

**-TFCA REGIONAL FUND POLICIES
AND EVALUATION CRITERIA FOR FYE 20156**

The following policies apply to the Transportation Fund for Clean Air (TFCA) Regional Fund for fiscal year ending (FYE) 2016.

BASIC ELIGIBILITY

- Eligible Projects:** 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 Air District Board of Directors adopted TFCA Regional Fund Policies and Evaluation Criteria for FYE 20156.

Projects must achieve surplus emissions reductions within the Bay Area Air Quality Management District’s (Air District) jurisdiction, i.e., reductions that are beyond what is required ~~through by~~ regulations, contracts, and other legally binding obligations ~~both a) at the time the Air District Board of Directors approves a funding allocation and b) at the time the Air District executes the project’s funding agreement.~~

~~Under certain circumstances following approval of the project by the Board of Directors, the Air District may approve modifications of the approved project or of the terms of the grant agreement. The Air District will evaluate whether the proposed modification will: reduce the amount of emission the originally approved project was designed to achieve; will negatively affect the cost-effectiveness of the project; or will otherwise render the project ineligible (“major modification”). The Air District may approve the proposed major modification if the Air District determines that the project, as modified, will continue to achieve surplus emission reductions, based on the regulations, contracts, and other legally binding obligations in effect at the time of the proposed modification. The Air District may approve minor modifications, such as to correct mistakes in the grant agreement or to change the grantee, without a re-evaluation of the proposed modification in light of the regulations, contracts, and other legally binding obligations in effect at the time of the proposed minor modification.~~

- TFCA Cost-Effectiveness:** ~~Unless otherwise noted below, p~~Projects must not exceed a the maximum cost-effectiveness (C-E) ~~of \$90,000 per ton noted in table 1.~~ Cost-effectiveness (\$/weighted ton) is based on the ratio of TFCA-generated funds awarded divided by the sum ~~total tons~~ of surplus reactive emissions reduced of reactive organic gases (ROG), ~~oxides of~~ nitrogen oxides (NO_x), and weighted PM₁₀ (particulate matter 10 microns in diameter and smaller) ~~reduced (\$/ton).~~

~~Certain project categories further specify the eligible funding amount per item (for example, \$/vehicle) which is based on the cost-effectiveness levels below. Table 1: Maximum Cost-Effectiveness for FYE 2016 TFCA Regional Fund Projects~~

<u>Policy #</u>	<u>Project Category</u>	<u>Maximum C-E Level Maximum (\$/weighted ton)</u>
24 <u>22</u>	<u>On-Road Truck Replacements</u>	\$90,000
22 <u>23</u>	<u>Light-Duty Zero and Partial-Zero Emissions Vehicles for Fleets</u>	\$250,000
23 <u>24</u>	<u>Heavy-Duty Zero Emissions Vehicles</u>	\$250,000
24 <u>25</u>	<u>Alternative Fuel Infrastructure (Hydrogen and CNG)</u>	\$500,000
25 <u>26</u>	<u>Reserved</u>	Reserved
26 <u>27</u>	<u>Reserved</u>	Reserved
27 <u>28</u>	<u>Shuttle/Feeder Bus Services</u> —Existing	<u>\$175,000;</u> \$125,000 <u>200,000 for services in CARE Areas or PDAs</u>
28 <u>28</u>	<u>Shuttle/Feeder Bus Service</u> —Pilot	<u>Year 1—\$200,000</u> <u>Year 2—\$125,000</u>
28 <u>29</u>	<u>Pilot Trip Reduction Shuttle/Feeder Bus Services</u> — <u>Pilot</u> in CARE areas or Priority Development Areas	<u>\$200,000 Year 1—\$500,000</u> <u>Year 2—\$200,000</u>

	(PDAs)	Year 3 —\$125,000
29 30	Regional Ridesharing <u>Services</u>	\$90,000
30 31	Electronic Bicycle Lockers	\$90,000
31 32	Reserved <u>Bicycle Facilities</u>	Reserved <u>\$90,000</u>

3. **Consistent with Existing Plans and Programs:** All project categories must comply with the ~~t~~Transportation ~~e~~Control ~~measures~~ and ~~m~~Mobile ~~s~~Source ~~e~~Control measures included in the Air District's most recently approved strategy(ies) for achieving and maintaining State and national ozone standards, ~~;~~ those plans and programs established pursuant to California Health & Safety Code (HSC) sections 40233, 40717 and 40919, ~~;~~ and, when specified, ~~with~~ other adopted Federal, State, regional, and local plans and programs.
4. **Eligible Recipients and Authority to Apply:** ~~Grant recipients~~ Applicants must ~~be responsible for the implementation of the project,~~ have the legal authority ~~and,~~ as well as the financial and technical capability, to complete ~~the projects,~~ Applicants must also ~~and be an applicant~~ in good standing with the Air District (Policies #11, #12 and #123). In addition, the following conditions apply:
 - a. **Eligible Recipients:**
 - i. **Public agencies** are eligible to apply for all project categories.
 - ii. **Non-public entities** are only eligible to apply for Clean Air Vehicle Projects ~~new alternative fuel (light, medium, and heavy duty) vehicle projects,~~ and advanced technology demonstrations that are permitted pursuant to HSC section 44241b(7).
 - b. **Authority to Apply:** Applications must include either: 1) a signed letter of commitment from the applicant's representative with authority to enter into a funding agreement and to carry out the project (e.g., Chief Executive or Financial Officer, Executive Director, or City Manager), ~~;~~ or 2) a signed resolution from the governing body (e.g., City Council, Board of Supervisors, or Board of Directors) authorizing the submittal of the application and authorizing the project to be carried out.
5. **Viable Project and Matching Funds:** Applicants must demonstrate that they have adequate funds to cover all stages of projects from commencement through completion. Unless otherwise provided for specified otherwise in the policies ~~for the specific project category (# 22 through 32 which are listed below),~~ project applicants must demonstrate include in the application evidence that they have of at least 10% of the total eligible project costs ~~available~~ (matching funds) from a non-Air District source available and ready to commit to the proposed projects that equal or exceed at least 10% of the total eligible project costs.
6. **Minimum Grant Amount:** \$10,000 per project.
7. **Maximum Grant Amount:** ~~Maximum award per calendar year:~~
 - a. **Each public agency** may be awarded up to \$1,500,000 per calendar year, ~~;~~ and
 - b. **Each non-public entity** may be awarded a total of up to \$500,000 per calendar year for projects in categories #22 –24. F, ~~except for project sponsors~~ applicants -who propose projects in category # 24 5. Alternative Fuel Infrastructure, ~~Deployment, the maximum funding limit is increased which may be awarded~~ up to \$1,250,000, however any additional funding requested above the \$500,000 limit may only be awarded to projects in category #25.
8. **Readiness:** Unless otherwise specified in policies # 22 through 32, P projects must commence by the end of calendar year 2015 6. For purposes of this policy, "eCommence" includes any tangible preparatory actions taken in connection with the project's operation or implementation, for which the Project Sponsors can provide documentation of the commencement date and action performed. ~~For purposes of this policy, "e~~Commence" can mean 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.
9. **Maximum Two Years Operating Costs:** FYE 2016 TFCA Regional Funds may be used to support up to two years of operating costs for Sservice-based projects (such as i.e., shuttle/feeder bus and ridesharing Trip

~~Reduction Services programs, may receive TFCA Regional Funds for up to two (2) years of operation or implementation.) Projects that request up to \$100,000 annually in TFCA Regional Funds are eligible to apply for two (2) years of funding. Projects that request more than \$100,000 annually in TFCA Regional Funds are eligible for only one (1) year of funding.~~

- ~~10. **Project Revisions:** Project revisions initiated by the project sponsor that significantly change the project before the allocation of funds by the Air District Board of Directors may not be accepted. Following Air District Board of Directors allocation of funds for a project, an applicant may request revisions to that project that the applicant deems necessary or advisable to carry out the purposes of the project, based on information the applicant received after the Board's allocation of funding. The Air District will consider only requests for modifications to approved projects that are within the ~~eligible~~ same project categories ~~y as the original project, meet~~ achieve the same or better cost-effectiveness, ~~as that of the original project application,~~ comply with all TFCA Regional Fund Policies ~~applicable for the original project,~~ and are in compliance with all applicable ~~Federal and State laws, applicable to the revised project~~ and District rules and regulations. The Air District may also approve minor modifications, such as to correct typographical mistakes in the grant agreements or to change the name of the grantees, without re-evaluating the proposed modification in light of the regulations, contracts, and other legally-binding obligations that are in effect at the time the minor modification was proposed.~~

APPLICANT IN GOOD STANDING

- ~~11. **In Compliance with Air Quality Regulations:** Applicants and projects sponsors who have an unresolved violation of District, state or Federal air quality rules or regulations are not eligible for funding. Project sponsors must remain in compliance with all District, state or Federal air quality rules or regulations throughout the term of the project.~~

- ~~10.12. **In Compliance with Agreement Requirements:** Project sponsors who have failed to meet project implementation milestones or who have failed to fulfill monitoring and reporting requirements for any project funded by the Air District may not be considered eligible for new funding until such time as all of the unfulfilled obligations are met.~~

- ~~11.13. **Independent Air District Audit Findings and Determinations:** Project sponsors who have failed either a fiscal audit or a performance audit for a prior Air District funded project will be excluded from future funding for five (5) years from the date of the Air District's final determination in accordance with HSC section 44242. Additionally, project sponsors with open projects will not be reimbursed for those projects until all audit recommendations and remedies have been satisfactorily implemented.~~

~~A failed fiscal audit means an uncorrected audit finding that confirms an ineligible expenditure of funds. A failed performance audit means that a project was not implemented as set forth in the project funding agreement.~~

~~Project sponsors must return funds that the Air District ~~Reimbursement is required where it has been~~ determined ~~that funds~~ were expended in a manner contrary to the TFCA Regional Funds' requirements and/or requirements of HSC Code section 44220 et seq.; the project did not result in a reduction of air pollution from the mobile sources or transportation control measures pursuant to the applicable plan; the funds were not spent for reduction of air pollution pursuant to a plan or program to be implemented by the TFCA Regional Fund; or otherwise failed to comply with the approved project scope, as set forth in the project funding agreement. ~~An a~~ Applicants who failed to reimburse such funds to the Air District from a prior Air District funded projects will be excluded from future TFCA funding until corrected.~~

- ~~12.14. **Signed Funding Agreement:** Only a fully-executed funding agreement (i.e., signed by both the project sponsor and the Air District) constitutes the Air District's award of funds for a project. Approval of an application for the project by the Air District Board of Directors or notices such as a transmittal letter announcing the proposed award ~~does~~ not constitute a final obligation on the part of the Air District to fund a project.~~

~~Project sponsors~~ Applicants must sign ~~a funding agreements~~ within 60 days from the date ~~it the agreements has been were~~ transmitted to them in order to remain eligible for award of TFCA Regional Funds.

Applicants may request, in writing, an extension of up to no more than 180 days from the ~~transmittal date to sign the grant agreements, which includes the basis for an extended signature period.~~ At its discretion, the Air District may authorize such an extension, ~~of up to a total period of 180 days from the transmittal because of circumstances beyond project sponsor's reasonable control.~~

~~13.15. Insurance:~~ Each ~~p~~Project sponsors must maintain general liability insurance and ~~such~~ additional insurance that is appropriate for its specific specific projects type throughout the life of the project, with coverage being no less than the amounts specified in the respective funding agreements ~~s throughout the life of the project.~~ ~~A p~~Project sponsors shall require ~~its~~ their subcontractors to obtain and maintain such insurance of the type and in the amounts required by the grant agreements.

INELIGIBLE PROJECTS

~~14.16. Planning Activities:~~ The costs of preparing or conducting ~~F~~feasibility studies ~~and other planning studies are not eligible for funding by the Air District. In addition, land use projects (i.e., Smart Growth, Traffic Calming, and Arterial Management) that have no~~ for land use projects (i.e., Bicycle Facility, Smart Growth, Traffic Calming, and Arterial Management) that have not ~~t~~completed ~~the a~~ Preliminary Design phase ~~are not eligible.~~ Funding may not be used for any ~~Other~~ planning activities may be eligible, but only if the activities are both: 1) directly related to the implementation of a specific project or program, and 2) directly contribute to the project's emissions reductions.

~~15.17. Cost of Developing Proposals and Grant Applications:~~ The costs to ~~develop proposals or~~ prepare grant applications are not eligible ~~for TFCA Regional Funds.~~

~~16.18. Duplication:~~ Projects that have previously received TFCA Regional or County Program Manager-generated funds ~~and that therefore~~ do not propose to achieve additional emission reductions are not eligible.

~~Combining TFCA County Program Manager Funds with TFCA Regional Funds to achieve greater emission reductions for a single project is not considered project duplication.~~

USE OF TFCA FUNDS

~~17.19. Combined Funds:~~ ~~TFCA County Program Manager Funds may be combined with TFCA Regional Funds to fund a project that is eligible and meets the criteria for funding under both Funds. For the purpose of calculating the TFCA cost effectiveness, the combined sum of TFCA County Program Manager Funds and TFCA Regional Funds shall be used to calculate the TFCA cost of the project. Unless otherwise specified in policies # 22 through 32, TFCA County Program Manager Funds may not be combined with TFCA Regional Funds to fund a TFCA Regional Fund project.~~

~~18.20. Administrative Costs:~~ Unless otherwise specified in policies # 22 through 32, Unless provided for otherwise in the policies and priorities for the specific project category (which are listed below), TFCA Regional Funds may not be used to pay for administrative costs (i.e., the costs associated with administering a TFCA Regional Fund grant). In cases where administrative costs may be paid for by TFCA Regional Funds, they are limited to a maximum of five percent (5%) of total TFCA Regional Funds expended on a project and are only available to projects sponsored by public agencies. ~~Electronic bicycle locker projects are not eligible for administrative costs.~~ To be eligible for reimbursement, administrative costs must be clearly identified in the ~~application~~ project budget at the time of application and in the funding agreement between the Air District and the project sponsor.

~~19.21. Expend Funds within Two Years:~~ Project sponsors must expend the awarded funds within two (2) years of ~~the effective dates of the funding grant agreements.~~ Project sponsors may request a longer period in grant applications or after projects are approved and grant agreements are executed, before the end of the agreements' second year. If, unless the Air District approves a longer period, the parties shall memorialize

~~the approval and length of the extension~~ is formally (i.e., in writing) ~~approved in advance by the Air District~~ in ~~a the funding grant~~ agreement or ~~in~~ an amendment to the ~~executed funding grant~~ agreement.

ELIGIBLE PROJECT CATEGORIES

The TFCA Regional Fund provides funding for specific types of projects that fall within its funding categories. To be eligible for TFCA Regional funding, a proposed project must meet the purposes and requirements for the particular category’s type of project.

Clean Air Vehicle Projects

~~20.22. On-Road Truck Replacement Projects:~~ The Eligible projects will ~~replace~~ Class 6 , Class 7, or Class 8 (19,501 lb. GVWR or greater) diesel-powered trucks with new or used trucks that have an engine certified to the 2010 California Air Resources Board (CARB) emissions standards or cleaner. The existing trucks must be registered with the California Department of Motor Vehicles (DMV) to an Bay Area address within the Air District’s jurisdiction, and must be scrapped after replacement.

~~21.23. Light-Duty Zero and Partial-Zero Emissions Vehicles for Fleets:~~ These projects ~~will~~ are intended to accelerate the deployment of ~~high-mileage~~ zero and partial zero-emissions light-duty vehicles ~~in medium and large sized fleets~~ in high-mileage fleets. ~~The following additional conditions must also be met:~~

- a. Each project (fleet deployment) must consist of the purchase or lease of three or more ~~new~~ vehicles registered to a single owner;
- b. Each vehicle must be new (a 2014-2015 model year or newer) and have a gross vehicle weight rating (GVWR) of 14,000 lbs. or lighter;
- c. Each vehicle must be maintained and operated within the Air District’s jurisdiction for a minimum of three years and achieve the placed into a service route that meets the required minimum average annual-mileage requirement as shown in table 2; ~~and~~
- d. Eligible vehicle types include the plug-in hybrid-electric, plug-in electric, and fuel cell certified by the CARB as meeting super-ultra low emission vehicle (SULEV) or zero-emission vehicle (ZEV) standard; ~~and~~
- e. Project sponsors may request authorization for up to \$5,000 of the TFCA Funds awarded to each vehicle to pay for costs directly related to the purchase and installation of alternative fueling infrastructure and/or equipment used to power the vehicle.

Table 2: ~~The m~~Maximum award ~~Award amount~~ Amount per ~~vehiele~~ Vehicle ~~is listed below:~~

GVWR	Vehicle Type	Average Annual Mileage/Vehicle			
		15,000 – 24,999 miles per year	25,000 – 34,999 miles per year	35,000 – 44,999 miles per year	45,000 or more miles per year
8,500 or lighter	SULEV	\$0 \$1,250	\$0 \$2,500	\$3,500	\$4,500
	ZEV	\$4,000	\$6,500	\$8,500	\$10,500
8,501 – 14,000	SULEV	\$6,000	\$8,000	\$10,000	\$12,000
	ZEV	\$10,000	\$12,000	\$14,000	\$16,000

Non-plug-in hybrid gasoline, compressed natural gas, and diesel vehicles, and non-CARB approved or certified retrofit projects are not eligible.

The amount of TFCA funds awarded may not exceed the “incremental cost” of the project after all other applicable manufacturer and local/state/federal rebates and discounts are applied, ~~tax credits, and cash equivalent incentives are applied~~. “Incremental cost” is the difference in cost between the purchase or

lease price of the new vehicle, which is the Project, and ~~/or retrofit and its~~ the Project's new conventional vehicle counterpart, where the new vehicle must be cleaner than the current emission standards of its new conventional vehicle counterpart. ~~that meets, but does not exceed, current emissions standards.~~

~~22.24.~~ **Heavy-Duty Zero Emissions Vehicles:** These projects ~~will are intended to~~ accelerate the deployment of ~~high mileage~~ zero emissions heavy-duty vehicles. ~~The following additional conditions must also be met:~~

- ~~a.~~ Vehicles must be new ~~Only new purchases or leases qualify;~~
- ~~a.~~ Each vehicle must be a (2014~~5~~ model year or newer), and have a GVWR of greater than 14,000 lbs.;
- ~~b.~~ Vehicles may be purchased or leased;
- ~~c.~~ Each vehicle must be maintained and operated within the Air District's jurisdiction for a minimum of three years and achieve the ~~placed into a service route that meets the required~~ minimum average annual mileage requirement as shown in table 3; and
- ~~d.~~ Eligible vehicle types include zero emissions (electric ~~or and~~ fuel cell technologies) that are certified by the CARB.
- ~~d.e.~~ Project sponsors may request authorization for up to \$5,000 of the TFCA Funds awarded to each vehicle to pay for costs directly related to the purchase and installation of alternative fueling infrastructure and/or equipment used to power the vehicle.

Table 3: Maximum Award Amount per Vehicle

GVWR/Intended Service Class	Average Annual Mileage/Vehicle		
	15,000 – 29,999 miles per year	30,000 – 44,999 miles per year	45,000 or more miles per year
14,001 – 33,000	\$12,500	\$25,000	\$40,000
33,000+	\$20,000	\$40,000	\$60,000
URBAN BUS	\$15,000	\$30,000	\$45,000

In addition, projects that seek to replace an equivalent weight-class model year 2000-2006 vehicle and have documented at least two years of annual mileage records, may qualify for up to an additional \$15,000 in TFCA funding. Costs related to the scrapping and/or dismantling of the existing vehicle are not eligible for reimbursement with TFCA funds.

Gasoline, compressed natural gas, diesel, hybrid vehicles, and non-CARB approved or certified retrofit projects are not eligible.

The amount of TFCA funds awarded may not exceed the “incremental cost” of the project after all other applicable manufacturer and local/state/federal rebates and discounts are applied, ~~tax credits, discounts, and cash equivalent incentives are applied.~~ “Incremental cost” is the difference in cost between the purchase or lease price of the vehicle, which is the Project and ~~/or retrofit and its~~ the Project's new conventional vehicle counterpart, where the new vehicle must be cleaner than the current emission standards of its new conventional vehicle counterpart.

~~that meets, but does not exceed, current emissions standards.~~

~~23.25.~~ **Alternative Fuel Infrastructure:** These projects ~~will are intended to~~ accelerate the deployment of hydrogen and compressed natural gas (CNG) fueling stations. Funding may be used for the purchase and installation of equipment for new dispensing facilities and for upgrades and improvements that expand access to existing refueling sites. ~~The following additional conditions must also be met:~~

- a. Stations must be located within the Air District's jurisdiction and be available and accessible to the public;
- b. Equipment and infrastructure must be designed, installed, and maintained as required by the existing recognized codes and standards, and be approved by the local/state authority; ~~and~~

- c. Each station must be maintained and operated for a minimum of three years and achieve the minimum usage requirement;
- d. TFCA funding may not be used to pay for fuel or on-going ~~operations~~ operating and maintenance costs; and
- ~~d.e.~~ TFCA funding is limited to 25% of the total project cost and may not exceed a maximum award amount of \$300,000 per station for hydrogen projects and \$200,000 per station for CNG projects.

Additionally, ~~for hydrogen stations~~: proposed hydrogen stations must have received at least a passing score and/or received approval for funding from a State or Federal agency;

~~24.26.~~ Reserved.

~~25.27.~~ Reserved.

Trip Reduction Services ~~Shuttle/Feeder Bus Service Projects~~

~~26.28.~~ Shuttle/Feeder Bus Services — Existing: These projects ~~are intended to~~ will reduce single-occupancy vehicle commute-hour trips by providing the short-distance connection between a mass transit hub and one or more definable commercial hub or employment centers: ~~all of the following conditions must be met for a project to be eligible for TFCA Regional Funds~~:

- a. The ~~project's route~~ service must provide ~~connections~~ direct service only between a mass transit hubs, e.g., a rail or Bus Rapid Transit (BRT) station, ferry or bus terminal, or airport, and a distinct commercial or employment areas;
- b. The ~~project's~~ service's schedule must ~~be coordinate~~ aligned with the ~~transit~~ schedules of the corresponding ~~connecting~~ mass transit service;
- c. The service must be available for use by all members of the public;

— TFCA Regional Funds may be used to fund only shuttle services to locations that are under-served and lack adequate transit service. For the purposes of this policy, "adequate transit service" means that there exists, either currently or within the last three years, a direct and publicly accessible service that brings passengers to within 0.5 miles of the proposed commercial or employment location from a mass transit hub with a frequency of service of 30 minutes or less. The project may not duplicate existing local transit service or service that existed along the project's route within the last three years. "Duplication" of service means establishing a shuttle route where there is an existing transit service stop within 0.5 miles of the commercial hub or business center and that can be reached by pedestrians in 20 minutes or less.

- d. Projects that propose to increase service frequency to an area that has existing service may only be considered for funding if the proposed service increases frequency of service to less than 30 minutes.

For shuttle routes that serve more than one location, only the portion of service to locations determined to lack other adequate transit service are eligible for TFCA funding. Documentation showing the percentage of ridership using the service to reach those locations must be submitted along with the Application.

~~Projects that propose to increase service frequency to an area that has existing service may be considered for funding if the increased frequency would reduce the commuter's average transit wait time to thirty minutes or less. Shuttle/Feeder Bus Service projects that were awarded Regional Funds in FYE 2014 or FYE 2015 may request an exemption from the requirements of Policy 28.d. until December 31, 2016, provided that they meet the following requirements:~~

- i. The proposed service must serve the identical transit hub and commercial or employment locations as the previously funded project;
- ii. A plan to either achieve financial self-sufficiency from TFCA funds by January 1, 2017, or to come into compliance with Policy 28.d. and all other eligibility criteria must be submitted along with the Application.

~~d.e. The project must include only TFCA Regional Funds may be used to fund services only during commuter peak-hours service, i.e., 5:00-10:00 AM and/or 3:00-7:00 PM.~~

~~e. Applicants must submit a written transit service financial plan to achieve financial self-sufficiency or reduced reliance on TFCA funding within five years. The plan must document 1) the funding source(s) that will be targeted and the bases for eligibility of such funding, 2) the amounts from each funding source for which the applicant is eligible and that will be pursued, (3) the schedule (timeline) from application to receipt of such funds, 4) the process for securing each funding source, and 5) the specific efforts taken by the applicant to be eligible for such funds, and the status of the applicants' application for securing funds.~~

~~f. Matching funds must be provided to cover at least 10% of the total project cost, and must include only direct operational costs. Administrative costs are not eligible for use as matching funds. For shuttle/feeder bus service projects, the total project cost is the sum of direct operational costs (i.e., shuttle driver wages, fuel, and vehicle maintenance) and the administrative costs paid for by TFCA Regional Funds. Matching funds must be provided to cover at least 10% of the total project cost, and must include only direct operational costs. Administrative costs are not eligible for use as matching funds.~~

~~g. Shuttle/feeder bus service applicants 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.~~

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 cost-effectiveness limit of \$200,000 per ton.

~~Project applicants that were awarded FYE 2014 TFCA Regional Funds that propose identical routes in FYE 2015 may request an exemption from the requirements of Policy 27. D provided they meet the following requirements: (1) No further TFCA project funding as of January 2017; and (2) Submission of a financial plan to achieve financial self-sufficiency from TFCA funds within two years by demonstrating how they will come into compliance with this requirement or by securing non-TFCA Regional Funds. The plan must document: 1) the funding source(s) that will be targeted and the bases for eligibility of such funding, 2) the amounts from each funding source for which the applicant is eligible and that will be pursued, (3) the schedule (timeline) from application to receipt of such funds, 4) the process for securing each funding source, and 5) the specific efforts taken by the applicant to be eligible for such funds, and the status of the applicants' application for securing funds.~~

28. Pilot Shuttle/Feeder Bus Service: Pilot projects are defined as routes that provide service to locations that are at least 70% unique and where no other service was provided within the past three years. In addition to meeting the requirements listed in Policy #27 for shuttle/feeder bus service, pilot shuttle/feeder bus service project applicants must also comply with the following:

~~a. Applicants must 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;~~

~~b. 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.~~

~~c. Applicants must provide written documentation of a financial plan for transitioning to a self-sustaining service and/or for reducing reliance on TFCA funding within five years. The plan needs to clearly identify 1) the funding source(s) that will be targeted, 2) the amounts from each source that will be pursued, 3) the process for securing each funding source, and 4) the status or timeline of the process for securing funds.~~

- d. ~~Projects located in Highly Impacted Communities as defined in the Air District Community Air Risk Evaluation (CARE) Program and/or a Planned or Potential Priority Development Area (PDA) may receive a maximum of three years of TFCA Regional Funds under the Pilot designation and must meet the following requirements:~~
 - i. ~~During the first year of operation, projects must not exceed a cost effectiveness of \$500,000/ton;~~
 - ii. ~~By the end of the second year of operation, projects must not exceed a cost effectiveness of \$200,000/ton, and~~
 - iii. ~~By the end of the third year of operation, projects must not exceed a cost effectiveness of \$175,000/ton (see Policy #2) and meet all of the requirements of Policy #27 (existing shuttles).~~
- e. ~~Projects located outside of CARE areas and PDAs may receive a maximum of two years of TFCA Regional Funds under this designation and must meet the following requirements:~~
 - i. ~~By the end of the first year of operation, projects shall cost \$200,000 or less per ton (cost effectiveness rating), and~~
 - ii. ~~By the end of the second year of operation, projects shall cost \$175,000 or less per ton (cost effectiveness rating) (see Policy #2) and shall meet all of the requirements of Policy #27 (existing shuttles).~~

29. Pilot Trip Reduction Services: The project will reduce single-occupancy commute-hour vehicle trips by encouraging mode-shift to other forms of shared transportation. To be classified as a Pilot, projects must either significantly expand service to an existing area or provide service where no other similar service was available within the past three years. Funding is designed to provide the necessary initial capital for the startup of Pilots, with the goal of transitioning the project to be self-sustaining financially within two years from the service's start date:

- a. The proposed service must 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);
- b. Applicants must provide data and/or other evidence that demonstrates the project will reduce single-occupancy commute-hour vehicle trips and result in a reduction in emissions of criteria pollutants and data and/or other evidence demonstrating the public's need for the service, including a demand assessment survey and letters of support from potential users;
- c. Applicants must demonstrate that they have attempted to have the service provided by the local transit agency. Applicants must provide the transit agency's evaluation of the need for service to the proposed area, and a letter denying service to the project's proposed area, including the basis for denial of service;
- d. The proposed service must be available for use by all members of the public;
- e. Applicants must attend a mandatory pre-application workshop to discuss their project with the Air District;
- f. Applicants must provide a written plan documenting steps that would be taken to transition the service to be self-sustaining and/or to reduce reliance on TFCA funding; and
- ~~a.g.~~ For proposed shuttle pilot projects, the proposed service must connect to a mass-transit hub e.g., a rail or Bus Rapid Transit (BRT) station, ferry or bus terminal, or airport.

Regional Ridesharing

27-30. Regional Ridesharing Services ~~Projects: Eligible ridesharing~~ These projects will provide carpool, vanpool, and other rideshare services. For TFCA Regional Fund eligibility, ridesharing projects must be comprised of riders from at least five ~~Bay Area~~ counties within Air District's jurisdiction, with no one county accounting for more than 80% of all riders, as verified by documentation submitted with the application.

If a project includes ride-matching services, *only* ride-matches that are not already included in the Metropolitan Transportation Commission's (MTC) regional ridesharing program are eligible for TFCA Regional Funds. Projects that provide a direct or indirect financial transit or rideshare subsidy are also eligible under this category. Applications for projects that provide a direct or indirect financial transit or rideshare subsidy *exclusively* to employees of the project sponsor are not eligible.

Bicycle Facility Projects

~~28.31. Electronic Bicycle Lockers: TFCA Regional Funds are available for project sponsors to purchase and install new electronic bicycle lockers. The se~~ Projects will expand the public's access to new electronic bicycle lockers. -The p Projects must be included in an adopted countywide bicycle plan, Congestion Management Plan (CMP), or the Metropolitan Transportation Commission's Regional Bicycle Plan, and must serve a major activity center (e.g. transit station, office building, or school). The electronic bicycle lockers must be publicly accessible and available for use by all members of the public.

Costs for maintenance, repairs, upgrades, rehabilitation, operations, and project administration are not eligible for TFCA Regional Funds.

The maximum award amount is based on the number of ~~bicycles accommodated~~ lockers, at the rate of \$2,500 per ~~bicycle accommodated by the~~ lockers.

~~TFCA County Program Manager funds may not be used towards fulfilling the matching funds requirement.~~ Monies expended for administrative costs (i.e., the costs associated with administering a TFCA Regional Fund grant) are eligible matching funds for electronic bicycle lockers. Monies expended by the Project Sponsor to maintain, repair, upgrade, rehabilitate, or operate the electronic lockers are not eligible as matching funds.

32. Bicycle Facilities: These projects will construct and/or install new bicycle facilities that are included in an adopted countywide bicycle plan, Congestion Management Plan (CMP), or the Metropolitan Transportation Commission's Regional Bicycle Plan.

Projects must reduce vehicle trips made for utilitarian purposes (e.g., work or school commuting) and cannot be used exclusively for recreational use.

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.

Projects must meet one of the following conditions:

- a. Be located within one-half mile of at least three major activity centers (e.g., transit stations, Bay Area Bike Share stations, office complexes, schools); or
- b. Provide a gap closure in, or an extension to, an existing bicycle network that already services at least three major activity centers.

Projects are limited to following types of bicycle facilities:

- a. New Class-1 bicycle paths;
- b. New Class-2 bicycle lanes;
- ~~a.~~ c. New Class-3 bicycle routes; or
- New Class-4 cycle tracks or separated bikeways.

REGIONAL FUND EVALUATION CRITERIA:

1. Up to sixty percent (60%) of TFCA Regional Funds will be prioritized for projects that meet one or more of the following criteria:
 - a. Projects in Highly Impacted Communities or Episodic Areas as defined in the Air District Community Air Risk Evaluation (CARE) Program;
 - b. Projects in Priority Development Areas (PDAs).
2. Projects must meet all of the applicable TFCA Regional Fund policies.
3. Projects will also be evaluated using the evaluation process listed in table 4:

Table 4: Evaluation Process by Project Category

<u>Policy #</u>	<u>Project Category</u>	<u>Evaluation Process</u>
<u>22</u>	<u>On-Road Truck Replacements</u>	<u>Applications will be reviewed on a first-come, first-served basis, and eligible projects will be recommended for funding until funding has been depleted.</u>
<u>23</u>	<u>Light-Duty Zero and Partial-Zero Emissions Vehicles for Fleets</u>	
<u>24</u>	<u>Heavy-Duty Zero Emissions Vehicles</u>	
<u>25</u>	<u>Alternative Fuel Infrastructure (Hydrogen and CNG)</u>	<u>Applications will be reviewed after the submittal deadline and eligible projects will be ranked based on their cost-effectiveness score and responsiveness to Policy #24.</u>
<u>26</u>	<u>Reserved</u>	<u>Reserved</u>
<u>27</u>	<u>Reserved</u>	<u>Reserved</u>
<u>28</u>	<u>Shuttle/Feeder Bus Services</u>	<u>Applications will be reviewed after the submittal deadline and eligible projects will be ranked based on their cost-effectiveness score and responsiveness to their respective project specific Policy requirements.</u>
<u>29</u>	<u>Pilot Trip Reduction Services</u>	
<u>30</u>	<u>Regional Ridesharing Services</u>	
<u>31</u>	<u>Electronic Bicycle Lockers</u>	<u>Applications will be reviewed on a first-come, first-served basis, and eligible projects will be recommended for funding until funding has been depleted.</u>
<u>32</u>	<u>Bicycle Facilities</u>	<u>Applications will be reviewed after the submittal deadline and eligible projects will be ranked based on their cost-effectiveness score and responsiveness to Policy #31. Projects serving major regional transit stations/terminals (e.g., BART, Caltrain, Capitol Corridor, ferry terminals) and Bay Area Bike Share stations will be prioritized.</u>

~~— Shuttle/Feeder Bus Service:~~

~~1. and Ridesharing Projects: The Air District will evaluate complete applications received by the submittal deadline based on the TFCA Regional Fund policies. All eligible projects will be ranked for funding based on cost effectiveness. At least sixty percent (60%) of the funds will be reserved for eligible projects that meet one or more of the following District priorities:~~

~~2. Projects in Highly Impacted Communities or Episodic Areas as defined in the Air District Community Air Risk Evaluation (CARE) Program;~~

~~3. Priority Development Areas.~~

~~The Air District will evaluate all shuttle/feeder bus service and ridesharing project applications received after the submittal deadline on a first-come, first-served basis, based on the TFCA Regional Fund policies.~~

~~—Electronic Bicycle Locker(s) Projects: Applications will be evaluated on a first come, first served basis.~~

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