

RESOLUTION NO. 2021-43

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARINA ALLOCATING UP
TO \$30,000 TO CONTRIBUTE TO THE PREPARATION OF AN EDA GRANT
APPLICATION AND LOCAL MATCHING FUNDS TO DEVELOP A BROADBAND
FEASIBILITY STUDY FOR ENHANCED ACCESSIBILITY TO HIGH-SPEED INTERNET
SERVICES IN THE CITY OF MARINA

WHEREAS, the City of Marina is currently provided internet services by AT&T and Comcast. Comcast does not offer fiber optic services and AT&T offers very limited access to services along their limited fiber optic network; and,

WHEREAS, access to high speed, high data capacity internet is a large attraction for businesses to locate in a city; and,

WHEREAS, the expansion of a fiber optic network is an economic development priority to enable new job creating companies to locate or stay in their city; and,

WHEREAS, enhanced access to high-speed internet services was rated a high priority to the majority of respondents that completed the Community Priorities Survey that was open between April 8 and 15, 2021; and,

WHEREAS, there are currently interests from Marina businesses to enhance access to broadband, these interests are from small businesses represented by The Marina Foundation (TMF), MPUSD, CSUMB, Joby Aviation, Monterey Peninsula Engineering (MPE), Marina Community Partners (MCP), and the City; and,

WHEREAS, the Economic Development Administration (EDA) has published the FY 2020 Public Works and Economic Adjustment Assistance Programs Notice of Funding Opportunity (PWEAA NOFO). EDA's Public Works and Economic Adjustment Assistance (EAA) programs provide economically distressed communities and regions with comprehensive and flexible resources to address a wide variety of economic needs. Projects funded by these programs support work in Opportunity Zones and will support the mission of the Department by, among other things, leading to the creation and retention of jobs and increased private investment, advancing innovation, enhancing the manufacturing capacities of regions, providing workforce development opportunities, and growing ecosystems that attract foreign direct investment.; and,

WHEREAS, the City of Marina contains designated Opportunity Zones that qualify for the EAA grant funding; and,

WHEREAS, the City, TMF and MCP wish to partner in submitting an EAA grant application to evaluate the broadband service expansion options to the City of Marina through the funding of a Broadband Feasibility Study to include: Broadband Options Evaluation; Preliminary engineering considerations and drawings; Right-of-way assessment and recommendations; and Financial Feasibility Analysis; and

WHEREAS, the total grant funding sought for the preparation of the Feasibility Study will be \$150,000. The EAA grant requires up to a 20% local match. If the partnership is awarded full funding the local match will be \$30,000. The total local cost for RGS services to submit the grant application will be \$17,560. To fund the application services TMF has sought funding participation from several partners including Joby Aviation, MPUSD, CSUMB, MPE and MCP. Funding participation amongst those partners has been pledged at approximately \$8,000. To fund the remainder of the RGS grant application work will require the City to contribute approximately \$10,000. If the grant is awarded, additional financial participation from the partners listed above and more is expected to fund a minimum of \$10,000 of the local match. To fund the remainder of the local match for the Feasibility Study will require the City to contribute a maximum of \$20,000.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Marina does hereby:

1. Approve an allocation of up to \$30,000 to contribute to the preparation of an EDA Grant Application and local matching funds to develop a Broadband Feasibility Study for enhanced accessibility to high-speed internet services in the City of Marina.
2. Authorizing Finance Manager to make necessary accounting and budgetary entries.

PASSED AND ADOPTED by the City Council of the City of Marina at a regular meeting duly held on the 4th day of May 2021, by the following vote:

AYES, COUNCIL MEMBERS: Medina Dirksen, Burnett, Berkley, Biala, Delgado

NOES, COUNCIL MEMBERS: None

ABSENT, COUNCIL MEMBERS: None

ABSTAIN, COUNCIL MEMBERS: None

Bruce C. Delgado, Mayor

ATTEST:

Anita Sharp, Deputy City Clerk

April 28, 2021

Item No: **11c**

Honorable Mayor and Members
of the Marina City Council

City Council Meeting
of May 4, 2021

**CITY COUNCIL CONSIDER ADOPTING RESOLUTION NO. 2021-,
ALLOCATING UP TO \$30,000 TO CONTRIBUTE TO THE
PREPARATION OF AN EDA GRANT APPLICATION AND LOCAL
MATCHING FUNDS TO DEVELOP A BROADBAND FEASIBILITY
STUDY FOR ENHANCED ACCESSIBILITY TO HIGH-SPEED
INTERNET SERVICES IN THE CITY OF MARINA**

REQUEST:

It is requested that the City Council consider:

1. Adopting Resolution No. 2021- ,
 - a. Approving an allocation of up to \$30,000 to contribute to the preparation of an EDA Grant Application and local matching funds to develop a Broadband Feasibility Study for enhanced accessibility to high-speed internet services in the City of Marina; and
 - b. Authorizing Finance Manager to make necessary accounting and budgetary entries.

BACKGROUND:

Residents and businesses of the City of Marina are primarily provided internet services by AT&T and Comcast. Comcast does not offer fiber optic services and AT&T offers very limited access to services along their limited fiber optic network. Additionally, if a property is fortunate enough to be adjacent to one of the AT&T fiber optic runs, the service is very expensive relative to other areas of the State of California.

Access to high speed, high data capacity internet is a large attraction for businesses to locate in a city. Many cities have made the expansion of fiber optic network access an economic development priority for their community to compete for new job creating companies to locate or stay in their city. In addition, resident access to affordable high-speed internet is a key initiative of many cities as well.

ANALYSIS:

Enhanced access to high-speed internet services was rated a high priority to the majority of respondents that completed the Community Priorities Survey that was open between April 8th and 15th. In addition to the data gathered in this survey, staff is also aware of interests from current businesses within the City to enhance access to broadband. These business interests include small businesses represented by The Marina Foundation (TMF), MPUSD, CSUMB, Joby Aviation, Monterey Peninsula Engineering (MPE), Marina Community Partners (MCP), and the City.

High speed broadband services are an important business attraction tool and will become more and more necessary in the future. The current limited access to these services in the City of Marina will be a future detriment to business attraction and retention. Additionally, lack of

access to quality and affordable internet services is a social equity issue for the residents of the City. The good news is that the federal government recognizes the importance of broadband access to job creation and currently has made grant funding available that can pay for studies that seek to understand the costs and possibilities of building a fiber network. Additionally, it is expected that soon there will be even more funding that is available to assist with the construction of a fiber network.

Current Grant Funding Available

The Economic Development Administration (EDA) has published the FY 2020 Public Works and Economic Adjustment Assistance Programs Notice of Funding Opportunity (PWEAA NOFO). EDA's Public Works and Economic Adjustment Assistance (EAA) programs provide economically distressed communities and regions with comprehensive and flexible resources to address a wide variety of economic needs. Projects funded by these programs support work in Opportunity Zones and will support the mission of the Department by, among other things, leading to the creation and retention of jobs and increased private investment, advancing innovation, enhancing the manufacturing capacities of regions, providing workforce development opportunities, and growing ecosystems that attract foreign direct investment.

Through the PWEAA NOFO, EDA solicits applications from applicants in order to provide investments that support construction, non-construction, planning, technical assistance, and revolving loan fund projects under EDA's Public Works program and EAA. Grants and cooperative agreements made under these programs are designed to leverage existing regional assets and support the implementation of economic development strategies that advance new ideas and creative approaches to advance economic prosperity in distressed communities.

Grant Application

Staff has been discussing the idea of partnering with the TMF and MCP to submit an EAA grant application to evaluate the broadband service expansion options to the City of Marina. If awarded, the grant would fund a Broadband Feasibility Study which would include: Broadband Options Evaluation; Preliminary engineering considerations and drawings; Right-of-way assessment and recommendations; and Financial Feasibility Analysis. The total cost for this scope of work is estimated at \$150,000.

Nonprofit organizations are eligible to apply for EAA funds and TMF has agreed to be the applicant for the EAA grant funds and to act as the lead in facilitating the consultant work to prepare the Feasibility Study. To prepare a successful EAA grant application package, TMF sought a proposal from Regional Government Services (RGS) to leverage team of experienced economic development and project management professionals. The RGS proposal includes: Grant proposal production services for a targeted \$150,000 Feasibility Study; Research key issues affecting grant viability and provide recommendations; Coordinate grant development with EDA Regional Representative and relevant partners; Develop grant proposal content and present project-related information to stakeholders including governance bodies as appropriate; and Conduct professional analysis and project related tasks. The total cost for the RGS grant application services is \$15,560.

Local Costs

The total grant funding sought for the preparation of the Feasibility Study will be \$150,000. The EAA grant requires up to a 20% local match. If the partnership is awarded full funding, the local

match will be \$30,000. The total local cost for RGS services to submit the grant application will be \$17,560.

To fund the RGS grant application services TMF has sought funding participation from several partners including Joby Aviation, MPUSD, CSUMB, MPE and MCP. Funding participation amongst those partners has been pledged at approximately \$8,000. To fund the remainder of the RGS grant application work will require the City to contribute approximately \$10,000. If the grant is awarded, additional financial participation from the partners listed above and more is expected to fund a minimum of \$10,000 of the local match. To fund the remainder of the local match for the Feasibility Study will require the City to contribute a maximum of \$20,000.

City of Marina Commitment

City participation in the effort to develop a Broadband Feasibility Study will require an allocation of \$10,000 upfront to submit the application, and if the grant funding is awarded an additional allocation of up to \$20,000 towards the local matching funding.

FISCAL IMPACT:

The City's participation in the effort to develop a Broadband Feasibility Study will require \$10,000 in upfront costs to submit the EDA Grant application, and if the grant funding is awarded, the City's contribution to the local match will be \$20,000. These funds are currently not budgeted; therefore, this request is to allocate \$30,000 from unallocated reserves.

CONCLUSION:

This request is submitted for the City Council consideration and approval

Respectfully submitted,

Matt Mogensen
Assistant City Manager
City of Marina

REVIEWED/CONCUR:

Layne Long
City Manager
City of Marina