ORDINANCE 2025-33

TO ESTABLISH THE FIBER CONNECTIVITY FUND FOR DIGITAL OPPORTUNITY INITIATIVES

- WHEREAS; the City of Bloomington is committed to expanding broadband access and ensuring digital opportunity for all residents, particularly low-income households; and
- WHEREAS; the City has entered into a Master Development Agreement with Meridiam and Hoosier Networks, LLC, now mStreet Fiber Bloomington, LLC, effective date June 22, 2022, to encourage the construction, maintenance, and operation of an open-access fiber-to-the-home (FTTH) network to serve the community; and
- WHEREAS; according to Section 7.6.2 of the Master Development Agreement with Hoosier Networks, LLC, the City has committed \$1,000,000 to establish a non-reverting fund, called the Digital Opportunity Fund, to support broadband accessibility and affordability initiatives for incomequalifying residents; and
- WHEREAS; the Fund will be used to cover no more than 50% of open-access fiber installation costs (up to \$350 per unit) for income-qualifying residents and support other digital opportunity activities if funds remain after the initial subsidy period; and
- WHEREAS; in conjunction with this investment, the Developer has agreed to provide an annual digital infrastructure dividend of \$85,000, increasing to \$100,000 upon renewal, provide \$200,000 in funding for additional Engineering Department staff capacity, cover at least 50% of drop costs while City funds are available, and 100% of drop costs thereafter, provide free broadband installation and low-cost high-speed internet (250 Mbps at \$30/month or lower) to income-qualifying households, and connect all Bloomington Housing Authority properties to the fiber network; and
- WHEREAS; a "Digital Opportunity Fund" already exists in the city funds list supporting the City's own Digital Opportunity Specialist position, and to keep revenues and expenditures for a specific purpose separate for accounting and transparency purposes, the city wishes to name the fund established to cover 50% of open-access fiber installation costs the "Fiber Connectivity Fund"; and
- WHEREAS; the City recognizes that ensuring affordable fiber broadband access aligns with its goals of fostering economic development, community vitality, and digital opportunity.

NOW, THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF BLOOMINGTON, MONROE COUNTY, INDIANA, THAT:

Section 1. ESTABLISHMENT OF THE FIBER CONNECTIVITY FUND

There is hereby created a non-reverting Fiber Connectivity Fund, a dedicated financial account within the City's budget, to be used solely for the purpose of covering fifty percent (50%) of Drop costs to Incomequalifying resident units, up to \$350 per unit. If, at the end of the period described in Section 7.3.2(h) of the Master Development Agreement, City funds remain in the Fiber Connectivity Fund, such funds shall be used for any activities supporting digital opportunity for City residents.

Section 2. ADMINISTRATION OF FUNDS

The Controller's Office shall oversee the administration and distribution of the Fiber Connectivity Fund. The Information & Technology Services (ITS) Department and relevant City departments shall develop policies and procedures to ensure the effective implementation of digital opportunity initiatives. Funds shall be allocated in accordance with the Master Development Agreement and applicable federal, state, and local laws.

Section 3. REPORTING AND ACCOUNTABILITY

The City shall work with the Developer to ensure compliance with digital opportunity commitments, including service availability, affordability, and infrastructure expansion.

PASSED AND ADOPTED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this <u>17</u> day of <u>September</u>, 2025, by the City of Bloomington Common Council.

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Hopi Stosberg, President Bloomington Common Council

ATTEST:

2025.

NICOLE BOLDEN, Clerk

PRESENTED by me to the Mayor of the City of Bloomington, Monroe County, Indiana, upon this

day of <u>September</u>, 2025.

NICOLE BOLDEN, Clerk

SIGNED AND APPROVED by me this

_day of

Kerry Thomson, Mayor

City of Bloomington

SYNOPSIS

Ordinance 2025-33 establishes the Fiber Connectivity Fund to support broadband access for incomequalifying residents, ensuring affordable high-speed internet, and promoting digital opportunity while also securing annual infrastructure contributions from the Developer.

Note: At the September 17, 2025 Regular Session, the Council adopted Amendment 01 to this ordinance. The amendment adds the words "non-reverting" to Section 1 in order to clarify that funds shall not be reverting.

Distributed to: Clerk, Controller, Council Attorney, Legal, and Mayor.