CALTRANS SUSTAINABLE TRANSPORTATION PLANNING **GRANT PROGRAM**

















-FINAL DRAFT-FY 2017-2018 Grant Application Guide

Additional Sustainable Communities Grants from Senate Bill 1 - The Road Repair & Accountability Act of 2017





Application Deadline

California Department of Transportation Division of Transportation Planning



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Sustainable Transportation Planning Grant Program

The Sustainable Transportation Planning Grant Program was created to support the California Department of Transportation's (Caltrans') Mission: *Provide a safe, sustainable, integrated and efficient transportation system to enhance California's economy and livability.*

The California Legislature recently passed, and Governor Brown signed into law, Senate Bill (SB) 1 - The Road Repair and Accountability Act of 2017, a transportation funding bill that will provide a reliable source of funds to maintain and integrate the State's multi-modal transportation system. As a result of this new transportation funding, an additional \$25 million in Sustainable Communities Grants is available for the Fiscal Year (FY) 2017-2018 grant cycle. The additional grant funding is intended to support and implement Regional Transportation Plan (RTP) Sustainable Communities Strategies (SCS) (where applicable) and to ultimately achieve the State's greenhouse gas (GHG) reduction target of 40 and 80 percent below 1990 levels by 2030 and 2050, respectively.

Eligible planning projects must have a transportation nexus per Article XIX Sections 2 and 3 of the California Constitution. Therefore, successful planning projects are expected to directly benefit the multi-modal transportation system. Sustainable Communities Grants will also improve public health, social equity, environmental justice, and provide other important community benefits.

Sustainable Communities - Competitive Grants

\$12.5 million will be distributed through a competitive program to Metropolitan Planning Organizations (MPOs) with a sub-applicant(s), Regional Transportation Planning Agencies (RTPAs), cities and counties, transit agencies, and Native American Tribal Governments. MPOs can apply to the Sustainable Communities Competitive Grants only in collaboration with a sub-applicant(s). Funding distribution for the competitive program will depend on the quality and number of applications.

Sustainable Communities - Formula Grants

\$12.5 million will be distributed to the MPOs on a formula basis. The formula funds for the MPOs will reflect the same formula used to distribute Federal Highway Administration (FHWA) Metropolitan Planning PL funds. The FHWA PL formula has three components:

- 1. A base allocation
- 2. A two-part population component which distributes funds by the proportion of the total population of each MPO based on California Department of Finance estimates each January
- 3. An Air Quality component based on the proportion of federal Congestion Mitigation Air Quality funds to total programmatic FHWA PL funds

Sustainable Transportation Planning Grant Summary Chart

GRANT	Fund Source	Purpose	Who May Apply	Local Match
Sustainable Communities Competitive	State Highway Account (SHA) Budget State funds \$12.5 million Grant Min \$50,000 for Disadvantaged Communities; \$100,000 for All Others Grant Max \$1,000,000	Funds local and regional multimodal transportation and land use planning projects that further the region's RTP SCS (where applicable), contribute to the State's GHG reduction targets, and also assist in achieving the Caltrans Mission and Grant Program Overarching Objectives (See Page 3).	The following are eligible to apply as a primary applicant: MPOs with sub-applicants RTPAs Transit Agencies; Cities and Counties; Native American Tribal Governments The following are eligible to apply as a sub-applicant: MPOs/RTPAs Transit Agencies Universities and Community Colleges Native American Tribal Governments Cities and Counties Community-Based Organizations Non-Profit Organizations (501.C.3) Other Public Entities**	11.47% minimum (in cash or an in-kind* contribution). The entire minimum 11.47% local match may be in the form of an eligible in-kind contribution. Staff time from the primary applicant counts as cash match.
Sustainable Communities Formula	State Highway Account (SHA) Budget State funds \$12.5 million	Funds local and regional multimodal transportation and land use planning projects that further the region's RTP SCS (where applicable), contribute to the State's GHG reduction targets, and also assist in achieving the Caltrans Mission and Grant Program Overarching Objectives (See Page 3).	The following are eligible to apply as a primary applicant: • MPOs	11.47% minimum (in cash or an in-kind* contribution). The entire minimum 11.47% local match may be in the form of an eligible in-kind contribution. Staff time from the primary applicant counts as cash match.

^{*} For in-kind contribution requirements, refer to Page 20 of this Guide.

^{**} Public entities include state agencies, the Regents of the University of California, district, public authority, public agency, and any other political subdivision or public corporation in the State (Government Code Section 811.2).

Integrating Objectives and Considerations

Successful grant applications address and articulate how the project relates to the Caltrans Mission, Grant Program Overarching Objectives, Grant Program Considerations, and the region's RTP SCS (where applicable). The Grant Specific Objectives on Page 11 indicate the specific purpose of the Sustainable Communities Grants, and must also be considered when preparing an application.

Grant Program Overarching Objectives

The following Grant Program Overarching Objectives are provided to guide grant application development, including:

Sustainability – Promote reliable and efficient mobility for people, goods, and services, while meeting the State's GHG emission reduction goals, preserving the State's natural and working lands, and preserving the unique character and livability of California's communities.

Preservation – Preserve the transportation system through protecting and/or enhancing the environment, promoting energy conservation, improving the quality of life, and/or promoting consistency between transportation improvements and State and Local planning growth and economic development patterns.

Mobility – Increase the accessibility of the system and mobility of people and freight.

Safety – Increase the safety and/or security of the transportation system for motorized and active transportation users.

Innovation – Promote the use of technology and innovative designs to improve the performance of our transportation system and provide sustainable transportation options.

Economy – Support the economic vitality of the area (i.e. enables global competitiveness, enables increased productivity, improves efficiency, etc.).

Health – Decrease exposure to local pollution sources, reduce serious injuries and fatalities on the transportation system, and promote physical activity especially through transportation means.

Social Equity – Promote transportation solutions that balance and integrate community values with transportation safety and performance, focusing on communities most affected by air pollution and climate change, while encouraging greater than average public involvement in the transportation decision making process.

Grant Program Considerations

The Grant Program also supports related State sustainability initiatives, explained further in the following pages and should be considered in grant application development, including:

- California Transportation Plan (CTP) 2040
- 2017 Regional Transportation Plan (RTP) Guidelines & Promoting Sustainable Communities in California
- Addressing Environmental Justice & Disadvantaged Communities
- Proposed 2017 Climate Change Scoping Plan Update, Appendix C
- Complete Streets & Smart Mobility Framework
- Climate Ready Transportation
- Planning for Housing

California Transportation Plan 2040

The California Transportation Plan (CTP) 2040 vision is focused on sustainability: California's transportation system is safe, sustainable, universally accessible, and globally competitive. It provides reliable and efficient mobility and accessibility for people, goods, and services while meeting the State's GHG emission reduction goals and preserving the unique character of California's communities. This integrated, connected, and resilient multimodal system supports a thriving economy, human and environmental health, and social equity. CTP 2040 is the umbrella plan that pulls together the State's long-range modal plans to envision the future system:

- Interregional Transportation Strategic Plan
- California Freight Mobility Plan
- California State Rail Plan
- California State Bicycle and Pedestrian Plan
- California High-Speed Rail Business Plan
- Statewide Transit Strategic Plan
- California Aviation System Plan

Competitive Sustainable Communities grant applications will integrate the appropriate CTP 2040 Transportation Greenhouse Gas Reduction Strategies (CTP 2040, Table 13 and Appendix 7 Technical Analysis). There are four categories of transportation GHG reduction strategies – demand management, mode shift, travel cost, and operational efficiency – that were developed based on input from the CTP 2040 advisory committees, and with input gathered from all of the State's 18 MPOs and 26 RTPAs.

CTP 2040 (CTP 2040 Table 13, Page 75; Appendix 7, Page 40): http://www.dot.ca.gov/hq/tpp/californiatransportationplan2040/2040.html

2017 RTP Guidelines and Promoting Sustainable Communities in California

The California Transportation Commission recently adopted the 2017 RTP Guidelines for RTPAs and 2017 RTP Guidelines for MPOs which now includes Appendix K – Promoting Health & Health Equity in MPO RTPs and Appendix L – Planning Practice Examples. These appendices highlight planning practices that are undertaken by large, medium, and small MPOs in both rural and urban areas throughout the State. The intent of additional Sustainable Communities grant funding, pursuant to SB 1 - The Road Repair and Accountability Act of 2017, is to encourage local and regional planning that furthers state goals, including but not limited to, the goals and best practices cited in the RTP Guidelines. Competitive applications will incorporate these cutting-edge planning practices into their proposed planning projects.

2017 RTP Guidelines (Appendix K, Page 273; Appendix L, Page 309): http://www.dot.ca.gov/hq/tpp/offices/orip/rtp/index.html

Caltrans supports SB 375 (Steinberg, Statutes of 2008) RTP SCS efforts. Successful applications must be compatible with an existing adopted SCS, where applicable, that meets the region's GHG targets, and must strongly support and aim to implement regional SCS efforts. The SCS planning process is intended to help communities reduce transportation related GHG emissions, coordinate land use and transportation planning, and assist local and regional governments in creating sustainable communities for residents throughout the State. Information on SB 375-related planning efforts can be found at: http://www.arb.ca.gov/cc/sb375/sb375.htm.

Although most rural areas of the State are not subject to SB 375 SCS requirements, Caltrans still promotes the development of sustainable communities in these areas of the State and efforts to match GHG reduction targets and other goals embodied in SCSs under SB 375. Eligible rural agencies are strongly encouraged to apply for Sustainable Communities Competitive Grants.

Addressing Environmental Justice and Disadvantaged Communities^{1,2}

Caltrans integrates environmental justice in all of its activities. In the past, low-income and minority communities disproportionately bore many of the negative impacts of transportation projects. It is the goal of environmental justice to ensure that when transportation decisions are made, low-income and minority communities have a full opportunity to participate in the decision-making process, and they receive an equitable distribution of benefits and not a disproportionate share of burdens, which contribute to poor health outcomes.

Caltrans encourages eligible applicants to apply for Sustainable Communities Competitive Grants to address transportation needs and deficiencies in disadvantaged communities. Supporting planning projects that benefit a disadvantaged community is a priority; therefore, a minimum threshold of 50 percent of Sustainable Communities Competitive Grants has been identified for projects that benefit disadvantaged communities, also including Native American Tribal Governments and rural communities. As such, special consideration will be given to planning projects that benefit disadvantaged communities. Grant applicants are required to provide justification in their grant application for how the project area meets their definition of a disadvantaged community. The optional tools below, related to environmental justice and health, are intended to help applicants define a very context-dependent definition of a disadvantaged community. Regionally and/or locally defined disadvantaged communities are acceptable. Applicants may also include other population characteristics, such as income or level of education. Information about environmental justice and disadvantaged communities can be found at:

Desk Guide – Environmental Justice in Transportation Planning Investments:

http://www.dot.ca.gov/hq/tpp/offices/ocp/documents/ej_titlevi_files/EnvironmentalJusticeDeskGuideJan2003.pdf

Community Primer on Environmental Justice & Transportation Planning:

http://www.dot.ca.gov/hq/tpp/offices/ocp/documents/ej titlevi files/EJ Primer 4 10 WEB.pdf

SB 535 (De Leon, Statutes of 2012):

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill id=201120120SB535

Senate Bill 535 tasked the California Environmental Protection Agency with defining disadvantaged communities in order to meet the statutory requirements to invest a quarter of Greenhouse Gas Reduction Fund (GGRF) to projects benefiting disadvantaged communities and ten percent to projects located within a disadvantaged communities. SB 535 may assist applicants with defining disadvantaged communities and the many factors to consider.

Assembly Bill (AB) 1550 (Gomez, Statutes of 2016):

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill id=201520160AB1550

AB 1550 further refined the GGRF statutory requirements to invest in disadvantaged communities. AB 1550 provides definitions for low income households and low income communities that may also be considered in application development.

¹ Source: Desk Guide – Environmental Justice in Transportation Planning Investments (2003)

SB 1000 (Leyva, Statutes of 2016):

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill id=201520160SB1000

SB 1000 requires local jurisdictions to develop environmental justice elements in their next general plan updates. Specifically, the environmental justice element, or the environmental justice goals, policies, and objectives in other elements, must be adopted or reviewed upon the adoption or next revision of 2 or more elements concurrently on or after January 1, 2018. Grant applicants are encouraged to describe efforts to comply with this new general plan requirement.

Displacement/Gentrification

Transportation improvements, especially new rail lines and stations to low-income communities, can increase access to opportunities. But they can also result in much higher property values and an increase in the cost of owning and renting property, inadvertently displacing existing residents and businesses. Being forced to leave a home is a stressful, costly and traumatic life event, especially when affordable housing is so limited. There is a growing recognition of tools and strategies that can be implemented alongside community investments to reduce displacement. Grant applicants are encouraged to reference the 2017 RTP Guidelines, Appendices K and L, for best practices in addressing displacement of low income and disadvantaged communities.

CalEnviroScreen Version 3.0:

http://oehha.maps.arcgis.com/apps/View/index.html?appid=c3e4e4e1d115468390cf61d9db83efc4 CalEnviroScreen is a screening methodology that can be used to help identify California communities that are disproportionately burdened by multiple sources of pollution.

The tools below provide additional criteria and indicators for climate vulnerability and community health disadvantage that CalEnviroScreen does not. The tools can help reduce health inequities. The tools include:

California Health Disadvantage Index (HDI): http://phasocal.org/ca-hdi/

The California Health Disadvantage Index (HDI) is an interactive data and mapping tool that provides a detailed snapshot of the social determinants of health across California, mapped down to the Census tract level. HDI provides comparison rankings of Census tracts statewide and an accompanying policy action guide. Therefore, the HDI can be a useful tool in prioritizing areas with high levels of social and economic disadvantage for funding, policy, and planning interventions. HDI was developed by the Public Health Alliance of Southern California in collaboration with health departments and data experts across the state. Because the HDI focuses on the social and environmental conditions that contribute to health, policy makers and local agencies can use it to identify actionable policies that would improve health in their community, such as improving transportation access, housing affordability and quality, or access to parks and open space. The tool will soon be updated with a new map and additional indicators, and will be renamed the California Healthy Places Index (HPI).

Understanding the HDI Score

The HDI includes a composite score for each Census tract in the State. The higher the score, the greater the disadvantages to health. Each Census tract's score is converted to a percentile, which allows it to be compared to other California Census tracts. For example, an HDI percentile of 79 indicates that a Census tract would face more cumulative social challenges to health than 79% of the Census tracts in California. HDI percentile rankings are further broken into quartiles, with percentiles above 75 typically used to indicate disadvantaged communities. Thus, higher scores can

be used to demonstrate a community, or project/service area, is disadvantaged for purposes of qualifying for the minimum threshold of 50% for disadvantaged communities in this program.

In addition to the composite score and percentile ranking, applicants can review the individual domain scores or indicators themselves and explain how their project will improve one or more of these public health challenges. The numeric value and percentile ranking for these component indicators can be found either by using the **live map** or by accessing the **data directly**.

HDI Examples:

Indicator	HDI Percentile	How will project improve this health challenge?		
Domain (Composite) Scores				
Complete Communities Score	Percentile ranking of all complete communities-related indicators	Demonstrate how this plan will address health and transportation challenges related to complete communities indicators (park access, supermarket access, retail density and tree canopy)		
Economic Resources Score	Percentile ranking of all economic-related indicators	Demonstrate how this plan will address health and transportation challenges related to economic indicators such as households without auto access, median income, high housing costs and unemployment rate		
Individual Indicators				
No Auto Access	XX%	Describe how plan will increase and improve transportation access to vital destinations, goods and services for those without auto access.		
Traffic density	XX%	Describe how the plan will improve traffic safety, including for people walking and bicycling in the project area.		
No Park Access	XX%	Demonstrate how project will improve transportation access to parks/ open space.		

For more information on the HDI, including how to calculate a score for your project area and suggested project types for improving public health, visit http://phasocal.org/ca-HDI/.

CDPH Climate Change and Health Profile Reports (CHPRs):

https://www.cdph.ca.gov/Programs/OHE/Pages/ClimateHealthProfileReports.aspx

The Climate Change and Health Profile Reports are designed to help counties in California prepare for the health impacts related to climate change through adaptation planning. The reports present projections for county and regional climate impacts, the climate-related health risks, and local populations that could be vulnerable to climate effects. The information is based on available science compiled from previously published, state-sponsored research and plans.

Proposed 2017 Climate Change Scoping Plan Update, Appendix C

The California Air Resources Board (ARB) proposed 2017 Climate Change Scoping Plan Update includes Appendix C, Vibrant Communities & Landscapes – A Vision for California in 2050, to guide how the State develops communities, preserves and protects its landscapes, and ensures that all Californians have equitable access to housing, health care, jobs, and opportunity. Competitive Sustainable Communities grant applications will demonstrate a linkage to this land use vision.

The ARB proposed 2017 Climate Change Scoping Plan Update, Appendix C, also includes Potential State-Level Strategies to Advance Sustainable, Equitable Communities and Reduce

Vehicle Miles of Travel (VMT) which outlines a list of potential additional strategies that the State could pursue to help achieve further VMT reduction, support local and regional actions already underway, and advance multiple additional goals. While this document is intended to guide Statelevel actions, many of the potential strategies can also be implemented at a regional and local level. Sustainable Communities grant applicants are encouraged to explore these strategies and apply them, as appropriate, to proposed planning projects.

<u>Proposed 2017 Climate Change Scoping Plan Update, Appendix C:</u> https://www.arb.ca.gov/cc/scopingplan/app_c_vibrant_comm_vmt_measures.pdf

Complete Streets and Smart Mobility Framework

Caltrans also supports complete streets and the Smart Mobility Framework (SMF). If applicable, Caltrans encourages applicants to consider the tools and techniques contained in the SMF as well as typical components of complete streets. Specifically, this might include how the project addresses components of community design, regional accessibility, place types, and priority activities to achieve smart mobility outcomes, community transition, and associated multimodal performance measures for the appropriate context of the problem. Information on these efforts can be found at:

Complete Streets: http://www.dot.ca.gov/hq/tpp/offices/ocp/complete streets.html

SMF: http://www.dot.ca.gov/hq/tpp/offices/ocp/smf.html

Climate-Ready Transportation

California's six key climate change strategy pillars provide a framework for reducing California's GHG emissions and increasing resiliency to the anticipated effects of global warming:

(1) reducing today's petroleum use in cars and trucks by up to 50 percent; (2) increasing to 50 percent our electricity derived from renewable sources; (3) doubling the efficiency savings achieved at existing buildings and making heating fuels cleaner; (4) reducing the release of short-lived climate pollutants; (5) managing farm and rangelands, forests and wetlands so they can store carbon; and, (6) updating the Safeguarding California Plan - California's climate adaptation strategy. Climate change poses many threats to our communities' health, well-being, environment, and property. Extreme weather, rising sea levels, shifting snowpack, among other impacts will touch every part of peoples' lives in the next century. Planning key actions now will help lessen impacts and cope with changes. Government, at every level, must work together to safeguard our State by taking steps to reduce our own impacts and increase our resilience in the future.

Executive Order B-30-15 specifically addresses the need for all of the State's planning and investments to consider the exposures and risks from a changing climate, anticipating current and future impacts and disruptions that are likely to occur. The order establishes a California GHG emissions reduction target of 40 percent below 1990 levels by 2030, directs state government to take climate change into account in all planning and investment decisions, and employ full lifecycle cost accounting to evaluate and compare infrastructure investments and alternatives.

Executive Order B-30-15 describes four guiding principles when making planning and investment decisions:

- Priority should be given to actions that both build climate preparedness and reduce GHG emissions
- Where possible, flexible and adaptive approaches should be taken to prepare for uncertain climate impacts
- Actions should protect the state's most vulnerable populations
- Natural infrastructure solutions should be prioritized

The Governor's Office of Planning and Research led a Technical Advisory Group to develop guidance to help State agency personnel decide when to take climate change into account when planning infrastructure and investments, and how to do so while implementing the four above principles, including how to increase social equity and health for vulnerable communities in the course of planning and operations. The Guidance to implement Executive Order B-30-15 is available here: (to be provided at a later date when complete).

Community Climate Resiliency

Grant applicants are encouraged to consider if the surrounding community is experiencing any specific climate vulnerabilities and how the proposed planning project aims to address specific concerns. Grant applicants should also describe how potential climate impacts are taken into consideration in the proposed planning project, such as the incorporation of natural infrastructure, and, if applicable, how the project conforms with the local implementation of SB 379 (Jackson, Statutes of 2015), Government Code Section 65302(g)(4), where cities and counties are required to address climate adaptation and resiliency strategies in the safety element of their general plan.

Climate Action Plans: http://www.ca-ilg.org/climate-action-plans

Many California cities and counties are developing Climate Action Plans to reduce their GHG emissions. The website above provides a host of resources, including example Climate Action Plans and templates.

Safeguarding California: http://resources.ca.gov/climate/safeguarding/

Safeguarding California is the strategy that organizes state government climate change adaptation activities.

California Climate Adaptation Planning Guide:

http://resources.ca.gov/climate/safeguarding/adaptation policy guide/

The Adaptation Planning Guide provides guidance to support regional and local communities in proactively addressing the unavoidable consequences of climate change. It provides a step-by-step process for local and regional climate vulnerability assessment and adaptation strategy development.

Planning for Housing

Development patterns directly impact the emissions of greenhouse gases, including those from transportation between jobs and housing. Improved coordination between housing and transportation can reduce commute times, increase transit ridership, lower vehicle miles traveled, lower pollution and GHG, provide greater economic opportunity, and other positive outcomes. Adding coordination with housing planning as part of the Sustainable Communities grants furthers the State's planning goals, including the goals of SB 375, which supports the State's climate action goals to reduce GHG emissions through coordinated transportation and land use planning with the goal of more sustainable communities.

To support planning for housing California's growing population, the State's Department of Housing and Community Development (HCD) reviews local housing elements of general plans, which identifies capacity for projected housing needs and addresses governmental constraints on housing supply and cost. Local governments are further required to annually submit progress reports on the implementation the housing element and provide a detail of production toward their projected housing needs.

Special consideration will be given to city and county grant applicants with a housing element that has been adopted by the jurisdiction's governing body and subsequently determined to be in substantial compliance with State housing element law pursuant to Government Code Section 65585. The jurisdiction's adopted housing element will be deemed to have met this requirement if the adopted element is received by HCD by the grant application deadline; and, HCD subsequently determines the adopted housing element to be in substantial compliance pursuant to Government Code Section 65585 without further amendment by the date of the award recommendation. A compliance current housing element status can be obtained http://www.hcd.ca.gov/community-development/housing-element/docs/status.pdf.

In order to receive special consideration during the grant evaluation process, the city or county grant applicant must also provide a justification in their grant application and submit to HCD the Annual Progress Report (APR) required by Government Code Section 65400 for calendar years 2013, 2014, 2015, and 2016. For the purposes of the Grant Program, required APRs must be submitted by the date of award recommendation. Please note that charter cities are not exempt from this specific program requirement and must submit an Annual Progress Report for the calendar years mentioned above. More detail on APRs is at http://www.hcd.ca.gov/community-development/housing-element/index.shtml under Housing Elements - Annual Progress Reports.

In future grant cycles, Sustainable Communities grant applicants will be required to have a compliant housing element and submit APRs in order to be eligible for Sustainable Communities grant awards.

Sustainable Communities – Grant Specific Objectives

Competitive Grants

The grant specific objective of the Sustainable Communities Competitive Grants is to encourage local and regional multimodal transportation and land use planning that furthers the region's RTP SCS (where applicable), contributes to the State's GHG reduction targets and other State goals, including but not limited to, the goals and best practices cited in the 2017 RTP Guidelines, address the needs of disadvantaged communities, and also assist in achieving the Caltrans Mission and Grant Program Overarching Objectives (See Page 3).

Applicants should demonstrate how the proposed effort would:

- Integrate Grant Program Considerations (See Pages 3-10)
- Advance transportation related GHG emission reduction project types/strategies (i.e., mode shift, demand management, travel cost, operational efficiency, accessibility, and coordination with future employment and residential land use, etc.)
- Identify and address deficiencies in the multimodal transportation system, including the needs of environmental justice and disadvantaged communities
- Encourage stakeholder collaboration
- Involve active community engagement
- Coordinate transportation, housing, and land use planning
- Promote the region's RTP SCS (where applicable), State planning priorities (Government Code Section 65041.1, and climate adaptation goals (Safeguarding California)
- Ultimately result in funded and programmed multimodal transportation system improvements

Formula Grants

The grant specific objectives, eligibility requirements, and performance considerations for the Sustainable Communities Formula Grants awarded to MPOs are consistent with the Sustainable Communities Competitive Grants. The intent of the Sustainable Communities Formula Grants is to carry out the objectives of the region's RTP SCS (where applicable) and the RTP Guidelines Appendices K & L. In addition, MPOs are strongly encouraged to administer Sustainable Communities Formula funding in a transparent manner and maintain non-profit eligibility, consistent with the legislative intent of Senate Bill 1 – The Road Repair & Accountability Act of 2017. MPOs should meet the following minimum eligibility criteria to apply for Sustainable Communities Formula Grants:

- Consolidated Planning Grant Carryover is at, or below 100% of the annual FHWA PL allocation
- Have an RTP SCS that meets the SB 375 GHG reduction targets
- Meet civil rights and environmental justice obligations, as summarized in Section 4.2 of the RTP Guidelines

MPOs have flexibility for how the Formula Grant allocation is administered. For example, MPOs may use these funds for a regional competitive grant program, integrated land use and transportation planning activities related to developing their SCS, carrying out the best practices cited in the RTP Guidelines, or a combination thereof.

If an MPO uses Formula Grant funds to administer a regional grant program, the MPO must submit their grant program criteria and list of eligible applicants and sub-applicants to the Caltrans District and Caltrans Office of Regional Planning (ORP). This step is to ensure it aligns with the Caltrans Sustainable Communities Competitive Grants, including city and county housing element compliance. MPOs will also submit a list of awarded grants to the Caltrans District and ORP. MPOs should coordinate the submittal of this information with the Caltrans District and ORP to avoid delays for releasing the call-for-projects and grant awards.

MPOs are responsible for drafting a formal amendment to the current Overall Work Program (OWP) and OWP Agreement (OWPA), including a scope of work and timeline, for adding Sustainable Communities Formula Grant funds that will serve as the grant application, due October 20, 2017. The draft OWP/OWPA amendment process includes meaningful consultation with Caltrans district staff and Caltrans Office of Regional Planning. Once Caltrans concurs with the draft OWP/OWPA amendment, the MPO may seek board approval of the amendment. Caltrans district staff will issue formal approval of the OWP/OWPA amendment and Caltrans Office of Regional Planning will complete the programming process for these funds. For future years, Sustainable Communities Formula Grants will be a part of the annual draft OWP development and approval process.

The following funding table shows how formula funds will be distributed to each MPO:

MPO	Total Allocation
Tahoe Metropolitan Planning Organization	\$160,750
Madera County Transportation Commission	\$164,209
Kings County Association of Governments	\$162,943
Shasta Regional Transportation Agency	\$163,172
Butte County Association of Governments	\$180,569
Merced County Association of Governments	\$197,424
San Luis Obispo Council of Governments	\$195,962
Tulare County Association of Governments	\$246,944
Santa Barbara County Association of Governments	\$224,579
Stanislaus Council of Governments	\$291,053
San Joaquin Council of Governments	\$341,671
Kern Council of Governments	\$374,899
Association of Monterey Bay Area Governments	\$315,267
Fresno Council of Governments	\$407,484
Sacramento Area Council of Governments	\$774,991
San Diego Association of Governments	\$1,021,553
Metropolitan Transportation Commission	\$2,106,140
Southern California Association of Governments	\$5,170,390
Total	\$12,500,000

Example Sustainable Communities Grant Project Types

These examples include projects that explore and plan for reductions in GHG and VMT, and/or integrate Land Use and Transportation planning.

- Studies, plans or planning mechanisms that advance a community's effort to reduce single occupancy vehicle trips and transportation related GHG through strategies including, but not limited to, advancing mode shift, demand management, travel cost, operational efficiency, accessibility, and coordination with future employment and residential land use
- Studies, plans or planning mechanisms that assist transportation agencies in creating sustainable communities and transit oriented development
- SCS development
- Community to school studies or safe routes to school plans

- Studies, plans or planning mechanisms that advance a community's effort to address the impacts of climate change and sea level rise
- Studies that promote greater access between affordable housing and job centers
- Context-sensitive streetscapes or town center plans
- Complete street plans
- Active transportation plans, including bicycle, pedestrian and trail master plans
- Bike and pedestrian plans with a safety enhancement focus, including Vision Zero plans
- Traffic calming and safety enhancement plans
- Corridor enhancement studies
- Health and transportation studies, including health equity transportation studies and other plans that incorporate health into transportation planning
- Climate change adaptation plans for transportation facilities
- Identification of policies, strategies, and programs to preserve transit facilities and optimize transit infrastructure
- Studies that evaluate accessibility and connectivity of the multimodal transportation network
- Studies to improve access to social services and other community destinations for disadvantaged communities
- Studies, plans or planning mechanisms that address environmental justice issues in a transportation related context
- Station area planning
- Student internships for rural agencies and/or disadvantaged communities
- First Mile/Last Mile project development planning
- Planning for zero or near zero emission vehicles
- Planning for autonomous vehicles Integration of transportation and environmental planning
- Shared mobility services planning studies
- Road or parking pricing studies
- Transportation Demand Management Studies
- Congestion pricing studies and plans
- Commute trip reduction studies and plans
- Planning to remove or reduce barriers created by transportation infrastructure such as highways, overpasses and underpasses, that create disconnected communities

Land use planning activities in coordination with a transportation project. Examples include:

- An update to a general plan land use element or zoning code that increases development opportunities around key transportation corridors or nodes
- Creation of a Transit-Oriented Development overlay zone or other special zoning district around key transportation corridors or nodes
- Studies, plans, and policies that address land use conflicts with major transportation corridors such as major highways, ports, shipping and freight corridors, etc. that are near sensitive land uses such as homes, schools, parks, etc. or potentially impacted by climate change

Eligible Activities and Expenses

Eligible activities must have a transportation nexus per the California Constitution, Article XIX Section 2 and 3. Please consult with Caltrans district staff for more information on whether costs are eligible for funding. Some examples of eligible costs include:

- Data gathering and analysis
- Planning consultants
- Conceptual drawings and design
- Community surveys, meetings, charrettes, focus groups
- Bilingual services for interpreting and/or translation services for meetings
- Community/stakeholder advisory groups
- Project administration (up to 5% of the grant is allowed, e.g., quarterly reports, invoicing, project management)

Ineligible Activities and Expenses

Some activities, tasks, project components, etc. are not eligible under these grant programs. If an application has any of the following elements, it will be disqualified. Ineligible activities and expenses include:

- Environmental studies, plans, or documents normally required for project development under the National Environmental Policy Act or the California Environmental Quality Act
- Engineering plans and design specification work
- Project Initiation Documents (PIDs)
- Regional Transportation Plans (RTP) or updates to the RTP, excluding SCS development
- Construction projects, capital costs, such as the building of a facility, or maintenance
- Purchasing of office furniture, or other capital expenditures
- Decorations, e.g., for public workshop events
- Acquisition of vehicles or shuttle programs
- Organizational membership fees
- Unreasonable incentives such as prizes for public participation
- Charges passed on to sub-recipient for oversight of awarded grant funds
- Other items unrelated to the project

General Information and Requirements

This section provides a brief overview of the grant application review process, financial, contracting, subcontracting, and legal requirements pertaining to the competitive grant program. The content of this section should be notably considered in the development of grant applications as it lays the foundation for what to expect when applying for these grant funds. Upon award, grantees will receive more specific guidelines including administrative and reporting requirements.

Application Review Process and Evaluation Considerations

Review Process

All applications submitted to the Sustainable Transportation Planning Grant Program go through multiple levels of review including reviews by Caltrans District and HQ staff, and State interagency review committees. District staff reviews all applications for content, submission of proper documentation, and overall relationship to regional and local planning efforts. The district rates each application and provides comments to inform the State interagency review committee. The grant review committees evaluate applications for content, completeness, meeting technical requirements, overall relationship to statewide planning efforts, and compliance with state and federal planning requirements. Grant applications that address every aspect of the grant specific objective will score higher overall. Once the grant review committees evaluate, rank, and select the best applications for grant funding, final recommendations are presented to Caltrans management and California State Agency for approval.

Community Engagement

Sustainable Communities Competitive Grant applications must include an explanation of how local residents and community-based organizations will be meaningfully engaged in developing the final product, especially those from disadvantaged and low-income communities, and how the final product will address community-identified needs. Below are some best practices in community engagement that applicants are encouraged to implement, as applicable and appropriate, in their transportation planning projects:

- Utilize a Participatory Budgeting (PB) planning process, as appropriate. PB is a democratic approach to public spending that meaningfully and deeply engages people in government and the community. During PB, community members democratically decide how to spend part of a public budget, enabling them to make the fiscal decisions that affect their lives and the health of their communities.
- Seek out existing community-based organizations or agencies that organize vulnerable populations, to be able to reach out and form collaborative relationships.
- Involve local health departments which can provide assistance in reaching community-based organizations and vulnerable community members.
- Collaborate with vulnerable communities to design and implement programs, plans and policies. Robust engagement of vulnerable communities in significant agency decisions brings about better decisions through increased input from different perspectives, increases buy-in and acceptance of decisions and support for their implementation.
- Make opportunities for input accessible in terms of formats (online, in public meetings, one
 on one, by mail, etc.), venues (at school and community events, community centers,
 libraries, transit hubs, etc.), hours (evening or weekend), and language (accessible to lay
 people and translated into the principle languages of the relevant communities, including
 accessible media such as caption videos).

- Utilize the International Association for Public Participation (IAP2) tool, a Spectrum of Public Participation that can help agencies define how much power they are offering communities over decisions.
- Develop a written collaboration agreement or memorandum of understanding that defines respective roles, expectations, desired outcomes, and agreements for how to work together.
- Establish an advisory group of representatives of vulnerable communities, including community leaders and give them worthwhile roles to design the public engagement process, so that community capacity is built during the collaboration process.

Performance Considerations

Previous grantee performance will be considered during the evaluation process. Applicants with a history of inadequate performance such as poor grant project management, failure to achieve grant project milestones, untimely invoice submittals, or an overall poor quality of the final grant product may be at a competitive disadvantage in the application review process. Grant funds may not be awarded to prior grant recipients with unresolved past grant performance issues. Additionally, applicants that have an excessive balance of or consistently relinquish any transportation funds administered by Caltrans Planning and/or have unresolved audit issues or findings will also be at a competitive disadvantage in the application review process. Applicants that have also failed to satisfy the required state and federal planning requirements, including submittal and administration of the Overall Work Program, RTPs, and Transportation Improvement Program, may not be awarded grants.

Award Terms

Caltrans is committed to being an active partner. If awarded a grant, the applicant should include Caltrans district staff when planning both technical advisory and community meetings. In addition, Caltrans district staff will help to ensure that the approved Scope of Work, Project Timeline, and project funding will be maintained throughout the life of the contract. Applicants are also recommended to engage Caltrans District Staff throughout the entire grant life, when applicable.

If an agency does not demonstrate adequate performance and timely use of funds, Caltrans may take appropriate actions, which can include termination of the grant.

Contracting with Caltrans and Project Timelines

Project Start Dates

All awarded grant funds must be programmed during the State FY 2017-2018. The project start date depends on the method of contracting with Caltrans. For MPOs and RTPAs with a current Master Fund Transfer Agreement (MFTA), work may begin as early as January 2018. For awarded grantees that do not have a current MFTA with the Caltrans Office of Regional Planning (i.e. cities, counties, transit agencies, Tribal Governments), Caltrans will contract directly with the primary grant recipients through the Restricted Grant Agreement (RGA) process. For grant recipients that undergo the RGA contracting process, work may begin as early as April 2018, assuming the grantee has received a fully executed contract and has been notified by Caltrans district staff to begin work. It is important for applicants to reflect the estimated project start date in the Scope of Work and Project Timeline. Project Timeline constraints for both methods of contracting with Caltrans are provided below. Awardees are required to submit all supporting materials and a signed agreement or risk forfeiting the grant award.