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Memo

To: Vermont House Committee on Transportation

From: Michele Boomhower, Division Director

Cc: Chris Cochran, Director, Community Planning & Revitalization Jennifer Fitch, Commissioner, Buildings and General Services

Date: March 7, 2022

Re: Recommendation on Allocation of Electric Vehicle Supply Equipment Funding

As part of the Governor's Recommended Budget for FY23, a proposal was advanced to invest \$10M in ARPA funding in Electric Vehicle Supply Equipment for housing, workplaces, and community locations. AOT staff have testified on this topic over the past several weeks and were asked recently to provide a recommendation regarding the potential prioritization of this funding. Please find our recommendations below. We would be happy to testify before the Committee this week to further discuss this recommendation.

Recommendations for \$10 million:

- Establish minimum percentages for investment categories:
 - \circ 30% for multiunit housing for low- to moderate-income households
 - o 25% for workplaces and community amenities impacted by the pandemic
 - 5% for state workplace and public charging
 - o 40% remaining for flexible investments in housing, workplace or community amenities
- Broaden eligibility for multiunit housing to include developments with three or more units

The administration has proposed the use of \$10 million in ARPA funds to invest in community charging—multiunit housing, workplace, and community attractions/amenities. However, no recommendation has been made thus far about how to prioritize funding among those categories. We can use projection tools like <u>EVI Pro-lite</u> to understand the scope of investments in public charging necessary to support various levels of EV adoption in Vermont, but the tool's analysis is limited both by an indirect estimate of home charging needs and the lack of an accurate inventory of current workplace charging stations.

Multiunit housing

We do know that most Vermonters will charge at home, given that there is general consensus that about 80% of all charging is done at home. Home charging equipment can be more affordable to purchase and install at residential locations, and the charging itself is cheaper for EV drivers. With financial incentives through local utilities to charge at off-peak hours (overnight), our current infrastructure can support higher levels of EV adoption if most residents can charge at home. Investments that prioritize multi-unit home charging first will therefore not only be more equitable, but also more cost-effective.

In Vermont, about 23% of the housing stock (some 80,000 out of 340,000 units) are multiunit dwellings. According to 2019 VHFA data, at least 14,000 of these are affordable housing units by traditional definition, located at 517 different properties. The current language for multiunit dwellings allows funding to developments with ten (10) or more units. Including developments with three (3) or more affordable units would result in at least an additional 100 properties with over 600 units.

Workplace and community-based charging

The distinction between workplace and community-based charging can be complicated by various businesses which may provide charging for both employees and customers and is perhaps better sorted programmatically by adjusting funding match levels according to the purposes and populations being served. Grouping these two categories together can help to address grey areas between the two.

State workplace and visitor charging

Buildings and General Services can leverage a relatively smaller subset of funding to make capital investments that support the retention of a returning workforce, a flexible, more fuel-efficient fleet, and an example for the rest of Vermont to follow.