



REPORT

TO: Mayor Bonnette and Members of Council

FROM: Susan Silver, Senior Advisor, Strategic Initiatives

DATE: July 4, 2022

REPORT NO.: ADMIN-2022-0036

SUBJECT: Halton Digital Access Strategy

RECOMMENDATION:

THAT Report No. ADMIN-2022-0036 dated July 4, 2022 regarding Halton Digital Access Strategy be received;

AND FURTHER THAT Council authorize the CAO to continue to work with the region and other locals in development of business plan and governance structure for a Municipal Services Corporation (MSC) to facilitate 5G rollout in Halton;

AND FURTHER THAT Council delegate authority to the CAO to retain legal counsel if necessary to move forward in support of a coordinated regional approach to facilitate 5G rollout;

AND FURTHER THAT staff provide updates to Council as appropriate with supporting technical and legal information related to the MSC;

AND FURTHER THAT Council direct staff to report back regularly on the status of rural broadband initiatives and rural broadband project funding approvals when they are announced;

AND FURTHER THAT Report ADMIN-2022-0036 be circulated to Halton Hills Community Energy Corporation, the City of Burlington, the Town of Oakville, the Town of Milton, and Halton Region, for their information.

KEY POINTS:

The following are key points for consideration with respect to this report:

- Halton Region commissioned and released a Digital Access Strategy report in 2021.
- Based on recommendations from Halton Region [Report ST-08-21](#), staff have participated in a regional working group to assess the feasibility of a coordinated permitting process to address the deployment of 5G infrastructure by telecom operators across Halton Region.
- This report ADMIN-2022-0036 contains recommendations that relate specifically to the deployment of 5G (small cell wireless) and the investigation of options related to a region-wide approach to utilize municipal assets.
- This report provides authorization for the CAO and staff to continue to engage with the Region of Halton and the other Local Municipalities to develop a business plan and governance structure for a Municipal Services Corporation.
- Subsequent report(s) will be provided to Council on this matter prior to approval of a Municipal Services Corporation.
- An update on rural broadband has been provided for Council's information.

BACKGROUND AND DISCUSSION:

Halton Digital Access Strategy

On April 21, 2021, regional council approved [Report ST-05-21](#) which authorized the development of a Halton-wide Digital Access Strategy. During that time, the Halton area CAOs established a working group with staff from each of the local municipalities to support the work of the consultant. Periodic check-ins with the area CAOs have formed part of the governance of the Halton Digital Access Strategy (HDAS) working group.

The Digital Access Strategy [Report ST-08-21](#) was received by regional council in December 2021. The [report](#) gave an overview of next generation technology, primarily focused on wireless 5G and the associated economic benefits.

Among the recommendations in the report was that “Regional staff report back with details of the Hydro Utilities Group (HUG) proposal to coordinate deployment of 5G wireless technology with the telecommunication companies leveraging municipal assets and accelerating the delivery of 5G wireless infrastructure”. HUG is a consortium of the four Halton hydro companies. The region is planning to bring forward an update report to their Council on July 13, 2022 to discuss progress and authorize additional work related to the review.

Wireless Infrastructure (5G)

At the June 24, 2019 meeting of Community and Corporate Affairs Committee, Report [CORPSERV-2019-0030](#) regarding Master Cellular Agreement and Small Cell Licence Agreement with Rogers Communications was presented. The agreement, which was

subsequently approved by Town Council, authorized the town to work with Rogers to address the placement, maintenance, repair and replacement of small cell (5G) units and established a fee the Town would receive for each installed unit. To date, no installations of this type have occurred.

As noted above, a recommendation coming from the December 2021 regional report instructed regional staff to report back on a proposal received from the local distribution companies (LDCs), referred to collectively as the Halton Utilities Group (HUG). This proposal included a draft business model and implementation strategy for oversight and coordination of the deployment of 5G wireless technology, working with the telecommunications companies to provide a one window approach to permitting and licensing of municipal and hydro assets (poles).

In addition to assessing the HUG proposal from an operational standpoint, the Halton Digital Access Strategy (HDAS) working group, with the assistance of finance and legal sub-committees, has been investigating possible opportunities of creating a municipal services corporation to facilitate these activities.

Rural Broadband in Halton Region

The Halton Digital Access Strategy report also addressed broadband readiness in Halton Region, which supports the work already underway by the existing regional broadband working group to advocate and facilitate better broadband coverage, particularly in the rural areas. There is strong connection between 5G deployment and high-speed broadband in Halton Hills, however 5G deployment is more focused around urban areas, whereas high-speed broadband is focused on rural areas.

Town staff are aware of the challenges associated with the lack of reliable high-speed internet in certain areas of Halton Hills and are actively working on this issue by coordinating with key stakeholders. The Town's approach to advancing rural broadband in Halton Hills has been to collaborate with the local Halton municipalities on ICON (Improving Connectivity for Ontario) and UBF (Universal Broadband Fund) funding applications with Halton Region taking the lead. Halton Region continues to advocate to the Provincial and Federal governments for improved broadband access in rural Halton. The Region is also leading a targeted advocacy strategy, focusing on accelerating the speed with which telecom service providers (TSPs) connect and improve broadband service to residences, farms and businesses in rural Halton.

For the last intake of the ICON and UBF programs, the Town provided Letters of Support for 10 UBF applications and two ICON applications. On April 1, 2021, Bell Canada's application to bring high-speed internet to 172 households in Ashgrove and Hornby was approved. On January 25, 2022, Bell Canada's application to bring high-speed internet to 263 households in Limehouse was approved.

In fall 2021, the province launched [Ontario Connects](#), which is still in the RFP phase. The core program through Ontario Connects is the [Accelerated High-Speed Internet Program \(AHSIP\)](#) – commonly referred to as the “reverse auction” – wherein TSPs bid

to provide high-speed to various geographic areas of Ontario. The underlying plan with the AHSIP is to fill all of the remaining gaps in broadband throughout Ontario, which supports the provincial government's commitment to bring high-speed internet to 100% of Ontarians by the end of 2025. Staff will report back to Council once successful projects through AHSIP are announced, which are expected sometime in summer 2022.

More information on the Town's rural broadband can be found [here](#).

Next steps

The area CAOs along with the HDAS (Halton Digital Access Strategy) working group will continue to review the governance and financial impacts of forming a municipal services corporation that could be used to facilitate the deployment of 5G technology on Town owned infrastructure.

Later this year, staff will report back to Council with additional information regarding a region-wide business model approach in partnership with the local distribution companies.

Accompanying information on the financial and commercial analysis and proposed formal agreements will also be brought forward. Standards, processes and agreements will be needed to manage both operational and financial risks while addressing aesthetics and resident/business impacts due to construction and maintenance.

Under the leadership of the Halton area CAOs, the local municipalities have been working cooperatively to assess the HUG proposal and report back with a delivery and governance framework, associated financial details, and a summary of formal agreements in support of a region-wide approach for the implementation of 5G wireless infrastructure.

STRATEGIC PLAN ALIGNMENT:

This report aligns to the Town's Strategic plan recognizing the value to foster a prosperous economy, maintain and enhance the economic vitality of the town through the provision of a wide range of opportunities for economic development.

RELATIONSHIP TO CLIMATE CHANGE:

This report is administrative in nature and does not directly impact or address climate change and the Town's Net Zero target.

PUBLIC ENGAGEMENT:

Public Engagement is not needed at this time as this report is administrative in nature.

INTERNAL CONSULTATION:

Staff from Economic Development, Corporate Services and Transportation and Public Works have participated in the working group and continue to be consulted.

FINANCIAL IMPLICATIONS:

This report has an immediate financial impact and requires a funding source. Should legal counsel be engaged all associated costs will be charged to the current fiscal year's operating budget. If at the end of the year, there is an overall corporate operating deficit, the Town Treasurer will identify an appropriate funding source and request Council approval at that time.

Reviewed and approved by,

Chris Mills, Chief Administrative Officer