

Broadband Opportunity Program Statewide TA Webinar Q & A (October 20, 2022)

Posting the webinar to the website

Will the recorded presentation and PowerPoint be available on the Office of Broadband website?

- A link to the recorded presentation and the PowerPoint presentation have been posted to the Office of Broadband website.

Multiple Applications

Can a single applicant submit multiple project applications?

- Yes, multiple applications can be submitted by a single applicant providing the applications cover separate and distinct service areas. Adjacent or contiguous areas cannot be intentionally separated to usurp the \$5 million maximum award.

Match/Leverage

Do the grants require a match? If yes what is the match?

- No, Broadband Opportunity Program grants do not require a match. The Office strongly encourages private funding as leverage for projects. Section 288.9962(8)(c), F.S. states “A grant awarded under this section, when combined with any state or local funds, may not fund more than 50 percent of the total cost of a project.”

Can you touch on the project cap again related to combining grant and local funds.

- Section 288.9962(8)(c), F.S. states “A grant awarded under this section, when combined with any state or local funds, may not fund more than 50 percent of the total cost of a project.”
- A single project may not be awarded a grant in excess of \$5 million.

For Private Funding - can you confirm that there is not a match required?

- There is NO MATCH requirement for the Broadband Opportunity Program, however, The Office strongly encourages leveraging private funds to support a project.

What is the match % requirement for Privately funded projects?

- There is no match requirement for the Broadband Opportunity Program.

If a private applicant's proposed project cost totals \$5 million and no state/local funding is provided, could the Broadband Opportunity Program potentially fund the full \$5 million - or would only 50% of costs be eligible for funding?

- If there are no public funds leveraged for a project, the project *may* be awarded the full amount of \$5 million, however, it is unlikely the application would be competitive lacking the points associated with leveraged funding.

With respect to Community Support - does that include financial support for the project by a County partnering with an internet provider?

- Community support may come in a variety of forms. Of particular value is the written support of the unserved area(s) residents, community organizations, local and county governments, the Local Technology Planning Team, and project partners. Financial community support through private investors and the local or county governments is also valuable.

Can interest payments on Loans that may be used by privately funded applications be considered an allocatable expense that is eligible for reimbursement?

- The cost of money (origination fees, servicing fees, and interest) is not reimbursable for the Broadband Opportunity Program. The loan represents leveraged funding provided by the applicant and the total value may be used for that leverage.

2. It was stated more than once on the webinar that, should an applicant choose to provide match (which is not required), then the program will only grant a 1:1 award to said match. The example given was that if an applicant provides a \$5m match they may receive a \$5m grant. If they provide a \$2.5m match they may receive a \$2.5m grant. Are we correct then to assume that, unless an applicant is prepared to provide a \$5m (or \$5m+) match it is not in their interest to include ANY match?

Just additional editorial... How does total project cost factor into this if they're limiting the request to \$5m but not requiring match. Will they fund a \$7.5m project that requests \$5m? Will they question where the other \$2.5m will come from and then, when the applicant responds that they'll cover the remainder, will they then force the reward to only \$3.75? I'm just not understanding this whole crazy thing.

- No grant may exceed \$5 million. For example, if the total project cost is \$10 million, regardless of the amount of leverage provided by the applicant, only \$5 million may be awarded through the program. The applicant would also need to explain how the balance of the required project funds would be secured to be considered fundable.

Other Federal Funds

Will we be able to apply for state RDOF areas, Cancelled RDOF areas, and/or Defaulted RDOF areas.

- Withdrawn or canceled RDOF areas are eligible project areas.

There are some CAF awarded projects that show are un/underserved, can you confirm that those are eligible?

- Connect America Fund projects may be eligible for funding if the project meets the eligibility requirements of the Broadband Opportunity Program.

Will the private entity receive more points in the evaluation process if local funds are leveraged?

- Applications with higher leverages will receive higher scores as the intent of funding is to encourage the expansion of broadband service by spreading the funding as much as possible.

When leveraging funds, understand that the combination of state and/or local funds and the grant award from this program cannot exceed 50% of the total cost of the project to a maximum award of \$5 million.

How will overlapping applications be handled?

- Each application will be reviewed independently to identify project areas with the strongest application, community engagement, and leveraged funding.

If a project has received Federal Funding - the state cannot provide state funds. Will DEO seek a change in this limitation?

- DEO will not seek to change Florida Statutes.

Any funding for communities affected by the Hurricane Ian?

- Projects eligible for Broadband Opportunity Program funds prioritize unserved and underserved areas. Areas affected by Hurricane Ian that met this requirement in advance of the hurricane meet the eligibility requirement. An amendment to the legislation or Executive Order by the Governor would be required to repair and restore existing areas served that were damaged by Hurricane Ian.

Can you confirm funding for this program is SLRF?

- The Broadband Opportunity Program is funded by American Rescue Plan Act (ARPA) State and Local Fiscal Recovery Funds (SLFRF).

Can you update us on whether similar rules will be used for the Capital Funds Project funding, and is that a different funding pool/allotment from the Broadband Opportunity Program? If so, is there a timeline in place or estimate for when those guidelines or rules will be available?

- Proposals for Capital Projects Funds were submitted to the U.S. Treasury in September 2022, and the Office is awaiting final approval.
- The submitted proposals can be viewed on the Office of Broadband website, www.floridajobs.org/broadband. Funding for this program is provided under the Capital Projects Fund program established under the American Rescue Plan Act.

Why is the state excluding local governments from a funding source called State and Local Government Revenue Recovery Funds?

- The Broadband Opportunity Program is being funded by the American Rescue Plan Act, State and Local Fiscal Recovery Funds. Use of these funds by a local government will be reviewed on a case by case basis to ensure there is no duplication of benefits. Local governments should be familiar with s. 350.81 F.S. when submitting an application, including the use of these funds for leverage.

Will DEO either fully fund or not fund an application? How will DEO negotiate scope reductions for applications?

- Applicant, project eligibility requirements, and funding limitations are outlined in the Broadband Opportunity Program legislation (s. 288.9962, F.S.). Projects will be scored and awarded as submitted.

Cost Reimbursement

Why is the program funding provided on a reimbursement basis? Allowing for some of the approved grants to be provided on an advance basis is critical to effective participation.

- Grants for the program will be made on a reimbursement basis.

The refund methodology is going to make it very hard for smaller operators that are already providing the best services to rural areas using their own private funding. That should be reconsidered for a draw schedule instead. They are already going to have to provide a \$5M match per project.

- Funding through the Broadband Opportunity Program is intended to supplement the cost of viable projects in order to expand broadband service to unserved and underserved areas. Project owners must be able to show the financial stability to sustain the system for a minimum of five (5) years, through maintenance and operations costs, once completed.

Eligible Applicants

What is the difference between “political subdivision” that is eligible for a grant and a government entity that is not?

- Per section 288.9962(3) F.S., “Applicants eligible for grant awards include:
(a) Corporations, limited liability companies, general partnerships, and limited partnerships that are organized under the laws of this state or otherwise authorized to transact business in this state.
(b) Political subdivisions. (218.077(f), F.S.)
(c) Indian tribes.”
- Per section 288.9962(4) F.S., “The office may not award, directly or indirectly, grants under this section to a governmental entity or an educational institution or affiliate to provide broadband Internet service to any residential or commercial premises, unless other broadband Internet service providers have not deployed service to an unserved area.”

It appears that electric cooperatives are organized under FL statute as corporations. With eligibility rules in mind, can you please confirm that the state's electric cooperatives are specifically eligible for this program?

- The state’s electric cooperatives are eligible to apply if they meet the “eligible applicant” eligibility requirements listed in statute, which states: Corporations, limited liability companies, general partnerships, and limited partnerships that are organized under the laws of this state or otherwise authorized to transact business in this state.

Can a government entity receive this funding? The webinar stated, "not directly or indirectly to a government entity".

- Per section 288.9962(4) F.S., "The office may not award, directly or indirectly, grants under this section to a governmental entity or an educational institution or affiliate to provide broadband Internet service to any residential or commercial premises, unless other broadband Internet service providers have not deployed service to an unserved area."

Political subdivisions of a State are eligible entities. However, it was stated on the webinar that local governments (and educational institutions) are not eligible. Is this correct (and if so, what political subdivisions ARE eligible)?

- Per section 288.9962(4) F.S., "The office may not award, directly or indirectly, grants under this section to a governmental entity or an educational institution or affiliate to provide broadband Internet service to any residential or commercial premises, unless other broadband Internet service providers have not deployed service to an unserved area."
- Local governments are a political subdivision and considered an eligible applicant (218.077(f), F.S.).

How would a school in a rural area be able to apply for the program? Through a private entity?

- If a school in a rural area is located in an unserved project area and does not have an Internet Service Provider providing service at the location, the school is eligible to apply. The school would need to partner with a private entity to leverage funding for the project. Applicants should be mindful that applications providing the higher number of unserved residents and businesses will receive higher scores for their applications. Schools would be better served through a larger project that includes the school in the unserved area.

Can partnerships include hospitals that want to expand broadband connectivity in rural areas they serve? If, yes, can you please elaborate on how hospitals would go about this?

- There is no limit to the number of entities participating in a partnership for a project. The partnership and the responsibilities of each partner should be defined in the application.

We are working with Central Florida Electric Coop as the provider for our area. The plan is to pass our funding to CFEC's project. Is this possible as they are already working on this project.

- Projects already under construction will be reviewed on a case-by-case basis to ensure these program funds are supplementing, not supplanting, existing financing. Additionally, the Central Florida Electric Coop, if eligible under the definition of "eligible entity", would be better served to apply on their own to receive full benefit of the funding.

Can a subsidiary of an electric cooperative apply as the main applicant, with the cooperative as the subrecipient?

- If the subsidiary meets the "eligible applicant" eligibility requirement in section 288.9962(3), then they are eligible to apply.

Considering that this is a Florida fund and should be creating jobs in Florida is there any requirement that the private entity be an established Florida entity at a historical date?

- Per section 288.9962(3) F.S., “Applicants eligible for grant awards include:
(a) Corporations, limited liability companies, general partnerships, and limited partnerships that are organized under the laws of this state or otherwise authorized to transact business in this state.
(b) Political subdivisions. (218.077(f), F.S.)
(c) Indian tribes.”

Challenges

If a challenge is accepted by the state on the basis that the challenger commits to provide qualifying service in another applicant's project area within the related timeframe, that will block the applicant's project from being funded. What controls and/or penalties are in place to prevent existing ISPs from simply challenging areas they want to "defend" but then do not build as committed in their challenge?

- Penalties are established in section 288.9962(6)(f) F.S.

What information will be available on December 7 so that ISPs can challenge individual applications? Will there be detailed address level information provided by the applicants so that they can challenge specific addresses?

- Information will include the service area proposed and the upload/download speeds, as required by section 288.9962, F.S. These funds are intended to expand service in unserved areas rather than independent addresses.

How can we challenge an area of a served area? Some locations of a served area according to the broadband map do not have the speed that is advertised.

- This initial funding will concentrate on unserved areas first. If funding remains after all awards have been issued, underserved areas will be considered. The information that must be contained in any challenge may be found in s. 288.9962, F.S.

Is the DEO aware of the scale of RDOF defaults? SpaceX has defaulted on all bids, leaving much of SWFL without a solution. Likewise, Hotwire has defaulted on at least 50% of projects. There should be no reason that defaulted RDOF projects should bar a grant opportunity from this current round.

- Canceled, withdrawn, or defaulted RDOF areas will be considered for funding.

Are existing ISPs the only entities allowed to submit a challenge to proposed projects?

- Per section 288.9962(6)(c), a broadband Internet service provider that provides existing service in or adjacent to a proposed project area may submit to the Office, within 45 days after publication of the information under paragraph (b), a written challenge to an application.
- ISPs are provided the right to challenge existing service area in or adjacent to a statute.

What penalties will the DEO be assessing for applicants that default on their bid. Either not completing build in 2 years, not delivering on performance requirements or complete failure of the project? RDOF is an embarrassing failure with many large companies walking away seemingly unscathed while leaving communities without broadband for an additional 3-4 years. The DEO should consider extensive penalties for awardees that default or fail their project, even in part. We need to be doing better by our communities and taxpayers by ensuring we are not wasting time or money.

- Penalties are listed in statute for those who participate in challenges.

Project Area

Will DEO, working with providers, be willing to confirm whether an area is available?

- DEO will review applications against the latest mapping information available, including updated FCC mapping information and maps created by DEO.

How does the State anticipate comparing grant applications that overlap?

- Each application will be reviewed independently of other applications.

Will there be a definition for a project and project area be given?

- The applicant will determine the project area.

What if an applicant submits projects w/ the some of the same project areas. How are you able to make this determination and how will you handle these situations?

- Each application will be reviewed independently of other applications.

Application Portal

Will the BOP application portal opening on November 2 be the same portal used for later (BEAD, etc.) Criteria may be different, of course, but package of forms unchanged?

- Each funding program is unique. Details regarding each program will be provided prior to the application window.

Confirming applications can be submitted via email and in person (not using the portal)?

- The preferred method of receiving applications is through the online portal. If exceptions need to be made, please work with the Office as early as possible during the application cycle.

Confidential Information

Are there any guidelines for submitting confidential information?

- Information on submitting confidential information can be found on the application, located at www.floridajobs.org/broadband.

Unserviced/Underserved

What is considered by definition of the state of unserved and underserved and what areas are eligible by speed?

- Section 288.9961(2)(f) F.S. defines “Underserved” as a geographic area of this state in which there is no provider of broadband Internet service that offers a connection to the Internet with a capacity for transmission at a consistent speed of at least 100 megabits per second downstream and at least 10 megabits per second upstream.
- Section 288.9961(2)(g) F.S. defines “Unserviced” as a geographic area of this state in which there is no provider of broadband Internet service.

We have noticed several providers have reported services in an area that they have planned to serve but are not actually serving. How can we prove that they do not actually have services in an area that they claimed?

- DEO will use the FCC updated mapping information as well as its speed test information. If there is information contrary to what the applicant claims, please notify DEO and document the information through resident letters of support. Data supporting the claim should be provided by the challenger to the DEO.

Just to clarify, the points matrix still only gives points for serving areas that currently have 10/1 or 25/3, does that mean no points will be awarded for households that are currently served by 100/10 or 100/20 or by households >25/3 but less than 100/10?

- Correct. These funds are meant to expand broadband service to those areas currently unserved.

Are the grants limited to those areas that are less 25/3?

- Projects in unserved areas of the state will be funded first, then projects in underserved areas of the state will be funded.

Please confirm. While applications can include underserved areas, they cannot be 100% underserved.

- Correct.

If the awards are purely based on scoring, does that mean that applicants may not receive awards in some counties that have unserved and underserved areas? What is DEO’s strategy regarding optimizing the benefit of these funds including addressing areas that may have some served areas?

- The scoring will be based on number of premises passed, the number of unserved premises connected, and the speeds at which they will have service. If there are underserved areas in the unserved project area, this will be taken into consideration. Funding is not based upon the county, but the unserved and underserved area.

The application states grant funding may only be awarded to projects that will serve areas that lack at least 25/3. Does this mean a project application cannot be 100% underserved?

- Projects in unserved areas of the state will be funded first, then projects in underserved areas of the state will be funded.

Partnerships

If governments cannot receive funding directly or indirectly, please explain the private/public partnership arrangement. Would a local government need to have a contractual relationship?

- It is up to the community to determine if a contractual relationship is necessary.

Is the PPP required or encouraged?

- Applications showing public-private partnerships will be scored higher than those that do not show proof of partnerships.

What is meant by "strong support" from communities? Will letters of support suffice or is the DEO wanting more partnerships?

- The Office will be looking for more than letters of support from applicants. Showing proof of participation in Local Technology Planning Team meetings and other community engagement are strongly encouraged.

Mapping

Could you please clarify which maps that will be used to determine unserved and underserved areas?

- Applicants are encouraged to use the maps on the Office of Broadband website, and maps on the FCC website.
- Section 288.9961(2)(f) F.S. defines "Underserved" as a geographic area of this state in which there is no provider of broadband Internet service that offers a connection to the Internet with a capacity for transmission at a consistent speed of at least 100 megabits per second downstream and at least 10 megabits per second upstream.
- Section 288.9961(2)(g) F.S. defines "Unserved" as a geographic area of this state in which there is no provider of broadband Internet service.

How can we sign up for periodic updates on speed test data?

- Please reach out to the Office for specific inquiries regarding the state maps on the Office of Broadband website. To receive updates on the Office and programs, please register using the "Subscribe for Updates" button on the Office of Broadband home page.

Additional

What are the requirements regarding the 'open access' stipulation, since this is a last mile, not middle mile project?

- There are no "open access" requirements in the Broadband Opportunity Program.

Are there open access requirements for Middle Mile projects?

- Unlike the Capital Projects Fund and the Broadband Equity, Access, and Deployment programs, the Broadband Opportunity Program does not require "open access".

Is the decision for funding going to be based on number of points awarded/dollar requested? Purely on points awarded? Looking to understand how we need to position ourselves with applications.

- Scoring will be conducted using the scoring matrix accompanying the rule.

Is DEO going to make any changes to the proposed rules based on comments received during the comment period?

- The final rule has been posted. There were no challenges to the final rule and it is anticipated to be adopted.

How do smaller ISP's (sub 1000 subscribers) qualify for grant funding? Can small projects qualify?

- There is no size requirement to qualify for funding. An application should show the proposed area(s), current speeds, proposed speeds, leveraged funding, and number of unserved households to be connected.

Marion County BCC - What are DEO's requirements for wireless projects? Like NTIA, will DEO be limiting awards to only licensed spectrum holders?

- The preferred technology is fiber optic. The DEO recognizes that the cost of fiber optic may not be viable in some areas and will accept applications for all technologies. Applicants should provide a cost analysis for projects using technology other than fiber optic and explain how it is scalable to 100/10 Mbps as required under the statute.

Would we have access/permission to lease capacity from FDOT?

- Use of FDOT infrastructure should be negotiated with FDOT.