



City of San Leandro

Meeting Date: September 17, 2012

Staff Report

File Number: 12-363

Agenda Section: ACTION ITEMS

Agenda Number: 10.A.

TO: City Council

FROM: Chris Zapata
City Manager

BY: Lianne Marshall
Assistant City Manager

FINANCE REVIEW: Not Applicable

TITLE: Staff Report for Resolution Adopting the San Leandro Commercial Broadband Strategy

SUMMARY AND RECOMMENDATIONS

The San Leandro Commercial Broadband Strategy includes an assessment of current broadband availability and several recommendations to improve service in the future. The report will be used to guide future efforts related to broadband expansion in the City. Staff recommends that the City Council approve the attached resolution adopting the San Leandro Commercial Broadband Strategy.

BACKGROUND

Fast and reliable Internet service has become a requirement for most successful business enterprises. Although this need was once restricted to businesses in “high-tech” sectors, broadband service that facilitates fast transfers of large quantities of data is now a prerequisite for almost every industry. Given these trends, the City recognizes that enhancement of our broadband infrastructure can be an effective tool for business attraction and retention.

With that need in mind, the City Council approved a Consultant Services Agreement with Tellus Venture Associates on June 6, 2011 for development of a Commercial Broadband Strategy. The goals of this project were as follows:

- Assess current conditions and identify shortcomings in the availability of broadband to industrial and commercial businesses;
- Identify and assess options for addressing service shortcomings, including negotiations with current service providers, identification of new service providers, and potential for infrastructure improvements to improve service levels; and
- Develop a comprehensive strategy to ensure that high-quality broadband service is available at reasonable costs to as many businesses as possible.

Analysis

Initially, the development of the Commercial Broadband Strategy involved an extensive process of community outreach and data collection. Because comprehensive data on broadband availability by location is rarely made public by service providers, staff and the consultant gathered information using a variety of methods. That process included:

- Two community workshops;
- An online survey;
- Meetings with service providers;
- Meetings with individual businesses and property owners;
- Data sets released by the California Public Utilities Commission;
- Meeting with the San Leandro and San Lorenzo Unified School Districts; and
- Participation in East Bay Broadband Consortium.

Information gained from this process provided an understanding of the service levels available to San Leandro business and the limitations in the available service, particularly on a geographic basis. Because service providers have made their greatest infrastructure investments in residential areas, several industrial areas in San Leandro presently suffer from inadequate broadband availability.

Priority Areas

Information from the data collection and outreach process was used to identify four priority areas for broadband improvements. Those areas are the Davis/Doolittle industrial area, the I-880 industrial corridor, the shoreline development area, and Downtown San Leandro.

The first two were selected because they presently lack adequate broadband availability. If San Leandro is going to successfully reposition older industrial properties for the types of businesses that will thrive in the 21st century, improving broadband in these areas will be critical. In contrast, the shoreline and Downtown areas were identified not so much for a lack of current service, but rather because they will benefit from exemplary service in the future. Downtown San Leandro already has a high density of office and professional uses, and future development is planned as part of the San Leandro Crossings and Town Hall Square projects. Hotel, conference center, and office uses are all planned as part of the shoreline development project. For both areas, availability of extremely high quality broadband will enhance the City's ability to attract high-quality, high-technology tenants and visitors.

Recommendations

The Commercial Broadband Strategy includes the following recommendations for improving service availability in San Leandro:

- 1. Formalize and promote existing broadband-friendly practices.** Generally, the City does a good job supporting and encouraging infrastructure projects that expand broadband networks. Mostly, however, this practice is based on existing planning and permitting procedures and not on policies explicitly related to broadband. The report makes several suggestions for codifying existing practice to make sure that broadband projects continue to be handled smoothly.

2. **Make broadband a standard planning review criterion.** Just as City staff will routinely review electrical or plumbing systems in a construction project, an opportunity exists to review provisions for broadband facilities. Although broadband need not be a mandatory requirement for construction, the City can encourage it. Buildings constructed with conduit for broadband (in most cases, fiber optics) will be much easier to serve in the future.
3. **Adopt a comprehensive open trench policy.** The most significant costs related to broadband infrastructure expansions are typically tied to street work. The report recommends that a formal notification procedure, coordinated with regional and statewide programs, should be implemented for street cuts. The goal of placing conduit any time a street or right-of-way is dug into should be established. Conduit could be installed by telecommunications service providers or the City, but this policy would ensure that all parties are notified and have the opportunity when street work is occurring.
4. **Pursue opportunities for lateral connections to major fiber routes.** Ultimately, the best way to improve service ability is to construct more miles of broadband networks. Although it can be costly, the City should continually seek out opportunities to construct lateral connections to expand the existing networks.
5. **Support Lit San Leandro on a nondiscriminatory basis.** Lit San Leandro's dark fiber network, including fiber strands owned by the City, is a resource few cities can offer and is a competitive advantage in attracting expanding and relocating businesses.
6. **Develop WiFi hotspots in Downtown San Leandro.** WiFi as a community amenity can encourage foot traffic and attract connected business people and consumers.
7. **Support business connections to broadband service.** To incentivize the construction of physical connections between businesses and existing networks, the report recommends that the City add a broadband connection component to the City's existing business incentive programs.

A draft of the Commercial Broadband Strategy was presented at a City Council Work Session on April 9, 2012. After that meeting, the draft report and presentation were posted on the City's website and distributed to interested stakeholders for review and feedback. Several modifications were made to the final version of the report, however, the core recommendations are consistent with what was presented at the Work Session. Revisions to the final report include expanded discussion of plans to expand and market Lit San Leandro and some clarification in regard to wireless facilities. These revisions reflect feedback received after the Work Session.

In many ways, implementation of the recommendations is already underway. The City is actively working to market and support the Lit San Leandro project (recommendation #5) and plans are in place to implement a broadband connection business incentive program (#7). Other recommendations, such as downtown WiFi and an open trench policy, have received strong support and will be considered in more detail in the coming months.

Previous Actions

The City Council approved a Consultant Services Agreement with Tellus Venture Associates on June 6, 2011 for development of a Commercial Broadband Strategy

Summary of Public Outreach Efforts

Data used to develop the Commercial Broadband Strategy was obtained through a public outreach process that included two public workshops, meetings with individual businesses and property owners, and an online survey. The draft Commercial Broadband Strategy was presented at a City Council Work Session on April 9, 2012. After that meeting, the draft report and presentation were posted on the City's website and distributed to interested stakeholders for review and feedback.

Fiscal Impacts

Adoption of the Commercial Broadband Strategy does involve the appropriation or expenditure of any funds. Costs to implement the recommendations are detailed in the Strategy along with a summary of available non-local funding sources.

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City of San Leandro

Meeting Date: September 17, 2012

Resolution - Council

File Number: 12-362

Agenda Section: ACTION ITEMS

Agenda Number:

TO: City Council

FROM: Chris Zapata
City Manager

BY: Lianne Marshall
Assistant City Manager

FINANCE REVIEW: Not Applicable

TITLE: ADOPT: Resolution Adopting the San Leandro Commercial Broadband Strategy (adopts the Broadband Strategy which will guide ongoing efforts to expand broadband access for businesses in San Leandro)

WHEREAS, Broadband Internet access for businesses has been recognized as a basic infrastructure for economic development, supporting the operations of existing San Leandro businesses and enhancing the City's ability to attract and develop new businesses; and

WHEREAS, an assessment of current broadband availability in San Leandro identified numerous opportunities for improvement, particularly in commercial and industrial areas; and

WHEREAS, the San Leandro Commercial Broadband Strategy was developed in conjunction with an extensive community outreach process, including two public workshops, an online survey, meetings with service providers, meetings with individual businesses and property owners, and presentation of a draft report at a City Council Work Session on April 9, 2012; and

WHEREAS, the Commercial Broadband Strategy details several strategies that the City can employ to improve broadband availability for businesses in San Leandro; and

WHEREAS, the ongoing deployment of the Lit San Leandro fiber optic loop presents an opportunity for San Leandro to be a national leader in providing world class broadband service; and

WHEREAS, a final draft of the Commercial Broadband Strategy, a copy of which is attached, has been presented to this City Council.

NOW, THEREFORE, the City Council of the City of San Leandro does RESOLVE as follows:

The City Council does hereby adopt the San Leandro Commercial Broadband Strategy.



City of San Leandro

Meeting Date: September 17, 2012

Minute Order - Council

File Number: 12-448

Agenda Section: ACTION ITEMS

Agenda Number:

TO: City Council

FROM: Chris Zapata
City Manager

BY: Lianne Marshall
Assistant City Manager

FINANCE REVIEW: Not Applicable

TITLE: MOTION: Motion Establishing the Broadband Connection Business Incentive Program as an Eligible Use of the FY 2012-13 Funding Appropriation for Business Incentive Programs
