



DATE: July 26, 2018

TO: Transportation Authority of Marin Board of Commissioners

FROM: Dianne Steinhauser, Executive Director
Nicholas Nguyen, Deputy Executive Director

SUBJECT: Measure B, Vehicle Registration Fee – Element 3.3 Alternative Fuel Promotion Program
Short Term Expenditure Opportunities (Action), Agenda Item No. 6e

RECOMMENDATION

Move to authorize the allocation of Measure B – Element 3.3 budgeted funds to short-term programming opportunities for electric vehicle (EV) purchase grants, electric vehicle charging station (EVSE) installation grants, EV public education grants and EV subject-matter expert support.

BACKGROUND

At the April 26, 2018 Board meeting, staff presented options to program Measure B, which increased in 2010 the annual vehicle registration fee (VRF) of Marin County residents by \$10, approved by public vote on the measure. The discussion centered on the programming of fund reserves over a 3-year period. Revenues generated by Measure B contribute \$2.3 million per year in VRF funds to Marin County transportation projects and programs, and are distributed to the following three elements:

1. **Element 1 - Maintain Local Streets and Pathways:** Includes 35% for local streets and 5% for bicycle and pedestrian pathways
2. **Element 2 - Improve Transit for Seniors and Persons with Disabilities:** Includes 35% for the Senior Mobility Program, which includes Paratransit Plus, Volunteer Driver Program support, low-income rider scholarships, Gap-Grant Program, mobility management staffing
3. **Element 3 - Reduce Congestion and Pollution:** Includes 25% for school safety, dedicated to Crossing Guards, local Marin County commute alternatives, and alternative fuels infrastructure and promotion

Element 3, Reduce Congestion and Pollution, contains the following three sub-elements:

- 3.1. School Safety and Congestion Reduction
- 3.2. Local Marin County Commute Alternatives
- 3.3. Alternative Fuels Infrastructure and Promotion

While Element 3, Reduce Congestion and Pollution, receives 25 percent of the VRF funds generated, the Measure B Expenditure Plan approved by voters did not designate the funding levels that each of the sub-elements is to receive. Rather the Measure B Strategic Plan provides for principles to be followed.

After receiving staff's presentation and taking public testimony, the Board ultimately approved a 3-year budget for Element 3.3 in the amount of \$435,000 for Fiscal Year 2018/19 and \$345,000 in both Fiscal Years 2019/20 and 2020/21. Staff indicated that it will conduct expanded collaboration and bring a recommended program to the TAM board in 4 to 6 months. New program elements would include the broadening current program elements as suggested in Table 1. A key part of the effort will be to better understand why there has not been a demand for publicly available EV chargers given the numerous grant opportunities that have been made available, what is the resultant effect on conversion to electric vehicles from this investment and is this a cost-effective strategy given TAM's core mission of prioritizing alternative modes of transportation.

At the time, staff also stated that while it would begin research and analysis with the newly formed Alternative Fuel and Electric Vehicle (AFEV) Board ad-hoc subcommittee, various immediate and short-term EV-related funding opportunities would be brought to the Board for approval.

Table 1- Possible New Program Features

<u>Program Features</u>
1. <i>EV Public Fleet EV Rebate program</i> - Matching grant rebates on a first-come first-served basis, for public use, targeting the replacement of internal combustion engine (ICE) cars with alternative fuel vehicles, either cars, trucks, transit <u>vehicles</u> , or bicycles.
2. <i>EV Charger Rebate program</i> - Matching grant rebates, targeting installation of approximately 30-50 EV charging ports at public agency locations and along major arterials throughout Marin County, including shopping mall parking lots. Various outreach will be pursued including a "call for projects" and the existing running rebate program.
3. <i>Conduct Outreach and Education</i> - Annual support of EV Ride and Drive events and other educational opportunities. An annual amount will be reserved for outreach and/or educational opportunities for public agencies or non-profit to develop EV promotional and educational material for their communities.
4. <i>Alternative Fuel Strategic Planning</i> - Planning effort done in concert with partner agencies including Marin Clean Energy- MCE, Marin Climate and Energy Partnership- MCEP, Sustainable Marin organizations, and County of Marin Sustainability Team, as well as others, including Drawdown Marin constituency.

DISCUSSION

While staff is working with the AFEV Board ad-hoc subcommittee and TAM's Clean Transportation Technology Advisory Working Group (CTTAWG) to develop the foundation for the new Fiscal Year 2018-19 Alternative Fuel Promotion Program to be adopted by the Board later this year, the following immediate alternative fuel promotion funding opportunities exist that comply with TAM's pre-existing electric vehicle promotion grant eligibility:

1. Marin Transit: TAM previously committed \$75,000 to help with the purchase of two electric buses. Delivery of two BYD-brand electric buses has been delayed to Fall 2018.

2. Marin County: 41 EV charging heads are being pursued by Marin County through PG&E's charger rebate program where PG&E leads the construction and installation effort. The installation was not completed in the prior fiscal year, ending June 30th, so rolling over TAM's rebate support this year is appropriate. Depending on the level of other matching grants Marin County has also received towards this project, TAM will provide additional funds. TAM program contribution: Up to \$123,000.
3. San Rafael School District: 32 EV charging heads were requested for grant funding by the District for their various school sites. However, the District never had a formal plan to implement and fund the installation. Presently, staff is working one on one with the District to create a multi-year implementation and funding plan that will include rebates/grants from a variety of sources, including TAM. TAM program contribution: Up to \$96,000.
4. Town of San Anselmo: 8 EV charging heads were requested for grant funding by the Town in the prior fiscal year, but presently are still under construction. Depending on final total costs, TAM will provide rebates based on pre-existing eligibility rules. TAM program contribution: Up to \$24,000.
5. Marin County Office of Education: The agency submitted a grant rebate application for four EVs in the prior fiscal year and has not completed its purchase and replacement of existing fleet vehicles. TAM program contribution: Up to \$10,000.
6. City of Novato: 14 EV charging heads were requested for grant funding by the City in the prior fiscal year, but presently are still under final evaluation. Depending on final total costs, TAM will provide rebates based on pre-existing eligibility rules. TAM program contribution: Up to \$42,000.
7. City of Novato: The City is pursuing the replacement of five older fleet vehicles with EVs in this fiscal year and plans to submit its application during the first quarter of the fiscal year. TAM program contribution: Up to \$12,500.
8. College of Marin: 36 EV charging heads are being pursued by the College through PG&E's charger rebate program where PG&E leads the construction and installation effort. The installation is still under evaluation by the PG&E and College of Marin team. Depending on the level of other matching grants the College will be receiving towards this project, TAM will provide additional funds. TAM program contribution: Up to \$108,000.
9. MCE Clean Energy: MCE applied for a TAM rebate to install five chargers at its headquarter parking lot in downtown San Rafael three years ago. Construction completion is still pending. Depending on final total costs, TAM will provide rebates based on pre-existing eligibility rules. TAM program contribution: Up to \$15,000.
10. Cool The Earth has sought funding to promote EV ownership during various Marin parades and events through their own "Drive Clean Marin" banner, flags and stickers material. TAM will provide matching fund support. TAM program contribution: \$2,100.
11. Golden Gate EV Association (GGEVA) is seeking grant funding to support their National Drive Electric Week test drive event, typically held annually during late summer. TAM has supported GGEVA's event in the past through our EV public education and awareness element. While TAM recently organized and conducted its own EV awareness and test drive event, "Drive Clean sponsored by TAM," which was successfully imbedded into San Rafael's May Madness car show, staff recommends continued support for GGEVA this year. TAM program contribution: \$10,000.

Staff recommends that these EV grant opportunities to local Marin agencies and organizations be approved in the interim while a new Alternative Fuel Promotion Program is being developed for introduction later in the year.

FISCAL IMPACTS

While the total amount of programming requested today is estimated to not exceed \$517,600, which is over the current Fiscal Year 2018-19 Measure B – Element 3.3 budget program amount of \$435,000, the actual disbursement rate of funds to completed and reimbursable projects will not require any budget amendment at this time. As projects are completed, reimbursement requests are paid and new projects are added during the course of the fiscal year staff may come back to the Board to seek a budget supplement to fulfill these commitments. Of the \$517,600, approximately \$200,000 are rollover projects from the prior fiscal year.

NEXT STEPS

If the Board concurs, staff will continue to assist the local agencies to complete their EV installations or purchases.