

MDU Community Connect Program

Funding for Closing the Digital Divide in Multi-Dwelling Units

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# **Why This Program Matters**

Broadband access is essential for economic growth, educational advancement, healthcare access, and fostering social connections. Yet, approximately 66% of residents in affordable and public housing multi-dwelling units (MDUs) do not subscribe to high-speed internet, highlighting the prevalence of the digital divide that persists in these communities.[[1]](#footnote-1) With the discontinuation of the Affordable Connectivity Program (ACP), the risk of exacerbating this divide grows more significant. The absence of the ACP underscores the urgency for targeted state action to ensure affordable and equitable internet access for all.

The MDU Community Connect Program is a ready-made solution designed to address this critical issue by providing state officials with a comprehensive grant program that facilitates the deployment of reliable, high-speed internet to eligible underserved communities. This program template represents a robust and actionable strategy to bridge the digital divide and saves states significant time and resources. Developing such a comprehensive grant program from scratch would typically require over 200 hours of work or cost thousands of dollars in consultant fees.

**A framework aligning with your state’s needs and priorities now exists, and the next step is clear:** adopt this program toequitably and efficiently close the digital divide for millions.

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# **I. Overview and Objectives**

The **MDU Community Connect Program** is designed to significantly boost the adoption of in-home broadband services in public and affordable housing, enhance health and education outcomes, facilitate upward mobility and housing self-sufficiency, and, overall, improve residents' quality of life.

To achieve these objectives, [GRANTOR] will provide grant funding to cover up to 100 percent of the costs associated with installing last-mile infrastructure, inside wiring, and the network equipment needed to deliver a Wi-Fi signal that reaches every unit and common area within the selected housing communities. The grant will also cover the cost of providing free internet service for the first year to ensure rapid and widespread adoption of the new service.

Recognizing affordability as a critical barrier to broadband adoption, this initiative will prioritize high-quality Wi-Fi internet services offered at substantially lower monthly rates than currently available to residents through a retail option. In alignment with a broader digital advancement strategy, this program will be integrated with existing and future digital advancement initiatives, such as digital skills training and device access, to ensure residents have sustained access to a broader range of digital capacity-building opportunities. These comprehensive efforts will be extended to residents following the network deployment at their housing community where possible.

## Program Process Overview

An overview of the program process is as follows:

1. [GRANTOR] will compile a list of Housing Partners that have expressed interest in participating in the program. This list will be generated through a combination of GRANTOR’s outreach efforts and the proactive outreach activities of potential applicants.
2. [GRANTOR] will choose a group of communities eligible for the first round of grant funding while continuing to gather interest for subsequent rounds.
3. [GRANTOR] will solicit proposals to serve eligible communities with broadband services.
4. The applicants whose applications meet a threshold score may resubmit their proposals after incorporating feedback from the Housing Partners and performing a site visit to the communities.
5. Applications will be rescored, and [GRANTOR] and the Housing Partners will collaboratively choose a winner.
6. [GRANTOR] will establish a timeline for the disbursement of funds to Housing Partners after executing a contract with the winning applicant.
7. Ongoing reporting and monitoring activities through the period of performance.

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# **II. Definitions**

* **Broadband service provider** - an entity that is a facilities-based provider of “Broadband Internet Access Service” if any of the following conditions are met: (1) it owns the portion of the physical facility that terminates at the end-user premises or obtains the right to use dark fiber as part of its own network to complete such terminations; (2) it obtains unbundled network element (UNE) loops, special access lines, or other leased facilities that terminate at the end-user premises and provisions/equips them as broadband; or (3) it provisions/equips a dedicated fixed wireless channel to the end-user premises over licensed or unlicensed spectrum.
* **Bulk Service** - a high-speed internet connection similar to an enterprise or commercial subscription that would be procured by a housing operator for an entire property and shared between units, eliminating the need for residents to establish individual contracts directly with a broadband service provider.
* **Covered populations** - those defined by the Digital Equity Act (47 U.S. Code § 1721)
* **Dwelling unit** - a structure or the part of a structure used as a home, residence, or sleeping place by one person who maintains a household or by two or more persons who maintain a common household. It is also referred to as a *residential unit* throughout.
* Broadband Service Provider **Agreements**:
  + **Access-only**: Grants the broadband service provider the right to install and maintain their equipment within the MDU.
  + **Non-Exclusive Marketing**: Allows the broadband service provider to market their services to the MDU residents, but other providers can also do the same.
  + **Exclusive Marketing**: Gives the broadband provider the sole right to market their services to the MDU residents on the premises.
* **Housing Partner** - an entity that owns, operates, represents, and/or manages a low-income community.
* **Internal Wiring** - communication cables (e.g., Coaxial, telephone, network) inside a residential unit or multi-dwelling unit (MDU) building for transmitting data. To the extent that this definition is applied to a mobile home park or other development that may have resident-owned units, this inside wiring definition excludes any inside communications wiring installed in a residential unit or MDU building that is not owned by the mobile home park or other development.
* **Low-income** - a household income at or below 200 percent of the poverty line.
* **Low-income community:**
  + A publicly supported multi-dwelling unit housing development or;
  + A multi-dwelling unit development such as a Single Room Occupancy (SRO) or an apartment complex, in which all units are owned by the same entity(ies )that meet one of the following criteria:
    - At least 80% of residential units are rent-restricted or rent-subsidized and reserved for “low-income” residents OR
    - At least 80% of the residents are low-income
  + A City or County Government may apply on behalf of the low-income community.
* **Minimum Point of Entry (MPOE)** - the closest practicable point to where wiring crosses a property line or the closest practicable point to where the wiring enters an MDU building or buildings.
* **Multi-Dwelling Unit (MDU)** - a residential building or complex where multiple households reside in separate dwelling units on the same parcel of land, sharing common infrastructure and spaces.
* **Project** - the work to connect a broadband network to a single low-income community, as defined herein that has been authorized funds for a grant under one application from the MDU Communities Connect Program.
* **Publicly supported** :
  + the housing development receives financial assistance from the United States Department of Housing and Urban Development (HUD) pursuant to an annual contribution contract or
  + is financed with low-income housing tax credits (LIHTC), tax-exempt mortgage revenue bonds, general obligation bonds, or local, state, or federal loans or grants, and the rents of the occupants, who are lower-income households, do not exceed those prescribed by deed restrictions or regulatory agreements pursuant to the terms of the financing or financial assistance.
  + **Publicly supported housing development** - a publicly supported multi-unit housing development that is wholly owned by either of the following:
  + A public housing agency is one that has been chartered by a government entity (state, city, or county).
  + An incorporated nonprofit organization as described in Section 501 (c)(3) of the Internal Revenue Code (26 U.S.C. Sec. 501(c)(3))[[2]](#footnote-2) that is exempt from taxation under Section 501 (a) of that code (16 U.S.C. Sec. 501(a)) and that has received public funding to subsidize the construction or maintenance of housing occupied by residents who qualify based on being a member of the covered populations defined by the Digital Equity Act (47 U.S. Code § 1721).

# **III. Eligible Applicants**

This grant program invites a diverse range of applicants committed to providing an affordable connectivity solution for the selected communities. Eligible applicants include:

1. **Managed Service Providers (MSPs) and Internet Service Providers (ISPs)**We encourage MSPs and ISPs that seek to expand their services, improve connectivity, or enhance technology solutions for covered populations. Applicants must demonstrate commitment to delivering high-quality, reliable internet services and innovative managed solutions.
2. **Government Entities**Local and tribal government agencies focusing on initiatives that enhance digital connectivity and technological access for their constituents are eligible to apply.
3. **Non-Profit Organizations**Non-profit organizations focusing on housing, digital inclusion, or community development are eligible to apply.
4. **Housing Entities with In-House IT Staff**Housing organizations with dedicated, in-house IT staff capable of integrating connectivity solutions within their housing projects are eligible. Such organizations must showcase their capacity to design, deploy, and manage a network.

Eligible entities must have the technical, managerial, and financial expertise to design, build, and operate high-speed broadband service infrastructure or partner with a broadband service provider.

In cases where the applicant intends to collaborate with another entity to manage the system, a formal agreement or draft agreement outlining the terms of the partnership must accompany the application.

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# **IV. Participating Communities**

[GRANTOR] will solicit “expressions of interest” from Housing Partners interested in participating in the program. The eligible Housing Partner properties must meet the criteria of a low-income community (see [*II. Definitions*](#_hkr5xcjc7sl8)). Property residents cannot currently have access to a broadband service provider that offers low-income qualifying low-cost or free broadband service that meets or exceeds 100 Mbps symmetric service.

Prospective eligible Housing Partners must share details about their property, such as the condition of any inside wiring, through an online survey. While the [GRANTOR] will conduct outreach efforts to potential Housing Partners, it is recommended that applicants also find and engage Housing Partners with eligible properties to complete an expression of interest and widen the pool of potential beneficiaries. [GRANTOR] will publicly share details of outreach activities and results so potential applicants can best supplement outreach efforts.

[GRANTOR] will evaluate survey responses submitted by Housing Partners to prioritize properties as projects for program inclusion. Housing Partners who can contribute funds, either directly or through a partner, to subsidize the ongoing costs of the service will be prioritized. Subsequent to the prioritization process, [GRANTOR] will aggregate property data to compile a list of eligible projects for the initial round of submissions. Simultaneously, [GRANTOR] will continue seeking expressions of interest from additional Housing Partners to assemble a pool of eligible properties for succeeding grant rounds.

Applicants may submit applications for any number of eligible projects and are advised to strategize how to combine projects to optimize deployment plans and opportunities with economies of scale and portfolio discounts in mind.

## Requirements for Housing Partners

1. The Housing Partner is prohibited from generating any revenue from the ongoing monthly subscription fees paid by residents for the broadband service. This means that if the Housing Partner engages in a bulk agreement with the broadband provider and does not cover the full cost of the service, they must commit to only passing on the actual cost to the residents. The Housing Partner cannot mark up or profit from the monthly broadband subscription fees.
2. Sign a service contract directly with the mutually agreed upon winning service provider for their community(ies). The [GRANTOR] will present only those broadband service provider solutions that successfully meet program goals to the Housing Partner. The [GRANTOR] and Housing Partner will collaborate to choose the applicant that best fulfills the stated goals of the MDU Community Connect Program
3. Agree to provide access to the property for any future [GRANTOR] funded digital advancement programs (e.g., device distribution)

## Support for Housing Partners

1. [GRANTOR] will ensure the Housing Partner understands the applicant’s solution and service provider contract requirements.
2. [GRANTOR] will ensure the applicant has provided a clear enough implementation plan that satisfies the Housing Partner’s needs.
3. [GRANTOR] will provide resources identifying means for reducing ongoing costs to the Housing Partner (in bulk agreements) or residents (for retail contracts).

# **V. Eligible Use of Funds**

The [GRANTOR] will reimburse the following GRANT Infrastructure project-related expenses after a review of the completion reports and supporting documentation:

1. On-premises equipment and wiring:
   * The equipment needed to provide internet service to end-users includes switches, routers, wireless access points, and firewalls.
     1. Installation, provisioning, and configuration labor costs at the Minimum Point of Entry (MPOE), MDFs (Main Distribution Frame), IDFs (Intermediate Distribution Frame), WAPs (Wireless Access Point), Wireless Bridges such as P2P and P2MP (Point to Point and Point to Multi-point) Radios, Switched Ethernet, and xDSL (Digital Subscriber Line) modem.
   * In-building and outside on-premise wiring: The cabling that distributes a telecommunications signal from the demarcation point at the MPOE to terminations, such as wall jacks, throughout a community.
     1. Low-voltage contracting work, including installing inside wiring, network cabinets, NEMA boxes, conduits, patch panels, cable trays or ladders, and other cabling requirements to provide power and connectivity for the broadband network equipment funded as part of the project. Major rehabilitation, demolition, or construction work will not be funded.
2. Fiber or other broadband connections to community premises:
   * Last-mile infrastructure: The cabling, wires, and/or radios to distribute the internet from local internet exchanges to the demarcation point on the premises of a community
     1. Project labor and materials costs, including design, permitting, installation, supervision, and telecommunications equipment.
     2. Costs that include, but are not limited to, trenching, boring, backfill, cable, and conduits.
     3. Costs for wired and/or wireless installations and activating service.
     4. Last-mile fund requests should be limited to only those that are necessary to reach the low-income community.
   * Drops to a building: In a fiber-to-the-premises system, the fiber drop is the single connection from passing fiber into a structure for interior distribution to units. This also includes Point-to-Point fixed wireless equipment affixed to the outside of property structures, which may be a suitable alternative to fiber, provided that tenants in those buildings have a clear means to realize sufficient symmetric speeds that can scale to 1Gbps.
3. Professional services or staff costs necessary for implementation include engineering, consulting, environmental, cultural, legal, accounting, and project management costs to design, build, and test the proposed network.
4. Hardware warranty of broadband network equipment as needed.
5. Equipment and Software licenses.
6. Taxes, shipping, and insurance costs (if applicable) that are directly related to deploying broadband network equipment.
7. The costs to operate the network for the first year of service delivery
   * Backhaul services are used to connect to the internet backbone.
   * Network Monitoring and Management

Note that the above is not an exhaustive list, and the [GRANTOR] will use discretion on any requested expenses for reimbursement.

The [GRANTOR] reserves the right to limit the length of last-mile infrastructure the grant will fund by considering the impact on overall program costs. Any length of last-mile infrastructure not covered by this grant will be the responsibility of the applicant.

# **VI. Project Requirements**

Projects funded through the **MDU Community Connect Program** must address the following requirements:

**Be capable of reliably delivering high-speed internet service:**  Service delivery must meet or exceed the criteria detailed in the [Minimum Performance Requirements](#_ocvbcmrzuarm) section below and be provided by equipment that meets the specifications detailed in [Table 1](#sz8dsl7nmdyf). Wi-Fi must be accessible in every unit and designated common areas, such as lobbies, community rooms, and other places where residents frequently gather or utilize shared services. While Wi-Fi connected via direct wireline connections terminated inside units is preferred, a hybrid or strictly wireless solution utilizing shared access points will be considered an alternative option if it offers significant cost savings or where deploying wiring to the units is not feasible.

**No throttling or data caps:** Broadband services may not subject end-users to data caps, surcharges, or usage-based throttling.

**No duplication of federal or [GRANTOR] funding**: Projects already receiving funding from other federal or [GRANTOR] sources are not eligible for MDU Community Connect Program funding for the same activity.

All **wiring** installed on the premises shall be **owned by the property owner** from the installation date. During the contract term, the applicant shall be responsible for the maintenance and repair of all internal wiring installed under this grant but will not be responsible for the costs of repair for damage caused by the Housing Partner’s personnel, contractors, or tenants.

The Housing Partner should be offered a **contract term of at least five (5) years**.

## Network Design Requirements

The Applicant must design a comprehensive network with sufficient availability and capacity to wirelessly serve all subscribers at a minimum speed of 100 Mbps downstream and 100 Mbps upstream. Service must be accessible inside each residential unit and designated common areas.

The Applicant must explain why the solution is optimal for the properties (e.g., Access Points in every unit versus only in hallways) and how the solution can easily scale speeds over time to meet the evolving connectivity needs of households by supporting the deployment of successor wireless technologies and other advanced services.

## Customer Premises & Shared Equipment

Applicants must provide customer premises equipment (“CPE”) and/or shared network equipment (“SNE”) (e.g., in hallways and common areas) to connect end-users to the Applicant’s network and internet service. The equipment should be able to interface multiple end-user devices via wireless Wi-Fi connections inside each dwelling unit and in designated common areas. The CPE & SNE must be pre-installed and not require any handling or configuring by the resident to turn on the service. The CPE & SNE must meet the specifications in **Table 1: Minimum CPE & SNE Specifications** below.

Both indoor and outdoor equipment will be acceptable, although solutions that are more aesthetically pleasing and require less expensive installation efforts are desirable. Applicants must manage the CPE/SNE and troubleshoot repair or replace those not operating properly as necessary. Applicants must be equipped to efficiently onboard customers to start service delivery without requiring a visit by any of the applicant’s personnel.

**Table 1**: **Minimum CPE & SNE Specifications**

|  |  |
| --- | --- |
| **Element** | **Specification** |
| User Interface | Wi-Fi 802.11ax (a.k.a. Wi-Fi 6) or better |
| Service Speed | Minimum 100Mbps symmetric internet service |
| Provider Interface | Allows interconnection with in-building fiber or CAT6 |

## Minimum Performance Requirements

Each subscribing residential household must receive the following:

* service of a minimum of 100 Mbps downstream and 100 Mbps upstream.
* latency < 20 ms round trip ping time from user premises to the service provider’s first hop router.
* The proposed technology should be able to easily deliver or scale to speeds of 1 gigabit per second symmetric for the end user.

## Affordable Service Plans

Applicants must demonstrate how receiving these grant funds results in more favorable pricing to residents than what is currently being offered in the market without the support of grant funds. If the applicant does not currently provide a low-income plan, a new plan tailored for this program must be developed. The pricing of this plan should be appropriate for the low-income status of residents in the selected Housing Partner (e.g., using the definition of a low-cost plan defined in [GRANTOR]’s BEAD Initial Proposal Volume 2), as all residents qualify for subsidized housing and are deemed low-income for the grant's criteria, irrespective of their eligibility for other low-income plans offered by the applicant in the market.

Applicants must submit pricing details for broadband services, including all costs, with no additional fees for project users. Service options should not be subject to time-limited or expiring offers.

The grant will cover the first year of service, providing the 100 Mbps symmetric internet plan to residents at no cost. Pricing cannot change during the period of performance.

## Workforce Development [Optional]

While not required, workforce development activities that contribute to the installation or maintenance of the network are highly encouraged.

Activities could include, but are not limited to:

* Providing training and certification programs for local residents in broadband installation, maintenance, and repair.
* Partnering with local educational institutions or workforce development organizations.
* Offering apprenticeships or internships to local residents in the broadband industry.
* Hiring local residents for construction, installation, and ongoing maintenance of the broadband network.

# **VII. Grantee Selection Process**

There will be three evaluation phases:

**1. Minimum Requirements Met**

Proposals will advance to the next stage upon receipt of all necessary documents containing the required information and meeting the minimum technical criteria.

**2. Affordability Scoring**

The selection process strongly emphasizes affordability and favors proposals offering free or very low-cost broadband service. Points decrease as service costs increase, with a sharper decline for higher pricing.

**Affordability Points:** This criterion will be evaluated on a 100-point scale.

**Priority for Free/Low-Cost Service:** Proposals offering free broadband service will receive the highest scores, followed by those with monthly subscription fees at or below $10 per unit per month.

**Exponential Decrease:** The points given will decrease exponentially for each $5 increase beyond $10 per unit per month. Proposals commanding higher prices will be allocated a correspondingly reduced number of points.

Proposals will undergo separate scoring evaluations for each retail and bulk service category and then be compared to other proposals within the same category.

**3. Comprehensive Assessment**

The [GRANTOR] acknowledges the diversity of technology designs, service quality commitments, ease of adoption and onboarding, business models, and deployment costs are interconnected. Instances may arise where a proposal is deemed "superior" due to lower deployment costs; however, its technical design and onboarding process may lack robustness compared to higher-cost alternatives. Simply assessing individual components of a program design on their own may not reveal the most suitable overall solution among proposals. Consequently, a comprehensive evaluation will assign an overall quality score of 1 to 5.

**Additional Points for Workforce Development**

The strength and comprehensiveness of any proposed workforce development activity will be evaluated based on factors such as:

* The number of individuals expected to benefit from the activities.
* The relevance of the training and skills development to the broadband project.
* The sustainability of the workforce development efforts beyond the grant period.
* The level of collaboration with local partners and stakeholders.

Grantees will be awarded additional points based on the robustness and impact of their workforce development plans. The maximum number of points available for this criterion is 50.

**Initial Score**

The affordability score will be multiplied by the comprehensive evaluation score to determine the final score. Applicants will be ranked in decreasing order. A minimum threshold score of 150 is required; otherwise, the proposal will no longer be considered for an award.

**Site Visits and Submission Update**

The [GRANTOR] will present at least two (when possible) of the highest-scored applicants meeting the minimum score threshold to the Housing Partner for initial feedback on each proposal. [GRANTOR] will provide feedback received by the Housing Partner to the applicants, who will be able to update their application materials. [GRANTOR] will also facilitate onsite visits by the highest-scored applicants to gain more detailed information to inform their network designs. Applicants will resubmit their application with any updates from Housing Partner feedback and onsite visits.

**Final Review and Award**

Proposals will be rescored following the same process outlined above. The [GRANTOR] will present the highest-scored application to the Housing Partner. The [GRANTOR] and Housing Partner will collaborate to choose the applicant that best meets the goals of the MDU Community Connect Program and Housing Partner. If the highest-scored applicant is not viable for the Housing Partner, the proposal review will continue assessing each subsequent application in rank order of their score.

Each project in a multi-project application is evaluated on its own merit, allowing funding to be awarded for a subset of the proposed projects.

# **VIII. Information Required from Applicants**

Applicants are required to provide the following information to the [GRANTOR] for each proposed project. Applications that do not include all the relevant items listed below may not be considered for approval. Elements shared across multiple projects need only be included once in the submission.

1. **Project Location**

The applicant must include a physical address for each project location selected from the list of eligible communities released by the [GRANTOR].

1. **Assertion of Community Need for Affordable Broadband Service**

An applicant must attest that the low-income community that will be connected through the proposed project does NOT currently have access to a broadband service provider that offers the community residents income-qualifying low-cost or free broadband service that meets or exceeds 100Mbs symmetric service.

* Include the available service level and associated pricing and connection technology (e.g., DSL, Coax) for each broadband service provider currently serving the community.

1. **Partners**
   * Describe key partners and/or subcontractors that will help deliver the proposed project and the roles and responsibilities of each entity.
   * Provide a copy of the partner agreement or draft agreement between partners as applicable. Should the application be successful, the [GRANTOR] retains the authority to request adjustments to these agreements if any terms are deemed unacceptable to [GRANTOR].
2. **Proposed Project Narrative**

Detailed broadband project plan proposal including but not limited to the elements listed below:

* + The type of technology that will be deployed, including technical specifications, network topology, schematic diagrams, heat maps, cable routing and other network specifications.
  + How the design considers future growth in consumer demand and how upgrades would be performed to deliver higher performance.
  + The number of residential units and the common areas in the low-income community that will be connected.
  + The location and distance for any last-mile cabling to the community premises.
  + Entities that will provide broadband Internet service at the project community (E.g., the Internet service levels offered by a named ISP).
  + Explanation of how the proposed solution will reduce common obstacles for subscribers transitioning to the network, such as simplifying the onboarding process. Include the proposed average and maximum amount of time to onboard a resident to the network—the duration from receiving a service request to the resident accessing the Internet.
  + How the solution will protect the privacy and cybersecurity of residents and other end-users.
  + The duration and frequency of housing unit access required to complete the project.
  + Plan to minimize environmental and aesthetic impacts to the community.
  + Efforts to keep project costs reasonable and competitive.
  + Include a detailed budget using the MDU Community Connect Program Budget Template to provide the estimated total project cost and a bill of materials for the network's deployment.
  + Describe clearly identified financial assumptions and the methodology for determining cost estimates, including design, engineering, permitting, labor, and material for construction, electronics, and testing.

1. **Subscription Costs**

This program may fund last-mile costs to deploy fiber to the community premise if it doesn't already exist. Accordingly, applicants must provide two sets of subscription/bulk pricing quotes, one set for each of the following scenarios:

1. Grant finances 100% of the last-mile deployment, resulting in no last-mile capital costs factored into operating expenses.
2. Grant does not finance any last-mile capital costs, resulting in last-mile capital costs included in operating expenses.

Provide the following for each of the two above last-mile funding scenarios:

* + Submit pricing information for all broadband service tiers offered, including the required 100 Mbps symmetrical service plan. There must be a guarantee that pricing will remain the same for at least five years and the first year will be provided free to residents or Housing Partner in bulk scenarios via funds from this program.
  + For commercial companies, retail pricing must be provided for the following types of agreements the applicant supports. Discounts are expected for Non-Exclusive Marketing and Exclusive Marketing commensurate with any forgone door fees and revenue share (which are disallowed under this program):
    - Access-only
    - Non-Exclusive Marketing
    - Exclusive Marketing
  + A bulk purchase option must be provided:
    - Bulk would involve the Housing Partner procuring service directly with the applicant to provide universal service to all units within a given property at a set service and rate.
    - It is ultimately up to the Housing Partner to choose to engage in a bulk service agreement.
  + Applicants must demonstrate how receiving these grant funds results in pricing that is more affordable to residents than what they would offer in the applicant’s market without the support of grant funds.

1. **Sustainability Plan**
   * Include a sustainability plan that outlines how the project(s) will continue to benefit the community post-funding. Applicants must demonstrate a robust strategy that surpasses the initial grant investment and encompasses maintenance, repair, and upgrading of networks. Consequently, proposals should feature a sustainable model or long-term plan that extends beyond the performance period. The design should address future growth in consumer demand and detail how upgrades will be executed to achieve enhanced performance levels without reliance on subsequent grant programs.
2. **Community Engagement & Adoption Plans**
   * **Describe plans to maximize enrollment of residents.**
     + [Include your marketing and enrollment plans, with expected numbers of adopting households for each year of this program’s period of performance]
   * **Describe any partnerships with community-based organizations (CBOs), especially those working with affordable housing residents, tenant associations, or digital equity organizations to support adoption and use:**
     + [Include a description of potential partnerships and how they will support the project]
3. **Actual budget cost line items proposed to be funded by the grant, including:**
   * The cost for all eligible equipment.
   * The cost of low-voltage contracting work.
   * Broadband network engineering and designing cost with required supporting documentation.
   * The cost of any required hardware warranty for broadband network equipment.
   * The cost of installation, provisioning, and configuration labor.
   * Any applicable taxes, shipping, and insurance costs that are directly related to broadband network equipment deployed under the MDU Communities Connect Program.
4. **Project milestones with a delineated deployment schedule that includes:**
   * A commitment to complete the project within 12 months of application approval.
   * Major prerequisites, such as a detailed project plan with a timeline, including low-voltage construction, network installation, provisioning and configuration, testing, submission of a closeout package with a project completion report, and any other verifiable milestones.
   * A communication plan to regularly report on the deployment progress to the Housing Partner and [GRANTOR].
5. **Economic Useful Life of Assets to be Funded and End-of-Service Life (EOSL)**
   * The applicant must identify the expected economic useful life of the program-eligible assets.
   * The applicant must provide the EOSL date for all networking equipment, including access points, firewalls, routers, and switches.
6. **Customer/Shared Premises Equipment Requirements:** 
   * In-unit termination specifications, if any.
   * CPE or router model and capabilities (including Wi-Fi interface)
   * The applicant's standard operating procedures for replacing or upgrading CPE/SNEs.
7. **Scope of Services:**
   * Submit a Service Level Agreement (SLA) that confirms that service plans for residents will not subject end-users to data caps, surcharges, or usage-based throttling.
   * SLAs must also outline information regarding the broadband service provider’s typical response time, network service availability guarantees, data sharing, and communication standards for service requests (including delays, other agencies' timeline impacts, service resolution or completion, maintenance-related outages, etc.).
8. **Agreement with Property Owners**
   * Prospective applicants must provide a preliminary agreement designed for endorsement by the Housing Partner(s), outlining the suggested service level(s), pricing structure, and building access prerequisites. [GRANTOR] shall thoroughly evaluate the submitted draft agreement, providing any necessary feedback or modifications before facilitating an agreement between the awarded applicant and the Housing Partner.
9. **Optional Information  
   Workforce Development:**
   * + Describe any workforce development activities contributing to the installation and/or maintenance of the project(s). For example, any policies or investments in recruiting, training, hiring, retraining, and upskilling a diverse workforce, particularly local workers and/or workers from the participating communities receiving the broadband networks.
10. **Applicant-Specific Documents and Information Required**
    * **A publicly supported housing development** applying for MDU Communities Connect Program Infrastructure project funds must include the Annual HUD Contributions Contract and HA Code in its submission, allowing staff to verify its certification along with its most recent HUD Public Housing Assessment System (PHAS) score. A publicly supported housing development not in contract with HUD must include in its submission the program details of the publicly supported housing development, including any applicable income eligibility requirements for the program residents and any housing development contracts or agreements between the applicant and the source of the public subsidy.
      + If unable to confirm the eligibility of a publicly supported housing development that is not in contract with HUD using the documents and information submitted pursuant to the paragraph above, the application will not be approved ministerially and may instead be subject to review by the [GRANTOR].
    * **Non-profit applicants** must submit an IRS letter approving the applicant’s status as a 501(c)(3) entity incorporated for the purposes of providing affordable housing, which must include the applicant’s Tax Identification Number, along with an award letter from a public agency such as the State Tax Credit or LIHTC proving its receipt of public funding for affordable housing purposes.
    * Applicants who are categorically eligible as **LIHTC** awardees must provide a copy of the award letter.
11. **Key Project Contact Information**
    * First name
    * Last name
    * Physical mailing address
    * E-mail address
    * Phone number(s)
12. **Key Management Contact Information**
    * First name
    * Last name
    * Position title
    * E-mail address
    * Phone number(s)

1. **Key Vendor Contact Information (if the applicant is partnering with a broadband service provider)**
   * First name
   * Last name
   * Position title
   * Company name
   * Physical mailing address
   * E-mail address
   * Phone number(s)

# **IX. Project Status and Reporting**

Grantees must submit a project completion report with all required supporting documentation to receive final payment, consisting of the following:

* Project Plan and deployment schedule showing major milestones including planned and actual completion dates.
* Any variance between planned and actual dates should be supported with clear justification.
* Project Risk Mitigation Plan outlining potential risks to project success and the strategies implemented to address them.
* Budget Plan with line items corresponding to the approved application, showcasing how grant funds were allocated and spent.
* Commercially available speed tests, e.g., <https://speedof.me/>) results to demonstrate actual bandwidth speeds achieved.
* Bill of materials (BOM): A comprehensive list of materials used in the project, accompanied by invoices verifying expenditures.
* As-built network design and low-voltage cabling design if deployed differently than documented in the proposal.
* Completed Installation checklist with pictures showing labels and annotations.

Grantees are required to have a commercial contract in place with the Housing Partner for a period of at least five years prior to the installation of the network. Starting from the date the network is activated, grantees must submit an annual Key Performance Indicator (KPI) report annually for the lifespan of the grant.

**The KPI report includes the following:**

1. Monthly Percentage Uptime of network and internet services
2. Monthly Bandwidth Utilization by the residents (the amount of internet data transferred or the usage in gigabytes on the network)
3. Monthly Number of Unique User Devices Logged-in by the residents to access the broadband network for internet services

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# **X. Agreements & Payment Terms**

A three-party agreement will be executed post-award between [GRANTOR], the chosen grantee, and a single Housing Partner. The primary terms of the agreement are as follows:

1. **Housing Partner** shall:
   1. Execute a contract with the Grantee to provide broadband services to the specified community(ies) as outlined in the Grantee's application. The contract shall be subject to the Grantor's review and approval to ensure alignment with program requirements.
   2. Provide regular progress reports to the Grantor detailing the Grantee's advancement toward achieving predetermined milestones. These reports will serve as the basis for phased payments from the Grantor to the Housing Partner.
   3. Utilize grant funds received from the Grantor solely for the purpose of remitting payment to the Grantee, as stipulated in the contract between the Housing Partner and the Grantee.
   4. Disburse grant funds to the Grantee per the approved contract and the achievement of predetermined milestones. The disbursed funds shall cover all eligible costs outlined in the contract between the Grantee and the Housing Partner.
   5. Not generate any profit from the provision of the new broadband service.
2. **Grantee** shall:
   1. Execute a contract with the Housing Partner for the deployment and operation of broadband services in the chosen communities.
   2. Adhere to all grant requirements, including technical specifications, performance standards, and reporting obligations.
   3. Submit regular progress reports to both the Grantor and the Housing Partner detailing the status of project implementation and milestone achievement.
3. **[GRANTOR]** shall
   1. Review and approve the commercial contract between the Housing Partner and the Grantee to ensure it aligns with the grant program's objectives and requirements.
   2. Disburse grant funds to the Housing Partner per the approved contract. The disbursed funds shall cover all eligible costs outlined in the contract between the Grantee and the Housing Partner.

Grantees shall submit requests for payment at predetermined project milestones, as outlined in the post-award agreement. Each payment request must be accompanied by a progress report detailing the work completed and expenditures incurred according to the approved application’s budget.

If the project is completed within the agreed-upon timeline, the final payment request, along with a comprehensive project completion report and all supporting documentation, must be submitted to the [GRANTOR] and Housing Partner no later than 90 days after the project's completion date. If the grantee cannot complete the project within the agreed-upon timeline, the grantee must notify the [GRANTOR] and Housing Partner as soon as they become aware. In the event that the grantee fails to properly inform of any delays, the Housing Partner may withhold or reduce payment.

The grantee must maintain records for at least four years of grant performance and make them available to the [GRANTOR] upon request. These records are subject to a financial audit by the [GRANTOR] within five years of final payment.

The [GRANTOR] reserves the right to conduct any financial audits, quality checks, verification, and discovery during project implementation and post-project completion to ensure that [GRANTOR] grant funds are spent under the terms of approval granted by the [GRANTOR]. Invoices submitted will be subject to financial audit by the [GRANTOR] at any time within five years of the release of the final payment. If any reimbursement is found out of compliance, grantees are responsible for refunding the disallowed amount along with the applicable interest rates determined by the applicable [GRANTOR] decision.

# **XI. Execution and Performance**

Grantees are required to commence the project within 90 days upon grant approval and complete the project within a 12-month timeframe. Failure to begin the work within 90 days of the grant approval may result in a termination of the award by the [GRANTOR] upon 90 days written notice to the [GRANTOR] grant recipient. Should the grantee anticipate an inability to complete the project within the specified 12 months, it must inform the [GRANTOR]. The [GRANTOR] reserves the right to rescind the grant if this requirement is unmet.

Grantees are obligated to operate and maintain the network for a minimum of five years post-installation. All project performance must be completed before the specified termination date in adherence to the terms of approval given by the [GRANTOR]. Failure to fulfill the project or maintain the network service as per the [GRANTOR]'s approval and the MDU Communities Connect Program guidelines may necessitate the grantee to reimburse part or all of the funds received from the MDU Communities Connect Program.

1. Pew Charitable Trusts, "Broadband Challenges and Opportunities in Affordable Rental Housing," April 2023, <https://www.pewtrusts.org/en/research-and-analysis/issue-briefs/2023/04/broadband-challenges-and-opportunities-in-affordable-rental-housing>.  [↑](#footnote-ref-1)
2. Non-profit housing developers involved in limited partnerships with for-profit entities participating may also be eligible since the IRS considers an exempt organization's participation as a general partner in a limited partnership with for-profit limited partners as consistent with the organization's exempt status under Internal Revenue Code Section 501(c)(3). [↑](#footnote-ref-2)