



City Council Memorandum

City of Arts & Innovation

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: JULY 18, 2023
FROM: PUBLIC WORKS DEPARTMENT WARDS: ALL
**SUBJECT: APPROVAL OF A GRANT APPLICATION TO THE CLEAN MOBILITY OPTIONS
VOUCHER PILOT PROGRAM OFFERED BY CALSTART FOR AN ADDITIONAL
FUNDING REQUEST OF \$500,000, FOR A TOTAL PROJECT COST OF
\$1,500,000 FOR THE RIVERSIDE CLEAN AIR CARSHARE PILOT PROGRAM**

ISSUE:

Authorize the submittal of a grant application requesting \$500,000 in additional grant funding for the Clean Mobility Voucher Pilot Program offered by CALSTART to supplement the Riverside Clean Air Carshare (RCAC) Pilot Program.

RECOMMENDATION:

That the City Council:

1. Authorize the Public Works Department to submit a grant application to CALSTART under the “Clean Mobility Voucher Pilot Program” for an additional funding request in an amount up to \$500,000 to supplement the Riverside Clean Air Carshare Pilot Program, a network of hydrogen fuel cell vehicles with free usage for qualifying low-income residents, in partnership with StratosShare and the University of California Riverside’s Center for Environmental Research and Technology; and
2. Authorize the City Manager to sign any and all applications, documents, extensions, or related items to this grant application, making minor corrections as necessary.

BACKGROUND:

The Clean Mobility Options (CMO) Voucher Pilot Program is funded through the California Climate Investments (CCI) program. The CCI program uses Cap-and-Trade dollars on initiatives intended to reduce greenhouse gas emissions, improve public health, and strengthen the economy in underserved communities. The Clean Mobility Options program has \$20 million in available funds to establish zero-emission mobility programs and local government agencies are eligible applicants for these funds.

On October 6, 2020, Council authorized the submittal of a \$1,000,000 grant application through the CALSTART “Clean Mobility Voucher Pilot Program” to establish a network of hydrogen fuel cell vehicles with free usage for qualifying low-income residents, in partnership with StratosShare and the University of California Riverside’s Center for Environmental Research and Technology (UCR CE-CERT). The grant application was successfully awarded, was formally accepted by City Council on July 6, 2021, and has been branded Riverside Clean Air Carshare (RCAC).

On May 16, 2023, City Council introduced an ordinance to amend Chapter 10 of the Riverside Municipal Code to add section 10.52.260 regarding parking of car share vehicles.

DISCUSSION:

The City’s project partner and program operator, StratosShare, is an established local mobility service provider that operates carshare stations in San Bernardino, Orange, and Riverside Counties. StratosShare is unique by operating exclusively with hydrogen fuel cell vehicles, which do not emit harmful air pollutants like traditional gasoline and diesel vehicles, and can be driven within a 100-mile radius of the rental station.

Riverside Clean Air Carshare will be an extension of StratosShare’s existing network, with an exclusive fleet of up to 21 hydrogen fuel cell vehicles available for rent at seven station locations within the city of Riverside.

In addition to increasing accessibility of zero-emissions vehicles to all residents, the program offers qualifying low-income residents with up to two hours of rental service per day at no charge. The qualification and administration of the program will be managed by StratosShare. The City will not own or maintain the vehicles used as part of the program. In turn, the City will provide on-street parking locations within the qualifying Assembly Bill 1550 Low-income Communities and Senate Bill (SB) 535 disadvantaged communities locations for vehicle rental stations.

The \$1 million grant-funded budget, drafted in 2020, included a one-year planning phase and four years of program operation. Through the planning process, many program awardees have been heavily impacted by unanticipated costs such as insurance, procurement, compliance, planning, and operational costs, which has significantly increased costs.

With the need to cover these budgetary shortfalls, the City and its grant partners requested a formal Budget Modification to re-allocate funds within the budget in May 2022. This resulted in a decrease in the number of vehicles to be purchased along with cuts to planning and marketing efforts.

The City was not the only awardee facing these budgetary challenges. Many of the Clean Mobility Options Grant recipients were also forced to reallocate funds within their budget to address the same shortfalls and voiced their concerns during the California Air Resources Board (CARB) Public Work Group on December 8, 2022. In response, CARB set aside funds in the current 2022/23 budget for awardees to request additional funding.

On March 29, 2023, a formal announcement was issued inviting awardees to request additional funding in an amount not to exceed \$500,000 to be used for a range of eligible activities in support of the initial scope of work outlined in the Clean Mobility Options Voucher Agreement.

To capitalize on the additional available funds, staff is proposing to submit an Additional Funding Request to CALSTART in the amount of \$500,000. This application requires no local matching funds.

STRATEGIC PLAN ALIGNMENT:

The proposals presented in this report align with Strategic Priorities **3 – Economic Opportunity**, **4 – Environmental Stewardship**, and **6 – Infrastructure, Mobility, and Connectivity**, and the following goals:

Goal 3.1 – Facilitate partnerships and programs to develop, attract and retain innovative business sectors.

Goal 4.3 – Implement local and support regional proactive policies and inclusive decision-making processes to deliver environmental justice and ensure that all residents breathe healthy and clean air with the goal of having zero days of unhealthy air quality per the South Coast Air Quality District’s Air Quality Index (AQI).

Goal 6.1 – Provide, expand, and ensure equitable access to sustainable modes of transportation that connect people to opportunities such as employment, education, healthcare, and community amenities.

This item aligns with each of the five Cross-Cutting Threads:

1. **Community Trust** – The purpose of this grant application request is to support the establishment of the Riverside Clean Air Carshare Program and to provide the community with an environmentally friendly car share transportation option.
2. **Equity** – The purpose of the car share program is to increase accessibility of zero emissions vehicles to residents, especially those in disadvantaged communities. The establishment of a parking program within walking distance of the disadvantaged communities would ensure the best service to the transportation hubs.
3. **Fiscal Responsibility** – Riverside is a prudent steward of public funds and ensures responsible management of the City’s financial resources by advocating and applying for additional grant funding from the California Climate Investment’s Clean Mobility Options Voucher Program.
4. **Innovation** – The City is inventive and timely in meeting the community’s changing needs and prepares for the future through collaborative partnerships and adaptive processes. This would be the City’s first car share program available at no cost to qualifying low-income residents and will be a part of the only hydrogen fuel car share network in the region.
5. **Sustainability & Resiliency** – Riverside is committed to meeting the needs of the present without compromising the needs of the future and ensuring the City’s capacity to persevere, adapt and grow during good and difficult times alike. The hydrogen fuel cell vehicles do not emit harmful air pollutants like traditional gasoline and diesel vehicles and present a sustainable option for transportation.

FISCAL IMPACT:

The fiscal impact of this report is \$500,000, contingent on the grant being awarded to the City. This grant program does not require any local matching funds. Upon grant funding be awarded, staff will return to City Council for acceptance of funds and appropriation of the award.

Prepared by: Gilbert Hernandez, Public Works Director
Certified as to
availability of funds: Edward Enriquez, Assistant City Manager and Chief Financial Officer
Approved by: Kris Martinez, Assistant City Manager
Approved as to form: Phaedra A. Norton, City Attorney

Attachment: Project Location Map