



ConnectALL

CAPITAL PROJECTS FUND



PERFORMANCE REPORT 2023
Affordable Housing Connectivity Program

PROGRAM INFORMATION

Approved Program Plan number: CPF_GP-000144

Program start date: March 29, 2023

Performance reporting period: March 29, 2023 – June 30, 2023

Performance report submission date: July 31, 2023

Program end date: December 31, 2026

CPF funds allocated to this Program: \$100,000,000.00

OVERVIEW

In March 2023, the U.S. Department of Treasury, along with representatives from the White House and the State of New York, [announced the approval](#) of New York's plan to deploy \$100 million of Coronavirus Capital Projects Funds to support broadband access for communities who live in affordable housing. The ConnectALL Office (CAO), in consultation with New York State Homes and Community Renewal (HCR), is offering the Affordable Housing Connectivity Program (AHCP), aimed at improving broadband access in affordable housing rental units, by providing funding to deploy new and/or upgraded broadband infrastructure to and within affordable housing properties.

Program funding will provide connections to the buildings, new/upgraded in-building wiring, and additional network components and equipment required to deliver upgraded broadband service to residents of affordable housing properties. By subsidizing deployment of fiber and in-building wiring to and within affordable housing properties, the AHCP will connect thousands of households to reliable, affordable, high-speed fiber-based broadband service. The program will increase affordability of service options by changing broadband delivery economics for Property Owners and Internet Service Providers (ISPs) and by lowering the barrier for ISPs to access broadband infrastructure to and within these properties for the purposes of providing service to end-users.

USE OF FUNDS

CAO's work to develop the AHCP to date has focused on the following key activities: program design, program pipeline development, and stakeholder engagement. In this pre-deployment phase, CPF administrative funds have been utilized for CAO staff and consultant support for these activities.

Program Design

In the reporting period, CAO finalized the design of the AHCP and prepared for launch of the Request for Applications in Q3 2023. In March 2023, CAO developed grant program guidelines for the AHCP that were approved by the ESD Board of Directors. The Guidelines include plans for program administration, a list of eligible entities that can apply for grants, a description of CAO assistance that may be provided to applicants, eligible uses of funds, ineligible uses of

funds, criteria for applicant selection, application requirements, and preliminary details on reporting requirements.

CAO gathered input to inform the AHCP Request for Applications, which will be the mechanism to accept proposals for grant funding. The stakeholder and community engagement to inform the RFA is described in “Stakeholder and Community Engagement” below. The RFA will build off of the Grant Program Guidelines with additional details on program eligibility, grantee performance expectations, and compliance requirements, and is expected to be released in Q3 2023. HCR has continued to support CAO as a program design partner by reviewing documents and conducting outreach to and collecting feedback from housing providers.

Project Pipeline Development

Immediately after the announcement of the award for the AHCP Program, CAO launched the “[Broadband in Your Property](#)” (BIYP) survey for owners of affordable housing to express interest in the program and provide basic data about their properties. CAO promoted the survey through earned media, social media, and existing partner channels. HCR and CAO promoted the survey through direct outreach to housing owners, as well as promotion on their respective websites. CAO promoted the survey through multiple public events. CAO has received over 200 unique survey responses representing more than 35,000 units of affordable housing in every region of the state. Approximately one-third of the housing units submitted in the survey are in New York City; two-thirds are in the rest of the state.

CAO developed a comprehensive inventory of affordable housing properties across the state to refine its assessment of properties potentially eligible to participate in the program. CAO combined multiple sources of data on affordable housing properties, both publicly and privately owned, throughout the state, including data from HCR, NYSAFAH, and the National Housing Preservation Database (NHPD). CAO used this dataset to analyze the distribution and characteristics of affordable unit types, housing owners with large and small portfolios of properties, and shares of state-regulated affordable housing properties and unit counts at regional, county, and city levels. CAO drew on this analysis to develop grant program scoring criteria and inform outreach strategies to maximize potential participation in the program from array of owner types, including public and private, as well as large and small, across the state.

CAO began integrating its inventory of affordable units in the state with data from the State’s interactive broadband map and with data released on May 30, 2023, from the FCC’s National Broadband Map. CAO will use this analysis to inform further project pipeline outreach and scoring criteria.

CAO developed an in-depth “Building Conditions Self-Assessment” for owners to provide more detailed information on their properties, including their current broadband infrastructure and services and their operational capacity to facilitate a broadband equipment retrofit in coming months. CAO will use this information to inform AHCP’s property “bundling” and project proposal process, wherein CAO will aggregate properties based on close geographic proximity and other characteristics to match with interested ISPs for efficient and cost-effective deployment.

Stakeholder and Community Engagement

The design of this program has been informed by a comprehensive research and program design effort involving input from HCR, the New York City Department of Housing Preservation

and Development (HPD), the New York State Association for Affordable Housing (NYSFAFH), public and non-profit housing organizations, and other stakeholders to identify and quantify the broadband access and digital equity challenges specific to affordable housing properties.

In the Performance reporting period, including prior to the announcement of the grant award, CAO held focus groups with public and private affordable housing property owners, including one with those new to broadband and one with those who had past experience completing fiber retrofits. CAO also conducted eight key informant interviews with leading state and regional housing organizations and hosted a listening session with NYSFAFH members.

All of these engagements were focused specifically on the AHCP, but housing stakeholders have participated in several other CAO engagement efforts as well, including a series of ten regional listening sessions held between March and June 2023 that brought together over 1,000 participants from all regions of the state for interactive breakout discussions on broadband needs and challenges. CAO launched a statewide digital equity survey in May 2023, which included questions tailored to residents of affordable housing. The survey closed at the beginning of July and CAO began analysis of the data. CAO, through partnerships with digital equity organizations in every region of the state, conducted 40+ focus groups focused on members of several marginalized communities, including low-income households, aging individuals, individuals with disabilities, and members of racial and ethnic minority groups, all of which have significant overlap with the state's affordable housing resident population.

CAO conducted a virtual forum series that has included events targeted to ISPs, Community Anchor Institutions (including housing organizations), county governments, and regional planning and economic development organizations. The forum with ISPs on June 20, 2023, included 65 participants; CAO presented information on the AHCP and Treasury presented information on CPF program requirements.

In addition, CAO engaged with ISPs through individual meetings and more than 40 in-depth interviews with ISPs and other potential deployment partners currently operating or interested in operating in the state.

Activities Planned for the Next Reporting Period (July 2023 – June 2024)

Throughout the next year, CAO will continue building momentum for the program by finalizing program solicitation materials, launching public participation in the AHCP, and continuing to build the pipeline of properties. Key accomplishments anticipated in the upcoming year include:

- **Outreach and Stakeholder Engagement.** CAO expects to continue outreach throughout the life of the AHCP, with the greatest outreach efforts taking place in Q3 and Q4 2023. CAO created a property Owner Outreach Strategy which will combine in-person and virtual events, email marketing, presentation at conferences and stakeholder meetings, and direct outreach to ensure that eligible entities statewide are aware of, and prepared to participate in, the program. CAO prepared a promotional materials “toolkit” for CAO partners including State agencies, county and local governments, regional planning and economic development organizations, and housing associations and organizations, for dissemination to their respective statewide networks of housing contacts. CAO held a forum for county and local governments to preview the toolkit and will continue to use the virtual forum format to engage stakeholders.

- **Request for Applications.** CAO will issue an RFA to gather proposals to deliver broadband service to the housing units gathered through the Broadband In Your Property survey. CAO will promote the RFA to all eligible applicants and use the RFA to further increase participation from housing owners. CAO plans to publish the RFA in Q3 2023. CAO will bundle properties based on geography and other characteristics to increase interest among ISP program participants and promote efficient deployment. CAO will prioritize properties for the program, taking into consideration factors including existing broadband conditions and the potential impact for residents and the surrounding community.
- **Project Awards.** After scoping projects based on bundles of housing properties and identifying internet service providers, CAO will award projects based on the criteria described in the RFA. CAO will work closely with ISPs to develop construction plans, prepare any needed permit and access applications, secure approvals from relevant public entities, and ensure compliance with local, state, and federal regulations, as well as all requirements of CPF and the AHCP. CAO will facilitate building access agreements, service agreements, definitions of roles and responsibilities, and other requirements for partnerships between housing providers and grantees. CAO staff will regularly check in with ISP-property owner project teams to monitor implementation progress, provide input, and troubleshoot issues.
- **Service Activation.** Once CAO confirms construction on a specific property is complete, grant recipients will be able to begin offering internet service to residents. All service funded through the AHCP will comply with CPF program requirements, including offering 100 Mbps symmetrical service options, offering service options subsidized by the Affordable Connectivity Program (ACP), offering low-cost service options for households not eligible for ACP subsidies, and reporting pricing information to CAO, as well as additional CAO requirements as described in the RFA and grant agreements.
- **Ongoing Reporting and Maintenance.** After service is activated within a building, CAO will continue project monitoring to ensure compliance with Treasury and CAO program requirements and gather key program impact metrics, including details on the quality, speed, and pricing of service delivered.

Notable Challenges

CAO's focus to date has been raising awareness about the program among affordable housing property owners. CAO has identified interested property owners representing over 30,000 affordable housing units. While that represents significant early progress, CAO has determined it will need additional outreach methods to bring enough participants into the program to reach the deployment goal for the program of 100,000 units.

CAO is now increasing its property owner outreach efforts through a multi-pronged promotion strategy, to be executed beginning in Q3 2023, that will combine direct outreach and outreach through multiple trusted partners to ensure that eligible entities statewide are aware of, and prepared to participate in, the program. CAO will distribute an outreach "toolkit" to partners, including local government leaders, to use for promotion in their area. CAO will provide contact information for housing providers and update partners on the response rate in their area.

PROMOTING EQUITABLE OUTCOMES

As the AHCP is still in its pre-deployment phase, CAO is not yet able to report on end-user outcomes. However, CAO is incorporating equity as a key guiding principle in all aspects of program design. CAO's extensive outreach and stakeholder engagement work to date has prioritized engagement of a diverse range of audiences, including ISPs; private and non-profit housing organizations; tenant organizations; owners of individual housing properties; State, regional, county, and local government entities; and members of the public. Within these categories CAO has sought to minimize barriers to entry and attract a wide variety of participants, for example, by targeting outreach both to incumbent and start-up ISPs, large and small property management companies, and housing owners with and without previous experience managing broadband retrofits. In engagement with members of the public, CAO has prioritized marginalized communities including low-income households, aging individuals, individuals with disabilities, and members of racial and ethnic minority groups, all of which have significant overlap with the state's affordable housing resident population. CAO has also been committed to accessibility and inclusivity, with ASL and other language interpretation, closed captioning, and other accessibility accommodations available at public engagement events, and public-facing materials made available in multiple languages and formats.

CAO has sought to incorporate a variety of engagement methods in its stakeholder engagement, from surveys of the general public to 1:1 stakeholder interviews, online virtual forums to in-person listening sessions and focus groups, and engagements tailored to a range of audiences and subject areas, CAO has offered many different ways to get involved and provide input, and will continue to identify other ways for stakeholders to participate.

Equity has also been a consistent priority in CAO's program design, starting with CAO's decision to prioritize investment in affordable housing properties in the first place. Affordable housing residents are disproportionately impacted by the digital divide, as this population has significant overlap with low-income communities, individuals with language barriers, seniors, people with disabilities, and other historically marginalized communities. CAO will prioritize selecting projects that can demonstrate potential positive impact for residents, and, when feasible, the surrounding community.

Finally, CAO has sought to prioritize equity in its selection of program participants. Guided by stakeholder input from ISPs, housing organizations, and property owners, CAO will ensure that program eligibility parameters, application requirements, evaluation criteria, and compliance requirements allow for participation from a wide range of housing owners and ISPs.

LABOR

CAO intends to treat projects under the Affordable Housing Connectivity Program as "covered projects" under the New York State WIRED Act of 2022, which includes the following requirements with respect to labor and contracting:

- All workers will be paid prevailing wages.
- Applicants must certify compliance with relevant workplace safety standards and other worker protections.

- Applicants must submit a workforce plan identifying the anticipated size of the workforce required to carry out the proposed work, whether the workforce will be directly employed or subcontracted, and a description of plans to maximize use of local or regional workforce; and a description of the expected workforce safety standards and training to ensure the project is completed at a high standard.
- Projects will be subject to Empire State Development's objectives and goals of certified minority and women-owned business enterprises and certified service-disabled veteran-owned businesses.
- CAO will consult with the division of minority and women's business development and the division of service-disabled veterans' business development to make training and resources available to assist minority and women-owned business enterprises and service-disabled veteran-owned business enterprises to achieve and maintain compliance with prevailing wage requirements.



A Division of Empire State Development