



City of Arts & Innovation

News Release

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City of Riverside to Receive Citywide High-Speed Fiber Network Following Approval of Agreement with SiFi Networks

Nearly all of the project is expected to be completed within four years; no cost to the City

RIVERSIDE, Calif. – Residents, businesses, government facilities and institutions in Riverside are expected to benefit from a citywide high-speed fiber network within four years following City Council approval of a development agreement with SiFi Networks Riverside LLC, a private company that will install and operate the system at no cost to the City.

The project, which was approved by the City Council 6-1 on May 17, is seen as a way to eliminate the “digital divide” that could prevent residents and businesses in some areas from accessing high-speed internet services. Such services are increasingly seen as necessary to connect with and compete in modern society.

“This agreement with SiFi Networks holds great promise for Riverside, its residents and its business owners,” Mayor Patricia Lock Dawson said. “The availability of cutting-edge technology is a key component for cities seeking to attract clean and green tech and other companies that need this vital service.”

Only about 39 percent of homes in Riverside currently have access to high-speed fiber, according to City estimates. SiFi, based in Delaware, will fund, design, construct and maintain the system, which is expected to cost more than \$300 million, and is required to be 95 percent complete within four years. Once the system is in place, residents and businesses would request to be connected.

SiFi will market the open access system to internet service providers that can use SiFi’s network to provide up to 10 gigabit broadband connectivity to residents and up to 100 gigabit connectivity to businesses. The highest widely available internet speeds in Riverside now averages 250 Megabits per second, which will increase through the partnership with SiFi by a factor of 40 in Riverside neighborhoods and a factor of 400 for businesses. Riverside recognizes the importance preparing our local economy for the future as noted in the 2021 McKinsey Global Survey, which “confirmed that the future will belong to companies that put technology at the center of their outlook...”

Such high-speed connections can promote economic development, especially among companies that need to move large amounts of data very quickly during long time spans, such as financial institutions and healthcare companies that maintain large databases of information that may need to be shared over multiple sites.

The agreement allows SiFi to install the network citywide passing every home and business. The fiber will be installed through a process of micro-trenching which is a minimally evasive process that will install the fiber roughly where the street meets the gutter.

SiFi would own the fiber network and be responsible for repairing and maintaining it. The company then would then sell wholesale network access to internet service providers who then can market their services to residents and businesses. SiFi does not operate itself as an internet service provider.

The non-exclusive right of way development agreement does not prevent other providers from building their own networks or expanding fiber networks they already have in place. It also does not require any Riverside resident or business to change their existing internet service provider, but would provide them with more choice and allow them to do so if they wish

“This program will bring an important option to residents and businesses that currently are without such services, while ensuring residents have choices for their needs,” Mayor Pro Tem Chuck Conder said. “The network will be built without City money, which protects taxpayers.”

The City will be reimbursed monthly by SiFi for its costs in administration, plan check, permit review or inspection services. SiFi will pay all pertinent fees and permit costs. The agreement is for 30 years with two potential 30-year extensions.

SiFi has agreed to attempt to hire locally and train about 100 people who will be needed as part of the installation and to serve as a field service crew.

SiFi has a program to subsidize the provision of high-speed internet services to about 12 percent of the properties in Riverside, meaning low-income people will be able to access the service at a reduced rate. The City will be responsible for determining the criteria for subsidies, which SiFi estimates will be worth \$133 million during the first 30 years of the program.

Following City Council approval, City staff now must negotiate a Smart City Managed Services Agreement with SiFi to determine how to connect City facilities and assets, such as traffic lights. That agreement will be brought back to the City Council at a future date.

The Riverside FiberCity® web page can be found at:
www.sifinetworks.com/residential/cities/riverside-fibercity-ca/

For the latest information and resources regarding COVID-19 -- www.RiversideCA.gov/COVID-19