



Caltrans

**LOW
CARBON
TRANSIT
OPERATIONS
PROGRAM**

AUGUST 2015



Caltrans

CLIMATE POLICY TO REDUCE GHG EMISSIONS

AB 32 (2006)

- Greenhouse Gas (GHG) emissions at 1990 levels by 2020 and maintain reductions
- Authorized the Cap and Trade Program at the Air Resources Board (ARB)

SB 375 (2008) and SB 391 (2009)

- Required Sustainable Communities Strategies in Regional Transportation Plans

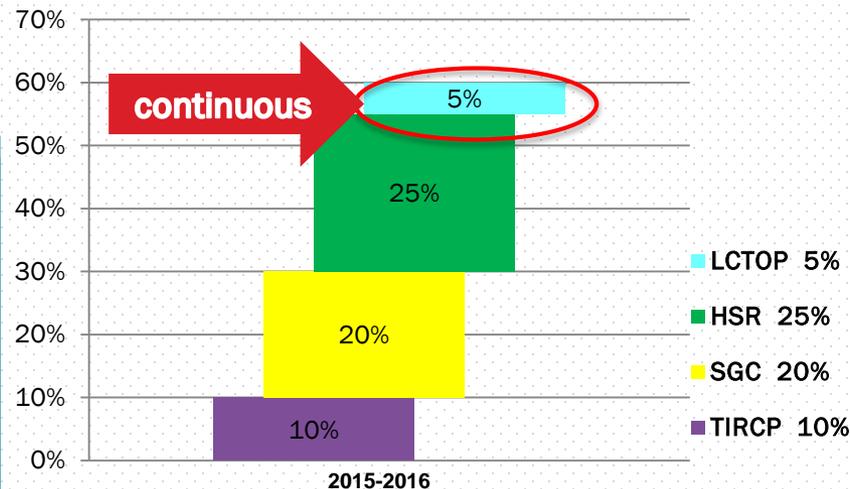
SB 535 (2012)

- Directs state and local agencies to make significant investments in disadvantaged communities (DACs) from Greenhouse Gas Reduction Fund (GGRF)



2014-15 BUDGET – SB 862

- Directs proceeds from Greenhouse Gas Reduction Fund to specific programs
- Low Carbon Transit Operations Program (LCTOP) established
 - \$25 million of FY 2014-15 funds
 - 5% of future annual GGRF proceeds continuously appropriated



2014-2015 UPDATE

- LCTOP received \$25 million
- 97% of funds applied to 95 eligible projects
- Funds distributed prior to June 30th, 2015 deadline
- 68 projects benefiting disadvantaged communities



STATE AGENCIES ROLES & RESPONSIBILITIES

➤ Air Resource Board:

- Develops methodology for quantification and reporting of GHG reductions and other co-benefits
- Develop guidelines:
 - funding guidelines for agencies that administer California Climate Investments
 - Disadvantaged communities guidelines
- Collects information on program status for annual reports to the State Legislature



STATE AGENCIES ROLE & RESPONSIBILITIES

- **Caltrans, in coordination with the Air Resources Board:**
 - *Establish guidelines describing methodologies to meet criteria*
 - *Determine eligibility of proposed expenditures*
 - *Establish reporting requirements*



STATE AGENCIES ROLE & RESPONSIBILITIES

- Prepare the following reports to submit to ARB:
 - Project Profile: submitted once a year by January 15th
 - End of Year: submitted once a year by January 15th
 - Project Closeout: submitted once a year by January 15th, after the completion of the project



WHO IS AN ELIGIBLE APPLICANT FOR LCTOP FUNDING?

➤ Public Transit Agencies

- Public Transit Agencies that currently qualify for funding in the State Transit Assistance Program
- Where applicable, at least 50% of available funding must benefit the disadvantaged communities
- Allocation based on Public Utilities Code(s) (PUC) 99313 and 99314

*Agencies qualified as recipients of funds under PUC 99314 may also received funds from PUC99313 as determined by each Regional Entity.



KEY ELIGIBILITY REQUIREMENT FOR ALL *LCTOP* PROJECTS:

- **Must directly enhance or expand transit service to increase mode share**
 - Cal. Pub. Res. Code section 75221, subd. (b) (2)
- **“[A] project shall demonstrate that it will achieve a reduction in [GHG] emissions.” (Emphasis added.)**
 - Cal. Pub. Res. Code section 75221, subd. (b) (3)
- **The State Air Resources Board will develop guidelines for benefiting disadvantaged communities (where applicable for transit agencies)**
 - Cal. Gov. Code section 39715



WHAT ARE THE KEY LCTOP PURPOSES?

- **Provide operating and capital assistance for transit agencies to:**
 - *Reduce greenhouse gas emissions*
 - *Improve mobility*
 - *With a priority on serving disadvantaged communities*



DISADVANTAGED COMMUNITIES CRITERIA (DAC)

- Transit agencies whose service areas include DAC as identified in Section 39711 of the Health and Safety Code, at least 50 percent of the total funds received shall be expended on projects or services that benefit the DAC
- The California Environmental Protection Agency (CalEPA) has identified disadvantaged communities based on geographic, socioeconomic, public health, and environmental hazard criteria
- Maps identifying the Disadvantaged Communities are available at: <http://www.calepa.ca.gov/EnvJustice/GHGInvest/default.htm>.



EXPENDITURES ELIGIBLE FOR FUNDING

Funding for the program shall be expended to provide transit operating or capital assistance that meet all of the following criteria:

- (1) Expenditures supporting new or expanded bus or rail services, or expanded intermodal transit facilities, and may include equipment acquisition, fueling, and maintenance, and other costs to operate those services or facilities.
- (2) The recipient transit agency demonstrates that each expenditure directly enhances or expands transit service to increase mode share.
- (3) The recipient transit agency demonstrates that each expenditure reduces greenhouse gas emissions

** Priority on serving disadvantaged communities**



EXAMPLE OF ELIGIBLE PROJECTS

Expand Transit Service:

- Implement bus rapid transit (for new routes or expansion of existing routes)
- Increase service (extend transit routes, increase frequency of service, extend service hours)
- Free or reduce-fare transit passes/vouchers
- Increase capacity on routes nearing capacity (add more buses, or rail cars to existing routes)



EXAMPLE OF ELIGIBLE PROJECTS, *CONTINUED*

Projects that Support New/Expanded Transit Services:

- Purchase zero-emission or hybrid vehicles and equipment (e.g. buses, railcars, auxiliary electrical power units)
- Expanded intermodal transit facilities
- Install new transit stops/stations that connect to bike/pedestrian paths
- Upgrade transit vehicles to support active transportation and encourage ridership (e.g., bicycle racks on buses; bicycle storage on rail cars)



EXAMPLE OF A SUCCESSFUL LCTOP PROJECTS

The City of Guadalupe successfully implemented its transit expansion project: inter-city fixed-route service between Guadalupe and Santa Maria by increasing Saturday service and implementing new Sunday service.

- Project totaled **\$79,756**, contributing sponsors included: SBCAG, Santa Barbara Public Works, Lompoc, Santa Maria, and Solvang.
- **160 riders** were counted the first weekend of service (August 1st and 2nd)
- Sunday Estimated 48 Vehicle Trips and 1,150 Passenger Vehicle Miles saved



EXAMPLE OF OTHER LCTOP PROJECTS

Voucher Program

- Yolo County Transportation District: Free/Reduced Fair Passes/Vouchers Project
- Colusa County Transit Agency: Free Fare Days project that would cover Free fair days throughout the year

*Vouchers can be used as local funds and reported as revenue according to CCR 6611.2 Fare Revenues

Equipment Acquisition

- City of Los Angeles: Bus Bicycle racks purchase for bus installment



EXAMPLE OF OTHER LCTOP PROJECTS

Operations

- San Joaquin Regional Transit District: Metro Hopper Expansion project in the City of Stockton to provide disadvantaged communities with improved transit services and to reduce GHG emissions
- Sacramento Regional Transit District: Connect Card project will implement new smart card transit fare system, allowing passengers to use one card to ride multiple transit systems.



UPDATED LCTOP GUIDELINES 2015

Notable changes to the Updated Guidelines include:

- Administrative
- Project Lead Requirements
- Reporting Requirements



UPDATED LCTOP GUIDELINES 2015

Administrative Changes:

- Formatting
- One Cycle per funding year



UPDATED LCTOP GUIDELINES 2015

Project Lead Requirements:

➤ Two Board Resolutions

- Project approval detailing amount of LCTOP funds requested, description of project, and contributing sponsors—**per project**
- Authorized Agent and Certification and Assurances—**one time**

➤ Project Funding Plan

- Separate form with authorized signature

➤ LCTOP Dedicated Bank Account



UPDATED LCTOP GUIDELINES 2015

Reporting Requirements:

➤ Semi-Annual Reports

- Due **May 15th** and **November 15th**
- To provide data for Caltrans Yearend Report

➤ Final Project Report

- Two forms of verification:
 - Photo *and*
 - A copy of the final invoice, a copy of the punch list from the facility's final walk through, *or* copy of Title if the project is a vehicle



CONTINUOUS APPROPRIATION

- Funding for this program shall be a continuous appropriation of 5% of the proceeds from the Cap and Trade auctions
- Rollover Funds
 - Agency may hold funds over into the following fiscal year to acquire enough funds for a more substantial project
 - Fund must be applied to a project within two years and completed within the subsequent two years



LCTOP Timeline FY2015-2016

Caltrans/DOF notifies SCO of estimated amount available to Program	July 10 (or within 10 days of budget enhancement)
SCO notifies transit operators of available funds for fiscal year	Sept. 1 (or within 30 days of DOF notice, whichever is later)
Transit Agencies submit expenditure proposals to Caltrans, due by:	Nov. 1 (or 60 days after fund notification is released)
Caltrans, in collaboration with ARB, reviews and approves a list of eligible projects and submits list to SCO	February 1
SCO releases approved amount of funds to recipients	March 1
Semi-Annual Report due to Caltrans (data through March 30 th)	May 15
Semi-Annual Report due to Caltrans (data through September 30 th)	November 15



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