



RESOLUTION APPROVING THE FISCAL YEAR 2021/22 TRANSPORTATION FUND FOR CLEAN AIR PROGRAM OF PROJECTS PROGRAMMING \$734,039 TO THREE PROJECTS, WITH CONDITIONS, AUTHORIZING THE USE OF \$40,415 FOR PROGRAM ADMINISTRATION, AND AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO AGREEMENTS WITH APPLICABLE PUBLIC AGENCIES, ESTABLISHING CONDITIONS FOR THE USE OF THESE FUNDS

WHEREAS, On June 15, 1992, the Board of Supervisors of the City and County of San Francisco designated the San Francisco County Transportation Authority (Transportation Authority) as the Program Manager of the local guaranteed portion of the Transportation Fund for Clean Air (TFCA) funds; and

WHEREAS, As County Program Manager, the Transportation Authority is required to file an expenditure plan application with the Bay Area Air Quality Management District (Air District) for the upcoming fiscal year's funding cycle, which was submitted to the Air District on March 3, 2021; and

WHEREAS, After netting out 6.25% (\$40,415) for administrative expenses, as allowed by Air District guidelines, and including new revenues and deobligated funds from prior projects completed under budget, the Transportation Authority has \$734,039 in Fiscal Year (FY) 2021/22 TFCA funds to program to eligible projects; and

WHEREAS, On March 10, 2021, the Transportation Authority solicited applications for projects for FY 2021/22 TFCA San Francisco County Program Manager funds and, by the April 23, 2021 deadline, received three project applications requesting \$824,256 in TFCA funds; and

WHEREAS, Transportation Authority staff, working in consultation with project sponsors, reviewed and prioritized the applications for funding based on Air District TFCA guidelines and the Transportation Authority's adopted Local Expenditure Criteria (Attachment 1); and



WHEREAS, The Transportation Authority's adopted Local Expenditure Criteria include review of eligibility per the Air District's guidelines, calculation of the cost effectiveness ratio for each project, and other factors; and

WHEREAS, Transportation Authority staff recommended programming \$734,039 to fully fund two projects and partially fund one project as shown in Attachment 2 with additional details on project scope, schedule, budget, deliverables and special conditions provided in the enclosure; and

WHEREAS, The Citizens Advisory Committee was briefed at its May 26, 2021 meeting on the FY 2021/22 TFCA call for projects and unanimously adopted a motion of support for the staff recommendation; now, therefore be it

RESOLVED, That the Transportation Authority hereby approves programming of \$734,039 in FY 2021/22 TFCA funds to three projects and \$40,415 for TFCA program administrative expenses as shown in Attachment 2; and be it further

RESOLVED, That the Executive Director is authorized to execute any agreements with the Air District necessary to secure \$734,039 for projects and \$40,415 for administrative expenses for a total of \$774,454 in FY 2021/22 TFCA funds; and be it further

RESOLVED, That the Executive Director is authorized to execute funding agreements with each implementing agency to pass-through these funds for implementation of projects, establishing such terms and conditions governing cash drawdowns, financial and program audits, and reporting as necessary to comply with the requirements imposed by the Air District for the use of the funds and as required by the Transportation Authority in order to optimize the use of these of funds.



Attachments (2):

- Attachment 1 - FY 2021/22 TFCA Local Expenditure Criteria
- Attachment 2 - FY 2021/22 TFCA Program of Projects - Detailed Staff Recommendation

Enclosure: Project Information Forms (3)



**San Francisco
County Transportation
Authority**

BD060821

RESOLUTION NO. 21-54

The foregoing Resolution was approved and adopted by the San Francisco County Transportation Authority at a regularly scheduled meeting thereof, this 22nd day of June, 2021, by the following votes:

Ayes: Commissioners Chan, Haney, Mandelman, Mar, Melgar, Peskin, Preston, Ronen, Stefani, and Walton (10)

Nays: (0)

Absent: Commissioner Safai (1)

A handwritten signature in black ink, appearing to be 'Rafael Mandelman'.

Rafael Mandelman
Chair

Date

A handwritten signature in blue ink, appearing to be 'Tilly Chang'.

ATTEST:

06/30/21

Tilly Chang
Executive Director

Date

Attachment 1
Fiscal Year 2021/22 Transportation Fund for Clean Air (TFCA)
LOCAL EXPENDITURE CRITERIA

The following are the Fiscal Year 2021/22 Local Expenditure Criteria for San Francisco's TFCA County Program Manager Funds.

ELIGIBILITY SCREENING

In order for projects to be considered for funding, they must meet the eligibility requirements established by the Air District's TFCA County Program Manager Fund Policies for Fiscal Year Ending 2022. Consistent with the policies, a key factor in determining eligibility is a project's cost effectiveness (CE) ratio. The TFCA CE ratio is designed to measure the cost effectiveness of a project in reducing motor vehicle air pollutant emissions and to encourage projects that contribute funding from non-TFCA sources. TFCA funds budgeted for the project are divided by the project's estimated emissions reduction. The estimated reduction is the weighted sum of reactive organic gases (ROG), oxides of nitrogen (NOx), and particulate matter (PM) emissions that will be reduced over the effective life of the project, as defined by the Air District's guidelines.

TFCA CE is calculated by inputting information provided by the applicant into the Air District's CE worksheets. Transportation Authority staff will be available to assist project sponsors with these calculations and will work with Air District staff and the project sponsors as needed to verify reasonableness of input variables. The worksheets also calculate reductions in carbon dioxide (CO₂) emissions, which are not included in the Air District's official CE calculations, but which the Transportation Authority considers in its project prioritization process.

Consistent with the Air District's Guidelines, in order to be eligible for Fiscal Year 2021/22 TFCA funds, a project must meet the CE ratio for emissions (i.e., ROG, NOx, and PM) reductions as specified in the guidelines for each project type. Projects that do not meet the appropriate CE threshold cannot be considered for funding.

PROJECT PRIORITIZATION

Candidate projects that meet the cost effectiveness thresholds will be prioritized for funding based on the two-step process described below:

Step 1 - TFCA funds are programmed to eligible projects, as prioritized using the Transportation Authority Board-adopted Local Priorities (see next page).

Step 2 - If there are TFCA funds left unprogrammed after Step 1, the Transportation Authority will work with project sponsors to develop additional TFCA candidate projects. This may include refinement of projects that were submitted for Step 1, but were not deemed eligible, as well as new projects. This approach is in response to an Air District policy that does not allow County Program Managers to rollover any unprogrammed funds to the next year's funding cycle. If Fiscal Year 2021/22 funds are not programmed within 6 months of the Air District's approval of San Francisco's funding allocation, expected in May 2021, funds can be redirected (potentially to non-San Francisco projects) at the Air District's discretion. New candidate projects must meet all TFCA eligibility requirements and will be prioritized based on the Transportation Authority Board's adopted Local Priorities.

Local Priorities

The Transportation Authority's Local Priorities for prioritizing TFCA funds include the following factors:

1. Project Type - In order of priority:

- 1) Zero emissions non-vehicle projects including, but not limited to, bicycle and pedestrian facility improvements, transit priority projects, traffic calming projects, and transportation demand management projects;
- 2) Shuttle services that reduce vehicle miles traveled (VMT);
- 3) Alternative fuel vehicles and alternative fuel infrastructure; and
- 4) Any other eligible project.

2. Cost Effectiveness of Emissions Reduced– Priority will be given to projects that achieve high CE (i.e. a low cost per ton of emissions reduced) compared to other applicant projects. The Air District's CE worksheet predicts the amount of reductions each project will achieve in ROG, NOx, PM, and CO₂ emissions. However, the Air District's calculation only includes the reductions in ROG, NOx, and PM per TFCA dollar spent on the project. The Transportation Authority will also give priority to projects that achieve high CE for CO₂ emission reductions based on data available from the Air District's CE worksheets. The reduction of transportation-related CO₂ emissions is consistent with the City and County of San Francisco's 2013 *Climate Action Strategy*.

3. Project Readiness – Priority will be given to projects that are ready to proceed and have a realistic implementation schedule, budget, and funding package. Projects that cannot realistically commence in calendar year 2022 or earlier (e.g. to order or accept delivery of vehicles or equipment, begin delivery of service, award a construction contract, start the first TFCA-funded phase of the project) and be completed within a two-year period will have lower priority. Project sponsors may be advised to resubmit these projects for a future TFCA programming cycle.

4. Community Support – Priority will be given to projects with demonstrated community support (e.g. recommended in a community-based transportation plan, outreach conducted to identify locations and/or interested neighborhoods, or a letter of recommendation provided by the district Supervisor).

5. Benefits Communities of Concern – Priority will be given to projects that directly benefit Communities of Concern, whether the project is directly located in a Community of Concern (see map) or can demonstrate benefits to disadvantaged populations.

6. Investment from Non-Public Project Sponsors or Partners – Non-public entities may apply for and directly receive TFCA grants for alternative-fuel vehicle and infrastructure projects and may partner with public agency applicants for any other project type. For projects where a non-public entity is the applicant or partner, priority will be given to projects that include an investment from the non-public entity that is commensurate with the TFCA funds requested.

7. Project Delivery Track Record – Projects that are ranked high in accordance with the above local expenditure criteria may be lowered in priority or restricted from receiving TFCA funds if either of the following conditions applies or has applied during the previous two fiscal years:

- **Monitoring and Reporting** – Project sponsor has failed to fulfill monitoring and reporting requirements for any previously funded TFCA project.
- **Implementation of Prior Project(s)** – Project sponsor has a signed Funding Agreement for a TFCA project that has not shown sufficient progress; the project sponsor has not implemented the project by the project completion date without formally receiving a time extension from the Transportation Authority; or the project sponsor has violated the terms of the funding agreement.

8. Program Diversity – Promotion of innovative TFCA projects in San Francisco has resulted in increased visibility for the program and offered a good testing ground for new approaches to reducing motor vehicle emissions. Using the project type criteria established above, the Transportation Authority will continue to develop an annual program that contains a diversity of project types and approaches and serves multiple constituencies. The Transportation Authority believes that this diversity contributes significantly to public acceptance of and support for the TFCA program.

Attachment 2
San Francisco County Transportation Authority
Fiscal Year 2021/2022 TFCA Program of Projects – Detailed Staff Recommendation

PROJECTS RECOMMENDED FOR TFCA FUNDS [sorted by project type priority and then cost-effectiveness]										
Rank	Sponsor ¹	Project Description	District	Project Type ²	Prop K Eligible	CE Ratio ³	CO ₂ Tons Reduced ⁴	Total Project Cost	TFCA Amount Requested	TFCA Amount Proposed
1	SFE	Emergency Ride Home - This program furthers San Francisco's Transit First Policy by incentivizing commuters' usage of sustainable commute modes by providing a subsidized taxi ride home in the event of a personal emergency.	Citywide	1	Yes	\$ 21,468	1,887	\$ 75,210	\$75,210	\$ 75,210
2	SFMTA	Short-Term Bike Parking - Plan, coordinate, and install 1,800 bicycle parking racks in San Francisco, providing an additional 3,600 bicycle parking spaces. Bicycle parking spaces will provide end-of-trip facilities for new bicycle and scooter trips, thereby replacing vehicle trips and reducing motor vehicle emissions. [SFMTA will seek Prop K funds to cover the difference between the TFCA funds requested vs. recommended.]	Citywide	1	Yes	\$ 162,849	1,879	\$ 1,484,046	\$734,046	\$ 643,829
3	SFSU	University Park North Bike Cage - Secure storage cage for 40 bicycles, built in four carport spaces in San Francisco State University's University Park North housing area.	7	1	No	\$ 233,383	30	\$ 15,000	\$15,000	\$ 15,000
TOTAL								\$ 1,574,256	\$ 824,256	\$ 734,039
Total TFCA Funding Available for Projects:								\$ 734,039		

- ¹ Sponsor acronyms include San Francisco Municipal Transportation Agency (SFMTA), San Francisco Department of the Environment (SFE), and San Francisco State University (SFSU).
- ² Priority based on project type is established in the Local Expenditure Criteria, with zero-emissions non-vehicle projects as the highest priority, followed by shuttle services, followed in turn by alternative fuel vehicle projects, and finally any other eligible project.
- ³ The TFCA cost effectiveness ratio (CE) is designed to measure the cost effectiveness of a project in reducing motor vehicle air pollutant emissions and to encourage projects that contribute funding from non-TFCA sources. For 2021/22 the CE limits, in dollars per ton of emissions reduced, for relevant project types are: Bike Parking - \$250,000, Ridesharing Projects - Existing - \$150,000.
- ⁴ CO₂ Reduction is based on tons of carbon dioxide reduced over the lifetime of the project. This figure is calculated in the cost effectiveness worksheet.