

GOVERNMENT OPERATIONS COMMITTEE REPORT relative to authorizing the Bureau of Street Lighting (BSL) to receive and deposit funds from the California Department of Technology for the construction of a 13.3-mile segment of open access fiber-optics network along the Highway 110 Corridor between Downtown Los Angeles and Highway 91.

Recommendations for Council action, pursuant to Motion (Harris-Dawson, et al. – Hernandez) and SUBJECT TO THE APPROVAL OF THE MAYOR:

1. AUTHORIZE the Executive Director, BSL, or designee, to receive and deposit up to \$8,629,089.95 from the California Department of Technology into the Digital Inclusion Fund No. 65Q-50, and appropriate therein to a new account entitled "State Middle-Mile Broadband Network Project," for the construction of a 13.3-mile segment of open access fiber-optics network along the Highway 110 Corridor between Downtown Los Angeles and Highway 91.
2. TRANSFER and APPROPRIATE \$1,290,000 from the Digital Inclusion Fund No. 65Q-50, Account No. TBD (State Middle-Mile Broadband Network Project), to the Bureau of Street Lighting Fund No. 100/84 as follows for initial work on the State Middle-Mile Broadband Network Project along the 110 Highway Corridor between Downtown and Highway 91:
  - a. Account No. 1010 (Salaries, General) - \$730,000
  - b. Account No. 1090 (Salaries, Overtime) - \$280,000
  - c. Account No. 1100 (Hiring Hall) - \$170,000
  - d. Account No. 1120 (Hiring Hall Benefits) - \$110,000
3. AUTHORIZE the BSL to make any technical corrections or clarifications to the above fund transfer instructions in order to effectuate the intent of this Motion.

Fiscal Impact Statement: Neither the City Administrative Officer nor the Chief Legislative Analyst has completed a financial analysis of this report.

Community Impact Statement: None submitted.

**(Budget and Finance Committee waived consideration of the above matter.)**

Summary:

On May 6, 2025, your Committee considered a Motion (Harris-Dawson et al. – Hernandez) relative to authorizing the BSL receive and deposit funds from the California Department of Technology for the construction of a 13.3-mile segment of open access

fiber-optics network along the Highway 110 Corridor between Downtown Los Angeles and Highway 91.

According to the Motion, through the Middle Mile Broadband Initiative (MMBI), the State will deliver publicly-managed, open-access fiber infrastructure which will allow a wide range of public, private, and non-profit agencies to more easily enter the market and provide internet service to communities. Due to budget constraints, the State has put most new MMBI construction on hold until future funding can be secured, including the most significant line in the network for the City: the Highway 110 Corridor. This route, through the highest concentration of disconnected households in the State, was originally added to the MMBI scope after sustained advocacy from City and County leadership.

In the past year, through conversations with the BSL, the State determined that the BSL's reduced fiber optic infrastructure construction costs could make the project feasible within the current federally-funded budget. BSL has entered into a Joint-Build Agreement with the State wherein BSL will construct a 13.3-mile segment of open-access fiber-optics network along the Highway 110 Corridor between Downtown Los Angeles and Highway 91.

Per the agreement, the State will provide BSL with \$8,629,089.95 in funding for the project, with 50 percent payable to BSL at the signing of the agreement. This project is significant for the near- and long-term future of connectivity in South Los Angeles, ensuring that some of the most disconnected and under-connected communities in the City can be served by the State's open-access fiber-optics network. Timely receipt of these funds by BSL is necessary to ensure that the Bureau can meet the construction deadline of December 31, 2026. After consideration and having provided an opportunity for public comment, the Committee moved to recommend approval of the Motion. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

Government Operations Committee

**COUNCILMEMBER VOTE**

PADILLA:	YES
LEE:	ABSENT
JURADO:	YES

ARL

5/6/25

CDs 8, 9, 15

**-NOT OFFICIAL UNTIL COUNCIL ACTS-**