

SCCRTC Discretionary Fund Descriptions for the 2023 Consolidated Call for Projects

The SCCRTC is responsible for selecting projects to receive certain state and federal funding sources. The following is a summary of fund sources the SCCRTC will be programming in December 2023. Additional information about each funding source can be found in the state and federal guidelines linked at the end of each section.

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State Transportation Improvement Program (STIP)

Background: Since approval of Senate Bill 45 in 1997, regions have received 75% of STIP funds by formula for projects approved by the Regional Transportation Planning Agency (RTPA) – RTC in Santa Cruz County. Criteria for use of the funds and final approval and allocation of funds is set by the California Transportation Commission (CTC). The CTC finalized the [2024 STIP Guidelines](#) on August 17th, 2023. Prior to 1998, the CTC focused most of the funds on state highway and interregional rail projects.

Available funds: \$8.6 million (target) through FY28/29; this includes \$430,000 (5%) available for the RTC's state-mandated planning, programming, and monitoring (PPM) activities.

Eligible applicants: Governmental entities implementing eligible activities, including RTC, Caltrans, cities, counties, METRO.

Eligible uses:

- Projects that meet eligibility requirements for funds from the State Highway Account, in accordance with Article XIX of the California Constitution, can receive STIP funds.
- Capital projects (including project development costs). These projects generally may include, but are not limited to, improving State highways, local roads, public transit (including buses), intercity rail, pedestrian and bicycle facilities, grade separations, transportation system management, transportation demand management, soundwalls, intermodal facilities, and safety.
 - Rail rolling stock and buses may be funded only from the Federal revenues.
- Non-capital costs for transportation system management (TSM) or transportation demand management (TDM) may be included where the regional agency finds the project to be a cost-effective substitute for capital expenditure.
- RTC project planning, programming, and monitoring (5%): this includes preparation of the RTIP, RTP, coordination with Caltrans on highway projects, etc.
- Not eligible: Road and transit maintenance

Though the RTC is responsible for selecting projects to receive the region's share of STIP funds, the CTC makes the final decision on whether projects are included in the STIP and in what year. The CTC is increasingly taking into account how effectively projects promote a variety of performance metrics, address climate readiness, and mitigate greenhouse gas emissions. Furthermore, the CTC has indicated that projects that increase vehicle miles traveled will need to provide justification and demonstrate other projects will reduce VMT.

Timing: The RTC's proposal for STIP funds is due to the California Transportation Commission (CTC) by December 15, 2023. Funds are available through June 30, 2029, and are subject to strict use-or-lose schedule deadlines.

[2024 STIP Guidelines](#)

Surface Transportation Block Grant Program (STBG)

Regional Surface Transportation Program Exchange (RSTPX)

Background: The STBG program (sometimes referred to as RSTP and STP) is established through the federal transportation act, with criteria set by FHWA and Caltrans Local Assistance guidance, and RTC Rules and Regulations. As a smaller county in California, the state usually allows RTC to exchange the federal STBG funds for state RSTPX. Following a performance audit of several regional agencies, FHWA informed regions that they are not allowed to sub-allocate the funds by formula to certain agencies or modes and that a performance-based evaluation should be used to select projects to receive these and other funds.

Available Funds: Approximately **\$17.4 million in STBG/RSTPX** is available for programming projects in Santa Cruz County through FY25/26. In addition to these funds, the County of Santa Cruz receives \$224,813 of the region's share of RSTPX funds directly each year, as set forth in state statute.

Eligible applicants: Governmental entities implementing eligible activities, including RTC, Caltrans, cities, counties, UCSC, METRO, Cabrillo, and non-profits with a master agreement with Caltrans or with a public agency sponsor – such as Community Bridges, Ecology Action, Bike Santa Cruz County, Community Traffic Safety Coalition, etc.

Eligible projects and activities: Funds must be used for projects as defined in Article XIX-- Motor Vehicle Revenues of the California State Constitution or in Sections 133(b) and 133(c) of Title 23-Highways of the United States Code (U.S.C.). Only direct project-related costs are eligible. Local agency overhead and other non-direct charges are ineligible.

- a. Location of Projects (See 23 U.S.C. 133(c)):** STBG projects may not be undertaken on a road functionally classified as a local road or a rural minor collector unless the road was on a Federal-aid highway system on January 1, 1991, except—
 - (1) For a bridge or tunnel project (other than the construction of a new bridge or tunnel at a new location);
 - (2) For a project described in 23 U.S.C. 133(b)(5)-(15) and (b)(23), and described below under "Eligible Activities" (b)(5) through (15) and (b)(23);
 - (3) For transportation alternatives projects described in 23 U.S.C. 101(a)(29) before enactment of the FAST Act (these are described in 23 U.S.C. 133(h), see Section N of this memorandum);
 - (4) For a bridge for the replacement of a low water crossing; and
 - (5) As approved by the Secretary.
 - (6) The definition of low water crossing is contained in 23 CFR part 650, subpart D supplementary guidance at: [Additional Guidance on 23 CFR \[part\] 650 \[subpart\] D](#) (See paragraph 3.b. of the supplementary guidance).

- b. Eligible Activities (See 23 U.S.C. 133(b)):** Subject to the location of projects requirements in paragraph a above, the following eligible activities are listed in 23 U.S.C. 133(b):
- (1) Construction, as defined in 23 U.S.C. 101(a)(4) as amended by the Bipartisan Infrastructure Law (BIL), of the following:
 - (A) Highways, bridges, and tunnels, including designated routes of the Appalachian Development Highway System and local access roads under 40 U.S.C. 14501.
 - (B) Ferry boats and terminal facilities:
 - That are eligible under 23 U.S.C. 129(c) as amended by the BIL, or
 - That are privately or majority-privately owned, that the Secretary determines provide a substantial public transportation benefit or otherwise meet the foremost needs of the surface transportation system described in 23 U.S.C. 101(b)(3)(D). **This eligibility was added by BIL.**
 - (C) Transit capital projects eligible under chapter 53 of title 49, U.S.C.;
 - (D) Infrastructure-based intelligent transportation systems capital improvements, including the installation of vehicle-to-infrastructure communication equipment;
 - (E) Truck parking facilities eligible under Section 1401 of MAP-21 (See 23 U.S.C. 137 note);
 - (F) Border infrastructure projects eligible under Section 1303 of SAFETEA-LU (See 23 U.S.C. 101 note); and
 - (G) Wildlife crossing structures. **This eligibility was added by BIL.**
 - (2) Operational improvements and capital and operating costs for traffic monitoring, management, and control facilities and programs. Operational improvement is defined in 23 U.S.C. 101(a)(19).
 - (3) Environmental measures eligible under 23 U.S.C. 119(g), 148(a)(4)(B)(xvii), 328, and 329, and transportation control measures listed in Section 108(f)(1)(A) (other than clause (xvi) of that section) of the Clean Air Act (See 42 U.S.C. 7408(f)(1)(A)).
 - (4) There is no longer a paragraph (4) in subsection (b).
 - (5) Highway and transit safety infrastructure improvements and programs, including projects eligible under 23 U.S.C. 130 and installation of safety barriers and nets on bridges. Not subject to the Location of Project requirement in 23 U.S.C. 133(c).
 - (6) Fringe and corridor parking facilities and programs in accordance with 23 U.S.C. 137 and carpool projects in accordance with 23 U.S.C. 146. Carpool project is defined in 23 U.S.C. 101(a)(3). Not subject to the Location of Project requirement in 23 U.S.C. 133(c).
 - (7) Recreational trails projects eligible under 23 U.S.C. 206 as amended by the BIL, including maintenance and restoration of existing recreational trails, pedestrian and bicycle projects in accordance with 23 U.S.C. 217 as

- amended by the BIL (including modifications to comply with accessibility requirements under the Americans with Disabilities Act of 1990 (See 42 U.S.C. 12101 et seq.)), and the Safe Routes to School Program under 23 U.S.C. 208 as amended by the BIL. Not subject to the Location of Project requirement in 23 U.S.C. 133(c).
- (8) Planning, design, or construction of boulevards and other roadways largely in the right-of-way of former Interstate System routes or other divided highways. Not subject to the Location of Project requirement in 23 U.S.C. 133(c).
 - (9) Development and implementation of a state asset management plan for the National Highway System (NHS) and a performance-based management program for other public roads. Not subject to the Location of Project requirement in 23 U.S.C. 133(c).
 - (10) Protection (including painting, scour countermeasures, seismic retrofits, impact protection measures, security countermeasures, and protection against extreme events) for bridges (including approaches to bridges and other elevated structures) and tunnels on public roads, and inspection and evaluation of bridges and tunnels and other highway assets. Not subject to the Location of Project requirement in 23 U.S.C. 133(c).
 - (11) Surface transportation planning programs, highway and transit research and development and technology transfer programs, and workforce development, training, and education under chapter 5 of title 23, United States Code. Not subject to the Location of Project requirement in 23 U.S.C. 133(c).
 - (12) Surface transportation infrastructure modifications to facilitate direct intermodal interchange, transfer, and access into and out of a port terminal. Not subject to the Location of Project requirement in 23 U.S.C. 133(c).
 - (13) Projects and strategies designed to support congestion pricing, including electronic toll collection and travel demand management strategies and programs. Not subject to the Location of Project requirement in 23 U.S.C. 133(c).
 - (14) Projects and strategies designed to reduce the number of wildlife-vehicle collisions, including project-related planning, design, construction, monitoring, and preventative maintenance. Preventive maintenance is defined in 23 U.S.C. 116(a). Not subject to the Location of Project requirement in 23 U.S.C. 133(c). **This eligibility was added by the BIL.**
 - (15) The installation of electric vehicle charging infrastructure and vehicle-to-grid infrastructure. Not subject to the Location of Project requirement in 23 U.S.C. 133(c). **This eligibility was added by the BIL.**
 - (16) The installation and deployment of current and emerging intelligent transportation technologies, including the ability of vehicles to communicate with infrastructure, buildings, and other road users. **This eligibility was added by the BIL.**

- (17) Planning and construction of projects that facilitate intermodal connections between emerging transportation technologies, such as magnetic levitation and hyperloop. **This eligibility was added by the BIL.**
- (18) Protective features, including natural infrastructure, to enhance the resilience of a transportation facility otherwise eligible for assistance under STBG. Natural infrastructure is defined in 23 U.S.C. 101(a)(17). **This eligibility was added by the BIL.**
- (19) Measures to protect a transportation facility otherwise eligible for assistance under STBG from cybersecurity threats. **This eligibility was added by the BIL.**
- (20) Upon request of a State and subject to the approval of the Secretary, if Transportation Infrastructure Finance and Innovation Act (TIFIA) credit assistance is approved for a STBG-eligible project, then the State may use STBG funds to pay the subsidy and administrative costs associated with providing Federal credit assistance for the projects.
- (21) The creation and operation by a State of an office to assist in the design, implementation, and oversight including conducting value for money analyses or similar comparative analyses, of public-private partnerships eligible to receive funding under title 23 and chapter 53 of title 49, United States Code, and the payment of a stipend to unsuccessful private bidders to offset their proposal development costs, if necessary to encourage robust competition in public private partnership procurements.
- (22) Any type of project eligible under 23 U.S.C. 133 as in effect on the day before the FAST Act was enacted (i.e., in effect on December 3, 2015). Among these are:
- (A) Replacement of bridges with fill material;
 - (B) Training of bridge and tunnel inspectors;
 - (C) Application of calcium magnesium acetate, sodium acetate/formate, or other environmentally acceptable, minimally corrosive anti-icing and deicing compositions for bridges (and approaches to bridges and other elevated structures) and tunnels;
 - (D) Projects to accommodate other transportation modes continue to be eligible pursuant to 23 U.S.C. 142(c) if such accommodation does not adversely affect traffic safety;
 - (E) Transit capital projects eligible for assistance under chapter 53 of title 49, United States Code, including vehicles and facilities (publicly or privately owned) that are used to provide intercity passenger bus service;
 - (F) Approach roadways to ferry terminals to provide access into and out of the ports;
 - (G) Transportation alternatives previously described in 23 U.S.C. 101(a)(29) and in 23 U.S.C. 213 (as in effect on the day before enactment of the FAST Act);

- (H) Projects relating to intersections having disproportionately high accident rates, high levels of congestion (as evidenced by interrupted traffic flow at the intersection and a level of service rating of "F" during peak travel hours, calculated in accordance with the Highway Capacity Manual), and are located on a Federal-aid highway;
 - (I) Construction and operational improvements for any minor collector if the minor collector and the project to be carried out are in the same corridor and in proximity to an NHS route; the construction or improvements will enhance the level of service on the NHS route and improve regional traffic flow; and the construction or improvements are more cost-effective, as determined by a benefit-cost analysis, than an improvement to the NHS route;
 - (J) Workforce development, training, and education activities discussed in 23 U.S.C. 504(e);
 - (K) Advanced truck stop electrification systems. Truck stop electrification system is defined in 23 U.S.C. 101(a)(34);
 - (L) Installation of safety barriers and nets on bridges, hazard eliminations, and projects to mitigate hazards caused by wildlife;
 - (M) Electric vehicle and natural gas vehicle infrastructure in accordance with 23 U.S.C. 137;
 - (N) Data collection, maintenance, and integration and the costs associated with obtaining, updating, and licensing software and equipment required for risk-based asset management and performance-based management, and for similar activities related to the development and implementation of a performance-based management program for other public roads;
 - (O) Construction of any bridge in accordance with 23 U.S.C. 144(f) that replaces any low water crossing (regardless of the length of the low water crossing); any bridge that was destroyed prior to January 1, 1965; any ferry that was in existence on January 1, 1984; or any road bridge that is rendered obsolete as a result of a Corps of Engineers flood control or channelization project and is not rebuilt with funds from the Corps of Engineers. Not subject to the Location of Project requirement in 23 U.S.C. 133(c); and
 - (P) Actions in accordance with the definition and conditions in 23 U.S.C. 144(g) to preserve or reduce the impact of a project on the historic integrity of a historic bridge if the load capacity and safety features of the historic bridge are adequate to serve the intended use for the life of the historic bridge. Not subject to the Location of Project requirement in 23 U.S.C. 133(c).
- (23) Rural barge landing, dock, and waterfront infrastructure projects in accordance with 23 U.S.C. 133(j) (See Section K of this memorandum). Not

subject to the Location of Project requirement in 23 U.S.C. 133(c). **This eligibility was added by the BIL.**

(24) Projects to enhance travel and tourism. **This eligibility was added by the BIL.**

The following activities are made eligible by other sections of 23 U.S.C.:

- (25) Public transportation projects: (i) as described in 23 U.S.C. 142(a)(1), (a)(2), (a)(3), and (c); and (ii) meeting the requirements contained in 23 U.S.C. 142.
- (26) Initiatives to halt the evasion of payment of motor fuel taxes as provided for under 23 U.S.C. 143(b)(8), including expenditure limitations.
- (27) Workforce development, training, and education activities under 23 U.S.C. 504(e).

Applicability of Planning Requirements (See 23 U.S.C. 133(d)(5)): Programming and expenditure of funds for projects shall be consistent with 23 U.S.C. 134 and 135, as amended by the BIL. Projects must be identified in the Statewide Transportation Improvement Program (STIP)/Transportation Improvement Program (TIP) and be consistent with the Long-Range Statewide Transportation Plan and the Metropolitan Transportation Plan(s) (See 23 U.S.C. 133(d)(5)). When obligating suballocated funding (discussed below), the State must coordinate with relevant metropolitan planning organizations (MPO) or rural planning organizations (See 23 U.S.C. 133(d)(3)). STBG projects for eligible planning purposes must be reflected in the statewide SPR work program or Metropolitan Unified Planning Work Program (See 23 CFR 420.111). Further, these projects must be in the STIP/TIP unless the State DOT or MPO agree that they may be excluded (See 23 CFR 420.119(e)).

Applicability of 23 U.S.C. 217(i) for Bicycle Projects: 23 U.S.C. 217(i) requires that bicycle facilities be principally for transportation, rather than recreation, purposes. However, 23 U.S.C. 133(b)(7) and 133(h) list “recreational trails projects” as eligible activities under STBG. Therefore, the requirement in 23 U.S.C. 217(i) does not apply to recreational trails projects (including for bicycle use) using STBG funds. Section 217(i) continues to apply to bicycle facilities other than trail-related projects, and Section 217(i) continues to apply to bicycle facilities using other Federal-aid highway program funds (e.g., NHPP, Highway Safety Improvement Program, and Congestion Mitigation and Air Quality Improvement Program). The transportation requirement under Section 217(i) is applicable only to bicycle projects; it does not apply to any other trail use or transportation mode.

Per [Caltrans Local Assistance Program Guidelines, Chapter 18:](#)

RSTPX funds are available for projects and to entities authorized under Article XIX of the California State Constitution and Section 182.6(d)(1) of the Streets and Highways Code.

Not eligible: Only direct project related costs are eligible. Local agency overhead and other non-direct charges are ineligible for STBG and RSTPX. Ongoing maintenance and operations are also ineligible.

Match: 11.47% non-federal

[BIL STBG Implementation Guidance \(05/22\)](#)

SB 1 Local Partnership Formula Funds (LPP-f)

Background: The RTC is responsible for selecting projects to receive a portion of the Local Partnership Program funds that are generated by Senate Bill 1 taxes and fees. The region's shares of LPP funds are relatively small in comparison to the STIP and STBG/RSTPX programs.

Available Funds: \$629,000 formula share of SB1-Local Partnership Program (LPP) funds available through FY 24/25.

Eligible Applicants: An eligible applicant under the Formulaic Program is a local or regional transportation agency that has sought and received voter approval of taxes, tolls, or fees which taxes, tolls, or fees are dedicated solely to transportation improvements. To be eligible, that agency must also administer those taxes, tolls, or fees.

Eligible uses: Eligible projects for the Local Partnership Program will be consistent with subdivisions (a) and (b) of Government Code Section 8879.70, and Streets and Highways Code Section 2032(a). The Commission encourages projects that align with the state's climate and equity goals as well as those that identify and incorporate the installation of conduit or fiber, where appropriate and feasible, along strategic corridors.

Eligible projects shall include all the following:

- A. Improvements to the state highway system including, but not limited to, all of the following:
 - Major rehabilitation of an existing segment that extends the useful life of the segment by at least 15 years;
 - New construction to increase capacity of a highway segment that improves mobility or reduces congestion on that segment; and
 - Safety or operational improvements on a highway segment that are intended to reduce accidents and fatalities or improve traffic flow on that segment.
- B. Improvements to transit facilities, including guideways, that expand transit services, increase transit ridership, improve transit safety, enhance access or convenience of the traveling public, or otherwise provide or facilitate a viable alternative to driving.
- C. The acquisition, retrofit, or rehabilitation of rolling stock, buses, or other transit equipment, including, but not limited to maintenance facilities, transit stations, transit guideways, passenger shelters, and fare collection equipment with a useful life of at least 10 years. The acquisition of vans, buses, and other equipment necessary for the provision of transit services for seniors and people

with disabilities by transit and other local agencies is an eligible project under this paragraph.

- D. Improvements to the local road system, including, but not limited to, the following:
- Major roadway rehabilitation, resurfacing, or reconstruction that extends its useful life by at least 15 years;
 - New construction and facilities to increase capacity, improve mobility, or enhance safety; and
 - Safety or operational improvements that are intended to reduce accidents and fatalities or improve traffic flow on that segment.
- E. Improvements to bicycle or pedestrian safety or mobility with an extended useful life.
- F. Improvements to mitigate the environmental impact of new transportation infrastructure on a locality's or region's air quality or water quality, commonly known as "urban runoff," including management practices for capturing or treating urban runoff.
- G. For purposes of the Local Partnership Program, a separate phase or stage of construction for an eligible project may include mitigation of the project's environmental impacts, including, but not limited to, sound walls, landscaping, wetlands or habitat restoration or creation, replacement plantings, and drainage facilities.
- H. Sound walls for a freeway that was built prior to 1987 without sound walls and with or without high occupancy vehicle lanes if the completion of the sound walls has been deferred due to lack of available funding for at least 20 years and a noise barrier scope summary report has been completed within the last 20 years.
- I. Road maintenance and rehabilitation.
- J. Other transportation improvement projects.

Match: LPP-funded projects are required to provide a 1-to-1 match of private, local, federal, or state funds.

2022 Local Partnership Formulaic Guidelines

SB-125 (2023) Transit Funding

The 2023 approved State budget provided two new formula funds for high-priority transit capital projects and transit operating expenses and the RTC (as the RTPA for Santa Cruz County) is now responsible for selecting projects to receive these funds.

- \$4 billion statewide in **Transit and Intercity Rail Capital Program (TIRCP)**. The funds will be distributed by population-based formula to RTPAs. This new TIRCP investment will be funded by the General Fund and permitted to be used for transit capital projects and operations. Approximately \$27.3 million is available for Santa Cruz County.
- \$1.1 billion **Zero Emission Transit Capital Program (ZETCP)**. The funds will be distributed by population and revenue-based STA formulas to RTPA's. This program is funded from Cap & Trade revenues and permitted to be used for zero emission transit equipment and operations. Approximately \$7 million is available for Santa Cruz County.

Transit and Intercity Rail Capital Program (TIRCP) Policy Objectives:

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

SB 125 Legislative Intent:

- Provide one-time multiyear bridge funding for transit operators to address operational costs until long-term transit sustainability solutions are identified.
- Assist transit operators in preventing service cuts and increasing ridership.
- Prioritize the availability of transit for riders who are transit dependent.
- Prioritize transit agencies representing a significant percentage of the region's ridership.

SB 125 also includes an accountability program to govern the distribution of these funds. This includes a requirement to submit to the state for approval short- and long-term financial plans and regularly updated transit operator data, in addition to other accountability measures.

SB 125: Transit and Intercity Rail Capital Program (TIRCP)

Background: The RTC is responsible for selecting projects to receive a portion of the new TIRCP investment that is funded by the General Fund.

Available Funds: Approximately **\$27.3 million** are available through FY 24/25.

Eligible Applicants: For Capital Projects: Public Agencies that are eligible to receive Transit and Intercity Rail Capital Program (TIRCP) capital funding. Includes:

- Local municipalities that operate transit service, construction authorities, transportation authorities, and other similar public entities created by statute.
- 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).

For Operations: Transit operators that are eligible to receive State Transit Assistance (STA) funding through Section 99314.

Eligible uses: Must demonstrate a reduction in greenhouse gas emissions and an increase in ridership. Project eligibility similar to TIRCP Cycle 6:

- New Projects -All traditional TIRCP project types are eligible.
- Existing Projects -Projects that have previously received TIRCP awards may receive additional funding to obtain or maintain funds from federal, state or local sources.
- Major Projects Project Development -Projects that are pursuing a Capital Investment Grant through FTA or be part of a pursuit of FRA funding through the Corridor Identification Program
- Transit operations.

Eligible Projects: To be eligible for TIRCP capital project funding under this program, a capital project must demonstrate that it will achieve a reduction in greenhouse gas emissions using the relevant sections of the ZETCP Quantification Methodology. 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, 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:
 - 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)
 - projects enabling or enhancing shared-use corridors (both multi-operator passenger only corridors as well as passenger-freight corridors)
 - related planning efforts focused on, but not limited to, delivery of integrated service not requiring major capital investment, such as transit route and schedule integration (or coordination)
 - 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 micro transit services operated as public transit and first-/last-mile solutions), 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 implementing transit effectiveness studies that will contribute to restructured and enhanced service.

Other eligible projects:

- 5) Grade separations and grade crossing improvements on passenger rail corridors or related to transit projects.
- 6) Projects related to mitigating the impacts on freight rail services that are caused by growth in passenger rail.
- 7) Projects that link housing with key destinations and that improve accessibility to economic opportunities.
- 8) Demonstration projects that are smaller-scale efforts with great potential to be expanded.
- 9) New approaches to attracting increased ridership such as smart phone mobile ticketing, contactless payment, or other software and hardware solutions.
- 10) Research, development, and testing of emerging technologies.
- 11) Clean fleet, facility and network improvement projects.

- 12) Support projects that have previously received a TIRCP award and require an additional infusion of resources to deliver the original scope.
- 13) Any project awarded funds in Cycle 6 that pledged to use future TIRCP formula funds as match.
- 14) Transit operating expenses that prevent service cuts and increase ridership, including those related to ensuring safety and state of good repair of the vehicles and infrastructure necessary to operate service, as well as those that pay for free and reduced fare programs.
- 15) Planning expenses related to implementation of ridership recovery and retention strategies.

Additional Requirements: Please note that within such capital projects, except for projects that are in the federal pipeline for major projects project development, the projects funded must result in construction being completed, as is required under traditional TIRCP funding.

Match: No minimum match requirement for this funding source. SB 125 funds may be used as matching funds for future TIRCP discretionary grant applications.

[See Final guidelines for more information \(9/30/23\)](#)

Zero Emission Transit Capital Program (ZETCP)

Background: The RTC is responsible for selecting projects to receive a portion of the new ZETCP investment that is funded by the Public Transportation Account (PTA) and Greenhouse Gas Reduction Fund (GGRF).

Available Funds: Approximately **\$7 million** available through FY 26/27.

Eligible Applicants: For Capital Projects: Public Agencies that are eligible to receive Zero Emission Transit Capital Program (ZETCP) capital funding. Includes:

- Local municipalities that operate transit service, construction authorities, transportation authorities, and other similar public entities created by statute.
- 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).

For Operations: Transit operators that are eligible to receive State Transit Assistance (STA) funding through Section 99314.

Eligible Projects: To be eligible for Zero Emission Transit Capital Program (ZETCP) capital project funding under this program, a capital project must demonstrate that it will achieve a reduction in greenhouse gas emissions using the relevant sections of the ZETCP Quantification Methodology. It must also demonstrate an increase in ridership.

- Clean fleet, facility and network improvement projects that include, but are not limited to:
 - Replacing aging transit vehicle fleets with zero emission vehicles (heavy- and light-rail vehicles, buses, and other ZEVs used for transit service).
 - Associated fueling or charging infrastructure.
 - Facility modifications
- Zero Emission Mobility Programs, in lieu of Zero Emission Vehicle purchase, in compliance with Innovative Clean Transit Regulation Section 2023.5.
- Transit operations expenditures that prevent service reduction or elimination to maintain or increase transit ridership. Includes expenditures related to:
 - Safety and state of good repair of the vehicles and infrastructure necessary to operate service.
 - Free and reduced fare programs.
- Planning expenses related to implementation of ridership recovery and retention strategies.

Additional Requirements: GGRF funding must be spent in a manner that complies with CARB's GGRF Funding Guidelines.

- Semi-annual benefits reporting
- Identification of benefits to priority populations (form attached)
- submission of information described in the ZETCP Quantification Methodology

Match: No minimum match requirement for this funding source. SB 125 funds may be used as matching funds for future TIRCP discretionary grant applications.

[See Final guidelines for more information \(9/30/23\)](#)