

# Procedures for Leasing Airspace for the use of Broadband Infrastructure

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Presented to the California Transportation Commission  
May 2024 Commission Meeting  
Tab 23

# Agenda

- Middle-Mile Broadband Initiative Overview
  - ✓ Authorizing Legislation
- Middle-Mile Broadband Network Map
- Caltrans Leasing Procedures for Broadband Infrastructure
  - ✓ License Agreement
  - ✓ Fair Market Value Fee Matrix
  - ✓ Scenario Application
- Next Steps

A large spool of cable is mounted on a trailer in a parking lot. The spool is made of metal and has many layers of thick, dark-colored cable wound around it. The trailer is parked on a paved surface. In the background, there are several cars, including a white SUV and a white pickup truck. Two people are standing near the pickup truck. A mountain is visible in the distance under a clear sky. The word "Why?" is written in large, white, sans-serif font across the center of the image.

Why?

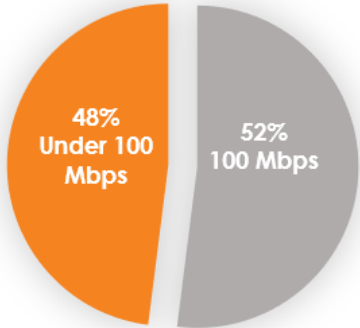
# COVID Highlighted the Digital Divide

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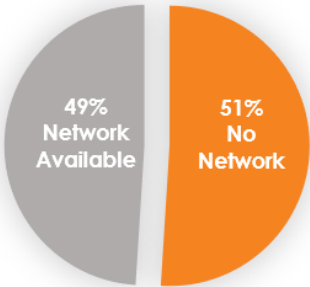
Broadband Access



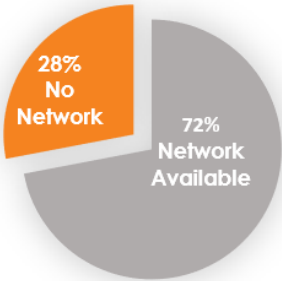
Broadband Speed



Rural Communities with Networks Offering 100 Mbps



Tribal Communities with Networks Offering 100 Mbps



# Senate Bill 156 (2021)

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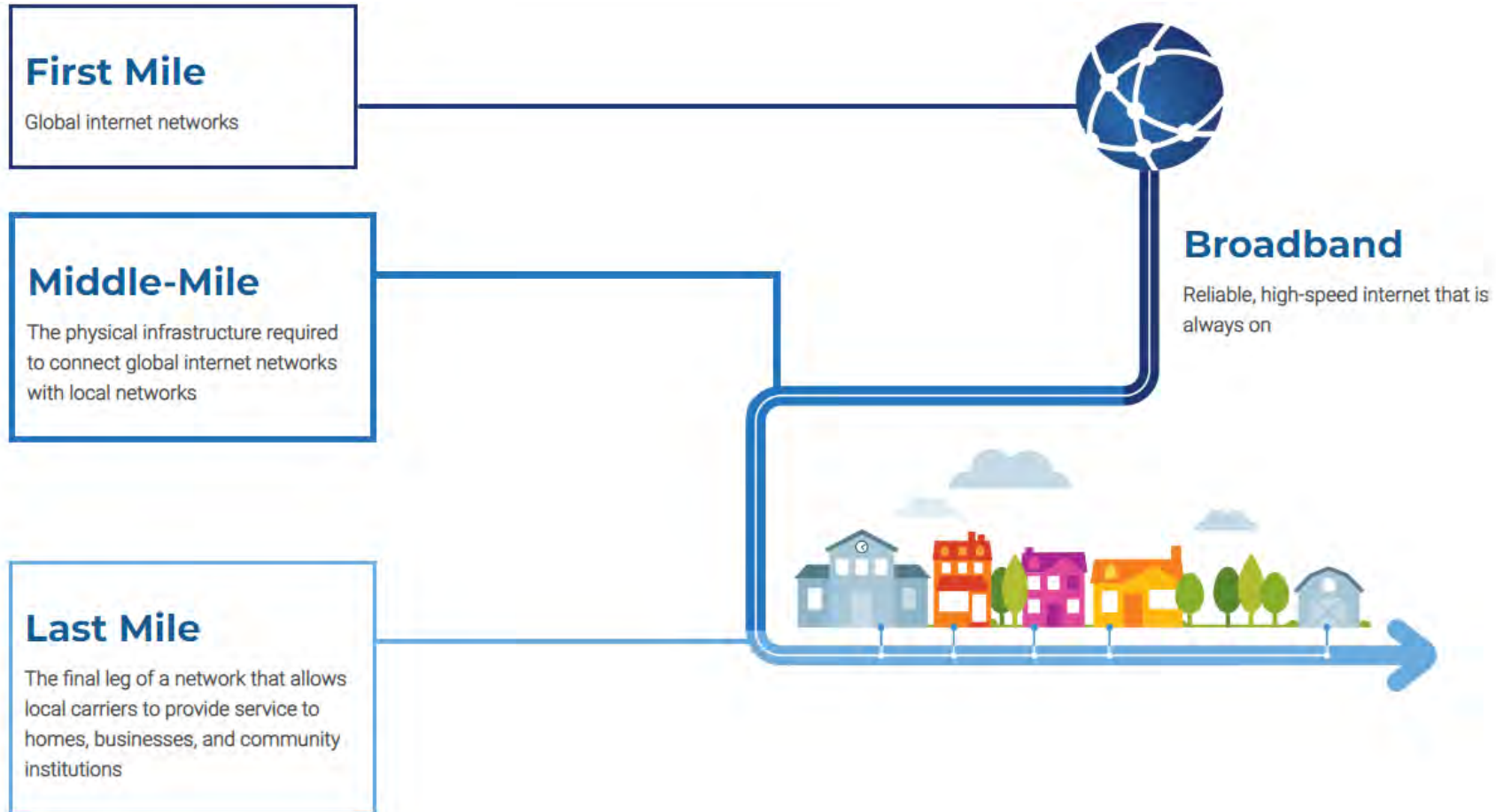
3-year, multi-billion-dollar investment

Established Middle-Mile Broadband Initiative to expand broadband infrastructure and create an open-access network

Legislature provided tools and flexibility to create the network

- MMBN serves a public purpose
- Public property leased at less than fair market value
- Authorized CDT to enter necessary contracts to create the MMBN
- California Environmental Quality Act (CEQA) Statutory Exemption includes public entities, private or non-profit corporations
- MMBN is a state priority



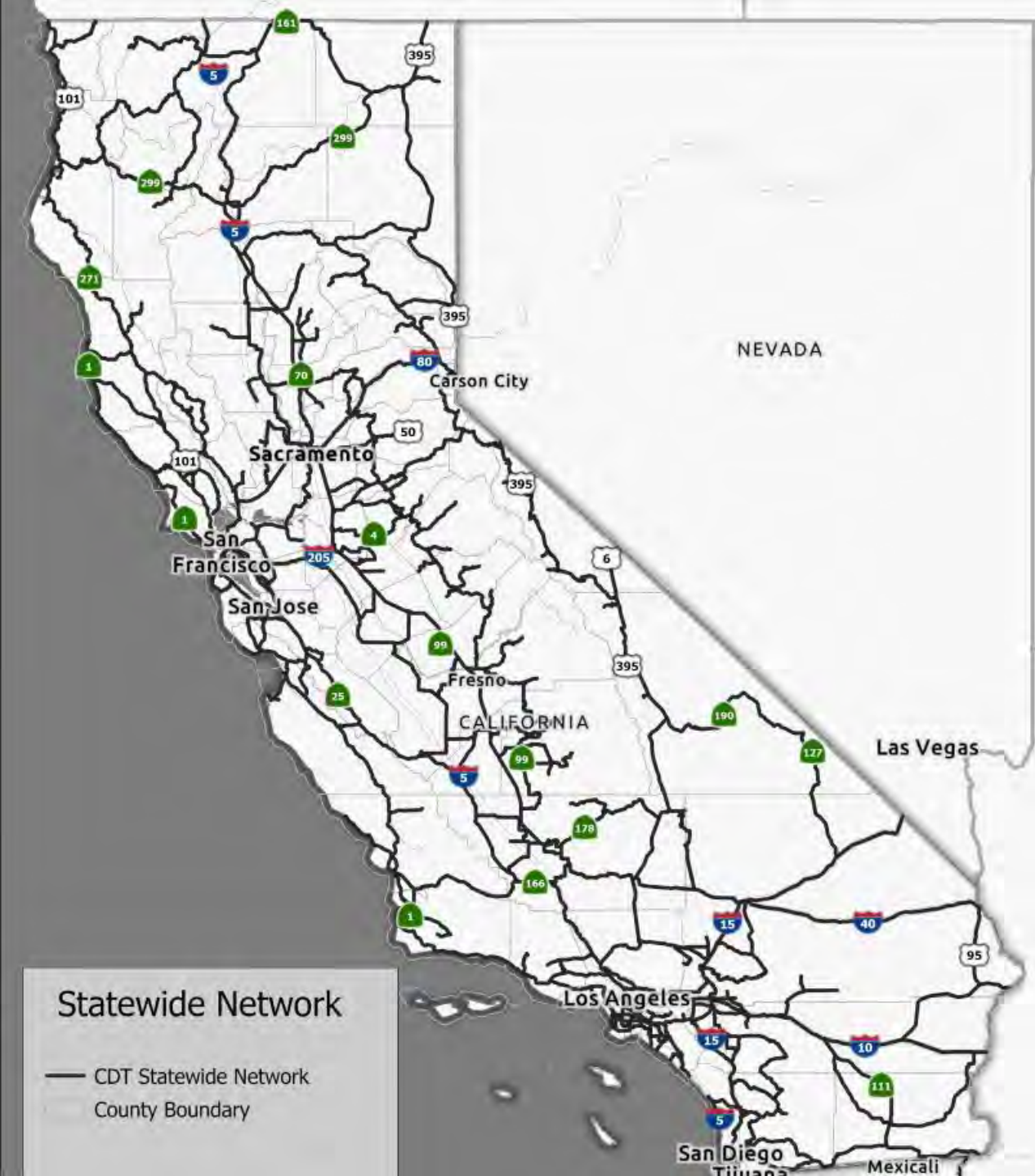




# Building the Network

# Middle-Mile Broadband Initiative

STATEWIDE OPEN  
ACCESS NETWORK



## Statewide Network

- CDT Statewide Network
- County Boundary



# Middle-Mile Broadband Network

BY DELIVERY METHOD







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# Caltrans Leasing Procedures for Broadband Infrastructure

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# Broadband Infrastructure Licensing Model: Wireless Telecommunications Program

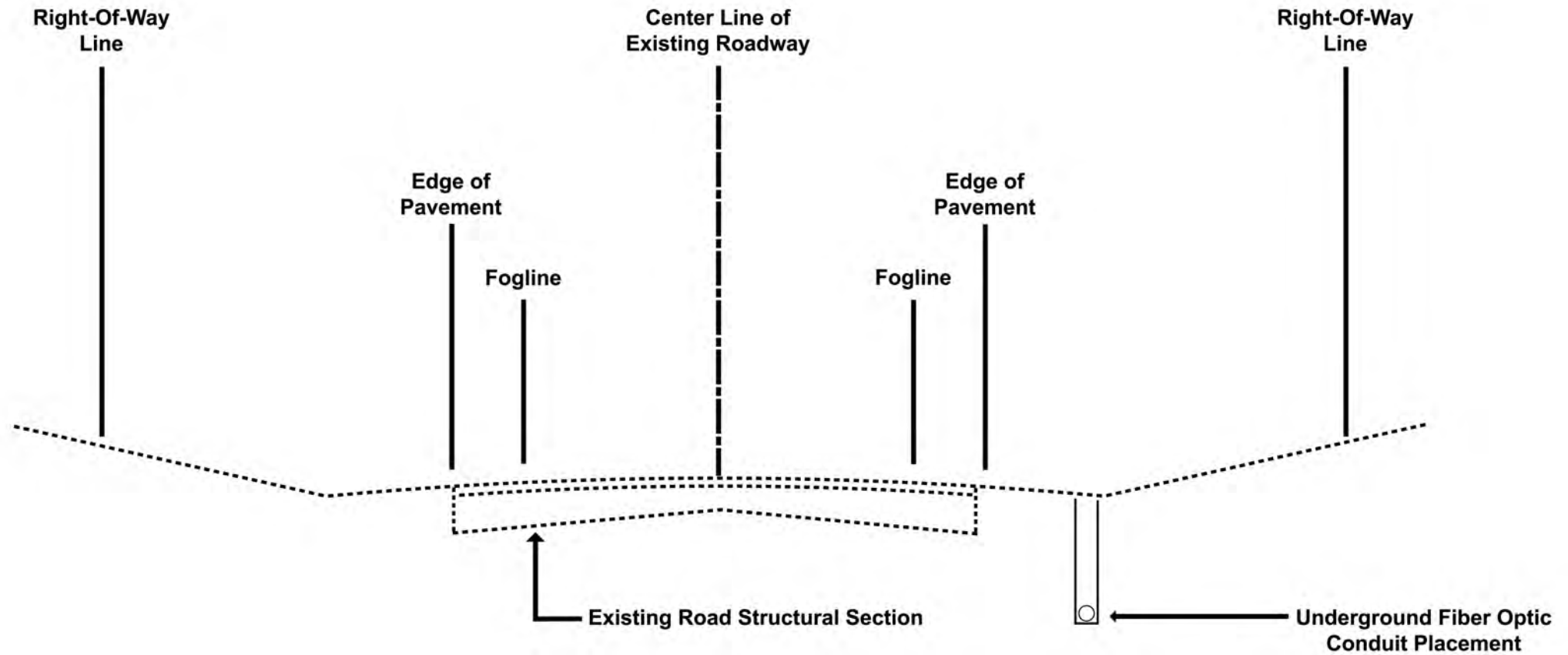
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## State Interest

- Maximizing Caltrans property in concert with community needs and good land use planning
- Properties can accommodate a secondary use without interfering with the operation and future expansion of the transportation corridor

## Wireless Telecommunications Program

- Carriers allowed to install and operate telecom facilities on Caltrans right of way
- CTC retains authority to approve use of the operating right of way for broadband infrastructure
- Caltrans allowed to initiate and approve license agreements based on CTC-approved Master License Agreement



**Caltrans Air Space:** Any area above, below, or adjacent (at grade) of the State Highway Right of Way



## License Agreement

Memorializes builder/owner responsibilities for the infrastructure, such as:

- Conditions of use
- Infrastructure Footprint
- Duration
- Commission Approval

## Why Needed

Required for non-transportation use of the right-of-way.

- Encroachment Permit





# Fair Market Value Fee Matrix

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## Fee Matrix Development

- How developed?
  - ✓ Based on land value study
  - ✓ By County with per mile rate by alignment

## Fee Matrix Application

- Installation meets SB 156 public purpose:
  - ✓ Lease for less than fair market value
- Installation does not meet SB 156 public purpose:
  - ✓ Lease for fair market value
  - ✓ Utilize fee matrix

# Public Purpose of MMBN

## Executive Order N-73-20

- ✓ Broadband is an essential component of digital equity.
- ✓ Broadband is essential for public safety, public health, education, workforce development, and economic resilience.

## Senate Bill 156 (2021)

- ✓ Defines open access as equal non-discriminatory access, regardless of whether it is a privately or publicly owned entity.
- ✓ Creates statewide open access MMBN to facilitate high-speed broadband services.
  - ❖ Based on network map to enable last mile connections in communities without middle-mile infrastructure that is open access, with sufficient capacity at affordable rates.
  - ❖ Aimed at achieving the greatest reduction in the number of households unserved by broadband internet access.
- ✓ Declares MMBN serves a public purpose.
- ✓ Extends CEQA Statutory Exemption to public entity or private or nonprofit corporation.



## Next Steps

### **Subsequent CTC Meeting**

Request CTC approval for:

- ✓ Fair Market Value Fee Matrix
- ✓ Master Licensing Agreement Terms and Conditions for Broadband Infrastructure Installation





# Questions