Business Item

Transportation Committee



Committee Meeting Date: May 22, 2023

For the Metropolitan Council: May 24, 2023

Business Item: 2023-113 SW

Application to the Federal Highway Administration's Charging and Fueling Infrastructure Discretionary Grant Program

| District(s), Member(s): | All |
|---------------------------|--|
| Policy/Legal Reference: | Section 11401 of the Infrastructure Investment and Jobs Act (Public Law 117-58, title I, Nov. 15, 2021, 135 Stat. 429); Council Policy FM 15-1 (Income/Grants) |
| Staff Prepared/Presented: | Tony Fischer, Transportation Planner (651-602-1703) |
| | Amy Vennewitz, Deputy Director Transportation Planning (651-602-1058) |
| Division/Department: | Metropolitan Transportation Services |

Proposed Action

That the Metropolitan Council:

- 1. Authorize the Executive Director of the Metropolitan Transportation Services Division to develop and submit a grant application, and related materials for the Federal Highway Administration's Charging and Fueling Infrastructure Discretionary Grant Program;
- 2. If successful, authorize the Regional Administrator to negotiate and execute a grant agreement to receive the funds.

Background

The Federal Highway Administration is making \$700 million available under the Charging and Fueling Infrastructure Discretionary Grant Program (CFI Program), established under the Infrastructure Investment and Jobs Act.

This competitive grant opportunity is split into two separate categories: (1) up to \$350 million for the Community Charging and Fueling Program Grants (Community Program), to strategically deploy electric vehicle (EV) charging infrastructure, hydrogen fueling infrastructure, propane fueling infrastructure, and natural gas fueling infrastructure located on public roads or in other publicly accessible locations; and (2) up to \$350 million for the Alternative Fuel Corridor Grants (Corridor Program), to strategically deploy charging and alternative fueling infrastructure located alternative fuel corridors.

The CFI Program will accelerate an electrified and alternative fuel transportation system that is convenient, affordable, reliable, equitable, accessible, and safe. The CFI Program will also help put the U.S. on a path to a nationwide network of at least 500,000 EV chargers by 2030 and improve networks for vehicles using hydrogen, propane, and natural gas. The CFI Program builds on the FHWA Alternative Fuel Corridor (AFC) program and complements the National Electric Vehicle Infrastructure (NEVI) Formula program, which is initially focused on enabling long distance trips along the National Highway System (NHS).

The goals of the CFI Program are to 1) supplement, not supplant, necessary private sector

investment; 2) complement existing Federal programs; 3) facilitate broad public access to a national charging and alternative fuel infrastructure network to accelerate adoption of zero emissions vehicles; 4) implement Justice40 objectives, lower transportation costs, and increase economic opportunity; 5) advance job quality, workforce development, and workforce equity; and 6) reduce greenhouse gas and vehicle-related emissions.

With approval of this Business Item, Council staff intend to develop and submit a grant application for federal funds that the Council would make available (through pass-through grants) to cities, counties and other eligible entities to build, operate and maintain a mix of fast charging and level 2 EV charging stations throughout the region, including rural, urban and suburban areas.

Rationale

Council policy FM 15-1 Income/Grants Policy allows for the Council to enter into agreements with other governments and organizations which provide income or grants to the Council which are consistent with the Council's mission and priorities. The policy requires Council approval for grants exceeding \$500,000.

The Council's <u>2021 EV Planning Study</u> highlighted the need for additional charging stations to support climate goals. The Federal Highway Administration has made this funding opportunity available to support public EV charging and other alternative fueling. Public EV charging is a cornerstone of accelerating EV adoption and realizing the public health and climate mitigation benefits that result. By applying for this program and, if awarded, passing on those funds to local and other eligible partners to build, operate and maintain added EV charging stations, we can support our local and federal partners in our shared climate mitigation goals.

Thrive Lens Analysis

This work directly supports the Thrive outcome of Sustainability and the draft 2050 Regional Planning vision of "We Lead on Addressing Climate Change". This work will also importantly serve Equity through reducing the public health impacts of highways on those most affected and, in part, prioritizing low- and-moderate income neighborhoods and communities with a low ratio of private parking spaces to households or a high ratio of multiunit dwellings to single family homes.

Funding

The federal program requires that at least 20% of project costs are covered by awardees. If awarded, the Council's sub-recipients would be required to supply matching funds. The costs the Council will incur are limited to administration of the program, which are covered through existing authorized funds.