

Memorandum

TO: Regional Chair and Members of Council

FROM: Dino Basso, Commissioner of Corporate Services

DATE: November 18, 2020

RE: **November 5th Committee of the Whole – Item I.2.6, Improving Connectivity for Ontario Program: Funding Application
AMENDED RECOMMENDATION**

On November 5th, 2020, Committee of the Whole approved sending the Improving Connectivity for Ontario Program report recommended by YorkNet Board of Directors to Council on November 19, 2020. This memorandum is related to that staff report and seeks to replace the recommendations in I.2.6 of the Committee of the Whole report with the following (proposed change is ***emphasized***):

1. “Regional Council endorse YorkNet’s funding application(s) to:
 - a. The Ontario Ministry of Infrastructure, under the Improving Connectivity for Ontario Program outlined in Attachment 1
 - b. The Federal Government, under the Universal Broadband Fund (UBF) as outlined in the Universal Broadband Fund: Funding Application memo.***
2. A funding plan for YorkNet’s share of the project costs to be developed and reviewed through the Region’s 2021 Budget process.
3. This report and related memo be circulated to the local municipalities and Members of Parliament and Members of Provincial Parliament representing York Region.”

The Government of Canada has announced additional funding for broadband expansion

On November 9, 2020 the Federal Government announced a \$1.75 billion Federal funding program, the Universal Broadband Fund (UBF). It is designed to increase rural and remote broadband connectivity to speeds of at least 50/10 Mbps for underserved areas. While \$1 billion had been previously announced, the fund has been increased by \$750 million and an application process has been announced.

The UBF is a component of the financial plan described in the report currently before Council. The proposed plan is to request funding from Provincial and Federal sources, with contributions from the Region and private sector. UBF anticipates approaches that will leverage partnerships as a key to solving the connectivity issue across the country.

UBF is focussed on ensuring projects are sustainable and well-financed while requiring the minimum program funding necessary. In addition to the main funding stream, allocations have also been indicated for the following streams:

- Rapid Response Project Stream: up to \$150 million is dedicated for projects that can be started and completed quickly. These projects will provide immediate connectivity improvements and must be completed by November 15, 2021.
- Large Impact Project Stream: up to \$750 million is available to advance large-scale, high impact projects. These projects must be completed by March 31, 2026.
- Mobile Project Stream: up to \$50 million available for mobile projects primarily benefiting Indigenous peoples.

Although YorkNet's focus is on the main UBF project funding stream, YorkNet staff will look at potential projects that could fall within the Rapid Response Stream and assess the viability of an application to that stream as well.

The deadline for funding applications is February 15, 2021 for main UBF applications, with assessments and selection decisions taking place over the months following.

UBF and ICON applications are required before the budget is tabled with Council. This provides YorkNet time to develop its funding plan through the Region's normal budget process which will provide Council with the opportunity to consider the funding request in detail. YorkNet's funding request will be developed in collaboration with the Region's Finance department, considering all potential options available.

Dino Basso

Bruce Macgregor

DDG/LB

Edocs: 11919976