

**RESOLUTION NO. 2022-\_\_\_\_**

**Adopted by the Sacramento City Council \_\_\_\_\_, 2022**

**Proposal to Support the California Mobility Center with Funding from the  
Proposed Citizens' Transportation Tax Initiative in Sacramento County**

- A. Sacramento Transportation Authority ("STA") has placed a measure on the November 2022 ballot for a transportation tax initiative in Sacramento County (the "Measure").
- B. The Measure would raise the Sacramento County sales tax by one-half of one percent for the next 40 years to fund transportation improvements, including road improvements, new bridges, an expansion of the County's mass transit systems, improved air quality, and reduced greenhouse emissions, and the Measure includes an allocation of funding for the City.
- C. The City seeks to ensure that in addition to having the Measure fund improvements to the existing transportation system, the City's funds would be used to accelerate the development and deployment of clean transportation technology, reduce greenhouse gas emissions, create and promote inclusive economic development activities, provide inclusive workforce training in the clean mobility and clean technology industries, with an emphasis on underserved communities, and create a catalyst for future State, Federal, and private funding opportunities.
- D. The California Mobility Center ("CMC") was created through the efforts of the Sacramento Municipal Utility District ("SMUD"), California State University, Sacramento ("Sacramento State"), University of California, Davis ("UCD"), the Greater Sacramento Economic Council ("GSEC"), and the City of Sacramento ("City"). Since the CMC's inception, the City has been an active supporter and partner of the CMC's mission. The CMC is a California nonprofit public benefit corporation which has as its purpose to own and operate facilities to educate, promote, and expedite the deployment and adoption of clean and safe transportation technologies and solutions, accelerate greenhouse gas emission reductions in the transportation sector, promote job growth and inclusive economic development in the emerging clean mobility sector, and advance and support workforce

development programs in the clean mobility ecosystem with an emphasis on promoting training and job opportunities for residents of underserved communities. Providing funding to the CMC will benefit the future of clean transportation for the City, support regional carbon reduction, attract clean mobility businesses to our region, advance equity and inclusion driven workforce development programs in underserved communities, and is consistent with the purposes of the Measure. Therefore, providing of funding to the CMC is in the best interests of the City and the people who live and work within the City.

- E. The CMC is partnering with Sacramento State to build a state-of-the-art mobility industry acceleration facility (the "Facility") that will provide qualifying, future mobility start-ups from around the world with a faster path to commercialize their mobility-focused products, services, and technologies. The CMC benefits these start-ups by providing prototyping, fabrication, advanced manufacturing, testing and validation services, innovative industry partnerships, access to venture capital, and workforce talent through partnerships with Sacramento State, UCD, and Los Rios Community Colleges, and workforce development programs creating career pathways for residents of underserved communities. The Facility will include a state-of-the-art ramp-up factory, classroom, and training space, expanding service options to start-ups, and providing extensive workforce training opportunities. This Facility will be located on a 25-acre parcel owned by Sacramento State and known as the Hub, Sacramento State Research Park (the "Hub"). The Facility is also located in the Power Inn Alliance property-based improvement district and a Federally designated Opportunity Zone. It will serve as a critical initial step for the development of the City Council approved Sacramento Center for Innovation ("SCI") Specific Plan area. The CMC Facility will serve as a catalyst to fully develop the SCI and the remaining portion of the Hub, and will benefit Sacramento State, its students, community-based organizations, and the residents of Sacramento. Consistent with the mission of the CMC, the Facility shall serve as a catalyst for mobility innovation, inclusive economic development, and job training, with an emphasis on partnering with community-based organizations to proactively provide training and job opportunities to the residents of underserved communities.

- F. The CMC, educational institutions, and several community-based organizations are collaboratively working together and have established career pathway training programs which are already delivering training to support clean mobility and technology job opportunities with a focus on recruiting and training residents from historically underserved communities. The workforce development program provides current and future job-seekers with the employable and transferable technical and cognitive skills that are in demand in the growing clean mobility and technology industries. City funding will serve as a catalyst allowing the CMC and its partners to attract significant additional State and Federal workforce development funding to Sacramento and the region and expand the scope and reach of the CMC's workforce development program.
- G. The City would intend to enter into an agreement with the CMC to commit these funds to the CMC, if the Measure passes. This agreement would provide details on how these funds will be used for funding of up to \$65,000,000 in matching funds toward the development and construction of the Facility, up to \$15,000,000 for the purchase of equipment and outfitting of the ramp-up factory, classrooms, and training spaces, up to \$15,000,000 for assisting the City in achieving its climate action goals and deploying new clean mobility technologies and solutions within the City, and up to \$5,000,000 for the funding of career pathways for individuals in priority zip codes. These funds will be spent on facilities, equipment, and mobility technology and solutions located within the City and/or for the direct benefit of City residents.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL  
RESOLVES AS FOLLOWS:**

- Section 1. If the Measure passes, the City will move forward with the intent to provide up to \$100,000,000 to the CMC subject to resources actually being made available through the Measure. Currently, the preferred source of funding for the CMC is from funds that the City will receive from the Measure. The City Council commits to work with the City Manager between now and the November election to explore all other viable City financing alternatives, both within and outside of

the Measure, to fund all or part of the \$100,000,000 allocation. This includes reexamining SACOG's regional transportation funding formulas to ensure they align and maximize the City's goals and priorities.

Section 2. City staff will negotiate and finalize the terms of an agreement between the City and the CMC for the deployment of up to \$100,000,000, subject to approval of the Measure by voters in November 2022 and the analysis of other available funding sources as described above. Staff are directed to utilize best efforts to finalize this agreement for City Council consideration by no later than January 31, 2023. This agreement shall provide details on the economic viability of the project, a proposed, vetted business plan for the CMC, and the proposed use of these funds, with a focus on the timely development and construction of the Facility, purchase of equipment and outfitting of the ramp-up factory, and establishment of a Climate Innovation Deployment fund. Specifically, this Agreement will provide for funding of up to \$65,000,000 toward the development and construction of the Facility, up to \$15,000,000 for purchase of equipment and outfitting the ramp-up factory and training spaces, up to \$15,000,000 for a Climate Innovation Deployment fund whereby the CMC will partner with the City to achieve its climate action goals and accelerate the deployment of new clean mobility technologies and solutions in the City, and up to \$5,000,000 for the funding of career pathways for students in priority zip codes. The Agreement will also provide that the funds will be spent on facilities, equipment, and mobility technologies and solutions to be located within the City. Staff is directed to work with the CMC to analyze potential City ownership of the Facility. This agreement will specifically provide that funding will be disbursed and contingent on the CMC meeting clearly established benchmarks and performance outcomes as well as timelines to reach those benchmarks and outcomes, agreed upon between the CMC and the City.

Section 3. As part of the Agreement, the CMC commits to spend up to \$5,000,000 to continue its comprehensive approach to advancing equity and inclusivity in its clean mobility and technology workforce development program ("CMC WFD Program"), including communities of color, low income, and other historically underserved or marginalized communities. The CMC will continue to partner with community-based organizations in the delivery of its workforce development program and will look for opportunities to expand its partnerships to other community-based organizations, high schools and community colleges serving students from priority zip codes. The comprehensive approach will include but not be limited to recruiting, training, coaching, mentoring, and providing wrap around services for students and young adults within the ranges of 14 to 28 who are unhoused and/or living in under-resourced priority areas identified in SMUD's Sustainable Communities Resource Priorities Map (City of Sacramento ZIP Codes 95660, 95843, 95842, 95838, 95821, 95815, 95814, 95817, 95820, 95824, 95830, 95670, 95823, 95828, 95758, 95829). Of the up to \$5,000,000 allocated for workforce development, up to 10% will be used to develop and execute a strategy for employing and promoting students in priority zip codes that identifies educational and skill gaps, and strategies for bridging those gaps (the "Gaps Program"). The funding shall be dedicated toward implementing ~~that strategy~~ the CMC WFD Program and Gaps Program, the progress of which shall be documented in annual reports posted publicly on the CMC's website that will include the following:

- a. Number of participants overall and from the priority zip codes reached through community outreach efforts by the CMC WFD and Gaps Program;
- b. Number of participants overall and from the priority zip codes who participated in Job Readiness and Technical Training in CMC workforce-WFD and Gaps Programs, by type of

**Commented [AJ1]:** Aggie Square: For purposes of this Agreement, "Neighborhoods" and "Local Residents" refer to the Elmhurst, Oak Park, and Tahoe Park areas of Sacramento and cover the residents living in the zip codes 95817, 95820, 95824, and 95828. (all in CMC zips)

"Communities of Interest" refers to the Meadowview, Del Paso Heights, and other key areas of Sacramento and covers the residents in the zip codes 95811, 95814, 95815, 95818, 95823, 95832, 95833, and 95838. (Bold included in CMC)

**Commented [AJ2R1]:** JAY: Recommend adding 95811, 95818, 95832, 95833 to align with UCD efforts

support including but not limited to training, coaching, mentoring, and wrap around services;

cb. Number of participants overall and from the priority zip codes who were directly employed by the CMC or CMC employer partners by job and pay scale;

de. Number of participants overall and from the priority zip codes who were promoted to jobs with higher pay scales;

e. Number of participants overall and from the priority zip codes who become enrolled in an apprenticeship, complete apprenticeships, and reach a level of degree/specialist within a given pathway.

The annual report will include disaggregated by race/ethnicity, sexual orientation, gender identity, age, disability, and income to the extent possible for both the CMC WFD and Gaps Programs. The goal of the strategy shall be to achieve 10% direct employment from priority zip codes by December 31, 2029. The CMC will also partner with business and business organizations to advance internship and job placement opportunities. In addition, the CMC will continue to actively seek out opportunities to secure State, Federal and private funding for its workforce development program.