Broadband Proposal
Franconia Township Board Meeting
August 13th, 2019
In the early 1880’s, the residents of Franconia Township came together for the future of their community. Instead of continuing to receive their mail via horse and buggy or word of mouth, they instead chose to provide public infrastructure accessible via the proposed Franconia Depot at milepost 17 on the railway.

The investment would improve the lives of the residents and the business community by providing Franconia Township a depot for transport, a mail stop and access to a telegraph line.

Residents of Franconia Township have a similar opportunity today.

This past January 2019, a group of Franconia citizen pioneers was formed to put in motion the process to bring a 21st century fiber optic network to rural Franconia Township. Taking advantage of state-wide grant funding up to 45% of the infrastructure. Our 21st century pioneers are attempting to blaze a trail to provide reliable affordable internet with speeds up to 1000 up/1000 down, television and telephone services to all residents of Franconia Township.

Thank you for your time and participation in this Township conversation!
Survey Data

Resident Support

- In Support: 261 (95%)
- Opposed: 15 (5%)

Satisfaction Levels

- Do not have internet: 9
- Very dissatisfied: 72
- Somewhat dissatisfied: 49
- Somewhat satisfied: 11
- Very satisfied: 9

Current Monthly Internet Cost

- $0: 84
- $10-25: 155
- $30-50: 11
- $50-125: 9
- $125-150: 7
- Over $150: 9

How often does your internet go down?

- Never: 44
- Rarely: 90
- Once or twice a month: 90
- A few times a week: 90
- Multiple times per day: 42
Are you concerned lack of fiber will hurt future home sales?

- No: 178, 65%
- Yes: 97, 35%

How likely is it you would subscribe to new service?

- Definitely not sign up: 5
- Probably not sign up: 3
- I’d consider it: 55
- Most likely would sign up: 89
- Yes I’d definitely sign up: 123

Would you be willing to invest $20-30 per month via tax increase?

- No: 184, 67%
- Yes: 91, 33%

Current Bandwidth

<table>
<thead>
<tr>
<th>Bandwidth</th>
<th>Upload</th>
<th>Download</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-5 Mbps</td>
<td>98</td>
<td>252</td>
</tr>
<tr>
<td>5-10 Mbps</td>
<td>59</td>
<td>252</td>
</tr>
<tr>
<td>10-24 Mbps</td>
<td>82</td>
<td>252</td>
</tr>
<tr>
<td>24+ Mbps</td>
<td>33</td>
<td>252</td>
</tr>
</tbody>
</table>
Survey Trends

Yes / No Votes

[Graph showing trends over time with 'YES' and 'NO' votes]
### Funding & Financials

#### Sources of Funds

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Township/Bonds</td>
<td>$1,705,000</td>
</tr>
<tr>
<td>State Grant</td>
<td>$1,313,202</td>
</tr>
<tr>
<td>CTC Contribution</td>
<td>$396,419</td>
</tr>
<tr>
<td><strong>Total Project Costs</strong></td>
<td><strong>$3,414,621</strong></td>
</tr>
</tbody>
</table>

- **15 Year Tax Abatement Bond**
  - **3.2% interest**
  - 50% covered by outside sources
Tax Impact Analysis

- **Residential Homestead** (468 parcels)
  - Average Increase: $163.27/Year, $13.61/Month
  - Max Increase: $207.10/Year, $17.26/Month
  - $300,000+ TMV*

- **Agricultural Homestead** (227 parcels)
  - Average Increase: $122.20/Year, $10.18/Month
  - Max Increase: $393.99/Year, $32.83/Month
  - $1,000,000 TMV*

- **Agricultural Land** (68 parcels)
  - Average Increase: $64.36/Year, $5.36/Month
  - Max Increase: $213.96/Year, $17.83/Month
  - $1.43 Per Acre/Year

- **Seasonal/Recreational** (33 parcels)
  - Average Increase: $88.79/Year, $7.40/Month
  - Max Increase: $285.89/Year, $23.82/Month
  - $400,000+ TMV*

*TMV = Taxable Market Value
Home values increase by an average of 3.1% based on access to fiber broadband

$9300 value on $300,000 home!

CTC pricing 20% less on average than existing providers

$15-30 savings per month!

Base package 5x faster than current max speed available. Max option 41x faster

$2.46 per hour in time waiting for 1 GB data download (@$25 per hour)

https://www.fiberbroadband.org/blog/study-shows-home-values-up-3.1-with-access-to-fiber
ROI Breakdown ($300,000 Residential Homestead)

<table>
<thead>
<tr>
<th>Fiber Investment (PV)</th>
<th>Fiber Benefit (PV)</th>
<th>Net Present Value (NPV)</th>
<th>Payback (Years)</th>
<th>Return on Investment</th>
</tr>
</thead>
<tbody>
<tr>
<td>$3,107</td>
<td>$15,031</td>
<td>$11,925</td>
<td>3.9</td>
<td>384%</td>
</tr>
</tbody>
</table>

Fiber Benefit = $620 (Property Appreciation) + $264 (Service Cost Savings) + $118 (Time Savings) x 15 Years
Thank You!