

State of Illinois  
**Performance Report**

**Capital Projects Fund**  
2023 Report

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## Executive Summary

The *Connect Illinois Capital Projects Fund Plan* (“*Connect Illinois*”) builds upon momentum gained through the *Connect Illinois Broadband Grant Program*, established in 2019 as part of the \$45 billion Rebuild Illinois capital program. *Connect Illinois* seeks to extend affordable, high-performance, and fully scalable last-mile broadband connectivity to every home, business, and community anchor institution in the state.

Beyond its statewide scope, *Connect Illinois* aspires to establish a new model for federal-state-local collaboration on broadband expansion by leveraging federal funds with state match and local contribution. The *Connect Illinois* approach focuses on communities where private investment and programmatic reach have failed to extend basic broadband connectivity, let alone scalable broadband networks. Both the private market and public programs have failed to serve these areas – until now.

The *Connect Illinois Broadband Grant Program* was modeled after established best practices in state-driven broadband expansion: a focus on unserved and underserved areas lacking access to at least 100/20 Mbps wireline service; an inclusive partnership approach open to broadband providers, cooperatives, local governments, education institutions, etc.; and a commitment to future-proof builds that can deliver speeds of 100/100 Mbps or greater.

Following a one-year pause to accommodate administrative rulemaking per Illinois law, the *Connect Illinois Broadband Grant Program* resumed in April 2023. As of June 30, 2023, the current \$350 million funding round -- which includes a combination of Federal and State sources -- has received 170 applications seeking over \$1.1 billion in grant support. Illinois anticipates award announcements beginning in summer 2023 and extending throughout the months ahead.

In 2022, the *Connect Illinois Capital Projects Fund Plan* administrative budget supported continued refinement of the Illinois Broadband Map, which will be used to drive applications and funding decisions for *Connect Illinois*.

## Uses of Funds

Through multiple rounds of competitive matching grants, *Connect Illinois* seeks to achieve what no other state or federal approach has accomplished to date: universal broadband access for homes, businesses, and community anchor institutions. At the same time, *Connect Illinois* seeks progress in digital equity and inclusion while leveraging investment in new broadband infrastructure to spur advances in use and innovation for such areas as agriculture, economic development, education, and telehealth.

### Program Objectives

The *Connect Illinois* strategy has been anchored by distinct, yet interdependent goals providing short-term basic access, ensuring longer-term higher-speed access, and demonstrating broadband leadership and economic development relative to other states and countries.

- Basic broadband access. The short-term universal access goal provides that Illinois homes, businesses, and community anchor institutions around the state can access broadband at basic service levels of at least 25/3 Mbps – thus extending service to all unserved locations within Illinois.
- Higher-speed broadband access. The longer-term universal access goal provides that Illinois homes, businesses, and community anchor institutions around the state can access broadband at

higher-speed service levels of at least 100/20 Mbps – thus extending service to all underserved locations within Illinois.

- Broadband leadership. Just as bandwidth needs change, so does the definition of “broadband.” Connect Illinois seeks to lead relative to its peers on the broadband of today – and tomorrow. Illinois will place in the top three nationally, and top 12 globally, for broadband access.
- Economic development. Illinois is not investing in high-speed internet for its own sake. Broadband can support innovation in areas from advanced manufacturing to precision agriculture: Illinois will be a leader in broadband applications for agriculture, economic development, education, and telehealth while leveraging broadband infrastructure investments to support equitable growth.

All *Connect Illinois* grant-funded deployment includes future-proof builds that can deliver speeds of 100/100 Mbps or greater. *Connect Illinois* is designed to build out fully scalable networks, both last-mile networks extending access to the premise and middle-mile networks increasing capacity to unserved and underserved areas throughout the state.

In 2022, the *Connect Illinois Capital Projects Fund Plan* administrative budget supported continued refinement of the Illinois Broadband Map, which will be used to drive applications and funding decisions for *Connect Illinois*.

## Promoting Equitable Outcomes

At its core, the comprehensive *Connect Illinois* vision of broadband ubiquity is one of broadband equity – targeting resources to close gaps and expand opportunity for unserved and underserved communities throughout Illinois.

### Objectives

To create an ecosystem of digital equity and inclusion, the State of Illinois introduced complementary programming to pair with its historic *Connect Illinois* capital investment that, combined, seeks to address the three key pillars of digital equity: affordable in-home broadband service; access to personal computers; and digital literacy training and ongoing technical support. Over time, this approach has grown to include programs emphasizing local capacity building and planning, regional engagement, digital literacy, used computer refurbishment and distribution, and introduction of on-the-ground support for communities and broadband adoption assistance for households.

### Awareness

To make all of this possible, the Illinois Office of Broadband is working alongside public, private, nonprofit, and philanthropic partners to raise resources for and awareness of the digital equity challenges facing communities throughout the state. Initial collaboration has been critical to the early success of the *Connect Illinois* program, and it includes strategic cooperation with organizations and institutions such as: the Illinois-based Benton Institute for Broadband & Society; Heartland Forward; PCs for People; National Digital Inclusion Alliance; University of Illinois Extension Service; and the University of Illinois System and its Illinois Innovation Network.

The Illinois Office of Broadband and *Connect Illinois* program have been guided by an increasingly sophisticated understanding of the broadband and digital equity landscapes in Illinois. Recent publicly

available information indicates that Illinois ranks sixth nationally for broadband access, with 89.3 percent of households statewide with terrestrial broadband coverage of at least 25/3 Mbps and 62.2 percent of the state population with access to a low-cost plan for wired service.

American Community Survey data provided insight into one aspect of the digital divide – namely, at-home access to wireline broadband subscriptions; desktop or laptop computers; and desktop, laptop, or tablet devices. Key findings indicated concerning gaps:

- 70.4% of Illinois households subscribe to wireline high-speed internet service.
  - 1,441,161 Illinois households do not subscribe to such service.
- 77.0% of households have a desktop or laptop computer.
  - 1,119,013 Illinois households lack computers of this sort.
- 82.6% of Illinois households have either a desktop, laptop, or tablet computer.
  - 846,677 households lack any of these devices.

In addition, the data revealed concerning disparities by race, ethnicity, and age – confirming these factors as important indicators to internet and technology access and adoption:

- 57.9% of African American households in Illinois have wireline broadband at home, and 62.1% have a desktop or laptop computer.
- 63.4% of Latino households in Illinois have wireline broadband subscriptions, and 69.0% have a desktop or laptop computer.
- 71.2% of White households in Illinois have wireline broadband subscriptions, and 80.4% have a desktop or laptop computer.
- 63.8% of those between the ages of 65 and 74 in Illinois have wireline service, and 73.9% have a desktop or laptop computer. For those ages 75 and older, 44.8% subscribe to high-speed service at home, and 52.3% have a desktop or laptop computer.

## Outcomes

Although still a work in progress, the *Connect Illinois* digital equity programming and collaborations are a comprehensive approach designed to empower Illinoisans to participate fully in an increasingly digital economy and society, to help communities identify and address existing broadband equity gaps, and to ensure the state leverages new and existing resources for targeted digital inclusion strategies and sustainable broadband equity outcomes.

- *Connect Illinois Eligible Projects*. Applications are classified under one of three categories: (a) Broadband Access for Illinois homes, businesses, and community anchor institutions in unserved or underserved areas; (b) Broadband Innovation for economic development and related applications; or (c) Urban Broadband for expanded access and/or innovation in qualified Illinois cities or metropolitan areas of 75,000 residents or more.

As noted, all *Connect Illinois* projects must include infrastructure expansion scalable to speeds of at least 100 Mbps download and 100 Mbps upload upon deployment.

- *Connect Illinois Eligible Project Areas.* For Broadband Access projects, proposals covering unserved and/or underserved areas are eligible for *Connect Illinois* grant funding. An unserved area is an area of Illinois in which households, businesses, or community anchor institutions lack access to wireline broadband service of at least 25/3 Mbps. An underserved area is an area of Illinois in which households, businesses, or community anchor institutions have wireline broadband access of at least 25/3 Mbps but less than 100/20 Mbps.
- *Connect Illinois Eligible Applicants.* Eligible applicants for this program include an incorporated business or partnership; a political subdivision; a nonprofit organization; a cooperative association; or a limited liability corporation organized for the purpose of expanding broadband access. Illinois public school districts are eligible to apply but may be encouraged to leverage other available federal or education-specific funding prior to an award.
- *Connect Illinois Merit Review.* Applications will be accepted on an ongoing basis until the funds for the program are depleted or the application period closes, whichever comes first. The IOB will award grants to projects that help advance the *Connect Illinois* vision while demonstrating optimal impact of *Connect Illinois* funds. Applications will be reviewed and evaluated by a merit-review team from the IOB. This team will use standard criteria and associated point values to assist in systematically evaluating grant applications. These criteria include:
  - Project Impact
  - Nonstate Match & Demonstration of Need
  - Community Support
  - Project Readiness
  - Project Viability & Sustainability
  - Affordability & Adoption Assistance
  - Open Access, Shared Use & Business Strategy
- *Connect Illinois Mapping Review.* Before grants are awarded, applicants will have an opportunity to challenge the accuracy of the *Connect Illinois* maps. Likewise, incumbent broadband providers will be allowed to challenge the eligibility of Broadband Access applications on the basis of current available broadband service or near-term planned broadband deployment. The mapping review process provides further consideration toward the following criteria:
  - Geographic Balance. The team will strive to achieve geographic balance throughout the state in awarding grants. As a result, applications may be considered on a regional basis per the 10 designated state economic development regions of Illinois, a map of which is available at: [www2.illinois.gov/dceo/ConnectIllinois](http://www2.illinois.gov/dceo/ConnectIllinois).
  - Project Focus. Applications also may be considered on the basis of three categories of focus. Given the *Connect Illinois* vision to achieve broadband ubiquity while driving economic development and advances in areas such as distance learning, precision agriculture, and telehealth, applications should be classified under one of three categories: (a) Broadband Access for Illinois homes, businesses, and community anchor institutions in unserved or underserved areas; (b) Broadband Innovation for economic development and related applications; or (c) Urban Broadband for access and/or innovation in qualified Illinois cities or metropolitan areas of 75,000 residents or more.

- Nonstate Match. Applications that expect to leverage local or federal funding for a portion of the required nonstate match may be considered, in part, on the basis of that nonstate support. For instance, Connect Illinois applications leveraging additional ARPA or IJA dollars are highly encouraged. Applications leveraging other federal funds through such sources as FCC, NTIA, or USDA may be expected to combine state and federal support for an accelerated project deployment schedule, increased project area, and/or increased nonstate match requirement; the resulting Connect Illinois “Fedcelerator” federal broadband accelerator framework and related guidance is available at: [www2.illinois.gov/dceo/ConnectIllinois](http://www2.illinois.gov/dceo/ConnectIllinois).

## Labor

All *Connect Illinois Broadband Grant Program* awards require the grantee to meet state grant requirements including but not limited to: Illinois Prevailing Wage Act and payment of prevailing wages; and Illinois Works Jobs Act and participation in requisite apprenticeship programming. Compliance with state grant requirements is monitored via regular reporting to and investigation by the State of Illinois.

## Community Engagement

The Illinois Office of Broadband has engaged over 50 local governments through various non-capital programming (including our *Illinois Connected Communities* (2 cohorts), *Accelerate Illinois* (2 cohorts), and the *Broadband Breakthrough track* (1 cohort) over the past three years. Many of the current *Connect Illinois* applications submitted in 2023 reflect strong community participation, including from part non-capital programming outlined below.

### Local Planning and Regional Coordination

To prepare communities to play a leading role in broadband deployment and digital equity, the following programs have been offered in collaboration among the Illinois Office of Broadband, the Benton Institute for Broadband & Society, the University of Illinois System, and local nonprofits, philanthropy, and stakeholder organizations.

- The *Illinois Connected Communities Grant Program* began in 2020 to help drive community planning and capacity building for advances in broadband access, adoption, and utilization. The program is part of increasingly robust and comprehensive Connect Illinois digital equity and inclusion programming, a holistic approach designed to help communities identify and address existing broadband equity gaps – with an eye to sustained broadband equity and inclusion.

The Connected Communities program recognizes that communities need to be prepared to take advantage of historic state and federal funding opportunities and that others could benefit from a focus on complementary aspects of the digital divide, such as broadband adoption or utilization. Whatever a community’s focus – and however prepared a community may be to set a broadband vision and take steps toward realizing that vision – the program is designed to support inclusive community planning and capacity building around one or more aspects of an integrated broadband strategy.

By the end of the program, each community will have completed a community-driven, broadband strategic action plan. Communities ranging from Chicago neighborhoods to entire counties comprise an Illinois Connected Communities cohort, with each member community forming an inclusive community steering team and participating in a combination of focused community-specific and cohort-wide activities throughout a period of nine-months.

- The *Accelerate Illinois Broadband Infrastructure Planning Program* is a planning and capacity-building program designed to help Illinois communities leverage historic state and federal broadband infrastructure funding for community-driven broadband expansion and public-private partnership. The Accelerate Illinois program – a collaborative effort among the Illinois Office of Broadband, the Benton Institute for Broadband & Society, and University of Illinois Extension – offers Illinois local governments an intensive 4-month community engagement program with expert consultation and support.

Transformative federal funding will benefit communities that prepare in advance. The *Accelerate Illinois* program is designed to help communities do this preparation. It provides a platform for communities to build inclusive broadband teams; determine acceptable community roles; set visions; gather critical information about their local marketplace, technology options, and broadband provider partners; develop public-private partnerships, obtain financing, and implement projects.

The Accelerate Illinois program recognizes that not all communities are prepared to take advantage of these broadband funding programs. While communities will not receive grant funding, program participants each will benefit from 30-plus hours of free expert consultation and access to best-practice engagement in community-driven broadband planning.

In 2022, Accelerate Illinois included two six-community cohorts, with the opportunity made possible through the financial support of Heartland Forward and its Connecting the Heartland Initiative. In 2023, an agriculture-themed track – Broadband Breakthrough – expanded the Accelerate Illinois collaboration to extend extensive support to local leadership teams in the five additional counties. At least three new cohorts of Accelerate Illinois and the Broadband Breakthrough track are planned for 2023 and 2024.

- The *Broadband Regional Engagement for Adoption + Digital Equity (READY) Grant Program* debuted in early 2021. READY seeks to provide a roadmap to eliminating the digital divide through regional collaboration for equitable advances in the areas of broadband access, adoption, and utilization. The program is part of increasingly robust and comprehensive Connect Illinois digital equity and inclusion programming, a holistic approach designed to help regions identify and address existing broadband equity gaps, as well as to leverage new resources for urgent broadband access – with an eye to sustained broadband equity and inclusion.

The Broadband READY Grant Program supports a qualified regional entity – such as a community and economic development organization, regional planning council, or institution of higher education – in each of the state’s 10 economic development regions. Grantees convene inclusive



and regionally representative Broadband READY Teams to balance investment in urgent broadband access expansion with the strategic imperative to identify gaps, integrate resources, and track progress over time. READY Teams work with the Illinois Office of Broadband to leverage grant funds for expanding public broadband access, to integrate complementary programming and resources, and to produce annual Broadband READY reports – a forerunner and annual complement to the Statewide Digital Equity Plan.

The Broadband READY program is a collaborative effort with the Illinois Innovation Network and aligns local and regional efforts by forging and strengthening partnerships, identifying scalable or replicable best practice initiatives, and establishing baseline metrics for tracking progress.

- The *Digital Equity Capacity Kickstarter Grant Program* represents a timely complement to the State’s commitment to broadband access, adoption, and application – all through the lens of digital equity and inclusion. Supporting digital skill building, broadband adoption and use, and device access through the Capacity Kickstarter program contributes to the Connect Illinois vision.

The program provides an opportunity for community-based organizations, nonprofits, political subdivisions, public libraries, and public schools to apply for up to \$50,000 in project-specific grant support to assist with:

- Affordable Connectivity Program (ACP) outreach and broadband adoption;
- Digital skill building, online navigation, and use;
- Community technology centers; and
- Broadband access expansion feasibility studies.

The program will serve as a bridge between immediate activity supporting Capital Projects Fund implementation to forthcoming federal Digital Equity Capacity Grant Program funding per the Infrastructure Investment and Jobs Act. In its first month alone, the Capacity Kickstarter program inspired over 40 applications from community-based organizations and other qualified applicants – and seeking nearly \$6 million in grant support.

### **Mapping Review**

In addition to the programming described above, the *Connect Illinois Broadband Grant Program* itself is designed to incorporate community engagement and local coordination into the grantmaking process.

Under the *Connect Illinois* program, applicants, incumbent providers, impacted communities, and other stakeholders may provide feedback on proposed projects and the accuracy of the Illinois Broadband Map. Additionally, incumbent broadband providers can challenge the eligibility of a grant application based on currently available broadband service or near-term planned broadband deployment. Impacted communities and other stakeholders can provide feedback regarding an application’s alignment with community goals, plans, or needs.

The Notice of Funding Opportunity (NOFO) stipulates aspects of the mapping review process used to confirm service availability, federal funding commitments, and community support for proposed project areas:

- Publication of proposed project areas and project descriptions;

- Publication of relevant deadline(s) for initial mapping review feedback;
- Response to feedback filed to [broadband@illinois.gov](mailto:broadband@illinois.gov), including the opportunity for a follow-up conversation regarding project(s) in question;
- Communication to applicants regarding feedback received, including the opportunity for a follow-up conversation regarding project(s) in question; and
- Final determination, with resulting impact on proposed project area, scope, and/or budget communicated to feedback filer and applicant prior to award announcement.

The mapping review process begins a conversation between the Office of Broadband and the Connect Illinois stakeholder. No awards will be made without an opportunity for dialogue on the mapping and service levels in question. The Office of Broadband is committed to making this process as user-friendly and transparent as reasonably possible, and we intend to learn and apply what we can from the processes introduced during the first two rounds of the Connect Illinois grant program.

To ensure genuine community engagement and local coordination, the general public, elected officials, and related stakeholders can comment on the alignment between an application and the community's goals. Before *Connect Illinois* broadband grants are awarded, applicants have an opportunity to challenge the accuracy of the Grant Eligibility Map. Likewise, incumbent broadband providers are allowed to challenge the eligibility of a grant application on the basis of current available broadband service or near-term planned broadband deployment.

### **Collaboration**

To find success, the Illinois Office of Broadband knows that collaboration is key. Work with the Illinois-based Benton Institute for Broadband & Society supports publication of the biweekly *Illinois Broadband Connections* newsletter, timely local planning and capacity building through a separate and sustained complementary programming, and a mutual interest in broadband data, research, and publication. The University of Illinois System – and its Extension Services and Illinois Innovation Network – extends the Office of Broadband reach through a consistent and increasingly robust catalog of online content, interactive webinars, and programmatic support. Together, these collaborations are organized under the banner of the Illinois Broadband Lab.

### **Illinois Broadband Lab**

The Illinois Broadband Lab currently includes five dedicated staff, with additional University of Illinois System personnel providing administrative support. The dedicated broadband positions include coordinators for: Mapping and Data; Outreach and Communication; Programming; Research and Publication; and Digital Navigation. The Lab anticipates launch of a statewide digital navigator network in September 2023, with 10 – 20+ digital navigators located throughout Illinois.

With the promise of historic federal funding to support digital equity and inclusion, Illinois is poised to build on its holistic and collaborative approach to broadband expansion that treats access, adoption, and utilization as critical components of an integrated strategy.

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