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THE ACTIVE TRANSPORTATION PROGRAM: AN ANALYSIS OF PROGRAM IMPLEMENTATION AND PROJECT SELECTION

Created in 2013, the Active Transportation Program (ATP) administered by the California Transportation Commission (CTC) has become an important source of funding for bicycle and pedestrian infrastructure throughout the state. Initially funded at approximately \$123 million annually, the program was augmented as part of the Road Repair and Accountability Act of 2017—SB 1 (Beall), Chapter 5, Statutes of 2017—and now allocates more than \$220 million per year, awarded biennially through a competitive process. The program has awarded approximately \$1.18 billion to 720 projects during the first three funding cycles.

In light of the ATP's emergence as a significant source of state infrastructure investment, the Senate Office of Research was asked to assess program implementation, in particular the funding allocation and project selection processes, and to suggest options for improvement. This report describes the author's findings based on multiple interviews and an analysis of publicly available data on project funding requests and awards. Interviewees included staff from the commission and the California Department of Transportation (Caltrans), which provides support and technical assistance in program administration and project delivery, as well as representatives of stakeholders including large metropolitan transportation organizations (MPOs), small MPOs, regional transportation planning agencies (RTPAs), municipalities, and active transportation and social equity advocacy groups. In addition, the author served as a volunteer project reviewer, evaluating applications in the statewide competition for cycles 3 and 4, gaining firsthand knowledge of the process.

Most stakeholders interviewed view the program favorably, although this study identified several areas that warrant attention. A key question is whether the application review process ensures adequate consistency in project scoring. Another issue is that while most regions of the state have received a share of ATP funding awards over the life of the program that is relatively commensurate with their share of the state's population,



a few large urban areas—as well as many smaller, more rural communities—have not. Such persistent disparities in program funding distribution warrant further examination. In addition, it may be appropriate to consider expanding the program’s emphasis on funding projects that address critical regional as well as local priorities. Finally, it is critical that the commission continue its efforts to streamline the complex and costly application process and increase technical support for applicants.

Some of the issues could be addressed through changes to the distribution of funding within the program, such as increasing the share of funds awarded by the MPOs through regional competitions while simultaneously limiting the statewide competition administered directly by the commission to projects in rural and small urban jurisdictions. In addition, a per-project cap on ATP funding could broaden access to limited program funding. Another suggestion is that the commission explore ways to expand technical assistance to project applicants and simplify the application where possible while preserving the collection of data needed to evaluate program performance.

PROGRAM OVERVIEW

Goals and Structure

Proposed by Governor Brown as part of his administration’s effort to promote sustainable transportation, the ATP consolidated various state and federal transportation programs that traditionally had funded pedestrian and bicycle safety infrastructure into a single competitive program.¹ The governor’s rationale for the consolidation was the belief that a single large program would “streamline the (grant application) process and fund high-priority projects that reduce greenhouse gas (GHG) emissions” consistent with state goals, while also improving safety for nonmotorized transportation users.² Enacted as part of the 2013–14 state budget,³ the program is administered by the CTC. The commission adopted initial program guidelines in early 2014, with the first projects awarded later that year.

The enacting legislation enumerates six goals of the ATP:

- 1) Increase the proportion of trips by nonmotorized users
- 2) Increase safety and mobility for nonmotorized users
- 3) Advance regional agency efforts to achieve GHG reduction targets
- 4) Enhance public health, including reduction of childhood obesity
- 5) Ensure full participation of disadvantaged communities in program benefits
- 6) Provide a broad spectrum of projects benefiting a range of users

While the entire program is competitive, the statute prescribes different processes for awarding various components:

- > Fifty percent is awarded through a statewide competition administered by the commission
- > Forty percent is distributed to MPOs in urban areas with populations greater than 200,000,⁴ in proportion to their relative share of the state’s population, and awarded competitively by the MPO consistent with program guidelines
- > Ten percent is awarded by the commission to the highest scoring projects in small urban and rural (SUR) jurisdictions not already funded through the statewide component. This includes the eight small MPOs⁵ (those with populations less than 200,000) and the 21 counties not covered by an MPO.

The commission must develop guidelines and project selection criteria for the program in consultation with the ATP Stakeholder Advisory Committee and may revise the guidelines before each subsequent round of funding. The statute allows for a wide range of eligible project types, including various types of infrastructure improvements and non-infrastructure projects.⁶ It requires that an eligible project meet one or more program goals and that the selection process consider certain minimum criteria⁷ but otherwise grants the commission substantial discretion in development and weighting.

The commission also may adopt separate guidelines for regional agencies to ensure regions have adequate discretion to address specific needs through the regional competition. It has implemented

this provision by allowing MPOs to use modified selection criteria—weighting, minimum project size, match requirement, or definition of a disadvantaged community—provided the commission approves the modifications. Seven of the 10 large MPOs (all except the Kern, San Joaquin, and Stanislaus councils of governments) developed modified guidelines for the most recent cycle.

Application Development and Scoring Criteria

From its inception, the project application has been crafted to identify projects likely to encourage walking and bicycling and to enhance safety for nonmotorized travelers, awarding a majority of the total points based on these two criteria. Points also are awarded to projects that would benefit disadvantaged communities (DACs) and for applications demonstrating a high degree of public engagement and participation in the identification, prioritization, and development of the project.

The commission revises the project application before each funding cycle based in part on extensive feedback and recommendations from Caltrans technical staff and the ATP work group, and solicits stakeholder input through numerous public workshops. This has led to substantial revisions of the application process over time along with development of an increasingly detailed scoring rubric and increased emphasis on training for reviewers.

Throughout the four program cycles, the subject generating the most debate among stakeholders has been the question of how best to score a proposal's benefit to DACs. Some advocates think that because such communities in general tend to have fewer resources and greater infrastructure needs than higher-income areas, applications benefiting them should receive bonus points. However, others raise concerns that due to the highly competitive nature of the program, awarding bonus points effectively renders applications that do not benefit a DAC noncompetitive. In

the first two cycles an application deemed to benefit a DAC could receive up to 10 points. Beginning with Cycle 3 the commission added a “severity” scale, allowing only the most severely disadvantaged communities to receive the maximum score. Notably, relatively few applications not benefitting a DAC have received funding since the program's inception, and in recent cycles, the success rate has further declined. Importantly, however, the number of applications not proposing to benefit a DAC also has diminished.

For Cycle 4, the commission designed the following five separate applications in an effort to evaluate different types of projects more effectively:

- > Large infrastructure project—Total project cost more than \$7 million
- > Medium infrastructure project—Total project cost between \$1.5 million and \$7 million
- > Small infrastructure project—Total project cost less than \$1.5 million
- > Non-infrastructure programs/activities only
- > ATP plan development

In adopting multiple applications the commission sought to focus the questions on the distinct elements of different project types. For example, the non-infrastructure application awards an increased share of the total points for a project's potential to increase nonmotorized mode-share and a lesser



share for direct fatality/injury mitigation relative to the infrastructure applications. Among the three infrastructure applications, projects in the medium and large categories receive points for context sensitivity and innovation as well as for inclusion of local matching funds, whereas such factors are not considered for small projects. Large infrastructure projects also receive points for cost-effectiveness as well as for transformational impact, defined by the commission as significant expansion of active transportation opportunities in a community or region.⁸ Criteria for plan development applications differ substantially from that for other project types, emphasizing applicant need, plan feasibility, and demonstrated level of public engagement rather than quantitative expected outcomes. It is important to note, however, that despite the significant variability in scoring criteria, all applications use a 100-point scale with funding awarded to the top-scoring projects, regardless of type.

Project Selection

In Cycle 4, the commission required all applicants to complete the state application to be eligible for funding through either the statewide competition or

the subsequent regional competitions.⁹ In addition, for the regional competition the large MPOs had the option to require a supplemental application, which could request additional information required to assess projects in light of the region's specific priorities. In previous cycles large MPOs had the option of soliciting additional applications after the state competition and did not necessarily need to complete the state form.

For Cycle 4, the commission recruited more than 100 volunteers with various backgrounds and expertise to score applications for the statewide competition. Reviewers included engineers, transportation planners, and other public agency staff, as well as public health experts and representatives of private and nonprofit advocacy organizations with an interest in active transportation. Evaluators were required to participate in a three-hour phone- and Internet-based training, disclose any potential biases or known conflicts of interest regarding any ATP project application, and refrain from reviewing any application that might pose a conflict.

The commission formed two-member application review teams, assigning each pair approximately a dozen projects. In selecting the review teams the commission considered geographic location to the extent possible matching a reviewer from Northern California with one from Southern California. Each team member was required to independently review and score each project before meeting jointly to determine consensus scores for each element of the application. Reviewers were instructed to rely primarily on the information included in the application and to refrain from conducting outside research. Reviewers were unable to request additional information or ask questions of project applicants, though they were permitted to use Internet-based tools such as Google Maps to gather information on the project area. Following submission of all scores a commission staff member independently scored each application as part of a validation effort. In cases in which the validation score differed substantially from the consensus score, the commission contacted the original reviewers to discuss the score by question. Some review teams chose to reevaluate and adjust the score after meeting with commission staff, and some review teams chose to retain their original score after



providing justification to commission staff. However, the commission itself did not unilaterally modify any scores unless there were errors such more points being awarded to a question than the scoring rubric allowed.

Regional Competition

Following commission approval of project lists for the statewide and SUR components, each of the 10 large MPOs must then consider all unfunded eligible projects within its jurisdiction as part of its regional competition. MPOs may use region-specific guidelines that differ from those adopted statewide, subject to commission approval. MPOs also may collect supplemental project information from applicants to use in their regional evaluation. Seven of the 10 large MPOs have adopted region-specific guidelines for Cycle 4. Based on a review of the adopted regional guidelines, as well as interviews with representatives from several agencies, the regional selection process differs from the state competition in several significant ways.

Goals and Priorities: Among the seven MPOs that have chosen to adopt region-specific guidelines for Cycle 4, nearly all give priority to projects determined to be consistent with regional plans or other specific regional priorities. For example, the Metropolitan Transportation Commission (MTC) limits eligibility for regional ATP funds to jurisdictions that comply with specified regional housing element and complete streets policy requirements. In addition, several MPOs specifically award points for projects that address regional priorities. The Sacramento Area Council of Governments (SACOG) prioritizes projects that show the greatest potential to reduce vehicle miles traveled (VMT) and support the region's GHG reduction goals, while the Tulare County Association of Governments and MTC both award bonus points for projects in specified local and regional plans, including complete streets plans, bicycle/pedestrian safety plans, and community-based transportation plans. The Southern California Association of Governments (SCAG) allocates its regional funds based on population size among its six member counties and allows each county transportation commission to award additional points (up to 20) for projects consistent with local and regional plans. Meanwhile, the San Diego Association of Governments (SANDAG) awards points on the

basis of several factors, including demand analysis,¹⁰ potential for GHG reduction, and adoption of various regional plans and policies.

Scoring: While some MPOs use the commission-assigned score from the state competition as a baseline, several regions allow their own review panel(s) to rescore the applications based on different criteria and weighting developed by the MPO to reflect regional priorities. As a result, a project that rated poorly in the statewide competition could score substantially better in the regional competition or vice versa. Another factor that could lead to scoring differences between the statewide and regional levels is that an evaluator from the area may have greater familiarity with a project and its surrounding environment, and thus a clearer understanding of both the benefits and potential shortcomings of the project, than would a reviewer not from that region.

Review Process: At least among the MPOs interviewed for this project, the regional project selection process differs significantly from that used by the commission. In most, if not all, regions, the review panels are much larger than the two-member panels used by the state, allowing for scrutiny of each application by evaluators with a range of backgrounds and expertise. In some regions, the same committee reviews all projects. In at least one region, applications are grouped, scored, and ranked initially by different panels. However, a second panel subsequently considers all high-scoring projects together and makes final funding recommendations. The goal in all of these approaches is to minimize potential inconsistencies in scoring resulting from



reviewer bias. In addition, reviewers in some regions have the opportunity to gather additional information by asking questions and seeking clarification from project applicants before scoring applications.

STAKEHOLDER PERSPECTIVES

Program Strengths

Virtually all stakeholders interviewed for this project agree that the ATP's competitive element is important. Most believe competition has encouraged development of projects that effectively address the safety of nonmotorized travelers and promote increased walking and bicycling. Some also say the substantial stakeholder involvement and enthusiasm about the ATP is, at least in part, a product of the visibility generated by a statewide competition. Some fear this emphasis would be deprioritized if the funds were simply allocated by formula, citing as an example the federal Transportation Enhancements (TE) Program,¹¹ which before 2012, allocated funding by formula to counties for certain eligible project types including active transportation. The perception is that while some counties used TE funds effectively to improve bicycle and pedestrian infrastructure, many were slow to program projects, and others failed to use the funds at all. There is some concern that under a formula allocation, the focus on ensuring efficient and effective use of the funds could diminish over time.

In addition, several stakeholders expressed concern that a strict formula allocation of funds to each MPO or RTPA would fail to provide sufficient funds for many smaller agencies to fund even a single viable project. Notably, if the entire \$440 million in Cycle 4 ATP funds had been allocated to counties by population, 21 of the 58 counties would have received less than \$1 million, and 37 counties would have received less than \$4.6 million, the approximate average size of a successful Cycle 4 grant.¹²

According to many stakeholders, one of the primary benefits of the statewide competition is that it does not predetermine the allocation of resources. At least in principle, it ensures the best projects receive funding, regardless of location. In addition, some stakeholders suggest that the statewide competition enables small jurisdictions to “punch above their weight,” funding projects far larger than could be achieved through several funding cycles under a formula allocation, provided they demonstrate both a compelling need and an effective solution. Others indicate the statewide competition is particularly beneficial for rural communities within the jurisdictional boundaries of large urban-centered MPOs. These communities, they contend, often fare poorly in the regional competitions and have few resources to fund bicycle or pedestrian infrastructure and related programs other than the statewide ATP competition.

Some stakeholders favor the statewide competition because it diminishes the influence of local politics on project selection, which they say results in a more objective assessment of project benefit and overall quality. Several also prefer the program structure of the statewide competition, which they say provides statewide consistency in the evaluation of projects, as well as a centralized forum for stakeholder feedback and opportunities for continuous program improvement. A few expressed concern about delegating additional decision-making authority to regions, suggesting there is significant inconsistency among regions in the priority and attention given to bicycle and pedestrian programs and infrastructure.



Opportunities for Improvement

Reduce Application Costs: Among the challenges raised by stakeholders regarding the current statewide competition, the most burdensome, particularly for small agencies, appears to be the cost and complexity of the application process. Multiple jurisdictions interviewed for this project indicated that the ATP is among the most labor-intensive grant applications they prepare. It requires aggregation and analysis of a range of data types (crash rates, bike/pedestrian counts, and public health data) that may not be easy or cost-effective for many jurisdictions to collect. In addition, to be competitive, an application must provide a narrative about community needs and expected project benefits that is compelling to reviewers with no independent knowledge or familiarity with the project.

According to representatives of several municipalities and MPOs interviewed for this report, many local agencies lack the necessary resources and expertise in-house to develop competitive applications. As a result, many choose to hire consultants, viewing the experience of these firms as the most effective way to compile the data and develop the narrative required to field a competitive application. For Cycle 4, the commission surveyed all applicants, finding that of the 28 percent who responded, slightly less than half (47 percent) had used a consultant. While the commission lacks comparison data from previous cycles, some stakeholders suggest that use of consultants is increasing. A representative from one MPO said that in its region, the share of applications developed by consultants had increased with each ATP cycle and, as of Cycle 4, reached a majority.

The commission provides technical assistance to help applicants prepare quality applications, including funding the Active Transportation Resource Center (ATRC), a technical assistance, resource, and training center operated by Caltrans to promote the success of active transportation projects.¹³ Commission staff indicate that within the next year, the ATRC expects to begin loaning automated bicycle/pedestrian counter equipment to local agencies, reportedly at no cost, to facilitate more accurate user counts for ATP applications. In addition, commission staff note the availability of various online resources, including the California Healthy Places Index and the

Statewide Integrated Traffic Records System, both of which provide free access to data and resources that applicants can use to strengthen applications.

Whether prepared by a consultant or in-house, all stakeholders interviewed acknowledged that developing competitive ATP applications is both labor- and often cost-intensive. Among the jurisdictions surveyed that develop ATP applications in-house, estimates ranged from \$10,000 and \$15,000 to develop a new application, mostly for the cost of staff time. By comparison, using consultants had somewhat higher estimated costs of \$15,000 and \$25,000 per application, depending on the size and complexity of the project and the services provided.

In Cycle 4, a record-low 9 percent of submitted applications were funded through the statewide component.¹⁴ For the purposes of this report, the author did not attempt to survey or otherwise estimate the number of jurisdictions that may have opted to forgo pursuing future applications due to the cost. However, anecdotal evidence from interviews with multiple stakeholders suggests a number of jurisdictions that submitted applications in previous cycles might have decided it is more cost-effective to focus limited resources elsewhere.

One potential alternate fund source for active transportation projects is the Local Streets and Roads Program, a new \$1.5 billion formula-based program established through SB 1. Commission staff note the program currently includes about 300 projects that appear to be solely active transportation-oriented, including Safe Routes to School improvements, a pedestrian bridge, and implementation of an ATP plan. In addition, many other projects include elements that will support active transportation. Staff suggest that in previous cycles, many of the improvements might have been proposed as ATP projects.

Improve Consistency in Application Scoring:

Another challenge is ensuring scoring consistency in the statewide competition. As noted above, over time the commission has developed an increasingly complex and robust scoring rubric. However, while intended to standardize project evaluation, the rubric still allows for significant variability because it establishes a range of possible scores for each of the



rating levels used in judging the quality of responses. For example, on one question with a maximum score of 18, a reviewer could assign anywhere from 15 to 18 points for an excellent response, 10 to 14 for a good response, 5 to 9 for a fair response, or 1 to 4 for a poor response. Whether a reviewer chooses the high or low end of the range for each rating level will significantly affect the application's final score. Therefore, two similar projects could receive significantly different scores simply because one reviewer scored at the top of a range while another reviewer scored a similar project at the bottom of that range. In a program so competitive that a single point can represent the difference between success and failure of an application, this scoring flexibility raises concern.

In addition, evaluator perspectives are informed by various factors such as personal and professional experiences, values, and preferences. For this reason, SB 99 requires the commission “to form a multidisciplinary advisory group to assist it in evaluating project applications.”¹⁵ (The Cycle 4 guidelines refer to this as a multidisciplinary Project Evaluation Committee.) The intent is to ensure that all proposals are evaluated by professionals with the expertise necessary to assess various different elements such as technical feasibility, safety and

mobility benefit, quality of community engagement, public health impact, and equity. However, in the state competition, each proposal is scored by just two individuals who may not have the full range of expertise to provide a comprehensive review across all the elements. Moreover, the limited size of the review teams amplifies the impact of each reviewer's assessment on the final score. The fact that the various teams are composed of individuals with different combinations of backgrounds and expertise may cause further inconsistency in how projects are evaluated. Although the commission attempts to validate the scores using independent staff reviewers, it is unclear whether the process is an adequate substitute for the use of larger, more technically diverse review teams. In this study, several stakeholders recommended increasing the number of reviewers scoring each project to improve consistency, limit the impact of potential outlier scores, and ensure all proposals receive a more comprehensive evaluation.

Expand Focus on Regional Priorities: A

concern raised by some stakeholders, including representatives of both large and small MPOs, is that the projects within their regions that succeed in the statewide competition frequently are not the ones best suited to “move the needle” in advancing regional goals and priorities. The stakeholders note that MPOs and RTPAs are the entities charged with responsibility for implementing regional plans (i.e., congestion mitigation, VMT reduction, development of sustainable community strategies for GHG reduction), which are essential to helping the state reach its overall objectives. They highlight that while seven of the 10 large MPOs opted to modify regional selection criteria to ensure prioritization of specific regional needs, the statewide component that comprises half of all program funding does not consider regional priority as a significant factor.

Some stakeholders interviewed for this study suggested that the commission consider making regional prioritization—and perhaps project ranking—factors in project scoring for the statewide competition. However, commission staff indicate that the idea has been discussed in multiple stakeholder workshops and the consensus each time has been not to have regions prioritize their applications.

For the large MPOs, the lack of input regarding which

projects within their jurisdiction receive statewide funding presents a challenge that could inhibit efforts to maximize progress toward regional goals and priorities. Nevertheless, each of these agencies has a regional program allocation it can prioritize to address at least some critical needs. This is not the case, however, for the eight smaller MPOs. Like their more populous counterparts, these agencies have regional plans to implement and priorities to address. However, because the SUR component of the ATP simply awards funds to the highest-scoring eligible projects not funded in the statewide competition, without consideration for regional priorities or geographic equity, the small MPOs are unable to ensure any of the funds address their regions' top priorities.

STATEWIDE AND REGIONAL GRANT DISTRIBUTION

An important consideration for state policymakers is whether communities throughout the state are benefiting from the program. This section of the report looks at the distribution of funding awarded during the first four cycles of the statewide competition and presents key observations from the data.

The average size of funded projects has increased substantially over the first four cycles. In Cycle 1, the average project award was approximately \$1.5 million. The average award grew to \$2 million in Cycle 2, \$2.3 million in Cycle 3, and doubled to \$4.6 million in Cycle 4. As a result, despite a

substantial increase in total funding since program inception, the number of projects funded has dropped from 125 in Cycle 1 to 51 in Cycle 4 (see Table 1).

The increase in average award size, particularly in Cycle 4, is due at least in part to a stated commission goal to encourage large projects based on the belief they “have the potential to generate a more transformative change to a community’s transportation environment.”¹⁶ While it is premature to evaluate the transformative impact of this move toward larger projects, one immediate effect has been to reduce the total number of projects funded. The program has always been highly competitive. In Cycle 3, fewer than 22 percent of submitted projects received funding through the statewide competition. In Cycle 4, the success rate dropped to approximately 9 percent. Such a low probability

Table 2
Cycle 4: Large MPO Regional Funding Allocation

	Total Funding*
SCAG	\$92.5
MTC	\$36.7
SANDAG	\$15.8
SACOG	\$11.7
FresnoCOG	\$4.7
KCOG	\$4.3
StanCOG	\$2.6
StanCOG	\$2.6
TCAG	\$2.3
TMPO	\$0.7

* In millions.

SCAG=Southern California Association of Governments; MTC=Metropolitan Transportation Commission; SANDAG=San Diego Association of Governments; SACOG=Sacramento Area Council of Governments; FresnoCOG=Fresno Council of Governments; KCOG=Kern Council of Governments; SJCOG=San Joaquin Council of Governments; StanCOG=Stanislaus Council of Governments; TCAG=Tulare County Association of Governments; TMPO=Tahoe Metropolitan Planning Organization.

Table 1

Statewide Component: Total Projects Funded and Average Award

	Cycle 1	Cycle 2	Cycle 3	Cycle 4
Total Projects	125	87	98	51
Average Award*	\$1.5	\$2	\$2.3	\$4.6

* In millions.

of success could discourage some prospective applicants, particularly those with extremely limited resources.

Another impact of the shift toward funding larger projects is the challenge it could pose for large MPOs in managing their regional component funding. Without a funding cap, there is a strong incentive for applicants to propose large projects. Indeed, 8 percent of all Cycle 4 applications requested at least \$10 million, compared to just 1.5 percent of those in Cycle 3. For six of the 10 large MPOs, funding a single project of \$10 million would substantially exceed their entire regional allocation, and for two others such a project would consume the vast majority of available funds. Only SCAG and MTC have the capacity to fund multiple \$10 million projects at the regional level (see Table 2 on page 9). As a result, the choice to fund one such project

through the regional component would substantially limit the ability of most MPOs to use ATP funds to target a range of needs. Over time, this trend toward larger project applications could become a significant resource management challenge for MPOs.

As noted above, a number of stakeholders interviewed for this project believe the statewide competition provides critical benefits for smaller communities, enabling them to fund substantially larger projects than would otherwise be possible. An initial examination of project award data appears to support this view. Through the first four cycles, jurisdictions within the SUR regions have secured nearly 13 percent (\$105.5 million) of the total funding awarded through the statewide competition, though collectively they represent only about 8 percent of the total population. This translates to approximately \$30 million more than they would have received under a strict population-based formula allocation.

Nevertheless, in assessing how well the program benefits these communities, a few additional factors are worth considering. First, the 13 percent statewide share is significantly lower than the 20 percent of the regional funding share the communities currently receive. In addition, the vast majority of SUR projects funded through the statewide competition have benefited only a small subset of eligible agencies. To date, the small MPOs collectively have secured 34 project awards worth more than \$73 million through the statewide competition. However, more than 82 percent of these funds (20 projects valued at more than \$60 million) were claimed by three counties representing 58 percent of the total small MPO population (see Table 3).

Table 3
Small MPOs: Total Statewide Funding Awards

MPO	Share of Small MPO Area	Share of Small MPO Funding	Total Projects	Total Funds Received*
AMBAG	29.58%	32.35%	7	\$23,670
BCAG	8.66%	28.51%	8	\$20,863
SBCAG	17.26%	21.41%	8	\$15,666
SCRTPA	6.78%	7.63%	4	\$5,584
SLOCOG	10.66%	4.84%	2	\$3,539
MCAG	10.66%	4.76%	4	\$3,484
KCAG	5.77%	0.49%	1	\$360
Madera	6.04%	0.0%	0	\$0
TRPO	4.56%	0.0%	0	\$0
Total	100%	100%	34	\$73,166

* In thousands.

** TMPO was categorized as a small MPO before 2016. It was redefined as a large MPO before Cycle 4.

AMBAG=Association of Monterey Bay Area Governments; BCAG=Butte County Association of Governments; SBCAG=Santa Barbara Council of Governments; SCRTPA=Shasta County Regional Transportation Planning Agency; SLOCOG=San Luis Obispo Council of Governments; MCAG=Merced County Association of Governments; KCAG=Kings County Association of Governments; MaderaCTC=Madera County Transportation Commission.

A similar dynamic has occurred among the 21 rural counties not covered by MPOs. While collectively these counties have secured 21 project awards in the statewide competition, 13 are in two counties and represent more than 81 percent of the \$32.4 million total, including one \$13.3 million project (see Table 4).

Among the large MPOs, seven of 10 have secured an overall share of funding relatively commensurate with their share of the state's population, notwithstanding fluctuations across funding cycles. Among the others, the Fresno Council of Governments has received less than half of the funds it would have received under a strict formula allocation, while MTC has received roughly 40 percent less. The Tahoe Metropolitan

Table 4
Rural Counties: Total Statewide Funding Awards

County	Total Projects Funded	Total Funds Received*	Share of State non-MPO Area Population
Humboldt	8	\$19,749	61%
Mendocino	5	\$6,668	20.5%
Calaveras	1	\$1,985	6.13%
Inyo	1	\$1,939	6.13%
Tuolumne	1	\$722	2.2%
Del Norte	2	\$700	2.16%
Mono	1	\$434	1.34%
Trinity	1	\$110	0.34%
Tehama	1	\$73	0.2%
Total	21	\$32,380	100%

* In thousands.

Table 5
Large MPOs: Total Statewide Funding Awards

MPO	Total Projects	Total Funds*	% Total Funds	% State Population
SCAG	163	\$416,777	50.12%	48.09%
MTC	32	\$100,135	12.04%	19.52%
SACOG	28	\$67,707	8.14%	6.28%
SANDAG	28	\$51,110	6.15%	8.38%
KCOG	22	\$31,234	3.76%	2.27%
SJCOG	8	\$14,462	1.74%	1.9%
StanCOG	7	\$11,665	1.4%	1.39%
FresnoCOG	10	\$9,183	1.1%	2.53%
TCAG	5	\$5,046	0.61%	1.19%
TMPO**	0	\$0	0.0%	0.36%
Total	303	\$707,319	85.07%	91.55%

* In thousands.

** Cycle 4 only. Pursuant to the 2015 Fixing America's Surface Transportation Act, the Tahoe Metropolitan Planning Organization (TMPO) was defined as a bistate MPO with a population of 210,000 (145,000 in California; 65,000 in Nevada).

Planning Organization (TMPO), designated a large MPO before Cycle 4, has secured no statewide awards. In addition, while the SCAG region as a whole secured funding commensurate with its share of the overall state population, Los Angeles County, which includes 50 percent of the region's population, secured a 63 percent (\$264 million of \$416 million) share of all statewide funding awarded to the region, meaning the remaining five counties fell short.

Because the program is competitive, some variation in the distribution of funding among regions is expected. In addition, there may be differences in the level of effort local agencies put into the application process. For instance, commission staff note that some MPOs assist their jurisdictions in completing applications and offer to review them before submittal. Nevertheless, this analysis has identified some significant regional funding disparities that state policymakers may want to explore further to ensure a reasonably equitable distribution of program benefits throughout the state.

OPTIONS TO ENHANCE PROGRAM PERFORMANCE

The primary purpose of a statewide competition is to ensure the best projects overall rise to the top. In a program so competitive that loss of a single point can represent the difference between success and failure, scoring consistency is critical. Since the ATP's inception, commission staff have worked diligently to improve the project selection process by developing

increasingly specific scoring rubrics, creating multiple applications to assess different project types more accurately, and establishing a validation system to address outlier scores. Still, many stakeholders have concerns about the potential for scoring inconsistency using the current model.

In seeking to improve the selection process, as well as address the other issues raised in this report, state policymakers may want to consider the options described below. While some would require legislative action, the commission could implement others independently.

The Legislature could increase the size of the large MPO component of ATP while excluding these jurisdictions from participation in the statewide competition. Each of the large MPOs currently receives a share of this component (40 percent of total ATP funds) commensurate with its share of the state's population to award competitively to projects in the MPO area. Expanding the size of this program component while excluding these jurisdictions from the statewide competition would address the existing regional disparity while preserving the competitive character of the program. Such an expansion also would enhance the large MPOs' authority to prioritize projects deemed critical to implementing local plans and targets.

The commission could expand the size and technical diversity of application review teams for the statewide competition. The statute requiring both the commission and MPOs to employ a multidisciplinary advisory committee is intended to ensure that professionals with expertise on a range of factors—including technical feasibility, safety and mobility benefit, public health impact and equity—evaluate each application. However, presumably due to practical limitations associated with the large volume of applications, the commission limits the size of review teams to two people. Excluding large MPO proposals from the statewide competition would dramatically reduce the size of the application pool, enabling the commission to more easily form and manage larger review panels. The use of broader multidisciplinary review teams, combined with a reduction in the number of review panels



overall, also would address current concerns about the potential for scoring inconsistency. In addition, simplifying the scoring rubric could help minimize variability in scoring projects of similar quality.

The commission could explore options to enhance small MPOs' ability to prioritize projects that address critical regional needs. All MPOs are required to establish congestion, GHG reduction, and other targets and to develop plans and strategies to achieve these goals. However, while the regional competitions afford the 10 large MPOs an opportunity to ensure that some ATP funds target their most critical needs, their eight smaller counterparts have no similar authority. The commission could explore ways to address this inconsistency. Potential alternatives could include establishing minimum funding shares for each small MPO, allowing them to nominate projects in the statewide competition, or awarding bonus points to projects that address top regional priorities.

The commission could continue to explore ways to reduce the cost of applications and increase technical assistance to help smaller agencies develop robust proposals. Reportedly, ATP grants are among the most labor-intensive applications to prepare, requiring collection of substantial data and development of a compelling narrative to explain the need and proposed solutions. While both of the elements are critical to successful applications, many applicants lack the necessary resources in-house, leading them to hire consultants at significant additional expense. Continued investment in resources such as the ATRC can provide important technical assistance to help applicants develop strong proposals. In addition, the commission could explore ways to reduce the cost and complexity of ATP applications without sacrificing collection of critical project information.

The Legislature could consider the potential benefits and drawbacks of establishing a maximum size for ATP grants. Since Cycle 1, the average size of an ATP project award has tripled. From Cycle 3 to Cycle 4, both the total number of projects and the percentage of proposals funded dropped dramatically, despite level program funding. In the most recent statewide competition, only 9 percent of eligible projects received funding. Long term, such a low success rate may discourage some

from applying. Moreover, extremely large projects consume a disproportionate share of regions' overall ATP funding, making it challenging for many to respond to multiple needs. Thus, while the commission has sought to encourage larger, "more transformational" projects, it may consider balancing that goal against the benefits of spreading limited ATP funds more broadly. A maximum grant size could incentivize sponsors to seek matching funds for priority projects or to segment large projects, potentially seeking multiple ATP grants across different cycles.

Endnotes

- 1 Funding sources that were consolidated include the state Safe Routes to School program, Bicycle Transportation Account, and a portion of the Environmental Enhancement and Mitigation Program, as well as the federal Transportation Alternatives Program, a portion of the federal Recreational Trails Program, and a \$21 million annual share of the federal Highway Safety Improvement Program funds.
- 2 The governor's 2013–14 budget summary, p. 99–100.
- 3 SB 99 (Committee on Budget), Chapter 359, Statutes of 2013.
- 4 Ten MTOs in the state meet these criteria: Fresno Council of Governments, Kern Council of Governments, Metropolitan Transportation Commission, Sacramento Area Council of Governments, San Diego Association of Governments, San Joaquin Council of Governments, Stanislaus County Council of Governments, Southern California Association of Governments, Tulare County Association of Governments, and Tahoe Metropolitan Planning Organization (effective as of 2017).
- 5 Eight MPOs currently meet this criteria: the Association of Monterey Bay Area Governments (Monterey, Santa Cruz, and San Benito counties), Butte County Association of Governments, Kings County Association of Governments, Madera County Transportation Commission, Merced County Association of Governments, San Luis Obispo Council of Governments, Santa Barbara County Association of Governments, and Shasta County Regional Transportation Planning Agency.
- 6 Non-infrastructure projects may include but are not limited to Safe Routes to School programs aimed at improving the safety of children walking to school, Safe Routes to Transit initiatives, and other strategies to raise awareness and incentivize walking and bicycling.
- 7 Minimum selection criteria include demonstrated need, potential for reducing pedestrian and bicyclist injuries, encouraging increased walking and biking especially among students, use of a public participation process in project development, and benefit to a disadvantaged community.
- 8 California Transportation Commission, "2019 Active Transportation Guidelines," adopted May 16, 2018, p. 6.
- 9 Commission staff say the purpose of this change was to ensure collection of necessary and relevant information for all proposed projects, indicating that data collection had been inconsistent in previous cycles for projects not included in the statewide competition.
- 10 Demand analysis is a calculation that considers various factors, including population, employment, and intersection density, as well as vehicle ownership and the presence of activity centers, to project which projects could have the greatest impact.
- 11 The Transportation Enhancements program was created in 1991 as part of the International Surface Transportation Efficiency Act. It was a 10 percent set-aside of Surface Transportation Program funds that could be used for various types of eligible activities, including bicycle and transportation facilities, scenic and historic programs, and environmental enhancement and mitigation activities. The Transportation Enhancements program was replaced with the Transportation Alternatives Program in 2012.
- 12 Based on a state population of approximately 39.5 million, a region with approximately 90,000 residents would receive \$1 million. A region with 413,000 residents would receive \$4.6 million.
- 13 The Active Transportation Resource Center is funded through a statewide ATP grant application developed by the California Department of Transportation. It has received awards in each cycle, totaling approximately \$15 million since 2014.
- 14 The overall percentage of Cycle 4 projects is unknown pending adoption of the MPO component at the June 2019 commission meeting.
- 15 SB 99 (Committee on Budget), Chapter 359, Statutes of 2013.
- 16 California Transportation Commission meeting, January 30–31, 2019, tab 21; reference 4.6, revised, p.1.



Written by Ted Link-Oberstar at the request of Senator Bob Wieckowski, Chair of the Senate Budget Subcommittee on Resources, Environmental Protection, Energy and Transportation. The office was established by the Senate Rules Committee in 1969. For more information, please visit <http://sor.senate.ca.gov> or call **(916) 651-1500**.