**Moving Birmingham Towards Climate Action**

**Budget Narrative**

# Introduction

The City of Birmingham is requesting **$9,830,00** infunding for a suite of complimentary projects which were identified in the City’s *Clean Air & Birmingham* March 2024 Birmingham-Hoover Metropolitan Statistical Area Priority Climate Action Plan (PCAP). The following GHG reduction measures were identified from the PCAP as they were determined to be the most suitable for rapid implementation and most impactful in terms of near-term GHG reductions.

The projects are as follows:

1. City Vehicle EV Fleet Conversion

2. Electric Bike Voucher Program

3. Comprehensive Transportation Oriented Development Corridor Plan

For the purposes of the budget narrative each GHG reduction measure will be broken down into it’s own section below:

## 1. City Vehicle EV Fleet Conversion Budget Narrative

the City is requesting **$7,830,000.00** for the replacement of approximately 180 Vehicles and 45 level 2 commercial grade chargers to support the daily use of those vehicles. The table below is an estimated breakdown by vehicle type. The estimated cost is based on the MSRP of an example vehicle which would fit the needs of the City. Due to supply and availability constraints as well as the specific needs that would be identified by the Department of Public Works, the vehicles listed are not necessarily the exact make and model the City would purchase, but instead should be viewed as a best possible approximation of the style of vehicle that would be needed:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Vehicle Type/Charger** | **Example Model** | **Unit MSRP** | **Number of Units** | **Total Cost** |
| **Compact Car** | 2024 Nissan Leaf | $30,000 | 45 | $ 1,305,000.00 |
| **Crossover/ Full-Size Sedan** | 2024 Kia Nero EV | $40,000 | 45 | $ 1,800,000.00 |
| **Truck/Full-Size SUV** | Ford F-150 Lightning | $50,000 | 45 | $ 2,250,000.00 |
| **Full Size Cargo/Passenger Van** | Ford EV Transit Van | $46,000 | 45 | $2,025,000 |
| **Dual EV Charging Station Level 2** | Cyber-Switching Commercial Dual EV Station CSE1 Level 2 48 A with installation | $10,000 | 45 | $450,000 |
| Sum Totals: | | | 160 | $7,830,000.00 |

As stated above, the summary table is a best possible estimate of cost. Due to the ability for government entities to receive some level of discounts for fleet purchases as well as possible efficiencies that could be gained by concentrating charger stations, it is possible cost could be lower. In that scenario, the City would simply purchase additional EV’s.

All of these vehicles would be replacing existing ICE vehicles within the City fleet that have exceed their reasonable expected service life. In fact, the City has over 130 vehicles which were manufactured prior to 2004, and an additional 72 vehicles manufactured in 2010 or earlier. By awarding this grant the older ICE vehicles would be decommissioned and the City would be well positioned to continue the transition to a full EV fleet.

If necessary due to supply chain issues or limited vehicle availability, the City would phase the purchase of vehicles over a 2 year period.

## 2. Electric Bike Voucher Program Budget Narrative

To implement this measure, the City is requesting **$1,500,000** for the E-Bike Voucher program. The requested funding includes anticipated administrative cost from both the non-profit partner and the selected third-party consultant. This reduction measure is identified in the PCAP under 2.2.3 Electric Bike Voucher Program.

Due to existing State legislation Alabama municipalities are prevented from offering a direct benefit to residents, and as such, any funding for a voucher type program must come from an outside source such as this grant and then coordinated with an outside non-profit entity to distribute the funding. The City would work with a selected non-profit entity; either the Community Foundation of Greater Birmingham or Cawaco both of whom have submitted letters of intent as part of the grant, as a subawardee of the grant fundings.

Following the subaward, the non-profit in partnership with the City would issue an RFQ seeking a qualified consultant with experience administering similar E-Bike Voucher Programs. The administrative cost for the consultant is estimated at $250,000 for $1,000,000 voucher program consisting of approximately 1000 vouchers. Indirect cost estimates received from Cawaco to cover audits and staff capacity are estimated at $137,500.00. The Community Foundation of Greater Birmingham has not compiled an estimate at this time. This would leave $1,112,500 for the E-Bike vouchers themselves. GHG reduction estimates were based on $1,000,000 for E-Bike vouchers to factor in unanticipated cost with consultants since the $250,000 figure was an approximation based on the City of Denver, CO’s E-Bike Voucher Program.

3.Comprehensive Transportation Oriented Development Corridor Plan

The City is requesting **$500,000** to fund the plan. For the preparation of a Comprehensive TOD Corridor Plan, the City is prepared to utilize a qualified firm with a multifaceted skill set. The ideal candidate will be an outside consultant with a multidisciplinary planning team. To ensure that the prime candidate is selected from the RFP process, the City has designated a multi-departmental RFP committee that will review each bid. The City has received a letter of commitment, and will be entering into an MOA with BJCTA to ensure the success of the plan once it is implemented. As with any planning effort there are always risks involved.

This measure will be dictated by a scope-of-work established by the City and BJCTA and as such will consist of a fixed-budget that the selected planning consultant must adhere to. Any work that exceeds the budget of the Plan is not the responsibility of the City

The City has previous experience budgeting funding for planning efforts and is confident that this budgetary estimate will adequately cover the cost of this implementation measure. Due to the extensive scope of the TOD Corridor Plan, the funding request has been primarily based off of the 2013 Comprehensive Plan total cost, which was $570,000. One of the recommended action items in the 2013 Comprehensive Plan was to establish individual community framework plans for Birmingham’s nine framework communities. These framework plans provide each community with a clear vision of what residents want for their community over a period of ten years. These nine framework plans have an average cost of $240,000 per framework area. The City, along with a cooperative coalition of partners, also funded the 2019 City Center Master Plan for $549,908. This master plan is also comprehensive in scope and provides a strategic plan for the city center that looks to the next 10-15 years. Taking into account inflation and the consideration that the TOD Corridor Plan will primarily focus on TOD in priority areas, the City believes $500,000 is a fair and equitable budget for this reduction measure based on previous planning costs.