



MEMORANDUM

TO: VTA’s Technical Advisory Committee, and VTA’s Capital Improvement Program Working Group Members, and Other Interested Parties

FROM: Larissa Sanderfer, Transportation Planner III

DATE: May 15, 2026

SUBJECT: Call for Projects: FY2026/27 (FYE27) Transportation Fund for Clean Air 40% (TFCA 40%) Fund

This memorandum serves as the Call for Projects for the FY 2026/27 (FYE27) TFCA 40% funding cycle. The program is funded by a \$4 surcharge on motor vehicles registered in the Bay Area. A total of \$6,261,112 is available in Santa Clara County for programming across various categories.

1. Program Eligibility and Requirements

1.1 Eligible Applicants

Only Santa Clara County Congestion Management Program (CMP) Member Agencies are eligible to apply. CMP Member Agencies are Santa Clara County’s 15 incorporated cities and towns, the County of Santa Clara, and Santa Clara Valley Transportation Authority (VTA).

All other entities, including other public agencies not designated as CMP Member Agencies, must partner with an eligible CMP Member Agency to submit an application.

All projects must be within Santa Clara County.

1.2 Program Compliance

Applicants must follow all Bay Area Air District (Air District) policies and guidance as presented in Air District's [Transportation Fund for Clean Air 40% Fund Expenditure Plan Guidance Commencing Fiscal Year Ending 2027](#) (Guidance).

Applicants are responsible for reviewing and understanding the Guidance prior to submitting an application. Projects determined to be inconsistent with Air District requirements will be deemed ineligible. If any instructions in this document conflict with the Air District program guidance, the latter will govern.

1.3 Programming Structure and Funding Set-Aside

At its November 5, 2020 meeting, the VTA Board of Directors established a set-aside of up to 25% of the annual base TFCA 40% allocation for eligible bicycle and pedestrian projects. The remaining 75% of the annual base TFCA 40% allocation is distributed through a competitive process. Because TFCA 40% funds cannot be carried over from year to year, any portion of the bicycle and pedestrian set-aside that is not programmed to eligible projects will be distributed through the competitive process.

For FYE27, the Air District has provided a one-time allocation of \$3,722,344 for bikeway and bike parking projects. As TFCA 40% funds cannot be banked, any unprogrammed balance not allocated to eligible bikeway and bike parking projects will revert to the regional pool.

The programming categories and their corresponding funding amounts are summarized in Table 1.

Table 1: FYE27 TFCA 40% Programming Categories

Category	Amount	Notes
Competitive Projects	\$1,904,076	Funds all eligible projects. May also receive any unprogrammed balance from the bicycle and pedestrian set-aside.
Bicycle and Pedestrian Projects Set-Aside	\$634,692	Up to 25% of the annual base TFCA 40% allocation, as established by the VTA Board of Directors for eligible bicycle and pedestrian projects. Any funds not programmed to eligible projects will be reallocated to the competitive category.
Bikeway and Bike Parking Projects	\$3,722,344	One-time allocation provided by the Air District for eligible bikeway and bike parking projects.
Total	\$6,261,112	

1.4 Eligible Project Types and Restrictions

Eligible project categories are listed on page 5 of the Guidance. Agencies may request Air District Board approval of a policy waiver for any projects that are [California Health & Safety Code \(HSC\) Section 44241\(b-4\)](#)-eligible but do not conform to TFCA policies.

TFCA funds may **not** be used for the following:

1. Duplicative projects: Projects that have previously received TFCA funding (including TFCA Regional Funds and 40% Funds) and do not demonstrate additional emissions reductions.
2. Planning activities: Pursuant to [HSC section 44241\(c\)\(1\)](#), planning activities are not eligible unless they are directly related to the implementation of a specific project or program.
3. Cost of developing proposals and grant applications: The costs to prepare proposals and/or grant applications are not eligible.
4. Personal computers purchase: Pursuant to [HSC section 44241\(b\)\(6\)](#), TFCA may not be used to purchase personal computers.

1.5 Project Readiness and Delivery Requirements

TFCA-funded projects are subject to a two-year expenditure requirement, as outlined in Policy 10 of the Guidance. Applications must include a project schedule demonstrating compliance with this requirement.

To support timely delivery, projects should have completed the following activities prior to award of TFCA funds:

1. Planning (e.g., design)
2. Jurisdictional approval (e.g., permits)
3. Legislative approvals (e.g., CPUC)
4. Environmental review/approvals (e.g., EIR, negative declaration)
5. Securing non-TFCA funding.

Project Extensions

If VTA determines that significant progress has been made on a project, it may approve up to three one-year schedule extensions. Any additional extensions require case-by-case

approval by Air District and must include an amendment to the funding agreement reflecting the revised schedule.

1.6 Program Conditions and Additional Requirements

Project sponsors should be aware of the following TFCA funding conditions and requirements. If awarded funding, sponsors must comply with all applicable requirements throughout the project period.

1. No local match is required. However, if the requested funds exceed the available funding, VTA's Board adopted Scoring Criteria (Attachment A) awards up to 20 points based on local match (one point per percentage point of match).
2. Project sponsors are required to sign a funding agreement with VTA as a condition of receiving this grant.
3. The funds are provided on a reimbursement-only basis.
4. No reimbursement will be provided for expenses incurred prior to execution of the funding agreement between Air District and VTA. Execution is anticipated by July 1, 2026.
5. Project sponsors must obtain and maintain insurance coverage throughout the project period in accordance with Air District and VTA requirements and submit proof of insurance to VTA Programming Team.
6. Project sponsors must display Air District and VTA logos on project-related signage, equipment, vehicles, and publicly distributed materials (e.g., websites, fact sheets, maps). Project sponsors must submit proof to VTA Programming Team.
7. Project sponsors must complete interim and final reports. Templates for these reports are available on the Air District's [website](#).
8. VTA will evaluate project progress 18 months after Air District grant approval. Projects demonstrating insufficient progress may be recommended for reprogramming.

2. Application Process

2.1 Application Materials

Applicants with TFCA-eligible construction ready projects must submit the following:

1. Completed Application Form as a PDF. This form includes required narrative questions, as well as optional sub-questions for consideration that *may* be addressed to strengthen the application and support the scoring committee discussions.
2. Completed cost-effectiveness workbook as an Excel workbook. Projects must meet cost-effectiveness thresholds established in Air District’s Board-adopted policies (Appendix D of the Guidance) and follow the workbook instructions (Appendix H of the Guidance).

2.2 Project Evaluation and Scoring

Applications will be reviewed for eligibility and compliance with Air District and VTA requirements.

If the program is oversubscribed, eligible projects will be reviewed and scored by a committee comprised of the VTA Technical Advisory Committee’s Capital Improvement Program (CIP) Working Group. Projects will be scored in accordance with VTA Board adopted TFCA 40% Scoring Criteria.

If the program is undersubscribed at the application deadline, VTA will continue to accept eligible applications on a first-come, first-served basis until all funds are exhausted.

2.3 Schedule

The schedule for the FYE27 TFCA 40% funding cycle application and approval is as follows:

Date	Activity
VTA issues Call for Projects	May 15, 2026
Application deadline	June 22, 2026 at 12:00 pm
Scoring Committee meets (if needed)	Week of July 13, 2026 (tentative)
CIP Working Group reviews recommended projects	July 28, 2026 (tentative)
VTA Committees review recommended projects	August 2026 (tentative)
VTA Board of Directors approves programmed projects	September 2026 (tentative)

If you have any questions about the application or criteria, please contact Larissa Sanderfer, Transportation Planner III at larissa.sanderfer@vta.org.

Attachment A – VTA TFCA Scoring Criteria

Project Screening Criteria

1. Projects must be consistent with the policies and guidance set by the Bay Area Air District (Air District), and must meet cost effectiveness standards as set forth by the Air District in their board-adopted policies.
2. Project sponsors of signal timing projects shall demonstrate consideration of impacts on pedestrian, bicycle, and transit facilities.
3. Projects must have all other funding sources secured or committed.

Project Scoring Criteria

Scoring Criterion	Maximum Points
Cost Effectiveness (see scale on page 2)	20
Local Matching Funds - 1 point for each percentage of local match, up to 20%	20
Reduce Congestion	12
Countywide Significance	12
Serves priority communities (MTC EPC, SB 535, or AB1550)	12
Number of people served	12
Mode shift from SOV to other modes	12
CTA Total	100

Cost Effectiveness (CE) Scoring Scale

Points be awarded by comparing the proportion of project’s CE to the regular CE limit for the project category, based on the Bay Area Air District’s TFCA Guidance for that fiscal year. The scoring will be based on the standard CE limit, even if a project is located within a Priority Area.

Ratio of Project CE to CE Limit	Points Awarded
>90 – 100%	0
>80 – 89%	5
>70 – 79%	10
>60 – 69%	15
≤ 60%	20

Cost Effectiveness (CE) Scoring Scale Example

Here is an example of how the CE scoring scale would apply for the project category “**Existing Rideshare**,” which has a CE limit of \$300,000 / tons of greenhouse gas reduced.

CE Range (\$ / ton of emission reduction)	Points Awarded
>\$270,000 - \$300,000	0
>\$240,000 - \$270,000	5
>\$210,000 - \$240,000	10
>\$180,000 - \$210,000	15
≤ \$180,000	20