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### REPORT TO COUNCIL

#### **SUBJECT**

Update Regarding "Google Fiber" Project - Information Only

#### **BACKGROUND**

On February 19, 2014, Google announced it is considering the installation of its high-speed Internet service, "Google Fiber", in a couple of dozen cities located in nine metropolitan areas throughout the United States. Silicon Valley is currently the only metropolitan area being considered in California, with the cities of Sunnyvale, Mountain View, Santa Clara, Palo Alto and San Jose as potential candidates.

Google Fiber would provide high-speed Internet and television service options to residential areas and small businesses (Google Fiber does not offer phone services). "High-speed" is defined as one gigabyte per second, which for the layperson translates into up to 100 times faster than your current Internet service. In a world increasingly reliant on information technology, this is a very attractive product to many in our community.

Google realizes that providing this service to any community is a significant undertaking, and it has proposed a joint planning and exploration process to determine whether or not each of the cities under consideration is a viable candidate for actual project construction.

Google has divided its proposed project into two planning phases. The first phase requires each city to provide the information identified in a "Fiber City Checklist" (Attachment 1) by May 1, 2014. This checklist identifies the items they need to evaluate a city's readiness for construction of a fiber network, which includes maps of poles, conduit, and existing utility services. Google also asks the cities to streamline processes (e.g., permitting procedures and access to local infrastructure) to make it easier for construction to move quickly. In addition to information and process requirements, Google anticipates leasing city property to install one to three Network Huts to house its equipment.

In the second phase (May to December), Google will review the information provided by the cities to scope the costs and time lines for building a new fiber-optic network. Google will conduct a detailed study of factors that affect construction plans, such as topography (e.g., hills, flood zones), housing density, and the condition of local infrastructure. Based on this information, Google will make a determination whether to offer this service in each city. Such a decision is expected by the end of the year.

City staff has been working with Google representatives on this joint planning and information-gathering phase for several weeks. On the one hand, this project is no different than any other private firm's request to install telecommunication capabilities (in fact, the City underwent a fairly significant process with AT&T years ago). This is, in essence, a permitting process for which the City

has established operational protocols and policy.

On the other hand, the magnitude of this project is unlike any the City has seen before. Google does want to move faster than our current processes or staffing would allow, and there are potential challenges related to the availability of requested data (accurate information about local infrastructure such as utility poles, conduit, existing water, gas, and electrical lines), the proposed location of additional physical infrastructure (i.e., “huts” and utility boxes to house Google’s network equipment), and the potential impacts associated with the degree of planned construction (e.g., traffic control and visual/physical disruptions).

There is no Council action required at this time. Because Google Fiber represents a permit application for which we have established operational policies and procedures, it is possible that staff will be able to accommodate Google’s plans without the need for further policy direction. This is a positive reflection of Sunnyvale’s commitment to a business-friendly environment and streamlined permitting processes.

There are, however, two scenarios under which staff would bring this issue back to Council for action:

- a) Google wants something that staff is not authorized to provide under current policy (e.g., relief from permit fees or significant physical or visual alteration to public parkland), or
- b) Google wants something that staff is authorized to provide, but which it is not comfortable providing without Council blessing (e.g., license agreement terms that staff considers unfavorable to the City).

Due to the general community’s interest in this project, staff will return to Council with further “Info Only” updates as things progress, regardless of the need for any formal Council action.

Prepared, Reviewed, and Approved by: Robert A. Walker, Interim City Manager

## **ATTACHMENTS**

1. Google Fiber City Checklist