

**Grant Program Guidelines**  
**ConnectALL Deployment Program**

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**State of New York**

Kathy Hochul, Governor

**Empire State Development**

ConnectALL Office



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## A. Definitions

In these guidelines, the terms below shall have the following meanings:

- "Affordable Connectivity Program" (ACP) shall mean the Federal Communications Commission's federal subsidy program which provides a monthly discount for internet service subscription costs and a one-time discount for an internet-enabled device for eligible households.
- "Applicant" shall mean the entities described in Section E – Eligible Applicants, that will apply to participate in the ConnectALL Deployment Program (the "Deployment Program" or "the Program").
- "Application" shall mean the materials submitted to CAO (defined below) by an Applicant seeking to participate in the ConnectALL Deployment Program, which shall be aligned with the specific requirements of a Request for Applications (RFA).
- "Broadband" shall mean high-capacity transmission technology that transmits data, voice, and video across long distances and at high speeds. As defined by the Federal Communications Commission (FCC), broadband is internet service with a minimum of 25 Mbps download and 3 Mbps upload speeds.
- "Broadband, Equity, Access, and Deployment Program" (or "BEAD Program") is the federal grant program, administered by the NTIA (defined below), which will provide \$42.45 billion nationally for broadband infrastructure planning and deployment.
- "Community Anchor Institution" shall mean an entity such as a school, library, health clinic, health center, hospital or other medical provider, public safety entity, institution of higher education, public housing organization, or community support organization that facilitates greater use of broadband service by vulnerable populations, including, but not limited to, low-income individuals, unemployed individuals, children, the incarcerated, and aged individuals.
- "ConnectALL Office" (or "CAO") shall mean New York State's division of broadband access, established through passage of the New York State WIRED Broadband Act in 2022 and with powers to: coordinate the activities of all state agencies performing functions affecting access to high-speed, reliable, and affordable broadband; conduct research and analyses of matters affecting access to high-speed, reliable, and affordable broadband; and establish and implement programs, including grant programs, to expand access to high-speed, reliable, and affordable broadband; and other powers. CAO is responsible for the implementation of the ConnectALL Initiative announced by Governor Hochul in January 2022.
- "Eligible Addresses" (or "EA") are those identified by CAO as Unserved or Underserved (defined below).
- "Fiber" refers to optical fiber, which carries information from one place to another via transmitted pulses of infrared light.
- "Grant Area" (or "GA") is an area, identified by CAO, comprised of Eligible Addresses, for which CAO may grant funds to an Applicant through the ConnectALL Deployment Program for the purpose of providing broadband service.
- "Grantees" shall refer to selected/awarded Applicants.
- "Internet Service Provider" (or "ISP") shall refer to a company that provides subscribers with access to internet.
- "National Telecommunications and Information Administration" (or "NTIA") is part of the U.S. Department of Commerce and the administrator of the BEAD Program.

- “Public Service Commission” (or “PSC”) is the New York State agency that regulates and oversees electric, gas, water, and telecommunication industries in the state.
- “Unserved Location” refers to an address that has no access to broadband service, or lacks access to broadband service with a speed of not less than 25 Mbps for downloads; a speed of not less than 3 Mbps for uploads; and latency less than or equal to 100 milliseconds.
- “Underserved Location” refers to an address that lacks access to broadband service with a speed of not less than 100 Mbps for downloads; a speed of not less than 20 Mbps for uploads; and latency less than or equal to 100 milliseconds.

## **B. Statutory Authority**

Section 16-GG\*2 of the New York State Urban Development Corporation Act (“UDC Act”), Chapter 174 of the Laws of 1968, as amended via the WIRED Broadband Act (2022), establishes the Division of Broadband Access, with the stated goal to “assist in ending the digital divide, supporting a more robust and competitive internet marketplace, and carrying out other actions to ensure universal access to high-speed, reliable, and affordable broadband.” See UDC Act, §16-GG\*2(1).<sup>1</sup> The statute also establishes the ConnectALL Deployment Program “to provide grant funding to construct infrastructure necessary to provide broadband services to unserved and underserved locations in the state.” See UDC Act, §16-GG\*2(7).

## **C. Program Background**

The ConnectALL Initiative, announced by Governor Kathy Hochul in January 2022, is an ambitious set of programs and activities aimed at addressing New York State’s digital divide, transforming the state's digital infrastructure, and ensuring that all New Yorkers have access to reliable and affordable high-speed broadband internet service. ConnectALL programs are designed and administered by the ConnectALL Office (“CAO”), which is within the New York State Urban Development Corporation d/b/a Empire State Development (“ESD”).

The U.S. Department of Commerce’s National Telecommunications and Information Administration (“NTIA”) has also allocated \$664.6 million to the State of New York through the Broadband Equity, Access, and Deployment (“BEAD”) Program to support the deployment of broadband to unserved and underserved locations statewide. ConnectALL may supplement these federal funds with other funding, where warranted, to meet the strategic goals of the program. Upon completion, the infrastructure funded through the ConnectALL Deployment Program will deliver, in accordance with Section 16-GG\*2 of the UDC Act and BEAD Program requirements, broadband service that reliably meets or exceeds 100 Mbps upload and 20 Mbps download speeds.

The State of New York also seeks to use the funding in the ConnectALL Deployment Program to stimulate additional last-mile broadband investment in New York. While, per federal program requirements, BEAD funding must be prioritized for construction to addresses that are currently unserved and underserved, Program scoring will consider Applicants’ demonstrations of how they intend to invest their own funds to connect Community Anchor Institutions within their project area(s), in the event they receive awards under this Program.

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<sup>1</sup> See [https://www.nysenate.gov/legislation/laws/UDA/16-GG\\*2](https://www.nysenate.gov/legislation/laws/UDA/16-GG*2).

This Program is informed by an analysis published by the New York State Public Service Commission (“PSC”) in 2022 (updated in 2023), which indicates that the digital divide remains a significant challenge in New York. PSC’s data show that several thousand locations in the state lack access to reliable high-speed service. This data is further confirmed by federal broadband maps, which are the required basis for determining eligibility for the federal funds.

The Program is additionally informed by engagement between ConnectALL and a wide range of stakeholders including local, county, and Tribal government entities, regional planning and economic development entities, municipal utilities, electric coops, broadband infrastructure owners, Internet Service Providers (ISPs), broadband network investors, digital equity organizations, community-based organizations, and members of the public.

Specifically, ConnectALL engaged with stakeholders in the following ways:

- Multiple meetings with county government officials and Regional Planning Councils;
- Multiple consultations with First Nations;
- Over 45 interviews and two virtual forums with ISPs, as well as 70 meetings with potential subgrantees or partners, including electric co-ops, middle-mile infrastructure owners, and investors; and
- A 30-day public comment period during which nearly 100 comments were received and reviewed on the draft Broadband, Equity, Access, and Deployment Initial Proposal, which will ultimately provide the framework for implementation of the federal funds pending approval by NTIA.

#### **D. Program Administration**

The ConnectALL Deployment Program will provide grant funding directly to Eligible Applicants (see Section E) to construct and install: 1) last-mile infrastructure; and/or 2) communications equipment that can deliver broadband services to unserved and underserved locations.

CAO will preliminarily identify unserved and underserved locations in the state (Eligible Addresses) using data from the FCC’s National Broadband Map and the NYS Public Service Commission’s broadband map. CAO will publish its preliminary list of Eligible Addresses and, in accordance with BEAD Program requirements, administer a challenge process during which local governments, nonprofit organizations, and ISPs will be able to challenge locations’ eligibility for Program funding. The post-challenge list of Eligible Addresses will be subject to review and approval by NTIA; after approval, CAO will aggregate locations from the final Eligible Address list to determine a set of Grant Areas (“GAs”) that will be eligible to receive funding through this Program.

In identifying Grant Areas, CAO will consider the following criteria:

- **Potential for competition** among applicants to submit competitive and attractive applications to serve those areas. Ideally, Grant Area design will encourage competition among applicants and result in multiple bids.
- **Unserved and underserved locations.**
- **Economic and technical viability and efficiency.** Grant areas will reflect CAO’s internal data, modeling, and engineering expertise regarding the most economically viable grouping of unserved and underserved locations into a single geographic unit for bidding.

- **Community needs.** CAO will endeavor where possible to ensure that boundaries appropriately reflect unique local circumstances.
- **Overall program efficiency.** CAO will consider the operational and administrative burdens of reviewing applications in determining Grant Areas.
- **Political, geographical, and topographical boundaries and features** that may impact network design and architecture.
- **Existing funding commitments.** Locations are excluded that lie within areas that have existing, enforceable federal or State funding commitments for reliable terrestrial service at speeds of at least 100 Mbps download and 20 Mbps upload (e.g., the New New York Broadband Program, FCC Rural Digital Opportunity Fund, USDA ReConnect, NTIA Broadband Infrastructure Program, RUS Loans). Locations with an existing enforceable federal or State commitment for satellite service are not excluded because satellite service is not considered broadband service for purposes of this Program.

Applicants may apply for funding for multiple GAs but must submit a separate application for each GA.

In addition to the challenge process described above, CAO will work with county governments to gather local data on unserved and underserved locations which may be eligible for funding.

CAO will be the administrator of the ConnectALL Deployment Program. As such, it, or its duly authorized representative, will determine program structure and requirements, evaluate Applicant information, monitor Grantees for project completion and satisfactory performance, collect Grantee data to ensure compliance with all program requirements and verify allowable uses of funds, and approve disbursement of grant funds to selected Grantees.

A Grant Disbursement Agreement (GDA) will be executed between CAO and Grantee, the Applicant selected to work on and matched to GAs.

Grantees selected to deploy infrastructure in GAs will be responsible for coordinating directly with CAO to determine an agreed-upon project deployment schedule, secure access to facilities for installation work, and liaise with residents in GAs. CAO will provide documents to guide Grantees, such as a target deployment schedule, communication method recommendations, inspection and completion verification procedures, and process remedies, which will be reflected in the GDA.

CAO may assist in identifying technical assistance resources available to Grantees, depending upon assessed need as grants are awarded.

#### **E. Eligible Applicants**

Eligible Applicants may be individual organizations or may be a consortium of multiple organizations with a single lead entity. Applications from multi-entity collaborations must be led by an entity that is authorized and capable of accepting all responsibility and risk for the grant if awarded. The lead Applicant may be a corporation; a local unit of government, including counties, cities, towns, villages, and Tribal Nations; a regional planning board formed under the provisions of New York State General Municipal Law; a local development corporation or a 501(c)(3) not-for-profit corporation; or a new entity created by the collaborators. The lead entity must be authorized and capable of binding the other entities, executing grant agreements, and ensuring that all Program requirements are satisfied.

Not-for-profit applicants, prior to ESD Directors' approval and execution of a grant with ESD, must be registered and up to date on filings with the New York State Office of the Attorney General's Charities Bureau, the New York State Office of the State Comptroller's VendRep System, and must be prequalified in the New York State Grants Gateway.

#### **F. Program Assistance**

The ConnectALL Deployment Program provides financial assistance in the form of one-time grants for use by Grantees. Funds are available for the eligible uses described in Section G – Eligible Uses, and for the additional activities set forth in the GDA to be shared with, negotiated, and agreed upon between CAO and Grantees. A portion of this Program's funding comes from the U.S. Department of Commerce's BEAD Program and, therefore, the State and its Grantees are required to follow the respective compliance requirements of that program, as described in NTIA's BEAD Notice of Funding Opportunity<sup>2</sup> and related guidance.

CAO may choose to provide non-capital resources to Grantees in the form of technical assistance related to Eligible Activities, coordination between Grantees and other entities, or reporting requirements.

#### **G. Eligible Uses**

Eligible uses for program funding are capital expenses directly related to the deployment of a qualified broadband project including but not limited to:

- Deploying and/or upgrading broadband network facilities in connection with deploying service to unserved or underserved locations;
- Deploying and/or upgrading broadband network facilities to provide or improve service to an eligible Community Anchor Institution;
- Data collection, broadband mapping, and planning to facilitate the goals and deliverables of the BEAD Program; and
- Installing Internet and Wi-Fi infrastructure within a multi-family residential building.

#### **H. Ineligible Uses**

The program will not fund activities defined as ineligible uses under applicable State and federal law, including the federal guidance for the BEAD Program as described in NTIA's BEAD Notice of Funding Opportunity and related guidance.

#### **I. Application and Selection Process**

CAO will administer a multi-step process to select Grantees, beginning with a prequalification of applicants and proceeding to the receipt and scoring of grant applications.

CAO will issue a Pre-qualification Application (PA), in which it will request details including, but not limited to, Applicants': financial managerial, technical, and operational capabilities; compliance with State and federal laws; ownership structure and shareholder interests; other sources of public funding; labor practices; workforce development plans and practices; supplier diversity efforts; natural hazard, cybersecurity, and supply chain risk mitigation approaches; and compliance with Program requirements.

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<sup>2</sup> See <https://broadbandusa.ntia.doc.gov/sites/default/files/2022-05/BEAD%20NOFO.pdf>.

Applicants approved through the prequalification process will be able to proceed to submit grant applications to CAO.

CAO will issue a Request for Applications (RFA), in which it will set forth specific program details and eligibility/selection criteria for Grantees in line with these Program Guidelines. Upon receipt of applications, CAO will review applications for eligibility, completeness, and conformance with these guidelines. Applications shall be processed in full compliance with the applicable provisions of federal and State law, including 16-GG\*2 of the New York State Urban Development Corporation Act.

Based on the information provided in the applications (see Section J - Application Requirements), CAO will evaluate the applications according to criteria put forward in the RFA. Applicants who are deemed competitive based on the evaluation criteria will be advanced to interviews and negotiations with CAO for the GA(s) selected by the Applicant in its application(s).

Once conditionally selected, CAO will negotiate with the Applicant to determine the final GA(s) to be served. CAO may approach the entity to submit an additional application for a specific GA or multiple GAs. In the event no applications are received for one or more GAs, CAO reserves the right to solicit additional proposals for such areas.

CAO will submit its list of conditionally selected Grantees to NTIA for review and approval; following NTIA approval, CAO will negotiate an Incentive Proposal, which will outline the agreed-upon project details, including deployment schedules, payment schedules, and penalties for failures to comply with Program requirements. Capital grants will also require a public hearing and approval from the Public Authority Control Board (PACB) prior to submission of a Grant Disbursement Agreement to the ESD Board for approval. Grantees cannot receive payments on their grant awards without an executed Grant Disbursement Agreement.

In parallel to the multi-step Grantee selection process described above, if a County government has completed an award process similar to the ConnectALL Deployment Program (i.e., competitively selected and focused on broadband deployment to unserved and underserved areas), CAO may partner with the County to issue grant funding to support ISP partner(s) deploying service. CAO may exercise different approaches to deploying funds in this circumstance. County governments may serve as an intermediary Grantee, responsible for managing and monitoring the performance of ISP subgrantees. Using the results of the County's selection process, ConnectALL may also award grant funding directly to ISPs that have been selected by the County. Situational, logistical, and circumstantial factors will determine which approach CAO uses to deploy funds. CAO will ensure that projects funded through either mechanism meet all requirements of the Program and will use a transparent, open, and competitive process to identify Counties to receive ConnectALL support. CAO may provide a template of a Service-Level Agreement (SLA) between the Grantee and end-users that outlines the terms for service speed, uptime, latency, privacy, and customer service offerings, in accordance with CAO's service performance expectations.

There may be a separate set of terms for long-term quality and use of fiber to provide affordable service. As part of these terms, participation in the Affordable Connectivity Program (ACP), or any successor program, will be a requirement and baseline qualification of all ISPs seeking to receive grants as part of the ConnectALL Deployment Program. Grantees will be required to represent their commitment within their GDAs and provide a copy of their ACP provider enrollment verification for



CAO's review during the application process. Grantees will be required to certify their continued participation in the ACP (or any successor program) in regular reporting to CAO.

#### **J. Application Requirements**

The application requirements will be further defined in the Request for Applications (RFA).

CAO anticipates that Applicants may need to submit information including, but not limited to: certifications of financial capacity to take on the proposed project(s), financial security, a detailed project budget and business case analysis, details on proposed project staffing, and a detailed description of the proposed project including network design, technical specifications, and deployment timelines and milestones.

Furthermore, in accordance with the requirements of Article 15-A of the New York State Executive Law: Participation by Minority Group Members and Women with Respect to State Contracts, Projects awarded funding shall be reviewed by ESD's Office of Contractor and Supplier Diversity, which may set participation goals to the extent not preempted by federal requirements.

Applicants must submit the EEO Policy Statement (Form OCSD-1) <https://esd.ny.gov/sites/default/files/OCSD-1-Policy-Statement.pdf> with their application confirming their understanding of the MWBE requirements and agreeing to show due-diligence and make good faith efforts to provide meaningful participation by MWBE's, whenever possible, if awarded grant funding.

ESD's agency wide MWBE utilization goal is 30%. Each Project may be assigned an individual grant-specific goal, which may be higher or lower than 30%. Should an Applicant receive a funding award, the Applicant shall be required to use good faith efforts to achieve the prescribed MWBE goal assigned to this Project. Applicants must maintain such records and take the actions necessary to demonstrate such compliance. Failure to achieve the specified MWBE goal may result in award reduction.

In 2014, the Service-Disabled Veteran-Owned Business Act was signed into law. The new law created the Division of Service-Disabled Veterans' Business Development in Office of General Services to certify, promote and encourage economic development among disabled veterans throughout the state. Project Applicants are urged to work with Service-Disabled Veteran-Owned Businesses (SDVOBs) and a directory can be found at <https://ogs.ny.gov/Veterans>.

#### **K. Evaluation Criteria**

The Program evaluation criteria will be further defined in the RFA.

#### **L. Compliance, Monitoring, and Reporting Requirements**

CAO will provide guidance on compliance procedures and eligible costs. CAO will require Grantees to include along with their reports:

- A certification that program funds were spent only on eligible uses and in compliance with State and federal guidelines; and
- Detailed documentation of all expenditures.

CAO may provide technical assistance and support to Grantees for completing project and expenditure reports. CAO may work with Grantees to revise report materials or provide additional documentation if required.

CAO may require Grantees to submit materials including, but not limited to:

- Detailed project construction plans and network designs;
- Permitting, licensing, and access approvals necessary for construction;
- Detailed documentation of project expenses; and
- Regular reports on project progress, risks, expenditures, and impact against objectives.