To: Chairman Mary Nichols

RE: AQIP 2013-14

Date: July 24, 2013

Crossroads Equipment Lease and Finance is a home grown, California based finance and leasing company based in Rancho Cucamonga. We specialize in providing commercial capital for heavy duty truck and tractor purchases. Over the past 4 years Crossroads has worked hard to help California based operators secure clean equipment ahead of regulatory requirements using an array of available programs to help offset the tremendous costs associated with heavy duty equipment upgrades. Despite the tightest commercial credit market in recent history, our participation in the Providing Loan Assistance for California Equipment (PLACE) program in the California Capital Access Program (CalCAP) has provided the opportunity for over 1000 trucking fleets in California to access affordable financing for clean equipment purchases.

To date, Crossroads has enrolled over 1135 loans into the PLACE/CalCAP program, this represents close to 40% of all on-road PLACE/CalCAP loans that have been issued since 2009. Fleets who would not have otherwise qualified for financing were able to access the needed capital for equipment purchases required by state law. If the PLACE program did not exist, it is likely that these fleets would not have been able to purchase the equipment. Because of the program, many small, minority owned businesses have been able to purchase equipment ahead of compliance schedules while simultaneously building their commercial credit history.

Small businesses in California, especially trucking companies, are the economic engines of this great state. In 2012, the treasurer’s office estimates that close to 300 jobs were created and over 1,500 jobs were retained from loans enrolled into the on-road PLACE program. These jobs are a direct result of the foresight and leadership of CARB in setting up the program through the Pollution Control Finance Authority in 2009. Thousands of California families and small business owners have benefitted from the existence of PLACE, while thousands more are still facing expensive upgrade requirements under the on-road truck and bus rule at the end of this year. The PLACE program uses state support to help operators get into newer, clean equipment ahead of the deadlines. To date, it is estimated that the program has helped reduce particulate matter emissions by one ton per day and oxide of nitrogen emissions (NOx) by 4.5 tons per day ahead of regulatory requirements under the on-road truck and bus rule.

Currently, the PLACE program is running out of money for new enrollments. It is understood that the program will be exhausted unless additional capital is allocated to bring in new loans. Although the $2 million dollars currently earmarked for the program is a needed gesture, more funds are desperately needed if the program is to continue.

Crossroads has direct understanding of the trucking industry’s unmet needs; we respectively request that CARB allocate additional funding to help sustain the PLACE program to assist the thousands of small businesses who need access to financing that they cannot secure on their own. With additional enrollees, additional emissions reductions will be achieved and the California businesses that need help the most will continue to thrive and grow. Please support additional funds for PLACE, California needs it.

Sincerely,

Matt Schrap

VP Government Programs

Crossroads Equipment Lease and Finance