

Request for Decision

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Subject	Columbia Basin Broadband Corp Community Works Fund Grant

REQUEST

The Columbia Basin Broadband Corporation (CBBC) has requested up to \$200,000 and a letter of support from the RDEK to provide a broadband connectivity project from Kimberley to Wasa Junction.

OPTIONS

1. THAT Community Works Funds of up to \$120,000 be granted to the Columbia Basin Broadband Corporation to provide internet connectivity from Kimberley to the Wasa Junction and the July 2018 Community Works Fund Grant of \$80,000 for connectivity to the St. Mary's Valley and Meadowbrook areas be transferred to the Kimberley to Wasa Junction connectivity project;

and further, that a letter of support be provided to accompany grant applications to the Connecting BC and CRTC Broadband Fund programs.
2. THAT the request for Community Works Funds for projects included in the Columbia Basin Broadband Corporation's application to the Connecting BC and CRTC Broadband Fund programs be denied.

RECOMMENDATION

Option 1

BACKGROUND/ANALYSIS

The CBBC is working on grant applications to the Connecting BC and CRTC Broadband Fund programs. The connecting BC application deadline is February 15, 2020 and the CRTC Broadband Fund application deadline is March 27, 2020. The CBBC has evaluated potential projects and have determined that a backbone build with points of presence (POP) from Kimberley to the Wasa Junction would be eligible for funding under the two programs, as the project is within the corridor of the eligible communities of Meadowbrook and Tata Creek. The overall budget is expected to be \$1,620,000 with \$200,000 (12%) from the RDEK.

In July 2018, the Board approved a Community Works Fund (CWF) grant of \$80,000 for connectivity to the St. Mary's Valley and Meadowbrook areas. There has been no activity on this project and this report proposes that those funds be transferred to the Kimberley to Wasa project with a request for additional funding of up to \$120,000.

Approval from the RDEK and a letter of support is required to assist the CBBC in their grant applications.

SPECIFIC CONSIDERATIONS

Regional Sustainability Strategy (RSS)

This project supports the RSS goal related to Economy as it supports and nurtures a diversified and skilled workforce, job opportunities and attracting spending in investment as per the following objective:

“To maintain economic growth and diversification opportunities, the RDEK will support the enhancement and completion of the provision of the broadband infrastructure in the region through direct supply of service, encouraging private and public sector investment and advocating for legislative and regulatory change to facilitate the provision of broadband service.”

Previous Board Action

The Board supported a CWF grant of up to \$80,000 to the CBBC In July 2018, for internet connectivity projects in the St. Mary's Valley and Meadowbrook (attached).

Financial – Financial Plan

If approved, the funding contribution would be included in the 2020 – 2024 Financial Plan.

Financial – Taxation

There would be no effect on taxation due to the funding being provided through the Community Works Funds.

Community Works Fund – Funds Available

The uncommitted balance of the Community Works Fund is \$2,297,306. There is also a request for CWF in the amount of \$22,500 for the Cranbrook Theatre Society that will be included in the January 2020 agenda package.

Community Works Fund Eligible Project Category

This project meets the criteria outlined in the Community Works Fund agreement under the Broadband Connectivity Category. The amount of the additional \$120,000 grant would be \$68 per capita in Electoral Area E. When combined with the original \$80,000 grant, the per capita cost would be \$113 per capita.

The percentage of total CWF grants awarded to date and the percentage of rural population is provided for each Electoral Area below:

Electoral Area	% of CWF \$ Awarded	% of Total Rural Population
Area A	5%	9%
Area B	14%	13%
Area C	18%	38%
Area E	4%	11%
Area F	50%	20%
Area G	10%	9%

* Area A population adjusted to reflect the amalgamation of West Fernie into the City of Fernie.

* Projects with regional impacts excluded from this calculation are \$500,000 for the Columbia Valley Office and \$420,000 for future Broadband projects.

Attachments