

**DEPARTMENT OF INFORMATION TECHNOLOGY AND TELECOMMUNICATIONS TESTIMONY  
BEFORE THE CITY COUNCIL COMMITTEE ON TECHNOLOGY  
OVERSIGHT ON BROADBAND ADOPTION: CLOSING THE DIGITAL DIVIDE  
MONDAY, APRIL 23, 2012**

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Good morning Chairman Cabrera and members of the City Council Committee on Technology. My name is Nicholas Sbordone, Director of External Affairs at the Department of Information Technology and Telecommunications, or DoITT. Thank you for the opportunity to testify today about DoITT's work to expand sustainable broadband adoption across the five boroughs. With me today are Kate Hohman, DoITT's Broadband Project Manager, and Stanley Shor, Assistant Commissioner for Franchise Administration.

Each day across New York City and around the world, City government is accessed by more than 100,000 visitors to *NYC.gov*. Countless more contact us through 311Online and by various social media channels. The underlying, common technical denominator in all these interactions is broadband connectivity. As DoITT Commissioner and New York City CIO Carole Post recently noted: *"A digital world made smaller than ever by common technologies we can all use and share still remains an awfully big place for those without access to broadband."*

Accordingly, the Bloomberg Administration has developed a comprehensive strategy focused on targeted initiatives to expand access to the vital infrastructure of the 21<sup>st</sup> Century – broadband technology. DoITT helps lead these efforts to enhance broadband adoption in underserved communities across the City. By tapping the City's regulatory authority over cable franchise providers, we help bring free and low-cost Wi-Fi and other tech improvements to public parks, community centers, and commercial sectors valued at more than \$60 million; and by securing \$42 million in Federal Stimulus monies, we are helping increase broadband access for public school students and families, and to launch new, free public computing centers citywide.

First, the Federal Stimulus Awards. As part of the American Recovery and Reinvestment Act of 2009, approximately \$4.7 billion was made available through the Broadband Technologies Opportunities Program, or "BTOP," in the form of competitive grants in three main categories: Infrastructure; Sustainable Broadband Adoption; and Public Computer Center projects. Despite lobbying by New York and other cities, only several hundred millions of this funding was made available for programs that target adoption-related initiatives in the latter two categories. Nonetheless, the City secured \$42 million in funding for programs to increase access to affordable broadband service across underserved communities and among low-income public school students. The aggressive lobbying efforts of both the City Council and the City's Congressional delegation were also instrumental to the City's success in this regard.

The same programs are also benefitting from nearly \$16 million in additional "matching" funds from the City, private-sector, and non-profit partners in these programs, including all three of the City's franchised cable providers: Time Warner Cable, Cablevision Systems, and Verizon.

**BTOP Awards & "NYC Connected" Initiatives**

In March 2010, the Department of Commerce awarded DoITT \$22 million in BTOP funding for the ***NYC Connected Learning*** initiative. Over two and a half academic years, *NYC Connected Learning* will provide more than 18,000 low-income sixth grade students and 40,000 public school household members with free home computers, access to discounted broadband service, high-quality digital educational resources, and digital literacy training to support sustainable adoption of broadband and boost educational outcomes.

As of March 31, 2012, the program had served 72 schools and 16,365 students (or 35,717 students *and* household members). We also estimate that to date, 6,976 families have become new broadband adopters through the program, 1,410 of which have subscribed through the attendant discount program offered.

In September 2010, the Department of Commerce awarded DoITT \$20 million in additional BTOP funding. Fourteen (\$14) million dollars of this total was awarded for the **NYC Connected Communities** initiative, to significantly expand the availability and capacity of public computer centers in the City's highest poverty areas. The program is anticipated to serve 40,000 new users weekly across approximately 100 libraries, public housing facilities, senior centers and community centers. Benefits include more than 1,000 new workstations and an array of new resources for digital literacy, employment support, and other critical services.

As of March 31, more than 60 centers across the City had been opened or enhanced. In these centers, work has included installation of new or improved computer equipment and other technologies, upgrades to broadband service speeds, and the introduction of a wide range of new training programs and outreach efforts.

Six (\$6) million of the September 2010 BTOP award went to fund *NYC Connected Foundations*. This program targets New York City's transfer school students, those between the ages of 16-21, who have disengaged from high school and are not on track to graduate. To help these students develop necessary skills for graduation, a successful transition to college, and a career, students and their families at up to 43 transfer high schools will receive computer training, free netbook computers, and access to discounted broadband service upon completing a credit-bearing digital literacy training course. To date, 36 locations, and more than 2,400 students have enrolled in the program, with 714 of these students having completed the course and received home computers and discounted broadband offers. Measurement of new broadband adoption within this group is still underway.

Taken together, this \$42 million in Federal BTOP funding, and the additional \$16 million "match," are key components of the City's strategic commitment to identify innovative means and funding methods to foster greater digital inclusion. The work of several City agencies, including the Department of Education, Department of Parks and Recreation, Department for the Aging (DFTA) – as well as the City's Housing Authority (NYCHA) and all three public library systems – was and remains indispensable to developing these innovative programs.

As we enter the final year of our March 2010 award, and the second half of our September 2010 awards, the City is working to assess program successes and challenges, and to identify both program updates for the final years of implementation and plans for sustaining program components after grant funds have been expended.

### **Cable Television Franchise-Related Initiatives**

As the City's telecommunications agency, DoITT negotiates and administers franchises with private companies that use the City's streets and sidewalks to provide public services – including cable television providers. The second major component of the City's broadband strategy derives from this authority. While Federal law caps at 5% the maximum amount of revenue municipalities across the country can receive from cable companies, as part of its recent franchise renewals with Time Warner Cable and Cablevision Systems, DoITT negotiated approximately \$60 million in additional commitments from these companies for a range of broadband-specific public benefits. These include:

***Adoption/Expansion of Affordable Broadband Service*** – To provide free broadband access to low-income communities across the City, Time Warner Cable will fund 40 public computer centers located in facilities run by local not-for-profit organizations. Earlier this month, for example, Commissioner Post joined NYCHA, the Department of Youth and Community Development, and local elected officials to open a Time Warner Cable Learning Lab at the James Weldon Johnson Community Center in Harlem. The state-of-the-art facility will serve as a vital community service, providing children and adults with access to computers, e-learning programs and high-speed Internet.

The James Weldon Johnson Center, and facilities like it, is in addition to the approximately 100 centers being expanded and/or created under the *NYC Connected Communities* program as described earlier. And for its part, Cablevision Systems will expand access to high speed broadband in its service areas by upgrading the free Internet service it provides to 75 public library branches in the Bronx and Brooklyn.

**Broadband in Public Spaces** – Together, Time Warner Cable and Cablevision Systems will spend approximately \$10 million by autumn, 2013 to create Wi-Fi access points in City parks across the five boroughs – and to maintain the systems through 2020. This service will be free to all users for up to 30 minutes a month, with a nominal fee of 99 cents per day thereafter, and free at all times to Time Warner Cable and Cablevision subscribers.

The expansion of Wi-Fi in public spaces as part of the cable franchise renewals is in addition to AT&T's five-year commitment to the City of free Wi-Fi in 26 park locations in 20 parks across the five boroughs. Currently, 20 locations in 15 parks – at least one in each borough – are providing the public free Wi-Fi today, with another half-dozen coming online by year's end.

**Broadband in Traditionally Underserved Areas** – Both cable companies will invest an additional nearly \$2 million each year of their contracts to bring fiber into commercial or industrial buildings not currently being served by them, as directed by the City. Time Warner Cable has also committed to installing fiber optic cable down 20 miles of street per year to upgrade non-residential blocks, and will this year also be wiring the whole of the Brooklyn Navy Yard. We expect these investments to improve – and improve in a sustainable way – the service options in a number of the City's non-residential areas.

Moreover, the cable franchise renewal agreements help also to foster a more vibrant marketplace by solidifying for the first time long-term, direct competition among the City's cable television providers. This stage was set with the historic citywide cable television franchise the City granted Verizon in 2008 for buildout of FiOS to all New York City households by 2014, a deployment which remains on track today.

## **Conclusion**

In addition to the initiatives described above, our supporting role continues on innovative broadband accessibility programs like the Virtual Senior Center at Ben Rosenthal Senior Center in Flushing, Queens. A partnership between DFTA, Selfhelp, and corporate sponsor Microsoft, the Virtual Senior Center enhances the lives of homebound older adults by using computer, video and Internet technology to help them interact with their peers. Since its launch in 2010 the program has tripled in size, with each participating senior receiving a desktop computer with broadband Internet service, a touch screen monitor, webcam and microphone – tools that allow them to see, hear and interact with seniors and staff.

Targeted programs like these are at the heart of the City's broadband strategy, a strategy that employs an array of diversified measures and resources at underserved communities citywide to ensure access to, and promote continued adoption of, broadband technology. Building upon these initiatives gives us an amazing opportunity to further solidify New York City as a leader in digital inclusion for communities that need it most, and we look forward to further delivering on that promise with public, private, and non-profit sectors alike.

Thank you very much for your time this morning. We are pleased to address your questions.