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Professional Assistance for Today's Unprecedented Funding Opportunities

Program Name

Minnesota Border-to-Border Broadband Grant Program

Funding Amount

- \$67 million total
 - \$12 Million from the American Rescue Plan Act (ARPA) Capital Projects Fund (CPF)
 - \$25 million has been appropriated from state general revenue
 - Up to \$30 million is available for a Low-Density Pilot program
- Border-to-Border: \$5 million maximum project award
 - Grant funding cannot exceed 50% of eligible total project costs
- Low-Density Pilot: \$10 million maximum project award
 - Grant funding cannot exceed 75% of eligible total project costs
- Priority given to projects that leverage greater amounts of funding for a project from other private and public sources
- Border-to-Border and the Low-Density Pilot program run in parallel with the same application submission and deadline
 - Low-Density Pilot program adds additional points to the scoring criteria
 - Apply by completing the regular Border-to-Border application but selecting the low-density application type in the Key Data Form and completing Attachments 4.17 and 4.18.

Key Dates

- December 19, 2022 Application Guidelines and Information Released
- January 19, 2023 Notification to ISPs in PFSA must be completed (Statutory Requirement)
 - Under current law, the applicant must contact all existing wireline providers in the proposed project area 6 weeks before the grant application deadline (March 2, 2023)
- February 3, 2023 Application Portal Opens for Submissions
- March 2, 2023 Applications Window Closes at 4:00pm CT
- March 7, 2023 Challenge process begins
- April 5, 2023 Challenge process ends
- Summer 2023 Expected announcement of awards

Eligible Applicants

- Incorporated business or partnership
- Political subdivisions
- Indian Tribes
- Nonprofits (317A)
- Cooperatives (308A or 308B)
- Limited liability corporations (322C) organized for the purpose of expanding broadband access



Minnesota

\$67 million

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Eligible Areas

- Unserved Areas households or businesses lack access to wire-line broadband service at speeds of at least 25/3 Mbps
- Underserved Areas households or businesses with access to wire-line broadband service at speeds of at least 25/3
- Mbps but lack access to wireline broadband service of 100/20 Mbps
- Border-to-Border interactive map is <u>available here</u>

Eligible Projects

Acquisition and installation of broadband infrastructure that can support service scalable to speeds of at least 100/100 Mbps

Application Contents

- Part 1 Application Key Data Form
- Part 2 Budget Sources and Uses Excel Worksheet
- Part 3 Grant Application Word Narrative
- Part 4 Required Attachments

Scoring Criteria

120 Total Maximum Points

- Anticipated Broadband Improvements (up to 20 points): Applicants will be awarded a higher total point value based on the number of passings and the available speed vs the build to speed (project must reach or exceed 2026 state speed goals)
 - Max 20 points awarded for only including less than 25/3 service
 - Max 14 points awarded for areas including underserved of 100/20 service
- **Grant Funding Request (up to 10 points):** An applicant match of 55% or more receives higher points based on greater percentage of match, funding partners contributions are included in the match
 - 40% Match gets **5 points**
 - 30% Match gets **10 points**
- **Community Participation (up to 15 points):** Additional points will be awarded to projects that; identify the critical need for the project as it relates to access, affordability and reliability and/or consistency, have community partners' financial commitment, serves tribal lands (with Tribal approval), provide evidence of substantive community support
- **Project Readiness (up to 25 points):** Applications that provide evidence of being fully prepared to build, implement, and operate the project, providing detailed budget, certified engineering design and diagrams, proposed speed tiers, service pricing and 5-year commitment to serve, marketing strategies, complete project schedule and financial requirements
- **Project Sustainability (up to 25 points):** Applicant must provide evidence technical, financial and managerial competence
- Economic Development and Community Impact (up to 15 points): Applicant has demonstrated the economic and community impact potential of the proposed project including how the identified businesses, farms, ranches, community anchor institutions and educational facilities improved broadband access will support telehealth, education and agricultural uses
- **Broadband Adoption Assistance (up to 10 points):** Applications that provide technical assistance and training in support of broadband adoption, and affordability (participation in the FCC ACP required)

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Scoring Criteria (continued)

- Low-Density Pilot Program eligible for 140 total maximum points
- **Explanation of need for higher funding (up to 15 points):** Attach narrative explaining the need for the funding that might include higher costs, or lower revenues. Demonstrate homes in the area will take service and project will have a high take-rate
- **Passings per mile (up to 10 points):** Submit an additional map validating the passings per mile: Passings per mile 0-1 = 10pts; 1-2 = 6pts; 2-3 = 4pts; 3-5 = 2 pts; over 5 passings per mile = 0 pts
- New Application area (up to 5 points): OBD staff will review prior year grant submittals and award 5 points if an application for this area has not been submitted previously, this is an indication that the 50% cap of eligible costs per project is a barrier to an application for this area

Middle Mile

Acquisition and installation of middle mile infrastructure is permitted as an eligible cost

Buildout Requirement

- Projects must be completed by December 31, 2025
- Projects must support broadband service scalable to synchronous speeds of 100/100 Mbps
- Affordability Participation in the FCC ACP required
- Prevailing Wage Compliance Minnesota law requires all state economic development grant awards of \$200,000 or more to adhere to prevailing wage laws
- State Historic Preservation Office (SHPO) reviews prior to construction on disturbances of historic or archaeological sites
- Review for Natural Heritage Site Proximity check with MN DNR for possible proximity to rare natural/plant/species areas
- Reporting and Compliance any projects funded with American Rescue Plan Act Capital Projects Funds, federal Reporting and Compliance Guidance will apply

Eligible Costs

- Project planning
- Obtaining construction permits
- Construction of facilities, including both middle mile and last mile infrastructure
- Equipment
- Installation and testing of the broadband service



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Key Reference Links

- Program Website
- Eligibility Map
- Program FAQs
- Application Submission Instructions via Secure File Transfer Protocol (SFTP) Portal
- Questions may be submitted to <u>deed.broadband@state.mn.us</u>



Contact us for Funding Assistance. NRTC's Funding Practice offers key benefits including:

Opportunity Evaluation

Effective Grant Writing

Track Record of Success

Electric Cooperatives: Contact Steve Hanson at 703-464-5307 or shanson@nrtc.coop

Telecom Companies: Contact Byron Tuley at 319-298-4754 or btuley@nrtc.coop