

To: NYC Council - Committee on Technology
From: Community Testimony via
Noel Hidalgo, Executive Director of BetaNYC



Re: **Link NYC Oversight Hearing**

Wednesday, 18 April 2018

Chairman Koo & the Committee on Technology,

As with any networked infrastructure, the LinkNYC franchise must be considered as one element of a federated system. This is true both in terms of the physical infrastructure, and in terms of the fiscal structure.

The franchise agreement requires:

- That the Link kiosks must have sufficiently robust backhaul to offer high-speed service
- That a portion of advertising revenue should go towards supplying low-cost or free service for particular populations and/or areas

The most visible part of the franchise comprises the Link kiosks themselves, which a free outdoor public WiFi option. However, in order for the kiosks to operate, they must be connected to high-speed, high-capacity internet "backhaul" or data pipes. Based on Link's stated gigabit goal, these backhaul systems will be fiberoptic (since neither cable, nor DSL has high enough capacity to supply future-ready gigabit connections).

The City's franchise requires that the franchise holder (CityBridge/Intersection) must ensure that backhaul is available at kiosk sites, so in order to build and operate Links, CityBridge/Intersection must contract with backhaul providers. In many cases, especially in areas with less robust telecommunications infrastructure, this means that new fiber optic cables must be laid to serve the kiosks.

While the backhaul lines themselves are owned by a third-party provider, the fact of laying the fiber means that the streets must be dug up in many cases and new conduit laid. The "sunk cost" of building out this infrastructure falls to CityBridge/Intersection and/or their third-party provider, and is not absorbed by the City. So in a sense, the

kiosks themselves are just the tip of the iceberg in terms of the capacity being added to telecommunications systems. The expansion of high-capacity fiber networks in the City provides further possibilities to contract with the backhaul providers to create other modes of access (beyond the Links themselves).

In terms of advertising revenue, the franchise requires that a percentage go towards supplying low-cost or free wireless, in particular in NYCHA developments (so far, in the Queensbridge development and underway at Mott Haven). In this way, aside from the wireless offered by the Link kiosks, they are also revenue-generators for other City efforts to connect the underconnected.

Overall, in order for the LinkNYC program to work for NYC residents, City Council should advocate that:

- Backhaul systems created to supply connections to the kiosks are opened up for other franchising and private-sector opportunities, in order to fill out the access ecosystem for different modes of access, possibly through other City redevelopment and infrastructure improvements (DoT, DCP, EDC etc.)
- The kiosks should be activated for community events and arts etc. programming, in order to increase engagement and interaction, which could create more demand for the advertising space and in turn increase revenues available for building low-cost connectivity throughout the City.
- The Links should be considered part of a much larger integrated and overlapping ecosystem of digital access. There are many opportunities to leverage both the physical and fiscal resources created as a result of the franchise.

Thank you,

A member of the BetaNYC community