

Trade Corridor Enhancement Program Cycle 3 Guidelines Development Workshop



Thursday, October 21, 2021

Agenda



1. Follow-up
 - Matching funds
 - NEPA/CEQA deadline
 2. Advanced Funds for Federal Grants Language
 3. Climate Change Resiliency and Adaptation
 4. Zero-Emission Freight Infrastructure
- Future meeting topics plan (subject to change)
 - November 10th meeting: accessibility, public health, and SB 671
 - December 13th meeting: TCEP target methodology, performance metrics guidebook

TCEP Background



- The Trade Corridor Enhancement Program is funded with state diesel tax and federal National Highway Freight Program funds.
- It provides about \$400 million a year for freight infrastructure projects.
- Eligible applicants are public entities such as cities, counties, or Metropolitan Planning Organizations. Private applicants must have a public agency sponsor.
- To be eligible for TCEP, projects must be in an approved Regional Transportation Plan.
- Projects must be located on Federally designated Trade Corridors, and along other corridors that have a high volume of freight movement as determined by the Commission.
- 40% of TCEP “statewide” funds must go to Caltrans nominated projects. The other 60% of “regional” funds goes to all other non-Caltrans projects.



Matching Funds

Matching Funds



- TCEP requires a 30% local fund match on all regional TCEP funds.
- In the last workshop, stakeholders requested we consider allowing projects to count dollars spent on previous work towards the required 30% local funds match.

Matching Funds



After much discussion, we have decided to keep the current requirements for the following reasons.

- In the prior freight program, a 1 for 1 match was required. For example, if you requested \$1 million, the local match was \$1 million. It was already dropped to 30% in recognition of the difficulty of obtaining funds.
- SB1 dollars are tax dollars and projects funded with SB 1 are meant to have increased accountability. The Commission will likely have had no oversight over funds spent prior to TCEP programming. Allowing that work to count as a match is like saying the Commission supports that work and it meets the SB 1 standards, but that would actually be impossible to determine.

Matching Funds



Reasons continued:

- It would be difficult to determine what portion of prior dollars spent went towards the work being funded with Trade Corridor funds. For example, if local funds were used on planning, environmental, or right-of-way, the work may have covered more than one project and it would be hard to separate out the work applicable to the TCEP project.
- To ensure the commitment of local partners, it works best to keep the requirement that the local match be spent at the same time as the TCEP funds.



Matching Funds

- This means matching funds prior to the fiscal year in which the TCEP funds are programmed are not allowed, unless non-proportional spending is approved.
- Even if non-proportional spending is approved, match funds may not be from a prior program cycle.

Example of correct match

Prior Work on Project		Project Submitted for TCEP			
	Local Funds	FY 23/24		FY 24/25	
		Local Funds	TCEP	Local Funds	TCEP
PA&ED (Planning & Environmental)	\$ 100,000	\$ -	\$ -	\$ -	\$ -
Design	\$ 100,000	\$ -	\$ -	\$ 250,000	\$1,000,000



CEQA/NEPA

CEQA/NEPA Deadline



- In the last workshop staff shared the proposed changes to the CEQA/NEPA deadline.
 - For CEQA, instead of requiring CEQA to be complete within 6 months of program adoption, CEQA must be complete at the time of program adoption.
- Staff discussed the concerns raised by stakeholders, and while we understand the concerns raised, staff still plan to make this change for CEQA, so that environmental will be cleared before projects are funded under the program. This will also prevent pre-funding of any alternatives before environmental is complete.

CEQA/NEPA Deadline



- Originally, staff intended to implement this same change for NEPA, but in consideration of the significant concerns raised by stakeholders, staff intend to do the following (this is only for the TCEP program):
 - Require NEPA to be complete within 6 months of program adoption.
- This additional time recognizes the significant challenges faced in NEPA.

CEQA/NEPA Language



12. California Environmental Quality Act (CEQA) Requirements and National Environmental Policy Act

Design, right of way, and construction capital costs will only be programmed if the project has completed a project level environmental process in accordance with the California Environmental Quality Act (CEQA), at the time of program adoption.

Design, right of way, and construction capital costs will only be programmed if the project has completed a project level environmental process in accordance with the National Environmental Policy Act (NEPA), within six months of program adoption.

If these requirements are not met, the project will be deleted from the program.



Advanced Funds for Federal Grants (Previously referred to as INFRA)

Advanced Funds for Federal Grants



7. Leveraging Federal Discretionary Funds

The Commission will consider approving state Trade Corridor Enhancement Program funds in advance of the normal program approval timeframes for projects that are both eligible Trade Corridor Enhancement Program projects and are also being submitted to the federal government for federal discretionary (grant) funding. Advance funds will be considered when the applicant could use state Trade Corridor Enhancement Program Funds as a non-federal match in a federal grant application to increase the grant's competitiveness.

Commission staff must have the time needed to adequately review the project, analyze potential impacts on the applicable program cycle, and make a recommendation to the Commission.

The project must demonstrate a significant freight benefit as defined in these guidelines.

These advance funds are limited to up to 50% of the applicable regional corridor target.

The federal grant must be awarded before any advance funds will be allocated via this process.



Climate Change Adaptation

CAPTI S5.2 Climate Adaptation & Risk



- Consider the need to evaluate climate risk and incentivize the incorporation of climate change adaptation measures where appropriate and feasible.

S5.2 Update Transportation Infrastructure Competitive Program Guidelines to Incentivize Climate Adaptation and Climate Risk Assessments/Strategies

Once Climate Risk Assessment Planning and Implementation guidance has been completed, CalSTA and CTC will work toward updating TIRCP, SHOPP, and SB 1 Competitive Program Guidelines — through their respective public guidelines development processes — to align with the guidance developed by Caltrans and OPR. Guidelines additions will consider both the need to evaluate climate risk, and to incentivize the incorporation of climate adaptation measures where appropriate and feasible.

Climate Change Resilience and Adaptation Language



- The guidelines will request climate change resilience and adaptation information from applicants.
- The explanation for this information will be added to a new section in the guidelines.

Climate Change Resilience and Adaption



B. Climate Change Resilience and Adaptation

Resilience refers to the capacity of any entity, such as the State Highway System (SHS), or a community that relies on transportation infrastructure, to prepare for disruptions, to recover from shocks and stressors, and to adapt and grow from a disruptive experience. Climate change impacts – including increased wildfires, droughts, landslides, rising sea levels, floods, severe storms, heat waves, and impacts to wildlife – are occurring and will only become more frequent and severe. Climate change poses many threats to our communities' health, well-being, environment, and property, and to the resilience of the State's transportation system upon which we all rely.

Climate resilience and adaptation are often discussed together; however, adaptation is typically an action or set of actions, while resilience describes the desired outcome. Resilience is achieved through a series of adaptation steps that aim to make adjustments in natural or human systems in response to actual or expected impacts from climate change and extreme weather events.

Climate Change Resilience and Adaption Language



Adaptation may be distinct from, but complement, climate change mitigation, which aims to reduce greenhouse gas emissions. It is possible that a CEQA mitigation that was added to the project during the environmental phase may also be an adaptation strategy that you reference in this section. Importantly, planning for climate change impacts and improving the resilience of the State's transportation system will support the State's goals to reduce greenhouse gas emissions. For example, being adequately prepared for extreme weather and potential grid outages will support public transportation and transit, electric vehicle charging, and active transportation. Furthermore, adaptation solutions such as utilizing natural solutions to mitigate climate impacts like flood and heat can sequester carbon dioxide and improve ecosystem health.

Incorporating adaptation elements into transportation projects will enhance the resiliency of California's transportation system to protect the infrastructure itself as well as Californians from climate impacts. These measures are critical to ensure the safety of Californians, the health of the State's economy, and they will extend the lifespan of our infrastructure.

Climate Change Resilience and Adaption Language



Project Benefits: Climate Resilience and Adaptation

To communicate a project's benefits related to advancing climate change resilience, an applicant should identify both the climate change impact(s) that are occurring or anticipated, and the adaptive strategies. It is recommended that the applicant evaluate multiple adaptation strategies and provide sufficient evidence for choosing certain strategies over others.

Climate change impacts:

- Changes in Temperature, including more frequent and severe extreme heat events
- Changes in Precipitation, including extreme rainfall and drought
- Wildfire
- Sea Level Rise and storm surge

Secondary climate change impacts include, but are not limited to the following:

- Flooding
- Severe Storms
- Landslides
- Cliff retreat

Climate Change Resilience and Adaption Language



Examples of climate change adaptation strategies:

- Providing expanded throughput or transportation options in corridors that have been identified to support emergency evacuation.
- Including roadway warning systems for extreme weather events.
- Realigning or relocating transportation infrastructure that is impacted by sea level rise; consideration of nature-based solutions to mitigate flooding impacts.
- Incorporating nature-based solutions, such as wetlands restoration, along transportation corridors to protect infrastructure from flooding and storm impacts.
- Including transit shelters with shade, water, or other means of cooling in locations expected to see temperature increases.
- Replacing wooden infrastructure with fire-resistant infrastructure in areas vulnerable to wildfire.
- Including energy storage solutions to both safeguard against loss of power and to support electric vehicles in case of climate-related grid disruptions (which can include public power safety shut-offs (PSPS)).
- Including a wildlife crossing element for species that are intended to shift migratory patterns due to climate change.
- Incorporating 'Complete Street' elements, such as street trees, to provide cooling and shade for pedestrians and bicyclists.
- Considering and planning for the impacts of climate change to active transportation options in transportation projects, as well as to public transit infrastructure.

Climate Change Resilience and Adaption Language



Resources

The resources below are included to assist applicants with measuring and communicating the potential climate change impacts to projects and adaptive strategies that can be pursued. These resources are not intended to be an exhaustive list, and applicants are encouraged to also refer to local resources (climate action plans or climate adaptation plans for instance) and expert testimony.

State Resources to Identify Climate Change Impacts:

These resources were created by the State to both identify climate impacts in California as well as provide guidance on adaptation and resilience planning.

- **Cal-Adapt:** Cal-Adapt provides State-endorsed climate change projections for the primary climate impacts listed above through various tools and datasets, providing climate information specific to California. <http://cal-adapt.org/>
- **California Ocean Protection Council's Sea Level Rise Policy Guidance:** For sea level rise specifically, applicants should consult the OPC's sea level rise guidance for additional information on evaluating and planning for sea level rise risk that is not captured on Cal-Adapt.
https://opc.ca.gov/webmaster/ftp/pdf/agenda_items/20180314/Item3_Exhibit-A_OPC_SLR_Guidance-rd3.pdf

Climate Change Resilience and Adaption Language



- **Caltrans Vulnerability Assessments:** To ensure the resiliency of the State Highway System, Caltrans conducted vulnerability assessments statewide to identify vulnerable segments to climate change and extreme weather events. These reports can be used to see vulnerability of the State Highway System to various climate impacts in Caltrans Districts. <https://dot.ca.gov/programs/transportation-planning/2019-climate-change-vulnerability-assessments>
- **State Guidance on Resilience Planning: The Adaptation Planning Guide:** This resource, which is accessible in an interactive format as well as for download on the State's Adaptation Clearinghouse, was created by the State in 2020 to provide guidance to local governments on local adaptation and resilience planning. It contains a step-by-step process that communities can use to plan for climate change (including identifying climate impacts), and it was designed to be flexible and responsive to community needs. It also contains a summary of statewide guidance, resources, and tools, as well as best practices, best available science, and the latest updates to state plans, policies, programs and regulations. Importantly, equity and community engagement considerations are integrated throughout all planning phases. <https://resilientca.org/apg/>

Climate Change Resilience and Adaption Language



- **Defining Vulnerable Communities in the Context of Climate Adaptation:** This resource guide includes information on publicly available tools and resources that may be used to define vulnerable communities in an adaptation context. While definition of “vulnerable communities” provides clarity on the underlying factors of community vulnerability, and how these are exacerbated by climate impacts, a definition alone may not provide the level of detail needed to take actionable steps within the context of climate adaptation plans and implementation actions. The California Governor’s Office of Planning and Research, with input from the Integrated Climate Adaptation and Resiliency Program (ICARP) Technical Advisory Council, developed this resource guide as a starting point for practitioners to use when first considering how to define vulnerable communities in an adaptation context. https://opr.ca.gov/docs/20200720-Vulnerable_Communities.pdf
- **California’s Fourth Climate Assessment:** California’s Climate Change Assessments contribute to the scientific foundation for understanding climate-related vulnerability and informing resilience actions. There were some studies performed on transportation in the Fourth Climate Change Assessment, which can be found under “Technical Reports”. The Statewide Summary Report also offers a statewide view of climate impacts to various sectors. <http://www.climateassessment.ca.gov/>

Climate Change Resilience and Adaption Language



Identifying Adaptation Strategies

- **Caltrans Adaptation Strategy Report:** This report was released in 2020 to provide information and recommendations to Caltrans on integrating adaptation into project planning and implementation. Appendix A, which starts on page 100, provides detailed information on the representative types of projects that Caltrans will likely be implementing more regularly in the future due to climate change and associated changing weather patterns. This information may also be useful for applicants in considering various adaptation strategies to climate impacts.
- **California Adaptation Clearinghouse:** The Adaptation Clearinghouse is the State of California's consolidated searchable database of resources for local, regional, and statewide climate adaptation planning and decision-making. These resources include examples of adaptation strategies for transportation projects. Also as mentioned above, the Adaptation Planning Guide, housed on the site, can offer guidance on adaptation strategies as well. <https://resilientca.org/>
- **Sacramento Area Council of Governments (SACOG) Project-Level Adaptation Strategies Guidance Document:** This report provides guidance for transportation practitioners for addressing climate change risk at the project-level in the Sacramento Region, but practitioners working in other regions may also find it useful.
- **California Coastal Commission Sea Level Rise Policy Guidance:** This guide provides an overview of the science on sea level rise for California as well as adaptation strategies. https://documents.coastal.ca.gov/assets/slr/guidance/2018/7_Ch7_2018AdoptedSLRGuidanceUpdate.pdf

CAPTI Strategy 1.4 Mainstream Zero-Emission Vehicle Infrastructure within TCEP



- Prioritize projects that demonstrate a significant benefit to improving the movement of freight while also improving zero-emission infrastructure.

S1.4 Mainstream Zero-Emission Vehicle Infrastructure within the Trade Corridor Enhancement Program (TCEP)

To support the transition of medium and heavy duty vehicles (MHDVs) to zero-emission technologies — including but not limited to battery electric and fuel cell electric (hydrogen) vehicles — called for by EO N-79-20 and to complement other state strategies in this sector — including CARB's Advanced Clean Trucks and Advanced Clean Fleets regulations — the CTC, through its public guidelines development process, will work towards updating the TCEP Guidelines to prioritize projects that demonstrate a significant benefit to improving the movement of freight along trade corridors, while also reducing emissions of diesel particulates, greenhouse gases, and other pollutants by creating or improving zero-emission vehicle charging or fueling infrastructure — either within the project itself or within the larger trade corridor. The guidelines update would include a description of eligible uses of funds for zero-emission vehicle infrastructure — including for battery electric, fuel cell electric, and other zero-emission vehicle technologies — to provide additional clarity and guidance to applicants.

Zero-Emission Freight Infrastructure Language



- Called zero-emission infrastructure out more specifically in eligible projects section.

Projects eligible for funding under the program include, but are not limited to, the following: Highway improvements, freight rail system improvements, border improvements, port enhancements, truck corridor improvements, surface transportation, local road, and connector road improvements to effectively facilitate the movement of goods, port improvements, and freight infrastructure related advanced technology.

Eligible projects also include freight infrastructure (excluding vehicles) that enables zero-emission or near-zero emission goods movement, or environmental/community mitigation that occurs as a part of a freight infrastructure project.

Zero-Emission Freight Infrastructure Language



- Add a new evaluation criteria to section 18. “Evaluation Criteria”
 - Zero-Emission Infrastructure - Project supports zero-emission freight infrastructure.

Zero-Emission Freight Infrastructure Language



Zero-Emission Infrastructure Instructions

For this criteria, please describe how the project supports the transition to zero-emission freight infrastructure. If this project does not support zero-emission freight infrastructure, please state that.

Actions that support the transition to zero-emission freight infrastructure include, but may not be limited to, the following:

- Building zero-emission infrastructure that supports freight.
- Improving access to freight zero-emission charging or fueling infrastructure.
- As a part of a larger port freight infrastructure project, buying zero-emission or near-zero-emission human-operated equipment.

All zero-emission infrastructure, technology, and charging stations must be primarily designed for freight, this includes medium and heavy duty vehicles. Only zero-emission freight infrastructure is eligible under the Trade Corridor Enhancement Program. Within this context, any type of zero-emission technology is allowable. This includes electric vehicle charging, fast charging, hydrogen, or other technology. It also includes different charging station types. The applicant will need to demonstrate how the infrastructure is relevant to freight, that any related industry representatives were consulted, and that the infrastructure will be used and maintained once it is built.

The benefits described should be within the project study area.

Zero-Emission Freight Infrastructure Language



Language continued...

Please note that if a port freight infrastructure project meets the general eligibility guidance from section 11 of these guidelines and includes the purchase of fully automated cargo handling equipment, it is not eligible for funding. However, if a port freight infrastructure project meets the eligibility requirements in section 11 and includes the purchase of human-operated zero-emission or near-zero-emission equipment, the project is eligible for funding.

Installation of zero-emission charging or refueling infrastructure should be publicly accessible where feasible.

If the project has a mix of private and public benefits, complete the public/private cost benefit analysis requested in the "Funding and Deliverability" section of the Nomination Form and explain what the public benefits of the project are.

Thank You



More Information

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