

**CALIFORNIA AIR RESOURCES BOARD**

**Low Carbon Transportation Investments**

**Fiscal Year 2016-2017 Financing Assistance for Lower-Income Consumers (Financing Assistance Pilot Project) Solicitation**

**List of Applications Received and Project Executive Overviews**



<b>Project Applicant</b> Click on Project Title to link to Executive Overview	<b>Local or Statewide Project Application</b> Local = up to \$1,000,000 Statewide = up to \$5,000,000	<b>Communities Initially Targeted</b>	<b>Funding Amount Requested</b>
<a href="#"><u>Community Housing Development Corporation</u></a>	Statewide	Solano, Yolo, Contra Costa, Merced, Napa, Alameda, Colusa, Placer, Sacramento, San Joaquin, Sonoma, Stanislaus, Alameda, San Francisco, Santa Clara, and Santa Cruz	\$ 3,258,855
<a href="#"><u>Beneficial State Foundation</u></a>	Statewide	Oakland, Fresno, and Los Angeles	\$ 5,000,000
<p style="text-align: center;"><b>Total</b></p>			<p style="text-align: center;"><b>\$ 8,258,855</b></p>

Solicitation materials are available at: [www.arb.ca.gov/msprog/aqip/solicitations.htm](http://www.arb.ca.gov/msprog/aqip/solicitations.htm).  
 Scoring criteria are described in the Fiscal Year 2016-2017 Financing Assistance for Lower-Income Consumers Pilot Project Solicitation at: [https://www.arb.ca.gov/msprog/aqip/solicitations/FY1617\\_finance\\_solicitation.pdf](https://www.arb.ca.gov/msprog/aqip/solicitations/FY1617_finance_solicitation.pdf)

Preliminary project selection will be announced soon.

Projects are listed in random order. Executive overviews are provided by applicants and are not reviewed, edited, or endorsed by the California Air Resources Board.

## Community Housing Development Corporation

Funding Amount Requested: \$3,258,855

Community Housing Development Corporation (CHDC) is a 501(c) (3) nonprofit organization in Richmond, CA that provides a broad range of affordable housing opportunities and services to enable low- to moderate-income residents gain better housing and financial stability.

**Description of Project:** The financing pilot project will provide low-income consumers throughout the State of California with an affordable option for the purchase of cleaner vehicles which will provide health, economic and social benefits in their communities. The project will provide eligible consumers access to loans and grants to purchase new or used advanced technology vehicles, such as hybrid electric, battery electric and plug-in-electric at a reduced price since competitive loan financing can be a significant barrier to vehicle ownership for many low income families. This allows low income families who would otherwise not qualify for a vehicle loan because of credit challenges, apply for a loan at competitive rates significantly lower than the traditional deep subprime marketplace, which can charge APRs between 18% - 30%. Loan terms are kept far below the deep subprime marketplace average of 70 - 96 months. This allows for a low loan-to-value ratio, meaning that borrowers do not owe substantially more than the actual value. Additionally, with the grant of up to \$5,000, vehicles purchased by the applicant have equity upfront. Our current project will be used as a model in administering car ownership for low-income consumers.

**Initial Loan Capital:** \$2.5 million (Travis Credit Union will provide up to \$1.5 million Dollars and Beneficial State Bank will Provide up to \$1 million) in loan capital to fund up to 166 loans for 3 years. Plans are in place to locate another lender to expand the loan capital to \$3.0 million (200 loans).

**Counties Covered initially with future expansion to include the entire State through partnership with another lender:**

**Travis Credit Union:** Solano, Yolo, Contra Costa, Merced, Napa, Alameda, Colusa, Placer, Sacramento, San Joaquin, Sonoma and Stanislaus.

**Beneficial State Bank:** Alameda, Contra Costa, Solano, San Francisco, Santa Clara and Santa Cruz.

**Loan Recipients:** Eligible/approved participants will receive a grant of up to \$5,000 to purchase an advanced technology vehicle such as battery electric, plug-in-hybrid and hybrid electric vehicles. In addition, applicants could also receive up to \$2,000 to install a level two charging station in their home.

Projects are listed in random order. Executive overviews are provided by applicants and are not reviewed, edited, or endorsed by the California Air Resources Board.

## Beneficial State Foundation

Beneficial State Foundation (BSF) is requesting a \$5 million grant to be the lead administrator of the statewide Financing Assistance for Lower-Income Customers Pilot Project (Financing Assistance Pilot Project or FAPP). As a 501c3 dedicated to supporting economic and community development in low income communities, BSF has a decade of experience innovating within the financial industry to promote fair and transparent banking services to low-income and historically underserved individuals and communities. Our team designed an innovative pilot project that will help 800 lower-income California residents purchase a clean vehicle at an interest rate of 8% or below.

BSF staff is comprised of a team that specializes in community outreach, grant making, impact measurement, program development, and R&D of innovative products benefiting low income individuals and families. This team will oversee and hire additional staff that will implement the FAPP in conjunction with three trusted partners: Beneficial State Bank (BSB), the Center for Sustainable Energy (CSE), and GRID Alternatives. The combined resources and expertise of our four organizations will enable BSF to quickly launch a pilot program that effectively outreaches to thousands of lower-income individuals, particularly residents of disadvantaged communities. BSF will provide FAPP Participants with relationship-based customer service, relevant and engaging financial and clean vehicle training, and a fair and transparent vehicle shopping and financing experience. BSF has partnered with GRID Alternatives (GRID) to provide consumers with electric vehicle service equipment (EVSE) installation resources and technical support at no cost to them.

BSF will create a statewide presence for the Financing Assistance Pilot Project by establishing strategic regional hubs for program staff in Oakland, Fresno, and Los Angeles, markets where Beneficial State already has a presence. Two Community Outreach Coordinators will implement the FAPP outreach strategy, which includes community events at trusted dealerships, clean vehicle test drive events in partnership with CSE, and mail-outs to over ten-thousand lower-income individuals who have received free or low cost solar panels through GRID Alternatives. BSB will initially host community engagement efforts in disadvantaged communities (DACs) across California's Central Valley but will quickly expand the scope of the program by building additional partnerships statewide. BSF will ensure that most key elements of the FAPP are available in both English and Spanish, including outreach materials, websites, all fiscal and vehicle training materials, customer communications, and loan support.

BSF envisions this pilot program growing quickly and the team will actively seek out additional funding from other foundations to increase the grant amount available for low-income individuals. To facilitate an effective transition from pilot to an established project, BSF will invest in robust program evaluation in partnership with CSE.

BSF is well positioned to be lead administrator of the statewide Financing Assistance Pilot Project based on our organization's unique expertise, positioning, and commitment to serving disadvantaged communities. The team is excited to channel this experience and increase clean vehicle affordable financing among lower-income individuals in California.