

25. Accept and file status update on broadband and digital equity activities in Santa Cruz County, and take related actions ()



County of Santa Cruz Board of Supervisors

Agenda Item Submittal

From: Information Services Dept.

Subject: Master Broadband Plan Status Report

Meeting Date: March 25, 2025

Formal Title: Accept and file status update on broadband and digital equity activities in Santa Cruz County, and take related actions

Recommended Actions

1. Accept and file a status report on the Santa Cruz County broadband activities; and
2. Direct the Information Services Department to return on or before September 30, 2025, with any additional updates.

Executive Summary

In February 2024, the Information Services Department (ISD) presented a Broadband Strategic Plan to the Board of Supervisors for the County of Santa Cruz, with an additional update on September 2024. The County of Santa Cruz continues to make significant progress in expanding broadband access through multiple funding opportunities. Under the CPUC's Federal Funding Account (FFA) and California Advanced Services Fund (CASF), Surfnet and Cruzio have been awarded a combined \$20.15 million for broadband infrastructure projects serving unserved and underserved areas. The next CASF funding deadline is July 1, 2025, and the County will continue supporting ISP engagement. Additionally, the County is preparing to apply for \$189,540 from the California Department of Technology's Digital Equity Subgrant Program to support digital literacy and device programs in collaboration with community organizations. The federal BEAD Program has allocated \$1.86 billion to California, with grant applications for ISPs opening in March 2025. Finally, the Information Services Department (ISD) is working to update the County's Broadband Strategic Plan to identify new public-private partnerships and leverage County-owned dark fiber for improved connectivity.

Discussion

California Public Utilities Commission (CPUC) Grant Activity

Under the Federal Funding Account (FFA) managed by the CPUC, the County of Santa Cruz was allocated 10.3 million for the last mile fiber or cable broadband. Surfnet, Inc was awarded 4.4 million in September 2024 for fiber construction in the Hutchesen, Mount Backe and Radonich areas, which serve an estimated 1,423 unserved individuals in the region.

Under the California Advanced Services Fund, Cruzio was awarded \$5.65 million for the Summit to the Seas project, which provides extended Broadband in Santa Cruz County in areas where high speed internet is unavailable, including rural and mountainous regions in the County. Surfnet was also awarded \$10.1 million from CASF for its three County Fiber project which includes fiber along Bear Creek Rd, Empire Grade and Zayante.

The next deadline for submissions for CASF funding is July 1, 2025. ISD will continue to support and engage ISPs for Broadband expansion through these funding streams.

California Department of Technology (CDT) Digital Equity Subgrant Program

The Digital Equity Subgrant Program provides targeted funding for each county to support projects that bridge digital divides and expand access to essential internet services and resources. The allocation for Santa Cruz County is 0.8% of the funding pool or approximately \$189,540 from July 2025 to May 2029 with a focus on impactful and sustainable digital equity projects. The Information Services Department will be submitting an application with the intention of working with local Community Based Organizations to provide digital literacy training and device programs. The CDT has not announced the application window for this grant at this time.

Broadband Equity, Access, and Deployment (BEAD) Program

The BEAD Program is a federal initiative aimed at enhancing broadband infrastructure, with a particular focus on underserved areas. Funded by the Infrastructure Investment and Jobs Act, the BEAD Program provides significant resources to states to expand high-speed internet access. The initiative not only focuses on expanding physical infrastructure but also emphasizes affordability and digital literacy, ensuring that a wider population can benefit from highspeed internet. California has been allocated approximately \$1.86 billion from the BEAD program, which will be distributed by the CPUC. A 30-day period was opened for eligible challengers on July 7, 2024. Eligible challengers included local governments, non-profit organizations and service providers. On July 7 the CPUC also provided local governments tools to engage residents and businesses to provide map challenges. Outreach to residents and businesses was done through social media and community-based organizations by the County and Monterey Bay Economic Partnership (MBEP). Input received by residents focused primarily on reliable service delivery rather than the metric of unserved ($\leq 25/3$) broadband speeds. The final map was submitted to the NTIA by the CPUC on November 4, 2024, and approved. For Santa Cruz County, the areas of unserved and non-served are primarily located in the rural and mountain areas of the County, where geographic constraints have made broadband expansion expensive in the past. The current map matches previous analysis of underserved and non-served areas by the FCC, CPUC and the County Broadband Strategic Plan.

The CPUC has announced that the grant application qualification period for ISPs will begin on March 25th with the BEAD grant application window starting on March 25, 2025, and ending on April 23, 2025. The status and requirements of the BEAD program may change due to the potential restructuring of the program by the new director of the NTIA, Arielle Roth.

Broadband Strategic plan update

The Information Services Department petitioned the CPUC to use the remaining Local Agency Technical Assistance (LATA) grant funding to update the Broadband Strategic Plan. ISD will be engaging Guidehouse to assist in updating the current plan with a focus on identifying opportunities for private / public partnerships using available grant funding and leveraging of the existing County owned dark fiber along Soquel Dr. to connect County anchor institutions and lease to ISPs for extending last mile connectivity into adjacent neighborhoods.

Financial Impact

There is no direct financial impact related to this report. The County of Santa Cruz is not

required to provide matching funds for the awarded broadband grants, as funding is provided through state and federal programs. The County anticipates receiving approximately \$189,540 from the California Department of Technology's Digital Equity Subgrant Program, which will be used to support digital literacy and device access initiatives. Additionally, the County's efforts to update the Broadband Strategic Plan will be funded through remaining Local Agency Technical Assistance (LATA) grant funds. There are no direct financial impacts to the County's General Fund at this time

Strategic Initiatives

Operational Plan - Comprehensive Health & Safety, Dynamic Economy, Operational Excellence

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Recommended By:

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Artificial Intelligence Acknowledgment:

Artificial Intelligence (AI) did not significantly contribute to the development of this agenda item.