



OneBayArea

Innovation Starts Here

Climate Initiatives Program
Competitive Grants Guidelines



METROPOLITAN TRANSPORTATION COMMISSION

Climate Change: A Serious Issue for the Bay Area

Climate change refers to changes in the Earth's weather patterns, including the rise in the Earth's temperature due to an increase in heat-trapping or "greenhouse" gases in the atmosphere. Greenhouse gases (GHGs) include carbon dioxide, methane, nitrous oxide, hydro-fluorocarbons, perfluorocarbons, and sulfur hexafluoride among others. GHGs linger for years, causing the global climate to change. Human activities, namely the burning of fossil fuels such as gasoline, diesel and natural gas, are adding large amounts of GHGs to the atmosphere. Global temperatures, precipitation, sea levels and the frequency of some extreme weather are expected to increase, which in turn, will affect (in varying ways) public health, air quality, agriculture, natural ecosystems, energy, coastal areas, water resources, wildlife and recreational opportunities.

Climate change is expected to significantly affect the Bay Area's public health, air quality and transportation infrastructure through sea level rise and extreme weather. In the Bay Area, the single largest source of GHG emissions is from the consumption of fossil fuel by cars and trucks. Rising temperatures related to climate change will result in more smoggy days and associated respiratory and heart illnesses — which will erode the dramatic improvements in Bay Area air quality achieved over the past several decades.

Because the consequences of climate change are serious, the Bay Area needs to take aggressive action to

reduce its transportation-related emissions, setting the example for the rest of California and for the national and international community. We must consider these consequences throughout our air quality, transportation and land-use planning, and develop innovative and effective strategies to reduce GHG emissions.

Our Regional Response

Time is of the essence for the Bay Area's response to climate change. Our transportation and land use decisions and actions can either help or hinder efforts to protect the climate, and to this end, the Metropolitan Transportation Commission (MTC), in partnership with the Association of Bay Area Governments (ABAG), Bay Area Air Quality Management District (BAAQMD), and Bay Conservation and Development Commission (BCDC), set aside a commitment of \$400 million in its Transportation 2035 Plan to

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implement a comprehensive regional climate initiative. This initiative focuses on individual actions, public-private partnerships, and incentives and grants for innovative climate strategies.

The importance of the Climate Initiatives Program heightens with the development of a Sustainable Communities Strategy (SCS) in the next long-range transportation plan as required by Senate Bill 375. The SCS will lay out how land use and transportation can work together to reduce GHG emissions. Within this context, it is the aim of the Climate Initiatives Program to fund innovative strategies and evaluate their effectiveness in reducing GHG emissions for purposes of informing the development of the SCS. Furthermore, the Climate Initiatives Program aims to lay the groundwork for new or emerging strategies that can be replicated regionwide and can significantly reduce Bay Area GHG and criteria air pollutants (such as ground-level ozone, particulate matter, carbon monoxide, sulfur oxides, nitrogen oxides and lead).



Climate Initiatives Program

In December 2009, MTC adopted the New Surface Transportation Act Cycle 1 Surface Transportation Program (STP)/Congestion Mitigation and Air Quality Improvement (CMAQ) Project Selection Criteria and Programming Policy which, among other programs, includes the Climate Initiatives Program. The Climate Initiatives Program aims to test new strategies to reduce transportation-related emissions and vehicle miles traveled, encourage the use of cleaner fuels, and build a knowledge base through evaluation that informs the SCS. A total of \$80 million is available to the Climate Initiatives Program.

The focus of this guidelines is on the two competitive grants:

- Up to \$2 million to implement creative Safe Routes to School programs with the overall goal of significantly reducing transportation emissions related to school travel; and
- Up to \$31 million for an Innovative Grants Program to support a small number of high-impact, innovative projects.



Competitive Grant Opportunities

Within the Climate Initiatives Program framework, the Metropolitan Transportation Commission, in partnership with the Bay Area Air Quality Management District (BAAQMD), Association of Bay Area Governments (ABAG), and Bay Conservation and Development Commission (BCDC), is pleased to issue a single solicitation for two competitive grant programs focusing on school-related emission reductions and innovative strategies for reducing GHG emissions. MTC will administer these grant programs. A total of up to \$33 million in grant funding is available on a competitive basis to assist public agencies, businesses and community organizations implement innovative transportation-related GHG emission reduction strategies in the following categories:

1. Innovative Grants — Up to \$31 Million

Grant funding will be directed to support high-impact, innovative projects with the greatest potential to reduce greenhouse gas emissions that can be replicated on a larger-scale around the region.

2. Safe Routes to School Creative Grants — Up to \$2 million

As a complement to funding for the counties' Safe Routes to School Program, grant funding will be available to implement creative school-related emission reduction strategies and determine their effectiveness and potential replication around the region.



Funding

The fund source for these competitive grants is federal Congestion Mitigation and Air Quality Improvement Program (CMAQ) funds. All projects funded through these grant programs must meet certain federal fund eligibility and project delivery requirements. See Appendix A for more details.

In general, to be eligible for CMAQ funding, projects must be transportation projects, programs and operations that help reduce criteria pollutant emissions, such as alternative fuels, traffic flow improvements, transit projects, bicycle and pedestrian activities, travel demand management, and outreach activities. Examples of projects that are ineligible for CMAQ funds include recreational bicycle facilities, transit subsidies (including transit passes), and general planning studies (major investment studies, commuter preference studies, modal market polls or surveys, transit master plans, and land-use regulatory activities).

Program Evaluation

MTC, with consultant assistance, will conduct an evaluation of projects funded through these competitive grant programs. Applicants are to propose a possible approach to evaluating the impacts of their project and provide a cost estimate of the project evaluation in their proposal. Prior to project implementation, MTC and its consultant will review the successful sponsor's proposed approach. We will work with each sponsor to further define data collection and evaluation methods and assign tasks that can best be performed by the sponsor versus those to be carried out by MTC and its consultant. MTC expects to define the program evaluation approach by late 2010 and implement the program evaluation work plan starting in early 2011.

Application Submittal

All interested applicants are to submit to MTC a Letter of Interest for the applicable competitive grant program. An evaluation committee of regional agency staffs and others will review the Letters of Interest, and may contact applicants for more details and project clarifications. Based upon its review, the evaluation committee will select a limited number of applicants with the most promising projects and invite them to continue the application process by submitting a more detailed proposal for further evaluation. Refer to each grant program's guidelines for more details about the application and evaluation process.

All Letters of Interest and Proposals (if invited to submit a proposal) must be submitted via email (preferred method to save resources) or postal mail to the MTC Project Manager as follows:

Ashley Nguyen, Project Manager
Metropolitan Transportation Commission
101 Eighth Street, Oakland, CA 94607
Re: Application for [Grant Program Here]
anguyen@mtc.ca.gov

Letters of Interest or Proposals received after the due date will not be accepted.

Timeline: Application and Review Process

Activity	Due Date
MTC Issues Call For Projects	April 30
Deadline for Letters of Interest to MTC	June 1 @ 4 pm
Evaluation Committee Completes Review of Letters of Interest, and Invites Select Applicants to Submit Detailed Proposals	June 30
Deadline for Select Applicants to Submit Proposals to MTC for Further Evaluation	July 30 @ 4 pm
Following the Evaluation Committee's Review of Proposals and Selection of Projects, MTC Issues Draft List of Projects Recommended for Grant Awards	August 20
MTC's Programming and Allocations Committee (PAC) Reviews and Recommends Grant Awards for Commission Approval	September 8
Final Commission Approval of Grant Awards	September 22



Innovative Grant Program

Goals & Objectives

The Innovative Grant Program seeks to fund high-impact projects that have significant potential to generate tangible greenhouse gas (GHG) emissions reductions from transportation sources and serve as models that can be replicated across the Bay Area region. This program will increase the region's knowledge base about which strategies can most effectively reduce emissions.

To achieve the goals of the Innovative Grant Program, projects selected for funding should achieve as many of the following objectives as possible:

- Measurably reduce emissions of GHGs and criteria pollutants;
- Have the greatest potential to be replicated in other parts of the Bay Area;
- Employ multiple approaches together, effectively layering them to produce synergy;
- Remove a substantial barrier — technical, financial, policy or political — that impedes successful implementation of a new strategy; and
- Build more effective collaboration and partnership between public agencies, businesses and community-based organizations for purposes of taking collective action to address climate protection.

Project Requirements

Projects must meet the following basic requirements in order to be considered eligible for grant funding:

- Provide a clear connection between transportation and air quality improvement, focusing on innovative ways to reduce GHG and yield co-benefits for reducing criteria pollutants emissions from transportation sources;
- Fall into one of the following project categories:
 - a. Project tests the effectiveness of one or more of the following three strategies that have potential for reducing emissions but have not yet been sufficiently

tested for replication on a larger scale in our region: (1) parking management and pricing policies, (2) accelerate effort to shift to cleaner, low-GHG vehicles, or (3) transportation demand management; or

- b. Project is an innovative transportation project derived from a locally-adopted Climate Action Plan or plan-equivalent; or

- c. Project is a "showcase" transportation project that innovatively combines a number of strategies that together reduce GHG emissions;

- Clearly demonstrate the ability to fully implement activities funded by the grant within two years of executing the funding agreement; and
- Clearly defined methodology for project evaluation.

Grant Funding

Grant size starts at \$1 million. Applicants are required to provide a match from a non-federal fund source not less than 11.5 percent of the total project costs. In order to leverage the impact of the federal funds, cost sharing by multiple partners and a match of higher than the required 11.5 percent of the project cost are encouraged.

Eligible Applicants

Public agencies (with agreements in place to receive federal-aid funding) are eligible applicants. Non-profit 501(c)(3) organizations, businesses and community organizations may also apply if they partner with a public agency that is willing to sponsor the project. In such cases, if a grant is awarded, the public agency will be the grant recipient and can subcontract with the business/organization to implement the project. The public agency is responsible for meeting all requirements and obligations associated with the use of federal funds and is accountable for implementing and delivering the project. Successful grant recipients will work with Caltrans to meet federal-aid requirements in order to receive federal funds for the project. In addition, they are required to provide for regular and timely reporting of activities and results to MTC.

Application And Evaluation Process

The Innovative Grant Program will follow a two-step application and evaluation process that will be overseen by an evaluation committee of staff from MTC, BAAQMD, ABAG, and BCDC, and other evaluators as appropriate.

Step One: All interested applicants must submit a Letter of Interest, including the following components (total of 3 page maximum):

- Identify the project title, name of applicant, project manager, and contact information;
- Describe the proposed project and explain how this project is innovative;
- Explain how the project will measurably reduce greenhouse gas emissions as well as yield co-benefits in reducing criteria pollutant emissions;
- Describe how the project will significantly add to the Bay Area knowledge base on strategies for reducing transportation emissions;
- Describe how the project can be replicated at a larger scale; and
- Identify the amount of grant funding requested and local match.

Step Two: The evaluation committee will review all Letters of Interest and contact applicants, as needed, for additional information, clarification, and/or modification. The evaluation committee will then identify a small number of projects that show the most promise and invite these applicants to submit a more formal proposal for further evaluation including:

a. Project Description: Identify the project title, name of applicant, project manager, and contact information. Explain the purpose and need for the project, state the specific goals and objectives of the project and explain how they help to advance the goals and objectives set for this grant program, describe the collaboration required to carry out the scope of work and the actions that will be undertaken to achieve the objectives. Describe the results anticipated from this project.

b. Scope of Work and Schedule: Detail the actions/tasks, work products, estimated completion dates and key partners.

c. Response to Questions from Evaluation

Committee: Provide a detailed response to questions posed by the evaluation committee as a result of its review of the Letter of Interest for this project.

d. Approach to Project Evaluation: Describe a possible approach to how the project could be evaluated. Provide as much information as available about the "target population" for the greenhouse gas reductions, such as the number of people potentially affected by the project (employees, parkers, transit users, etc.); existing trip length or mode share, trip costs (parking or other), types of vehicles affected (current types/gas mileage), etc.

e. Project Cost and Funding: Describe the major resources needed for this project (e.g., staff, consultant, equipment, materials, etc.). Provide a detailed budget that shows total project and cost breakdown for each major task/action, including a cost estimate for the project evaluation. Provide a funding table that identifies the amount of grant funds requested, amount of local match, and funding source for local match. Identify any cost sharing by multiple partners.

The evaluation committee will qualitatively evaluate proposals using a high, medium, and low rating against the following evaluation criteria:

- Level of Innovation
- Potential for Replication at a Larger Scale
- Quality of the Proposal
- Potential for Greenhouse Gas Emission Reductions (such as through mode shift, cleaner vehicles, reduced vehicle miles traveled, etc.)
- Cost Effectiveness
- Cost Sharing by Multiple Partners
- Percent Local Match
- Location in Priority Development Areas (PDAs)¹:

Upon the completion of the evaluation process, the evaluation committee will recommend a program of projects for grant funding to MTC's Commission. The Commission will review the program of projects and approve the grant awards.

¹ See the ABAG website for more information about the FOCUS Priority Development Area Program: www.bayareavision.org/initiatives/prioritydevelopmentareas.html

Safe Routes To School Creative Grant Program

Goals & Objectives

The Safe Routes to School (SR2S) Creative Grant Program seeks to fund roughly four projects with promising, novel approaches that can further best practices in the SR2S field. These projects would serve as models which can be replicated across the Bay Area region and clearly demonstrate the effectiveness of strategies to reduce greenhouse gases related to school related trips.

To achieve the goals of the SR2S Creative Grant Program, projects selected for funding should achieve as many of the following objectives as possible:

- Measurably reduce emissions of GHG and criteria pollutants;
- Have the greatest potential to be replicated by other Bay Area schools; and
- Pilot new, innovative strategies that further best practices in the SR2S field; and
- Remove a substantial barrier — technical, financial, policy or political — that impedes successful implementation of a new strategy

Project Requirements

Projects must meet the following minimum requirements in order to be considered eligible for grant funding:

- Provide a clear connection between transportation and air quality improvement, focusing on innovative ways to reduce GHG and yield co-benefits for reducing criteria pollutants emissions from transportation sources;
- Serve as a model project for replication in other school districts in the region, if successful;
- Include at least one of the 5 E's (engineering, evaluation, education, encouragement, and enforcement) of the Safe Routes to School Program);
- Any infrastructure project must be implemented within a two-mile radius of a school;



- Clearly demonstrate the ability to fully implement activities funded by the grant within two years of executing the funding agreement;
- Describe a methodology for project evaluation; and
- If the project sponsor has previously been awarded state or federal SR2S program grants, demonstrate that the project sponsor has expended these funds in a timely fashion.

Grant Funding

Grant size starts at \$500,000. Applicants are required to provide a match from a non-federal fund source not less than 11.5 percent of the total project cost.

Eligible Applicants

Public agencies (with agreements in place to receive federal-aid funding) are eligible applicants. Non-profit 501(c)(3) organizations, businesses and community organizations may also apply if they partner with a public agency that is willing to sponsor the project. In such cases, if a grant is awarded, the public agency will be the grant recipient and can subcontract with the business/organization to implement the project. The public agency is responsible for carrying out all requirements and obligations associated with the use of federal funds. The public agency is also accountable for implementing and delivering the project. Successful grant recipients will work with Caltrans to meet federal-aid requirements in order to receive federal funds for the project. In addition, they are required to provide for regular and timely reporting of activities and results to MTC.

Application And Evaluation Process

The SR2S Creative Grant Program will follow a two-step application and evaluation process that will be overseen by an evaluation committee of staff from MTC, BAAQMD, ABAG and BCDC, and other evaluators as appropriate.

Step One: All interested applicants must submit a Letter of Interest that includes the following components (total of 3 page maximum):

- Identify the project title, name of applicant, project manager, and contact information;
- Describe the proposed project. Explain how this project is innovative and addresses one or more of the five “E’s” of the Safe Routes to School framework that are applicable to the project (engineering, evaluation, education, encouragement, and enforcement);
- Explain how the project will measurably reduce greenhouse gas emissions as well as yield co-benefits in reducing criteria pollutant emissions;
- Describe how this project will further best practices in the SR2S field significantly adding to the knowledge base;
- Describe how the project can be replicated at a larger scale; and
- Identify the amount of grant funding requested and the local match source.

Step Two: The evaluation committee will review all Letters of Interest and contact applicants, as needed, for additional information, clarification, and/or modification. The evaluation committee will then identify a small number of projects that show the most promise and invite these applicants to submit a more formal proposal for further evaluation including:

a. Project Description: Identify the project title, name of applicant, project manager, and contact information. Explain the purpose and need for the project, state the specific goals and objectives of the project and explain how they help to advance the goals and objectives set for this grant program, describe the collaboration required to carry out the scope of work and the actions that will be undertaken to achieve the objectives. Describe the results anticipated from this project.

b. Scope of Work and Schedule: Detail the actions/tasks, work products, estimated completion dates and key partners.

c. Response to Questions from Evaluation Committee:

Provide a detailed response to questions posed by the evaluation committee as a result of its review of the Letter of Interest for this project.

d. Approach to Project Evaluation: Describe a possible approach to how the project could be evaluated. Provide as much information as available about the “target population” for the greenhouse gas reductions, such as the number of people potentially affected by project (students, school employees, parents, etc.); existing trip length or mode share, trip costs (parking or other), etc. (see Bay Area Climate Initiatives Program summary for more details on program evaluation)

e. Project Cost and Funding: Describe the major resources needed for this project (e.g., staff, consultant, equipment, materials, etc.). Provide a detailed budget that shows total project and cost breakdown for each major task/action, including a cost estimate for the project evaluation. Provide a funding table that identifies the amount of grant funds requested, amount of local match, and funding source for local match. Identify any cost sharing by multiple partners.

The evaluation committee will qualitatively evaluate proposals using a high, medium, and low rating against the following evaluation criteria:

- Level of Innovation
- Potential for Replication at a Larger Scale
- Quality of the Proposal
- Potential for Greenhouse Gas Emission Reductions
- Cost Effectiveness
- Percent Local Match

Upon the completion of the evaluation process, the evaluation committee will recommend a program of projects for grant funding to MTC's Commission. The Commission will review the program of projects and approve the grant awards.

APPENDIX A

Programming Policies and Requirements

Climate Initiatives Program grants must address federal requirements listed below. MTC staff will be discussing these requirements further with project sponsors in greater detail, once the Commission adopts the final grant program. However, it is helpful for grant applicants to be aware of what these requirements entail prior to applying for grants. For more information and questions, contact Craig Goldblatt at 510.817.5873.

Transportation Improvement Program Inclusion and Resolution of Local Support

After the Commission awards grants to project sponsors, the grantee must submit a completed project application through MTC's Funding Management System (FMS), in order to include the project in the Transportation Improvement Program (TIP). A project may not obtain federal funding until it has been added to the TIP. Additionally, the sponsor must submit a board adopted resolution of local support. A template can be downloaded from the MTC website using the following link: http://www.mtc.ca.gov/funding/STP-CMAQ/STP_CMAQ_LocalSupportReso.doc

Air Quality Conformity

Prior to funding any project, it is the responsibility of MTC to make an air quality conformity determination for the Transportation Improvement Program (TIP) in accordance with federal Clean Air Act requirements and Environmental Protection Agency (EPA) conformity regulations. MTC will evaluate the impact of the TIP on regional air quality during the upcoming 2011 update of the TIP later this year.

Environmental Clearance

Project sponsors are to comply with the requirements of the California Environmental Quality Act (Public Resources Code Section 21000 et seq.), the State

Environmental Impact Report Guidelines (14 California Code of Regulations Section 15000 et seq.), and the National Environmental Protection Act (42 USC Section 4-1 et seq.) standards and procedures for all projects with Federal funds.

Project Screening and Compliance with Regional and Federal Requirements

Projects must be consistent with MTC's long-range regional transportation plan, Transportation 2035, and be able to obtain federal grant approval on a timely basis. In addition, project sponsors must adhere to directives such as "Complete Streets" (MTC Routine Accommodations for Bicyclists and Pedestrians, emphasizing the consideration and accommodation of bicyclists, pedestrians, and persons with disabilities when designing transportation facilities); and the Regional Project Funding Delivery Policy as outlined below; and provide the required non-federal matching funds.

Federal Project Eligibility

Congestion Mitigation Air Quality (CMAQ) funding applies to new or expanded transportation projects, programs, and operations that help reduce emissions. Eligible project categories that meet this basic criteria include: Transportation activities in approved State Implementation Plan (SIP), Transportation Control Measures (TCMs), public-private partnerships, alternative fuels, traffic flow improvements, transit projects (facilities, vehicles, operating assistance up to three years), bicycle and pedestrian facilities and programs, travel demand management, outreach and rideshare activities, telecommuting programs, intermodal freight, planning and project development activities, Inspection and maintenance programs, magnetic levitation transportation technology deployment program, and experimental pilot projects. For more detailed guidance see the CMAQ Program Guidance (FHWA, November 2008): <http://edocket.access.gpo.gov/2008/pdf/E8-24704.pdf>

Local Match Requirement

A project funded with CMAQ funding must meet the requirement that a project sponsor contribute a non-federal local match of no less than 11.47 percent of the total project budget. Caltrans will reimburse up to 88.53 percent of the total project cost on a reimbursement basis.

Fixed Program and Specific Project Selection

Projects are chosen for the program based on eligibility, project merit, and deliverability within the established deadlines. The grant program is project specific and the CMAQ funds programmed to those projects alone. The STP/CMAQ Program funding is fixed at the programmed amount; therefore, any cost increase may not be covered by additional CMAQ funds. Project sponsors are responsible for any cost increases or additional funding needed to complete the project including contingencies.





Regional Workshops

MTC and the BAAQMD will host regional workshops to provide prospective applicants with an overview of the Bay Area Climate Initiative's competitive grant programs and the application and review process. Note that following grant approval, MTC will host a project funding and delivery workshop in fall 2010 to familiarize grant recipients with the federal aid and funding processes.

Central Bay

Tuesday , May 11 from 2 pm to 4 pm

Metropolitan Transportation Commission
Joseph P. Bort MetroCenter — Auditorium
101 Eighth Street, Oakland 94607

Peninsula

Thursday, May 13 from 10 am to Noon

SamTrans — Auditorium
1250 San Carlos Avenue
San Carlos, CA 94070

North Bay

Friday, May 14 from 10 am to Noon

Transportation Authority of Marin
San Rafael Corporate Center — Tamalpais Room
750 Lindero Street, Ground Floor
San Rafael, CA 94901

MTC Contact Persons

Applicants are encouraged to contact MTC staff if they have questions about grant application requirements or wish to discuss potential project ideas in advance of submitting an application. For the Safe Routes to School Creative Grants, contact Craig Goldblatt, Project Manager, at 510.817.5837 or by email at cgoldblatt@mtc.ca.gov. For the Innovative Grants, contact Ashley Nguyen, Project Manager, at 510.817.5809 or by email at anguyen@mtc.ca.gov.

For more information about transportation, sustainability and climate protection, please visit www.OneBayArea.org.