



BAY AREA
AIR QUALITY
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DISTRICT

Transportation Fund for Clean Air Regional Fund Policies and Evaluation Criteria for FYE 2023

Public Webinar

February 8, 2022

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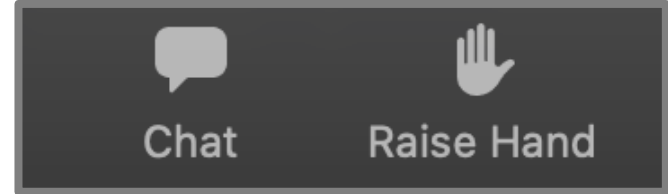


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Webinar Information

This webinar is being recorded

A copy of this presentation will be posted online.



Share feedback:

- ▶ **Online Form** tool: to provide feedback. Form available at <http://www.baaqmd.gov/TFCARegional>
- ▶ **Chat** tool: to write questions to the host
- ▶ **Raise Hand** tool: to be given a turn to unmute yourself and verbally ask questions



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Overview

1. Background

- Bay Area Air Quality Management District (Air District)
- Transportation Fund for Clean Air (TFCA)

2. FYE 2023 TFCA Regional Fund Policies and Evaluation Criteria

- Process of Updating the Policies
- General Policies
- Project-specific Policies
- Evaluation Criteria

3. Schedule

4. Public Comment Process & Questions



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Introduction and Background

Bay Area Air Quality Management District (Air District):

- Established in 1955
- Nine Bay Area Counties
- Seven Million Residents
- 5,340 square miles

Mission:

“To protect and improve public health, air quality, and the global climate.”

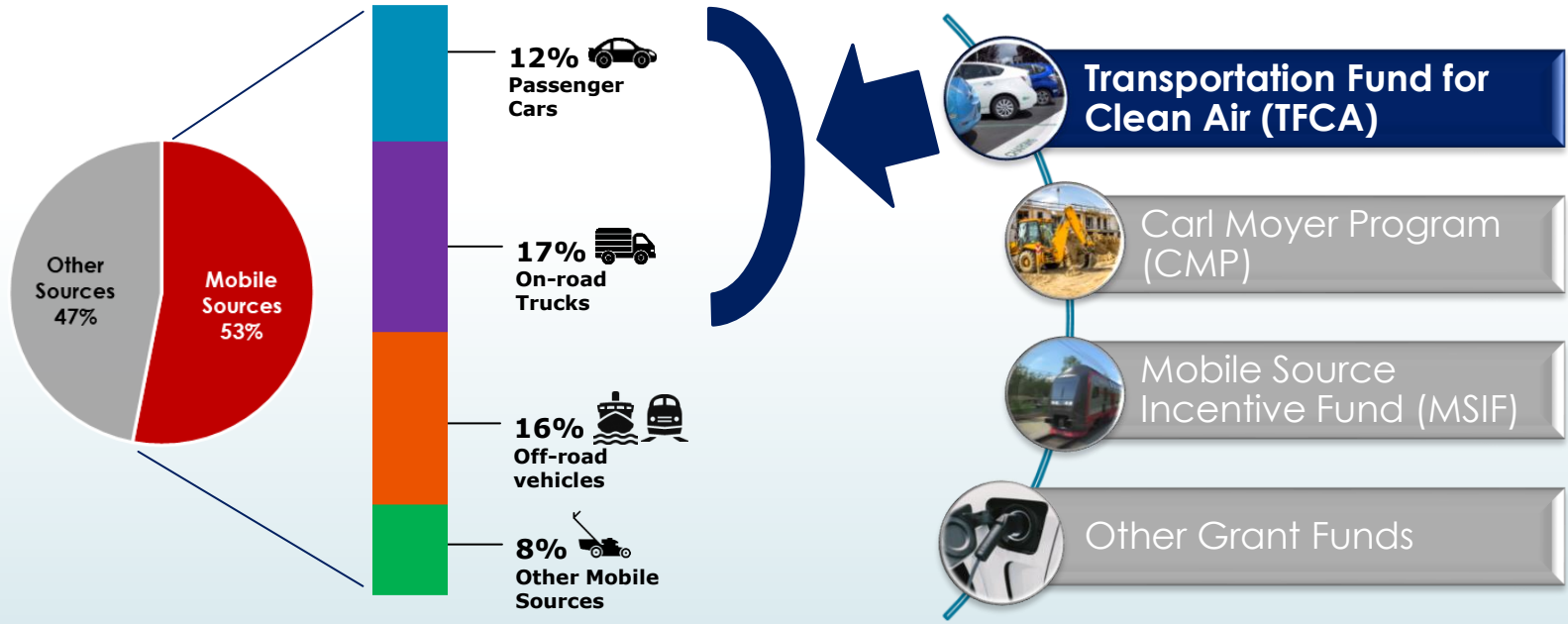




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Sources of Bay Area Criteria Pollution

2015 Total: 667 tons of pollution/day

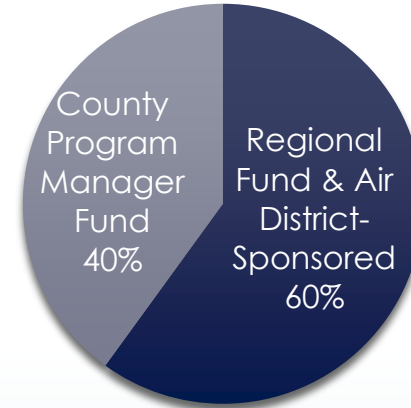




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Transportation Fund for Clean Air (TFCA)

- \$4 DMV surcharge
- 60% awarded directly by the Air District (Regional Fund & Air District Sponsored Programs)



Trip Reduction			Clean Air Vehicle Projects
Existing Last-Mile Commuter Connections	Pilot Trip Reduction	Bicycle Facilities	
			



Process for updating TFCRA Regional Fund Policies

► Updated annually:

- Initial draft revisions proposed by Air District
- Feedback and input gathered from stakeholders
- Draft policies updated and recommended to the Air District Board of Directors for adoption

► Website:

<http://www.baaqmd.gov/TFCRARegional>

TFCRA Regional Fund

Learn more about the Transportation Fund for Clean Air Regional Fund and Air District sponsored programs and explore funding opportunities for clean air vehicles and trip reduction projects.

UPDATED 1/31/2022

New:

Public comment period is open for the TFCRA Regional Fund Policies for FYE 2023 until March 3, 2022, and a webinar is scheduled for February 8, 2022.

Background

Vehicle emissions contribute to unhealthy levels of ozone, also known as "smog," and particulate matter.

In the Bay Area, tailpipe emissions from the transportation sector account for approximately 40 percent of the criteria air pollutants and greenhouse gases, or GHGs, emitted. Significant emissions reductions from the on-road transportation sector are key to helping the Bay Area attain state and federal ambient air quality standards and GHG emission reduction targets.

In 1991, the California State Legislature authorized the Air District to impose a \$4 surcharge on cars and trucks registered within the Air District's jurisdiction to provide grant funding to eligible projects that reduce on-road motor vehicle emissions. The statutory authority for the Transportation Fund for Clean Air, or TFCRA, and requirements of the program are set forth in California Health and Safety Code Sections 44241 and 44242.

Sixty percent of TFCRA funds are awarded by the Air District through the TFCRA Regional Fund, and to eligible programs implemented directly by the Air District, referred to as Air District-sponsored



Organization of TFCA Policies and Evaluation Criteria

TFCA Policy #	Policy Description
1 – 21	General Policies*
22 – 27	Clean Air Vehicle Project Policies
28 – 33	Trip Reduction Project Policies
	Regional Fund Evaluation Criteria

*General Policies apply to all project types

TFCA REGIONAL FUND POLICIES AND EVALUATION CRITERIA FOR FYE 2023~~2~~

The following policies apply to the Bay Area Air Quality Management District's (Air District) Transportation Fund for Clean Air (TFCA) Regional Fund for fiscal year ending (FYE) 202~~2~~³.

BASIC ELIGIBILITY

- 1. Eligible Projects:** Only projects that result in the reduction of motor vehicle emissions within the Air District's jurisdiction are eligible. Projects must conform to the provisions of the California Health and Safety Code (HSC) sections 44220 et seq. and Air District Board of Directors adopted TFCA Regional Fund Policies and Evaluation Criteria.

Projects must achieve surplus emission reductions, i.e., reductions that are beyond what is required through regulations, contracts, and other legally binding obligations at the time the Air District executes the project's funding agreement.

- 2. TFCA Cost-Effectiveness:** Projects must not exceed the maximum cost-effectiveness (C-E) limit specified in Table 1, except for projects that are being co-funded by other Air District-administered programs (e.g., Carl Moyer Program). Emissions benefits for co-funded projects may be reported under other Air District-administered programs. Cost-effectiveness (\$/weighted ton) is the ratio of TFCA funds awarded to the sum of surplus emissions reduced, during a project's operational period, of reactive organic gases (ROG), nitrogen oxides (NOx), and weighted PM10 (particulate matter 10 microns in diameter and smaller).

Table 1: Maximum Cost-Effectiveness for TFCA Regional Fund Projects

Policy #	Project Category	Maximum C-E (\$/weighted ton)
22	On-Road Truck Replacements	\$90,000
23	On-Road Light- and Medium-Duty Zero- and Partial-Zero- Emissions Vehicles	\$500,000
24	On-Road Heavy-Duty Zero- and Partial-Zero- Emissions Trucks and Buses	\$500,000
25	Hydrogen Stations	\$500,000/A*
26	Electric Vehicle Charging Infrastructure	\$500,000/A*
27	Vehicle Scrapping	\$50,000
28	Existing Last-Mile Commuter Connections	Evaluated as part of the Spare the Air Program
29	Pilot Trip Reduction	\$500,000
30	Existing Regional Ridesharing Services	Evaluated as part of the Spare the Air Program
31	Bicycle Parking	\$250,000
32	Bikeways	\$500,000
33	Infrastructure Improvements for Trip-Reduction	\$500,000

* These projects provide electric vehicle charging/hydrogen refueling infrastructure needed to enable emission reductions from electric and fuel cell electric vehicles. To maximize emissions reductions and public health benefits, projects will be evaluated based on project characteristics including, but not limited to, cost of the project, anticipated equipment usage, and anticipated benefits to environmental justice communities and communities highly impacted by air pollution but shall not be subject to a maximum cost-effectiveness limit.



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Policy # 1: Eligible Projects

Projects must achieve surplus emission reductions.

i.e., Reductions that are beyond what is required through regulations, contracts, and other legally binding obligations at the time the Air District executes the project's funding agreement.

Required in
legislation



Policy #2: Maximum Cost-effectiveness

Cost-Effectiveness is the ratio of TFCA funds awarded to the sum of surplus emissions reduced over the project operational period.

- Reactive organic gases (ROG)
- Oxides of nitrogen (NOx)
- Particulate matter (PM₁₀), non-exhaust
- Weighted PM₁₀, exhaust

Draft Revision:

Waive cost-effectiveness limit for ZEV infrastructure projects (policies 25 & 26)

$$CE = \frac{\text{TFCA Funds Awarded}}{\text{Tons of NOx + ROG + PM}_{10 \text{ [other]}} + (\text{PM}_{10 \text{ [exhaust]}} \times 20) \text{ reduced}}$$



Policy #8: Readiness

Projects must commence by the end of 2023 or within 24 months from date of funding agreement execution, whichever is later

Draft Revision:

- Continue to provide an additional 12 months for projects to start for a total of 24 months



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Clean Air Vehicle Projects

Projects that accelerate the adoption of zero-emission technologies for *compliant fleets* or facilitate the permanent retirement of highly-polluting vehicles of *all types*

Draft Revision:

- Combined policy #23 and #24 into one category



#22 – On-Road Truck Replacements

#23 – Zero- & Partial-Zero-Emissions Vehicles



#24 – Reserved

#25 – Hydrogen Stations



#26 – Electric Vehicle Charging Infrastructure

#27 – Vehicle Scrapping





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Trip Reduction – Service Projects

Facilitate first- and last-mile connections to reduce commute-hour single-occupancy vehicle trips

Draft Revision:

- Delete outdated language for clarity, #28

#28 – Existing Last-Mile Commuter Connections



#29 – Pilot Trip Reduction



#30 – Existing Regional Ridesharing Services





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Trip Reduction Projects - Bicycle Projects

Facilitate access to bicycle roadways and parking to reduce single-occupancy trips

No proposed changes



#31 – Bicycle Parking



#32 – Bikeways



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Trip Reduction Projects – Infrastructure Improvements

Projects expand access to alternative transportation modes through the design and construction by local agencies of physical improvements that support development projects

No proposed changes



#33 –
Infrastructure
Improvements for
Trip-Reduction



Evaluation Criteria

Evaluation of projects will be conducted by Air District staff

- ▶ Applicants & projects must meet all applicable program requirements
- ▶ Applications may be evaluated on either a first-come, first-served basis and/or ranked competitively based on cost-effectiveness
- ▶ Funding prioritized for projects in Highly Impacted Communities (CARE and AB617) and Priority Development Areas (PDAs)

No proposed
changes



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Schedule

January 31, 2022	Draft Policies Issued for Public Comment
February 8, 2022	Informational Webinar
4:00 PM PST on March 3, 2022	Public Comment Period Closes
April 28, 2022 (tentative)	Mobile Source & Climate Impacts Committee Meeting
May 4, 2022 (tentative)	Board of Directors Meeting



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Open for Comments

**Comments Due: March 3, 2022
(at 4:00 PM PST)**

Link to the [online comment form](#) is on the Regional Fund website



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Thank You

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