

County of Los Angeles INTERNAL SERVICES DEPARTMENT

1100 North Eastern Avenue Los Angeles, California 90063

> Telephone: (323) 267-2101 FAX: (323) 264-7135

"Trusted Partner and Provider of Choice"

May 13, 2022

To: Supervisor Holly J. Mitchell, Chair

Supervisor Hilda L. Solis Supervisor Sheila Kuehl Supervisor Janice Hahn Supervisor Kathryn Barger

From: Selwyn Hollins

Director

QUARTERLY UPDATE - INVESTMENTS TO ACCELERATE DIGITAL EQUITY

On November 16, 2021, the Board of Supervisors (Board) approved a motion to invest in immediate and longer-term efforts to provide affordable and reliable high-speed internet services to underserved communities impacted by the digital divide (Board Agenda Item 19). The motion designated the Internal Services Department (ISD) as the lead department responsible for coordinating the County's efforts on all community broadband infrastructure and residential service initiatives to close the digital divide. The motion also included several directives and instructed the ISD Director to report back to the Board with quarterly progress updates.

Attached for your review is the second quarterly update.

If you have any questions, please contact me at (323) 267-2101.

SH:sh

c: Executive Office, Board of Supervisors

Chief Executive Office County Counsel

Department of Public Works

COUNTY OF LOS ANGELES INTERNAL SERVICES DEPARTMENT INVESTMENTS TO ACCELERATE DIGITAL EQUITY

QUARTERLY PROGRESS REPORT May 2022

On November 16, 2021, the Board of Supervisors (Board) approved a motion to invest in immediate and longer-term efforts to provide affordable and reliable high-speed internet services to underserved communities impacted by the digital divide (Board Agenda Item 19).¹ On February 7, 2022, the Internal Services Department provided its first quarterly progress report on achieving the directives discussed in the motion.² This is the second quarterly progress report, which presents further updates.

Directive #1: Establish the County's lead department.		
Directive	Status	
a. Designate the Internal Services Department (ISD) as the lead department responsible for ensuring the County's efforts on all community broadband infrastructure and residential service initiatives to close the Digital Divide are coordinated and aligned under the County's Digital Divide Action Team, which is comprised of representatives from all County Departments and the Chief Executive Officer's Chief Information Office (CIO).	Completed Addressed in the first Quarterly Progress Report	

Directive #2: Conduct a Countywide campaign on financial subsidy programs.	
Directive	Status
a. Instruct the Chief Executive Office (CEO), in consultation with ISD, to identify funding for a countywide promotional campaign to inform and educate constituents about financial subsidy programs that will assist with the costs of computers and internet service.	Completed Addressed in the first Quarterly Progress Report

¹ Los Angeles County Board of Supervisors, Statement of Proceedings for the Regular Meeting, November 16, 2021

² ISD Quarterly Update - Investments to Accelerate Digital Equity, February 7, 2022

Directive #2: Conduct a Countywide campaign on financial subsidy programs.	
Directive	Status
b. Instruct ISD through the Delete The Divide initiative to coordinate the countywide promotional campaign and subsidy programs, specifically the Federal Emergency Broadband Benefit. Additionally, the campaign should encourage the participation of all County Departments and, as appropriate, collaborations with internet service providers, telecommunication companies, school districts, regional consortia, community-based organizations, non-profits, and ethnic and hyper-local media. Outreach must be conducted in the County's multiple threshold languages.	Completed Phase1: EBB promotion In Progress Phase 2: ACP promotion

Phase 1 Promotional Campaign: Emergency Broadband Benefit

On May 12, 2021, the Federal Communications Commission (FCC) launched the Emergency Broadband Benefit (EBB) Program to help families and households struggling to afford internet service during the COVID-19 pandemic. The \$3.2 billion program provided qualifying households with a monthly subsidy up to \$50 for broadband service and a one-time subsidy up to \$100 for the purchase of a computer, laptop or tablet. Eligible households on Tribal lands received a monthly broadband discount up to \$75.

On December 6, 2021, ISD launched a countywide promotional campaign to increase awareness of EBB and encourage residents to enroll in the program. The campaign consisted of a targeted multimedia, multi-language effort with support from the Board of Supervisors, 19 County departments, and numerous community-based organizations, school districts, medical agencies, faith-based organizations, and local businesses. The campaign was limited in duration to only three weeks because the EBB enrollment deadline was December 30, 2021.

Based on FCC data reports, new EBB enrollments in Los Angeles County reached 43,219 in December 2021.³ This was a 44% increase from the previous month total of 30,041. It was also the highest monthly increase in new enrollments since the early stages of the program and reflected a spike among declining enrollments over the preceding months.

The promotional campaign strategy and results are discussed in more detail in ISD's first Quarterly Progress Report dated February 7, 2022

³ The enrollment data was based on zip codes, which may vary from actual counts because some zip codes are shared by adjacent counties.

Phase 2 Promotional Campaign: Affordable Connectivity Program

On December 31, 2021, the EBB was replaced by the \$14 billion Affordable Connectivity Program (ACP).⁴ Under this new program, qualifying households can receive a monthly subsidy up to \$30 for broadband internet service and a one-time subsidy up to \$100 for the purchase of a computer, laptop or tablet. The monthly broadband discount for eligible households on Tribal lands remains at a maximum \$75.

The ACP monthly broadband subsidy is limited to \$30, which is less than the \$50 subsidy that was available under the EBB. However, the ACP expanded the eligibility criteria and more households now qualify for subsidy benefits. It is estimated that in Los Angeles County the number of households eligible for subsidies is now 1.6 million, based on calculations by the Annenberg Research Network on International Communication at the University of Southern California⁵.

The ACP eligibility requirement is a household income at or below 200% of the Federal Poverty Guidelines⁶ or if a member of the household meets at least one of the following criteria:

- Received a Federal Pell Grant during the current award year;
- Meets the eligibility criteria for a participating providers' existing low-income internet program;
- Participates in one of these assistance programs:
 - Supplemental Nutrition Assistance Program (SNAP)
 - Medicaid
 - Federal Public Housing Assistance
 - Supplemental Security Income (SSI)
 - Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)
 - Veterans Pension or Survivor Benefits
 - Lifeline (Federal benefit program for phone and internet service discounts)
 - National School Lunch Program or the School Breakfast Program, including through the USDA Community Eligibility Provision

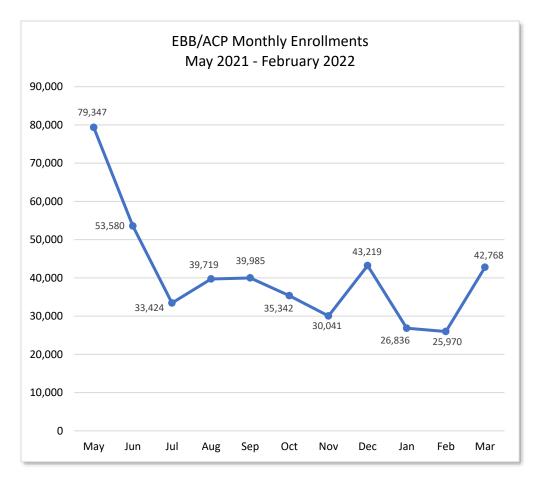
⁴ Affordable Connectivity Program website: https://www.fcc.gov/acp

⁵ USC Annenberg Research Network: Map of California Affordable Connectivity Program Enrollment

⁶ 2022 Federal Poverty Guidelines: Income Limit by Household Size

The enrollment process requires two steps: 1) Submitting an application for approval from the FCC, and 2) Contacting the applicant's preferred participating provider to select an eligible plan and have the discount applied to the monthly bill. The financial subsidy is limited to one monthly service discount and one device per household, and benefits are paid by the ACP program directly to the provider.

During the first three months of calendar year 2022, ISD did not engage in any promotional activities for the ACP. The Department spent time assessing performance data from the EBB campaign and refining promotional strategies. In the absence of a promotional campaign, new enrollments declined sharply at the beginning of the year. In March, the number of enrollments increased significantly, which may have been related in part to a final transitioning from EBB to ACP. All households that were previously enrolled in the EBB program continued to receive a monthly benefit up to \$50 until March 1, 2022. After that date, the benefit was reduced to \$30 under the ACP. EBB recipients were not required take any action to continue receiving the new \$30 discount and automatically transitioned to the ACP. However, households that qualified for EBB due to a substantial loss of income resulting from job loss or furlough since February 29, 2020 needed to requalify for ACP. Similarly, households that met the eligibility criteria for a participating provider's COVID-19 program needed to requalify.



On April 14, 2022, ISD launched a second countywide promotional campaign to increase awareness of the ACP and encourage enrollments. Similar to the Phase 1 campaign that promoted the EBB, the ACP campaign is in partnership with the California Emerging Technology Fund (CETF). CETF is a non-profit organization established by the California Public Utilities Commission for the purpose of advancing broadband access to underserved communities throughout the State of California. This partnership helps to ensure the consistency of promotional communications with existing statewide marketing models, thus minimizing the costs associated with planning, logistics, public outreach, messaging, and data collection.

The ACP campaign is a targeted multimedia, multi-language promotion that includes ethnic and hyper-local media. It also leverages partnerships and proactive support among groups that have trusted relationships with underserved communities, including community-based organizations, schools, libraries, healthcare agencies, faith-based coalitions, and County departments that provide public assistance and community services.

Additionally, ISD has participated in discussions with internet service providers and telecommunication companies to join in the County's efforts to promote and encourage new enrollments in the ACP. The discussions have examined opportunities for cross-promotions with the County and collaborations with trusted community partners for enhanced outreach. Most providers are committed to independent marketing strategies to advertise their internet service plans relating to the ACP benefit. However, two providers have expressed a willingness to join the County in staffing future ACP registration events and assist new enrollees with information about service plan options and instructions to set up an account.

As of the date of this report, there was insufficient data to effectively measure correlations between the current ACP promotional campaign and new enrollments. The Universal Service Administrative Co. is an independent not-for-profit designated by the FCC to administer broadband-related subsidy programs and publishes reports on ACP enrollments. The enrollment data for April 2022 were unavailable. ISD will provide campaign results in the next quarterly progress report.

The County's ACP promotional campaign is scheduled to continue through September 2022.

Digital Navigator Program

In Los Angeles County, it is estimated that more than 365,000 households lack internet service based on data from the United States Census Bureau's American Community Survey. Many of these households are in underserved communities where residents are eligible for the ACP and might consider enrolling if there is more direct outreach and assistance. Thus, ISD is developing a Digital Navigator Program as a community-centered approach to improving broadband adoption and digital literacy. The goal is to work in close coordination with community-based organizations to hire navigators from

within the impacted communities. All navigators will be trained to provide constituents with in-person assistance in understanding and applying for subsidies, finding affordable devices, and technical support for accessing the internet and digital literacy.

In March 2022, a Request for Comments was administered to obtain input from community-based organizations and existing practitioners to inform the design and effectiveness of a Digital Navigator Program. Additionally, informational interviews were held with more than 20 organizations and insights were gained from various research studies. The information collected is being used to develop a program management structure, reporting metrics, funding model, and a competitive solicitation document.

ISD has shared its findings and draft documents with the County's Department of Workforce Development, Aging and Community Services. The two departments are collaborating on an implementation plan for a Digital Navigator Program.

Directive #3: Expand and/or enter into new agreements with the County's existing broadband and/or carrier agreements for public access and use.	
Directive	Status
a. Instruct and authorize ISD to negotiate agreements with assistance from County Counsel and input from the CEO, with internet service providers and telecommunication companies and if the proposed agreement can be shown by ISD to be in the County's best interest, return to the Board for approval to execute new agreements or amend existing agreements.	On Hold

ISD has temporarily paused discussions with internet service providers and telecommunication companies related to Directive 3(a). The pause is necessary to avoid any conflicts and to preserve the integrity of the solicitation process related to Directive 4(b), discussed below.

It should be noted that there are broader discussions and negotiations with internet service providers on a national level. On May 9, 2022, United States President Joe Biden and Vice President Kamala Harris announced securing private sector commitments to lower the cost of high-speed internet services.⁷ The White House asked participating internet service providers to either reduce prices and/or raise speeds to offer ACP-eligible households a high-speed plan of \$30 or less per month. The announcement identified the

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⁷ White House Briefing Room Statement, May 9, 2022: <u>Fact Sheet - President Biden and Vice President Harris Reduce High Speed Internet Costs for Millions of Americans</u>; Video recording of President Biden and Vice President Harris, May 9, 2022: Remarks on the Affordable Connectivity Program

following companies as committed to offering plans of \$30 or less with no additional fees and no data caps:

Allo Communications Cox Communications

Alta Fiber (and Hawaiian Telecom)

Jackson Energy Authority

Altice USA (Optimum and Suddenlink) Mediacom

Astound MLGC

AT&T Spectrum (Charter Communications)

Breezeline Starry

Comcast Verizon (Fios only)

Comporium Vermont Telephone Company

Frontier Vexus Fiber

IdeaTek Wow! Internet, Cable and TV

Directive #4: Provide options for internet solutions, including cost estimates and timeline, that meet the digital needs of our most vulnerable residents: affordability, sustainability, and connectivity to high speed, quality service.

Directive	Status
a. Authorize ISD to amend its agreement, as needed, with the contractor that assisted in the development of its report to the Board in response to Item 45G of the August 31, 2021 Agenda, to perform additional analysis for the options identified in the aforementioned report and provide program development services for future solicitations.	Completed Addressed in the first Quarterly Progress Report
b. Instruct ISD to administer a competitive solicitation to acquire a Managed Service Provider to coordinate and manage implementation of the Community Wireless Network. The scope of work should include, but not be limited to, project management, infrastructure design, system integrations, performance requirements, equipment testing and maintenance, administration of resources, and customer support services.	In Progress Estimated completion by July 2022
c. Instruct ISD to administer a competitive solicitation and negotiate agreements for public-private partnerships to construct and configure the Community Wireless Network.	In Progress

Directive #4: Provide options for internet solutions, including cost estimates and timeline, that meet the digital needs of our most vulnerable residents: affordability, sustainability, and connectivity to high speed, quality service.

Directive	Status
d. Instruct CEO, in consultation with ISD and [Department of Public Works] to identify funding from Federal, State and/or County sources to support a five (5) year proof of concept model for a Community Wireless Network. Under the coordination of ISD, this pilot will utilize public-private partnerships and a Managed Service Provider for the deployment of a fully functional network of Citizen Broadband Radio Service and/or millimeter wave technologies to deliver reliable high-speed internet service to 12,500 households in digital divide target areas.	In Progress
e. Delegate authority to the CEO to hire a consultant to conduct a financial and technical feasibility study for a County-administered municipal broadband service. The study should assess capital costs and consumer pricing models that will enable reliable high-speed internet access for households in digital divide target areas. The study should also consider existing County assets and licensing agreements as well as the utilization of public and private fiber optic and wireless network infrastructures that can be included in the County-administered strategy.	In Progress

4b. Solicitation for Managed Service Provider(s)

The County's mission is to establish superior services through inter-Departmental and cross-sector collaboration that measurably improves the quality of life for people and communities of Los Angeles County. In advancing this mission, the County is committed to improving the quality of life for residents impacted by the digital divide. A computer and reliable internet service are essential to accessing education, employment opportunities, healthcare services, financial resources, support networks, and commerce.

The highest concentration of households that lack internet service are located in underserved and low-income communities. The County is not currently equipped or positioned to carry out the logistics necessary to enable internet services in these residential areas. Thus, ISD is administering a competitive solicitation to acquire one or more Managed Service Providers to implement and manage Community Wireless Networks.

The Community Wireless Networks are intended to be a 5-year demonstration pilot that provides free broadband internet service through public-private partnerships to 12,500 or more households in defined underserved communities. There are many prospective

neighborhoods throughout the County, but the number of projects will depend on available funding and staffing resources.

On March 21, 2022, a Request for Statement of Qualifications (RFSQ) was released to establish a shortlist of companies deemed qualified to deliver Community Wireless Networks. The solicitation required that respondents be able to provide high-speed, high-quality broadband internet service to each subscriber residence using wireless technology, fiber or a combination of both.

The FCC recommends that broadband data transmissions achieve a minimum download speed of 25 megabits per second (Mbps) and upload speed of 3 Mbps (referred to as 25/3 Mbps). These recommended speeds are based on running one activity at a time, yet there are many situations that demand higher speed capacities. For example, when multiple users or devices are accessing the internet simultaneously for web browsing, streaming video, file downloads, video conferencing, and gaming. This is common in many households, particularly multigenerational living arrangements and households with multiple students who need to participate in remote learning at the same time.

The RFSQ required internet access speeds higher than the minimum recommended by the FCC. This was done in consideration of potential household data capacity needs and to align with new Federal and State grant funding guidelines. The MSP must ensure that each household receives internet service with a minimum download speed of 100 Mbps and upload speed of 20 Mbps (100/20 Mbps), with the ability to scale to symmetrical download and upload speeds of 100 Mbps (100/100 Mbps). Consistent with industry standards, network connectivity should be available 90 percent of the time at 95 percent of the residences in the defined service area. Additionally, there shall be no caps or limits on the data consumed by subscribers.

The RFSQ also required MSPs to implement multilingual community outreach programs and advertising to help engage residents from a variety of cultural backgrounds. This includes all of Los Angeles County's threshold languages: English, Arabic, Armenian, Chinese (oral: Mandarin and Cantonese; written: Simplified and Traditional), Farsi, Hindi, Japanese, Khmer/Cambodian, Korean, Russian, Spanish, Tagalog, Thai, and Vietnamese. Another expectation is that MSPs have plans for how to encourage participation among households that have residents with disabilities, as well as senior citizens who may experience challenges with computer usage and internet service access.

The RFSQ specified that MSPs will have access to certain vertical assets owned by the County, City of Los Angeles, and Los Angeles County Office of Education (and associated 80 school districts) for placement of equipment to deliver wireless broadband service. These assets include administrative buildings, public housing, libraries, schools, streetlight poles, and microwave and wireless towers. MSPs may place equipment including, but not limited to, antennas, wireless access points, network devices, fiber optic

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⁸ Request for Statement of Qualifications - Solicitation No. ITS-I10602-S

equipment, and power supplies at available locations. Such access and placement will be subject to applicable laws, regulations, infrastructure suitability and availability, and other factors at the County's sole discretion. The County seeks to own or establish long-term control of all fiber optics and outside plant cabling constructed and funded by the County for the projects.

The RFSQ deadline to submit statements of qualifications was May 13, 2022 at 3:00 PM Pacific Time. A total of eleven (11) proposals were received. Evaluations of statements of qualifications are expected to be completed by July 2022. This solicitation is open ended such that vendors can submit statements of qualifications after May 13, 2022, but subject to queued up processing and review cycles.

4(c) Solicitation for Public-Private Partnerships

In coordination with the above-mentioned RFSQ, ISD will seek approval from the Board of Supervisors to establish a Master Agreement and to enter contracts with the shortlist of MSPs through Work Order Solicitations. The shortlist of providers will be eligible to bid on Work Order Solicitations to deploy networks in targeted service areas.

The County is considering several factors to determine which neighborhoods are best suited for Community Wireless Networks. These factors include, but are not limited to:

- Level of Internet Adoption. Neighborhoods with among the lowest levels of internet adoption, including households that do not have a home internet subscription or are only connected through mobile devices.
- Availability of Public Assets. County and partner agency assets such as buildings and street poles are essential to facilitating the deployment of a Community Wireless Network. Thus, the County will consider neighborhoods where critical assets are readily available.
- Equity and Inclusion. Neighborhoods that align with the objectives of the County's Anti-Racism, Diversity and Inclusion Initiative.

The RFSQ identified seven prospective demonstration neighborhoods that meet the above-mentioned criteria – Boyle Heights, East Los Angeles, Pico-Union, Panorama City, South Los Angeles, Sun Valley-North Hollywood, and Watts-Willowbrook. Networks are not limited to these neighborhoods and other neighborhoods can be proposed at the County's discretion. ISD has been in communication with each Board Office to prioritize potential project locations.

MSPs will operate the Networks under County oversight working in collaboration with community-based organizations for local hiring. Additionally, ISD continues to review the feasibility and interest in the market for potential public-private partnerships with utilities and other owners of assets that would support the project.

In February 2022, the County and City of Los Angeles signed a Memorandum of Understanding (MOU) that established a working partnership to commit resources towards digital equity and inclusion that will ensure residents and businesses have access to reliable high-speed internet. In April 2022, the Los Angeles County Office of Education became an additional party to the MOU, representing 80 public school districts. All three agencies agree to deploy their competitive advantages (including assets and operations) to bring new public connectivity infrastructure to communities and encourage collaboration on projects and funding opportunities. This unified approach will maximize efficiencies and public impact while reducing duplication of efforts and building toward a comprehensive regional strategy. The MOU was developed in the interest of collaboration and alignment. Formal agreements may be negotiated should the need arise due to specific obligations, such as matters involving costs and indemnifications. ISD will seek Board approval to execute any formal agreements.

4(d) Funding for Community Wireless Network

The CEO, ISD, and DPW continue to explore Federal, State, and County funding sources. Updates will be provided in future report backs.

4(e) Feasibility Study for County-Administered Broadband Service

The CEO is using the County's Equity Tool to identify the 25 communities of highest need and finalize a solicitation to conduct the feasibility of County administered municipal broadband services that will include a:

- *Market analysis* to serve as the basis for determining penetration and adoption rates, foreseeable competition, and sensible pricing for services provided.
- Service and infrastructure analysis of the incumbent Internet service providers and
 existing broadband infrastructure within the 25 communities of need. The analysis
 will identify service models that could be utilized in the region. Outcomes will include
 GIS maps detailing the physical extent of fiber-optic lines, service areas,
 incumbency, and level of service provided.
- Site analysis to discover whether existing public assets and/or land can be used to
 better facilitate network construction and operation and availability of public & private
 fiber optic and wireless infrastructure. Includes a cost model for the network,
 including one-time and ongoing capital expenditures, operations, network
 operations, field services, staffing, billing, and customer service. The analysis will
 also delineate items such as customer growth rates, competitive pricing schedules,
 and overall financial sustainability.
- Programming and finance evaluation of financing options that are available to the region for funding the construction, implementation, and subsequent operation of the broadband infrastructure and services.