The Broadband Divide in Cleveland: It's About Income

Bill Callahan, Director
Connect Your Community 2.0
CYC 2.0 is a collaborative of organizations and institutions in Cleveland and Detroit, working to develop sustainable grassroots models to overcome the digital disconnection of hundreds of thousands of our neighbors.

Most CYC 2.0 participants were partners in OneCommunity's 2010-13 “Connect Your Community” Project, supported by the Department of Commerce's Broadband Technology Opportunities Program.

CYC 2.0 participants include...

**Greater Cleveland:**
- Ashbury Senior Computer Community Center
- Cleveland Housing Network
- OneCommunity
- Cuyahoga Community College
- Cuyahoga County Public Library
- Seeds of Literacy
- Cleveland Community Development Dep't
- University Settlement
- Famicos Foundation
- Straightway Project
- Connect Lorain County

**Detroit:**
- Wayne State Center for Urban Studies
- Community Telecommunications Network
- Matrix Human Services
- Focus:Hope
The Connect Your Community Project 2010-13

- OneCommunity and fifteen nonprofit partners in eight varied communities (Cleveland, Detroit, Akron, Lorain, Appalachian Ohio, Lexington KY, Winston-Salem NC, Bradenton FL).
- $18.7 million grant from Broadband Technology Opportunities Program (ARRA stimulus funds).
- Helped 26,000 low income adults to become “Sustainable Broadband Adopters”, including more than 5,000 in Cleveland and 5,000 in Detroit.
- 23,000 got home broadband accounts – more than 80% still had them a year later.
- Our approach...
  
  *High touch, not high tech.*
  
  *Engage, train, equip, and support.*
Cleveland's broadband divide: What we know from FEDERAL DATA

Sources: U.S. Census American Community Survey for 2013 and FCC Form 477 data

- In terms of households lacking broadband Internet connections, as well as homes lacking Internet access of any kind, Cleveland and Detroit are two of the nation's worst-connected cities.

- In Cleveland as nationally, lack of home Internet access is strongly associated with lower household incomes.

- FCC data from providers shows lower household broadband connection rates in Cleveland's poorer neighborhoods.
In 2013, among U.S. cities with more than 100,000 households, Cleveland had the third highest percentage with no home Internet access of any kind – about 36%.

Detroit came in first with 40%.

(“Any kind” includes mobile Internet or dial-up.)
Among those same 72 big cities, Cleveland had the second worst percentage of households without “fixed broadband” subscriptions, e.g. DSL, cable modem or fiber accounts – about 51%.

Detroit came in first again, with 57%.

Redefining Rustbelt 2015-16 -- “Broadband and Digital Technology”

<table>
<thead>
<tr>
<th>72 U.S. cities with 100,000 or more households</th>
<th>Source: 2013 American Community Survey 1-Year Estimates</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Median, all 72 cities</td>
</tr>
<tr>
<td>All households</td>
<td>32.3%</td>
</tr>
<tr>
<td>No fixed broadband subscription</td>
<td></td>
</tr>
<tr>
<td>Number of households</td>
<td>% of households</td>
</tr>
<tr>
<td>Rank</td>
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<tr>
<td>Detroit, MI</td>
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<td>Cleveland, OH</td>
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<td>Memphis, TN</td>
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<td>Tulsa, OK</td>
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</tbody>
</table>
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U.S. households lacking Internet subscriptions in 2013, by household income
Source: American Community Survey

- $75,000 or more
- $50,000 to $74,999
- $35,000 to $49,999
- $20,000 to $34,999
- Less than $20,000
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Median household income vs. % of households without Internet, 2013
Universe: All 72 U.S. cities with more than 100,000 households
Redefining Rustbelt 2015-16 -- “Broadband and Digital Technology”

2010 Census Tracts
City of Cleveland, Ohio

Fixed broadband Internet subscriptions as percentage of households by Census tract, December 2013

"Broadband" = 3 mbs downstream, 768 kbps upstream
Source = FCC Form 477 Census tract level data *

- Red: 0% to 19.9%
- Orange: 20% to 39.9%
- Yellow: 40% to 59.9%

Lack of mainstream Internet access, especially for lower-income households, is an ever-greater obstacle to efforts at economic, social and civic participation – both for the households themselves and for the community at large.

Here are just some of the things Clevelanders without mainstream Internet access will find difficult or impossible in 2015:

- Conduct an effective job search
- Start or operate a small business
- Get into postsecondary education
- Get a GED
- Help a child with homework
- Manage a bank account or budget
- Stay current with political, civic or even neighborhood events
- Apply for unemployment
- Stay connected with family
And here are just a few of the things that Cleveland's public, community and business institutions can never fully accomplish while the poorest third of our neighbors remain disconnected:

■ Get our community's workforce aligned with emerging jobs

■ Get K-12 parents fully engaged in their children's education; position more students for STEM career opportunities

■ Make full use of electronic health care tools to meet Federal funding goals, improve patient health outcomes and control health costs

■ Move citizen interactions with government and social services on line for better performance, openness, accountability, and efficiency

■ Keep Cleveland households and neighborhoods “banked” and financially literate as financial services migrate from branches to websites
Cleveland's broadband divide: What we know from EXPERIENCE (CYC and others)

The broadband divide for low-income households in cities like Cleveland can be fixed. Effective solutions are well-known, and can be scaled to have significant community-wide impact.

The key ingredients:
- Community-based, high-touch training and support
- Affordable home Internet options (< $15 a month)
  - If price and bandwidth are right, fixed vs. mobile doesn't matter!

What's missing in most cities? Public leadership and strategic investment by the institutions (public and private) which stand to gain the most if more low-income neighbors are connected.
CYC 2.0's goal: Build the right investment partnership

Community practitioners (nonprofits, libraries, etc.) with...

- Broadband providers (*customer acquisition!*)
  - *FCC advocacy – cable mergers and Lifeline reform*
- City and county government (workforce/ED, human services, safety)
- Community development organizations
- Schools
- Health care providers
- Banks
CYC 2.0 initiatives: Affordable home broadband

- Mobile Citizen (cheap 4-G broadband accounts)
- FCC advocacy, cable mergers – Coalition for Broadband Equity
- FCC advocacy, Lifeline reform – National Digital Inclusion Alliance*
- Neighborhood self-help solutions, e.g. mesh wi-fi – powered by community fiber?

Various possible paths to the same target: All low-income Cleveland households should be able to get reliable, robust Internet connections for less than $15 a month.

* http://www.digitalinclusionalliance.org/
Connect Your Community 2.0

http://connectyourcommunity.org

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