



DATE: **APRIL 20, 2017**

MEMO TO: **CITIZENS ADVISORY COMMITTEE / SOCIAL SERVICE TRANSPORTATION ADVISORY
COMMITTEE
TRANSIT OPERATORS COMMITTEE
TRANSPORTATION TECHNICAL ADVISORY COMMITTEE**

FROM: **PETER DE HAAN, PROGRAMMING DIRECTOR**

SUBJECT: **APPROVE COMBINED CALL-FOR-PROJECTS FOR CONGESTION MITIGATION AND AIR
QUALITY (CMAQ) FUNDS AND TRANSPORTATION DEVELOPMENT ACT
(TDA) ARTICLE 3 BICYCLE AND PEDESTRIAN FUNDS**

RECOMMENDATION:

- Approve guidelines in Attachment A and application in Attachment C for a new call for projects to program CMAQ and TDA Article 3 Bicycle & Pedestrian funds, for two years' worth of funds.
- Approve Call for Projects Schedule contained in the agenda item.
- Approve "off-the-top" funding of \$443,000 for Regional Ridesharing (to come from the Non-Transit share) for each of the two years, and \$600,000 for Transit Outreach (to come from the Transit share) for the second year.
- Approve policy for Shelf List (Attachment B).

BACKGROUND:

Since VCTC developed its Comprehensive Transportation Plan and adopted it in 2013, there have been discussions involving VCTC and its various advisory committees regarding the need for a more robust program for funding non-motorized transportation projects, to better emphasize more transformative projects to address the issue on a regional level. Over the past year staff has been working on the Bicycle Wayfinding Study which has been viewed as an effort that will help inform VCTC's priorities for focusing its limited available funds on projects that will truly address the regional network. While the Bicycle Wayfinding Study was under way, there were continued discussions with TTAC and CTAC/ SSTAC regarding the funding sources that VCTC programs for bicycle and pedestrian projects, namely CMAQ and TDA Article 3, with staff recommending that to better coordinate the programs in light of VCTC's priorities that the programming of these two funds be combined into a single call for projects to program two-years' worth of funds at one time. With the adoption of the Wayfinding Study scheduled for the April Commission meeting, the proposed combined call for projects can now move forward.

Transit projects are also eligible to receive CMAQ funds. Based on the Comprehensive Transportation Plan VCTC's policy has been to set aside half of the available CMAQ funds for transit projects, with the other half going to projects in the remaining eligibility categories, with bicycle and pedestrian facilities being the one category in the non-transit share that typically receives almost all of the funds. In the past several months TRANSCOM has also discussed the CMAQ program, recognizing that the competition for these funds is likely to be increased due to the completion of the Proposition 1B program that provided bond funds that addressed a significant share of the transit system's capital requirements. The transit operators had wanted to hold off on selecting CMAQ projects from the transit share due to uncertainties regarding other possible sources of capital funding including a decision on submitted FTA Section 5337 and state cap-and-trade program discretionary grants as well as the result of Measure AA. Now that it is known that none of these other funding measures will help address the transit capital needs in Ventura County, VCTC can move forward with selecting CMAQ transit projects in light of the lack of alternate transit capital funding sources.

The following is a summary of the TDA Article 3 Bicycle & Pedestrian and the CMAQ programs:

- Transportation Development ACT Article 3: In accordance with California PUC Section 99233.3, up to two percent (2%) of Transportation Development Act (TDA) Local Transportation Funds can be set aside by VCTC for planning, construction and/or maintenance of bicycle and pedestrian facilities, with the program policies adopted by VCTC. In Ventura County 25% of the TDA Article 3 funds are set aside for maintenance with the remainder of the funding allocated on a competitive basis for projects that foster an increase in bicycling and walking and provide improved connectivity. Over the last few years, Ventura County has received roughly \$650,000 a year in Article 3 funds. Assuming future years are roughly the same, after reserving 25% of the funds for bicycle path maintenance, approximately \$1 million will be available over two years for new bicycle/pedestrian projects.
- Congestion Mitigation and Air Quality (CMAQ): The federal Fixing America's Surface Transportation Act (FAST) Act authorizes VCTC to receive an apportionment of approximately \$7 million of CMAQ funding per year through FY 2019/20. CMAQ is used for projects which mitigate congestion and reduce vehicle emissions. Under VCTC's policy to divide the funds equally between transit and non-transit projects, the CMAQ funding available for a two-year call totals \$7 million for transit projects and \$7 million for non-transit projects. However, at the June 2016 and December 2016 meetings TTAC took action to program \$1,063,000 for cost increases to the Santa Paula Bike Path, thus reducing the available CMAQ for non-transit to \$5,937,000. Similarly, in September, 2016 TRANSCOM approved setting aside \$1.5 million for farebox and vehicle locator equipment and \$500,000 for FY 17/18 Countywide Transit Marketing, reducing the available Transit CMAQ to \$5 million.

Attachment A provides the proposed call for projects guidelines for the Committees' review and approval. These guidelines have been revised to contain more specific information applicable to each of the two categories. Attachment C provides the draft application.

The following is the proposed schedule for the proposed call for projects:

April 13, 2017	TRANSCOM Approval of Call Process
April 20, 2017	TTAC Approval of Call Process
May 9, 2017	CTAC Approval of Call Process
June 2, 2017	VCTC Approval of Call Process
June 5, 2017	Notification of Funding Availability
August 21, 2017	Applications Due to VCTC
September 12, 2017	CTAC Approval of Non-Transit List
September 14, 2017	TRANSCOM Approval of Transit List
September 21, 2017	TTAC Approval of Non-Transit List
October 6, 2017	VCTC Approval to Projects
January 2018	Approval of Amendment to Federal Transportation Improvement Program

Regarding the schedule, the combining of TDA Article 3 Bicycle & Pedestrian and CMAQ Non-Transit programs into a single call for projects will necessitate changing the prior CTAC review process which included project sponsor presentations at CTAC. As a result, the CTAC approval is scheduled to occur in a single meeting, as with TRANSCOM and TTAC.

Each year, VCTC has utilized \$443,000 of the Non-Transit CMAQ share for the Regional Ridesharing program and \$500,000 out of the Transit CMAQ share for Countywide Transit Outreach. In the most recent CMAQ programming cycle it was decided to take these two projects “off the top” rather than require submittal of applications, and scoring for those projects, on grounds that these projects have always scored highly and continue to be a clear regional priority. Furthermore as was previously mentioned TRANSCOM has already approved taking \$500,000 for the FY 17/18 Countywide Outreach off-the-top. In recent years, VCTC’s annual Countywide Outreach cost has been approximately \$600,000 but there was sufficient carryover to fund the extra \$100,000. By FY 2018/19 that carryover is anticipated to be used up so \$600,000 in new CMAQ will be required to continue the existing level of effort required for VCTC to discharge its outreach responsibility. Staff recommends that the policy continue with this new call for projects, so that two years’ worth of funds for both activities are taken off the top, with the FY 2018/19 programmed amount for Transit Outreach being increased to \$600,000.

As a result of the funding commitments for Regional Ridesharing, and Countywide Transit Outreach, the total available in this call for projects (inclusive of both CMAQ and TDA Article 3 Bicycle & Pedestrian) will be \$6,051,000 for Non-Transit projects and \$4,400,000 for Transit projects. The staff recommendation in the April TTAC agenda to swap CMAQ for Camarillo STP will further reduce the Non-Transit amount by \$204,000, to \$5,847,000. The staff recommendation in the April TRANSCOM agenda to provide \$1.01 million in CMAQ to Thousand Oaks to replace \$1.01 million in Proposition 1B that was borrowed by VCTC will reduce the Transit amount to \$3,390,000.

The prior calls for projects employed a policy that some projects not ranked highly enough to be funded were placed on a shelf list and could receive funds if needed to avoid a lapse of apportionment. Staff is recommending a continuation of that policy, provided in Attachment B.

CMAQ has a local match requirement of 11.47% of the total project cost. However, under the federal Toll Credits policy, VCTC has the option of effectively waiving the local match requirement to provide

100% federal funds. Since the match provided through Toll Credits still comes out of VCTC's apportionment, to the extent that projects receive 100% rather than 88.53% funding, fewer projects can be funded. In past calls for projects VCTC has used differing policies regarding the local match requirement, in some cases requiring match, in other cases, not requiring match, and in some cases providing extra points for additional match. Unfortunately in the current situation the available CMAQ funding relative to the need is likely to be small, but until the passage of SB 1 on April 6th it appeared that the available local match would also be limited if available at all. In recognition of this situation the proposed criteria require that applicants must commit to providing the 11.47% match if required but can also request to be relieved of the match. The intent is that VCTC will decide after prioritizing the projects whether to require local match, recognizing at that time which project or projects will fall "below the line" should the local match requirement be waived for the requesting agencies. It is recommended that no points be provided in the transit criteria for local match, but due to the passage of SB 1 providing significant additional streets and roads funds along with a Complete Streets requirement for use of those funds, there be up to 5 points provided for local match for non-transit projects.