Final 2021 Regional Active Transportation Program Policy Framework

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Prepared by: Victoria Cacciatore
Approved by: James Corless
Attachments: Yes

1. Issue:
SACOG competitively awards Active Transportation Program (ATP) funds to projects that will increase biking and walking in the six-county region. With the delegated authority approved by the SACOG Board of Directors in April, a May Transportation Committee action allowed the SACOG Regional ATP Policy Framework to be sent on to the California Transportation Commission for approval at their June meeting.

2. Recommendation:
This item is for information only. The Transportation Committee unanimously approved the Final Regional ATP Policy Framework and authorized submittal to the California Transportation Commission.

3. Background/Analysis:
The ATP was created by Senate Bill 99 in 2013, with the first competitive program in 2014. The primary goal of the ATP is to increase use of active modes. The ATP is a highly competitive program jointly managed by the California Department of Transportation (Caltrans) and the California Transportation Commission (CTC). ATP funds are distributed competitively across the state through three programs: a statewide program distributes 50 percent of the funds; a small urban/rural program operated by Caltrans that distributes 10 percent of the funds; and the final 40 percent of funds are distributed by metropolitan planning organizations (MPOs) in urban areas with populations greater than 200,000.

The CTC identified $220,780,000 for the statewide competition and $11,773,000 for the regional competition. The statewide and regional programs have funds available across four years: state fiscal years 2021-2022, 2022-2023, 2023-2024, and 2024-2025. State law requires that the ATP competitive process ensures a minimum of 25 percent of funds benefit disadvantaged communities.

The ATP has a sequential selection process split between a statewide competition followed by regional competitions, like the SACOG Regional ATP in El Dorado, Placer, Sacramento, Sutter, Yolo, and Yuba counties. During the first selection process, the CTC develops a list of projects recommended for funding in the statewide ATP based on score, eligibility, and deliverability. Projects that are unsuccessful in the statewide ATP are then eligible to compete for funding in the Regional ATP, allowing for a second opportunity to compete for funding. The sequential selection process is important because it allows local agencies to bring more funding into our region to implement needed active transportation projects and offers streamlining opportunities for funding programs with similar emphases.
Staff provides technical assistance to project sponsors to bolster our region’s ability to bring additional funding to high-performing projects. Staff works with El Dorado County Transportation Commission (EDCTC) and Placer County Transportation Planning Agency (PCTPA) to develop and implement the Regional ATP.

4. Discussion/Analysis:
The Transportation Committee unanimously approved the Final Regional ATP Policy Framework (Policy Framework, Attachment A) and authorized submittal to the CTC. Staff submitted the Policy Framework to the CTC for adoption, which is anticipated at the June 24, CTC meeting. The Policy Framework utilizes all CTC-permitted changes for implementing our Regional ATP—adapting scoring criteria and weighting, minimum project sizes, match requirements, and definitions of disadvantaged communities to meet our region’s needs and using a supplemental call for projects and applications.

The Transportation Committee continued the policy discussion from the April board of directors meeting, predominantly around the region-specific goal of a 35 percent investment goal for projects that provide a meaningful benefit to disadvantaged community residents, and the one-time reduction from 11.47 to seven percent of the required non-ATP funding to compete in the Regional ATP. The final approved Policy Framework included the proposed changes discussed in the April version presented to the full board.

Regional commitment to investing in disadvantaged communities
The statewide ATP guidelines identify a required minimum investment level of 25 percent of ATP funding for projects that provide a benefit to disadvantaged communities. The Policy Framework identifies an investment goal of 35 percent for projects and programs providing a meaningful benefit to disadvantaged communities, consistent with the 2020 MTP/SCS Policy 23 to prioritize and incentivize transportation investments that benefit environmental justice communities. Even with the new, higher regional goal, the existing scoring process remains intact. The existing scoring process adds the up-to-ten points evaluating disadvantaged community benefit to the total project score only if the Regional ATP funding recommendation does not meet the state-identified 25 percent disadvantaged community investment threshold. The Regional ATP focuses “disadvantaged community benefit” points on the demonstrated need and support for the project among disadvantaged community residents, such as whether the project fulfills a need or provides a connection to a critical destination for residents.

All past Regional ATP funding awards have exceeded the state requirements of 25 percent of funds benefiting disadvantaged community residents. Across all competitive Regional ATP funding rounds since 2014, over two thirds of the Regional ATP investments benefited disadvantaged community residents. While the past performance of the Regional ATP called into question what the region accomplishes with a moderate goal of 35 percent—$4,120,550 of the $11,773,000 available to award—the Transportation Committee discussed how the statement of the higher goal connects to broader regional initiatives and to statewide priorities.

In addition to the definitions included in the statewide ATP guidelines, the Policy Framework identifies the 2020 MTP/SCS definition of Environmental Justice Areas (Attachment B) to best consider how the investments benefit our region’s disadvantaged residents. From the 2020 MTP/SCS, Environmental Justice communities are areas that have concentrated populations of one or more of the following criteria: low-income, communities of color, high pollution burden, or other vulnerable communities such as single-parent households, low educational attainment, linguistic isolation, disabled, burdened by excessive housing costs, or senior populations greater than 75 years old. While the 2020 MTP/SCS definition of Environmental Justice communities does not include the entire population of low-income, non-white, high pollution burdened, or vulnerable households in our region, it important to note that most jurisdictions in the six-county SACOG
The economic impacts from the COVID-19 pandemic are beginning to impact local agency finances. For many, there is an increasing concern that they will not have adequate local revenues to implement projects. The funding sources most commonly used to leverage ATP funding—sales taxes, resource depletion taxes, gas taxes, impact fees—are highly susceptible to economic fluctuations. The 11.47 percent required non-ATP leverage is a regionally implemented requirement, as the statewide ATP Guidelines do not require non-ATP funds for a project to compete.

The Policy Framework includes a one-time reduction in the required amount of non-ATP funding to compete in the Regional ATP. Reducing the required non-ATP leverage from the current 11.47 percent to 7.0 percent keeps more than $500,000 in the hands of local agencies while still requiring a local match commitment to the project. The Transportation Committee acknowledged the uncertainty local agencies are facing but that this policy decision may result in fewer projects or project phases being funded through the 2021 Regional ATP. The lower local match requirement diminishes the region’s total investment in active modes-serving projects at a time when biking and walking facilities are in high demand in the region and experiencing record levels of use across the nation.

Statewide and Regional ATP timing
The Statewide and Regional ATP Milestones calendar (Attachment C) shows updated State and Regional ATP deadlines and processes. The CTC adopted a revised schedule to delay statewide ATP application due dates by three months but only extended the final due date for MPO recommendations by a month and a half. Consequently, the Regional ATP application deadlines are comparably delayed, and the Regional ATP evaluation period is shorter than originally planned.

Attachments
Attachment A: Final 2021 Regional ATP Policy Framework
Attachment B: 2020 MTP/SCS Environmental Justice Areas Map
Attachment C: Statewide and Regional ATP Milestones

5. Fiscal Impact/Grant Information:
This item has no fiscal impact to the agency’s operating budget, other than already budgeted staff time.

6. This staff report aligns with the following SACOG Work Plan Objectives:

Goal 1: Advance Economic Prosperity
Objective 1: Invest in and protect the transportation infrastructure needed to implement the region’s economic prosperity plan.
Objective 3: Improve people’s ability to get to jobs, schools, and other economic opportunities.

Goal 2: Connected Communities
Objective 1: Develop more sustainable sources of future transportation funding while winning new competitive state and federal transportation grants.
Objective 3: Prioritize cost-effective transportation investments that enhance mobility while improving safety, air quality, and the condition of transportation infrastructure and assets.