

**Metropolitan Transportation Commission  
Programming and Allocations Committee**

April 14, 2010

Item Number 3b

**Resolution No. 3957**

**Subject:** Bay Area Climate Initiatives Program: Guidelines for Competitive Grants

**Background:** In December 2009 the Commission adopted the New Surface Transportation Act Cycle 1 Project Selection Criteria and Programming Policy (Resolution No. 3925, Revised) which directs STP/CMAQ funding over the next three years. Among the programs approved, the Climate Initiatives Program includes \$80 million for four elements: Public Education and Outreach, Safe Routes to School, Innovative Grants, and Climate Initiatives Program Evaluation.

Per the adopted Climate Initiatives Program, MTC will issue a competitive solicitation for two grant programs: the Innovative Grants Program (up to \$31 million) and the Safe Routes to School Creative Grants Program (up to \$2 million).

Staff proposes the following guidelines for selecting projects for these two grant programs:

- 1) ***Innovative Grants Program:*** Fund projects with a grant size of \$1 million or greater that (a) demonstrate a clear connection to transportation and air quality improvements; (b) support one or more high-impact strategies: parking management and pricing policies, cleaner vehicles, transportation demand management, innovative transportation project from locally-adopted Climate Action Plan, or be a showcase project that innovatively combines a number of strategies together to reduce greenhouse gas emissions; (c) can be implemented within two years; and (d) include a proposed approach for evaluating the project impacts. Proposals that demonstrate collaboration with multiple partners, provide higher local match and are for projects located in a Priority Development Area will be given extra consideration in the selection process.
- 2) ***Safe Routes to School (SR2S) Creative Grants Program:*** Fund roughly four projects of \$500,000 or greater that (a) provide a clear connection to transportation and air quality improvements; (b) pilot new, innovative strategies and approaches in SR2S field; (c) demonstrate potential as a model project for other schools and communities; (d) include at least one of the five E's of engineering, evaluation, education, encouragement, and enforcement; (e) can be implemented within two years; (f) include a proposed approach for evaluating the project impacts; and (g) demonstrate timely expenditure of previously awarded state or federal SR2S funds.

The evaluation criteria will be tailored to reflect the goals of each program, but in general, the proposals will be evaluated using a high, medium, and low rating against the following criteria: level of innovation potential for replication at large scale, potential for greenhouse gas emission reductions, cost-effectiveness, and percent local match. The evaluation committee will

be comprised of staff from the four regional agencies represented on the Joint Policy Committee.

In terms of project solicitation process and applicant eligibility, the following is proposed:

- *Two-Part Selection Process:* In step one, applicants submit a Letter of Interest. The evaluation committee will consider how well the applicant responded to questions as to why this project is innovative, how the project reduces greenhouse gas (GHG) emissions, and how the project might be replicated and follow-up as needed on proposal clarifications. In step two, applicants with projects that show the most promise will be invited to submit a more detailed proposal for further evaluation and funding consideration.
- *Eligible Applicants:* Public agencies are eligible applicants. However, interested non-profit 501(c)(3) organizations, businesses and community organizations may apply if they partner with a lead public agency.

The call for projects, evaluation, and selection will take place from May through August 2010. The Commission will review and adopt the final program in September 2010.

**Issues:** None.

**Recommendation:** Refer Resolution No. 3957 to the Commission for approval to adopt the selection criteria and procedures for the Climate Initiatives Competitive Grants.

**Attachments:** Memorandum to Programming and Allocations Committee  
MTC Resolution No. 3957

Date: April 28, 2010  
W.I.: 1512  
Referred by: PAC

**ABSTRACT**  
Resolution No. 3957

This resolution adopts the program guidelines for the New Federal Surface Transportation Act STP/CMAQ Cycle 1 Climate Initiatives Program for two regionally competitive programs: the Innovate Grants Program and the Safe Routes to School Creative Grants Program.

The following attachment is provided with the resolution:

Attachment A: STP/CMAQ Cycle 1 Climate Initiatives Competitive Grant Program Guidelines

Further discussion of this action is contained in the Programming and Allocations Committee Summary dated April 14, 2010.

Date: April 28, 2010  
W.I.: 1512  
Referred by: PAC

Re: Guidelines for STP/CMAQ Cycle 1 Climate Initiatives Competitive Grant Programs

METROPOLITAN TRANSPORTATION COMMISSION  
RESOLUTION No. 3957

WHEREAS, the Metropolitan Transportation Commission (MTC) is the regional transportation planning agency for the San Francisco Bay Area pursuant to Government Code Section 66500 et seq.; and

WHEREAS, MTC is the designated Metropolitan Planning Organization for the nine-county San Francisco Bay Area region (the region) and is required to prepare and endorse a list of Surface Transportation Planning (STP) and Congestion Mitigation and Air Quality Improvement Program (CMAQ) funded projects; and

WHEREAS, MTC is the designated recipient for regional STP and CMAQ funds for the San Francisco Bay Area; and

WHEREAS, MTC has developed policies and procedures to be used in the selection of projects to be funded with STP and CMAQ funds for the Cycle 1 STP/CMAQ Program (23 U.S.C. Section 133), as set forth in Attachment A of this Resolution, incorporated herein as though set forth at length; and

WHEREAS, using the procedures and criteria set forth in Attachment A of this Resolution, MTC, in cooperation with the Bay Area Partnership, have or will develop a program of projects to be funded with STP and CMAQ funds in Cycle 1; now therefore be it

RESOLVED that MTC approves the Guidelines for Climate Initiatives Competitive Grant Programs STP/CMAQ funding, as set forth in Attachments A of this Resolution; and be it further

RESOLVED, that MTC will use these guidelines to conduct the competitive selection process for the Climate Initiatives Competitive Grant Program.

METROPOLITAN TRANSPORTATION COMMISSION

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Scott Haggerty, Chair

The above resolution was entered into by the Metropolitan Transportation Commission at the regular meeting of the Commission held in Oakland, California, on April 28, 2010.

Date: April 28, 2010  
W.I.: 1512  
Referred by: PAC

Attachment A  
MTC Resolution No. 3957  
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## **METROPOLITAN TRANSPORTATION COMMISSION**

### **BAY AREA CLIMATE INITIATIVES PROGRAM PROGRAM GUIDELINES**

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, Resolution No. 3925, which includes the Climate Initiatives Program. MTC will sponsor two grant programs (Innovative Grants and Safe Routes to School Creative Grants) 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 Regional Transportation Planning process. The grant program guidelines and selection criteria are described below:

#### **COMPETITIVE GRANTS OPPORTUNITIES**

Within the Climate Initiatives Program framework, the four regional agencies are pleased to issue a solicitation for two regionally competitive grant programs focusing on school-related emission reductions and innovative strategies for reducing GHG emissions. MTC, on behalf of the regional agencies, 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.

#### **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 a small number of creative school-related emission reduction strategies and determine their effectiveness and potential replication around the region.

#### **Innovative Grants – Up to \$31 Million**

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

## INNOVATIVE GRANTS PROGRAM

### GOALS & OBJECTIVES

The Innovative Grants 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 Grants 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
- 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 11.47 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 11.47 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 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 Innovative Grants Program will follow a two-step application and evaluation process that will be overseen by an evaluation committee of staff from MTC, BAAQMD, Association of Bay Area Governments, and Bay Conservation and Development Commission, 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:

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

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.

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<sup>1</sup> See the Association of Bay Area Government (ABAG) website for more information about the FOCUS Priority Development Area Program: <http://www.bayareavision.org/initiatives/prioritydevelopmentareas.html>

## **SAFE ROUTES TO SCHOOL CREATIVE GRANTS PROGRAM**

### **GOALS & OBJECTIVES**

The Safe Routes to School (SR2S) Creative Grants 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 Grants 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;
- 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 11.47 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, Association of Bay Area Governments and Bay Conservation and Development Commission, 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.