Introduction

On July 22, 2020, California Air Resources Board (CARB) staff held the Mid-solicitation Implementation Grant Applicant Teleconference to answer questions regarding the Fiscal Year (FY) 2019-20 Sustainable Transportation Equity Project (STEP) Implementation Grant 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. The STEP Implementation Grant’s overarching purpose is to increase transportation equity in disadvantaged communities throughout California. 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.

Please note that the funding available for STEP has changed from $22 million to $19.5 million. Specifically, CARB has $17.75 million available for the Implementation Grant. 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

Potential Applicants interested in technical assistance should still fill out the technical assistance survey, even if they missed the July 15 deadline: [https://docs.google.com/forms/d/e/1FAIpQLSeZn9n-7gGU7ScAkaBjllPwReXRpkH6ohWUKut8DG4BzUN2tw/viewform](https://docs.google.com/forms/d/e/1FAIpQLSeZn9n-7gGU7ScAkaBjllPwReXRpkH6ohWUKut8DG4BzUN2tw/viewform). Estolano Advisors will contact all survey respondents and will determine their capacity to support any potential Applicants that signed up for technical assistance after the July 15 deadline.

Solicitation Errors and Clarifications

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, 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.

Page E-12 of Appendix E identifies acquisition of right-of-way as an eligible cost. Page E-14 of Appendix E identifies right-of-way as an ineligible cost. To clarify, costs associated with procuring access to the right-of-way are eligible costs and may be funded by STEP. Purchase of the right-of-way is an ineligible cost and will not be funded by STEP.

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Applicant Eligibility

1. Questions:
   a. Can a school district be considered a non-profit community-based organizations and qualify as an applicant for an Implementation Grant?
   b. Are school districts able to apply for funding?

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.

2. Question: Can a council of government, serving as the metropolitan planning organization and regional transportation planning authority for a region, apply for STEP funds as the lead applicant and pass through the funds to four local qualifying member agencies to fund STEP eligible projects?

Answer: Per page 13 of the Implementation 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.
3. Questions:

a. Can a lead applicant apply for more than one application? For example can City X's dept of Y apply as a lead, and then another department apply as a lead for another applicant? Or can there only be one application from the same city?

b. Is a city allowed to submit more than one grant application from different departments?

Answer: STEP has no limitations on the number of proposals that may be submitted by a single Applicant or from a single community.

4. Question: We have managed transportation equity planning in our city for more than 5 years, and are the lead organization in the Transportation Electrification Partnership. We believe that we have significant capabilities to coordinate and manage a multi-collaboration effort, leveraging other public and private investment and scaling up several very high profile mobility projects in DAC communities. Do we meet the criteria for providing transportation services?

Answer: STEP has no specific criteria for the partners that will actually provide transportation services as part of a STEP-funded project. Per page 15 of the Implementation Grant solicitation, the proposal must demonstrate the ability of each Sub-applicant to support the Lead Applicant and fulfill their roles on specific projects or project elements on time and within the budget. 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.
5. Questions:

a. We want to ensure that we meet the expectations of a community-based organization as lead applicant. As a non-profit organization, whose entire team lives in our city and is focused on transportation equity, we believe that we do. We are also aware that perhaps CARB has a different perspective on the concept of community-based organization. Can we discuss Lead Applicant eligibility?

b. If the focus area of an organization is a specific city or county, and the STEP project is within that metropolitan area, does the organization meet the requirement of a community-based organization: "A nonprofit organization that is place-based, with an explicit geographic focus area that includes the STEP community"?

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. It is up to the Applicant to determine if they meet this definition of a community-based organization.

6. Question: For the community-based organization definition, how does CARB define an equity project?

Answer: The Applicant must determine if they meet the part of the definition of a community-based organization that says that an organization must have a demonstrated record of at least one full year providing transportation- or equity-related services in the STEP Community (in Appendix A of the solicitation). Transportation equity, specifically, is defined in Appendix A and on page 7 of the solicitation.
7. Question: Can a church or other religious institution apply to STEP as a community-based organization?

Answer: Yes. However, Grantees are prohibited from using CARB funds to aid or support a sectarian purpose pursuant to California Constitution, article XVI, section 5. Grantees are also prohibited from using CARB funds to aid or support a sectarian or denominational school or any school not under the exclusive control of the officers of the public schools pursuant to California Constitution, article IX, section 8.

8. Question: Can more than one Sub-applicant be listed for a single project?

Answer: Yes. Per page 13 of the solicitation, there must only be one Lead Applicant per proposal. However, there are no limits to the number of Sub-applicants per proposal or per project within a proposal.

9. Question: If we plan to subcontract multiple community-based organizations for specific projects under the Sub-applicant, how should we represent that in the application? Should they be listed as Community Partners?

Answer: There can be more than one Sub-applicant identified for each project identified in the proposal. Applicants should refer to Appendix A for definitions of Sub-applicant and Community Partner. If the entity will be responsible for implementing a project or project element funded through STEP, they should be identified as a Sub-applicant. If the entity will not be responsible for implementing projects funded through STEP like the Lead Applicants and Sub-applicants are, but instead will serve as a key stakeholder and representative of the STEP Community residents, they should be identified as a Community Partner.

10. Question: Can we list more than ten Community Partners?

Answer: Yes, if you have more than ten Community Partners, you may add rows to the Proposal Template spreadsheet (Appendix B) to list them or you may attach another document to your proposal that includes a list of the additional Community Partners.
11. Question: Do you know if our organization is eligible for the CARB STEP grant as a lead agency?

Answer: Per page 13 of the Implementation Grant solicitation, eligible Lead Applicants include community-based organizations, federally recognized tribes, and local governments. Appendix A includes a definition of each. The Applicant must determine if they meet any of these definitions.

12. Question: Do all technology providers need to be approved up front? What flexibility is available given changes?

Answer: Refer to Section III. Eligibility Thresholds in Appendix C for a full list of the minimum requirements that must be met for a proposal to be scored. There are no requirements that all technology providers be approved up front. Per page 44 of the solicitation, changes in the project budget, deliverables, or extension of the project schedule should be avoided where possible. In cases where changes may be allowed, they must be approved in advance and in writing by CARB and may require a grant amendment. Once a grant agreement is in place, changes to the work to be done or other project scope changes may be considered by CARB, if necessary, in consultation with the Grantee.

Other

1. Question: What is the required proposed program duration? How long should we run the proposed service?

Answer: Per page 7 of the solicitation, the grant term must end on or before March 31, 2025. A grant term could run any length up to that date. Per page 30, STEP-funded projects are intended to catalyze clean transportation solutions that can continue to address communities’ transportation needs beyond the grant term. The proposal should consider how projects (especially projects under Clean Transportation Strategies) will remain fiscally sustainable and continue to provide benefits to STEP Community residents beyond the grant term. 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.
2. Question: Can a project implement different services over time that are not concurrent? Some are hesitant to commit to multi-year projects.

Answer: STEP has no requirements for how long a service has to run or how many projects may be implemented over time within a proposal. Applicants may refer to the Longevity and Lessons Learned section on page 30 of the solicitation (and identified in the answer above) for more information about project timelines.

3. Questions:
   a. What is the purpose of the requirement for a lead applicant to submit a letter of support for the application they are submitting?

   b. What do you expect for the required letter of support from the Lead Applicant? Is this more like a cover page?

Answer: Per page 14 of the Implementation Grant solicitation, the Lead Applicant’s letter of support is the place in their proposal where they should do all of the following:
   • Define their contribution to the proposal
   • Identify their role in developing the Partnership Structure
   • Express a commitment to implementing the proposal if funded
   • Highlight any strategies they are currently implementing or plan to implement that will support the proposed STEP-funded project
   • Identify any resource contributions they are committed to providing

It is up to the Applicant to determine the format of the letter of support.

4. Question: Do you expect Letters of Support from elected officials and supporting agencies that are not technically a Sub-Applicant or Community Partner?

Answer: No, we only expect letters of support from Lead Applicants, Sub-applicants, and Community Partners.
5. Question: If you do not expect letters of support from elected officials and other city agencies participating in the grant proposal, would these letters of support assist the grant proposal and the way it is reviewed?

Answer: No. Refer to Appendix D: Scoring Criteria for a full list of the criteria that will be scored for each proposal. Anything not on the list will not be factored into the scoring process.

Process

1. Question: What organization is providing technical assistance on CARB’s behalf? What can they assist with?

Answer: Estolano Advisors is the lead on the team of technical assistance providers that are available to support STEP Applicants and recipients. The scope of technical assistance available to STEP Applicants and recipients is on page 37 of the STEP Implementation Grant solicitation. Estolano Advisors will work with each interested Applicant to determine what support is needed for each Applicant.

2. Question: What is the turnaround time for Estolano Advisors to get back to someone?

Answer: The goal is for Estolano Advisors to respond to survey respondents within one week. Email riley@estolanoadvisors.com if you think you should have heard from Estolano Advisors and have not.

3. Question: If we signed up for technical assistance for the Planning Grant but have decided to pursue the Implementation Grant can we change our initial submission on the Google form?

Answer: You can change which grant you would like to apply for, but you do not need to update the Google form. You should, however, communicate with the technical assistance providers about your intention so you can obtain the type of assistance you need.
4. Question: Would grant submissions from one city compete against each other?

Answer: Yes, all Implementation Grant proposals will be scored against each other.

5. Questions:

   a. The solicitation says up to $22 million available for this program, with the Implementation having $20 million - is this correct? I understand this ceiling is subject to change due to the covid emergency.

   b. What do you anticipate in terms of funding cuts to the two programs?

   c. What is the public proposal that will be presented on Friday?

Answer: Yes, that is currently what the solicitation says. On July 24, CARB held a public work group meeting to determine the available funding for STEP based on the funding that is now available. The final amount of funding available is $17.75 million for the Implementation Grant.

6. Question: Will CARB be changing the number of awardees based on likely lower funding?

Answer: CARB may still fund between one and three Implementation Grant proposals in this solicitation. Per page 42 of the solicitation, the number of proposals selected for funding will be dependent on the funding needs of the highest-ranking proposals that are submitted.

7. Question: It is also mentioned that one to three awards will be made on the Implementation side. Do you have a ball-park range on the amount available for each award?

Answer: No, the amount of funds available for each award will be dependent on the funding needs of the highest-ranking proposals that are submitted.

8. Question: Is there any minimum project funding amount?

Answer: No, there is no minimum funding amount for a proposal or project.
9. Questions:
   a. Is STEP considering doing partial awards? Would scopes be allowed to decrease to match available funding?
   
   b. Can you please expand on your answer regarding potential partial awards?
   
   c. Is it possible for this program to give partial awards? And if yes, will the applicants be able to scale down the project scope to the level it is being funded?

Answer: Per page 42 of the solicitation, CARB retains the right to remove discrete elements of proposals selected for funding that CARB determines to be ineligible or to reduce the scope of a proposal to use any remaining funds. Exactly what reducing the scope of a proposal would look like is dependent on the proposals that CARB receives. Regardless, this would be communicated and negotiated with the potential Grantee. Also, per page 10 of the solicitation, Applicants are encouraged to demonstrate how projects and project elements may be prioritized for funding in case the full proposal cannot be funded.

10. Questions:
   a. Can you give explicit guidance on expected word count for the responses in the application? The space given in the application, without adjusting row height, seems to suggest 70-150 word counts per response.
   
   b. Can you say anything about how long responses should be in the application?

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.
Project Eligibility

1. Question: Are solar carports eligible costs? Say a carport with solar and charging stations for electric vehicles?

   Answer: Yes. Appendix E of the solicitation includes a list of eligible projects and project requirements. Zero-emission readiness projects to support publicly-accessible clean transportation are eligible under the Community Development Strategy defined in Appendix E. It may be dependent on the characteristics of the solar carports, but charging infrastructure and renewable energy generation projects would both fall under this project type.

2. Question: Can a portion of the funding be used for paving for new bicycle infrastructure?

   Answer: Yes. Appendix E of the solicitation includes a list of eligible projects and project requirements. New bikeways and networks would fall under the Active Transportation Strategy defined in Appendix E.

3. Question: Are the implementation grants offered through this program Climate Action Plan-eligible?

   Answer: This program is focused on transportation equity. Appendix E of the solicitation includes a list of eligible projects and project requirements. Planning projects would fall under the Planning and Community Engagement strategy defined in Appendix E. All of the eligible projects identified under this strategy are focused on planning and community engagement to support clean transportation.

4. Questions: Is the STEP program supportive of buses and school districts building infrastructure for non-petroleum diesel?

   Answer: Appendix E of the solicitation includes a list of eligible projects and project requirements. STEP focuses on zero-emission vehicles and infrastructure, per the eligible project type zero-emission readiness projects to support publicly-accessible clean transportation on page E-6.
5. Question: For workforce development, since there are no electric pick-up trucks yet on the market, can STEP funds be used for a hybrid or low emission truck?

Answer: Per page E-14 of Appendix E, vehicles funded by STEP must be zero-emission.

6. Question: Is there an opportunity to include some planning activities within an implementation grant?

Answer: Yes. Appendix E of the solicitation includes a list of eligible projects and project requirements. One of the eligible strategies identified for the Implementation Grant is Planning and Community Engagement (on page E-10).

7. Question: Can you provide any updated guidance or justification around food & childcare expenses being ineligible, but still highly prioritized in the guidelines, for public engagement?

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

8. Question: Could you please clarify if watercraft are eligible to apply and if so, what 'Vehicle Type' should be selected in the Benefits Calculator for the Sustainable Transportation Equity Project (Column G on the 'Inputs' sheet)?

Answer: Appendix E of the solicitation includes a list of eligible projects and project requirements. Watercraft are not specifically identified as eligible; however, per Appendix E, projects that are not on the eligible or ineligible lists may be determined to be eligible at CARB’s sole discretion. We will need more details to determine if it will fit in the existing Benefits Calculator. If the project does not fit in the Benefits Calculator, it will not be able to be quantified. The technical assistance contractor can help Applicants quantify GHG emission reductions using the Benefits Calculator. Where applicable, the project elements would still have to meet all project and vehicle requirements outlined in Appendix E (e.g., the vehicle must be zero-emission).
9. Is the fixed route transit strategy limited to public and mass transit? Could electric vehicle supply equipment installed at public lots qualify as a fixed route strategy if the intended users are residents in disadvantaged communities traveling in personal electric vehicles to commute to work, rideshares bringing people to work, and government fleet vehicles if they are driving a fixed route to get to the chargers?

Answer: For fixed-route projects, the Applicant should be able to identify the specific route(s) that the vehicles operating in the transportation service would take. This likely would not be applicable for personal vehicles. Appendix E of the solicitation includes a list of eligible fixed-route transit projects, all of which must be quantifiable using Appendix I, the STEP Benefits Calculator. Installation of public charging stations at a transit station would more likely fall under the project type zero-emission readiness projects to support publicly-accessible clean transportation.

10. Question: Is on-demand micro-transit run by a public agency not considered a strategy under fixed-route transit?

Answer: Assuming that the microtransit service is not operating on a fixed route, it would be considered a shared mobility strategy. If the microtransit service operates on a fixed route, it would be considered a fixed-route transit strategy. The strategy that a project falls under is not dependent on who operates the service.

11. Question: Please confirm if right-of-way acquisition is eligible as part of a sidewalk implementation project, since it says it’s eligible on page E-12, but ineligible on page E-14.

Answer: Costs associated with procuring access to the right-of-way are eligible costs and may be funded by STEP. Purchase of the right-of-way is an ineligible cost and will not be funded by STEP.
12. Question: Can subsidies for personally owned micro-mobility qualify? Similar to transit passes.

Answer: Yes. Appendix E of the solicitation includes a list of eligible projects and project requirements. Subsidies for personally-owned micromobility would fall under the project type active transportation subsidies in the Mode Shift strategy.

13. Question: It seems a proposal must include a clean transportation project and a supporting project. Do the two need to be related, or can they fulfill different parts of a non-motorized plan?

Answer: Refer to Section III. Eligibility Thresholds in Appendix C for a full list of the minimum requirements that must be met for a proposal to be scored. There are no eligibility thresholds focused on projects within a proposal being related. However, per Appendix D: Scoring Criteria, proposals will be scored on how the proposed projects are integrated and connected with each other in a manner that maximizes the ability to address community residents’ transportation needs.

Resource Contributions

1. Question: Can the 20% match come from any program or funding source available or are there restrictions?

Answer: Appendix G of the Implementation Grant solicitation outlines all the resource contribution requirements. It specifically outlines the restrictions regarding stacking funds, which is using multiple sources of funding (e.g., STEP funds and other resource contributions) to fund a single project or proposal. Resource contributions must meet the following requirements. At least half of the resource contribution requirement (i.e. at least 10 percent of the value of the requested STEP funds) must be met through use of non-California Climate Investments funds. STEP funds used for vehicle purchases may not be stacked with HVIP funds also used for vehicle purchases. Resource contributions may not be combined with STEP funds to exceed an item’s purchase price.
2. Questions:

   a. Can land acquisition costs count toward the 20 percent match funding?

   b. What if the land is not donated? Would the land acquisition cost be counted toward 20 percent match funds?

Answer: Appendix G includes a list of eligible resource contributions. The list identifies donated land for infrastructure as an eligible resource contribution, but states that it must only account for a maximum of 25 percent of the total resource contribution. Per page G-2 of Appendix G, the proposal may identify resource contributions that are not listed in the table below. CARB maintains the discretion to allow or disallow additional types of resource contributions.

3. Question: Can the use of public real estate such as on-street parking spaces, furniture and grid power, be considered a resource contribution? And if so, is the monetary value set?

Answer: Per page G-2 of Appendix G, the proposal may identify resource contributions that are not listed in the table in Appendix G. CARB maintains the discretion to allow or disallow additional types of resource contributions. The Applicant must determine how monetary value is determined for a resource contribution. If applicable, one eligible resource contribution identified in Appendix G is lost parking meter revenue at on-street charging stations for shared use vehicles.

4. Question: If a separate application was state or federally funded can that separate project be folded into a STEP application as a sub-component?

Answer: Appendix G includes a list of eligible resource contributions. Included in this list is the eligible resource contribution: committed funding for future projects that are eligible under STEP, but that are not proposed to be funded by STEP. These projects must be within and benefit the STEP Community and contribute to the community’s vision and STEP’s objectives. Also, note that STEP is intended to fund projects that achieve new greenhouse gas emission reductions (not those that would already have happened without STEP funding).
5. Question: Is it okay if a sub-applicant supplies 20% match and lead applicant none?

Answer: Yes. There is no requirement regarding what entity supplies the resource contribution. However, per page G-2 of Appendix G, whoever supplies the resource contribution needs to confirm their resource contribution commitment in a letter of support.

STEP Community

1. Question: We are talking with government entities and community partners about a pilot with related projects that would benefit – and would all be within – a specific city or county. Does this metropolitan area meet the requirement for a contiguous boundary?

Answer: If the city or county that comprises the STEP Community has one continuous boundary, then it would meet the contiguous requirement of a STEP Community. Refer to Appendix A for a complete definition of the STEP Community.

2. Question: Is there some flexibility in the contiguous requirement to allow for a city to apply for an Implementation Grant that would include two parts of a district that is separated by another city, even though it’s not technically “contiguous”?

Answer: No, the STEP Community must align with the definition in Appendix A to be eligible for funding. If an Applicant wanted to apply for funding for two separate parts of a district, the Applicant would have to apply for two separate Implementation Grants.
3. **Question:** The grant solicitation, page 20, includes the instruction to submit a STEP Community proposed map - and describes it as a "map shapefile". This implies a GIS-readable electronic file, as opposed to a graphic visual map. Is a GIS shapefile required, or is a conventional graphic map (or set of maps) acceptable?

   **Answer:** The solicitation is asking for a GIS shapefile so that we can verify the geographic area requirements outlined on page 20 of the Implementation Grant solicitation. We understand that all Applicants may not have the resources available to readily map their STEP Community in GIS. The technical assistance contractor can help Applicants map their STEP Community boundary.