California State Transportation Agency

Transit and Intercity Rail Capital Program

Grant Recipient:

City of Santa Rosa

CalSTA Transit and Intercity Rail Capital Program Administered by:

California Department of Transportation
Division of Rail and Mass Transportation
1120 N Street, Room 3300
P.O. Box 942874, MS-39
Sacramento, California 94274-0001

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STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION

Effective Date of this Agreement: April 1, 2023, or upon final signature, whichever is later

Termination Date of this Agreement: April 1, 2033

Recipient:	City of Santa Rosa
Application Funding:	The Greenhouse Gas Reduction Fund and Senate Bill 1 Fund are the applicable funding source covered by this Agreement and will be identified in each specific Program Supplement, adopting the terms of this Agreement.

RECITALS

1. WHEREAS, The Global Warming Solutions Act of 2006 (the "ACT") (Assembly Bill [AB] 32, Nunez, Chapter 488) created a comprehensive program to reduce greenhouse gas emissions in California. AB 32 requires California to reduce greenhouse gases to 1990 levels by 2020, and to maintain and continue reductions beyond 2020. In March 2012, Governor Brown signed Executive Order B-16-2012 affirming a long-range climate goal for California to reduce greenhouse gases from the transportation sector to 80 percent below 1990 levels by 2050.

2. WHEREAS, the Cap-and-Trade Program is a key element in California's climate plan. It creates a limit on the emissions from sources responsible for 85 percent of California's greenhouse gas emissions, establishes the price signal needed to drive long-term investment in cleaner fuels and more efficient use of energy, and gives covered entities flexibility to implement the lowest-cost options to reduce greenhouse gas emissions.

3. WHEREAS, in 2012, the Legislature passed and Governor Brown signed into law three bills, AB 1532 (Pérez, Chapter 807, Statutes of 2012), Senate Bill (SB) 535 (De León, Chapter 830, Statutes of 2012), and SB 1018 (Budget and Fiscal Review Committee, Chapter 39, Statutes of 2012), that established the Greenhouse Gas Reduction Fund (GGRF) to receive proceeds from the distribution of allowances via auction and provided the framework for how those auction proceeds will be appropriated and expended. These statutes require that expenditures from the

GGRF be used to facilitate the achievement of greenhouse gas emission reductions and further the purposes of AB 32.

4. WHEREAS, in 2017, the Legislature passed and Governor Brown signed into law the Road Repair and Accountability Act of 2017 SB 1, which directed additional funding to the Transit and Intercity Rail Capital Program (TIRCP).

5. WHEREAS, TIRCP is one of several programs funded as part of the 2014-2015 State of California Budget (Senate Bill 852 and Senate Bill 862), and implemented pursuant to Public Resources Code section 75220 et seq and Health and Safety Code section 39719 et seq.

6. WHEREAS, as directed by the ACT, CalSTA established TIRCP Program Guidelines that describe the policy, standards, criteria, and procedures for the development, adoption and management of the TIRCP Program.

7. WHEREAS, Recipient has submitted an application, been evaluated and selected by CalSTA in accordance with the TIRCP Program Guidelines.

8. WHEREAS, on August 17, 2015, CalSTA delegated the administration of the TIRCP Program to the Department pursuant to the TIRCP Program Guidelines and the Department's policies and procedures for the administration of similar grant programs.

9. NOW THEREFORE, in consideration of the recitals and the rights, duties and covenants set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree to the following:

10. This Agreement, entered into effective as of the date set forth above, is between the signatory public entity identified hereinabove, (hereinafter referred to as Recipient), and the STATE OF CALIFORNIA, acting by and through the California Department of Transportation (hereinafter referred to as DEPARTMENT), and subject to the approval of the California State Transportation Agency (CalSTA).

ARTICLE I - DEFINITIONS

The terms defined in this Article I shall for all purposes of this Agreement have the meanings specified herein.

1.1 "Act" refers to the Global Warming Solutions Act of 2006 (the "ACT") (Assembly Bill [AB] 32, Nunez, Chapter 488) created a comprehensive program to reduce greenhouse gas emissions in California.

1.2 "Agreement" shall mean this Agreement, inclusive of all appendices and Program Supplements, whereby the Department, on behalf of CalSTA, and pursuant to the Act and as set forth herein, administers the TIRCP Program.

1.3 "Award Agreement" shall mean a project-specific subcontract to this agreement executed following Project award and may include Project specific information, expected outcomes, and deliverables.

1.4 "California Department of Transportation" or "Caltrans" or "Department" means the State of California, acting by and through its Department of Transportation of the State of the State of California, and any entity succeeding to the powers, authorities and responsibilities of the Department invoked by or under this Agreement or the Program Supplements.

1.5 "California Transportation Commission" or "CTC" shall refer to the commission established in 1978 by Assembly Bill 402 (Chapter 1106, Statutes of 1977).

1.6 "Effective Date" means the date set forth on page 4 of this Agreement.

1.7 "Greenhouse Gas Reduction Funds" or "GGRF" shall mean the funds subject to Chapter 26, Statutes of 2014, authorizing the State to fund capital improvements and operational investments for California's transit systems and intercity, commuter, and urban rail systems.

1.8 "Senate Bill 1" or "SB 1" shall mean the funds subject to Chapter 5, Statutes of 2017, authorizing the State to fund capital improvements and investments for California's transit systems and intercity, commuter, and urban rail systems.

1.9 "Overall Funding Plan" has the meaning set forth in Article II, Section 2(A)(5)(c).

1.10 "Program Guidelines" shall mean the policy, standards, criteria, and procedures for the development, adoption and management of the TIRCP Projects established by CalSTA and provided in Appendix A.

1.11 "Program Supplement" shall mean a project-specific subcontract to this Agreement that is executed following a CTC approved action and includes all Project specific information needed to encumber funding and shall include expected outcomes and deliverables. Also referred to as Project Supplement Agreement.

1.12 "Program Supplement Last Expenditure Date" and refers to the last date for Recipient to incur valid Project costs or credits.

1.13 "Program Supplement Termination" shall occur when the Recipient's obligations have been fully performed as set forth in Article II, Section 2D and Article III, Section 3(C)(2) or when terminated by convenience as set forth in Article III, Section 3(C)(1).

1.14 "Project" shall mean the project identified in Recipient's application.

1.15 "Project Closeout Report" shall have the meaning set forth in Article II, Section 3(B).

1.16 "Project Financial Plan" shall have the meaning set forth in Article II, Section 2(A)(5)(d).

1.17 "Progress Payment Invoice" shall have the meaning set forth in Article II, Section 3A.

1.18 "Project Schedule" has the meaning set forth in Article II, Section 2(A)(5)(b).

1.19 "Scope of Work" has the meaning set forth in Article II, Section 2(A)(5)(a).

1.20 "Secretary" shall mean the Secretary of the California State Transportation Agency (CalSTA). Unless the context otherwise requires, any reference to the Secretary includes CalSTA and its officers and employees.

1.21 "State" shall mean the State of California.

1.22 "TIRCP Projects" shall mean projects that are selected and funded pursuant to the Transit and Intercity Rail Capital Program.

ARTICLE II – TIRCP PROJECTS AND ADMINISTRATION

Section 1. TIRCP Projects and Project Management

1. TIRCP Projects, pursuant to the Act, are established by CalSTA in accordance with the TIRCP Program Guidelines. Under delegation from CalSTA, the Department will administer the TIRCP Program in accordance with the TIRCP Program Guidelines and best management practices identified in the administration of similar Department grant programs.

2. By this reference, TIRCP Program Guidelines are made an express part of this Agreement and shall apply to each TIRCP Program funded Project as may be amended or updated. Recipient will cause its specific TIRCP mandated Resolution to be attached as part of any TIRCP funded Program Supplement as a condition precedent to the acceptance of GGRF or SB 1 Funds (upon availability and allocation), for such project.

3. All inquiries during the term of this Agreement and any applicable Program Supplement will be directed to the project representatives identified below:

State's Project Administrator:	Recipient's Project Administrator:
Department of Transportation	City of Santa Rosa Transportation & Public Works
Olivia Arant	
Branch Chief,	Shawn Sosa,
Capital Projects North Branch	Administrative Analyst
Phone: (916) 907-2225	(707) 543-3334
Email: olivia.arant@dot.ca.gov	ssosa@srcity.org

Section 2. Program Supplement

A. *General*

1. This Agreement shall have no force and effect with respect to the Project unless and until a separate Project specific program supplement hereinafter referred to as "Program Supplement," adopting all of the terms and conditions of this Agreement has been fully executed by both State and Recipient.

2. Recipient agrees to complete the defined scope of work for the Project, described in the Program Supplement adopting all of the terms and conditions of this Agreement.

3. A financial commitment of actual funds will only occur in each detailed and separate Program Supplement. No funds are obligated by the prior execution of this Agreement alone.

4. Recipient further agrees, as a condition to the release and payment of the funds encumbered for the scope of work described in each Program Supplement, to comply with the terms and conditions of this Agreement and all the agreed-upon special covenants and conditions attached to or made a part of the Program Supplement identifying and defining the nature of that specific scope of work.

5. The Program Supplement shall include a detailed scope of work, which shall include but not be limited to, a Project Description, a Project Schedule, an Overall Funding Plan, and a Project Financial Plan as required in the TIRCP Program Guidelines.

a. The Scope of Work shall include a detailed description of the Project and will itemize the major tasks and their estimated costs.

b. The Project Schedule shall include major tasks and/or milestones and their associated beginning and ending dates and duration.

c. The Overall Funding Plan shall itemize the various Project Components, the committed funding program(s) or source(s), and the matching funds to be provided by Recipient and/or other funding sources, if any [these Components include Environmental and Permits; Plans, Specifications and Estimates (PS&E); Right-of-Way (ROW); and Construction (including transit vehicle acquisition)].

d. The Project Financial Plan shall identify estimated expenditures for the Project Component by funding source, provided that for the purposes of this Agreement the State is only monitoring compliance for expenditures for the TIRCP, including but not limited to GGRF and SB 1 Funds allocated for the Project Component.

6. Adoption and execution of the Program Supplement by Recipient and State, incorporating the terms and conditions of this Agreement into the Program Supplement as though fully set forth therein, shall be sufficient to bind Recipient to these terms and conditions when performing the Project. Unless otherwise expressly delegated to a third-party in a resolution by Recipient's governing body, which delegation must be expressly assented to and concurred in by State, the Program Supplement shall be managed by Recipient.

7. The estimated cost and scope of the Project will be as described in the applicable Program Supplement. The State shall not participate in any funding for the Project beyond those amounts actually encumbered by the STATE as evidenced in the applicable Program Supplement unless the appropriate steps are followed and approval is granted by the CTC as described below.

8. Upon the stated expiration date of this Agreement, any Program Supplement executed under this Agreement for the Project with obligations yet to be completed pursuant to the approved Project Schedule, deliverables, and reporting requirements shall be deemed to extend the term of this Agreement only to conform to the specific Project termination or completion date, including completion of deliverables and reporting requirements, contemplated by the applicable Program Supplement to allow that uncompleted Project to be administered under the extended terms and conditions of this Agreement.

9. Total project cost includes the cost of a project for all phases (Plans, Specifications, and Estimates (PS&E), Project Approval and Environmental Document (PA&ED) Right-of-Way (ROW), and Construction (CON) including rolling stock) of a Project from start to finish.

B. *Project Overrun*

1. If Recipient or the State determine, at any time during the performance of the Project, that the Project budget may be exceeded, Recipient shall take the following steps:

a. Notify the designated State representative of the nature and projected extent of the overrun and, within a reasonable period thereafter, identify and quantify potential cost savings or other measures which Recipient will institute to bring the Project Budget into balance; and

b. Identify the source of additional Recipient or other third-party funds that can be made available to complete Project. Recipient agrees that the allocation of the GGRF and SB 1 funds is subject to the allocation proposed by the CalSTA, submitted by the State, and approved by the CTC.

C. *Cost Savings and Project Completion*

1. Recipient is encouraged to evaluate design and construction alternatives that would mitigate the costs of delivering the commitments for the Project. Recipient shall take all steps necessary on a commercially reasonable basis that would generally be taken in accordance with best management practices. In determining cost savings, the Parties shall take into account all avoided costs, including avoided design, material, equipment, labor, construction, testing, acceptance and overhead costs and avoided costs due to time savings, and all the savings in financing costs associated with such avoided costs.

2. If there is an identification and implementation of any CalSTA approved alternative resulting in reduction of the Project costs, the parties agree that the recipient shall provide a prorated share of Project or TIRCP funded Project component cost savings based on the overall project match to the Department no later than 30 days after the submission of the final invoice. Subject to CalSTA's approval, savings may be used towards another project component or towards increasing project benefits that are consistent with the original project award while maintaining the overall project match referenced in the project award and program supplements.

3. Program supplements will indicate the Project or Component proration of funding match.

4. The Recipient agrees to complete the Project and accepts sole responsibility for the payment of any cost increases. If either the Project or the funded components are not completed, the Recipient shall bear the burden of full TIRCP funds reimbursement to the Department.

D. Scope of Work

1. Recipient shall be responsible for complete performance of the work described in the approved Program Supplement for the Project related to the commitment of encumbered funds. All work shall be accomplished in accordance with the applicable provisions of the Act, Public Utilities Code, the Streets and Highways Code, the Government Code, and other applicable statutes and regulations.

2. Recipient acknowledges and agrees that Recipient is the sole control and manager of the Project and its subsequent employment, operation, repair and maintenance for the benefit of the public. Recipient shall be solely responsible for complying with the funding and use restrictions established by (a) the statutes from which the GGRF and SB1 Funds are derived, (b) the CTC, (c) the State Treasurer, (d) the Internal Revenue Service, (e) the applicable Program Supplement, and (f) this Agreement.

3. Recipient acknowledges and agrees that the Recipient is responsible for complying with all reporting requirements established by the TIRCP Guidelines and California Air Resource Board (CARB) Funding Guidelines.

E. Program Supplement Amendments

Program Supplement amendments will be required whenever there are CalSTA or CTC approved actions, including but not limited to, Financial Allocations, Financial Allocation Amendments, Time Extensions and Technical Corrections. These changes shall be mutually binding upon the Parties only following the execution of a Program Supplement amendment.

Section 3. Allowable Costs and Payments

A. *Allowable Costs and Progress Payment Invoice*

1. Not more frequently than once a month, Recipient will prepare and submit to State signed Progress Payment Invoice for actual Project costs incurred and paid for by Recipient consistent with the allocation and Scope of Work document in the Program Supplement and State shall pay those uncontested allowable costs once the invoice is reviewed and approved by the Department, subject to CalSTA's approval. If no costs were incurred during any given quarter, Recipient is exempt from submitting a signed Progress Payment Invoice.

2. State shall not be required to reimburse more funds, cumulatively, per quarter of any fiscal year greater than the sums identified and included in the Project Financial Plan. The State shall hold the right to determine reimbursement availability based on an approved expenditure plan and TIRCP anticipated or

actual funding capacity. Each such invoice will report the total of Project expenditures from GGRF and SB 1 Funds (including those of Recipient and third parties) and will specify the percent of State reimbursement requested and the GGRF and SB 1 Funds source.

B. *Final Invoice*

The Program Supplement Last Expenditure Dates(s) refer to the last date for Recipient to incur valid Project costs or credits. Recipient has one hundred and eighty (180) days after that Last Expenditure Date to make already incurred final allowable payments to Project contractors or vendors, prepare the Project Closeout Report, and submit the final invoice to State for reimbursement of allowable Project costs before those remaining State funds are unencumbered and those funds are reverted as no longer available to pay any Project costs. Recipient expressly waives any right to allowable reimbursements from State pursuant to this Agreement for costs incurred after that termination date and for costs invoiced to Recipient for payment after that one hundred and eightieth (180th) day following the Project Last Expenditure Date.

ARTICLE III – GENERAL PROVISIONS

Section 1. Funding

1. Recipient agrees to contribute at least the statutorily or other required local contribution of matching funds (other than State or federal funds), if any is specified within the Program Supplement or any appendices thereto, toward the actual cost of the Project or the amount, if any, specified in any executed SB 2800 (Streets and Highways Code Section 164.53) Agreement for local match fund credit, whichever is greater. Recipient shall contribute not less than its required match amount toward the Project cost in accordance with a schedule of payments as shown in the Project Financial Plan prepared by Recipient and approved by State as part of a Program Supplement.

Section 2. Audits and Reports

A. *Cost Principles*

1. Recipient agrees to comply with Title 2 Code of Federal Regulations 200 (2 CFR 200) Uniform Administrative Requirements, Cost Principles for State and Local Government, and Audit Requirements for Federal Awards.

2. Recipient agrees, and will assure that its contractors and subcontractors will be obligated to follow 2 CFR 200 and which shall be used to determine the allowability of individual Project cost items. Every sub-recipient receiving Project

funds as a contractor or sub-contractor under this Agreement shall comply with 2 CFR 200.

3. Any Project costs for which Recipient has received payment or credit that are determined by subsequent audit to be unallowable under 2 CFR 200, are subject to repayment by Recipient to State. Should Recipient fail to reimburse moneys due State within thirty (30) days of demand, or within such other period as may be agreed in writing between the Parties hereto, State is authorized to intercept and withhold future payments due to Recipient from State or any third-party source whose funding passes through the State, including but not limited to, the State Treasurer, the State Controller and the CTC.

4. The State may terminate the grant for any reason at any time if it is determined by the State, based on an audit under this section, that there has been a violation of any State or federal law or policy by the Recipient during performance under this or any other grant agreement or contract entered into with the State. If the grant is terminated under this section, the Recipient may be required to fully or partially repay funds.

B. *Record Retention*

1. Recipient agrees, and will assure that its contractors and subcontractors shall establish and maintain an accounting system and records that properly accumulate and segregate incurred Project costs and matching funds by line item for the Project. The accounting system of Recipient, its contractors and all subcontractors shall conform to Generally Accepted Accounting Principles (GAAP), enable the determination of incurred costs at interim points of completion, and provide support for reimbursement payment vouchers or invoices. All accounting records and other supporting papers of Recipient, its contractors and subcontractors connected with Project performance under this Agreement and each Program Supplement shall be maintained for a minimum of three (3) years from the date of final payment to Recipient under a Program Supplement and shall be held open to inspection, copying, and audit by representatives of State, the California State Auditor, and auditors representing the federal government. Copies thereof will be furnished by Recipient, its contractors, and subcontractors upon receipt of any request made by State or its agents. In conducting an audit of the costs and match credits claimed under this Agreement, State will rely to the maximum extent possible on any prior audit of Recipient pursuant to the provisions of federal and State law. In the absence of such an audit, any acceptable audit work performed by Recipient's external and internal auditors may be relied upon and used by State when planning and conducting additional audits.

2. For the purpose of determining compliance with Title 21, California Code of Regulations, Section 2500 et seq., when applicable, and other matters connected with the performance of Recipient's contracts with third parties pursuant to Government Code section 8546.7, Recipient, Recipient's contractors and subcontractors, and State shall each maintain and make available for inspection all books, documents, papers, accounting records, and other evidence pertaining to the performance of such contracts, including, but not limited to, the costs of administering those various contracts. All of the above referenced parties shall make such Agreement and Program Supplement materials available at their respective offices at all reasonable times during the entire Project period and for three (3) years from the date of final payment to Recipient under any Program Supplement. State, the California State Auditor, or any duly authorized representative of State or the United States Department of Transportation, shall each have access to any books, records, and documents that are pertinent to the Project for audits, examinations, excerpts, and transactions, and Recipient shall furnish copies thereof if requested.

3. Recipient, its contractors and subcontractors will permit access to all records of employment, employment advertisements, employment application forms, and other pertinent data and records by the State Fair Employment Practices and Housing Commission, or any other agency of the State of California designated by State, for the purpose of any investigation to ascertain compliance with this Agreement and the Act.

c. *Reporting Requirements*

1. Reporting requirements of Recipient will include whether reported implementation activities are within the scope of the Project Program Supplement and in compliance with State laws, regulations, and administrative requirements.

2. TIRCP Progress Reporting shall be no more frequently than monthly and no less frequently than quarterly at the discretion of the State and shall generally include the following information;

a. Activities and progress made towards implementation of the project during the reporting period and activities anticipated to take place in the next reporting period;

b. Identification of whether the Project is proceeding on schedule and within budget;

c. Identification of whether the Project Deliverables are proceeding on schedule.

d. Identification of changes to the Project funding plan, milestone schedule, or deliverables completion date;

e. Any actual or anticipated problems which could lead to delays in schedule, increased costs or other difficulties for either the Project or other State funded projects impacted by the Project's scope of work and the efforts or activities being undertaken to minimize impacts to schedule, cost, or deliverables;

3. CARB Reporting shall be no more frequently than monthly and no less frequently than semiannually at the discretion of CARB and shall include the following information (subject to modification by CARB);

a. Identify metrics and benefits achieved for disadvantaged communities, low income communities, and/or low-income households;

b. continued reporting following project implementation to identify benefits achieved.

c. Any and all other requirements instituted by CARB.

4. Within one year of the Project or reportable Project components becoming operable, the implementing agency must provide a final delivery report including at a minimum:

a. Scope of completed Project as compared to Programmed Project;

b. Performance outcomes derived from the project as compared to outcomes described in the Project application and shall include but not be limited to before and after measurements and estimates for ridership, service levels, greenhouse gas reductions, updated estimated greenhouse gas reductions over the life of the project, benefits to disadvantaged communities, low income communities, and/or low income households, and project co-benefits as well as an explanation of the methodology used to quantify the benefits.

c. Before and after photos documenting the project

d. The final costs as compared to the approved project budget by component and fund type, and an estimate of the TIRCP funds spent to benefit disadvantaged communities, low-income communities, and/or low-income households, and

e. The project duration as compared to the project schedule in the project application.

Section 3. Special Requirements

A. *California Transportation Commission Resolutions*

1. Recipient shall adhere to applicable CTC policies on "Timely Use of Funds" as stated in Resolution G-06-04, adopted April 26, 2006, addressing the expenditure and reimbursement of GGRF and SB 1 Funds. These resolutions, and/or successor resolutions in place at the time a Program Supplement is executed, shall be applicable to GGRF and SB 1 funds, respectively.

2. Recipient shall be bound to the terms and conditions of this Agreement, the Project application contained in the Program Supplement (as applicable); and CTC Resolutions G-06-04, G-09-11 and/or their respective successors in place at the time the Program Supplement is signed (as applicable) and all restrictions, rights, duties and obligations established therein on behalf of State and CTC shall accrue to the benefit of the CTC and shall thereafter be subject to any necessary enforcement action by CTC or State. All terms and conditions stated in the aforesaid CTC Resolutions and CTC-approved Guidelines in place at the time the Program Supplement is signed (if applicable) shall also be considered to be binding provisions of this Agreement.

3. Recipient shall conform to any and all permit and mitigation duties associated with Project as well as all environmental obligations established in CTC Resolution G-91-2 and/or its successors in place at the time a Program Supplement is signed, as applicable, at the expense of Recipient and/or the responsible party and without any further financial contributions or obligations on the part of State unless a separate Program Supplement expressly provides funding for the specific purpose of hazardous materials remediation.

B. *Recipient Resolution*

1. Recipient has executed this Agreement pursuant to the authorizing Recipient resolution, attached as Appendix B to this Agreement, which empowers Recipient to enter into this Agreement and which may also empower Recipient to enter into all subsequent Program Supplements adopting the provisions of this Agreement.

2. If Recipient or State determines that a separate Resolution is needed for each Program Supplement, Recipient will provide information as to who the authorized designee is to act on behalf of the Recipient to bind Recipient with regard to the terms and conditions of any said Program Supplement or amendment and will provide a copy of that additional Resolution to State with the Program Supplement or any amendment to that document.

C. *Termination*

1. Termination Convenience by State

a. State reserves the right to terminate funding for any Program Supplement, subject to CalSTA approval, upon written notice to Recipient in the event that Recipient fails to proceed with Project work in accordance with the Program Supplement, or otherwise violates the conditions of this Agreement and/or the Program Supplement or the funding allocation such that substantial performance is significantly endangered.

b. No such termination shall become effective if, within thirty (30) days after receipt of a notice of termination, Recipient either cures the default involved or, if not reasonably susceptible of cure within said thirty (30)-day period, Recipient proceeds thereafter to complete the cure in a manner and time line acceptable to State. Any such termination shall be accomplished by delivery to Recipient of a notice of termination, which notice shall become effective not less than thirty (30) days after receipt, specifying the reason for the termination, the extent to which funding of work under this Agreement is terminated and the date upon which such termination becomes effective, if beyond thirty (30) days after receipt. During the period before the effective termination date, Recipient and State shall meet to attempt to resolve any dispute.

c. Following a fund encumbrance made pursuant to a Program Supplement, if Recipient fails to expend GGRF or SB 1 monies within the time allowed specified in the Program Supplement, those funds may revert, and be deemed withdrawn and will no longer be available to reimburse Project work unless those funds are specifically made available beyond the end of that Fiscal Year through re-appropriation or other equivalent action of the Legislature and written notice of that action is provided to Recipient by State.

d. In the event State terminates a Program Supplement for convenience and not for a default on the part of Recipient as is contemplated in this section, Recipient shall be reimbursed its authorized costs up to State's proportionate and maximum share of allowable Project costs incurred to the date of Recipient's receipt of that notice of termination, including any unavoidable costs reasonably and necessarily incurred up to and following that termination date by Recipient to effect such termination following receipt of that termination notice.

2. Termination After Recipient's Obligations Fully Performed

Following project completion, and all obligations as defined in the TIRCP Guidelines, CARB Guidelines, and Program Supplement are fully performed, including Project completion of all deliverables and reporting, the Program

Supplement shall be terminated. If the Project obligations are not fully performed, as defined under this section, the Recipient may be required to fully or partially repay funds.

D. *Third Party Contracting*

1. Recipient shall not award a construction contract over $10,000 or other contracts over $25,000 [excluding professional service contracts of the type which are required to be procured in accordance with Government Code Sections 4525 (d), (e) and (f)] on the basis of a noncompetitive negotiation for work to be performed under this Agreement without the prior written approval of State. Contracts awarded by Recipient, if intended as local match credit, must meet the requirements set forth in this Agreement regarding local match funds.

2. Any subcontract entered into by Recipient as a result of this Agreement shall contain the provisions of ARTICLE III – GENERAL PROVISIONS, Section 2. Audits and Reports and shall mandate that travel and per diem reimbursements and third-party contract reimbursements to subcontractors will be allowable as Project costs only after those costs are incurred and paid for by the subcontractors.

3. In addition to the above, the preaward requirements of third-party contractor/consultants with local transit agencies should be consistent with Local Program Procedures (LPP-00-05).

E. *Change in Funds and Terms/Amendments*

This Agreement and the resultant Program Supplements may be modified, altered, or revised only with the joint written consent of Recipient and State.

F. *Project Ownership*

1. Unless expressly provided to the contrary in a Program Supplement, subject to the terms and provisions of this Agreement, Recipient, or a designated subrecipient acceptable to State, as applicable, shall be the sole owner of all improvements and property included in the Project constructed, installed or acquired by Recipient or subrecipient with funding provided to Recipient under this Agreement. Recipient, or subrecipient, as applicable, is obligated to continue operation and maintenance of the physical aspects of the Project dedicated to the public transportation purposes for which Project was initially approved unless Recipient, or subrecipient, as applicable, ceases ownership of such Project property; ceases to utilize the Project property for the intended public transportation purposes; or sells or transfers title to or control over Project and State is refunded the Credits due State as provided in paragraph (2) herein below.

2. Project right-of-way, Project facilities constructed or reconstructed on the Project site and/or Project property (including vehicles and vessels) purchased by Recipient (excluding temporary construction easements and excess property whose proportionate resale proceeds are distributed pursuant to this Agreement) shall remain permanently dedicated to the described public transit use in the same proportion and scope, and to the same extent as mandated in the Program Supplement, unless State agrees otherwise in writing. Vehicles acquired as part of Project, including, but not limited to, buses, vans, rail passenger equipment, shall be dedicated to that public transportation use for their full economic life cycle, which, for the purpose of this Agreement, will be determined in accordance with standard national transit practices and applicable rules and guidelines, including any extensions of that life cycle achievable by reconstruction, rehabilitation or enhancements. The exceptions to this section are outlined below:

a. Except as otherwise set forth in this Section, State, or any other State-assignee public body acting on behalf of the CTC, shall be entitled to a refund or credit (collectively the Credit), at State's sole option, equivalent to the proportionate Project funding participation received by Recipient from State if Recipient, or a sub-recipient, as applicable, (i) ceases to utilize Project for the original intended public transportation purposes or (ii) sells or transfers title to or control over Project. If federal funds (meaning only those federal funds received directly by Recipient and not federal funds derived through or from the State) have contributed to the Project, Recipient shall notify both State and the original federal source of those funds of the disposition of the Project assets or the intended use of those sale or transfer receipts.

b. State shall also be entitled to an acquisition credit for any future purchase or condemnation of all or portions of Project by State or a designated representative or agent of State.

c. The Credit due State will be determined by the ratio of State's funding when measured against the Recipient's funding participation (the Ratio). For purposes of this Section, the State's funding participation includes federal funds derived through or from State. That Ratio is to be applied to the then present fair market value of Project property acquired or constructed as provided in (d) and (e) below.

d. For Mass Transit vehicles, this Credit [to be deducted from the then remaining equipment value] shall be equivalent to the percentage of the full extendable vehicle economic life cycle remaining, multiplied by the Ratio of funds provided for that equipment acquisition. For real property, this same funding Ratio shall be applied to the then present fair market value, as

determined by State, of the Project property acquired or improved under this Agreement.

e. Such Credit due State as a refund shall not be required if Recipient dedicates the proceeds of such sale or transfer exclusively to a new or replacement State approved public transit purpose, which replacement facility or vehicles will then also be subject to the identical use restrictions for that new public purpose and the Credit ratio due State should that replacement project or those replacement vehicles cease to be used for that intended described pre-approved public transit purpose.

i. In determining the present fair market value of property for purposes of calculating State's Credit under this Agreement, any real property portions of the Project site contributed by Recipient shall not be included. In determining State's proportionate funding participation, State's contributions to third parties (other than Recipient) shall be included if those contributions are incorporated into the Project.

ii. Once State has received the Credit as provided for above because Recipient, or a sub-recipient, as applicable, has (a) ceased to utilize the Project for the described intended public transportation purpose(s) for which State funding was provided and State has not consented to that cessation of services or (b) sold or transferred title to or control over Project to another party (absent State approval for the continued transit operation of the Project by that successor party under an assignment of Recipient's duties and obligations), neither Recipient, subrecipient, nor any party to whom Recipient or subrecipient, as applicable, has transferred said title or control shall have any further obligation under this Agreement to continue operation of Project and/or Project facilities for those described public transportation purposes, but may then use Project and/or any of its facilities for any lawful purpose.

iii. To the extent that Recipient operates and maintains Intermodal Transfer Stations as any integral part of Project, Recipient shall maintain each station and all its appurtenances, including, but not limited to, restroom facilities, in good condition and repair in accordance with high standards of cleanliness (Public Utilities Code section 99317.8). Upon request of State, Recipient shall also authorize State-funded bus services to use those stations and appurtenances without any charge to State or the bus operator. This permitted use will include the placement of signs and informational material designed to alert the public to the availability of the State-funded bus service (for the purpose of this paragraph, "State-funded bus service" means any bus service funded pursuant to Public Utilities Code section 99316).

G. *Disputes*

Parties shall develop a mutually agreed upon issue resolution process, as described below, and issues between the Parties are to be resolved in a timely manner. The Parties agree to the following:

1. If the Parties are unable to reach agreement on any particular issue relating to either Parties' obligations pursuant to this Agreement, the Parties agree to promptly follow the issue resolution process as outlined below:

a. The Department's project manager and the Recipient's equivalent may initiate the process of informal dispute resolution by providing the other Party with written notice of a dispute. The written notice shall provide a clear statement of the dispute and shall refer to the specific provisions of this Agreement or Program Supplement that pertain to the dispute. The Department's project manager and the Recipient's equivalent shall meet and attempt to resolve the dispute within five days from the written notice. If the dispute is resolved, the Parties shall create and sign a short description of the facts and the resolution that was agreed upon by the Parties.

b. If the dispute is not resolved by the fifth day from the written notice, the Department's senior project manager and the Recipient's equivalent shall meet and review the dispute within five days. The Department's senior project manager and the Recipient's equivalent manager shall attempt to resolve the dispute within ten days of their initial meeting. If the dispute is resolved, the Parties shall create and sign a short description of the facts and the resolution that was agreed upon by the Parties.

c. If the dispute is not resolved by the tenth day, the Department's Director or his designee and the Recipient's equivalent manager shall meet and review the dispute within five days. The Department's Director or his designee and the Recipient's equivalent manager shall attempt to resolve the dispute within ten days of the initial meeting. If the dispute is resolved, the Parties shall create and sign a short description of the facts and the resolution that was agreed upon by the Parties. If the dispute is not resolved by the tenth day by the Department's Director or his designee and the Recipient's equivalent manager, the Parties shall submit the matter to the Secretary of CalSTA for a final administrative determination.

H. *Hold Harmless and Indemnification*

1. Neither State nor any officer or employee thereof shall be responsible for any damage or liability occurring by reason of anything done or omitted to be done by Recipient, its agents and contractors under or in connection with any work, authority, or jurisdiction delegated to Recipient under this Agreement or any

Program Supplement or as respects environmental clean-up obligations or duties of Recipient relative to Project. It is also understood and agreed that, Recipient shall fully defend, indemnify and hold the CTC and State and their officers and employees harmless from any liability imposed for injury and damages or environmental obligations or duties arising or created by reason of anything done or imposed by operation of law or assumed by, or omitted to be done by Recipient under or in connection with any work, authority, or jurisdiction delegated to Recipient under this Agreement and all Program Supplements.

2. Recipient shall indemnify, defend and hold harmless State, the CTC and the State Treasurer relative to any misuse by Recipient of State funds, Project property, Project generated income or other fiscal acts or omissions of Recipient.

I. *Labor Code Compliance*

Recipient shall include in all subcontracts awarded using Project funds, when applicable, a clause that requires each subcontractor to comply with California Labor Code requirements that all workers employed on public works aspects of any project (as defined in California Labor Code §§ 1720-1815) be paid not less than the general prevailing wage rates predetermined by the Department of Industrial Relations as effective the date of Contract award by the Recipient.

J. *Non-Discrimination Clause*

1. In the performance of work under this Agreement, Recipient, its contractor(s) and all subcontractors, shall not unlawfully discriminate, harass or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability, mental disability, medical condition, age, marital status, family and medical care leave, pregnancy leave, and disability leave. Recipient, its contractor(s) and all subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Recipient, its contractor(s) and all subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Government Code section 12900 et seq.), and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, section 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. Each of Recipient's contractors and all subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreements, as appropriate.

2. Each of the Recipient's contractors, subcontractors, and/or subrecipients shall give written notice of their obligations under this clause to labor organizations with which they have collective bargaining or other labor agreements. The Recipient shall include the non-discrimination and compliance provisions hereof in all contracts and subcontracts to perform work under this Agreement.

3. Should federal funds be constituted as part of Project funding or compensation received by Recipient under a separate Contract during the performance of this Agreement, Recipient shall comply with this Agreement and with all federal mandated contract provisions as set forth in that applicable federal funding agreement.

4. Recipient shall include the non-discrimination and compliance provisions of this clause in all contracts and subcontracts to perform work under this Agreement.

5. The Recipient shall comply with the nondiscrimination program requirements of Title VI of the Civil Rights Act of 1964. Accordingly, 49 CFR 21 (Nondiscrimination in Federally-Assisted Programs of the Department of Transportation—Effectuation of Title VI of The Civil Rights Act of 1964) and 23 CFR Part 200 (Title VI Program and Related Statutes—Implementation and Review Procedures) are made applicable to this Agreement by this reference. Wherever the term "Contractor" appears therein, it shall mean the Recipient.

6. The Recipient shall permit, and shall require that its contractors, subcontractors, and subrecipients will permit, access to all records of employment, employment advertisements, application forms, and other pertinent data and records by the State Fair Employment Practices and Housing Commission or any other agency of the State of California designated by Department to investigate compliance with this Section J.

K. *State Fire Marshal Building Standards Code*

The State Fire Marshal adopts building standards for fire safety and panic prevention. Such regulations pertain to fire protection design and construction, means of egress and adequacy of exits, installation of fire alarms, and fire extinguishment systems for any State-owned or State-occupied buildings per section 13108 of the Health and Safety Code. When applicable, Recipient shall request that the State Fire Marshal review Project PS&E to ensure Project consistency with State fire protection standards.

L. *Americans with Disabilities Act*

By signing this Master Agreement, Recipient assures State that Recipient shall comply with the Americans with Disabilities Act (ADA) of 1990, which prohibits

discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA (42 U.S.C. 12101 et seq.).

M. *Access for Persons with Disabilities*

Disabled access review by the Department of General Services (Division of the State Architect) is required for all publicly funded construction of buildings, structures, sidewalks, curbs and related facilities. Recipient will award no construction contract unless Recipient's plans and specifications for such facilities conform to the provisions of sections 4450 and 4454 of the California Government Code, if applicable. Further requirements and guidance are provided in Title 24 of the California Code of Regulations.

N. *Disabled Veterans Program Requirements*

1. Should Military and Veterans Code sections 999 et seq. be applicable to Recipient, Recipient will meet, or make good faith efforts to meet, the 3% Disabled Veterans Business Enterprises goals (or Recipient's applicable higher goals) in the award of every contract for Project work to be performed under these this Agreement.

2. Recipient shall have the sole duty and authority under this Agreement and each Program Supplement to determine whether these referenced code sections are applicable to Recipient and, if so, whether good faith efforts asserted by those contractors of Recipient were sufficient as outlined in Military and Veterans Code sections 999 et seq.

O. *Environmental Process*

Completion of the Project environmental process ("clearance") by Recipient (and/or State if it affects a State facility within the meaning of the applicable statutes) is required prior to requesting Project funds for right-of-way purchase or construction. No State agency may request funds nor shall any State agency, board or commission authorize expenditures of funds for any Project effort, except for feasibility or planning studies, which may have a significant effect on the environment unless such a request is accompanied with all appropriate documentation of compliance with or exemption from the California Environmental Quality Act (CEQA) (including, if as appropriate, an environmental impact report, negative declaration, or notice of exemption) under California Public Resources Code section 21080(b) (10), (11), and (12) provides an exemption for a passenger rail project that institutes or increases passenger or commuter services on rail or highway rights-of-way already in use.

P. *Force Majeure*

Each party will be excused from performance of its obligations where such non-performance is caused by any extraordinary event beyond its reasonable control, such as any non-appealable order, rule or regulation of any federal or state governmental body, fire, flood, earthquake, storm, hurricane or other natural disaster, epidemic, pandemic, war, invasion, act of foreign enemies, hostilities (regardless of whether war is declared), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation, terrorist activities, nationalization, government sanction, blockage, embargo, labor dispute, strike, lockout or interruption, provided that the party excused hereunder shall use all reasonable efforts to minimize its non-performance and to overcome, remedy or remove such event in the shortest practical time.

Should a *force majeure* event occur which renders it impossible for a period of forty-five (45) or more consecutive days for either party to perform its obligations hereunder, the Parties agree to negotiate in good faith to amend the existing Master Agreement or Supplemental Agreement to deal with such event and to seek additional sources of funding to continue the operation of the Service.

ARTICLE IV – MISCELLANEOUS PROVISIONS

Section 1. Miscellaneous Provisions

A. *Successor* Acts

All statutes cited herein shall be deemed to include amendments to and successor statutes to the cited statues as they presently exist.

B. *Successor and Assigns to the Parties*

Neither this Agreement nor any right, duty or obligation hereunder may be assigned, transferred, hypothecated or pledged by any party without the express written consent of the other party; provided, that unless otherwise expressly required herein, a party shall not be obligated to obtain the written consent of the other party with respect to any contract related to the Service for the provision of goods and/or services to the contracting party in the ordinary course of business.

C. *Notice*

Any notice which may be required under this Agreement shall be in writing, shall be effective when received, and shall be given by personal service, or by certified or registered mail, return receipt requested, to the addresses set forth below, or to

such other addresses as may be specified in writing and given to the other party in accordance herewith.

If given to the Department:

State of California

Department of Transportation

Division of Rail and Mass Transportation

P.O. Box 942874

Sacramento, CA 994274-0001

Attention: Division of Rail and Mass Transit TIRCP Contract Manager, Mail Stop 39

with a copy to:

California State Transportation Agency

915 Capitol Mall Suite 350 B

Sacramento, CA 95814

If given to the Recipient:

City of Santa Rosa Transportation and Public Works

45 Stony Point Road

Santa Rosa, CA 95401

Attention: Shawn Sosa

D. *Amendment*

This Agreement may not be changed, modified, or amended except in writing, signed by the parties hereto, and approved in advance in writing by the Secretary, and any attempt at oral modification of this Agreement shall be void and of no effect.

E. *Representation and Warranties of the Parties*

1. Recipient hereby represents and warrants to the Department that:

a. Recipient is in good standing under applicable law, with all requisite power and authority to carry on the activities for which it has been organized and proposed to be conducted pursuant to this Agreement.

b. Recipient has the requisite power and authority to execute and deliver this Agreement and to carry out its obligations hereunder. The execution and delivery of this Agreement by such entity, the performance by it of its obligations thereunder and the consummation of the transactions contemplated thereby have been duly authorized by the governing board of such entity and no other proceedings are necessary to authorize this Agreement or to consummate the transactions contemplated thereby. The Agreements have been duly and validly executed and delivered by such entity and constitute valid and binding obligations of such entity, enforceable against it in accordance with their terms, except to the extent that such enforceability may be subject to bankruptcy, insolvency, reorganization, moratorium or other laws now or hereinafter in effect relating to the creditor's rights and the remedy of specific enforcement and injunctive and other forms of equitable relief, and may be subject to equitable defenses and to the discretion of the court before which any proceeding therefore may be brought.

c. Neither the execution and delivery of this Agreement and the performance of its obligations thereunder nor the consummation of the transactions contemplated thereby will (i) conflict with or result in a breach of any provision of any agreement to which Recipient is a party; (ii) violate any write, order, judgment, injunction, decrees, statute, rule or regulation of any court or governmental authority applicable to such entity or its property or assets.

2. The Department does hereby represent and warrant with respect to each provision of this Agreement to the Recipient that:

a. It validly exists with all requisite power and authority to carry on the activities proposed to be conducted pursuant to this Agreement.

b. It has the requisite power and authority to execute and deliver this Agreement and to carry out its obligations thereunder. The execution and delivery of this Agreement, the performance by it of its obligations thereunder and the consummation of the transactions contemplated thereby have been duly authorized and no other proceedings are necessary to authorize this Agreement or to consummate the transactions contemplated thereby. The agreements have been duly and validly executed and delivered by it and constitute valid and binding obligations, enforceable against it in accordance with their terms, except to the extent that such enforceability may be subject to bankruptcy, insolvency, reorganization, moratorium or other laws now or hereinafter in effect relating to creditor's rights and other forms of equitable relief, and may be subject to equitable defenses and to the discretion of the court before which any proceeding therefore may be brought.

c. Neither the execution and delivery of this Agreement and the performance of its obligations thereunder nor the consummation of the transactions contemplated thereby will (i) conflict with or result in a breach of any provision of any agreement to which the Recipient is a party; (ii) violate any writ, order, judgment, injunction, decree, statute, rule or regulation of any court or governmental authority applicable to such entity or its property or assets.

F. *Construction, Number, Gender and Captions*

The Agreements have been executed in the State of California and shall be construed according to the law of said State. Numbers and gender as used therein shall be construed to include that number and/or gender which is appropriate in the context of the text in which either is included. Captions are included therein for the purposes of ease of reading and identification. Neither gender, number nor captions used therein shall be construed to alter the plain meaning of the text in which any or all of them appear.

G. *Complete Agreement*

This Agreement, including Appendices, constitutes the full and complete agreement of the parties, superseding and incorporating all prior oral and written agreements relating to the subject matter of this Agreement. All attached Appendices A and B are hereby incorporated and made an integral part of this Agreement by this reference.

H. *Partial Invalidity*

If any part of this Agreement is determined to be invalid, illegal or unenforceable, such determination shall not affect the validity, legality or enforceability of any other part of this Agreement and the remaining parts of this Agreement shall be enforced as if such invalid, illegal or unenforceable part were not contained herein.

I. *Conflicts*

To the extent that any provision of or requirement of this Agreement may conflict with a provision or requirement of any other agreement between the parties hereto, or between a party hereto and any other party, which is attached to this Agreement as an appendix, the priority of agreements shall be employed to resolve such conflict. In the event of a conflict, the Master Agreement controls the Program Supplement and any further Amendments.

J. *Counterparts*

This Agreement may be executed in one or more counterparts and may include multiple signature pages, all of which shall be deemed to be one instrument. Copies of this Agreement may be used in lieu of the original.

K. *Governing Law*

The Agreement shall be governed by and construed in accordance with the laws of the State of California.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement by their duly authorized officers.

STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORATION

BY: _____
W.Kyle Gradinger
Chief, Division of Rail and Mass Transportation

DATE: _____

CITY OF SANTA ROSA

BY: _____
Jason Nutt
Director, Transportation and Public Works

DATE: 4/14/23

APPROVED AS TO FORM AND PROCEDURE

STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION

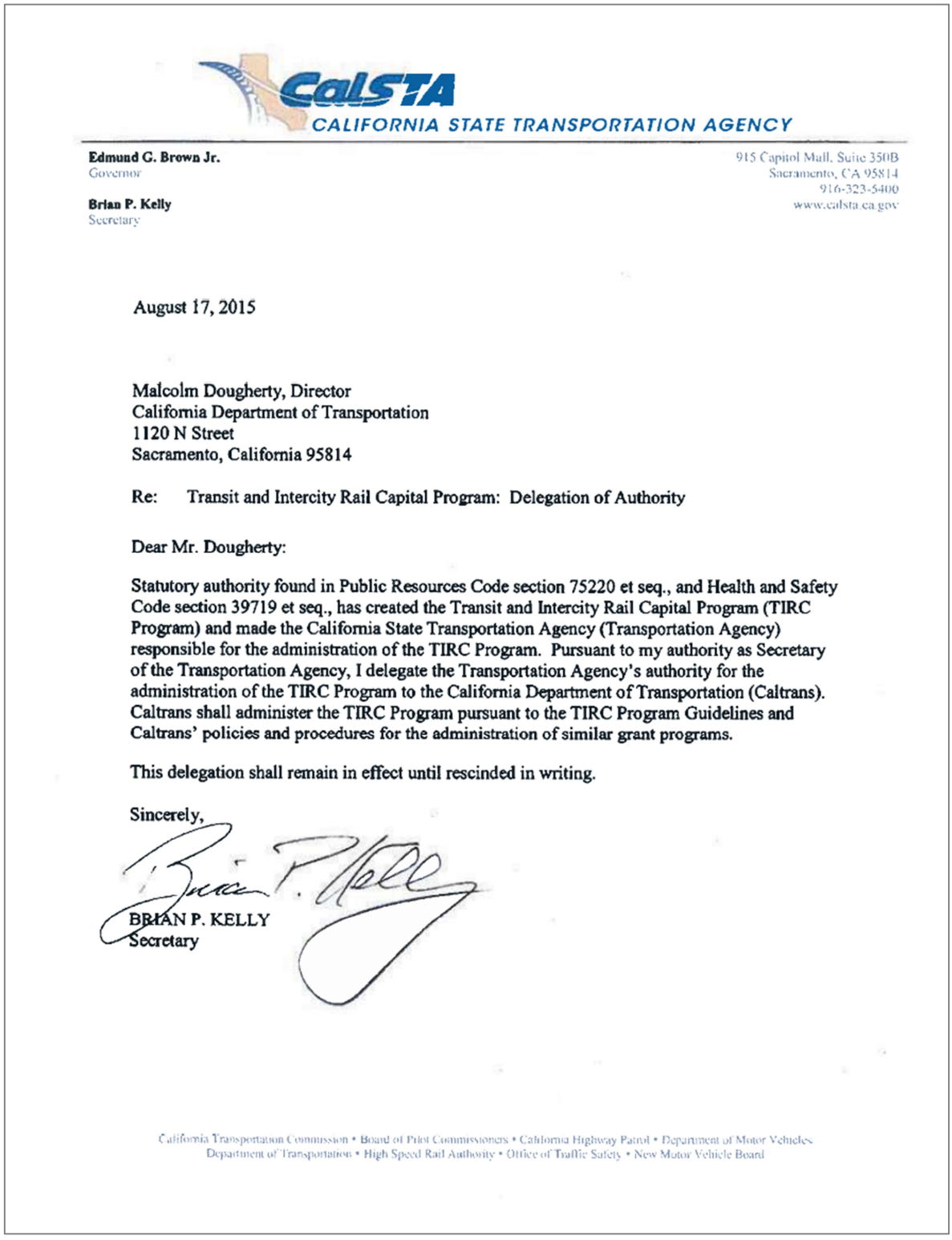
BY: _____
Deputy Attorney

DATE: _____

CITY OF SANTA ROSA

BY: Jessica Mullan (Apr 12, 2023 11:11 PDT)
Attorney, City of Santa Rosa

APPENDIX A
DEPARTMENT DELEGATION AND TIRCP PROGRAM GUIDELINES



CALIFORNIA STATE TRANSPORTATION AGENCY

Edmund G. Brown Jr.
Governor

Brian P. Kelly
Secretary

915 Capitol Mall, Suite 350B
Sacramento, CA 95814
916-323-5400
www.calsta.ca.gov

August 17, 2015

Malcolm Dougherty, Director
California Department of Transportation
1120 N Street
Sacramento, California 95814

Re: Transit and Intercity Rail Capital Program: Delegation of Authority

Dear Mr. Dougherty:

Statutory authority found in Public Resources Code section 75220 et seq., and Health and Safety Code section 39719 et seq., has created the Transit and Intercity Rail Capital Program (TIRC Program) and made the California State Transportation Agency (Transportation Agency) responsible for the administration of the TIRC Program. Pursuant to my authority as Secretary of the Transportation Agency, I delegate the Transportation Agency's authority for the administration of the TIRC Program to the California Department of Transportation (Caltrans). Caltrans shall administer the TIRC Program pursuant to the TIRC Program Guidelines and Caltrans' policies and procedures for the administration of similar grant programs.

This delegation shall remain in effect until rescinded in writing.

Sincerely,

BRIAN P. KELLY
Secretary

California Transportation Commission • Board of Pilot Commissioners • California Highway Patrol • Department of Motor Vehicles
Department of Transportation • High Speed Rail Authority • Office of Traffic Safety • New Motor Vehicle Board

2022 TRANSIT AND INTERCITY RAIL CAPITAL PROGRAM GUIDELINES

NOVEMBER 19, 2021





CalSTA
CALIFORNIA STATE TRANSPORTATION AGENCY

TRANSIT AND INTERCITY RAIL CAPITAL PROGRAM

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1 Authority and Purpose

The Transit and Intercity Rail Capital Program (TIRCP) was created by Senate Bill (SB) 862 (Chapter 36, Statutes of 2014) and modified by SB 9 (Chapter 710, Statutes of 2015), to provide grants from the Greenhouse Gas Reduction Fund (GGRF) to fund transformative capital improvements that will modernize California's intercity, commuter, and urban rail systems, and bus and ferry transit systems, to significantly reduce emissions of greenhouse gases, vehicle miles traveled, and congestion. The legislation of these bills is codified in Sections 75220 through 75225 of the Public Resources Code (PRC). Assembly Bill (AB) 398 (Chapter 135, Statutes of 2017) extended the Cap-and-Trade Program that supports the TIRCP from 2020 through 2030. SB 1 (Chapter 5, Statutes of 2017) continues to provide a historic funding increase for transportation with funds directed to the TIRCP from the Public Transportation Account for new programming in this cycle.

Section 75224 of the PRC requires the California State Transportation Agency (CalSTA) to approve a new five-year Program of Projects not later than April 1 of every even year. The 2022 TIRCP grant cycle will program projects starting with the 2022-23 fiscal year and ending with the 2026-27 fiscal year. The new program cycle will include previously awarded and active Cycle 4 projects that have not been fully allocated by the end of the 2021-22 fiscal year, and new projects from Cycle 5. The GGRF and SB 1 continue to provide substantial funding available to be programed toward new projects in the TIRCP. While funding estimates for the program are considered reasonable as of the date of the guidelines, GGRF funds are subject to impacts from market forces and auction proceeds.

These guidelines describe the policy, standards, criteria, and procedures for the development, adoption, evaluation and administration of the TIRCP. The guidelines were developed in consultation with the California Air Resources Board (CARB), the California Transportation Commission (Commission), the Department of Transportation (Caltrans), and the Strategic Growth Council (SGC), and will be further informed by input received through workshops, public comments and written responses.

2 Background

AB 32 (Chapter 488, Statutes of 2006), the Global Warming Solutions Act of 2006, AB 32 created a comprehensive program to reduce greenhouse gas emissions in California. AB 32 requires California to reduce greenhouse gas emissions to 1990 levels by 2020, and to maintain and continue reductions beyond 2020. SB 32 (Chapter 249, Statutes of 2016) established a climate goal for California to reduce greenhouse gases to 40 percent below 1990 levels by 2030.

The Cap-and-Trade Program, a key element in California's Climate Change Scoping Plan, implements measure to achieve greenhouse gas reduction goals. It creates a limit on the emissions from sources responsible for 85 percent of California's greenhouse gas emissions, establishes the price signal needed to drive long-term investment in cleaner fuels and more efficient use of energy, and gives covered entities flexibility to implement the lowest-cost options to reduce greenhouse gas emissions.

In 2012, the Legislature passed and Governor Brown signed into law three bills, AB 1532 (Chapter 807, Statutes of 2012), SB 535 (Chapter 830, Statutes of 2012), and SB 1018 (Chapter 39, Statutes of 2012), that established the GGRF to receive the State's portions of proceeds from the distribution of allowances via auction and provided the framework for how those auction proceeds will be appropriated and expended. Subsequent legislation, AB 1550 (Chapter 369, Statutes of 2016), modified requirements for expenditures from the GGRF relative to disadvantaged communities and low-income communities and households. State law requires that expenditures from the GGRF be used to facilitate the achievement of greenhouse gas emission reductions. In addition, Transit and Intercity Rail Capital Program expenditures must comply with the requirements contained in SB 862 and SB 9, which provide statutory direction for the program.

In 2019 and 2020, Governor Newsom signed two executive orders—E.O. N-19-19 and E.O. N-79-20—both of empower CalSTA to leverage discretionary state transportation funds to reduce transportation-related Greenhouse Gas (GHG) emissions and to adapt to climate change. E.O. N-79-20 set a deadline of July 15, 2021 for CalSTA to identify specific near-term actions and investment strategies to combat and prepare for climate change, which resulted in the creation of the Climate Action Plan for Transportation Infrastructure (CAPTI).

The Climate Action Plan for Transportation Infrastructure (CAPTI) was developed by CalSTA through a robust stakeholder engagement process and was adopted on July 12, 2021. CAPTI puts forth a set of guiding principles which serve as a framework for state discretionary transportation investment, and also includes a suite of implementation strategies and actions meant to align transportation infrastructure investments with the overall investment framework. TIRCP is closely linked to CAPTI and serves as a means by which to implement the higher-level policy developed in the plan. The TIRCP Guidelines include updates that work to implement actions listed in CAPTI, particularly Actions S2.1, S2.3, and S7.1. Together, these actions help TIRCP support California Integrated Travel Project (Cal-ITP) implementation, support deployment of ZEV fleets, and better support Pro-Housing policies.

- **S2.1 Implement the California Integrated Travel Project (Cal-ITP):**

  Caltrans will provide transit providers an easier and less expensive process to implement contactless payment, benefit eligibility verification, and other services via Cal-ITP. Additionally, Caltrans will work to provide technical assistance and support to small and rural transit operators to implement these features in their service areas.

- **S2.3 Accelerate TIRCP Cycles to Support Transit Recovery with Deployment of ZEV Transit/Rail Fleets and Transit/Rail Network Improvements:**

  In collaboration with CARB, CalSTA will develop a new Clean Fleet and Facilities Network Improvement project category in the TIRCP to provide additional support and funding to transit agencies needing to replace their aging vehicle fleets with ZEVs, while also working with local agencies to improve network efficiency and integration. Additionally, to support economic recovery efforts in the short term, the administration has supported increasing the TIRCP which will enable CalSTA to accelerate the 2022 funding cycle to allow for pursuing this new project category without undermining current investments. Additionally, CalSTA hopes to start guidelines development and the program call for projects earlier than past years and identify additional near-term cash flow that will expand funding opportunities. CalSTA will also offer expanded technical assistance prior to application to support agencies of every size throughout the state.

- **S7.1 Leverage Transportation Investments to Incentivize Infill Housing Production:**

  CalSTA will work to use transportation funding to reduce VMT by incentivizing infill residential development and densities appropriate and feasible for each given community. Building upon the "Pro-Housing" Standard developed by the Department of Housing and Community Development (HCD), competitive funding programs will explore adopting incentives for local policies that tend to support location-efficient and mixed-use housing production, while considering the needs of rural, suburban, and urban jurisdictions and how appropriate policies may differ among those areas. Such local policies may include Housing Element compliance, by-right (nondiscretionary) approval processes for multifamily residential and mixed-use development, zoning to allow for residential and mixed-use developments in non-residential zones, reduced parking requirements for residential development, or expanded density bonuses that exceed state density bonus law, among other local policies. Initially, transportation programs with a statutory linkage or scoring criteria tied to land use

efficiency or GHG reductions could adopt these incentives as competitive scoring criteria and enhanced guidance to facilitate interjurisdictional coordination between project proponents and local planning departments. Using the "Pro-Housing" Standard as a framework will allow for statewide applicability and ample flexibility in approaches to meet any new criteria

More information on CAPTI can be found at:

https://calsta.ca.gov/subject-areas/climate-action-plan

3 Objectives

The TIRCP was created to fund transformative capital improvements that modernize California's intercity rail, bus (including feeder buses to intercity rail services, as well as vanpool and micro transit services that are eligible to report as public transit to the Federal Transit Administration), ferry, and rail transit systems (collectively referred to as transit services or systems inclusive of all aforementioned modes unless otherwise specified) to achieve all of the following policy objectives, as codified in Section 75220(a) of the PRC:

1. Reduce emissions of greenhouse gases
2. Expand and improve transit service to increase ridership
3. Integrate the rail service of the state's various rail operations, including integration with the high-speed rail system
4. Improve transit safety

Additionally, Section 75221(c) of the PRC codifies a programmatic goal to provide at least 25 percent of available funding to projects that provide a direct, meaningful, and assured benefit to disadvantaged communities, consistent with the objectives of SB 535. AB 1550 provides further requirements related to ensuring investments meet the needs of priority populations, a term used to cover disadvantaged communities, low-income communities and low-income households. Investments made by TIRCP are expected to collectively meet or exceed the requirements in AB 1550.

Taken as a whole, the increases in transit system ridership, as well as the reduction in vehicle miles traveled, congestion and greenhouse gas emissions, will help deliver a healthier and safer transportation system. Investments are expected to position the state to lead in the deployment of cutting edge and zero emission technologies, test innovative strategies and new approaches to reducing transportation-related fatalities, provide important new capacity in corridors that support growth in jobs and housing, and to expand multimodal transportation access and options for all Californians across all regions of the state.

4 Pre-Application and Post-Award Technical Assistance

Caltrans, in collaboration with CalSTA, will offer expanded technical assistance prior to application to support agencies of every size throughout the state, including assistance in identifying critical elements to documenting increased ridership across the project and network it serves for agencies pursuing zero emission vehicle purchases. The Office of Planning and Operations Support in the Division of Rail and Mass Transit (DRMT) at Caltrans will also provide required ridership modeling assistance for any project benefiting or impacting the intercity rail system.

Once awards are publicly announced, DRMT's Office of Project Development, Management and Delivery will lead implementation and grant management of the selected projects, with assistance from the Office of Planning and Operations Support to ensure alignment of project scope with the project award and the Caltrans Office of Race and Equity to ensure integration of efforts to deliver Priority Population benefits into the approved project scope and programming documents.

5 Funding

The TIRCP receives a portion of the Transportation Improvement Fee revenues established by SB 1 and a continuous appropriation of 10 percent from the quarterly Cap-and-Trade auction proceeds deposited in the GGRF, plus any annual budget allocations provided by enacted budget bills.

The TIRCP fund estimate, award amount and the adopted program for TIRCP will be based on anticipated revenue through 2026-27 (as specified in the call for projects and subject to update prior to program adoption). Section 75224(d) of the PRC authorizes CalSTA to enter into a multiyear funding agreement with eligible applicants for any duration. CalSTA may use this authority to program funds for a project that would depend on funds received subsequent to the five-year program, primarily intended for projects that have long construction timelines that extend beyond the 2026-27 fiscal year. The goal of such a plan is to allow a project with construction over multiple years to have a commitment of funds programmed over multiple years in order to enter into necessary contracts for construction

As provided in statute, CalSTA may revise its approved Program of Projects and/or Program Allocation Plan as necessary, including deletion or delay of projects based on a shortfall of funding or lack of project progress. The Program Allocation Plan will reflect planned multi-year funding amounts for any projects or project elements expected to receive their funding over more than one year, and may be adjusted at any time to address project or program needs and to align allocations with revenues.

6 Schedule

2022 Cycle 5 Draft Guidelines Schedule

Discussion Draft Workshop	August 12, 2021
Release Draft 2022 Cycle 5 Guidelines	September 30, 2021
Guidelines Workshops (Virtual)	
Workshop 1 (focused on large applicants)	Nov 2, 2021
Workshop 2 (focused on rural and small applicants)	Nov 3, 2021
Closing Date for Comments on Draft Guidelines *	Nov 10, 2021
CalSTA Publishes 2022 Cycle 5 Guidelines	November 19, 2021
Call for Projects	November 19, 2021
Optional, time-limited, focused meetings for applicants to discuss project concepts and quantifications (will be scheduled by request. May be in person in various locations or virtual.)	December 9-15, 2021
Second round of optional, time-limited, focused meetings (will be scheduled by request. May be in person in various locations or virtual.)	January 20-26, 2022
Project Applications Due	March 3, 2022
CalSTA Award Announcement	June 2022

**Comments can be submitted to: tircpcomments@dot.ca.gov*

7 Eligible Applicants

Eligible applicants must be public agencies, including joint powers agencies, that operate or have planning responsibility for existing or planned regularly scheduled intercity or commuter passenger rail service (and associated feeder bus service to intercity rail services), urban rail transit service, or bus or ferry transit service (including commuter bus, vanpool, and micro transit services). Public agencies include local

municipalities that operate transit service, construction authorities, transportation authorities, and other similar public entities created by statute.

An applicant assumes responsibility and accountability for the use and expenditure of allocated funds. Applicants must comply with all relevant federal and state laws, regulations, policies, and procedures. Private companies may partner with eligible applicants to propose and deliver projects.

8 Eligible Projects

Eligible applicants may submit project applications individually or as part of a joint application. In order to be eligible for funding under this program, a project must demonstrate that it will achieve a reduction in greenhouse gas emissions using the CARB quantification methodology.

As codified in Section 75221(a) of the PRC, projects eligible for funding under the program include, but are not limited to, the following:

1. Rail capital projects, including intercity rail, commuter rail, light rail, and other fixed guideway projects. Additionally, the acquisition of rail cars and locomotives, and the facilities to support them, that expand, enhance, and/or improve existing rail systems and connectivity to existing and future transit systems, including the high-speed rail system.
2. Intercity, commuter, and urban rail projects that increase service levels, improve reliability, or decrease travel times, infrastructure access payments to host railroads in lieu of capital investments, efforts to improve existing rail service effectiveness with a focus on improved operating agreements, schedules, and minor capital investments that are expected to generate increased ridership, as well as larger scale projects designed to achieve significantly larger benefits.
3. Rail, bus, and ferry integration implementation, including:
    a. integrated ticketing and scheduling systems and related software/hardware capital investments (including, but not limited to, integration with bus or ferry operators and the use of contactless payment and General Transit Feed Specification (GTFS) implementation through Cal-ITP)
    b. projects enabling or enhancing shared-use corridors (both multi-operator passenger only corridors as well as passenger-freight corridors)
    c. related planning efforts focused on, but not limited to, delivery of integrated service not requiring major capital investment
    d. other multimodal and service integration initiatives
4. Bus rapid transit and other bus and ferry transit investments (including autonomous fixed guideway, vanpool, and microtransit services operated as public transit and first-/last-mile solutions), and to increase ridership and reduce greenhouse gas emissions. This includes large scale deployment of zero emission vehicles and the technologies to support them, and capital investments as a component implementing transit effectiveness studies that will contribute to restructured and enhanced service.

CalSTA intends to fund a small number of transformative projects that will significantly reduce vehicle miles traveled, congestion, and greenhouse gas emissions by: (1) creating a new transit system (2) increasing the capacity of an existing transit system, or (3) otherwise significantly increasing the ridership of a transit system. Significant change will be measured both in percentage terms (percent increase compared to the existing system or corridor) and in total quantity terms (increase in number of riders and passenger miles per day). Benefits from the proposed project may accrue from ridership generated on more than one transit system or corridor due to integration, and such benefits may be counted as long as the connected system or corridor has sufficient capacity to carry the increased passenger demand.

Projects related to mitigating the impacts on freight rail services that are caused by growth in passenger rail may also be eligible for TIRCP funding even if they are not directly on the passenger rail corridor. However, they should be included in an application for a project that increases passenger rail ridership.

The awarded projects may include, for example, both lower-cost projects focused on integration, reliability

and enhancement of service, and higher-cost capital expansion projects. In addition, CalSTA seeks projects that link housing with key destinations and that improve accessibility to economic opportunities. CalSTA may also make some funding available for demonstration projects that are smaller-scale efforts with great potential to be expanded. Projects may include new approaches to attracting increased ridership such as smart phone mobile ticketing, contactless payment, or other software and hardware solutions to reduce ticketing transaction costs, or a test of a concept related to integrated ticketing, as well as intercity rail/transit effectiveness or operational planning as a component of the capital investments in improved, expanded and/or restructured service designed to cost-effectively increase ridership. Research, development and testing of emerging technologies are eligible components of project applications.

Clean fleet, facility and network improvement projects that support agencies replacing aging vehicle fleets with Zero Emission Vehicles (ZEVs), and associated fueling or charging infrastructure or facility modifications, may also be eligible for TIRCP funding even if not increasing the number of vehicles in the transit agency fleet. Such projects will generally qualify through various efforts that (1) improve network efficiency with transit priority investments that allow savings in vehicle hours operated to be redeployed into increased service on the same or other routes, (2) implement improvements to payments systems that are designed to increase ridership, including implementation of contactless open payment, traveler information through GTFS-Real Time (GTFS-RT), and other services available through Cal-ITP, and/or (3) improve integration with other corridors and/or operators through service restructuring designed to increase network ridership. Smaller and/or rural agencies that may have difficulty transitioning to electrified fleets without additional support are encouraged to apply and seek technical assistance during the consultation periods highlighted in the project schedule, recognizing that many such agencies have not previously applied to the program. ZEV leases are eligible for TIRCP funding, but benefits modeled must match the duration of the lease.

Addressing the integration of rail and transit referenced in the TIRCP objectives and described in the eligible projects will require attention to network integration amongst rail and transit services. Improving integration will improve connectivity and the seamlessness of the travel experience for users by eliminating points of friction during a public transportation journey, and as a result increase ridership across multiple corridors and/or systems. These points of friction come in many forms, including but not limited to a lack of universal GTFS trip-planning information, poor service design and uncoordinated schedules, incompatible fare and ticketing policies and systems between agencies, and unsafe and inconvenient physical connections between modes. Examples of types of network integration projects include:

- Contactless open payment systems and real-time traveler information through GTFS to improve system integration and rider connectivity
- Coordinated schedule and timetable planning between agencies to reduce transfer wait times and improve the seamlessness of the travel experience, and the capital projects necessary to improve such coordination and operations;
- Integrated station design to accommodate existing and planned services and their service expansions, and capital projects necessary to invest in hubs at such stations;
- Planning to determine opportunities to co-locate maintenance and yard facilities, as needed, and capital projects to invest in such facilities;
- Service and infrastructure needs analysis to determine the feasibility of new or expanded systems that better integrate service, and the capital investment necessary to implement such services;
- Station area and transit facility improvements to facilitate better land uses and access by active or shared mobility modes, as well as to enhance customer safety and comfort.

Network integration and system development planning can be components in the application with their own scope, schedule and budget, but they must relate to the overall capital project being proposed (including identifying ways to improve the benefits realized by the project upon implementation or through

identifying additional capital investments that could be funded in later phases to enhance network and system benefits). Where relevant, it should demonstrate support of the integration demonstrated in the vision laid out in the 2018 California State Rail Plan. CalSTA may elect to include network integration technical assistance and/or additional funding as part of a TIRCP award if it is determined that there is a need not adequately addressed by the applicant, especially if integration can be improved with regards to adjacent state-funded capital projects or state-funded rail operations. CalSTA and Caltrans may provide technical assistance to ensure that TIRCP program and statewide goals and priorities are being addressed through the work.

Applicants may apply for multiple projects in a cycle. However, an applicant submitting multiple project applications must clearly prioritize its project applications. Applicants are also encouraged to identify phases or priorities within each project application, if applicable, so that available resources may be awarded to a phase or priority if the full project cannot be funded. Many applicants have found it more helpful to submit a single application that describes a programmatic set of inter-related projects rather than submitting multiple applications. Phasing and priority-setting within such a programmatic application can then be clearly identified, but the narrative describing the goals and outcomes can be shared.

Applicants submitting a high-dollar, single application with no scalability or separable project elements may increase the risk of having an uncompetitive project application. At the same time, applicants are advised to submit projects that are scalable where practical. In the event that available program resources expand or contract prior to the completion of the programming cycle, CalSTA may revise the funding available for the programming cycle.

There is not a set limit on the amount of funding that a project can be awarded, but geographic equity requirements for the program plays a practical role in limiting the amount a given applicant and project could expect. Geographic equity is considered within each cycle of funding, as well as with consideration given to the degree to which the geography in question has been underrepresented in past cycles.

While there is no minimum match requirement for this funding source, funding leverage is desirable and will be considered in the evaluation of expected project benefits. In particular, emphasis will be placed on projects that:

- Leverage funding from other GGRF programs such as Caltrans' Low Carbon Transit Operations Program, the SGC's Affordable Housing and Sustainable Communities and Transformative Climate Communities Programs, or CARB's Low Carbon Transportation funding program (including the Hybrid and Zero-Emission Truck and Bus Voucher Program (HVIP))
- Leverage funding from SB1 sources (including formula program sources)
- Leverage funding from other federal, state, local, regional, or private sources (including potential local transportation funding measures, as further detailed in Section 12)

Consideration will be given as to those sources that are discretionary (including competitive and noncompetitive funding sources) compared to those that are non-discretionary. A recipient of money under the program may combine funding from the program with other state funding (if allowed), including, but not limited to, the State Transportation Improvement Program, the Low Carbon Transit Operations Program, clean vehicle programs, and state transportation bond funds.

If a project is awarded funds, all funds identified as committed to the project may be required as a funding match at the time of project selection and, based on the matching percentage identified at the time of selection, a pro-rata reimbursement agreement (or other suitable agreement) may be established to ensure project savings are returned proportionally. Project completion savings are returned proportionally except when an agency has committed additional funds to the project to fund a cost increase. In such instances, savings at project completion may be returned to other fund types first, until proportions match those at programming. If capital assets are removed from service before the end of their useful life, pro-rata repayment of grant funds may be required.

Redeployment of capital assets to achieve similar, or greater, benefits more effectively may be permitted,

but must be documented (with documentation including a detailed justification of the requested redeployment) by the grantee and approved in advance by CalSTA. For example, once a project is operational, and after monitoring service performance and determining that it was not performing as expected, redeploying bus service to achieve greater greenhouse gas reductions or better serve priority populations based on current needs may be permitted.

If an implementing agency receives funding for a project that is to be completed with other funds (for example, a project which receives funds for plans, specifications, and estimates from the TIRCP but which will receive local measure funding for construction), that agency is required to complete the project as proposed. If the project is not completed and put into service as awarded, the agency may be required to fully or partially repay funds from the TIRCP commensurate with the failure to complete the project and deliver anticipated reductions in greenhouse gas emissions.

If a project application was only partially awarded in a previous cycle, applicants may request additional funds for the unawarded components in a future funding cycle. However, applicants may not request additional funds for the same previously awarded project components based on cost escalation or loss of a matching funding source. Such projects may reapply in a future cycle with a revised financial plan, but are subject to new ratings relevant to the current application cycle, and may or may not succeed in receiving a funding award.

Prior to the project application due date, CalSTA invites interested eligible applicants to optional meetings (as outlined in the calendar section of the document) to discuss proposed project concepts and quantifications, in order to clarify program requirements.

9 Project Applications

Applications must be submitted in accordance with the Call for Projects.

Applications will be treated in accordance with Public Records Act requirements and certain information, subject to those requirements, may be publicly disclosed.

Each project application must include a signed cover letter, with signature authorizing and approving the application.

The project application shall include:

1. Project title, which should be a brief non-technical description of the project type, scope, and location.
2. Project priority (if agency is submitting multiple applications). Explain the prioritization, including any state, regional or local planning efforts that support the ranking.
3. Project purpose and need.
4. Project scope.
5. Project Location – provide a map for each of the following:
   A. Project location denoting the project site. Provide a KML file for the project with the transit route/project location represented by lines and stops represented by points as applicable.

      Project location denoting disadvantaged communities, low-income communities, and/or low-income households that will benefit from the project (Attachment 1, CCI Funding Guidelines).
   B. Greenhouse gas reducing features such as project components that improve air quality and reduce greenhouse gas emissions along a specific corridor, surrounding land use density, housing and employment centers, transit- oriented development/sustainable communities strategy projects, active transportation infrastructure and other features, to the extent available. If available, consider including the following information on maps related to the project, as these will help in evaluating many of the secondary evaluation criteria:
      - Land use diversity/mix of land uses specified on the map

- In addition to showing where housing exists, provide information on housing density *and* planned/zoned/permitted/etc. housing density;
- In addition to illustrating existing employment centers, provide information on employment density, mix of employment types, and planned future employment land uses.
- Current neighborhood walkability (e.g., see Affordable Housing and Sustainable Communities Program (AHSC) guidelines for sources of walkability data);
- Planned and existing active transportation infrastructure (what currently exists, what is planned, and what would be funded by the project)

6. Project costs.

   Documentation of the basis for the costs, benefits and schedules must be cited in the project application and additional detail made available upon request. The application should identify:

   A. Cost estimates escalated to the year of proposed delivery. Only cost estimates approved by the Chief Executive Officer or other authorized officer of the implementing agency should be used.
   B. The amount and source of funds committed to the project (including funding for initial operating costs). A funding commitment is defined in Section 12 of this document.
   C. The amount of TIRCP funds requested. TIRCP funds cannot be used to supplant other committed funds.
   D. If applying for Network Integration as a separate component, please specifically indicate the costs.

7. Project schedule including benefits reporting, the project's current status and the completion dates of all major delivery milestones.

8. Project benefits:
   A. A clear demonstration of the expected GHG reduction benefits, other co-benefits, and the proposed metrics for tracking and reporting on those benefits consistent with the CARB's Funding Guidelines, as described in Attachments 1-3.
   B. The description of project benefits that address all Primary and Secondary Evaluation Criteria listed below under Project Selection Process (Section 10), indicating that a category is not applicable, or no benefits are expected when that is the case.
   C. An estimate of the useful life of the project for the dominant project asset type (can be separated by project category or phase if elements of the project have independent utility and could be separately funded or placed in service).
   D. When investment of TIRCP is proposed to improve private infrastructure, an assessment of public and private benefits to show that the share of public benefit is commensurate with the share of public funding.
   E. If a project will be applying for funding from other greenhouse gas reduction programs (such as Caltrans' Low Carbon Transit Operations Program, the SGC's Affordable Housing and Sustainable Communities Program or the CARB's Low Carbon Transportation funding program (including HVIP)) or from the Commission's Active Transportation or other program, an indication if there are separable elements that will be funded from those other sources and the applicant must clearly explain any change to the benefits of the project if the funding from that source is not awarded to the project.
   F. Identify and include as an attachment all studies or planning documents relevant to the proposed project.
   G. If applying for Network Integration, specifically indicate the benefits and how the network integration work will enhance the overall project benefits.
   H. A discussion of the proposed project's impact, both favorable and unfavorable, on other transit services and projects planned or underway within the corridor, including intercity rail, transit or high-speed rail services in a parallel or connecting corridor. Impacted plans should be clearly

identified, and corresponding planning documents should be included as an attachment. If ridership of the other services is expected to be positively or negatively impacted by the proposed project, evidence of how the other services are to be impacted should be included in the application, including evidence of coordination with the other service providers and an estimate of multi-operator impacts where available. Project impacts that increase ridership on other services through increased transfers of passengers may be reflected in the quantification of GHG benefits only if the project also documents the ability of the connected corridor to provide capacity sufficient to accommodate the riders. If additional service must be operated by the adjoining operator, the operation of such service must be included in the calculation of emissions related to the project. If an agency recognizes value in additional efforts to integrate services with other transportation providers or enhance station access (including by active transportation) during the post-award period (and prior to the beginning of service resulting from the project), a specific task and budget for the proposed activities should be included in the project application. During application review, if additional efforts are evaluated as necessary in order to successfully address integration with other projects, systems or corridors, CalSTA may propose an additional task and assign additional funding to pursue such integration above and beyond what is requested in the project application, with the scope agreed to during development of the agreements necessary to allocate funding to the selected project. Projects expecting to have the impacts described in this section are strongly encouraged to make use of the optional pre-application technical assistance meetings described in Section 4 and on the schedule on Section 5.

9. If applicable, an explanation of how some or all of the project provides direct, meaningful, and assured benefits to a disadvantaged community, low income communities or low-income households as defined by SB 535 and AB 1550, including reducing administrative burdens – particularly those associated with eligibility verification across services. Identify a need of that community, including how the need was established to identify the portion of the project, if any, that is located within a disadvantaged community or low-income community and that addresses the need (see Section 10.3 and Attachment 1).
   A. If an agency plans to engage in additional efforts to consult with disadvantaged or low-income stakeholders during the post-award period (and prior to the beginning of service resulting from the project), a specific task and budget for the proposed activities should be included in the project application. Such efforts may include plans for service implementation of the specific project, addressing station access issues specific to the stakeholders, as well as developing proposals for service changes and capital investments that may be funded through future capital or operating funds or through project cost savings. Activities that address community engagement may include, but are not limited to, public workshops/meetings, door-to-door canvassing, house meetings, established website and/or social media efforts, surveys, focus groups, subcontracts with community-based organizations to conduct outreach, allocation of staff or contractor positions focused on community engagement, and advisory bodies or other shared decision-making bodies.
   B. The general scope of the proposed effort should be submitted in draft form, but revision and development of additional detail prior to allocation of TIRCP funding for these activities may be requested by CalSTA in order to increase the benefits of the effort. During application review, if additional efforts are seen as necessary in order to successfully address the needs of disadvantaged or low income stakeholders, CalSTA may propose an additional task and potentially assign additional funding to pursue such consultations above and beyond what is requested in the project application, with the scope agreed to during development of the agreements necessary to implement the selected project.

10. If applicable, an explanation of how the project will provide employment and workforce development and training benefits to the community, particularly to priority populations. This explanation should be accompanied by a Community Workforce Agreement, Project

Labor Agreement, or some other agreement made between the applying agency and unions, community-based organizations, or other partners. If such activities are being conducted as part of the project, budget and scope elements should reflect the level of effort anticipated.

11. Address the ability to gather and analyze new datasets for public use and benefit as an outcome of the project.

12. Description of funding sources and approach to ensuring ongoing operating and maintenance costs of the project are funded through the useful life of the project (as applicable).

13. Description of how the project will assist in meeting the California Minimum GTFS Guidelines, and address any identified assessment deficiencies, if applicable. The guidelines may be found at:

    https://dot.ca.gov/cal-itp/california-minimum-general-transit-feed-specification-gtfs-guidelines.

14. Each application must include an Electronic Project Programming Request (ePPR) Form that can be generated at https://calsmart.dot.ca.gov and choosing 'Other' funds option on the general information page. A users guide for generating the ePPR can be found at: https://dot.ca.gov/-/media/dot-media/programs/financial-programming/documents/eppr-instructions-v101-a11y.pdf

    For further helps with ePPRs, please email: eppr@dot.ca.gov.

    A. Each Project Programming Request must list Federal, State, and local funding categories by fiscal year. All applicants must demonstrate the ability to absorb any cost overruns and deliver the proposed project with no additional funding from this program beyond that provided in initial grant or cooperative agreement, and to fund initial operating costs. If the project is a scope addition to a project programmed in an earlier TIRCP cycle the revised PPR must not show supplanting of previously committed non-TIRCP funds.

    B. An eligible applicant may submit an application to fund a project over multiple fiscal years. The cost of each project component must be listed in the state fiscal year in which the particular project component needs to receive a Commission TIRCP allocation. For environmental studies and permits, costs should be listed in the fiscal year during which environmental studies will begin. Costs for the preparation of plans, specifications and estimates should be listed in the fiscal year during which this work will begin. Right of way costs should be listed in the fiscal year(s) during which each right of way acquisition (including utility relocation) contract will first be executed. Construction costs should be programmed in the fiscal year during which each construction contract needs to receive a Commission TIRCP allocation to be advertised, and if an agency can receive TIRCP construction reimbursements over multiple fiscal years to fund a contract of extended duration, the application should list the amounts by fiscal year over which construction funding is required to meet expected contract requirements.

    C. If a project is expected to require multiple contracts for any stage of project development (often the case for multi-component projects), each contract should be listed separately with its respective funding requirements (to the extent known at the time of application), so that Commission TIRCP allocations may be sought in the programming year close to the specific contract need and funding allocations are put to timely use. If not known at the time of application, this information will be sought prior to Commission allocation so that the project and its various components can be properly programmed in the CalSTA Program Allocation Plan.

    D. Applicants are encouraged to submit a narrative explanation or supplement to the PPR to reflect the proposed contracting approach and describing the ability of the project to receive funds on alternative allocation schedules. If a project has a special cash flow consideration that would benefit from TIRCP funds being available at a particular time, please describe this

in the application.

E. Applicant must disclose if they're an FTA federal grantee or not, and are encouraged to include any FTA funding used as match if they are.

F. Finally, if a project is only requesting funds for a particular phase of the proposed project, such as a construction contract expected to be awarded in a specific year of the program, identify the prior phases and the funding associated with them.

15. Letters of support for project implementation, including letters from:

A. Project partners essential to project implementation, such as host railroads or facility owners. If TIRCP funds are to be used at a later stage of project implementation (such as construction), and an agency is able to commit to delivering the project goals with no additional TIRCP funding (supplementing, if necessary, from non-TIRCP sources), letters of support may indicate overall support for the project as described in the application and willingness to engage in best efforts to achieve a formal agreement for the construction elements of the project that will still require a future stakeholder agreement. Commission allocation of awarded TIRCP funding for such future construction will be conditioned on such agreements being finalized and the project being implemented in a manner consistent with the original application.

B. A Metropolitan Planning Organization (MPO), indicating that the project is consistent with an adopted Sustainable Communities Strategy, or in non-MPO regions, a regional plan to reduce GHG emissions and/or vehicle miles travelled (VMT). (It is not necessary to establish project eligibility for an MPO to indicate its specific support for the project.)

C. Regional agency or agencies.

D. Members of the community, including representatives of impacted disadvantaged or low-income communities. Letters from community organizations stating their recognition of benefits from the project are encouraged.

E. Additional stakeholders relevant to the proposed project.

16. Description of project elements that are separable or scalable based on available funding, if applicable, while still maintaining independent utility. For example, if an application is for improving services on three routes, each route may be separately described and prioritized so that the highest-priority portion of the application could be funded if resources are not sufficient for full project funding. If some or all of the project is already programmed using state or federal funds, the application must clearly explain if and how the scope of the project has changed since the most recent state or federal programming action, including an explanation of any differences in assumed federal funding level compared to the most recent Capital Investment Grant report or summary (if applicable). If the project is not scalable or separable, the applicant should provide background detailing why it is not practical for it to be phased or scaled.

Documentation of the basis for the costs, benefits, and schedules must be included in the project application and additional detail made available upon request. CalSTA will post basic project application information from all applications on its website prior to awarding funding. After projects are selected, CalSTA will post the status of all project applications to its website.

CalSTA encourages project applicants to carefully consider how to track the status and benefits of the proposed project, including having project budgets that allow for an appropriate level of before and after data collection and analysis (e.g., greenhouse gas reductions, diesel particulate matter reductions, increased transit service for disadvantaged community residents, etc.). This tracking could take the form of customer surveys made before and after the proposed project, specific data analysis before and after the project, or other efforts. Since this is an ongoing funding program of the state, developing lessons learned and good supporting data are critical to future program effectiveness.

10 Project Evaluation

Applications will receive an initial screening for completeness and eligibility. Incomplete or ineligible applications will not be evaluated.

10.1 Primary Evaluation Criteria

Projects will be selected through a competitive process. The primary evaluation will be based on how well a project meets the objectives of the program, as further expanded upon by the grant evaluation considerations in statute:

1. **Reduce greenhouse gas (GHG) emissions.** CARB has developed a quantification methodology for estimating greenhouse gas reductions that may occur as a result of project implementation (see Attachment 2). The inputs and assumptions behind these calculations must be thoroughly documented as part of the application. Applicants should present project elements that are scalable or separable in a manner that allows the greenhouse gas emission reductions of each element to be understood. Total cost per metric ton of carbon dioxide equivalents ($MTCO_2e$) reduction and Transit and Intercity Capital Program funding per $MTCO_2e$ reduction will be primary elements of the evaluation for project selection. Applicants must quantify greenhouse gas reductions (see Attachment 2) and submit reporting information in accordance with the CARB's Funding Guidelines (see Attachment 1). Highly rated projects will exhibit a low cost per ton of $MTCO_2e$ reduction and will have strong documentation of the ridership and passenger mile impacts of the project.
2. **Increase ridership through expanded and improved rail and transit service (including connectivity to rail services through expanded and improved transit and/or feeder bus services, or by improving the rider experience through universal GTFS travel information and contactless open payments (such as through Cal-ITP)).** Expanding service and improved connectivity includes construction of new rail and transit infrastructure and facilities. Documentation of the assumptions and approach to estimating ridership changes is a critical component of evaluating greenhouse gas emission reductions. Highly rated projects will have significant ridership impacts relative to the project cost and well documented methodologies for establishing ridership forecasts. Projects must document the degree to which ridership growth expected over the life of the project is supported by housing policies that will support such growth, including evidence of compliance with state-required housing plans (such as an Adopted Housing Element), and may include a designation of the community as Prohousing, as determined by the Department of Housing and Community Development's Prohousing Designation Program. If multiple operators benefit from or are impacted by a project, highly rated projects will document specific ridership results specific to each operator, including any reductions impacting other operators. Recognizing that transit-supportive land use decisions are a key influencing factor of ridership, projects may capture additional ridership from entitled housing projects within a half mile of transit stations that are expected to be delivered within required project outcome reporting period, even if such delivery is following project completion. Investments in traveler information and payment systems that are part of the application should also be evaluated for their impact on project-level and/or system-wide ridership.
3. **Integrate the services of the state's various rail and transit operations, including integration with the high-speed rail system, and the associated integration of services between agencies to support network-wide connectivity.** Improving integration will improve connectivity and the seamlessness of the travel experience for users by eliminating points of friction during a public transportation journey. Highly rated projects will identify and address through service design and/or capital project design the opportunities to integrate services across multiple systems or corridors, where possible.
4. **Improve safety.** Projects that include specific measures to address safety for users or non-users of the transit or rail service should specifically note such project elements and the

funding related to them. If the specific nature of safety-related projects components is still being determined in collaboration with local agencies and input from communities, applicants may discuss the broad location and types of investments being planned. Such improvements may include grade separations, improved crossing protection at railroad crossings, or elements in transit stations that reduce the likelihood of pedestrian fatalities and injuries, among other safety elements. Such safety elements may also include elements that increase the safety of disadvantaged and/or vulnerable populations, including safer circulation for the elderly, mobility impaired, very young, and the vision impaired. Highly rated projects will have significant project element related to safety and will not leave major safety considerations unaddressed.

10.2 Secondary Evaluation Criteria

Projects will also be evaluated based on the following criteria:

1. If/how much projects contribute to the implementation of sustainable communities strategies and the reduction of vehicle miles traveled and GHGs that may not be quantitatively captured in CARB's Quantification Methodology (QM), discussed in Section 10.1.1.
    A. Reducing vehicles miles traveled from automobiles and the number of automobile trips beyond what will be achievable via transit ridership as captured in the QM and conveyed per #1 and #2 of the Primary Evaluation Criteria.
    B. Coordinating with local governments to facilitate the location of additional employment and/or housing in the transit stop or station area (e.g., within ½-mile of the transit station or stop that will be affected by the project and the resulting low-carbon impact of such location efficiency on statewide GHG emissions relative to the status quo). This can be accomplished by using project funding to make station areas and neighborhoods walkable, bikeable, and well-integrated with existing or planned shared mobility and transit services. Evidence that will support this co-benefit will include:
        - Documentation showing the siting of projects with rail stations and major transit centers located within ½ mile of existing or planned future housing with densities that correlate with higher transit use and lower VMT per household.
        - Documentation showing alignment with state housing policies and goals that seek to increase access, reduce transportation costs, improve equity, and overcome the statewide housing crisis. Applicants can demonstrate alignment in one of two ways:

          (a) The project will serve a community within ½ mile of a transit station or stop that has received a positive Prohousing Designation Program score, certified by the Department of Housing and Community Development, for one or more of the following Prohousing Policies:

            - Policies that promote development consistent with the state planning priorities pursuant to Government Code section 65041.1 (25 CCR 6606 [C][2]).
            - Density bonus programs which exceed statutory requirements by 10 percent or more (Sec. 6606[b][1][D]).
            - Increasing allowable density in low-density, single-family, residential areas beyond the requirements of state Accessory Dwelling Unit law (e.g., permitting more than one ADU or JADU per single-family lot) (25 CCR 6606 [b][1][E]).

- Documented practice of streamlining housing development at the project level, such as by enabling a by-right approval process or by utilizing statutory and categorical exemptions as authorized by applicable law (Pub. Resources Code, §§ 21155.1, 21155.4, 21159.24, 21159.25; Gov. Code, § 65457; Cal Code Regs., tit. 14, §§ 15303, 15332; Pub. Resources Code, §§ 21094.5, 21099, 21155.2, 21159.28). (25 CCR 6606[b][2][C]).
- Zoning to allow for residential or mixed uses in one or more non-residential zones (e.g., commercial, light industrial) (25 CCR 6606 [b][1][G]).
- Reducing or eliminating parking requirements for residential development as authorized by Government Code section 65852.2; adopting vehicular parking ratios that are less than the relevant ratio thresholds at subparagraphs (A), (B), and (C) of Government Code section 65915, subdivision (p)(1); or adopting maximum parking requirements at or less than ratios pursuant to Government Code section 65915, subdivision (p). (25 CCR 6606[b][1][F]).
- Measures that reduce costs for transportation-related infrastructure or programs that encourage active modes of transportation or other alternatives to automobiles. Qualifying policies include, but are not limited to, publicly funded programs to expand sidewalks or protect bike/micro-mobility lanes; creation of on-street parking for bikes; transit-related improvements; or establishment of carshare programs. (25 CCR 6606[b][3][E]).
- Modification of development standards and other applicable zoning provisions to promote greater development intensity. Potential areas of focus include floor area ratio; height limits; minimum lot or unit sizes; setbacks; and allowable dwelling units per acre (25 CCR 6606[b][1][H]
- Rezoning and other policies that support high-density development in Location Efficient Communities. (25 CCR 6606[c][5]).
- Permitting missing middle housing uses (e.g., duplexes, triplexes, and fourplexes) by right in existing low-density, single-family residential zones (25 CCR 6606[b][1][B]).
- Establishment of a Workforce Housing Opportunity Zone, as defined in Government Code section 65620, or a housing sustainability district, as defined in Government Code section 66200 (25 CCR 6606[b][1][I])
- Policies that go beyond state law requirements in reducing displacement of lower income households and conserving existing housing stock that is affordable to lower income households. (25 CCR 6606[c][4]).
- Policy that represents one element of a unified, multifaceted strategy to promote multiple planning objectives, such as efficient land use, access to public transportation, affordable housing, climate change solutions, and/or hazard mitigation (25 CCR

6606[c][1]).

- Establishment of pre-approved or prototype plans for missing middle housing types (e.g., duplexes, triplexes, and fourplexes) in low-density, single-family residential areas (25 CCR 6606[b][3][G]).
- Adoption of ordinances or implementation of other mechanisms that result in less restrictive requirements than Government Code sections 65852.2 and 65852.22 to reduce barriers for property owners to create ADUs/JADUs. Examples of qualifying policies include, but are not limited to, Development standards improvements, dedicated ADU/JADU staff, technical assistance programs, and pre-approved ADU/JADU design packages (25 CCR 6606[b][3][B]).
- Priority permit processing or reduced plan check times for ADUs/JADUs, multifamily housing, or homes affordable to lower- or moderate-income households (25 CCR 6606[b][2][I]).

(b)The applicant engages in affordable, residential transit-oriented development on land owned or leased by the transit agency, or in conjunction with another public agency or private investor making such investments within ½ mile of one or more stations or stops served by the project. To be considered "affordable," the development must have at least 20% of units reserved for residents with 60% or less AMI. To be "transit-oriented" the housing must be within ½ mile of a transit station or stop and have a density of at least 20 dwelling units per acre. Special consideration may be given to projects which convert surface parking facilities into housing and or job centers, if they are located within ½ mile of a transit stop.

C. Expanding existing rail and public transit systems, to the extent not already captured in the project being applied for. Specific items that could be covered here include the expected strengthening of the existing system in a manner that will allow future investments in expansion to be considered, or the extent to which additional service may be operated due to the ridership growth achieved throughout the system due to the project, even if the specific location of the needed service increase is not yet identified. The contribution of the project to the acceleration of later phases of rail and transit projects in the region or service area may also be included in this category

D. Enhancing the connectivity, integration, and coordination of the state's various transit systems, including, but not limited to, regional and local transit systems and the high-speed rail system. This category should be utilized in particular if there are not specific capital investments or planning efforts called out in the project budget that invest in integration, but these benefits are still a co-benefit of the project, such as through contactless open payments or GTFS-RT traveler information systems. This category can also address integration across other modes of transportation, such as connections at/to: airports, bus terminals, ferry terminals, rail stations, active transportation infrastructure and networks, and other shared mobility options (e.g. bikeshare, scooter-share, carshare) that help transit users overcome potential first- and last-mile barriers to transit use.

E. Investing in clean vehicle technology, including efforts that will accelerate the adoption of such technology or provide valuable research or demonstration of such technology. When buses will be funded as a part of this project, special consideration will be given to zero emission bus technology.

F. Promoting active transportation, by investing in infrastructure, amenities, education and outreach, etc. that will increase the proportion of trips accomplished by biking and walking. This includes efforts and investments to increase the safety and mobility of bicyclists and pedestrians. Examples of how this can be accomplished includes (but is not limited to) the following:
   - Bike parking/storage at transit stations and stops
   - Open payment systems integrated with transit
   - Bike lanes and sidewalks to make station areas accessible via active transportation
   - Traffic calming elements are transit stations to make walking and biking a safer and more pleasant experience

G. Improving public health, with particular emphasis on elements benefiting the most impacted and disadvantaged communities, low-income communities, and/or low-income households. This category should include any air quality impacts of the project not included in the reduction of greenhouse gas emissions, including health benefits from improved regional air quality resulting from the project. The air pollution reductions for this item should be documented using CARB's co-benefit assessment methodologies.

2. Benefit to priority populations. The applicant must evaluate the criteria detailed by CARB (see Attachment 1) and complete the CARB benefit criteria table, to determine whether the project meets criteria for providing direct, meaningful, and assured benefits to a disadvantaged community, low-income community, and/or low- income households and address a community need pursuant the CARB's Funding Guidelines, and specifically document the manner in which all or part of the project does so. Projects that will be used by residents of disadvantaged communities, low-income communities, and/or low-income households should document the nature of such use and its degree of relevance to disadvantaged community, low-income community, and/or low-income household residents in the service areas of the operators benefiting from the project.

   A. Project applicants should be explicit on the deliberate steps they take to achieve a meaningful level of participation from disadvantaged communities, low-income communities, and/or low- income households in the planning and design of projects that are intended to address community identified priorities and needs.

   B. As detailed in the CARB Funding Guidelines, Attachment 1, benefits to priority populations can also be demonstrated through community workforce agreements or labor agreements with unions, community-based organizations (CBOs), or other partners. The following are examples from around California that provide more background and context for applicants:
      - For transit infrastructure, Community Workforce Agreements (CWAs) are commonly used in California cities where local elected officials see them as a mechanism to maximize the economic benefits of development projects and create jobs for local residents.
      - For transit system expansion, the state's larger transit agencies (e.g., Los Angeles County Metro, BART, SFMTA, and AC Transit) regularly establish Project Labor Agreements (PLAs) for large construction projects.
      - CWAs and PLAs set standards for wages and expand training opportunities for workers, because they include use of the state-certified apprenticeship system and contributions to apprenticeship training trust funds for every hour worked. Some agencies that require PLAs for major subsidized housing developments and transit system expansion projects include targets for local hiring (turning the PLA into a Community Workforce Agreement, or CWA), set goals for apprenticeship utilization, and codify goals for participation of disadvantaged workers to expand access to women and other workers underrepresented in the construction trades.

3. The project priorities developed through the collaboration of two or more rail operators and any memoranda of understanding between state agencies (including intercity rail joint powers authorities) and local or regional rail operators.
4. Geographic equity, with particular attention by applicants in identifying efforts to address underserved communities within an applicant's region or service area. The Transportation Agency will separately apply geographic equity considerations at a statewide level.
5. Consistency with a plan or strategy contained in an adopted Sustainable Communities Strategy, as confirmed by the Metropolitan Planning Organization (MPO), or, in non-MPO regions, a regional plan that includes policies and programs to reduce greenhouse gas emissions. Especially in the case of large capital projects, inclusion in an applicable financially constrained SCS will be noted as evidence of regional funding commitment and enhanced likelihood of successful project delivery. Consistency with the 2018 State Rail Plan service and connectivity goals, if applicable. Projects that are part of a regional network and are considered regionally significant should be noted as such. All referenced documents should be included as an attachment.
6. Benefits to freight movement, consistent with the Sustainable Freight Action Plan and the goals of the California Freight Mobility Plan, if applicable. In shared passenger/freight rail corridors, use this category to document and discuss GHG reductions from a greater volume of goods movement by rail if applicable.
7. The extent to which a project has supplemental funding committed to it from non-state sources, with an emphasis on projects that leverage funding from private, federal, local or regional sources that are discretionary.
8. For expansions of service, the presence and quality of a financial plan that analyzes the financial viability of the proposed service, including the availability of any required operating financial support.

Highly rated projects will address and score highly on multiple secondary evaluation criteria, with clear documentation of claimed benefits. Clear documentation will include data related to evaluating the claimed benefits to the extent available. Agencies are encouraged to document in the secondary evaluation criteria categories of verifiable greenhouse gas reducing activities associated with a project that are not specifically captured in the primary evaluation categories and in the quantification tools provided by CARB.

10.3 Benefit to Priority Populations

It is a goal of this program to maximize benefits to disadvantaged communities and low-income communities and households. Pursuant to the requirements of SB 535, as amended by AB 1550, the overall California Climate Investments Program funded with Cap-and-Trade auction proceeds must result in: (1) a minimum of 25% of the available moneys in the GGRF to projects located within, and benefiting individuals living in, disadvantaged communities, (2) an additional minimum of 5% to projects that benefit low-income households or to projects located within, and benefiting individuals living in, low-income communities located anywhere in the state, and (3) an additional minimum of 5% either to projects that benefit low-income households that are outside of, but within a 1/2 mile of, disadvantaged communities, or to projects located within the boundaries of, and benefiting individuals living in, low-income communities that are outside of, but within a 1/2 mile of, disadvantaged communities.

Information on California Climate Investments to Benefit Disadvantaged Communities with background on SB 535, AB 1550 and the CalEPA California Communities Environmental Health Screening Tool 3.0 (CalEnviroScreen), can be found at:

https://calepa.ca.gov/EnvJustice/GHGInvest/

In addition to contributing benefits towards meeting or exceeding the AB 1550 investment minimums, the TIRCP has a statutory investment target for benefits to disadvantaged communities required by SB 862 (a 25% minimum). This applies across the entire program regardless of funding source. Agencies are responsible for documenting compliance with these requirements.

Investments that are eligible to be counted toward AB 1550 as projects within and benefiting disadvantaged communities will also count toward meeting the SB 862 requirements. Refer to criteria in Funding Guidelines (further referenced below) for how to demonstrate benefit.

SB 862 requires CARB, in consultation with CalEPA, to develop funding guidelines for all agencies that are appropriated monies from the GGRF. These guidelines must include a component for how administering agencies should maximize benefits for disadvantage communities. The CARB funding guidelines are referenced in Attachment 1.

Applicants must complete and submit the CARB Benefit Criteria Table with their application.

In reviewing efforts to maximize benefits to disadvantaged communities, low-income communities, and/or low-income households, CalSTA may request review of applications by an advisory panel representing such stakeholders during the evaluation of applications. The primary goal of this panel will be to review proposed efforts (both pre-application and those proposed for the post-award period) and to either confirm that the applicant efforts will help align the proposed project with stakeholder and community needs, or to recommend efforts that would allow such needs to be addressed (see items 9 and 10 in section 9 describing how such efforts may be requested and funded as part of project selection.

11 Project SelectionProcess

CalSTA will evaluate applications for compliance with the objectives of the program and rate them based on the Primary and Secondary Criteria, assigning ratings such as “High,” “Medium- High,” “Medium,” “Medium-Low”, and “Low” to the specific alignment of the project to each of the selection criteria, and also considering the cost per ton of CO_2e reduction and the risks of successful project delivery. Because of the wide variety in the type and size of projects that can be funded from this program, CalSTA may group projects for the purpose of comparing the ratings of like applications or for purposes of comparing projects within a region. In addition, projects with clear phases or scalability may be evaluated for the portion of the project that would receive the highest rating if partial funding for the project is under consideration. The highest rated applications that meet the program objectives will be selected for programming, except that CalSTA may make adjustments to meet the AB 1550 goals of this program and to provide for geographic equity.

In addition to being evaluated on the aforementioned criteria and benefit to priority populations, including addressing community needs, each application will also be assessed to determine the risk associated with the project's capacity to generate, as planned, transportation and greenhouse gas emission reduction benefits (including potential sensitivity to different project benefit outcomes), and to be delivered within budget, on time, and as designed.

Additional factors to be considered include:

1. The overall need and benefit of the project in the context of its contribution to advancing later phases of the project, other aspects of a region’s long-range plans or towards improving the state’s interregional transportation network.
2. Project readiness and reasonableness of the schedule for project implementation, including the following:
   A. Progress towards achieving environmental protection requirements.
   B. The comprehensiveness and sufficiency of agreements with key partners (particularly infrastructure owning railroads) that will be involved in implementing the project.
   C. For projects that are not fully funded through construction due to funding contingencies (such as federal or local measure funds), the timing and amount of the project's future non-

committed investments.

3. The leveraging and coordination of funding from other greenhouse gas reduction programs such as Caltrans' Low Carbon Transit Operations Program, the SGC's Affordable Housing and Sustainable Communities Program or the CARB's Low Carbon Transportation funding program. The leveraging and coordination of funding from other private, federal, state (including SB1 funding programs like State Rail Assistance), local or regional sources, with consideration of those sources that are discretionary compared to those that are non- discretionary.
4. The alignment to the State Rail Plan, where relevant, which articulates a vision and specific service and delivery goals for coordinating schedules and physical infrastructure to deliver an integrated network by leveraging available resources.
5. The coordination of project development and delivery efforts in a regional and megaregional context to support an integrated, statewide rail and transit network. This should be articulated in the context of network integration and those agencies applying specifically for network integration funds or projects will be evaluated on their ability to describe the process for delivering an integrated project and its associated benefits.

Highly rated projects will clearly communicate a compelling need for the project in terms of specific benefits for the public and will demonstrate a high degree of project readiness with few risks related to proceeding into construction and operating services that achieve the proposed benefits once the project is completed. Most highly rated projects will have an approved environmental document. Those projects that are requesting TIRCP funds to complete the project's funding package (when combined with already committed other funds) will clearly communicate the acceleration in project delivery possible due to receipt of TIRCP funding even if the project may ultimately have been advanced with future local and state resources at a later date. Highly rated projects will quantify the benefits of such acceleration as part of the project application.

CalSTA will collaborate with other state entities when evaluating project proposals, including but not limited to: CARB, CalEPA, the California High-Speed Rail Authority, Caltrans, the Commission, the Department of Housing and Community Development, and the Strategic Growth Council.

CalSTA, or Caltrans acting on CalSTA's behalf, may request additional documentation to support statements or data provided in the applications. However, applicants should endeavor to be as clear as possible in their applications and not assume that opportunity will be provided to clarify or better support a submitted application. Supporting documentation should include spreadsheets, reports and methodology descriptions (with sources noted) when available.

Applications will proceed through a multi-step review process:

1. Basic screening for completeness and eligibility.
2. Review of application for potential subdivision into project phases or components, review and analysis of ridership and GHG quantification, and summarization of project to assist technical panel review.
3. Initial rating of projects on each primary and secondary evaluation criterion (see section 10) and other additional factors (above in this section) described in the guidelines by multi-agency technical panels.
4. Consideration of technical panel ratings, geographic equity and degree of disadvantaged and/or low-income community benefits by a senior executive panel, with potential to request additional information from subject matter experts that may result in a revised rating on one or more evaluation criteria or factors.
5. Project selection by CalSTA, taking into consideration cross-cutting and comparative selection criteria that consider overall program objectives, geographic equity and exceeding program goals for benefits to disadvantaged communities, low-income communities, and/or low-income households.

12 Programming

CalSTA will publish its updated 5-year Program of Projects as part of the Cycle 5 award announcement, as established in the Call for Projects, and will present it to the Commission shortly thereafter. When CalSTA releases the program, it will include a narrative for each approved project that describes that project's rating for primary and secondary criteria as well as special considerations to achieve disadvantaged and/or low-income community benefit and geographic equity. Subsequent 5-year programs are expected to be approved by CalSTA biennially. CalSTA may call for additional applications, or adjust the existing Program of Projects between cycles, as warranted based on the level of auction proceeds.

CalSTA will develop and regularly update the Program Allocation Plan to guide the allocation of funds for the current program. The Program Allocation Plan for each fiscal year will include the amount to be funded from the TIRCP, and the estimated total cost of each project. The yearly allocation amounts will be based on the needs of separable project components and phases or based on the cash flow needs for projects that need multiple years to complete.

CalSTA will program and the Commission will allocate funding to projects in whole thousands of dollars and will include a project or project component only if it is fully funded from a combination of TIRCP and other committed funding. Funds will be considered as committed when they are programmed by CalSTA, when the agency or other funding partner with discretionary authority over the funds has made its commitment to the project by ordinance, resolution or appropriate contract vehicle. In the case of the Federal Transit Administration, recommendation of the project for funding in the *Annual Report on Funding Recommendations* for the Capital Investment Program is considered a commitment of funding. For federal formula funds, including Surface Transportation Program, Congestion Mitigation and Air Quality Improvement Program, and federal formula transit funds, the funding commitment may be by Federal approval of the Federal Statewide Transportation Improvement Program. For projects seeking federal discretionary funds such as New Starts, Core Capacity, or Small Starts, the commitment may take the form of federal acceptance into Accelerated Project Delivery and Development (in the case of Small Starts) with the expectation of federal approval of an Expedited Grant Agreement, or federal approval of a project to enter Engineering (in the case of New Starts or Core Capacity) with the expectation of federal approval of a Full Funding Grant Agreement, as long as all funding, excluding TIRCP funding, is committed to the project. A project that is programmed prior to receiving federal approval for construction may be subject to deletion from the program, if federal funds are not received, federal funding is reduced or the scope of the federal commitment changes, unless other committed funding sources are identified that replace federal funding not obtained. Applicants considering a request for an award based on a commitment contingent on federal or local funds not yet awarded to the project, as described above, should anticipate the call for 2022 TIRCP projects by November 2021.

For local funding, the funding commitment may be demonstrated by inclusion of the project in a funding package, such as a sales tax measure, to be submitted to voters during this program cycle and with sufficient funding specified for the project to achieve full funding. The applicant shall provide evidence with the application that the project is included in a future funding package with funds sufficient to meet the local funding commitment when combined with other already available funds. A project that is programmed prior to receiving voter approval for project funding must succeed in receiving the voter approval, or the project may be subject to deletion from the program.

For projects with other funding partners that have entered into a contract vehicle committing their funding, access to the funding must occur before TIRCP funding will be approved for allocation to the project.

CalSTA may make an exception to its policy to only program a project if it is fully funded, if the project may be funded from a combination of TIRCP and other committed funding to allow a project to compete for funding from other greenhouse gas reduction programs (such as Caltrans' Low Carbon Transit Operations Program, the SGC's Affordable Housing and Sustainable Communities Program or the CARB's Low Carbon Transportation funding program) or from the Commission's Active Transportation or State Transportation

Improvement Programs. A project intending to compete for funding in one of the aforementioned programs should indicate, if applicable, the separable elements to be funded from that source. A project that is programmed prior to receiving a commitment of funding from one of the aforementioned programs must receive the funding commitment no later than in the fiscal year in which the project is requesting a TIRCP allocation. If the project does not receive funding from that program and the project does not have separable elements, the project may be subject to deletion from the program.

If a project does not receive their anticipated federal, local or other funding commitments, CalSTA may delete the project from the program and consider selection of projects or components of projects that were highly rated but not selected due to lack of sufficient funds from previous rounds of TIRCP applications as long as the project is still viable and deliverable consistent with prior cycle programming and demonstrates acceptable levels of benefits with the most current quantification methodologies.

If, prior to seeking a Commission allocation, an award recipient does not make adequate progress to implement an awarded project in a timely manner or incurs delays through the action or inaction of the recipient, subrecipient or 3rd party associates, the project may be deleted from the TIRCP program. An applicant may resubmit a deleted project for consideration in future funding cycle. All current projects are subject to review prior to the Call for Projects to determine whether they are making adequate progress towards implementing the originally awarded project scope.

13 Allocations and Project Delivery

When an agency is ready to implement a project or project component, the agency will submit an allocation request through Caltrans' Division of Rail and Mass Transportation (DRMT). Allocation requests are expected to adhere to the preparation schedule established by Caltrans Office of California Transportation Commission Liaison (OCTCL) along with any additional time required for CalSTA's review and approval of a recommendation to the Commission for an allocation of funds. For planning by an award recipient, the time required from the submittal and approval of an allocation request can range from 60 to 90 days prior to date of a scheduled Commission meeting.

Caltrans will review the request and determine whether to recommend the request to the Commission for action. The Commission will consider the allocation of funds for a project only when it receives an allocation request with a recommendation from Caltrans and consistent with the TIRCP Program Allocation Plan. The recommendation will include a determination of project readiness, completion of funded phases that require completion prior to proceeding into the next phase, the availability of appropriated funding, and the availability of all identified and committed funding needed to support the specific allocation request. When Caltrans develops the project's construction allocation recommendation(s), the Commission expects Caltrans to certify the project's plans, specifications and estimates are complete, right-of-way clearances are achieved, and all necessary permits and agreements (including railroad construction and maintenance) are executed.

In compliance with Section 21150 of the PRC, the Commission will not allocate funds for design, right-of-way, or construction prior to documentation of environmental clearance under the California Environmental Quality Act and all needed environmental documents are provided for a Commission E-Resolution. As a matter of policy, the Commission will not allocate funds for design, right-of-way, or construction of a federally funded project prior to documentation of environmental clearance under the National Environmental Policy Act (NEPA). Exceptions to this policy may be made in instances where federal law allows for the acquisition of right-of-way prior to completion of NEPA review. If requested by the Commission, Caltrans will assist Commission staff in the preparation of agenda items presenting environmental documents to the Commission.

Projects that are awarded funding for network integration are to be allocated under the construction phase, unless such efforts are part of a task within an earlier phase of work. If allocated as a separable work effort, at the time of allocation, an agency must either environmentally clear the network integration work, usually with a Notice of Exemption, or provide a written statement certifying that the network integration project is exempt.

CalSTA will request the Commission approve the allocation, if the funds are available as determined by CalSTA and Caltrans, and the allocation is necessary to implement the project as included in the adopted TIRCP Program Allocation Plan and Program of Projects. If there are insufficient program funds to approve an allocation, CalSTA may delay the recommendation to allocate funds to a project until a future fiscal year without requiring a Commission action. Agencies should not request Commission allocations unless prepared to award contracts related to the allocation within six months. Funds available following the deletion of a project may be re-awarded and allocated to a programmed project advanced from a future fiscal year or to a project amended into the program.

Details and instructions for the allocation, transfer and liquidation of funds allocated to implementing agencies are included in the Procedures for Administering Local Grant Projects in the State Transportation Improvement Program:

https://dot.ca.gov/programs/local-assistance/forms/local-assistance-procedures-manual-forms

The TIRCP is a reimbursement program for costs incurred. Costs incurred prior to Commission allocation and, for federally funded projects, federal project approval (i.e. Authorization to Proceed), are not eligible for reimbursement. Moreover, contracts against which reimbursements from TIRCP will be sought may not be awarded prior to funding allocation without specific pre-approval by CalSTA and approval of a Letter of No Prejudice by the Commission. For the procurement of rolling stock and buses, the exercising of an option or the certification of funds for TIRCP funded contract elements after Commission action may be considered to meet the milestone for contract award, provided that the agency is under no contractual obligation to pay any funds or penalty if the option is not exercised or the funds not certified. Confirmation of this approach should be sought prior to seeking an allocation of funds.

Caltrans will execute all appropriate contractual agreements with the implementing agency, under its delegated authority from CalSTA. These agreements may include project specific conditions required by CalSTA's award announcement and will be based on the awarded scope of work, schedule for completion and expected outcome of the project.

Prior to the completion of project design, an agency may propose to CalSTA modifications to the proposed project in order to achieve the same or greater level of benefits or reduced costs. Funds allocated for project development or right-of-way costs must be expended by the end of the fiscal year of allocation plus two additional fiscal years, unless a longer timeframe is requested at the time of allocation or the Commission approves a time extension subsequent to the allocation. Allocations for award are valid for six months from the date of allocation unless otherwise indicated at the time of allocation. For funds allocated for construction phase contracts, including rolling stock procurement, will have an expenditure timeline of 36 months after the award of a contract to complete (accept) the contract unless a longer timeframe is requested at the time of allocation or the Commission approves a time extension subsequent to the allocation. The implementing agency must submit a final invoice to Caltrans no later than 180 days after contract acceptance.

Additional details relevant to the Commission's Allocation Policy can be found in Resolution G-20-61 on the Commission's website.

13.1 Letter of No Prejudice

An agency may apply for a Letter of No Prejudice (LONP) for a project or for any component of a project included in the approved Program of Projects. Statutory authority is provided in Section 75225 of the PRC as added by SB 9. The Commission as authorized by statute adopted guidelines for approval of LONPs for specific programs, including the Transit and Intercity Rail Capital Program. All LONP requests must follow the Commission's currently adopted LONP guidelines. Any request for an LONP will be submitted through Caltrans for concurrence by CalSTA and Commission approval.

If an LONP is approved by the Commission, it allows the implementing agency to award a 3rd party contract(s) and advance a project by expending its own funds (incur reimbursable expenses) for any component of the project that is the subject of the LONP prior to allocation.

The amount will be reimbursed if all the following conditions are met:

1. The project or project component for which the letter of no prejudice was requested has commenced and the expenditures have beenincurred.
2. The expenditures are eligible for reimbursement in accordance with applicable laws and procedures. If expenditures made by the lead applicant agency are determined to be ineligible, the state has no obligation to reimburse those expenditures.
3. The agency complies with all legal requirements for the project, including the requirements of the California Environmental Quality Act (Division 13 (commencing with Section 21000)).
4. There are moneys in the GGRF or from SB 1 revenues designated for the program that are sufficient to make the reimbursement payment.

13.2 Multiyear Funding Agreement

An agency may apply to CalSTA for a multiyear funding agreement. Statutory authority is provided in Section 75224 (d) of the PRC. Any such agreements shall be implemented in cooperation with the Commission by inclusion of the anticipated multi-year cash flow commitment in the applicable allocation action at the time a project or project component is allocated. If approved by CalSTA, the multiyear funding agreement would operate similar to a federal Full Funding Grant Agreement, wherein an agency may receive an allocation and implement a project at risk, with receipt of future state revenue dependent on legislative appropriation and/or receipt of program SB 1 revenue or Cap-and- Trade auction proceeds. The state would not be responsible for any borrowing costs an agency may incur, or other costs, allocated with the timeline of state revenue availability. The most up-to-date cash flow commitments to projects or project components are reflected in the Program Allocation Plan.

Pursuant to Section 75224, the multiyear funding agreement would be for an amount of program money and for any duration, as determined jointly by the CalSTA and the applicant. CalSTA may agree to a duration that exceeds the five-year programming cycle, if deemed helpful in completing large transformative capital projects. Other requirements for the program will be included in the multiyear funding agreement as determined by CalSTA in cooperation with the applicant and the Commission.

13.3 Project Delivery Deadline Extensions and Timely Use of Funds

Once an awardee has been allocated TIRCP funding, funds are subject to the Commission's timely use of funds policy and for the construction phase, awardees are expected to execute the third-party contract within six months of the allocation. Under CalSTA concurrence and with Commission action, an extension may be granted for the period of contract award, project completion or project reimbursement if it finds that an unforeseen or extraordinary circumstance has occurred that justifies the extension. The extension will not exceed the period of delay directly attributable to the extraordinary circumstance.

There are separate deadlines, for award of a contract, for project completion and project reimbursement and each project component has its own deadlines.

All requests for project delivery deadline extensions should be submitted by the agency responsible for project delivery to Caltrans at least 60 days prior to the specific deadline for which the particular extension is requested (e.g., 60 days prior to June 30 to request the extension of allocation deadlines). The extension request should describe the specific circumstance that justifies the extension and identify the delay directly attributable to that circumstance. Caltrans will review extension requests and provide a recommendation to CalSTA for concurrence and then submit to the Commission for formal approval.

After the Commission allocation, any costs incurred for eligible work will not be reimbursed until the appropriate agreements (Master Agreement and Project Supplement/Amendment) with the local agency have been executed and must remain in effect over the time required to complete capital improvements, implement services and fulfill the reporting requirements of benefits and outcomes associated with the award.

14 Project Reporting

As a condition of the project selection and allocation, the implementing agency must submit to Caltrans quarterly reports on the activities and progress made toward implementation of the project and a final delivery report. The purpose of the reports is to ensure that the project achieves the goals of the program, is executed in a timely fashion, and is within the scope and budget identified when the decision was made to fund the project.

Recordkeeping and reporting requirements will apply through the life of the project. All recordkeeping and reports must be consistent with the reporting requirement, quantification methodologies and records retention periods developed by CARB (see Attachments 1, 2 and 3). At a minimum, agencies must report on all projects selected for funding, progress on each funded project, and the benefits (GHG and co-benefits) achieved. Implementing agencies should note that additional Project Outcome Reporting may be required and is subject to modification based on the evolving needs of the program. Caltrans may provide assistance through Cal-ITP on real-time information and payments to streamline reporting requirements. For projects benefiting disadvantaged communities, low-income communities, and/or low-income households, reports must identify and include metrics to demonstrate the benefits being achieved and how community needs are being met, consistent with CARB's Funding Guidelines. Some reported project information will be publicly available on the CARB website, including the amount of funding that is being spent on projects that benefit disadvantaged communities, low- income communities, and/or low-income households.

Consistent with CARB's Funding Guidelines, local agencies will now be required to report on job co-benefits, in addition to all other reporting requirements. Job co-benefits refer to California jobs supported, not created, by California Climate Investments. Jobs supported by California Climate Investments include direct, indirect, and induced employment.

At the time of application, applicants are required to submit a job co-benefit modeling tool, which is based upon a co-benefit assessment methodology developed by CARB. Once an awarded project has been implemented, funding recipients will also be required to report actual (not modeled) jobs data via the semi-annual reporting process.

Within one year of the project becoming operable, or a later time period if approved by CalSTA, the implementing agency must provide a final delivery report to Caltrans which includes:

1. The scope of the completed project as compared to the programmed project.
2. Performance outcomes derived from the project as compared to those described in the project application. This should include before and after measurements and estimates (ridership/service levels, greenhouse gas reductions included updated estimates the greenhouse gas reductions over the life of the project, benefit to disadvantaged communities, low-income communities, and/or low-income households, project co-benefits, etc.), and an explanation of the methodology used to quantify the benefits.
3. Before and after photos documenting the project.
4. The final costs as compared to the approved project budget by component and fund type, and an estimate of the TIRCP funds spent to benefit disadvantaged communities, low-income communities, and/or low-income households.
5. Its duration as compared to the project schedule in the project application.

For all projects other than components that fund limited-term operations of new and expanded transit service, annual reporting on outcomes will continue for 36 months after becoming operational (i.e., vehicle

or equipment is operational, or construction is complete and transit service is operational). The metrics to be reported vary by project type as shown in the table below.

Capital Improvements that Result in New or Expanded Transit Service or Increase Mode Share on Existing Transit Service		
Metric	**Unit**	**Method**
Tracking dates of data submission	mm/dd/yyyy	n/a
Days of operation per year	Days/year	Evaluation of service schedule
Average daily ridership	Unlinked trips/day	Ridership survey (conducted by city, county, district/authority, metropolitan planning organization, non-profit, or academia), ticket and transit pass sales, automatic passenger counter, driver counts, etc.
New Vehicle(s) for Existing Transit Service		
Metric	**Unit**	**Method**
Tracking dates of data submission	mm/dd/yyyy	n/a
Fuel/energy consumption or vehicle miles traveled	Gallons/year by fuel type, kWh/year, scf/year, or vehicle miles traveled/year	Evaluation of fueling, utility, mileage, or other operating records
Range in fuel/energy consumption or annual vehicle miles traveled		

Upon request from the implementing agency, Caltrans may consider requests to delay reporting on before and after or other performance outcome data until two years after project operation if similar data is requested by the Federal Transit Administration or if the agency deems such delay would improve the reliability of the report.

For the purpose of this section, a project becomes operable when the construction contract is accepted or acquired equipment is received.

The State of California has the right to review project documents and conduct audits during project implementation and over the life of the project. Caltrans or another State agency may audit a sample of TIRCP projects to evaluate the performance of the project, determine whether project costs incurred and reimbursed are in compliance with the executed project agreement or approved amendments thereof; state and federal laws and regulations; contract provisions; and program guidelines, and whether project deliverables (outputs) and outcomes are consistent with the project scope, schedule, and benefits described in the executed project agreement or approved amendments thereof. A report on the projects audited must be submitted by the auditing agency to CalSTA.

15 Project Administration

Caltrans will administer the TIRCP consistent with these guidelines and all applicable Commission and Caltrans policies and procedures for the administration of similar grant programs.

Projects awarded funding from TIRCP are expected to document and publicize the Transit and Intercity Rail Capital Program in proper context when developing press releases and board documents, or in hosting public events such as project groundbreakings. References should be made to TIRCP, the California State Transportation Agency as the program sponsor, and the Greenhouse Gas Reduction Fund and SB 1 program as fund sources, as applicable, in order to ensure transparency regarding the funding of the project. Additional details will be provided to program award recipients.

Agencies must encumber and expend monies consistent with State law and ensure that GGRF monies are utilized consistent with the expenditure record submitted by Caltrans and required by SB 1018. A determination that use of GGRF monies is not consistent with the expenditure record and does not further the purposes of AB 32 may occur during legal proceedings or during an audit or program review conducted by the Bureau of State Audits, Department of Finance, a third-party auditor, or the CARB.

Depending on the outcome of those proceedings or review, agencies may be required to return monies to the state if expenditures are not consistent with the statutory requirements (such as not furthering the purposes of AB 32).

Audits and on-site monitoring can take place at any time at the discretion of CalSTA, without prior warning given to the agency. CalSTA has the right to audit the project records, including technical and financial data of the Project Applicant, the Implementing Agency, and any consultant or sub-consultants at any time after award, during the course of the project and for three years from the date of the final closeout of the project, therefore all project records shall be maintained and made available at the time of request.

The state may terminate the grant for any reason at any time if it learns of or otherwise discovers that there are allegations supported by reasonable evidence that a violation of any state or federal law or policy by the grantee which affects performance of this or any other grant agreement or contract entered into with the State. If a grant is terminated, the agency may be required to fully or partially repay funds from the TIRCP.

16 Project Expenditures

Caltrans and CalSTA reserve the right to ask any agency to complete a Cash Flow projections form. The form includes collecting the subtotal for Greenhouse Gas Reduction Fund, Project Approval & Environmental Document, Plans, Specifics & Estimates, Right of Way and Construction. For more information on retrieving the Cash Flow form, please contact *tircpcomments@dot.ca.gov*.

Attachment 1: CCI Funding Guidelines for Administering Agencies

Investments to Benefit Disadvantaged Communities and Low-Income Communities and Households

The California Air Resources Board (CARB) released the "Funding Guidelines for Agencies Administering California Climate Investments" (Funding Guidelines) on August 30, 2018.

The 2018 Funding Guidelines provide flexibility in implementing a diverse set of investments while maintaining transparency of outcomes and ensuring meaningful community benefits from these investments. These guidelines align with the Legislature's priorities found in AB 398 and Fiscal Year (FY) 2017-18 appropriations. These guidelines reflect the increasingly important role of California Climate Investments in facilitating the reduction of greenhouse gases while also reducing air pollution, helping communities adapt to the impacts of climate change, and providing meaningful benefits to disadvantaged communities, low-income communities, and low-income households (also referred to as "priority populations"), among other statutory requirements.

CARB collaborates with agencies that administer California Climate Investments programs to develop individual targets for each program to drive investments that achieve direct and meaningful benefits to priority populations and help ensure that statutory requirements are met, which are described in AB 1550.

Additional information can be found at the following CARB websites:

https://ww2.arb.ca.gov/resources/documents/cci-funding-guidelines-administering-agencies

Attachment 2: Quantification Methodology and Co-Benefit Assessment Methodology

CCI Quantification and Reporting Materials

Administering agencies must use the Funding Guidelines with the resources provided by CARB to develop effective programs and demonstrate compliance with program requirements.

Resources include Quantification Methodologies (QMs) and Calculator Tools for estimating greenhouse gas (GHG) emission reductions and co-benefits; Benefit Criteria Tables (BCTs) for determining benefits to priority populations; and Reporting Templates for reporting outcomes.

CARB staff developed the TIRCP QM and associated Calculator Tool to provide guidance for estimating the GHG emission reductions and selected co-benefits for each proposed project type. The calculator tool automates methods described in the QM document, outlines documentation requirements, and provides a link to a step-by-step user guide with project examples. Projects will report the total project GHG emission reductions and co-benefit estimated using the TIRCP Calculator tool as well as the total project GHG emission reductions per dollar of GGRF funds.

Using many of the same inputs required to estimate GHG emission reductions, the TIRCP Calculator Tool will estimate the following co-benefits and key variables from TIRCP projects

- ROG emission reductions (lbs),
- NOx emission reductions (lbs),
- PM2.5 emission reductions (lbs),
- Diesel PM emission reductions (lbs),
- Passenger VMT reductions (miles),
- Fossil fuel use reductions (gallons),
- Fossil fuel energy use reductions (kWh),
- Passenger travel cost savings ($), and
- Energy and fuel cost savings ($).

Additional co-benefits for which CARB assessment methodologies were not incorporated into the TIRCP Calculator Tool may also be applicable to the project. Applicants should consult the TIRCP guidelines, solicitation materials, and agreements to ensure they are meeting TIRCP requirements. All CARB co-benefit assessment methodologies are available at: https://ww2.arb.ca.gov/resources/documents/cci-methodologies

Reporting templates are developed specifically for each program within California Climate Investments. These templates are used by TIRCP staff to report on outcomes from all projects funded by TIRCP.

Note: Quantification methods have been developed specifically for each GGRF programs and are not intended for use in other programs.

Additional information can be found at the following CARB website:
https://ww2.arb.ca.gov/resources/documents/cci-quantification-benefits-and-reporting-materials

Co-benefit Assessment Methodology

California Climate Investments support the State's climate change goals and provide many additional benefits to individuals, households, businesses, and communities. These "co-benefits" include social, economic, and environmental benefits. CARB provides guidance on quantification methods and reporting to administering agencies. CARB contracted with the University of California, Berkeley (UC Berkeley) to help research and develop methods for evaluating project co-benefits. Guidance on using the co-benefit assessment methodologies is contained in CARB's Funding Guidelines.

The co-benefits were prioritized based on administering agency input and broad applicability to California Climate Investments programs. UC Berkeley first reviewed the scientific data to determine if methods could be developed and summarized the findings in literature reviews. Next, UC Berkeley and CARB developed Co-benefit Assessment Methodologies where feasible. CARB solicited public comment on draft versions in Spring 2018 prior to posting final Co-benefit Assessment Methodologies. CARB may review and update assessment methodologies periodically based on new or evolving project types; new legislation; available resources; new scientific developments or tools, or modifications in the analytical tools or approaches upon which the methodologies were based; or input from administering agencies or the public.

The California Air Resources Board is updating the Co-benefit assessment methodology. See the following website for the final methodology.

https://ww2.arb.ca.gov/resources/documents/cci-methodologies

Attachment 3: Benefit Criteria Tables

CCI Benefit Criteria Tables

TIRCP uses the Sustainable Transportation Benefit Criteria Table developed by CARB to ensure that programs meet the minimum levels of investments to projects that benefit residents of disadvantaged communities, low-income communities, and low-income households, collectively referred to as "priority populations".

All projects counting toward the statutory investment minimums must be located within an identified community and benefit individuals living within that community, or directly benefit residents of low-income households anywhere in the State. Administering agencies must determine if a project meets the criteria for providing direct, meaningful, and assured benefits to priority populations using the following evaluation approach:

Step 1: Identify the Priority Population(s). Be located within a census tract identified as a disadvantaged community or low-income community, or directly benefit residents of a low-income household.

Step 2: Address a Need. Meaningfully address an important community or household need for the disadvantaged community, low-income community, or low-income household.

Step 3: Provide a Benefit. Using the evaluation criteria, identify at least one direct, meaningful, and assured benefit that the project provides to priority populations. The benefit provided must directly address the identified need.

Only investments that meet these criteria will be counted toward achieving the statutory investment minimums identified for priority populations. Administering agencies can fund projects that otherwise provide meaningful benefits, but do not meet these criteria; however, those projects will not be counted toward investment minimums.

Attachment 4: California Transportation Commission – Transit and Intercity Rail Capital Program Allocation Policy Resolution G-20-61

CALIFORNIA TRANSPORTATION COMMISSION
TRANSIT AND INTERCITY RAIL CAPITAL PROGRAM ALLOCATION POLICY Resolution G-20-61

In accordance with Public Resources Code 75220(C), the California Transportation Commission (Commission) shall allocate funding to applicants pursuant to the program of projects approved by the California State Transportation Agency (CalSTA) for the Transit and Intercity Rail Capital Program. The Commission recognizes that the approved program of projects is expressed in more detail with regards to project component, phase and fiscal year of implementation in the Transit and Intercity Rail Capital Program Allocation Plan (which is regularly updated as approved projects progress through development). These two documents are collectively referred to here as the "Program." Allocations made by the Commission follow the timely use of funds provisions that are consistent across all funding programs under the Commission's purview.

To provide consistency in the programming of state transportation funds, the total award to each project component should be listed in the Transit and Intercity Rail Capital Program in the fiscal year(s) in which the project component will be implemented. If a project is expected to require multiple contracts for any component, each contract should be programmed separately. All project allocation requests that come before the Commission must be consistent with the Program.

The following describes how the Commission intends to manage Transit and Intercity Rail Capital Program allocations:

1. Allocations will be made to the full programmed amount for each project component. If a project will require multiple construction contracts, allocations will be made to the full programmed amount for each contract. The Commission will consider the allocation of funds for a project when it receives an allocation request with a recommendation from the California Department of Transportation (Caltrans). The recommendation should include a determination of project readiness, the availability of appropriated Transit and Intercity Rail Capital Program funding, and the availability of all other committed funding. Funds allocated for project development or right-of-way costs must be expended by the end of the fiscal year of allocation plus two additional fiscal years, unless a longer time-frame is requested at the time of allocation or the Commission approves a time extension subsequent to the allocation. Allocations for award are valid for six months from the date of allocation unless otherwise indicated at the time of allocation or the Commission approves a time extension subsequent to the allocation. For funds allocated for construction, including rolling stock procurement, the implementing agency has up to 36 months after the award of a contract, to complete (accept) the contract unless a longer time-frame is requested at the time of allocation or the Commission approves a time extension subsequent to the allocation. The implementing agency must submit a final invoice to Caltrans no later than 180 days after contract acceptance.

2. The Commission will approve the allocation if the funds are available and the allocation is necessary to implement the project or project component included in CalSTA's approved 5-Year Transit and Intercity Rail Capital Program. For projects that are ready to advertise, the Commission expects Caltrans to certify that a project's plans, specifications and estimates are complete, environmental and right-of-way clearances are secured, and all necessary permits and agreements (including railroad construction and maintenance) are executed. For the procurement of rolling stock, the Commission may consider the

exercising of an option or the certification of funds for contract elements as meeting the milestone for contract award provided that the agency is under no contractual obligation to pay any funds or penalty if the option is not exercised or the funds not certified. Construction allocations for projects or project components not ready for advertisement will not be placed on the Commission's agenda for allocation approval. In compliance with Section 21150 of the Public Resources Code, the Commission will not allocate funds for design, right-of-way, or construction prior to documentation of environmental clearance under the California Environmental Quality Act. As a matter of policy, the Commission will not allocate funds for design, right-of-way, or construction of a federally funded project prior to documentation of environmental clearance under the National Environmental Policy Act. The implementing agency must not award the contract for a project or project component until the Commission has allocated the funds for the project. Any changes to the scope of a project or project component after the allocation of funds to the project or project component must be approved in advance by the Commission.

3. CalSTA may change the timeline for the allocation of a project component based on changes in project delivery needs. These changes will be communicated in updates to the Program. The Commission may grant the extension of a deadline for award of a contract, for expenditures for project development or right-of-way, for project completion, and for project reimbursement. The Commission may grant a deadline extension if it finds that an unforeseen and extraordinary circumstance beyond the control of the agency has occurred that justifies the extension. The extension will not exceed the period of delay directly attributable to the extraordinary circumstance, and in no event will be longer than 20 months. All requests for project delivery deadline time extensions shall follow the Caltrans time extension process in order to be included in the Commission's agenda. The extension request should describe the specific circumstance that justifies the extension and identify the delay directly attributable to that circumstance. Caltrans will review all time extension requests and make a recommendation to the Commission for approval.

4. Caltrans is responsible for managing the cash flow needed to match the Transit and Intercity Rail Capital Program's resources to projects or project components that have received Commission allocations, in accordance with the terms of CalSTA delegated authority and approval.

5. After allocation, Caltrans is responsible for managing project delivery and reimbursements in cooperation with the implementing agencies, in accordance with the terms of CalSTA delegated authority and approval.

APPENDIX B
RECIPIENT'S RESOLUTION

RESOLUTION NO. RES-2022-208

RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA ROSA APPROVING A MASTER AGREEMENT WITH THE CALIFORNIA DEPARTMENT OF TRANSPORTATION FOR THE TRANSIT AND INTERCITY RAIL CAPITAL PROGRAM AND AUTHORIZING THE DIRECTOR OF TRANSPORTATION AND PUBLIC WORKS TO EXECUTE THE MASTER AGREEMENT AND ANY AWARD AGREEMENTS, AND RELATED DOCUMENTS

WHEREAS, the City of Santa Rosa may receive state funding from the California Department of Transportation (Department) now or sometime in the future for transit projects; and

WHEREAS, substantial revisions were made to the programming and funding process for the transportation projects programmed in the Transit and Intercity Rail Capital Program, by Chapter 36 (SB862) of Statutes of 2014; and

WHEREAS, the statutes related to State-funded transit projects require a local or regional implementing agency to execute an agreement with the Department before it can be reimbursed for project expenditures; and

WHEREAS, the Department utilizes Master Agreements for State-Funded Transit Projects, along with associated Program Supplements, for the purpose of administering and reimbursing state transit funds to local agencies; and

WHEREAS, the City of Santa Rosa wishes to delegate authorization to execute these agreements and any amendments thereto to the Director of Transportation and Public Works or designee.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Santa Rosa that the fund recipient agrees to comply with all conditions and requirements set forth in this agreement and applicable statutes, regulations and guidelines for all state-funded transit projects.

BE IT FURTHER RESOLVED by the Council approves a Master Agreement with the California Department of Transportation, in substantially the same form as Exhibit A to the resolution and authorizes the Director of Transportation and Public Works or designee to execute the Master Agreement for the Transit and Intercity Rail Capital Program, and any Award Agreements, Program Supplements, Amendments thereto, and any other documents necessary to implement the Master Agreement or any specific project(s) under the Master Agreement, subject to approval as to form by the City Attorney.

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/ / /

BE IT FURTHER RESOLVED that the Council authorizes the Chief Financial Officer to appropriate awarded grant funds from these agreements as necessary to the appropriate JL Keys.

IN COUNCIL DULY PASSED this 25th day of October, 2022.

AYES: (7) Mayor C. Rogers, Vice Mayor Alvarez, Council Members Fleming, MacDonald, N. Rogers, Sawyer, Schwedhelm

NOES: (0)

ABSENT: (0)

ABSTAIN: (0)

ATTEST: Stephanie A. Williams
City Clerk

APPROVED: Chris Rogers (Oct 31, 2022 14:30 PDT)
Mayor

APPROVED AS TO FORM: Sue Gallagher
Sue Gallagher (Oct 31, 2022 13:58 PDT)
City Attorney

Exhibit A – California State Transportation Agency Transit and Intercity Rail Capital Program Master Agreement (Draft)

TIRCP Master Agreement

Final Audit Report 2023-04-12

Created:	2023-04-10
By:	Susan Trinkler (strinkler@srcity.org)
Status:	Signed
Transaction ID:	CBJCHBCAABAAUxoPO_51ve024l53eS00ERH0N1M8boRH

"TIRCP Master Agreement" History

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Agreement completed.

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