Case Studies: Community fiber pays off

Key concepts

- Telecommunications and technology are now critical public infrastructure
- Investments pay off in increased economic development
- Community networks pay for themselves

Case One		
	Waterloo, IA	Cedar Falls, IA
Water/Sewer	53,900,000 capacity	25,000,000 capacity
Sanitation	36,500,000 capacity	7,680,000 capacity
Elec/Gas	MidAmerican	Municipal
Airport	yes	no
Industrial parks	(3) 2,275 acres	(1) 1,350 acres
Cost of land	less expensive	10%-20% higher
Housing	\$72,000 median	\$105,000 median
Roads	Interstate access	Interstate access
Businesses in	10	125
industrial parks		
New construction	1996 - \$58 mil	1996 - \$32 mil
	2001 - \$76 mill	2001 - \$65 mill
	2002 - \$53 mil	2002 - \$101 mil
Telecom	Tied to cable/DSL	Municipal, city-wide telecom network
Schools	Using expensive T1 circuits	Use less expensive municipal fiber
Population	68,747 (+3.4%)	36,145 (+5.3%)
Comments	"I believe it has hurt us	"(Communities) that harness its
	economically not to be able	power and the opportunities it
	to provide fiber optics to	presents will stand tall as great
	businesses locating in our	powers and those that do not will
	city."	shrink in every aspect of
	Mayor Roof (Waterloo)	civilization."
		Michael Powell, Chairman, FCC

Source: Cedar Valley Economic Development Corp.

Case Two

- Tillsonburg, Ontario adopted a technology strategic plan in 1999
- Town leveraged an investment in municipal fiber and wireless
- Businesses say, "Tillsonburg is a better place to do business because of the fiber network."
- Town lowered tax rates by 2% when nearby communities raised them 4-5%
- More than 80% of citizens and businesses satisfied with Town operation of the network
- More than 2/3 of citizens and businesses thought the investment was worthwhile
- Implementation cost--\$1,253,279, or \$84 per citizen
- Benefits--\$2,126,441, or \$142 per citizen



Source: Strategic Networks Group

DESIGN NINE