

FAST COMPANY

This Startup is Trying to Beam Cheap Internet into Low-income Communities

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For people living in public housing, finding a good, accessible Wi-Fi signal can often be a struggle. Now that a good internet connection is vital for so many facets of life—from school to job searching to communication—this deficit is both a significant indicator and driver of socioeconomic disparity.

Based in Boston, the internet provider Starry has launched a program to close that access gap. Called Starry Connect, the initiative equips the common areas, computer rooms, and hallways of the Boston Housing Authority's Ausonia Apartments with free 5G internet for residents; more public housing developments in Boston, and eventually other cities, will come online soon through the program. And beginning this fall, Starry Connect will roll out in affordable housing developments managed by Related Companies, a developer that, in addition to a range of market-rate properties, owns around 45,000 units of affordable housing across the country. "Connectivity is a requirement at this point," says CEO Chet Kanojia, but too many people are still locked out.

Starry launched as a startup in 2016 with a simple premise: to use personalized tech to connect people with high-speed internet, without involving big utilities. “We really saw that there was a market imbalance in terms of internet access,” says Virginia Lam Abrams, Starry’s SVP of communications and government relations. “One, it’s expensive, and two, it’s a noncompetitive landscape, characterized by regional monopolies.” Most of the country—around 60%—does not have a choice as to which company provides their internet, and that, Abrams says, leads to inflated costs and diminished customer care. That in itself exacerbates the digital divide.

So Starry set out to develop an internet network that skirts the traditional utility infrastructure, “and, most importantly, drives down the cost of connecting people and homes to the internet,” Abrams says. Most homes connect to the internet via a fiber optic cable system, which costs around \$2,000 to install. Starry, instead, uses a hub-and-spoke style transmission system, in which an antenna installed on top of a city building beams 5G into receptors, called Starry Points, that subscribers can install in their homes. Its standard internet service costs a flat monthly fee of \$50 (Starry’s average passing costs—or costs to connect a home—are \$20 or less, depending on the density of the area they’re serving, so they’re making a profit off the service), and Starry Connect is either free or offered at a steep discount to affordable housing residents.

Wireless internet services that rely on the transmitter-receptor model are not new, but because they traditionally follow a point-to-point model, where a single transmitter beams service to a single receptor, they’re not scalable, Abrams says. Starry’s tech instead facilitates a point-to-multipoint system, in which a single transmitter, using antenna technology, is able to serve dozens of homes. This, Abrams adds, makes it especially practical for dense urban areas like Boston, where it originally launched.

It also represents a practical solution for closing the internet access gap for low-income people, around half of whom do not have an internet connection in their homes. In public housing developments especially, internet infrastructure is woefully lacking. Starry Connect’s primary focus in public housing developments like the Ausonia Apartments in Boston will be bringing common spaces online for free—the startup just closed a \$100 million funding round in July, so is equipped to do so. Because both the BHA and other housing authorities often do not have the capacity to manage or install internet systems themselves, the fact that Starry is taking care of both is also a bonus. In the weeks since the Ausonia Apartments have come online, the residents have been bringing their devices into common areas to make use of the Wi-Fi, and Starry is sourcing feedback from them as to what could be improved before expanding into other BHA properties, and eventually, public housing developments in other cities.

Through the partnership with Related Companies they’ll also be making in-home Wi-Fi available to

low-income residents—anyone receiving a housing subsidy—across the U.S. for less than \$20 per month, steeply discounted from the standard \$50 flat rate. Starry's ultimate goal is to give people choice in their internet service. For people in affordable or public housing, that's giving them accessible and affordable service, and for people in areas under the monopoly of a single service provider, it's adding another player an undiversified landscape.