

**Golden State Finance  
Authority (GSFA)  
Board of Directors Meeting**



**Wednesday, August 18, 2021  
9:00 a.m.**

**1215 K Street, Suite 1650  
Sacramento, California 95814**

**Golden State Finance Authority (GSFA)  
Board of Directors Meeting  
1215 K Street Suite 1650  
Sacramento, CA 95814**

**August 18, 2021 - 9:00 a.m.**

In accordance with Executive Orders N-25-20 and N-29-20, the August 18, 2021 GSFA Board of Directors Meeting will be held virtually.

**MEMBERS OF THE PUBLIC MAY NOT ATTEND THIS MEETING IN PERSON**

The August 18, 2021 GSFA Board of Directors Meeting will be facilitated virtually through Zoom. Members of the public can watch or listen to the meeting using one of the following methods:

1. Join the Zoom meeting application on your computer, tablet or smartphone:

Go to: <https://rcrcnet.zoom.us/j/6117654140?from=addon>

Enter Password: 251172

2. Call-in and listen to the meeting:

Dial +1 (669) 900-9128

Enter meeting ID: 611 765 4140

Enter password: 251172

**PUBLIC COMMENT USING ZOOM:** Members of the public who join the Zoom meeting, either through the Zoom app or by calling in, will be able to provide live public comment at specific points throughout the meeting.

**EMAIL PUBLIC COMMENT:** One may also email public comment to [mdemelo@rcrcnet.org](mailto:mdemelo@rcrcnet.org) before or during the meeting. All emailed public comments will be forwarded to all GSFA Board of Directors members.

**DISABLED ACCOMMODATION:** If you have a disability which requires an accommodation or an alternative format to assist you in observing and commenting on this meeting, or an alternative agenda document format, please contact GSFA at (916) 447-4806 or by email at [mdemelo@rcrcnet.org](mailto:mdemelo@rcrcnet.org) by 9:00 a.m. Tuesday, August 17<sup>th</sup> to ensure arrangements for accommodation.

**AGENDA**

- 1. Call to Order & Determination of Quorum**  
*Chair Supervisor Bob Williams, Tehama County*

2. **Approval of Minutes – June 18, 2021 Board Meeting** **Page 1**  
*(Board Members absent from the meeting will be recorded as abstained unless the Board Member indicates otherwise)*
3. **Member County Concerns**
4. **Public Testimony**  
*At this time any member of the public may address the Board. Speakers are asked to state their name for the record. Comments are usually limited to no more than 3 minutes per speaker.*
5. **Executive Director’s Report**  
*Pat Blacklock, Executive Director*
6. **Build Minority Wealth through Homeownership - 2021 Strategic Initiative**  
*Carolyn Sunseri, RCRC Director of Marketing*
7. **Program Updates** (Discussion and possible action relative to) **Page 6**  
*Craig Ferguson*
8. **Economic Development Activity Updates**
  - a. **Rural Broadband Update** **Page 7**  
*Barbara Hayes, RCRC Chief Economic Development Officer*
  - b. **Authorization for the Executive Director to Apply for and Accept a Broadband Strategic Plan and CEDS Development Grant from the U.S. Department of Commerce Economic Development Administration – ACTION** **Page 15**  
*Barbara Hayes*
9. **Adjournment**

Meeting facilities are accessible to persons with disabilities. By request, alternative agenda document formats are available to persons with disabilities. To arrange an alternative agenda document format or to arrange aid or services to modify or accommodate persons with a disability to participant in a public meeting, please call Milena De Melo at (916) 447-4806 at least 48 hours before the meeting.

Agenda items will be taken as close as possible to the schedule indicated. Any member of the general public may comment on agenda items at the time of discussion. In order to facilitate public comment, please let staff know if you would like to speak on a specific agenda item.



**Golden State Finance Authority  
Board of Directors Meeting  
June 18, 2021 - 8:30 a.m.  
Mono County  
Mammoth Mountainside Conference Center  
10001 Minaret Road  
Mammoth Lakes, CA 93546**

**MINUTES**

**Call to Order & Determination of Quorum**

The meeting was called to order at 8:31 a.m. by GSFA Chair, Supervisor Bob Williams, Tehama County. A quorum was determined at that time. Those present:

<b><u>Supervisor</u></b>	<b><u>County</u></b>
David Griffith	Alpine
Doug Teeter	Butte
Jack Garamendi	Calaveras
Denise Carter	Colusa
Gerry Hemmingsen	Del Norte
Lori Parlin	El Dorado
Michael Kelley	Imperial
EJ Crandell	Lake
Aaron Albaugh	Lassen
David Rogers	Madera
Miles Menetrey	Mariposa
Glenn McGourty	Mendocino
Lloyd Pareira	Merced
Geri Byrne	Modoc
Stacy Corless	Mono
Diane Dillon	Napa
Dan Miller	Nevada
Jim Holmes	Placer
Kevin Goss	Plumas
Bob Tiffany	San Benito
John Peschong	San Luis Obispo
Les Baugh	Shasta
Lee Adams	Sierra
Bob Williams	Tehama
Jeremy Brown	Trinity
Dennis Townsend	Tulare
Kathleen Haff	Tuolumne

Randy Fletcher                      Yuba

**Absent**

Brian Oneto	Amador
Paul Barr	Glenn
Rex Bohn	Humboldt
Matt Kingsley	Inyo
Chris Lopez	Monterey
Michael Kobseff	Siskiyou
Mat Conant	Sutter
Angel Barajas	Yolo

**Officers in Attendance**

Patrick Blacklock, Executive Director  
Craig Ferguson, Deputy Director  
Lisa McCargar, Chief Financial Officer

**Others in Attendance**

Arthur Wylene, RCRC General Counsel  
Mary-Ann Warmerdam, RCRC Senior Vice President – Governmental Affairs  
Tracy Rhine, RCRC Senior Legislative Advocate  
Staci Heaton, RCRC Senior Regulatory Affairs Advocate  
Leigh Kammerich, RCRC Regulatory Affairs Advocate  
Sarah Dukett, Legislative Advocate  
Maggie Chui, RCRC Senior Governmental Affairs Coordinator  
Milena DeMelo, RCRC Controller  
Sanjay Lee, RCRC Financial Analyst  
Barbara Hayes, RCRC Chief Economic Development Officer  
Terrance Rodgers, RCRC Economic Development Officer  
Sarah Bolnik, RCRC Economic Development Officer  
Dorothy Poole, RCRC External Affairs Coordinator  
Carolyn Jhajj, RCRC Communications Director  
Greg Norton, GSNR President

**Others in Attendance**

Randy Hanvelt, CA Loggers Association  
Crystal Crawford, Ygrene Energy Fund

**Approval of Minutes – April 28, 2021 Board Meeting**

*Board Members absent from the meeting will be recorded as abstained unless the Board Member indicates otherwise*

**Supervisor Dan Miller, Nevada County motioned to approve the minutes of the April 28, 2021 GSFA Board of Directors Meeting. Supervisor Randy Fletcher, Yuba County, seconded the motion. Motion passed by a roll call vote:**

**AYE: Alpine, Butte, Calaveras, Colusa, Del Norte, El Dorado, Imperial, Lake, Lassen, Madera, Mariposa, Mendocino, Merced, Modoc, Mono, Napa, Nevada, Placer, Plumas, San Benito, San Luis Obispo, Shasta, Sierra, Tehama, Trinity, Tulare, Tuolumne, Yuba**

**NAY: None**

**ABSTAIN: None**

**ABSENT: Amador, Glenn, Humboldt, Inyo, Monterey, Siskiyou, Sutter, Yolo**

**Member County Concerns**

None

**Public Comment**

Laura Beardsley, Executive Director for Disabled Sports Eastern Sierra, introduced the organization and its partners to the Board. She further talked about whom the organization serves and summarized the activities they offer in the Mammoth Lakes area. She thanked RCRC and its affiliates for the work they do on behalf of rural counties.

**Introduction and Comments from Executive Director**

Patrick Blacklock, Executive Director recognized that the Board members have expressed interest in understanding the housing programs better. He noted that staff is working on a more detailed presentation to the Board to come later this year.

Chair Bob Williams, Tehama County informed the new Board members that both the past chairs and the Executive Committee can provide additional information and insights into the programs.

Supervisor Michael Kelley echoed the message from Chair Williams, adding that county staff should feel free to reach out to GSFA to learn about the programs it offers and how each county can benefit.

Lisa McCargar, Chief Financial Officer, suggested that the next two agenda items be considered and voted upon together. General Counsel Arthur Wylene advised that this was allowable if no Board member objected. There were no objections.

**Approval of GSFA 2020 Audited Financial Statements**

Lisa McCargar, Chief Financial Officer, informed the GSFA Board of Directors that Moss Adams LLP, independent auditors, concluded its audit in May. Moss Adams issued financial statements and a communication letter which contained a clean audit opinion. Ms. McCargar reported that the draft financial statements and communication letter had been reviewed and approved by the GSFA Executive Committee, in their capacity as the Audit Committee, at their May 12, 2021, meeting. The Committee recommended the financial statements be finalized and presented to the full Board for approval and acceptance. With that, Lisa summarized the following recommendation:

**Recommendation**

It is recommended that the GSFA Board of Directors review and approve the 2020 audited financial statements and communication letter as presented.

**GSFA 2021 Local Area Investment Fund (LAIF) Authorization**

Lisa McCargar, CFO informed the Board that with Greg Norton, former Executive Director retiring, the recently appointed Executive Director, Chief Financial Officer (CFO) and Deputy Director be those with authority to transact on behalf of GSFA. Thus, the newly appointed Executive Director as well as Deputy Director shall be added to the list of authorized individuals and positions. With that, Lisa summarized the following recommendation:

**Recommendation**

It is recommended that the GSFA Board of Directors approve the removal of prior Executive Director's authority and add recently appointed Executive Director and Deputy Director as authorized individuals to deposit or withdraw funds in LAIF.

**Supervisor Jim Holmes, Placer County, motioned to approve the 2020 GSFA Audited Financial Statements and Communication Letter as presented and approve the 2020 GSFA 2021 Local Area Investment Fund (LAIF) Authorization. Supervisor David Griffith, Alpine County, seconded the motion. Motion passed by a roll call vote:**

**AYE: Alpine, Butte, Calaveras, Colusa, Del Norte, El Dorado, Imperial, Lake, Lassen, Madera, Mariposa, Mendocino, Merced, Modoc, Mono, Napa, Nevada, Placer, Plumas, San Benito, San Luis Obispo, Shasta, Sierra, Tehama, Trinity, Tulare, Tuolumne, Yuba**

**NAY: None**

**ABSTAIN: None**

**ABSENT: Amador, Glenn, Humboldt, Inyo, Monterey, Siskiyou, Sutter, Yolo**

**Program Updates**

Craig Ferguson provided an update on the existing Housing and Energy Programs. GSFA has been busy with its programs during the last 18 months.

Supervisor Jim Holmes, Placer County asked Mr. Ferguson if GSFA was taking steps to protect itself from a future recession, and losses it could lead to in the second mortgages portfolio. Mr. Ferguson noted that the nature of 2<sup>nd</sup> mortgages, which is what GSFA has purchased through the variety of programs it offers, are subject to certain risk based on market conditions. GSFA works with lenders that have responsible lending practices in place to mitigate potential losses.

David Rogers, Supervisor Madera County, asked and Mr. Ferguson summarized that GSFA recently obtained a rating from Moody's, which may be utilized in possible debt issuance by GSFA.

### **Economic Development Activity Update**

Terrance Rodgers provided an update on Golden State Natural Resources including milestones achieved so far, site selection, securing offtake agreements, environmental studies and project financing.

Barbara Hayes provided an update on GSFA and RCRC's efforts related to Broadband expansion. To advance the investment and delivery of robust broadband to rural California, RCRC has developed a proposed plan of work with different levels of service and deliverables, that will increase RCRC member county readiness to take advantage of broadband funding and investment opportunities. The proposed plan of work is divided into Levels as follows:

1. Level One – foundational readiness
2. Level Two - information-sharing and capacity-building that will result in increased awareness and involvement of local governments.
3. Level Three - Demonstration Project(s) modeled on an open-access, public-benefit, municipal model.

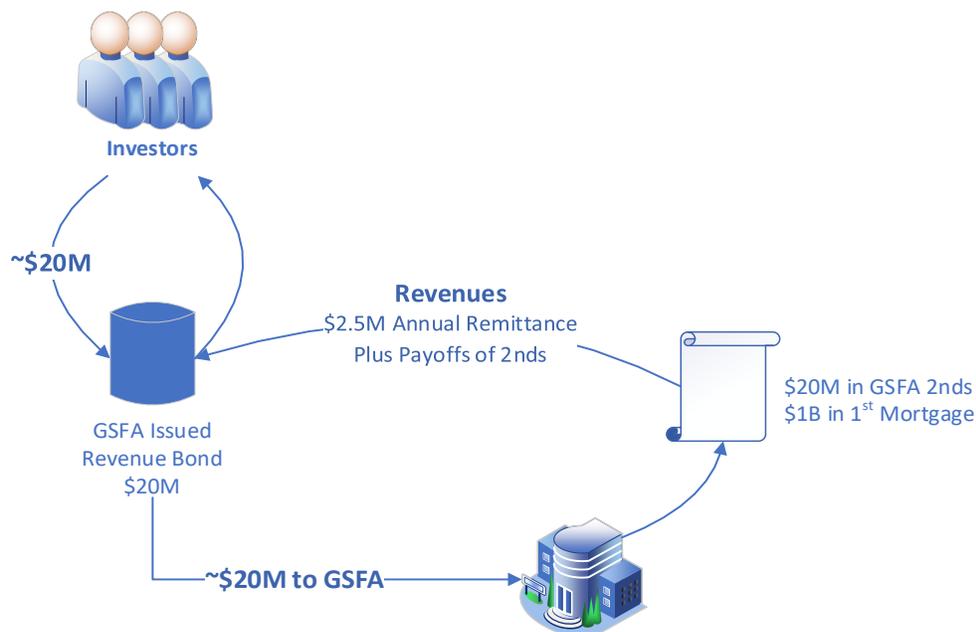
Further, Ms. Hayes provided an update on EDA grant participants, process and timeline thanking the board members and county staff for their efforts in providing information to GSFA and RCRC staff to get the process going.

### **Adjournment**

Supervisor Bob Williams, Tehama County, adjourned the meeting of the GSFA Board of Directors at 9:55 a.m.

**To:** GSFA Board of Directors  
**From:** Craig Ferguson, Deputy Director  
**Date:** August 13, 2021  
**Re:** Program Updates

### Financing Action Team Bond Issuance Approval



### Down Payment Assistance Programs

- Families assisted 2021: 2,185
- First Mortgage Financing 2021: \$755 Million
- Down Payment Assistance 2021: \$29 Million

### Advance Rebate Payment Program (SGIP)

- 164 projects/applications in pipeline (average size ~\$26K)
- 29 projects completed, \$750K recycled



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**To:** GSFA Board of Directors  
**From:** Barbara Hayes, RCRC Chief Economic Development Officer  
**Date:** August 13, 2021  
**Re:** Rural Broadband Update

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### **Summary**

To advance the investment and delivery of robust broadband to rural California, RCRC has developed, and the Board of Directors has approved, a plan of work with different levels of service and deliverables. The service and deliverables range from activities that will increase RCRC member county readiness to take advantage of broadband funding and investment opportunities, to Demonstration Project(s) that will introduce a new model for broadband deployment in rural California.

The plan of work is divided into three levels. Updates on progress and activities within each level are provided below.

### **Level One**

Level One is designed to assist member counties in achieving “foundational readiness” relative to accessing and inviting broadband investment into counties in a strategic manner that ultimately delivers broadband for all residents and businesses. This level of work includes arming all member counties who do not currently have a Broadband Strategic Plan, with the opportunity for development of such a plan. Broadband Strategic Plans are required to access many federal sources of funding for broadband deployment. Additionally, Broadband Strategic Plans will allow local governments to be informed and deliberate when directing and permitting investment by incumbent service providers.

- Received Letters of Support from twenty-six (26) RCRC member counties which have chosen to “opt-in” to the U.S. Department of Commerce Economic Development Administration grant for the development of individual, county-wide, broadband strategic plans
- Received Letters of Support from two (2) RCRC member counties which have chosen to “opt-in” to the same U.S. Department of Commerce Economic Development Administration grant for purposes of development of a Comprehensive Economic Development Strategy (CEDs)
- Executed Memorandums of Understanding (MOUs) outlining the roles, responsibilities, and commitments of both the individual counties and GSFA relative to the grant have been received from twenty-four (24) of the counties that have opted-in to the grant.

### Level Two

Level Two pertains to information-sharing and capacity-building that will result in increased awareness and involvement of local governments in broadband investment and access for their residents and businesses. RCRC will provide information on best practices and unique approaches employed by member counties and municipal broadband providers across the US.

- RCRC has joined the Fiber Broadband Association and is a member of the Association's Public Officials Committee
- In the wake of the enactment of SB 156, the California Community Foundation, in partnership with RCRC, CSAC, the Electronic Frontier Foundation, and others, produced a briefing paper entitled, *Initial Analysis and Guidance on County Policy Stemming from California's Historic New Broadband Budget and Policy*. The paper is directed at county broadband leaders and provides a good overview of what SB 156 included and will allow, as well as outlining the next steps in the rule-making and legislative process.

### Level Three

Level Three involves the launching of Demonstration Project(s) modeled on an open-access, public-benefit, municipal model. The Demonstration Project(s) would be selected based on business modeling that includes, among many components: address density, geology/geography, demographics, existing service being provided, broadband infrastructure partners, and local government support.

- Established key evaluative criteria on which to make business-based decision on Demonstration Project area(s)
- Analysis underway to determine potential Demonstration Project area(s) based on key evaluative criteria
- Identification of and conversations with potential partners in execution of Demonstration Project(s). Such partnerships could result in mutual benefit and bring together unique set of resources and partnerships.

### General Support of Broadband Program

- The first meeting of the Broadband Steering Committee took place on July 22, 2021. This advisory group comprised of RCRC/GSFA board members, county CIOs, CPUC Consortium members, and representatives of academia received background on and discussed RCRC's broadband initiative and the evaluative process being undertaken to rank potential demonstration project locations.
- A single sheet overview of RCRC's Rural Broadband Initiative has been developed to aid in conversations with legislators, administration officials, community partners, and others.
- Pending review and approval by the RCRC Board of Directors, a new JPA will be formed, *Golden State Connect Authority*, for the purpose of expanding access to reliable, robust, affordable broadband in rural counties. All RCRC member counties will be welcome – and encouraged – to join. The new Authority will be

governed in a manner similar to RCRC and GSFA, with one elected Supervisor from each member county serving on the Board of Directors.

(The draft JPA is presently under review by RCRC member County Counsels and CAOs and will be presented for review and approval to the RCRC Board of Directors during meeting on August 18, 2021.)

- A website for *Golden State Connect Authority* is under development. The site will be used as a reference point for information sharing, project updates, press releases, and other information relevant to broadband development in member counties.

### **Attachments**

- *Initial Analysis and Guidance on County Policy Stemming from California's Historic New Broadband Budget and Policy*, California Community Foundation, in partnership with RCRC, CSAC, the Electronic Frontier Foundation, and others
- *RCRC Rural Broadband Initiative*

**TO:** County Broadband Policy Leads  
**RE:** **Initial Analysis and Guidance on County Policy  
Stemming from California’s Historic New Broadband Budget and Policy**  
**FROM:** Digital Equity Initiative  
California Community Foundation  
**CONTACT:** Shayna Englin | [digitalequity@calfund.org](mailto:digitalequity@calfund.org) | 323-217-3565

## TOPLINES

- [The passage and signing of AB/SB156 was a big win for all Californians](#), especially those in need of fast, reliable and affordable broadband. In a culmination of years of coalition- and power-building work, community advocates from across the state overcame intense cable and telecommunications industry lobbying to win a historic investment in creating a public open-access middle-mile broadband network and giving local governments a more powerful seat at the table.
- **This law establishes a legal framework for the construction of a \$3.25 billion state-owned, open-access “middle mile” network.** This means the state will own the fiber through which almost every community in California can connect to the internet. Because it’s publicly owned and legally required to be open-access, it means start-up broadband providers and even local, publicly-owned providers will have state provided capacity to support service delivery to families.

**The law provides for \$2 billion for last-mile infrastructure**, split equally between urban and rural counties, **and a \$750 million loan loss reserve fund to assist local governments, tribes, and non-profits, and other public entities in accessing long term financing for broadband projects.**

- **As local broadband policy leads, you have options and time to make decisions that best deploy these new resources within your community.** Given supply-line challenges in this sector, do not feel like you have to make immediate decisions. There is time to get educated.
- **Incumbent internet service providers (ISPs) are already shifting strategy to maintain their dominant advantage.** They will be urging quick decisions that maintain their monopoly or near-monopoly control of broadband prices and limit deployment of public assets to close gaps. There is risk in over-weighting industry input into spending the hundreds of millions of dollars that will be allocated to the county to build out infrastructure. Centering equity will require ensuring input and expertise from a much wider range of stakeholders than has historically been involved in broadband infrastructure conversations, and there is time to make sure that happens.
- **While we know the big picture, the details are still in process.** Don’t commit until you’re sure you’re getting the very best deal for your community - assurance that’s still TBD.

## HEADLINES IN [THE BILL THE GOVERNOR SIGNED INTO LAW ON JULY 20](#)

- 1. Middle-Mile.** This law establishes a legal framework for the construction of a \$3.25 billion state-owned open-access middle mile broadband network coordinated through a third-party nonprofit administrator and overseen by the Department of Technology. The administrator will oversee middle mile construction in California in areas “including [those] that can be built expeditiously, areas with no known middle-mile network access, regions underserved by middle-mile networks, and regions without sufficient capacity to meet future middle-mile needs.” The law further clarifies that the highest priority will be for middle-mile investment that enables “last-mile connections to residences unserved by 25 mbps downstream and 3 mbps upstream.”

Making middle-mile network open-access means it will provide "non-discriminatory access to eligible entities on a technology and competitively neutral basis, regardless of whether the entity is privately or publicly owned." That means the network will make it easier for existing ISPs to expand and for new ISPs to get started, filling in service gaps in some areas and boosting competition and speeds in others.

- 2. Office of Broadband and Digital Literacy.** The law creates a new agency within the Department of Technology called Office of Broadband and Digital Literacy, and a 9-member broadband advisory committee to monitor the construction and establishment of the statewide open-access middle-mile broadband network. The Department will be led by a governor-appointed Deputy Director for Broadband, who will be the chief point of contact to the middle-mile third-party administrator, Department of Transportation, the CPUC, the Legislature and the Advisory Committee.

The Advisory Committee will consist of: a representative of the PUC, a representative of Department of Technology who shall be chair of the Committee, a representative of Department of Transportation, a representative of the Department of Finance, a representative of the Government Operations Agency, four ex officio members who are members of the Assembly two appointed by the Speaker and two appointed by the Senate Committee on Rules.

- 3. Expanded County and Locality Powers:** Authorizes a County, *by act of its board of supervisors*, to acquire, construct, improve and maintain broadband infrastructure and operate a broadband internet access service, and removes limitations on local governments receiving grant funding for broadband infrastructure.
- 4. Last Mile.** The law amends the existing Broadband Infrastructure Grant Account program to allocate \$2 billion for last mile expenditures, with \$1 billion allocated for rural counties and \$1 billion for urban counties.

- The \$1 billion earmarked for urban projects will be allocated as follows: \$5,000,000 for last-mile broadband projects in each urban county, then remaining moneys based on each urban county’s proportionate share of the California households without access to broadband internet access service with at least 100 megabits per second download speed.
- Last mile projects should provide for faster speeds than those required for the middle mile project: “Projects eligible for grant awards shall deploy infrastructure capable of providing broadband access at speeds of a minimum of 100 mbps downstream and 20 mbps upstream or the most current broadband definition speed standard set by the Federal Communications Commission from time to time, as determined

appropriate by the commission, whichever broadband access speed is greater, to unserved areas or unserved households.

5. **Loan Loss Fund.** This law creates a continuously appropriated loan-loss fund to assist local governments, Tribes, and non-profits in financing broadband service projects. The budget includes \$750 million in total funds for this purpose. The law also authorizes a joint powers authority to issue revenue bonds for deployment of broadband by a public or nonprofit organization that are supported by the Broadband Loan Loss Reserve.
6. **CPUC Authorizations and Requirements:** Requires the CPUC to provide technical assistance to local governments and providers, assist in developing grant applications, and assist in preparing infrastructure plans; Authorizes the CPUC to require a local government agencies and/or nonprofit organizations to demonstrate ability to reasonably finance and implement proposed infrastructure projects supported in whole or in part by funds allocated pursuant to this law; Revises “low-income” community eligibility to include publicly supported housing developments, and other housing developments or mobile home parks with low-income residents, as determined by the commission for use of the Broadband Public Housing Account.

## IMMEDIATE IMPLICATIONS

- **Counties, municipalities, non-profits, Tribes, and other agencies operating for the public good have broad new powers and authorities to advance fast, reliable, and affordable broadband access for their communities.** You have many models to choose from, including fully public networks, public networks open for lease by private ISPs, public-private build-outs, and everything in between. Now is a moment to be creative, learn from broadband projects around the country, and leverage new latitude to apply newly available public dollars to solve problems for the public good.
- **Counties, municipalities, and other agencies can begin planning for publicly-owned broadband assets at a wide variety of scale and comprehensiveness,** ranging from building publicly owned broadband to support publicly operated internet service to developing partnerships with private companies to build open access infrastructure that can be leased by other providers, and a wide range of options in between. Just a few of the many possible models the County could deploy (note that any of these options or others could be deployed county-wide or just in targeted areas, and in collaboration with cities, COGs, nonprofits, or other entities, including incumbent ISPs):
  - [Public Infrastructure/Private Service](#) - “The public entity funds, builds, and owns the underlying communications infrastructure and the private entity does the rest: It provides the electronics and service over that infrastructure and deals with the complexities of running a broadband business. This model puts the locality in the business of building infrastructure, a business cities and counties know well after a century of building roads, bridges, and utilities. The model leaves to the private sector most aspects of network operations, equipment provisioning, and service delivery.”
  - [Open access infrastructure](#) - An entity operates an open-access last mile network to create an exchange of providers that leverage the infrastructure. The entity itself is structurally separated from selling broadband service.
  - [Fund/Contract with nonprofits or cooperatives](#) to build and provide services on a targeted network

- [Build public fiber-to-the-home \(FTTH\)](#) network that's run as a public utility, or leased and operated by private providers
- Read more in-depth case studies on each of these models in [Six Community Broadband Networks Demonstrate Diversity of Approaches to Connectivity Challenges](#)
- **The CPUC has new resources and authorities to be a partner to local governments and other agencies in closing the digital divide.**
- **The specific applications and mechanisms for distribution of the state dollars for last mile infrastructure and the loan loss program are being determined right now** - it'll be important to have the planning process underway, but no commitments need to be made right now.
- **The law provides for technical assistance and support** for counties, municipalities, and other agencies looking to build out these public assets for their communities - ISPs are not the only sources of information or expertise, and should not be relied upon as such. This echoes the approach of electrification where the government partnered with local communities to teach them how to build and operate their own local infrastructure.

#### WHAT'S NEXT:

- In the coming weeks, state regulators, department leaders and staff, and legislators will pick up the work of clarifying the law, adding details and implementation plans, and building out the processes for local governments to engage.
- CPUC staff are still working through the legislation and determining which proceedings (and so also when) relevant actions will fall under.
- Two additional pieces of legislation will continue their path through the legislature after the summer recess:
  - SB4 - will complement the \$6 billion budget provision by ensuring long term funding to the California Advanced Services Fund (CASF.)
  - SB28 - will provide a mechanism for the CPUC to better enforce cable broadband providers' adherence to their obligations under statewide franchises, and requires the state to make available public broadband assets to assist in new deployment.
- We will continue to update this analysis and guidance as new information and clarifications become available.

**Acknowledgements:** CCF produced this analysis in partnership with the Community Broadband Networks Project of the Institute for Local Self Reliance, Electronic Frontier Foundation, and the Rural County Representatives of California, with input from the office of Senator Lena Gonzales and policy staff at the CPUC and utilizing content from the California State Association of Counties.

# Rural County Representatives of California

## BROADBAND FOR RURAL CALIFORNIA

### Objective: Increase access to reliable, affordable high-speed broadband for all rural Californians

RCRC is preparing the formation of a joint powers authority entitled Golden State Connect Authority to implement RCRC's objective through advancing the establishment of broadband infrastructure in rural counties.

This will occur in three phases:

51.3% of rural Californians do not have access to high speed internet

- CPUC, "CASF" (April 2021)

#### 1. Ensure all member counties have broadband strategic plans



RCRC is serving as the collective applicant on a U.S. Economic Development Administration grant to fund the development of broadband strategic plans in 26 RCRC member counties that do not have one.



11 Member Counties with Plans

26 Member Counties Participating in Grant

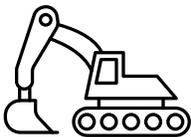
#### 2. Equip rural counties with information and resources about innovative models and approaches to broadband deployment



GSCA will conduct workshops to inform rural counties of the innovative models and approaches for delivery of reliable, affordable, high-speed broadband and to showcase successful municipal broadband projects from across the U.S.



#### 3. Implement open-access municipal broadband demonstration projects



GSCA will install broadband fiber in an open-access, public-benefit, municipal model beginning with two locations and then expanding to additional project locations.



Note: Phases and activities listed are dependent upon establishment of Golden State Connect Authority and the approval of its board. All dates listed are estimates and subject to change.



The Rural County Representatives of California (RCRC) is a thirty-seven member county strong service organization that champions policies on behalf of California's rural counties.

[www.rcrcnet.org](http://www.rcrcnet.org)



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**To:** GSFA Board of Directors  
**From:** Barbara Hayes, RCRC Chief Economic Development Officer  
**Date:** August 13, 2021  
**Re:** Authorization for Executive Director to Apply for and Accept a Broadband Strategic Plan and CEDS Development Grant from the U.S. Department of Commerce Economic Development Administration - **ACTION**

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### **Summary**

To advance the investment and delivery of robust broadband to rural California, RCRC has developed, and the Board of Directors has approved, a plan of work with different levels of service and deliverables. The service and deliverables range from activities that will increase RCRC member county readiness to take advantage of broadband funding and investment opportunities, to Demonstration Project(s) that will introduce a new model for broadband deployment in rural California.

The plan of work is divided into three levels. This item pertains to work in Level One and received approval from the Executive Committee at the July 14, 2021, Executive Committee Meeting.

### **Level One**

Level One is designed to assist member counties in achieving “foundational readiness” relative to accessing and inviting broadband investment into counties in a strategic manner that ultimately delivers broadband for all residents and businesses. This level of work includes arming all member counties who do not currently have a Broadband Strategic Plan, with the opportunity for development of such a plan. Broadband Strategic Plans are required to access many federal sources of funding for broadband deployment. Additionally, Broadband Strategic Plans will allow local governments to be informed and deliberate when directing and permitting investment by incumbent service providers.

Golden State Finance Authority will submit an application to the U.S. Department of Commerce Economic Development Administration (EDA) for a planning grant to develop broadband strategic plans for all member counties that are without a plan in place or under development, and “opt-in” to the grant opportunity. The following are the results of this effort:

- Received Letters of Support from twenty-six (26) member counties which have chosen to “opt-in” to the U.S. Department of Commerce EDA grant for the development of individual, county-wide, broadband strategic plans

- Received Letters of Support from two (2) member counties which have chosen to “opt-in” to the same U.S. Department of Commerce EDA grant for purpose of development of a Comprehensive Economic Development Strategy (CEDs)
- Memorandums of Understanding (MOUs) outlining the roles, responsibilities, and commitments of both the individual counties and GSFA relative to the grant have been distributed to all counties included in the grant application for review and approval by their elected bodies. To date, have received approved and executed MOUs from all but two (2) of the counties that have opted-in to the grant.

This grant from the U.S. Department of Commerce EDA is made available by the American Rescue Plan Act, and, as such, requires a 20% match. The match for GSFA’s grant application will be affirmed prior to submittal and will be certified by GSFA’s Executive Director. Due to the high level of participation from member counties that have “opted-in” to the grant opportunity, the match certification will be at a level that exceeds the signing authority of the Executive Director.

**Recommendation**

It is recommended that the GSFA Board of Directors grant signing authority to the Executive Director, as needed for submittal of the grant application to the U.S. Department of Commerce EDA for the development of broadband strategic plans and CEDs for counties enumerated in the grant.