San Jose Fund Set to Pay Out First Round of Broadband Grants

BY: [Skip Descant](#) | February 12, 2020

A city program to bring Internet access to low-income households in California is set to connect some 4,000 homes.

The [San Jose Digital Inclusion Fund](#) in California was established about a year ago as a mechanism for closing the digital divide in this largely affluent Bay Area city, part of Silicon Valley. The program is expected to generate about $24 million over 10 years by collecting lease revenue from telecommunications companies as they attach 4G and 5G small cell communications infrastructure to city assets such as streetlights and city-owned buildings.

A large portion of the lease revenue goes to the digital inclusion fund grants, said Dolan Beckel, director of civic innovation and digital strategy for San Jose, with some of the lease revenue used to fund the operations and governance of the broadband and digital inclusion programs.

So far, San Jose has permitted more than 1,100 small cells, said Beckel. San Jose's telecom lease rate for citywide/at-scale access to its assets is $750 a year.

"For every one [small cell] that goes up, the lease revenue is committed to the Digital Inclusion Fund," Beckel explained. "And the Digital Inclusion Fund is focused on three things: providing access at home for the disconnected, providing the appropriate device and then providing them the digital literacy skills they need."

The city selected the California Emerging Technology Fund as the implementation partner to help it work with the community-based organizations which will receive the grants, to be distributed to qualifying residents. Thirty applications have been submitted with 23 now receiving grants totaling $1 million. The first round of grants is expected to fund Internet service and adoption in 4,000 homes.

In San Jose the highest concentration of homes without Internet service and other forms of access occurs in low-income Latino households where educational attainment is low. In San Jose, 40 percent of the population was born outside of the United States.

"So you have a large segment of the population that has inherent concerns about Big Brother, inherent concerns about federal government immigration status, so the model that we chose was not to have Big Brother implementing these programs, but basically partner and grant to local community-based organizations."

One key challenge to the program lies in a move by the Federal Communications Commission to remove local control of cities related to how much they can charge telecoms for lease agreements. San Jose, which negotiated its lease rate prior to the FCC rule change, is challenging this move in the Ninth Circuit Court of Appeals in San Francisco.

"What we're hoping is that the Ninth Circuit says, the FCC did over-reach, and the local authorities do have the ability to have some control over things like their lease rates," said Beckel.

The emergence of 5G has the potential to open doors not only for residents and their access to high-speed Internet, but also cities, bringing them the ability to enable connected car technologies, speed up traffic intersection analysis to lead to fewer and possibly zero serious injuries and fatalities.

The higher bandwidth capabilities of 5G will enable real-time, high-definition video feeds on levels not generally experienced with 4G, said Rob Silverberg, chief technology officer for digital communities and the leader for the smart cities focus at Dell Technologies. Silverberg works closely with San Jose, and serves on its smart city advisory board.

"If you hook up a camera to an intersection right now, you can't do a lot with video connections across 4G. It just doesn't work very well, especially with high-definition video. So what we're going to see change dramatically with 5G is the ability to, potentially, connect more video cameras to areas of the city," Silverberg explained.

High-definition video enabled by 5G — and possibly delivered via drones — can help law enforcement better capture footage from incidents like traffic accidents on freeways, or surveil an area before sending in officers to increase situational awareness, said Silverberg.

Meanwhile, the emergence of these high-definition video feeds could lead to expanded community conversations around privacy, facial recognition and other forms of state-sanctioned surveillance.

"I think that the cities that are starting to legislate, like San Francisco, to prevent facial recognition technology are clear indicators that the public will probably push back against some things that they see as invasive, or invading their privacy," said Silverberg.

Still, the potential exists to improve the operations of age-old city systems like transportation, while also closing the yawning gap between those residents who have access to the Internet and those lacking it, say city and industry technology officials.

"Pioneering and championing Internet access is a critical need for students, and for families, and for job access and other tools," Silverberg said. "Looking beyond San Jose, I see a lot of activity around the nation, cities preparing for 5G and trying to understand what it's going to mean for the city and its services and how it interacts with the public."