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COMMISSION

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## *Memorandum*

TO: Transit Finance Working Group

DATE: Oct. 2, 2013

FR: Craig Bosman

RE: Transit Performance Initiative – Investment Program Update

### Background

The Commission committed \$82 million in federal Cycle 2 STP/CMAQ funds to the Transit Performance Initiative (TPI) Investment Program, allocating \$28 million to date. The first round of funding was limited to major transit corridors and four transit agencies.

### TPI Investment Program Round 2

The next round of funding, expected to be \$27 million, is tentatively scheduled for Commission consideration in early 2014.

Over the next month, staff will continue to work with transit operators to develop guidelines, bring them to the Programming and Allocations Committee in November, and release a call for projects in late 2013. Proposed guidelines for the second round include:

- All FTA-eligible Bay Area transit operators may apply.
- Improvement of operating speed and/or ridership on high-use trunk routes remains the primary goal; however, other routes with significant potential for improvement in these measures are eligible. System-wide or multi-location projects that would have a positive impact on specific corridors are also eligible.
- Project implementation schedule will be similar to the first round. Projects should be under construction within 18 months of funding approval.

MTC staff seeks your input in further developing the guidelines for the next round of TPI funding. A draft set of guidelines, including draft schedule, is attached to this memo. **Please provide any feedback you have by October 15.**

### Fall 2014 Semi-Annual Update to Commission

Staff will update the Commission this October on implementation of Round 1 projects. Requests for updates were sent to project sponsors in August.

For more information or to provide additional feedback, please contact Craig Bosman at [cbosman@mtc.ca.gov](mailto:cbosman@mtc.ca.gov) or 510.817.5770, or Kenneth Folan at [kfolan@mtc.ca.gov](mailto:kfolan@mtc.ca.gov) or 510.817.5804.

## **Draft Guidelines – Presented to TFWG October 2, 2013**

### **RE: Call for Projects for Transit Performance Initiative (TPI) Round 2**

#### **To: Eligible Applicants**

On *[insert date]*, the MTC Programming and Allocations Committee authorized the release of the call for projects for the second round of the Transit Performance Initiative – Major Corridors funding. This is a \$27 million program to fund low-cost capital investments that improve operations and customer experience on major transit corridors and systems. **All STP/CMAQ-eligible operators may apply for this pool of funds. The implementing agency or a co-implementing agency may be the local roadway owner/operator.**

The goal of the program is to provide incentive funding for lower-cost improvements that can be implemented quickly on heavily traveled transit corridors and systems and, where possible, to leverage existing agency efforts and plans in that direction.

Applications are due by **4 p.m., *[insert date]***.

#### **1. Background**

The region's urban trunk network of major transit lines carries over half the total ridership in the region and coincides with areas where the region is forecasting significant growth. This network includes both bus and light rail operations on heavily traveled, congested urban corridors. Despite relatively slow operating speeds these routes nonetheless generate significant ridership. The TPI program will continue to fund low-cost capital improvements that improve operations and customer experience in this urban trunk network. Other eligible projects will make similar improvements for commuter rail passengers; facilitate connections between transit in these urban corridors and other transit; implement system-wide improvements that help with operating speed and/or customer experience in congested urban corridors; or implement corridor-level improvements in operating speed and/or customer experience on other corridors with high potential for transit growth. The improvements being sought are those that can be implemented quickly and that build on existing transit agency programs to identify ways to improve service productivity.

#### **2. Project Selection**

##### **2.1 Eligibility**

Characteristics of projects that are eligible for this program are:

- 1) The investment must be a capital project resulting in improved operating speed or frequency using the existing fleet size, not the addition of new vehicles to the route.
- 2) The selected corridor could be a route, a portion of a route, or a corridor where several services merge. Improvements that take place system-wide or in multiple locations and make significant impacts on such corridors are also eligible. If a system-wide or multi-location improvement is to be made, the funding application should still focus on the impacts to one or more specific corridors.

3) Project corridor locations can be:

- Urban trunk bus or light rail route with high ridership/passenger miles but below system average operating speed (under 15 mph), or
- Other bus, commuter rail, or light rail route with significant potential for improvement in operating speed and/or ridership, or
- Improvement of transit connections (including with heavy rail) between services on at least one of the above corridor types.

4) The targeted route must have frequent service (15 minutes or better)

5) All project phases are eligible, but priority will be given to construction activities.

6) The project must be able to meet the FHWA obligation of funds deadline: *[Insert date – will be approximately two years after MTC adoption of TPI projects].*

6) All projects must meet CMAQ eligibility requirements and be able to provide the required 11.47% local match for these federal funds. Link to guidelines: <http://www.fta.dot.gov/documents/cmaq08gd.pdf>

## 2.2 Application Process

*The application forms for this program are attached as Appendix A and B (Note: not yet developed).* All applications for eligible projects received by the deadline shown on page 1 will be reviewed by an evaluation committee convened by MTC. Applications received after the deadline will not be considered.

Complete applications that clearly demonstrate the two-part process shown below will be given high priority for funding. Please limit the application to 10 pages.

- Part 1: Purpose and Need  
Submit priority corridors, including:
  - Corridor description (general overview – length, land use, origins and destinations served, etc.)
  - Existing ridership (and passenger miles) by time of day and day of week
  - Service types and levels
  - Average current speed by time of day
- Part 2: Action Plan (estimates developed by each agency and reviewed by MTC for reasonableness)
  - Proposed speed improvements with associated operating costs and travel time savings
  - Total route time savings and change in resource requirements
  - Estimated change in ridership/revenue (estimates developed by each agency and reviewed for reasonableness)

Projects that do not receive funding immediately may be placed on an eligibility list, in case one or more approved projects cannot be pursued within the established timeframe.

## 2.3 Project Evaluation

The following criteria will be used to evaluate proposals for the grant program. Based on the evaluation of all eligible projects and funding availability, MTC staff will forward a ranked list of projects to the Commission for approval.

- Project readiness and project management capacity (40%)
  - Priority given to project that can be implemented within 12-24 months of grand award
  - Evidence of engineering and operational support from local jurisdictions (roadway owner-operators)
- Cost-effectiveness and Performance Indicators (60%)
  - Travel time savings (i.e., passenger seconds saved)
  - Operating cost savings (e.g., cost per reduced operating cost)
  - Other benefits to existing and new riders
  - Priority given to corridors with more frequent service and higher passenger volumes

If selected and approved by the Commission, project sponsors will be required to submit a board-approved resolution of support (sample STP/CMAQ resolution of support attached as Appendix C, specific resolution for this project will be provided to selected agencies) and shall enter into their own grant with FHWA/FTA, and comply with all applicable federal requirements.

**3. Applying for Funds & Timeline**

All interested and eligible applicants should submit project information using the form provided in Appendix A. The timeline for application review and approval is as follows:

<b>Action</b>	<b>Tentative Timeline – Subject to change</b>
Call for Projects is released	Late December
Applications due	Late January
Recommendation of Projects to Programming and Allocations Committee/Transit Sustainability Select Committee (referral to Commission)	Early March
MTC adopts TPI projects	Late March

Please send 4 copies of the completed applications and one electronic copy to:

Transit Performance Initiative  
 Programming and Allocations Section  
 Attn: Craig Bosman  
 Metropolitan Transportation Commission  
 101 Eighth Street  
 Oakland, CA 94607  
[cbosman@mtc.ca.gov](mailto:cbosman@mtc.ca.gov)

If you have any questions regarding this program, please contact Alix Bockelman at (510) 817-5850.