Projects and Contracts with Proposed Grant Awards Over $100,000

May 23, 2019

Sean Newlin
Staff Specialist
Strategic Incentives Division
Overview

- Background
- Proposed Projects with Awards Over $100,000
- Overview of Fiscal Year Ending (FYE) 2019 Funds
  - Awards by project type and county
  - Status of funding
- Recommendations
Carl Moyer Program and Mobile Source Incentive Fund

**CMP**
- Created in 1998 to reduce emissions from heavy-duty engines
- Voluntary program that funds surplus emission reductions

**MSIF**
- Assembly Bill (AB) 923 allowed for additional $2 motor vehicle registration fee surcharge (12/04)
- CMP and Lower Emission School Bus Program (LESBP) projects eligible for MSIF funding
Community Health Protection Grant Program (CHP)

- Created by AB 134 appropriation of $250 Million (M) from the Greenhouse Gas Reduction Fund (GGRF) to reduce mobile source emissions including criteria pollutants, toxic air contaminants, and greenhouse gases in AB 617 communities.

- Bay Area Air Quality Management District (Air District) allocated $50M of these funds for emission reduction projects under the CMP, and optionally under the Proposition 1B Goods Movement Emission Reduction Program.
CMP/ MSIF & CHP

On 2/21/18 Air District Board of Directors
• Approved participation in CMP Year 20
• Authorized Executive Officer/APCO to execute contracts and amendments with grant awards up to $100,000

On 12/20/17 Air District Board of Directors
• Approved acceptance of $50M in AB 134 funding for the Community Health Protection Grant Program (CHP)
$271,135 in total awards for two projects

- Replacement of five diesel tractors

Emission reductions

- Over 0.88 tons per year (TPY) of criteria pollutants
Transportation Fund for Clean Air (TFCA)

- Statutory authority set forth in California Health and Safety Code Sections 44241 and 44242

- Funding provided by a $4 surcharge on motor vehicles:
  - 60% of TFCA funds awarded directly by the Air District (Regional Fund & Air District-Sponsored)
  - Remaining 40% is distributed to the Nine Bay Area Congestion Management Agencies (County Program Manager Fund)
On 5/2/18 Air District Board of Directors

- Allocated $20.44M in TFCA funds for FYE 2019 projects and programs
- Authorized Executive Officer/APCO to execute contracts and amendments with grant awards up to $100,000

On 6/6/18 Air District Board of Directors

- Adopted policies and evaluation criteria for the FYE 2019 TFCA Regional Fund program
TFCA Project Recommendations Over $100k

- **$500,000 in total awards for one project**
  - 20 DC fast-charging stations

- **Emission reductions**
  - Over 0.42 TPY of criteria pollutants
Reformulated Gasoline (RFG) Settlement Fund

- RFG’s Open Grants Program created from an antitrust class action
  - For clean air and fuel efficiency benefits for California consumers
  - Majority of $7M in funding was awarded in 2010

- On 11/1/17 Air District Board of Directors authorized
  - Acceptance of up to $2M RFG funds from Bay Area Clean Air Foundation
  - The Executive Officer/APCO to enter into all agreements necessary to accept, obligate, and expend this funding
On 12/5/17, the Bay Area Clean Air Foundation

- Entered into contract for $1.3M for projects that will accelerate the adoption of zero and near-zero-emission equipment and vehicles in and near the Port of Oakland and West Oakland Community
RFG Project Recommendations Over $100k

- $989,400 in total awards for 2 projects
  - 10 DC fast-charging stations
  - Six (6) electric yard hostlers

- Emission reductions
  - Over 0.51 TPY of criteria pollutants
Projected Grant Revenues for FYE 2019

$137 (in Millions)

- Transportation Fund for Clean Air: $25
- Mobile Source Incentive Fund: $7
- Carl Moyer Program: $13
- AB 617 / 134: $12
- VW NOx Mitigation*: $50
- Other Funding Sources: $30

*Total Volkswagen funding is $423M statewide, which will be dispersed over ~5 year period. Staff projects that as much as 33% of funding could go to projects located in the Bay Area.
Funds Recommended and Awarded by Project Category Since July 2018

Total = ~$64M

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Light-duty Cars &amp; Infrastructure</td>
<td>$8.8 M</td>
</tr>
<tr>
<td>On-road Trucks &amp; Buses</td>
<td>$3.4 M</td>
</tr>
<tr>
<td>School Buses</td>
<td>$17.0 M</td>
</tr>
<tr>
<td>Off-road Ag</td>
<td>$3.8 M</td>
</tr>
<tr>
<td>Non-Ag</td>
<td>$4.9 M</td>
</tr>
<tr>
<td>Off-road Marine &amp; Locomotive</td>
<td>$16.1 M</td>
</tr>
<tr>
<td>Trip Reduction</td>
<td>$10.6 M</td>
</tr>
</tbody>
</table>

List of projects is shown in Attachments 2 and 3
Funds Recommended and Awarded by County Since July 2018

San Francisco $2.4M, 4%
Alameda $22.1M, 34%
Contra Costa $8.0M, 13%
Marin $1.4M, 2%
San Mateo $3.8M, 6%
Santa Clara $12.1M, 19%
Solano $5.9M, 9%
Sonoma $4.6M, 7%

List of projects is shown in Attachments 2 and 3
Total = $~64M
Status of Incentive Funding Awarded Since July 2018, by Funding Source

- **CMP/MSIF/CHP/FARMER ($74.2M)**
  - Awarded or Passed-through: $72.6M

- **TFCA ($20.4M)**
  - Available: $11.8M
  - Recommended: $1.17M

- **RFG+ ($1.17M)**
  - Awarded to date (since July 1, 2018)

* Includes awards from FYE 2018 and additional MSIF match for CMP

+ Total awarded and recommended amount of $1.23M - projects without sufficient funding will be placed on a contingency list.
### Status of Solicitations

<table>
<thead>
<tr>
<th>Program Name, Description, and Website</th>
<th>Status</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Carl Moyer</strong> Funding to replace heavy-duty on- and off-road vehicles and equipment <a href="http://www.baaqmd.gov/moyer">www.baaqmd.gov/moyer</a></td>
<td>Open</td>
<td>CMP, MSIF, CHP, FARMER</td>
</tr>
<tr>
<td><strong>Vehicle Buy Back</strong> Funding to scrap 1996 or older light duty cars <a href="http://www.baaqmd.gov/vbb">www.baaqmd.gov/vbb</a></td>
<td>Open</td>
<td>MSIF</td>
</tr>
<tr>
<td><strong>Charge!</strong> Funding to install public charging stations <a href="http://www.baaqmd.gov/charge">www.baaqmd.gov/charge</a></td>
<td>Open until June 30, 2019</td>
<td>TFCA</td>
</tr>
<tr>
<td><strong>West Oakland Zero Emission Grant Program</strong> Funding to purchase zero-emission vehicles &amp; equipment <a href="http://www.baaqmd.gov/WestOaklandZEV">www.baaqmd.gov/WestOaklandZEV</a></td>
<td>Open until June 30, 2019</td>
<td>RFG</td>
</tr>
<tr>
<td><strong>Clean Cars for All</strong> Funding for low-income owners to retire and replace their vehicles with a cleaner option <a href="http://www.baaqmd.gov/cleancarsforall">www.baaqmd.gov/cleancarsforall</a></td>
<td>Open</td>
<td>California Climate Investments</td>
</tr>
</tbody>
</table>

**Additional grant programs for other project categories scheduled to open later this year**
Recommended Actions

Recommend the Board of Directors:

1. Approve recommended projects with proposed grant awards over $100,000 as shown in Attachment 1; and

2. Authorize the Executive Officer/APCO to enter into all necessary agreements with applicants for the recommended projects.
Fiscal Year Ending (FYE) 2020 Transportation Fund for Clean Air (TFCA) Regional Fund Policies & Evaluation Criteria

May 23, 2019

Ken Mak
Supervising Staff Specialist
Strategic Incentives Division
Overview

- Background of Transportation Fund for Clean Air (TFCA)
- Public Outreach and Timeline for TFCA-Funded Projects and Programs in Fiscal Year Ending (FYE) 2020
- Proposed Updates to TFCA Policies for FYE 2020
  - Public Input
  - General and Project Specific Updates
- Recommendations
**TFCA Background**

- Established in 1991 to fund projects that reduce on-road motor vehicle emissions
- Funded by a $4 motor vehicle registration fee surcharge
- Air District Board of Directors (Board) approves funding and updates policies and cost-effectiveness (C-E) criteria annually
Public Comment Period: April 8, 2019 to May 13, 2019

- **Email notifications** sent to 2,000+ stakeholders and an online webinar held on May 1, 2019
- **Additional meetings** held with County Program Managers
Proposed updates to C-E threshold:

<table>
<thead>
<tr>
<th>Project Category</th>
<th>FYE 2019 C-E</th>
<th>Proposed FYE 2020 C-E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Light- and Medium-Duty Zero- and Partial-Zero-Emissions Vehicles</td>
<td>$250,000</td>
<td>$500,000</td>
</tr>
<tr>
<td>On-Road Heavy-Duty Zero- and Partial Zero-Emissions Trucks and Buses</td>
<td>$250,000</td>
<td>$500,000</td>
</tr>
<tr>
<td>Vehicle Scrapping</td>
<td>N/A</td>
<td>$50,000</td>
</tr>
<tr>
<td>Pilot Trip Reduction</td>
<td>$250,000</td>
<td>$500,000</td>
</tr>
<tr>
<td>Bikeways</td>
<td>$250,000</td>
<td>$500,000</td>
</tr>
</tbody>
</table>

No change proposed to C-E thresholds for the following project categories:
- On-Road Truck Replacements, Hydrogen Stations, Existing Shuttle/Feeder Bus Services, Existing Regional Ridesharing Services, and Electronic Bicycle Lockers

Proposed C-E threshold for new Vehicle Scrapping category is $50,000
Proposed Updates
Clean Air Vehicle Projects

- Projects that accelerate the adoption of zero-emission technologies for compliant fleets and incentivize the permanent retirement of highly-polluting vehicles

Policy Updates:
- C-E limits increased to $500,000/ton for zero- and partial-zero emissions vehicles for fleets (Light- and Medium-Duty and Heavy-Duty), #2
- Clarified that policy was intended for trucks, #22
- Removed model year requirement, #23 & #24
- Added new category: vehicle scrapping, #26
- Text revisions for clarity
Projects that facilitate first- and last-mile connections to reduce commute-hour single-occupancy vehicle trips

Policy Updates:

- C-E limit increased to $500,000/ton for Pilot Trip Reduction, #2
- Text revisions for clarity, #29
Proposed Updates

Trip Reduction Projects – Bicycle Projects

- Projects that facilitate mode shift to active transportation by constructing bikeways and installing bicycle parking to reduce single-occupancy trips

Policy Updates:
- C-E limit for bikeways increased to $500,000/ton, #2
- Text revisions for clarity

- Staff also recommends a change to the 2020 TFCA CPM Fund Policies to increase the C-E threshold for the Bicycle Projects category to align it with proposed FYE 2020 Regional Fund Policies C/E threshold
Recommended the Board of Directors:

1. Approve the proposed FYE 2020 TFCA Regional Fund Policies and Evaluation Criteria presented in Attachment A; and

2. Approve a change to FYE 2020 TFCA County Program Manager Fund Policies to increase the cost-effectiveness threshold for the Bicycle Projects category such that it is aligned with the threshold that is proposed for the FYE 2020 TFCA Regional Fund Policies.
Electric Vehicle (EV) Ecosystem Update: EV Equity

May 23, 2019

Tin Le
Deanna Yee
Technology Implementation Office
Electric Vehicle (EV) Ecosystem Update

Part 1 - March 2019
Status of Light-Duty EV Adoption in the Bay Area

Part 2 - April 2019
EV Programs: Incentives and Awareness

Part 3 – May 2019
EV Equity

Part 4 – Fall 2019
Heavy Duty Market Update
Adoption of EVs in Bay Area by Zip Code

Department of Motor Vehicles data (2017)
<table>
<thead>
<tr>
<th>Demographics of California EV Purchasers Who are Eligible for California Rebate</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Race</strong></td>
</tr>
<tr>
<td><strong>Gender</strong></td>
</tr>
<tr>
<td><strong>Education</strong></td>
</tr>
<tr>
<td><strong>Home Type</strong></td>
</tr>
<tr>
<td><strong>Age</strong></td>
</tr>
</tbody>
</table>
## Cost of Living and EV Affordability

<table>
<thead>
<tr>
<th>% of Federal Poverty Level (FPL)</th>
<th>Income for Family of 4</th>
<th>Average Disposable Income (Based on Oakland Cost of Living)</th>
</tr>
</thead>
<tbody>
<tr>
<td>≤225%</td>
<td>$57,938</td>
<td>-$14,154</td>
</tr>
<tr>
<td>≤300%</td>
<td>$77,250</td>
<td>$5,158</td>
</tr>
<tr>
<td>≤400%</td>
<td>$103,000</td>
<td>$30,908</td>
</tr>
</tbody>
</table>

**Typical Battery Electric Vehicle Cost**
- $11,000 (Used)
- $27,000 (New)

California Budget and Policy Center (2017), Edmunds.com
Benefits from EV Equity

For Consumers

• Benefit from fuel savings, lower maintenance, and ride quality
• Improve air quality in disadvantaged communities and across Bay Area, aligned with Assembly Bill (AB) 617

For Region & Climate

• Expand EV usage across the Bay Area, including expanded charging network
• Scale-up of EV market beyond early adopters
• Reduce demand and use of fossil fuels
Clean Cars for All Program

http://www.baaqmd.gov/cleancarsforall

Low-income residents (≤400% FPL) in communities disproportionately burdened by pollution who turn in older vehicle*

Advanced Technology
- Purchase or lease
- Hybrid, plug-in, or electric vehicle
- 8 years old or newer

Alternative Transportation
- Clipper card
- Voucher for bike sharing, car-sharing, vanpooling

*CalEnviroScreen 3.0
Eligibility, Replacement Options, and Funding Levels Based on Funding Source

CalEnviroScreen 3.0 Communities

Hybrid
- $5,000 - $7,000

Plug-In Hybrid
- $5,500 - $9,500

Battery Electric
- $5,500 - $9,500

Transit
- $2,500 - $4,500

Optional
$2,000 rebate for home charger

$4.25 Million (M) available

Volkswagen Settlement Funds
$4.25M available

Entire Bay Area
Timeline for Program Launch and Outreach

Program

2019

January

Soft launch to test systems and processes

March

Full launch

May

Expand to all Bay Area zip codes (tentative)

July

Spare The Air

Earth Day Events

Press Coverage

Richmond Event

Oakland Event

San Jose Event

South San Francisco Event

September

Outreach

KRON 4

Napa Valley Register

SFGATE

TELEMUNDO
## Partnerships and Complementary Programs

<table>
<thead>
<tr>
<th>Program</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clean Cars for All</td>
<td></td>
</tr>
<tr>
<td>Clean Vehicle Rebate Project</td>
<td></td>
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<tr>
<td>Clean Air Vehicle Decals</td>
<td></td>
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<tr>
<td>Clean Vehicle Assistance Program</td>
<td></td>
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<tr>
<td>Means-Based Fare Discount Program</td>
<td></td>
</tr>
<tr>
<td>One-Stop-Shop</td>
<td></td>
</tr>
<tr>
<td>Vehicle Rebates, EV Rate Plans</td>
<td></td>
</tr>
</tbody>
</table>
Updates on Soft Launch/Lessons Learned

- Case managers
- Partnerships
- Engagement with stakeholders in disadvantaged communities
- Application and Grant Management System
Cloud-based platform for pre- and post-award grants management
Facilitate Responsiveness, Transparency, Maximizing Benefits for the Applicants

- Receive notifications linked to email and text
- Track application status
- Submit reports and surveys

Data collection to understand demographics, evaluate impacts, and contact people if program eligibility expands
Efficient and Coordinated Grant Review and Administration

- Separate portals for grantees, case managers, scrappers, dealerships, and Air District staff
- Automated workflow procedures and document generation
- Automated visualizations and downloads for reporting to Air District Board of Directors, California Air Resources Board, and Public
- Dashboards for tracking and managing project status and throughput
- Scalable to other programs
Thank you