



Chatham County, NC

Legislation Text

File #: 22-4235, **Version:** 1

Vote on a request to authorize the County Manager to negotiate and execute an agreement or memorandum of understanding with one or more internet service providers that would use Chatham County American Rescue Plan funds to support applications for Growing Rural Economies with Access to Technology (G.R.E.A.T.) grants, with the condition that an agreement or memorandum of understanding may not commit, or state an intent to commit, more than 50% of the grant match or an amount that exceeds \$1,000,000

Action Requested: Vote on a request to authorize the County Manager to negotiate and execute an agreement or memorandum of understanding with one or more internet service providers that would use Chatham County American Rescue Plan funds to support applications for Growing Rural Economies with Access to Technology (G.R.E.A.T.) grants, with the condition that an agreement or memorandum of understanding may not commit, or state an intent to commit, more than 50% of the grant match or an amount that exceeds \$1,000,000

Introduction & Background: The GREAT grant is a state-level effort to facilitate economic development through the deployment of broadband to unserved areas of the state. Private internet service providers (ISPs) are eligible to submit project for consideration of state funding through this grant opportunity. Locations with unserved areas without access to internet speeds of at least 25:3 within Tier 1, 2 and rural census tracts in Tier 3 counties are eligible for project proposals through this grant. A single grant award cannot exceed \$4 million, and the ISP is subject to funding a match for the awarded project. Minimum speeds of 100:20, scalable to 100 symmetrical by Dec. 31, 2026, is required of any awarded project/ISP.

As this is a competitive grant, each ISP submitting project proposals for grant funding is seeking to make its application as competitive as possible. Each proposal is scored by a point system. A proposed project may receive additional points if the project involves the ISP partnering with the County where the proposed project is located. In addition, the grant match may be significantly reduced if this public-private partnership results in the County using its American Rescue Plan Act (ARPA) funds to support the project's grant match. Accordingly, multiple ISPs have engaged with Chatham County government to seek this type of partnership.

Discussion & Analysis: Having reliable highspeed internet deployed and made available to residences and businesses in the rural areas of the county remains a consistent goal of the Chatham County Board of Commissioners. Until recently, Chatham County has been limited in its ability to advance this goal. With the adoption of the most recent state budget, as well as the recent inclusion of Tier 3 counties as being eligible for the GREAT grant, Chatham County has an opportunity to assist with expanding broadband into underserved areas of the county.

While, as a local government, we understand and recognize the need to connect rural homes and businesses to reliable internet, this sentiment has been expressed throughout the community as well. Specifically, and most recently, this was expressed regularly and consistently by community members

throughout the ARPA Community Conversations, which were held throughout the geography of Chatham County.

Six ISPs have been in communication with Chatham County to partner in the upcoming GREAT grant program application. Each of the ISPs are proposing to create a greater area of service within Chatham County in locations that have been identified as “unserved”. Some, or all, of these ISPs may be interested in entering into an agreement or MOU that demonstrates the County’s commitment to partner with the ISP, if awarded. The anticipated County commitment is primarily tied to the use of County ARPA funds as a portion of the required grant match.

With the level of interest from multiple ISPs, the availability of grant funding, and the known need within the rural communities of Chatham County, staff believes the requested action is reasonable and represents an opportunity to advance the stated goal of making broadband access more readily available in rural Chatham County.

How does this relate to the Comprehensive Plan: The lack of reliable highspeed internet access in the rural areas of the county has been a notable issue of concern for years. This was only exacerbated with the impacts associated with COVID-19. These impacts cannot be fully enumerated; however, the capacity to adapt to these impacts was measured, in large part, by the access one had to reliable highspeed internet. These impacts were realized by businesses and employees, teachers and students, medical providers and their patients, and many more.

Becoming more resilient by adapting to emerging threats, such as the COVID-19 global pandemic, is one of the several objectives specified in Plan Chatham. Greater deployment of broadband access throughout the county, particularly in those areas that have slow to no internet access, can greatly mitigate these impacts, and provide the community with a greater capacity to adapt to them.

Budgetary Impact: The anticipated budgetary impact is to the County’s ARPA funding (up to \$1 million) and would be planned as a one-time expense. There are no ongoing costs associated with this request.

Recommendation: Motion to approve the request to authorize the County Manager to negotiate and execute an agreement or memorandum of understanding with one or more internet service providers that would use Chatham County American Rescue Plan funds to support applications for Growing Rural Economies with Access to Technology (G.R.E.A.T.) grants, with the condition that an agreement or memorandum of understanding may not commit, or state an intent to commit, more than 50% of the grant match or an amount that exceeds \$1,000,000