

South Bay Watch

Summer 2019

A quarterly bulletin to inform local leaders of subregional progress and alert them to emerging issues

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SBCCOG PROUDLY ANNOUNCES THE CREATION OF THE SOUTH BAY FIBER NETWORK

For the last three years and with the help of funding from the South Bay Workforce Investment Board and Supervisor Mark Ridley-Thomas' office, the SBCCOG has led an initiative to bring a fiber network to the South Bay that would allow cities to get faster internet access at lower prices. With the technical assistance of Magellan Advisors, a feasibility study was conducted and a request for proposals (RFP) was issued in June 2018.

Four (4) firms responded to the RFP. With the involvement of the city Information Technology Directors, the American Dark Fiber team (ADF) was unanimously selected. They proposed providing a ring passing all of the South Bay City Halls as well as laterals connecting each site to the ring. ADF surveyed 52 sites based on city interest in order to develop a cost for the ring and laterals.

Two costs were identified, including a monthly recurring cost for internet service, and a capital cost to assemble the fiber-optic ring from wholesale providers, close fiber-optic gaps with new construction, and build laterals for cities/agencies.

The SBCCOG did not believe that, as interested as the cities were in this project, they would have the funding to cover the capital cost. Since a fiber network will be required for real-time traffic

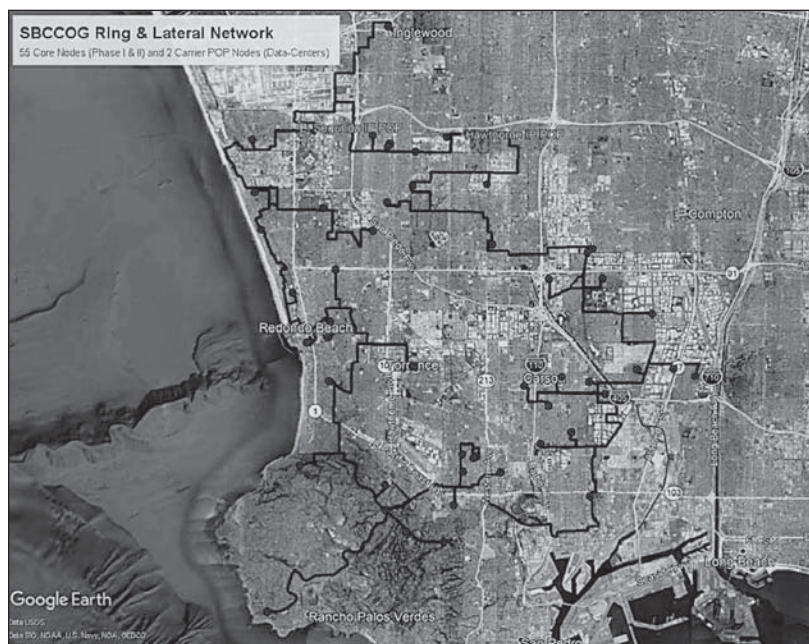
management, a range of road sensors, connected vehicles and many other important transportation applications, SBCCOG applied to Metro for Measure M Sub-regional funds to cover all of the capital costs for agencies participating in the initial "Phase 1" part of the project. SBCCOG has been allocated approximately \$250 million in Measure M Sub-regional funds for the next 5 years and after the cities made their requests for projects, there was still approximately \$125 million available

for the network. The SBCCOG request for the capital construction of the fiber network was for \$4.4 million, which included additional funding for legal services and program management. After several months of negotiating with Metro, SBCCOG's request was approved at the April Metro Board meeting. Additionally, Metro has asked that our fiber ring network be connected to the regional traffic network so that agencies on the ring will be able to have real-time traffic data as soon as the project is implemented - an additional bonus!

The monthly cost for the SBCCOG network is the same or lower than cities are currently paying for less service. A minimum of 1 gigabit of service will cost \$1000/month but this price will go down if more than 55 sites participate. Service is also available for 2, 5 and 10 gigabits. A minimum of 35 sites are required for the project to move forward.

SBCCOG is now confirming the final sites and addresses with each city and several outside agencies - the South Bay Workforce Investment Board, Beach Cities Health District, LA BioMed, West Basin Municipal Water District, LA Metro and the County Department of Public Works.

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SOUTH BAY HOUSING FORUM RECAP

On May 10, 2019, SBCCOG and the South Bay Association of REALTORS® co-hosted a half-day conference digging into difficult and controversial questions about the housing crisis, housing availability, housing affordability, and what to do about it. The event sought practical, workable solutions to the housing crisis and issues of housing supply in the South Bay but applicable to Greater Los Angeles and suburban communities throughout the state.

California Senator Ben Allen (D-26) served as the keynote speaker, setting the stage for three panels that addressed critical questions on housing in the South Bay. The panels were:

- Making the Case for Housing
- Different Options for Expanding Housing Supply
- The South Bay Perspective on Housing Legislation

Speakers provided a broad perspective and included: Larry Kosmont – Chairman and CEO, Kosmont Companies (Moderator), Greg Anderson – Senior Vice President, Shea Properties; Bill Brand – Mayor, City of Redondo Beach; Darin Chidsey – Chief Operating Officer, Southern California Association of Governments; Jeff Kiernan, Regional Public Affairs Manager, League of California Cities; Anne McIntosh – Community Development Director, City of Manhattan Beach; Wally Siembab – Research Director, SBCCOG; Kenneth Stahl – Professor, Chapman University, and Jeli Gavric – Legislative Advocate, California Association of REALTORS®.

The spirit of the Housing Forum was to bring forward important discussion of the housing issue, even among folks who do not agree on the best proposed solutions.

The Housing Forum was made possible thanks to major funding from the National Association of REALTORS®. Additional sponsorship funding was generously provided by Reylenn Properties LLC and Watson Land Company.

To view the presentations from the forum, go to: <http://www.southbaycities.org/news/south-bay-housing-forum-recap>



Panel speakers, from left: Bill Brand, Mayor, Redondo Beach and Jeff Kiernan, League of California Cities, Jeli Gavric, California Association of Realtors, and moderator Larry Kosmont, Kosmont Companies.

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In order to hold the prices for this project, SBCCOG has paid a \$100,000 deposit which is non-refundable but credited to the first progress payment. This deposit will be reimbursed by Metro. Metro has issued a Letter of No Prejudice to the SBCCOG for this project which allows SBCCOG to pay for eligible expenses in advance of the required funding agreement which will be finalized this summer.

SBCCOG is moving forward to negotiate a contract between SBCCOG and ADF. Cities will join in on the core contract, via rider or addendum. The current schedule calls for contracts to be signed by September and a 9-month construction period. By June 2020, the South Bay Fiber Network should be operational.

For more information, at the SBCCOG contact Aaron Baum, aaron@southbaycities.org