

## A Plan for NYC Telecommunications

by Laura Forlano

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The NYC Council has published a comprehensive telecommunications report, "[Network NYC](#)" (in pdf format) which, if implemented, could increase Internet access in poor and underserved communities and upgrade the telecom infrastructure while saving the city money.

However, building political support for the plan could take months and will require the city to evaluate its longstanding relationship with Verizon, which provides 75 percent of the city's telecommunications services. Though the city's telecom infrastructure is a "public good" (like a park) that all New Yorkers should share, it is now in the hands of private companies with little incentive to upgrade costly infrastructure.

New York spends over \$130 million on telecommunications, more than any other city in the country. But, despite this, the city has never taken a careful look at how their buying power can be used to best advantage. (For background on this issue, spelling out the case against Verizon, please see a previous tech [column](#) .)

### The Problems

The main problem with the city's current telecom system, according to the report, is the lack of competition between carriers. The New York City Comptroller long has complained about the \$96 million contract that the city's [Department of Information Technology and Telecommunications](#) has with Verizon, and the City Council report recommends that the contracts be opened up to greater competition.

"More competition in telecommunications services is usually a good thing for the customer [in this case, the city], as carriers tend to compete on both price and reliability. The report lays out a way for the city to do business in a manner that would promote such competition among carriers," said Jordan Silbert, director of Rebuilding Initiatives for the [Alliance for Downtown New York](#)

The Department of Information Technology and Telecommunications, or DoITT, is already taking steps to open up the city's telecom contracts to greater competition by aggressively seeking the best prices from a more diverse group of carriers. Verizon stands to lose some of

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its business with the city if other companies can provide better and less expensive service. (A Verizon spokesman did not provide the company's response to the report by press time).

Other telecom companies are hoping to bid on contracts in order to work with the city in a greater capacity. According to Federica Dussi, regional operations manager at AT&T, "there are pricing advantages and technology advantages of increased competition in the city." For example, the government could tap into newer telecom networks owned by a more diverse group of companies.

Currently, Verizon and its competitors are not paying any franchise fees to the city as a result of a recent court case. Previously, the competitors were paying the city but Verizon was not, due to exemption under a New York State law. This is another source of lost revenue for the city.

Another problem is the lack of telecom planning across different city agencies, which is costing the government too much money. Better use of wireless and other new communication technologies could aid in decreasing costs.

### The Recommendations

The report focuses on two goals: saving the city money on its telecom bill and promoting economic development in the five boroughs of New York.

Specifically, the report advocates for regular five-year telecom plans to be drafted by DoITT, with input from experts and community members.

One of the report's recommendations is for the establishment of free wireless Internet access zones in parks and other public spaces. To this end, last month, the Downtown Alliance launched the [Lower Manhattan Wireless Network](#), the country's first wireless business district, in partnership with officials from DoITT and the City Parks Department.

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The goal of the initiative is to have a wireless access point or "hot spot" within five minutes walk everywhere below Chambers Street or seven hot spots total in lower Manhattan. The network will operate throughout the year except in the cold winter months. As part of the project, Bowling Green Park-the city's oldest public space-is now wireless.

Lower Manhattan residents, workers and visitors can get on the Internet for free on laptops and personal digital assistants (PDAs) and access information on events, restaurants and shopping through the network's [Website](#).

### Moving Forward

In order to move forward on the best recommendations in the council's report, greater political support, awareness among the general public and research on the demand for these services in underserved areas is key. "What is needed is awareness of the problem of broadband redlining in the city's poor neighborhoods," said Anthony Townsend of [NYCwireless](#). "Community organizations need to start thinking about how to help themselves. NYCwireless has the ability to help non-profit and community-based organizations that want to get [wireless high-speed Internet] access help themselves."

Over the next few months, the city will gather input from the public in order to refine and build support for the proposed strategy. The city is looking into innovative sources of funding to jump-start their efforts. Officials hope to apply for federal funding from the Department of Commerce's Economic Development Administration as part of a new \$228.12 million budget for state and local efforts to create wealth and reduce poverty. Upgrading the city's telecom infrastructure-especially in underserved neighborhoods-is an important step towards increased economic growth.