

**Frequently Asked Questions**

**Border to Border Broadband Grant and**

**Lower Population Density Grant**

(2024 – FY25 application – Applications due 1:30 PM May 10, 2024)

last updated 5-2-2024

**Round 10 Questions**

**In the newly released MN DEED OBD map, we found a number of BSLs that are designated as E-ACAM and the BSL “potentially excluded from State funding”. How should potential applicants view these BSLs? On what basis would the MN OBD consider these BSLs as eligible for a Round 10 application?**

E-ACAM – being an FCC program – should be treated similar to other Federal programs such as Re-Connect in that the State would prioritize funding to areas that do not have an enforceable commitment to build wired infrastructure that meets or exceeds the State’s definition of served. BSL’s that are included in an area where a provider has elected to accept E-ACAM funding, but the provider intends to use wireless technology to meet the speed goals outlined in the program, would be eligible to be included in a Round 10 application.

**Does the licensed Engineer need to be licensed in Minnesota?**

A professional engineer will hold the qualifications and have passed the necessary requirements to be licensed by a state. They do not need to be licensed in Minnesota.

**If an entity is looking at resubmitting a Round 9 application that was not awarded and we are keeping the area the same for a Round 10 submission, are we able to use the pre-application outreach to existing providers from Round 9? Or are we required to issue new pre-application outreach forms to the existing providers for the Round 10 submission?**

This was addressed in the Round 10 webinar held on March 21 and can be found at about the 37:00 mark of the recording: [https://youtu.be/HN9SnQCaTa4](https://gcc02.safelinks.protection.outlook.com/?url=https%3A%2F%2Fyoutu.be%2FHN9SnQCaTa4&data=05%7C02%7CDEED.Broadband%40state.mn.us%7Cdf42a7a020084f7afb4408dc4f650373%7Ceb14b04624c445198f26b89c2159828c%7C0%7C0%7C638472542462746121%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C0%7C%7C%7C&sdata=1e2eeS8%2FMRlA6ceOI8L3Y9KJS4HVEdsmv2fOz5NjMcU%3D&reserved=0)

If your Round 10 application is for the same area as your Round 9 application, then the pre-application notifications from Round 9 will suffice. A reminder that the deadline to send Round 10 pre-application notifications to incumbent providers within the proposed project area was March 29th, 2024.

**Can you please furnish us with what qualifies an area as “Lower Population Density”?**

The statute that created the Lower Population Density Pilot Program in 2022 did not include a definition for what qualifies as a “lower population density” area or application. Therefore, there is no map or shapefile showing locations that are lower population density. The law stated, “The commissioner of employment and economic development must establish a pilot program to provide broadband service to unserved and underserved areas, as defined in Minnesota Statutes, section 116J.394, of the state where a 50 percent match formula is not adequate to make a business case for the extension of broadband facilities.”

**How can we determine if the areas we are looking at applying for are considered Lower Population Density?**

Both the Lower Population Density and Border-to-Border Broadband grant programs are competitive grant programs, so the applications are competing against the other applications submitted in each grant round. For our review, Lower Population Density projects are evaluated on the fiber mile per passing calculation, a map of the proposed fiber route of the project that demonstrates lower population density of the area, scope of the project area to adjacent areas, the information included by the applicant to explain and demonstrate the need to have the application considered for the Lower Population Density program, and whether OBD has received any applications for the same area in prior grant rounds.

We can tell you that in Round 9, the second time that the Lower Population Density Program was offered, in the eight applications funded the average passings per fiber mile was 2.36 and the average cost per passing was $15,332. All applications funded had a passing per fiber mile below 4 and only one application funded had an average cost per passing below $10,000.

If your company cannot make the business case to extend broadband facilities to an area with a 50 percent grant match, then that area would be a lower population density area for your company. OBD would suggest that you consider the above information to decide whether to submit an application to the Lower Population Density Program. OBD would also note that to the extent the program continues to be oversubscribed, it helps demonstrate to the Legislature the ongoing need to allocate state funding (or a portion of Minnesota’s BEAD funding) to the Lower Population Density program.

**If there is a local match, are there any restrictions on where the match can come from? (For example, a source like ARPA funds)**

This grant round is funded with state dollars and there is no restriction on where the match can come from. ARPA funds are an eligible source of match and a common one over the last few rounds for our program. If you combine multiple sources of federal funds, make sure that the federal sources can work together. Some federal funds restrict combining with other federal funds.

**Should we include drop miles in our fiber mile calculation?**

A fiber mile per passing calculation is made for both Border-to-Border and Lower Population Density as a base measurement and one scoring factor for evaluating the Lower Population Density applications. You should include the fiber miles you expect to build. If you are building drops to every location, yes, include drop miles. If you are only building drops to subscribers, the fiber miles for your drop calculation should reflect the take rate estimated in your proforma.

**Does an applicant have to document that it contacted all broadband providers in writing that serve in the proposed project area and do the broadband providers receiving such notification have to provide a response?**

Minnesota Statutes 116J.395 at subdivision 5 (9) requires that an application include “evidence that no later than six weeks before submission of the application the applicant contacted, in writing, all entities providing broadband service in the **proposed** project area to ask for each broadband service provider's plan to upgrade broadband service in the project area to speeds that meet or exceed the state's broadband speed goals in section [237.012, subdivision 1](https://www.revisor.mn.gov/statutes/cite/237.012#stat.237.012.1), within the time frame specified in the proposed grant activities; and (10) the broadband service providers' written responses to the inquiry made under clause (9)”

Because state law requires the inclusion in the application evidence that this pre-application notification was done at least six weeks before submitting an application and any responses received, an application that does not include the information will be deemed incomplete and not considered for funding. There is no provision that mandates entities providing broadband service in the proposed project area to respond to the pre-application notification, only those responses received should be included by the applicant.

**Are RDOF areas eligible to be included in Round 10 applications?**

Our program considers awarded RDOF area to be enforceable commitments to build. If locations are in a defaulted RDOF area, those are eligible for funding. If the applicant has evidence that areas will not be built by the awarded RDOF providers, they can include that documentation for evaluation and submit the locations in their application.

**If we sent a letter to existing providers, we aren’t required to submit an application, correct?**

Correct. Performing the pre-application notification preserves your ability to file an application six weeks after notifying existing providers in writing.

**Does the project area need to be contiguous or should separate applications be filed for each discreet area?**

The project may include areas that are not adjacent to each other. Alternatively, an applicant can elect to submit an application for each project they wish to have considered for the grant program. The applicant and any project partners can decide.

**For the Lower Population Density Program, are any points awarded for requesting less than the 75% match?**

There are no points awarded for providing a greater match than the 25% match required for a Lower Population Density application. (There are additional points awarded in the traditional Border-to-Border scoring process if an applicant requests a match amount of 45% or less.) The reason is that Lower Population Density applications should not be penalized if an applicant truly needed the 75% match to make the project financially feasible.

An applicant can explain in the reason that they are applying for the Lower Population Density Program that the project is lower population density and that you worked hard to leverage all available funding sources but still fall short of getting to 50% and therefore cannot submit as a Border-to-Border application. The other match sources will also demonstrate the community support for the project, which does receive points under the scoring process.

From OBD’s perspective, the critical factor is that the project is lower population density and then if the application scores well, a grant request for less than the full 75% would provide greater leverage for the state’s funding dollars.

**Are there templates for the Round 10 application cycle for the ISP’s Board Resolution, which provides authorization for the ISP to apply for funding, and for the county/city board resolution if the county/city is committing match to the applicant’s B2B R10 application?**

A board resolution template can be found at the following link on our website under "Applicant Affidavit Template": <https://mn.gov/deed/programs-services/broadband/grant-program/#1>

**In the guidelines for the above grant program, you state that a Professional Engineer needs to certify the engineering design, diagrams and maps as well as certify the scalability of our network.  Can you clarify for us what qualifications a Professional Engineer has to possess?**

A professional engineer will hold the qualifications and have passed the necessary requirements to be licensed by a state.

**In your guidelines for the above grant program, you put a lot of emphasis on historical architectural or archeological sites.  Most, if not all, of our proposed project will be last mile and a majority of it will be constructed underground along highway right of ways.  How likely would it be for us to run into issues with these types of sites?**

Please see our website here: <https://mn.gov/deed/programs-services/broadband/grant-program/> under the “2024 Application Process” for links to resources for information regarding archaeological and natural heritage sites and contact information for the appropriate personnel to respond to any questions.

**The application includes a request for pricing for broadband speeds listed. What if our company does not offer service at 100/20 or 100/100 anymore. How should we complete the information requested?**

If your company no longer offers speeds at the speed offerings identified, then you should enter the prices and speeds for the services that most closely meet or exceed the download and upload speeds indicated.

**We are in the process of gathering Fabric ID Numbers for the Location Data Sheet included as part of the application. There are several locations that have not yet been assigned a Fabric ID Number. In this case, how do you prefer we handle data entry in this required field?**

If the Fabric ID Number is not available or has not been assigned, please include the Location Latitude and Longitude or if needed you may add a column to include the location’s address.

**If there are verifiable addresses, we have designed engineering to that are without a fabric point match or the inverse case where there are several fabric points in our PFSA that we do not intend to include in the project. how might we fill out the location data sheet for these locations?**

The provider should include all the location addresses and if possible, latitude and longitude, they intend to serve regardless of whether there is a fabric ID. If the applicant is submitting a shapefile that includes locations, they don’t intend to serve they should explain why they don’t consider them serviceable locations. The absence or presence of a fabric id should not be the sole basis for why a provider considers a location to be serviceable/unserviceable, as fabric ID challenges – additions and subtractions, are happening with the FCC fabric on an on-going basis.

**If there are addresses that show as BSLs but they are out buildings that no one wants service at, should we challenge them with the FCC to get them removed so they don’t make it look like we are skipping location and show up as unserved locations?**

Yes, if a location is not truly a broadband serviceable location and in your service area or project service area, you can challenge the designation with the FCC.

**The Applicant Affidavit asks that evidence of matching funds be provided as an attachment. Where should the Attachment “evidence of matching funds” be uploaded?**

The evidence of matching funds or “proof of match” should be uploaded under “10. Budget, Section 5: Attachments”.  If you have multiple documents, you will need to zip the files or combine the files into one pdf document.

**The Applicant Affidavit asks that evidence of matching funds be provided as an attachment. Where should that Attachment to be uploaded?  Should it be combined with the Affidavit in the 1.C Applicant Affidavit space?**

Yes, it should be combined with the Affidavit in 1.C. It is helpful if you can combine it all in one file.

**What if the interactive map on the Office of Broadband Development’s website shows locations as served and we know they are not served. Can we include in a Border-to-Border or Lower Population Density grant application?**

The interactive map is only the starting point for determining whether locations are eligible for the Border-to-Border and Lower Population Density grant programs. You can certainly indicate in your application the list of addresses that do not have a wired broadband service at or above 25/3 (despite what the Minnesota interactive map says) and are unserved and also any addresses that may be underserved. If the FCC map indicates those locations are unserved or underserved, you can use it as a reference to document your statement. Our office can than verify with our mapping vendor and/or the provider that reportedly has service there. The existing provider could also challenge the locations they already serve as part of the application submission and review process. We recognize there are issues with the data provided to our mapping vendor but have limited ability to address until individuals, neighborhoods or communities let us know service is not available and then we do work to have the maps corrected for those identified areas and addresses.

**Does DEED have a specific standard or method they prefer applicants to use when identifying farms/agricultural parcels? Some counties report parcel data with multiple use classes (residential + ag or ag + commercial preferred) and we want to make sure we are accounting for these use designations appropriately. We have also reached out to MN GIS Dept for clarification on the use class designations.**

We encourage applicants to do their best when attempting to identify farm/ag parcels, but this information is not validated against any specific data set. Information on the number of ag/farm locations included in a project area is collected for our office purposes only.

**Does DEED have a preference for how letters of support are addressed? Some states have required, for example, letters of support be addressed to the broadband office rather than the applicant.**

Letters of support may be addressed to DEED, OBD or to the program applicant.

**We ran into a few unserved locations in our proposed grant area which turned out to be small sheds and/or garages. These are marked as locations in both the FCC maps and the State maps, but we believe they are not actually a broadband serviceable location. I assume we will need to submit a challenge to the FCC for these, but I'm wondering how to approach them in our application. Should we include these locations in our application knowing that we will likely not build out to them? Or do we leave them off our application all together?**

You are correct and should challenge the locations on the FCC maps and not include the locations in your application if you do not intend to service them.

**Who should we reach out to with SWIFT-related questions?**

SWIFT-related questions should be directed to the SWIFT help desk via swifthelpdesk.mmb@state.mn.us

**The first question in section 7 requests us to fill out a table for speed tiers and monthly costs/one-time fees. There is not a row for 250/250, which our member provides. Would we add ONLY the 250/250 charges/fees to the text box below the table, or should we add all relevant speeds, including the data from the table AND the 250/250 data?**

The data table is asking for specific speeds or their equivalents - i.e., the next closes speed that meets or exceeds both the upload and download speed in each row and then the tier pricing. For example, if you offer 100/20, 250/250, and 1000/1000 speed packages, then you would complete the table with 100/20, 250/250, and 1000/1000. If you offered a 100/100, 250/250, and 5000/5000 only, you would then complete the table with 100/100, 250/250, and 5000/5000 information.

In the text box, enter all your pricing and package information, regardless of if you included them in the table.

**We have encountered challenges in locating essential GIS datasets for businesses, farms, schools, Community Anchor Institutions, public facilities, and the environment. Is your office able to provide us with those GIS datasets?**

Our office does not maintain any other separate datasets that are not already included on the [Minnesota Map](https://gis.connectednation.org/portal/apps/webappviewer/index.html?id=a2d243ccf7e547eba2ec0d5c80c80917). If you have a community partner, they may have some data or be familiar with how to obtain data specific to your proposed projects geographic area.

**Can we reuse the old forms from past grant rounds?**

No, you should only use forms relevant to Round 10 of the Border-to-Border and Lower Population Density program. These forms can be found on our website under “[Applicant Resources](https://mn.gov/deed/programs-services/broadband/grant-program/)”

**I’m seeking clarification on the intent of the question found in Section 6 (Project Readiness): “If the proposed project leverages existing broadband networks or will be built in conjunction with other broadband infrastructure projects to expand service areas to include unserved or underserved regions of the state, please give specific examples identifying the other project and the associated leveraged funds.” Is this only if the project leverages a previous award in the same project area or is this question applicable if we are leveraging a previous award for an area directly contagious that allows us to now expand into the area, we are applying for?**

The intent of the question is for the applicant to provide information on how non-Border-to-Border/Lower Population Density programs are being leveraged by the applicant to expand or upgrade broadband infrastructure within the project area being applied for.

**We have a soft commitment from a county for matching funds, however the board does not meet until after applications are due. Can we submit with the match and provide proof from the county after the grant deadline? If the funding did not come through, we would either rescind the application entirely or notify OBD and revise the application.**

Yes, you can indicate the county is providing a match and then provide the proof after the county meets and approves. If you can, also include the date of the board’s meeting and when you would provide proof of match.

**What are the prevailing wage requirements for the Round 10 Border-to-Border Broadband and Lower Population Density Population grants?**

Prevailing wage rates are required to be paid on an economic development project site if that project receives or will be receiving state financial assistance in the form of a grant where a single business receives $200,000 or more of the grant proceeds, a loan or the guaranty or purchase of a loan if a single business receives $500,000 or more of the loan proceeds, or certain tax incentives, per Minn. Stat. § 116J.871.

Pursuant to Minn. Stat. § 116J.398, Minn. Stat. § 116J.871 does not apply to a project receiving a grant under Minn. Stat. § 116J.395 for the construction, installation, remodeling, and repair of last-mile infrastructure, as defined under Minn. Stat. § 116J.394.

**Does the prevailing wage requirement apply to middle-mile outside plant, middle-mile inside plant, or both?**

Both. If there are any middle mile facilities placed in the trench, prevailing wage provisions should be applied to all costs for the trenching.

**Does the FCC adjusting the speed threshold of broadband service to 100/20 have any impact on Round 10 of the Broadband Grant Program?**

The FCC’s speed threshold change does not impact Round 10 due to the opening of the grant program (March 12th) predating the FCC’s announcement (March 14th).

Added 5-2-2024

**For question 3G – Project Overlap Info – we intend to also apply to a federal program for the area we are including in a Round 10 application. By providing the information requested in 3G, is our application treated any differently?**

Our office requires information on other programs an applicant has or intends to submit to as we do hold coordinating conversations with our federal partners. It does not change our scoring process or negatively impact whether an application would be funded. An applicant can certainly indicate their preference to be funded with the state funding.

**I have a question on the low-density program and figuring out the passings per mile for scoring. Is the scoring for total possible points based on the total number of possible passings in the application area or based on what the estimated take-rate number is for the area?**

Applications are scored off the total possible passings per mile, not customers or take rate per mile.

**We are planning to resubmit an unfunded Round 9 project to Round 10 of the grant program, do we need to obtain updated board resolutions from funding partners?**

Yes, if the application will include a funding commitment from a partner (such as a local unit of government), the project application should include updated board resolutions that reflect Round 10 of the grant program.

**Regarding the requested proforma as part of section 6 of the grant application – should the main information in the form be listed as without the grant and the grant amount only be listed in the summary box at the top of the form or should we submit separate proformas with and without grant funding?**

The information provided within the body of the proforma should be without the grant, while the summary box at the top of the form is where the applicant would provide information on the project with a grant. Applicants do not need to identify the capital costs and gross revenues twice. The ROI with and without the grant is what is being measured. A visual example is provided below:

|  |  |
| --- | --- |
| Average Gross\* Margins of Years 3-5 | $70,000 |
| Total Capital Cost of Project | $1,200,000 |
| Amount of Grant Applicant Investment | $700,000 |
| Payback (in years) with no grant funding | 17 |
| Payback (in years) for grant recipient | 10 |

In the example above, If the grantee has to fund $1,200,000 of capital their payback is 17 years. If the grantee requests a grant of $500,000 and only has to fund $700,000, the payback time reduces to 10 years.