



## MEMORANDUM

**DATE:** January 11, 2019

**TO:** Judiciary and Legislative Investigations Committee, Baltimore City Council

**FROM:** The Baltimore Development Corporation (BDC)

**POSITION:** Support

**RE: Council Bill 18-0075R – Informational Hearing – Municipal Broadband Feasibility Study**

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### INTRODUCTION

The Baltimore Development Corporation (BDC) is herein reporting on City Council Bill No. 18-0075R introduced by President Young and Councilmembers Henry, Scott, Costello, Burnett, Bullock, Pinkett, Dorsey, Cohen, Middletown, Stokes, Sneed, Clarke, and Reisinger.

### PURPOSE

This resolution will request that the Department of Finance, the Department of Transportation, and the Baltimore City Office of Information & Technology appear before the City Council to discuss how they can collaborate to produce a formal feasibility study on developing a municipally owned broadband network in Baltimore capable of ensuring that all Baltimore families have adequate internet access options.

### BRIEF HISTORY

Within Baltimore, 20 to 40% of residents do not connect to the Internet at home through wired access. Even those who do connect often lack access to the next-generation speeds that will be needed to fully take advantage of the newest group of online tools – only about 10% of Baltimore homes have access to speeds approaching that 1 Gigabit/second standard. A municipally owned fiber to the premises (FTTP) network could ensure that Baltimore's citizens and businesses alike have the ability to take advantage of all of the opportunities that the Internet offers.

### FISCAL IMPACT

NONE

### AGENCY POSITION

BDC supports City Council Bill No. 18-0075R.

If you have any questions, please do not hesitate to contact Kim Clark at (410) 837-9305 or [kclark@baltimoredevelopment.com](mailto:kclark@baltimoredevelopment.com).

cc: Kyron Banks

[KC]

**CITY OF BALTIMORE  
COUNCIL BILL 18-0075R  
(Resolution)**

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Introduced by: President Young, Councilmembers Henry, Scott, Costello, Burnett, Bullock,  
Pinkett, Dorsey, Cohen, Middletown, Stokes, Sneed, Clarke, Reisinger

Introduced and read first time: March 26, 2018

Assigned to: Judiciary and Legislative Investigations Committee

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REFERRED TO THE FOLLOWING AGENCIES: Department of Transportation, Mayor's Office of  
Information Technology, Department of Finance

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A RESOLUTION ENTITLED

1 A COUNCIL RESOLUTION concerning

2 **Informational Hearing – Municipal Broadband Feasibility Study**

3 FOR the purpose of requesting that the Department of Finance, the Department of Transportation,  
4 and the Mayor's Office of Information Technology appear before the City Council to discuss  
5 how they can collaborate to produce a formal feasibility study on developing a municipal-  
6 owned broadband network in Baltimore capable of ensuring that all Baltimore families have  
7 adequate internet access options.

8 **Recitals**

9 Internet access is essential to function in today's society; the need to make use of some  
10 internet service or another in order to take advantage of all available opportunities seems to  
11 increase every day. Internet access allows people to more efficiently do nearly everything,  
12 including applying for a job, renewing a driver's license, doing homework, or just being part of  
13 and actively participating in one's community. In order to be effective, that access must occur at  
14 adequate speeds. Those with no, or limited, access to the internet are increasingly being left  
15 behind.

16 Faster bandwidths are also necessary for telemedicine, distance learning, public safety, and  
17 economic development. Increasingly, many work from home and also require higher  
18 bandwidths. Companies choose to locate in those communities with improved infrastructure and  
19 leave those with poor infrastructure.

20 Although Baltimore has always been a city that embraces innovation and understands the  
21 value of infrastructure, in regard to internet access we are in danger of falling behind. Within  
22 Baltimore, 20 to 40% of residents do not connect to the Internet at home through wired access.  
23 Even those who do connect often lack access to the next-generation speeds that will be needed to  
24 fully take advantage of the newest group of online tools – only about 10% of Baltimore homes  
25 have access to speeds approaching that 1 Gigabit/second standard.

26 Baltimore has long sought, and been denied, investment in fiber to the premises (FTTP)  
27 internet networks from the private sector. The current federal administration's repeal of  
28 Obama-era regulations ensuring that internet providers provide access to all content and  
29 applications regardless of the source may further reduce the incentive for private internet

EXPLANATION: Underlining indicates matter added by amendment.  
Strike-out indicates matter deleted by amendment.

## Council Bill 18-0075R

1 providers to build out their networks since they will now be able to financially benefit from  
2 internet congestion. In this environment, it is time for Baltimore to consider joining the roughly  
3 150 or more municipalities nationwide who have deployed municipal-owned FTTP networks to  
4 ensure that their citizens have the ability to take advantage of all of the opportunities that the  
5 internet offers.

6 Before making a decision about launching a new City internet utility, it is important to get an  
7 accurate picture of the costs and benefits that a municipal-owned FTTP network would bring to  
8 Baltimore. The various funding options for publically or privately financing a FTTP network, as  
9 well as possibilities for public/private sponsorships, should also be formally explored. Baltimore  
10 cannot afford to be left on the wrong side of the digital divide. If the private sector refuses to  
11 address these issues on its own, the City needs to take a hard and long look at its options for  
12 ensuring adequate internet access options for all Baltimore families.

13 **NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF BALTIMORE,** That the  
14 Council requests that the Department of Finance, the Department of Transportation, and the  
15 Mayor's Office of Information Technology appear before it to discuss how they can collaborate  
16 to produce a formal feasibility study on developing a municipal-owned broadband network in  
17 Baltimore capable of ensuring that all Baltimore families have adequate internet access options.

18 **AND BE IT FURTHER RESOLVED,** That a copy of this Resolution be sent to the Mayor, the  
19 Director of Finance, the Director of Transportation, the Chief Information Officer, and the  
20 Mayor's Legislative Liaison to the City Council.