



# City of Palo Alto

## City Council Staff Report

(ID # 8059)

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**Report Type: Consent Calendar**

**Meeting Date: 5/8/2017**

**Summary Title: Authorize City Manager to execute Cooperative Agreement for \$1.085M FTA Mobility Grant**

**Title: Approval and Authorization for the City Manager to Execute a Cooperative Agreement with the Federal Transit Administration (FTA) for the Management of and Participation in a Grant Award to Enhance and Evaluate a Comprehensive Technology/Policy Solution Called Fair Value Commuting (FVC), Designed to Reduce Traffic Congestion**

**From: City Manager**

**Lead Department: City Manager**

### **Recommendation**

Staff recommends that the City Council approve and authorize the City Manager to execute a Cooperative Agreement with the Federal Transit Administration (FTA) for the management of, and participation in a grant award named Fair Value Commuting (FVC) which aims to enhance and evaluate a comprehensive technology/policy solution designed to reduce traffic congestion and greenhouse gas emissions.

### **Background**

Palo Alto is known as a climate leader with a strong environmentally active resident base. But Silicon Valley loves cars; the regional single occupancy vehicle (SOV) rate is 76%.<sup>1</sup> As a result, Bay Area traffic congestion is the second worst in the US (after LA).<sup>2</sup> Additionally, approximately 65% of Palo Alto's total greenhouse gas (GHG) emissions are generated from road transportation.<sup>3</sup>

Managing and participating in the FVC program aligns with the City's Sustainability and Climate Action Plan (S/CAP) by helping it work towards rethinking mobility and transforming regional transportation infrastructure. This funding will enable the City to take proactive steps, in collaboration with regional partners, to advance traffic mitigation and GHG reduction strategies.

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<sup>1</sup> WP Chapter 2. [www.cities21.org/wp.pdf](http://www.cities21.org/wp.pdf)

<sup>2</sup> <https://mobility.tamu.edu/ums/media-information/press-release/>

<sup>3</sup> City of Palo Alto S/CAP page 6

## **Discussion**

In conjunction with Joint Venture Silicon Valley (JVSV) and a number of consortium supporters, the City of Palo Alto has been awarded a \$1,085,000 grant on behalf of the group to administer, manage and participate in the FVC Program. FVC is a public/private sector partnership program that has the potential to generate strategies that could, if effectively scaled up over time, reduce single occupancy vehicle (SOV) commute share from 75% to 50%. Scaled Bay Area wide, this program has the potential to reduce 1 million car trips per day and 3.4 billion vehicle miles traveled (VMT) per year.

The project will: a) collaborate directly with vendors that contribute to FVC by enhancing their software/hardware features and interoperability, b) pilot FVC at 11 employers with more than 27,000 employees, and c) collaboratively analyze commute patterns and develop/pilot gap-filling strategies such as peer-to-peer ridesharing and e-bike/scooter loan-to-own. The initiative is summarized in Attachment A.

FTA provided notice in October 2016 that Palo Alto and its partners were one of eleven recipients nationwide approved for this grant program. Approval of the cooperative agreement with FTA represents the next step in this grant process.

On January 28, 2017 City Council directed staff to file the formal application with the FTA, and to return to City Council for formal approval of the Cooperative Agreement. FTA in response issued its formal statement of award February 15.

The completed Cooperative Agreement is presented in Attachment B. The FTA considers the Mobility on Demand Sandbox projects as Research & Development projects, not a traditional infrastructure or capital improvement project grant. As such the Cooperative Agreement provides substantial flexibility by enabling FTA and the City to jointly modify project expectations in response to results and learning during the course of the project.

Staff will return to City Council with contracts with partnering organizations, after receipt of the executed Cooperative Agreement from FTA. As lead recipient of the grant, the City is responsible for establishing these third party contracts with each partner.

## **Resource Impact**

Staff will return to City Council with a detailed resource impact analysis along with the aforementioned contracts. The City's costs will be reimbursed by the grant and or will be realized as in kind contributions towards the grant. The FTA funding will provide Palo Alto with approximately \$250,000 in support of mobility projects such as the Commuter Wallet and \$40,000 in support of low income commuter programs.

## **Policy Implications**

This initiative is in alignment with the Sustainability and Climate Action Plan (S/CAP) approved

by City Council on November 28 2016.

**Environmental Review**

The project is categorically exempt from the California Environmental Quality Act (CEQA), per Section 15306 (basic data collection, research, experimental management and resource evaluation activities which do not result in a serious or major disturbance to an environmental resource). The project may lead to recommendations for subsequent projects or programs, which will be separately reviewed under CEQA prior to approval, adoption or funding. With regard to NEPA, staff anticipates that FTA will determine the project to be categorically excluded under Section 5312 (research projects with limited scope).

**Attachments:**

- Attachment A: Palo Alto\_MOD Sandbox Summary
- Attachment B: Palo Alto Sandbox Agreement CA-2017-020-00



# MOBILITY ON DEMAND (MOD) SANDBOX

City of Palo Alto

Bay Area Fair Value Commuting Demonstration

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## TEAM, BUDGET, AND WAIVERS

**Key Partners:** Joint Venture Silicon Valley Network, Redwood City, City of Fremont, City of Mountain View, San Mateo County, City of Cupertino, RideAmigos, Luum, Moovel, Lyft, GenZe, EcoReco, Microsoft, Google, Commute.org, C/CAG, samTrans, VTA, Bay Area Council, Transportation for America, Palo Alto Transportation Management Association (TMA), SPUR

**Project Supporters:** State Assembly District 22, Bay Area Air Quality Management District, Governor’s Office of Planning and Research, Metropolitan Transportation Commission, Silicon Valley Leadership Group, Transform, Sierra Club, and Association for Commuter Transportation – NorCal Chapter

**Budget Summary:** The budget from the applicant is summarized below:

MOD Sandbox Demonstration Federal Amount (\$)	MOD Sandbox Cost Share (\$)	Total Cost
\$1,085,000	\$271,250	\$1,356,250

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## INNOVATION: PROJECT APPROACH

The proposed solutions seek to reduce Bay Area single occupancy vehicle (SOV) commute share from 75% to 50% through a Fair Value Commuting (FVC) solution. Stanford University’s commute program provides the conceptual FVC starting point. Stanford reduced SOV from 75% to 50% (with transit share increasing from 8.0% to 31.1%), eliminating the need for \$107M in new parking structures. FVC consists of five components:

**Component #1:** Enterprise Commute Trip Reduction (ECTR) software automates employer commute programs. ECTR will integrate with public transit by filling up transit fare cards (Bay Area’s Clipper) and allowing pre-tax commuter benefits purchase of transit passes. Project partner vendors are Luum and RideAmigos

**Component #2:** Mobility Aggregation (MobAg) app is a mobile multimodal trip planning app with a seamless combination of public/private transit, bikeshare, rideshare, carshare, and electric scooter/bike “loan-to-own,” with e-payment. MobAg integrates MOD products such as Lyft line, UberPOOL, Waze Carpool, Scoop, ZipCar, and Car2Go. MobAg apps include Moovel, Urban Engines, Whim, Moovit, Transit App, TripGo, Swiftly, Ventra, Siemens, and GoLA. The project integrates MobAg with ECTR. MobAg integrates with public transit by providing multimodal trip planning featuring transit via the GTFS open standard interface.

**Component #3:** A “revenue-neutral workplace parking feebate” charges a fee for SOV commutes and rebates that revenue to non-SOV commutes, structured so that there is no cost to employers. ECTR vendors take their fee out of SOV revenue.

**Component #4:** “Gap Filling” describes analytics to identify commutes with poor alternatives and subsequent attempts to improve them. Lyft/Uber services integrate with public transit by providing first/last mile - 20% of Lyft trips are first/last mile to transit. E-scooter loan-to-own integrates with transit by providing first/last mile. Bike network improvements integrate with transit by providing first/last mile. Public microtransit such as VTA Flex is already public transit and also provides first/last mile to transit.

Component #5: Alleviating systemic obstacles such as: a) enable better public transit routes that cross county borders (the region has 24 transit agencies), b) better integrate transit fares within multi-agency trips, c) modernize transit e-payment, and d) develop a healthy, interoperable mobility software ecosystem, following open standards.

The project will: a) collaborate directly with the top vendors that contribute to FVC by enhancing software/hardware feature sets and interoperability, b) pilot FVC at 11 employers with more than 27,000 employees, and c) collaboratively analyze commute patterns and develop/pilot new gap-fillers such as low-income subsidy and loan-to-own.

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## CHALLENGES PROJECT IS DESIGNED TO ADDRESS

Scale Challenge: In car-loving portions of the Bay Area, transit commute mode share is an anemic 3.3% and Lyft/Uber serves less than 1 out of every 1,000 trips. For a zip code with 31,550 residents, of which 500 are downtown Palo Alto workers, there are fewer than 8 people to match in each 20-minute peak hour commute interval. SOLUTION: At regional scale FVC creates 465,000 new customers for non-SOV mobility.

Gap Challenge: There is a need for “Gap Filling” to identify commute vectors with poor alternatives and subsequently improve options. SOLUTION: FVC fills gaps with: low-income transit subsidies, e-scooter first/last mile, Uber first/last mile, bike network analysis/improvements to reduce stress, e-bikes for 8-mile commutes, on-demand P2P rideshare (Lyft Carpool), microtransit (VTA Flex, Bridj), and telecommuting.

Integration Challenge: A handful of suburban employers have reduced commuting from 75% to 50% SOV, but no suburb or suburban county has adopted city-wide or county-wide technologies/policies that have reduced SOV commuting by even 5%. SOLUTION: FVC addresses demand and supply side challenges. FVC’s integrated five-component solution combines technologies and policies, providing a “credible success narrative” that mode shift from 75 to 50% may be achieved.

Mobility for All Solution: FVC provides equitable pathways to jobs as follows: 1) The Palo Alto TMA low-income commute gap-filling work task. 2) The FVC “feebate” serves as a progressive wealth transfer from high-income to low income. Compared to other congestion reduction policies, FVC scores high for social equity. 3) 25% mode shift away from SOV in suburbia will result in multimodal expansion to the great benefit of the disability community.

Systemic Challenge: The Bay Area has a series of systemic obstacles that need addressing, including: a) enable better transit routes that cross county borders, b) provide better transit fares for multi-agency trips, c) e-payment, d) interoperable software ecosystem. SOLUTION: One of FVC’s five components reduces systemic obstacles.

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## ANTICIPATED OUTCOMES, BENEFITS, IMPACTS

Capstone deliverables: 1) a real-time commute mode dashboard aggregated from 11 employers using two different ECTR apps and 2) a consortium-wide conclusion about far along FVC has progressed from 40% ready towards 100% ready to become a regional-scale solution.

Potential Bay Area-wide Benefits / Impacts include:

- Creating \$670M/year new transit, biking, carpool, and mobility service funding out of thin air
- Benefits lower income workers more than higher income workers
- Reducing 1M car trips/day, 1.3M tons/GHG/year, 3.4B VMT/year at a “negative cost” of -\$558/ton GHG reduction
- Creating a large new pro-transit voting constituency.

## Award

<b>Federal Award Identification Number (FAIN)</b>	CA-2017-020-00
<b>Temporary Application Number</b>	2303-2017-1
<b>Award Name</b>	Bay Area Fair Value Commuting (FVC) Demonstration Project
<b>Award Status</b>	Obligated / Ready for Execution
<b>Award Budget Number</b>	0

### Part 1: Recipient Information

**Name: PALO ALTO, CITY OF**

Recipient ID	Recipient OST Type	Recipient Alias	Recipient DUNS
2303	City	CITY OF PALO ALTO	050520782

Location Type	Address	City	State	Zip
Headquarters	250 HAMILTON AVE	PALO ALTO	CA	94301
Physical Address	250 HAMILTON AVE	PALO ALTO	CA	94301
Mailing Address	P. O. BOX 10250	PALO ALTO	CA	94303

### Union Information

There are no union contacts for this application

### Part 2: Award Information

**Title: Bay Area Fair Value Commuting (FVC) Demonstration Project**

FAIN	Award Status	Award Type	Date Created	Last Updated Date	From TEAM?
CA-2017-020-00	Obligated / Ready for Execution	Cooperative Agreement	1/17/2017	1/17/2017	No

## **Award Executive Summary**

The Bay area Fair Value Commuting (FVC) Demonstration Project is a Mobility on Demand (MOD) research and demonstration project.

In pursuit of Bay Area congestion relief and air quality improvement, state/regional/local objectives have converged on 15% per-capita VMT reduction and 2x transit/biking use. In pursuit of regional objectives, this MOD Sandbox demonstration project has the potential to gradually reduce Bay Area single occupancy vehicle (SOV) commute share from 75% to 50%. The demonstration project's technology/policy solution is called Fair Value Commuting and consists of five components.

- Enterprise Commute Trip Reduction (ECTR) software.
- Mobility Aggregation (MobAg) app, a mobile multimodal trip planning application.
- A revenue-neutral workplace parking feebate.
- Gap Filling analytics; and
- Reduction of systemic obstacles to transit use.

The total eligible project cost is \$1,356,250. The federal funding will include \$329,842 in FY14, and \$755,158 in FY 16 Section 5312 funding for a total federal participation of \$1,085,000. These funds will be matched with \$271,250 in local cost share.

Attachments to this application include the project's Statement of Work (SOW).

This application includes funds for Research and/or Development activities.

**Federal Role:** The FTA will actively participate in the project activities by directing activities, attending review meetings, commenting on technical reports, and maintaining frequent contact with the local project manager. FTA reserves the right to re-direct project activities and funding for the project supported under this Award and their related activities.

**Recipient Role:** The City of Palo Alto, along with its project partners, will manage the project as outlined in the attached statement of work including, preparing technical, status, and financial reports; and submitting deliverables.

### **Special Conditions:**

The recipient will ensure the project team cooperates and provides support to the independent evaluator, as designated by FTA, in their efforts to evaluate the MOD Sandbox projects and the overall MOD Sandbox program, including input to the evaluation plan, as appropriate, and ensuring their MOD sandbox project team provides the independent evaluator qualitative and/or quantitative data as specified in the evaluation plan.

The recipient will develop a plan for how the project will address accessible and equitable mobility service for all travelers and will address in particular how the project will provide equivalent service for all travelers as required by U.S. DOT ADA regulations.

The recipient will coordinate with FTA any significant media relations and community outreach directly related to the MOD Sandbox program.

The local share of this award may be deferred as necessary, consistent with the project milestone schedule. The recipient will be reimbursed for actual costs, as detailed in the project milestone schedule and project budget. The Recipient agrees that it will maintain adequate cost records to support any payment request, and that the payment requested will not exceed the Federal share of the costs actually incurred for the milestone.

The Recipient shall comply with the requirements of FTA Circular 6100.1E, "Research, Technical Assistance and Training Program: Application Instructions and Program Management Guidelines."

The Recipient is responsible for awarding or managing any third party contracts or partnering arrangements associated with this project in accordance with the requirements of FTA Circular 4220.1F, "Third Party Contracting Requirements."

**Delinquent Federal Debt**

No, my organization does not have delinquent federal debt.

**Requires E.O. 12372 Review**

No, this application does not require E.O. 12372 Review.

**Subject to Pre-Award Authority**

Yes, this application is subject to Pre-Award Authority.

**Will this Grant be using Lapsing Funds?**

No, this Grant does not use Lapsing Funds.

**Frequency of Milestone Progress Reports (MPR)**

Quarterly

**Frequency of Federal Financial Reports (FFR)**

Quarterly

**Award Point of Contact Information**

First Name	Last Name	Title	E-mail Address	Phone
Christina	Gikakis		Christina.Gikakis@dot.gov	(202) 366-2637
Gil	Friend	Chife Sustainability Officer	gil.friend@cityofpaloalto.org	650-329-2447

**Award Budget Control Totals**

Funding Source	Section of Statute	CFDA Number	Amount
49 USC 5312 - Research, Development, Demonstration, Deployment	5312	20514	\$329,842
49 USC 5312 - (FAST) Public Transportation Innovation	5312-1	20514	\$755,158
Local			\$0
Local/In-Kind			\$271,251
State			\$0
State/In-Kind			\$0
Other Federal			\$0
Transportation Development Credit			\$0
<b>Total Eligible Cost</b>			<b>\$1,356,251</b>

**Award Budget**



Project Number	Budget Item	FTA Amount	Non-FTA Amount	Total Eligible Amount	Quantity
CA-2017-020-01-00	550-00 (550-A1) Research Projects	\$1,085,000.00	\$271,251.00	\$1,356,251.00	0
CA-2017-020-01-00	55.14.00 MANAGERIAL, TECHNICAL & PROFESSIONAL	\$32,000.00	\$8,000.00	\$40,000.00	0
CA-2017-020-01-00	55.54.00 OTHER	\$48,000.00	\$12,000.00	\$60,000.00	0
CA-2017-020-01-00	55.74.00 OTHER PROJECT COSTS	\$755,158.00	\$188,790.00	\$943,948.00	0
CA-2017-020-01-00	55.74.00 OTHER PROJECT COSTS	\$249,842.00	\$62,461.00	\$312,303.00	0

### Earmark and Discretionary Allocations

Earmark ID	Earmark Name	Amount Applied
D2017-MODD-004	Bay Area Fair Value Commuting Demonstration (Palo Alto)	\$755,158
D2017-MODD-003	Bay Area Fair Value Commuting Demonstration (Palo Alto)	\$329,842

### Sources of Federal Financial Assistance

PO Number	Project Number	Scope Name	Scope Number	Scope Suffix	UZA Code	Area Name	Account Class Code	FPC	Description	Amendment Amount
CA-26-1013	CA-2017-020-01-00	Research Projects	550-00 (550)	A1	060000	California	2014.23.26.TD.1	01	Tech demonstration & deployment	\$329,842
CA-26-1013	CA-2017-020-01-00	Research Projects	550-00 (550)	A2	060000	California	2016.25.26.TD.2	01	Research, Development, Demonstration, and Deployment	\$755,158

### Part 3: Project Information

## Project Title: Bay Area Fair Value Commuting (FVC) Demonstration Project

Project Number	Temporary Project Number	Date Created	Start Date	End Date
CA-2017-020-01-00	2303-2017-1-P1	1/17/2017	10/13/2016	7/1/2019

### Project Description

The FVC demo project will demonstrate how technology can aid in reducing traffic congestion. The project will take place in Silicon Valley, which has one of the highest congestion levels in the nation; and will span approximately two years. The demo project will be lead by the City of Palo Alto in conjunction with Joint Venture Silicon Valley.

### Project Benefits

Key FVC benefits on a Regional scale are:

- Creates \$670M/year of new transit, biking, carpool, and mobility service funding out of thin air (equivalent to a half-cent sales tax).
- Benefits lower income workers more than higher income workers.
- Reduces 1M car trip/day, 1.3M tons/GHG/year, 3.4B VMT/year at a “negative cost” of \$558/ton GHG reduced.
- Creates a large new pro-transit voting constituency

### Additional Information

The FVC demonstration project's Statement of Work (SOW) is attached to this grant application.

### Location Description

The demonstration project will take place in the San Francisco, California, Bay Area, specifically Silicon Valley.

## Project Location (Urbanized Areas)

UZA Code	Area Name
060000	California

## Congressional District Information

State	District	Representative
California	18	Anna Eshoo
California	17	Ro Khanna

## Project Control Totals

Funding Source	Section of Statute	CFDA Number	Amount
49 USC 5312 - Research, Development, Demonstration, Deployment	5312	20514	\$329,842
49 USC 5312 - (FAST) Public Transportation Innovation	5312-1	20514	\$755,158

Local			\$0
Local/In-Kind			\$271,251
State			\$0
State/In-Kind			\$0
Other Federal			\$0
Transportation Development Credit			\$0
<b>Total Eligible Cost</b>			<b>\$1,356,251</b>

## Project Budget

Project Number	Budget Item	FTA Amount	Non-FTA Amount	Total Eligible Amount	Quantity
CA-2017-020-01-00	550-00 (550-A1) Research Projects	\$1,085,000.00	\$271,251.00	\$1,356,251.00	0
CA-2017-020-01-00	55.14.00 MANAGERIAL, TECHNICAL & PROFESSIONAL	\$32,000.00	\$8,000.00	\$40,000.00	0
CA-2017-020-01-00	55.54.00 OTHER	\$48,000.00	\$12,000.00	\$60,000.00	0
CA-2017-020-01-00	55.74.00 OTHER PROJECT COSTS	\$755,158.00	\$188,790.00	\$943,948.00	0
CA-2017-020-01-00	55.74.00 OTHER PROJECT COSTS	\$249,842.00	\$62,461.00	\$312,303.00	0

## Project Budget Activity Line Items

### Budget Activity Line Item: 55.14.00 - MANAGERIAL, TECHNICAL & PROFESSIONAL

Scope Name / Code	Line Item #	Custom Item Name	Activity	Quantity
Research Projects (550-00)	55.14.00	MANAGERIAL, TECHNICAL & PROFESSIONAL	PERSONNEL	0

#### Extended Budget Description

This line item is for City of Palo Alto staff and internal resources to support grant project.

**Will 3rd Party contractors be used to fulfill this activity line item?**

No, 3rd Party Contractors will not be used for this line item.

Funding Source	Section of Statute	CFDA Number	Amount
49 USC 5312 - Research, Development, Demonstration, Deployment	5312	20514	\$32,000
Local			\$0
Local/In-Kind			\$8,000
State			\$0
State/In-Kind			\$0
Other Federal			\$0
Transportation Development Credit			\$0
<b>Total Eligible Cost</b>			<b>\$40,000</b>

Milestone Name	Est. Completion Date	Description
Start Date	10/13/2016	Start date is date of Letter of No Prejudice issued for the project, and beginning of initial project activities. Estimated completion date is estimated date project activities will be completed.
End Date	7/1/2017	End date is end of project activities.

**Budget Activity Line Item: 55.54.00 - OTHER**

Scope Name / Code	Line Item #	Custom Item Name	Activity	Quantity
Research Projects (550-00)	55.54.00	OTHER	CONTRACTUAL	0

**Extended Budget Description**

This line item covers 3rd party support products and services such as travel, equipment, supplies, and project support consulting services.

**Will 3rd Party contractors be used to fulfill this activity line item?**

Yes, 3rd Party Contractors will be used for this line item.

Funding Source	Section of Statute	CFDA Number	Amount
49 USC 5312 - Research, Development, Demonstration, Deployment	5312	20514	\$48,000
Local			\$0
Local/In-Kind			\$12,000
State			\$0
State/In-Kind			\$0
Other Federal			\$0

Transportation Development Credit	\$0
<b>Total Eligible Cost</b>	<b>\$60,000</b>

Milestone Name	Est. Completion Date	Description
Completion Date	7/1/2019	This milestone covers project support provided through 3rd party vendors, project travel, supplies, and equipment.
Start Date	10/13/2016	The start date of this milestone is the date of the Letter of No Prejudice issued for the project on 10/13/2016.

**Budget Activity Line Item: 55.74.00 - OTHER PROJECT COSTS**

Scope Name / Code	Line Item #	Custom Item Name	Activity	Quantity
Research Projects (550-00)	55.74.00	OTHER PROJECT COSTS	OTHER	0

**Extended Budget Description**  
This activity line item covers work performed by project "Key Partners" as listed in the City's Project Proposal responding to Federal Register / Vol. 81, No. 85 / Tuesday, May 3, 2016 "Public Transportation Innovation Funding Opportunity; Mobility on Demand (MOD) Sandbox Demonstration Program". Specifically paragraph "C. Eligibility Information" of this Federal Register Notice indicates among other things: "A key partner is essential to the project as approved by FTA and is therefore eligible for a noncompetitive award by the applicant to provide goods or services described in the application."

**Will 3rd Party contractors be used to fulfill this activity line item?**  
Yes, 3rd Party Contractors will be used for this line item.

Funding Source	Section of Statute	CFDA Number	Amount
49 USC 5312 - Research, Development, Demonstration, Deployment	5312	20514	\$249,842
Local			\$0
Local/In-Kind			\$62,461
State			\$0
State/In-Kind			\$0
Other Federal			\$0
Transportation Development Credit			\$0
<b>Total Eligible Cost</b>			<b>\$312,303</b>

Milestone Name	Est. Completion Date	Description
Start Date	10/13/2016	Start date is date of Project Letter of No Prejudice 10/13/2016.
End Date	7/1/2019	End date is completion of project activities.

**Budget Activity Line Item: 55.74.00 - OTHER PROJECT COSTS**

Scope Name / Code	Line Item #	Custom Item Name	Activity	Quantity
Research Projects (550-00)	55.74.00	OTHER PROJECT COSTS	OTHER	0

**Extended Budget Description**

This activity line item covers work performed by project "Key Partners" as listed in the City's Project Proposal responding to Federal Register / Vol. 81, No. 85 / Tuesday, May 3, 2016 "Public Transportation Innovation Funding Opportunity; Mobility on Demand (MOD) Sandbox Demonstration Program". Specifically paragraph "C. Eligibility Information" of this Federal Register Notice indicates among other things: "A key partner is essential to the project as approved by FTA and is therefore eligible for a noncompetitive award by the applicant to provide goods or services described in the application."

**Will 3rd Party contractors be used to fulfill this activity line item?**

Yes, 3rd Party Contractors will be used for this line item.

Funding Source	Section of Statute	CFDA Number	Amount
49 USC 5312 - (FAST) Public Transportation Innovation	5312-1	20514	\$755,158
Local			\$0
Local/In-Kind			\$188,790
State			\$0
State/In-Kind			\$0
Other Federal			\$0
Transportation Development Credit			\$0
<b>Total Eligible Cost</b>			<b>\$943,948</b>

Milestone Name	Est. Completion Date	Description
Start Date	10/13/2016	Start Date is the date of the Project's Letter of No Prejudice.
End Date	7/1/2019	End Date is date of completion of project activities.

**Project Environmental Findings****Finding: Class II(c) - Categorical Exclusions (C-List)****Class Level Description**

Class II(c) consists of projects called categorical exclusions (CEs) which are known not to have, either individually or cumulatively, a significant environmental impact on the human or natural environment and are therefore categorically excluded from the requirement to prepare an environmental assessment or an environmental impact statement. Class II(c) does not require documentation.

**Categorical Exclusion Description**

Type 04: Planning and administrative activities which do not involve or lead directly to construction, such as: training, technical assistance and research; promulgation of rules, regulations, directives, or program guidance; approval of project concepts; engineering; and operating assistance to transit

authorities to continue existing service or increase service to meet routine demand.

<b>Date</b>	<b>Description</b>	<b>Date</b>
	Class IIc CE Approved	1/9/2017

## Part 4: Fleet Details

No fleet data exists for this application.

## Part 5: FTA Review Comments

### FTA Review Internal Comments

**Comment By** Christina Gikakis

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Comment Type Environmental Concurrence

Date 1/18/2017

Comment This project has a categorical exclusion.

**Comment By** Christina Gikakis

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Comment Type Technical Concurrence

Date 1/18/2017

Comment The Project Manager has reviewed and approved this application and submits it for approval.

**Comment By** Gwo-Wei Torng

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Comment Type Operations Concurrence

Date 2/9/2017

Comment

**Comment By** Jamie Pfister

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Comment Type Planning Concurrence

Date 2/9/2017

Comment Selected as part of 2016 MOD Sandbox; ready for award of these funds previously announced in Oct 2016.

**Comment By** Stephen Pereira

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Comment Type      Legal Concurrence

Date                      2/10/2017

Comment

**Comment By    Vincent Valdes**

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Comment Type      RA Concurrence

Date                      2/10/2017

Comment

## Part 6: Agreement

**UNITED STATES OF AMERICA  
DEPARTMENT OF TRANSPORTATION  
FEDERAL TRANSIT ADMINISTRATION**

**COOPERATIVE AGREEMENT  
(FTA C-23, October 1, 2016)**

On the date the authorized U.S. Department of Transportation, Federal Transit Administration (FTA) official sign this Cooperative Agreement, FTA has obligated and awarded federal assistance as provided below. Upon execution of this Cooperative Agreement by the Recipient named below, the Recipient affirms this FTA Award, enters into this Cooperative Agreement with FTA, and binds its compliance with the terms of this Cooperative Agreement.

The following documents are incorporated by reference and made part of this Cooperative Agreement:

- (1) "Federal Transit Administration Master Agreement," FTA MA(23), October 1, 2016, <http://www.fta.dot.gov>,
- (2) The Certifications and Assurances applicable to the FTA Award that the Recipient has selected and provided to FTA, and
- (3) Any Award notification containing special conditions or requirements, if issued.

WHEN THE TERM "FTA AWARD" OR "AWARD" IS USED, EITHER IN THIS COOPERATIVE AGREEMENT OR THE APPLICABLE MASTER AGREEMENT, "AWARD" ALSO INCLUDES ALL TERMS AND CONDITIONS SET FORTH IN THIS COOPERATIVE AGREEMENT.

FTA OR THE FEDERAL GOVERNMENT MAY WITHDRAW ITS OBLIGATION TO PROVIDE FEDERAL ASSISTANCE IF THE RECIPIENT DOES NOT EXECUTE THIS COOPERATIVE AGREEMENT WITHIN 90 DAYS FOLLOWING FTA's AWARD DATE SET FORTH HEREIN.

### FTA AWARD

Federal Transit Administration (FTA) hereby awards a Federal grant as follows:

#### Recipient Information

Recipient Name: PALO ALTO, CITY OF



Recipient ID: 2303

DUNS No: 050520782

## **Award Information**

Federal Award Identification Number: CA-2017-020-00

Award Name: Bay Area Fair Value Commuting (FVC) Demonstration Project

Award Executive Summary: The Bay area Fair Value Commuting (FVC) Demonstration Project is a Mobility on Demand (MOD) research and demonstration project.

In pursuit of Bay Area congestion relief and air quality improvement, state/regional/local objectives have converged on 15% per-capita VMT reduction and 2x transit/biking use. In pursuit of regional objectives, this MOD Sandbox demonstration project has the potential to gradually reduce Bay Area single occupancy vehicle (SOV) commute share from 75% to 50%. The demonstration project's technology/policy solution is called Fair Value Commuting and consists of five components.

- Enterprise Commute Trip Reduction (ECTR) software.
- Mobility Aggregation (MobAg) app, a mobile multimodal trip planning application.
- A revenue-neutral workplace parking feebate.
- Gap Filling analytics; and
- Reduction of systemic obstacles to transit use.

The total eligible project cost is \$1,356,250. The federal funding will include \$329,842 in FY14, and \$755,158 in FY 16 Section 5312 funding for a total federal participation of \$1,085,000. These funds will be matched with \$271,250 in local cost share.

Attachments to this application include the project's Statement of Work (SOW).

This application includes funds for Research and/or Development activities.

**Federal Role:** The FTA will actively participate in the project activities by directing activities, attending review meetings, commenting on technical reports, and maintaining frequent contact with the local project manager. FTA reserves the right to re-direct project activities and funding for the project supported under this Award and their related activities.

**Recipient Role:** The City of Palo Alto, along with its project partners, will manage the project as outlined in the attached statement of work including, preparing technical, status, and financial reports; and submitting deliverables.

### **Special Conditions:**

The recipient will ensure the project team cooperates and provides support to the independent evaluator, as designated by FTA, in their efforts to evaluate the MOD Sandbox projects and the overall MOD Sandbox program, including input to the evaluation plan, as appropriate, and ensuring their MOD sandbox project team provides the independent evaluator qualitative and/or quantitative data as specified in the evaluation plan.

The recipient will develop a plan for how the project will address accessible and equitable mobility service for all travelers and will address in particular how the project will provide equivalent service for all travelers as required by U.S. DOT ADA regulations.

The recipient will coordinate with FTA any significant media relations and community outreach directly related to the MOD Sandbox program.

The local share of this award may be deferred as necessary, consistent with the project milestone schedule. The recipient will be reimbursed for actual costs, as detailed in the project milestone schedule and project budget. The Recipient agrees that it will maintain adequate cost records to support any payment request, and that the payment requested will not exceed the Federal share of the costs actually incurred for the milestone.

The Recipient shall comply with the requirements of FTA Circular 6100.1E, "Research, Technical Assistance and Training Program: Application Instructions and Program Management Guidelines."

The Recipient is responsible for awarding or managing any third party contracts or partnering arrangements associated with this project in accordance with the requirements of FTA Circular 4220.1F, "Third Party Contracting Requirements."

Total Award Budget: \$1,356,251.00

Amount of Federal Assistance Obligated for This FTA Action (in U.S. Dollars): \$1,085,000.00

Amount of Non-Federal Funds Committed to This FTA Action (in U.S. Dollars): \$271,251.00

Total FTA Amount Awarded and Obligated (in U.S. Dollars): \$1,085,000.00

Total Non-Federal Funds Committed to the Overall Award (in U.S. Dollars): \$271,251.00

### Award Budget Control Totals

(The Budget includes the individual Project Budgets (Scopes and Activity Line Items) or as attached)

Funding Source	Section of Statute	CFDA Number	Amount
49 USC 5312 - Research, Development, Demonstration, Deployment	5312	20514	\$329,842
49 USC 5312 - (FAST) Public Transportation Innovation	5312-1	20514	\$755,158
Local			\$0
Local/In-Kind			\$271,251
State			\$0
State/In-Kind			\$0
Other Federal			\$0
Transportation Development Credit			\$0
<b>Total Eligible Cost</b>			<b>\$1,356,251</b>

(The Transportation Development Credits are not added to the amount of the Total Award Budget.)

### Project Information

Project Number	Project Title	Project Description
CA-2017-020-01-00	Bay Area Fair Value Commuting (FVC)	The FVC demo project will demonstrate how technology can aid in reducing traffic congestion. The project will take place in Silicon

Demonstration Project Valley, which has one of the highest congestion levels in the nation; and will span approximately two years. The demo project will be lead by the City of Palo Alto in conjunction with Joint Venture Silicon Valley.

**Project Funding Summary**

<b>Funding Source</b>	<b>Section of Statute</b>	<b>CFDA Number</b>	<b>Amount</b>
49 USC 5312 - Research, Development, Demonstration, Deployment	5312	20514	\$329,842
49 USC 5312 - (FAST) Public Transportation Innovation	5312-1	20514	\$755,158
Local			\$0
Local/In-Kind			\$271,251
State			\$0
State/In-Kind			\$0
Other Federal			\$0
Transportation Development Credit			\$0
<b>Total Eligible Cost</b>			<b>\$1,356,251</b>

**U.S. Department of Labor Certification of Public Transportation Employee Protective Arrangements:**

Original Certification Date:

**TERMS AND CONDITIONS**

**Special Conditions**

There are no special conditions.

Awarded By:  
 Jamie Pfister  
 Supervisor  
 FEDERAL TRANSIT ADMINISTRATION  
 U.S. DEPARTMENT OF TRANSPORTATION  
 Contact Info:  
 Award Date: 2/15/2017 1:40 PM GMT+00:00

**EXECUTION OF THE COOPERATIVE AGREEMENT**

There are several identical counterparts of this Cooperative Agreement in typewritten hard copy. Each counterpart is:

- (1) Fully signed in writing by the duly authorized officials of FTA or the Federal Government and the Recipient, and
- (2) Deemed to be an original having identical legal effect.

Upon full execution of this Cooperative Agreement by the Recipient, the Effective Date will be the date FTA or the Federal Government awarded Federal assistance for this Cooperative Agreement.

By executing this Cooperative Agreement, the Recipient intends to enter into a legally binding agreement in which the Recipient:

- (1) Affirms this FTA Award,
- (2) Adopts and ratifies all of the following information it has submitted to FTA:
  - (a) Statements,
  - (b) Representations,
  - (c) Warranties,
  - (d) Covenants, and
  - (e) Materials,
- (3) Consents to comply with the requirements of this FTA Award, and
- (4) Agrees to all terms and conditions set forth in this Cooperative Agreement.

Executed By:

*PALO ALTO, CITY OF*