

Questions and Answers for the Fiscal Year 2019-20 Sustainable Transportation Equity Project Solicitation Preliminary Applicant Teleconference

June 30, 2020

Introduction

On June 30, 2020, California Air Resources Board (CARB) staff held the Preliminary Applicant Teleconference to answer questions regarding the Fiscal Year (FY) 2019-20 Sustainable Transportation Equity Project (STEP) Solicitation (Solicitation). STEP, which was approved in the FY 2019-20 Funding Plan for Clean Transportation Incentives, is a new pilot that takes a community-based approach to overcoming barriers to clean transportation. STEP's overarching purpose is to increase transportation equity in disadvantaged and low-income communities throughout California via two types of grants: Planning and Capacity Building Grants and Implementation Grants. STEP aims to address community residents' transportation needs, increase residents' access to key destinations (e.g., schools, grocery stores, workplaces, community centers, medical facilities), and reduce greenhouse gas emissions.

For more information about STEP, see:

<https://ww3.arb.ca.gov/msprog/lct/opportunitiesgov/step.htm>

The questions and answers (Q&A) in this document include both questions received via email before the Q&A session and questions asked during the Q&A session. To minimize repetition, similar questions have been combined and answered together. Staff encourages Applicants to read this document as CARB has provided more written detail than what was discussed during the Q&A session. *The following written responses serve as an update to and take precedence over verbal responses provided at the Q&A session.*

Technical Assistance

Technical assistance providers are also available to support potential Applicants on certain aspects of proposal development. To receive technical assistance, fill out the technical assistance survey at: <https://docs.google.com/forms/d/e/1FAIpQLSeZn9n-7gGU7ScAkaBjllPwReXRpkH6ohWUKut8DG4BzUN2tw/viewform>. The deadline to fill out the survey to receive the full scope of technical assistance services was July 15, 2020 at 5:00 pm. If you fill out the survey after this deadline, we cannot guarantee that you will be able to receive technical assistance. Estolano Advisors will contact you with more information on the scope of technical assistance that they can provide after you submit a survey response.

Solicitation Errors

Page 5 of the Implementation Grant Appendix C says, "Map identifies the STEP Community boundary, the tentative location of each project, and the disadvantaged community or low-income community census tracts within the STEP Community," and "At least 50 percent of the geographic area of the STEP Community is disadvantaged or low-income community census tracts." However, per the requirements of STEP identified in the Fiscal Year 19-20 Funding Plan for Clean Transportation Incentives,¹ the section should read, "Map identifies the STEP Community boundary, the tentative location of each project, and the disadvantaged community census tracts within the STEP Community," and "At least 50 percent of the geographic area of the STEP Community is disadvantaged community census tracts." These requirements are correctly stated on page 20 of the Implementation Grant solicitation.

¹ <https://ww2.arb.ca.gov/sites/default/files/2019-09/fy1920fundingplan.pdf>

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Applicant Eligibility

1. Questions:

- a. What is the definition of a community-based organization? Can you help specify the meaning and examples of such?
- b. What are your requirements for a nonprofit community-based organization?
- c. If we have a few partners (companies) we are working with on our projects, do they satisfy what is needed to be considered a community-based organization applicant?

Answer: The definition of a community-based organization that STEP uses is in Appendix A of the solicitation. It says that a community-based organization is a nonprofit organization that is place-based, with an explicit geographic focus area that includes the STEP Community. The organization's staff members, volunteers, or board members should reside in the community where the project is located. The organization must have a demonstrated record of at least one full year providing transportation- or equity-related services in the STEP Community. To qualify as a Lead Applicant, a community-based organization must have tax-exempt status with the Internal Revenue Service under Internal Revenue Code Section 501, be tax exempt under California State law, have at least one year of incorporation prior to proposal submittal, and be based in California or have at least one full-time staff person based in California. An example of a community-based organization that has received State funding in the past is Pacoima Beautiful.

2. Questions:

- a. Are universities eligible to apply to this grant?
- b. Is a university or university system that is a public non-profit eligible to apply on its own as a lead agency?

Answer: Per page 13 of the Implementation Grant solicitation and page 12 of the Planning and Capacity Building Grant solicitation, the types of entities that may be Lead Applicants are community-based organizations, federally recognized tribes, and local governments. Appendix A of the solicitations includes definitions of each eligible entity.

3. Questions:

- a. Would municipalities or school districts be eligible for STEP?
- b. Can a public transit agency apply as a lead applicant? Or is the city required to be the lead applicant?

Answer: Local governments are eligible to apply to STEP as Lead Applicants or as Sub-applicants. The definition of local governments that STEP uses is in Appendix A of the solicitation. It says that local governments are any non-State public agency, including but not limited to cities, counties, councils of governments, air districts, transit agencies, school districts, and joint powers authorities.

4. Question: Is an applicant allowed to apply for both a Planning and Capacity Building Grant and an Implementation Grant? Our ideas for each grant type would be with a different partner and have very different scopes of work.

Answer: Applicants are allowed to apply for funding from both grant types.

5. Question: Is a Community-Based Organization which has a non-profit serving as a fiscal agent eligible to apply?

Answer: Per page 13 of both the STEP Implementation Grant solicitation and the Planning and Capacity Building Grant solicitation, if an entity that would be the Lead Applicant does not have the administrative capacity to assume this role, they may be a Sub-applicant and partner with another entity applying as the Lead Applicant. In this scenario, all Lead Applicant requirements would still apply. The Lead Applicant would still enter into a grant agreement with CARB and assume responsibility and accountability for the use and expenditure of received STEP funds, but the partnership could be set up so that the Lead Applicant supports the grant administratively and the Sub-applicant leads project implementation.

6. Question: Can non-profits that are fiscally responsible apply as the Lead?

Answer: Yes, as long as the non-profit is a community-based organization that meets the requirements of a Lead Applicant per page 13 of the Implementation Grant solicitation and page 12 of the Planning and Capacity Building Grant solicitation.

7. Question: Can an organization that applied for a Clean Mobility Options Planning grant for a specific disadvantaged community, apply for STEP Planning and Capacity Building grant for the same disadvantaged community?

Answer: Yes, an organization can apply for a STEP Planning and Capacity Building Grant, even if they have already applied for a Clean Mobility Options Needs Assessment voucher.

8. Question: Is there a minimum number of Sub-applicants or partners required in a STEP application?

Answer: No, there is no minimum number of Sub-applicants or partners required. However, per page 13 of the Implementation Grant and the Planning and Capacity Building Grant solicitations, if the Lead Applicant is a local government, at least one of the Sub-applicants must be a community-based organization. If the Lead Applicant is a community-based organization, at least one of the Sub-applicants must be a local government. If the Lead Applicant is a federally recognized tribe, no specific partnerships are required, though partnerships are still encouraged.

9. Question: What is the difference between a sub-contractor and a Sub-applicant that is a private company?

Answer: Sub-applicants are defined on page 13 of both the Implementation Grant and the Planning and Capacity Building Grant solicitations and are part of the core partnership structure that will be responsible for implementing the STEP proposal if funded. A sub-contractor is any entity that has a specific identified role in implementing a funded project or project element. A sub-contractor may be a Sub-applicant, but does not have to be identified as a Sub-applicant prior to submitting a STEP proposal.

10. Question: Since multiple applicants are encouraged are there other requirements for the 3rd, 4th etc. applicants?

Answer: Per page 15 of both the Implementation and the Planning and Capacity Building Grant solicitations, a statement of qualifications must be included for each Sub-applicant that demonstrates that they have successfully implemented projects or project elements similar in scope or size in California within the last seven years.

Benefits Quantification

1. Question: Will the greenhouse gas calculator be used to determine the “total greenhouse gas emission reductions” in the “scoring criteria”?

Answer: Yes. See page D-5 of the Implementation Grant Appendix D under “Benefits Calculator and supporting documentation” to see how greenhouse gas emission reductions will be scored.

2. Question: Are Applicants required to do greenhouse gas quantification on their own, or will technical assistance provide help with this?

Answer: The technical assistance provider can provide assistance on benefits quantification.

Budget Requirements

1. Question: In the context of “The combination of direct and indirect grant implementation costs contributed by STEP may not exceed 20 percent of the total requested funds,” and “Confirm the total grant implementation funds requested (must be no more than 20 percent of the total requested funds),” what is meant by “total requested funds? (page 34)

Answer: Total requested funds are the total amount of funds requested from STEP in the proposal. Total requested funds are not the total amount of funds requested from other sources to be used as resource contributions.

2. Question: Do we get points for eligible resource contributions?

Answer: No, no points are awarded for providing resource contributions above the minimum required.

3. Question: According to the Planning and Capacity Building Grant solicitation, "The proposal may include a request for funds to cover indirect costs associated with administrative activities related to implementation of the grant. Indirect grant implementation costs may not exceed 5 percent of the total requested funds." Why is this number so low, particularly in light of current understanding of the value of overhead, and what are suggestions for getting those costs covered? (page 30)

Answer: We set the maximum percent of STEP funds that could be spent on indirect grant implementation costs to be 5% in the Planning and Capacity Building Grants because we want to make sure the majority of STEP funds are being invested directly into the communities that they are intended to benefit. Note that this restriction is specific to the Planning and Capacity Building Grant. The Implementation Grant has different budget requirements. CARB suggests that additional necessary indirect costs be covered by the Applicant or by another partner.

4. Question: Is there a timeframe that resource contributions have to fall within to count toward STEP requirements?

Answer: No, there are no restrictions on timeframe for the resource contribution. Refer to Appendix G for all resource contribution requirements.

5. Question: Can you please explain the statement on page 5 of Appendix C: "Total grant implementation funds requested account for no more than 5% of total funds requested from STEP"?

Answer: As described on pages 32 and 34 of the Implementation Grant solicitation and pages 28 and 29 of the Planning and Capacity Building Grant solicitation, grant implementation costs include direct and indirect costs for administrative activities related to implementation of the proposal. Total funds requested from STEP to cover these grant implementation costs must account for no more than 5 percent of the value of the total funds requested from STEP. For example, if an applicant were to request \$1 million in STEP funds, then the total amount of funds requested for implementing the grant may account for no more than \$50,000 (i.e., 5 percent of that \$1 million request).

6. Question: What is the minimum required contribution or match?

Answer: Per page 35 of the Implementation Grant solicitation, Implementation Grant proposals must include a resource contribution of at least 20 percent of the total amount of funds requested from STEP in the proposal. Per page 31 of the Planning and Capacity Building Grant solicitation, no resource contributions are required for the Planning and Capacity Building Grant.

7. Question: Can you clarify if federal funds can be used as a local match for the Planning and Capacity Building grant?

Questions: For the 20 percent resource contribution (Appendix G, page G-4), what restrictions/limitations are there for what can be used as other funding sources? Can state or federal grant funds be used?

Answer: Yes, federal and state funds can be used as resource contributions. Appendix G of both the Planning and Capacity Building Grant and the Implementation Grant solicitations provides a list of the types of eligible resource contributions. Note that, while the listed types of resource contributions are eligible for Planning and Capacity Building Grant proposals, no resource contributions are required for Planning and Capacity Building Grant proposals.

Community Engagement

1. Question: What will you expect to see regarding facilitating collaboration and community engagement during the project?

Answer: Per page 27 of the Implementation Grant solicitation and page 25 of the Planning and Capacity Building Grant solicitation, Applicants must use recommended community engagement methods identified in STEP's Community Inclusion Guidance (linked in Appendix F and available on the STEP Moving California webpage) to ensure that community residents have the opportunities and resources they need to actively participate in the decision-making process during grant implementation to inform project design. Applicants should follow community engagement best practices, such as ensuring translation of meetings and materials, scheduling meetings at times and locations that are convenient to community residents, including a process to report back to community residents on the information received during community engagement activities and how this information is being incorporated into project development and implementation. Focus should be on engaging hard-to-reach residents. Use the Community Inclusion Guidance document and work with the technical assistance provider if you need help understanding what this could look like for your project.

2. Question: Regarding the text in the solicitation that says, "STEP Planning and Capacity Building Grants fund the groundwork for future community-based projects that have been designed and implemented in collaboration with community residents to address transportation needs and inequities," we are concerned about raising expectations that aren't met, which is a common problem. How do you recommend we manage community engagement if there is no commitment for follow-up or execution? Many of our community members have participated in related efforts in the past and are jaded/resistant to participation.

Answer: The technical assistance providers may be able to help Applicants identify community engagement best practices that help address this challenge. It is also important to note that Planning and Capacity Building Grants are meant to help prepare communities to apply for clean transportation funding from any number of funding sources, not limited to Implementation Grants.

CARB recommends that Applicants be open with community members about the funding opportunities available and the likelihood of funding different projects. CARB also recommends that recipients incentivize community members for participation in community engagement activities. While this does not change the likelihood of follow-up or execution, it may incentivize residents to participate who otherwise would be unlikely or unwilling to participate. If possible, CARB also recommends that Applicants do commit to and complete some sort of follow-up. The commitment may not be to find funding for a specific project, but it might be to implement some lower cost or smaller activities that can help build trust and show that the will is there to support community members' needs. City of San Antonio's Equity Rapid Response Tool² and the Government Alliance on Race and Equity's report Racial Equity: Getting to Results³ both provide additional recommendations.

3. Question: Since community engagement is a big part of the application process, how are people going to solicit resident input in light of COVID-19 and social distancing protocols?

Answer: CARB recommends following the Community Inclusion Guidance linked in Appendix F of both the Planning and Capacity Building and Implementation Grant solicitations. This guidance includes information and more resources on conducting physically-distant and virtual engagement. The technical assistance providers can also help Applicants determine best practices for safely engaging residents.

² <https://www.sanantonio.gov/Equity>

³ <https://www.raciaequityalliance.org/resources/racial-equity-getting-results/>

4. Question: Following up on the topic of community engagement, the Implementation Grant asks if the Applicant has done a lot of community engagement (a point on the Flowchart on the CARB STEP page of MOVING CALIFORNIA website). Is there a timeframe that the community engagement has to have been completed to guide the Applicant?

Answer: Per page 27 of the Implementation Grant solicitation, the Applicant must document a community engagement process that may be undertaken specifically to apply for STEP funds or may have been previously completed as part of another relevant formal or informal local planning process undertaken in and with the STEP Community. These community engagement activities must have been conducted within at least four years of the proposal submittal date.

Readiness Requirements

1. Question: Is National Environmental Policy Act (NEPA) clearance part of the readiness requirements? The only reference to NEPA for the STEP grant application is under question #7 under Attachment 1: California Environmental Quality Act (CEQA) Worksheet; if applicants identify an agency with discretionary approval authority over the project, then we need to list if NEPA documents were prepared.

Answer: The Implementation Grant solicitation separates CEQA requirements from all other readiness requirements. Per page 24 of the Implementation Grant solicitation, within six months after grant execution (on or before May 14, 2021), Applicants must have all other necessary preparations completed (e.g., site control, permits) and all necessary partners on board in order to implement the proposed projects. This includes NEPA clearance, if the projects warrants NEPA review (i.e. if a federal permit is required for the project, a federal agency responsible for issuing that permit would need to comply with NEPA before issuing the permit). Applicants must include documentation in the proposal that demonstrates that these other readiness requirements have been met or will have been met within six months after grant execution. If any readiness requirements have not been met by the time the proposal is submitted, Applicants must identify the process and anticipated timeline for completing these actions. Applicants are encouraged to complete as many readiness requirements as possible prior to submitting their proposals; proposals will be scored on level of readiness.

2. Question: Does CEQA need to be completed before applying for a grant? When is the date for grant execution?

Additional detailed instructions on the CEQA readiness requirement is on page E-18 of the Implementation Grant Appendix E. It is up to the Applicant to determine if and how it will be possible to receive CEQA clearance by the deadline for grant execution, which is May 14, 2021. Applicants must complete a CEQA Worksheet (Attachment 1 of Appendix E) for each proposed infrastructure installation. CARB must ensure that the appropriate level of environmental review under CEQA has been completed prior to grant approval/execution. Thus, no grant can be approved/executed until the lead agency has determined that the project is exempt from CEQA requirements or until the lead agency has satisfied all CEQA requirements if the project is not exempt from CEQA. In limited circumstances, CARB may be the lead agency, but the Applicant must demonstrate, at a minimum, that no other discretionary local government approval would be required for the project before CARB becomes the lead agency under CEQA.

3. Question: Will not having CEQA completed affect our scoring?

Answer: Per Appendix C of the Implementation Grant, readiness is an eligibility threshold that must be met for a proposal to be scored. If a proposal meets the readiness eligibility thresholds, readiness may also be evaluated as part of the Proposal Implementation Plan section of the scoring criteria in Appendix D of the Implementation Grant solicitation.

4. Question: Can you provide more information regarding the Implementation Grant? Does that mean "shovel-ready" or less than "shovel-ready"?

Answer: Per page 24 of the Implementation Grant solicitation, if applicable, at the time of grant execution, Applicants must have all California Environmental Quality Act (CEQA) documentation completed. Applicants must include CEQA documentation in the proposal that demonstrates that CEQA has been or will have been met at the time of grant execution. See detailed instructions on the CEQA readiness requirement in Appendix E. Within six months after grant execution, Applicants must have all other necessary preparations completed (e.g., site control, permits) and all necessary partners on board in order to implement the proposed projects. Applicants must include documentation in the proposal that demonstrates that these other readiness requirements have been met or will have been met within six months after grant execution.

5. Question: Is a CEQA letter of non-applicability required for proposals that do not propose infrastructure projects?

Answer: Per page E-19 of the Implementation Grant Appendix E, under CEQA, an activity that may cause either a direct or reasonably foreseeable indirect physical change in the environment is generally considered a project. For projects which are exempt from CEQA, agencies may prepare a Notice of Exemption (an example is provided in Appendix E). If no CEQA review is required by a local lead agency, then the Applicant must provide documentation from the local lead agency explaining why not.

6. Question: Is CEQA required for EV infrastructure that is not on public land? Is CEQA required for level 1 EV infrastructure (110 v outlet on a dedicated circuit)?

Answer: Applicants must complete a CEQA Worksheet (Attachment 1 of Appendix E) for each proposed infrastructure installation. The CEQA worksheet can help Applicants identify what CEQA review will be necessary for their specific project. The technical assistance provider may also be able to assist in determining CEQA requirements are necessary based on the project characteristics.

Process

1. Question: Has the application deadline been extended due to Covid-19?

Answer: The deadline for CARB to receive STEP proposals is 5:00 pm (Pacific Time) on August 31, 2020.

2. Question: What is the STEP grant timeline and is there a deadline to expend the funds?

Answer: Page 4 of the Implementation Grant solicitation and page 3 of the Planning and Capacity Building Grant solicitation include charts that outline the projected timeline for STEP. Proposals for STEP grants are due on August 31, 2020 by 5:00 pm (Pacific Time). Final disbursement requests for awarded grants must be submitted by March 31, 2025.

3. Question: Given the current situation in the State with COVID-19 and budget shortfalls, will STEP funding be impacted? It is a significant process to apply to STEP and I want to ensure the money is available.

Answer: There will be funding for this program and, once the funds are awarded, it will be available for recipients. However, the final available STEP funding is expected to be lower than \$22 million (the current funding amount designated for STEP per page one of both the Implementation Grant and the Planning and Capacity Building Grant solicitations). The final funding amount will be determined by CARB after a public work group meeting on the topic on July 24. More information about the public work group meeting can be found here: <https://ww2.arb.ca.gov/our-work/programs/low-carbon-transportation-investments-and-air-quality-improvement-program/low-0>. The resulting determination will be posted on the STEP Moving California webpage here: <https://ww3.arb.ca.gov/msprog/lct/opportunitiesgov/step.htm>.

4. Question: Would it be possible to provide some additional guidance on the length of responses you are looking for in the application? Many of the questions could either be covered in 2-3 sentences, 2-3 paragraphs, or more. An approximate word count or maximum for some of these questions could help make sure the right amount of detail is provided.

Answer: CARB cannot provide any recommendations outside of what is already stated in the solicitation about how to put together a proposal or fill out the proposal template. As stated in the Instructions tab of the proposal template in Appendix B, Applicants should try to fit their responses to the questions in the solicitation into the space provided in the proposal template (Appendix B). However, Applicants are allowed to include attachments with more detail if they feel that is necessary to fully or accurately answer a specific question. Applicants should include the file name of any attachments submitted in the relevant "Responses" box of the proposal template.

5. Question: What is the main difference between the Implementation Grant solicitation versus the Planning and Capacity Building grant solicitation?

Answer: An overview of the two grant solicitations is available on STEP's Moving California webpage at: <https://ww3.arb.ca.gov/msprog/lct/opportunitiesgov/step.htm>.

6. Question: I am unable to locate the STEP Project Requirements and Criteria on the STEP website. Can you please send me the link to where it can be found? I had seen a draft version earlier but now cannot locate a draft or final.

Answer: CARB does not have a final version of the Draft Requirements and Criteria document specifically. The Draft Requirements and Criteria were adapted to become the solicitation documents and are available on the CARB website and STEP's Moving California webpage here: https://ww3.arb.ca.gov/msprog/lct/opportunitiesgov/step_solicitation.htm. The Draft Requirements and Criteria document is on STEP's Moving California Archive page here: https://ww3.arb.ca.gov/msprog/lct/opportunitiesgov/step_archives.htm.

7. Questions:

- a. It seems that there will be 1 to 3 grants awarded for the \$20 million Implementation grant. How many do you plan to award for the \$2 million Planning and Capacity Building Grant?
- b. Will CARB consider funding more than 2-3 STEP communities if there is still further available funding?

Answer: Awards will be dependent on the final funding amount for STEP, which will be determined by CARB after a public work group meeting on the topic on July 24. Per page 2 of the Planning and Capacity Building Grant solicitation, it is estimated that CARB will fund approximately ten Planning and Capacity Building Grants. This is dependent on the funding needs of the highest-ranking proposals that are submitted. Per page 2 of the Implementation Grant solicitation, CARB anticipates that Implementation Grants will be awarded to between one and three communities. If there is additional funding available, CARB will consider funding additional communities.

8. Question: Do you have a formal method of linking operators and private project designers with potential cities and community-based organizations?

Answer: No, CARB does not have a formal method of linking mobility service providers with local governments and community-based organizations. However, the technical assistance provider may be able to help Applicants connect with potential partners.

9. Question: If we submit our application prior to the solicitation deadline, do we have more time to submit proof of eligibility thresholds?

Answer: No, CARB will not evaluate proposals to determine if eligibility thresholds have been met until after the deadline to submit proposals. Applicants are encouraged to work with the technical assistance provider to ensure all eligibility thresholds are met before submitting a proposal.

10. Question: How much advance preparation time do you suggest before an Applicant submits a proposal? It seems like if one starts now, they may not have enough time for the required community engagement.

Answer: CARB recommends getting started as soon as possible and engaging the assistance of the technical assistance contractor, Estolano Advisors, to help with effective and timely community engagement. The STEP Planning and Capacity Building Grant can also fund community engagement projects for those who do not have enough time or resources to complete community engagement in time to apply for an Implementation Grant.

11. Questions:

- a. Could you provide some examples in which advance payment of STEP funds will be authorized? Would it be acceptable to apply for advance payment, directed to community-based organization co-applicants, to pay them for services rendered (or procurement of project outreach materials) in a more timely way than through a government invoice system?
- b. Could you provide some project examples in which advance payment of funds is authorized by CARB? Would it be permissible to submit for advance payment in order to reduce the carrying-cost obligation of community-based organization co-applicant partners?

Answer: According to Health and Safety Code Section 39603.1, CARB can approve the advance payment of grant funds for many reasons, one being that the advance is necessary to meet the purpose of the grant program or project. Some examples include the primary grantee requesting an advance payment in order to pay their sub grantees and/or contractors for services rendered in a timely manner. Another example would be a primary grantee requesting funds in advance to purchase large pieces of equipment or supplies necessary to complete a project.

12. Question: Are lists of past funded projects available?

Answer: No, this is the first STEP solicitation. STEP has not funded projects in the past.

Project Eligibility and Requirements

1. Question: We have 5 trucks that are on the Ag Program. Are we able to apply for the funding?

Answer: Maybe. Appendix E of the solicitation includes a list of eligible projects and project requirements. We have no specific restrictions on eligibility based on what other funding you have received from other grant programs. Refer to Appendix G of the Implementation Grant solicitation for restrictions on stacking funds for resource contributions.

2. Questions:

- a. Could bikeshare operations (for an existing bike share program) be funded by STEP?
- b. If a city is already operating a micromobility operation can it apply to STEP?

Answer: Appendix E of the solicitation includes a list of eligible projects and project requirements. One of the eligible projects listed is new or expanded carshare, rideshare, bikeshare, scooter share, vanpooling, carpooling, ride-hailing, shuttles, or microtransit. Continued operation of an already existing bikeshare or other shared mobility service is not an eligible cost under STEP. CARB suggests looking into other State funding programs such as such as the Affordable Housing and Sustainable Communities Program to cover these costs. However, STEP could fund expansion of an existing micromobility operation, bike share program, other enhancements to an existing bike share program, or subsidies for an existing bike share program.

3. Question: Is on-demand microtransit service an eligible project?

Answer: Yes. Table E-3 in Appendix E of the Implementation Grant solicitation identifies eligible shared mobility projects.

4. Question: Do you see fixed-route transit as including school buses?

Answer: If the school bus service operates on a fixed-route then it is a fixed-route transit service.

5. Question: Do pressure vessels (a new technology that significantly reduces the cost and required wait of hydrogen pressure vessels) fit in this solicitation?

Answer: Probably not. Appendix E of the solicitation includes a list of eligible projects and project requirements. If the pressure vessels are needed by community residents to access key destinations, then it is possible that they would fit in this solicitation. As Appendix E states, projects that are not on STEP's eligible or ineligible lists may be determined to be eligible at CARB's sole discretion. However, CARB suggests looking into other State funding programs, such as CORE, the Clean Off-road Equipment Incentive Voucher Project.

6. Question: Would compressed natural gas or hydrogen transportation projects be eligible for STEP?

Answer: Maybe. Appendix E of the solicitation includes a list of eligible projects and project requirements. Vehicles purchased through STEP must be zero-emission, which may include hydrogen vehicles but does not include compressed natural gas vehicles.

7. Question: Can you confirm that all vehicles purchased or leased with STEP funding must be zero-emission? Given the limited options for small-size EV-only shuttle vehicles, would it permissible to submit a transition plan starting with hybrid vehicles, moving to all-electric at a later date?

Answer: Per page E-14 of the Implementation Grant Appendix E, all vehicles purchased or leased with STEP funds must be zero-emission.

8. Question: In terms of the type of projects that STEP grants support such as car-sharing or micro-transit, would a bookmobile qualify?

Answer: Yes. Appendix E of the solicitation has a list of eligible projects and project requirements. This type of project would fall under the local goods movement project type as a Community Development Strategy.

9. Question: Are solar-powered buses an eligible project type?

Answer: Yes. Appendix E of the solicitation includes a list of eligible projects and project requirements. Vehicle replacement is an ineligible project type, so STEP could not fund the replacement of existing buses with buses powered by renewable energy. However, new or expanded fixed-route transit service (which includes bus service) is an eligible project type. And renewable energy generation and storage for zero-emission transportation is an eligible project element under the project type zero-emission readiness projects to support publicly-accessible clean transportation.

10. Question: What if our project involves identifying strategies to find best locations for mobility hubs and then proceed with building it there? Does the first part of the analysis using GIS qualify?

Answer: Yes. Appendix E of both solicitations has a list of eligible projects and project requirements. In the Implementation Grant, analysis to prepare for a mobility hubs project could fit as a project element under a Shared Mobility Strategy or Planning and Community Engagement Strategy. In the Planning and Capacity Building Grant, this type of analysis could fall under the land use or transportation-focused plan development project type.

11. Question: For Supporting Strategies, could a Transportation On Demand project be combined with a first mile/last mile plan?

Answer: Yes. Appendix E of the solicitation includes a list of eligible projects organized by strategy. Any combination of eligible project elements is eligible for funding.

12. Question: We're working on a Transportation Master Plan (TMP), which will have a prioritized list of transportation projects identified from previously adopted plans. This TMP will ultimately be a prioritized list of projects to be implemented and based on community goals. We're curious if this grant opportunity could help us fund further engagement associated with the development of this plan, such as relationship and capacity building with our disadvantaged communities and to better understand their needs and to help us prioritize the list of transportation projects. We're curious if this would be an eligible project for the Planning and Capacity Building Grant.

Answer: Yes. Appendix E of the solicitation has a list of eligible projects and project requirements and includes community engagement for and capacity building to implement new or existing clean transportation planning.

13. Questions:

- a. Appendix B Proposal Template requires responses for each project specific to outreach & engagement. How should we represent the differentiation of a free-standing “Community and Stakeholder Engagement” project as a listed Supporting Strategies-eligible project?
- b. How do Supporting Strategies eligible projects under “Community and Stakeholder engagement for new or existing clean transportation planning, operations, and infrastructure projects” differ from outreach, education, and engagement required under eligible projects for Clean Transportation Strategies?

Answer: CARB expects that every clean transportation project funded through a STEP Implementation Grant will have some sort of outreach and education component and some sort of community engagement component in order to be successful. Projects within the Planning and Community Engagement Strategy and within the Outreach and Education Strategy are meant to be for separate projects. For example, an Applicant may want to fund a new bus rapid transit service and do community outreach and engagement to encourage ridership on that new service. All of those elements would be part of the same Clean Transportation project. An Applicant may also want to fund an outreach and education campaign to encourage people to use an existing dial-a-ride service that connects to the new bus rapid transit service. That outreach and education campaign project would count as a Supporting Strategy.

14. Question: Some of the community and stakeholder engagement projects we are thinking about do not necessarily involve planning for new infrastructure and focus much more on engagement (e.g., EV adoption). Would an EV adoption effort count as an engagement for new or existing clean transportation planning, operations, or infrastructure projects? In this example, must it be tied directly to specific infrastructure projects (existing or otherwise)?

Answer: Appendix E of the solicitation includes a list of eligible projects and project requirements. STEP focuses on funding electric vehicle adoption through implementation of, engagement on, and outreach and education for shared modes of transportation (e.g., electric carshare, electric carpool). The list of eligible projects in Appendix E does not explicitly include engagement or outreach for personal electric vehicle adoption. CARB suggests looking into other State funding programs such as such as the One Stop Shop (which is administered by Grid Alternatives) for future opportunities. However, while not the core focus of STEP, CARB recognizes that access to personal electric vehicles is an important aspect of transportation equity. As Appendix E states, projects that are not on STEP’s eligible or ineligible lists may be determined to be eligible at CARB’s sole discretion.

15. Question: How do we know if we meet one of the supporting strategies? We see probably including Community Development and/or Outreach and Education and/or Planning and Community Engagement. What are you really looking for with these strategies?

Answer: The Implementation Grant Appendix E includes a list of eligible projects organized by strategy. To employ a Supporting Strategy, Applicants should plan to complete a project within those lists of eligible projects.

16. Question: Will micromobility or shared-ride services like a community shuttle be required to register with the California Public Utilities Commission (CPUC)? Are they considered to fall under transportation network company (TNC) rules?

Answer: Per page 12 of the Implementation Grant solicitation and page 11 of the Planning and Capacity Building Grant solicitation, Applicants must comply with all relevant laws, regulations, policies, and procedures. If, per the CPUC's definition of TNCs, the mobility service provider is considered a TNC, they must follow relevant laws for TNCs.

17. Question: Why are food, beverages and childcare now ineligible expenses? This is critical to ensuring meetings are accessible and viable for all residents.

Answer: CARB lacks authority to allow funding for food, drink, refreshments and childcare.

18. Question: For Planning and Capacity Building grants, can eligible costs include engineering design costs?

Answer: Yes. Appendix E of the solicitation has a list of eligible projects and project requirements. Labor costs for any eligible projects or project elements are eligible costs in STEP.

STEP Community and Priority Populations

1. Question: How are disadvantaged communities determined?

Answer: The definition of disadvantaged communities that STEP uses is in Appendix A of the solicitation. It says that disadvantaged communities are areas that are disproportionately affected by multiple types of pollution and areas with vulnerable populations, identified as disadvantaged by the California Environmental Protection Agency per SB 535. These census tracts include the top 25 percent in CalEnviroScreen 3.0⁴ along with other areas with high amounts of pollution and low populations.⁵

2. Question: STEP defines disadvantaged communities as areas that are disproportionately affected by multiple types of pollution and areas with vulnerable populations, identified as disadvantaged by the California Environmental Protection Agency per SB 535. These census tracts include the top 25 percent in CalEnviroScreen 3.0 along with "other areas with high amounts of pollution and low populations." We wanted to inquire about the designated "other areas with high amounts of pollution and low populations." Would you mind providing more information on these *other areas* or pointing us in the right direction of which we can determine if our region is eligible?

Answer: The other areas with high amounts of pollution and low populations that are identified in CalEnviroScreen's definition of disadvantaged communities include areas such as certain ports. The definition of disadvantaged communities in Appendix A of the solicitation includes a link to the Office of Environmental Hazard and Health Assessment's map, which identifies all of the disadvantaged communities in the State.⁶

⁴ <https://oehha.ca.gov/calenviroscreen/report/calenviroscreen-30>

⁵ <https://oehha.ca.gov/calenviroscreen/sb535>

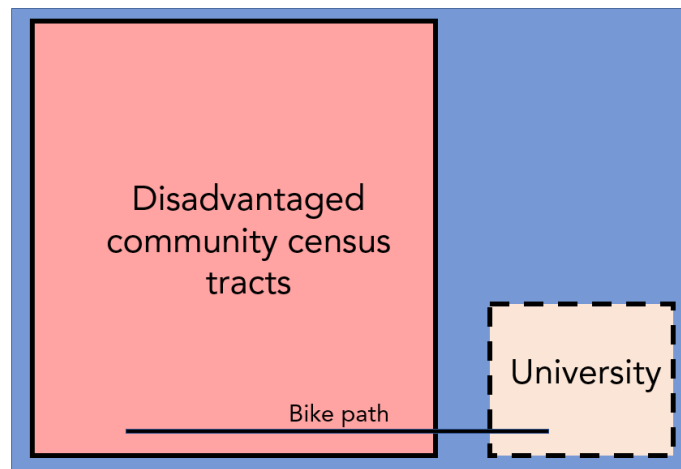
⁶ <https://oehha.ca.gov/calenviroscreen/sb535>

3. Question: Many of our university students travel from disadvantaged communities. Would transportation services (e.g., bike paths) that serve students traveling from a disadvantaged community to the university be eligible for this grant program?

Answer: The eligibility of this type of project may depend on how the STEP Community is defined. Per page 20 of the Implementation Grant Solicitation, at least 50 percent of the geographic area of the STEP Community must be disadvantaged community census tracts. At least 50 percent of the total proposal budget must fund projects located at least partially within the boundaries of the disadvantaged community census tracts that are located within the STEP Community. Some proposed projects may be located entirely or partially outside of the STEP Community. However, for projects located entirely or partially outside of the STEP Community boundary, the proposal must explain how the project provides a clear benefit to residents of the STEP Community. This is something that the technical assistance provider can help with.

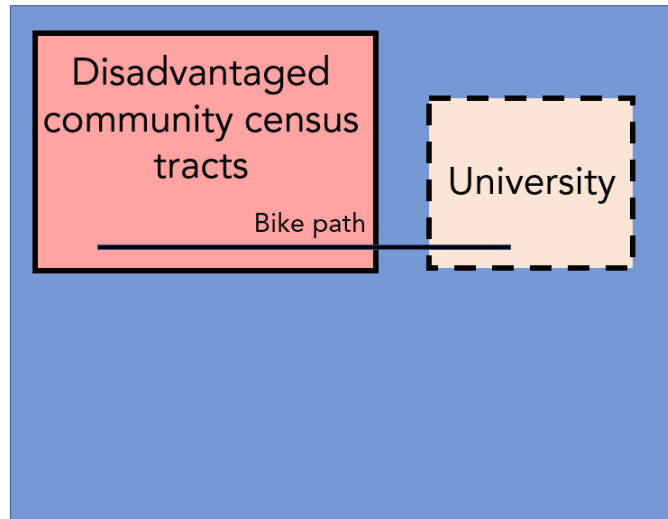
In the first example, below, disadvantaged community census tracts make up more than 50 percent of the geographic area of the STEP Community and the project (the bike path) is located fully within the STEP Community. This is an eligible STEP Community and an eligible project.

STEP Community Example #1



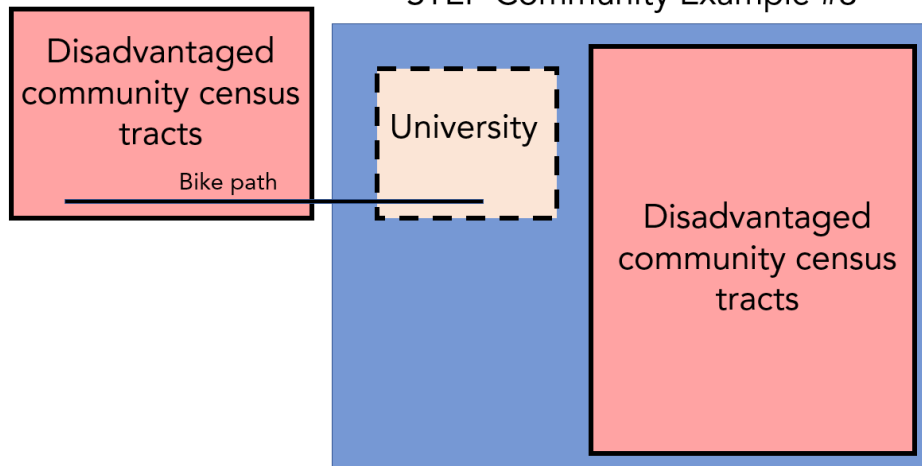
In the second example, below, disadvantaged community census tracts do not make up more than 50 percent of the geographic area of the STEP Community. Even though the project (the bike path) is located fully within the STEP Community, this is not an eligible STEP Community.

STEP Community Example #2



In the third example, below, disadvantaged community census tracts make up more than 50 percent of the geographic area of the STEP Community. The project (the bike path) is located only partially within the STEP Community. This is an eligible STEP Community. It is also an eligible project if the Applicant explains how the project provides a clear benefit to residents of the STEP Community.

STEP Community Example #3



4. Question: What is a benefit criteria table, and how should we go about incorporating one (or more)?

Answer: Per page 24 of the Planning and Capacity Building Grant solicitation and page 26 of the Implementation Grant solicitation, CARB uses Benefit Criteria Tables to determine if a project provides direct, meaningful, and assured benefits to residents of disadvantaged and low-income communities. These benefit criteria tables will not be directly used to score proposals, but will be used by CARB after recipients are selected to report the benefits to disadvantaged and low-income communities from the selected projects. While Applicants are not required to submit criteria tables as part of their STEP proposal, Applicants may use the criteria tables to better understand how CARB will track and report project benefits and may use this information to answer questions in the solicitation. However, Applicants are encouraged to include more details than the criteria tables identify about the specific benefits provided by the projects to disadvantaged and low-income community residents in the STEP Community.

5. Question: Under the Appendix C for both Implementation and Planning and Capacity Building grant solicitations, the thresholds say at least 50% of the geographic area of the STEP community is disadvantaged OR low-income community, but the flowchart shown on the Moving California STEP page indicates that for Implementation grants only Disadvantaged Communities are included. Is this incorrect?

Answer: Page 5 of the Implementation Grant Appendix C says, "Map identifies the STEP Community boundary, the tentative location of each project, and the disadvantaged community or low-income community census tracts within the STEP Community," and "At least 50 percent of the geographic area of the STEP Community is disadvantaged or low-income community census tracts." However, per the requirements of STEP identified in the Fiscal Year 19-20 Funding Plan for Clean Transportation Incentives,⁷ the section should read, "Map identifies the STEP Community boundary, the tentative location of each project, and the disadvantaged community census tracts within the STEP Community," and "At least 50 percent of the geographic area of the STEP Community is disadvantaged community census tracts." These requirements are correctly stated on page 20 of the Implementation Grant solicitation.

⁷ <https://ww2.arb.ca.gov/sites/default/files/2019-09/fy1920fundingplan.pdf>

6. Question: Does the STEP Community have to be within one municipality or can it extend across multiple municipalities?

Answer: There are no restrictions on the STEP boundary with regard to encompassing multiple municipalities.

7. Questions:

- a. Can we submit an application that includes two distinct areas of the county as separate components of the project if the areas are not within a contiguous area?
- b. Can we propose a project area that is in non-contiguous census tracts all within the San Diego country region?

Answer: No. Per page 20 of the Implementation Grant solicitation and page 19 of the Planning and Capacity Building Grant solicitation, the STEP Community boundary must be represented by a contiguous geographic boundary and contain residents that all use the same community-defined transportation system.

8. Question: Is there guidance on the size of a STEP Community identified for a single project?

Answer: No. Per page 20 of the Implementation Grant solicitation and page 19 of the Planning and Capacity Building Grant solicitation, the STEP Community boundary should be defined by the Applicants and community residents during proposal development.

9. Question: Regarding the STEP Community definition, can you provide further explanation as to what is meant by the community using the same transportation system? For example, if we are planning to install a network of EV charging stations, would that be the community transportation system?

Answer: Per page 20 of the Implementation Grant solicitation and page 19 of the Planning and Capacity Building Grant solicitation, the STEP Community boundary should be defined by the Applicants and community residents during proposal development. The Applicants and community residents should work together to define their transportation system.

10. Question: If the Planning and Capacity Building Grant is for low-income or disadvantaged communities, but Implementation Grants are only for disadvantaged communities, should a jurisdiction that only has low-income areas bother with applying for a Planning and Capacity Building Grant?

Answer: Yes. The Planning and Capacity Building Grant is meant to help prepare communities to apply for clean transportation funding from any number of funding sources, not limited to Implementation Grants. Furthermore, CARB has proposed that Implementation Grants also be open to low-income communities in any future solicitations.

Technical Assistance

1. Question: What is the extent of the technical assistance available?

Answer: The scope of technical assistance available to STEP Applicants and recipients is on page 37 of the STEP Implementation Grant solicitation and page 28 of the Planning and Capacity Building Grant solicitation. Estolano Advisors is the technical assistance provider and is available to support all STEP Applicants and recipients. Estolano Advisors will work with each interested Applicant to determine what support is needed for each Applicant.

2. Question: Where do we find local technical assistance provider contact information?

Answer: Estolano Advisors is the technical assistance provider and is available to support all STEP Applicants and recipients. Estolano Advisors will work with each interested Applicant to determine what support is needed for each Applicant. To receive technical assistance, fill out the technical assistance survey at: <https://docs.google.com/forms/d/e/1FAIpQLSeZn9n-7gGU7ScAkaBjllPwReXRpkH6ohWUKut8DG4BzUN2tw/viewform>. Estolano Advisors will contact all potential Applicants who fill out the survey.

Other

1. Question: If there are multiple municipalities involved (for the Planning and Capacity Building Grant), do we need to have a letter from each municipality regarding the consistency of our proposal with their local plans?

Answer: Yes, Applicants must supply a letter of support from each municipality within which the project is proposed to be located.

2. Question: Will funding be awarded based on any geographic distribution?

Answer: Both the Implementation Grant and the Planning and Capacity Building Grant solicitations are open statewide. There is no specific geographic focus or proposed distribution of awards.

3. Question: Is there a preference for smaller local communities versus larger regional communities?

Answer: No, there is no preference for the size of the STEP community.

4. Question: Are municipalities that have large populations more favored for the Implementation Grant? Our city has a small resident population, but the workforce in the city is over 4 times the amount of residents. We would like to apply to STEP because we could reduce the amount of greenhouse gases from travel into the city and ensure equitable transportation options for all employees and residents.

Answer: STEP has no scoring criteria that intentionally favor large populations over small populations or vice versa. See Appendix D for the full list of scoring criteria in the Implementation Grant solicitation.

5. Questions: Would it be advantageous if the project was duplicated in other communities?

Answer: Per page 31 of the Implementation Grant solicitation, STEP proposals should consider how Applicants will collect and share lessons learned with similar communities throughout the state that may be interested in implementing similar projects. Where applicable, this may include participating in collaboration events and networks managed by CARB or a CARB-funded project administrator.

6. Question: Is it permissible to transfer title of purchased vehicles to a private non-profit co-applicant as long as they are used for public transit services during the length of the grant period?

Answer: Yes. Per page 31 of the Implementation Grant solicitation, for all capital projects (e.g., vehicles, equipment, charging infrastructure, facilities), the proposal should include a contingency plan for ensuring those projects continue to serve the community if operation of service discontinues after STEP funding is spent. It is up to the Applicant to determine how best to ensure the longevity of funded projects.

7. Question: Is the purpose of the Planning and Capacity Building Grant to develop a fully-cooked "shovel-ready" project?

Answer: No. Per page 2 of the Planning and Capacity Building Grant solicitation, the purpose of the Planning and Capacity is to help disadvantaged and low-income communities identify residents' transportation needs and prepare them to implement clean transportation and supporting projects. This may be related to any part of the engagement, planning, and preparation process and is fully dependent on the needs of the community and the Applicant.