Strategic Investment Readiness Fund

Executive/Administration Committee

Action Item 3 | December 2, 2026

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Purpose: an enduring fund to implement Connect SoCal



Connect SoCal

The regional plan identifies the initiatives needed to achieve outcomes, including state greenhouse gas targets

Regional Strategic Initiatives

Actions beyond local capacity that need regional leadership to come to fruition

The fund

Gives local agencies resources to turn these initiatives into investment-ready projects

Promising projects stall without early-stage resources

No ongoing funding

Programs like the Sustainable Communities Program (SCP) and Regional Pilot Initiatives (RPI) have relied on one-time grants, e.g., REAP 1.0 and 2.0

Too few early-stage resources

Limited support for local planning and project development leaves project scopes and schedules weak

Under-performance

The region under-performs on SB 1 competitive programs, and some grantees have struggled or defaulted

Six goals guide investment

Advance Regional Strategic Initiatives

Build local capacity and move priority initiatives toward delivery

Build the project pipeline

Investment-ready projects with documented benefits, delivery pathways, and CMAQ/STBG alignment

Support catalytic investments

Improve mobility, safety, air quality, access, resilience, and economic opportunity

Strengthen federal-aid capacity

Meet federal-aid requirements and compete for discretionary funding

Prioritize scalable ideas

Innovative, replicable projects with measurable regional benefits

Ensure accountability

Transparent selection, performance measures, documentation, and reporting

A dedicated share of existing federal formula funds

The fund leverages STBG and CMAQ dollars already allocated to the region. A future state source could expand eligibility to housing and land-use planning.

≈ $15M
annual fund



2.5%
of annual STBG and CMAQ funds

2 years
initial cycle: FFY 2029 and 2030 allocations

Three programs deliver the fund, with milestones through 2028

		Spring 2028	Fall 2028	By Dec 31, 2028
SCP	**Sustainable Communities Program** Competitive grants for local planning and project development	Guidelines	Call for projects	Awards to Regional Council
RPI	**Regional Pilot Initiatives** Demonstrations of next-generation technologies and models		Selection framework	Regional Council approval
TA	**Training and Technical Assistance** Prepares applicants for the FFY 2031 and 2032 STBG/CMAQ cycle	Program launches		

At least 80% of funds must support projects through SCP and RPI

Eligible activities meet four baseline requirements

Transportation-related
Eligible under CMAQ, STBG, or both

Supports readiness work
Regional planning, project development, technical analysis, implementation readiness, or federal-aid delivery preparation

Advances Connect SoCal
The activity must advance implementation of Connect SoCal

Defined and fundable
Defined scope, deliverable, schedule, lead entity, partner role, and a pathway to funding

Federal funds: show a nexus

CMAQ

A quantifiable nexus to congestion reduction, emissions reduction, air quality, travel demand management, and/or clean transportation

STBG

A clear nexus to system performance, multimodal mobility, safety, asset condition, access, connectivity, regional planning, or project-development readiness

Presidential priorities can steer where the fund goes

Clean Transportation Technology

- Zero-emission vehicle planning
- Charging and fueling infrastructure strategies
- Fleet transition and clean freight corridor planning
- Technology assessments, business cases, and benefit-cost analysis
- Grant readiness support

Housing and Economic Development

- Community, specific, corridor, downtown, station-area, and district plans
- EIFD and infrastructure financing plans
- Implementation strategies

SCP and RPI guidelines could direct a call for projects or set criteria that advance any Presidential Priority

SCP Example: Capacity Building through Planning

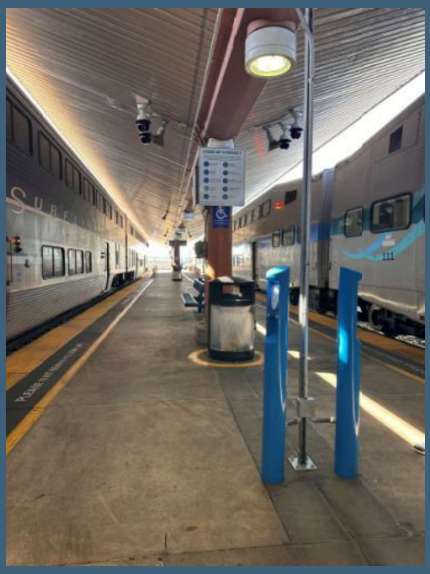
Earlier round: REAP 1.0

- 7 EIFD feasibility studies funded
- Potential to capture $3.1 billion for housing, infrastructure, parks, and economic growth
- Covina and Yucaipa EIFDs formed, with about $27M and $32M in estimated lifetime value

Under the new fund: SCP

- EIFD and infrastructure financing plans are eligible
- Needs a transportation nexus when federal transportation funds are used
- Supports the Housing and Economic Development priority

RPI Example: Capacity Building through Pilots



Metrolink platform validators

$2.8M

RPI pilot: contactless fare payment

SCAG, Metrolink, and Cal-ITP/Caltrans installed contactless validators at 18 stations; launched June 10, 2026

1,500+

Test results: first three months

Over 1,500 taps; 97% of riders were one-time riders, so tap-to-pay draws new and infrequent riders

$28.97M

Scale up: state grant, Nov 16, 2026

SCAG supported Metrolink's TIRCP application; the grant brings contactless payment to all Metrolink lines ahead of the 2028 Games

Funded through RPI (Carbon Reduction Program, REAP 2.0).

Next steps: from today's action to ongoing updates

