5 year forecast period, or 1200 businesses. Finally, we will provide critical middle mile services to all anchor institutions with the intent to sell excess bandwidth in the future. All offerings are below current competitive rates. Providing affordable broadband in our targeted service areas will increase broadband demand and sustain our proposed system over the long run. In addition the proposed broadband infrastructure will support our current public computer centers, 21st Century Learning Systems, telemedicine systems, 21st Century workforce development-training systems and enhanced public safety communications. The Digital Mobile Middle Mile project will provide broadband access and guarantee consumers the freedom to use the internet connections to access any lawful content and use any applications that they choose. Consumers will be able to connect to internet with their choice of legal devices that do not harm the network. This initiative will not permit limitations to these freedoms, imposed by service providers, or by local government. It will preserve and promote the open and interconnected nature of public Internet and ensure that consumers are entitled to competition among network providers, Application/Service Providers, and Content Service Providers. The Digital Mobile Broadband project has developed partnerships with local Service Providers who have a proven track record in deploying a network of this complexity. This partnership will be responsible for Project Management, Implementation and maintenance of the network. They will handle all billing and customer service responsibilities. This proposed wireless network will provide coverage of 12 square miles and provide affordable broadband service to an estimated 20,000 potential subscribers in a low income and underserved area of the City of Mobile. The technology will be based on an open standard wireless mesh using 802.11b/g and the 4.9 GHZ frequency for Public access. The BTOP technology type is classified as wireless, terrestrial fixed wireless. The overall budgetary costs of our proposed broadband system is $6,920,940, which includes core, distribution and access layer switching/routing, access and distribution layer 802.11 wireless infrastructure, network security, repeaters/CPE, monopoles for the middle mile wireless nodes, network management software, spectrum analysis, consulting services and professional design/configuration services. To help contain costs we have opted to go with pre-paid services that can integrate with the City of Mobile's existing accounting systems. This core network infrastructure will also support our proposed public computer centers and sustainable
broadband adoption platforms. Based on information from the Council of Economic Advisers, it is estimated that for government spending in the amount of $92,136 per year, one job is created. By taking this estimate, we project our $6.9 million project will create/sustain 75 total jobs per year. These jobs can be broken down into the following three categories; 25 direct, 25 indirect and 25 induced jobs per year.