

Broadband Appleton, Minnesota



Upper Minnesota Valley
**REGIONAL
DEVELOPMENT
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Helping Communities Prosper

“Covid-19 was a test for the internet services at our home. We upgraded to the fastest speed available and upgraded the equipment available to us by the local provider. However, we found that three adults working from home and two others streaming media was too much for our service provider.”
-Appleton Resident

The City of Appleton had previously looked at funding sources to improve broadband in the community but all broadband funding sources considered the city “served or underserved” since there were providers in the community.

Current internet service providers from cable, satellite, and wireless were not able to meet the demand from the residents, business community, or key institutions like the school, library, and healthcare facility. As a result, several of these key institutions had invested in upgrading their own broadband connections. This left residents and other businesses frustrated and looking for solutions.

In the spring of 2021, a new funding source for broadband was made available to respond to the COVID-19 pandemic, the Small Cities Coronavirus Community Development Block Grant Program (CDBG-CV) through the Minnesota Department of Employment and Economic Development (DEED). This was the only broadband funding source that allowed

applicants in areas that were categorized as served or underserved by broadband.

In June 2021, the UMRDC authored an application for the City of Appleton for CDBG_CV funding to improve broadband service in the City. In fall 2021, the City of Appleton received a grant of \$3,699,000 for broadband improvement and commercial rehabilitation.

Appleton released a request for proposals in December 2021 and sought providers to install fiber broadband infrastructure to residents and businesses. Federated Telephone Company was selected as the provider.

Grant funds are being used to support residents by offering increased connectivity for telework, telemedicine, telelearning, and tele visits within the city of Appleton. The grant also included a commercial rehabilitation component for at least 12 businesses to update new or repaired Heating, Ventilation and Air Conditioning systems with

good ventilation and safe air circulation. The estimated grant budget for Appleton is \$5,774,000 and includes a grant of \$3,699,000 from DEED. Matching funds from City of Appleton through the Economic Development Authority, Swift County, and several local funding sources including a cash match requirement from the selected broadband provider were included in the grant proposal, however in the proposal from Federated Telephone, who was awarded the contract by the City, they proposed a cost less than the one included in the grant and no additional local match would be required. The current project estimate for the broadband portion of this grant includes \$2,760,111 from DEED and \$1,680,470 from Federated Telephone Company. The DEED grant cannot pay for connections to businesses so matching dollars from Federated Telephone will be used for these connections.

Construction and installation of broadband began in Appleton in August 2022 and is expected to be completed in the summer of 2023.

625 premises will receive broadband once the project is completed.

