



SACOG Board of Directors

October 13, 2005

Transportation Demand Management Funding Program Guidelines

Issue: Guidelines for SACOG's Transportation Demand Management Program have been updated by staff, in consultation with the TDM Task Force, in preparation for the next round of federal funding.

Recommendation: The Transportation & Air Quality Committee recommends that the Board approve the attached revised guidelines.

Committee Action/Discussion: The Transportation & Air Quality Committee is interested in seeing an evaluation of SACOG's TDM outreach partners as well as the TDM program as a whole. An upcoming issue paper on transportation demand management will highlight the contribution made to the regional transportation system by this program.

In September 2003, the Board of Directors approved guidelines for four new funding programs (Community Design Program, Air Quality, Bicycle/Pedestrian, and Transportation Demand Management). The programs were established to advance the priorities of the Metropolitan Transportation Plan for 2025. The guidelines were used for a round of federal funding that covered federal fiscal years 2003-04 and 2004-05. Now that the new federal funding authorization has been passed and signed, SACOG will be programming another two years of funding, 2005-06 and 2006-07.

For the revised TDM guidelines, staff proposes that SACOG contract with an established set of TDM outreach partners (transportation management associations) in Sacramento, Yolo, Yuba, and Sutter Counties, instead of conducting a competitive process for TDM outreach funding, as was done in the first round of funding.

Consistent with Memoranda of Understanding between SACOG and the Placer County Transportation Planning Agency (PCTPA) and SACOG and the El Dorado County Transportation Commission (EDCTC), PCTPA and EDCTC staffs have agreed to recommend using part of their share of federal funds to support SACOG's Regional Rideshare Program as well as their own TDM outreach, in cooperation with SACOG. This agreement to cooperatively support regional TDM is made explicit in the guidelines.

Staff took drafts of the revised guidelines to the TDM Task Force, which recommends approval by the Board of Directors. Task Force comments are shown in Attachment A. Attachment B is the guidelines themselves.

Approved by:

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Attachments

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APPENDIX A
COMMENTS MADE ON THE FUNDING GUIDELINES

The TDM Task Force reviewed these guidelines and the main topic of discussion was how to allocate the Outreach Partner funding. After discussing proposals to split the \$600,000 evenly among all outreach partners (TMAs), or alternatively giving more funding to larger TMAs, it was decided by consensus that it is preferable to have all outreach partners meet together with SACOG and work out a fair division of the funding based on needs. This recommendation has been incorporated into the guidelines.

A major topic for discussion at the TDM Task Force has been that since the last round of funding there are more outreach partners that would like to participate and contract with SACOG (seven in the last round, and an expected nine in this round). To accommodate the growing list of partners, SACOG is proposing that 50% of the \$1.2 million (\$600,000) go to outreach this time, as opposed to 40% of the \$1,000,000 (\$400,000) last time.

At its September 28, 2005 meeting, the Task Force recommended that the Board approve the draft TDM Funding Program Guidelines.

DRAFT
**GUIDELINES FOR
SACRAMENTO AREA COUNCIL OF GOVERNMENTS
TRANSPORTATION DEMAND MANAGEMENT FUNDING PROGRAM**

Draft Revision September 2005

INTRODUCTION

In July 2002, the Sacramento Area Council of Governments (SACOG) adopted the *Metropolitan Transportation Plan for 2025* (the MTP for 2025). This 23-year, \$22 billion plan for the region included four federally-funded programs to be used for regional transportation and related priorities that implement the goals of the Plan (Appendix A). The four programs, with 23-year funding amounts are:

- Air Quality \$180 million
- Bicycle and Pedestrian \$350 million
- Transportation Demand Management \$ 44 million
- Community Design \$500 million

When the MTP for 2025 was adopted, it was the intent of SACOG to continue these four regional funding programs into the foreseeable future in each successive MTP. Since the adoption of the MTP for 2025, SACOG has adopted several other MTPs, and the funding programs have been continued. Currently, the MTP 2027 is the plan that is operable in the SACOG Region.

These guidelines pertain only to the Transportation Demand Management (or TDM) Funding Program. The other three programs each have a separate set of guidelines that are consistent with these, and the intent is to coordinate all four programs with a joint recommendation for funding presented to the SACOG Board of Directors.

The timing of funding rounds is dependent on the availability of federal funding, and can't always be predicted far in advance. A schedule for the federal fiscal years 2005-06 and 2006-07 has been established and is included in Appendix B.

For the Community Design, Bicycle and Pedestrian, and Air Quality Funding Programs, public agencies are given the opportunity to apply for grants. The TDM Program differs because was established to support SACOG's TDM (or Rideshare) Program, including contracts with SACOG's established list of outreach partners. As a consequence, the TDM Program is not open to applications from local agencies.

For Placer and El Dorado Counties, federal funding for TDM (and the other funding programs) is governed by Memoranda of Understanding between the Placer County Transportation Planning Agency and SACOG and the El Dorado County Transportation Commission. Please refer to Appendix C for an explanation of how federally-funded projects are approved in those counties.

SACOG, EDCTC, and PCTPA staffs have agreed to a process for funding the TDM program, consistent with the MOU that is detailed below.

FUNDING SOURCES

Financial support for the TDM program will come from federal funding sources expected to be available to the region. The SACOG Board of Directors will approve the amount allocated to the program in each funding round, according to long-term Metropolitan Transportation Plan and the agency's immediate priorities. For the funding round that covers 2005/06 and 2006/07, SACOG is planning to allocate \$1,200,000 for TDM, although the final amount could differ.

The federal funding source that SACOG uses for TDM is called Congestion Mitigation and Air Quality, or CMAQ, a program that was first established in the early 1990s with the enactment of the Intermodal Surface Transportation Efficiency Act (or ISTEA). The recently-approved federal funding reauthorization, SAFETEA-LU¹, continues the CMAQ program with similar requirements for these funds. Since the provision of a regional rideshare program is a transportation control measure (or TCM) mandated for the region by federal air quality requirements, this TDM program an appropriate use of CMAQ funds.

Because SACOG is the applicant and recipient of all of the CMAQ funds for the TDM Program, SACOG is responsible to show matching funds, which are 11.47% of total costs. However, because outreach partners will be receiving TDM funding through contracts with SACOG, SACOG is allowed to count non-federal outreach partner revenues (such as membership dues) toward the match.

IMPLEMENTATION

For TDM, as well as for the other funding programs, SACOG will:

- Follow all federal funding requirements listed in Appendix D.
- Follow all federal environmental justice directives.
- Assure SACOG that the projects meet the requirements of the Americans with Disabilities Act.
- Follow SACOG's "Use It or Lose It" policy for obligating and spending the grant funds. The policy requires project sponsors to schedule fund obligation and project implementation in the *Metropolitan Transportation Improvement Program* and to honor that schedule.
- A local non-federal match of at least 11.47% of the total cost of a project is required for projects receiving federal funding in the Sacramento region, with a few exceptions that are detailed under the individual program guidelines. This does not include "in kind" match, but must be funding that is dedicated to eligible features within the project and included in its overall cost. In the case of the TDM Program, SACOG and its outreach partners show that local non-federal match requirements are met.

¹ SAFETEA-LU is "Safe Accountable Flexible Efficient Transportation Equity Act: A Legacy for Users."

TDM GOAL

The goal for SACOG's Transportation Demand Management (TDM) Program is to promote strategies that can lower the demands made on the road and highway system and improve air quality. The program focuses on the promotion of carpooling, vanpooling, public transit, bicycling and walking, primarily -- but not exclusively -- by people commuting to jobs in the SACOG 6-county region.

TDM not only promotes better usage of the regional transportation infrastructure, but SACOG's Rideshare Program is also considered a Transportation Control Measure (TCM) in the 1984 State Implementation Plan for Air Quality for the Sacramento air basin. As a TCM, the Rideshare Program is required by federal law as long as the air basin is "nonattainment" for ozone pollution.

SACOG's main advisory group for TDM, The TDM Task Force, has developed plans to guide the TDM effort in the Sacramento region, including the *Short-Range Transportation Demand Management Marketing Plan 2005 – 2008*. SACOG currently operates the regional rideshare database and performs marketing activities that promote TDM strategies to the public.

OUTREACH PARTNERS

SACOG also works with TDM Outreach Partners, a group of Transportation Management Associations (TMAs) and other organizations that perform or promote TDM services directly to employers, employees and residents in the region. According to a staff agreement between SACOG, El Dorado County Transportation Commission, and Placer County Transportation Planning Agency, Outreach Partners serving Placer and El Dorado County will be considered "Associate Outreach Partners" because they are funded separately from Outreach Partners in Sacramento, Yolo, Yuba, and Sutter Counties. They have agreed to participate in SACOG TDM outreach program, but are responsible to PCTPA and EDCTC, not to SACOG.

These guidelines apply to both the SACOG Rideshare Program as well as those of the Outreach Partners from Sacramento, Yolo, Yuba, and Sutter Counties.

For the first federal funding round under this program, covering federal fiscal years 2003/04 and 2004/05, SACOG allocated \$1 million -- \$600,000 for SACOG and \$400,000 for seven Outreach Partners. This amount was slightly higher than what was previously spent on TDM activities from funding sources controlled by SACOG. For federal fiscal years 2005/06 and 2006/07, SACOG proposes to support the program with \$1.2 million of federal dollars, a 20% increase. The federal reauthorization has recently been signed into law, and SACOG will be programming its federal funding in the near future. If the programmed amount for TDM is higher or lower than \$1.2 million, adjustments need to be made to these guidelines.

In 2005/06 and 2006/07 SACOG will continue to provide the regionwide Rideshare Program services and sign contracts with Outreach Partners for outreach services. These partners directly serve employers and their employees (and for some areas, residents as well) and are able to

extend the reach of the program more effectively to the area's commuters than a regional agency is able to do.

In Placer and El Dorado Counties, TDM will be supported in two ways:

- For the SACOG Regional Rideshare Program, these counties will pay their population-based fair share of the program out of their share of regional CMAQ funds.²
- For Outreach Partner work, El Dorado and Placer Counties will pay separately for the Associate Outreach Partners' activities with their own fair share of regional CMAQ funds. What this implies is that the outreach funding available for Sacramento, Yolo, Sutter, and Yuba County Outreach Partners is based on the population-based fair share of total outreach funding (total outreach funding minus Placer-El Dorado share).

PROGRAM STRATEGY AND ELIGIBLE USES

The 2005/2006-2006/07, \$1,200,000 budget for regional TDM will be divided as follows, for the listed activities:

A. \$600,000 to SACOG for the Rideshare Program -- rideshare database, 511 phone number and website, marketing programs, coordination, and evaluation

1. Provide rideshare and alternative mode information to the public through the 511 phone number and the www.sacregion511.org website. Maintain and enhance the website services.
2. Maintain contracts for third-party Internet-based rideshare and call center services.
3. Print program brochures and purchase incentive items to promote the program.
4. Staff a SACOG Rideshare information table at selected transportation fairs.
5. Staff or support the TDM Task Force, subcommittees, and working group meetings.
6. Conduct seasonal marketing and incentive campaigns, following the long-range and annual marketing plans.
7. Develop and monitor contracts with the Outreach Partners.
8. Respond to special situations with TDM marketing campaigns (for example, spiking gas prices)
9. Develop TDM evaluation tools, such as surveys or methodology, particularly important for mode split information.
10. Present an annual report to the SACOG Board of Directors.

SACOG includes its TDM activities in its annual Overall Work Program.

² Population is calculated based on the population of the 6-county region excluding the Tahoe Basin.

B. \$475,200 to be divided among the TDM Outreach Partners in Sacramento, Yolo, Yuba, and Sutter Counties to perform TDM services.³

This amount will be made available to all current outreach partners in the four counties for TDM purposes. The current partners⁴ are:

1. Sacramento Transportation Management Association (TMA)
2. Yolo TMA
3. North Natomas TMA
4. South Natomas TMA
5. McClellan Park TMA
6. Power Inn Business and Transportation Association
7. Point West TMA
8. 50 Corridor TMA (also supported by El Dorado County Transportation Commission)
9. Yuba-Sutter TMA

The funding available for each of the nine partners will be determined cooperatively among the partners and SACOG. After that determination is made and the SACOG Board of Directors has approved the programming, a simple sole-source contract between each outreach partner and SACOG will be signed, specifying that in order to receive funding, the partners meet the following requirements:

1. Provide a Guaranteed Ride Home program for members or constituents. Commuters using alternative modes at least 60% of the time who work for member organizations are covered by an emergency ride home program.
2. Generally, promote rideshare and other alternative mode information. Provide member organizations with alternative mode materials and information to promote at their worksites. On websites, place a 511 traveler information link in a prominent location.
3. Provide an annual TDM Services Plan that lists communications, events, promotional campaigns, promotional material and other required activities planned for the year. The format will be included in the contract.
4. Promote SACOG marketing campaigns among members. SACOG Rideshare staff follows a annual marketing plan for its campaigns and expects outreach organizations to inform and encourage members to participate in these campaigns. Announce the events in newsletters, e-mails, on website, and at Employee Transportation Coordinator (ETC), Board or worksite meetings.
5. Participate in and support the SACOG TDM Task Force, its subcommittees and working groups. An organizational representative must attend and participate in TDM Task Force

³ This amount does not include \$124,800 that is the Placer and El Dorado County fair share of the entire TDM outreach partner program (\$600,000 for the six-county region). Associate Outreach Partners in Placer County are the City of Roseville and the Placer County Transportation Planning Agency. Associate Outreach Partners in El Dorado County are the El Dorado County Transportation Commission and the 50 Corridor TMA (which is also supported by SACOG because it serves Sacramento County).

⁴ The list of partners is determined by SACOG, and includes organizations that are currently working in partnership with SACOG to promote TDM in Sacramento, Yolo, Yuba, and Sutter Counties.

- meetings and inform SACOG staff in advance if a meeting must be missed by the primary member.
6. Perform outreach to potential new members. Some outreach to non-members in the partner's service area is expected; at the minimum, this could be new member information on a website.
 7. Identify the need to implement corridor strategies. Where there are corridors with major construction activities or other special local needs (such as the closure of the Folsom Dam Rd.), identify specific needs.
 8. Promote completion of TDM program surveys or use of other evaluation tools. SACOG staff will be developing evaluation tools and will expect outreach organizations to encourage Employer Transportation Coordinators to use them, or for the outreach partners to administer the tools directly.
 9. Periodically report to governing boards and report quarterly to SACOG. Report actual activity to SACOG following the format of an annual plan.
 10. Provide an annual report to SACOG. This should be the annual report, including a financial statement, which is provided to the governing board.

TDM funding from SACOG may be used to support the above list of activities (the core requirements) or may contract for additional TDM services shown under "Menu of Additional TDM Services."

Each of the listed TDM Outreach Partners completes a contract with SACOG for the outreach activities and may apply for its funding on a reimbursable basis.

SACOG's priority is to support existing TDM outreach partners with a track record for TDM service to the region. If a new TMA or other TDM outreach organization develops after these guidelines have been adopted, they are encouraged to discuss other funding support options with SACOG.

If all of the \$475,200 for Outreach Partner contracts is not used for that purpose, SACOG reserves the right to use it for other purposes during the 2-year funding program period.

PROGRAM IMPLEMENTATION

After a contract has been signed between SACOG and each Outreach Partner receiving funds for service, certain financial accounting and reporting requirements will apply. The contract will contain an annual TDM Services Plan and Outreach Partners will be expected to report quarterly on progress towards that plan as well as on outcomes such as number of single occupant vehicle trips reduced, number of employers participating, number of guaranteed ride home participants, and other relevant, measurable outcomes. Partners will be reimbursed for eligible expenses that are accrued during the period of the contract.

MENU OF ADDITIONAL TDM SERVICES

This is a list of additional TDM services that could be provided by SACOG, Outreach Partners, or both, under the TDM Funding Program. For the Outreach Partners, this list is a source of TDM activities that SACOG will consider in TDM outreach contracts. SACOG will also consider a TDM activity that is not on this list if it meets the goal of the program.

Education and Marketing

- Public education materials and activities
- Public education and community outreach within a TDM Partner service area
- Work options such as compressed schedules and teleworking
- Employer-based commute allowances
- Parking cash-out programs
- "Transportation choices" marketing campaigns

Information Services

- 511 phone number for transportation information (SACOG only)
- Kiosks
- Instant ridematching for non-work trips

Incentive Programs

- Carpool
- Vanpool
- Vanpool startup
- Vanpool bonus
- Mini-vanpooling
- Fleetpools
- Public transit
- New resident transit
- Commuter bicycle
- Highway corridor
- Carsharing
- Teleworking
- Flexpass
- TDM Rewards

School-based Programs

- School pools
- Walking and bicycling promotions
- School-based educational activities and curriculum

Public Transit

- Universal transit passes
- Transit trip planning
- Shuttle bus services

Other

Training for Employee Transportation Coordinators (ETCs)

Surveys and data collection for evaluation purposes

TDM evaluations

Nonwork trip demonstration projects

Park-and-ride lot needs assessment

TDM strategies at regional destinations such as shopping centers

Implementation of corridor strategies (where there are corridors with major construction activities)

Bike racks and lockers; above and beyond what is required by code.

APPENDIX A.
GOALS OF THE METROPOLITAN TRANSPORTATION PLAN FOR 2025
Plan adopted by the SACOG Board of Directors in July 2002

1. Overarching Goal: Quality of Life: Develop a fully integrated, multi-modal transportation system to serve as a catalyst to enhance the quality of life enjoyed by the current and future residents of the Sacramento region.
2. Access and Mobility: Improve access to goods, jobs, services, housing, and other destinations; provide mobility for people and goods throughout the region, in a safe, affordable, efficient and convenient manner.
3. Air Quality: Develop a transportation system and related strategies that contribute to achieving healthy air in the region.
4. Travel Choices: Provide affordable, convenient, safe, and integrated travel choices.
5. Economic Vitality: Enhance the economic vitality of our region by efficiently and effectively connecting people to jobs, goods, and services, and by moving goods within our region and beyond with an integrated multi-modal freight system.
6. Equity: pursue a transportation system that addresses the needs of all people in all parts of the region and assure that impacts of transportation projects don't adversely affect particular communities disproportionately.
7. Transportation and Land Use: Influence land use policies to improve access to jobs, services and housing to everyone in the region by using market forces and the regulatory process.
8. Funding and Revenue: In order to adequately fund the Plan, develop appropriate, innovative, equitable, and stable funding sources (both short- and long-term) and identify cost-reduction measures.
9. Health and Safety: Improve the health of our residents by developing systems that would encourage walking and biking, and improve the safety and security of people on all modes in all areas.
10. Environmental Sustainability: Develop the transportation system to promote and enhance environmental quality for present and future generations.

**APPENDIX B.
SCHEDULE FOR
TRANSPORTATION DEMAND MANAGEMENT FUNDING PROGRAM**

Sept. 2005	TDM Task Force reviews and advises staff on the revised TDM Program Guidelines.
Oct. 20, 2005	Board of Directors approves revised Guidelines.
Late Oct 2005	SACOG meets with outreach partners to determine funding allocations.
Dec. 15, 2005	The SACOG Board approves the TDM programming for the <i>Metropolitan Transportation Improvement Program</i> (MTIP).

APPENDIX C.
THE APPLICATION AND FUNDING PROCESS
IN PLACER AND El Dorado COUNTIES

This process considers the Memoranda of Understanding (MOUs) and related resolutions approved by SACOG, the Placer County Transportation Planning Agency (PCTPA), and the El Dorado County Transportation Commission (EDCTC) that govern interagency relationships.

In summary, PCTPA and EDCTC are able to choose their own projects for which to use federal transportation funding, separate from the process used at SACOG for choosing projects in Sacramento, Yolo, Sutter, and Yuba Counties. If the selected projects in Placer and El Dorado Counties meet the criteria for SACOG's funding programs, they will be added to the overall list of projects for that funding program. If not they will still be programmed, but not counted toward the regional funding program goals established in the Metropolitan Transportation Plan. (See example at end of this appendix).

For each round of federal funding (Urban RSTP and CMAQ), approximately every two to three years, state law calls for PCTPA, EDCTC, and SACOG to each receive a separate allocation, with SACOG (as Metropolitan Planning Organization) responsible to program this funding.

In the Metropolitan Transportation Plan (MTP), SACOG has established four special funding programs (Community Design, Air Quality, Bicycle and Pedestrian, and Transportation Demand Management) that use a portion of these federal funds.

In each federal funding cycle, SACOG, EDCTC, and PCTPA agree to follow this process:

1. SACOG advises PCTPA and EDCTC of their combined fair shares of Urban RSTP and CMAQ together with a statement of MTP objectives for that funding cycle. PCTPA and EDCTC agree to seriously consider SACOG's priorities as they decide which programs to forward for programming. They encourage their cities, counties and transit operators, as they have in the past, to propose projects that address SACOG's priorities and meet criteria established in the guidelines approved by the SACOG Board for each of the four regional funding programs. They will also include SACOG staff on advisory committees reviewing the project proposals and use the PLACE³S software to help evaluate Community Design proposals.
2. The SACOG Board approves an amount of federal funding to allocate for each of the four funding programs, for Sacramento, Yolo, Yuba, and Sutter Counties. If the federal funding authorization to the region is greater or less than the original estimates, PCTPA, EDCTC, and SACOG will either receive more or less federal funding on a fair share basis, and as a consequence the amounts allocated to the four regional programs may be changed.
3. Some of projects and programs funded by SACOG through the funding programs are regional in nature, for example the Regional Rideshare Program. SACOG will consult

with PCTPA and EDCTC about fair share support of these regionwide programs before the three agencies select projects for programming.

4. In the Bicycle/Pedestrian, Air Quality, and Community Design Funding Programs, SACOG solicits project proposals from qualified project sponsors within Sacramento, Yolo, Yuba, and Sutter Counties. For each of these three competitive programs, a working group of SACOG's planning partners from the four counties analyzes, evaluates, and ranks the proposals based on their technical merit. A separate Grants Program Review Committee then reviews the recommendations from all working groups and makes a final recommendation to the Board of Directors that takes into account regional balance.
5. At the same time, PCTPA and EDCTC also conduct an evaluation and ranking process to select federally funded projects. After approval by their Boards of Directors, these lists are forwarded to SACOG for programming. It is expected that at least some of these projects will meet the goals and criteria for the regional funding programs. SACOG staff will evaluate these projects for whether they fit the programs, and will make a recommendation to the SACOG Board about whether to include them in the list of projects under the four funding programs or program them outside of the four programs.
6. If there are a greater number of highly recommended projects than there is funding available in a program, SACOG staff may seek to reduce the amount programmed to some or all projects, or may request a higher allocation for that funding program. The increase would mean a decrease in another funding program or would replace other regional priorities for federal programming.

Example of Funding for El Dorado or Placer County Project: As an example of how a project might be designated as a Community Design project from Placer County, it would work as follows. Placer County develops a project proposal that conforms to SACOG's Community Design Guidelines and submits it to the Placer County Transportation Planning Agency. PCTPA's Board approves the project for federal CMAQ funding under PCTPA's allocation. The project is forwarded to SACOG and screened by staff for whether it meets the goals and criteria of the Community Design Program. If it does, it is added to the list of projects in that program.