ALAMEDA County Transportation Commission

Memorandum 6.11

1111 Broadway, Suite 800, Oakland, CA 94607 • PH: (510) 208-7400 • www.AlamedaCTC.org

DATE:	February 21, 2019
TO:	Alameda County Transportation Commission
FROM:	Vivek Bhat, Director of Programming and Project Controls Jacki Taylor, Senior Program Analyst
SUBJECT:	Transportation Fund for Clean Air (TFCA) FY 2019-20 Expenditure Plan Application and Call for Projects

Recommendation

1. Approve Resolution 19-001 regarding the TFCA County Program Manager (CPM) FY 2019-20 Expenditure Plan Application, due to the Air District by March 4, 2019; and
2. Approve the release of a FY 2019-20 TFCA call for projects for approximately $2.43 million of TFCA funding, as identified in the FY 2019-20 Expenditure Plan Application.

Summary

As the TFCA County Program Manager (CPM) for Alameda County, the Alameda CTC is required to program the TFCA revenue received from the Bay Area Air Quality Management District (Air District). It is recommended the Commission approve Resolution 19-001 (Attachment A), regarding the fiscal year (FY) 2019-20 TFCA CPM Expenditure Plan Application (Attachment B) and its submittal to the Air District. The FY 2019-20 TFCA Expenditure Plan Application identifies approximately $2.43 million of funding available for projects and is due to the Air District by March 4, 2019, prior to a detailed program of projects. A TFCA call for projects is scheduled for release in early March 2019.

Background

TFCA funding is generated by a four dollar vehicle registration fee collected by the Air District. Projects eligible for TFCA funding are to result in the reduction of motor vehicle emissions and achieve "surplus" emission reductions beyond what is currently required through regulations, ordinances, contracts, or other legally binding obligations. Projects eligible for TFCA include shuttles, bike lanes and bike parking, signal timing and transit signal priority, travel demand management (TDM) programs and alternative fuel vehicles and fueling/charging infrastructure. As the TFCA County Program Manager (CPM) for

Alameda County, the Alameda CTC is responsible for programming 40 percent of the four dollar vehicle registration fee that is collected in Alameda County for this program. A total of 6.25% percent of new revenue is set aside for the Alameda CTC's administration of the program. Per the distribution formula for Alameda County's TFCA funding, 70 percent of the available funds are to be allocated to the cities and County based on population, with a minimum of $10,000 to each jurisdiction. The remaining 30 percent of funds are to be allocated to transit-related projects on a discretionary basis. A jurisdiction's projected future share may be borrowed against in order for a project to receive more funds in the current year, which helps facilitate the required annual programming of all available funds.

For reference, a draft FY 2019-20 TFCA fund estimate, which reflects the funding identified in the FY 2019-20 Expenditure Plan Application, is included as Attachment C. Projects proposed for TFCA funding are to be consistent with the Air District's FY 2019-20 TFCA CPM Fund Policies (Attachment D) and cost-effectiveness requirements. For FY 2019-20, the Air District has made a few changes to the CPM Fund Policies. Specifically, a new eligible project category has been added for pilot trip reduction projects which are intended to reduce single-occupancy commute-hour vehicle trips by encouraging mode-shift to other forms of shared transportation. Additionally, the TFCA cost-effectiveness limitation for the installation of electric vehicle charging stations at multi-dwelling units, transit stations, and park-and-ride lot facilities has been increased.

FY 2019-20 Revenue

The FY 2019-20 TFCA Expenditure Plan Application establishes the amount of TFCA funds available for programming to projects and program administration and is based on the Air District's Department of Motor Vehicles (DMV) revenue estimates for the same period. Additionally, previously programmed TFCA funds remaining from closed (i.e., cancelled or completed) projects are returned to the Alameda CTC's fund estimate for reprogramming. These adjustments are detailed on the second page of the Expenditure Plan Application. Returned funds that were initially programmed from the 70 percent cities/county portion of the fund estimate are credited back to the project sponsor's share. As summarized below, the estimated total amount available for projects is the sum of the new allocation (projected revenue), returned funds to reprogram, and earned interest, less 6.25 percent of the new allocation, which is reserved for the Alameda CTC's administration of the TFCA program.

Estimated new allocation for FY 2019-20:	$2,042,902
Earned interest for calendar year 2018:	$95,381
Funds to reprogram, as of 10/31/18:	$415,817
Total FY 2019-20 TFCA funding available:	$2,554,100
Less 6.25% of new allocation for TFCA administration:	- $127,681
Total FY 2019-20 TFCA funding for projects:	**$2,426,418**

FY 2019-20 Program Development

The Air District's TFCA CPM Policies require the revenue received annually from the Air District to be fully programmed on an annual basis. Any unprogrammed balance remaining after the Air District's programming deadline may be redirected by the Air District to other projects in the region. The programming of TFCA funding has been incorporated into the Alameda CTC's biennial Comprehensive Investment Plan (CIP) process. A call for projects is scheduled for release in early March with applications due in late March or early April. Staff will evaluate the proposed projects for TFCA eligibility and cost-effectiveness and include a recommended FY 2019-20 TFCA program in the 2020 CIP, scheduled for consideration by the Commission in May 2019. If an unprogrammed TFCA balance remains when the 2020 CIP is adopted, a separate programming recommendation for the balance will presented in the fall 2019 timeframe.

The Air District requires an approved program of TFCA projects to be submitted no later than six months from the date the Air District Board approves the TFCA CPM expenditure plan applications. This year, a complete FY 2019-20 TFCA program of projects is estimated to be due to the Air District no later than November 2019.

Next Steps

The Alameda CTC FY 2019-20 TFCA Expenditure Plan Application is to be signed by the Executive Director and is due to the Air District by March 4, 2019. A TFCA call for projects will be released in early March 2019. Based on discussion at the February 11th Programs and Projects Committee meeting, the call for projects material will highlight the eligibility of electric vehicle charging stations and how the location of a station can affect TFCA funding levels.

Updated TFCA program guidelines, including the attached Air District FY 2019-20 TFCA Policies, will be incorporated into the Alameda CTC's 2020 CIP, along with the FY 2019-20 fund estimate and funding recommendations.

Fiscal Impact: This recommended action has no significant fiscal impact. TFCA funding is made available by the Air District and will be included in the Alameda CTC's FY 2019-20 budget.

Attachments:

A. Alameda CTC Resolution 19-001
B. Alameda CTC FY 2019-20 TFCA Expenditure Plan Application
C. Alameda CTC Draft FY 2019-20 TFCA Fund Estimate
D. Air District's FY 2019-20 TFCA County Program Manager Fund Policies

This page intentionally left blank

ALAMEDA County Transportation Commission
1111 Broadway, Suite 800, Oakland, CA 94607 • 510.208.7400 • www.AlamedaCTC.org

ALAMEDA COUNTY TRANSPORTATION COMMISSION

RESOLUTION 19-001

WHEREAS, as of July 2010, the Alameda County Transportation Commission ("Alameda CTC") was designated as the overall Program Manager for the Transportation Fund for Clean Air ("TFCA") County Program Manager Fund for Alameda County;

WHEREAS, the TFCA Program requires the Program Manager to submit an Expenditure Plan Application for FY 2019-20 TFCA funding to the Bay Area Air Quality Management District ("Air District") by March 4, 2019.

NOW, THEREFORE BE IT RESOLVED, that the Alameda CTC Commission will program an estimated $2,426,418 to projects, consistent with the attached FY 2019-20 TFCA County Program Manager Fund Expenditure Plan Application;

BE IT FURTHER RESOLVED, the Alameda CTC Commission will approve a program of projects within six months of the Air District's approval of the FY2019-20 Expenditure Plan Application; and

BE IT FURTHER RESOLVED, the Alameda CTC Commission authorizes the Executive Director to execute any necessary fund transfer agreements related to this funding with the Air District and project sponsors.

DULY PASSED AND ADOPTED by the Alameda CTC at the regular Commission meeting held on Thursday, February 28, 2019 in Oakland, California, by the following vote:

AYES: **NOES:** **ABSTAIN:** **ABSENT:**

SIGNED: **ATTEST:**

____________________________ ____________________________

Richard Valle
Chair, Alameda CTC

Vanessa Lee
Clerk of the Commission

This page intentionally left blank

SUMMARY INFORMATION

County Program Manager Agency Name: Alameda County Transportation Commission

Address: 1111 Broadway, Suite 800, Oakland, CA 94607

PART A: NEW TFCA FUNDS

1. Estimated FYE 2020 DMV revenues (based on projected CY2018 revenues): Line 1: $1,980,600
2. Difference between prior-year estimate and actual revenue: Line 2: $62,302
   a. Actual FYE 2018 DMV revenues (based on CY2017): $1,982,802
   b. Estimated FYE 2018 DMV revenues: $1,920,500
   ('a' minus 'b' equals Line 2.)
3. Estimated New Allocation for projects and administration *(Sum of Lines 1 and 2)*: **Line 3:** **$2,042,902**

PART B: INTEREST FOR PROGRAMMING AND TFCA FUNDS AVAILABLE FOR REPROGRAMMING

4. Total available for programming/reprogramming to other projects. **Line 4:** **$511,198**
   a. Amount available from previously funded projects: $415,817
   (Note: Reprogrammed funds originating from pre-2006 projects are not subject to the six-month allocation deadline.)
   b. Interest income earned on TFCA funds in CY 2018: $95,381
   ('a' plus 'b' equals Line 4.)

PART C: TOTAL AVAILABLE TFCA FUNDS

5. **Total Available TFCA Funds (Sum of Lines 3 and 4)** **Line 5:** **$2,554,100**
   a. Estimated TFCA funds budgeted for administration:[1] $127,681
   (Note: This amount may not exceed 6.25% of Line 3.)
   b. Estimated Total TFCA funds available for projects $2,426,418
   (Line 5 minus Line 5.a.)

I certify that, to the best of my knowledge, the information contained in this application is complete and accurate.

Executive Director Signature: ______________________________ Date: ________________

[1] The "Estimated TFCA funds budgeted for administration" amount is listed for informational purposes only. Per California Health and Safety Code Section 44233, County Program Managers must limit their administrative costs to no more than 6.25% of the actual total revenue received from the Air District.

SUMMARY INFORMATION - ADDENDUM

Complete if there are TFCA Funds available for reprogramming.

Project #	Project Sponsor/Grantee	Project Name	$ TFCA Funds Allocated	$ TFCA Funds Expended	$ TFCA Funds Available	Code*
17ALA00	Alameda CTC	FY 16/17 Administration	$122,675.18	$122,675.05	$0.13	UB
11ALA07	Hayward	Post-project Monitoring Hesperian, Tennyson, Winton Arterial Mgmt	$50,300.00	$18,700.00	$31,600.00	UB
15ALA04	Fremont	Downtown Fremont Arterial Management	$430,000.00	$326,570.12	$103,429.88	UB
16ALA04	Berkeley	Berkeley Citywide Bicycle Parking Program	$137,000.00	$94,000.00	$43,000.00	UB
16ALA07	Oakland	CityRacks Bike Rack Program, Phase 12	$124,000.00	$116,621.27	$7,378.73	UB
17ALA04	Berkeley	Hearst Ave Complete Streets	$88,000.00	$59,394.39	$28,605.61	UB
17ALA01	ACTC	Countywide SR2S Program	$100,000.00	$83,197.56	$16,802.44	UB
19ALA03	Alameda County	Hesperian Blvd Class 2 Bike Lanes	$138,000.00	$137,000.00	$1,000.00	UB
19ALA06	Oakland	Broadway Shuttle	$534,000.00	$350,000.00	$184,000.00	UB

TOTAL TFCA FUNDS AVAILABLE FOR REPROGRAMMING **$ 415,816.79**
(Enter this amount in Part B, Line 4.a. of Summary Information form)

** Enter UB (for projects that were completed under budget) and CP (for cancelled project).*

Notes:

1. *BAAQMD staff requested that the CPM funding for project 19ALA06 be limited to funding FY 2019-20 service due to the project having received Spare the Air funding for FY 2018-19. Subsequently, $184K of CPM programmed for FY 2018-19 off-peak service has been removed from the project, leaving a total of $350,000 programmed for FY 2019-20 service.*
2. *A $1,000 adjustment to the $138,000 programmed to 19ALA03 is necessary to keep TFCA cost-effectiveness result below $250K/ton threshold. A total of $137,000 remains programmed to project for future expenditures.*

Alameda CTC TFCA County Program Manager Fund: FY 2019-20 Draft Fund Estimate

Agency	Population (Estimate[1])	% Population	Total % of Funding	A TFCA Funds Available (new this FY)	B Balance from Previous FY	C Programmed Last Cycle	D Funds Available from Closed Projects	E (B-C+D) Rollover (Debits/ Credits)	F (A+E) TFCA Balance (New + Rollover)
Alameda	78,863	4.75%	4.75%	$ 66,836	$ (57,263)	$ 18,574	$ 798	$ (75,039)	$ (8,203)
Alameda County	148,895	8.97%	8.97%	$ 126,188	$ 598,019	$ 295,065	$ 2,506	$ 305,460	$ 431,648
Albany	19,053	1.15%	1.15%	$ 16,147	$ (35,222)	$ 4,413	$ 193	$ (39,442)	$ (23,294)
Berkeley	121,874	7.34%	7.34%	$ 103,288	$ 15,886	$ 28,174	$ 72,839	$ 60,551	$ 163,838
Dublin	63,241	3.81%	3.81%	$ 53,596	$ 180,652	$ 13,870	$ 640	$ 167,422	$ 221,019
Emeryville	11,994	0.72%	0.72%	$ 10,165	$ (92,988)	$ 107,904	$ 121	$ (200,771)	$ (190,606)
Fremont	235,439	14.18%	14.18%	$ 199,533	$ (150,469)	$ 53,835	$ 105,812	$ (98,492)	$ 101,042
Hayward	162,030	9.76%	9.76%	$ 137,320	$ 4,225	$ 37,423	$ 33,239	$ 41	$ 137,361
Livermore	91,411	5.51%	5.50%	$ 77,470	$ 535,069	$ 20,833	$ 925	$ 515,162	$ 592,632
Newark	47,467	2.86%	2.86%	$ 40,228	$ 444,620	$ 10,555	$ 480	$ 434,545	$ 474,773
Oakland	428,827	25.83%	25.82%	$ 363,429	$ 236,464	$ 774,013	$ 195,718	$ (341,831)	$ 21,598
Piedmont	11,318	0.68%	0.71%	$ 10,000	$ 104,241	$ 2,904	$ 119	$ 101,456	$ 111,456
Pleasanton	79,201	4.77%	4.77%	$ 67,122	$ (91,786)	$ 17,642	$ 801	$ (108,626)	$ (41,504)
San Leandro	87,598	5.28%	5.27%	$ 74,239	$ 289,903	$ 20,513	$ 886	$ 270,276	$ 344,514
Union City	72,991	4.40%	4.40%	$ 61,860	$ 336,689	$ 17,069	$ 739	$ 320,358	$ 382,218
TOTAL 70% Cities/County:	**1,660,202**	**100%**	**100%**	**$ 1,407,421**	**$ 2,318,040**	**$ 1,422,788**	**$ 415,817**	**$ 1,311,069**	**$ 2,718,490**

FY 2019-20 TFCA New Revenue	$ 2,042,902
Less 6.25% for Program Administration	*$ (127,681)*
Subtotal New Programming Capacity	$ 1,915,221
Prior FY Program Administration Balance	$ 0
Calendar Year 2018 Interest Earned	$ 95,381
Total New Programming Capacity	$ 2,010,602

	Totals	***Cities/County (Shares) 70%***	***Transit (Discretionary) 30%***
Total New Programming Capacity	$ 2,010,602	$ 1,407,421	$ 603,181
Funds Available from Closed Projects Adjustment	*$ 415,817*	*$ 415,817*	*$ -*
FY 2018-19 Rollover (debit/credit) Adjustment	*$ (0)*	*$ 895,252*	*$ (895,252)*
Total Adjustments[2]	$ 415,817	$ 1,311,069	$ (895,252)
Adjusted Total Available to Program	**$ 2,426,418**	$ 2,718,490	$ (292,072)

Notes:

1. Dept. of Finance (www.dof.ca.gov) population estimates as of 1/01/2018 (released May 2018).
2. Includes TFCA programming actions and returned funds from closed projects as of 10/31/18.

This page intentionally left blank

Appendix D: Board-Adopted Policies for FYE 2020

Adopted November 7, 2018

The following Policies apply to the Bay Area Air Quality Management District's (Air District) Transportation Fund for Clean Air (TFCA) County Program Manager Fund for fiscal year ending (FYE) 2020.

BASIC ELIGIBILITY

1. **Reduction of Emissions:** Only projects that result in the reduction of motor vehicle emissions within the Air District's jurisdiction are eligible.

   Projects must conform to the provisions of the California Health and Safety Code (HSC) sections 44220 et seq. and these Air District Board of Directors adopted TFCA County Program Manager Fund Policies.

   Projects must achieve surplus emission reductions, i.e., reductions that are beyond what is required through regulations, ordinances, contracts, and other legally binding obligations at the time of the execution of a grant agreement between the County Program Manager and the grantee. Projects must also achieve surplus emission reductions at the time of an amendment to a grant agreement if the amendment modifies the project scope or extends the project completion deadline.

2. **TFCA Cost-Effectiveness:** Projects must not exceed the maximum cost-effectiveness (C-E) limit specified in Table 1. Cost-effectiveness ($/weighted ton) is the ratio of TFCA funds awarded to the sum of surplus emissions reduced, during a project's operational period, of reactive organic gases (ROG), nitrogen oxides (NOx), and weighted PM10 (particulate matter 10 microns in diameter and smaller). All TFCA-generated funds (e.g., 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), each component must achieve this cost-effectiveness requirement.

   County Program Manager administrative costs are excluded from the calculation of a project's TFCA cost-effectiveness.

Table 1: Maximum Cost-Effectiveness

Policy No.	Project Category	Maximum C-E ($/weighted ton)
22	Alternative Fuel Light-Duty Vehicles	250,000
23	Reserved	Reserved
24	Alternative Fuel Heavy-Duty Vehicles and Buses	250,000
25	On-Road Goods Movement Truck and Bus Replacements	90,000
26	Alternative Fuel Infrastructure	250,000 500,000*
27	Ridesharing Projects - Existing	150,000
28.a.-h.	Shuttle/Feeder Bus Service – Existing	200,000; 250,000 for services in CARE Areas or PDAs
29.a.	Shuttle/Feeder Bus Service - Pilot	Year 1 - 250,000 Year 2 - see Policy #28.a.-h.
	Shuttle/Feeder Bus Service – Pilot in CARE Areas or PDAs	Years 1 & 2 - 500,000 Year 3 - see Policy #28.a.-h.

29.b.	Pilot Trip Reduction	250,000
30	Bicycle Projects	250,000
31	Bike Share	500,000
32	Arterial Management	175,000
33	Smart Growth/Traffic Calming	175,000

*This higher C-E limit is for projects that install electric vehicle charging stations at multi-dwelling units, transit stations, and park-and-ride lot facilities.

3. **Eligible Projects and Case-by-Case Approval:** Eligible projects are those that conform to the provisions of the HSC section 44241, Air District Board-adopted policies, and Air District guidance. On a case-by-case basis, County Program Managers must receive approval by the Air District for projects that are authorized by the HSC section 44241 and achieve Board-adopted TFCA cost-effectiveness but do not fully meet other Board-adopted Policies.

4. **Consistent with Existing Plans and Programs:** All projects must comply with the Transportation Control and Mobile Source Control Measures included in the Air District's most recently approved strategies for achieving and maintaining State and national ozone standards, those plans and programs established pursuant to HSC sections 40233, 40717, and 40919; and, when specified, other adopted federal, State, regional, and local plans and programs.

5. **Eligible Recipients:** Grant recipients must be responsible for the implementation of the project, have the authority and capability to complete the project, and be an applicant in good standing with the Air District (Policies #8-10).

    a. **Public agencies** are eligible to apply for all project categories.

    b. **Non-public entities** are only eligible to apply for new alternative-fuel (light, medium, and heavy-duty) vehicle and infrastructure projects, and advanced technology demonstrations that are permitted pursuant to HSC section 44241(b)(7).

6. **Readiness:** Projects must commence by the end of calendar year 2020. For purposes of this policy, "commence" means a tangible preparatory action taken in connection with the project's operation or implementation, for which the grantee can provide documentation of the commencement date and action performed. "Commence" includes, but is not limited to, the issuance of a purchase order to secure project vehicles and equipment, commencement of shuttle/feeder bus and ridesharing service, or the delivery of the award letter for a construction contract.

7. **Maximum Two Years Operating Costs for Service-Based Projects:** Unless otherwise specified in policies #22 through #33, TFCA County Program Manager Funds may be used to support up to two years of operating costs for service-based projects (e.g., ridesharing, shuttle and feeder bus service). Grant applicants that seek TFCA funds for additional years must reapply for funding in the subsequent funding cycles.

APPLICANT IN GOOD STANDING

8. **Independent Air District Audit Findings and Determinations:** Grantees who have failed either the fiscal audit or the performance audit for a prior TFCA-funded project awarded by either County Program Managers or the Air District are excluded from receiving an award of any TFCA funds for three (3) years from the date of the Air District's final audit determination in accordance with HSC section 44242 or for a duration determined by the Air District Air Pollution Control Officer (APCO). Existing TFCA funds already awarded to the project sponsor will not be released until all audit recommendations and remedies have been satisfactorily implemented. A failed fiscal audit means a final audit report that includes an uncorrected audit finding that confirms an ineligible expenditure of TFCA funds. A failed performance

audit means that the program or project was not implemented in accordance with the applicable Funding Agreement or grant agreement.

A failed fiscal or performance audit of the County Program Manager or its grantee may subject the County Program Manager to a reduction of future revenue in an amount equal to the amount which was inappropriately expended pursuant to the provisions of HSC section 44242(c)(3).

9. **Authorization for County Program Manager to Proceed:** Only a fully executed Funding Agreement (i.e., signed by both the Air District and the County Program Manager) constitutes the Air District's award of County Program Manager Funds. County Program Managers may incur costs (i.e., contractually obligate itself to allocate County Program Manager Funds) only after the Funding Agreement with the Air District has been executed.
10. **Maintain Appropriate Insurance:** Both the County Program Manager and each grantee must obtain and maintain general liability insurance, workers compensation insurance, and additional insurance as appropriate for specific projects, with required coverage amounts provided in Air District guidance and final amounts specified in the respective grant agreements.

INELIGIBLE PROJECTS

11. **Duplication:** Projects that have previously received TFCA Regional or County Program Manager funds and do not propose to achieve additional emission reductions are not eligible.
12. **Planning Activities:** The costs of preparing or conducting feasibility studies are not eligible. Planning activities are not eligible unless they are directly related to the implementation of a project or program that result in emission reductions.
13. **Reserved.**
14. **Cost of Developing Proposals:** The costs to prepare grant applications are not eligible.

USE OF TFCA FUNDS

15. **Combined Funds**: TFCA County Program Manager Funds may not be combined with TFCA Regional Funds to fund a County Program Manager Fund project. Projects that are funded by the TFCA County Program Manager Fund are not eligible for additional funding from other funding sources that claim emissions reduction credits. However, County Program Manager-funded projects may be combined with funds that do not require emissions reductions for funding eligibility.
16. **Administrative Costs**: The County Program Manager may not expend more than 6.25 percent of its County Program Manager Funds for its administrative costs. The County Program Manager's costs to prepare and execute its Funding Agreement with the Air District are eligible administrative costs. Interest earned on County Program Manager Funds shall not be included in the calculation of the administrative costs. To be eligible for reimbursement, administrative costs must be clearly identified in the expenditure plan application and in the Funding Agreement, and must be reported to the Air District.
17. **Expend Funds within Two Years:** County Program Manager Funds must be expended within two (2) years of receipt of the first transfer of funds from the Air District to the County Program Manager in the applicable fiscal year, unless a County Program Manager has made the determination based on an application for funding that the eligible project will take longer than two years to implement. Additionally, a County Program Manager may, if it finds that significant progress has been made on a project, 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, if the Air District finds that significant progress has been made on a project, and the Funding Agreement is amended to reflect the revised schedule.

18. **Unallocated Funds:** Pursuant to HSC 44241(f), any County Program Manager Funds that are not allocated to a project within six months of the Air District Board of Directors approval of the County Program Manager's Expenditure Plan may be allocated to eligible projects by the Air District. The Air District shall make reasonable effort to award these funds to eligible projects in the Air District within the same county from which the funds originated.
19. Reserved.
20. Reserved.
21. Reserved.

ELIGIBLE PROJECT CATEGORIES

22. **Alternative Fuel Light-Duty Vehicles:**

    These projects are intended to accelerate the deployment of qualifying alternative fuel vehicles that operate within the Air District's jurisdiction. All of the following conditions must be met for a project to be eligible for TFCA funds:

    a. Vehicles must be new (model year 2019 or newer), and have a gross vehicle weight rating (GVWR) of 14,000 lbs. or lighter.
    b. Vehicles must be:
        i. hybrid-electric, electric, or fuel cell vehicles that are approved by the California Air Resources Board (CARB) for on-road use
        ii. neighborhood electric vehicles (NEV) as defined in the California Vehicle Code.
    c. Vehicles must be maintained and operated within the Air District's jurisdiction.
    d. The amount of TFCA funds awarded may not exceed 90% of the project's cost after all other grants and applicable manufacturer and local/state/federal rebates and discounts are applied.

    Vehicles that are solely powered by gasoline, diesel, or natural gas, and retrofit projects are not eligible.

    Grantees may request authorization of up to 100% of the TFCA Funds awarded for each vehicle to be used to pay for costs directly related to the purchase and installation of alternative fueling infrastructure and/or equipment used to power the new vehicle.

23. **Reserved.**
24. **Alternative Fuel Heavy-Duty Vehicles and Buses:**

    These projects are intended to accelerate the deployment of qualifying alternative fuel vehicles that operate within the Air District's jurisdiction. If replacing heavy-duty vehicles and buses with light-duty vehicles, light-duty vehicles must meet Policy #22. All of the following conditions must be met for a project to be eligible for TFCA Funds:

    a. Vehicles must be new (model year 2019 or newer), and either have a GVWR greater than 14,000 lbs or are classified as urban buses.
    b. Vehicles must be hybrid-electric, electric, or hydrogen fuel cell vehicles approved by the CARB.
    c. Vehicles must be maintained and operated within the Air District's jurisdiction.

d. The amount of TFCA funds awarded may not exceed 90% of the project's cost after all other grants and applicable manufacturer and local/state/federal rebates and discounts are applied.

Vehicles that are solely powered by gasoline, diesel, or natural gas and retrofit projects are not eligible.

Grantees may request authorization of up to 100% of the TFCA Funds awarded for each vehicle to be used to pay for costs directly related to the purchase and installation of alternative fueling infrastructure and/or equipment used to power the new vehicle.

Projects that seek to replace a vehicle in the same weight-class as the proposed new vehicle, may qualify for additional TFCA funding. Costs related to the scrapping and/or dismantling of the existing vehicle are not eligible for reimbursement with TFCA funds.

25. **On-Road Goods Movement Truck and Bus Replacements:** The project will replace Class 6, Class 7, and Class 8 diesel-powered trucks and buses that have a gross vehicle weight rating (GVWR) of 19,501 lbs. or greater (per vehicle weight classification definition used by Federal Highway Administration (FHWA) with new or used trucks and buses that have an engine certified to the 2010 CARB emissions standards or cleaner. Eligible vehicles are those that are used for goods movement as defined by CARB. The existing truck(s) or bus(es) to be replaced must be registered with the California Department of Motor Vehicles (DMV) to an address within the Air District's jurisdiction, and must be scrapped after replacement.

26. **Alternative Fuel Infrastructure:**

    Eligibility: 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 (i.e., electric vehicle, hydrogen). This includes upgrading or modifying private fueling/charging sites or stations to allow public and/or shared fleet access. TFCA funds may be used to cover the cost of equipment and installation. TFCA funds may also be used to upgrade infrastructure projects previously funded with TFCA funds as long as the equipment was maintained and has exceeded the duration of its useful life after being placed into service.

    Equipment and infrastructure must be designed, installed, and maintained as required by the existing recognized codes and standards and as approved by the local/state authority.

    TFCA funds may not be used to pay for fuel, electricity, operation, and maintenance costs. Projects that include installation of charging stations at multi-dwelling units, transit stations, and park-and-ride lot facilities qualify for funding at a higher cost-effectiveness limit (see Policy #2).

27. **Existing Ridesharing Services:** The project will 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. Projects that provide a direct or indirect financial transit or rideshare subsidy *exclusively* to employees of the grantee are not eligible.

28. **Existing Shuttle/Feeder Bus Service:**

    These projects are intended to reduce single-occupancy vehicle trips by providing short-distance connections. All of the following conditions must be met for a project to be eligible for TFCA funds:

    a. The service must provide direct connections between a mass transit hub (e.g., a rail or Bus Rapid Transit (BRT) station, ferry or bus terminal, or airport) and a distinct commercial or employment location.
    b. The service's schedule, which is not limited to commute hours, must be coordinated to have a timely connection with corresponding mass transit service.

c. The service must be available for use by all members of the public.

d. TFCA funds may be used to fund only shuttle services to locations that are under-served and lack other comparable service. For the purposes of this policy, "comparable service" means that there exists, either currently or within the last three years, a direct, timed, and publicly accessible service that brings passengers to within one-third (1/3) mile of the proposed commercial or employment location from a mass transit hub. A proposed service will not be deemed "comparable" to an existing service if the passengers' proposed travel time will be at least 15 minutes shorter and at least 33% shorter than the existing service's travel time to the proposed destination.

e. Reserved.

f. Grantees must be either: 1) a public transit agency or transit district that directly operates the shuttle/feeder bus service; or (2) a city, county, or any other public agency.

g. Applicants must submit a letter of concurrence from all transit districts or transit agencies that provide service in the area of the proposed route, certifying that the service does not conflict with existing service.

h. Each route must meet the cost-effectiveness requirement in Policy #2. Projects that would operate in Highly Impacted Communities or Episodic Areas as defined in the Air District Community Air Risk Evaluation (CARE) Program, or in Priority Development Areas (PDAs), may qualify for funding at a higher cost-effectiveness limit (see Policy #2).

29. **Pilot Projects:**

a. **Pilot Shuttle/Feeder Bus Service Projects:**

These projects are new shuttle/feeder bus service routes that are at least 70% unique and where no other service was provided within the past three years. In addition to meeting the conditions listed in Policy #28.a.-h. for shuttle/feeder bus service, project applicants must also comply with the following application criteria and agree to comply with the project implementation requirements:

i. Provide data and other evidence demonstrating the public's need for the service, including a demand assessment survey and letters of support from potential users. Project applicants must agree to conduct a passenger survey for each year of operation.

ii. Provide written documentation of plans for financing the service in the future;

iii. Provide a letter from the local transit agency denying service to the project's proposed service area, which includes the basis for denial of service to the proposed areas. The applicant must demonstrate that the project applicant has attempted to coordinate service with the local service provider and has provided the results of the demand assessment survey to the local transit agency. The applicant must provide the transit service provider's evaluation of the need for the shuttle service to the proposed area.

iv. Pilot projects located in Highly Impacted Communities as defined in the Air District CARE Program and/or a Planned or Potential PDA may receive a maximum of three years of TFCA Funds under the Pilot designation. For these projects, the project applicants understand and must agree that such projects will be evaluated every year, and continued funding will be contingent upon the projects meeting the following requirements:

1. During the first year and by the end of the second year of operation, projects must not exceed a cost-effectiveness of $500,000/ton, and
2. By the end of the third year of operation, projects must meet all of the requirements, including cost-effectiveness limit, of Policy #28.a.-h. (existing shuttles).

v. Projects located outside of CARE areas and PDAs may receive a maximum of two years of TFCA Funds under this designation. For these projects, the project applicants understand and must agree that such projects will be evaluated every year, and continued funding will be contingent upon the projects meeting the following requirements:

1. By the end of the first year of operation, projects shall meet a cost-effectiveness of $250,000/ton, and
2. By the end of the second year of operation, projects shall meet all of the requirements, including cost-effectiveness limit, of Policy #28.a.-h. (existing shuttles).

b. **Pilot Trip Reduction:**

The project will reduce single-occupancy commute-hour vehicle trips by encouraging mode-shift to other forms of shared transportation. Pilot projects are defined as projects that serve an area where no similar service was available within the past three years, or will result in significantly expanded service to an existing area. Funding is designed to provide the necessary initial capital to a public agency for the start-up of a pilot project so that by the end of the third year of the trip reduction project's operation, the project will be financially self-sustaining or require minimal public funds, such as grants, to maintain its operation:

i. Applicants must demonstrate the project will reduce single-occupancy commute-hour vehicle trips and result in a reduction in emissions of criteria pollutants;

ii. The proposed service must be available for use by all members of the public;

iii. Applicants must provide a written plan documenting steps that would be taken to ensure that the project will be financially self-sustaining or require minimal public funds to maintain its operation by the end of the third year;

iv. If the local transit provider is not a partner, the applicant must demonstrate that they have attempted to have the service provided by the local transit agency. The transit provider must have been given the first right of refusal and determined that the proposed project does not conflict with existing service;

v. Applicants must provide data and any other evidence demonstrating the public's need for the service, including a demand assessment survey and letters of support from potential users;

vi. Pilot trip reduction projects that propose to provide ridesharing service projects must comply with all applicable requirements in policy #27.

30. **Bicycle Projects:**

New bicycle facility projects or upgrades to an existing bicycle facility that are included in an adopted countywide bicycle plan, Congestion Management Program (CMP), countywide transportation plan (CTP), city plan, or the Metropolitan Transportation Commission's (MTC) Regional Bicycle Plan are eligible to receive TFCA funds. Projects that are included in an adopted city general plan or area-specific plan must specify that the purpose of the bicycle facility is to reduce motor vehicle emissions or traffic congestion.

Eligible projects are limited to the following types of bicycle facilities for public use that result in motor vehicle emission reductions:

a. Class I Bikeway (bike path), new or upgrade improvement from Class II or Class III bikeway;
b. New Class II Bikeway (bike lane);
c. New Class III Bikeway (bike route);
d. Class IV Bikeway (separated bikeway), new or upgrade improvement from Class II or Class III bikeway;
e. Bicycle racks, including bicycle racks on transit buses, trains, shuttle vehicles, and ferry vessels;
f. Electronic bicycle lockers;
g. Capital costs for attended bicycle storage facilities; and
h. Purchase of two-wheeled or three-wheeled vehicles (self-propelled or electric), plus mounted equipment required for the intended service and helmets.

All bicycle facility projects must, where applicable, be consistent with design standards published in the California Highway Design Manual, or conform to the provisions of the Protected Bikeway Act of 2014.

31. **Bike Share:**

Projects that 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 are eligible for TFCA funds, subject to all of the following conditions:

a. Projects must either increase the fleet size of existing service areas or expand existing service areas to include new Bay Area communities.
b. Projects must have a completed and approved environmental plan and a suitability study demonstrating the viability of bicycle sharing.
c. Projects must have shared membership and/or be interoperable with the Bay Area Bike Share (BABS) project when they are placed into service, in order to streamline transit for end users by reducing the number of separate operators that would comprise bike trips. Projects that meet one or more of the following conditions are exempt from this requirement:
   i. Projects that do not require membership or any fees for use, or
   ii. Projects that were provided funding under MTC's Bike Share Capital Program to start a new or expand an existing bike share program; or.
   iii. Projects that attempted to coordinate with, but were refused by, the current BABS operator to have shared membership or be interoperable with BABS. Applicants must provide documentation showing proof of refusal.

Projects may be awarded FYE 2020 TFCA funds to pay for up to five years of operations.

32. **Arterial Management:**

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. Projects that provide routine maintenance (e.g., responding to citizen complaints about malfunctioning signal equipment) are not eligible to receive TFCA funds. Incident management projects on arterials are eligible to receive TFCA funds. Transit improvement projects include, but are not limited to, bus rapid transit and transit priority projects. Signal timing projects are eligible to receive TFCA funds. Each arterial segment must meet the cost-effectiveness requirement in Policy #2.

33. **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.

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. If a project is exempt from preparing an environmental plan as determined by the public agency or lead agency, then that project has met this requirement.

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

This page intentionally left blank