



RESOLUTION APPROVING THE FISCAL YEAR 2019/20 TRANSPORTATION FUND FOR CLEAN AIR PROGRAM OF PROJECTS PROGRAMMING \$733,414 TO THREE PROJECTS, WITH CONDITIONS, AND AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO AGREEMENTS WITH APPLICABLE PUBLIC AGENCIES, ESTABLISHING CONDITIONS FOR THE USE OF THESE FUNDS

WHEREAS, On June 15, 1992, the Board of Supervisors of the City and County of San Francisco designated the San Francisco County Transportation Authority (Transportation Authority) as the Program Manager of the local guaranteed portion of the Transportation Fund for Clean Air (TFCA) funds; and

WHEREAS, As County Program Manager, the Transportation Authority is required to file an expenditure plan application with the Bay Area Air Quality Management District (Air District) for the upcoming fiscal year's funding cycle, which was submitted to the Air District on February 28, 2019; and

WHEREAS, After netting out 6.25% (\$48,235) for administrative expenses, as allowed by Air District guidelines, and including new revenues and deobligated funds from prior projects completed under budget, the Transportation Authority has \$733,414 in Fiscal Year (FY) 2019/20 TFCA funds to program to eligible projects; and

WHEREAS, On March 1, 2019, the Transportation Authority solicited applications for projects for FY 2019/20 TFCA San Francisco County Program Manager funds and, by the April 26, 2019 deadline, received three project applications requesting \$871,151 in TFCA funds compared to \$733,414 available; and

WHEREAS, Transportation Authority staff, working in consultation with project sponsors, reviewed and prioritized the applications for funding based on Air District TFCA guidelines and the



Transportation Authority's adopted Local Expenditure Criteria (Attachment 1); and

WHEREAS, The Transportation Authority's adopted Local Expenditure Criteria include review of eligibility per the Air District's guidelines, calculation of the cost effectiveness ratio for each project, and other factors; and

WHEREAS, Transportation Authority staff recommended programming \$733,414 to fully fund two projects and partially fund one project as shown in Attachments 2; and

WHEREAS, The Transportation Authority staff recommendation for funding the Mixed Use Building Fast Charging in San Francisco project includes a special condition that, assuming other EVgo criteria for siting a charger described in Attachment 3 are met, EVgo should prioritize locations in a Community of Concern or currently underserved area (also known as a "charging desert"); and

WHEREAS, At its May 22, 2019 meeting, the Citizens Advisory Committee was briefed on the FY 2019/20 TFCA call for projects and adopted a motion of support for the staff recommendation; now, therefore be it

RESOLVED, That the Transportation Authority hereby approves programming of \$733,414 in FY 2019/20 TFCA funds to three projects as shown in Attachment 2; and be it further

RESOLVED, That the Executive Director is authorized to execute any agreements with the Air District necessary to secure \$733,414 for projects and \$48,235 for administrative expenses for a total of \$781,649 in FY 2019/20 TFCA Program Manager funds; and be it further

RESOLVED, That the Executive Director is authorized to execute funding agreements with each implementing agency to pass-through these funds for implementation of projects, establishing such terms and conditions governing cash drawdowns, financial and program audits, and reporting as necessary to comply with the requirements imposed by the Air District for the use of the funds and as required by the Transportation Authority in order to optimize the use of these of funds.



Attachments (3):

Attachment 1 – FY 2019/20 TFCA Local Expenditure Criteria

Attachment 2 – FY 2019/20 TFCA Program of Projects – Detailed Staff Recommendation

Attachment 3 – Letter from EVgo Describing Considerations for Electric Vehicle Charger Site Selection



The foregoing Resolution was approved and adopted by the San Francisco County Transportation Authority at a regularly scheduled meeting thereof, this 25th day of June, 2019, by the following votes:

Ayes: Commissioners Fewer, Haney, Mandelman, Mar, Peskin, Ronen, Stefani, Walton and Yee (9)

Absent: Commissioners Brown and Safai (2)

 7-3-19

Aaron Peskin Date
Chair

ATTEST:

 7/8/19

Tilly Chang Date
Executive Director

**Fiscal Year 2019/20 Transportation Fund for Clean Air (TFCA)
LOCAL EXPENDITURE CRITERIA (Adopted 2/26/19)**

The following are the Fiscal Year 2019/20 Local Expenditure Criteria for San Francisco's TFCA County Program Manager Funds.

ELIGIBILITY SCREENING

In order for projects to be considered for funding, they must meet the eligibility requirements established by the Air District's TFCA County Program Manager Fund Policies for Fiscal Year 2019/20. Consistent with the policies, a key factor in determining eligibility is a project's cost effectiveness (CE) ratio. The TFCA CE ratio is designed to measure the cost effectiveness of a project in reducing motor vehicle air pollutant emissions and to encourage projects that contribute funding from non-TFCA sources. TFCA funds budgeted for the project are divided by the project's estimated emissions reduction. The estimated reduction is the weighted sum of reactive organic gases (ROG), oxides of nitrogen (NOx), and particulate matter (PM) emissions that will be reduced over the effective life of the project, as defined by the Air District's guidelines.

TFCA CE is calculated by inputting information provided by the applicant into the Air District's CE worksheets. Transportation Authority staff will be available to assist project sponsors with these calculations and will work with Air District staff and the project sponsors as needed to verify reasonableness of input variables. The worksheets also calculate reductions in carbon dioxide (CO₂) emissions, which are not included in the Air District's official CE calculations, but which the Transportation Authority considers in its project prioritization process.

Consistent with the Air District's Guidelines, in order to be eligible for Fiscal Year 2019/20 TFCA funds, a project must meet the CE ratio for emissions (i.e., ROG, NOx, and PM) reductions as specified in the guidelines for each project type. Projects that do not meet the appropriate CE threshold cannot be considered for funding.

PROJECT PRIORITIZATION

Candidate projects that meet the cost effectiveness thresholds will be prioritized for funding based on the two-step process described below:

Step 1 - TFCA funds are programmed to eligible projects, as prioritized using the Transportation Authority Board-adopted Local Priorities (see next page).

Step 2 - If there are TFCA funds left unprogrammed after Step 1, the Transportation Authority will work with project sponsors to develop additional TFCA candidate projects. This may include refinement of projects that were submitted for Step 1, but were not deemed eligible, as well as new projects. This approach is in response to an Air District policy that does not allow County Program Managers to rollover any unprogrammed funds to the next year's funding cycle. If Fiscal Year 2019/20 funds are not programmed within 6 months of the Air District's approval of San Francisco's funding allocation, expected in June 2019, funds can be redirected (potentially to non-San Francisco projects) at the Air District's discretion. New candidate projects must meet all TFCA eligibility requirements and will be prioritized based on the Transportation Authority Board's adopted Local Priorities.

Local Priorities

The Transportation Authority's Local Priorities for prioritizing TFCA funds include the following factors:

1. Project Type – In order of priority:

- 1) Zero emissions non-vehicle projects including, but not limited to, bicycle and pedestrian facility improvements, transit priority projects, traffic calming projects, and transportation demand management projects;
- 2) Shuttle services that reduce vehicle miles traveled (VMT);
- 3) Alternative fuel vehicles and alternative fuel infrastructure; and
- 4) Any other eligible project.

2. Cost Effectiveness of Emissions Reduced– Priority will be given to projects that achieve high CE (i.e. a low cost per ton of emissions reduced) compared to other applicant projects. The Air District's CE worksheet predicts the amount of reductions each project will achieve in ROG, NO_x, PM, and CO₂ emissions. However, the Air District's calculation only includes the reductions in ROG, NO_x, and PM per TFCA dollar spent on the project. The Transportation Authority will also give priority to projects that achieve high CE for CO₂ emission reductions based on data available from the Air District's CE worksheets. The reduction of transportation-related CO₂ emissions is consistent with the City and County of San Francisco's 2013 *Climate Action Strategy*.

3. Project Readiness – Priority will be given to projects that are ready to proceed and have a realistic implementation schedule, budget, and funding package. Projects that cannot realistically commence in calendar year 2020 or earlier (e.g. to order or accept delivery of vehicles or equipment, begin delivery of service, award a construction contract, start the first TFCA-funded phase of the project) and be completed within a two-year period will have lower priority. Project sponsors may be advised to resubmit these projects for a future TFCA programming cycle.

4. Community Support (*new*)– Priority will be given to projects with demonstrated community support (e.g. recommended in a community-based transportation plan, outreach conducted to identify locations and/or interested neighborhoods, or a letter of recommendation provided by the district Supervisor).

5. Benefits Communities of Concern (*new*) – Priority will be given to projects that directly benefit Communities of Concern, whether the project is directly located in a Community of Concern (see map) or can demonstrate benefits to disadvantaged populations.

6. Investment from Non-Public Project Sponsors or Partners (*new*) – Non-public entities may apply for and directly receive TFCA grants for alternative-fuel vehicle and infrastructure projects and may partner with public agency applicants for any other project type. For projects where a non-public entity is the applicant or partner, priority will be given to projects that include an investment from the non-public entity that is commensurate with the TFCA funds requested.

7. Project Delivery Track Record – Projects that are ranked high in accordance with the above local expenditure criteria may be lowered in priority or restricted from receiving TFCA funds if either of the following conditions applies or has applied during the previous two fiscal years:

- **Monitoring and Reporting** – Project sponsor has failed to fulfill monitoring and reporting requirements for any previously funded TFCA project.
- **Implementation of Prior Project(s)** – Project sponsor has a signed Funding Agreement for a TFCA project that has not shown sufficient progress; the project sponsor has not implemented the project by the project completion date without formally receiving a time extension from the Transportation Authority; or the project sponsor has violated the terms of the funding agreement.

8. Program Diversity – Promotion of innovative TFCA projects in San Francisco has resulted in

Attachment 1

increased visibility for the program and offered a good testing ground for new approaches to reducing motor vehicle emissions. Using the project type criteria established above, the Transportation Authority will continue to develop an annual program that contains a diversity of project types and approaches and serves multiple constituencies. The Transportation Authority believes that this diversity contributes significantly to public acceptance of and support for the TFCA program.

Attachment 2

San Francisco County Transportation Authority

Draft Fiscal Year 2019/2020 TFCA Program of Projects – Detailed Staff Recommendation

PROJECTS RECOMMENDED FOR TFCA FUNDS [sorted by cost-effectiveness (CE) ratio]										
No.	Sponsor ¹	Project Description	District	Project Type ²	Prop K Eligible	CE Ratio ³	CO ₂ Tons Reduced ⁴	Total Project Cost	TFCA Amount Requested	TFCA Amount Proposed
1	EVgo	<p>Mixed Use Building Fast Charging in San Francisco - EVgo will install at least four direct current fast charging (DCFC) (aka Level 3) stations at one or more to be determined mixed use buildings in San Francisco. Locations will be identified based on EVgo site selection parameters, such as cost and availability of power, as well as input from nonprofit and government partners, including SF Environment. Chargers would be sited in publicly accessible garages. See Attachment 3 for description of how locations will be selected.</p> <p>Special Condition: Assuming other criteria for siting a charger are met, EVgo should prioritize locations in a Community of Concern or currently underserved area ("charging desert").</p>	TBD	3	No	\$188,471	1,088.2	\$300,000	\$200,000	\$ 200,000
2	BART	<p>Early Bird Express - Requested funds would continue service that began in February 2019 for 2 more years. BART will run two early morning bus shuttle routes from the Temporary Transbay Terminal. The first shuttle (operated with SamTrans vehicles) will run express to SFO Airport and Millbrae BART Station, and the second shuttle will stop at each BART station in the city from Powell Street Station to Balboa Park Station before terminating at Daly City BART Station (operated with Muni vehicles). Each shuttle would make three round trips between 3:50 am and 5:30 am on weekdays, before BART service begins.</p>	3, 6, 9, 11	2	No	\$205,052	412.4	\$700,000	\$175,000	\$ 175,000
3	SFMTA	<p>Short Term Bike Parking - Bicycle parking spaces provide end-of-trip facilities for new bicycle trips thereby replacing vehicle trips and reducing motor vehicle emissions. This project would plan, design and install 1,300 bicycle parking racks in San Francisco, providing an additional 2,600 bicycle parking spaces. Our recommendation is to fund this project, which has the highest CE ratio, at 72%, due to the limited funds available. This project is scalable and could potentially be supplemented with additional funds from other sources, including Prop K. Additionally, SFMTA has funds available from an existing Short Term Bike Parking TFCA grant with a remaining balance of \$120,000, as of May 2019.</p>	Citywide	1	Yes	\$250,000	803.3	\$1,042,573	\$496,151	\$ 358,414
TOTAL								\$2,042,573	\$871,151	\$ 733,414
Total TFCA Funding Available for Projects:								\$	733,414	
Surplus/(Shortfall)								\$	-	

¹ Sponsor acronyms include San Francisco Municipal Transportation Agency (SFMTA) and the Bay Area Rapid Transit District (BART).

² Priority based on project type is established in the Local Expenditure Criteria, with zero-emissions non-vehicle projects as the highest priority, followed by shuttle services, followed in turn by alternative fuel vehicle projects, and finally any other eligible project.

³ The TFCA cost effectiveness ratio (CE) is designed to measure the cost effectiveness of a project in reducing motor vehicle air pollutant emissions and to encourage projects that contribute funding from non-TFCA sources. CE ratio limits vary by project type, however for 2019/20 the limit for the categories relevant to the recommended projects – Existing Shuttle/Feeder Bus Service (in Community Air Risk Evaluation or Priority Development Areas), Bicycle Projects and Alternative Fuel Infrastructure – is \$250,000 per ton of emissions reduced.

⁴ CO₂ Reduction is based on tons of carbon dioxide reduced over the lifetime of the project. This figure is calculated in the cost effectiveness worksheet.



May 15, 2019

Dear Mike Pickford and the SCFTA Planning Team,

Thank you for your vote of confidence and we appreciate your patience as we work through some of the potential sites to install EV fast chargers. We are excited to partner with you and the San Francisco Department of Environment. This letter is meant to share a brief overview of how EVgo engages with community stakeholders and what parameters create the best sites for EV fast charging. We are happy to discuss these efforts and our process in more detail at your convenience.

EVgo has been building relationships with various stakeholders, both locally and nationally, for over 9 years. We have Master Services Agreements (MSAs) with a broad range of property owners, managers, and parking operators, including, but not limited to:

- Grocery: Albertsons, Kroger, SaveMart, Whole Foods, Raleys, etc.
- Retail: Simon Property, Weingarten, Walgreens, Walmart, etc.
- Office/Mixed Use: Federal Realty, Macerich, etc.
- Parking Operators: ABM, SP Plus, ACE Parking, LAZ Parking

We are in regular contact with all these entities and engage in specific territories (e.g. San Francisco) to determine the best locations for additional EV fast chargers. We have completed site walks for over 100 sites in San Francisco and have contracts with these entities for 50+ chargers to be installed in 2019/2020.

Additionally, we work with various nonprofits (e.g. Interfaith Power and Light) and government agencies (e.g. SF Environment, Port of San Francisco, SF Mayor's Office, Caltrans, etc.) to find the locations that will support the community. In particular, we work with these partners to address the equity issue and access to EV chargers, which level 2 chargers does not address. Namely, many people who live in dense urban environments do not have the access to individual chargers either at home or at work. Thus, DC fast chargers enable these residents to use an electric vehicle and charge quickly.

EVgo has the largest dataset of public EV charging, and we leverage this information to determine where people are charging (not necessarily where they purchase their vehicles), what times customers charge, where the highest utilization is, etc. Thus, we are able to pinpoint exactly where there are "charging deserts" or gaps in the network, and we work to create a balanced network, both across San Francisco as well as the rest of the Bay Area.

Once we identify an area that has fast charging needs, we work with our existing partners to determine specific properties that might be a good fit. We usually must do multiple site walks per property to determine space, power availability, cost effectiveness, access, and other issues. We then send a draft proposal to the property owner, manager, etc. to review and provide feedback. With this feedback we draft a contract and negotiate the specific terms (e.g. rent, lease length, access, etc.). In parallel, we work with our engineering team and PG&E to determine the most cost-effective way to provide enough power. Once all these details are worked out and the contract is signed, we order the chargers and ancillary equipment. The entire process to install chargers once a contract is signed can take as little as a few weeks and as much as many months depending on the power available.

Parameters EVgo looks for when finding the best locations for EV fast charging:

- Charging utilization nearby (which we can see from our current utilization)

- EV adoption in a territory (e.g. California is great, Wyoming not so much)
 - Everywhere in SF is great
- Funding available (same as the point above)
- Access
 - We prefer 24/7 access, but can use technology (e.g. gate access) if that is not available
- Available parking spaces
- Available space for ancillary equipment
- Reasonable rent (in SF the range is \$0 to \$550)
- Power
 - Coming off host power is always preferred because it is easier, cheaper, and faster
 - If there is insufficient host power, we can work with PG&E to bring additional power
- Long term lease
 - Minimum of 5 years, but we prefer 7-10 years

Thank you in advance for your time and consideration.

Sincerely,

Joey Barr

Business Development Director, EVgo