

Attachment C

Metro's Comments on the Draft TIRCP Cycle 6 Guidelines and Changes Made by CalSTA in the Final Guidelines

A letter submitted by the Metro CEO to Secretary Omishakin on November 7, 2022, made four specific requests for consideration by CalSTA to modify the Draft Cycle 6 Guidelines, as follows:

- 1) CalSTA should allow County Transportation Commissions, Regional Transportation Planning Agencies, and Metropolitan Planning Organizations (as applicable) to include multi-cycle funding plans in their grant applications that include TIRCP formula funding to be appropriated in FY23-24 and FY24-25 in addition to FY22-23 Cycle 6 funds to deliver an "Existing TIRCP Project". The combination of discretionary TIRCP funding from AB 180 and future formula TIRCP funding to be appropriated in FY23-24 and FY24-25 would allow for a multi-cycle/multi-year programming of TIRCP funds that will support larger-scale "Existing TIRCP Projects" that the state has already identified as generating great mobility, environmental, and air quality benefits for these regions and California.

Final Guidelines Response: CalSTA refined draft guidelines language as follows – "Applicants are also encouraged to identify what role the expected FY23-24 and FY24-25 funding identified in SB 198 of the Budget Act of 2021 (totaling \$4 billion and allocated regionally) could play in addressing a portion of the need for existing project funding, and how the use of such funds would apply to the funding proposal."

Staff appreciates this refinement and believes the extra funding capacity possible with the SB 198 funds will support Metro's ability to submit a competitive program of projects for Cycle 6 funds.

- 2) CalSTA should not limit eligibility to seek supplemental TIRCP awards from the "Existing TIRCP Projects Leveraging Federal & Local Funds Reserve" category to only projects that would leverage future local or federal funds. CalSTA should expand the eligibility to include projects with previous funding commitments for prior segments of the overall project from local revenue measures adopted by Self-Help counties.

Final Guidelines Response: CalSTA added language that "maintain funding also includes retaining access to local funds committed to a portion of the project that is not yet fully funded."

- 3) CalSTA should allow recipients of prior TIRCP grant awards that apply for supplemental TIRCP grant awards from the "Existing TIRCP Projects Leveraging Federal & Local Funds Reserve" category to have as much flexibility as is needed to encumber and liquidate awarded Cycle 6 TIRCP funds before the

June 30, 2027, statutory deadline specified in AB 180 and included in the draft guidelines.

Final Guidelines Response: CalSTA made the following clarification in the final guidelines – “A project cash flow should be included that demonstrates the proposed draw down schedule for the General Fund resources. Such proposals can include re-timing the already awarded TIRCP funds to enable prompt use of General Fund monies. For projects that are expected to have construction extending beyond June 30, 2027, applicants are encouraged to propose funding plans that use General Fund monies early even if match funding or non-General Fund TIRCP funding is utilized after the 2027 deadline.”

Staff appreciates this modification and believes it provides necessary flexibility to submit a competitive grant application that meets both the statutory deadline for liquidation of Cycle 6 TIRCP funds and the cashflow needs of potential projects that will complete construction after the liquidation deadline.

- 4) CalSTA should prioritize applicants for the TIRCP Cycle 6 awards that demonstrate a commitment to workforce development and small business opportunities by identifying inclusive procurement programs.

Final Guidelines Response: While new language was not added by CalSTA, the guidelines recognize as a competitive evaluation criterion under project benefits the way in which a project will “provide employment and workforce development and training benefits to the community, particularly to priority populations.”