



MEMORANDUM

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TO: Capital Improvement Program Working Group Members and Interested Parties

FROM: Bill Hough, Transportation Planner 3

DATE: December 15, 2017

SUBJECT: Call-For-Projects: FY2018/19 (FYE19) Transportation Fund for Clean Air Program Manager (40%) Fund

This memorandum serves as the General Call-for-Projects for the 2018/19 Transportation Fund for Clean Air (TFCA) Program Manager funding cycle. The County Program Manager Fund is a part of the Transportation Fund for Clean Air (TFCA) grant program, which is funded by a \$4 surcharge on motor vehicles registered in the Bay Area. Based on previous years, VTA staff estimates that approximately \$2.2 million is available this year. The final number will be based on actual revenue as reported by the DMV to the BAAQMD and money returned to the program from cancelled projects.

Eligibility

Applicants must be in compliance with all Bay Area Air Quality Management District (BAAQMD) policies as explained in the attached BAAQMD's "County Program Manager Fund Expenditure Plan Guidance for Fiscal Year Ending 2019." Projects found to be non compliant with these policies by VTA or BAAQMD will be disqualified. BAAQMD has made changes to the program this year so please read the guidance carefully before submitting applications. Additionally, VTA's board adopted a policy that only projects where all the other funding is secured or committed will be considered for TFCA 40% funding.

Project readiness: Applications must include a schedule demonstrating that the project will comply with BAAQMD's policy #17, which requires that projects be completed within two years.

Applicants must certify that they understand BAAQMD's "Expend Funds within Two Years" project delivery policy. If VTA finds that significant progress has been made on a project, it may approve no more than two one-year schedule extensions for a project. Any subsequent schedule extensions for projects can only be given on a case-by-case basis by BAAQMD, if it finds that significant progress has been made on a project, and the Funding Agreement is amended to reflect the revised schedule.

Per BAAQMD policy #6, projects must commence by the end of calendar year 2018. Beginning July 1, 2016, BAAQMD staff will not consider any extension requests for any bicycle projects that have already been granted a two-year extension (e.g., no third-year extensions). BAAQMD is directing VTA to enforce the two-year time limit for bicycle projects by canceling any projects that are not completed within the initial two-year time limit. Based on the Guidance, VTA will not provide any additional time extensions to any bicycle projects. For all other project categories, VTA may grant a two-year extension, for a total of four years to implement projects. To avoid cancellation, BAAQMD guidance recommends that bicycle projects must have completed the following activities prior to being awarded TFCA funds in order to ensure the successful completion of projects:

- Planning (drawings)
- Obtaining permits
- Conducting environmental review/approvals.
- Securing non-TFCA funding.

Only Santa Clara Congestion Management Program (CMP) Member Agencies are eligible to apply. The 15 incorporated cities, the County of Santa Clara, and the Valley Transportation Authority (VTA) are member agencies. All other parties, including public agencies, must work with a CMP Member Agency in order to apply for Program Manager Funds.

Projects must be within Santa Clara County.

Projects must meet cost effectiveness standards as set forth by BAAQMD in their board-adopted policies. Cost-effectiveness is based on the ratio of TFCA funds divided by the sum total tons of reactive organic gases (ROG), oxides of nitrogen (NO_x), and weighted particulate matter 10 microns in diameter and smaller (PM₁₀) reduced (\$/ton). All TFCA-generated funds (e.g., TFCA Regional Funds, reprogrammed TFCA funds) that are awarded or applied to a project must be included in the evaluation. For projects that involve more than one independent component (e.g., more than one vehicle purchased, more than one shuttle route, etc.), each component must achieve this cost-effectiveness requirement.

At its December 9, 2004 meeting, the VTA Board of Directors set aside up to 25% of the annual TFCA 40% allocation to bicycle projects in the Countywide Bicycle Expenditure Program (BEP) for FY2011-FY2030. Because TFCA funds cannot be “banked” from year to year, if less than the set-aside amount can be programmed to qualified BEP projects, the remaining funds are programmed via the competitive process and do not carry over to the following year.

Project Types: The following project types are eligible:

1. **Alternative fueled vehicles**, including buses for school districts and transit operators. Grantees with a fleet that includes model year 1998 or older heavy-duty diesel vehicles must scrap one model year 1998 or older heavy-duty diesel vehicle for each new vehicle purchased or leased under this grant. Costs related to the scrapping of heavy-duty vehicles are not eligible for reimbursement with TFCA funds. See BAAQMD guidance for more information.
2. **Alternative Fuel Infrastructure:** Eligible refueling infrastructure projects include new dispensing and charging facilities, or additional equipment or upgrades and

improvements that expand access to existing alternative fuel fueling/charging sites (e.g., electric vehicle, CNG).

3. **Ridesharing Projects:** Eligible ridesharing projects provide carpool, vanpool or other rideshare services. Projects that provide a direct or indirect financial transit or rideshare subsidy are also eligible under this category.
4. **Shuttle/Feeder Bus Service:** these projects are intended to reduce single-occupancy vehicle commute-hour trips by providing the short-distance connection between a mass transit hub and one or more commercial or employment centers.
5. **Bicycle Projects:** New bicycle facility projects that are included in an adopted countywide bicycle plan or Congestion Management Program (CMP) are eligible to receive TFCA funds. Eligible projects are limited to the following types of bicycle facilities for public use that result in motor vehicle emission reductions. All bicycle facility projects must, where applicable, be consistent with design standards published in the California Highway Design Manual.
6. **Bay Area Bike Share:** These projects make bicycles available to individuals for shared use for completing first- and last-mile trips in conjunction with regional transit and stand-alone short distance trips. To be eligible for TFCA funds, bicycle share projects must work in unison with the existing Bay Area Bike Share Project by either increasing the fleet size within the initial participating service areas or expanding the existing service area to include additional Bay Area communities. Projects must have a completed and approved environmental plan and a suitability study demonstrating the viability of bicycle sharing.
7. **Arterial Management:** Implementation of local arterial traffic management (e.g. signal timing, transit signal preemption). Arterial management grant applications must identify a specific arterial segment and define what improvement(s) will be made to affect traffic flow on the identified arterial segment.
8. **Smart Growth/Traffic Calming:** Physical improvements that support development projects and/or calm traffic, resulting in motor vehicle emission reductions, are eligible for TFCA funds, subject to the following conditions:
 - A. The development project and the physical improvements must be identified in an approved area-specific plan, redevelopment plan, general plan, bicycle plan, pedestrian plan, traffic calming plan, or other similar plan; and
 - B. The project must implement one or more transportation control measures (TCMs) in the most recently adopted Air District plan for state and national ambient air quality standards. Pedestrian projects are eligible to receive TFCA funds.
 - C. The project must have a completed and approved environmental plan.

Traffic calming projects are limited to physical improvements that reduce vehicular speed by design and improve safety conditions for pedestrians, bicyclists or transit riders in residential retail, and employment areas.

TFCA funds may not be used for:

1. Planning activities that are not directly related to the implementation of a specific project.

2. Projects that provide a direct or indirect financial transit or rideshare subsidy or shuttle/feeder bus service exclusively to the grantee's employees.
3. The purchase of personal computing equipment for an individual's home use.

Additionally, applicants should note the following:

1. Grant recipients must sign their funding agreement with VTA within 90 days of receipt or risk losing the grant.
2. Project sponsors will not be reimbursed for expenses incurred before the 2018/19 TFCA 40% Program Funding Agreement between BAAQMD and VTA has been executed. VTA staff will advise project sponsors when they may begin to incur expenses.
3. The TFCA 40% program is a reimbursement grant program. Sponsors must execute a funding agreement with VTA prior to requesting reimbursement.
4. Funds will be available for two years following the signing of the VTA-BAAQMD master funding agreement.
5. VTA will evaluate project progress at the 18-month milestone after final BAAQMD grant approval. Funds may be recommended for re-programming at this time if the sponsor does not demonstrate adequate progress towards project completion.
6. Project sponsors are required to submit progress reports to VTA as specified in the funding agreement between the sponsor and VTA.
7. Project sponsors must obtain and maintain insurance coverage throughout the project as specified in BAAQMD's insurance requirements.
8. For signal timing projects- Are bicycle or pedestrian facilities (e.g., bicycle detection, designated bicycle lanes, designated bicycle trails, pedestrian cross walks and pedestrian signals) present or planned at the project location? Yes___ No___
9. For signal timing projects- If yes to #8 above, will the project sponsor follow applicable bicycle and pedestrian guidelines, such as VTA's Bicycle Technical Guidelines and Pedestrian Technical Guidelines, MUTCD or guidelines adopted by local jurisdictions? Yes___ No___
10. For signal timing projects- If the project is in a Light Rail Transit, Bus Rapid Transit or "Core Service Corridor?" Will the project sponsor coordinate with the Santa Clara Valley Transportation Authority with the goal of maintaining or improving the current level of transit signal priority within the transit corridor? Please provide evidence of such coordination in the form of letters or emails. Yes___ No___

Submitting Applications

Project sponsors with a BEP project that is TFCA-eligible and ready for construction should follow the following steps:

1. Fill out the application form. If your project is in the BEP, make sure you indicate the current BEP project number.
2. Fill out the cost-effectiveness calculation spreadsheet. Projects must meet cost effectiveness standards as set forth by BAAQMD in their board-adopted policies. See BAAQMD guidance. VTA and BAAQMD reserve the right to review these cost effectiveness spreadsheets and amend them as necessary.
3. Send **two** paper copies and email both a pdf of the signed package and a Word version (**VTA staff must be able to copy/paste text**) no later than March 9, 2018 at 4:00PM to Bill Hough [william.hough@vta.org] at VTA. Faxed applications will not be accepted.

Please fill out the application as completely as possible. Individual applications may be double-sided and stapled or clipped together. Do not include 3-ring binders in your submittals.

The application requires specific project elements, a project budget, a project location map, project schedule and a cost effectiveness data spreadsheet. Applicants may also attach additional pages to discuss any features of the project that they feel are not adequately covered by the application form.

Note that in the event that TFCA program is undersubscribed as of the application deadline, VTA staff will continue to accept eligible project applications on a first-come, first served basis until the available funds are exhausted.

Project Evaluation Criteria--Screening & Scoring

The VTA Board of Directors adopted the TFCA 40% Project Evaluation Criteria for Santa Clara County on December 11, 2014. These are listed on page 6. Please note that these policies also define the general screening criteria that will be applied to all submitted projects.

General Screening Criteria

1. Projects must be consistent with BAAQMD's policies and guidance, and must meet cost effectiveness standards as set forth by BAAQMD in their board-adopted policies.
2. Project sponsors are ineligible for funding if they have five or more projects greater than two years old on BAAQMD's "less than 100% complete" list.
3. Project sponsors of signal timing projects shall demonstrate consideration of impacts on pedestrian, bicycle and transit facilities.
4. Only projects where all the other funding is secured or committed will be considered for TFCA 40% funding.

Competitive Project Scoring Criteria

For "competitive" projects, a scoring panel will be appointed from the CIP Working Group membership to assist staff with the scoring process. The panel will evaluate applications and make a recommendation for each project's score. The CIP Working Group will arbitrate scoring discrepancies before making a recommendation to the full TAC. Sponsors should provide any appropriate documentation to support their applications.

Projects will score points in each of the categories below:

Cost Effectiveness (up to 30 points)

Projects will be scored up to 30 points based on their relative cost effectiveness (project cost per ton of emission reduction), as calculated using BAAQMD methodology. **Projects must meet cost effectiveness standards as set forth by BAAQMD in their board-adopted policies.**

Community Benefits (up to 40 points)

These 5 sub-criteria, worth up to 8 points each, will help to evaluate projects based on the extent to which they benefit the community. Project sponsors are asked to provide a descriptive narrative that explains how the project will be implemented and the benefits that can be expected. The sub-criteria are:

Reduce Congestion (up to 8 points)

Projects that will reduce traffic congestion will receive up to 8 points based on the amount of congestion reduced.

Countywide Significance (up to 8 points)

Projects that have demonstrable countywide impact will receive up to 8 points based on the degree of countywide significance.

Serve "Communities of Concern"(up to 8 points)

The Metropolitan Transportation Commission has identified a number of "communities of concern" in their Transportation 2030 Equity Analysis. Santa Clara County "communities of concern" are East Gilroy, Stanford / Mountain View, South San Jose / Morgan Hill, East Santa Clara and Central San Jose. Projects that benefit these areas will be awarded up to 8 points.

Number of people served (up to 8 points)

Projects that benefit a greater number of people will receive up to 8 points. Consideration will be given to projects that will benefit a greater number of county residents versus non-residents.

Mode Shift (up to 8 points)

Projects that provide for a shift from SOV modes to shared-ride or non-motorized modes will receive up to 8 points. The degree of mode shift anticipated will determine the points awarded.

Local Matching Funds (maximum 30 points)

Local matching funds are any non-TFCA funds, which work with TFCA 40% funds to leverage a larger project. One point will be awarded for each percent of local contribution to total project cost, up to a maximum of 30 points. Only projects where all the other funding is secured or committed will be considered for TFCA 40% funding.

Total Possible Points = 100

Schedule

The schedule for this year's TFCA 40% funding process is:

VTA issues call for projects.....	December 15, 2017
Applications due to VTA	March 9, 2018 at 4:00PM
Project Evaluation by Staff & Scoring Team	March 12 - April 23, 2018
CIP Reviews Program.....	April 24, 2018 (tentative)
PAC, TAC Reviews Program	May 10, 2018 (tentative)
CMPP Committee Recommends Program.....	May 17, 2018 (tentative)
VTA Board of Directors Approves Program	June 7, 2018(tentative)
BAAQMD-VTA funding agreement executed.....	June 2018 (tentative)

If you have any questions about the application or criteria, please contact Bill Hough at (408) 321-5735 or william.hough@vta.org.

Current TFCA Screening/Scoring Criteria

Project Screening Criteria

1. Projects must be consistent with BAAQMD’s policies and guidance, and must meet cost effectiveness standards as set forth by BAAQMD in their board-adopted policies.
2. Project sponsors are ineligible for funding if they have five or more projects greater than two years old on BAAQMD's “less than 100% complete” list.
3. Project sponsors of signal timing projects shall demonstrate consideration of impacts on pedestrian, bicycle and transit facilities.
4. Only projects where all the other funding is secured or committed will be considered for TFCA 40% funding.

Project Scoring Criteria (competitive projects only)

Criteria	Maximum Points
Cost Effectiveness	30
Community Benefits:	
Reduce Congestion	8
Countywide Significance	8
Serve "Communities of Concern" (neighborhood having a population that is at least 30 percent low income and 70 percent minority.)	8
Number of people served	8
Mode Shift	8
Local Matching Funds	
1 point for each percentage of local match; up to 30%.	30
Total = 100	100