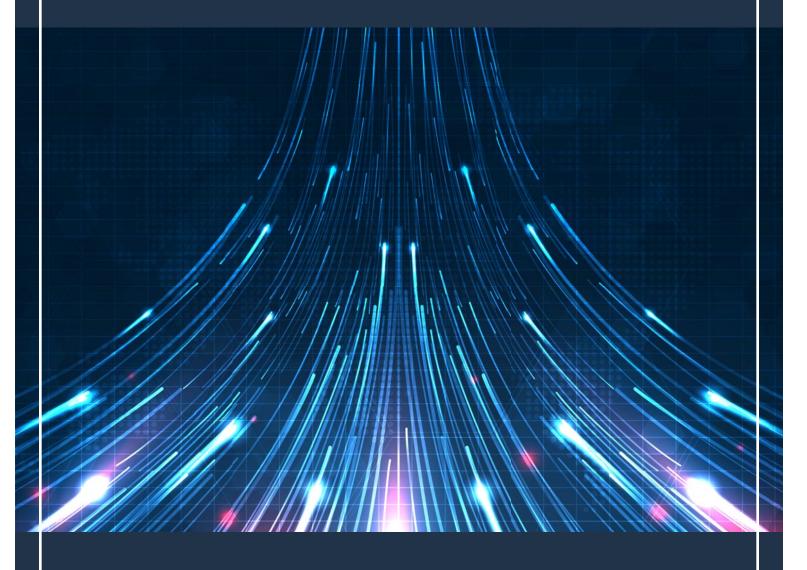


Capital Projects Fund Performance Report

July 2025





Pennsylvania Broadband Development Authority Honorable, Uri Monson, Chairman **Brandon Carson, Executive Director**







Table of Contents

Executive Summary	1
Use of Funds	2
Program 1a- Broadband Infrastructure Program	2
Program 1b- Digital Connectivity Technology Program	6
Program 1c- Multi-Purpose Community Facilities Program	8
Addressing Critical Needs	9
Labor	10
Community Engagement	11
Civil Rights Compliance	11



Board Members

Honorable Uri Monson

Chairman Secretary, Office of the Budget

Honorable Kristin Phillips-Hill

Board Secretary
Pennsylvania Senate, District 28

Honorable John Kane

Board Assistant Secretary Pennsylvania Senate, District 9

Honorable Robert Matzie

Pennsylvania House of Representatives, District 16

Honorable Jesse Topper

Pennsylvania House of Representatives, District 78

Honorable Stephen DeFrank

Chairman, PA Public Utility Commission

Dr. Laura Dimino

Interim Executive Director, Center for Rural Pennsylvania

Honorable Reggie McNeil

Secretary, PA Department of General Services

Dr. Carrie Rowe

Acting Secretary, PA Department of Education

Honorable Russell Redding

Secretary, PA Department of Agriculture

Honorable Rick Siger

Secretary, PA Department of Community & Economic Development



Program Information

Approved Program Plan Number: CPFFN0210

Program Start Date: February 4, 2022 Program End Date: December 31, 2026

Actual CPF Funds Allocated to the Program: \$278,793,641.00

Executive Summary

The Pennsylvania Broadband Development Authority (PBDA) has continued to make progress managing its Capital Projects Fund (CPF) programs throughout the last year (July 2024 through June 2025). This report outlines the progress, status, and project highlights from each of Pennsylvania's CPF programs, including the Broadband Infrastructure Program (BIP), the Multi-Purpose Community Facilities Program (Facilities Program), and the Digital Connectivity Technology Program (Technology Program).

The Pennsylvania Broadband Development Authority (PBDA) is an independent agency of the Pennsylvania Department of Community and Economic Development (DCED), established through PA Act 96 of 2021. PBDA is managed by an 11-member board of directors and is responsible for distributing federal and state monies for broadband expansion, particularly in underserved and unserved areas of Pennsylvania. Its efforts focus on closing Pennsylvania's digital divide so all Pennsylvanians can be connected to affordable and reliable high-speed broadband at home, at work, or on the road.



Use of Funds

Program 1a- Broadband Infrastructure Program

The BIP program consists of \$204 million in subgranted awards to deploy high-speed broadband infrastructure in unserved and underserved areas of the Commonwealth and to enhance economic development. The program will benefit various sectors, particularly education, healthcare, and workforce development. PBDA's BIP subrecipients 11 internet service providers working to deploy fiber, cable, and wireless broadband infrastructure through unserved and underserved areas of the Commonwealth. Funds are being used for line extension and development and large-sale regional infrastructure projects.

Through June of 2025, contracts were executed for 52 of Pennsylvania's 53 BIP projects, and 30 projects had reached an active construction phase of their timeline. That includes work to lay approximately 1,000 miles of constructed fiber, and the launch of one wireless tower, which is now operational. By the end of June 2025, a total of 22 projects were in a pre-construction phase, during which time subrecipients are managing permitting, project design, and other tasks to prepare to launch into full construction. Of its active projects, 10 can provide commercial service to at least some portion of households within the respective project areas.

Several BIP projects experienced delayed starts to construction, mostly due to shifts in project area locations, negotiations over pricing, and because of an ongoing legal dispute over Pennsylvania's prevailing wage rates (more information about the case is included in the "Labor" section of this document). Despite these obstacles, PBDA anticipates all projects reaching the December 31, 2026, CPF period of performance deadline.

Planning and engineering phases (including permitting, design, and make-ready work) are nearly complete for the remaining projects awaiting the start of construction. To prepare, PBDA is actively monitoring the progress made by subrecipients to thoroughly survey and map project routes and finalize project design plans.

Some projects were able to use private funding to begin construction prior to finalizing project contracts with PBDA. This expedited the ability to fully implement operations once CPF funding was made available through the execution of the contract.

Many providers have actively collaborated with key stakeholders, such as the County Commissioners Association of Pennsylvania, local chambers of commerce, and state and local legislators to bring attention to project construction and the pending service that will be provided through CPF funding.

PBDA continues to manage the challenges related to rights-of-way access and has developed a Pole-Attachment Working Group in collaboration with the Pennsylvania's Governor's Office of Transformation and Opportunity (OTO). PBDA staff are aware of pole attachment challenges between providers (including several BIP subrecipients) and a major pole owner that maintains poles across the Commonwealth. PBDA is working with the Pennsylvania Public Utility Commission (PUC) and its Pole Attachment Working Group to evaluate opportunities to mitigate any challenges that could cause project delay. The Working Group meetings also serve to inform PBDA staff about pole attachment challenges broadly.



Armstrong Telecommunications welcomed members of the PBDA staff and DCED Secretary Rick Siger (middle) to a groundbreaking ceremony in Butler County, PA.

Various ribbon cutting events announcing the start of project construction, as well as other public events, have happened throughout the state to bring awareness to the public about the importance of broadband expansion and the opportunities it will enable.

For example, in June, DCED and PBDA joined local officials and Armstrong Telecommunications, Inc. to break ground on a network buildout in Butler County, Pennsylvania (to highlight the 100% wireline fiber optic broadband access for more than 1,500 locations lacking access to high-speed internet). The event emphasized ways that the BIP funding will enhance communities, support local businesses, and contribute to Pennsylvania's economy as a whole.

For projects led by Frontier Communications of America, Inc., all locations where construction activities both began and have completed have directly benefited form the availability of Frontier's enhanced and robust fiber broadband connectivity offerings. Frontier's symmetrical fiber broadband services allow previously unserved and underserved locations to participate in an increasingly digital society and economy.



PBDA staff joined Upward Broadband staff to celebrate the launch of its Deodate Tower.

Upward Broadband hosted a ribbon cutting ceremony to announce the successful launch of the Upward Broadband Deodate Tower, a high-speed internet tower located in Fulton County, Pennsylvania. The event took place in conjunction with a park expansion initiative in Conewago Township. The tower will enable internet access to over 1,000 rural homes and businesses. Upward will continue to monitor customer satisfaction and long-term project sustainability through customer retention data, as well as other social and economic indicators that show correlation with broader improvements to the community.

In addition to public events, providers reported ongoing campaigns with news media outlets to share more information with the public.



PBDA Executive Director Brandon Carson visited Juniata County, PA to mark a milestone in Alleghenies Broadband Inc.

Alleghenies Broadband Inc. and Crowsnest Broadband engaged in a robust social media campaign, as well as a door-to-door outreach project to inform residents in Juniata Township of access that will be available to their households in summer 2025. Crowsnest anticipates more customers signing up for service as a result. The providers will continuously monitor customer metrics and other positive impacts on households and communities that receive service as a result of the CPF BIP funds.

Over the next year, PBDA will execute the final BIP contract, and construction will begin for the remaining projects. For subrecipients, this will involve securing necessary permits, compiling adequate supplies, commencing construction, and engaging with members of the public who will be served through BIP projects.



Crowsnest Broadband's BIP project

Program 1b- Digital Connectivity Technology Program

The primary purpose of PBDA's Digital Connectivity Technology Program is to achieve digital inclusiveness and community empowerment through device access. PBDA took an unconventional approach to implementing its Technology Program. Rather than issuing subgrants with its \$20,000,000 program allocation, PBDA and DCED purchased 14,372 laptops that were made available through a competitive application process. After considerable research based on program goals and needs, PBDA procured the 13.3 HP EliteBook x360, which is a multi-functional laptop PC that also has tablet capabilities. The devices were awarded to qualifying community-facing institutions to enable participation in workforce development, education, and health-related initiatives. A major program requirement for all subrecipients is the incorporation of a digital literacy and awareness training within program goals and objectives.

PBDA held two application rounds for the Technology Program, receiving hundreds of applications from organizations throughout the state. A total of 112 subgrants were awarded during the first round. Awards received in 40 of Pennsylvania's counties, and three of the projects aim to serve a statewide audience. For its second round, the Technology Program received applications from 128 distinct applicants, six of which were returning applicants. PBDA made awards to 57 projects, which will serve 28 Pennsylvania counties. Awards were distributed between educational facilities, social service providers, and community development organizations.



Washington & Jefferson College in Washington, PA

For example, Washington & Jefferson College, located in Washington County, received 30 laptops through PBDA's Technology Program. Washington & Jefferson designated 10 of those laptops for use at the Citizens Library in Washington, Pennsylvania. Twenty laptops will be managed by the college's Information and Technology Services office and the Clark Family Library through a loan program for students in need, starting in the 2025-2026 academic year. To best utilize the devices, Washington & Jefferson will launch a survey of first-year students to better assess the technology needs of its students. It will also develop and offer digital skills trainings to all students. Through the community library program, Washington & Jefferson will work with Citizens Library partners to assist with a loan program to its patrons, which will include members of the teen Robotics Club, which meets regularly, as well as publicly available digital skills programs.



PBDA's Communications Director, Kalie Snyder and Board Member Representative Rob Matzie joined the staff at Tech2Elevate to celebrate its Digital Connectivity Technology Program grant and the Digital Learning Lab.

In February 2025, Tech2Elevate celebrated a grand opening for its Digtial Learning Lab, located in Ambridge, Pennsylvania. More than 50 individuals attended, including local government officials, representatives from non-profit organizations, other community stakeholders, and community residents. Tech2Elevate received 25 laptops through the Technology Program. Its Lab provides access to computers for community members through open office hours, classes, and one-on-one digital coaching. Through the reporting period, 44 individuals received support services. Computers received through the Technology Program have allowed residents access to devices to view health portals, learn new skills, and create resumes and perform job searches. This happens both at the computer lab and through one-on-one coaching sessions. Between February and June, Tech2Elevate hosted a total of 590 open lab hours for community members to access computers for a variety of uses, and 412 hours of access to Digital Coaches, which provide one-on-one support. Additionally, the community organization hosted a total of 33 classes at the lab through the June 2025, including a 10-week Senior Planet Computer Basics Class.

To assess needs and track project outcomes, Tech2Elevate staff conduct surveys and informal client interviews, and continuously review offered content to ensure client learning needs are met. Through the next year, Tech2Elevate is planning classes to attract clients and crease digital knowledge, continue providing device and internet access through the Digital Learning Lab. It will continue to host both group and one-on-one digital trainings.

Program 1c- Multi-Purpose Community Facilities Program

The Multi-Purpose Community Facilities Program includes \$44,706,223.69 million in competitive grants that fund community anchor institutions and units of local government for community projects that construct, acquire, or improve facilities that are, or will be open to the public and will directly enable work, education, and health monitoring at the respective facility. PBDA received applications for the Facilities Program from 599 applicants, requesting approximately \$900 million. Types of applicants include local governments, not-for-profit organizations, Federally Qualified Health Centers, Libraries, and Community Anchor Institutions.



Northland Public Library staff "breaking ground" for its facility expansion project.

Since the start of the reporting period, PBDA has funded 49 Facilities projects across 27 counties through CPF funds. Through June 2025, 24 projects were in the Active Construction Phase, while 20 were in a pre-construction phase (securing proper permits, bids, and other planning requirements). By the end of 2025, PBDA anticipates that seven more projects will move into the construction phase. At the time of this report, all but two projects had finalized and signed the subgrant contract. Additionally, at least three projects will be complete by the fall of 2025.

A project that has made considerable progress over the past year is the Northland Public Library's Facility Improvement. The project involves facility expansion and significant renovation of the library. Funding is being used to expand, renovate, and enhance safety and access to the library, while creating a more welcoming and inclusive experience through design and wayfinding. Funds will also enable building capacity to serve more patrons by adding needed space for educational instruction. During the next reporting period, PBDA anticipates completion of this project, which means full utilization of the renovated and newly constructed areas. The accessibility improvements will enable building use for visitors of all abilities to access the facility for education, health monitoring, and employment purposes.

The Northland Public Library supports 90,007 residents within the five municipalities that it serves, as well as residents of neighboring communities. These individuals have already begun to benefit from the awarded CPF funds. In the spring of 2025, the library held a book fair on the updated upper level of the library. Visitors purchased books on a variety of topics that included workforce and

career development guides, as well as health and general educational books. Northland Public Library reported this being their most successful book sale in recent years. They were also able to host a music program featuring members of the Pittsburgh Symphony Orchestra, which attracted over 100 attendees in the newly renovated space. While no project funding was used in public advertising or community engagement efforts, the library shares information with its patrons through a monthly newsletter, social media channels, and local media outlets. These have been used throughout project construction to keep the public informed of the coming updates and accessibility improvements to the library, as well as events and library programming.

Addressing Critical Needs

As a part of Pennsylvania's Department of Community and Economic Development (DCED), PBDA's work is focused on building a resilient economy and investing in communities to create a stronger Pennsylvania. To do so, it has identified the communities and individuals across the Commonwealth with the most critical needs related to workforce development, access to healthcare, and educational opportunity. Each of its three CPF programs were developed to address the critical needs of the communities being impacted by the subawards.

For BIP, locations with critical need include those that are unserved and underserved (i.e., those that do not currently have access to 25/3 Mbps and 100/20 Mbps, respectively). A majority of these locations fall within Pennsylvania's 48 rural counties (out of 67 counties total). Communities without reliable broadband service are at an extreme disadvantage compared to those that are connected and residents in those communities cannot participate in the digital economy on a level playing field. CPF BIP subrecipients are being monitored to assure that their projects will offer end users service at 100/100 Mbps.

Subrecipients managing Facilities programs must reach populations with significant digital need, particularly those which have been historically marginalized and lack access to broadband internet. Projects were selected based on their commitment to addressing a community anchor institution's existing capacity, service quality, and the ability to meet the needs of communities served. This includes, in particular, historically disadvantaged communities that have experienced disproportionally poor work, education and health outcomes, in part due to lack of access to resources.

Finally, the Technology program bases critical need on the lack of digital literacy and access to devices in economically distressed communities, based on stakeholder engagement and data gathering efforts. Per Treasury requirement, PBDA has considered affordability as a major factor in determining critical need. It did so through the first and second round application processes, by determining the income level of each census tract-level location proposed to be served through submitted applications. County-level datasets were used to determine the high school graduation or equivalent rate, the driving time to acute-care hospitals (from each proposed site), and job growth of each proposed location included in an application. These indicators are meant to serve as proxies for determining the highest need for improved education, health monitoring, and workforce development opportunities. Thus, Technology subrecipients must continuously show that the devices they were awarded through the CPF Technology program are being used as a tool to address these critical needs.

Through the end of the 2024-2025 reporting period, PBDA has not yet begun to engage in project monitoring and evaluation of Project and Program outcomes. However, this work will commence within the 2025-2026 reporting period.

Labor

PBDA intentionally designed its programs to ensure strong labor standards. Specifically, subrecipients and contractors funded through the projects were required to certify that they comply with all applicable Pennsylvania state labor and workforce safety laws through their signed program agreement with PBDA. A Worker Protection and Investment Certification Form was submitted with applications.

From PBDA's BIP projects, 65% of projects reported compliance with Federal Davis Bacon laws, while 35% answered "no" to this prompt.

Several BIP subrecipients submitted details of how workforce development is supported through their projects:

- "Comcast supports workforce development via ongoing occupational training, certification, and licensure. For example, Comcast's technicians participate in an on-the-job training program, allowing them to progress from entry-level positions to the most complex network installation service positions".
- "Armstrong will ensure a sufficient supply of skilled and unskilled labor through a variety of strategies, including internal training programs, partnerships with educational institutions, and a commitment to local hiring practices. The company prioritizes local workers with an eye toward career progression, resulting in an average employee tenure of almost 14 years, the highest known tenure in the industry. [Armstrong] also offers a competitive compensation package that includes health insurance, a company-funded pension, and annual increases based on both wage inflation and merit. [Additionally], Armstrong rewards participation in training opportunities with career advancement. These opportunities include: certifications from the Society of Cable Television Engineers and National Cable Television Institute; specialized pole climbing instruction and safety audits; a generous tuition reimbursement plan, educational partnerships including Grove City College, Butler Community College, Slippery Rock University, DeVry University, and Butler School District.

Armstrong employs a servant leadership model that engages employees, resulting in a perfect record of no work stoppages or labor disputes in more than 75 years. It is also committed to using Local Management to lead each project.

"The Verizon workforce has almost two decades of experience building, installing and servicing these networks. Today, Verizon and [its] affiliates employ approximately 6,200 people across Pennsylvania. Verizon's directly employed workforce that will perform the vast majority of the physical fiber and construction-related tasks on the Project is unionized. [Verizon's] union-represented direct workforce across [its] landline footprint has an average company tenure of 22.6 years. The network [Verizon is] building under the grant program will also provide long-lasting, meaningful work installing and delivering service and maintaining and repairing the network for years to come. In addition, Verizon maintains existing relationships with a wide range of subcontractors, many of whom also have a union-represented workforce. In many instances, Verizon will use union-represented workers for all of the job classifications performing physical work on the Project. As one of the largest providers of broadband services in the Commonwealth, Verizon has strong incentives to ensure workforce continuity irrespective of whether the subcontractor's workers on a particular project are union-represented."

Through its quarterly P&E reports submitted to US Treasury, PBDA did not receive responses about Labor Agreements for its Facilities projects, since this information is not required to be reported for projects less than \$5 million. No PBDA Facilities project exceeded the \$5 million threshold, and no subrecipient offered that information voluntarily. However, projects receiving over \$5 million in funds, since all Facilities projects are receiving over \$25,000, those subrecipients are required to follow Pennsylvania Prevailing Wage Act requirements. The Pennsylvania Department of Labor and Industry (L&I) has final authority to make prevailing wage applicability determinations.

Pennsylvania has a project-specific prevailing wage system, set by project and job-specific terms, rather than by regional guidelines. Some broadband-related jobs are considered to be classified in a way that is seen as inaccurate by some internet service providers (including some BIP subrecipients), which in turn could increase the project's labor costs. Industry groups continue to call for formal reclassification, and several are currently involved in litigation with the Commonwealth, which has yet to be resolved at the time of this report's submission. Though this is an ongoing and noteworthy concern as broadband infrastructure is actively deployed throughout the state, it is not currently disrupting any BIP projects. PBDA is actively monitoring the legal discussions.

Community Engagement

In addition to the community engagement activities mentioned above and carried out by subrecipients for project-specific goals, outreach and transparency remain high priorities to PBDA.

PBDA's Communications Manager is responsible for leading regular communications with PBDA's large list of stakeholders and partners. The Communications Manager works to ensure clear and direct communication is shared on a regular basis. Along with DCED's Communications and Marketing offices, the Communications Manager maintains PBDA's website and supporting content, such as regular press releases, social media posts, and news articles. The person in this role is responsible for connecting with constituents to answer questions and gather feedback on a variety of concerns, such as service availability.

To share major announcements and project milestones, PBDA maintains an email distribution list. The distribution list reaches nearly 4,500 contacts that include local government entities, not-for-profit and non-governmental organizations, internet service providers, and other stakeholders. PBDA continues to administer monthly e-newsletters, sent through the abovementioned email distribution list. PBDA works directly with DCED's Marketing and Communications team, which releases regular social media posts containing PBDA program news and updates. The team uses various platforms, including Facebook, LinkedIn, and X.

In addition to regular communication with stakeholders and constituents, PBDA continues to facilitate regular Outreach and Education sub-committee meetings (one of PBDA's four sub-committees that include representation from its board of directors and other relevant stakeholders to advise on best practices for incorporating community perspectives into broadband planning). Individual engagement with stakeholders, particularly those representing covered populations, occurs on an ongoing basis.

To streamline its coordination process with county and municipal governments across Pennsylvania, PBDA has developed a "Broadband Ready Communities" (BBRC) program. BBRC provides the designation of "Broadband Ready" to communities that undergo a series of actions that enable broadband infrastructure investment within their communities. BBRC also works to reduce procedural, policy, and permitting barriers to broadband deployment at the municipal level. To date, 146 local government entities have been designated "Broadband Champions" through BBRC. PBDA aims to expand this number as BIP progresses, to aid and assist the communities that will benefit from CPF funds.

PBDA has developed a partnership with the above-mentioned Office of Transformation and Opportunity (OTO) to maintain a system to manage the permitting requirements necessary to implement BIP projects. OTO coordinates with Pennsylvania state government agencies to help problem-solve, avoid bottlenecks, and streamline permitting processes while proactively engaging with relevant business entities throughout the Commonwealth. Amongst other strategies, OTO uses data visualization tools and is in the process of implementing a Performance Management System. PBDA encourages subrecipients to work directly with OTO to manage project permitting requirements.

Civil Rights Compliance

PBDA confirms that its CPF programs meet legal requirements relating to nondiscrimination and nondiscriminatory use of Federal funds. Those requirements include ensuring that Pennsylvania will not deny benefits or services, or otherwise discriminate on the basis of race, color, national origin (including limited English proficiency), disability, age, or sex (including sexual orientation and gender identity), in accordance with the following authorities: Title VI of the Civil Rights Act of 1964 (Title VI), 42 U.S.C. 2000d-1 et seq., and the Department's implementing regulations, 31 C.F.R. part 22; Section 504 of the Rehabilitation Act of 1973 (Section 504), 29 U.S.C. 794; Title IX of the Education 16 Amendments of 1972 (Title IX), 20 U.S.C. 1681 et seg., and the Department's implementing regulations, 31 C.F.R. part 28; Age Discrimination Act of 1975, 42 U.S.C. 6101 et seq., and the Department's implementing regulations at 31 C.F.R. part 23.

