



Palo Alto presses on with citywide fiber network

Council says the technology is key to competitiveness, despite setback

by [Chris Kenrick](#), Palo Alto Online Staff, Uploaded Tuesday, April 14, 6:31 AM

Saying a citywide fiber-optics system will be critical to 21st century competitiveness, Palo Alto City Council members unanimously decided Monday night to press on in their quest to deliver the ultra-high-speed broadband to every home and business in Palo Alto.

The council directed city staff to seek partnerships with firms selling fiber to Singapore and Australia and to apply for federal stimulus funds to advance fiber in Palo Alto, despite warnings from some residents that the city is too late in pursuing fiber and will never be able to provide perceptibly higher connection speed than companies such as Comcast already offer.

"This is something we really need to do," councilman Larry Klein said.

"Other places in the world are doing it, and some of those places really do compete with us. If we had (fiber) in place now we'd have a competitive advantage. If we have it in place three to four years from now, we'll still have a competitive advantage."

Fiber optics will give Palo Alto homes and businesses superior speed and reliability over competing broadband products, at a lower cost, and also will generate revenue for the city, advocates say.

The council's decision comes after a consortium led by Axia NetMedia of Canada withdrew from its attempt to build and operate a \$45 million fiber network for Palo Alto in March. Monday night's decision also included a clause terminating the city's relationship with Axia on the failed project.

The consortium had pulled out saying it had lost a financing partner and could proceed only if the city contributed \$4 million to \$5 million a year to help with the fiber project.

"We're facing a big setback with the termination of the Axia proposal, but fiber to every home is a breakthrough that would offer us something important as a community," councilman Greg Schmid said Monday.

But not everyone at the council meeting viewed the fiber-to-the-premises plan, which the city has pursued for more than a decade, favorably. Resident Robert Smith warned the council, "It's time to abandon all plans for a citywide fiber system."

Smith said that in the 12 years he's been following the city's fiber efforts, providers such as Comcast have steadily improved their broadband offerings.

Palo Alto "won't have a wide audience because you've waited too long and the established providers are in there," Smith said. "They've been at it for decades. You don't know this business."

Council member Yoriko Kishimoto said infrastructure such as fiber "is our No. 1 economic development tool as we move from a petroleum-based economy to a knowledge-based economy.

"I have a lot of respect for companies like AT&T and Comcast, but they have a business model of selling us entertainment." Kishimoto said.

"The vision I'd like my colleagues to carry forward is a vision of a 'producer economy.' There will be as much uploading as downloading. Each person and business will be contributing as much as they take off the 'Net.'"

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