

Measuring Impact of Broadband on the Community

2017 CASE STUDIES OF 5 RURAL MINNESOTA
COMMUNITIES

ANN TREACY

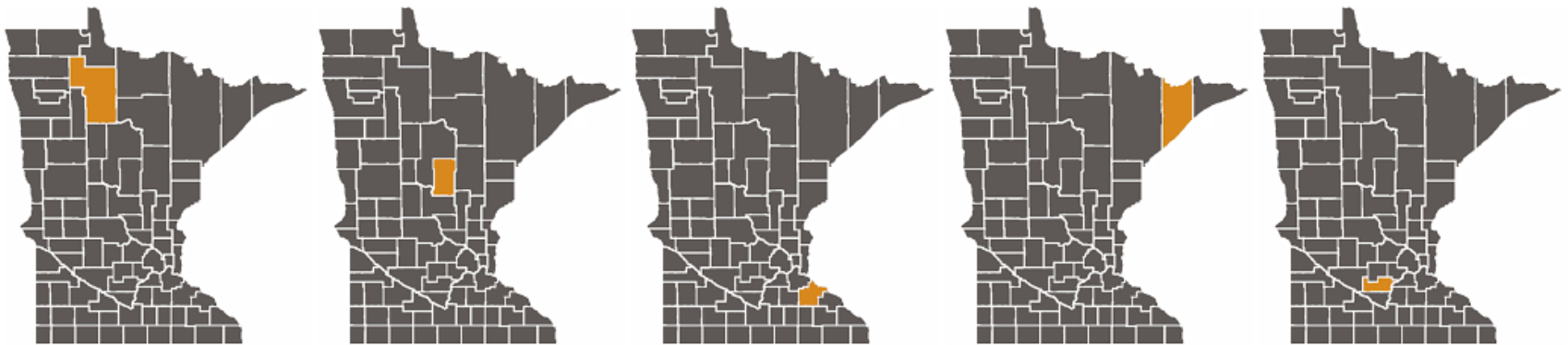


Research questions

1. What does a connected rural community look like?
2. What are the providers and communities doing right?
3. What is the community ROI on public investments?

Methodology

- Collect and analyze existing data from 5 communities
- Look at ROI formulas
- Hold community meetings/interviews with key interlocutors





Beltrami/Bemidji – Hip and Happening

Provider – Paul Bunyan
Fiber (Gig)
DSL (50/40)

Community Partners
Bemidji Leads and
Greater Bemidji





Crow Wing/Brainerd – Work Hard, Play Hard

Provider – CTC

Fiber (Gig)

DSL (50/1.5)

Community Partners

Brainerd Lakes Chamber
of Commerce, Brainerd
Lakes Area EDC (BLAEDC),
Schools





Goodhue/Red Wing – Hotbed of Entrepreneurs

Provider – HBC

Fiber (Gig)

Fixed Wireless (40/40)

Community Partners

Red Wing Ignite





Lake – Remote but Global

**Provider – Lake
Connections**
Fiber (Gig)

Community Partners
County Commissioners,
Lake County





Sibley – Stable & Determined

**Provider – RS Fiber
(HBC)**

Fiber (Gig)

Fixed Wireless (50/25)

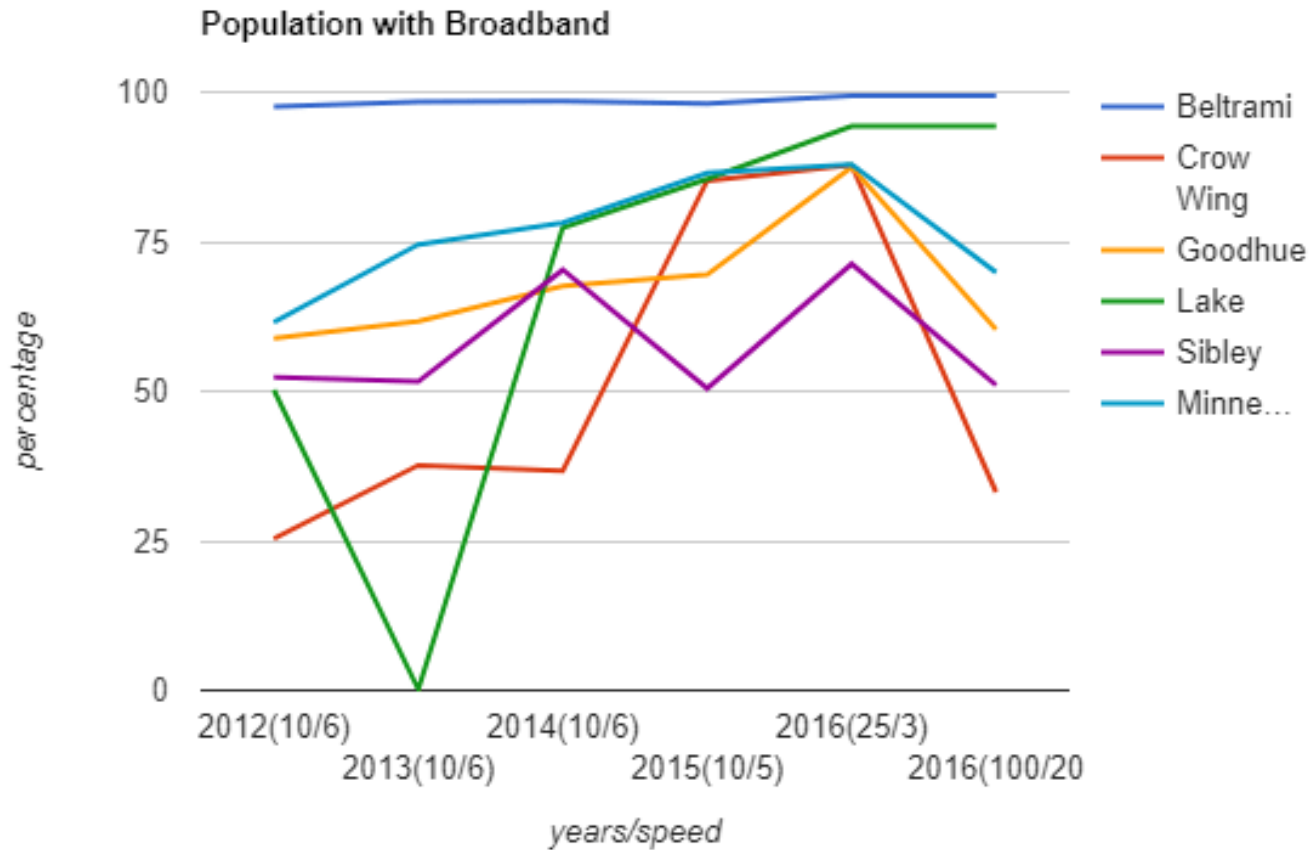
Community Partners

RS Fiber



What do the numbers show?

Broadband Access Over Time



Beltrami – Census Stats



[2016 Population](#) is up 3.7 percent from 2010

- The statewide average was 4.1
- Town/Rural counties as a group have seen a decline

2015 Median Income is \$44,757

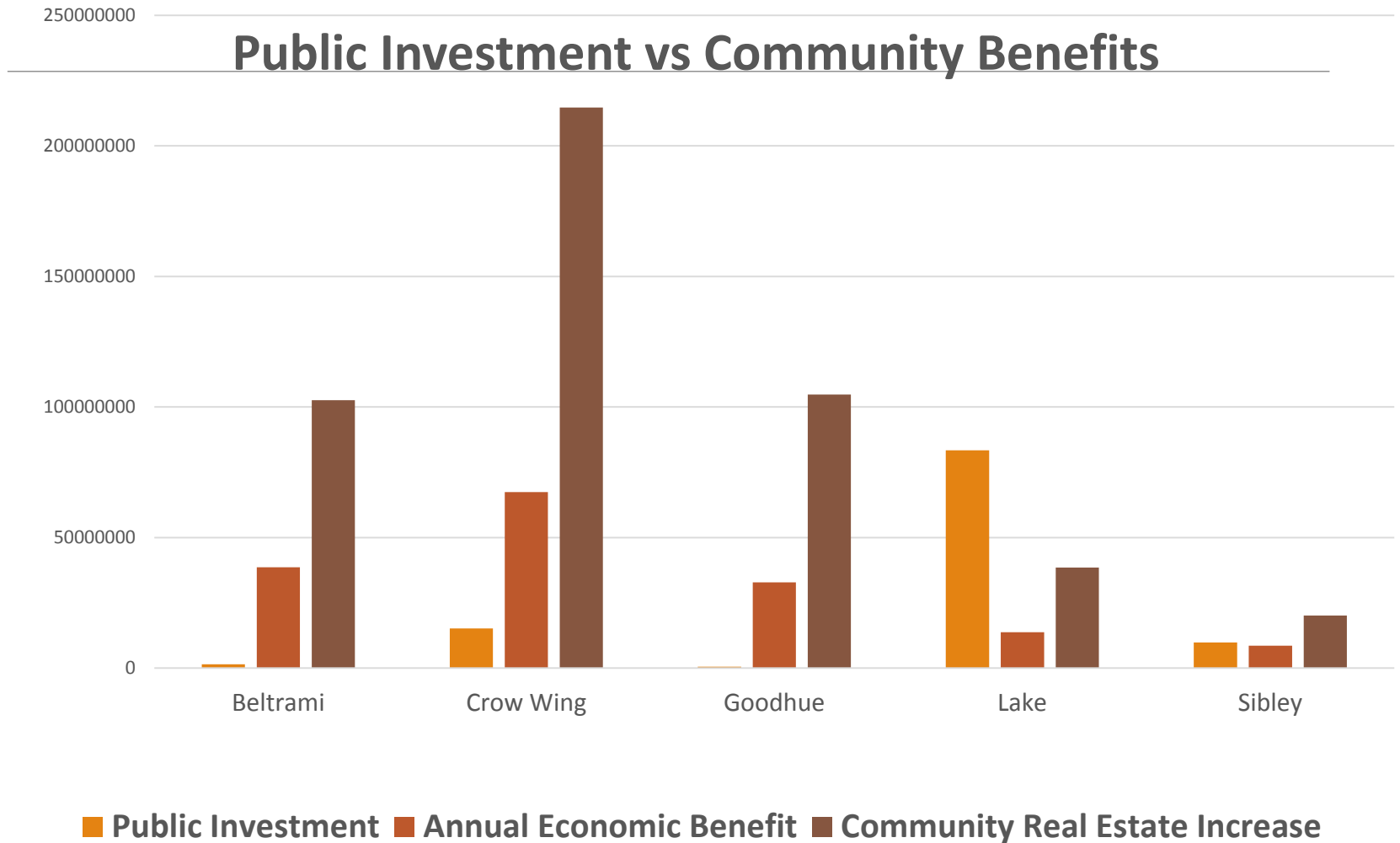
- Compared \$40,700 for similar counties

[Beltrami's Digital Divide Index Score](#) is the second best out of the counties we are tracking

ROI Formulas

- **Public investment** – Border to border grants, ARRA
- **Annual economic benefit** -
\$1850/household x HH served
- **Community real estate increase** – 3% increase of market (median value x HH served)

ROI Formulas



ROI Details

County	Public Investment	Annual Econ Benefit*	Real Estate Increase*
Beltrami	\$1,432,000	\$38,631,700	\$102,593,266
Crow Wing	\$15,123,450	\$67,412,150	\$214,662,149
Goodhue	\$542,262	\$32,774,600	\$104,825,572
Lake	\$83,418,170	\$13,695,550	\$38,547,421
Sibley	\$9,850,011	\$8,604,350	\$20,162,085

- Annual economic benefit - \$1850/household x HH served
- Community real estate increase – 3% increase of market (median value x HH served)

Conclusions

- Two keys to economic benefit – access and adoption
- The community benefits from broadband quickly; the provider's ROI may not be as “timely”
- Public funding shortens ROI for the provider
- Adoption efforts increases ROI for community

Thank you!

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