



Legislation Details (With Text)

File #: 24-2233 **Name:**

Type: Resolution **Status:** Agenda Ready

File created: 6/3/2024 **In control:** City Council Legislative Meeting

On agenda: 6/25/2024 **Final action:**

Title: Consideration of a Resolution to Support a Grant Application to the U.S. Department of Transportation for the Round 2 Charging and Fueling Infrastructure Grant Program and Resubmission of the FY 2022/FY 2023 Charging and Fueling Infrastructure Grant Program for Reconsideration. [ROLL-CALL VOTE].

Sponsors:

Indexes:

Code sections:

Attachments: 1. 24-2233_Attachment 1 - CFI Resolution, 2. 24-2233_Signed Resolution

| Date | Ver. | Action By | Action | Result |
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City of Alexandria, Virginia

MEMORANDUM

DATE: JUNE 18, 2024

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

THROUGH: JAMES F. PARAJON, CITY MANAGER /s/

FROM: RYAN FREED, CLIMATE ACTION OFFICER

DOCKET TITLE:
 Consideration of a Resolution to Support a Grant Application to the U.S. Department of Transportation for the Round 2 Charging and Fueling Infrastructure Grant Program and Resubmission of the FY 2022/FY 2023 Charging and Fueling Infrastructure Grant Program for Reconsideration. [ROLL-CALL VOTE].

ISSUE: Should the City seek grant funding from the U.S. Department of Transportation (DOT) to advance charging infrastructure in the City.

RECOMMENDATION: That City Council:

- (1) Approve the resolution (Attachment 1) supporting the grant applications to the U.S. DOT.

- (2) Commit to include funds for its local match of up to \$3 million, if awarded and if necessary, in its Fiscal Year (FY) 2025 through FY 2032 Capital Improvement Program Budget, to match the period of performance of the grant.
- (3) Approve the resubmission of the FY 2022/FY 2023 grant application for resubmission to the U.S. DOT by July 1, 2024.
- (4) Approve the submission of up to \$15 million in federal funding to the Charging and Fueling Infrastructure grant programs by August 28, 2024; and
- (5) Authorize the City Manager to apply for the Charging and Fueling Infrastructure (CFI) grants and enter into any necessary agreements with U.S. DOT and Federal Highway Administration to accept this funding.

BACKGROUND: The CFI Discretionary Grant Program is a competitive grant program created by President Biden’s Bipartisan Infrastructure Law to strategically deploy electric vehicle charging and alternative fueling infrastructure in communities and along designated Alternative Fuel Corridors (AFCs). The Bipartisan Infrastructure law provides \$2.5 billion over five years with up to \$1.3 billion in the Round 2 CFI this funding opportunity, plus an additional \$521 million for reevaluating previously submitted FY 2022/FY2023 applications that were rated as “Highly Recommended” or “Recommended.” The U.S. DOT will prioritize community projects that expand access to electric vehicle charging infrastructure in (1) rural areas, (2) low- and moderate-income neighborhoods, (3) communities with low ratios of private parking spaces, and (4) communities with high ratios of multi-unit dwellings. Grant applications are evaluated by the DOT with considerations including safety; climate change, resilience, and sustainability; equity, community engagement, and the Justice40 initiative; workforce development, job quality, and wealth creation; and lastly fulfilling the CFI program vision. Community projects have a minimum award value of \$500,000 and a maximum award value of \$15 million.

DISCUSSION: In May 2021, the City finalized the Electric Vehicle Charging Infrastructure Readiness Strategy (EVRS), which acts as a roadmap for meeting the electric vehicle charging infrastructure and technical needs of City residents, workforce members, and visitors. The EVRS will help promote electric vehicle adoption so the community can benefit from the City’s electric vehicle ecosystem since Alexandria residents are adopting electric vehicles at a rate faster than the national average.

The City submitted an application to the FY 2022/FY 2023 CFI program, which was rated as “Highly Recommended” but was not awarded a grant. DOT has made \$521 million available for the reevaluation of previously submitted FY 2022/FY 2023 applications that were rated as “Highly Recommended” or “Recommended.” No changes or modifications can be made to the previously submitted applications for reevaluation. DOT recommends that applicants also submit an application to the Round 2 CFI Notice of Funding Opportunity (NOFO) to increase the chances of award.

The proposed CFI grant applications will support the implementation of the EVRS recommendations through the installation of publicly accessible Level 2 and Direct Current Fast Chargers at multiple sites across the City, such as public parks and libraries. The chargers will be installed in areas that will benefit disadvantaged communities and serve areas with a high concentration of multi-unit dwellings and limited off-street parking.

The DOT encourages applicants to partner with private organizations upon award to complete the proposed projects. These grant terms indicate that applicants can require these private partners to provide the 20% cost

share match requirement for the charging installations. Upon award of the grant, the City will conduct a competitive procurement to select project partners to support the charger installation and will require those project partners to provide the 20% cost share. The City will demonstrate the availability of the full required cost share to support the grant application, with an understanding that the City will require competitively procured private partners to meet the project cost share requirements. The City is developing a franchise agreement to partner with a vendor to install, own, and operate EV chargers at no cost to the City. That franchise is being designed to be consistent with federal procurement processes, so that vendor may be eligible to partner with the City on a CFI award.

The City is including the following activities in the project application:

- **Charging Infrastructure Installation Projects**
 - **Public charging infrastructure installations** (Up to \$13.75M): Costs for the design, installation, operation, and maintenance of publicly accessible chargers at multiple sites throughout the City.

- **Other Projects**
 - **Vehicle-to-Building Pilot** (Up to \$400K): Implement bi-directional charging capabilities at one of the charging sites to allow a DASH battery electric bus to act as a mobile generator that can provide power to a shelter facility (e.g., recreation center) during a power outage.
 - **Workforce Development** (Up to \$450K): Participate in regional efforts to develop workforce development programs that will create good paying jobs and support wealth creation, consistent with the US DOT's Equity Action Plan.
 - **Community Engagement and Outreach Activities** (Up to \$400K): Educational and community engagement activities that support the use of electric vehicles as associated charging infrastructure.

The maximum total project amount is \$15 million, but staff will continue to refine the project budget request based on the grant criteria and the City's needs for publicly accessible charging infrastructure. It is likely that the final grant request will be lower than \$15 million.

FISCAL IMPACT: The CFI Program requires a local match of 20%. If the City is granted the full award of up to \$15 million, the match would be \$3 million for all projects. The grant terms indicate that private project partners can be required to provide the local match. If the City cannot secure private project partner funding, the match will be funded through the Citywide Electric Vehicle Charging Station CIP project, which has over \$3 million in funds from FY 2024 through FY 2027. However, match funds will likely be expended throughout the seven-year project period, therefore funds through FY 2032 may be utilized.

ATTACHMENTS:

1. Resolution

STAFF:

Emily A. Baker, Deputy City Manager

Julian Gonsalves, Assistant City Manager

Amy Posner, Electric Vehicle Planner, Office of Climate Action