

# **2026 TRANSIT AND INTERCITY RAIL CAPITAL PROGRAM DRAFT GUIDELINES**

**January 9, 2026**

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# TRANSIT AND INTERCITY RAIL CAPITAL PROGRAM

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# 1 Authority and Purpose

The Transit and Intercity Rail Capital Program (TIRCP) was created by Senate Bill (SB) 862 (Chapter 36, Statutes of 2014) and modified by SB 9 (Chapter 710, Statutes of 2015), to provide grants from the Greenhouse Gas Reduction Fund (GGRF) to fund transformative capital improvements that will modernize California’s intercity, commuter, and urban rail systems, and bus and ferry transit systems, to significantly reduce emissions of greenhouse gases, vehicle miles traveled, and congestion. The legislation of these bills is codified in Sections 75220 through 75225 of the Public Resources Code (PRC). Assembly Bill (AB) 398 (Chapter 135, Statutes of 2017) extended the Cap-and-Trade Program that supports the TIRCP from 2020 through 2030. SB 1 (Chapter 5, Statutes of 2017) continues to provide a historic funding increase for transportation with funds directed to the TIRCP from the Public Transportation Account for new programming in this cycle. In 2025, California Governor Gavin Newsom signed SB 840 (Chapter 121, Statutes of 2025) into law, extending the State’s cap-and-trade program until January 1, 2046 and renaming it “Cap-and-Invest.”

Section 75224 of the PRC requires the California State Transportation Agency (CalSTA) to approve a new five-year Program of Projects not later than April 1 of every even year. The 2026 TIRCP grant cycle will program projects starting with the 2026-27 fiscal year and ending with the 2030-31 fiscal year. The new program cycle will include previously awarded and active projects that have not been fully allocated by the end of the 2025-26 fiscal year. The GGRF and SB 1 continue to provide substantial funding available to be programmed toward new projects in the TIRCP. While funding estimates for the program are considered reasonable as of the date of the guidelines, GGRF funds are subject to impacts from market forces and auction proceeds.

These guidelines describe the policy, standards, criteria, and procedures for the development, adoption, evaluation and administration of TIRCP. The guidelines were developed in consultation with the California Air Resources Board (CARB), the California Transportation Commission (Commission), the Department of Transportation (Caltrans), and the Strategic Growth Council (SGC), and will be further informed by input received through workshops, public comments, and written responses.

In addition, AB 102 (Chapter 38, Statutes of 2023) and SB 125 (Chapter 54, Statutes of 2023) amended the Budget Act of 2023 to appropriate General Fund to the TIRCP over the next two fiscal years as well as GGRF funding and Public Transportation Account (PTA) funding over the next four fiscal years to establish the Zero-Emission Transit Capital Program (ZETCP). These funds are addressed separately in the Budget Act of 2023 SB 125 Formula-Based TIRCP and Zero Emission Transit Capital Program Guidelines released in September 2023 on the SB 125 Transit Program website. Further, AB 173 (Chapter 53, Statutes of 2024), SB 108 (Chapter 35, Statutes of 2024), and SB 109 (Chapter 36, Statutes of 2024) amended the Budget of Act of 2024 to make adjustments to the timing of the availability of funds for both the TIRCP and the ZETCP. Please reference the SB 125 Transit Program Website for updated information.

The SB 125 Transit Program Website can be found at:

<https://calsta.ca.gov/subject-areas/sb125-transit-program>.

# 2 Background

AB 32 (Chapter 488, Statutes of 2006), the Global Warming Solutions Act of 2006, AB 32 created a comprehensive program to reduce greenhouse gas emissions in California. AB 32 requires California to reduce greenhouse gas emissions to 1990 levels by 2020, and to maintain and continue reductions beyond 2020. SB 32 (Chapter 249, Statutes of 2016) established a climate goal for California to reduce greenhouse gases to 40 percent below 1990 levels by 2030.

The Cap-and-Trade Program—now referred to as the Cap-and-Invest program—a key element in California’s Climate Change Scoping Plan, implements measures to achieve greenhouse gas reduction goals. It creates a limit on the emissions from sources responsible for 85 percent of California’s greenhouse gas emissions, establishes the price signal needed to drive long-term

investment in cleaner fuels and more efficient use of energy, and gives covered entities flexibility to implement the lowest-cost options to reduce greenhouse gas emissions. In 2012, the Legislature passed and Governor Brown signed into law three bills, AB 1532 (Chapter 807, Statutes of 2012), SB 535 (Chapter 830, Statutes of 2012), and SB 1018 (Chapter 39, Statutes of 2012), that established the GGRF to receive the State's portions of proceeds from the distribution of allowances via auction and provided the framework for how those auction proceeds will be appropriated and expended. Subsequent legislation, AB 1550 (Chapter 369, Statutes of 2016), modified requirements for expenditures from the GGRF relative to disadvantaged communities and low-income communities and households. State law requires that expenditures from the GGRF be used to facilitate the achievement of greenhouse gas emission reductions. In addition, Transit and Intercity Rail Capital Program expenditures must comply with the requirements contained in SB 862 and SB 9, which provide statutory direction for the program.

In 2025, California Governor Gavin Newsom signed SB 840 into law, extending the State's cap-and-trade program until January 1, 2046 and renaming it "Cap-and-Invest." The statute directs specific percentages of the revenues deposited into the GGRF to individual funds dedicated to funding clean transportation, housing and community investment, clean air and water, wildfire prevention and resilience, agriculture, clean energy, and climate-focused innovation. The statute provides a continuous appropriation to TIRCP through 2045.

In 2019 and 2020, Governor Newsom signed two executive orders—E.O. N-19-19 and E.O. N-79-20—both of which empower CalSTA to leverage discretionary state transportation funds to reduce transportation-related Greenhouse Gas (GHG) emissions and to adapt to climate change. E.O. N-79-20 set a deadline of July 15, 2021 for CalSTA to identify specific near-term actions and investment strategies to combat and prepare for climate change, which resulted in the creation of the Climate Action Plan for Transportation Infrastructure (CAPTI).

The Climate Action Plan for Transportation Infrastructure (CAPTI) was developed by CalSTA through a robust stakeholder engagement process and was adopted on July 12, 2021. CAPTI 2.0, which provided an update to the original framework, was adopted in January 2025. CAPTI established a set of guiding principles which serve as a framework for state discretionary transportation investment, and also includes a suite of implementation strategies and actions meant to align transportation infrastructure investments with the overall investment framework. TIRCP is closely linked to CAPTI and serves as a means by which to implement the higher-level policy developed in the plan. The TIRCP Guidelines include updates that work to implement actions listed in CAPTI, particularly Actions S2.1, S2.3, and S7.1. Together, these actions help TIRCP support California Integrated Travel Project (Cal-ITP) implementation, support deployment of ZEV fleets, and better support Pro-Housing policies.

- **S2.1 Implement the California Integrated Travel Project (Cal-ITP):**

Caltrans provides transit providers a simple and less expensive process to implement contactless payment, benefit eligibility verification, transit scheduling, and production of Real Time General Transit Feed Specification data via the California Mobility Marketplace ([camobilitymarketplace.org](https://camobilitymarketplace.org)). Cal-ITP prioritized Automated Passenger Counting, Transit Signal Priority and Charge Management products next in its product pipeline and will make those products available when ready. Caltrans provides technical assistance and support to transit operators as needed to implement these products and services in their service areas.

- **S2.3 Accelerate TIRCP Cycles to Support Transit Recovery with Deployment of ZEV Transit/Rail Fleets and Transit/Rail Network Improvements:**

In collaboration with CARB, CalSTA will develop a new Clean Fleet and Facilities Network Improvement project category in the TIRCP to provide additional support and funding to transit agencies needing to replace their aging vehicle fleets with ZEVs, while also working with local

agencies to improve network efficiency and integration. CalSTA will also offer expanded technical assistance prior to application to support agencies of every size throughout the state.

- **S7.1 Leverage Transportation Investments to Incentivize Infill Housing Production:**

CalSTA will work to use transportation funding to reduce VMT by incentivizing infill residential development and densities appropriate and feasible as allowed by law. Building on the “Pro-Housing” Standard developed by the Department of Housing and Community Development (HCD), competitive funding programs will explore adopting incentives for local policies that tend to support location-efficient and mixed-use housing production, while considering the needs of rural, suburban, and urban jurisdictions and how appropriate policies may differ among those areas. Such local policies may include Housing Element compliance, by-right (nondiscretionary) approval processes for multifamily residential and mixed-use development, zoning to allow for residential and mixed-use developments in non-residential zones, reduced parking requirements for residential development, or expanded density bonuses that exceed state density bonus law. Initially, transportation programs with a statutory linkage or scoring criteria tied to land use efficiency or GHG reductions could adopt these incentives as competitive scoring criteria and enhanced guidance to facilitate interjurisdictional coordination between project proponents and local planning departments. Using the “Pro-Housing” Standard as a framework will allow for statewide applicability and ample flexibility in approaches to meet any new criteria

Furthermore, Caltrans developed the Caltrans Investment Strategy (CSIS) in response to CAPTI, which serves as the Department’s investment framework for discretionary funding and evaluates a given project’s alignment to CAPTI. For TIRCP Cycle 8, CalSTA will utilize CSIS as a secondary evaluation criteria.

More information on CAPTI can be found at:

<https://calsta.ca.gov/subject-areas/climate-action-plan>

### 3 Objectives

TIRCP was created to fund transformative capital improvements that modernize California’s intercity rail, bus (including feeder buses to intercity rail services, as well as vanpool and microtransit services that are eligible to report as public transit to the Federal Transit Administration), ferry, and rail transit systems (collectively referred to as transit services or systems inclusive of all aforementioned modes unless otherwise specified) to achieve all of the following policy objectives, as codified in Section 75220(a) of the PRC:

1. Reduce emissions of greenhouse gases
2. Expand and improve transit service to increase ridership
3. Integrate the rail service of the state’s various rail operations, including integration with the high-speed rail system
4. Improve transit safety

Additionally, Section 75221(c) of the PRC codifies a programmatic goal to provide at least 25 percent of available funding to projects that provide a direct, meaningful, and assured benefit to disadvantaged communities, consistent with the objectives of SB 535. AB 1550 provides further requirements related to ensuring that 35 percent of the investments meet the needs of priority populations, a term used to cover disadvantaged communities, low-income communities and low-income households. Investments made by TIRCP are expected to collectively meet or exceed the requirements in AB 1550.

Taken as a whole, the increases in transit system ridership and integrations as well as the reduction in vehicle miles traveled, congestion and greenhouse gas emissions, will help deliver a healthier and

safer transportation system for communities. Investments are expected to position California to lead in the deployment of cutting-edge and zero-emission technologies; test innovative strategies and new approaches to reducing transportation-related fatalities; provide important new capacity in corridors that support growth in jobs and housing; and expand multimodal transportation access and options for all Californians everywhere in California.

## 4 Pre-Application and Post-Award Technical Assistance

Caltrans, in collaboration with CalSTA, will offer expanded technical assistance prior to application to support agencies of every size throughout California, including assistance in identifying critical elements, documenting increased ridership across the project and the network it serves for agencies pursuing zero emission vehicle purchases. The Caltrans Division of Data and Digital Services can provide supplementary ridership modeling technical assistance for other projects as well as technical assistance gathering requirements for open payments, Real Time schedule information and other passenger-facing technology implementations.

Once awards are publicly announced, the Caltrans Division of Local Assistance Office of Project Development, Management and Delivery will lead grant management of the selected projects, with assistance from the Office of Rail Planning and Implementation to ensure alignment of project scope with the project award and the Caltrans Office of Equity and Tribal Affairs to ensure integration of efforts to deliver Priority Population benefits in the approved project scope and subsequent programming documents.

## 5 Funding

TIRCP receives a portion of the Transportation Improvement Fee revenues established by SB 1 and a continuous appropriation from the quarterly Cap-and-Invest auction proceeds deposited in the GGRF, plus any budget allocations provided by enacted budget bills.

The TIRCP fund estimate, award fund and the adopted program for TIRCP will be based on anticipated revenue through 2030-31 (as specified in the call for projects, subject to update prior to program adoption). Section 75224(d) of the PRC authorizes CalSTA to enter into a multiyear funding agreement with eligible applicants for any duration. CalSTA may use this authority to program funds for a project that would depend on funds received subsequent to the five-year program, primarily intended for projects that have long construction timelines that extend beyond the 2030-31 fiscal year. The goal of such a plan is to allow a project with construction over multiple years to have a commitment of funds programmed over multiple years in order to enter into necessary contracts for construction.

In addition, AB 102 (Chapter 38, Statutes of 2023) and SB 125 (Chapter 54, Statutes of 2023) amended the Budget Act of 2023 to appropriate \$4,000,000,000 of General Funds to TIRCP over the next two fiscal years as well as \$910,000,000 of GGRF funding and \$190,000,000 of PTA funding over the next four fiscal years to establish the Zero-Emission Transit Capital Program (ZETCP). AB 173 (Chapter 53, Statutes of 2024), SB 108 (Chapter 35, Statutes of 2024), and SB 109 (Chapter 36, Statutes of 2024) amended the Budget Act of 2024 to make adjustments to the timing of the availability of funds for both the TIRCP and the ZETCP. These funds are addressed separately in the Budget Act of 2024 SB 125 Formula-Based TIRCP and Zero Emission Transit Capital Program ZETCP Guidelines released in January 2025 on the SB 125 Transit Program website.

As provided in statute, CalSTA may revise its approved Program of Projects and/or Program Allocation Plan as necessary, including deletion or delay of projects based on a shortfall of funding or lack of project progress. The Program Allocation Plan will reflect planned multi-year funding amounts for any projects or project elements expected to receive their funding over more than one year, and may be adjusted at any time to address project or program needs and to align allocations with revenues.

## 6 Schedule

### 2026 TIRCP Cycle 8 Draft Schedule

Release Draft 2024 Cycle 7 Guidelines	January 9, 2026
Guidelines Workshops (Virtual)	February 11, 2026
Workshop 1 (focused on Northern California)	
Workshop 2 (focused on Southern California)	
Closing Date for Comments on Draft Guidelines *	February 18, 2026
CalSTA Publishes 2024 Cycle 7 Guidelines	February 20, 2026
Call for Projects	February 20, 2026
Optional, time-limited, focused virtual meetings for applicants to discuss project concepts and quantifications (will be scheduled by request.)	March 2, 2024 - March 13, 2026
Project Applications Due	May 14, 2026
CalSTA Anticipated Award Announcement will be no later than	September 18, 2026
<i>*Comments can be submitted to: <a href="mailto:tircpcomments@dot.ca.gov">tircpcomments@dot.ca.gov</a></i>	

## 7 Eligible Applicants

Eligible applicants must be public agencies, including joint powers agencies, that operate or have planning responsibility for existing or planned regularly scheduled intercity or commuter passenger rail service (and associated feeder bus service to intercity rail services), urban rail transit service, or bus or ferry transit service (including commuter bus, vanpool, and micro transit services). Public agencies include local municipalities that operate transit service, construction authorities, transportation authorities, and other similar public entities created by statute.

An applicant assumes responsibility and accountability for the use and expenditure of allocated funds. Applicants must comply with all relevant federal and state laws, regulations, policies, and procedures. Private companies may partner with eligible applicants to propose and deliver projects, but are not eligible themselves.

## 8 Eligible Projects

Eligible applicants may submit project applications individually or as part of a joint application. In order to be eligible for funding under this program, a project must demonstrate that it will achieve a reduction in greenhouse gas emissions using the CARB quantification methodology and it must also demonstrate an increase in ridership.

As codified in Section 75221(a) of the PRC, projects eligible for funding under the program include, but are not limited to, the following:

1. Rail capital projects, including intercity rail, commuter rail, light rail, and other fixed guideway projects. Additionally, the acquisition of rail cars and locomotives, and the facilities to support them, that expand, enhance, and/or improve existing rail systems and connectivity to existing and future transit systems, including the high-speed rail system.
2. Intercity, commuter, and urban rail projects that increase service levels, increase integration, improve reliability, or decrease travel times, infrastructure access payments to host railroads in lieu of capital investments, efforts to improve existing rail service effectiveness with a focus on improved operating agreements, schedules, and minor capital investments that are expected to generate increased ridership, as well as larger scale projects designed to achieve significantly larger benefits.

3. Rail, bus, and ferry integration implementation, including:
  - a. Integrated ticketing and scheduling systems and related software/hardware capital investments (including, but not limited to, integration with bus or ferry operators and the use of contactless payment and General Transit Feed Specification (GTFS) implementation through Cal-ITP)
  - b. Projects enabling or enhancing shared-use corridors (both multi-operator passenger only corridors as well as passenger-freight corridors)
  - c. Related planning efforts focused on, but not limited to, delivery of integrated service not requiring major capital investment, such as transit route and scheduling integration (or coordination)
  - d. Other multimodal and service integration initiatives, including active transportation and other access investments which increase transit and rail ridership and reduce greenhouse gas emissions
4. Bus rapid transit and other bus and ferry transit investments (including autonomous fixed guideway, vanpool, and microtransit services operated as public transit and first-/last-mile solutions both on and off the State Highway system), and to increase ridership and reduce greenhouse gas emissions. This includes large scale deployment of zero emission vehicles and the technologies to support them, and capital investments as a component of implementing transit effectiveness studies that will contribute to restructured and enhanced service.

CalSTA intends to fund a small number of transformative projects that will significantly reduce vehicle miles traveled, congestion, and greenhouse gas emissions by: (1) creating a new transit system (2) increasing the capacity of an existing transit system, or (3) otherwise significantly increasing the ridership of a transit system. Significant change will be measured both in percentage terms (percent increase compared to the existing system or corridor) and in total quantity terms (increase in number of riders and passenger miles per day). Benefits from the proposed project may accrue from ridership generated on more than one transit system or corridor due to integration, and such benefits may be counted as long as the connected system(s) or corridor has sufficient capacity to carry the increased passenger demand.

Projects related to mitigating the impacts on freight rail services that are caused by growth in passenger rail may also be eligible for TIRCP funding even if they are not directly on the passenger rail corridor. However, they should be included in an application for a project that increases passenger rail ridership.

The awarded projects may include, for example, both lower-cost projects focused on integration, reliability and enhancement of service, and higher-cost capital expansion projects. In addition, CalSTA seeks projects that link housing with key destinations and that improve accessibility to economic opportunities. CalSTA may also make some funding available for demonstration projects that are smaller-scale efforts with great potential to be expanded. Projects may include new approaches to attracting increased ridership such as smart phone mobile ticketing, contactless payment, or other software and hardware solutions to reduce ticketing transaction costs, or a test of a concept related to integrated ticketing, or implementing real time alerts on Google Maps and Apple Maps, as well as intercity rail/transit effectiveness or operational planning as a component of the capital investments in improved, expanded and/or restructured service designed to cost-effectively increase ridership. Research, development and testing of emerging technologies are eligible components of project applications.

Clean fleet, facility and network improvement projects that support agencies replacing aging vehicle fleets with Zero Emission Vehicles (ZEVs), and associated hydrogen fueling or charging infrastructure or facility modifications, may also be eligible for TIRCP funding even if not increasing the number of vehicles in the transit agency fleet. Such projects will generally qualify through various efforts that (1) improve network efficiency with transit priority investments that allow savings in vehicle hours operated to be redeployed into increased service on the same or other routes, (2) implement improvements to payments systems that are designed to increase ridership, including implementation of contactless open payment, traveler information through GTFS-Real Time (GTFS-RT), and other services available through Cal-ITP, and/or (3) improve integration with other corridors and/or operators through service restructuring designed to increase network ridership via improved



scheduling, schedule coordination or ITS practices. Technical assistance on modeling these efforts is available from Caltrans. Smaller and/or rural agencies that may have difficulty transitioning to electrified fleets without additional support are encouraged to apply and seek technical assistance during the consultation periods highlighted in the project schedule, recognizing that many such agencies have not previously applied to the program. ZEV leases are eligible for TIRCP funding, but benefits modeled must match the duration of the lease.

Addressing the integration of rail and transit referenced in the TIRCP objectives and described in the eligible projects will require attention to network integration amongst rail and transit services. Improving integration will improve connectivity and the seamlessness of the travel experience for users by eliminating points of friction during a public transportation journey, and as a result increase ridership across multiple corridors and/or systems. These points of friction come in many forms, including but not limited to a lack of universal GTFS trip-planning information in real time, poor service design and uncoordinated schedules, incompatible fare and ticketing policies and systems between agencies, and unsafe and inconvenient physical connections between modes. Examples of types of network integration projects include:

- Contactless open payment systems, digital transit discount eligibility verification and real-time traveler information through GTFS to improve system integration and rider connectivity. Open, pre-competed, opt-in contracts for implementation along with technical assistance can be found at <https://camobilitymarketplace.com>
- Coordinated schedule and timetable planning between agencies to reduce transfer wait times and improve the seamlessness of the travel experience, and the capital projects necessary to improve such coordination and operations; Caltrans Data and Digital Services can provide technical assistance along with access to the Remix scheduling and service planning software for eligible agencies. Contact [hello@calitp.org](mailto:hello@calitp.org).
- Integrated station design to accommodate existing and planned services and their service expansions, and capital projects necessary to invest in hubs at such stations;
- Planning to determine opportunities to co-locate maintenance and yard facilities, as needed, and capital projects to invest in such facilities;
- Service and infrastructure needs analysis to determine the feasibility of new or expanded systems that better integrate service, and the capital investment necessary to implement such services;
- Station or stop area and transit facility improvements to facilitate better land uses and access by active or shared mobility modes, as well as to enhance customer safety and comfort.

Network integration planning and system development planning can be components in the application with their own scope, schedule and budget, but they must relate to the overall capital project being proposed (including identifying ways to improve the benefits realized by the project upon implementation or through identifying additional capital investments that could be funded in later phases to enhance network and system benefits). Where relevant, it should demonstrate support of the integration vision laid out in the 2024 California State Rail Plan. CalSTA may elect to include network integration technical assistance and/or additional funding as part of a TIRCP award if it is determined that there is a need not adequately addressed by the applicant, especially if integration can be improved with regards to adjacent state-funded capital projects or state-funded rail operations. CalSTA and Caltrans may provide technical assistance to ensure that TIRCP program and statewide goals and priorities are being addressed through the work.

Applicants may apply for funding for multiple projects in a cycle in each of the funding categories. Prioritizing projects across funding categories is not required. However, an applicant submitting multiple project applications for a single category must clearly prioritize its project applications. Applicants are also encouraged to identify phases or priorities within each project application, if applicable, so that available resources may be awarded to a phase or priority if the full project cannot be funded. Many applicants have found it more helpful to submit a single application that describes a programmatic set of inter-related

projects rather than submitting multiple applications. Phasing and priority-setting within such a programmatic application can then be clearly identified, but the narrative describing the goals and outcomes can be shared.

Applicants submitting a high-dollar, single application with no scalability or separable project elements may increase the risk of having an uncompetitive project application. At the same time, applicants are advised to submit projects that are scalable where practical. In the event that available program resources expand or contract prior to the completion of the programming cycle, CalSTA may revise the funding available for the programming cycle.

There is not a set limit on the amount of funding that a project can be awarded, but geographic equity requirements for the program play a practical role in limiting the amount a given applicant and project could expect. Geographic equity is considered within each cycle of funding, as well as with consideration given to the degree to which the geography in question has been underrepresented in past cycles.

While there is no minimum match requirement for this funding source, funding leverage is desirable and will be considered in the evaluation of expected project benefits. In particular, emphasis will be placed on projects that:

- Leverage funding from other GGRF programs such as Caltrans' Low Carbon Transit Operations Program, the SGC's Affordable Housing and Sustainable Communities and Transformative Climate Communities Programs, or CARB's Low Carbon Transportation funding program (including the Hybrid and Zero-Emission Truck and Bus Voucher Program (HVIP)), along with SB125 TIRCP formula and Zero Emission Transit Capital Program.
- Leverage funding from SB1 sources (including formula program sources)
- Leverage funding from other federal, state, local, regional, or private sources (including potential local transportation funding measures, as further detailed in Section 12)

Consideration will be given as to those sources that are discretionary (including competitive and noncompetitive funding sources) compared to those that are non-discretionary. A recipient of money under the program may combine funding from the program with other state funding (if allowed), including, but not limited to, the State Transportation Improvement Program, the Low Carbon Transit Operations Program, clean vehicle programs, and state transportation bond funds.

Applicants must also identify if their project benefits intercity rail service and is included within one of the selected corridors in California participating in the Federal Railroad Administration (FRA) Corridor Identification and Development Program (CIDP).

If a project is awarded funds, all funds identified as committed to the project may be required as a funding match at the time of project selection and, based on the matching percentage identified at the time of selection, a pro-rata reimbursement agreement (or other suitable agreement) may be established to ensure project savings are returned proportionally. Project completion savings are returned proportionally except when an agency has committed additional funds to the project to fund a cost increase. In such instances, savings at project completion may be returned to other fund types first, until proportions match those at programming. If capital assets are removed from service before the end of their useful life, pro-rata repayment of grant funds may be required.

Redeployment of capital assets to achieve similar, or greater, benefits more effectively may be permitted, but must be documented (with documentation including a detailed justification of the requested redeployment) by the grantee and approved in advance by CalSTA. For example, once a project is operational, and after monitoring service performance and determining that it was not performing as expected, redeploying bus service to achieve greater greenhouse gas reductions or better serve priority populations based on current needs may be permitted.

If an implementing agency receives funding for a project that is to be completed with other funds (for example, a project which receives funds for plans, specifications, and estimates from the TIRCP but which will receive local measure funding for construction), that agency is required to complete the project as

proposed and approved. If the project is not completed and put into service as awarded, the agency may be required to fully or partially repay funds from the TIRCP commensurate with the failure to complete the project and deliver anticipated reductions in greenhouse gas emissions.

If a project application was only partially awarded in a previous cycle, applicants may request additional funds for the unawarded components in a future funding cycle. However, applicants may not request additional funds for the same previously awarded project components based on cost escalation or loss of a matching funding source. Such projects may reapply in a future cycle with a revised financial plan, but are subject to new ratings relevant to the current application cycle, and may or may not succeed in receiving a funding award.

Agencies may apply to TIRCP Cycle 8 or later for projects that use SB 125 resources for new projects, either to complete project funding or to expand project scope; SB 125 funding will be counted as matching funds in future TIRCP discretionary grant applications.

Prior to the project application due date, CalSTA invites interested eligible applicants to optional meetings (as outlined in the calendar section of the document) to discuss proposed project concepts, quantifications and benefits to priority populations, in order to clarify program requirements.

## 9 Project Applications

Applications must be submitted in accordance with the Call for Projects.

Applications will be treated in accordance with Public Records Act requirements and certain information, subject to those requirements, may be publicly disclosed.

Each project application must include a signed cover letter, with signature authorizing and approving the application.

The project application shall include:

1. Project title, which should be a brief non-technical description of the project type, scope, and location. Description should include the useful life of the investment and its independent utility.
2. Project priority – if agency is submitting multiple applications, explain the prioritization, including any state, regional or local planning efforts that support the ranking. If agency is not submitting multiple applications, this must be stated.
3. Project purpose and need.
4. Project scope.
5. Project Location – provide a map for each of the following:
  - A. Project location denoting the project site. Provide a KML/KMZ file for the project with only the transit route/project location represented by lines and stops represented by points as applicable. Additional layers such as County Boundaries or Points of Interest should not be included in these location files.

Project location (lat/long) denoting disadvantaged communities, low-income communities, and/or low-income households that will directly benefit from the project (Attachment 1, CCI Funding Guidelines).

Where applicable, rail planning and infrastructure data should be submitted using the railML (ISO/TS 4398) standard. railML provides a single, interoperable framework for railway data management and exchange. Benefits include improved coordination across agencies, enhanced data quality, reduced duplication, alignment with international standards, and readiness for digital twin and asset management systems.

- B. Greenhouse gas reducing features such as project components that improve air quality and reduce greenhouse gas emissions along a specific corridor, surrounding land use density, housing and employment centers, transit- oriented development/sustainable communities

strategy projects, active transportation infrastructure and other features, to the extent available. If available, consider including the following information on maps related to the project, as these will help in evaluating many of the secondary evaluation criteria:

- Land use diversity/mix of land uses specified on the map.
- In addition to showing where housing exists, provide information on housing density *and* planned/zoned/permitted/etc. housing density. This information may come from planning documents and/or zoning code if other approaches are not readily available.
- In addition to illustrating existing employment centers, provide information on employment density, mix of employment types, and planned future employment land uses. This information may come from planning documents and/or zoning code if other approaches are not readily available.
- Current neighborhood walkability (e.g., see Affordable Housing and Sustainable Communities Program (AHSC) guidelines for sources of walkability data).
- Planned and existing active transportation infrastructure (what currently exists, what is planned, and what would be funded by the project).

A web-based data intake and mapping form will be circulated with the call for projects to collect the above data, including all required spatial data.

6. Project costs.

Documentation of the basis for the costs, benefits and schedules must be cited in the project application and additional detail made available upon request. The application should identify:

- A. Cost estimates escalated to the year of proposed delivery, including identification of the amount of funding used for project management as budgeted for the agency or agencies involved. Only cost estimates approved by the Chief Executive Officer or other authorized officer of the implementing agency should be used.
- B. The amount and source of funds committed to the project (including funding for initial operating costs). A funding commitment is defined in Section 12 of this document.
- C. Include a statement of the likeliness of cost increases to the project and details to cover shortfalls in the event of cost increases.
- D. The amount of TIRCP funds requested. TIRCP funds cannot be used to supplant other committed funds.
- E. If applying for Network Integration as a separate component, please specifically indicate the costs.
- F. Description of funding sources committed to the project and approach to ensuring ongoing operating and maintenance costs of the project are funded. All applicants must demonstrate the ability to absorb any cost overruns and deliver the proposed project with no additional funding from this program beyond that provided in initial grant or cooperative agreement, and to fund operating costs associated with the project.

7. Project schedule including benefits reporting, the project's current status and the completion dates of all major delivery milestones.

8. Project benefits:

- A. A clear demonstration of the expected GHG reduction benefits, other co-benefits, and the proposed metrics for tracking and reporting on those benefits consistent with the CARB's Funding Guidelines and supplemental guidelines, as described in Attachments 1-3.
- B. The description of project benefits that address all Primary and Secondary Evaluation Criteria listed below under Project Selection Process (Section 10), indicating that a category is not applicable, or no benefits are expected when that is the case.
- C. When investment of TIRCP is proposed to improve private infrastructure, an assessment of

public and private benefits to show that the share of public benefit is commensurate with the share of public funding.

- D. Identify and provide documentation to all studies or planning documents relevant to the proposed project. If the documents are available online, provide accessible links. If they are not available online, they should be attached to the submission.
9. If applicable, please make sure the scope and budget reflect the resources for:
    - Employment and workforce development and training benefits to the community, particularly to priority populations. This explanation should be accompanied by a Community Workforce Agreement, Project Labor Agreement, or some other agreement made between the applying agency and unions, community-based organizations, or other partners. If such activities are being conducted as part of the project, budget and scope elements should reflect the level of effort anticipated.
    - Activities that address community engagement may include, but are not limited to, public workshops/meetings, door-to-door canvassing, house meetings, established website and/or social media efforts, surveys, focus groups, subcontracts with community-based organizations to conduct outreach, allocation of staff or contractor positions focused on community engagement, and advisory bodies or other shared decision-making bodies.
  10. Address the ability to gather and analyze new datasets for public use and benefit as an outcome of the project.
  11. Description of how the project will assist in meeting or exceeding the California Minimum GTFS Guidelines, and address any identified assessment deficiencies, if applicable. The guidelines may be found at:  
<https://dot.ca.gov/cal-itp/california-transit-data-guidelines>
  12. If the project priorities were developed through the collaboration of two or more rail or transit operators, any memoranda of understanding or agreements between the operators involved.
  13. Each application must include an Electronic Project Programming Request (ePPR) Form that can be generated at <https://calsmart.dot.ca.gov> and choosing 'Other' funds option on the general information page. A users guide for generating the ePPR can be found on the Caltrans Office of Capital Improvement Programming intranet set at: <https://dot.ca.gov/programs/financial-programming/office-of-capital-improvement-programming-ocip>

For further help with ePPRs, please email: [eppr@dot.ca.gov](mailto:eppr@dot.ca.gov).

Each Project Programming Request must list Federal, State, and local funding categories by fiscal year. If the project is a scope addition to a project programmed in an earlier TIRCP cycle the revised PPR must not show supplanting of previously committed non-TIRCP funds.

- A. An eligible applicant may submit an application to fund and manage a project over multiple fiscal years. The full cost of each project component must be listed in the state fiscal year in which the particular project component needs to receive a Commission TIRCP allocation. For environmental studies and permits, costs should be listed in the fiscal year during which environmental studies will begin. Costs for the preparation of plans, specifications and estimates should be listed in the fiscal year during which this work will begin. Right of way costs should be listed in the fiscal year(s) during which each right of way acquisition (including utility relocation) contract will first be executed. Construction costs should be programmed in the fiscal year during which each construction contract needs to receive a Commission TIRCP allocation to be advertised, and if an agency can receive TIRCP construction reimbursements over multiple fiscal years to fund a contract of extended duration, the application should list the amounts by fiscal year over which construction funding is required to meet expected contract requirements.

- B. If a project is expected to require multiple contracts for any stage of project development (often the case for multi-component projects), each contract should be listed separately with its respective funding requirements (to the extent known at the time of application), so that Commission TIRCP allocations may be sought in the programming year close to the specific contract need and funding allocations are put to timely use. If not known at the time of application, this information will be sought 12 months prior to Commission allocation so that the project and its various components can be properly programmed in the CalSTA Program Allocation Plan.
  - C. Applicants are encouraged to submit a narrative explanation or supplement to the PPR to reflect the proposed contracting approach and describing the ability of the project to receive funds on alternative allocation schedules. If a project has a special cash flow consideration that would benefit from TIRCP funds being available at a particular time, please describe this in the application.
  - D. Applicant must disclose if they're a Federal Transit Agency (FTA) grantee directly or as a subrecipient through Caltrans, or not, and are encouraged to include any FTA funding used as match if they are.
  - E. Finally, if a project is only requesting funds for a particular phase of the proposed project, such as a construction contract expected to be awarded in a specific year of the program, identify the prior phases and the funding associated with them.
  - F. Those projects that are requesting TIRCP funds to complete the project's funding package (when combined with already committed other funds) will clearly communicate the acceleration in project delivery possible due to receipt of TIRCP funding even if the project may ultimately have been advanced with future local and state resources at a later date. Highly rated projects will articulate and quantify, where possible, the benefits of such acceleration as part of the project application.
14. Letters of support for project implementation, including letters from:
- A. Project partners essential to project implementation, such as host railroads or facility owners. If TIRCP funds are to be used at a later stage of project implementation (such as construction), and an agency is able to commit to delivering the project goals with no additional TIRCP funding (supplementing, if necessary, from non-TIRCP sources), letters of support may indicate overall support for the project as described in the application and willingness to engage in best efforts to achieve a formal agreement for the construction elements of the project that will still require a future stakeholder agreement. Commission allocation of awarded TIRCP funding for such future construction will be conditioned on such agreements being finalized and the project being implemented in a manner consistent with the original application.  
  
A Metropolitan Planning Organization (MPO), indicating that the project is consistent with an adopted Sustainable Communities Strategy, or in non-MPO regions, a regional plan to reduce GHG emissions and/or vehicle miles travelled (VMT). (It is not necessary to establish project eligibility for an MPO to indicate its specific support for the project.)
  - B. Regional agency or agencies.
  - C. Members of the community, including representatives of impacted disadvantaged or low-income communities. Letters from community organizations stating their recognition of benefits from the project are encouraged.
  - D. Additional stakeholders relevant to the proposed project.
15. Description of project elements that are separable or scalable based on available funding, if applicable, while still maintaining independent utility. For example, if an application is for improving services on three routes, each route may be separately described and prioritized so that the highest-priority portion

of the application could be funded if resources are not sufficient for full project funding. If some or all of the project is already programmed using state or federal funds, the application must clearly explain if and how the scope of the project has changed since the most recent state or federal programming action, including an explanation of any differences in assumed federal funding level compared to the most recent Capital Investment Grant report or summary (if applicable). If the project is not scalable or separable, the applicant should provide background detailing why it is not practical for it to be phased or scaled.

Documentation of the basis for the costs, benefits, and schedules must be included in the project application and additional detail made available upon request. CalSTA will post basic project application information from all applications on its website prior to awarding funding. After projects are selected, CalSTA will post the status of all project applications to its website.

CalSTA encourages project applicants to carefully consider how to track the status and benefits of the proposed project, including having project budgets that allow for an appropriate level of before and after data collection and analysis (e.g., greenhouse gas reductions, diesel particulate matter reductions, increased transit service for disadvantaged community residents, etc.). This tracking could take the form of customer surveys made before and after the proposed project, specific data analysis before and after the project, or other efforts. Since this is an ongoing funding program of the state, developing lessons learned and good supporting data are critical to future program effectiveness.

For project applicants that have recently submitted an application for Cycle7 traditional funding for a project that didn't receive funding or received only partial funding, the application requirements are unchanged. All or much of the prior application may be utilized for resubmission. Reference may be made to past application materials, including letters of support, and if they are unchanged, do not need to be updated.

## 10 Project Evaluation

Applications will receive an initial screening for completeness and eligibility. Incomplete or ineligible applications will not be evaluated.

### 10.1 Primary Evaluation Criteria

Projects will be selected through a competitive process. The primary evaluation will be based on how well a project meets the objectives of the program, as further expanded upon by the grant evaluation considerations in statute:

1. **Reduce greenhouse gas (GHG) emissions.** CARB has developed a quantification methodology for estimating greenhouse gas reductions and other co-benefits that may occur as a result of project implementation (see Attachment 2). The inputs and assumptions behind these calculations must be thoroughly documented as part of the application. Applicants should present project elements that are scalable or separable in a manner that allows the greenhouse gas emission reductions of each element to be understood. Total cost per metric ton of carbon dioxide equivalents (MTCO<sub>2</sub>e) reduction and Transit and Intercity Capital Program funding per MTCO<sub>2</sub>e reduction will be primary elements of the evaluation for project selection. Applicants must quantify greenhouse gas reductions (see Attachment 2) and submit reporting information in accordance with the CARB's Funding Guidelines (see Attachment 1). Highly rated projects will exhibit a low cost per ton of MTCO<sub>2</sub>e reduction and will have strong documentation of the ridership and passenger mile impacts of the project.

Competitive projects will have greenhouse gas reducing features such as project components that improve air quality and reduce greenhouse gas emissions along a specific corridor, surrounding land use density, housing and employment centers, transit- oriented development/sustainable communities strategy projects, active transportation infrastructure and other features, to the extent available. Requirements for these components are outlined in

## 10.2.2.

2. **Increase ridership through expanded and improved rail and transit service (including connectivity to rail services through expanded and improved transit and/or feeder bus services, or by improving the rider experience through Real TimeGTFS travel information and contactless open payments (such as through Cal-ITP)).** Expanding service and improved connectivity includes construction of new rail and transit infrastructure and facilities. Documentation of the assumptions and approach to estimating ridership changes is a critical component of evaluating greenhouse gas emission reductions. Highly rated projects will have significant ridership impacts relative to the project cost and well documented methodologies for establishing ridership forecasts. Projects must document the degree to which ridership growth expected over the life of the project is supported by housing policies that will support such growth, including evidence of compliance with state-required housing plans (such as an Adopted Housing Element), and may include a designation of the community as Prohousing, as determined by the Department of Housing and Community Development's [Prohousing Designation Program](#). If multiple operators benefit from or are impacted by a project, highly rated projects will document specific ridership results specific to each operator, including any reductions impacting other operators. Recognizing that transit-supportive land use decisions are a key influencing factor of ridership, projects may capture additional ridership from entitled housing projects within a half mile of transit stations that are expected to be delivered within required project outcome reporting period, even if such delivery is following project completion. Investments in traveler information and payment systems that are part of the application should also be evaluated for their impact on project-level and/or system-wide ridership.

Additionally, each project will undergo an Access to Destinations analysis as part of its CSIS evaluation (detailed in the Secondary Evaluation Criteria section), which will be performed by Caltrans staff. This analysis will quantify the change in access to jobs and non-work destinations attributable to the project. Typically, transit projects increase access to destinations by creating new service and/or increasing existing service through faster travel times and increased service frequency. Access to Destinations analysis also accounts for surrounding land uses and first/last miles access, so projects that complement infill housing or transit oriented development and invest in first/last mile access improvements can deliver greater access benefits. This analysis can also be used to support ridership assumptions, as projects that deliver greater access benefits will typically see greater ridership increases.

3. **Integrate the services of the state's various rail and transit operations, including integration with the high-speed rail system, and the associated integration of services between agencies to support network-wide connectivity.** Improving integration will improve connectivity and the seamlessness of the travel experience or users by eliminating points of friction during a public transportation journey. Highly rated projects will identify and address through service design and/or capital project design the opportunities to integrate services across multiple systems or corridors, where possible. This should include efforts such as GTFS-RT, contactless open payments and digital transit benefit eligibility verification. In addition, the coordination of project development and delivery efforts in a regional and megaregional context to support an integrated, statewide rail and transit network will be considered. This should be articulated in the context of network integration and those agencies applying specifically for network integration funds or projects will be evaluated on their ability to describe the process for delivering an integrated project and its associated benefits.
4. **Improve safety.** Projects that include specific measures to address safety for users or non-users of the transit or rail service should specifically note such project elements and the funding related to them. If the specific nature of safety-related projects components is still being determined in collaboration with local agencies and input from communities, applicants may discuss the broad location and types of investments being planned. Such improvements may include grade separations, improved crossing



protection at railroad crossings, or elements in transit stations that reduce the likelihood of pedestrian fatalities and injuries, among other safety elements. Such safety elements may also include elements that increase the safety of disadvantaged and/or vulnerable populations, including safer circulation for the elderly, mobility impaired, very young, and the vision impaired. Highly rated projects will have significant project element related to safety and will not leave major safety considerations unaddressed.

## 10.2 Secondary Evaluation Criteria

Highly rated projects will address and score highly on multiple secondary evaluation criteria, with clear documentation of claimed benefits. Clear documentation will include data related to evaluating the claimed benefits to the extent available.

Projects will also be evaluated based on the following criteria:

1. If/how much projects contribute to the reduction of vehicle miles traveled and GHGs that is not quantitatively captured in CARB's Quantification Methodology (QM) discussed in Section 10.1.1, and conveyed per #1 and #2 of the Primary Evaluation criteria. Applicants are encouraged to provide a narrative describing the VMT or GHG reduction this project would support that are outside of the QM.
2. If/how much the project facilitates the location of additional employment and/or housing in the transit stop or station area (e.g., within ½-mile of the transit station or stop that will be affected by the project and the resulting low-carbon impact of such location efficiency on statewide GHG emissions relative to the status quo). This can be accomplished by using project funding to make station areas and neighborhoods walkable, bikeable, and well-integrated with existing or planned shared mobility and transit services. Benefits claimed under this section should focus on benefits not identified as part of the four primary evaluation criteria. Evidence that will support this co-benefit will include:
  - a. Documentation showing the siting of projects with rail stations and major transit centers located within ½ mile of existing or planned future housing with densities that correlate with higher transit use and lower VMT per household. Consider providing the following:
    - Land use diversity/mix of land uses specified on the map.
    - In addition to showing where housing exists, provide information on housing density and planned/zoned/permitted/etc. housing density. This information may come from planning documents and/or zoning code if other approaches are not readily available.
    - In addition to illustrating existing employment centers, provide information on employment density, mix of employment types, and planned future employment land uses. This information may come from planning documents and/or zoning code if other approaches are not readily available.
    - Current neighborhood walkability (e.g., see Affordable Housing and Sustainable Communities Program (AHSC) guidelines for sources of walkability data).
    - Planned and existing active transportation infrastructure (what currently exists, what is planned, and what would be funded by the project).
  - b. Documentation showing alignment with state housing policies and goals that seek to increase access, reduce transportation costs, improve equity, and overcome the statewide housing crisis. Applicants can demonstrate alignment in one of two ways:
    - i. The project will serve a community within ½ mile of a transit station or stop that has received a positive Prohousing Designation Program score, certified by the Department of Housing and Community Development, for one or more of the key ProHousing Policies. Additional information on this program can be found here: <https://www.hcd.ca.gov/planning-and-research/prohousing>.

- ii. The applicant engages in affordable, residential transit-oriented development on land owned or leased by the transit agency, or in conjunction with another public agency or private investor making such investments within ½ mile of one or more stations or stops served by the project. To be considered “affordable,” the development must have at least 20% of units reserved for residents with 60% or less AMI. To be “transit-oriented” the housing must be within ½ mile of a transit station or stop and have a density of at least 20 dwelling units per acre. Special consideration may be given to projects which convert surface parking facilities into housing and or job centers, if they are located within ½ mile of a transit stop.
  - c. Applicants are encouraged to include narrative demonstrating an understanding of displacement vulnerabilities proximate to the project area and demonstrate how direct and indirect displacement is being considered and minimized by the proposed project, if applicable. Anti-displacement efforts that are part of implementing a capital project are eligible costs under TIRCP.
- 3. Expanding existing rail and public transit systems, to the extent not already captured in the project being applied for. Specific items that could be covered here include the expected strengthening of the existing system in a manner that will allow future investments in expansion to be considered, or the extent to which additional service may be operated due to the ridership growth achieved throughout the system due to the project, even if the specific location of the needed service increase is not yet identified. The contribution of the project to the acceleration of later phases of rail and transit projects in the region or service area, other aspects of a region’s long range plans or towards improving the state’s interregional transportation network may also be included in this category.
- 4. Investing in clean vehicle technology, including efforts that will accelerate the adoption of such technology or provide valuable research or demonstration of such technology. When buses will be funded as part of this project, special consideration will be given to zero emission bus technology.
- 5. Promoting active transportation, by investing in infrastructure, amenities, education and outreach, etc. that will increase the proportion of trips accomplished by biking and walking. This includes efforts and investments to increase the safety and mobility of bicyclists and pedestrians. Benefits claimed under this section should focus on benefits not identified as part of the four primary evaluation criteria. Examples of how this can be accomplished includes (but is not limited to) the following:
  - a. Bike parking/storage at transit stations and stops
  - b. Open payment systems integrated with transit
  - c. Bike lanes and sidewalks to make station areas accessible via active transportation
  - d. Traffic calming elements are transit stations to make walking and biking a safer and more pleasant experience
- 6. Improving public health, with particular emphasis on elements benefiting the most impacted and disadvantaged communities, low-income communities, and/or low- income households. This category should include any air quality impacts of the project not included in the reduction of greenhouse gas emissions, including health benefits from improved regional air quality resulting from the project. The air pollution reductions for this item should be documented using CARB’s co-benefit assessment methodologies.
 

Benefit to priority populations

  - a. Project applicants should be explicit on the deliberate steps they take to achieve a meaningful level of participation from disadvantaged communities, low-income communities, and/or low- income households in the planning and design of projects that are intended to address community identified priorities and needs. Specific task and budget for the proposed activities should be included in the project application. Such efforts may include plans for service implementation of the specific project, addressing station access issues specific to the stakeholders, as well as developing proposals for service changes and capital investments that may be funded through future capital or operating funds or through project cost savings.

The general scope of the proposed effort should be submitted in draft form, but revision and development of additional detail prior to allocation of TIRCP funding for these activities may be requested by CalSTA in order to increase the benefits of the effort. During application review, if additional efforts are seen as necessary in order to successfully address the needs of disadvantaged or low income stakeholders, CalSTA may propose an additional task and potentially assign additional funding to pursue such consultations above and beyond what is requested in the project application, with the scope agreed to during development of the agreements necessary to implement the selected project.

- b. As detailed in the CARB Funding Guidelines, Attachment 1, benefits to priority populations can also be demonstrated through community workforce agreements or labor agreements with unions, community-based organizations (CBOs), or other partners. The following are examples from around California that provide more background and context for applicants:
  - i. For transit infrastructure, Community Workforce Agreements (CWAs) are commonly used in California cities where local elected officials see them as a mechanism to maximize the economic benefits of development projects and create jobs for local residents.
  - ii. For transit system expansion, the state's larger transit agencies (e.g., Los Angeles County Metro, BART, SFMTA, and AC Transit) regularly establish Project Labor Agreements (PLAs) for large construction projects.
  - iii. CWAs and PLAs set standards for wages and expand training opportunities for workers, because they include use of the state-certified apprenticeship system and contributions to apprenticeship training trust funds for every hour worked. Some agencies that require PLAs for major subsidized housing developments and transit system expansion projects include targets for local hiring (turning the PLA into a Community Workforce Agreement, or CWA), set goals for apprenticeship utilization, and codify goals for participation of disadvantaged workers to expand access to women and other workers underrepresented in the construction trades.
7. Geographic equity, with particular attention by applicants in identifying efforts to address underserved communities within an applicant's region or service area. The Transportation Agency will separately apply geographic equity considerations at a statewide level.
8. Consistency with a plan or strategy contained in an adopted Sustainable Communities Strategy, as confirmed by the Metropolitan Planning Organization (MPO), or, in non-MPO regions, a regional plan that includes policies and programs to reduce greenhouse gas emissions. Especially in the case of large capital projects, inclusion in an applicable financially constrained SCS will be noted as evidence of regional funding commitment and enhanced likelihood of successful project delivery. Projects that are part of a regional network and are considered regionally significant should be noted as such. All referenced documents should be linked, or included as an attachment if not available online.
9. The alignment to the State Rail Plan, where relevant, which articulates a vision and specific service and delivery goals for coordinating schedules and physical infrastructure to deliver an integrated network by leveraging available resources.
10. Benefits to freight movement, consistent with the Sustainable Freight Action Plan and the goals of the California Freight Mobility Plan, if applicable. In shared passenger/freight rail corridors, use this category to document and discuss GHG reductions from a greater volume of goods movement by rail if applicable.
11. The extent to which a project has supplemental funding committed to it from non-state sources, with an emphasis on projects that leverage funding from private, federal, local or regional sources that are discretionary.
12. The leveraging and coordination of funding from other greenhouse gas reduction programs such as Caltrans' Low Carbon Transit Operations Program, the SGC's Affordable Housing and

Sustainable Communities Program or the CARB's Low Carbon Transportation funding program. If a project will be applying for funding from other greenhouse gas reduction programs (such as Caltrans' Low Carbon Transit Operations Program, the SGC's Affordable Housing and Sustainable Communities Program or the CARB's Low Carbon Transportation funding program (including HVIP)) or from the Commission's Active Transportation or other program, an indication if there are separable elements that will be funded from those other sources and the applicant must clearly explain any change to the benefits of the project if the funding from that source is not awarded to the project. Applicants may not apply benefits quantified in other GGRF programs in their TIRCP application.

13. Description of funding sources and approach to ensuring ongoing operating and maintenance costs of the project are funded through the useful life of the project (as applicable). For expansions of service, the presence and quality of a financial plan that analyzes the financial viability of the proposed service, including the availability of any required operating financial support. Projects should also demonstrate the availability of funding for any expected maintenance costs across the useful life of the project.
14. Project readiness and reasonableness of the schedule for project implementation, including the following:
  - A. Progress towards achieving environmental protection requirements.
  - B. The comprehensiveness and sufficiency of agreements with key partners (particularly infrastructure owning railroads) that will be involved in implementing the project.
  - C. For projects that are not fully funded through construction due to funding contingencies (such as federal or local measure funds), the timing and amount of the project's future non-committed investments.
  - D. Confirm and demonstrate the ability to deliver the project within the budget, on schedule, and as designed.

Highly rated projects will demonstrate a high degree of project readiness with few risks related to proceeding into construction and operating services that achieve the proposed benefits once the project is completed. Highly rated projects are either actively engaged in the environmental clearance process or have an approved environmental document.

15. Project alignment with CAPTI is evaluated through the Caltrans System Investment Strategy (CSIS). The CSIS framework consists of two primary components, Program Fit and the CAPTI Alignment Metrics assessment, along with "Other Considerations" such as delivery risk and project cost. For purposes of TIRCP, only the CAPTI Alignment Metrics assessment is applied under the CSIS framework, as Program Fit and Other Considerations are addressed elsewhere in these guidelines under Eligible Applicants, Eligible Projects, and Programming. Accordingly, projects determined to be eligible for TIRCP will undergo the CAPTI Alignment Metrics evaluation, which serves as a secondary evaluation criterion.

The CSIS CAPTI Alignment Metrics include nine quantitative metrics—Safety, Vehicle Miles Traveled (VMT), Access to Destinations, Disadvantaged Community Access to Destinations, Disadvantaged Community Traffic Impacts, Passenger Mode Shift, Land Use and Natural and Working Lands, Freight Sustainability and Efficiency, and Zero-Emission Vehicle (ZEV) Infrastructure—and two qualitative metrics: Public Engagement and Climate Adaptation and Resiliency. While several of these metrics are already considered qualitatively in the TIRCP evaluation criteria, the CAPTI alignment evaluation provides a standardized quantitative analysis, enabling more objective comparison across projects.

The CSIS framework was designed to assess a broad range of project types, from neighborhood-scale active transportation projects to regional-scale highway projects. Generally, projects applying to TIRCP are transit-focused and inherently aligned with CAPTI. However, the CSIS framework offers a useful lens to compare the relative alignment of projects and identify those that provide the greatest benefits.

### 10.3 Benefit to Priority Populations

It is a goal of this program to maximize benefits to disadvantaged communities and low-income communities and households. Pursuant to the requirements of SB 535, as amended by AB 1550, the overall California Climate Investments Program funded with Cap-and-Trade – now referred to as Cap-and-Invest – auction proceeds must result in: (1) a minimum of 25% of the available moneys in the GGRF to projects located within, and benefiting individuals living in, disadvantaged communities, (2) an additional minimum of 5% to projects that benefit low-income households or to projects located within, and benefiting individuals living in, low-income communities located anywhere in the state, and (3) an additional minimum of 5% either to projects that benefit low-income households that are outside of, but within a 1/2 mile of, disadvantaged communities, or to projects located within the boundaries of, and benefiting individuals living in, low-income communities that are outside of, but within a 1/2 mile of, disadvantaged communities.

Information on California Climate Investments to Benefit Disadvantaged Communities with background on SB 535, AB 1550 and the CalEPA California Communities Environmental Health Screening Tool 4.0 (CalEnviroScreen), can be found at:

<https://oehha.ca.gov/calenviroscreen/report/calenviroscreen-40>

In addition to contributing benefits towards meeting or exceeding the AB 1550 investment minimums, the TIRCP has a statutory investment target for benefits to disadvantaged communities required by SB 862 (a 25% minimum). This applies across the entire program regardless of funding source. Agencies are responsible for documenting compliance with these requirements.

Investments that are eligible to be counted toward AB 1550 as projects within and benefiting disadvantaged communities will also count toward meeting the SB 862 requirements. Refer to criteria in Funding Guidelines (further referenced below) for how to demonstrate benefit.

SB 862 requires CARB, in consultation with CalEPA, to develop funding guidelines for all agencies that are appropriated monies from the GGRF. These guidelines must include a component for how administering agencies should maximize benefits for disadvantaged communities. The CARB funding guidelines are referenced in Attachment 1.

The 2024 Funding Guidelines added additional guidance on avoiding potential substantial burdens or harms to priority populations (Section II.C.5). Administering agencies must consider whether a given program or project has the potential to result in substantial public health, environmental, economic, or social burdens, and design programs and select projects in such a way as to avoid those burdens. More information can be found on the Avoiding Harms webpage.

- Administering agencies are strongly encouraged to engage with community members and community advocates in identifying potential substantial burdens or harms and potential trade-offs, whenever feasible. For example, administering agencies could:
  - Meaningfully engage with community-based organizations and members to understand and avoid issues in that community.
  - Partner with community-based organizations and members, developers, and advocates to form an anti-displacement task force to identify current and future areas of displacement, and metrics and measures to track and prevent displacement.
- Administering agencies are responsible for designing programs to avoid burdens and mitigate harms associated with projects. For example, administering agencies could:
  - Encourage the use of zero-emission equipment for project-related construction, maintenance, and other activities.
  - Develop project requirements and/or measures to avoid or mitigate near-roadway

exposures.

- Establish thresholds that limit projects that may exacerbate burdens, such as projects that increase particulate matter in communities with a high particulate matter indicator score in CalEnviroScreen.

Applicants must complete and submit the CARB Benefit Assessment Tool with their application.

In reviewing efforts to maximize benefits to disadvantaged communities, low-income communities, and/or low-income households, CalSTA may request review of applications by an advisory panel representing such stakeholders during the evaluation of applications. The primary goal of this panel will be to review proposed efforts (both pre-application and those proposed for the post-award period) and to either confirm that the applicant efforts will help align the proposed project with stakeholder and community needs, or to recommend efforts that would allow such needs to be addressed (see items 9 and 10 in section 9 describing how such efforts may be requested and funded as part of project selection).

## 11 Project Selection Process

CalSTA will evaluate applications for compliance with the objectives of the program, including those provided in AB 180, and rate them based on the Primary and Secondary Criteria, assigning ratings such as “High,” “Medium- High,” “Medium,” “Medium-Low”, and “Low” to the specific alignment of the project to each of the selection criteria. , and also considering the cost per ton of CO<sub>2</sub>e reduction and the risks of successful project delivery. CalSTA will additionally measure alignment with CAPTI using the CSIS criteria to provide a quantitative ranking and scoring. Because of the wide variety in the type and size of projects that can be funded from this program, CalSTA may group projects for the purpose of comparing the ratings of like applications or for purposes of comparing projects within a region. The highest rated applications that meet the program objectives will be selected for programming, except that CalSTA may make adjustments to meet the AB 1550 goals of this program and to provide for geographic equity.

In addition to being evaluated on the aforementioned criteria and benefit to priority populations, including addressing community needs, each application will also be assessed to determine the risk associated with the project's capacity to generate, as planned, transportation and greenhouse gas emission reduction benefits (including potential sensitivity to different project benefit outcomes), and to be delivered within budget, on time, and as designed.

In addition, projects with clear phases or scalability may be evaluated for the portion of the project that would receive the highest rating for partial funding.

CalSTA will collaborate with other state entities when evaluating project proposals, including but not limited to: CARB, CalEPA, the California High-Speed Rail Authority, Caltrans, the Commission, the Department of Housing and Community Development, and the Strategic Growth Council.

CalSTA, or Caltrans acting on CalSTA’s behalf, may request additional documentation to support statements or data provided in the applications. However, applicants should endeavor to be as clear as possible in their applications and not assume that opportunity will be provided to clarify or better support a submitted application. Supporting documentation should include spreadsheets, reports and methodology descriptions (with sources noted) when available.

Applications will proceed through a multi-step review process:

1. Basic screening for completeness and eligibility, as well as verification of the GHG calculations using the CARB quantification methodology.
1. Review of application for potential subdivision into project phases or components, review and analysis of ridership and GHG quantification, and summarization of project to assist technical panel review including preparation of CAPTI Alignment scores using the CSIS methodology.

2. Initial rating of projects on each primary and secondary evaluation criterion (see section 10) and other additional factors (above in this section) described in the guidelines by multi-agency technical panels.
3. Consideration of technical panel ratings, geographic equity and degree of disadvantaged and/or low-income community benefits by a senior executive panel, with potential to request additional information from subject matter experts that may result in a revised rating on one or more evaluation criteria or factors. Project selection by CalSTA, taking into consideration cross-cutting and comparative selection criteria that consider overall program objectives, geographic equity and exceeding program goals for benefits to disadvantaged communities, low-income communities, and/or low-income households.

## 12 Programming

CalSTA will publish its updated 5-year Program of Projects as part of the Cycle 8 award announcement, as established in the Call for Projects, and will present it to the Commission shortly thereafter. When CalSTA releases the program, it will include a narrative for each approved project that describes that project's rating for primary and secondary criteria as well as special considerations to achieve disadvantaged and/or low-income community benefit and geographic equity. Subsequent 5-year programs are expected to be approved by CalSTA biennially. CalSTA may call for additional applications, or adjust the existing Program of Projects between cycles, as warranted based on the level of auction proceeds.

CalSTA will develop and regularly update the Program Allocation Plan to guide the allocation of funds for the current program. The Program Allocation Plan for each fiscal year will include the amount to be funded from the TIRCP, and the estimated total cost of each project. The yearly allocation amounts will be based on the needs of separable project components and phases or based on the cash flow needs for projects that need multiple years to complete.

CalSTA will program and the Commission will allocate funding to projects in whole thousands of dollars and will include a project or project component only if it is fully funded from a combination of TIRCP and other committed funding. Funds will be considered as committed when they are programmed by CalSTA, when the agency or other funding partner with discretionary authority over the funds has made its commitment to the project by ordinance, resolution or appropriate contract vehicle. In the case of the Federal Transit Administration, recommendation of the project for funding in the *Annual Report on Funding Recommendations* for the Capital Investment Program is considered a commitment of funding. For federal formula funds, including Surface Transportation Program, Congestion Mitigation and Air Quality Improvement Program, and federal formula transit funds, the funding commitment may be by Federal approval of the Federal Statewide Transportation Improvement Program.

For projects seeking federal discretionary funds such as New Starts, Core Capacity, or Small Starts, the commitment may take the form of federal acceptance into Accelerated Project Delivery and Development (in the case of Small Starts) with the expectation of federal approval of an Expedited Grant Agreement, or federal approval of a project to enter Engineering (in the case of New Starts or Core Capacity) with the expectation of federal approval of a Full Funding Grant Agreement, as long as all funding, excluding TIRCP funding, is committed to the project. Similar pursuit of Federal Railroad Administration and United States Department of Transportation funding for rail-related grant programs may also be referenced and pursued for match, including applications that request funding for awards that are contingent on receiving such federal funding. A project that is programmed prior to receiving federal approval for construction may be subject to deletion from the program, if federal funds are not received, federal funding is reduced or the scope of the federal commitment changes, unless other committed funding sources are identified that replace federal funding not obtained. If the applicant expects to be able to leverage state funding to provide the match necessary to obtain federal planning funds, this should also be identified.

For local funding, the funding commitment may be demonstrated by inclusion of the project in a funding package, such as a sales tax measure, to be submitted to voters during this program cycle and with



sufficient funding specified for the project to achieve full funding. The applicant shall provide evidence with the application that the project is included in a future funding package with funds sufficient to meet the local funding commitment when combined with other already available funds. A project that is programmed prior to receiving voter approval for project funding must succeed in receiving the voter approval, or the project may be subject to deletion from the program.

For projects with other funding partners that have entered into a contract vehicle committing their funding, access to the funding must occur before TIRCP funding will be approved for allocation to the project.

CalSTA may make an exception to its policy to only program a project if it is fully funded, if the project may be funded from a combination of TIRCP and other committed funding to allow a project to compete for funding from other greenhouse gas reduction programs (such as the Low Carbon Transit Operations Program, the SGC's Affordable Housing and Sustainable Communities Program or the CARB's Low Carbon Transportation funding program) or from the Commission's Active Transportation or State Transportation Improvement Programs. A project intending to compete for funding in one of the aforementioned programs should indicate, if applicable, the separable elements to be funded from that source. A project that is programmed prior to receiving a commitment of funding from one of the aforementioned programs must receive the funding commitment no later than in the fiscal year in which the project is requesting a TIRCP allocation. If the project does not receive funding from that program and the project does not have separable elements, the project may be subject to deletion from the program.

If a project does not receive their anticipated federal, local or other funding commitments, CalSTA may delete the project from the program and consider selection of projects or components of projects that were highly rated but not selected due to lack of sufficient funds from previous rounds of TIRCP applications as long as the project is still viable and deliverable consistent with prior cycle programming and demonstrates acceptable levels of benefits with the most current quantification methodologies.

If, prior to seeking a Commission allocation, an award recipient does not make adequate progress to implement an awarded project in a timely manner or incurs delays through the action or inaction of the recipient, subrecipient or third party associates, the project may be deleted from the TIRCP program. An applicant may resubmit a deleted project for consideration in future funding cycle. All current projects are subject to review prior to the Call for Projects to determine whether they are making adequate progress towards implementing the originally awarded project scope.

## 13 Allocations and Project Delivery

When an agency is ready to implement a project or project component, the agency will submit an allocation request package, including all required certifications and documentation, through Caltrans' DLA . Allocation requests are expected to adhere to the preparation schedule established by Caltrans Office of California Transportation Commission Liaison (OCTCL) along with any additional time required for CalSTA's review and approval of a recommendation to the Commission for an allocation of funds. For planning by an award recipient, the time required from the submittal and approval of an allocation request can range from 90 to 120 days prior to date of a scheduled Commission meeting.

Caltrans will review the request and determine whether to recommend the request to the Commission for action. The Commission will consider the allocation of funds for a project only when it receives an allocation request with a recommendation from Caltrans and consistent with the TIRCP Program Allocation Plan. The recommendation will include, but is not limited to, a determination of project readiness, completion of funded phases that require completion prior to proceeding into the next phase, the availability of appropriated funding, and the availability of all identified and committed funding needed to support the specific allocation request. When Caltrans develops the project's construction allocation recommendation(s), the Commission expects Caltrans to certify the project's plans, specifications and estimates are complete, right-of-way clearances are achieved, and all necessary permits and agreements (including railroad construction and maintenance) are executed.



In compliance with Section 21150 of the PRC, the Commission will not allocate funds for design, right-of-way, or construction prior to documentation of environmental clearance under the California Environmental Quality Act and all needed environmental documents are provided for a Commission E-Resolution. As a matter of policy, the Commission will not allocate funds for design, right-of-way, or construction of a federally funded project prior to documentation of environmental clearance under the National Environmental Policy Act (NEPA). Exceptions to this policy may be made in instances where federal law allows for the acquisition of right-of-way prior to completion of NEPA review. If requested by the Commission, Caltrans will assist Commission staff in the preparation of agenda items presenting environmental documents to the Commission.

Projects that are awarded funding for network integration are to be allocated under the construction phase, unless such efforts are part of a task within an earlier phase of work. If allocated as a separable work effort, at the time of allocation, an agency must either environmentally clear the network integration work, usually with a Notice of Exemption, or provide a written statement certifying that the network integration project is exempt.

CalSTA will request the Commission approve the allocation, if the funds are available as determined by CalSTA and Caltrans, and the allocation is necessary to implement the project as included in the adopted TIRCP Program Allocation Plan and Program of Projects. If there are insufficient program funds to approve an allocation, CalSTA may delay the recommendation to allocate funds to a project until a future fiscal year without requiring a Commission action. Agencies should be prepared to award contracts within six months of allocation unless otherwise indicated and approved at the time of allocation. Funds available following the deletion of a project may be re-awarded and allocated to a programmed project advanced from a future fiscal year or to a project amended into the program.

The TIRCP is a reimbursement program for costs incurred. Costs incurred prior to Commission allocation and, for federally funded projects, federal project approval (i.e. Authorization to Proceed), are not eligible for reimbursement. Moreover, contracts against which reimbursements from TIRCP will be sought may not be awarded prior to funding allocation without specific pre-approval by CalSTA and approval of a Letter of No Prejudice by the Commission. For the procurement of rolling stock and buses, the exercising of an option or the certification of funds for TIRCP funded contract elements after Commission action may be considered to meet the milestone for contract award, provided that the agency is under no contractual obligation to pay any funds or penalty if the option is not exercised or the funds not certified. Confirmation of this approach should be sought prior to seeking an allocation of funds.

Caltrans will execute all appropriate contractual agreements with the implementing agency, under its delegated authority from CalSTA. These agreements may include project specific conditions required by CalSTA's award announcement and will be based on the awarded scope of work, schedule for completion and expected outcome of the project.

Prior to the completion of project design, an agency may propose to CalSTA modifications to the proposed project in order to achieve the same or greater level of benefits or reduced costs. Funds allocated for project development or right-of-way costs must be expended by the end of the fiscal year of allocation plus two additional fiscal years, unless a longer timeframe is requested at the time of allocation or the Commission approves a time extension subsequent to the allocation. Allocations for award are valid for six months from the date of allocation unless otherwise indicated at the time of allocation. For funds allocated for construction phase contracts, including rolling stock procurement, will have an expenditure timeline of 36 months after the award of a contract to complete (accept) the contract unless a longer timeframe is requested at the time of allocation or the Commission approves a time extension subsequent to the allocation. The implementing agency must submit a final invoice to Caltrans no later than 180 days after contract acceptance.

Additional details relevant to the Commission's Allocation Policy can be found in Resolution G-20-61 on the Commission's website. The Allocation Policy is subject to change and the most current Allocation Policy will apply.

An agency may apply for a Letter of No Prejudice (LONP) for a project or for any component of a project included in the approved Program of Projects. Statutory authority is provided in Section 75225 of the PRC as added by SB 9. The Commission as authorized by statute adopted guidelines for approval of LONPs for specific programs, including the Transit and Intercity Rail Capital Program. All LONP requests must follow the Commission's currently adopted LONP guidelines. Any request for an LONP will be submitted through Caltrans for concurrence by CalSTA and Commission approval.

If an LONP is approved by the Commission, it allows the implementing agency to award a third-party contract(s) and advance a project by expending its own funds (incur reimbursable expenses) for any component of the project that is the subject of the LONP prior to allocation. The amount will be reimbursed if all the following conditions are met:

1. The project or project component for which the letter of no prejudice was requested has commenced and the expenditures have been incurred.
2. The expenditures are eligible for reimbursement in accordance with applicable laws and procedures. If expenditures made by the lead applicant agency are determined to be ineligible, the state has no obligation to reimburse those expenditures.
3. The agency complies with all legal requirements for the project, including the requirements of the California Environmental Quality Act (Division 13 (commencing with Section 21000)).
4. There are moneys in the GGRF or from SB 1 revenues designated for the program that are sufficient to make the reimbursement payment.

### **13.4 Multiyear Funding Agreement**

An agency may apply to CalSTA for a multiyear funding agreement. Statutory authority is provided in Section 75224 (d) of the PRC. Any such agreements shall be implemented in cooperation with the Commission by inclusion of the anticipated multi-year cash flow commitment in the applicable allocation action at the time a project or project component is allocated. If approved by CalSTA, the multiyear funding agreement would operate similar to a federal Full Funding Grant Agreement, wherein an agency may receive an allocation and implement a project at risk, with receipt of future state revenue dependent on legislative appropriation and/or receipt of program SB 1 revenue or Cap-and-Invest auction proceeds. The state would not be responsible for any borrowing costs an agency may incur, or other costs, allocated with the timeline of state revenue availability. The most up-to-date cash flow commitments to projects or project components are reflected in the Program Allocation Plan.

Pursuant to Section 75224, the multiyear funding agreement would be for an amount of program money and for any duration, as determined jointly by the CalSTA and the applicant. CalSTA may agree to a duration that exceeds the five-year programming cycle, if deemed helpful in completing large transformative capital projects. Other requirements for the program will be included in the multiyear funding agreement as determined by CalSTA in cooperation with the applicant and the Commission.

### **13.5 Project Delivery Deadline Extensions and Timely Use of Funds**

Once an awardee has been allocated TIRCP funding, funds are subject to the Commission's timely use of funds policy and for the construction phase, awardees are expected to execute the third-party contract within six months of the allocation. Under CalSTA concurrence and with Commission action, an extension may be granted for the period of contract award, project completion or project reimbursement if it finds that an unforeseen or extraordinary circumstance has occurred that justifies the extension. The extension will not exceed the

period of delay directly attributable to the extraordinary circumstance.

There are separate deadlines, for award of a contract, for project completion and project reimbursement and each project component has its own deadlines.

All requests for project delivery deadline extensions should be submitted by the agency responsible for project delivery to Caltrans at least 120 days prior to the specific deadline for which the particular extension is requested (e.g., 120 days prior to June 30 to request the extension of allocation deadlines). The extension request should describe the specific circumstance that justifies the extension and identify the delay directly attributable to that circumstance. Caltrans will review extension requests and provide a recommendation to CalSTA for concurrence and then submit to the Commission for formal approval.

After the Commission allocation, any costs incurred for eligible work will not be reimbursed until the appropriate agreements (Master Agreement and Project Supplement/Amendment) with the local agency have been executed and must remain in effect over the time required to complete capital improvements, implement services and fulfill the reporting requirements of benefits and outcomes associated with the award.

## 14 Project Reporting

As a condition of the project selection and allocation, the implementing agency must submit to Caltrans quarterly reports on the activities and progress made toward implementation of the project and a Final Delivery Report (FDR). The purpose of the reports is to ensure that the project achieves the goals of the program, is executed in a timely fashion, and is within the scope and budget identified when the decision was made to fund the project.

Recordkeeping and reporting requirements will apply through the life of the project. All recordkeeping and reports must be consistent with the reporting requirement, quantification methodologies and records retention periods developed by CARB (see Attachments 1, 2 and 3). At a minimum, agencies must report on all projects selected for funding, progress on each funded project, and the benefits (GHG and co-benefits) achieved for each quantifiable project component. Caltrans may provide assistance through Cal-ITP on real-time information, digital transit benefits and payments to streamline reporting requirements. For projects benefiting disadvantaged communities, low-income communities, and/or low-income households, reports must identify and include metrics to demonstrate the benefits being achieved and how community needs are being met, consistent with CARB's Transportation and Equipment Benefit Assessment Tools. Some reported project information will be publicly available on the CARB website, including the amount of funding that is being spent on projects that benefit disadvantaged communities, low-income communities, and/or low-income households.

Consistent with CARB's Funding Guidelines Section VI.D.4, local agencies are required to collect and report Jobs information, consistent with confidentiality protections, for any project that meets the following criteria:

- The total project costs for an awarded project, including GGRF and other funding sources, exceed \$1,000,000; or
- The project uses the Jobs and Workforce Development Benefit Assessment Tool to claim priority population benefits; or
- The project is subject to the requirements of AB 680.

Within one year of the entire project award becoming operable, or a later time period if approved by CalSTA, the implementing agency must provide a FDR to Caltrans which includes:

1. The scope of the completed project as compared to the programmed project.

2. Before and after photos documenting the project.
3. The final costs as compared to the approved project budget by component and fund type, and an estimate of the TIRCP funds spent to benefit disadvantaged communities, low-income communities, and/or low-income households.
4. Its duration as compared to the project schedule in the project application as well as the date when the overall project and associated service becomes operational.

For both Quarterly Reports and FDRs, Caltrans may require additional details or add additional requirements as needed to understand the status of implementation and to verify benefits achieved.

For all projects other than components that fund limited-term operations of new and expanded transit service, annual reporting on outcomes will continue for 36 months after becoming operational (i.e., vehicle or equipment is operational, or construction is complete and transit service is operational). The metrics to be reported vary by project type as shown in the table below.

<b>Capital Improvements that Result in New or Expanded Transit Service or Increase Mode Share on Existing Transit Service</b>		
<b>Metric</b>	<b>Unit</b>	<b>Method</b>
Tracking dates of data submission	mm/dd/yyyy	n/a
Days of operation per year	Days/year	Evaluation of service schedule
Average daily ridership	Unlinked trips/day	Ridership survey (conducted by city, county, district/authority, metropolitan planning organization, non-profit, or academia), ticket and transit pass sales, automatic passenger counter, driver counts, etc.
<b>New Vehicle(s) for Existing Transit Service</b>		
<b>Metric</b>	<b>Unit</b>	<b>Method</b>
Tracking dates of data submission	mm/dd/yyyy	n/a
Fuel/energy consumption or vehicle miles traveled	Gallons/year by fuel type, kWh/year, scf/year, or vehicle miles traveled/year	Evaluation of fueling, utility, mileage, or other operating records
Range in fuel/energy consumption or annual vehicle miles traveled		

Upon request from the implementing agency, Caltrans may consider requests to delay reporting on before and after or other performance outcome data until two years after project operation if similar data is requested by the Federal Transit Administration or if the agency deems such delay would improve the reliability of the report.

For the purpose of this section, a project becomes operable when the construction contract is accepted or acquired equipment is received and accepted and certification is provided by the awardee to CalSTA.

The State of California has the right to review project documents and conduct audits during project implementation and over the life of the project. Caltrans or another State agency may audit a sample of TIRCP projects to evaluate the performance of the project, determine whether project costs incurred and reimbursed are in compliance with the executed project agreement or approved amendments

thereof; state and federal laws and regulations; contract provisions; and program guidelines, and whether project deliverables (outputs) and outcomes are consistent with the project scope, schedule, and benefits described in the executed project agreement or approved amendments thereof. A report on the projects audited must be submitted by the auditing agency to CalSTA.

## 15 Project Administration

Caltrans will administer the TIRCP consistent with these guidelines and all applicable Commission and Caltrans policies and procedures for the administration of similar grant programs.

Projects awarded funding from TIRCP are expected to document and publicize the Transit and Intercity Rail Capital Program in proper context when developing press releases and board documents, or in hosting public events such as project groundbreakings. References should be made to TIRCP, the California State Transportation Agency as the program sponsor, and the Greenhouse Gas Reduction Fund and SB 1 program as fund sources, as applicable, in order to ensure transparency regarding the funding of the project. Additional details will be provided to program award recipients.

Agencies must encumber and expend monies consistent with State law and ensure that GGRF monies are utilized consistent with the expenditure record submitted by Caltrans and required by SB 1018. A determination that use of GGRF monies is not consistent with the expenditure record and does not further the purposes of AB 32 may occur during legal proceedings or during an audit or program review conducted by the Bureau of State Audits, Department of Finance, a third-party auditor, or the CARB. Depending on the outcome of those proceedings or review, agencies may be required to return monies to the state if expenditures are not consistent with the statutory requirements (such as not furthering the purposes of AB 32).

Audits and on-site monitoring can take place at any time at the discretion of CalSTA, without prior warning given to the agency. CalSTA has the right to audit the project records, including technical and financial data of the Project Applicant, the Implementing Agency, and any consultant or sub-consultants at any time after award, during the course of the project and for three years from the date of the final closeout of the project, therefore all project records shall be maintained and made available at the time of request.

The state may terminate the grant for any reason at any time if it learns of or otherwise discovers that there are allegations supported by reasonable evidence that a violation of any state or federal law or policy by the grantee which affects performance of this or any other grant agreement or contract entered into with the State. If a grant is terminated, the agency may be required to fully or partially repay funds from the TIRCP.

## 16 Project Expenditures

Caltrans and CalSTA reserve the right to ask any agency to complete a Cash Flow projections form. The form includes collecting the subtotal for Greenhouse Gas Reduction Fund, Project Approval & Environmental Document, Plans, Specifics & Estimates, Right of Way and Construction. For more information on retrieving the Cash Flow form, please contact [tircpcomments@dot.ca.gov](mailto:tircpcomments@dot.ca.gov).

## **Attachment 1: CCI Funding Guidelines for Administering Agencies**

### **Investments to Benefit Disadvantaged Communities and Low-Income Communities and Households**

The California Air Resources Board (CARB) released the "Funding Guidelines for Agencies Administering California Climate Investments" (Funding Guidelines) on December 2, 2024.

The 2024 Funding Guidelines provide flexibility in implementing a diverse set of investments while maintaining transparency of outcomes and ensuring meaningful community benefits from these investments. These guidelines align with the Legislature's priorities found in AB 398 and Fiscal Year (FY) 2024-25 appropriations. These guidelines reflect the increasingly important role of California Climate Investments in facilitating the reduction of greenhouse gases while also reducing air pollution, helping communities adapt to the impacts of climate change, and providing meaningful benefits to disadvantaged communities, low-income communities, and low-income households (also referred to as priority populations"), among other statutory requirements.

The 2024 Funding Guidelines overhauled several key areas of the Guidelines. The list below gives an overview of those key changes.

- A new section on recommended job quality standards and strategies to bolster workforce development (Section V.A.) as well as specific guidance for programs with a compliance obligation under AB 680 (Section V.B.).
- Reporting frequency and timing has been updated to reflect a once-annual reporting period (Section VI.B.).
- The previous project outcome reporting guidance has been restructured into program and project evaluations (Section VI.E.).
- Recommendations for direct outreach and community engagement have been strengthened (various sections).
- The finalized guidance on the updated designations of disadvantaged communities and low-income communities and households has been incorporated (Appendix A).
- The finalized SB 27 guidance has been incorporated (Appendix B).

Additional information can be found at the following CARB websites:

<https://ww2.arb.ca.gov/resources/documents/cci-funding-guidelines-administering-agencies>

### **California Climate Investments Resource Portal**

Serving as both a new online library of resources and a companion to the Funding Guidelines, the California Climate Investments Resource Portal is intended to support applicants, grantees, policymakers, program administrators, and others in accessing and implementing California Climate Investments. Checklists, guides, tools, and analyses provide data and knowledge to build the capacity of California Climate Investments participants and interested parties in supporting State goals of reducing greenhouse gas emissions, strengthening the economy, improving public health and the environment, and providing direct benefits to priority populations. Available here:

<https://www.caclimateinvestments.ca.gov/resource-portal>

## **Attachment 2: Quantification Methodology and Co-Benefit Assessment Methodology**

### **CCI Quantification and Reporting Materials**

Administering agencies must use the Funding Guidelines with the resources provided by CARB to develop effective programs and demonstrate compliance with program requirements.

Resources include Quantification Methodologies (QMs) and Calculator Tools for estimating greenhouse gas (GHG) emission reductions and co-benefits; [Benefit Assessment Tools \(BATs\)](#) for determining benefits to priority populations; and Reporting Templates for reporting outcomes.

CARB staff developed the [Quantification Methodology](#) and associated [Calculator Tool](#) to provide guidance for estimating the GHG emission reductions and selected co-benefits for each proposed project type. The calculator tool automates methods described in the QM document, outlines documentation requirements, and provides a link to a step-by-step user guide with project examples. Projects will report the total project GHG emission reductions and co-benefit estimated using the TIRCP Calculator tool as well as the total project GHG emission reductions per dollar of GGRF funds.

Using many of the same inputs required to estimate GHG emission reductions, the TIRCP Calculator Tool will estimate the following co-benefits and key variables from TIRCP projects including:

- ROG emission reductions (lbs),
- NOx emission reductions (lbs),
- PM2.5 emission reductions (lbs),
- Diesel PM emission reductions (lbs),
- Passenger VMT reductions (miles),
- Fossil fuel use reductions (gallons),
- Fossil fuel energy use reductions (kWh),
- Passenger travel cost savings (\$), and
- Energy and fuel cost savings (\$).

Additional co-benefits for which CARB assessment methodologies were not incorporated into the TIRCP Calculator Tool may also be applicable to the project. For example, CARB staff have developed the Solar PV Installation tool for calculating installation of rehabilitation of solar installation as well as the Low Carbon Fuels Production tool for new or expanded facilities. Applicants should consult the TIRCP guidelines, solicitation materials, and agreements to ensure they are meeting TIRCP requirements. All CARB co-benefit assessment methodologies are available at:

<https://ww2.arb.ca.gov/resources/documents/cci-methodologies>

Reporting templates are developed specifically for each program within California Climate Investments. These templates are used by TIRCP staff to report on outcomes from all projects funded by TIRCP.

Note: Quantification methods have been developed specifically for each GGRF programs and are not intended for use in other programs, unless otherwise specified.

Additional information can be found at the following CARB website:

<https://ww2.arb.ca.gov/resources/documents/cci-quantification-benefits-and-reporting-materials>



**\*Please note that CARB posted an updated draft of the quantification methodology and quantification tool on January 9, 2026, with the final methodology and tool expected by mid-February 2026. Please reference CARB's website for the final versions before submitting your application:**

**<https://ww2.arb.ca.gov/resources/documents/ci-quantification-benefits-and-reporting-materials>**



## **Attachment 3: New Benefit Assessment Tools (BATs)**

### **CCI Benefit Assessment Tools**

TIRCP uses the new Transportation and Equipment [Benefit Assessment Table](#) developed by CARB to ensure that programs meet the minimum levels of investments to projects that benefit residents of disadvantaged communities, low-income communities, and low-income households, collectively referred to as “priority populations”.

All projects counting toward the statutory investment minimums must be located within an identified community and benefit individuals living within that community, or directly benefit residents of low-income anywhere in the State. Administering agencies must determine if a project meets the criteria for providing direct, meaningful, and assured benefits to priority populations using the following evaluation approach:

**Step 1:** Identify the Priority Population(s). The project must be located within a community identified as disadvantaged or low-income, or directly benefit residents of a low-income household.

**Step 2:** Identify a Need. The project must identify an important community or household need for the priority population identified in Step 1.

**Step 3:** Provide a Benefit. The project must provide one of the direct, meaningful, and assured benefits listed in Step 3. The benefit must be to the priority population identified in Step 1 and must directly address the need identified in Step 2.

Only investments that meet these criteria will be counted toward achieving the statutory investment minimums identified for priority populations. Administering agencies can fund projects that otherwise provide meaningful benefits, but do not meet these criteria; however, those projects will not be counted toward priority population investment minimums.

## **Attachment 4: California Transportation Commission – Transit and Intercity Rail Capital Program Allocation Policy Resolution G-20-61**

*[This policy is currently under review for potential revisions that will apply to allocations after the point of adoption.]*

### **CALIFORNIA TRANSPORTATION COMMISSION TRANSIT AND INTERCITY RAIL CAPITAL PROGRAM ALLOCATION POLICY Resolution G-20-61**

In accordance with Public Resources Code 75220(C), the California Transportation Commission (Commission) shall allocate funding to applicants pursuant to the program of projects approved by the California State Transportation Agency (CalSTA) for the Transit and Intercity Rail Capital Program. The Commission recognizes that the approved program of projects is expressed in more detail with regards to project component, phase and fiscal year of implementation in the Transit and Intercity Rail Capital Program Allocation Plan (which is regularly updated as approved projects progress through development). These two documents are collectively referred to here as the “Program.” Allocations made by the Commission follow the timely use of funds provisions that are consistent across all funding programs under the Commission’s purview.

To provide consistency in the programming of state transportation funds, the total award to each project component should be listed in the Transit and Intercity Rail Capital Program in the fiscal year(s) in which the project component will be implemented. If a project is expected to require multiple contracts for any component, each contract should be programmed separately. All project allocation requests that come before the Commission must be consistent with the Program.

The following describes how the Commission intends to manage Transit and Intercity Rail Capital Program allocations:

1. Allocations will be made to the full programmed amount for each project component. If a project will require multiple construction contracts, allocations will be made to the full programmed amount for each contract. The Commission will consider the allocation of funds for a project when it receives an allocation request with a recommendation from the California Department of Transportation (Caltrans). The recommendation should include a determination of project readiness, the availability of appropriated Transit and Intercity Rail Capital Program funding, and the availability of all other committed funding. Funds allocated for project development or right-of-way costs must be expended by the end of the fiscal year of allocation plus two additional fiscal years, unless a longer time-frame is requested at the time of allocation or the Commission approves a time extension subsequent to the allocation. Allocations for award are valid for six months from the date of allocation unless otherwise indicated at the time of allocation or the Commission approves a time extension subsequent to the allocation. For funds allocated for construction, including rolling stock procurement, the implementing agency has up to 36 months after the award of a contract, to complete (accept) the contract unless a longer time-frame is requested at the time of allocation or the Commission approves a time extension subsequent to the allocation. The implementing agency must submit a final invoice to Caltrans no later than 180 days after contract acceptance.
2. The Commission will approve the allocation if the funds are available and the allocation is necessary to implement the project or project component included in CalSTA’s approved 5-Year Transit and Intercity Rail Capital Program. For projects that are ready to advertise, the Commission expects Caltrans to certify that a project’s plans, specifications and estimates are complete, environmental and right-of-way clearances are secured, and all necessary permits and agreements (including railroad construction and maintenance) are executed. For the procurement of rolling stock, the Commission may consider the

exercising of an option or the certification of funds for contract elements as meeting the milestone for contract award provided that the agency is under no contractual obligation to pay any funds or penalty if the option is not exercised or the funds not certified. Construction allocations for projects or project components not ready for advertisement will not be placed on the Commission's agenda for allocation approval. In compliance with Section 21150 of the Public Resources Code, the Commission will not allocate funds for design, right-of-way, or construction prior to documentation of environmental clearance under the California Environmental Quality Act. As a matter of policy, the Commission will not allocate funds for design, right-of-way, or construction of a federally funded project prior to documentation of environmental clearance under the National Environmental Policy Act. The implementing agency must not award the contract for a project or project component until the Commission has allocated the funds for the project. Any changes to the scope of a project or project component after the allocation of funds to the project or project component must be approved in advance by the Commission.

3. CalSTA may change the timeline for the allocation of a project component based on changes in project delivery needs. These changes will be communicated in updates to the Program. The Commission may grant the extension of a deadline for award of a contract, for expenditures for project development or right-of-way, for project completion, and for project reimbursement. The Commission may grant a deadline extension if it finds that an unforeseen and extraordinary circumstance beyond the control of the agency has occurred that justifies the extension. The extension will not exceed the period of delay directly attributable to the extraordinary circumstance, and in no event will be longer than 20 months. All requests for project delivery deadline time extensions shall follow the Caltrans time extension process in order to be included in the Commission's agenda. The extension request should describe the specific circumstance that justifies the extension and identify the delay directly attributable to that circumstance. Caltrans will review all time extension requests and make a recommendation to the Commission for approval.
4. Caltrans is responsible for managing the cash flow needed to match the Transit and Intercity Rail Capital Program's resources to projects or project components that have received Commission allocations, in accordance with the terms of CalSTA delegated authority and approval.
5. After allocation, Caltrans is responsible for managing project delivery and reimbursements in cooperation with the implementing agencies, in accordance with the terms of CalSTA delegated authority and approval.

## **Attachment 5: CAPTI Alignment Metrics Technical Documentation**

Draft technical documentation for the CSIS CAPTI Alignment Metrics can be found [here](#). The final version will be available shortly and will be linked here.

## **Attachment 6: CSIS Considerations in TIRCP**

A brief memo describing CSIS considerations unique to TIRCP is forthcoming and will be attached here when the final Guidelines are released. These considerations will include:

- Which CAPTI Alignment metrics are most applicable to TIRCP,
- How these metrics should be interpreted in the context of TIRCP,
- How projects with missing data are treated.