



**TRANSPORTATION AGENCY  
ISSUE MEMORANDUM**

**TO:** David S. Kim, Secretary

**FROM:** Toks Omishakin, Director  
California Department of Transportation

**PREPARED BY:** Jeanie Ward-Waller, Deputy Director  
Planning and Modal Programs  
(916) 654-5368 office; Fax (916) 653-5776  
jeanie.ward-waller@dot.ca.gov

**DATE:** December 21, 2020

**SUBJECT:** Fiscal Year 2020-21 Attestation Memorandum and Expenditure  
Record for the Low Carbon Transit Operations Program

**Check applicable boxes**

☒ **Request for Approval**

☐ **For Secretary's Information**

☐ Non-Competitively Bid Contract Justification

☐ Rulemaking/Regulation Document

☐ Other Procurement-Related Document

☐ Audit/Investigation-Related Document

☐ Feasibility Study Report/Special Project Report

☒ Other

**CalSTA REFERENCE NUMBER:**

**FINAL APPROVAL NEEDED BY:** December 28, 2020. The Expenditure report must be approved prior to the distribution of funds to local recipients.

**SUMMARY:** As part of the California Air Resources Board (CARB) 2017 Guidelines, and consistent with statutory requirements of Government Code Section 16428.9 agencies that administer California Climate Investments to support expenditures from the Greenhouse Gas Reduction Fund are required to submit to the CARB an annual Expenditure Record for public posting. Please review the background document on the process of Low Carbon Transit Operations

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**SUBJECT.     Fiscal Year 2020-21 Attestation Memorandum and Expenditure  
Record for the Low Carbon Transit Operations Program**

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Program (LCTOP) Expenditure and view the supporting PDF of historically approved LCTOP Attestation Memorandums and Expenditure Records.

**DISCUSSION/PRO-CON ARGUMENTS:** Statutory requirement of Government Code Section 16428.9.

**EFFECT ON EXISTING LAW:** None.

**ESTIMATED COST:** None.

**RECOMMENDATION:** It is recommended the California State Transportation Secretary and Caltrans Director sign and approve the Expenditure Report for the Low Carbon Transit Operation Program by December 28, 2020, in order to release the FY 2020-2021 Program Guidelines, Allocation Request, and forthcoming project awards.

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**SUBJECT.     Fiscal Year 2020-21 Attestation Memorandum and Expenditure  
Record for the Low Carbon Transit Operations Program**

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**APPROVED:**



Toks Omishakin, Director  
Department of Transportation

1.26.21

Date

*Elissa K Konove* for

David S. Kim, Secretary  
Transportation Agency

4/8/2021

Date

Attachments

1. Attestation Memorandum
2. California Department of Transportation Expenditure Record FY 2020-2021  
Low Carbon Transit Operations Program
3. LCTOP Background on Annual Attestation Memorandum and Expenditure  
Record

**Gavin Newsom**  
Governor

915 Capitol Mall, Suite 350B  
Sacramento, CA 95814  
916-323-5400  
[www.calsta.ca.gov](http://www.calsta.ca.gov)

**David S. Kim**  
Secretary

To: Greenhouse Gas Reduction Fund Program

FROM: David S. Kim  
Secretary  
California State Transportation Agency

DATE: December 21, 2020

SUBJECT: GREENHOUSE GAS REDUCTION FUND:  
California State Transportation Agency

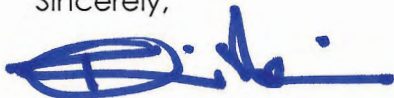
EXPENDITURE RECORD FOR FISCAL YEAR: 2020-2021  
Low Carbon Transit Operations Program

This Attestation Memorandum documents that the California Department of Transportation (Caltrans) completed the attached Expenditure Record on December 15, 2020, for the Low Carbon Transit Operations Program. The Expenditure Record is consistent with the statutory requirements of Government Code Section 16428.9 and with the California Air Resources Board's (CARB) 2018 *Funding Guidelines for Agencies that Administer California Climate Investments* to support expenditures from the Greenhouse Gas Reduction Fund.

This Attestation Memorandum and Expenditure Record will be submitted to CARB for public posting on the CARB website at:  
<https://ww2.arb.ca.gov/resources/documents/cci-attestation-memorandums-and-expenditure-records>.

Questions on this Attestation Memorandum or Expenditure Record may be directed to Wendy King at Caltrans, 916-825-9519 or by email sent to <[wendy.king@dot.ca.gov](mailto:wendy.king@dot.ca.gov)>.

Sincerely,



TOKS OMISHAKIN  
Director  
California Department of Transportation

*David S. Kim*

DAVID S. KIM  
Secretary  
California State Transportation Agency

Enclosure  
Expenditure Record for Fiscal Year: 2020-2021 Low Carbon Transit Operations

**Greenhouse Gas Reduction Fund: Expenditure Record**  
**Fiscal Year: 2020-2021**

**California Department of Transportation**  
**Low Carbon Transit Operations Program**

This Expenditure Record is based on the Low Carbon Transit Operations Program (LCTOP) continuous appropriation from Senate Bill (SB) 862 (Chapter 36, Statutes of 2014) and the statutory requirements for the program in effect at the time of Expenditure Record adoption. The total amount of Greenhouse Gas Reduction Funds (GGRF) available for LCTOP is contingent upon the proceeds generated from Cap-and-Trade auctions during Fiscal Year (FY) 2020-2021. The exact amount of available funds will not be determined until after the November 2020 auction. The California Department of Transportation (Caltrans) recognizes expenditure of GGRF funds at the level assumed for the 2020-2021 LCTOP is contingent on both the continuous appropriation and auction proceeds that meet or exceed that assumed level.

The Expenditure Record was prepared in accordance with the following documents: the California Air Resource Board's (CARB) Cap-and-Trade Auction Proceeds: Funding Guidelines for Agencies that Administer California Climate Investments<sup>1</sup> (2018 Funding Guidelines), including Volume 2 of those Guidelines that establish requirements for investments to benefit AB 1550 populations.

**Authorizing legislation:** LCTOP is part of the Transit, Affordable Housing, and Sustainable Communities Program established by the California State Legislature in 2014 in Senate Bill (SB) 862 (Chapter 36, Statutes of 2014) and modified by SB 824 (Chapter 479, Statutes of 2016) and SB 1119 (Chapter 606, Statutes of 2018).

**Element (1) A description of each expenditure proposed to be made by the administering agency pursuant to the appropriation.**

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| <input type="checkbox"/> Agency that will administer funding | <ul style="list-style-type: none"><li>▪ Caltrans will be the administering agency for this program and will aid and guide to local agencies in reviewing their allocation and documenting project benefits.</li><br/><li>▪ Caltrans will coordinate with the CARB and State Controller's Office (SCO) to assure compliance with LCTOP Guidelines<sup>2</sup> and statutory requirements.</li></ul> |
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<sup>1</sup> <https://ww2.arb.ca.gov/resources/documents/cci-funding-guidelines-administering-agencies>

<sup>2</sup> Caltrans, Guidelines for Low Carbon Transit Operations Program *December 2020*

California Department of Transportation Expenditure Record FY 2020-2021  
Low Carbon Transit Operations Program

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<input type="checkbox"/> Amount of proposed expenditure and appropriation reference	<ul style="list-style-type: none"><li>▪ Per SB 862 (Chapter 36, Statutes of 2014), five percent of the annual proceeds in the GGRF are continuously appropriated to Caltrans for LCTOP, beginning in FY 2015-16.</li><li>▪ Per 2015–16 Budget Act AB 93 Chapter 10 Statute 2015 Sec. 15.13(b), no department shall encumber or commit more than 75 percent of any appropriation prior to the fourth Cap and Trade auction in the 2015-16 FY.</li><li>▪ Caltrans will approve funding proposals for the known funds carried over from the prior fiscal year as a result of the final auction. Example: Funding for the 2020–2021 Funding year, awarded June 2021, is based on the actual auction proceeds of the previous calendar year (February, May, August, and November of 2020) including any unallocated funding from the previous award.</li></ul>
<input type="checkbox"/> Estimated amount of expenditures for administering agency administrative costs	<ul style="list-style-type: none"><li>▪ Approximately \$350,000 is estimated to be used for State agency administrative costs for the FY 2020-2021.</li></ul>
<input type="checkbox"/> If applicable, identify laws or regulations that govern how funds will be used	<ul style="list-style-type: none"><li>▪ Part 3 Division 44 (commencing with Section 75230) of the Public Resources Code creates the LCTOP and defines the statutory requirements of the Program. SB 231 (Chapter 286, Statutes of 2015) amended Section 75230 to clarify that LCTOP expenditures can support water-borne transit.</li><li>▪ AB 1532 (Chapter 807, Statutes of 2012), SB 535 (Chapter 830, Statutes of 2012), SB 1018 (Chapter 39, Statutes of 2012), AB 1550 (Chapter 369, Statutes of 2016) and SB 862 provide the general framework for how the auction proceeds will be administered to further the purposes of AB 32 (Chapter 488, Statutes of 2006). Projects should strive to benefit Disadvantaged Communities and Low-Income Communities and Households.</li></ul>

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- SB 1119 (Chapter 606, Statutes of 2018) would waive the requirement of SB 862 if the recipient transit agencies expend the funding provided on certain transit activities. These activities include: new or expanded transit service that connects with transit service serving disadvantaged communities, as identified in Section 39711 of, or in low-income communities, as defined in paragraph (2) of subdivision (d) of Section 39713 of, the Health and Safety Code; transit fare subsidies and network and fare integration technology improvements, including, but not limited to, discounted or free student transit passes; and the purchase of zero-emission transit buses and supporting infrastructure.
  - LCTOP funded projects are in line with **EO-19-19** that requires every aspect of state government to redouble its efforts to reduce greenhouse gas emissions and mitigate the impacts of climate change while building a sustainable, inclusive economy. Caltrans administered projects could support the reduction of congestion through innovative strategies designed to encourage people to shift from cars to other modes of transportation; Fund transportation options that contribute to the overall health of Californians and reduce greenhouse gas emissions, by supporting various modes such as transit, walking, biking and other active modes; and mitigate increases in transportation costs for lower income Californians.
  - LCTOP funded projects are in line with **EO-79-20** that pursues actions necessary to combat the climate crisis states passenger rail, transit, bicycle and pedestrian infrastructure, and micro-mobility options are critical components to the State achieving carbon neutrality and connecting communities, requiring coordination of investments and work with all levels of governments including rail and transit agencies to support these mobility options. LCTOP could be used by Caltrans as an identified program to improve clean transportation, sustainable freight and transit options while continuing a fix-it-first approach to our transportation system when feasible: to Building towards an integrated, statewide rail and transit network, consistent with the California State Rail Plan, to provide seamless, affordable multimodal travel options for all. In addition, supporting
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California Department of Transportation Expenditure Record FY 2020-2021  
Low Carbon Transit Operations Program

	light, medium, and heavy duty zero-emission vehicles and infrastructure as part of larger transportation projects, where appropriate.
<input type="checkbox"/> Continuation of existing Expenditure Record	<ul style="list-style-type: none"><li>▪ This FY 2020-2021 Expenditure Record will support a continuing program that will fund the same types of projects that have been previously funded under an existing Expenditure Record.</li></ul>
<input type="checkbox"/> Project Type	<ul style="list-style-type: none"><li>▪ Low carbon transportation</li><li>▪ Transit</li><li>▪ Transportation technology and fuels</li><li>▪ Energy efficiency and renewable energy</li></ul>
<input type="checkbox"/> Describe the projects and/or measures that will be eligible for funding	<ul style="list-style-type: none"><li>▪ Projects must meet the requirements in Public Resources Code Section 75230 which established the Low Carbon Transit Operations Program and amended by SB 824. Projects will include transit operating or capital assistance that reduces GHG emissions and improve mobility, with priority on serving disadvantage communities; and meets any of the following criteria:<ul style="list-style-type: none"><li>○ Expenditures that directly enhance or expand transit service by supporting new or expanded bus or rail services, new or expanded water-borne transit, or expanded intermodal transit facilities, and may include equipment acquisition, fueling, maintenance, and other costs to operate those services or facilities.</li><li>○ Operational expenditures that increase transit mode share.</li><li>○ Expenditures related to the purchase of zero-emission buses, including electric buses, and the installation of the necessary equipment and infrastructure to operate and support zero-emission buses.</li></ul></li><li>▪ The LCTOP Guidelines contain a detailed list of eligible projects for the FY 2020-2021 funding cycle. Transit agencies must select projects from this list and implement those projects in accordance with the statutory requirements in Public Resources Code Section 75230. Approved projects will demonstrate a GHG emissions reduction using the CARB Benefits Calculator</li></ul>



Tool.	
<input type="checkbox"/> Intended recipients	<ul style="list-style-type: none"> <li>Regional Entities and Operators eligible for State Transit Assistance, pursuant to the distribution of formula in Sections 99313 and 99314<sup>3</sup> of the Public Utilities Code.</li> </ul>
<input type="checkbox"/> Program structure and process for selecting projects for funding	<ul style="list-style-type: none"> <li>Funds are allocated to transit agencies based on the formula specified in PUC Section 99313 and 99314. The funds made available pursuant to PUC Section 99313 are based on the ratio of the population of the area under its jurisdiction to the total population of the state. Funds made available per PUC Section 99314 are based on the amount received by each transportation planning agency, county transportation commission or other defined entity, and based on the ratio of the revenues of each of the member agencies and of all the operators during the prior fiscal year within the area of jurisdiction of the allocating agency, commission, or board. For transit agencies that receive funding allocations, Caltrans invites eligible agencies identified by the State Controller's Office (SCO) to submit projects for review.</li> <li>In consultation with CARB, Caltrans determines whether proposed projects and expenditures reduce GHG emissions, provide benefits to Priority Populations<sup>4</sup>, result in mode shifts, and are eligible for funding.</li> <li>After evaluating and selecting projects according to program guidelines, Caltrans notifies the SCO of approved expenditures for each transit agency.</li> <li>SCO will release funds to the project sponsors for the approved projects and expenditures, with all funds released by the close of the fiscal year (June 30<sup>th</sup>).</li> </ul>

<sup>3</sup> Per PUC 99313 and 99314 (a) "amounts shall be allocated by the Controller to each transportation planning agency and County transportation commission, and the San Diego Metropolitan Transit Development Board".

<sup>4</sup> Per CARB's 2018 Funding Guidelines for Agencies that Administer California Climate Investments, "AB 1550 Populations" collectively refers to disadvantaged communities, low-income communities, and Low-income households.

**Element (2) A description of how a proposed expenditure will further the regulatory purposes of Division 25.5 (commencing with Section 38500) of the Health and Safety Code, including, but not limited to, the limit established under Part 3 (commencing with Section 38550) and other applicable requirements of law.**

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| <p>□ How the expenditure is consistent with the Investment Plan and the Scoping Plan</p> | <ul style="list-style-type: none"><li>▪ Building upon the previous investment plans, the “Cap-and-Trade Auction Proceeds Third Investment Plan for Fiscal Years 2019-20 through 2021-22” identifies the investment priorities and strategies to expand the scope and reach of the existing California Climate Investments programs. Priorities include continued focus on GHG emission reductions, increased community-level projects and participation, greater funding certainty to allow longer-term planning, and an increased emphasis on additional economic, environmental, and public health benefits with planning and implementation of projects that meet long-term climate objectives and by using multi-year funding commitments.</li><br/><li>▪ This investment plan builds upon AB 398 which Identifies seven funding priorities for California Climate Investments reinforcing and expanding on the seven original investment priorities established in AB 1532. The focus of AB 398 priorities will help meet the State's short-and-long-term climate targets, improve air quality, sustain natural and working lands, and prepare the State for climate impacts that cannot be avoided. The LCTOP directly falls in line with the 2<sup>nd</sup> priority of Low and Zero Carbon Transportation.<ul style="list-style-type: none"><li>○ This 2<sup>nd</sup> priority documents how California Climate Investments via programs such as LCTOP will continue to prioritize and invest with expenditures that are consistent with all aspects of low-and zero-carbon transportation, from personal vehicles to transit to public and private fleets. The public sector is electrifying transit vehicles, from diesel buses to freight yard equipment. Investments in low- and zero-carbon transportation-related infrastructure and equipment support fleet turnover and service improvements in bus and rail lines, and incentivize people to use public transit, thereby</li></ul></li></ul> |
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reducing California's dependency on fossil fuels. Future low carbon transportation efforts will need to increase focus on reducing GHG and air pollutant emissions from vehicles. Additionally, zero-carbon transportation includes nonmotorized transportation options, which also help to reduce vehicle miles traveled. Additional investments in nonmotorized forms of transportation, such as biking and walking, provide safe alternatives for travel between residences, workplaces, commercial centers, and schools.

- This Investment Plan highlights the opportunities California Climate Investments present to help the State achieve the transformational changes needed for a low carbon future. These include key opportunities for supporting environmental justice, equitable project access and outcomes, especially with respect to health; technical assistance; community-driven projects, both small scale and community-wide; more employment opportunities; and better outcome assessment. These opportunities also include incorporating adaptation and resiliency components into current projects that will support long-term 2045 energy and carbon neutrality goals, as well as 2050 climate targets
  - The LCTOP will support recipient agencies in their efforts to increase transit ridership and to meet the statewide GHG reduction goals. Therefore, the expenditures covered by this record are consistent with the Investment Plan and align with the priorities expressed throughout the plan.
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**Element (3) A description of how a proposed expenditure will contribute to achieving and maintaining greenhouse gas emission reductions pursuant to Division 25.5 (commencing with Section 38500) of the Health and Safety Code.**

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<input type="checkbox"/> Describe how expenditures will facilitate the achievement of GHG emission reductions in the State	<ul style="list-style-type: none"><li>▪ Projects will achieve GHG reductions by increasing transit ridership and reducing passenger VMT through expenditures that support new or expanded service or expanded transit facilities and infrastructure (e.g., providing better bus connections to intercity rail, encouraging people to shift from cars to mass transit, using zero-emission or hybrid buses on routes; and or free or subsidized fare pass programs).</li><li>▪ Projects that facilitate GHG reductions and reduce pollutants emissions by funding the purchase of zero or near-zero emission vehicles or equipment which emit less GHG emissions than comparable conventionally fueled vehicles or equipment.</li></ul>
<input type="checkbox"/> Explain when GHG emission reductions and/or co-benefits are expected to occur and how they will be maintained	<ul style="list-style-type: none"><li>▪ GHG reductions from LCTOP expenditures will be maintained for the length of the transit service being funded by the LCTOP or through the useful life of the vehicle/equipment. GHG reductions will begin on the project start date and when projects are in operation. Capital projects must have a useful life not less than that typically required for capital assets (rolling stock, infrastructure, rail infrastructure, equipment) pursuant to the State General Obligation Bond Law (Government Code Section 16720, et seq.) specifically subdivision (a) of Section 16727. Buses, rail rolling stock, and paratransit vehicles, are considered to be equipment with a useful life of two years or more.</li></ul>

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**Element (4) A description of how the administering agency considered the applicability and feasibility of other non-greenhouse gas reduction objectives of Division 25.5 (commencing with Section 38500) of the Health and Safety Code.**

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<input type="checkbox"/> Expected co-benefits, particularly environmental, economic, public health and safety, and climate resiliency	<u>Co-benefits from these projects include:</u> <ul style="list-style-type: none"><li>▪ Reduced transportation costs</li><li>▪ Improved mobility and access for transit riders through improved and expanded service</li><li>▪ Improved air quality by implementing clean vehicle technology that reduces emissions of nitrogen oxides, reactive organic gases, and particulate matter</li><li>▪ Increased safety through improved transit infrastructure</li><li>▪ Reduced auto congestion for non-transit users</li><li>▪ Increase economic benefits for individuals through better connectivity of homes and jobs especially for Priority Populations through improved transportation infrastructure to attract and retain businesses</li><li>▪ Increase attractiveness of a transit-served area to facilitate the location of additional employment and housing in the transit-served area</li><li>▪ Improved reliability through network performance and modernized technology, contributing to travel time savings, and improved access to employment opportunity</li><li>▪ Increased health benefits from non-motorized transportation, such as walking and biking, as part of transit connections and increased ridership.</li></ul>
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<p>❑ How the project will support other objectives of AB 32 and related statutes</p>	<p>▪ Projects will complement the State's efforts to improve air quality and direct public investment toward disadvantaged communities in California.</p>
<p>❑ Percentage of total funding that will be expended for projects that are located in and benefit priority populations<sup>5</sup> per CARB guidance</p>	<p>▪ For transit agencies whose service areas include disadvantaged communities as identified in Section 39711 of the Health and Safety Code, at least 50 percent of the total moneys received shall be expended on projects or services that are located within and benefit disadvantaged communities (Public Resources Code § 75230).</p> <ul style="list-style-type: none"> <li>○ This requirement could be waived for transit agencies with disadvantaged communities in their service areas if the recipient transit agencies expend the funding provided on certain transit activities, such as new or expanded transit service that connects with transit service serving disadvantaged communities or in low-income communities; transit fare subsidies or network and fare integration technology improvements; or the purchase of zero-emission transit buses and supporting infrastructure as defined by SB 1119 (2018).</li> </ul> <p>▪ In addition to LCTOP's statutory requirements for benefitting disadvantaged communities, investment targets for LCTOP for FY 20-21 will be posted by CARB shortly. These are not anticipated to change from last year's investment targets (55% disadvantaged community, 5% low-income community, 20% buffer community).</p>
<p>❑ Describe the benefits to priority</p>	<p>▪ LCTOP Project Expenditures will support improved access to clean and or shared transportation options via transit services within priority populations and along</p>

<sup>5</sup> Priority populations include residents of: (1) census tracts identified as disadvantaged by California Environmental Protection Agency per SB 535; (2) census tracts identified as low-income per AB 1550; or (3) a low-income household per AB 1550. See Section VII.B for more information on the definitions of priority populations.

populations per CARB guidance	<p>the corridors that provide transit services for residents of disadvantaged communities.</p> <ul style="list-style-type: none"> <li>▪ LCTOP Project Expenditures will support the reduction of air pollution and or toxic air contaminant emissions for priority populations</li> <li>▪ LCTOP Project Expenditures will provide improved mobility options between key destinations and communities (i.e. jobs, schools, and businesses, etc.) via transit or passenger rail service for priority populations</li> <li>▪ LCTOP Project Expenditures will improve connectivity between travel modes</li> <li>▪ LCTOP Project Expenditures will improve safety and comfort for priority populations within the transportation system</li> </ul>
<input type="checkbox"/> Explain strategies the administering agency will use to maximize benefits to disadvantaged communities	<ul style="list-style-type: none"> <li>▪ To help maximize benefits, LCTOP Lead Agencies will approve these projects for funding during public board meetings allowing community residents to provide input on projects that will address the specific needs in their communities. The allocation request will document how the lead agency planned the proposed project and how it will meaningfully address a community need.</li> </ul>
<input type="checkbox"/> Explain how the administering agency will avoid potential substantial burdens to disadvantaged communities and low-income communities or, if unknown, explain the process for identifying and avoiding potential substantial burdens	<ul style="list-style-type: none"> <li>▪ The LCTOP encourages lead agencies to engage in additional efforts to consult with priority populations during and post-award period and prior to the beginning of service resulting from the project. Activities that address community engagement may include, but are not limited to, public workshops/meetings, documented public support, door-to-door canvassing, house meetings, established website and/or social media efforts, surveys, focus groups, subcontracts with community-based organizations to conduct outreach, allocation of staff or contractor positions focused on community engagement, and advisory bodies or other shared decision-making bodies.</li> <li>▪ Project lead agencies should document meaningful level of participation from priority populations within the</li> </ul>

planning process intended to address community identified priorities and needs.

- The program encourages projects to provide documentation which shows increased access, reduced transportation costs.

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**Element (5) A description of how the administering agency will document the result achieved from the expenditure to comply with Division 25.5 (commencing with Section 35800) of the Health and Safety Code.**

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<p>□ How the administering agency will track / report progress to make sure projects are implemented per requirements in statute and CARB guidance</p>	<ul style="list-style-type: none"> <li>▪ Caltrans will require funding recipients to maintain records and submit semi-annual status reports on May 15 and November 15. In addition, Caltrans will conduct periodic reviews of selected projects. If a funding recipient does not perform in accordance with program requirements, the recipient will be subject to the remedies for non-performance, as identified in the agency's guidelines.</li> <li>▪ Funding recipients must submit project reports to document and ensure that the project achieves the GHG reduction and other goals of the program. Reports include semi-annual reporting, a final close-out report upon project completion, and additional recordkeeping and reporting through the life of the project. All reporting must be consistent with the metrics, quantification methodologies, and reporting requirements developed by CARB. The final delivery report must include performance outcomes of GHG reduction, and other outcomes, for the completed project as compared to the project at the time of programming.</li> <li>▪ Caltrans staff will conduct site visits during an open project and after a capital project is completed for outcome reporting. These site visits are to ensure the project funding is expended according to award.</li> </ul>
<p>□ Describe the approach that will be used to document GHG emission reductions and/or other</p>	<ul style="list-style-type: none"> <li>▪ Caltrans will coordinate with CARB to develop quantification methodologies to estimate GHG emission reductions and co benefits (e.g., energy savings). Caltrans staff will review calculations prepared by project proponents to ensure consistency with approved methodologies. Caltrans staff will review calculations</li> </ul>

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benefits before and after project completion.	<p>prepared by project proponents to ensure consistency with CARB's</p> <ul style="list-style-type: none"><li>▪ Quantification Methods: <a href="http://www.arb.ca.gov/cc-resources">www.arb.ca.gov/cc-resources</a></li><li>▪ Estimated GHG reductions will be based on information reported, in accordance with guidelines, by local agencies to Caltrans.</li><li>▪ Caltrans will receive, review, and submit all needed reports to ensure that the project achieves the GHG reduction and other goals of the program. Reports include semi-annual reporting uploaded to the CARB database, a final close-out report upon project completion submitted to Caltrans, and additional recordkeeping and reporting through the life of the project. Reporting will be consistent with the metrics and quantification methodologies. The final delivery report will include performance outcomes of GHG reductions, and other outcomes, for the completed project as compared to the project at the time of programming.</li></ul>
<input type="checkbox"/> Type of information that will be collected to document results, consistent with CARB guidance	<ul style="list-style-type: none"><li>▪ Caltrans will collect data on project location, baseline and estimated ridership, fuel usage, expected useful life, and other data in accordance with CARB's Funding Guidelines from all grant recipients. Caltrans reporting is collected from:<ul style="list-style-type: none"><li>○ Initial Allocation Request</li><li>○ Semi-Annual Progress Reports</li><li>○ Close Out Reports</li><li>○ Outcome Reporting</li></ul></li><li>▪ To determine the job benefits, Caltrans will compile data from funding recipients on jobs provided, consistent with CARB guidance.</li><li>▪ Caltrans will collect information on project outcomes for projects in accordance with CARB guidance.</li></ul>

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| <p>❑ How the administering agency will report on program status</p> | <ul style="list-style-type: none"><li>▪ <u>Annual Legislative Report:</u> Per Health and Safety Code Section 39721, administering agencies shall report to the Department of Finance, and the Department of Finance shall submit an annual report to the Legislature on the status of projects and their outcomes. Caltrans will compile project information and submit LCTOP information through the CARB database to be used for this annual report along with program highlights or expanded details as required by CARB.</li><li>▪ Caltrans will receive the required data for all recipient agencies. Each agency will provide regular updates on the program, including expenditure amounts, GHG emission reductions, and other benefits, as applicable. Reports will also include information on project outcomes for projects in accordance with CARB guidance.</li></ul> |
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## **Low Carbon Transit Operations Program Background on Annual Attestation Memorandum and Expenditure Record**

### **Program Background:**

The Low Carbon Transit Operations Program (LCTOP) is part of the California Climate Investments (CCI), a statewide initiative that puts billions of Cap-and-Trade dollars to work by funding projects that reduce greenhouse gas (GHG) emissions, strengthen the economy, and improve public health and the environment— particularly in disadvantaged communities. In 2014, Senate Bill 862 established LCTOP as a noncompetitive, formulaic program, with 5 percent of annual auction proceeds being continually appropriated since the beginning of 2015. LCTOP utilized a calendar (Q3 Feb; Q4 May; Q1 August; Q2 Nov) of auctions proceeds for the annual apportionment.

LCTOP provides operating and capital assistance to transit agencies with the goal of reducing GHG emissions and improving mobility, with an emphasis on serving Disadvantaged Communities (DACs). For agencies whose service area includes a DAC, at least 50 percent of the total monies received shall be expended on projects that provide a direct, meaningful and assured benefit to DACs.

### **Attestation Memorandum and Expenditure Record Background:**

CCI administering agencies are required to prepare an expenditure record documenting how their investments will further the purposes of Assembly Bill 32, contribute to achieving greenhouse gas emission reductions and other health and environmental co-benefits, and meet other statutory requirements.

CARB's Funding Guidelines require agencies to submit an attestation memorandum along with expenditure record to confirm that the expenditure record meets the statutory requirements of Government Code section 16428.9. To better assist agencies, CARB provides sample templates of the expenditure record and attestation memorandum to be utilized. A PDF Copy of the five previous LCTOP Attestation Memorandums and Expenditure Records are attached for historical context.

### **FY 2020-2021 LCTOP Expenditure Record Development and changes:**

It is recommended CalSTA handle the approval process for LCTOP's documents in a similar manner to TIRCP. There have been no changes to the program statutory requirements or legislation from the previous year. LCTOP staff utilize the previously approve documents as a starting template and revised as needed. LCTOP staff provided CARB with draft documents for courtesy review and have made CARB staff recommendations to include "*air pollution reduction benefit*" to the benefit to priority population section; and updating language for project outcome reporting to include "*projects in accordance with CARB guidance.*" Additional changes made to the FY 2020-2021 Expenditure Record Include:

- Updated funding year dates
- Updated Project Category to Project Type based on CARB template

- Updated language to *Describe the benefits to priority populations per CARB guidance* vs listing project types (pg. 10). This will also lead to a change in CARB Benefit table from Transit table to the Sustainable Transportation table. There are minor differences in these tables. Many of the CCI programs have or are transitioning to the Sustainable Transportation benefit table and LCTOP usage will keep it consistent across the many programs.

**Controversial or Sensitive information:**

There have not been any documented public concerns or feedback on any of the five previous LCTOP Expenditure Records. The Expenditure Record documents program requirements that *could* be deemed as *sensitive*, such as: *Avoiding substantial burdens to Priority Populations and Ensuring direct and meaningful benefit towards Priority Populations*. These are legislative requirements set outlined in the CARB Funding Guidelines that cannot be changed.