

# APPENDIX A – 17

## *Regional Policies: Project Funding and Specific Funding Programs*

**Project Selection Policies and Project Programming for the  
Second Round of the One Bay Area Grant Program (OBAG 2)**

**MTC Resolution No. 4202**



Date: November 18, 2015  
W.I.: 1512  
Referred by: PAC  
Revised: 07/27/16-C 10/26/16-C 12/21/16-C  
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02/23/22-C 03/23/22-C 04/27/22-C  
05/25/22-C 06/22/22-C

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Adoption of the project selection policies and project programming for the second round of the One Bay Area Grant program (OBAG 2). The project selection criteria and programming policy contain the project categories that are to be funded with various fund sources including federal surface transportation act funding available to MTC for its programming discretion to be included in the federal Transportation Improvement Program (TIP) for the OBAG 2 funding period.

The resolution includes the following attachments:

- Attachment A – OBAG 2 Project Selection Criteria and Programming Policy
- Attachment B-1 – OBAG 2 Regional Program Project List
- Attachment B-2 – OBAG 2 County Program Project List

On July 27, 2016, Attachment A, and Attachments B-1 and B-2 were revised to add additional funding and projects to the OBAG 2 framework, including \$72 million in additional Fixing America’s Surface Transportation Act (FAST) funding, and to incorporate housing-related policies.

On October 26, 2016, Attachment A, and Attachment B-1 were revised to clarify language related to the North Bay Priority Conservation Area (PCA) Program in Attachment A and to deprogram

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\$2,500,000 from the Water Emergency Transportation Authority (WETA) Ferry Service Enhancement Pilot within the Regional Active Operational Management Program.

On December 21, 2016, Attachments B-1 and B-2 were revised to redirect \$417,000 in un-programmed balances from the Regional Active Operational Management program to MTC's Spare the Air Youth within the Climate Initiatives Program; divide MTC's Rideshare Program into three subcomponents totaling \$10,000,000: \$720,000 for Rideshare Implementation, \$7,280,000 for the Carpool Program, and \$2,000,000 for the Vanpool Program; direct \$1,785,000 from 511 Next Gen to the Commuter Benefits program; direct \$1,000,000 in un-programmed balances to SMART's Multi-Use Pathway; transfer \$1,000,000 from MTC's Casual Carpool project to MTC's Eastbay Commuter Parking project within the Bay Bridge Forward program, as the former will be funded with non-federal funds; transfer \$500,000 from the Freeway Performance Initiative program and \$500,000 in un-programmed balances to US 101/Marin Sonoma Narrow's B2 Phase 2 project in the Regional Active Operational Management Program; shift \$40,000,000 from the BART Car Replacement/Expansion project to the Golden Gate Bridge Suicide Deterrent project and \$13 million from MTC's Clipper project to un-programmed balances within the Transit Priorities program as part of a RM2 funding action to address a cost increase on the Golden Gate Bridge Suicide Deterrent project; and program \$5,990,000 to Alameda County's Safe Routes to School Program in the County Program.

On March 22, 2017, Attachment B-1 was revised to program \$17,000,000 in un-programmed balances within the Regional Transit Priorities Program to MTC's Clipper Program, as part of the FY17 Transit Capital Priorities program.

On April 26, 2017, Attachment B-2 was revised to program \$1,655,000 to the Sonoma Safe Routes to School program; and redirect \$1,000 from Contra Costa Transportation Authority's Planning Activities Base to its discretionary balance and \$1,000 from San Francisco County Transportation Authority's Planning Activities Base to its discretionary balance to address an inconsistency between amounts programmed to planning activities in Appendix A-3 and reflect actual amounts obligated for planning.

On May 24, 2017, Attachment B-1 was revised to redirect \$1,237,000 from 511 Next Gen to AOM Implementation within the Regional Active Operational Management program to reflect re-organization of staff between program elements; direct \$18,000,000 in Arterial/Transit Performance to the Program for Arterial System Synchronization (\$5,000,000) and the Next Gen Arterial

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Operations Program (\$13,000,000) within the Regional Active Operational Management program; direct \$19,000,000 from the Transportation Management System (TMS) Field Equipment Devices Operations and Maintenance to TMS Implementation (\$2,910,000), Performance-Based Intelligent Transportation Systems Device Maintenance and Rehabilitation (\$5,940,000), Transportation Management Center Asset Upgrade and Replacement (\$4,000,000), I-880 Communication Upgrade and Infrastructure Gap Closures (\$4,000,000) and a Detection Technology Pilot (\$5,000,000) within the Regional Active Operational Management program; and remove \$290,556 in un-programmed balances from the Regional Active Operational Management program to address over-programming in a previous cycles of the STP/CMAQ regional programs.

On June 28, 2017, Attachments B-1 and B-2 were revised to reprogram \$1,000,000 from the SMART Pathway – 2<sup>nd</sup> to Andersen to San Rafael's Grand Ave Bike/Pedestrian Improvements within the Regional Climate Initiatives program as part of a funding exchange within the City of San Rafael, conditioned on San Rafael committing \$1 million in non-federal funds to the construction of the pathway, and a resolution of local support for the use of federal funds on the Grand Ave project, and TAM approval of the redirection of local measure funds between the projects; split out \$8,729,000 from the 511 Next Gen program to 511 Implementation within the Regional Active Operational Management program; program \$1,250,000 to Golden Gate Bridge Highway and Transportation District for the Bettini Transit Center as part of the Marin County Program; and program \$2,617,000 within the San Mateo County Program to the San Mateo County Office of Education for the SRTS program, including \$223,000 in supplemental funds from San Mateo's discretionary balance.

On July 26, 2017, Attachment B-1 was revised to program \$12,000,000 to the US 101 Marin Sonoma Narrows project as part of a fund exchange agreement with Sonoma County Transportation Authority; \$11,000,000 in exchange funds are added to the program for tracking purposes, with the final \$1 million in exchange funds to be identified through a future Commission action.

On September 27, 2017, Attachment B-1 was revised to change the name of the Next Gen Arterial Operations Program (NGAOP) to Innovative Deployment for Enhanced Arterials (IDEA) to reflect program rebranding and additional focus on advanced technologies; program \$4,160,000 to Incident Management Implementation and \$8,840,000 to I-880 Integrated Corridor Mobility project within the Regional Active Operational Management program; split out the Connected Vehicles/Shared Mobility program into the Connected Vehicles/Automated Vehicles

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program for \$2,500,000 and the Shared Use Mobility program for \$2,500,000; and program \$16,000,000 for three corridors within the Freeway Performance Program, with \$8,000,000 for I-680, \$3,000,000 for I-880, and \$5,000,000 for SR-84.

On October 25, 2017, Attachment B-1 was revised to program \$10,000,000 to the Bay Area Air Quality Management District for the Spare the Air program, in lieu of the Electric Vehicle Programs within the Regional Climate Initiatives Program, conditioned on the Air District contribution of an additional \$10 million to advance implementation of electric vehicles within the region.

On November 15, 2017, Attachment B-2 was revised to program \$200,000 in the Alameda County Program to the I-580 Corridor Study, to support a joint corridor study between Alameda County Transportation Commission (ACTC) and MTC; \$122,000 within the Napa County Program to Napa Valley Transportation Authority (NVTA) for the Napa County Safe Routes to School (SRTS) Program; and \$300,000 within the Contra Costa County Program to San Ramon for the San Ramon Valley Street Smarts Program.

On December 20, 2017, Attachments A, Appendix A-3, B-1, and B-2 were revised to program \$334 million in the County Program to local and county projects recommended by the nine Congestion Management Agencies (CMAs); redirect \$10,248,000 from BART Car Replacement/Expansion to Clipper within the Regional Transit Priorities Program; revise the CMA Planning Activities funding amounts to reflect the supplementary funds requested by several CMAs through their County Programs; and clarify the program details for the Local Housing Production Incentive program (also known as the *80K by 2020 Challenge Grant*).

On January 24, 2018, Attachment B-1 was revised to redirect \$4,100,000 from Performance-Based ITS Device Maintenance and Rehabilitation to I-880 Communication Upgrade and Infrastructure Gap Closures, within the Transportation Management System program.

On February 28, 2018, Attachments B-1 and B-2 were revised to program \$13 million in Innovative Deployments to Enhance Arterials (IDEA) program grants within the Regional Active Operational Management Program; redirect \$822,000 within Contra Costa County's Safe Routes to School Program (SRTS) for future SRTS projects; program \$2,813,000 to San Francisco SRTS Non-Infrastructure Program within the San Francisco County Program; and clarify MTC exchange fund projects.

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On March 28, 2018, Attachment B-1 was revised to distribute the \$1.5 million Community-Based Transportation Planning Program among the nine county Congestion Management Areas (CMAs); clarify the limits of three Freeway Performance Program projects within the Regional Active Operational Management Program; and reflect the programming of \$30,000 in MTC exchange funds for Bay Area Greenprint Functionality Improvements, as part of the PCA program.

On April 25, 2018, Attachment B-1 was revised to program \$8,200,000 in Priority Conservation Area (PCA) grants within the North Bay PCA Program; \$3,400,000 to Sonoma County Transportation Authority (SCTA) for the Marin Sonoma Narrows B2 Phase 2 project, as part of an exchange agreement in which an equal amount of SCTA's future Regional Transportation Improvement Program (RTIP) funds will be programmed at MTC's discretion; \$7,288,000 in PDA Planning and Implementation grants; and \$500,000 to MTC for PDA Implementation.

On May 23, 2018, Attachments B-1 and B-2 were revised to change the project sponsor from MTC to VTA for the IDEA Program project at the Veteran's Administration Palo Alto Medical Center; redirect funds within the Santa Clara County OBAG 2 County Program to reduce San Jose's West San Carlos Urban Village Streetscape Improvements by \$2,050,000, redirecting \$1,000,000 from the project to Santa Clara's Saratoga Creek Trail Phase 1 and \$1,050,000 to Saratoga's Prospect Rd Complete Streets project; and direct an additional \$25,000 in unprogrammed balances within Santa Clara County OBAG 2 County Program to Saratoga's Prospect Rd Complete Streets project.

On June 27, 2018, Attachments B-1 and B-2 were revised to program \$800,000 to MTC's Carsharing Implementation and \$325,000 to Targeted Transportation Alternatives within the Climate Initiatives Program; redirect from MTC's 511 NextGen program \$8,271,000 to 511 Implementation, \$2,000,000 to Contra Costa Transportation Authority's (CCTA's) I-80 Central Ave Interchange Improvements project, and \$380,000 to an unprogrammed balance within the Regional Active Operational Management program; clarify the scope of MTC's Freeway Performance Program I-880 to reflect the project limits of I-80 to I-280; and redirect \$1,394,000 from Vallejo's Local Streets Rehabilitation project to Fairfield's Heart of Fairfield project within the Solano County Program.

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On July 25, 2018, Attachment B-1 was revised to program \$1,600,000 to Santa Clara Valley Transportation Authority (VTA) for the SR 85 Transit Guideway Study as part of a fund exchange agreement; remove Rohnert Park's \$65,000 Central Rohnert Park PDA/Creekside Neighborhood Subarea Connector Path Technical Assistance grant from the Regional PDA Planning Grant program as it will be funded through a prior cycle; reduce the funding for Windsor's PDA Planning and Implementation Staffing Assistance grant by \$85,000 as this project will receive an equivalent amount of funds through a prior cycle; a total of \$150,000 balance created by these two revisions was returned to the Regional PDA Planning Grant Program un-programmed balance.

On September 12, 2018, Attachments B-1 and B-2 were revised to program \$3,000,000 within the Freeway Performance Program to the US 101 corridor in San Mateo and Santa Clara counties; direct an additional \$6,000,000 within the Freeway Performance Program to the I-680 corridor within Contra Costa County, \$4,000,000 of which is part of an exchange agreement with Contra Costa Transportation Authority (CCTA); redirect \$15,000 within the Innovative Deployment for Enhanced Arterials (IDEA) program from IDEA Technical Assistance to VTA's IDEA grant at the Veterans Affairs Palo Alto Medical Center; redirect \$48,000 from MTC's Clipper to the BART Car Replacement/Expansion project within the Transit Priorities program to reflect program amounts previously adopted through the Transit Capital Priorities (TCP) program; revise the amount programmed to VTA's SR 85 Transit Guideway Study within Regional Strategic Initiatives to \$1,200,000 to reflect amount previously approved; redirect \$1,214,000 from Berkeley's North Shattuck Avenue Rehabilitation project to its Southside Complete Streets and Transit Improvements project within the Alameda County Program; from Sunnyvale's East Sunnyvale Area Sense of Place Improvements, redirect \$1,000,000 to Los Altos' Miramonte Ave Bicycle and Pedestrian Access Improvements and \$1,140,000 to the Safe Routes to School program balance within the Santa Clara County Program; and program \$4,500,000 available from a previous funding cycle to the following projects within Regional Strategic Initiatives: \$617,000 to Novato's Pavement Rehabilitation (for Downtown Novato SMART Station) as part of a local funding exchange, \$1,120,000 to the Transportation Authority of Marin (TAM) for the Old Redwood Highway Multi-Use Pathway project, \$763,000 for San Rafael's Grand Ave Bridge project, and \$2,000,000 to TAM for the US 101 Marin Sonoma Narrows project.

On November 28, 2018, Attachment B-1 was revised to make adjustments related to the MTC/SCVTA Funding Exchange Agreement MTC Resolution No. 4356 and to the MTC/CCTA

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Funding Exchange Agreement MTC Resolution No. 4357, and to program \$4,000,000 in MTC exchange funds in accordance with MTC Resolution 3989, to the following projects: \$619,000 to CCTA for Innovative Deployment for Enhanced Arterials; \$621,000 to the city of Walnut Creek for innovative Deployment for Enhanced Arterials; \$500,000 to the city of Richmond for the Richmond-San Rafael Bridge Bikeway Access; \$1,160,000 to MTC for Richmond-San Rafael Bridge Forward; and \$1,100,000 to MTC for Napa Valley Transportation Demand.

On December 19, 2018, Attachments B-1 and B-2 were revised to redirect \$5,200,000 from MTC's I-880 Integrated Corridor Management (ICM) Central Segment to the I-880 ICM Northern Segment project within the Regional Active Operational Management Program; clarify the Diridon Integrated Station Area Concept Plan project within the Regional Priority Development Planning and Implementation Program to reference Santa Clara Valley Transportation Authority (VTA) as a project partner; within the Santa Clara County Program, redirect \$794,000 in unprogrammed balances to Sunnyvale's East Sunnyvale Sense of Place Improvements, clarify the remaining unprogrammed balance is discretionary, and clarify the division of funding for Santa Clara's Saratoga Creek Trail Phase 1 project between the county's Safe Routes to School program and its discretionary program.

On January 23, 2019, Attachment B-2 was revised to redirect \$15,980,000 within the San Francisco County Program from the Better Market Street project to the Central Subway project.

On February 27, 2019, Attachment B-1 was revised to change the fund source of \$3,779,849 programmed to the Golden Gate Bridge Suicide Deterrent in Surface Transportation Block Grant Program (STP) funds to federal Highway Infrastructure Program (STP Bump) funds provided in the Consolidated Appropriations Act, 2018. Of the \$3,779,849 freed up by this swap, \$1,000,000 is returned to the region's STP/CMAQ balance to help address the CMAQ shortfall as a result of the region becoming attainment for carbon monoxide (CO) and therefore receiving less CMAQ funds which are distributed based on air quality status. The remaining \$2,779,849 is held for future Commission action.

On March 27, 2019, Attachment A, Appendix A-8, Appendix A-10, and Attachment B-1 were revised to clarify provisions pertaining to the interim status report requirements for Priority Development Area (PDA) Investment & Growth Strategies; change the recipient of the Concord IDEA project from CCTA to the City of Concord and reduce the MTC Exchange funding from \$619,000 to \$589,000; and redirect the \$30,000 in MTC Exchange funds to a new MTC-led Concord IDEA project.



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On June 26, 2019, Attachment B-2 was revised to program \$822,000 in unprogrammed Safe Routes to School Program (SRTS) balances within the Contra Costa County Program to six existing projects; and to redirect \$251,000 within the San Mateo County Program from Atherton's Middlefield Road Class II Bike Lanes to its James Avenue Rehabilitation.

On July 24, 2019, Attachment A was revised to delegate authority to the Executive Director or designee to sign Letters of Understanding for the exchange of STP/CMAQ funds with other regions, within certain conditions and limitations, and to delegate to a Committee of the Commission the authority to approve exchanges beyond these conditions and limitations.

On September 25, 2019, Attachments B-1 and B-2 were revised to clarify that the \$300,000 programmed to Alameda County Transportation Commission (ACTC) within the Community Based Transportation Plan (CBTP) Updates program will be directed to its Congestion Management Agency (CMA) Planning program as part of an internal fund exchange within ACTC; redirect \$9.6 million from 511 Implementation to 511 Next Gen within the Bay Area 511 Traveler Information Program; within the Freeway Performance Program redirect \$625,000 in from MTC's SR 84 (US 101 to I-880) to the environmental phase of MTC's I-580 WB HOV Lane Extension project and change the project sponsor of the I-80/Central Ave. Interchange Improvements project from the Contra Costa Transportation Authority (CCTA) to City of Richmond; within the Innovative Deployment to Enhance Arterials (IDEA) program, clarify that LAVTA is a partner agency for the Dublin Category 2 IDEA project; within the Transportation Management Systems (TMS) program, change the name of the overall program to Connected Bay Area, redirect \$2 million from the Detection Technology Pilot project and \$1.8 million from the Performance-Based ITS Device Maintenance and Rehabilitation project to provide an additional \$3.8 million to the I-880 Communications Upgrade and Infrastructure Gap Closures project; within the Incident Management program, redirect \$1 million from MTC's I-880 Integrated Corridor Management (ICM) Central Segment to the Northern Segment; within the San Francisco County program, redirect \$3,366,000 from John Yehall Chin Elementary Safe Routes to School (SRTS) Improvement; and within the Santa Clara County program, redirect \$1 million from Los Altos' Miramonte Ave Bicycle and Pedestrian Access Improvements project to Cupertino's McClellan Rd Separated Bike Lane project, and program \$1,346,000 in unprogrammed discretionary balances to Campbell's Harriet Ave Sidewalk project and Los Gatos Shannon Rd Complete Streets project.

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On October 23, 2019, Attachment B-1 was revised to redirect \$3 million from MTC's Detection Technology Pilot project to establish the InterConnect Bay Area grant program within the Connected Bay Area program; direct \$5 million (\$4 million Solano County and \$1 million other North Bay counties) within the Housing Incentive Pool program to establish the Sub-HIP program, with specific projects to be recommended through future programming actions; and program \$1 million to BART for AB2923 Implementation from unprogrammed balances within the PDA Planning & Implementation program.

On November 20, 2019, Attachments B-1 and B-2 were revised to program \$6,023,000 in MTC exchange funds in accordance with MTC Resolution No. 3989 to 13 projects within the Priority Conservation Area (PCA) Grants program; and within the Contra Costa County program, redirect \$1,025,000 from Brentwood's Various Streets and Roads Preservation project to Pittsburg's Pavement Improvements project, redirect \$618,000 from San Pablo's Market Street Pavement Rehabilitation project to Giant Road Pavement Rehabilitation project; and revise the name of Walnut Creek's Ygnacio Valley Road Rehabilitation project to reflect the latest proposed scope of work.

On February 26, 2020, Attachments A, B-1, and B-2 were revised to program \$1 million to MTC for SR 37 corridor planning in Marin, Napa, Solano, and Sonoma Counties and \$3 million to MTC for I-80 corridor planning from the Carquinez Bridge to the San Francisco-Oakland Bay Bridge (SFOBB) Toll Plaza within the Freeway Performance Program; revise the name of the Concord Willow Pass Road Rehabilitation and Safe Routes to School project within the Contra Costa County Program to reflect the project's current scope; and clarify language within the OBAG 2 Project Selection Criteria and Programming Policy to reflect the Commission adoption of Housing Incentive Pool (HIP) program guidelines, MTC Resolution No. 4348.

On May 27, 2020, Attachment B-1 was revised to clarify the scope of MTC's Freeway Performance Program planning-only project on I-80 extends from Carquinez Bridge in Contra Costa to Fremont Street in San Francisco; change the sponsor for three projects within the Regional Priority Conservation Area (PCA) Grant program; and to redirect \$104,000 in the North Bay Priority PCA Grant program from Novato's Carmel Open Space Acquisition project to Novato's Hill Area National Recreation Area, as the former project has been cancelled.

On July 22, 2020, Attachment B-1 was revised to program \$5 million to five projects in Solano, Marin, Napa, and Sonoma Counties within the Housing Incentive Pool Pilot Program (Sub-HIP)

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and program \$1 million to the Napa Valley Forward Traffic Calming and Multimodal Improvements project within the Freeway Performance Program (FPP); and incorporate \$7,681,887 in federal Highway Infrastructure Program apportionment provided through the Department of Transportation Appropriations Act, 2020 to the Golden Gate Bridge Suicide Deterrent.

On September 23, 2020, Attachment B-2 was revised to redirect \$2,000,000 from Napa's Silverado Trail Five-way Intersection Improvement project to Napa Valley Transportation Authority's Vine Transit Bus Maintenance Facility within the Napa County Program, and \$1,394,000 from Fairfield's Heart of Fairfield Improvements to its Cadenasso Dr. repaving project within the Solano County Program.

On November 20, 2020, Attachment B-1 was revised to program \$1,000,000 to SFCTA for the environmental phase of the Yerba Buena Island/Treasure Island Multi-Use Pathway project within the Priority Conservation Area (PCA) Grants program, with payback from BATA at a future date; \$647,000 in MTC exchange funds in accordance with MTC Resolution No. 3989 to four projects within the Priority Conservation Area (PCA) Grants program; and to clarify the project sponsor of the Old Redwood Highway Multi-Use Pathway project as Larkspur, rather than the Transportation Authority of Marin (TAM).

On January 27, 2021, Attachments A and Attachment B-1 were revised, and Appendix A-11 was added, to incorporate additional funding into the OBAG 2 framework, including \$52.9 million in STP/CMAQ program balances made available through FY2018-FY2020 appropriations of Federal Highway Infrastructure Program (FHIP) funds, and a \$1.5 million balance redirected from the Cycle 1 STP/CMAQ Climate Initiatives program, as part of the Safe & Seamless Mobility Quick-Strike program.

On February 24, 2021, Attachment B-1 was revised to program a total of \$7.91 million in Federal Highway Infrastructure Program (FHIP) funds provided in the Consolidated Appropriations Act, 2021, and project savings from previous STP/CMAQ cycles to the Golden Gate Bridge Highway and Transportation District (GGBHTD) for shareable costs of an increase to the Golden Gate Bridge Suicide Deterrent System. Because the final FFY 2021 FHIP amount is not yet available at the time of the Commission meeting, the final split between the two fund sources will be adjusted by staff as a technical change, with the total amount not to exceed \$7.91 million.

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On April 28, 2021, Attachment B-1 was revised to change the fund source of \$13,942,852 from Federal Highway Infrastructure Program (FHIP) funds to Surface Transportation Block Grant (STP) funds for the Gate Bridge Highway and Transportation District (GGBHTD) for the Golden Gate Bridge Suicide Deterrent System project; program \$61,708,245 in STP/CMAQ funds, and \$13,942,852 in FHIP funds redirected from the GGB suicide deterrent system, to the Transportation Authority of Marin (TAM) for the US-101 Marin-Sonoma Narrows Segment B7 project as part of the SB1/RMS alternative funding plan; and program \$99,840,510 in STP/CMAQ funds to the Solano Transportation Authority (STA) for the Solano I-80 Express Lanes project as part of the SB1/RMS alternative funding plan. The programmed funding to TAM and STA serves as a loan to the project sponsors to permit the projects to move to construction while Regional Measure 3 funds are unavailable. The loaned funds shall be repaid to MTC as non-federal funds and will be subject to future OBAG programming.

On May 26, 2021, Attachment B-1 and Appendix A-11 were revised to program \$34,593,076 in Federal Highway Infrastructure Program funds made available through federal Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) to augment the Regional Safe and Seamless Mobility Quick-Strike program framework; and to program \$7,775,000 in Priority Development Area (PDA) Planning and Implementation grants and \$87,000 in Regional PDA Supportive Studies within the Regional PDA Planning and Implementation program.

On June 23, 2021, Attachment B-1 was revised to program \$83,118,000 to various local and regional projects within the Regional Safe and Seamless Mobility Quick-Strike program; and program \$1,000,000 in project savings from previous fund cycles to VTA's Diridon Station Planning and Studies project as part of the Regional Strategic Initiatives program.

On July 28, 2021, Attachments A, B-1, and B-2 were revised to: temporarily increase the delegated authority amount the Executive Director may authorize for STP/CMAQ exchanges from \$2 million per region to \$100 million in total for federal fiscal year 2020-2021; to program \$4,667,000 to AC Transit for Bus Purchases and to reflect changes in program amounts and projects proposed for MTC regional exchange funds (in accordance with MTC Resolution No. 3989) as part of the funding arrangement for the Solano I-80 Express Lanes project; to program \$1,750,000 within the Regional Safe and Seamless Mobility Quick-Strike program; to transit integration planning efforts in Solano, Sonoma, and East Bay Counties; redirect \$130,000 in project savings from the County of Contra Costa Local Streets and Roads Preservation project to

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the City of Danville's San Ramon Valley Blvd. Improvements project (in lieu of the Diablo Road Trail project which will be provided an equivalent amount of non-federal funds from CCTA) and redirect \$350,000 in project savings from the County of Contra Costa Local Streets and Roads Preservation project to the City of Pinole's Safety Improvements at Appian Way and Marlesta Rd project within the Contra Costa County program; and to cancel the \$4,655,000 El Camino Real Pedestrian Safety & Streetscape Improvements project in Palo Alto, direct \$41,428 from the cancelled project to Campbell's Harriet Avenue Sidewalk project, and leave the remaining \$4,614,572 balance unprogrammed within the Santa Clara county program.

On September 22, 2021, Attachment B-1 was revised to program \$4,191,538 to various projects within the Regional Safe & Seamless Mobility Quick-Strike program; \$184,000 in prior cycle project savings to San Mateo County's Broadmoor SRTS Pedestrian Safety and Mobility Improvements project within the Regional Strategic Investments program; and to redirect \$800,000 from MTC's Carsharing Implementation project and \$1,848,099 from the Climate Initiatives unprogrammed balance to various projects within the Mobility Hubs Pilot Program.

On November 17, 2021, Attachment B-2 was revised to redirect \$948,000 from the City of Redwood City's US-101/Woodside Rd. Class I Bikeway project to the following projects: Daly City's Southgate Avenue and School Street Safety Improvements (\$450,000) and Millbrae's Park Boulevard and Santa Teresa Way Improvements (\$347,000), leaving an unprogrammed balance of \$151,000 in the San Mateo County Program.

On December 15, 2021, Attachment B-2 was revised to program \$4,613,572 in unprogrammed balances from the Santa Clara County Program to the following projects: Campbell's PDA Enhancements (\$550,000), Mountain View's Shoreline Boulevard Pathway Improvements (\$1,996,000), and San Jose's Julian and St. James Livable Streets Couplet Conversion (\$2,067,572). In the San Mateo County Program, the project title for Millbrae's Park Blvd, San Anselmo Ave, and Santa Teresa Way Improvements was revised to clarify the project scope.

On January 26, 2022, Attachment B-1 was revised to direct \$12,000,000 in unprogrammed balances from the Freeway Performance Program to MTC's Bay Bridge Forward Preliminary Engineering project, and to revise SCTA/MTC's \$750,000 Sonoma Integration and Coordination Implementation Planning project to reflect that these funds will be used to advance the Blue Ribbon Transit Transformational Action Plan as part of a fund swap with SCTA.

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On February 23, 2022, Attachment B-2 was revised to redirect \$120,000 in project savings within the Contra Costa County Program, from El Cerrito's Carson Boulevard and Central Avenue Pavement Rehabilitation project to the El Cerrito's El Cerrito del Norte TOD Complete Streets Improvements project.

On March 23, 2022, Attachment B-1 was revised to redirect \$251,000 within the Priority Conservation Area grant program from Albany's Albany Hill Access Improvements project and \$249,000 in regional program balances to Santa Clara Valley Transportation Authority's (VTA's) Highway 17 Bicycle/Pedestrian Trail and Wildlife Overcrossing Project as part of a fund exchange agreement with the Midpeninsula Regional Open Space District; revise \$2,322,000 in Regional Active Operational Management program funds to reflect the amounts awarded to projects, technical advisory services, and project evaluations through the MTC's Connected Vehicles/Automated Vehicles program; and direct \$14,495 in unprogrammed balances within the Climate Initiatives program to the Bay Area Rapid Transit (BART) MacArthur BART Station Mobility Hub project as part of a fund source change between fund cycles, with no net change in the total amount programmed to the project.

On April 27, 2022, Attachments B-1 and B-2 were revised to program \$2,240,000 within the Freeway Performance Program for MTC's I-880 Optimized Corridor Operations project; reprogram \$1,800,000 in Safe & Seamless Mobility Quick-Strike funds from Vallejo's Bay Trail/Vine Trail Gap Closure Segment to Vallejo's Springs Road Pavement Preservation project as part of a local funding exchange; revise MTC's \$1.4 million Blue Ribbon Centralized Program Eligibility project within the Safe & Seamless Mobility Quick-Strike program to redirect \$900,000 to Clipper for Regional Transit Connection contract expenses in support of the project; rename MTC's Interconnect Bay Area Program project to Regional Communications Infrastructure Upgrade; reprogram \$2,206,000 within the Napa County Program to NVTA's Vine Trail Calistoga to St. Helena project from St. Helena's \$1,206,000 Main Street Pedestrian Improvements project and American Canyon's \$1,000,000 Green Island Road Improvements; and rename the City of Alameda's City-Wide Pavement Rehabilitation project within the Alameda County Program to Grand Street Pavement Resurfacing and Safety Improvements.

On May 25, 2022, Attachment B-2 was revised to redirect funds within the Santa Clara County Program, including \$2,449,000 from Santa Clara's San Tomas Aquino Creek Trail Underpass and \$790,000 Hetch Hetchy Trail Phase 1 projects, and \$919,000 from Palo Alto's Waverly Multi-Use Path, East Meadow Drive and Fabian Way Enhanced Bikeways project, and

## ABSTRACT

MTC Resolution No. 4202, Revised

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reprogram \$3,351,000 of these funds to Los Gatos' Creek Trail to Highway 9 Trailhead Connection and \$807,000 to Cupertino's new Stevens Creek Boulevard Class IV Bike Lanes project; redirect funds within the Alameda County Program, including \$1,662,000 from Hayward's Winton Avenue Complete Streets project and \$225,000 from Emeryville's Slurry Seal of Frontage Road, 65<sup>th</sup> Street, and Powell Street projects, and reprogram \$620,000 of these funds to ACTC's Alameda County Safe Routes to School Non-Infrastructure Program, leaving an unprogrammed balance of \$1,267,000 within the Alameda County Program.

On June 22, 2022, Attachment B-1 was revised to deprogram \$400,000 from Cupertino's VTA Cores and Corridors PDA Plan, leaving an unprogrammed balance of \$400,000 within the PDA Planning & Implementation program; program \$100,000 in regional program balances to the Capitol Corridor Joint Powers Authority's (CCJPA's) State Route 84 Ardenwood Intermodal Bus Facility project within the Regional Strategic Investments program as part of a fund exchange agreement with CCJPA; and reprogram \$1,250,000 within the Safe and Seamless Mobility Quick-Strike program to MTC's Bay Bridge Forward project's preliminary engineering phase, including \$500,000 from MTC's Blue Ribbon Centralized Program Eligibility project and \$750,000 in remaining program balance from the Blue Ribbon Transit Recovery Action Plan.

Further discussion of the project selection criteria and programming policy is contained in the memorandum to the Programming and Allocations Committee dated November 4, 2015, July 13, 2016, October 12, 2016, December 14, 2016, February 8, 2017 (action deferred to March 2017), March 8, 2017, April 12, 2017, May 10, 2017, June 14, 2017, July 12, 2017, September 13, 2017, October 11, 2017, November 8, 2017, December 13, 2017, January 10, 2018, February 14, 2018, March 7, 2018, and April 11, 2018; the Planning Committee dated April 6, 2018; the Programming and Allocations Committee dated May 9, 2018, June 13, 2018, July 11, 2018, September 12, 2018, November 14, 2018, December 12, 2018, January 9, 2019, February 13, 2019, March 6, 2019, June 12, 2019, July 10, 2019, September 4, 2019, October 9, 2019, November 13, 2019, February 12, 2020, May 13, 2020, July 8, 2020, September 9 2020, November 4, 2020, January 13, 2021, February 10, 2021, April 14, 2021, and May 12, 2021; the Planning Committee dated May 14, 2021; the Programming and Allocations Committee dated June 9, 2021, July 14, 2021; and September 8, 2021; the Planning Committee dated September 10, 2021; and the Programming and Allocations Committee dated November 10, 2021, December 8, 2021, January 12, 2022, February 9, 2022; Operations Committee dated February 11, 2022; and the Programming and Allocations Committee dated March 9, 2022, April 13, 2022, May 11, 2022, and June 8, 2022.

Date: November 18, 2015  
W.I.: 1512  
Referred By: Programming & Allocations

RE: One Bay Area Grant Program Second Round (OBAG 2) Project Selection Criteria and Programming Policy

METROPOLITAN TRANSPORTATION COMMISSION  
RESOLUTION NO. 4202

WHEREAS, the Metropolitan Transportation Commission (MTC) is the Regional Transportation Planning Agency (RTPA) for the San Francisco Bay Area pursuant to Government Code Section 66500 et seq.; and

WHEREAS, MTC is the designated Metropolitan Planning Organization (MPO) for the nine-county San Francisco Bay Area region and is required to prepare and endorse a Transportation Improvement Program (TIP) which includes federal funds; and

WHEREAS, MTC is the designated recipient for state and federal funding assigned to the RTPA/MPO of the San Francisco Bay Area for the programming of projects; and

WHEREAS, state and federal funds assigned for RTPA/MPO programming discretion are subject to availability and must be used within prescribed funding deadlines regardless of project readiness; and

WHEREAS, MTC, in cooperation with the Association of Bay Area Governments (ABAG), the Bay Area Air Quality Management District (BAAQMD), the Bay Conservation and Development Commission (BCDC), California Department of Transportation (Caltrans), Congestion Management Agencies (CMAs), county Transportation Authorities (TAs), transit operators, counties, cities, and interested stakeholders, has developed criteria, policies and procedures to be used in the selection of projects to be funded with various funding including regional federal funds as set forth in Attachments A, B-1 and B-2 of this Resolution, incorporated herein as though set forth at length; and

WHEREAS, using the policies set forth in Attachment A of this Resolution, MTC, in cooperation with the Bay Area Partnership and interested stakeholders, will develop a program of projects to be funded with these funds for inclusion in the federal TIP, as set forth in Attachments B-1 and B-2 of this Resolution, incorporated herein as though set forth at length; and

WHEREAS the federal TIP and subsequent TIP amendments and updates are subject to public review and comment; now therefore be it



RESOLVED that MTC approves the "Project Selection Criteria and Programming Policy" for projects to be funded in the OBAG 2 Program as set forth in Attachments A, B-1 and B-2 of this Resolution; and be it further

RESOLVED that the regional discretionary funding shall be pooled and distributed on a regional basis for implementation of project selection criteria, policies, procedures and programming, consistent with the Regional Transportation Plan (RTP); and be it further

RESOLVED that the projects will be included in the federal TIP subject to final federal approval and requirements; and be it further

RESOLVED that the Executive Director or designee may make technical adjustments and other non-substantial revisions, including updates to fund sources and distributions to reflect final funding criteria and availability; and be it further

RESOLVED that the Executive Director or designee is authorized to revise Attachments B-1 and B-2 as necessary to reflect the programming of projects as the projects are selected, revised and included in the federal TIP; and be it further

RESOLVED that the Executive Director or designee shall make available a copy of this resolution, and attachments as may be required and appropriate.

METROPOLITAN TRANSPORTATION COMMISSION



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Dave Cortese, Chair

The above resolution was entered into by the Metropolitan Transportation Commission at the regular meeting of the Commission held in Oakland, California, on November 18, 2015

Date: November 18, 2015  
W.I.: 1512  
Referred by: P&A  
Revised: 07/27/16-C 10/26/16-C  
12/20/17-C 03/27/19-C  
07/24/19-C 02/26/20-C  
01/27/21-C 07/28/21-C

Attachment A  
Resolution No. 4202

**OBAG 2**  
**One Bay Area Grant Program**  
**Project Selection Criteria and Programming Policy**

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**OBAG 2 – One Bay Area Grant Program  
Project Selection Criteria and Programming Policy**

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- Appendix A-2 County Program Fund Distribution
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- Appendix A-7 CMA Call for Projects Guidance
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- Appendix A-9 Priority Conservation Area (PCA) Implementation
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The One Bay Area Grant Program (OBAG 2) is the second round of the federal funding program designed to support the implementation of *Plan Bay Area*, the region's first Sustainable Communities Strategy (SCS). OBAG 2 covers the five-year period from FY 2017-18 to FY 2021-22. The proposed revenue estimates, funding approach, programming policies, project guidance, and timeline for OBAG 2 are outlined in this attachment.

## BACKGROUND

The inaugural One Bay Area Grant Program (OBAG 1) was approved by the Commission in May 2012 (MTC Resolution 4035). The OBAG 1 program incorporated the following program features:

- Targeting project investments to the region's Priority Development Areas (PDAs);
- Rewarding jurisdictions that accept housing allocations through the Regional Housing Need Allocation (RHNA) process and produce housing;
- Supporting open space preservation in Priority Conservation Areas (PCAs); and
- Providing a larger and more flexible funding pot to deliver transportation projects in categories such as Transportation for Livable Communities (TLC), bicycle and pedestrian improvements, local streets and roads preservation, and planning activities, while also providing dedicated funding opportunities for Safe Routes to School activities and PCAs.

The early outcomes of the OBAG 1 program are documented in the One Bay Area Grant Report Card located at: ([http://files.mtc.ca.gov/pdf/OBAG\\_Report\\_Card.pdf](http://files.mtc.ca.gov/pdf/OBAG_Report_Card.pdf)). The key findings of the report highlight a variety of improvements as compared to previous federal highway funding programs, including: increased grant and project size, complexity, and multi-modality; significant investments in active transportation and TLC projects; region wide achievement of PDA investment targets; and compliance with local performance and accountability requirements. Considering the positive results achieved in OBAG 1, and in order to further extend the timeframe for OBAG to meet its policy goals, OBAG 2 maintains largely the same framework and policies.

## REVENUE ESTIMATES AND PROGRAM ARCHITECTURE

OBAG 2 funding is based on anticipated future federal transportation program apportionments from the regional Surface Transportation Block Grant Program (STP) and Congestion Mitigation and Air Quality Improvement (CMAQ) Programs. Originally, the programming capacity estimated for OBAG 2 amounted to \$790 million (down from \$827 million programmed with OBAG 1). The estimated decrease in revenues between program cycles reflects annual apportionment amounts in the federal surface transportation act (Moving Ahead for Progress in the 21<sup>st</sup> Century Act, or MAP-21) authorized after approval of OBAG 1 not keeping pace with estimated growth rates, as well as changes in state and federal programs that impacted estimated regional funding levels (such as the elimination of the Transportation Enhancements (TE) program). Subsequent to the Commission's original adoption of OBAG 2, Congress approved the Fixing America's Surface Transportation (FAST) Act, providing an additional

estimated \$72 million during the OBAG 2 period. The revised total STP/CMAQ funding for OBAG 2 is \$862 million.

The OBAG 2 program continues to integrate the region's federal transportation program with California's climate statutes and the Sustainable Communities Strategy (SCS), and contributes to the implementation of the goals and objectives of the Regional Transportation Plan. Funding distribution formulas to the counties will continue to encourage land-use, housing and complete streets policies that support the production of housing with supportive transportation investments. This is accomplished through the following principles:

### **1. Realistic Revenue Assumptions:**

OBAG 2 funding is based on anticipated future federal transportation program apportionments. In past years, the Surface Transportation Block Grant Program/Congestion Mitigation and Air Quality Improvement programs (STP/CMAQ) have not grown, and changes in the federal and state programs (such as elimination of the Transportation Enhancement (TE) program) resulted in decreases that were not anticipated when OBAG 1 was developed. For the initial OBAG 2 estimates, a 2% annual escalation rate above current federal revenues was assumed, consistent with the mark-up of the Developing a Reliable and Innovative Vision for the Economy (DRIVE) Act by the Senate Environment and Public Works Committee. Even with the 2% escalation, revenues for OBAG 2 were expected to be 4% less than OBAG 1 revenues. Following the Commission's original adoption of OBAG 2, an additional \$72 million in FAST Act revenue was made available, for a total of \$862 million for OBAG 2 - an increase of 4% over the OBAG 1 funding level.

If there are significant changes in federal apportionments over the OBAG 2 time period, MTC will return to the Commission to recommend adjustments to the program. These adjustments could include increasing or decreasing funding amounts for one or more programs, postponement of projects, expansion of existing programs, development of new programs, or adjustments to subsequent programming cycles.

Upon enactment and extension of the federal surface transportation authorizations expected during the OBAG funding period, MTC will need to closely monitor any new federal programs, their eligibility rules, and how funding is distributed to the states and regions. It is anticipated that any changes to the current federal programs would likely overlap to a large extent with projects that are currently eligible for funding under 23 U.S.C., although the actual fund sources may no longer mirror the current STP and CMAQ programs. Therefore, any reference to a specific fund source in the OBAG 2 programming serves as a proxy for replacement fund sources for which MTC has discretionary project selection and programming authority.

OBAG 2 programming capacity is based on apportionment rather than obligation authority. Because obligation authority (the amount actually received) is less than the apportionment level, there is typically a carryover balance from year to year of unfunded

commitments. MTC's current negative obligation authority imbalance is \$51 million, and has held steady the past few years as a result of the region's excellent delivery record. Successful project delivery has allowed MTC to capture additional, unused obligation authority (OA) from other states, enabling the region to deliver additional projects each year. Because this negative balance has held steady, there does not appear to be a need to true-up the difference at this time. MTC staff will continue to monitor this OA shortfall throughout the OBAG 2 period and make adjustments as necessary in the next round of programming.

## **2. Support Existing Programs:**

Originally, the OBAG program was expected to face declining revenues from \$827 million in OBAG 1 to \$790 million in OBAG 2. Therefore, no new programs were introduced with OBAG 2 and the anticipated funding reduction was spread among the various transportation needs supported in OBAG 1. With the \$72 million in additional revenues from the FAST Act, funding for OBAG 2 increased to \$862 million.

The OBAG 2 program categories and commitments for the regional and county programs are outlined in Appendix A-1.

## **3. Support Plan Bay Area's Sustainable Communities Strategy by Linking OBAG Funding to Housing:**

### County Program Distribution Formula

OBAG 1's county distribution formula leveraged transportation dollars to reward jurisdictions that produce housing and accept housing allocations through the Regional Housing Need Allocation (RHNA) process. The formula also considered the share of affordable housing within housing production and RHNA allocations.

In OBAG 2, the county distribution formula is updated to use the latest housing data from the Association of Bay Area Government (ABAG). The formula is also based on housing over a longer time frame, considering housing production between 1999 and 2006 (weighted 30%) and between 2007 and 2014 (weighted 70%) in order to mitigate the effect of the recent recession and major swings in housing permit approvals.

The OBAG 2 formula places additional emphasis on housing production and the share of affordable housing within both production and RHNA. The formula also expands the definition of affordable housing to include housing for moderate-income households in addition to low- and very low-income households. Furthermore, housing production is capped at the total RHNA allocation.

The distribution formula factors for OBAG 2 are detailed in the table below.

**OBAG 2 County Distribution Formula Factors**

	<b>Population</b>	<b>Housing RHNA</b>	<b>Housing Production</b>	<b>Housing Affordability *</b>
<b>OBAG 2</b>	<b>50%</b>	<b>20%</b>	<b>30%</b>	<b>60%</b>

\*OBAG 2 housing affordability factor includes housing at the very low, low and moderate income levels which are weighted within both housing production and RHNA allocation.

The distribution formula is further adjusted to ensure that CMA base planning funds are no more than 50% of the total distribution for that county. The resulting proposed county program formula distributions are presented in Appendix A-2.

Priority Development Areas (PDAs)

OBAG 2 continues to support the SCS for the Bay Area by promoting transportation investments in Priority Development Areas (PDAs).

- PDA Investment targets remain at OBAG 1 levels: 50% for the four North Bay counties and 70% for the remaining counties.
- PDA Investment and Growth Strategies should play a strong role in guiding the County CMA project selection and be aligned with the Plan Bay Area update cycle.

Priority Conservation Areas (PCAs)

OBAG 2 maintains the two separate Priority Conservation Area (PCA) programs as introduced in OBAG 1, with one program dedicating funding to the four North Bay counties and one competitive program for the remaining counties.

**4. Continue Flexibility and Local Transportation Investment Decision Making:**

OBAG 2 continues to provide the same base share of the funding pot (40%) to the county CMAs for local decision-making. The program allows CMAs the flexibility to invest in various transportation categories, such as Transportation for Livable Communities (TLC), bicycle and pedestrian improvements, local streets and roads preservation, and planning and outreach activities.

In addition to the base county program, two previously regional programs, Safe Routes to School and the Federal-Aid Secondary (rural roads), have been consolidated into the county program with guaranteed minimum funding amounts to ensure the programs continue to be funded at specified levels.

**5. Cultivate Linkages with Local Land-Use Planning:**

As a condition to access funds, local jurisdictions need to continue to align their general plans' housing and complete streets policies as a part of OBAG 2 and as separately required by state law.



### Complete Streets Requirement

Jurisdictions must adopt a complete streets resolution by the date the CMAs submit their OBAG 2 project recommendations to MTC, incorporating MTC's required complete streets elements as outlined in [MTC's Complete Streets Guidance](#).

Alternatively, to recognize local jurisdictions' efforts to update their general plan circulation element to incorporate the provisions of the 2008 Complete Streets Act in response to the provisions stated in OBAG 1, a jurisdiction may adopt a significant revision to the circulation element of the general plan that complies with the Act after January 1, 2010 and before the date the CMAs submit their OBAG 2 project recommendations to MTC.

The approach above focuses on the adoption of local complete streets resolutions, while acknowledging the jurisdictions that took efforts to update their circulation element in anticipation of future OBAG requirements.

### Housing Element Requirement

Jurisdictions (cities and counties) must have a general plan housing element adopted and certified by the California Department of Housing and Community Development (HCD) for 2014-2022 RHNA by May 31, 2015. Jurisdictions that have failed to meet this deadline must have their housing elements certified by HCD by June 30, 2016 in order to be eligible to receive OBAG 2 funding.

Furthermore, under state statute, jurisdictions are required to submit Housing Element Annual Reports by April 1 every year. All cities and counties receiving OBAG 2 funding must comply with this requirement during the entire OBAG 2 funding period or risk deprogramming of OBAG 2 funding.

The complete streets and housing requirements are not required for jurisdictions with no general plan or land use authority such as Caltrans, CMAs or transit agencies under a JPA or district (not under the governance of a local jurisdiction). However, in such instances the jurisdiction in which the project is physically located must meet these requirements, except for transit/rail agency property such as, track, rolling stock or a maintenance facility.

### Surplus Land Requirement

Cities and counties receiving funds through the County Program must adopt a surplus land resolution by the date the CMAs submit their OBAG 2 project recommendations to MTC. The resolution must verify that any disposition of surplus land undertaken by the jurisdiction complies with the State Surplus Land Act, as amended by AB 2135, 2014. MTC will issue guidance to assist cities and counties in drafting a resolution to meet this requirement. This guidance will be posted on the OBAG 2 website: <http://mtc.ca.gov/our-work/fund-invest/federal-funding/obag-2>.

This requirement shall not apply to charter cities unless and until a final court decision is rendered that charter cities are subject to the provisions of the Act. In addition, the resolution is not required for public agencies with no general plan or land use authority.

#### **6. Continue Transparency and Outreach to the Public Throughout the Process:**

CMAAs will continue to report on their outreach process as part of their solicitation and selection of projects for OBAG. Each CMA will develop a memorandum addressing outreach efforts, agency coordination, distribution methodology and Title VI compliance. CMA reporting requirements are provided in Appendix A-10, the Checklist for CMA and Local Jurisdiction Compliance with MTC Resolution 4202.

### **PROGRAM CATEGORIES AND PROJECT LIST**

Appendix A-1 outlines the OBAG 2 program categories and commitments.

Attachment B of Resolution 4202 contains the list of projects to be programmed under the OBAG 2 program. Attachments B-1 and B-2 list the projects receiving OBAG 2 funding through the regional programs and county programs respectively. The project lists are subject to project selection actions (conducted by MTC for most of the regional programs and by the CMAAs for the county programs and other funds distributed to them). MTC staff will update Attachments B-1 and B-2 as projects are selected or revised by the Commission and CMAAs and are included in the federal Transportation Improvement Program (TIP).

### **GENERAL PROGRAMMING POLICIES**

The following programming policies apply to all projects funded in OBAG 2:

- 1. Public Involvement.** MTC is committed to a public involvement process that is proactive and provides comprehensive information, timely public notice, public access to key decisions, and opportunities for continuing involvement. MTC provides many methods to fulfill this commitment, as outlined in the *MTC Public Participation Plan*, Resolution No. 4174. The Commission's adoption of the OBAG 2 program, including policy and procedures, meets the provisions of the *MTC Public Participation Plan*. MTC's advisory committees and the Bay Area Partnership have been consulted in the development of funding commitments and policies for this program; and opportunities to comment have been provided to other stakeholders and members of the public.

Furthermore, investments made in the OBAG 2 program must be consistent with federal Title VI requirements. Title VI prohibits discrimination on the basis of race, color, income, and national origin in programs and activities receiving federal financial assistance. Public outreach to and involvement of individuals in low income and minority communities covered under Title VI of the Civil Rights Act and the Executive Order pertaining to Environmental Justice is critical to both local and regional decisions. Additionally, when CMAAs select projects for funding at the county level, they must consider equitable solicitation and

selection of project candidates in accordance with federal Title VI requirements (as set forth in Appendix A-7).

- 2. Commission Approval of Programs and Projects and the Transportation Improvement Program (TIP).** Projects approved as part of the OBAG 2 program must be amended into the TIP. The federally-required TIP is a comprehensive listing of all San Francisco Bay Area surface transportation projects that receive federal funds, and/or are subject to a federally required action, such as federal environmental clearance, and/or are regionally significant for air quality conformity or modeling purposes. It is the project sponsor's responsibility to ensure their project is properly programmed in the TIP in a timely manner. Where CMAs are responsible for project selection, the Commission will revise the TIP to include the resulting projects and Attachment B to this Resolution may be updated by MTC staff to reflect these revisions. Where responsibility for project selection is assigned to MTC, TIP amendments and a revision to Attachment B to add or delete a project will be reviewed and approved by the Commission. Changes to existing projects in Attachment B may be made by MTC staff following approval of a related TIP revision.
- 3. Minimum Grant Size.** Funding grants per project must be a minimum of \$500,000 for counties with a population over 1 million (Alameda, Contra Costa, and Santa Clara counties) and \$250,000 for counties with a population under one million (Marin, Napa, San Francisco, San Mateo, Solano, and Sonoma counties). The objective of a grant minimum requirement is to maximize the efficient use of federal funds and minimize the number of federal-aid projects which place administrative burdens on project sponsors, CMAs, MTC, Caltrans, and Federal Highway Administration (FHWA) staff.

To provide flexibility, an alternative averaging approach may be used. For this approach, a CMA may program grant amounts no less than \$100,000 for any project, provided that the overall average of all grant amounts within their County CMA Program meets the county minimum grant amount threshold. This lower threshold of \$100,000 also applies to Safe Routes to School projects, which are typically of smaller scale.

Furthermore, all OBAG 2 programming amounts must be rounded to thousands.

- 4. Air Quality Conformity.** In the Bay Area, it is the responsibility of MTC to make a regional air quality conformity determination for the TIP in accordance with federal Clean Air Act requirements and Environmental Protection Agency (EPA) conformity regulations. MTC evaluates the impact of the TIP on regional air quality during the update of the TIP. Non-exempt projects that are not incorporated in the current finding for the TIP will not be considered for funding in the OBAG 2 program until the development of a subsequent air quality finding for the TIP. Additionally, the U.S. Environmental Protection Agency has designated the Bay Area as a non-attainment area for fine particulate matter (PM<sub>2.5</sub>). Therefore, based on consultation with the MTC Air Quality Conformity Task Force, projects deemed Projects of Air Quality Concern (POAQC) must complete a hot-spot analysis as required by the Transportation Conformity Rule. Generally, POAQC are those projects that result in significant increases in, or concentrations of, emissions from diesel vehicles.

- 5. Environmental Clearance.** Project sponsors are responsible for compliance with the requirements of the California Environmental Quality Act (Public Resources Code § 21000 et seq.), the State Environmental Impact Report Guidelines (14 California Code of Regulations Section § 15000 et seq.), and the National Environmental Protection Act (42 U.S.C. § 4321 et seq.) standards and procedures for all projects with federal funds.
- 6. Application and Resolution of Local Support.** Once a project has been selected for funding, project sponsors must submit a completed project application for each project through MTC's Funding Management System (FMS). The project application consists of two parts: 1) a project submittal and/or TIP revision request to MTC staff through FMS, and 2) a Resolution of Local Support approved by the project sponsor's governing board or council and submitted in FMS. A template for the Resolution of Local Support can be downloaded from the MTC website using the following link: <http://mtc.ca.gov/our-work/fund-invest/federal-funding/obag-2>.
- 7. Project Screening and Compliance with Regional and Federal Requirements.** MTC staff will perform a review of projects proposed for OBAG 2 to ensure 1) eligibility; 2) consistency with the region's long-range plan; and 3) project readiness. In addition, project sponsors must adhere to directives such as the Complete Streets Requirements, Housing Element Requirements, and the Regional Project Funding Delivery Policy (MTC Resolution No. 3606), as outlined below, and provide the required matching funds. Project sponsors should note that fund source programs, eligibility criteria, and regulations may change as a result of the passage of new surface transportation authorization legislation. In this situation, MTC staff will work to realign new fund sources with the funding commitments approved by the Commission.
- ▶ **Federal Project Eligibility:** STP is the most flexible source of federal funding, with a wide range of projects that may be considered eligible. Eligible projects include roadway and bridge improvements (construction, reconstruction, rehabilitation, resurfacing, restoration), public transit capital improvements, pedestrian and bicycle facilities, transportation system management, transportation demand management, transportation control measures, mitigation related to an STP project, surface transportation planning activities, and safety. More detailed eligibility requirements can be found in 23 U.S.C § 133 and at: <http://www.fhwa.dot.gov/map21/factsheets/stp.cfm>.
- CMAQ is a more targeted funding source. In general, CMAQ funds may be used for new or expanded transportation projects, programs, and operations that help reduce emissions. Eligible project categories that meet this basic criteria include:
- Transportation activities in an approved State Implementation Plan (SIP),
  - Transportation Control Measures (TCMs), alternative fuels, traffic flow improvements, transit expansion projects, new bicycle and pedestrian facilities and programs, travel demand management, outreach and rideshare activities, telecommuting programs, intermodal freight, planning and project development activities, and experimental pilot projects. For more detailed information, refer to FHWA's revised guidance

provided at: [http://www.fhwa.dot.gov/environment/air\\_quality/cmaq/policy\\_and\\_guidance/](http://www.fhwa.dot.gov/environment/air_quality/cmaq/policy_and_guidance/).

MTC reserves the right to assign specific fund sources to projects based on availability and eligibility requirements. In the event that a new surface transportation authorization is enacted during implementation of OBAG 2 that materially alters these programs, MTC staff will work with the CMAs and project sponsors to match projects with appropriate federal fund programs.

- ▶ **RTP Consistency**: Projects funded through OBAG 2 must be consistent with the adopted Regional Transportation Plan (currently *Plan Bay Area*). Project sponsors must identify each project's relationship with meeting the goals and objectives of the RTP, including the specific RTP ID number or reference. RTP consistency will be verified by MTC staff for all OBAG 2 projects. Projects in the County program will also be reviewed by CMA staff prior to submitting selected projects to MTC.
- ▶ **Complete Streets Policy**: Federal, state and regional policies and directives emphasize the accommodation of bicyclists, pedestrians, and persons with disabilities when designing transportation facilities. MTC's Complete Streets Policy (MTC Resolution No. 3765) created a checklist that is intended for use on projects to ensure the accommodation of non-motorized travelers is considered at the earliest conception or design phase. The county CMAs ensure that project sponsors complete the checklist before projects are considered by the county for OBAG 2 funding and submitted to MTC. The CMAs are required to make completed checklists available to their Bicycle and Pedestrian Advisory Committee (BPAC) for review prior to CMAs' project selection actions.

Related state policies include: Caltrans Complete Streets Policy Deputy Directive 64 R1, which stipulates pedestrians, bicyclists and persons with disabilities must be considered in all programming, planning, maintenance, construction, operations, and project development activities and products; and the California Complete Streets Act of 2008, which requires local agency general plan circulation elements to address all travel modes.

- ▶ **Project Delivery and Monitoring**: OBAG 2 funding is available in the following five federal fiscal years: 2017-18, 2018-19, 2019-20, 2020-21, and 2021-22. Funds may be programmed in any of these years, conditioned upon the availability of federal apportionment and obligation authority (OA), and subject to TIP financial constraint requirements. In addition, in order to provide uninterrupted funding to ongoing efforts and to provide more time to prepare for the effective delivery of capital projects, priority of funding for the first year of programming apportionment (FY 2017-18) will be provided to ongoing programs, such as regional and CMA planning, non-infrastructure projects, and the preliminary engineering phase of capital projects.

Specific programming timelines will be determined through the development of the Annual Obligation Plan, which is developed by MTC staff in collaboration with the Bay Area Partnership technical working groups and project sponsors. Once programmed in the TIP, the funds must be obligated by FHWA or transferred to the Federal Transit Administration (FTA) within the federal fiscal year the funds are programmed in the TIP. Additionally, all OBAG 2 funds must be obligated no later than January 31, 2023.

Obligation deadlines, project substitutions and redirection of project savings will continue to be governed by the MTC Regional Project Funding Delivery Policy (MTC Resolution No. 3606 and any subsequent revisions). All funds are subject to obligation, award, invoicing, reimbursement and project close-out requirements. The failure to meet these deadlines may result in the de-programming and redirection of funds to other projects.

To further facilitate project delivery and ensure all federal funds in the region are meeting federal and state regulations and deadlines, every recipient of OBAG 2 funding is required to identify and maintain a staff position that serves as the single point of contact (SPOC) for the implementation of all FHWA-administered funds within that agency. The person in this position must have sufficient knowledge and expertise in the federal-aid delivery process to coordinate issues and questions that may arise from project inception to project close-out. The agency is required to identify the contact information for this position at the time of programming of funds in the TIP, and to notify MTC immediately when the position contact has changed. This person will be expected to work closely with FHWA, Caltrans, MTC and the respective CMA on all issues related to federal funding for all FHWA-funded projects implemented by the recipient.

Project sponsors that continue to miss delivery milestones and funding deadlines for any federal funds are required to prepare and update a delivery status report on all projects with FHWA-administered funds they manage, and participate, if requested, in a consultation meeting with the county CMA, MTC and Caltrans prior to MTC approving future programming or including any funding revisions for the agency in the TIP. The purpose of the status report and consultation is to ensure the local public agency has the resources and technical capacity to deliver FHWA federal-aid projects, is fully aware of the required delivery deadlines, and has developed a delivery timeline that takes into consideration the requirements and lead-time of the federal-aid process within available resources.

By applying for and accepting OBAG 2 funding, the project sponsor is acknowledging that it has and will maintain the expertise and staff resources necessary to deliver the federal-aid project within the project-funding timeframe.

- **Funding Exchange:** Sometimes federal funds may not be the best fit for projects being implemented to meet plan and program goals and objectives. In such cases, federal OBAG funding may be exchanged with non-federal funds. MTC staff will work with the

CMAs when such opportunities arise. Such exchanges must be consistent with MTC's fund exchange policy (MTC Resolution No. 3331) and the locally-funded project must be included in the federal TIP.

- ▶ **Local Match:** Projects funded with STP or CMAQ funding require a non-federal local match. Although local match requirements are subject to change, the current local match requirement for STP and CMAQ funded projects in California is 11.47% of the total project cost, with FHWA providing up to 88.53% of the total project cost through reimbursements. For capital projects, sponsors that fully fund the project development or Preliminary Engineering (PE) phase with non-federal funds may use toll credits in lieu of a match for the construction phase. For these projects, sponsors must still meet all federal requirements for the PE phase.
- ▶ **Fixed Program and Specific Project Selection:** Projects are chosen for the program based on eligibility, project merit, and deliverability within established deadlines. The OBAG 2 program is project-specific and the funds programmed to projects are for those projects alone.

The OBAG 2 program funding is fixed at the programmed amount; therefore, any project cost increases may not be covered by additional OBAG 2 funds. Project sponsors are responsible for securing the necessary match, and for cost increases or additional funding needed to complete the project, including contingencies.

- 8. Regional STP/CMAQ Exchanges.** It is often difficult for smaller regions to fully utilize their federal funds and deliver projects through the federal-aid process. This can place these more rural regions in conflict with state and federal timely use funds provisions, such as Sections 182.6 and 182.7 of the State Streets and Highways Code which require federal apportionment to be secured (obligated) within three years of federal eligibility, or when Congress enacts rescissions of unobligated funds. The SF Bay Area region is often in the opposite situation – more projects are ready for delivery than funds available each year.

Regions also find themselves in situations where a project or activity is ineligible for a certain federal fund source such as CMAQ, and may require STP, while another region can easily use either fund source.

To avoid the lapsing of funds and address these funding issues, regions may enter into exchange agreements, where older unused STP/CMAQ funds subject to lapse or rescission from one region are "exchanged" with future funds from a region that can use the funds by the deadline. Or a simple fund source exchange is needed. Such exchanges benefit both regions by avoiding the loss of funds in one region, while another region can advance projects that may be stalled due to a lack of eligible funding.

To facilitate such exchanges, the MTC Executive Director or designee is hereby authorized to sign letters of understanding with **Caltrans and** other regions for the exchange of STP/CMAQ funds with the following conditions and limitations.

- The exchange does not negatively impact the delivery of regional STP/CMAQ projects.
- The amount exchanged does not exceed \$2 million per region per year, with the exception of federal fiscal year 2020-21 when the amount exchanged may not exceed \$100 million in total.
- The exchange is a dollar for dollar exchange.
- The exchange is allowed under Caltrans' obligation authority management policy.
- The Letter of Understanding can be executed in time for the MTC to secure the funds prior to any lapse or rescission.
- If any timely use of funds deadlines or Caltrans processes are not met in time and therefore result in the loss of apportionment balance, MTC's apportionment shall not be negatively affected and the Letter of Understanding is null and void.

Exchanges beyond these conditions and limitations may be approved by a standing Committee of the Commission.

## **REGIONAL PROGRAMS**

The programs below comprise the OBAG 2 Regional Programs, managed by MTC. Funding amounts for each program are included in Appendix A-1. Individual projects will be added to Attachment B-1 and B-2 as they are selected and included in the federal TIP.

### ***1. Regional Planning Activities***

This program provides funding to support regional planning and outreach activities.

Appendix A-3 details the funding amounts and distribution for planning and outreach activities.

### ***2. Pavement Management Program***

This continues the region's acclaimed Pavement Management Program (PMP) and related activities including the Pavement Technical Assistance Program (PTAP), training, and regional and statewide local streets and roads needs assessment. MTC provides grants to local jurisdictions to perform regular inspections of their local streets and roads networks and to update their pavement management systems which is a requirement to receive certain funding. MTC also assists local jurisdictions in conducting associated data collection and analysis efforts including local roads needs assessments and inventory surveys and asset management analysis that feed into regional planning efforts. MTC provides, training, research and development of pavement and non-pavement preservation management techniques, and participates in the statewide local streets and roads needs assessment effort.

To support the collection and analysis of local roads asset conditions for regional planning efforts and statewide funding advocacy, and to be eligible for OBAG 2 funding for local streets and roads, a jurisdiction must:

- Have a certified Pavement Management Program (StreetSaver® or equivalent) updated at least once every three years (with a one-year extension allowed); and



- Fully participate in the statewide local streets and road needs assessment survey (including any assigned funding contribution); and
- Provide updated information to the Highway Performance Monitoring System (HPMS) at least once every 3 years (with a one-year grace period allowed).

### **3. Regional Priority Development Area (PDA) Planning & Implementation**

Funding in this program implements the following:

Regional PDA Planning and Implementation: The PDA Planning Program places an emphasis on intensifying land uses at and near transit stations and along transit corridors in PDAs. The key goals of the program are to: increase supply of affordable and market rate housing, jobs and services within the PDA planning area; boost transit ridership and thereby reduce vehicle miles traveled by PDA residents, employees and visitors; increase walking and bicycling by improving multi-modal access and effectively managing parking; and locate key services and retail within the PDA planning area. Funding is available for regional planning and implementation efforts and grants to jurisdictions to provide PDA planning support, and typically fund specific plans and programmatic Environmental Impact Reports. PDA plans funded through the program focus on a range of transit-supportive elements including market demand analysis, affordable housing strategies, multi-modal connectivity including pedestrian-friendly design standards, parking demand analysis, infrastructure development, implementation planning and financing strategies and implementation of the best practices identified in the Air District's Planning Healthy Places guidelines.

The PDA Planning Program will give priority to cities with high risk of displacement in order to support the development of local policies and programs to meaningfully address identified housing issues.

Community-Based Transportation Planning: A portion of this program will be dedicated to the Community-Based Transportation Planning (CBTP) grant program. These locally-led plans address the mobility needs of low-income households in the region's 35 Communities of Concern. Grant funds will be used to update CBTPs that are in many cases more than 10 years old.

Naturally Occurring Affordable Housing (NOAH): Consistent with the OBAG 2 framework and PDA Planning Program, a NOAH revolving loan fund will be established as a complement to the existing TOAH loan products for new construction. NOAH loans would be used to buy apartment buildings to create long-term affordability where displacement risk is high and to secure long-term affordability in currently subsidized units that are set to expire. NOAH investments will be made in PDAs or Transit Priority Areas.

### **4. Climate Initiatives Program**

The purpose of the OBAG 2 Climate Initiatives Program is to support the implementation of strategies identified in Plan Bay Area to achieve the required CO<sub>2</sub> emissions reductions per SB375 and federal criteria pollutant reductions. Investments focus on projects and programs with effective greenhouse gas emission reduction results.

Spare the Air Youth: A portion of the Climate Initiatives program would be directed to the implementation of Spare the Air Youth program.

### **5. Regional Active Operational Management**

This program is administered at the regional level by MTC to actively manage congestion through cost-effective operational strategies that improve mobility and system efficiency across freeways, arterials and transit modes. Funding continues to be directed to evolving MTC operational programs such as next generation 511, Freeway Service Patrol (FSP), incident management program, managed lanes and regional rideshare program. Funding will also be directed to new initiatives such as the Columbus Day Initiative that deploys advanced technologies and Transportation Management Systems that ensures the existing and new technology infrastructure is operational and well-maintained.

#### Columbus Day Initiative

The Columbus Day Initiative (CDI) builds on the proven success of its predecessor program (the Freeway Performance Initiative), which implemented traditional fixed time-of-day freeway ramp metering and arterial signal timing projects that achieved significant delay reduction and safety on Bay Area freeways and arterials at a fraction of the cost of traditional highway widening projects. The CDI aims to deliver cost-effective, technology-driven operational improvement projects such as, adaptive ramp metering, hard shoulder running lanes, queue warning signs, connected vehicle technologies, shared mobility technologies, and regional arterial operations strategies. Projects would target priority freeway and arterial corridors with significant congestion. Funding for performance monitoring activities and corridor studies is included to monitor the state of the system and to identify and assess the feasibility of operational strategies to be deployed.

#### Transportation Management Systems

This program includes the operations and management of highway operations field equipment; critical freeway and incident management functions; and Transportation Management Center (TMC) staff resources needed to actively operate and maintain the highway system.

#### Bay Bridge Forward Project

As part of the overall OBAG 2 framework, this project encompasses the implementation of several near-term, cost-effective operational improvements that offer travel time savings, reliability and lower costs for carpooling and bus/ferry transit use to increase person throughput and reduce congestion, incidents, and emissions in the San Francisco-Oakland Bay Bridge corridor.

### **6. Transit Priorities Program**

The objective of the Transit Priorities Program is to assist transit operators to fund major fleet replacements, including the BART Car Replacement Phase 1 project, fixed guideway rehabilitation and other high-scoring capital needs, including replacement of Clipper equipment and development of Clipper 2.0, that are consistent with MTC's Transit Capital Priorities policy for programming federal transit funds (MTC Resolution 4140 or successor resolution).

The program also implements elements of the Transit Sustainability Project by making transit-supportive investments in major transit corridors that can be carried out within two years through the Transit Performance Initiative (TPI). The focus of TPI is on making cost-effective operational improvements on significant trunk lines which carry the largest number of passengers in the Bay Area including transit signal prioritization, passenger circulation improvements at major hubs, boarding/stop improvements and other improvements to improve the passenger experience.

### **7. Priority Conservation Area (PCA) Program**

The Priority Conservation Area (PCA) Program provides funding for the development of plans and projects to assist in the preservation and enhancement of rural lands. Specifically, projects must support Plan Bay Area by preserving and enhancing the natural, economic and social value of rural lands and open space amidst a growing population across the Bay Area, for residents and businesses. The PCA program includes one approach for the North Bay counties (Marin, Napa, Solano, and Sonoma) and a second approach for the remaining five counties.

In the North Bay, each of the four CMAs will take the lead to develop a county-wide program, building on PCA planning conducted to date to select projects for funding.

For the remaining counties, MTC will partner with the Coastal Conservancy, a California State agency, to program the PCA funds. MTC will provide federal funding which will be combined with the Coastal Conservancy's own program funds in order to support a broader range of projects (i.e. land acquisition and easement projects) than can be accommodated with federal transportation dollars alone. The Coastal Conservancy, MTC, and ABAG staff will cooperatively manage the call for proposals.

The minimum non-federal match required for PCA-program funding is 2:1.

As a part of the update to *Plan Bay Area*, MTC is exploring implementing a Regional Advance Mitigation Planning (RAMP) Program. RAMP would mitigate certain environmental impacts from multiple planned transportation projects, rather than mitigating on a less-efficient per-project level. Partnering arrangements can be established to leverage multiple fund sources in order to maximize benefits of the RAMP and PCA programs. As such, PCA funds may be used to deliver net environmental benefits to a RAMP program project.

In instances where federal funds may not be used for this purpose, sponsors may exchange OBAG 2 funds with eligible non-federal funds. Such exchanges must be consistent with MTC's fund exchange policy (MTC Resolution No. 3331).

Appendix A-9 outlines the framework for this program including goals, project screening, eligibility, eligible sponsors, and project selection.

### **8. Housing Production Incentive**

As part of the OBAG 2 framework, MTC developed a challenge grant program for the production and preservation of affordable housing. The purpose of the program is to reward local jurisdictions that produce the most housing units at the very low, low, and moderate income levels.

The funds provided for the HIP program through OBAG 2 would be STP/CMAQ, and would need to be used only for federally-eligible transportation purposes. Additional funds may be added outside of OBAG 2 to increase the size of the challenge grant program.

### **9. Safe and Seamless Mobility Quick-Strike**

The Safe and Seamless Mobility Quick-Strike program is a regional, competitive grant program to fund projects that can be implemented quickly to benefit communities. The program emphasizes bicycle/pedestrian safety and mobility, transit and transit access improvements, connected mobility, advancing equitable mobility, or other near-term strategies to advance transit recovery and connected mobility.

Appendix A-11 outlines the framework for this program including program focus areas, project eligibility, evaluation criteria, and the project nomination and selection process.

### **10. Regional Strategic Initiatives**

The Regional Strategic Initiatives program reflects regional funding commitments to projects not captured in the original OBAG 2 framework as well as projects funded through unspent STP/CMAQ balances from prior cycles and various funding exchanges.

## **COUNTY PROGRAMMING POLICIES**

The policies below apply to the programs managed by the county Congestion Management Agencies (CMAs) or substitute agency:

- ▶ Program Eligibility: The CMA, or substitute agency, may program funds from its OBAG 2 county fund distribution to projects that meet the eligibility requirements for any of the following transportation improvement types:
  - Planning and Outreach Activities
  - Local Streets and Roads Preservation
  - Bicycle and Pedestrian Improvements
  - Transportation for Livable Communities
  - Safe Routes To School
  - Priority Conservation Areas
  - Federal Aid Secondary (FAS) Improvements

- ▶ Fund Sources & Formula Distribution: OBAG 2 is funded primarily from two federal fund sources: STP and CMAQ. The CMAs will be provided a breakdown of specific OBAG 2 fund sources, with the understanding that actual fund sources are subject to change. Should there be significant changes to federal fund sources, MTC staff will work with the CMAs to identify and realign new fund sources with the funding commitments approved by the Commission. Furthermore, due to strict funding availability and eligibility requirements, the CMAs must adhere to the fund source limitations provided. Exceptions may be granted by MTC staff based on actual fund source availability and final federal apportionment levels.

Consistent with OBAG 1, 60% of available OBAG 2 funding is assigned to Regional Programs and 40% assigned to the base County CMA Programs. The Safe Routes to School (SRTS) and Federal Aid Secondary (FAS) programs augment the county base funding, bringing the final proportionate share to 55% regional and 45% county. The Base county funds (SRTS & FAS have their own formula distribution) are distributed to each county based on the OBAG 2 county distribution formula (see page 3). Counties are further guaranteed that the funding amount for planning purposes will not exceed 50% of their total distribution. This results in the county of Napa receiving additional funding. This planning guarantee clause results in a slight deviation in the final OBAG 2 fund distribution for each county. The base County CMA Program fund distribution after the planning guarantee adjustment is shown in Appendix A-2.

- ▶ Priority Development Area (PDA) Policies
  - PDA minimum investment: CMAs in larger counties (Alameda, Contra Costa, San Mateo, San Francisco, and Santa Clara) shall direct at least 70% of their OBAG 2 investments to PDAs. For North Bay counties (Marin, Napa, Solano, and Sonoma) this minimum target is 50% to reflect the more rural nature of these counties. CMA planning and outreach costs partially count towards PDA minimum investment targets (70% or 50%, in line with each county's PDA minimum investment target). The guaranteed minimum for Priority Conservation Area (PCA), Safe Routes to School (SRTS), and Federal Aid Secondary (FAS) do not count towards PDA targets. The PDA/non-PDA funding split is shown in Appendix A-2.
  - PDA boundary delineation: Refer to [http://gis.mtc.ca.gov/interactive\\_maps/](http://gis.mtc.ca.gov/interactive_maps/) which provides a GIS overlay of the PDAs in the Bay Area to exact map boundaries including transportation facilities. This map is updated as ABAG approves new PDA designations.
  - Defining proximate access to PDAs: The CMAs may determine that a project located outside of a PDA provides proximate access to the PDA, and thus counts towards the county's minimum PDA investment target. The CMA is required to map these projects along with the associated PDA(s) and provide a policy justification for designating the project as supporting a PDA through proximate access. This information should assist decision makers,

stakeholders, and the public in evaluating the impact of the investment on a nearby PDA, to determine whether or not the investment should be credited towards the county's PDA minimum investment target. This information must be presented for public review when the CMA board acts on OBAG programming decisions.

- PDA Investment & Growth Strategy: Updates to each county's PDA Investment & Growth Strategy are required every four years and must be adopted by the CMA Board. The updates should be coordinated with the countywide plan and Regional Transportation Plan (RTP) updates to inform RTP development decisions. Interim status reports are required two years after each update to address needed revisions and provide an activity and progress status. The interim status report required for 2019 will be satisfied through a collaborative effort between the CMAs and MTC. See Appendix A-8 for details.
- Project Selection: County CMAs or substitute agencies are given the responsibility to develop a project selection process. The process should include solicitation of projects, identifying evaluation criteria, conducting outreach, evaluating project applications, and selecting projects.
- Public Involvement: In selecting projects for federal funding, the decision making authority is responsible for ensuring that the process complies with federal statutes and regulations. In order to ensure that the CMA process for administering OBAG 2 is in compliance with federal regulations, CMAs are required to lead a public outreach process as directed by Appendix A-7.
  - CMAs must adopt a specific scoring methodology for funding allocation to projects within PDAs or Transit Priority Areas (TPAs) that rewards jurisdictions with the most effective housing anti-displacement policies.
  - MTC and the CMAs will conduct an analysis of the impact of this incentive-based scoring methodology on project selection and local anti-displacement and affordable housing production policy development. The findings will be used to inform future planning and funding priorities.
  - Unified Call for Projects: CMAs are requested to issue one unified call for projects for their OBAG 2 program. Final project lists are due to MTC by July 31, 2017, with all associated project information submitted to MTC using the Fund Management System (FMS) by August 31, 2017. On a case-by-case basis and as approved in advance by MTC staff, these deadlines may be waived to allow coordination with other county-wide call for projects or programming needs. The goal is to coordinate the OBAG2 call for projects, and provide project sponsors the maximum time to deliver projects.

- Project Programming Targets and Delivery Deadlines: CMAs must program their block grant funds over the OBAG 2 period (FY 2017-18 through FY 2021-22). In general, the expectation is that on-going activities such as CMA planning, non-infrastructure projects and the Preliminary Engineering (PE) phase of projects would use capacity in the first year, followed by the capital phases of project in later years.
  - OBAG 2 funding is subject to the provisions of the Regional Project Delivery Policy (MTC Resolution 3606, or its successor) including the deadlines for Request for Authorization (RFA) submittal and federal authorization/obligation. Additionally, the following funding deadlines apply for each county, with earlier delivery strongly encouraged:
    - At least half of the OBAG 2 funds, must be obligated (federal authorization/FTA Transfer) by January 31, 2020.
    - All remaining OBAG 2 funds must be obligated by January 31, 2023.
- Performance and Accountability Policies: Jurisdictions need to comply with the following policies, as well as other requirements noted in the document, in order to be eligible recipients of OBAG 2 funds.
- Adopt a complete streets resolution by the date the CMAs submit their OBAG 2 project recommendations to MTC, incorporating MTC's required complete streets elements as outlined in [MTC's Complete Streets Guidance](#).
- Alternatively, to recognize local jurisdiction's efforts to update their general plan circulation element to incorporate the provisions of the 2008 Complete Streets Act in response to the provisions stated in OBAG 1, a jurisdiction may adopt a significant revision to the circulation element of the general plan that complies with the Act after January 1, 2010.
- For compliance, a substantial revision of the circulation element, passed after January 1, 2010, shall "...plan for a balanced, multimodal transportation network that meets the needs of all users of streets, roads, and highways for safe and convenient travel in a manner that is suitable to the rural, suburban, or urban context of the general plan," while complying with the other provisions of CA Government Code Section 65302 and Complete Streets Act of 2008.
- The approach above focuses on the adoption of local complete streets resolutions, while acknowledging the jurisdictions that took efforts to update their circulation element in anticipation of future OBAG requirements.
- Jurisdictions (cities and counties) must have a general plan housing element adopted and certified by the California Department of Housing and Community Development (HCD) for 2014-2022 RHNA by May 31, 2015. Jurisdictions that have failed to meet this deadline must have their housing

elements certified by HCD by June 30, 2016 in order to be eligible to receive OBAG 2 funding.

- Furthermore, under state statute, jurisdictions are required to submit Housing Element Annual Reports by April 1 every year. All cities and counties receiving OBAG 2 funding must comply with this statute during the entire OBAG 2 funding period or risk deprogramming of OBAG 2 funding.
- General law cities and counties must adopt a surplus land resolution by the date the CMAs submit their OBAG 2 project recommendations to MTC. The resolution must verify that any disposition of surplus land undertaken by the jurisdiction complies with the State Surplus Land Act, as amended by AB 2135, 2014. MTC will issue guidance to assist cities and counties in drafting a resolution to meet this requirement. This guidance will be posted on the OBAG 2 website: <http://mtc.ca.gov/our-work/fund-invest/federal-funding/obag-2>.

Charter cities do not have to adopt a surplus land resolution unless and until a final court decision is rendered that charter cities are subject to the provisions of the Act.

- For jurisdictions with local public streets and roads, to be eligible for OBAG 2 funding, the jurisdiction must:
  - Have a certified Pavement Management Program (StreetSaver® or equivalent) updated at least once every three years (with a one-year extension allowed);
  - Fully participate in the statewide local streets and road needs assessment survey; and
  - Provide updated information to the Highway Performance Monitoring System (HPMS) at least once every 3 years (with a one-year grace period allowed).
- For a transit agency project sponsor under a Joint Powers Authority (JPA) or district (not under the governance of a local jurisdiction), or an agency where housing and complete streets policies do not apply, the jurisdiction where the project is located (such as station/stop improvements) will need to comply with the policies and other requirements specified in this attachment before funds may be programmed to the project sponsor. However, this is not required if the project is transit/rail agency property such as, track, rolling stock or a transit maintenance facility.
- OBAG 2 funds may not be programmed to any jurisdiction out of compliance with the policies and other requirements specified in this attachment.



- The CMA will be responsible for tracking progress towards all OBAG 2 requirements and affirming to MTC that a jurisdiction is in compliance prior to MTC programming OBAG 2 funds to its projects in the TIP.

CMAs will provide the following prior to programming projects in the TIP (see Appendix A-10):

- Documentation of the approach used to select OBAG 2 projects including outreach efforts, agency coordination, Title VI compliance, the methodology used for distributing funds within the county, and the specific scoring methodology used for allocating funds to projects within PDAs or TPAs that rewards local jurisdictions with the most effective housing anti-displacement policies;
- The board adopted list of projects recommended for OBAG 2 funding;
- Self-certification that all projects recommended for funding are consistent with the current RTP (including documentation) and have completed project-specific Complete Streets Checklists (including documentation);
- Identification of the Single-Point of Contact assigned by the jurisdiction for all FHWA-funded projects, including OBAG 2 projects;
- Documentation of local jurisdiction compliance with MTC's Complete Streets Policy, including a list of the status of each jurisdiction, a letter from the CMA for each jurisdiction describing how the jurisdiction meets the policy requirements, and supporting documentation for each local jurisdiction (resolutions and/or circulation elements)
- Documentation of local jurisdiction compliance with MTC's Housing Element requirements, including a list of the status of each jurisdiction's Annual Housing Element Progress Report as well as any supporting documentation for each jurisdiction (progress reports and copies of submittal letter to HCD). This documentation will be required annually from CMAs (April 30 each year) throughout the OBAG 2 programming period;
- Documentation of compliance with the State's Surplus Land Act requirements, for each applicable jurisdiction (copy of adopted resolution).
- Documentation for any projects recommended for funding that apply toward the county's minimum PDA investment target. This includes mapping of all mappable projects (projects with a physical location). For projects that are not physically located within a PDA, the CMA is required to map each project along with the associated PDA(s) and provide a policy justification for designating each project as supporting a PDA through proximate access. CMAs must also document that this

- information was used when presenting its program of projects to their board and the public; and
- o Self-certification that the PDA Investment and Growth Strategy has been completed and adopted by the CMA Board, or will be adopted in coordination with the RTP update. The interim progress report requirement for 2019 will be satisfied through a collaborative effort between the CMAs and MTC. Documentation of subsequent required updates and interim progress reports must also be submitted by the CMAs throughout the OBAG 2 period.

## **COUNTY PROGRAMS**

The categories below comprise the eligible OBAG 2 County Programs, administered by the nine county CMAs. The CMAs should ensure that the project selection process and selected projects meet all eligibility requirements throughout this document as well as in federal statutes and regulations. MTC staff will work with CMAs and project sponsors to resolve any eligibility issues which may arise, including air quality conformity exceptions and requirements.

### **County CMA Program**

The base OBAG 2 County program accounts for 40% of the total funding available through OBAG 2 and is distributed to each county according to the OBAG 2 county formula after accounting for the CMA Planning minimum guarantee (see Appendices A-2 and A-3). This program includes CMA planning and outreach as well as the various projects selected through each county's competitive call for projects. Projects selected through the base county program are subject to the PDA investment minimum requirements.

#### ***1. CMA Planning and Outreach***

This category provides funding to the county Congestion Management Agency (CMA) or substitute agency to support programming, monitoring and outreach activities. Such efforts include, but are not limited to: county-based planning efforts for development of the RTP/Sustainable Communities Strategy (SCS); development of PDA growth strategies; development and implementation of a complete streets compliance protocol; establishing land use and travel forecasting process and procedures consistent with ABAG/MTC; ensuring the efficient and effective delivery of federal-aid local projects; and undertaking the programming of assigned funding and solicitation of projects.

The minimum funding level for the CMA planning and outreach program continues OBAG 1 commitments by escalating FY 2016-17 amounts at 2% per year. In addition, counties are guaranteed that the base funding level for the CMA's planning and outreach program will not exceed 50% of the county's total OBAG 2 County Program distribution. Actual CMA planning and outreach amounts for each county, are shown in Appendix A-3.

At their discretion, the CMAs may choose to designate additional funding from their County Program to augment their planning and outreach efforts.

All funding and activities will be administered through an interagency agreement between MTC and the respective CMA.

## **2. Local Streets and Roads Preservation**

This category is for the preservation of local streets and roads on the federal-aid system. To be eligible for funding of any Local Streets and Roads (LSR) preservation project, the jurisdiction must have a certified Pavement Management Program (StreetSaver® or equivalent). In addition, selected pavement projects should be based on the needs analysis resulting from the established Pavement Management Program (PMP) for the jurisdiction. This requirement ensures that streets selected for investment are cost effective. MTC is responsible for verifying the certification status of jurisdictions. The current certification status of area jurisdictions can be found at <http://www.mtc.ca.gov/services/pmp/>.

Furthermore, to support the collection and analysis of local roads asset conditions for comprehensive regional planning efforts and statewide funding advocacy, a jurisdiction must fully participate in the statewide local streets and road needs assessment survey to be eligible for OBAG 2 funding for pavement rehabilitation.

Eligibility requirements for specific project types are included below:

▶ Pavement Rehabilitation:

All pavement rehabilitation projects, including projects with pavement segments with a Pavement Condition Index (PCI) below 70, must be consistent with segments recommended for treatment within the programming cycle by the jurisdiction's PMP.

▶ Preventive Maintenance:

Only projects where pavement segments have a PCI of 70 or above are eligible for preventive maintenance. Furthermore, the local agency's PMP must demonstrate that the preventive maintenance strategy is a cost effective method of extending the service life of the pavement.

▶ Non-Pavement:

Eligible non-pavement activities and projects include rehabilitation or replacement of existing features on the roadway facility, such as bridge structures, storm drains, National Pollutant Discharge Elimination System (NPDES), curbs, gutters, culverts, medians, guardrails, safety features, signals, signage, sidewalks, ramps, complete streets elements and features that bring the facility to current standards. Jurisdictions must have a certified PMP to be eligible to receive funding for improvements to non-pavement features.

Activities that are not eligible for funding include: Air quality non-exempt projects (unless granted an exception by MTC staff), new roadways, roadway extensions, right of way acquisition for future expansion, operations, routine maintenance, spot application, enhancements that are

above and beyond repair or replacement of existing assets (other than bringing roadway to current standards or implementing compete streets elements) and any pavement application not recommended by the PMP unless otherwise allowed above.

Federal-Aid Eligible Facilities: Federal-aid highways as defined in 23 U.S.C. 101(a)(6) are eligible for local streets and roads preservation funding. A federal-aid highway is a public road that is not classified as a rural minor collector or local road (residential) or lower. Project sponsors must confirm the eligibility of their roadway through the Highway Performance Monitoring System (HPMS) prior to the application for funding.

### **3. Bicycle and Pedestrian Improvements**

This category funds a wide range of bicycle and pedestrian improvements including Class I, II and III bicycle facilities; cycle tracks; bicycle education, outreach, sharing and parking; sidewalks, ramps, pathways and pedestrian bridges; user safety and supporting facilities; and traffic signal actuation. Bicycle and pedestrian projects may be located on or off the federal-aid highway system.

Additional eligibility requirements will apply to bicycle and pedestrian projects that are funded with CMAQ funds rather than STP funds, given the more limited scope of the CMAQ funding program. According to CMAQ eligibility requirements, bicycle and pedestrian facilities must not be exclusively recreational and should reduce vehicle trips resulting in air pollution reductions. Also, the hours of operation need to be reasonable and support bicycle/pedestrian needs, particularly during commute periods. For example, the policy that a trail be closed to users before sunrise or after sunset may limit users from using the facility during the portions of peak commute hours, particularly during times of the year with shorter days.

### **4. Transportation for Livable Communities**

The purpose of Transportation for Livable Communities (TLC) projects is to support community-based transportation projects that bring new vibrancy to downtown areas, commercial cores, high-density neighborhoods, and transit corridors; enhancing their amenities and ambiance and making them places where people want to live, work and visit. The TLC program supports the RTP/SCS by investing in improvements and facilities that promote alternative transportation modes rather than the single-occupant automobile.

General project categories include the following:

- Transit station improvements such as plazas, station access, pocket parks, and bicycle parking.
- Transit expansions serving PDAs.
- Complete Streets improvements that improve bicycle and pedestrian access and encourage use of alternative modes.
- Cost-effective, technology-driven active operational management strategies for local arterials and for highways when used to augment other fund sources or match challenge grants.
- Transportation Demand Management (TDM) projects including car sharing, vanpooling traveler coordination and information, and Clipper® -related projects.

- Transit access projects connecting high density housing/jobs/mixed land use to transit, such as bicycle/pedestrian paths and bridges and safe routes to transit.
- Streetscape projects focusing on high-impact, multi-modal improvements or associated with high density housing/mixed use and transit, such as bulb outs, sidewalk widening, crosswalk enhancements, audible signal modification, mid-block crossing and signals, new striping for bicycle lanes and road diets, pedestrian street lighting, medians, pedestrian refuges, wayfinding signage, tree grates, bollards, permanent bicycle racks, signal modification for bicycle detection, street trees, raised planters, planters, costs associated with on-site storm water management, permeable paving, and pedestrian-scaled street furniture including bus shelters, benches, magazine racks, garbage and recycling bins.
- Mobility management and coordination projects that meet the specific needs of seniors and individuals with disabilities and enhance transportation access for populations beyond those served by one agency or organization within a community. Examples include the integration and coordination of services for individuals with disabilities, seniors, and low-income individuals; individualized travel training and trip planning activities for customers; the development and operation of one-stop transportation traveler call centers to coordinate transportation information on all travel modes and to manage eligibility requirements and arrangements for customers among supporting programs; and the operation of transportation brokerages to coordinate providers, funding agencies and passengers. Selected project sponsors may need to transfer the STP/CMAQ funds received to FTA.
- PDA planning and implementation, including projects that incentivize local PDA transit oriented development housing (within funding eligibility limitations unless exchanged).
- Density incentives projects and non-transportation infrastructure improvements that include density bonuses, sewer upgrade, land banking or site assembly (these projects require funding exchanges to address federal funding eligibility limitations).

Activities that are not eligible for funding include: air quality non-exempt projects (unless granted an exception by MTC staff), new roadways, roadway extensions, right of way acquisition for future expansion, operations, and routine maintenance.

### **Additional County Programs**

In addition to the base County CMA Program, OBAG 2 directs additional funds to the CMAs to distribute to eligible project types. These programs are the Safe Routes to School (SRTS) program, the Federal Aid Secondary Shares Continuation (FAS) program, and for the North Bay Counties, the Priority Conservation Area (PCA) program.

#### **1. Safe Routes to School**

Eligible projects for the Safe Routes to School (SRTS) program include infrastructure and non-infrastructure projects that facilitate reduction in vehicular travel to and from schools. It is important to note that this program is funded exclusively by the CMAQ funding program. Given

the intent of the CMAQ program to reduce vehicular emissions, the OBAG 2 SRTS program is targeted towards air quality improvement rather than the health or safety of school-aged children. Despite this limitation, project eligibility under CMAQ largely overlaps with typical eligibility requirements for Safe Routes to School programs. Detailed examples of eligible projects are provided below:

#### Eligible Non-Infrastructure Projects

##### Public Education and Outreach Activities

- Public education and outreach can help communities reduce emissions and congestion by inducing drivers to change their transportation choices
- Activities that promote new or existing transportation services, developing messages and advertising materials (including market research, focus groups, and creative), placing messages and materials, evaluating message and material dissemination and public awareness, technical assistance, programs that promote the Tax Code provision related to commute benefits, and any other activities that help forward less-polluting transportation options
- Air quality public education messages: Long-term public education and outreach can be effective in raising awareness that can lead to changes in travel behavior and ongoing emissions reductions; therefore, these activities may be funded indefinitely
- Non-construction outreach related to safe bicycle use
- Travel Demand Management (TDM) activities including traveler information services, shuttle services, carpools, vanpools, parking pricing, etc.

#### Eligible Infrastructure Projects

- Constructing bicycle and pedestrian facilities (paths, sidewalks, bike racks, support facilities, etc.), that are not exclusively recreational and reduce vehicle trips
- Programs for secure bicycle storage facilities and other facilities, including bicycle lanes, for the convenience and protection of bicyclists, in both public and private areas
- New construction and major reconstructions of paths, tracks, or areas solely for the use by pedestrian or other non-motorized means of transportation when economically feasible and in the public interest
- Traffic calming measures

#### Exclusions found to be ineligible uses of CMAQ funds

- Walking audits and other planning activities (Upon the CMA's request and availability of funds, STP funds will be provided for these purposes)
- Crossing guards, vehicle speed feedback devices, and traffic control that is primarily oriented to vehicular traffic rather than bicyclists and pedestrians
- Material incentives that lack an educational message or exceed a nominal cost

Within the SRTS program, funding is distributed among the nine Bay Area counties based on K-12 total enrollment for private and public schools as reported by the California Department of Education for FY 2013-14 (see Appendix A-5). SRTS funding distributed to CMAs based on enrollment is not subject to the PDA minimum investment requirements. However, if a CMA

chooses to augment the SRTS program with additional funding from their base OBAG 2 County CMA program, this additional funding is subject to the PDA minimum investment requirements.

Before programming projects into the TIP, the CMAs shall provide the SRTS projects, recommended county program scope, budget, schedule, agency roles, and federal funding recipient(s).

In programming the funds in the TIP, project sponsors may consider using non-federal funds to fund SRTS activities ineligible for federal funding. In such instances, the sponsor is allowed to use toll credits for the federal project, conditioned upon a minimum of 11.47% in non-federal funds being dedicated for SRTS activities. Separate accounting of a federalized project and a non-federalized project to fund a single program can be challenging, so care should be taken when using this option.

CMAs with an established SRTS program may choose to program local funds for SRTS projects in lieu of OBAG 2 funds and use the OBAG 2 funding for other eligible OBAG 2 projects. In such instances the local SRTS project(s) must be identified at the time the CMA submits the county OBAG 2 program to MTC and subsequently programmed in the federal TIP.

### **2. Federal Aid Secondary (FAS) Shares**

The Federal Aid Secondary (FAS) program, which directed funding to rural roads, was eliminated in 1991 with the passage of the Intermodal Surface Transportation Efficiency Act (ISTEA).

However, California statutes provide for the continuation of minimum funding levels to counties, guaranteeing their prior FAS shares for rural county roads.

The county CMAs are required to ensure the counties receive their guaranteed annual funding through the CMA-managed OBAG county program. The county of San Francisco has no rural roads, and therefore does not receive FAS funding. In addition, the counties of Marin, Napa, and San Mateo may exchange their annual guaranteed FAS funding with state funding from Caltrans, as permitted by state statute. Caltrans takes these federal funds "off the top" before distributing regional STP funds to MTC. The CMAs for these three counties are not required to provide FAS guaranteed funding to these three counties for years in which these counties request such an exchange, as the statutory requirement is met through this exchange with Caltrans.

Counties may access their FAS funding at any time within the OBAG 2 period for any project eligible for STP funding. Guaranteed minimum FAS funding amounts are determined by California's Federal-Aid Secondary Highways Act (California Code § 2200-2214) and are listed in Appendix A-4. This FAS funding is not subject to the minimum PDA investment requirement. Any additional funding provided by the CMAs to the counties from the OBAG 2 county base formula distribution is subject to the minimum PDA investment requirements.

### **3. Priority Conservation Area (PCA)**

The Priority Conservation Area (PCA) Program provides funding for the development of plans and projects to assist in the preservation and enhancement of rural lands and open space.

Generally, eligible projects include PCA planning activities, bicycle and pedestrian access to open space and parklands, visual enhancements and habitat/environmental enhancements.

Specifically, projects must support Plan Bay Area by preserving and enhancing the natural, economic and social value of rural lands amidst a growing population across the Bay Area, for residents and businesses.

Land acquisition for preservation purposes is not federally eligible, but may be facilitated through CMA-initiated funding exchanges.

The PCA funding program includes one approach for the North Bay program (Marin, Napa, Solano, and Sonoma) and a second for the remaining five counties. In the North Bay, each CMA will receive dedicated funding, lead a county-wide program building on PCA planning conducted to date, and select projects for funding. For the remaining counties, MTC will partner with the Coastal Conservancy, a California State agency, to program the PCA funds. Appendix A-9 outlines the framework for this program including goals, project screening eligibility, eligible sponsors, and project selection.

Any CMA may use additional funding from its base OBAG 2 County Program to expand its dedicated PCA program (North Bay counties), augment grants received from the regionally competitive PCA program (remaining counties), or develop its own county PCA program (all counties).

The North Bay program framework is to be developed by the four North Bay CMAs, building upon their PCA planning and priorities carried out to date. Project eligibility is limited by the eligibility of federal surface transportation funding; unless the CMA can exchange these funds or leverage new fund sources for their programs.

As a part of the update to *Plan Bay Area*, MTC is exploring implementing a Regional Advance Mitigation Planning (RAMP) Program. RAMP would mitigate certain environmental impacts from multiple planned transportation projects, rather than mitigating on a less-efficient per-project level. Partnering arrangements can be established to leverage multiple fund sources in order to maximize benefits of the RAMP and PCA programs. As such, PCA funds may be used to deliver net environmental benefits to a RAMP program project.

In instances where federal funds may not be used for this purpose, sponsors may exchange OBAG 2 funds with eligible non-federal funds. Such exchanges must be consistent with MTC's fund exchange policy (MTC Resolution No. 3331).



## Appendix A-1

### OBAG 2 Program Categories FY 2017-18 through FY 2019-22 July 27, 2016

#### Program Categories

Regional Program		OBAG 1		OBAG 2	
Regional Categories		Regional Distribution		% Share	Amount
		<b>\$499.3</b>		<b>476.5</b>	
1	Regional Planning Activities	2%	\$8.5	2%	9.6
2	Pavement Management Program	2%	\$9.1	2%	9.3
3	Regional PDA Planning & Implementation	4%	\$20.0	5%	20.0
4	Climate Initiatives	4%	\$22.3	5%	23.0
5	Priority Conservation Area	2%	\$9.5	4%	16.4
6	Regional Active Operational Management	37%	\$183.5	39%	179.0
7	Transit Capital Priorities	40%	\$201.4	43%	189.3
		<b>\$454.3</b>		<b>Regional Program Total: 52% 446.5</b>	

Local Categories		OBAG 1		OBAG 2	
		<b>\$45.0</b>		<b>30.0</b>	
8	Local PDA Planning (within county program for OBAG 2)	4%	\$20.0		
	Safe Routes To School (Moved to county program for OBAG 2)	5%	\$25.0		
	Federal-Aid Secondary - FAS (within county program for OBAG 2)	-	-		
	Local Housing Production Incentive	-	-		
		<b>9%</b>		<b>Local Program Total: 3% 30.0</b>	

County Program			OBAG 1			OBAG 2						
Population			Base Formula STP/CMAQ/TE *	Final Distribution Including SRTS & PDA		Base Formula **	SRTS ***	FAS ***	Final Adjusted Distribution Including SRTS & FAS ****			
<b>Countries</b>												
1	Alameda	21.2%	19.6%	\$64.1	19.7%	\$73.4	20.0%	\$69.7	\$5.3	\$1.8	19.9%	\$76.7
2	Contra Costa	14.6%	14.1%	\$46.0	14.2%	\$52.9	14.6%	\$50.8	\$4.1	\$1.3	14.6%	\$56.1
3	Marin	3.4%	3.3%	\$10.7	3.3%	\$12.3	2.6%	\$9.2	\$0.9	\$0.8	2.8%	\$10.9
4	Napa	1.9%	2.3%	\$7.4	2.3%	\$8.7	1.6%	\$5.5	\$0.5	\$1.2	2.2%	\$8.2
5	San Francisco	11.3%	12.0%	\$39.3	11.7%	\$43.5	13.4%	\$46.5	\$1.8	\$0.0	12.4%	\$48.2
6	San Mateo	10.0%	8.3%	\$27.2	8.4%	\$31.2	8.4%	\$29.3	\$2.4	\$0.9	8.4%	\$32.5
7	Santa Clara	25.2%	27.3%	\$89.3	27.2%	\$101.4	27.5%	\$95.8	\$6.9	\$1.7	26.9%	\$104.1
8	Solano	5.7%	6.0%	\$19.5	5.9%	\$22.1	5.2%	\$18.3	\$1.5	\$1.5	5.5%	\$21.2
9	Sonoma	6.6%	7.3%	\$23.8	7.2%	\$26.9	6.6%	\$22.9	\$1.7	\$3.3	7.2%	\$27.7
<b>Total:</b>				<b>\$327.4</b>		<b>\$372.4</b>		<b>\$348.0</b>	<b>\$25.0</b>	<b>\$12.5</b>	<b>45%</b>	<b>\$385.5</b>

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<b>OBAG Total:</b>	<b>OBAG 1:</b>	<b>\$827</b>	<b>OBAG 2:</b>	<b>\$862</b>
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- \* **OBAG 1:** In OBAG 1, the county CMAAs received \$327 M with \$18 M in RTIP-TE and \$309 M in STP/CMAQ. RTIP-TE funding is no longer part of OBAG 2
- \*\* **Base:** Unadjusted raw county base formula amount
- \*\*\* **SRTS:** SRTS moved to County Program and distributed based on FY 2013-14 K-12 school enrollment
- \*\*\* **FAS:** Federal-Aid Secondary (FAS) distributed based by statutory requirements. San Francisco has no rural roads and therefore is not subject to State Statute requirements
- \*\*\*\* **OBAG2:** Final county distribution rounded to nearest \$1,000 and includes SRTS & FAS and adjusted so a county CMA's base planning is no more than 50% of total

## Appendix A-2

### OBAG 2 County Fund Distribution FY 2017-18 through FY 2021-22 July 27, 2016

#### OBAG 2 - County Funding Formula Distribution

County	Total County Distribution *	OBAG 2 Adjusted Base **	PDA Percentage	PDA/Anywhere Split	PDA	Anywhere
Alameda	\$76,655,000	\$69,728,000	70%	70/30	\$48,810,000	\$27,845,000
Contra Costa	\$56,136,000	\$50,846,000	70%	70/30	\$35,592,000	\$20,544,000
Marin	\$10,870,000	\$9,194,000	50%	50/50	\$4,597,000	\$6,273,000
Napa	\$8,150,000	\$5,501,000	50%	50/50	\$2,751,000	\$5,399,000
San Francisco	\$48,183,000	\$46,514,000	70%	70/30	\$32,560,000	\$15,623,000
San Mateo	\$32,545,000	\$29,339,000	70%	70/30	\$20,537,000	\$12,008,000
Santa Clara	\$104,073,000	\$95,758,000	70%	70/30	\$67,031,000	\$37,042,000
Solano	\$21,177,000	\$18,253,000	50%	50/50	\$9,127,000	\$12,050,000
Sonoma	\$27,723,000	\$22,867,000	50%	50/50	\$11,434,000	\$16,289,000
<b>Total:</b>	<b>\$385,512,000</b>	<b>\$348,000,000</b>			<b>\$232,439,000</b>	<b>\$153,073,000</b>

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\* Total county distribution including SRTS, FAS and planning adjustment

\*\* OBAG 2 adjusted base county amount subject to PDA investment - does not include SRTS, FAS or PCA. Rounded to thousands and adjusted to ensure a county's base planning activity is no more than 50% of the total distribution

**Appendix A-3**

**OBAG 2  
Planning & Outreach  
FY 2017-18 through FY 2021-22  
December 20, 2017**

**OBAG 2 - County CMA Planning**

County	Agency	2.0%	OBAG 2 County CMA Planning - Base *					SubTotal	Supplemental	Total
		2016-17	2017-18	2018-19	2019-20	2020-21	2021-22			
Alameda	ACTC	\$1,034,000	\$1,055,000	\$1,076,000	\$1,097,000	\$1,119,000	\$1,142,000	\$5,489,000	\$2,800,000	\$8,289,000
Contra Costa	CCTA	\$818,000	\$834,000	\$851,000	\$868,000	\$885,000	\$904,000	\$4,342,000	\$0	\$4,342,000
Marin	TAM	\$720,000	\$734,000	\$749,000	\$764,000	\$779,000	\$796,000	\$3,822,000	\$0	\$3,822,000
Napa	NCTPA NVTA	\$720,000	\$734,000	\$749,000	\$764,000	\$779,000	\$796,000	\$3,822,000	\$0	\$3,822,000
San Francisco	SFCTA	\$753,000	\$768,000	\$783,000	\$799,000	\$815,000	\$832,000	\$3,997,000	\$1,900,000	\$5,897,000
San Mateo	SMCCAG	\$720,000	\$734,000	\$749,000	\$764,000	\$779,000	\$796,000	\$3,822,000	\$1,512,000	\$5,334,000
Santa Clara	VTA	\$1,145,000	\$1,168,000	\$1,191,000	\$1,215,000	\$1,239,000	\$1,265,000	\$6,078,000	\$4,822,000	\$10,900,000
Solano	STA	\$720,000	\$734,000	\$749,000	\$764,000	\$779,000	\$796,000	\$3,822,000	\$3,039,000	\$6,861,000
Sonoma	SCTA	\$720,000	\$734,000	\$749,000	\$764,000	\$779,000	\$796,000	\$3,822,000	\$1,178,000	\$5,000,000
<b>County CMAs Total:</b>		<b>\$7,350,000</b>	<b>\$7,495,000</b>	<b>\$7,646,000</b>	<b>\$7,799,000</b>	<b>\$7,953,000</b>	<b>\$8,123,000</b>	<b>\$39,016,000</b>	<b>\$15,251,000</b>	<b>\$54,267,000</b>

**OBAG 2 - Regional Planning**

	2.0%	OBAG 2 Regional Agency Planning - Base *					SubTotal	Augmentation	Total
	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22			
<b>Regional Planning Total:</b>	<b>\$1,800,000</b>	<b>\$1,835,000</b>	<b>\$1,873,000</b>	<b>\$1,910,000</b>	<b>\$1,948,000</b>	<b>\$1,989,000</b>	<b>\$9,555,000</b>	<b>\$0</b>	<b>\$9,555,000</b>

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\* 2% escalation from FY 2016-17 Planning Base

**\$63,822,000**

## Appendix A-4

### OBAG 2 Federal-Aid Secondary FY 2017-18 through FY 2021-22 November 18, 2015

#### OBAG 2 - Federal-Aid Secondary (FAS)

County	FAS			Total OBAG 2 Rounded
	Regional Percentage	Annual FAS Funding *	5-Year FAS Funding	
Alameda	14.2%	\$355,761	\$1,778,805	<b>\$1,779,000</b>
Contra Costa	10.7%	\$268,441	\$1,342,205	<b>\$1,343,000</b>
Marin	6.7%	\$167,509	\$837,545	<b>\$838,000</b>
Napa	9.5%	\$237,648	\$1,188,240	<b>\$1,189,000</b>
San Francisco **	0.0%	\$0	\$0	<b>\$0</b>
San Mateo	7.1%	\$178,268	\$891,340	<b>\$892,000</b>
Santa Clara	13.6%	\$340,149	\$1,700,745	<b>\$1,701,000</b>
Solano	12.0%	\$301,159	\$1,505,795	<b>\$1,506,000</b>
Sonoma	26.1%	\$652,790	\$3,263,950	<b>\$3,264,000</b>
<b>Total:</b>	<b>100.0%</b>	<b>\$2,501,725</b>	<b>\$12,508,625</b>	<b>\$12,512,000</b>

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\* As provided by Caltrans per State Statute

\*\* San Francisco has no rural roads

## Appendix A-5

### OBAG 2 Safe Routes to School County FY 2017-18 through FY 2021-22 November 18, 2015

#### OBAG 2 - Safe Routes To School County Distribution

County	Public School Enrollment (K-12) *	Private School Enrollment (K-12) *	Total School Enrollment (K-12) *	FY 2013-14 Percentage	Total OBAG 2 Rounded
Alameda	222,681	24,036	246,717	21.4%	\$5,340,000
Contra Costa	173,020	15,825	188,845	16.4%	\$4,088,000
Marin	32,793	7,104	39,897	3.5%	\$864,000
Napa	20,868	2,913	23,781	2.1%	\$515,000
San Francisco	58,394	24,657	83,051	7.2%	\$1,797,000
San Mateo	94,667	15,927	110,594	9.6%	\$2,394,000
Santa Clara	276,175	41,577	317,752	27.5%	\$6,878,000
Solano	63,825	4,051	67,876	5.9%	\$1,469,000
Sonoma	70,932	5,504	76,436	6.6%	\$1,655,000
<b>Total:</b>	<b>1,013,355</b>	<b>141,594</b>	<b>1,154,949</b>	<b>100%</b>	<b>\$25,000,000</b>

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\* From California Department of Education for FY 2013-14

## Appendix A-6

### OBAG 2 Priority Conservation Area FY 2017-18 through FY 2021-22 November 18, 2015

#### OBAG 2 - Priority Conservation Area (PCA)

PCA Program	Total OBAG 2
<b>Northbay Program</b>	
Marin	\$2,050,000
Napa	\$2,050,000
Solano	\$2,050,000
Sonoma	\$2,050,000
Subtotal:	\$8,200,000
<b>Remaining Counties Competitive Program</b>	
Subtotal:	\$8,200,000
<b>Total</b>	
Total:	\$16,400,000

## **Appendix A-7: OBAG 2 – CMA One Bay Area Grant County Program Outreach**

The Metropolitan Transportation Commission (MTC) delegates authority for the county program project selection to the nine Bay Area Congestion Management Agencies (CMAs). The existing relationships the CMAs have with local jurisdictions, elected officials, transit agencies, community organizations and stakeholders, and members of the public within their respective counties make them best suited for this role. As one of the requirements for distributing federal transportation funding, MTC expects the CMAs to plan and execute an effective public outreach and local engagement process during development of the PDA Investment and Growth Strategy and the solicitation and project selection for the OBAG 2 program. CMAs also serve as the main point of contact for local sponsoring agencies and members of the public submitting projects for consideration for inclusion in the Transportation Improvement Program (TIP).

To comply with federal regulations, the CMAs must conduct a transparent process for the Call for Projects, and include the following activities:

### **1. Public Involvement and Outreach**

#### ***Conduct countywide outreach to stakeholders and the public to solicit project ideas.***

CMAs are expected to implement their public outreach efforts in a manner consistent with MTC's Public Participation Plan (MTC Resolution No. 4174), which can be found at <http://mtc.ca.gov/about-mtc/public-participation/public-participation-plan> . CMAs are expected at a minimum to:

- Execute effective and meaningful local engagement efforts during the call for projects by working closely with local jurisdictions, elected officials, transit agencies, community-based organizations, and the public through the project solicitation process;
- Explain the local call for projects process, informing stakeholders and the public about the opportunities for public comments on project ideas and when decisions are to be made on the list of projects to be submitted to MTC;
- Hold public meetings and/or workshops at times that are conducive to public participation to solicit public input on project ideas to submit;
- Post notices of public meetings and hearing(s) on their agency website; include information on how to request language translation for individuals with limited English proficiency. If agency protocol has not been established, please refer to MTC's Plan for Assisting Limited English Proficient Populations at <http://mtc.ca.gov/about-mtc/public-participation/get-language-assistance>;
- Offer language translations and accommodations for people with disabilities, if requested at least three days in advance of the meeting; and
- Hold public meetings in central locations that are accessible for people with disabilities and by public transit.

**Document the outreach effort undertaken for the local call for projects.** CMAs are to provide MTC with a:

- Description of how the public was involved in the process for nominating and/or commenting on projects selected for OBAG 2 funding.

## 2. Agency Coordination

- **Work closely with local jurisdictions, transit agencies, MTC, Caltrans, federally recognized tribal governments, and stakeholders to identify projects for consideration in the OBAG 2 Program.** CMAs will assist with agency coordination by:

- Communicating this call for projects guidance to local jurisdictions, transit agencies, federally recognized tribal governments, and other stakeholders.
- Documenting the steps taken to engage the above-listed organizations.

## 3. Title VI Responsibilities

- **Ensure the public involvement process provides underserved communities access to the project submittal process in compliance with Title VI of the Civil Rights Act of 1964.**

- Assist community-based organizations, communities of concern, and any other underserved community interested in having projects submitted for funding.
- Remove barriers for persons with limited-English proficiency to have access to the project submittal process.
- Document the steps taken to engage underserved communities.
- For Title VI outreach strategies, please refer to MTC's Public Participation Plan found at: <http://mtc.ca.gov/about-mtc/public-participation/public-participation-plan>.
- Additional resources are available at:
  - i. <http://www.fhwa.dot.gov/civilrights/programs/tvi.htm>
  - ii. [http://www.dot.ca.gov/hq/LocalPrograms/DBE\\_CRLC.html#TitleVI](http://www.dot.ca.gov/hq/LocalPrograms/DBE_CRLC.html#TitleVI)
  - iii. [http://www.mtc.ca.gov/get\\_involved/rights/index.htm](http://www.mtc.ca.gov/get_involved/rights/index.htm)



## **Appendix A-8: PDA Investment & Growth Strategy**

The purpose of a PDA Investment & Growth Strategy is to ensure that CMAs have a transportation project priority-setting process for OBAG 2 funding that supports and encourages development in the region's PDAs, recognizing that the diversity of PDAs will require a range of different strategies. Some of the planning activities noted below may be appropriate for CMAs to consider for jurisdictions or areas not currently designated as PDAs if those areas are still considering future housing and job growth. Regional agencies will provide support, as needed, for the PDA Investment & Growth Strategies. From time to time, MTC shall consult with the CMAs to evaluate progress on the PDA Investment and Growth Strategy. This consultation may result in specific work elements shifting among MTC, ABAG and the CMAs. Significant modifications to the scope of activities may be formalized through future revisions to this resolution. The following are activities CMAs need to undertake in order to develop a project priority-setting process:

### **(1) Engaging Regional/Local Agencies**

- Develop or continue a process to regularly engage local planners and public works staff. Understand the needs of both groups and share information with MTC and ABAG.
- Encourage community participation throughout the development of the Investment and Growth Strategy, consistent with the OBAG 2 Call for Projects Guidance (Appendix A-7).
- The CMA governing boards must adopt the final Investment & Growth Strategy.
- Participate as a TAC member in local jurisdiction planning processes funded through the regional PDA Planning Program or as requested by jurisdictions. Partner with MTC and ABAG staff to ensure that regional policies are addressed in PDA plans. Look for opportunities to support planning processes with technical or financial assistance.

### **(2) Planning Objectives – to Inform Project Priorities**

- Keep apprised of ongoing transportation and land-use planning efforts throughout the county
- Encourage local agencies to quantify transportation infrastructure needs and costs as part of their planning processes
- Encourage and support local jurisdictions in meeting their housing objectives established through their adopted Housing Elements and RHNA.

The second round of PDA Investment & Growth Strategies will assess local jurisdiction success approving sufficient housing at all income levels. They will also, where appropriate, assist local jurisdictions in implementing local policy changes to facilitate achieving these goals<sup>1</sup>. The locally crafted policies should be targeted to the specific circumstances of each PDA. For example, if the PDA currently has few moderate- or low-income households, any recommend policy changes should be aimed at promoting affordable housing. If the PDA currently is mostly low-income housing, any needed policy changes should be aimed at community stabilization.

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<sup>1</sup> Such as inclusionary housing requirements, city-sponsored land-banking for affordable housing production, “just cause eviction” policies, policies or investments that preserve existing deed-restricted or “naturally” affordable housing, condo conversion ordinances that support stability and preserve affordable housing, etc.

MTC and ABAG staff will distribute a technical memo to guide this task by October 1, 2016, including data to identify jurisdictions' challenges (e.g. RHNA performance and current affordability) and a listing of the Bay Area's best housing policies that are intended to address a range of housing challenges. This section should identify planning costs needed to address policy changes and other barriers to creating or maintaining affordability.

### **(3) Establishing Local Funding Priorities**

Develop funding guidelines for evaluating OBAG projects that support multi-modal transportation priorities based on connections to housing, services, jobs and commercial activity. Emphasis should be placed on the following factors when developing project evaluation criteria:

- **Projects located in high impact project areas.** Favorably consider projects in high impact areas, defined as:
  - a. PDAs taking on significant housing growth in the SCS (total number of units), including RHNA allocations, as well as housing production, especially those PDAs that are delivering large numbers of very low, low and moderate income housing units,
  - b. Dense job centers in proximity to transit and housing (both current levels and those included in the SCS) especially those which are supported by reduced parking requirements and TDM programs,
  - c. Improved transportation choices for all income levels (reduces VMT), proximity to quality transit access, with an emphasis on connectivity (including safety, lighting, etc.)
- **Projects located in Communities of Concern (COC)** – favorably consider projects located in a COC as defined by MTC or as defined by CMAs or Community Based Transportation Plans.
- **PDAs with affordable housing preservation, creation strategies** and community stabilization policies – favorably consider projects in jurisdictions with affordable housing preservation, creation strategies and community stabilization policies.
- **Projects that protect public health during construction and operation** – Favorably consider projects that implement the Best Practices in the Air District's Planning Healthy Places, or projects located in jurisdictions that have demonstrated a commitment to adopt, as policies and/or enforceable ordinances, best practices to reduce emissions of and exposure to local air pollution.<sup>2</sup>
- **PDAs that overlap or are co-located with: 1) populations exposed to outdoor toxic air contaminants as identified in the Air District's Community Air Risk Evaluation (CARE) Program and/or 2) freight transport infrastructure** – Favorably consider projects in these areas where local jurisdictions employ best management practices to mitigate PM and toxic air contaminants exposure.

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<sup>2</sup> Guidance and maps have been developed in partnership with BAAQMD, CMAs, ABAG, and city staff, please see: <http://www.baaqmd.gov/plans-and-climate/planning-healthy-places>.

**Process/Timeline**

CMAAs will develop a new PDA Investment & Growth Strategy every four years, consistent with the update of the Regional Transportation Plan/Sustainable Communities Strategy. The Investment & Growth Strategy must be adopted by the CMA Board (new for OBAG 2). The interim status report required for 2019 will be satisfied through a collaborative effort between the CMAAs and MTC.

**APPENDIX A-9: Priority Conservation Area (PCA) Program**

**Program Goals and Eligible Projects**

The goal of the Priority Conservation Area (PCA) Program is to support Plan Bay Area by preserving and enhancing the natural, economic and social value of rural lands and open space in the Bay Area, for residents and businesses. These values include globally unique ecosystems, productive agricultural lands, recreational opportunities, urban greening, healthy fisheries, and climate protection (mitigation and adaptation), among others.

The PCA Program should also be linked to SB 375 goals which direct MPOs to prepare sustainable community strategies which consider resource areas and farmland in the region as defined in Section 65080.01. One purpose of the PCA program is to reinforce efforts to target growth in existing neighborhoods (PDAs), rather than allowing growth to occur in an unplanned “project-by-project” approach.

The PCA program is split into two elements:

1. North Bay Program (\$8 million)
2. Peninsula, Southern and Eastern Counties Program (\$8 million)

The North Bay program framework is to be developed by the four North Bay county Congestion Management Agencies (CMAs), building on their PCA planning and priorities carried out to date. Project eligibility is limited by the eligibility of federal surface transportation funding; unless the CMA can exchange these funds or leverage new fund sources for their programs.

The Peninsula, Southern and Eastern Counties Program will be administered by the Coastal Conservancy\* in partnership with MTC based on the proposal provided below. The table below outlines screening criteria, eligible applicants, and the proposed project selection and programming process for the Peninsula, Southern and Eastern Counties.

<b>Funding Amount</b>	<ul style="list-style-type: none"> <li>• \$8 million</li> </ul>
<b>Screening Criteria</b>	<ul style="list-style-type: none"> <li>• <b>PCA Designation:</b> Eligible projects must be within a designated PCA. The list of adopted PCAs can be found at: <a href="http://abag.ca.gov/priority/conservation/">http://abag.ca.gov/priority/conservation/</a>.</li> <li>• <b>Regionally Significant:</b> Indicators of regional significance include a project’s contribution to goals stated in regional habitat, agricultural or open space plans (i.e. <i>San Francisco Bay Area Upland Habitat Goals Project Report</i> at <a href="http://www.bayarealands.org/reports/">http://www.bayarealands.org/reports/</a>), countywide Plans or ABAG’s PCA designations. Applicants should describe who will benefit from the project and the regional (greater-than-local) need it serves.</li> <li>• <b>Open Space Protection In Place:</b> Linkages to or location in a Greenbelt area that is policy protected from development. Land acquisition or easement projects would be permitted in an area without open space policy protections in place.</li> <li>• <b>Non-Federal Local Match:</b> 2:1 minimum match</li> </ul>

	<ul style="list-style-type: none"> <li>• <b>Meets Program Goals:</b> Projects that meet one of the following program goals (subject to funding eligibility—see below):             <ul style="list-style-type: none"> <li>○ Protects or enhances “resource areas” or habitats as defined in California Government Code § 65080.01(a).</li> <li>○ Provides or enhances bicycle and pedestrian access to open space / parkland resources. Notable examples are the Bay and Ridge Trail Systems.</li> <li>○ Supports the agricultural economy of the region.</li> <li>○ Includes existing and potential urban green spaces that increase habitat connectivity, improve community health, capture carbon emissions, and address stormwater.</li> </ul> </li> </ul>
<p><b>Eligible Applicants</b></p>	<ul style="list-style-type: none"> <li>• Local governments (cities, counties, towns), county congestion management agencies, tribes, water/utility districts, resource conservation districts, park and/or open space districts, land trusts and other land/resource protection nonprofit organizations in the nine-county San Francisco Bay Area are invited to nominate projects. Applicants are strongly encouraged to collaborate and partner with other entities on the nomination of projects, and partnerships that leverage additional funding will be given higher priority in the grant award process. <b>Partnerships are necessary with cities, counties, or CMAs in order to access federal funds. Federally-funded projects must have an implementing agency that is able to receive a federal-aid grant (master agreement with Caltrans).</b></li> </ul>
<p><b>Emphasis Areas / Eligible Projects</b></p>	<p><b>Eligible Projects</b></p> <ol style="list-style-type: none"> <li>1. <b>Planning Activities</b></li> <li>2. <b>Pedestrian and Bicycle Facilities/ Infrastructure:</b> On-road and off-road trail facilities, sidewalks, bicycle infrastructure, pedestrian and bicycle signals, traffic calming, lighting and other safety related infrastructure, and ADA compliance, conversion and use of abandoned rail corridors for pedestrians and bicyclists.</li> <li>3. <b>Visual Enhancements:</b> Construction of turnouts, overlooks and viewing areas.</li> <li>4. <b>Habitat / Environmental Enhancements:</b> Vegetation management practices in transportation rights-of-way, reduce vehicle-caused wildlife mortality or to restore and maintain connectivity among terrestrial or aquatic habitats, mitigation of transportation project environmental impacts funded through the federal-aid surface transportation program.</li> <li>5. <b>Protection (Land Acquisition or Easement) or Enhancement of Natural Resources, Open Space or Agricultural Lands:</b> Parks and</li> </ol>

	<p>open space, staging areas or environmental facilities; or natural resources, such as listed species, identified priority habitat, wildlife corridors, wildlife corridors watersheds, or agricultural soils of importance.</p> <p>6. <b>Urban Greening:</b> Existing and potential green spaces in cities that increase habitat connectivity, improve community health, capture carbon emissions, and address stormwater.</p> <p><b>Note:</b> MTC encourages PCA project applicants to partner with other agencies and programs to leverage other funds in order to maximize benefits. As such, PCA funded projects may become eligible to deliver net environmental benefits to a future Regional Advance Mitigation Planning (RAMP) program project, above any required mitigation requirements. Note that such projects may need to rely on funding exchanges with eligible non-federal funds because most land acquisition and habitat restoration projects that are not mitigation for transportation projects are not eligible for federal transportation funds. Any such funding exchange must be consistent with MTC’s fund exchange policy (MTC Resolution No. 3331).</p>
<p><b>Project Selection</b></p>	<p><b>Coastal Conservancy Partnership Program:</b> MTC will provide \$8 million of federal transportation funds which will be combined with the Coastal Conservancy’s own program funds in order to support a broader range of projects (i.e. land acquisition and easement projects) than can be accommodated with federal transportation dollars alone. The Coastal Conservancy, MTC, and ABAG staff will cooperatively manage the call for projects. This approach would harness the expertise of the Coastal Conservancy, expand the pool of eligible projects, and leverage additional resources through the Coastal Conservancy.</p>

\*The Coastal Conservancy is a state agency and the primary public land conservation funding source in the Bay Area, providing funding for many different types of land conservation projects. For more information see <http://scc.ca.gov/>.

**APPENDIX A-10: Checklist for CMA and Local Jurisdiction Compliance with MTC Resolution No. 4202**

**One Bay Area Grant (OBAG 2) Checklist for CMA Compliance with MTC Resolution No. 4202**

Federal Program Covering FY 2017-18 through FY 2021-22

The intent of this checklist is to delineate the requirements included in the OBAG 2 Grant Program (Resolution No. 4202), as adopted by MTC on November 18, 2015. This checklist must be completed by Congestion Management Agencies (CMAs) and submitted to MTC to certify compliance with the OBAG 2 requirements. MTC will not take action to program projects recommended by a CMA until a checklist demonstrating compliance has been submitted to MTC.

**CMA Call for Projects Guidance: Appendix A-7**

<b>1. Public Involvement and Outreach, Agency Coordination, and Title VI</b>	<b>YES</b>	<b>NO</b>	<b>N/A</b>
a. Has the CMA conducted countywide outreach to stakeholders and the public to solicit project ideas consistent with Appendix A-7?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Has the CMA performed agency coordination consistent with Appendix A-7?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Has the CMA fulfilled its Title VI responsibilities consistent with Appendix A-7?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. Has the CMA documented the efforts undertaken for Items 1a-1c, above, and submitted these materials to MTC as an attachment to this Checklist?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**PDA Investment and Growth Strategy: Appendix A-8**

<b>2. Engage with Regional and Local Jurisdictions</b>	<b>YES</b>	<b>NO</b>	<b>N/A</b>
a. Has the CMA developed a process to regularly engage local planners and public works staff in developing a PDA Investment and Growth Strategy that supports and encourages development in the county's PDAs?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Has the CMA encouraged community participation throughout the development of the Investment and Growth Strategy, consistent with the OBAG 2 Call for Projects Guidance (Appendix A-7)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If "NO" or "N/A –Not Applicable" is marked in any box on the checklist, please include a statement at the end of the checklist to indicate why the item was not met.

c. Has the CMA governing board adopted the final Investment and Growth Strategy?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. Has the CMA's staff or consultant designee participated in TAC meetings established through the local jurisdiction's planning processes funded through the regional PDA planning program?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e. Has the CMA worked with MTC and ABAG staff to confirm that regional policies are addressed in PDA plans?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>3. Planning Objectives to Inform Project Priorities</b>	<b>YES</b>	<b>NO</b>	<b>N/A</b>
a. Has the CMA kept itself apprised of ongoing transportation and land-use planning efforts throughout the county?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Has the CMA encouraged local agencies to quantify transportation infrastructure needs and costs as part of their planning processes?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Has the CMA encouraged and supported local jurisdictions in meeting their housing objectives established through their adopted Housing Elements and RHNA?			
1. Has the CMA received and reviewed information submitted to the CMA by ABAG on the progress that local jurisdictions have made in implementing their housing element objectives and identifying current local housing policies that encourage affordable housing production and/or community stabilization?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. In all updates of its PDA Investment & Growth Strategy, has the CMA assessed local jurisdiction efforts in approving sufficient housing for all income levels through the RHNA process and, where appropriate, assisted local jurisdictions in implementing local policy changes to facilitate achieving these goals?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Using guidance issued by MTC, has the Investment & Growth Strategy fully addressed items in C1 and C2, above?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



<b>4. Establishing Local Funding Priorities</b>	<b>YES</b>	<b>NO</b>	<b>N/A</b>
a. Has the CMA developed funding guidelines for evaluating OBAG 2 projects that support multi-modal transportation priorities based on connections to housing, jobs and commercial activity and that emphasize the following factors?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
1. Projects located in high impact project areas – favorably consider projects in high impact areas, defined as:			
a) PDAs taking on significant housing growth (total number of units) in the Sustainable Communities Strategy (SCS), including RHNA allocations, as well as housing production, especially those PDAs that are delivering large numbers of very low, low and moderate income housing units;			
b) Dense job centers in proximity to transit and housing (both current levels and those included in the SCS) especially those which are supported by reduced parking requirements and Travel Demand Management (TDM) programs;			
c) Improved transportation choices for all income levels (reduces VMT), proximity to quality transit access, with an emphasis on connectivity (including safety, lighting, etc.).			
2. Projects located in Communities of Concern (COC) as defined by MTC:			
a) CMAs may also include additional COCs beyond those defined by MTC, such as those defined by the CMAs according to local priorities or Community Based Transportation Plans.			

3. PDAs with affordable housing preservation, creation strategies and community stabilization policies.
4. Specific scoring methodology for funding allocations to projects in PDAs or TPAs that rewards jurisdictions with the most effective housing anti-displacement policies.
5. Projects that implement the Best Practices identified in the Air District's Planning Healthy Places guidelines, or projects located in jurisdictions that have demonstrated a commitment to adopt, as policies and/or enforceable ordinances, best practices to reduce emissions of and exposure to local air pollution. <sup>1</sup>
6. PDAs that overlap or are co-located with: 1) populations exposed to outdoor toxic air contaminants, as identified in the Air District's Community Air Risk Evaluation (CARE) Program and/or 2) freight transport infrastructure.

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b. Has the CMA submitted the documentation for item 4a to MTC as part of this Checklist?

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c. Has the CMA provided a status report on their PDA Investment & Growth Strategy (required two years after the adoption of a PDA Investment and Growth Strategy)? Note: The interim status report required for 2019 will be satisfied through a collaborative effort between the CMAs and MTC.

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d. Has the CMA committed to developing a new PDA Investment & Growth Strategy by May 1, 2017 (new PDA required every four years), consistent with the update of the RTP/SCS?

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<sup>1</sup> Guidance and maps have been developed in partnership with BAAQMD, CMAs, ABAG, and city staff, please see: <http://www.baaqmd.gov/plans-and-climate/planning-healthy-places>.

## PDA Policies

<b>5. PDA Minimum Investment Targets</b>	<b>YES</b>	<b>NO</b>	<b>N/A</b>
a. Has the CMA met its minimum PDA investment target (70% for Alameda, Contra Costa, San Francisco, San Mateo, Santa Clara and 50% for Marin, Napa, Sonoma, and Solano)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Has the CMA defined the term “proximate access,” for projects located outside of a PDA that should be counted towards the county’s minimum PDA investment target?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Has the CMA designated and mapped projects recommended for funding that are not geographically within a PDA but provide “proximate access” to a PDA, along with policy justifications for those determinations, and presented this information for public review when the CMA board acts on OBAG 2 programming decisions?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. Has the CMA submitted the documentation from items 5a-c, above, to MTC as part of this Checklist?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## Project Selection Policies

<b>6. Project Selection</b>	<b>YES</b>	<b>NO</b>	<b>N/A</b>
a. Has the CMA documented and submitted the approach used to select OBAG 2 projects including outreach, coordination, and Title VI compliance?	(See 1 & 2)		
b. Has the CMA issued a unified call for projects?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Has the CMA submitted a board adopted list of projects to MTC by July 31, 2017?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. Does the CMA acknowledge that all selected projects must be submitted into MTC’s Fund Management System (FMS) along with a Resolution of Local Support no later than August 31, 2017?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

e. Does the CMA affirm that the projects recommended for funding meet the following requirements?

1. Are consistent with the current Regional Transportation Plan (Plan Bay Area);
2. Have completed project-specific Complete Streets Checklists;

f. Does the CMA acknowledge the that OBAG 2 funding is subject to MTC's Regional Project Delivery Policy (Resolution No. 3606, or successor resolution) in addition to the following OBAG 2 deadlines?

1. Half of the CMA's OBAG 2 funds, must be obligated by January 31, 2020; and
2. All remaining OBAG 2 funds must be obligated by January 31, 2023.

## Performance and Accountability Policies

7. Ensuring Local Compliance	YES	NO	N/A
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a. Has the CMA received confirmation that local jurisdictions have met the Performance and Accountability Policies requirements related to Complete Streets, local Housing Elements, surplus lands (general law cities and counties only unless and until a final court decision is rendered that charter cities are subject to the provisions of the State Surplus Land Act), local streets and roads, and transit agency project locations as set forth in pages 18-21 of MTC Resolution 4202? <i>Note: CMAs can use the Local Jurisdiction OBAG 2 Requirement Checklist to help fulfill this requirement.</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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b. Has the CMA affirmed to MTC that a jurisdiction is in compliance with the requirements of MTC Resolution 4202 prior to programming OBAG 2 funds to its projects in the TIP?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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<b>8. Completion of Checklist</b>	<b>YES</b>	<b>NO</b>	<b>N/A</b>
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**Has the CMA completed all section of this checklist?**

If the CMA has checked "NO" or "N/A" to any checklist items, please include which item and a description below as to why the requirement was not met or is considered Not Applicable:

<b>Attachments</b>
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- Documentation of CMA efforts for public outreach, agency coordination, and Title VI compliance (Checklist Items 1, 2).
- Documentation of CMA compliance with PDA minimum investment targets, including documentation that the information was presented to the public during the decision-making process (Checklist Item 6).

## **Review and Approval of Checklist**

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This checklist was prepared by:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name & Title (print)

\_\_\_\_\_  
Phone

\_\_\_\_\_  
Email

This checklist was approved for submission to MTC by:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
CMA Executive Director

# One Bay Area Grant (OBAG 2) Checklist for Local Compliance with MTC Resolution No. 4202

Federal Program Covering FY 2017-18 through FY 2021-22

The intent of this checklist is to delineate the requirements for local jurisdictions included in the OBAG Grant Program (Resolution No. 4202), as adopted by MTC on November 18, 2015. This checklist must be completed by local jurisdictions and submitted to the CMA to certify compliance with the OBAG 2 requirements listed in MTC Resolution No. 4202. MTC will not take action to program projects for a local jurisdiction until the CMA affirms that the jurisdiction has met all requirements included in OBAG 2.

<b>1. Compliance with the Complete Streets Act of 2008</b>	<b>YES</b>	<b>NO</b>	<b>N/A</b>
a. Has the jurisdiction met MTC’s Complete Street Requirements for OBAG 2 prior to the CMA submitting its program to MTC through either of the following methods? <ol style="list-style-type: none"> <li>1. Adopting a Complete Streets resolution incorporating MTC’s nine required complete streets elements; or</li> <li>2. Adopting a significant revision to the General Plan Circulation Element after January 1, 2010 that complies with the California Complete Streets Act of 2008.</li> </ol>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Has the jurisdiction submitted documentation of compliance with Item a. (copy of adopted resolution or circulation element) to the CMA as part of this Checklist?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Has the jurisdiction submitted a Complete Streets Checklist for any project for which the jurisdiction has applied for OBAG 2 funding?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>2. Housing Element Certification</b>	<b>YES</b>	<b>NO</b>	<b>N/A</b>
a. Has the jurisdiction’s General Plan Housing Element been certified by the California Department of Housing and Community Development (HCD) for 2014-2022 RHNA prior to May 31, 2015? If not, has the jurisdiction’s Housing Element been fully certified by HCD by June 30, 2016?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Has the jurisdiction submitted the latest Annual Housing Element Report to HCD by April 1, 2017?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

c. Does the jurisdiction acknowledge that the Annual Housing Element Report must be submitted to HCD each year through the end of the OBAG 2 program (FY22) in order to be eligible to receive funding?

d. Has the jurisdiction submitted documentation of compliance with Item 2 (copy of certified housing element or annual report, or letter of compliance from HCD) to the CMA as part of this Checklist?

### 3. Surplus Land Act

a. Has the jurisdiction met MTC’s Surplus Land Requirements for OBAG 2 prior to the CMA submitting its program, through adoption of a resolution demonstrating compliance with the State’s Surplus Land Act (AB 2135 amended)? Resolution requirement applies only to general law cities and counties unless and until a final court decision is rendered that charter cities must comply with the provisions of this Act.

### 4. Local Streets and Roads

**YES NO N/A**

a. Does the jurisdiction have a certified Pavement Management Program (StreetSaver® or equivalent) updated at least once every three years (with a one-year extension allowed)?

b. Does the jurisdiction fully participate in the statewide local streets and roads needs assessment survey?

c. Does the jurisdiction provide updated information to the Highway Performance Monitoring System (HPMS) at least once every 3 years (with a one-year grace period allowed)?

### 5. Projects Sponsored by Other Agencies

**YES NO N/A**

a. Does the jurisdiction acknowledge that the jurisdiction in which a project is located must comply with OBAG 2 requirements (MTC Resolution No. 4202) in order for any project funded with OBAG 2 funds to be located within the jurisdiction, even if the project is sponsored by an outside agency (such as a transit agency)?



<b>6. Regional Project Delivery Requirements</b>	<b>YES</b>	<b>NO</b>	<b>N/A</b>
a. Does the jurisdiction acknowledge that it must comply with the regional Project Delivery Policy and Guidance requirements (MTC Resolution No. 3606) in the implementation of the project, and that the jurisdiction must identify and maintain a Single Point of Contact for all projects with FHWA-administered funding?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

<b>7. Completion of Checklist</b>	<b>YES</b>	<b>NO</b>	<b>N/A</b>
<b>Has the jurisdiction completed all sections of this checklist?</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If the jurisdiction has checked "NO" or "N/A" to any of the above questions, please provide an explanation below as to why the requirement was not met or is considered not applicable:

### **Attachments**

- Documentation of local jurisdiction's compliance with MTC's Complete Streets Requirements, including copy of adopted resolution or circulation element (Checklist Item 1).
- Documentation of compliance with MTC's Housing Element Requirements, such as a copy of certified housing element or annual report, or a letter of compliance from HCD (Checklist Item 2).
- Documentation of compliance with the State's Surplus Land Act, such as a copy of the adopted resolution (Checklist Item 3). This requirement applies only to general law cities and counties unless and until a final court decision is rendered that charter cities must comply with the provisions of this Act.

## **Review and Approval of Checklist**

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This checklist was prepared by:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name & Title (print)

\_\_\_\_\_  
Phone

\_\_\_\_\_  
Email

This checklist was approved for submission to <INSERT NAME>City/County by:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
City Manager/Administrator or designee

## Appendix A-11: Safe and Seamless Mobility Quick-Strike Program

The Safe and Seamless Mobility Quick-Strike program is a one-time, competitive grant program within the One Bay Area Grant program (OBAG 2) framework. Federal funding is available to support local and regional projects that can be implemented quickly to benefit communities responding and adapting to the COVID-19 environment.

Available funding includes a mix of Surface Transportation Block Grant Program (STP), Congestion Mitigation and Air Quality Improvement (CMAQ) and Federal Highway Infrastructure Program (FHIP) funds, with FHIP funds exchanged with STP/CMAQ funds to the extent possible to meet federal other funding deadlines and requirements. CMAQ funds will be used for eligible projects that demonstrate air quality benefits and implement Plan Bay Area's climate initiative goals and priorities.

### Project Eligibility & Focus Areas

The program emphasizes bicycle/pedestrian safety and mobility, connections to transit, and projects that advance equitable mobility. Eligible project types include:

- Quick-build bike, pedestrian, and transit improvements; including bike share enhancements.
- Local safe and seamless mobility projects, including projects that advance equitable mobility; invest in bicycle/pedestrian safety; improve connections to transit; or implement seamless strategies within a corridor.
- In addition to capital projects, programs that support safe and seamless mobility or advance equitable mobility are also eligible (ex. safe routes to school/transit programs); a limited amount of funding, (up to \$200,000 per county) may also be directed towards countywide implementation of safe and seamless mobility planning and programming efforts).
- Other near-term implementation of strategies emerging from the Blue-Ribbon Transit Recovery Task Force and Partnership Board's Connected Mobility Subcommittee.

Fund commitments for specific focus areas include:

- One-quarter of the total program is targeted for bicycle/pedestrian safety (including local road safety).
- \$5 million is set aside to support early implementation efforts anticipated from the Blue-Ribbon Transit Recovery Task Force.
- **\$15.3 million directed to regional and corridor co-nominated projects and projects of interest to the Blue-Ribbon Transit Recovery Task Force.**
- **\$1.9 million is set aside for ongoing CTA planning and programming activities**
- **\$1.9 million is set aside for regional planning and programming activities, including Priority Development Area (PDA) planning and implementation and the FasTrak START Pilot program evaluation**

### Evaluation Criteria

MTC staff will evaluate nominated projects against the following program criteria.

Nominated projects should:

- Align with Connected Mobility Framework Values and Goals (see inset below)
- Be the direct result or outcome of a community engagement process
- Be within or directly connected to a Priority Development Area (PDA) or Transportation Priority Area (TPA) and/or serve a Community of Concern (CoC), Community Air Risk Evaluation (CARE) program area, or similar local designation. PDAs and TPAs may be existing or recently designated as part of the Plan Bay Area 2050 growth framework.
- Addresses transit connectivity gaps, especially in areas significantly impacted from the pandemic
- Demonstrate partnership among jurisdictions, transit agencies, and counties.
- Demonstrate ability to quickly deliver, and meet federal funding requirements, as funds must be obligated by September 30, 2022.

To ensure consistency with the implementation of county and regional plans and priorities, as well as encourage discussion and coordination in developing investment proposals, projects co-nominated by MTC and a CTA will be given extra consideration if meeting regional goals and priorities. **Previously submitted co-nominated projects are to be funded out of the regional and corridor program component. New co-nominated projects may be funded out of either program.**

Below are the regional connected mobility values and goals guiding these investments:

CONNECTED MOBILITY VALUES AND GOALS	
Values	Goals
<b>Think Regionally Act Locally</b>	Be coordinated, interconnected, and contiguous
<b>Provide Great Travel Choices</b>	Provide choices that are better than driving alone, are viable and intuitive for all trips
<b>Put the Traveler First</b>	Ensure a dignified traveler experience, focusing on customer care and needs
<b>Be Equitable &amp; Inclusive</b>	Address disparities and be transparent for all people and all trips
<b>Be Sustainable</b>	Strive for a healthy planet, people, and full-cost accounting

### Project Nominations

To address local needs throughout the region, and encourage community-based project investments, each County Transportation Agency (CTA) will act on MTC's behalf and submit project nominations for their county area. County targets have been provided as a guide, for each county (see table on following page). However, final project selection by MTC will not necessarily adhere to these targets. Target amounts are based on the OBAG 2 county program distribution.

In addition to county submissions, MTC may consider projects that would be implemented regionwide or in more than one county. Where applicable, MTC staff will work with CTAs to

coordinate on co-nominations for regional projects.

**Previously co-nominated projects are to be funded out of the regional and corridor program component. New co-nominated projects may be funded out of either program.**

As the final program of projects must reflect regional or multi-county priorities, in addition to local priorities within each county, the final programming per county will not correspond exactly to nomination targets.

To ensure each county is provided sufficient funding to have a meaningful community impact, each county's nomination target will be a minimum of \$1 million.

### Project Selection Process

The prioritization process is designed to quickly distribute funds to competitive and impactful investments throughout the region.

- **Letters of Interest:** County Transportation Agencies (CTAs) submit Letters of Interest to nominate projects within their counties. In addition to basic project information (project description, sponsor, total cost, funding request), submittals should also describe how the project meets the program eligibility requirements and evaluation criteria, and how well the proposed project sponsor meets state and federal funding requirements.
- **Evaluation:** MTC staff evaluate CTA nominations as well as regional program considerations to develop a recommended program of projects. Program recommendations presented to Bay Area Partnership Board for review and discussion.
- **Project Applications:** MTC and CTA staff work with project sponsors to submit project applications with a detailed scope, delivery schedule, and funding plan.
- **Program Approval:** MTC Commission consideration and approval of projects and fund programming.

### Programming Policies and Requirements

Unless otherwise noted within these guidelines, OBAG 2 General Programming Policies (see MTC Resolution No. 4202, Attachment A, pages 6-11), and Regional Project Funding Delivery Policy (MTC Resolution No. 3606) apply.

- **Project sponsors:** Eligible sponsors are those approved by Caltrans to receive FHWA federal-aid funds (including cities, counties, transit agencies, CTAs, and MTC). Sponsors must also have a demonstrated ability to meet timely use of funds deadlines and requirements (see Project Delivery and Monitoring, below).

### County Nomination Targets

(\$ millions, rounded)

	%
Alameda	19.9%
Contra Costa	14.6%
Marin	2.8%
Napa	2.1%
San Francisco	12.5%
San Mateo	8.4%
Santa Clara	27.0%
Solano	5.5%
Sonoma	7.2%
	<b>100.0%</b>

Note: Final project selection and fund programming will not correspond exactly to nomination targets.

- **Minimum Grant Size:** Project nominations should be consistent with OBAG 2 minimum grant size requirements per county (\$500,000 grant minimum for counties with population over 1 million, and \$250,000 minimum for all other counties). Final funding awards may deviate from grant minimums per county, should one or more grant awards span multiple counties or regionwide.

Additionally, deviations from the OBAG 2 minimum grant size requirements for project nominations may be considered on a project-by-project basis. However, grant awards must be at least \$100,000.

- **Local Match:** Toll credits may be requested in lieu of non-federal cash match.
- **Supplanting of Funds Prohibited:** Supplanting of existing funds on fully-funded projects is prohibited, as the program is intended to infuse transportation investment into communities responding and adapting to the COVID-19 environment. If funds are requested to address a funding shortfall on a project due to reduced local revenues, CTAs must demonstrate why the project should be a priority for regional funding, if it was not the highest priority for available local funding. In their nomination, CTAs should describe how the county and local jurisdictions determined which projects are prioritized for reduced local revenues.
- **Project Phases:** The Environmental (ENV), Plans, Specifications and Estimates (PS&E), Preliminary Engineering (PE) and Right Of Way (ROW) phases are eligible for capital projects as long as the construction (CON) phase of the project is delivered and funds obligated by September 30, 2022.
- **Project Delivery and Monitoring:** Project sponsors must have a record of consistently meeting state and federal timely use of funds deadlines and requirements, or demonstrate/identify revised/new internal processes to ensure they will meet funding deadlines and requirements moving forward at the time of project nomination. In addition to the provisions of the Regional Project Funding Delivery Policy (MTC Resolution No. 3606), the following specific funding deadlines/requirements apply:
  - Funds must be obligated (authorized in a federal E-76, or transferred to FTA) no later than September 30, 2022.
  - Funds must be encumbered or awarded in a contract within 6 months of federal obligation.
  - Funds must be invoiced against within 3 months of encumbrance/award and invoiced against and receive a federal reimbursement quarterly thereafter.
  - If there could be complications with invoicing against the construction phase within 9 months of federal obligation, then the sponsor should consider including Construction Engineering (CE) in the federal obligation so that eligible costs may be invoiced in order to meet the invoicing deadline.

- Project sponsor must meet all other timely use of funds deadlines and requirements, for all other state and federal transportation funds received by the agency, during the duration of project implementation (such as, but not limited to, project award, federal invoicing, and project reporting).
- To help ensure compliance with state and federal invoicing requirements, as part of the application submittal, the Finance/Accounting Manager/Director for the agency receiving the funds must provide written documentation on the agency's internal process and procedures for complying with FHWA federal-aid timely use of funds requirements, especially with regards to meeting federal invoicing requirements.
- CTAs nominating successful projects must monitor the project sponsors within their respective county in meeting the timely use of funds deadline requirements in MTC Resolution No. 3606 and report quarterly to MTC on the agency's status in meeting regional, state, and federal timely use of funds deadlines and requirements.
- **Additional Requirements Apply:**
  - Project sponsor must comply with MTC's Complete Street Policy and submit a Complete Streets Checklist for the project.
  - Project sponsor must adopt a Resolution of Local Support prior to adding the project into the Transportation Improvement Program (TIP).
  - Project sponsor must satisfy the OBAG 2 housing policy requirements – have a certified Housing Element, submit the Annual Progress Report for the Housing Element, and have adopted a resolution affirming compliance with the California Surplus Lands Act.
  - CTAs must make each project's Complete Streets Checklist available for review by the appropriate Bicycle and Pedestrian Advisory Committee (BPAC) prior to MTC Commission approval of projects and fund programming. Documentation this has occurred must be included with the project application.

**Attachment B-1**  
**MTC Resolution No. 4202**  
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**FY 2017-18 through FY 2021-22**  
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**OBAG 2 Regional Programs Project List**

PROJECT CATEGORY AND TITLE	COUNTY	SPONSOR	Total STP/CMAQ	Other
<b>OBAG 2 REGIONAL PROGRAMS</b>			<b>\$652,365,885</b>	<b>\$131,433,260</b>
<b>1. REGIONAL PLANNING ACTIVITIES</b>				
Regional Planning	Regionwide	MTC	\$9,555,000	
<b>1. REGIONAL PLANNING ACTIVITIES</b>		<b>TOTAL:</b>	<b>\$9,555,000</b>	
<b>2. PAVEMENT MANAGEMENT PROGRAM</b>				
Pavement Management Program	Regionwide	MTC	\$1,500,000	
Pavement Technical Advisory Program (PTAP)	Regionwide	MTC	\$7,500,000	
Statewide Local Streets and Roads (LSR) Needs Assessment	Regionwide	MTC/Caltrans	\$250,000	
<b>2. PAVEMENT MANAGEMENT PROGRAM</b>		<b>TOTAL:</b>	<b>\$9,250,000</b>	
<b>3. PDA PLANNING &amp; IMPLEMENTATION</b>				
PDA Planning and Implementation				
PDA Implementation	Regionwide	MTC	\$2,000,000	
PDA Supportive Studies	Regionwide	MTC	\$587,000	
PDA Planning				
Berkeley: San Pablo Avenue PDA Plan	Alameda	MTC	\$750,000	
Oakland: MacArthur Transit Village PDA; North Oakland/Golden Gate PDA Plan	Alameda	MTC	\$800,000	
Oakland: Eastmont Town Center/International Blvd; Fruitvale & Dimond; MacArthur Blvd	Alameda	MTC	\$800,000	
Union City: Decoto Industrial Parkway Study Area Specific Plan 2.0	Alameda	MTC	\$800,000	
El Cerrito: San Pablo Avenue Specific Plan and EIR Update/Amendments	Contra Costa	MTC	\$308,000	
Moraga: Moraga Center Specific Plan Implementation Project	Contra Costa	MTC	\$140,000	
Richmond: Hilltop PDA Plan	Contra Costa	MTC	\$750,000	
San Pablo: Rumrill Blvd PDA Plan	Contra Costa	MTC	\$250,000	
Marin County: Urbanized Corridor/Marin City PDA Plan	Marin	MTC	\$300,000	
San Rafael: Downtown Precise Plan	Marin	MTC	\$500,000	
San Francisco: HUB Area EIR	San Francisco	MTC	\$500,000	
San Francisco: Transit Corridors Study	San Francisco	MTC	\$500,000	
Burlingame: Broadway Planning Area PDA Plan	San Mateo	MTC	\$400,000	
South San Francisco: Downtown Station Area PDA Plan	San Mateo	MTC	\$500,000	
<b>Cupertino: VTA Cores and Corridors PDA Plan (Removed)</b>	<b>Santa Clara</b>	<b>MTC</b>	<b>\$400,000</b>	
Milpitas: Midtown PDA Plan	Santa Clara	MTC	\$500,000	
Palo Alto: University Ave/Downtown PDA Plan	Santa Clara	MTC	\$800,000	
San Jose/VTA: Diridon Integrated Station Area Concept Plan	Santa Clara	MTC	\$800,000	
San Jose: SW Expressway/Race Street Light Rail Urban Village Plans	Santa Clara	MTC	\$500,000	
Santa Clara: Downtown PDA Plan	Santa Clara	MTC	\$400,000	
Vacaville: Downtown Specific Plan	Solano	MTC	\$350,000	
Santa Rosa: Downtown Station Area Specific Plan Update/Amendment	Sonoma	MTC	\$800,000	
<b>Unprogrammed balance (Revised)</b>			<b>\$400,000</b>	
Staffing Assistance				
Emeryville: Mitigate Regulation-Induced Displacement, Streamlined Asset Mngmt	Alameda	MTC	\$180,000	
Fremont: SB743 Implementation	Alameda	MTC	\$150,000	
Hayward: SB743 Implementation	Alameda	MTC	\$150,000	
Oakland: ADU Initiative	Alameda	MTC	\$200,000	
Oakland: Innovative Construction Initiative	Alameda	MTC	\$200,000	
Concord: VMT-based Transportation Impact Standards	Contra Costa	MTC	\$150,000	
Concord: Galindo Street Corridor Plan	Contra Costa	MTC	\$200,000	
Lafayette: Updated Parking Ordinance and Strategies	Contra Costa	MTC	\$150,000	
San Jose: PDA/Citywide Design Guidelines	Santa Clara	MTC	\$200,000	
Windsor: Parking Management and Pricing	Sonoma	MTC	\$35,000	
Technical Assistance				
Marin/Sonoma VMT Implementation Group	Marin, Sonoma	MTC	\$170,000	
Napa/Solano VMT Implementation Group	Napa, Solano	MTC	\$170,000	
Various Jurisdictions: VMT Implementation Group	Various	MTC	\$140,000	
Emeryville: Developing the Highest and Best Use of the Public Curb	Alameda	MTC	\$65,000	
Hayward: Micro Mobility/Safety Program	Alameda	MTC	\$75,000	
Oakland: General Plan Framework - PDA Community Engagement Program	Alameda	MTC	\$65,000	
San Leandro: BayFair TOD Infrastructure Design/Finance	Alameda	MTC	\$150,000	
San Francisco: Mission-San Jose PDA Housing Feasibility Analysis	San Francisco	MTC	\$65,000	
San Francisco: PDA Density Bonus Program	San Francisco	MTC	\$65,000	
Belmont: Transportation Demand Management Program	San Mateo	MTC	\$65,000	
San Mateo: TDM Ordinance	San Mateo	MTC	\$150,000	
Santa Rosa/Sonoma County: Renewal Enterprise District	Sonoma	MTC	\$150,000	
San Jose: Urban Villages District Parking & Rezoning	Santa Clara	MTC	\$120,000	
BART AB2923 Implementation	Various	BART	\$1,000,000	
Community-Based Transportation Plan (CBTP) Updates	Regionwide	MTC		
ACTC: CMA Planning (for Community-Based Transportation Plans)	Alameda	MTC	\$300,000	
CCTA: Community-Based Transportation Plans	Contra Costa	MTC	\$215,000	
TAM: Community-Based Transportation Plans	Marin	MTC	\$75,000	
NVTA: Community-Based Transportation Plans	Napa	MTC	\$75,000	



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**OBAG 2 Regional Programs Project List**

PROJECT CATEGORY AND TITLE	COUNTY	SPONSOR	Total STP/CMAQ	Other
<b>OBAG 2 REGIONAL PROGRAMS</b>				
SFCTA: Community-Based Transportation Plans	San Francisco	MTC	\$175,000	
C/CAG: Community-Based Transportation Plans	San Mateo	MTC	\$120,000	
VTA: Community-Based Transportation Plans	Santa Clara	MTC	\$300,000	
STA: Community-Based Transportation Plans	Solano	MTC	\$95,000	
SCTA: Community-Based Transportation Plans	Sonoma	MTC	\$110,000	
CBTP Program Evaluation	Regionwide	MTC	\$35,000	
<b>3. PDA PLANNING &amp; IMPLEMENTATION</b>			<b>TOTAL:</b>	<b>\$20,000,000</b>
<b>4. CLIMATE INITIATIVES</b>				
Climate Initiatives			\$9,012,406	
Spare the Air & EV Program Outreach (for Electric Vehicle Programs)	Regionwide	BAAQMD	\$10,000,000	
Mobility Hubs Pilot Program				
Mobility Hubs Technical Assistance	Various	MTC	\$150,000	
BART: MacArthur BART Station	Alameda	BART	\$539,084	
San Ramon: Bishop Ranch Business Park	Contra Costa	San Ramon	\$387,600	
SFMTA: Temporary Transbay Terminal (Vacant Site)	San Francisco	SFMTA	\$340,760	
Burlingame: Caltrain Station - Burlingame Square Transit Hub	San Mateo	Burlingame	\$500,000	
Millbrae: BART and Caltrain Station - Millbrae Transit Center	San Mateo	Millbrae	\$345,150	
Mountain View: Caltrain Station - Mountain View Transit Center	Santa Clara	Mountain View	\$200,000	
Vallejo: Vallejo Ferry Terminal	Solano	Vallejo	\$200,000	
Targeted Transportation Alternatives	Regionwide	MTC	\$325,000	
Spare the Air Youth Program - 2	Regionwide	MTC	\$1,417,000	
<b>4. CLIMATE INITIATIVES</b>			<b>TOTAL:</b>	<b>\$23,417,000</b>
<b>5. REGIONAL ACTIVE OPERATIONAL MANAGEMENT</b>				
Active Operational Management				
AOM Implementation	Regionwide	MTC	\$23,737,000	
Bay Area 511 Traveler Information				
511 Next Gen	Regionwide	MTC	\$26,148,000	
511 Implementation	Regionwide	MTC	\$7,450,000	
Rideshare				
Rideshare Implementation	Regionwide	MTC	\$720,000	
Carpool Program	Regionwide	MTC	\$7,280,000	
Vanpool Program	Regionwide	MTC	\$2,000,000	
Commuter Benefits Implementation	Regionwide	MTC	\$674,000	
Commuter Benefits Program	Regionwide	MTC	\$1,111,000	
Napa Valley Transportation Demand Strategies (Fund Exchange)	Napa	MTC/NVTA		\$1,100,000
Bay Bridge Forward 2018				
Transbay Higher Capacity Bus Fleet/Increased Service Frequencies	Alameda	AC Transit	\$1,200,000	
Pilot Transbay Express Bus Routes	Alameda	AC Transit	\$800,000	
Eastbay Commuter Parking	Alameda	MTC	\$2,500,000	
Transbay Higher Capacity Bus Fleet/Increased Service Frequencies	Contra Costa	WestCat	\$2,000,000	
Bay Bridge Forward 2020				
Preliminary Engineering	Alameda	MTC	\$12,000,000	
Dumbarton Forward				
SR 84 (US 101 to I-880) Dumbarton Forward	Alameda/San Mateo	MTC	\$4,375,000	
Richmond-San Rafael Bridge Forward				
Richmond-San Rafael Bridge Bikeway Access (Fund Exchange)	Contra Costa	Richmond		\$500,000
Richmond-San Rafael Bridge Forward (Fund Exchange)	Contra Costa	MTC		\$1,160,000
Freeway Performance Program				
Freeway Performance Program				
FPP: I-880 (I-80 to I-280)	Alameda/Santa Clara	MTC	\$3,000,000	
FPP: I-880 Optimized Corridor Operations		MTC	\$2,240,000	
FPP: I-580 WB HOV Lane Extension (SR 24 to I-80/SFOBB approach) PL & ENV Or	Alameda	MTC	\$625,000	
FPP: I-80 (Carquinez Bridge to Fremont St., SF) PL only	ALA/CC/SF	MTC	\$3,000,000	
FPP: CC I-680 NB HOV/Express Lanes (Ala Co. to Sol Co.)	Contra Costa	MTC	\$10,000,000	
FPP: I-80 Central Ave Interchange Improvements	Contra Costa	Richmond	\$2,000,000	
FPP: SR 37 (US 101 to I-80) PL only	MRN/NAP/SOL	MTC	\$1,000,000	
FPP: Napa Valley Forward Traffic Calming & Multimodal Imps.	NAP	MTC	\$1,000,000	
FPP: US 101 (SR 85 to San Francisco Co. Line)	SM / SCL	MTC	\$3,000,000	
FPP: SCTA US 101/Marin Sonoma Narrows (MSN) B2 Phase 2	Sonoma	SCTA	\$1,000,000	
Program for Arterial System Synchronization (PASS)	Regionwide	MTC	\$5,000,000	
Innovative Deployments for Enhanced Arterials (IDEA)				
IDEA Technical Assistance	Various	MTC	\$1,532,000	
IDEA Category 1				
AC Transit: Dumbarton Express Route (SR84)	Various	MTC	\$2,300,000	
Alameda: Webster & Posey Tubes (SR 260), Park St	Alameda	MTC	\$276,000	
Hayward: Various Locations	Alameda	MTC	\$302,000	
Oakland: Bancroft Ave	Alameda	MTC	\$310,000	
Pleasanton: Various Locations	Alameda	MTC	\$290,000	

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<b>OBAG 2 REGIONAL PROGRAMS</b>				
			<b>\$652,365,885</b>	<b>\$131,433,260</b>
Union City: Union City Blvd & Decoto Rd	Alameda	MTC	\$710,000	
San Ramon: Bollinger Canyon Rd & Crow Canyon Rd	Contra Costa	MTC	\$563,000	
San Rafael: Downtown San Rafael	Marin	MTC	\$830,000	
South San Francisco: Various Locations	San Mateo	MTC	\$532,000	
San Jose: Citywide	Santa Clara	MTC	\$1,400,000	
<b>IDEA Category 2</b>				
LAVTA/Dublin: Citywide	Alameda	MTC	\$385,000	
Emeryville: Powell, Shellmound, Christie & 40th St	Alameda	MTC	\$785,000	
Concord: Concord Blvd, Clayton Rd & Willow Pass Rd (Fund Exchange)	Contra Costa	MTC		\$589,000
MTC Concord Blvd, Clayton Rd & Willow Pass Rd (Fund Exchange)	Contra Costa	MTC		\$30,000
Walnut Creek: Various locations (Fund Exchange)	Contra Costa	MTC		\$621,000
Los Gatos: Los Gatos Blvd	Santa Clara	MTC	\$700,000	
VTA: Veterans Admin. Palo Alto Medical Center	Santa Clara	VTA	\$845,000	
Connected Vehicles/Automated Vehicles (CAV)	Regionwide	MTC	\$178,000	
VTA: Palo Alto Advanced Transit Passenger Management	Santa Clara	MTC	\$826,000	
SFCTA/TIMMA: Treasure Island Automated Shuttle Pilot	San Francisco	MTC	\$828,000	
Technical Advisory Services	Regionwide	MTC	\$268,000	
Project Evaluations	Regionwide	MTC	\$400,000	
Shared Use Mobility	Regionwide	MTC	\$2,500,000	
<b>Connected Bay Area</b>				
TMS Implementation	Regionwide	MTC	\$2,910,000	
TMC Asset Upgrade and Replacement	Regionwide	MTC	\$1,150,000	
I-880 Communication Upgrade and Infrastructure Gap Closures	Various	MTC/Caltrans	\$11,940,000	
Regional Communications Infrastructure Upgrade	Regionwide	MTC	\$3,000,000	
<b>Incident Management</b>				
Incident Management Implementation	Regionwide	MTC	\$4,160,000	
I-880 ICM Northern	Alameda	MTC	\$6,200,000	
I-880 ICM Central	Alameda	MTC	\$2,640,000	
Unprogrammed Balance	TBD	TBD	\$380,000	
<b>5. REGIONAL ACTIVE OPERATIONAL MANAGEMENT</b>			<b>TOTAL:</b>	<b>\$173,000,000</b>
<b>6. TRANSIT PRIORITIES</b>				
BART Car Replacement/Expansion	Various	BART	\$99,800,000	
GGB Suicide Deterrent (for BART Car Replacement/Expansion)	SF/Marin	GGBH&TD	\$9,760,668	\$30,239,332
Clipper	Regionwide	MTC	\$34,200,000	
Unprogrammed Balance			\$15,283,000	
<b>6. TRANSIT PRIORITIES</b>			<b>TOTAL:</b>	<b>\$159,043,668</b>
<b>7. PRIORITY CONSERVATION AREA (PCA)</b>				
<b>Regional Peninsula, Southern and Eastern Counties PCA Grant Program</b>				
Bay Area GreenPrint: PCA Functionality Imps	Regionwide	MTC/GreenInfo Network		\$30,000
PCA Grant Implementation	Regionwide	MTC/Coastal Conservancy		\$500,000
Alameda County: Niles Canyon Trail, Phase 1	Alameda	Alameda County		\$321,000
Livermore: Arroyo Road Trail	Alameda	Livermore		\$400,000
WOEIP/Urban Biofilter: Adapt Oakland Urban Greening in West Oakland	Alameda	WOEIP/Urban Biofilter		\$300,000
EBRPD: Bay Trail at Point Molate (RSR Bridge to Point Molate Beach Park)	Contra Costa	EBRPD		\$1,000,000
JMLT: Pacheco Marsh/Lower Walnut Creek Restoration and Public Access	Contra Costa	John Muir Land Trust		\$950,000
SFCTA: Yerba Buena Island Multi-Use Pathway (PE/ENV)	San Francisco	SFCTA	\$1,000,000	
San Francisco: McLaren Park and Neighborhood Connections Plan	San Francisco	SF Recreation and Parks		\$194,000
San Francisco/Coastal Conservancy: Twin Peaks Trail Improvement	San Francisco	SF Rec and Park/Conservancy		\$74,000
GGNPC/NPS: Rancho Corral de Tierra Unit Management Plan Engagement	San Mateo	National Parks Service		\$200,000
SMCHD: Pillar Point Public Access Improvements	San Mateo	San Mateo Co. Harbor District		\$298,000
Menlo Park: Bedwell Bayfront Park Entrance Improvements	San Mateo	Menlo Park		\$520,000
San Mateo Co.: Colma Creek Adaptation Study (Colma Creek Connector)	San Mateo	San Mateo Co.		\$110,000
San Mateo Co.: San Bruno Mtn. Habitat Conservation Plan Grazing Pilot	San Francisco	San Mateo Co.		\$137,900
South San Francisco: Sign Hill Conservation and Trail Master Plan	San Francisco	South San Francisco		\$135,100
Point Blue: Pajaro River Watershed: Habitat Restoration and Climate Resilient Imp	Santa Clara	Point Blue Conservation Science		\$379,000
SCVOSA: Coyote Ridge Open Space Preserve Public Access, Phase 1	Santa Clara	Point Blue Conservation Science		\$400,000
SCVOSA: Tilton Ranch Acquisition	Santa Clara	Santa Clara Valley Open Space Auth.		\$1,000,000
VTA: SR17 Bicycle/Ped Trail & Wildlife Overcrossing (Fund Exchange)	Santa Clara	VTA	\$251,000	
<b>North Bay PCA Grant Program</b>				
Marin Co: Hicks Valley/Wilson Hill/Marshall-Petaluma Rehab. (for Corte Madera)	Marin	Marin County	\$312,000	
Marin Co: Hicks Valley/Wilson Hill/Marshall-Petaluma Rd Rehab	Marin	Marin County	\$869,000	
Novato: Nave Dr/Bell Marin Keys Rehabilitation (for Hill Recreation Area Imps.)	Marin	Novato	\$104,000	
Novato: Vineyard Rd Improvements (for Hill Recreation Area Imps.)	Marin	Novato	\$265,000	
National Parks Service: Fort Baker's Vista Point Trail	Marin	NPS	\$500,000	
NVTA: Vine Trail - St. Helena to Calistoga	Napa	NVTA	\$711,000	
Napa: Vine Trail - Soscol Ave Corridor	Napa	Napa	\$650,000	
Napa County: Silverado Trail Rehabilitation - Phase L	Napa	Napa County	\$689,000	

**Attachment B-1**  
**MTC Resolution No. 4202**  
**OBAG 2 Regional Programs**  
**FY 2017-18 through FY 2021-22**  
**June 2022**

MTC Res. No. 4202 Attachment B-1

Adopted: 11/18/15-C

Revised: 07/27/16-C 10/26/16-C 12/21/16-C 03/22/17-C 05/24/17-C 06/28/17-C 07/26/17-C 09/27/17-C  
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 07/28/21-C 09/22/21-C 01/26/22-C 03/23/22-C 04/27/22-C 06/22/22-C

**OBAG 2 Regional Programs Project List**

PROJECT CATEGORY AND TITLE	COUNTY	SPONSOR	Total STP/CMAQ	Other
<b>OBAG 2 REGIONAL PROGRAMS</b>				
Solano County: Suisun Valley Farm-to-Market - Phase 3 Bike Imps	Solano	Solano County	\$2,050,000	
Sonoma County: Crocker Bridge Bike/Pedestrian Bridge	Sonoma	Sonoma County	\$1,280,000	
Sonoma County: Joe Rodota Trail Bridge Replacement	Sonoma	Sonoma County	\$770,000	
<b>7. PRIORITY CONSERVATION AREA (PCA)</b>			<b>TOTAL:</b>	<b>\$9,451,000</b>
<b>8. BAY AREA HOUSING INITIATIVES</b>				
Bay Area Preservation Pilot (BAPP)	Regionwide	MTC		\$10,000,000
Housing Incentive Pool	TBD	TBD	\$25,000,000	
<b>Sub-HIP Pilot Program</b>				
Fairfield: Pavement Preservation/Rehabilitation (for One Lake Apts. Linear Park Tr	Solano	Fairfield	\$2,100,000	
Vacaville: Pavement Preservation/Rehabilitation (for Allison PDA Affordable Hous	Solano	Vacaville	\$1,900,000	
Marin County: Marin City Pedestrian Crossing Imps.	Marin	Marin County	\$300,000	
NVTA: Imola Park and Ride	Napa	NVTA	\$300,000	
Santa Rosa: Downtown Multi-modal and Fiber Improvements	Sonoma	Santa Rosa	\$400,000	
<b>8. BAY AREA HOUSING INITIATIVES</b>			<b>TOTAL:</b>	<b>\$30,000,000</b>
<b>9. SAFE &amp; SEAMLESS MOBILITY QUICK-STRIKE</b>				
County & Local				
Alameda				
CTA planning & programming (for Youth and Adult Bicycle Promotion & Education)	Alameda	ACTC	\$160,000	
Alameda County Safe Routes to Schools	Alameda	ACTC	\$1,500,000	
CTA planning & programming	Alameda	ACTC	\$354,000	
AC Transit Tempo Quick Build Transit Lane Delineation	Alameda	AC Transit	\$300,000	
AC Transit Quick Builds Transit Lanes	Alameda	AC Transit	\$954,000	
Anita Avenue Safe and Accessible Route to School and Transit	Alameda	Alameda County	\$2,000,000	
BART Fare Collection Equipment (for Oakland East Bay Greenway Segment II)	Alameda	BART/Oakland		\$1,000,000
Fremont Boulevard/Walnut Avenue Protected Intersection	Alameda	Fremont	\$1,271,000	
Fremont Boulevard/Grimmer Boulevard Protected Intersection	Alameda	Fremont	\$1,415,000	
LAVTA Passenger Facilities Enhancements	Alameda	LAVTA		\$2,000,000
Oakland 14th Street Complete Streets	Alameda	Oakland		\$1,000,000
Contra Costa				
CTA planning & programming	Contra Costa	CCTA	\$242,000	
BART Fare Collection Equipment (for Lafayette Town Center Pathway and BART Bik	Contra Costa	BART / Lafayette		\$1,825,000
BART Fare Collection Equipment (for Bicycle, Pedestrian, and ADA Imps. at Pittsbur	Contra Costa	BART		\$1,510,000
East Downtown Concord PDA Access & Safe Routes to Transit	Contra Costa	Concord	\$2,164,000	
Richmond 13th Street Complete Streets	Contra Costa	Richmond		\$2,821,000
Marin				
CTA planning & programming	Marin	TAM	\$141,000	
Marin County Bus Stop Improvements	Marin	Marin Transit	\$1,200,000	
SMART Pathway - San Rafael McInnis Pkwy to Smith Ranch Road	Marin	SMART	\$1,858,000	
Napa				
CTA planning & programming	Napa	NVTA	\$162,000	
Napa Valley Safe Routes to School	Napa	NVTA	\$100,000	
Napa Valley Forward: SR 29/Rutherford & Oakville Roundabouts	Napa	MTC	\$1,000,000	
San Francisco				
CTA planning & programming	San Francisco	SFCTA	\$180,000	
Downtown San Francisco Congestion Pricing Study	San Francisco	SFCTA	\$200,000	
Embarcadero Station Platform Elevator Capacity & Redundancy	San Francisco	BART	\$3,144,000	
San Francisco Folsom Streetscape	San Francisco	SFMTA		\$5,000,000
Safe Routes to School Non-Infrastructure Program	San Francisco	SFMTA	\$2,100,000	
San Mateo				
CTA planning & programming	San Mateo	C/CAG	\$183,000	
Planning and Programming of safe and seamless mobility	San Mateo	C/CAG	\$200,000	
Burlingame City-Wide Pedestrian Safe Routes and Mobility Imps	San Mateo	Burlingame	\$200,000	
San Bruno Transit Corridor Pedestrian Connection Phase 4	San Mateo	San Bruno	\$385,000	
Broadmoor SRTS Pedestrian Safety & Mobility Imps	San Mateo	San Mateo County	\$1,419,000	
El Camino Real Grand Boulevard Initiative Phase III	San Mateo	South San Francisco	\$2,120,000	
East of 101 Transit Expansion Project	San Mateo	South San Francisco	\$49,924	\$430,076
Santa Clara				
CTA planning & programming	Santa Clara	VTA	\$419,000	
Evaluating on-demand shuttle strategies for improved transit access	Santa Clara	VTA	\$200,000	
VTA Electronic Locker Upgrade and Replacement	Santa Clara	VTA	\$1,987,000	
Mountain View Stierlin Road Bicycle and Pedestrian Improvements	Santa Clara	Mountain View	\$2,521,000	\$1,486,000
San Jose Julian Street & McKee Road Vision Zero Complete Streets	Santa Clara	San Jose		\$705,000
San Jose Bascom Avenue Protected Bike Lanes & Complete Street	Santa Clara	San Jose		\$690,000
En Movimiento Quick Build Network for East San Jose	Santa Clara	San Jose		\$1,325,000
San Jose - Downtown Bikeways	Santa Clara	San Jose		\$4,025,000
Saratoga Blue Hills Elementary Pedestrian Crossing at UPRR	Santa Clara	Saratoga	\$1,800,000	
Sunnyvale Bicycle, Pedestrian and SRTS Safety Improvements	Santa Clara	Sunnyvale		\$1,900,000

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**MTC Resolution No. 4202**  
**OBAG 2 Regional Programs**  
**FY 2017-18 through FY 2021-22**  
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Adopted: 11/18/15-C

Revised: 07/27/16-C 10/26/16-C 12/21/16-C 03/22/17-C 05/24/17-C 06/28/17-C 07/26/17-C 09/27/17-C  
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**OBAG 2 Regional Programs Project List**

PROJECT CATEGORY AND TITLE	COUNTY	SPONSOR	Total STP/CMAQ	Other
<b>OBAG 2 REGIONAL PROGRAMS</b>			<b>\$652,365,885</b>	<b>\$131,433,260</b>
<b>Solano</b>				
CTA planning & programming	Solano	STA	\$110,000	
STA Mobility Planning	Solano	STA	\$200,000	
Solano Safe Routes to School Non-Infrastructure Program	Solano	STA	\$600,000	
Fairfield/Vacaville Hannigan Station Capacity Improvements	Solano	Fairfield	\$1,900,000	
Vallejo Springs Rd Pavement Preservation	Solano	Vallejo	\$1,800,000	
<b>Sonoma</b>				
CTA planning & programming	Sonoma	SCTA	\$135,000	
Countywide Active Transportation Plan	Sonoma	SCTA	\$200,000	
Cotati Downtown- Civic Center Connectivity and Safety Improvements	Sonoma	Cotati	\$242,000	\$1,008,000
Healdsburg Bike Share	Sonoma	Healdsburg	\$250,000	
Rohnert Park Pedestrian and Bicycle Safety Improvements	Sonoma	Rohnert Park	\$522,000	
Santa Rosa Transit Mall Roadbed Rehabilitation	Sonoma	Santa Rosa		\$868,000
Sebastopol SR 116 and Bodega Ave Pedestrian Access and Mobility Enhancements	Sonoma	Sebastopol	\$476,000	
SMART Pathway - Petaluma Payran to Lakeville	Sonoma	SMART	\$806,000	
<b>Regional &amp; Corridor</b>				
<b>Regional Planning</b>				
FasTrak START Pilot Evaluation Study	Regional	MTC	\$900,000	
Diridon Station Planning & Studies	Santa Clara	MTC	\$1,000,000	
<b>Regional and Corridor</b>				
Bay Bridge Forward: I-580 WB HOV Lane Extension	Alameda	MTC/ACTC		\$7,000,000
San Pablo Giant Road Cycletrack Quick-Build	Contra Costa	San Pablo	\$700,000	
Napa Valley Forward: SR 29/Rutherford & Oakville Roundabouts	Napa	MTC	\$6,000,000	
Redwood City Roosevelt Avenue Quick-Build	San Mateo	Redwood City	\$755,000	
<b>Transit Recovery Blue Ribbon Task Force</b>				
East Bay Integration and Coordination Implementation Planning	Contra Costa	CCTA	\$500,000	
Solano Integration and Coordination Implementation Planning	Solano	STA	\$500,000	
<b>Blue Ribbon Transit Recovery Action Plan (Revised)</b>	<b>Regional</b>	<b>MTC</b>	<b>\$750,000</b>	
<b>Accessibility: Centralized Program Eligibility Verification (Revised)</b>	<b>Regional</b>	<b>MTC</b>	<b>\$500,000</b>	
Accessibility: Clipper for Centralized Program Eligibility Verification	Regional	MTC	\$900,000	
<b>Bay Bridge Forward: Preliminary Engineering (Added)</b>	<b>Regional</b>	<b>MTC</b>	<b>\$1,250,000</b>	
Customer Information: Mapping & Wayfinding	Regional	MTC	\$2,791,538	
<b>9. SAFE &amp; SEAMLESS MOBILITY QUICK-STRIKE</b>			<b>TOTAL:</b>	<b>\$54,466,462</b>
<b>10. REGIONAL STRATEGIC INVESTMENTS (RSI)</b>				<b>\$34,593,076</b>
AC Transit Bus Purchase (for Solano I-80 Express Lanes)	Alameda, Contra Costa	AC Transit	\$4,667,000	
<b>SR 84 Ardenwood Intermodal Bus Facility PA&amp;ED (Fund Exchange) (Added)</b>	<b>Alameda</b>	<b>CCJPA</b>	<b>\$100,000</b>	
CC I-680 NB HOV/Express Lanes Ala Co to Sol Co (Fund Exchange)	Contra Costa	CCTA/MTC	\$4,000,000	
GGB Suicide Deterrent System	Marin	GGBHTD	\$7,910,000	
Pavement Rehab (for Downtown Novato SMART Station)	Marin	Novato	\$617,000	
Old Redwood Highway Multi-Use Pathway	Marin	Larkspur	\$1,120,000	
Grand Ave Bridge	Marin	San Rafael	\$763,000	
Grand Ave Bike/Ped Imps (for SMART 2nd to Andersen Pathway)	Marin	San Rafael	\$1,000,000	
US 101 Marin-Sonoma Narrows	Marin	TAM	\$2,000,000	
US 101 Marin-Sonoma Narrows (MSN) B7 (Loan for RM3)	Marin	TAM	\$61,708,245	\$13,942,852
Diridon Station Planning & Studies	Santa Clara	MTC	\$1,000,000	
VTA: Highway 17 Bicycle/Pedestrian Trail and Wildlife Overcrossing (Fund Exchange)	Santa Clara	VTA	\$249,000	
Broadmoor SRTS Pedestrian Safety & Mobility Imps	San Mateo	San Mateo County	\$184,000	
I-80 Express Lanes in Solano County (Loan for RM3)	Solano	STA	\$63,464,510	\$3,255,000
I-80 Express Lanes in Solano County (Toll System)	Solano	BAIFA		\$28,454,000
US 101/Marin Sonoma Narrows (MSN) B2 Phase 2 (Fund Exchange)	Sonoma	SCTA	\$15,400,000	
<b>10. REGIONAL STRATEGIC INVESTMENTS (RSI)</b>			<b>TOTAL:</b>	<b>\$164,182,755</b>
<b>OBAG 2 REGIONAL PROGRAMS</b>			<b>TOTAL:</b>	<b>\$652,365,885</b>
				<b>\$131,433,260</b>

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## MTC Resolution No. 4202

Adopted: 11/18/15-C

## OBAG 2 County Programs

Revised: 07/27/16-C 12/21/16-C 04/26/17-C 06/28/17-C 11/15/17-C 12/20/17-

## FY 2017-18 through FY 2021-22

C 02/28/18-C 05/23/18-C 06/27/18-C 09/26/18-C 12/19/18-C 01/23/19-C

## May 2022

06/26/19-C 09/25/19-C 11/20/19-C 02/26/20-C 09/23/20-C 07/28/21-C

11/17/21-C 12/15/21-C 02/23/22-C 04/27/22-C 05/25/22-C

## OBAG 2 County Programs Project List

PROJECT CATEGORY AND TITLE	SPONSOR	STP/CMAQ
<b>OBAG 2 COUNTY PROGRAMS</b>		<b>\$385,512,000</b>
<b>ALAMEDA COUNTY</b>		
CMA Planning Activities		
Planning Activities Base	ACTC	\$5,489,000
Planning Activities - Supplemental	ACTC	\$2,800,000
Federal Aid Secondary (FAS)		
Alameda County: Various Streets & Roads Preservation	Alameda County	\$1,779,000
Safe Routes To School (SRTS)		
ACTC: Alameda County SRTS Non-Infrastructure Program	ACTC	\$5,340,000
County Program		
ACTC: Alameda County SRTS Non-Infrastructure Program - Supplemental (Revised)	ACTC	<b>\$2,579,000</b>
Alameda: Central Ave Complete Street	Alameda	\$3,487,000
Alameda: Grand St Pavement Resurfacing & Safety Improvements	Alameda	\$827,000
Alameda: Clement Ave Complete Street	Alameda	\$5,018,000
Alameda County: Meekland Ave Corridor Improvement, Phase II	Alameda County	\$9,300,000
Alameda County: Various Streets and Roads Preservation	Alameda County	\$2,171,000
Albany: San Pablo Ave and Buchanan St Pedestrian Improvements	Albany	\$340,000
Berkeley: Southside Complete Streets & Transit Improvements	Berkeley	\$8,335,000
Dublin: Dublin Blvd Rehabilitation	Dublin	\$661,000
<b>Emeryville: Slurry Seal of Frontage Rd, 65th St, and Powell St (Removed)</b>	<b>Emeryville</b>	<b>\$225,000</b>
Fremont: Complete Streets Upgrade of Relinquished SR 84 in Centerville PDA	Fremont	\$7,695,000
Fremont: Various Streets and Roads Rehabilitation	Fremont	\$2,760,000
Hayward: Main St Complete Street	Hayward	\$1,675,000
<b>Hayward: Winton Ave Complete Street (Revised)</b>	Hayward	<b>\$88,000</b>
Livermore: Annual Pavement Preservation	Livermore	\$1,382,000
MTC: I-580 Corridor Study	MTC	\$200,000
Newark: Thornton Ave Pavement Rehabilitation	Newark	\$592,000
Oakland: Lakeside Family Streets	Oakland	\$4,792,000
Oakland: Citywide Various Streets and Roads Rehabilitation	Oakland	\$4,895,000
Piedmont: Oakland Ave Improvements	Piedmont	\$168,000
Pleasanton: Hacienda Business Park Pavement Rehabilitation	Pleasanton	\$1,095,000
San Leandro: Washington Ave Rehabilitation	San Leandro	\$1,048,000
Union City: Dyer Rd Pavement Rehabilitation	Union City	\$872,000
<b>Unprogrammed Balance (Added)</b>	<b>TBD</b>	<b>\$1,267,000</b>
<b>ALAMEDA COUNTY</b>	<b>TOTAL:</b>	<b>\$76,655,000</b>
<b>CONTRA COSTA COUNTY</b>		
CMA Planning Activities		
Planning Activities Base	CCTA	\$4,342,000
Federal Aid Secondary (FAS)		
Contra Costa County: Kirker Pass Rd Overlay	Contra Costa County	\$1,343,000
Safe Routes To School (SRTS)		
Antioch: L Street Pathway to Transit	Antioch	\$1,469,000
Concord: Willow Pass Road Rehab and SRTS	Concord	\$1,012,000
Contra Costa County: West County Walk & Bike Non-Infrastructure Prog.	Contra Costa County	\$561,000
Moraga: Moraga Way and Canyon Rd/Camino Pablo Improvements	Moraga	\$91,000
Pleasant Hill: Pleasant Hill Rd Improvements	Pleasant Hill	\$67,000
Richmond: Lincoln Elementary Pedestrian Enhancements	Richmond	\$497,000
San Ramon: San Ramon Valley Street Smarts Non-Infrastructure Program	San Ramon	\$391,000
County Program		
Antioch: Pavement Rehabilitation	Antioch	\$2,474,000
Brentwood: Various Streets and Roads Preservation	Brentwood	\$628,000
Clayton: Neighborhood Streets Rehabilitation	Clayton	\$308,000
Concord: Monument Blvd Class I Path	Concord	\$4,368,000
Concord: Willow Pass Road Rehab and SRTS	Concord	\$4,183,000
Contra Costa County: Local Streets and Roads Preservation	Contra Costa County	\$3,847,000

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Adopted: 11/18/15-C

## OBAG 2 County Programs

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11/17/21-C 12/15/21-C 02/23/22-C 04/27/22-C 05/25/22-C

## OBAG 2 County Programs Project List

PROJECT CATEGORY AND TITLE	SPONSOR	STP/CMAQ
<b>OBAG 2 COUNTY PROGRAMS</b>		<b>\$385,512,000</b>
Danville: Camino Ramon Improvements	Danville	\$1,357,000
Danville: San Ramon Valley Blvd. Imps. (for: Diablo Road Trail)	San Ramon	\$130,000
El Cerrito: Carlson Blvd and Central Ave Pavement Rehabilitation	El Cerrito	\$424,000
El Cerrito: El Cerrito del Norte TOD Complete Streets Imps	El Cerrito	\$4,960,000
Hercules: Sycamore/Willow Pavement Rehabilitation	Hercules	\$492,000
Lafayette: Pleasant Hill Rd Pavement Rehabilitation	Lafayette	\$579,000
Martinez: Downtown Streets Rehabilitation	Martinez	\$846,000
Moraga: Moraga Way and Canyon Rd/Camino Pablo Improvements	Moraga	\$596,000
Oakley: Street Repair and Resurfacing	Oakley	\$969,000
Orinda: Orinda Way Pavement Rehabilitation	Orinda	\$620,000
Pinole: San Pablo Ave Rehabilitation	Pinole	\$586,000
Pinole: Safety Improvements at Appian Way and Marlesta Rd	Pinole	\$350,000
Pittsburg: BART Pedestrian and Bicycle Connectivity Improvements	Pittsburg	\$3,870,000
Pittsburg: Pavement Improvements	Pittsburg	\$2,410,000
Pleasant Hill: Pleasant Hill Rd Improvements	Pleasant Hill	\$920,000
Richmond: ADA Improvements on 7th, Central, Cutting, Giant Hwy	Richmond	\$2,205,000
San Pablo: Giant Rd Pavement Rehabilitation	San Pablo	\$618,000
San Ramon: Alcosta Blvd Pavement Rehabilitation	San Ramon	\$1,175,000
San Ramon: Iron Horse Bike and Pedestrian Overcrossings	San Ramon	\$4,840,000
Walnut Creek: Ygnacio Valley Rd Rehabilitation	Walnut Creek	\$2,608,000
<b>CONTRA COSTA COUNTY</b>	<b>TOTAL:</b>	<b>\$56,136,000</b>
<b>MARIN COUNTY</b>		
CMA Planning Activities		
Planning Activities Base	TAM	\$3,822,000
Federal Aid Secondary (FAS)		
County of Marin receives FAS funding directly from Caltrans		
Safe Routes To School (SRTS)		
Corte Madera: Paradise Dr Multi-Use Path (San Clement Dr to Seawolf Passage)	Corte Madera	\$595,000
San Anselmo: San Anselmo Bike Spine	San Anselmo	\$269,000
County Program		
GGBHTD: San Rafael Bettini Transit Center	GGBHTD	\$1,250,000
Novato: Nave Dr and Bel Marin Keys Blvd Preservation (for Novato Downtown SMART S	Novato	\$1,450,000
San Anselmo: Sir Francis Drake Blvd Pavement Rehab and Crossing Imps	San Anselmo	\$1,134,000
San Rafael: Francisco Blvd East Sidewalk Improvements	San Rafael	\$2,100,000
Sausalito: US 101/Bridgeway/Gate 6 Bicycle Improvements	Sausalito	\$250,000
<b>MARIN COUNTY</b>	<b>TOTAL:</b>	<b>\$10,870,000</b>
<b>NAPA COUNTY</b>		
CMA Planning Activities		
Planning Activities Base	NVTA	\$3,822,000
Federal Aid Secondary (FAS)		
County of Napa receives FAS funding directly from Caltrans		
Safe Routes To School (SRTS)		
NVTA: Napa County SRTS Non-Infrastructure Program	NVTA	\$122,000
NVTA: Vine Trail Calistoga to St. Helena (Added)	NVTA	\$393,000
County Program		
NVTA: Vine Transit Bus Maintenance Facility	NVTA	\$2,000,000
NVTA: Vine Trail Calistoga to St. Helena (Added)	NVTA	\$1,813,000
<b>NAPA COUNTY</b>	<b>TOTAL:</b>	<b>\$8,150,000</b>

**OBAG 2 County Programs Project List**

PROJECT CATEGORY AND TITLE	SPONSOR	STP/CMAQ
<b>OBAG 2 COUNTY PROGRAMS</b>		<b>\$385,512,000</b>
<b>SAN FRANCISCO COUNTY</b>		
CMA Planning Activities		
Planning Activities Base	SFCTA	\$3,997,000
Planning Activities - Supplemental	SFCTA	\$1,900,000
Federal Aid Secondary (FAS)		
County of San Francisco is entirely urban and therefore does not receive FAS funding		
Safe Routes To School (SRTS)		
SFMTA: San Francisco SRTS Non-Infrastructure Program	SFMTA	\$1,797,000
County Program		
BART: Embarcadero Station New Northside Platform Elevator and Faregates	BART	\$2,000,000
Caltrain: Peninsula Corridor Electrification	Caltrain	\$11,188,000
SFMTA: Geary Bus Rapid Transit Phase 1	SFMTA	\$6,939,000
SFMTA: San Francisco SRTS Non-Infrastructure Program - Supplemental	SFMTA	\$1,016,000
SFMTA: Central Subway	SFMTA	\$15,980,000
SFDPW: Better Market Street	SFDPW	\$3,366,000
<b>SAN FRANCISCO COUNTY</b>	<b>TOTAL:</b>	<b>\$48,183,000</b>
<b>SAN MATEO COUNTY</b>		
CMA Planning Activities		
Planning Activities Base	C/CAG	\$3,822,000
Planning Activities - Supplemental	C/CAG	\$1,512,000
Federal Aid Secondary (FAS)		
County of San Mateo receives FAS funding directly from Caltrans		
Safe Routes To School (SRTS)		
C/CAG: San Mateo SRTS Non-Infrastructure Program	CCAG/COE	\$2,394,000
County Program		
Atherton: James Ave Rehabilitation	Atherton	\$251,000
Belmont: Various Streets Pavement Rehabilitation	Belmont	\$467,000
Belmont: Ralston Ave Corridor Bike/Ped Improvements	Belmont	\$1,000,000
Brisbane: Crocker Trail Commuter Connectivity Upgrades	Brisbane	\$885,000
Brisbane: Tunnel Ave Rehabilitation	Brisbane	\$137,000
Burlingame: Various Streets Resurfacing	Burlingame	\$571,000
Burlingame: Broadway PDA Lighting Improvements	Burlingame	\$720,000
Burlingame: Hoover School Area Sidewalk Improvements	Burlingame	\$700,000
C/CAG: San Mateo SRTS Non-Infrastructure Program - Supplemental	CCAG/COE	\$223,000
Colma: Mission Rd Bike/Ped Improvements	Colma	\$625,000
Daly City: Various Streets Pavement Resurfacing and Slurry Seal	Daly City	\$1,310,000
Daly City: Southgate Ave and School Street Safety Imps.	Daly City	\$450,000
East Palo Alto: Various Streets Resurfacing	East Palo Alto	\$416,000
Foster City: Various Streets Pavement Rehabilitation	Foster City	\$441,000
Half Moon Bay: Poplar Street Complete Streets	Half Moon Bay	\$1,202,000
Hillsborough: Various Streets Resurfacing	Hillsborough	\$408,000
Menlo Park: Santa Cruz and Middle Avenues Rehabilitation	Menlo Park	\$647,000
Millbrae: Various Streets Pavement Rehabilitation	Millbrae	\$387,000
Millbrae: Park Blvd, San Anselmo Ave, & Santa Teresa Way Imps.	Millbrae	\$347,000
Pacifica: Citywide Curb Ramp Replacements	Pacifica	\$400,000
Pacifica: Various Streets Pavement Rehabilitation	Pacifica	\$671,000
Pacifica: Palmetto Sidewalk Improvements	Pacifica	\$330,000
Portola Valley: Various Streets Resurfacing	Portola Valley	\$201,000
Redwood City: Twin Dolphin Parkway Overlay	Redwood City	\$1,266,000
San Bruno: Huntington Transit Corridor Bicycle/Pedestrian and Related Imps	San Bruno	\$914,000
San Bruno: Various Streets Pavement Rehabilitation	San Bruno	\$673,000
San Carlos: Cedar and Brittan Ave Pavement Rehabilitation	San Carlos	\$575,000
San Carlos: Ped Enhancements Arroyo/Cedar and Hemlock/Orange	San Carlos	\$500,000

## MTC Resolution No. 4202

Adopted: 11/18/15-C

## OBAG 2 County Programs

Revised: 07/27/16-C 12/21/16-C 04/26/17-C 06/28/17-C 11/15/17-C 12/20/17-

## FY 2017-18 through FY 2021-22

C 02/28/18-C 05/23/18-C 06/27/18-C 09/26/18-C 12/19/18-C 01/23/19-C

## May 2022

06/26/19-C 09/25/19-C 11/20/19-C 02/26/20-C 09/23/20-C 07/28/21-C

11/17/21-C 12/15/21-C 02/23/22-C 04/27/22-C 05/25/22-C

## OBAG 2 County Programs Project List

PROJECT CATEGORY AND TITLE	SPONSOR	STP/CMAQ
<b>OBAG 2 COUNTY PROGRAMS</b>		<b>\$385,512,000</b>
San Carlos: US 101/Holly Street Bike/Ped Overcrossing	San Carlos	\$1,000,000
San Mateo: Various Streets Pavement Rehabilitation	San Mateo	\$1,593,000
San Mateo: Laurie Meadows Ped/Bike Safety Improvements	San Mateo	\$987,000
San Mateo County: Canada Rd and Edgewood Rd Resurfacing	San Mateo County	\$892,000
San Mateo County: Countywide Pavement Maintenance	San Mateo County	\$1,072,000
South San Francisco: Various Streets Pavement Rehabilitation	South San Francisco	\$1,027,000
South San Francisco: Grand Boulevard Initiative Complete Street Imps	South San Francisco	\$1,000,000
Woodside: Various Streets Pavement Rehabilitation	Woodside	\$242,000
Woodside: Woodside Pathway Phase 3	Woodside	\$136,000
Unprogrammed balance	TBD	\$151,000
<b>SAN MATEO COUNTY</b>	<b>TOTAL:</b>	<b>\$32,545,000</b>
<b>SANTA CLARA COUNTY</b>		
CMA Planning Activities		
Planning Activities Base	VTA	\$6,078,000
Planning Activities - Supplemental	VTA	\$4,822,000
Federal Aid Secondary (FAS)		
Santa Clara County: Uvas Rd Rehabilitation	Santa Clara County	\$1,701,000
Safe Routes To School (SRTS)		
Campbell: Eden Ave Sidewalk Improvements	Campbell	\$555,000
Cupertino: McClellan Rd Separated Bike Lane	Cupertino	\$1,000,000
<b>Palo Alto: Waverley Multi Use Path, E. Meadow &amp; Fabian Bikeways (Removed)</b>	<b>Palo Alto</b>	<b>\$919,000</b>
<b>Los Gatos: Los Gatos Creek Trail to Highway 9 Trailhead Connection (Revised)</b>	<b>Los Gatos</b>	<b>\$919,000</b>
San Jose: Mount Pleasant Schools Area Pedestrian & Bicycle Safety Imps.	San Jose	\$1,000,000
Santa Clara: Santa Clara Schools Access Improvements	Santa Clara	\$1,146,000
Santa Clara: Saratoga Creek Trail Phase 1	Santa Clara	\$339,000
Sunnyvale: Homestead Rd at Homestead High School Ped & Bike Imps.	Sunnyvale	\$1,000,000
Sunnyvale: Pedestrian and Bicyclist Infrastructure Improvements	Sunnyvale	\$919,000
County Program		
Campbell: Campbell PDA Enhancements	Campbell	\$550,000
Campbell: Winchester Boulevard Overlay	Campbell	\$554,000
Campbell: Harriet Ave Sidewalk Project	Campbell	\$447,328
Cupertino: Pavement Management Program	Cupertino	\$769,000
<b>Cupertino: Stevens Creek Boulevard Class IV Bike Lanes (Added)</b>	<b>Cupertino</b>	<b>\$807,000</b>
Gilroy: Downtown Monterey St Rehabilitation	Gilroy	\$1,028,000
Los Altos: Fremont Ave Asphalt Concrete Overlay	Los Altos	\$336,000
<b>Los Gatos: Los Gatos Creek Trail to Highway 9 Trailhead Connection (Revised)</b>	<b>Los Gatos</b>	<b>\$2,775,000</b>
Los Gatos: Shannon Rd Complete Streets	Los Gatos	\$940,100
Milpitas: Various Streets Resurfacing	Milpitas	\$1,609,000
Morgan Hill: East Dunne Ave Pavement Rehabilitation	Morgan Hill	\$857,000
Mountain View: Shoreline Boulevard Pathway Improvements	Mountain View	\$1,996,000
Mountain View: West Middlefield Road Improvements	Mountain View	\$1,136,000
Palo Alto: Adobe Creek/Highway 101 Bicycle Pedestrian Bridge	Palo Alto	\$4,350,000
Palo Alto: North Ventura Coordinated Area Plan	Palo Alto	\$638,000
Palo Alto: Various Streets Resurfacing	Palo Alto	\$1,009,000
San Jose: Downtown San Jose Mobility, Streetscape, and Public Life Plan	San Jose	\$813,000
San Jose: East Side Alum Rock (east of 680) Urban Village Plan	San Jose	\$400,000
San Jose: Julian & St. James Livable Streets Couplet Conversion	San Jose	\$2,067,572
San Jose: McKee Road Vision Zero Priority Safety Corridor Improvements	San Jose	\$8,623,000
San Jose: Various Streets Pavement Rehabilitation	San Jose	\$14,597,000
San Jose: Tully Road Vision Zero Priority Safety Corridor Improvements	San Jose	\$8,599,000
San Jose: West San Carlos Urban Village Streetscape Improvements	San Jose	\$3,582,000
<b>Santa Clara: Hetch-Hetchy Trail Phase 1 (Removed)</b>	<b>Santa Clara</b>	<b>\$790,000</b>
<b>Santa Clara: San Tomas Aquino Creek Trail Underpass (Removed)</b>	<b>Santa Clara</b>	<b>\$2,449,000</b>
Santa Clara: Saratoga Creek Trail Phase 1	Santa Clara	\$3,396,000
Santa Clara: Streets & Roads Preservation	Santa Clara	\$2,356,000



## MTC Resolution No. 4202

Adopted: 11/18/15-C

## OBAG 2 County Programs

Revised: 07/27/16-C 12/21/16-C 04/26/17-C 06/28/17-C 11/15/17-C 12/20/17-

## FY 2017-18 through FY 2021-22

C 02/28/18-C 05/23/18-C 06/27/18-C 09/26/18-C 12/19/18-C 01/23/19-C

## May 2022

06/26/19-C 09/25/19-C 11/20/19-C 02/26/20-C 09/23/20-C 07/28/21-C

11/17/21-C 12/15/21-C 02/23/22-C 04/27/22-C 05/25/22-C

## OBAG 2 County Programs Project List

PROJECT CATEGORY AND TITLE	SPONSOR	STP/CMAQ
<b>OBAG 2 COUNTY PROGRAMS</b>		<b>\$385,512,000</b>
Santa Clara County: Capitol Expressway Rehabilitation	Santa Clara County	\$5,000,000
Santa Clara County: McKean Rd Pavement Rehabilitation	Santa Clara County	\$1,151,000
Saratoga: Prospect Rd Complete Streets	Saratoga	\$1,075,000
Saratoga: Saratoga Village Crosswalks & Sidewalks Rehabilitation	Saratoga	\$338,000
Sunnyvale: Bernardo Avenue Bicycle Underpass - EIR	Sunnyvale	\$500,000
Sunnyvale: East Sunnyvale Area Sense of Place Improvements	Sunnyvale	\$1,701,000
Sunnyvale: Fair Oaks Avenue Bikeway - Phase 2	Sunnyvale	\$782,000
Sunnyvale: Java Drive Road Diet & Bike Lanes	Sunnyvale	\$500,000
Sunnyvale: Lawrence Station Area Sidewalks & Bike Facilities	Sunnyvale	\$500,000
Sunnyvale: Peery Park Sense of Place Improvements	Sunnyvale	\$2,686,000
Sunnyvale: Traffic Signal Upgrades	Sunnyvale	\$2,566,000
VTA/Milpitas: Montague Exwy Pedestrian Overcrossing at Milpitas BART	VTA/Milpitas	\$3,560,000
<b>SANTA CLARA COUNTY</b>	<b>TOTAL:</b>	<b>\$104,073,000</b>
<b>SOLANO COUNTY</b>		
CMA Planning Activities		
Planning Activities Base	STA	\$3,822,000
Planning Activities - Supplemental	STA	\$3,039,000
Federal Aid Secondary (FAS)		
Solano County: County Roads Paving	Solano County	\$506,000
Solano County: Farm to Market Phase 2 Imps	Solano County	\$1,000,000
Safe Routes To School (SRTS)		
Fairfield: Grange Middle School SRTS Imps	Fairfield	\$260,000
STA: Countywide SRTS Non-Infrastructure Program	STA	\$1,209,000
County Program		
Benicia: Park Rd Improvements	Benicia	\$2,731,000
Fairfield: Cadenasso Dr Repaving	Fairfield	\$1,394,000
Suisun City: Railroad Ave Repaving	Suisun City	\$491,000
STA: Vacaville Jepson Parkway Phase 3 Bike Path	STA	\$1,407,000
STA: Solano Mobility Call Center	STA	\$1,537,000
Vacaville: VacaValley/I-505 Roundabouts	Vacaville	\$1,907,000
Vacaville: Local Streets Overlay	Vacaville	\$1,193,000
Vallejo: Sacramento St Rehabilitation	Vallejo	\$681,000
<b>SOLANO COUNTY</b>	<b>TOTAL:</b>	<b>\$21,177,000</b>
<b>SONOMA COUNTY</b>		
CMA Planning Activities		
Planning Activities Base	SCTA	\$3,822,000
Planning Activities - Supplemental	SCTA	\$1,178,000
Federal Aid Secondary (FAS)		
Sonoma County: River Road Pavement Rehabilitation	Sonoma County	\$3,264,000
Safe Routes To School (SRTS)		
SCTA: Sonoma County Safe Routes To School (SRTS)	SCTA	\$1,655,000
County Program		
Cotati: E. Cotati Avenue Street Rehabilitation	Cotati	\$675,000
Healdsburg: Healdsburg Avenue Road Diet	Healdsburg	\$600,000
Petaluma: Petaluma Boulevard South Road Diet	Petaluma	\$2,916,000
SMART: Petaluma SMART Pathway	SMART	\$400,000
Rohnert Park: Various Streets Rehabilitation	Rohnert Park	\$1,035,000
Santa Rosa: US 101 Bicycle and Pedestrian Bridge Overcrossing	Santa Rosa	\$1,418,000
Santa Rosa: Various Streets Rehabilitation	Santa Rosa	\$1,655,000
Sebastopol: Bodega Avenue Bike Lanes and Pavement Rehabilitation	Sebastopol	\$1,195,000
Sonoma (City) : New Fryer Creek Bicycle and Pedestrian Bridge	Sonoma (City)	\$501,000
Sonoma County: Various County Roads Rehabilitation	Sonoma County	\$2,600,000

**Attachment B-2**  
**MTC Resolution No. 4202**  
**OBAG 2 County Programs**  
**FY 2017-18 through FY 2021-22**  
**May 2022**

MTC Res. No. 4202 Attachment B-2

Adopted: 11/18/15-C

Revised: 07/27/16-C 12/21/16-C 04/26/17-C 06/28/17-C 11/15/17-C 12/20/17-  
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**OBAG 2 County Programs Project List**

<b>PROJECT CATEGORY AND TITLE</b>	<b>SPONSOR</b>	<b>STP/CMAQ</b>
<b>OBAG 2 COUNTY PROGRAMS</b>		<b>\$385,512,000</b>
Sonoma County: New Crocker Bridge Bike and Pedestrian Passage	Sonoma County	\$1,809,000
Windsor: Windsor River Road at Windsor Road Intersection Imps	Windsor	\$3,000,000
<b>SONOMA COUNTY</b>	<b>TOTAL:</b>	<b>\$27,723,000</b>
<b>OBAG 2 COUNTY PROGRAMS</b>	<b>TOTAL:</b>	<b>\$385,512,000</b>

# APPENDIX A – 18

## *Regional Policies: Project Funding and Specific Funding Programs*

**Project Selection Policies and Project Programming for the  
Third Round of the One Bay Area Grant Program (OBAG 3)**

**MTC Resolution No. 4505**



Date: January 26, 2022  
W.I.: 1512  
Referred by: PAC  
Revised: 02/23/22-C 03/23/22-C 06/22/23-C

ABSTRACT

Resolution No. 4505, Revised

Adoption of the project selection and programming policies for the third round of the One Bay Area Grant program (OBAG 3). The project selection and programming policies contain the project categories that are to be funded with various fund sources, including federal surface transportation act funding assigned to MTC for programming, to implement the Regional Transportation Plan (*Plan Bay Area 2050*) and to be included in the federal Transportation Improvement Program (TIP) for the OBAG 3 funding delivery period.

The resolution includes the following attachments:

- Attachment A – OBAG 3 Project Selection and Programming Policies
- Attachment B – OBAG 3 Project Lists

With the adoption of the project selection and programming policies, Attachments B-1 and B-2 program \$8,300,000 to Regional Planning Activities, \$37,200,000 for OBAG 3 Program and Project Implementation, and \$4,000,000 for Program and Project Implementation for transit transformation activities within the Planning and Program Implementation Regional Program; and \$35,157,000 for CTA Planning Activities within the Planning and Program Implementation County & Local Program.

On February 23, 2022, Attachment B-1 was revised to program \$30,000,000 in OBAG 3 Regional Multimodal Systems Operations and Performance Program funds to the Clipper C2 Capital project as part of an alternative funding plan for the project's Regional Measure 3 (RM3) funds.

On March 23, 2022, Appendix A-1 was added to incorporate guidelines for the County and Local Program call for projects.

On June 22, 2022, Attachments A, B-1, B-2, and Appendix A-1 were revised to further define program categories and program \$80,800,000 million to various projects within the Regional Program, including \$31,600,000 for Transit Transformation Action Plan programs and \$7 million for future SamTrans projects as part of a Caltrain right-of-way (ROW) repayment

ABSTRACT

MTC Resolution No. 4505, Revised

Page 2

arrangement; program \$11,762,000 for ongoing Safe Routes to School Non-Infrastructure programs within the County & Local Program; add \$7,000,000 in additional anticipated revenues to the Regional Program; and clarify language related to local policy requirements and project eligibilities within the County & Local Program.

Further discussion of the project selection criteria and programming policy is contained in memorandums to the Programming and Allocations Committee dated January 12, 2022, February 9, 2022, March 9, 2022, and June 8, 2022.

Date: January 26, 2022  
W.I.: 1512  
Referred by: PAC

RE: One Bay Area Grant Program (OBAG 3) Project Selection and Programming Policies

METROPOLITAN TRANSPORTATION COMMISSION  
RESOLUTION NO. 4505

WHEREAS, the Metropolitan Transportation Commission (MTC) is the Regional Transportation Planning Agency (RTPA) for the San Francisco Bay Area pursuant to Government Code Section 66500 *et seq.*; and

WHEREAS, MTC is the designated Metropolitan Planning Organization (MPO) for the nine-county San Francisco Bay Area region and is required to prepare and endorse a Transportation Improvement Program (TIP) which includes federal funds; and

WHEREAS, MTC, as the RTPA/MPO for the San Francisco Bay Area, is assigned programming and project selection responsibilities for certain state and federal funds; and

WHEREAS, state and federal funds assigned for RTPA/MPO programming discretion are subject to availability and must be used within prescribed funding deadlines; and

WHEREAS, the California Department of Transportation (Caltrans) Obligation Authority (OA) Management Policy allows RTPAs and MPOs to exchange regional Surface Transportation Block Grant Program (STP), Congestion Mitigation and Air Quality Improvement Program (CMAQ), and other federal funds assigned to the RTPA or MPO with Caltrans and other regions, when a region or Caltrans-managed local program has excess or insufficient apportionment available to deliver its annual federal program; and

WHEREAS, Title 23 CFR § 630, Subpart G, allows the advancement of federal-aid projects and expenditure of eligible costs prior to the obligation of funds (referred to as “Advance Construction” or “AC”) with reimbursement of eligible expenditures permitted following conversion of the AC to a regular obligation; and

WHEREAS, MTC, in cooperation with transit operators, Caltrans, the Bay Area Air Quality Management District (BAAQMD), Bay Area County Transportation Agencies (CTAs), counties, cities, and interested stakeholders, has developed policies and procedures to be used in

the selection of projects to be funded with various funding including regional federal funds as set forth in Attachments A and B of this Resolution, incorporated herein as though set forth at length; and

WHEREAS, using the policies set forth in Attachment A of this Resolution, MTC, in cooperation with the Bay Area Partnership and interested stakeholders, will develop a program of projects to be funded with these funds for inclusion in the federal TIP, as set forth in Attachment B of this Resolution, incorporated herein as though set forth at length; and

WHEREAS the federal TIP and subsequent TIP revisions and updates are subject to public review and comment; now therefore be it

RESOLVED that MTC approves the “Project Selection and Programming Policies” for projects to be funded in the OBAG 3 program as set forth in Attachments A and B of this Resolution; and be it further

RESOLVED that the funds assigned to MTC as the RTPA/MPO for programming and project selection shall be pooled and distributed on a regional basis for implementation of project selection criteria, policies, procedures, and programming, consistent with implementation of the Regional Transportation Plan (RTP); and be it further

RESOLVED that the projects will be included in the federal TIP subject to final federal approval and requirements; and be it further

RESOLVED that the Executive Director or designee may make technical adjustments and other non-substantial revisions, including changes to project sponsor, updates to fund sources and distributions to reflect final funding criteria and availability; and be it further

RESOLVED that the Executive Director or designee is authorized to revise Attachment B as necessary to reflect the programming of projects as the projects are selected, revised, and included in the federal TIP; and be it further

RESOLVED that the Executive Director or designee is authorized to execute Advance Construction (AC) Authorizations with Caltrans and/or the Federal Highway Administration (FHWA) for federal projects sponsored or implemented by the Metropolitan Transportation Commission; and be it further

RESOLVED that the Executive Director or designee is authorized to execute agreements and Letters/Memorandums of Understanding with Caltrans and other MPOs and RTPAs for the exchange of regional Surface Transportation Block Grant Program (STP) and Congestion Mitigation and Air Quality Improvement Program (CMAQ) and other federal funds assigned to MTC for programming discretion, consistent with Caltrans' Obligation Authority (OA) Management Policy; and be it further

RESOLVED that the Executive Director or designee shall make available a copy of this resolution, and attachments as may be required and appropriate.

METROPOLITAN TRANSPORTATION COMMISSION

A handwritten signature in black ink, appearing to be 'AP' followed by a long horizontal line extending to the right.

---

Alfredo Pedroza, Chair

The above resolution was entered into by the Metropolitan Transportation Commission at the regular meeting of the Commission held in San Francisco, California and at other remote locations on January 26, 2022.



Date: January 26, 2022  
W.E.: 1512  
Referred by: PAC  
Revised: 06/22/22-C

Attachment A  
Resolution No. 4505

# **One Bay Area Grant (OBAG 3) Program**

## Project Selection and Programming Policies

**One Bay Area Grant (OBAG 3) Program**  
Project Selection and Programming Policies

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Appendices

Appendix A-1 County & Local Program Call for Projects Guidelines

Appendix A-2 CTA and Local Jurisdiction Compliance Checklist (pending)

The One Bay Area Grant Program (OBAG 3) establishes the policy framework and commitments for investing federal Surface Transportation Block Grant Program (STP) and Congestion Mitigation and Air Quality Improvement Program (CMAQ) funds for a four-year period covering federal fiscal year (FY) 2022-23 through FY 2025-26. Attachment A outlines the OBAG 3 program principles and objectives, revenue estimates, program architecture, and programming policies. Attachment B details the projects, funding amounts, and project sponsors, as they are approved by the Commission.

## Background

The Commission adopted the inaugural One Bay Area Grant Program (OBAG 1) in May 2012 (MTC Resolution 4035) to better integrate the region's federal transportation program with its Sustainable Communities Strategy (SCS). Pursuant to SB 375 (Steinberg 2008), the SCS aligns regional transportation planning with land use and housing in order to meet state greenhouse gas reduction targets. Since 2013, MTC and ABAG have jointly adopted a SCS along with MTC's long-range Regional Transportation Plan (RTP) every four years, with the documents collectively known as *Plan Bay Area*.

The OBAG 1 program established a framework for leveraging discretionary federal highway funding to support the implementation of *Plan Bay Area* by focusing transportation investments in Priority Development Areas (PDAs) and in jurisdictions producing and planning for new housing under the Regional Housing Needs Allocation (RHNA) process, among other strategies. The framework also consolidated funding sources and increased local agency flexibility to advance priority projects. OBAG 1 programming covered the five-year period from FY 2012-13 through FY 2016-17. Following the initial success of OBAG 1, the Commission adopted OBAG 2 in November 2015 (MTC Resolution 4202) with a similar framework and supporting policies. OBAG 2 programming covered the five-year period from FY 2017-18 through FY 2021-22.

In keeping with prior cycles, the proposed OBAG 3 framework is designed to advance the implementation of the region's latest RTP and SCS, *Plan Bay Area 2050*, adopted in October 2021.

## Program Principles

The following principles, established through Commission direction and stakeholder input, guided the development of the OBAG 3 program and policies:

- **Preserve effective program features from prior OBAG cycles to support regional objectives.** Key aspects of the prior cycles are preserved under the proposed OBAG 3 County & Local Program, including concentrating transportation investments within PDAs, incorporating housing factors into the project prioritization process, and local jurisdiction policy requirements. Partnership with County Transportation Agencies (CTAs) to identify local community-based projects for funding that are consistent with regional goals is also continued.
- **Strategically advance *Plan Bay Area 2050* implementation through OBAG investments and policies.** As with OBAG 1 and 2, the primary objective of the OBAG 3 program, both the in the Regional and County & Local components, is to support the interconnected strategies of the RTP and SCS. With the adoption of *Plan Bay Area 2050*, OBAG 3 reflects new and updated implementation strategies as well as new Growth Geographies.

- **Incorporate recent MTC policy initiatives and adapt to the current mobility landscape.** In the years following the adoption of OBAG 2, MTC has undertaken several major policy initiatives which were taken into consideration in the development of OBAG 3. These policy actions include adoption of the MTC Equity Platform, Regional Safety/Vision Zero Policy, and Express Lanes Strategic Plan, and completion of the Transit Transformation Action Plan. In addition, the OBAG 3 program takes into account sustainable staffing levels necessary to implement continued and new initiatives.
- **Advance equity and safety through policies and investments.** Building off the principles of the MTC Equity Platform, the OBAG 3 framework integrates cross-cutting equity considerations into each of its proposed program areas. In addition, while the program requirements stop short of mandating local Vision Zero policies, jurisdictions will be required to adopt Local Road Safety Plans (or equivalent safety plans), and priority will be given to funding projects that align with and support these plans. OBAG 3 also significantly increases funding levels for Healthy, Safe, and Sustainable Streets projects and implementation of projects in Equity Priority Communities that have been prioritized through Community-Based Transportation Plans or Participatory Budgeting processes.
- **Address federal planning and programming requirements.** As the federally-designated Metropolitan Planning Organization (MPO) for the Bay Area, MTC is responsible for regional transportation planning and programming efforts, including performance-based requirements. OBAG 3 documents and clarifies MTC's roles and responsibilities for programming STP and CMAQ funding, including the areas of project selection and funding distribution processes, and the prioritization process for CMAQ funds.
- **Coordinate with complementary fund sources to develop a comprehensive regional investment strategy.** Recognizing that STP and CMAQ funds constitute a relatively limited proportion of the total transportation funding available to the region, the OBAG 3 program is designed in coordination with other complementary existing and anticipated fund sources to implement the ambitious strategies laid out in *Plan Bay Area 2050*.
- **Emphasize a shared, partnership approach to program implementation.** OBAG 3 preserves and continues to build upon the robust partnerships with CTAs, transit agencies, Caltrans, and local jurisdictions established through prior programming cycles. The program architecture and policies recognize and uphold local expertise in project development and prioritization, while providing a framework for all stakeholders to work together to advance shared regional priorities.

## Revenue Estimates

OBAG 3 programming capacity is based on anticipated federal transportation program apportionments from the regional Surface Transportation Block Grant (STP) and Congestion Mitigation and Air Quality Improvement (CMAQ) programs for a four-year period covering FY 2022-23 through FY 2025-26.

Over the four year OBAG 3 period, **\$757 \$750** million in STP/CMAQ programming capacity is estimated. Additional STP/CMAQ apportionments beyond that amount are anticipated from the recently enacted Infrastructure Investment and Jobs Act (IIJA). When actual STP/CMAQ apportionments from IIJA are made available, or if additional federal programs are authorized or appropriated during the OBAG 3 period, the Commission may adjust the programming capacity accordingly. Such adjustments include increasing or decreasing funding amounts to one or more programs, postponement of projects, expansion of existing programs, development of new programs, or adjustments to subsequent program cycles.

As federal programs are subject to change with each federal surface transportation authorization, any reference to specific fund sources in the OBAG 3 programming resolution (i.e. STP/CMAQ) serve as a proxy for replacement or new federal fund sources for which MTC project selection and programming authority. However, MTC may elect to program replacement or new federal fund sources outside of the OBAG 3 program resolution.

OBAG 3 programming capacity is based upon apportionment rather than obligation authority. As the amount of obligation authority available to the region is less than the region's annual apportionments, there is typically a carryover balance of apportionment each year. MTC's successful project delivery in recent years has allowed the region to capture additional, unused obligation authority from other states, enabling the region to advance the delivery of additional projects each year. MTC staff will continue to monitor apportionment and obligation authority balances throughout the OBAG 3 period to support the accelerated delivery of programmed projects.

## Program Categories

The OBAG 3 program categories carry forward elements from previous OBAG cycles, reorganized for clarity and refined to more closely align with *Plan Bay Area 2050* strategies, advance regional goals for equity and safety, and address federal performance-based programming requirements. These revised categories further integrate the Regional Programs and County & Local Programs by providing a common framework for project types and focus areas. The five OBAG 3 program areas and corresponding objectives are as follows:

- **Planning & Program Implementation:** Carry out coordinated regional and countywide planning and programming activities within MTC's performance-based planning and programming processes, consistent with federal requirements and regional policies. Additionally, commit staffing resources necessary to deliver OBAG 3 projects and programs.
- **Growth Framework Implementation:** Support and assist with local efforts to create a range of housing options in PDAs, select Transit-Rich Areas (TRAs), and select High-Resource Areas (HRAs), and carry out other regional studies, programs, and pilots to advance the *Plan Bay Area 2050* growth framework.
- **Climate, Conservation, and Resilience:** Reduce emissions and solo vehicle trips through accelerated electrification and clean vehicle programs and expanded transportation demand management programs. Additionally, protect high-priority natural and agricultural

lands; modernize and expand access to parks, trails, and recreation facilities; and increase transportation system resiliency to the impacts of climate change.

- **Complete Streets and Community Choice:** Improve and maintain local streets and roads to meet the needs of all users while improving safety, promoting walking, biking and other micro-mobility, and sustainable infrastructure. In addition, support community-led planning efforts and assist with the development and advancement of community-led transportation enhancements in Equity Priority Communities (EPCs).
- **Multimodal Systems Operations and Performance:** Support and coordinate efforts to achieve an integrated, efficient, reliable, and easy to navigate public transit network to increase ridership and improve mobility options consistent with the Transit Transformative Action Plan recommendations. Additionally, continue to optimize existing freeways, highways, key arterials, and communications infrastructure to maximize person throughput and multimodal system performance.

Similar to previous OBAG cycles, the OBAG 3 program structure is divided into Regional and County & Local components, with the latter programs comprising of projects selected by MTC and nominated by CTAs through a unified call for projects process. Both the Regional and County & Local programs are organized around the five categories listed above.

## **REGIONAL PROGRAMS**

OBAG 3 directs 50% of available program funds towards regional investments that are targeted to address critical climate and focused growth goals of *Plan Bay Area 2050*, and coordinate and deploy strategies that are best suited for regional implementation. As specific regional projects and programs are approved by the Commission for funding, they will be added to Attachment B-1.

### ***Planning & Program Implementation***

The Planning & Program Implementation program supports a variety of regional planning, programming, and outreach activities to implement *Plan Bay Area 2050* and comply with performance-based planning and programming requirements. This program category also includes dedicated resources and staffing support to deliver OBAG 3 projects and programs.

### ***Growth Framework Implementation***

The purpose of this program is to support and assist local efforts to create a range of housing options that align with *Plan Bay Area 2050* growth geographies, with a focus on completing approved plans for all existing PDAs by 2025. Funding from this program will provide capacity-enhancing support for local jurisdictions through the PDA Planning and Technical Assistance Grant program and the Regional Housing Technical Assistance program. These funds will also support implementation of MTC's Transit Oriented Development (TOD) Policy, or its successor, to ensure land use supports future transit investments. In addition, this program may fund regional land-use studies, programs, and pilot projects identified in *Plan Bay Area 2050 Implementation Plan*. Such studies could include redevelopment of malls and office parks, reuse of public and community-owned land, or a Priority Production Area (PPA) pilot program.

### ***Climate, Conservation, and Resilience***

Funding from this program supports a suite of interconnected objectives, including reduced vehicle emissions through accelerated electrification and transportation demand management, protection of high-priority natural and agricultural lands, expanded access to parks and open space, and increased resiliency of the transportation system to the impacts of climate change. These goals align with regional transportation and environmental strategies outlined in *Plan Bay Area 2050*.

Within the Regional Program, this category includes expanded investments to accelerate electrification, as well as a variety of emission reduction strategies and transportation demand management programs. Programs may include Mobility Hubs, Targeted Transportation Alternatives, car sharing, bikeshare and e-bike incentives; carpool programs; Commuter Benefits Program and targeted commuter programs; and assistance for the development of local demand management policies and programs.

The regional Priority Conservation Area (PCA) program provides grant funding for critical conservation and open space projects. Grants will be available to support the implementation of the updated PCA framework (currently underway).

This program category also includes a new regional resilience and sea level rise pilot to support the protection of vulnerable transportation assets from sea level rise and other climate impacts.

### ***Complete Streets and Community Choice***

This program is intended to improve and maintain local streets and roads to meet the needs of all users while increasing safety, with an emphasis on supporting the development and advancement of community-led transportation enhancements in EPCs.

Regional Program funding in this program category will implement recommendations of the Regional Active Transportation Plan, or its successor, including compliance with the Regional Complete Streets Policy and the implementation of the Regional Active Transportation Network. The program also continues technical assistance programs, and supports completion of key Bay Trail gaps. The program will also advance the Regional Safety/Vision Zero Policy, including support for the Regional Integrated Safety Data System and other regional safety initiatives, coordination efforts, and technical assistance. Ongoing regional programs that support local streets and roads asset management, including StreetSaver, StreetSaver Plus, and the Pavement Technical Assistance Program, are broadened to include upgrades to local roadway asset inventories to support complete streets and safety strategies, as well as encouraging green infrastructure, where possible.

Funding in this program category will also support increased regional investment in Community-Based Transportation Plans (CBTPs) and Participatory Budgeting (PB) processes, and provide a dedicated source of funding for the acceleration and delivery of projects identified through community plans and participatory budgeting efforts.

### ***Multimodal Systems Operations and Performance***

The purpose of this program is to improve mobility options across the Bay Area's multimodal transportation system and emphasizes achieving an integrated, efficient, reliable, and easy to navigate public transit network to increase ridership and improve mobility options.

Regional Program funding in this program category supports implementation of near-term priorities identified through the Blue Ribbon Transit Transformation Action Plan, as well as planning, design, and implementation of near-term operational improvements, incident management, and deployment of regional fiber communications infrastructure on the region's existing freeways and highways. Regional projects and programs to be funded include Bay Area Forwards, transit priority improvements, and additional freeway and arterial operational improvements.

### **COUNTY & LOCAL PROGRAMS**

OBAG 3 directs the remaining 50% of available funding for local and county projects prioritized through a call for projects process selected by MTC. Local jurisdictions, transit agencies, and CTAs may apply for these funds for a variety of project types and program categories described below. As specific projects and programs are approved by the Commission for funding within the County & Local Program, they will be added to Attachment B-2.

#### ***Planning & Program Implementation***

Similar to prior cycles, OBAG 3 provides dedicated funding within the County & Local Program to support planning and programming activities throughout the nine Bay Area counties. Administered by MTC through funding agreements with each CTA, these funds are used to cooperatively implement *Plan Bay Area 2050* and associated regional policies, development of countywide transportation plans, outreach activities, and the advancement of additional plans and projects as determined by MTC. CTAs may request additional funding to augment these base funding levels for countywide planning and programming through the call for projects process.

#### ***Growth Framework Implementation***

The OBAG 3 County & Local Program continues to focus investments in PDAs through investment thresholds.

- **PDA Minimum Investments:** In the Bay Area's most populous counties (Alameda, Contra Costa, San Mateo, San Francisco, and Santa Clara), a minimum of 70% of County & Local Program investments must be directed to PDAs. In the remaining counties (Marin, Napa, Solano, and Sonoma), a minimum of 50% in County & Local Program investments must be directed to PDAs. Funds programmed for CTA planning and programming activities are given partial credit towards each county's minimum investment threshold calculations (70% or 50%, in line with each county's minimum threshold).
- **Uniform Definition for PDA Supportive Projects:** To be credited towards each county's PDA minimum investment threshold, a project must be located within or connected to a PDA, or be within one mile of a PDA boundary. Projects that are not physically located within one mile of a PDA but have a clear and direct connection to PDA implementation, such as transit maintenance facility improvements, may also be credited towards the PDA minimum investment thresholds. Determinations for such projects will be provided by MTC staff on a case by case basis.



- **Housing Element:** Cities and counties must have a general plan housing element adopted and certified by the California Department of Housing and Community Development (HCD) for the 2023-2031 Regional Housing Needs Allocation (RHNA), **and maintain certification throughout the OBAG 3 program period** to **maintain eligibility remain eligible** for County & Local Program funding. Projects that are awarded funding to a jurisdiction through the call for projects process will not be programmed into the TIP until the jurisdiction's housing element has been certified. After December 31, 2023, MTC will deprogram County & Local Program funds awarded to jurisdictions that do not yet have a certified housing element **or have not maintained certification**. After this date, MTC, in coordination with CTAs, will reprogram these funds to projects located in compliant jurisdictions.

Additionally, jurisdictions must submit Housing Element Annual Reports to HCD by April 1 every year throughout the OBAG 3 program period to maintain funding eligibility.

- **State Housing Laws:** To maintain funding eligibility, all cities and counties must demonstrate compliance with state housing laws related to surplus lands, accessory dwelling units, density bonuses, and the Housing Accountability Act. Jurisdictions are required to self-certify compliance with the first three elements (state housing laws related to surplus lands, accessory dwelling units, and density bonuses) through a local resolution. Projects that are awarded funding to a jurisdiction through the call for projects process will not be programmed into the TIP until such a resolution is adopted. After December 31, 2023, MTC will deprogram County & Local Program funds awarded to jurisdictions that have not yet adopted a resolution affirming compliance. After this date, MTC, in coordination with CTAs, will reprogram these funds to projects located in compliant jurisdictions. Self-certification resolutions must be adopted by local jurisdictions and submitted to MTC by December 31, 2023 to maintain eligibility for County & Local Program funding.

Compliance with the Housing Accountability Act is an ongoing program requirement, which may be monitored by MTC staff as appropriate. MTC may deprogram County & Local Program funds awarded to a jurisdiction that it determines to be out of compliance with the Housing Accountability Act.

In addition to focusing investments in PDAs, the County & Local Program supports mobility and access projects that serve additional *Plan Bay Area 2050* growth geographies, such as select TRAs and HRAs. Eligible projects in these growth areas will also be given consideration through the call for projects process.

Eligible project types for the County & Local Program that directly support the Growth Framework Implementation program category include:

- Local PDA Planning grants (in addition to those funded through the Regional Program)
- Local planning grants for other new *PBA 2050* Growth Geographies

### ***Climate, Conservation, and Resilience***

The County & Local Program supports regional coordination in the Climate, Conservation, and Resilience program category by identifying and funding additional local projects to achieve the interconnected goals to reduce emissions, protect and improve access to priority open spaces, and increase transportation system resiliency through the call for projects process.

Eligible project types for the County & Local Program that fall within the Climate, Conservation, and Resilience program category include:

- Transportation demand management programs
- Mobility Hub planning and implementation
- Parking reduction and curb management programs
- Car share and bike share capital projects
- Plans and projects to assist in the preservation and enhancement of open space, natural resource and agricultural lands, and critical habitats (may require non-federal funds)
- Bicycle and pedestrian access to open space and parklands
- Regional Advance Mitigation Planning (RAMP) planning activities and implementation (may require non-federal funds)
- Transportation system resilience or sea level rise plans and projects

### ***Complete Streets and Community Choice***

The County & Local Program plays a critical role in meeting the objectives of Complete Streets and Community Choice by funding local improvements to local streets and roads to improve safety and meet the mobility needs of all users, as well as advancing transportation enhancements that have been vetted and prioritized by residents of Equity Priority Communities.

- **Active Transportation Investment Target:** OBAG 3 establishes a regionwide target of \$200 million for active transportation projects, including bicycle, pedestrian, and Safe Routes to School (SRTS) programs and projects. Bicycle and pedestrian elements included on projects that are not solely focused on active transportation (such as sidewalk or bike lane improvements included in a local road preservation project) also contribute to this regionwide investment target.
- **SRTS Investment Target:** OBAG 3 carries forward ongoing commitments to SRTS programming, by establishing a \$25 million regionwide target for SRTS programs and projects.
- **Complete Streets Policy:** Jurisdictions must comply with MTC's Complete Streets Policy, and its successor, including the requirement to complete a Complete Streets Checklist for each project applying for OBAG 3 funding. As part of the County & Local Program call for projects, CTAs are required to make completed project checklists available to their Bicycle and Pedestrian Advisory Committee (BPAC) for review prior to the CTA's nomination of prioritized projects to MTC.
- **Regional Safety/Vision Zero Policy:** Starting with California Highway Safety Improvement Program (HSIP) Cycle 11, jurisdictions are required to have a Local Roadway Safety Plan

(LRSP) or equivalent safety plan in order to be eligible for HSIP funding. Consistent with this state requirement, local jurisdictions must have a LRSP or equivalent safety plan **completed adopted** in order to maintain eligibility for County & Local Program funding. Projects that are awarded funding to a jurisdiction through the call for projects process will not be programmed into the TIP until the jurisdiction has a LRSP or equivalent safety plan completed **or underway**. After December 31, 2023, MTC will deprogram County & Local Program funds awarded to jurisdictions that do not yet have a completed LRSP or equivalent safety plan. After this date, MTC, in coordination with CTAs, will reprogram these funds to projects located in compliant jurisdictions. Jurisdictions' OBAG 3 funds may be used to complete an LRSP or equivalent safety plan.

- **Pavement Management Program:** To maintain County & Local Program funding, jurisdictions with local public streets and roads, must:
  - Maintain a certified Pavement Management Program (StreetSaver® or equivalent) updated as prescribed by MTC staff
  - Fully participate in statewide local streets and road needs assessment surveys (including any assigned funding contribution)
  - Provide traffic count data to MTC to support FHWA's Highway Performance Monitoring System (HPMS) on an annual basis, or as directed by MTC staff

Eligible project types for the County & Local Program that align with the Complete Streets and Community Choice program category include:

- Bicycle and pedestrian improvements and programs
- SRTS projects and programs
- Safety projects, local road safety plans (LRSP), and Vision Zero planning activities
- Complete streets and sustainable streets improvements
- Streetscape projects to encourage biking, walking, and transit use
- Example project elements include bulb outs, sidewalk widening, crosswalk enhancements, audible signal modification, mid-block crossing and signals, new striping for bicycle lanes and road diets, pedestrian street lighting, medians, pedestrian refuges, wayfinding signage, tree grates, bollards, permanent bicycle racks, signal modification for bicycle detection, street trees, raised planters, planters, costs associated with on-site storm water management, permeable paving, and pedestrian-scaled street furniture including bus shelters, benches, magazine racks, and garbage and recycling bins.
- Local streets and roads preservation projects on the federal-aid system. Projects should be based on a needs analysis from the jurisdiction's Pavement Management Program:
  - Pavement rehabilitation projects must be consistent with segments recommended for treatment within the programming cycle by the jurisdiction's PMP. Preventive maintenance projects with a PCI rating of 70 or above are eligible only if the jurisdiction's PMP demonstrates that the preventive maintenance strategy is a cost-effective method of extending the service life of the pavement.
  - Eligible non-pavement activities include rehabilitation or replacement of existing features on the roadway facility, such as bridge structures, storm drains, National Pollutant Discharge Elimination System (NPDES), curbs, gutters, culverts, medians,

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- guardrails, safety features, signals, signage, sidewalks, ramps, complete streets elements, and features that bring the facility to current standards.
- **Federal Aid Secondary (FAS) funding distributions described in California statute (California Code § 2200-2214) will no longer be suballocated to counties through the OBAG 3 program. Counties remain eligible for OBAG 3 funding for rural road projects on the federal-aid system.**
- ~~**Federal Aid Secondary (FAS) rural road improvements are eligible for the following five counties: Alameda, Contra Costa, Santa Clara, Solano, and Sonoma. The counties of Marin, Napa, and San Mateo receive FAS funding from Caltrans as “off the top amounts” prior to distributing regional STP amounts to MTC. San Francisco County is not eligible for FAS funding, as it does not have rural roads. FAS funding amounts for eligible counties are determined by California’s Federal Aid Secondary Highways Act (California Code § 2200-2214).**~~
- Projects and programs prioritized in CBTPs and PB processes, which may include any of the above project types and project elements, as well as a variety of transit capital improvements.
- Community-based transportation plans or participatory budgeting processes in Equity Priority Communities (in addition to CBTP and PB processes administered through the Regional Programs)

### ***Multimodal Systems Operations and Performance***

The County & Local Program can support regional coordination and implementation the Multimodal Systems Operations and Performance program category by funding additional local projects to improve mobility options and performance of the Bay Area’s existing multimodal transportation system, particularly on arterials and along fixed-route transit; or by nominating County & Local Program funds to match or augment Regional Program funds for these types of projects.

Eligible project types for the County & Local Program within the Multimodal Systems Operations and Performance program category include:

- Transit capital improvements, including vehicles for new or expanded service
- Transit station improvements such as plazas, station access improvements, bicycle parking, and replacement parking or parking management for Transit Oriented Development (TOD)
- Local actions to advance implementation of the Transit Transformation Action Plan
- Cost-effective, technology-driven active operational management strategies for local arterials and highways (for highways, when used to augment state or federal funds and developed/implemented in coordination with MTC)
- Mobility management and coordination projects that meet the specific needs of seniors and individuals with disabilities and enhance transportation access for populations beyond those served by one agency or organization within a community. Examples include the integration and coordination of services for individuals with disabilities, seniors, and low-income individuals; individualized travel training and trip planning activities; development and operation of one-stop transportation traveler call centers to coordinate transportation information on all travel modes and to manage eligibility requirements and arrangements for

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- customers among supporting programs; and the operation of transportation brokerages to coordinate providers, funding agencies, and passengers.

Activities *not eligible* for funding include: air quality non-exempt projects, new roadways, roadway extensions, right of way acquisition for future expansion, operations, and routine maintenance.

## Project Lists

Attachment B of Resolution 4505 contains the list of projects to be programmed under the OBAG 3 program. Attachments B-1 and B-2 list the projects receiving OBAG 3 funding through the Regional Programs and County & Local Programs, respectively. The project lists are subject to MTC project selection actions. MTC will update Attachments B-1 and B-2 as projects are selected or revised by the Commission.

## Programming Policies

### GENERAL POLICIES

The following programming policies apply to all projects funded in OBAG 3:

- 1. RTP Consistency:** Projects funded through OBAG 3 must be consistent with the adopted Regional Transportation Plan (RTP), currently *Plan Bay Area 2050*. As part of the project selection and TIP programming processes, project sponsors must identify each project's relationship with meeting the goals and objectives of the RTP, including the specific RTP ID number or reference. RTP consistency will be verified by MTC staff for all OBAG 3 projects as part of the project selection and TIP programming processes.
- 2. Federal Fund Eligibility:** Projects must be eligible for STP or CMAQ funds in order to be selected for OBAG 3 programming of those fund sources. However, eligibility for STP or CMAQ alone does not guarantee eligibility for funding through the OBAG 3 program. Projects must meet all program requirements and project selection criteria to be eligible for OBAG 3 funds.
  - STP is a flexible source of federal funding, with a wide range of projects that may be considered eligible. Eligible projects include roadway and bridge improvements (construction, reconstruction, rehabilitation, resurfacing, restoration), public transit capital improvements, pedestrian and bicycle facilities and programs, highway and transit safety projects, transportation demand management, and transportation planning activities. More detailed eligibility requirements can be found in 23 U.S.C. § 133 and at: <https://www.fhwa.dot.gov/fastact/factsheets/stbgfs.cfm>.
  - CMAQ is a more targeted federal funding source for transportation projects that generate emissions reductions that benefit a nonattainment or maintenance for ozone, carbon monoxide, or particulate matter. Eligible project categories that meet this basic criteria include: Transportation Control Measures (TCMS) in an approved State Implementation Plan (SIP), transit expansion projects, transit vehicles and equipment,

bicycle and pedestrian facilities and programs, travel demand management, public education and outreach activities, congestion reduction and traffic flow improvements, carpool, vanpool, and carshare programs, travel demand management, outreach and rideshare activities, telecommuting programs, and intermodal freight projects. For more detailed eligibility information, refer to 23 U.S.C. § 149 and at:

[http://www.fhwa.dot.gov/environment/air\\_quality/cmaq/policy\\_and\\_guidance/](http://www.fhwa.dot.gov/environment/air_quality/cmaq/policy_and_guidance/).

**3. Air Quality Conformity:** In the Bay Area, it is the responsibility of MTC to make a regional air quality conformity determination for the TIP in accordance with federal Clean Air Act requirements and Environmental Protection Agency (EPA) conformity regulations. MTC evaluates the impact of the TIP on regional air quality during the update of the TIP. Non-exempt projects that are not incorporated in the current finding for the TIP will not be considered for funding in the OBAG 3 program until the development of a subsequent air quality finding for the TIP. Additionally, the EPA has designated the Bay Area as a non-attainment area for fine particulate matter (PM<sub>2.5</sub>). Therefore, based on consultation with the MTC Air Quality Conformity Task Force, projects deemed Projects of Air Quality Concern (POAQC) for PM<sub>2.5</sub> must complete hot-spot analyses as required by the Transportation Conformity Rule. Generally, POAQC are those projects that result in significant increases in, or concentrations of, emissions from diesel vehicles.

**4. Public Involvement.** MTC is committed to a public involvement process that is proactive and provides opportunities for continuing involvement, comprehensive information, timely public notice, and public access to key decisions. MTC provides many methods to fulfill this commitment, as outlined in the *MTC Public Participation Plan*. The Commission's adoption of the OBAG 3 project selection and programming policy meets the provisions of the *MTC Public Participation Plan*. MTC's Policy Advisory Committee and the Bay Area Partnership working groups are consulted in the development of funding commitments and policies for OBAG 3. Additional opportunities for public and stakeholder involvement will be provided throughout the OBAG 3 program period as specific programs are developed.

OBAG 3 investments must be consistent with federal Title VI requirements. Title VI prohibits discrimination on the basis of race, color, income, and national origin in programs and activities receiving federal financial assistance. Public outreach to and involvement of individuals in low income and minority communities covered under Title VI of the Civil Rights Act and the Executive Order pertaining to Environmental Justice is critical to both local and regional decisions.

Additional details on the public involvement requirements for the County & Local Program, including Title VI considerations, are provided in Appendix A-1. The current *MTC Public Participation Plan* is available online at: <https://mtc.ca.gov/about-mtc/public-participation/public-participation-plan>.

**5. Project Selection Processes:** The OBAG 3 program categories are designed to reflect the investment priorities established in *Plan Bay Area 2050*. Within these program categories, MTC selects projects for STP and CMAQ funding that are consistent with *Plan Bay Area 2050*, and with consideration of their achievement toward regional targets of federal performance goals, and project delivery.

- 6. CMAQ Project Selection:** Additional project selection processes guide MTC's programming of CMAQ funds. MTC referred to FHWA's CMAQ Cost Effectiveness Tables (2020), emissions reductions benefits of OBAG 2 CMAQ projects, regional strategies in the Bay Area Air Quality Management District's (BAAQMD's) *Clean Air Plan*, and *Plan Bay Area 2050* air quality improvement strategies to develop CMAQ programmatic priorities for the OBAG 3 program. The CMAQ programmatic priorities to reduce emissions through vehicle miles traveled reduction include: bicycle and pedestrian facilities and programs, transit capital improvements, carpool, vanpool, rideshare, and travel demand management. CMAQ programmatic priorities to otherwise reduce transportation emissions reductions include: alternative fuel infrastructure and programs, traffic flow improvements, and incident management. Programmatic priorities are intended to guide initial program development, and do not preclude other project types from being selected for CMAQ funds.
- **Regional Programs.** CMAQ programmatic priorities are used to develop a proposed focus for CMAQ funds within various components of the Regional Programs. All regional projects that are eligible for CMAQ funding will be assessed for emissions reductions benefits and cost effectiveness prior to CMAQ project selection.
  - **County & Local Program.** As part of the call for projects process, project sponsors will provide project data necessary to assess the emissions benefits and cost effectiveness for projects eligible for CMAQ funding. These assessments will be incorporated into the prioritization and CMAQ project selection as described in Appendix A-1.
- 7. TIP Programming:** Projects approved as part of the OBAG 3 program must be amended into the federal Transportation Improvement Program (TIP). The federally-required TIP is a comprehensive listing of transportation projects that receive federal funds, are subject to a federally required action, or are regionally significant for air quality conformity or modeling purposes. OBAG 3 project funding must first be approved by the Commission through revision to the Attachment B before it can be amended into the TIP.
- Once a project has been selected for funding and is programmed in Attachment B, project sponsors must submit the project information into MTC's Fund Management System (FMS) in order for the project to be amended into the TIP. Proper submittal of project information into FMS is required for inclusion into the TIP in a timely manner. Additional information on FMS is available here: <https://mtc.ca.gov/funding/fund-management-system-fms>.
- 8. Resolution of Local Support:** a Resolution of Local Support approved by the project sponsor's governing board or council and submitted in FMS. A template for the Resolution of Local Support can be downloaded from the MTC website using the following link: <https://mtc.ca.gov/funding/federal-funding/federal-highway-administration-grants/one-bay-area-grant-obag-3>.
- 9. Local Match:** Although local match requirements are subject to change, the current local match requirement for STP and CMAQ funded projects in California is 11.47% of the total project cost, with FHWA providing up to 88.53% of the total project cost through reimbursements. For capital projects, sponsors that fully fund the project development or Preliminary Engineering

(PE) phase with non-federal funds may use toll credits in lieu of a match for the construction phase. For these projects, sponsors must still meet all federal requirements for the PE phase.

Per the Regional Toll Credit Policy (MTC Resolution No. 4008), MTC may use toll credits to waive the local match requirements for programs and projects of regional significance, such as ongoing regional programs and planning efforts.

- 10. Environmental Clearance:** Project sponsors are responsible for compliance with the requirements of the California Environmental Quality Act (Public Resources Code § 21000 et seq.), the State Environmental Impact Report Guidelines (14 California Code of Regulations Section § 15000 et seq.), and the National Environmental Policy Act (42 U.S.C. § 4321 et seq.) standards and procedures for all projects with federal funds.
- 11. Fund Exchanges:** Federal STP and CMAQ funding may be exchanged with non-federal funds for projects that are consistent with the OBAG 3 programming policy but are ineligible or poorly suited to federal funding. Development and implementation of a funding exchange is the responsibility of the project sponsors and CTAs. Exchanges must be consistent with MTC's fund exchange policy for regional discretionary funds (MTC Resolution No. 3331), which also requires the locally-funded project to be included in the TIP for tracking purposes.
- 12. Regional STP/CMAQ Exchanges:** State and federal timely use funds provisions, such as Sections 182.6 and 182.7 of the State Streets and Highways Code, require federal apportionment to be obligated within three years of federal eligibility. If a region of the state is unable to fully obligate their lapsing STP or CMAQ balances in a given year, another region in the state can enter into temporary exchange agreements to obligate the older, unused STP or CMAQ balances in exchange for an equal amount of future year STP or CMAQ funds. Such exchanges benefit both regions by avoiding the loss of funds in one region, while another region can advance projects that may be stalled due to a lack of eligible funding.

To facilitate such exchanges, the MTC Executive Director or designee is authorized to sign letters of understanding with Caltrans and other regions for the exchange of STP or CMAQ funds with the following conditions and limitations:

- The exchange does not negatively impact the delivery of Bay Area STP/CMAQ projects.
- The exchange is a dollar for dollar exchange.
- The exchange is allowed under Caltrans' obligation authority management policy.
- Exchanges over \$2 million are reported to a standing Committee of the Commission for information.
- The Letter of Understanding can be executed in time for the MTC to secure the funds prior to any lapse or rescission.
- If any timely use of funds deadlines or Caltrans processes are not met in time and therefore result in the loss of apportionment balance, MTC's apportionment shall not be negatively affected and the Letter of Understanding is null and void.

Exchanges beyond these conditions and limitations may be approved by a standing Committee of the Commission.



**13. Advanced Construction:** When certain federal funds are not available for obligation due to an insufficient balance of apportionment or obligation authority project sponsors may request authorization from FHWA and Caltrans to proceed with the project under advance construction (AC) procedures. AC procedures allow FHWA to authorize work to begin on a project without obligating federal funds. Project sponsors given the federal authorization to proceed with a project under AC procedures use local funds to perform work eligible for future federal reimbursement. Once federal apportionment or obligation authority becomes available, the sponsor may then seek to convert the amount authorized through AC into a real obligation of federal funds.

AC procedures streamline the delivery of federal projects and programs by allowing projects to proceed when current year apportionments or obligation authority has run out, and enables the region and the state to better manage the use of obligation authority for large projects.

To facilitate AC procedures on regional projects, the MTC Executive Director or designee, in consultation with the Chief Financial Officer, is authorized to execute AC authorizations with Caltrans and/or FHWA for federal projects sponsored or implemented by MTC, with the following conditions and limitations:

- The agency must have sufficient local funds to pay for all project costs until the federal funds become available.
- The project must comply with all federal requirements including programming in the TIP.
- The federal authorization date establishes the start date for performance federally-reimbursable work.

**14. Regional Fund Management:** OBAG 3 funding is available in federal fiscal years (FY) 2022-23 through FY 2025-26. Funds may be programmed in any of these years, conditioned upon the availability of federal apportionment and obligation authority (OA), and subject to TIP financial constraint requirements. In addition, in order to provide uninterrupted funding to ongoing efforts and to provide more time to prepare for the effective delivery of capital projects, priority of funding for the first year of programming apportionment (FY 2022-23) will be provided to ongoing programs, such as regional and CTA planning activities, non-infrastructure projects and programs, and the preliminary engineering phase of capital projects.

Specific programming timelines will be determined through the development of the Annual Obligation Plan, which is developed by MTC staff in collaboration with the Bay Area Partnership technical working groups and project sponsors.

OBAG 3 projects are selected for funding based on program and fund source eligibility, project merit to achieve program objectives, and deliverability within established deadlines.

The OBAG 3 program funding is composed of approximately 60% STP and 40% CMAQ funding. MTC will select projects throughout the nine-county Bay Area based on the established project selection criteria and programming policies. STP and CMAQ funds will be assigned to specific projects as part of the project selection process. The amount of STP or CMAQ in any one program, or in the case of the County & Local Program in any one county, will be determined as part of the project selection process. Following the initial project selection and fund

assignment process, MTC may re-assign fund sources to reflect available apportionment or obligation authority, or to otherwise effectively manage regional STP and CMAQ funds.

All OBAG 3 programming amounts must be rounded to the nearest thousand.

All project savings are returned to MTC for future programming, and are not retained by the project sponsor or county.

**15. Project Delivery Policy:** Once programmed in the TIP, the funds must be obligated by FHWA or transferred to the Federal Transit Administration (FTA) within the federal fiscal year the funds are programmed in the TIP. Additionally, all OBAG 3 funds must be obligated no later than January 31, 2027.

Project sponsors are responsible for securing necessary matching funds and for cost increases or additional funding needed to complete the project.

Obligation deadlines, project substitutions and redirection of project savings will continue to be governed by the MTC Regional Project Funding Delivery Policy (MTC Resolution No. 3606 and any subsequent revisions). All funds are subject to obligation, award, invoicing, reimbursement and project close-out requirements. The failure to meet these deadlines may result in the de-programming and redirection of funds to other projects.

To further facilitate project delivery and ensure all federal funds in the region are meeting federal and state regulations and deadlines, every recipient of OBAG 3 funding is required to identify and maintain a staff position that serves as the single point of contact (SPOC) for the implementation of all FHWA-administered funds within that agency. The person in this position must have sufficient knowledge and expertise in the federal-aid delivery process to coordinate issues and questions that may arise from project inception to project close-out. The agency is required to identify the contact information for this position at the time of programming of funds in the TIP, and to notify MTC immediately when the position contact has changed. This person will be expected to work closely with FHWA, Caltrans, MTC, and the respective CTA on all issues related to federal funding for all FHWA-funded projects implemented by the recipient.

Project sponsors that continue to miss delivery milestones and funding deadlines for any federal funds are required to prepare and update a delivery status report on all projects with FHWA-administered funds they manage, and participate, if requested, in a consultation meeting with the CTA, MTC, and Caltrans prior to MTC approving future programming or including any funding revisions for the agency in the TIP. The purpose of the status report and consultation is to ensure the local public agency has the resources and technical capacity to deliver FHWA federal-aid projects, is fully aware of the required delivery deadlines, and has developed a delivery timeline that takes into consideration the requirements and lead-time of the federal-aid process within available resources.

## **COUNTY & LOCAL PROGRAM POLICIES**

In addition to the general programming policies, the following policies also apply to all projects selected for funding in the County & Local Program.

- 1. Minimum Grant Size:** Projects must be a minimum of \$500,000 for counties with a population over 1 million (Alameda, Contra Costa, and Santa Clara counties) and \$250,000

for counties with a population under one million (Marin, Napa, San Francisco, San Mateo, Solano, and Sonoma counties). The purpose of grant minimum requirements is to maximize the efficient use of federal funds and minimize the number of federal-aid projects which place administrative burdens on project sponsors, CTAs, MTC, Caltrans, and Federal Highway Administration (FHWA) staff.

On a case by case basis, MTC may program a grant award that is below the county minimum, but no less than \$150,000. These exceptions are subject to MTC staff discretion, but may be limited to non-infrastructure projects, safety projects, or projects that are already federalized.

**2. Project Selection Process:** MTC selects project in the County & Local Program through a competitive call for projects process, administered by MTC in coordination with the CTAs. In early 2022, MTC will develop and approve the call for projects guidelines (Appendix A-1) prior to releasing a regionwide call for local and county project nominations. In coordination with MTC, CTAs will assist with local agency outreach, public engagement, and initial project screening and evaluation. Following this initial process, CTAs will submit a locally prioritized list of project nominations for MTC's regional evaluation and final project selection in early 2023.

**3. County Nomination Targets:** With the release of the regionwide call for projects, MTC will provide CTAs with their nomination targets for the OBAG 3 County & Local Program. Nomination targets are established to guide the maximum funding request from each county. Similar to prior cycles, these targets will be based on population, recent housing production and planned growth, and housing affordability. However, these investment targets do not commit or imply a guaranteed share of funding to any individual county or jurisdiction. Each county's nomination target will also be adjusted to ensure that it is greater than the amount of base planning funding for that county (affects Napa County).

In order to ensure a sufficient pool of projects for MTC's final project selection, the nomination targets will be 120% of the total amount available for the County & Local Program minus the amounts for CTA Base Planning. Nomination targets will be detailed in Appendix A-1.

**4. Project Selection Criteria & Outreach:** MTC will develop detailed project selection criteria and outreach requirements prior to the release of the call for projects, and provided in Appendix A-1. The project selection guidelines will include, but may not be limited to, the following criteria:

- Screening of all projects for consistency with *Plan Bay Area 2050*, federal fund eligibility, and OBAG 3 programming policy requirements.
- Alignment with *Plan Bay Area 2050* strategies and federal performance management targets.
- Consistency with adopted regional plans and policies, such as Regional Safety/Vision Zero policy, Equity Platform, Regional Active Transportation Plan (AT Plan), Complete Streets Policy (update pending), Transit Oriented Communities (TOC)

Policy (update pending), and priority actions from the Blue Ribbon Transit Transformation Action Plan.

- Projects located within PDAs, or select new growth geographies, and EPCs
- Projects identified in completed CBTPs or PBs
- Project deliverability within program deadlines.
- Emissions reductions benefit and cost effectiveness calculation (for projects eligible for CMAQ).

In addition to these criteria, final project selection will also reflect the relative PDA investment targets per county and the regionwide investment target of \$200 million in active transportation (as described in Program Categories section, above). Consideration will also be given to overall project mix, equity, geographic spread, and to available fund sources and amounts.

**POLICY CONSISTENCY**

OBAG 3 Program Categories are designed to support and advance regional and federal priorities, including *Plan Bay Area 2050* strategies and FHWA Federal Performance Goal Areas, as illustrated in the matrix below.

<b>OBAG 3 Program Category</b>	<b>PBA 2050 Strategies</b>	<b>Federal Performance Goal Areas</b>
Planning & Program Implementation	H3, H4, H5, H6, H8 T1, T2, T3, T6, T7, T8, T9, T10, T11, T12 EC4, EC5, EC6 EN1, EN2, EN3, EN4, EN5, EN6, EN7, EN8, EN9	Safety Infrastructure Condition System Reliability Freight Movement and Economic Vitality Congestion Reduction Environmental Sustainability
Growth Framework Implementation	H3, H4, H5, H6, H8 T1, T2, T3, T11 EC4, EC5, EC6 EN4	Congestion Reduction Environmental Sustainability
Climate, Conservation and Resilience	T2, T7, T8 EN1, EN4, EN5, EN6, EN7, EN8, EN9	System Reliability Congestion Reduction Environmental Sustainability
Complete Streets and Community Choice	T1, T2, T3, T6, T7, T10	System Reliability Freight Movement and Economic Vitality Congestion Reduction Environmental Sustainability
Multimodal Systems Operations and Performance	T1, T2, T3, T8, T9, T10	Safety Infrastructure Condition Congestion Reduction Environmental Sustainability

For a complete list of Plan Bay Area 2050 strategies, see pages vii-x of the adopted plan, available at <https://www.planbayarea.org/>.

## Appendix A-1: County & Local Program Call for Projects Guidelines

The One Bay Area Grant (OBAG 3) County & Local Program funding is available to projects through a competitive call for projects process, administered and selected by MTC in coordination with the nine Bay Area County Transportation Agencies (CTAs). MTC is responsible for call for projects oversight and final project selection.

To receive County & Local Program funding, CTAs and project sponsors must adhere to all OBAG 3 programming policies, including the call for projects guidelines. In the case of any conflict or inconsistency between these guidelines (MTC Resolution No. 4505, Appendix A-1) and the OBAG 3 Project Selection and Programming Policies (MTC Resolution No. 4505, Attachment A), the Project Selection and Programming Policies will be given precedence.

### Program Requirements

#### *Sponsor Requirements*

Bay Area cities, counties, transit agencies, federally-recognized Tribal governments, and CTAs are eligible to apply for OBAG 3 County & Local Program funds. Cities and counties must meet the following requirements to receive program funding:

- Have a general plan housing element adopted and certified by the California Department of Housing and Community Development (HCD) for the 2023-31 Regional Housing Needs Allocation (RHNA) cycle by December 31, 2023, and maintain certification throughout the OBAG 3 program period;
- Submit Housing Element Annual Reports to HCD each year by the April 1 deadline throughout the OBAG 3 program period;
- Adopt a resolution self-certifying compliance with state housing laws related to surplus lands, accessory dwelling units, and density bonuses by December 31, 2023;
- Maintain ongoing compliance with the Housing Accountability Act (as determined by MTC staff) throughout the OBAG 3 program period;
- **Complete Adopt** a Local Roadway Safety Plan (LRSP) or equivalent safety plan, as defined by the California Highway Safety Improvement Program (HSIP) guidelines, by December 31, 2023;
- Maintain a certified Pavement Management Program (StreetSaver® or equivalent), updated as prescribed by MTC staff;
- Fully participate in statewide local streets and road needs assessment surveys (including any assigned funding contribution); and
- Provide traffic count data to MTC to support FHWA's Highway Performance Monitoring System (HPMS) on an annual basis, or as directed by MTC staff.

The above requirements do not apply to sponsors with no general plan or land use authority, such as CTAs or transit agencies under a Joint Powers Agreement (JPA) or special district.

In addition, all recipients of OBAG 3 funding, including public agencies without land use authority as well as federally-recognized Tribal governments, are required to:

- Comply with MTC's Complete Streets Policy, and its successor, including the requirement to complete a Complete Streets Checklist for each project applying for OBAG 3 funding; and

- Comply with MTC's Regional Project Delivery Policy (MTC Resolution No. 3606), including identification of a staff position to serve as the single point of contact (SPOC) for the implementation of all FHWA-administered funds within that agency. The person in this position must have sufficient knowledge and expertise in the federal-aid delivery process to coordinate issues and questions that may arise from project inception to project close-out.

### ***Project Requirements***

Sponsors may apply to receive funding through the call for projects process for eligible project types, as detailed by program category in the County & Local Programs section of Attachment A. Projects must comply with OBAG 3 General Programming Policies, in addition to the programming policies specific to the County & Local Program.

For each project, sponsors must provide the following:

- A Complete Streets Checklist for each distinct project location using the Complete Streets web application (located at <https://completestreets.mtc.ca.gov/>). This checklist will be updated as part of MTC's Active Transportation Plan and Complete Streets Policy update, and sponsors will be required to complete the revised version, available by May 1, 2022. CTAs must make checklists available to their Bicycle and Pedestrian Advisory Committee (BPAC) for review prior to project nomination. For projects that have already submitted a Complete Streets checklist for prior cycles of regional discretionary funding, sponsors may be required to complete an updated checklist or complete a second checklist review with their BPAC, as determined on a case-by-case basis by MTC staff.
- For projects eligible for Congestion Mitigation and Air Quality Improvement Program (CMAQ) funds, the inputs necessary to assess the emissions benefits and cost-effectiveness of air quality improvements resulting from project implementation. Air quality calculation input forms are provided by project type on the OBAG 3 webpage (available at [www.mtc.ca.gov/obag3](http://www.mtc.ca.gov/obag3)) under "Partner Agency Resources."
- All projects selected by MTC for funding must provide a Resolution of Local Support, approved by the sponsor's governing body (template resolutions are available at <https://mtc.ca.gov/funding/federal-funding/federal-highway-administration-grants/one-bayarea-grant-obag-3>).
- All projects selected by MTC for funding must submit a project application, through MTC's Fund Management System (FMS), including a copy of the approved Resolution of Local Support.

### ***PDA Minimum Investments***

CTA nomination lists must meet or exceed the minimum threshold established for PDA supportive investments. For the North Bay counties of Marin, Napa, Solano, and Sonoma, the overall PDA supportive nominations must total 50% or more of the CTA's total funding request for that county. For the remaining counties of Alameda, Contra Costa, San Francisco, San Mateo, and Santa Clara, 70% or more of each CTA's funding request must consist of PDA supportive projects.

To be credited towards each county's PDA minimum investment threshold, a project must be located within or connected to a PDA, or be within one mile of a PDA boundary. Projects that are not physically located within one mile of a PDA but have a clear and direct connection to PDA implementation, such as

transit maintenance facility improvements, may also be credited towards the PDA minimum investment thresholds. Determinations for such projects will be provided by MTC staff on a case-by-case basis.

Projects which consist of countywide programs or activities, including funds dedicated to CTA planning and programming, are given partial credit towards each county's minimum investment threshold calculations (70% or 50%, in line with each county's minimum threshold).

## Nomination Targets

County nomination targets establish the maximum funding request that each CTA may make through County & Local Program project nominations. Similar to prior OBAG cycles, these targets are based on population, recent housing production and planned growth, and housing affordability. However, the OBAG 3 nomination targets do not commit or imply a guaranteed share of funding to any individual county or jurisdiction.

To ensure a sufficient pool of projects for regional selection, MTC is soliciting nominations for 120% of the available funding capacity for the County & Local Program. Each CTA's nomination target is calculated as a percent share of this overall nomination total, using the following factors:

- **Population:** 50% of the nomination target is based on a county's share of the regional population, using 2021 population estimates from the California Department of Finance.
- **Housing Production:** 30% of the nomination target is based on a county's share of regional housing production during the current and previous Regional Housing Needs Allocation (RHNA) cycles (2007 to 2019), using building permit data compiled by the Association of Bay Area Governments (ABAG).
- **Planned Growth:** 20% of the nomination target is based on a county's share of regional housing allocations through the 2023-31 RHNA cycle.
- **Housing Affordability:** For housing production and RHNA factors, 60% of each factor is calculated based on the production or planned growth in affordable housing alone, while the remaining 40% considers all housing types. Affordable housing is defined as housing for very low-, low-, or moderate-income households, categories established by the California Department of Housing and Community Development (HCD) based on housing cost as a proportion of local area median income (AMI). For the purposes of calculating nomination targets, county-specific AMI values are used.
- **Planning and Implementation Balance:** Nomination targets may be further adjusted to ensure that no county receives a nomination target below the base planning amount programmed for that county. No such adjustments were necessary in developing the proposed nomination targets for OBAG 3.

The resulting nomination targets are detailed in the table below by county. CTAs may only nominate County & Local Program projects up to the target amounts listed below.

County	CTA	Nomination Share	Nomination Target
Alameda	Alameda County Transportation Commission	20.3%	\$82,827,000
Contra Costa	Contra Costa Transportation Authority	13.9%	\$56,775,000



Marin	Transportation Authority of Marin	2.8%	\$11,544,000
Napa	Napa Valley Transportation Authority	1.5%	\$6,143,000
San Francisco	San Francisco County Transportation Authority	15.2%	\$62,138,000
San Mateo	City/County Association of Governments of San Mateo County	9.1%	\$37,054,000
Santa Clara	Santa Clara Valley Transportation Authority	26.8%	\$109,385,000
Solano	Solano Transportation Authority	4.7%	\$19,159,000
Sonoma	Sonoma County Transportation Authority	5.6%	\$22,975,000
<b>CTA Nomination Totals (120% available funds)</b>			<b>\$408,000,000</b>
<b>Funds Available (County &amp; Local Program)</b>			<b>\$340,000,000</b>

In addition, CTAs are encouraged (but not required) to submit project nomination lists that align with the following regionwide County & Local Program funding targets and constraints:

- **Active Transportation Investment Target:** OBAG 3 establishes a regionwide target of \$200 million for active transportation projects, including bicycle, pedestrian, and Safe Routes to School (SRTS) programs and projects. Bicycle and pedestrian elements included on projects that are not solely focused on active transportation (such as sidewalk or bike lane improvements included in a local road preservation project) also contribute to this regionwide investment target.
- **SRTS Investment Target:** OBAG 3 carries forward ongoing commitments to SRTS programming, by establishing a \$25 million regionwide target for SRTS programs and projects. Qualifying projects also contribute to the broader active transportation investment target described above.
- **Fund Source Eligibility:** Fund source targets for the County & Local Program are proportional to the overall composition of OBAG 3 funding, estimated to be 60% Surface Transportation Block Grant Program (STP) funds and 40% CMAQ funds. As CMAQ is the more restrictive fund source, in effect this constraint requires that at least 40%, or \$150 million, of County & Local Program funds be allocated to CMAQ-eligible projects.

## Outreach Requirements

MTC partners with CTAs to conduct public engagement and local agency outreach for the County & Local Program call for projects, consistent with Title VI of the Civil Rights Act and associated federal requirements. The existing relationships CTAs have with local jurisdictions, elected officials, transit agencies, federally-recognized Tribal governments, community organizations and stakeholders, and members of the public within their respective counties make them well suited to assist MTC in this role.

CTAs should develop outreach plans consistent with this section, and each CTA must have their plan approved by MTC staff prior to initiating the call for projects activities in their respective county. In addition, CTAs are required to submit documentation to MTC demonstrating compliance with this section during the project nomination process. A list of acceptable outreach compliance documentation can be found below (page 7).

### **Public Engagement**

As part of their call for projects process, CTAs are required to conduct countywide outreach and engagement with stakeholders and the public to solicit project ideas. CTAs are expected to implement their public outreach and engagement efforts in a manner consistent with MTC's Public Participation Plan (MTC Resolution No. 4174), which can be found at <http://mtc.ca.gov/about-mtc/public-participation/public-participation-plan>. CTAs should make every effort to follow current best practices related to virtual and in-person public participation, outreach, and engagement. CTAs should also make meaningful efforts to lower participation barriers for hard-to-reach populations, Limited English Proficient (LEP) speakers, people with disabilities, and those who are historically challenged from weighing in on public decision making processes.

At a minimum, MTC and CTAs are required to:

- Execute effective and meaningful local outreach and engagement efforts during the call for projects by working closely with local jurisdictions, elected officials, transit agencies, community-based organizations, other relevant stakeholders, and the public through the project solicitation process;
- Explain the local call for projects process, informing stakeholders and the public about methods for public engagement; relevant key milestones; the timing and opportunities for public comments on project ideas, including all standing public meetings and any County & Local Program call for projects-specific events and/or meetings; and when decisions are to be made on the list of projects to be submitted to MTC;
- Hold public meetings and/or workshops at times that are conducive to public participation to solicit public input on project ideas to submit;
- When possible, schedule meetings/events at times and locations that prioritize participation from Equity Priority Communities and other communities that have historically been systematically left out of the decision-making process;
- Post notices of public meetings and hearing(s) on their agency website; include information on how to request language assistance for individuals with limited English proficiency, as well as reasonable accommodations for persons with disabilities. If agency protocol has not been established, please refer to MTC's Plan for Assisting Limited English Proficient Populations at [mtc.ca.gov/about-mtc/public-participation/get-language-assistance](http://mtc.ca.gov/about-mtc/public-participation/get-language-assistance) or the Americans with Disabilities Act;
- Offer language assistance<sup>1</sup> and accommodations for people with disabilities on all collateral materials and meeting notices. Establish a reasonable amount of time to request assistance in advance and include this information in materials and meeting notices;
- Hold in-person public meetings, when health protocols allow for in-person meetings to be safely held, in central locations that are accessible via multiple transportation modes,

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<sup>1</sup> The Regional Housing Technical Assistance program has developed a useful reference document that outlines best practices for offering language translation services: [https://abag.ca.gov/sites/default/files/documents/2021-11/Best\\_Practices\\_Multilingual\\_Engagement\\_10-2021.pdf](https://abag.ca.gov/sites/default/files/documents/2021-11/Best_Practices_Multilingual_Engagement_10-2021.pdf).

especially public transit, and ensure all locations are accessible to persons with disabilities;  
and

- Respond to written public comments, and whenever possible, post all written comments to the agency's website and summarize how public feedback impacted the decision-making process.

CTAs with recent public engagement efforts relevant to the County & Local Program call for projects are encouraged to incorporate the results of these efforts into their project prioritization process, provided that such efforts are:

- Completed recently or concurrently (up to 12 month prior to the County & Local Program call for projects, with older but relevant outreach considered by MTC staff on a case-by-case basis);
- Sufficiently comprehensive to determine public support and priorities for transportation project types eligible for funding under OBAG 3 (for example, development of a Countywide Transportation Plan or Countywide Capital Improvement Program);
- Conducted in an accessible, equitable manner consistent with federal Title VI nondiscrimination requirements; and
- Supplemental to other, dedicated opportunities for public input on OBAG 3 County & Local Program funding specifically that meet the minimum outreach requirements detailed in the paragraph above.

### ***Agency Coordination***

CTAs are expected to work closely with regional stakeholders during the call for project process, including MTC, Caltrans, and potential project sponsors. At a minimum, MTC and CTAs are required to communicate the call for projects and solicit applications from all local jurisdictions, transit agencies, and federally recognized Tribal governments within their county boundaries. For counties with federally recognized Tribal governments within their jurisdictions, MTC and CTAs are required to offer opportunities for government-to-government consultation to the Tribes.

### ***Title VI Responsibilities***

Call for projects processes must be consistent with Title VI of the Civil Rights Act, and the associated Executive Order on Environmental Justice (EO 12898), which together prohibit discrimination in federally-assisted programs on the basis of race, ethnicity, or income. Public outreach to, and involvement of, individuals in low income and communities of color covered under Title VI is critical to both local and regional decisions. MTC and CTAs are required to ensure that underserved communities are provided opportunities for access and input to the project submittal process. This may include, but is not limited to, the following:

- Assisting community-based organizations, Equity Priority Communities, and any other underserved community interested in having projects submitted for funding; and
- Removing barriers for persons with limited-English proficiency and other communities that have historically been systematically left out of the decision-making process to have access to the project submittal process.

### ***Resources and Documentation***

CTAs may refer to MTC's Public Participation Plan for further guidance on Title VI outreach strategies, found at <http://mtc.ca.gov/about-mtc/public-participation/public-participation-plan>. Additional

resources related to Title VI, civil rights compliance, and virtual participation are available from these agencies:

- FHWA at <http://www.fhwa.dot.gov/civilrights/programs/tvi.htm>;
- Caltrans at [http://www.dot.ca.gov/hq/LocalPrograms/DBE\\_CRLC.html#TitleVI](http://www.dot.ca.gov/hq/LocalPrograms/DBE_CRLC.html#TitleVI);
- MTC at [http://www.mtc.ca.gov/get\\_involved/rights/index.htm](http://www.mtc.ca.gov/get_involved/rights/index.htm); and
- ABAG webinar: "Engage How To! Introduction to Remote Meeting Tools" at <https://abag.ca.gov/our-work/housing/regional-housing-technical-assistance/training>

Additionally, CTAs are encouraged to use the following resources to source MTC pre-approved consultant services for their outreach efforts:

- **Equity Consultant Bench:** for general support with outreach activities, available at [https://mtc.ca.gov/sites/default/files/documents/2021-07/Equity\\_Bench\\_Consultant\\_Catalog\\_2021.pdf](https://mtc.ca.gov/sites/default/files/documents/2021-07/Equity_Bench_Consultant_Catalog_2021.pdf); and
- **Translation and Interpreter Services Consultant Bench:** for translation, interpretation, and American Sign Language (ASL) services to ensure meaningful access by Limited English Proficiency (LEP) populations (as required under Title VI) and provide accessibility accommodations (as required by the Americans with Disabilities Act), available at <http://mtc.legistar.com/gateway.aspx?M=F&ID=5b527bad-4840-4614-8ce8-72d94770e4e6.pdf>.

Both consultant benches include consultant firms pre-qualified by MTC through Request for Qualifications (RFQ) processes which included "Cooperative Use" language, allowing other agencies to use MTC's processes to satisfy their own contracting and procurement guidelines.

To demonstrate compliance with outreach requirements, CTAs are required to submit the following documentation to MTC staff by September 30, 2022:

- A copy of the CTA's public outreach and engagement plan, developed in coordination with MTC;
- Copies or text of public notice(s) of opportunities for members of the public to provide input on County & Local Program criteria and/or project nominations, which must include information on how to request language assistance and accessibility accommodations;
- A list of CBOs or other organizations representing potentially impacted groups that the CTA contacted for input on the County & Local Program;
- Dates, times, and locations of public meetings, hearings, and/or workshops where opportunity for public input on the County & Local Program was afforded;
- A summary of public input received during the call for projects process, and how such feedback, and the results of any relevant prior outreach, was used in the CTA evaluation and decision-making process;
- A description of correspondence and/or meetings with all applicable local jurisdictions, transit agencies, and federally-recognized tribal governments informing each of the call for projects opportunity; and
- If information from prior or concurrent outreach efforts was incorporated into the CTA's call for projects process, a narrative description of these efforts, how the results informed project prioritization, and how the CTA met the minimum public involvement requirements for the OBAG 3 call for projects described above.

## County Screening and Evaluation

CTAs, in coordination with MTC, will solicit and collect project applications, screening applicants and projects for program eligibility, and initial scoring and/or ranking of projects. CTAs will develop individual application materials, deadlines, and processes for their county's call for projects, consistent with these overall program guidelines and subject to approval by MTC staff. At minimum, CTAs must incorporate the following regional criteria into their project evaluations.

- **Eligibility:** CTAs should screen potential sponsors and applications for eligibility with federal and regional requirements. Projects must be:
  - Eligible for STP or CMAQ funds, as detailed in 23 USC Sec. 133 and at <https://www.fhwa.dot.gov/fastact/factsheets/stbgfs.cfm> (STP), and in 23 USC Sec. 149 and at [http://www.fhwa.dot.gov/environment/air\\_quality/cmaq/policy\\_and\\_guidance/](http://www.fhwa.dot.gov/environment/air_quality/cmaq/policy_and_guidance/) (CMAQ);
  - Consistent with *Plan Bay Area 2050*, available at <https://www.planbayarea.org/>; and
  - Meet all OBAG 3 programming policy requirements described in these guidelines and in MTC Resolution 4505.
- **Alignment:** CTAs should evaluate projects for alignment with relevant federal and regional plans and policies. Additional weight should be given to projects that:
  - Are located in PDAs or Transit-Rich Areas (TRAs), identified in locally-adopted plans (e.g. Specific Plans) for PDAs, or support preservation of Priority Production Areas (PPAs), as defined in Chapter 1 of *Plan Bay Area 2050* and available for viewing or download at <https://opendata.mtc.ca.gov/datasets/MTC::plan-bay-area-2050-growth-geographies/about>;
  - Invest in historically underserved communities, which may include projects prioritized in a Community-Based Transportation Planning (CBTP) or Participatory Budgeting process, or projects located within Equity Priority Communities with demonstrated community support. Equity Priority Communities are defined in Chapter 1 *Plan Bay Area 2050* and described at <https://mtc.ca.gov/planning/transportation/access-equity-mobility/equity-priority-communities>;
  - Are located in jurisdictions with affordable housing protection, preservation, and production strategies, including an emphasis on community stabilization and anti-displacement policies with demonstrated effectiveness;
  - Implement multiple *Plan Bay Area 2050* strategies, described throughout the Plan (in particular, Chapters 2-5), or implementation actions (Chapter 7);
  - Advance Federal Performance Management Goals for safety, asset management, environmental sustainability and system performance, as detailed in 23 USC Sec. 105(b) and at <https://www.fhwa.dot.gov/tpm/about/goals.cfm>;
  - Demonstrate consistency with one or more of the following regional plans and policies:
    - Regional Safety/Vision Zero Policy (MTC Resolution No. 4400): <https://mtc.ca.gov/tools-resources/digital-library/10a-20-0788-resono-4400-regional-safety-vz-policypdf>
    - Equity Platform: <https://mtc.ca.gov/about-mtc/what-mtc/equity-platform>
    - Regional Active Transportation Plan (in development): <https://mtc.ca.gov/funding/investment-strategies-commitments/climate-protection/regional-active-transportation-plan>

- Transit Oriented Communities Policy (update pending):  
<https://mtc.ca.gov/planning/land-use/transit-oriented-development-tod-policy>
- Blue Ribbon Transit Transformation Action Plan:  
[https://mtc.ca.gov/sites/default/files/documents/2021-09/Transit\\_Action\\_Plan\\_1.pdf](https://mtc.ca.gov/sites/default/files/documents/2021-09/Transit_Action_Plan_1.pdf)
- **Community Support:** CTAs must prioritize project applications with demonstrated public support from communities disproportionately impacted by past discriminatory practices, including redlining, racial covenants, urban renewal, and highway construction that divided low-income and communities of color. Community support may be determined through a variety of means, including (but not limited to):
  - Responses to public outreach, including comments received at public meetings or hearings, feedback from community workshops, survey responses, etc.; and
  - Endorsement by a Community-Based Organization (CBO) representing historically and potentially impacted populations.
- **Deliverability:** CTAs must evaluate applicants and projects for potential deliverability issues, deprioritizing or excluding projects as needed based on risk. CTAs should ensure that project sponsors have sufficient agency capacity and technical expertise to complete projects in accordance with MTC's Regional Project Delivery Policy (available at <https://mtc.ca.gov/funding/federal-funding/project-delivery>) and meet OBAG 3 deadlines. Project sponsors must be able to obligate OBAG 3 funds no later than January 31, 2027.

CTA project evaluation criteria must be approved by both MTC staff and the CTA's governing board prior to initiating the call for projects activities in their respective county. CTAs may develop separate evaluation frameworks by project type, but each such framework must meet the requirements of this section.

## Project Nominations

After completing initial project screening and evaluations, CTAs will submit project nominations and associated documentation to MTC for regional evaluation and project selection. Nomination lists must be approved by the CTA's governing board prior to submission to MTC. CTA project nomination packets are due to MTC by September 30, 2022, and must include the following elements:

- **Nomination List:** list(s) of eligible candidate projects for the OBAG 3 County & Local Program, ranked or scored according to the evaluation criteria developed by the CTA and approved by MTC staff. Nomination lists must comply with all OBAG 3 programming policies, including sponsor and project requirements, PDA minimum investments, and CTA nomination targets.
- **Board Approval:** signed resolution documenting CTA governing board action approving the County & Local Program project nomination list.
- **Outreach Documentation:** materials verifying CTA compliance with outreach requirements as described above.
- **Compliance Checklists:** completed checklists and supporting documentation affirming compliance with County & Local Program programming policies for both the CTA and each sponsor with a project on the nomination list. Checklists should be completed by the CTA, and must be signed by a signatory authority for the concerned agency. CTA and sponsor checklists

are provided through the OBAG 3 webpage (available at [www.mtc.ca.gov/obag3](http://www.mtc.ca.gov/obag3)) under "Partner Agency Resources."

## Regional Project Evaluation

Using the nomination packets provided by the CTAs, MTC staff will form a review committee composed of multidisciplinary group of staff members to complete a regional project evaluation process and develop a recommended subset of projects for adoption by the Commission. This process will consist of the following steps:

- **Eligibility Review:** MTC staff will review submitted documentation and ensure CTA, sponsor, and project compliance with applicable federal and regional policies. Any issues identified will be communicated to CTA staff, and projects with unresolved issues will be excluded from further consideration.
- **Regional Criteria:** members of the review committee will score projects using the following rubric:
  - CTA Prioritization (75 points): relative CTA project rank or score, scaled to a range of 0-75 and normalized across CTAs.
  - Regional Impact (15 points): project alignment with *Plan Bay Area 2050* strategies, anticipated effectiveness in advancing regional objectives, and contribution to regionally significant networks or facilities.
  - Deliverability (10 points): sponsor capacity to deliver the specified project, including consideration of prior performance on MTC-funded projects, and any anticipated risk to the project development schedule or funding plan.
  - Air Quality Improvement (10 points): for CMAQ-eligible projects relative cost-effectiveness of projects in reducing emissions for criteria air pollutants for the San Francisco Bay Area Air Basin and additional consideration for PM2.5 reducing projects.
- **Project Ranking Process:** candidate projects will be ranked according to their average review committee score. To ensure that high performing air quality improvement projects are prioritized for CMAQ funding, MTC staff will first develop a recommended list of eligible projects for CMAQ funding using the comprehensive rubric rankings (all eligible projects scored with a maximum possible score of 110 points and ranked from highest to lowest score). All remaining projects, including CMAQ-eligible projects not recommended for funding using this first method, will then be ranked with the air quality improvement portion of the rubric score excluded (all remaining projects scored with a maximum possible score of 100 points and ranked from highest to lowest score). The latter rankings will be used by MTC staff to develop a recommended list of projects for STP funding.
- **Program Balancing:** candidate projects will be initially prioritized according to their ranking as described above. However, to achieve programmatic investment thresholds, and ensure a balanced program of projects, MTC staff may adjust project prioritization based on the following factors:
  - County PDA investment targets;
  - Regionwide investment targets, including Active Transportation and SRTS investments;
  - Relative STP and CMAQ availability; and

- Overall program balancing for a variety of project types, equitable investments, and geographic spread.

Using this process, MTC staff will develop a draft program of recommended projects for Commission adoption. MTC staff will coordinate with CTA staff to provide comments and feedback on the draft program of projects, and may refine the recommended program of projects accordingly.

## **Program Approval**

The Commission will consider the recommended OBAG 3 County & Local Program projects in January 2023. Projects approved by the Commission for funding will be eligible for programming into the TIP starting in February 2023. Approved County & Local Program projects and any subsequent revisions by the Commission will be detailed in Attachment B-2.

Projects nominated by CTAs but not selected for funding by the Commission will automatically be considered for future eligible funding opportunities through the OBAG 3 Regional Program, or as additional programming capacity becomes available for the County & Local Program.



**Attachment B-1**  
**MTC Resolution No. 4505**  
**OBAG 3 Regional Programs**  
**FY 2022-23 through FY 2025-26**  
**June 2022**

MTC Res. No. 4505 Attachment B-1  
 Adopted: 01/26/22-C  
 Revised: 02/23/22-C 06/22/22-C

**OBAG 3 Regional Programs Project List**

PROJECT CATEGORY AND TITLE	COUNTY	SPONSOR	Total STP/CMAQ
<b>OBAG 3 REGIONAL PROGRAMS</b>			<b>\$382,000,000</b>
<b>1. PLANNING AND PROGRAM IMPLEMENTATION</b>			
Regional Planning Activities	Regionwide	MTC	\$8,300,000
Program and Project Implementation	Regionwide	MTC	\$37,200,000
Program and Project Implementation - Transit Transformation	Regionwide	MTC	\$4,000,000
<b>1. PLANNING AND PROGRAM IMPLEMENTATION</b>			<b>TOTAL: \$49,500,000</b>
<b>2. GROWTH FRAMEWORK IMPLEMENTATION</b>			
Growth Framework Implementation			
Growth Framework Implementation	Regionwide	TBD	\$25,000,000
<b>2. GROWTH FRAMEWORK IMPLEMENTATION</b>			<b>TOTAL: \$25,000,000</b>
<b>3. CLIMATE, CONSERVATION, AND RESILIENCE</b>			
Climate Initiatives			
Climate Initiatives	TBD	TBD	\$43,800,000
Regional Transportation Demand Management (TDM)			
<u>Commuter Benefits Program</u>	<u>Regionwide</u>	<u>MTC</u>	<u>\$10,000,000</u>
<u>Regional Carpool Program</u>	<u>Regionwide</u>	<u>MTC</u>	<u>\$3,400,000</u>
<u>Bike to Work &amp; Spare the Air Youth</u>	<u>Regionwide</u>	<u>MTC</u>	<u>\$4,800,000</u>
Regional TDM Balance	Regionwide	MTC	\$18,000,000
Priority Conservation Area (PCA) Grant Program			
PCA Grant Program	TBD	TBD	\$18,000,000
<b>3. CLIMATE, CONSERVATION, AND RESILIENCE</b>			<b>TOTAL: \$98,000,000</b>
<b>4. COMPLETE STREETS AND COMMUNITY CHOICE</b>			
Healthy, Safe, and Sustainable Streets			
Regional Vision Zero/Safety Program			
<u>Local Roadway Safety Plan Development &amp; Technical Assistance</u>	<u>TBD</u>	<u>MTC</u>	<u>\$4,000,000</u>
<u>Bay Area Vision Zero Data System</u>		<u>MTC</u>	<u>\$2,000,000</u>
<u>Regional Safety Program Coordination and Outreach</u>	<u>TBD</u>	<u>MTC</u>	<u>\$2,000,000</u>
Regional Pavement & Asset Management Program			
<u>Pavement Technical Assistance Program (PTAP)</u>	<u>TBD</u>	<u>MTC</u>	<u>\$10,000,000</u>
<u>Pavement Management Program (PMP)</u>	<u>TBD</u>	<u>MTC</u>	<u>\$3,000,000</u>
Regional Active Transportation Plan (AT Plan) Implementation			
Regional AT Plan Implementation	Regionwide	TBD	\$15,000,000
Community Choice			
<u>ACTC: Community-Based Transportation Plans</u>		<u>MTC</u>	<u>\$600,000</u>
<u>CCTA: Community-Based Transportation Plans</u>		<u>MTC</u>	<u>\$450,000</u>
<u>TAM: Community-Based Transportation Plans</u>		<u>MTC</u>	<u>\$150,000</u>
<u>NVTA: Community-Based Transportation Plans</u>		<u>MTC</u>	<u>\$150,000</u>
<u>SFCTA: Community-Based Transportation Plans</u>		<u>MTC</u>	<u>\$370,000</u>
<u>C/CAG: Community-Based Transportation Plans</u>		<u>MTC</u>	<u>\$245,000</u>
<u>VTA: Community-Based Transportation Plans</u>		<u>MTC</u>	<u>\$600,000</u>
<u>STA: Community-Based Transportation Plans</u>		<u>MTC</u>	<u>\$190,000</u>
<u>SCTA: Community-Based Transportation Plans</u>		<u>MTC</u>	<u>\$245,000</u>
Project implementation, technical assistance, engagement	TBD	TBD	\$15,000,000
<b>4. COMPLETE STREETS AND COMMUNITY CHOICE</b>			<b>TOTAL: \$54,000,000</b>
<b>5. MULTIMODAL SYSTEMS OPERATIONS AND PERFORMANCE</b>			
Transit Transformation Action Plan			
<u>Transit Priority - Highway Investments</u>	<u>ALA/SF</u>	<u>MTC</u>	<u>\$13,000,000</u>
<u>Transit Priority - Arterial Investments</u>	<u>TBD</u>	<u>TBD</u>	<u>\$15,000,000</u>
<u>Mapping &amp; Wayfinding</u>	<u>Regionwide</u>	<u>TBD</u>	<u>\$3,600,000</u>
Multimodal Systems Programs			
Clipper C2 Capital (Loan for RM3)	Regionwide	MTC	\$30,000,000
Multimodal Systems Programs Balance	Regionwide	MTC	\$86,900,000
<u>SamTrans ROW Repayment - Projects TBD</u>	<u>TBD</u>	<u>SamTrans</u>	<u>\$7,000,000</u>
<b>5. MULTIMODAL SYSTEMS OPERATIONS AND PERFORMANCE</b>			<b>TOTAL: \$155,500,000</b>
<b>OBAG 3 REGIONAL PROGRAMS</b>			<b>TOTAL: \$382,000,000</b>

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**Attachment B-2**  
**MTC Resolution No. 4505**  
**OBAG 3 County & Local Programs**  
**FY 2022-23 through FY 2025-26**  
**June 2022**

MTC Res. No. 4505 Attachment B-2  
 Adopted: 01/26/22-C  
 Revised: 06/22/22-C

**OBAG 3 County & Local Programs Project List**

PROJECT CATEGORY AND TITLE	SPONSOR	Total STP/CMAQ
<b>OBAG 3 COUNTY &amp; LOCAL PROGRAMS</b>		<b>\$375,000,000</b>
<b>ALAMEDA COUNTY</b>		
CTA Planning Activities		
Planning Activities Base	MTC	\$4,905,000
Safe Routes to School (SRTS)		
<u><b>SRTS Non-Infrastructure Program</b></u>	<u><b>ACTC</b></u>	<u><b>\$1,270,000</b></u>
<b>ALAMEDA COUNTY</b>	<b>TOTAL:</b>	<b>\$6,175,000</b>
<b>CONTRA COSTA COUNTY</b>		
CTA Planning Activities		
Planning Activities Base	MTC	\$4,087,000
<b>CONTRA COSTA COUNTY</b>	<b>TOTAL:</b>	<b>\$4,087,000</b>
<b>MARIN COUNTY</b>		
CTA Planning Activities		
Planning Activities Base	MTC	\$3,446,000
<b>MARIN COUNTY</b>	<b>TOTAL:</b>	<b>\$3,446,000</b>
<b>NAPA COUNTY</b>		
CTA Planning Activities		
Planning Activities Base	MTC	\$3,446,000
<b>NAPA COUNTY</b>	<b>TOTAL:</b>	<b>\$3,446,000</b>
<b>SAN FRANCISCO COUNTY</b>		
CTA Planning Activities		
Planning Activities Base	MTC	\$3,624,000
Safe Routes to School (SRTS)		
<u><b>SRTS Non-Infrastructure Program</b></u>	<u><b>SFCTA</b></u>	<u><b>\$7,082,000</b></u>
<b>SAN FRANCISCO COUNTY</b>	<b>TOTAL:</b>	<b>\$10,706,000</b>
<b>SAN MATEO COUNTY</b>		
CTA Planning Activities		
Planning Activities Base	MTC	\$3,450,000
Safe Routes to School (SRTS)		
<u><b>SRTS Non-Infrastructure Program</b></u>	<u><b>C/CAG</b></u>	<u><b>\$1,500,000</b></u>
<b>SAN MATEO COUNTY</b>	<b>TOTAL:</b>	<b>\$4,950,000</b>
<b>SANTA CLARA COUNTY</b>		
CTA Planning Activities		
Planning Activities Base	MTC	\$5,307,000
<b>SANTA CLARA COUNTY</b>	<b>TOTAL:</b>	<b>\$5,307,000</b>
<b>SOLANO COUNTY</b>		
CTA Planning Activities		
Planning Activities Base	MTC	\$3,446,000
<b>SOLANO COUNTY</b>	<b>TOTAL:</b>	<b>\$3,446,000</b>
<b>SONOMA COUNTY</b>		
CTA Planning Activities		
Planning Activities Base	MTC	\$3,446,000
Safe Routes to School (SRTS)		
<u><b>SRTS Non-Infrastructure Program</b></u>	<u><b>SCTA</b></u>	<u><b>\$1,910,000</b></u>
<b>SONOMA COUNTY</b>	<b>TOTAL:</b>	<b>\$5,356,000</b>
<b>UNPROGRAMMED BALANCE</b>		<b>\$328,081,000</b>
<b>OBAG 3 COUNTY &amp; LOCAL PROGRAMS</b>	<b>TOTAL:</b>	<b>\$375,000,000</b>

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# APPENDIX A – 19

## *Regional Policies: Project Funding and Specific Funding Programs*

**Policies, Procedures and Project Selection Criteria and Program of Projects for the 2022 Regional Transportation Improvement Program (RTIP) for the San Francisco Bay Area**

**MTC Resolution No. 4488**



Date: September 22, 2021  
W.I.: 1515  
Referred by: PAC  
Revised: 12/15/21-C

ABSTRACT

Resolution No. 4488

This resolution adopts the policies, procedures, and program of projects for the 2022 Regional Transportation Improvement Program (RTIP) for the San Francisco Bay Area, for submission to the California Transportation Commission (CTC), consistent with the provisions of Senate Bill 45 (Chapter 622, Statutes 1997).

- Attachment A – Policies and Procedures for the 2022 RTIP (with appendices)
- Attachment B – 2022 RTIP Program of Projects
- Attachment C – STIP Amendment / Extension Rules and Procedures

This resolution was amended by Commission Action on December 15, 2021 to adopt Attachment B – 2022 RTIP Program of Projects.

Further discussion of these actions is contained in the Summary Sheets to the MTC Programming and Allocations Committee dated September 8, 2021 and December 8, 2021.

Date: September 22, 2021  
W.I.: 1515  
Referred by: PAC

RE: Adoption of 2022 Regional Transportation Improvement Program (RTIP)  
Program Policies, Procedures, Project Selection Criteria, and Program of Projects

METROPOLITAN TRANSPORTATION COMMISSION  
RESOLUTION NO. 4488

WHEREAS, the Metropolitan Transportation Commission (MTC) is the regional transportation planning agency for the San Francisco Bay Area pursuant to Government Code Section 66500 *et seq.*; and

WHEREAS, MTC has adopted and periodically revises, pursuant to Government Code Sections 66508 and 65080, a Regional Transportation Plan (RTP); and

WHEREAS, MTC shares responsibility with the Association of Bay Area Governments (ABAG) for developing and implementing a Sustainable Communities Strategy (SCS) that integrates transportation, land use, and housing to meet greenhouse gas (GHG) reduction goals (Government Code Section 65080(b) 2(B)).

WHEREAS, MTC adopts, pursuant to Government Code Section 65082, a Regional Transportation Improvement Program (RTIP) when additional State Transportation Improvement Program funding is available, that is submitted, pursuant to Government Code Section 14527, to the California Transportation Commission (CTC) and the California Department of Transportation (Caltrans); and

WHEREAS, MTC has developed, in cooperation with Caltrans, operators of publicly owned mass transportation services, congestion management agencies, countywide transportation planning agencies, and local governments, policies, procedures and project selection criteria to be used in the development of the 2022 RTIP, and a five-year program for the funding made available for highways, roadways and state-funded mass transit guideways and other transit capital improvement projects, to include projects programmed in fiscal years 2022-23 through 2026-27; and

WHEREAS, using the process and criteria set forth in the Attachments to this resolution, attached hereto as though set forth at length, a set of capital priorities for the 2022 Regional Transportation Improvement Program (RTIP) was developed; and

WHEREAS, the 2022 RTIP has been developed consistent with the policies and procedures outlined in this resolution, and with the STIP Guidelines adopted by the CTC on August 18, 2021; and

WHEREAS, the 2022 RTIP will be subject to public review and comment; now, therefore, be it

RESOLVED, that MTC approves the process and criteria to be used in the evaluation of candidate projects for inclusion in the 2022 RTIP, as set forth in Attachment A of this resolution, and be it further

RESOLVED, that MTC adopts the 2022 RTIP Program of Projects, attached hereto as Attachment B and incorporated herein as though set forth at length, and finds it consistent with the RTP; and, be it further

RESOLVED, that MTC approves the STIP Amendment / Extension Rules and Procedures to be used in processing STIP amendment and extension requests, as set forth in Attachment C of this resolution, and be it further

RESOLVED, that the Executive Director may make adjustments to Attachment B in consultation with the respective Congestion Management Agency (CMA) or County Transportation Planning Agency, Collectively known as the Bay Area County Transportation Agencies (CTAs), to respond to direction from the California Transportation Commission and/or the California Department of Transportation; and, be it further

RESOLVED, that MTC's adoption of the programs and projects in the 2022 RTIP is for planning purposes only, with each project still subject to MTC's project review and application approval pursuant to MTC Resolution Nos. 3115 and 3757; and, be it further

RESOLVED, that the Executive Director shall forward a copy of this resolution, and such other information as may be required to the CTC, Caltrans, and to such other agencies as may be appropriate.

METROPOLITAN TRANSPORTATION COMMISSION



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Alfredo Pedroza, Chair

The above resolution was entered into by the Metropolitan Transportation Commission at a regular meeting of the Commission held in San Francisco, California, on September 22, 2021.

Date: September 22, 2021  
W.I.: 1515  
Referred by: PAC

Attachment A  
Resolution No. 4488  
Page 1 of 30

**2022  
Regional Transportation Improvement Program**

**Policies and Procedures  
September 22, 2021**

**MTC Resolution No. 4488  
Attachment A**

**Metropolitan Transportation Commission  
Funding Policy and Programs Section  
<http://www.mtc.ca.gov/our-work/fund-invest>**



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Regional Transportation Improvement Program  
Policies and Procedures  
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## **2022 Regional Transportation Improvement Program (RTIP) Policies and Procedures**

### **Background**

The State Transportation Improvement Program (STIP) provides funding for transportation projects around the State. As the Regional Transportation Planning Agency (RTPA) for the Bay Area, the Metropolitan Transportation Commission (MTC) is responsible for developing regional STIP project priorities for the nine counties of the Bay Area.

The Regional Transportation Improvement Program (RTIP) is the region's proposal to the State for STIP funding and is due to the California Transportation Commission (CTC) by December 15, 2021. The 2022 STIP will include programming for the five fiscal years from 2022-23 through 2026-27.

### **2022 RTIP Development**

The following principles will frame the development of MTC's 2022 RTIP, the region's contribution to the 2022 STIP.

- MTC will work with CTC staff, each Congestion Management Agency and Countywide Transportation Planning Agency, collectively known as the Bay Area County Transportation Agencies (CTAs), transit operators, Caltrans, and project sponsors to prepare the 2022 STIP.
- Investments made in the RTIP must carry out the objectives of the Regional Transportation Plan (RTP)/Sustainable Communities Strategy (SCS) and be consistent with its improvements and programs.
- MTC may choose to consult with counties to consider programming a portion of their RTIP shares for projects that meet a regional objective.
- MTC will continue to work with CTAs, transit operators, Caltrans and project sponsors to aggressively seek project delivery solutions. Through the use of AB 3090 authority, GARVEE financing, and federal, regional, and local funds and funding exchanges, MTC will work with its transportation partners to deliver projects in the region.
- Each county's project list must be constrained within the county share limits unless arrangements have been made with other counties to aggregate the county share targets. MTC continues to support aggregation of county share targets to deliver ready-to-go projects in the region. CTAs that submit a list that exceeds their county share must identify and prioritize those projects that exceed the county share target.

### **Key Policies and Guidance**

The following policies serve as the primary guidance in the development of the 2022 RTIP.

#### **Key Eligibility Policies**

##### **Consistency with Regional and Local Plans**

###### **RTP/SCS Consistency**

*Plan Bay Area 2040*, the Regional Transportation Plan (RTP)/Sustainable Communities Strategy (SCS), lays out a vision of what the Bay Area land use patterns and transportation network could look like in 2040. An objective of *Plan Bay Area 2040* is to encourage and promote the safe and efficient management, operation and development of a regional intermodal transportation system

that will serve the mobility needs of people and goods. Programming policies governing the STIP and other flexible, multi-modal discretionary funding sources such as the federal Surface Transportation Block Grant Program (STBG), Congestion Mitigation and Air Quality Improvement (CMAQ), and Regional Transportation Improvement Program (RTIP) funds must be responsive to the strategies and goals of the Plan. MTC expects to adopt the new RTP/SCS, Plan Bay Area 2050, later in 2021. New projects submitted for RTIP consideration must be included in the current RTP and should include a statement addressing how the project meets the current and new RTP strategies and goals.

### **Local Plans**

Projects included in the RTIP must be included in a Congestion Management Plan (CMP) or Capital Improvement Program (CIP).

### **CTC Guidance**

The California Transportation Commission (CTC) 2022 STIP Guidelines were adopted on August 18, 2021. The MTC 2022 RTIP Policies and Procedures includes all changes in STIP policy implemented by the CTC. The entire CTC STIP Guidelines are available on the internet at: <https://dot.ca.gov/programs/financial-programming/office-of-capital-improvement-programming-ocip> or <https://catc.ca.gov/programs/state-transportation-improvement-program>. All CTAs and project sponsors must follow the MTC and CTC STIP Guidelines in the development and implementation of the 2022 RTIP/STIP.

### **2022 RTIP Development Schedule**

Development of the 2022 RTIP under these procedures will be done in accordance with the schedule outlined in Appendix A-1 of these policies and procedures.

### **RTIP County Share Targets**

Appendix A-2 of the Policies and Procedures provides the county share targets for each county for the 2022 RTIP. Each county's project list, due to MTC in draft form by October 6, 2021, should be constrained within these county share limits. It is expected that MTC's RTIP will be developed using a region-wide aggregate of county-share targets.

### **Project Eligibility**

SB 45 (Chapter 622, Statutes 1997) defines the range of projects that are eligible for consideration in the RTIP. Eligible projects include state highway improvements, local road improvements and rehabilitation, public transit, intercity rail, pedestrian, and bicycle facilities, and grade separation, transportation system management, transportation demand management, soundwall projects, intermodal facilities, and safety projects.

### **RTIP Project Solicitation**

Each CTA is responsible for soliciting projects for its county share of the RTIP where the county target is greater than \$0. The CTA must notify all eligible project sponsors, including Caltrans and transit operators, of the process and deadlines for applying for RTIP funding. If the CTA does not conduct a solicitation of projects, that CTA must provide justification to MTC that conforms to the

public involvement process described in the next section and approved by that CTA's governing body.

### **Public Involvement Process**

MTC is committed to having the CTAs as full partners in development of the RTIP. That participation likewise requires the full commitment of the CTAs to a broad, inclusive public involvement process consistent with MTC's adopted Public Participation Plan (available online at <http://mtc.ca.gov/about-mtc/public-participation/public-participation-plan>) and federal regulations, including Title VI of the Federal Civil Rights Act of 1964. Federal regulations call for active outreach and public comment opportunities in any metropolitan planning process, and such opportunities an important step to any project selection process for the RTIP. CTAs shall document their public involvement opportunities, including how they included communities covered under Title VI, and submit the documentation along with their list of candidate projects.

### **RTIP Projects in the Transportation Improvement Program (TIP)**

In accordance with state and federal requirements, RTIP-funded projects must be programmed in the TIP prior to seeking a CTC allocation. In addition, a federal authorization to proceed (E-76) request must be submitted simultaneously with the RTIP allocation request to Caltrans and the CTC when the request includes federal funds. In the 2022 RTIP, all projects are subject to be a mix of federal and state funds and may require a federal authorization to proceed. Additionally, all STIP projects are to be included in the TIP and must have funds escalated to the year of expenditure, in accordance with federal regulations.

## **Regional Policies**

### **Regional Set-Aside Programming**

In order to expedite obligation and expenditure of American Recovery and Reinvestment Act of 2009 (ARRA) funds, and to address the State's lack of funding at the time, MTC programmed \$31 million in ARRA funds to backfill unavailable STIP funds for the Caldecott Tunnel Fourth Bore project. Of the \$31 million, \$29 million came from Contra Costa's STIP county share, and \$2 million from Alameda's STIP county share. Further, in 2012, MTC programmed \$15 million to the Improved Bicycle/Pedestrian Access to the San Francisco-Oakland Bay Bridge project from a portion of each county's STIP share (from former Transportation Enhancement (TE) funds). To address lack of funding in the 2016 STIP, MTC de-programmed both the \$31 million and \$15 million commitments to regional projects (total \$46 million). In January 2017 MTC committed the \$46 million to additional contingency for the Caltrain Peninsula Corridor Electrification Project (PCEP), through MTC Resolution No. 4267. If these funds are not needed for the PCEP, the RTIP funds will be re-programmed the Housing Production and Preservation Incentive Program (see next section), or to another regional priority project(s) at MTC's discretion. These funds have the highest priority for funding in the RTIP, after GARVEE, AB 3090, and PPM projects.

### **Housing Production and Preservation Incentive**

On October 24, 2018, MTC approved Resolution No. 4348, which establishes the framework and qualifying criteria for the Housing Incentive Pool (HIP), an incentive program to reward Bay Area

local jurisdictions that produce or preserve the most affordable housing. This resolution builds on the HIP established in OBAG 2, MTC Resolution No. 4202, Revised.

As part of the 2022 RTIP, the OBAG 2 Housing Production Incentive challenge grant program described immediately above is augmented with \$46 million of regionally-controlled RTIP funds identified in the regional set-aside programming section above, conditioned on these funds not being needed for Caltrain's project contingency, either because the project can be completed within budget or because substitute contingency funds are identified.

The RTIP funding provided may be either federal or state funds, must be used only for federally- or State Highway Account-eligible transportation purposes, and must meet CTC STIP Guideline requirements.

### **Senate Bill 1 Competitive Programs Match**

CTC's 2022 STIP guidelines again allow sponsors to match SB1 competitive program projects with STIP funds. If the CTC does not select a project for funding in a competitive SB1 program, and alternative funding is not identified within six months, a STIP amendment will be required to delete or substitute the project for another project with a full funding plan commitment. MTC strongly encourages sponsors to use RTIP funds to match SB1 competitive program applications and will require a match come from the RTIP before committing other regional discretionary funding. If a county's RTIP shares are pre-committed or otherwise unavailable, MTC expects the CTA to examine local funds as a match before MTC considers committing other regional discretionary funding.

### **County Programming Priorities**

#### *San Francisco County*

MTC Resolution No. 3925, Revised, which guides the programming and policies for the first cycle of federal Surface Transportation Program/Congestion Mitigation and Air Quality Improvement (STP/CMAQ) funding, advanced \$34 million in federal funds for the Doyle Drive Replacement / Presidio Parkway project. In exchange, \$31 million of San Francisco's STIP share shall be reserved for regional Freeway Performance Initiative (FPI)/Columbus Day Initiative (CDI)/Express Lanes projects. San Francisco shall commit these funds after PPM programming and the remaining commitment to the Central Subway project (about \$29.7 million). Pursuant to MTC Resolution No. 4272 Revised, Attachment E, San Francisco must program \$12.8 million of the remaining balance to Transit Capital Priorities program eligible projects to honor commitments to the Central Subway. MTC accepts a \$3 million reduction in San Francisco's commitment towards the STP/CMAQ advance in lieu of an additional MTC funding commitment and in support of the Caltrain Downtown Extension project, conditioned upon the San Francisco County Transportation Authority allocating an equivalent amount of funds for this purpose.

**San Francisco County Remaining RTIP Priorities**

Priority	Project	Initial RTIP Commitment	Previously Allocated and Programmed RTIP Funds	Current Remaining RTIP Commitment
1st	Central Subway	92,000	62,330	29,670
2nd	MTC STP/CMAQ Advance for Presidio Parkway	34,000	-	34,000-31,000
3rd	Caltrain Downtown Extension to Transbay Transit Center	28,000	10,153	17,847
<b>Total</b>		<b>262,101</b>	<b>160,584</b>	<b>78,517</b>

*All numbers in \$1,000s*

*San Francisco, San Mateo, and Santa Clara Counties*

MTC Resolution No. 4267 identifies RTIP funds as a source to meet MTC’s \$50 million contingency commitment to the Caltrain Peninsula Corridor Electrification Project, with the \$46 million identified in the “Regional Set-Aside Programming” section of these policies and procedures. If the PCEP cost exceeds the estimated project delivery cost and previously budgeted contingency, or a shortfall in revenue occurs, \$4 million would be reserved from future San Francisco, San Mateo, and Santa Clara county shares. If the \$50 million contingency commitment is not needed for PCEP, MTC will not withhold the \$4 million from the three counties’ RTIP shares.

*Sonoma County*

MTC Resolution No. 4328, which established a funding exchange agreement with the Sonoma County Transportation Authority (SCTA), programmed \$3.4 million in STP/CMAQ to the US-101 Marin-Sonoma Narrows (MSN) project, Segment B2 Phase 2 in exchange for an equal amount of future Sonoma County RTIP funds. In exchange, \$3.4 million of Sonoma’s STIP share shall be reserved for future MTC-identified priority projects. Sonoma shall commit these funds after programming PPM funds.

**Regional Advanced Mitigation Program (RAMP)**

As a part of *Plan Bay Area 2040* and through MTC Resolution No. 4290, MTC identified the Regional Advance Mitigation Program (RAMP) as a mitigation strategy for the Bay Area. RAMP would mitigate certain environmental impacts from groups of planned transportation projects, rather than mitigating on an inefficient per-project level. MTC strongly encourages counties to program RTIP funds to implement RAMP, especially in counties that have an approved Regional Conservation Investment Strategy (RCIS). RAMP activities could include purchasing mitigation land bank credits, establishing a greenfield mitigation site, contributing to an existing Habitat Conservation Plan, and purchasing conservation land easements and their endowments, as allowed under state and federal law. In instances where RTIP funds are not eligible for RAMP implementation, MTC encourages sponsors to exchange RTIP funds with eligible non-federal funds for RAMP. Such exchanges must be consistent with MTC’s fund exchange policy, MTC Resolution No. 3331.

### **Regional Planning, Programming, and Monitoring (PPM) funds**

Passage of Assembly Bill 2538 (Wolk, 2006) allows all counties to program up to 5% of their county share to Planning, Programming, and Monitoring (PPM) purposes in the STIP. Appendix A-2 identifies PPM amounts each county may program. As agreed with the CTAs, MTC will program a portion of each county's PPM for regional PPM activities each year beginning with a base amount of \$500,000 in FY 2005-06 escalated 3.5% annually through FY 2024-25. Beginning in FY 2025-26 MTC will reduce the escalation rate to 2% annually. MTC's currently programmed amounts for regional PPM activities in FY 2022-23 through FY 2024-25 will not change in the 2022 RTIP; the CTAs may choose to redistribute their county portion of the PPM funds programmed in the current county share period through FY 2023-24 and in the country share period beginning in FY 2024-25. Due to county share period restrictions, new PPM amounts may only be programmed in the amounts and years identified in Attachment 2.

### **Caltrans Project Nomination**

Senate Bill 1768 (Chapter 472, Statutes 2002) authorizes the Department of Transportation to nominate or recommend projects to be included in the RTIP to improve state highways using regional transportation improvement funds. To be considered for funding in the RTIP, the Department must submit project nominations directly to the applicable CTA. The Department should also identify any additional state highway improvement needs within the county that could be programmed within the 3 years beyond the end of the current STIP period. The Department must submit these programming recommendations and identification of state highway improvement needs to the CTA within the timeframe and deadline prescribed by the applicable CTA. In addition, the Department must also provide a list of projects and funding amounts for projects currently planned on the State Highway System over the 2022 STIP period to be funded with local and regional funds.

### **Title VI Compliance**

Investments made in the RTIP must be consistent with federal Title VI requirements. Title VI prohibits discrimination on the basis of race, color, disability, and national origin in programs and activities receiving federal financial assistance. Public outreach to and involvement of individuals in low income and minority communities covered under Title VI of the Civil Rights Act and the Executive Order pertaining to Environmental Justice is critical to both local and regional decisions. The CTA must consider equitable solicitation and selection of project candidates in accordance with federal Title VI and Environmental Justice requirements.

### **Intelligent Transportation Systems Policy**

In collaboration with federal, state, and local partners, MTC developed the regional Intelligent Transportation Systems (ITS) Architecture. The San Francisco Bay Area Regional ITS Architecture is a roadmap for integrated and collaborative ITS projects in the Bay Area over the next 10 years and beyond. The Architecture provides the knowledge base necessary to make the most out of technological advances for planning and deployment of intelligent transportation systems that are connected and standardized across the region and beyond.

MTC, state and federal agencies require projects funded with federal highway trust funds to meet applicable ITS Architecture requirements. Since the 2006 RTIP, MTC requires all applicable



projects to conform to the regional ITS architecture. Through the on-line Fund Management System (FMS) application process, 2022 RTIP project sponsors will identify the appropriate ITS category, if applicable. Information on the regional ITS architecture can be found at:  
<https://mtc.ca.gov/operations/programs-projects/intelligent-transportation-systems/its-architecture>.

### **MTC Resolution No. 4104 Compliance – Traffic Operations System Policy**

All major new freeway projects included in *Plan Bay Area 2040* and subsequent regional transportation plans shall include the installation and activation of freeway traffic operations system (TOS) elements to effectively operate the region's freeway system and coordinate with local transportation management systems. MTC requires all applicable RTIP projects to conform to the regional policy. For purposes of this policy, a major freeway project is a project that adds lanes to a freeway, constructs a new segment of freeway, upgrades a segment to freeway status, modifies a freeway interchange, modifies freeway ramps, or reconstructs an existing freeway. TOS elements may include, but are not limited to, changeable message signs, closed-circuit television cameras, traffic monitoring stations and detectors, highway advisory radio, and ramp meters.

As set forth in MTC Resolution No. 4104, for any jurisdiction in which MTC finds that ramp metering and TOS elements are installed but not activated or in operation, MTC will consider suspending fund programming actions for STIP funding until the Ramp Metering Plan is implemented and the ramp meters and related TOS elements are activated and remain operational, and MTC deems the requirements of the regional TOS policy have been met. Furthermore, in any county in which a jurisdiction fails to include the installation and activation of TOS elements in an applicable freeway project, including ramp metering as identified in the Ramp Metering Plan, projects to install and activate the appropriate ramp meters and TOS elements omitted from the project shall have priority for programming of new STIP funding for that county. STIP projects that do not meet the provisions of MTC Resolution No. 4104 are subject to de-programming from the federal TIP.

### **Regional Communications Infrastructure**

MTC Resolution No. 4104, Traffic Operations System Policy, requires the installation and activation of freeway traffic operations system elements. In order to facilitate implementation of technology-based strategies focused on enhancing safety, mobility and economic vitality of communities, and to expand interoperability among partner agencies, projects must install fiber communications conduit infrastructure if project limits overlap with a proposed project in the final 2019 Regional Communications Strategic Investment Plan, when both financially feasible and consistent with goals stated in the Bay Area Regional Communications Infrastructure Plan.

Projects proposed for programming in the 2022 RTIP, seeking funds for environmental or plans, specifications, and estimates (PS&E) phases should consider incorporating communications infrastructure into project design, ideally at the project scoping phase leading to programming. A checklist of technical recommendations are listed in the final 2019 Regional Communications Infrastructure Plan (available at the MTC website at <https://mtc.ca.gov/our-work/operate-coordinate/intelligent-transportation-systems/regional-communications-network>). For future RTIP funding commitments on new projects, projects sponsors should work with Caltrans and MTC to

identify the appropriate communications component to support the completion of regional communications network throughout the Bay Area. A project is considered “new” if it does not have an approved Project Study Report or applicable scoping document as of December 15, 2021.

#### **Bay Area Forward and Regional Express Lane (HOT) Network**

All projects on the state highway system must demonstrate a scope and funding plan that includes Traffic Operations System (TOS) elements, consistent with the section above. Projects must also include any additional traffic operations and advanced technology improvements, and transportation demand management recommendations resulting from MTC’s Bay Area Forward (BAF). Additionally, projects on the State Highway System proposed for programming in the 2022 RTIP should be consistent with the planned Regional Express Lane (High-Occupancy Toll) Network. For new RTIP funding commitments on the Regional Express Lane Network, the CTAs should work with MTC to determine the appropriateness of advance construction elements (such as structures and conduit) to support the future conversion of general purpose/High-Occupancy Vehicle (HOV) lanes to express lanes if identified.

#### **Bay Area Interregional Transportation Improvement Program (ITIP) Priorities**

In order to support Caltrans District 4 in successfully programming ITIP projects in the Bay Area, MTC worked with the CTAs and District to formulate four guiding principles for prioritizing ITIP projects consistent with the 2015 ITSP. The principles are:

- Support high cost-benefit ratio projects on the State Highway System
- Support HOV lane gap closures, with emphasis on those that support the Regional Express Lane Network.
- Support high speed rail early investments and intercity/commuter rail
- Support future goods movement and trade corridors

These principles are consistent with *Plan Bay Area 2040* assumptions. Before adoption of the 2024 RTIP, MTC will work with Caltrans District 4 and the CTAs to update these principles to more closely align with the Climate Action Plan for Transportation Infrastructure (CAPTI) framework and the forthcoming 2021 Interregional Transportation Strategic Plan (ITSP).

#### **MTC Resolution No. 3866 Compliance – Transit Coordination Implementation Plan**

On February 24, 2010, MTC approved Resolution No. 3866, which documents coordination requirements for Bay Area transit operators to improve the transit customer experience when transferring between transit operators and in support of regional transit projects. *If a transit operator fails to comply with Res. 3866 requirements, MTC may withhold, restrict or reprogram funds or allocations.* Res. 3866 supersedes MTC’s earlier coordination plan, Res. 3055.

One goal in establishing Res. 3866 was to incorporate detailed project information through reference rather than directly in the resolution in order to facilitate future updates of project-specific requirements. Transit operators must comply with these more detailed documents in order to comply with Res. 3866. MTC may periodically update these documents in consultation with transit agencies.

### **Accommodations for Bicyclists, Pedestrians and Persons with Disabilities**

Federal, state and regional policies and directives emphasize the accommodation of bicyclists, pedestrians, and persons with disabilities when designing transportation facilities. Of particular note is Caltrans Deputy Directive 64 which stipulates: “pedestrians, bicyclists and persons with disabilities must be considered in all programming, planning, maintenance, construction, operations, and project development activities and products.” In addition, MTC’s Resolution No. 3765 requires project sponsors to complete a checklist that considers the needs of bicycles and pedestrians for applicable projects. MTC’s Regional Bicycle Plan, adopted as a component of the 2001 RTP, requires that “all regionally funded projects consider enhancement of bicycle transportation consistent with Deputy Directive 64”.

In selecting projects for inclusion in the RTIP, the CTAs and project sponsors must consider federal, state and regional policies and directives regarding non-motorized travel, including, but limited to, the following:

#### **Federal Policy Mandates**

The Federal Highways Administration Program Guidance on bicycle and pedestrian issues makes a number of clear statements of intent, and provides best practices concepts as outlined in the US DOT “Policy Statement on Bicycle and Pedestrian Accommodation Regulations and Recommendations.”

[https://www.fhwa.dot.gov/environment/bicycle\\_pedestrian/guidance/policy\\_accom.cfm](https://www.fhwa.dot.gov/environment/bicycle_pedestrian/guidance/policy_accom.cfm)

#### **State Policy Mandates**

The California Complete Streets Act (AB 1358) of 2008 encourages cities to make the most efficient use of urban land and transportation infrastructure, and improve public health by encouraging physical activity to reduce vehicle miles traveled (VMT). Government Code Section 65302(b)(2)(A) and (B) states that any substantial revision of the circulation element of the General Plan to consider all users.

California Government Code Section 65089(b)(1)(B)(5) requires that the design, construction and implementation of roadway projects proposed for funding in the RTIP must consider maintaining bicycle access and safety at a level comparable to that which existed prior to the improvement or alteration.

Caltrans Deputy Directive 64, states: “the Department fully considers the needs of non-motorized travelers (including pedestrians, bicyclists, and persons with disabilities) in all programming, planning, maintenance, construction, operations, and project development activities and products. This includes incorporation of the best available standards in all of the Department’s practices. The Department adopts the best practices concept in the US DOT Policy Statement on Integrating Bicycling and Walking into Transportation Infrastructure.”

#### **Regional Policy Mandates**

All projects programmed during the RTIP must consider the impact to bicycle transportation, pedestrians and persons with disabilities, consistent with MTC Resolution No. 3765. The

Complete Streets Checklist (also known as “Routine Accommodations Checklist”) is incorporated as Part 5 of the Project Application. Furthermore, it is encouraged that all bicycle projects programmed in the RTIP support the Regional Bicycle Network. Guidance on considering bicycle transportation can be found in MTC’s 2009 Regional Bicycle Plan (a component of Transportation 2035) and Caltrans Deputy Directive 64. MTC’s Regional Bicycle Plan, containing federal, state and regional policies for accommodating bicycles and non-motorized travel, is available on MTC’s Web site at:  
<https://mtc.ca.gov/planning/transportation/bicycle-pedestrian-micromobility>.

To be eligible for RTIP funds, a local jurisdiction with local streets and roads must have either a complete streets policy or resolution, or general plan updated after 2010, that complies with the Complete Streets Act of 2008 prior to January 31, 2016. Further information is available online at: [http://mtc.ca.gov/sites/default/files/OBAG\\_2\\_Reso\\_Guidance\\_Final.pdf](http://mtc.ca.gov/sites/default/files/OBAG_2_Reso_Guidance_Final.pdf).

### **State Policies**

#### **Grant Anticipation Revenue Vehicle (GARVEE) Bonding**

Chapter 862 of the Statutes of 1999 (SB 928) authorizes the State Treasurer to issue GARVEE bonds and authorizes the California Transportation Commission (CTC) to select projects for accelerated construction from bond proceeds. Bond repayment is made through annual set asides of the county share of future State Transportation Improvement Program (STIP) funds. Bond repayments are typically made over several STIP programming periods.

In accordance with state statute and the CTC GARVEE guidelines, GARVEE debt repayment will be the highest priority for programming and allocation within the particular county Regional Improvement Program (RIP) share until the debt is repaid. In the event that the RIP county share balance is insufficient to cover the GARVEE debt service and payment obligations, the RIP county share balance for that particular county will become negative through the advancement of future RIP county share. Should a negative balance or advancement of capacity be unattainable, then funding for other projects using RIP county share within that particular county would need to be reprogrammed or deleted, to accommodate the GARVEE debt service and payment obligations.

The CTC is responsible for programming the funds, derived from federal sources, as GARVEE debt service and the State Treasurer is responsible for making the debt service payments for these projects. In the 2022 STIP, CTC will consider new GARVEE projects via STIP amendment only, and not during the 2022 STIP adoption process.

#### **AB 3090 Project Replacement or Reimbursement**

AB 3090 (Statutes of 1992, Chapter 1243) allows a local jurisdiction to advance a project included in the STIP to an earlier fiscal year through the use of locally-controlled funds. With the concurrence of the appropriate CTA, MTC, the California Transportation Commission and Caltrans, one or more replacement state transportation project shall be identified and included in the STIP for an equivalent amount and in the originally scheduled fiscal year or a later year of the advanced project. Alternately, the advanced project can be reimbursed in the originally scheduled fiscal year or a later year.

Projects approved for AB 3090 consideration must award a contract within six months of the CTC approval. The allocation of AB 3090 reimbursement projects is the highest priority in the MTC region. In the 2022 STIP, CTC will consider new AB 3090 requests via STIP amendment only, and not during the 2022 STIP adoption process. Sponsors wishing to use AB 3090s for their projects should contact MTC and CTC for inclusion in the AB 3090 Plan of Projects, which is updated on an as-needed basis.

### **SB 184 Advance Expenditure of Funds**

SB 184 (Statutes of 2007, Chapter 462) authorizes a regional or local entity to expend its own funds for any component of a transportation project within its jurisdiction that is programmed in the current fiscal year and for which the Commission has not made an allocation. The amount expended would be authorized to be reimbursed by the state, subject to annual appropriation by the Legislature, if (1) the commission makes an allocation for, and the department executes a fund transfer agreement for, the project during the same fiscal year as when the regional or local expenditure was made; (2) expenditures made by the regional or local entity are eligible for reimbursement in accordance with state and federal laws and procedures; and (3) the regional or local entity complies with all legal requirements for the project, as specified.

MTC cautions against the use of SB 184 since allocation of funds is not guaranteed. If pursued, sponsors risk expending local funds with no guarantee that the STIP funds will be allocated.

Should a sponsor want to proceed with an SB 184 request, the sponsor must notify the CTA, MTC and Caltrans in writing on agency letterhead in accordance with Caltrans Local Assistance procedures.

### **AB 608 Contract Award Provisions**

AB 608 authorizes the adjustment by the CTC of a programmed project amount in the STIP if the Caltrans-sponsored construction contract award amount for a project is less than 80% of the engineer's final estimate, excluding construction engineering.

The CTC will not approve any AB 608 request after 120 days from the contract award. Sponsors intending to take advantage of AB 608 project savings must notify Caltrans and the CTA within 30 days of the contract award, to ensure the request to the CTC can be processed in time to meet the CTC's deadline.

### **Federal and State-Only Funding**

In 2017, the state adopted SB1, which stabilizes the excise tax on gasoline and pegs it to adjust with inflation. Excise taxes are deposited into the State Highway Account, which also includes federal funds. While SB1 stabilize STIP revenues, Caltrans determines the funding split between state-only and federal funding for projects funded in the STIP. Therefore, projects programmed in the 2022 STIP may receive a combination of state and federal funds. Project sponsors must federalize their projects by completing NEPA documentation and complying with federal project delivery rules, if they are assigned federal funds.

### **Article XIX Compliance for Transit Projects**

Article XIX of the California State Constitution restricts the use of State Highway Account (SHA) funds on transit projects. In order for existing and new projects to be programmed in the STIP, the project sponsor or the CTA must provide documentation that verifies the STIP transit project is either 1) eligible for federal funds, or 2) meets Article XIX requirements that only fixed guideway projects in a county that has passed a measure authorizing the use of SHA funds on transit projects may use SHA funds. Also refer to the next section regarding “Matching Requirements.”

### **Matching Requirements on Highway and Transit Projects**

A local match is not required for projects programmed in the STIP, except under special situations affecting projects subject to Article XIX restrictions established by the State Constitution. Article XIX limits the use of state revenues in the State Highway Account (SHA) to state highways, local roads, and fixed guideway facilities. Other projects, such as rail rolling stock and buses, are not eligible to receive state funds from the SHA. Article XIX restricted projects must therefore be funded with either a combination of federal STIP funding and matching STIP funds from the Public Transportation Account (PTA), or with 100 percent federal STIP funds in the State Highway Account (which requires a non-federal local match of 11.47% from a non-STIP local funding source or approved use of toll credits).

Project sponsors wishing to use STIP PTA funds as matching funds for Article XIX restricted projects must note such a request in the “Fund Code” notes section of the RTIP electronic Project Programming Request (ePPR) form and obtain approval from Caltrans through the state-only approval process as previously described. Caltrans has not identified any PTA capacity for the 2022 STIP. Therefore, the CTC will assume any Article XIX restricted STIP project will be funded with 100 percent federal funds using toll credits, or have the appropriate local match.

### **Governor’s Executive Orders**

The STIP Guidelines adopted by the CTC recognizes two proclamations and executive orders by Governor Brown. First, in recognition of the historic drought, the CTC expects any landscape projects currently programmed but not yet allocated and awarded, or any new landscape projects, will include drought tolerant plants and irrigation. Second, consistent with Executive Order B-30-15 (April 29, 2015), projects proposed for RTIP funds must consider the State’s greenhouse gas emission reduction targets. Projects subject to a project-level performance evaluation are expected to include measures and analyses that address greenhouse gas emission reductions.

## **General Guidance**

### **Project Advancements**

If a project or project component is ready for implementation earlier than the fiscal year that it is programmed in the STIP, the implementing agency may request an allocation in advance of the programmed year. The CTC will consider making advanced allocations based on a finding that the allocation will not delay availability of funding for other projects programmed in earlier years than the project to be advanced and with the approval of the responsible regional agency if county share funds

are to be advanced. In project and financial planning, sponsors should not expect the CTC to advance any projects.

### **Advance Project Development Element (APDE)**

The 2022 STIP Fund Estimate does not identify funding for APDE. APDE funds may not be proposed in any year of the 2022 STIP.

### **Unprogrammed Shares**

The counties and the region may propose to leave county share STIP funds unprogrammed for a time to allow adequate consideration of funding options for future projects. The CTC particularly encourages Caltrans and the regional agencies to engage in early consultations to coordinate their ITIP and RTIP proposals for such projects. Counties intending to maintain an unprogrammed balance of its county share for future program amendments prior to the next STIP must include a statement of the intentions for the funds, including the anticipated use of the funds, as well as the amount and timing of the intended STIP amendment(s). However, access to any unprogrammed balance is subject to availability of funds, and may not be approved by the CTC until the next STIP programming cycle.

### **Countywide RTIP Listing**

By October 6, 2021, each CTA must submit to MTC a draft proposed countywide RTIP project listing showing the proposed programming of county shares. The final list is due to MTC by November 1, 2021, and must include the final project applications for any new projects added to the STIP (or any significantly revised existing STIP projects), details of projects completed since the last STIP, and appropriate project level performance measure analysis.

### **Project Screening Criteria, Including Readiness**

In addition to the CTC Guidelines, all projects included in the 2022 RTIP must meet all MTC project-screening criteria listed in Appendix A-3 of this guidance, including the planning and the project readiness requirements.

### **RTIP Applications**

Project sponsors must complete an application for each new project proposed for funding in the RTIP, consisting of the items included in Appendix A-4 of this guidance. In addition to MTC's Fund Management System (FMS) application, project sponsors must use the latest Project Programming Request (PPR) forms provided by Caltrans for all projects. CTAs should submit PPRs for all projects (including existing projects with no changes) on the revised form provided by Caltrans. The nomination sheet must be submitted electronically for upload into the regional and statewide databases. Existing projects already programmed in the STIP with proposed changes should propose an amendment in MTC's FMS, and submit both electronically and in hard copy a revised PPR provided by Caltrans.

### **STIP Performance Measures: Regional and Project-Level Analyses**

The CTC continues to require performance measures in the RTIP and ITIP review process for the 2022 RTIP. According to the STIP Guidelines, a regional, system-level performance report must be

submitted along with the RTIP submission. MTC staff will compile this report, focusing on applying the measures at the Regional Transportation Plan (RTP) level.

In addition, the 2022 STIP Guidelines require a project-level performance measure evaluation on all projects with total project costs over \$50 million or over \$15 million in STIP funds programmed. The project-level evaluation should address performance indicators and measures listed in the 2022 STIP Guidelines (see Section 19, Part D). The evaluation should also include a Caltrans-generated benefit/cost estimate, estimated impacts the project will have on the annual cost of operating and maintaining the state's transportation system, and estimated impact to greenhouse gas reduction efforts. The project-level evaluation must also be completed, if it has not already, on existing STIP projects with construction programmed, that exceed \$50 million in total project cost/\$15 million in STIP programming, and have had CEQA completed after December 2011. The CTAs are required to submit the project-level performance measures to MTC by the final application due date.

### **Completed Project Reporting**

The 2022 STIP Guidelines require a report on all RTIP projects over \$20 million in total project cost completed between the adoption of the RTIP and the adoption of the previous RTIP (from December 2019 to December 2021). The report must include a summary of the funding plan and programming/allocation/expenditure history, as well as a discussion of project benefits that were anticipated prior to construction compared with an estimate of the actual benefits achieved. The CTAs are required to submit the completed project reporting information to MTC by the final application due date.

### **Regional Projects**

Applications for projects with regionwide or multi-county benefits should be submitted to both MTC and the affected county CTAs for review. Regional projects will be considered for programming in the context of other county project priorities. MTC staff will work with the interested parties (CTAs and project sponsors) to determine the appropriate level of funding for these projects and negotiate county contributions of the project cost. County contributions would be based on population shares of the affected counties, or other agreed upon distribution formulas.

### **85-115% Adjustments**

MTC may, pursuant to Streets and Highways Code Section 188.8 (k), pool the county shares within the region, provided that each county shall receive no less than 85 percent and not more than 115 percent of its county share for any single STIP programming period and 100 percent of its county share over two STIP programming cycles.

MTC may recommend use of the 85%-115% rule provided for in SB 45 to ensure, as needed, that the proper scope of projects submitted for programming can be accommodated. MTC will also work with CTAs to recommend other options, such as phased programming across STIP cycles, to ensure that sufficient funding and concerns such as timely use of funds are adequately addressed.



### **MTC Resolution No. 3606 Compliance – Regional Project Delivery Policy**

SB 45 established strict timely use of funds and project delivery requirements for transportation projects programmed in the STIP. Missing critical milestones could result in deletion of the project from the STIP, and a permanent loss of the funds to the county and region. Therefore, these timely use of funds deadlines must be considered in programming the various project phases in the STIP. While SB 45 provides some flexibility with respect to these deadlines by allowing for deadline extensions under certain circumstances, the CTC is very clear that deadline extensions will be the exception rather than the rule. MTC Resolution No. 3606, Revised, details the Regional Project Delivery Policy for Regional Discretionary Funding, which are more restrictive than the State's delivery policy. For instance, MTC expects STIP projects to request allocation of funds by January 31<sup>st</sup> of the programmed fiscal year. Further, MTC expects regular status reports from sponsors that will feed into the region's state allocation plan. See Attachment C to MTC Resolution No. 4488 for additional extension and amendment procedures.

### **Allocation of Funds - Requirements**

To ensure there is no delay in the award of the construction contract (which CTC guidelines and MTC Resolution No. 3606 require within six months of allocation), STIP allocation requests for the construction phase of federally-funded projects must be accompanied by the complete and accurate Request for Authorization (RFA) package (also known as the E-76 package). Concurrent submittal of the CTC allocation request and the RFA will minimize delays in contract award. Additionally, for the allocation of any non-environmental phase funds (such as for final design, right of way, or construction), the project sponsor must demonstrate that both CEQA and NEPA documents are completed and certified for federalized projects.

### **Notice of Cost Increase**

For projects with a total estimated cost over \$25 million, the implementing agency must perform quarterly project cost evaluations. If a cost increase greater than 10 percent of the total estimated cost of the particular phase is identified, the implementing agency must notify and submit an updated Project Programming Request (PPR) form to the appropriate CTA and MTC. In the event that a project is divided into sub-elements, the implementing agency will include all project sub-elements (i.e. landscaping, soundwalls, adjacent local road improvements) in the quarterly cost evaluation.

Early notification of cost increases allows the CTA and MTC to assist in developing strategies to manage cost increases and plan for future county share programming.

### **Cost Escalation for Caltrans-Implemented Projects**

CTC remains very critical of unexpected cost increases to projects funded by the STIP. To ensure that the amounts programmed in the STIP are accurate, MTC encourages the CTAs to consult with Caltrans and increase Caltrans project costs by an agreed-upon escalation rate if funds are proposed to be shifted to a later year. This will currently only apply to projects implemented by Caltrans.

### **Notice of Contract Award**

Caltrans has developed a procedure (Local Programs Procedures LPP-01-06) requiring project sponsors to notify Caltrans immediately after the award of a contract. Furthermore, Caltrans will not

make any reimbursements for expenditures until such information is provided. Project sponsors must also notify MTC and the appropriate CTA immediately after the award of a contract. To ensure proper monitoring of the Timely Use of Funds provisions of SB 45, project sponsors are required to provide MTC and the county CTA with a copy of the LPP-01-06 “Award Information for STIP Projects – Attachment A” form, when it is submitted to Caltrans. This will assist MTC and the CTA in maintaining the regional project monitoring database, and ensure accurate reporting on the status of projects in advance of potential funding lapses. In accordance with CTC and Caltrans policies, construction funds must be encumbered in a contract within six months of allocation.

<b>METROPOLITAN TRANSPORTATION COMMISSION</b> <b>2022 Regional Transportation Improvement Program</b> <b>Development Schedule (Subject to Change)</b> <b>September 8, 2021</b>	
March 24, 2021	Caltrans presentation of draft STIP Fund Estimate Assumptions (CTC Meeting)
May 12, 2021	CTC adoption of STIP Fund Estimate Assumptions (CTC Meeting)
June 23, 2021	Caltrans presentation of the draft STIP Fund Estimate and draft STIP Guidelines (CTC Meeting)
June 24, 2021	Local Streets and Roads/Programming and Delivery Working Group (LSRPDWG) discussion and review of initial schedule for 2022 RTIP
June 30, 2021	Governor signs State Budget
July 19, 2021	STIP Fund Estimate and Guidelines Workshop
August 18, 2021	CTC adopts STIP Fund Estimate and STIP Guidelines (CTC Meeting)
September 1, 2021	Draft RTIP Policies and Procedures published online and emailed to stakeholders for public comment
September 8, 2021	MTC Programming and Allocations Committee (PAC) scheduled review and recommendation of final proposed RTIP Policies and Procedures
September 22, 2021	MTC Commission scheduled adoption of RTIP Policies and Procedures
October 6, 2021	BACTAs submit to MTC, RTIP projects summary listings and identification of projects requiring project-level performance measure analysis. Deadline to submit Complete Streets Checklist for new projects.
November 1, 2021	Final Project Programming Request (PPR) forms due to MTC. Final RTIP project listing and performance measure analysis due to MTC. Final PSR (or PSR Equivalent), Resolution of Local Support, and Certification of Assurances due to MTC ( <b>Final Complete Applications due</b> )
December 1, 2021	Draft RTIP scheduled to be available for public review
December 8, 2021	PAC scheduled review of RTIP and referral to Commission for approval
December 15, 2021	MTC Commission scheduled approval of 2022 RTIP (Full RTIP to be transmitted to CTC within one week of Commission approval)
December 15, 2021	2022 RTIP due to CTC
January 27, 2022	CTC 2022 STIP Hearing – Northern California (TBD)
February 3, 2022	CTC 2022 STIP Hearing – Southern California (TBD)
February 28, 2022	CTC Staff Recommendations on 2022 STIP released
March 23, 2022	CTC adopts 2022 STIP (CTC Meeting)

Shaded Area – Actions by Caltrans or CTC

# 2022 RTIP Fund Estimate County Targets

8/31/2021

All numbers in thousands

Table 1: County Share Targets

Draft	Through FY 2026-27 New Distrib.	Advanced, Carryover, and Lapsed	Regional Set-aside*	MTC PPM** FY 2025-26 & FY 2026-27	2022 STIP CTA Target***
Alameda	22,035	0	(5,063)	(355)	16,617
Contra Costa	15,118	45,890	(31,090)	(230)	29,688
Marin	4,131	(22,406)	(571)	(65)	0
Napa	2,724	(19,683)	(376)	(40)	0
San Francisco	11,202	1,548	(1,548)	(180)	11,022
San Mateo	11,415	3,912	(1,598)	(186)	13,543
Santa Clara	26,162	5,932	(3,632)	(414)	28,048
Solano	6,854	(29,263)	(945)	(109)	0
Sonoma	8,423	231	(4,577)	(131)	3,946
<b>County Totals</b>	<b>108,064</b>	<b>(13,839)</b>	<b>(49,400)</b>	<b>(1,710)</b>	<b>102,864</b>

Note: Counties with negative balance have a "\$0" new share.

\* Regional set-aside includes \$31M from ARRA/Caldecott payback, \$15M from SFOBB Bike/Ped Access projects, and \$3.4M from MSN B2 payback (SON)

\*\* Assumes 2% Escalation Rate for New Fys (reduced from 3.5%)

\*\*\* Does not include new CTA PPM programming

Table 2: Planning, Programming, and Monitoring Amounts  
FY 2022-23, FY 2023-24

	PPM Limit FY 2022-23 through FY 2023-24	MTC PPM FY 2022-23 through FY 2023-24	Programmed CTA PPM Current Share Period		PPM FY 2022-23 through FY 2023-24 CTA Share
			FY 2022-23	FY 2023-24	
Alameda	327	327	0	0	0
Contra Costa	636	212	356	68	0
Marin	61	61	0	0	0
Napa	139	37	51	51	0
San Francisco	472	167	259	46	0
San Mateo	481	173	262	46	0
Santa Clara	494	382	112	0	0
Solano	288	100	159	29	0
Sonoma	398	120	278	0	0
<b>County Totals</b>	<b>3,296</b>	<b>1,579</b>	<b>1,477</b>	<b>240</b>	<b>0</b>

Note: Counties may redistribute PPM amounts across both fiscal years

Table 3: Planning, Programming, and Monitoring Amounts  
FY 2024-25, FY 2025-26, FY 2026-27

	PPM Limit FY 2024-25 through FY 2026-27	MTC PPM FY 2024-25 through FY 2026-27	Programmed CTA PPM FY25 to FY28 Share Period			PPM Available for FY25 to FY28 Share Period CTA Share***
			FY 2024-25	FY 2025-26	FY 2026-27	
Alameda	1,668	527	394	0	0	747
Contra Costa	1,143	342	275	0	0	526
Marin	313	97	74	0	0	142
Napa	206	60	50	0	0	96
San Francisco	847	268	199	0	0	380
San Mateo	863	277	201	0	0	385
Santa Clara	1,978	615	469	0	0	894
Solano	518	162	123	0	0	233
Sonoma	637	194	153	0	0	290
<b>County Totals</b>	<b>8,173</b>	<b>2,542</b>	<b>1,938</b>	<b>0</b>	<b>0</b>	<b>3,693</b>

Note: Counties may redistribute and program PPM share across all three fiscal years

\*\*\* CTA PPM share has not been subtracted from 2022 STIP CTA target identified in Table 1

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**2022 Regional Transportation Improvement Program  
Policies and Procedures  
Appendix A-3: 2022 RTIP Project Screening Criteria**

**Eligible Projects**

**A. Eligible Projects.** SB 45 (Chapter 622, Statutes 1997) defined the range of projects that are eligible for consideration in the RTIP. Eligible projects include, state highway improvements, local road improvements and rehabilitation, public transit, intercity rail, grade separation, pedestrian and bicycle facilities, transportation system management, transportation demand management, soundwall projects, intermodal facilities, and safety projects. Due to the current fund make up of the STIP, sponsors should expect that all projects programmed in the STIP include a mix of state and federal funds.

**Planning Prerequisites**

- B. RTP Consistency.** Projects included in the RTIP must be consistent with the adopted Regional Transportation Plan (RTP), which state law requires to be consistent with federal planning and programming requirements. Each project to be included in the RTIP must identify its relationship with meeting the goals and objectives of the RTP, and where applicable, the RTP ID number.
- C. CMP Consistency.** Local projects must also be included in a County Congestion Management Plan (CMP), or in an adopted Capital Improvement Program (CIP) for counties that have opted out of the CMP requirement, prior to inclusion in the RTIP.
- D. PSR or PSR Equivalent is Required.** Projects in the STIP must have a complete Project Study Report (PSR) or, for a project that is not on a state highway, a project study report equivalent or major investment study. The intent of this requirement is to ensure that the project scope, cost and schedule have been adequately defined and justified. Projects with a circulating draft or final environmental document do not need a PSR. This requirement is particularly important in light of SB 45 timely use of funds requirements, discussed below.

The required format of a PSR or PSR equivalent varies by project type. Additional guidance on how to prepare these documents is available on the internet at the addresses indicated within Part 3 (PSR, or equivalent) of Appendix A-4: 2022 RTIP Project Application, which includes a table categorizing PSR and PSR equivalent requirements by project type.

**Project Costs and Phases**

**E. Escalated Costs.** All projects will count against share balances on the basis of their fully escalated (inflated) costs. All RTIP project costs must be escalated to the year of expenditure.

As required by law, inflation estimates for Caltrans operations (capital outlay support) costs are based on the annual escalation rate established by the Department of Finance. Local project sponsors

may use the state escalation rates or their own rates in determining the escalated project cost in the year programmed.

**F. Project Phases.** Projects must be separated into the following project components:

1. Completion of all studies, permits and environmental studies (ENV)
2. Preparation of all Plans, Specifications, and Estimates (PS&E)
3. Acquisition of right-of-way (ROW)
4. Construction and construction management and engineering, including surveys and inspections.” (CON)

*Note: Right-of-way and construction components on Caltrans projects must be further separated into capital costs and Caltrans support costs (ROW-CT and CON-CT).*

The project sponsor/CTA must display the project in these four components (six for Caltrans projects) in the final submittal. STIP funding amounts programmed for any component shall be rounded to the nearest \$1,000. Additionally, unless substantially justified, no project may program more than one project phase in a single fiscal year. Caltrans-sponsored projects are exempt from this prohibition. Additionally, right of way (ROW) funds may be programmed in the same year as final design (PS&E) if the environmental document is approved. ROW funds may be programmed in the same year as construction (CON) only if the project does not have significant right of way acquisition or construction costs that require more than a simple Categorical Exemption or basic permitting approvals (see section L). The CTC will not allocate PS&E, ROW, or CON funding until CEQA and NEPA (if federalized) documents are complete and submitted to CTC.

All requests for funding in the RTIP for projects on the state highway system and implemented by an agency other than the Department must include any oversight fees within each project component cost, as applicable and as identified in the cooperative agreement. This is to ensure sufficient funding is available for the project component.

**G. Minimum Project Size.** New projects or the sum of all project components per project cannot be programmed for less than \$500,000 for counties with a population over 1 million (from 2010 U.S. Census data: Alameda, Contra Costa, and Santa Clara Counties), and \$250,000 for counties with a population under 1 million (Marin, Napa, San Francisco, San Mateo, Solano, and Sonoma Counties), with the following exceptions:

- (a) Funds used to match federal funds;
- (b) Planning, Programming and Monitoring (PPM);
- (c) Projects for landscaping and mitigation of State highway projects, including soundwalls;
- (d) Caltrans project support components not allocated by the Commission; and
- (e) Right-of-way capital outlay for Caltrans, which is not allocated by the Commission on a project basis.

Other exceptions may be made on a case-by-case basis.

**H. Fiscal Years of Programming.** The 2022 STIP covers the five-year period from FY 2022-23 through 2026-27. If a project will not be ready for allocation in a certain year, project sponsors should delay funds to a later year of the five-year STIP period.

## **Readiness Standards**

- I. Project Phases Must Be Ready in the Year Proposed.** Funds designated for each project component will only be available for allocation until the end of the fiscal year in which the funds are programmed in the STIP. Once allocated, the sponsor will have two additional years beyond the end of the programmed fiscal year to expend pre-construction STIP funds. For construction, the sponsor will have six months to award a contract and three years to expend funds after project award. Project sponsors must invoice at least once in a six-month period following the allocation of funds. It is therefore very important that projects be ready to proceed in the year programmed.
- J. Completion of Environmental Process.** Government Code Section 14529(c) requires that funding for right-of-way acquisition and construction for a project may be included in the STIP only if the CTC makes a finding that the sponsoring agency will complete the environmental process and can proceed with right-of-way acquisition or construction within the five year STIP period. Furthermore, in compliance with Section 21150 of the Public Resources Code, the CTC may not allocate funds to local agencies for design, right-of-way, or construction prior to documentation of environmental clearance under the California Environmental Quality Act (CEQA) and National Environmental Policy Act (NEPA) for federally-funded projects. Therefore, project sponsors must demonstrate to MTC that these requirements can be reasonably expected to be met prior to programming final design, right-of-way, or construction funds in the RTIP. Final CEQA documents (aside from Categorical Exemptions, or CEs) must be submitted to CTC prior to allocation. Additional information is available at: <https://catc.ca.gov/programs/environmental>.
- K. Programming Project Components in Sequential STIP Cycles.** Project components may be programmed sequentially. That is, a project may be programmed for environmental work only, without being programmed for plans, specifications, and estimates (design). A project may be programmed for design without being programmed for right-of-way or construction. A project may be programmed for right-of-way without being programmed for construction. The CTC recognizes a particular benefit in programming projects for environmental work only, since projects costs and particularly project scheduling often cannot be determined with meaningful accuracy until environmental studies have been completed. As the cost, scope and schedule of the project is refined, the next phases of the project may be programmed with an amendment or in a subsequent STIP.

When proposing to program only preconstruction components for a project, the implementing agency must demonstrate the means by which it intends to fund the construction of a useable segment, consistent with the regional transportation plan or the Caltrans interregional transportation strategic plan. The anticipated total project cost and source of any uncommitted future funding must be identified.

- L. Sequential Phasing.** For most projects, the different project phases should be programmed sequentially in the STIP, i.e. environmental before design before right of way before construction. Projects with significant right of way acquisition or construction costs that require more than a simple Categorical Exemption or basic permitting approvals, must not be programmed with the right of way and construction components in the same year as the environmental. Project sponsors must provide sufficient time between the scheduled allocation of environmental funds and the start of

design, right of way or construction. As prescribed in Section F, projects may not have more than one phase programmed per fiscal year, with the exceptions of Caltrans-sponsored preconstruction phases, and right of way (ROW) funds programmed with final design (PS&E) or construction (CON) where there are no significant ROW acquisitions necessary.

**M. The Project Must Have a Complete Funding Commitment Plan.** All local projects must be accompanied by an authorizing resolution stating the sponsor's commitment to complete the project as scoped with the funds requested. A model resolution including the information required is outlined in Appendix A-4 - Part 1 of this guidance.

The CTC may program a project component funded from a combination of committed and uncommitted funds. Uncommitted funds may only be nominated from the following competitive programs: Local Partnership Program, Solutions for Congested Corridors Program, or Trade Corridor Enhancement Program. All local projects requesting to be programmed with uncommitted funds must be accompanied with a plan for securing a funding commitment, explain the risk of not securing that commitment, and its plan for securing an alternate source of funding should the commitment not be obtained. If the funding commitment is not secured with the adoption of these programs and alternative funding is not identified within six months, the projects will be subject to deletion by the Commission. Projects programmed by the Commission in the STIP will not be given priority for funding in other programs under the Commission's purview.

The CTC will regard non-STIP funds as committed when the agency with discretionary authority over the funds has made its commitment to the project by ordinance or resolution. For federal formula funds, including STP, CMAQ, and Federal formula transit funds, the commitment may be by Federal TIP adoption. For federal discretionary funds, the commitment may be by federal approval of a full funding grant agreement or by grant approval.

All regional agencies with rail transit projects shall submit full funding plans describing each overall project and/or useable project segment. Each plan shall list Federal, State, and local funding categories by fiscal year over the time-frame that funding is sought, including funding for initial operating costs. Moreover, should the project schedule exceed the funding horizon, then the amount needed beyond what is currently requested shall be indicated. This information may be incorporated in the project application nomination sheets.

**N. Field Review for Federally Funded Local Projects.** One way to avoid unnecessary STIP amendment and extension requests is to conduct a field review with Caltrans as early as possible, so potential issues may be identified with sufficient time for resolution.

For all projects in the 2022 RTIP (anticipated to be a mix of federal and state funding), the project sponsor agrees to contact Caltrans and schedule and make a good faith effort to complete a project field review within 6-months of the project being included in the Transportation Improvement Program (TIP). For the 2022 STIP, Caltrans field reviews should be completed by September 1, 2022 for federal aid projects programmed in 2022-23 and 2023-24. The requirement does not apply to planning activities, state-only funded projects, or STIP funds to be transferred to the Federal Transit Administration (FTA).



### **Other Requirements**

- O. Availability for Audits.** Sponsors must agree to be available for an audit if requested. Government Code Section 14529.1 “The commission [CTC] shall request that the entity receiving funds accept an audit of funds allocated to it by the commission, if an audit is deemed necessary.”
- P. Interregional Projects May Be Proposed Under Some Restrictive Circumstances.** The project must be a usable segment and be more cost-effective than a Caltrans alternative project. Government Code Section 14527 (c) “A project recommended for funding by the RTPA in the Interregional Improvement Program shall constitute a usable segment, and shall not be a condition for inclusion of other projects in the RTIP.” Government Code Section 14529 (k) “... the commission [CTC] must make a finding, based on an objective analysis, that the recommended project is more cost-effective than a project submitted by the department....”
- Q. Premature Commitment of Funds.** The project sponsor may not be reimbursed for expenditures made prior to the allocation of funds by the CTC (or by Caltrans under delegation authority), unless the provisions of Senate Bill 184 are met in accordance with the CTC Guidelines for Implementation of SB 184. Under no circumstances may funds be reimbursed for expenditures made prior to the funds being programmed in the STIP or prior to the fiscal year in which the project phase is programmed. In addition, the sponsor must make a written request to Caltrans prior to incurring costs, in accordance with Caltrans Local Assistance Procedures for SB 184 implementation.
- R. State-Only Funding.** The 2022 RTIP is expected to be funded with a mix of federal and state funds. Project sponsors must federalize their projects by completing NEPA documentation and complying with federal project delivery rules. Project sponsors are expected to meet all requirements of Article XIX in selecting projects receiving state-only funding. This includes sponsors or the CTA providing documentation verifying the county passed a measure allowing for the use of state-only State Highway Account funds on fixed guideway projects, should RTIP funds be proposed for use on non-federalized fixed guideway transit projects.
- S. Federal Transportation Improvement Program.** All projects programmed in the STIP must also be programmed in the federal Transportation Improvement Program (TIP), regardless of fund source. Project sponsors are encouraged to submit TIP amendment requests immediately following inclusion of the project into the STIP by the CTC. The project listing in the TIP must include total project cost by phase regardless of the phase actually funded by the CTC. STIP projects using federal funds will not receive federal authorization to proceed without the project being properly listed in the TIP.
- T. Agency Single Point of Contact.** Project sponsors shall assign a single point of contact within the agency to address programming and project delivery issues that may arise during the project life cycle. The name, title, and contact information of this person shall be furnished to the CTA and MTC at the time of project application submittal. This shall also serve as the agency contact for all FHWA-funded projects.

**2022 Regional Transportation Improvement Program (RTIP)**  
**Appendix A-4: 2022 RTIP Project Application**

Project sponsors must submit a completed project application for each project proposed for funding in the 2022 RTIP. The application consists of the following five parts and are available on the Internet (as applicable) at: <http://www.mtc.ca.gov/funding/>

1. Resolution of local support
2. Project Study Report (PSR), or equivalent
3. RTIP Electronic Project Programming Request (ePPR) form (must be submitted electronically)
4. Performance Measures Worksheet (if applicable)
5. Complete Streets Checklist (if applicable: check with CTA or on MTC's website, listed above)

**Part 1: Sample Resolution of Local Support**

Note: Use the latest version of the Resolution of Local Support at:  
<https://mtc.ca.gov/our-work/fund-invest/federal-funding/obag-2>

**Resolution No. \_\_\_\_\_**

**Authorizing the filing of an application for funding assigned to MTC and committing any necessary matching funds and stating assurance to complete the project**

**WHEREAS**, (INSERT APPLICANT NAME HERE) (herein referred to as APPLICANT) is submitting an application to the Metropolitan Transportation Commission (MTC) for (INSERT FUNDING \$ AMOUNT HERE) in funding assigned to MTC for programming discretion, which includes federal funding administered by the Federal Highway Administration (FHWA) and federal or state funding administered by the California Transportation Commission (CTC) such as Surface Transportation Block Grant Program (STP) funding, Congestion Mitigation and Air Quality Improvement Program (CMAQ) funding, Transportation Alternatives (TA) set-aside/Active Transportation Program (ATP) funding, and Regional Transportation Improvement Program (RTIP) funding (herein collectively referred to as REGIONAL DISCRETIONARY FUNDING) for the (INSERT PROJECT TITLE(S) HERE) (herein referred to as PROJECT) for the (INSERT MTC PROGRAM(S) HERE) (herein referred to as PROGRAM); and

**WHEREAS**, the United States Congress from time to time enacts and amends legislation to provide funding for various transportation needs and programs, (collectively, the FEDERAL TRANSPORTATION ACT) including, but not limited to the Surface Transportation Block Grant Program (STP) (23 U.S.C. § 133), the Congestion Mitigation and Air Quality Improvement Program (CMAQ) (23 U.S.C. § 149) and the Transportation Alternatives (TA) set-aside (23 U.S.C. § 133); and

**WHEREAS**, state statutes, including California Streets and Highways Code §182.6, §182.7, and §2381(a)(1), and California Government Code §14527, provide various funding programs for the programming discretion of the Metropolitan Planning Organization (MPO) and the Regional Transportation Planning Agency (RTPA); and

**WHEREAS**, pursuant to the FEDERAL TRANSPORTATION ACT, and any regulations promulgated thereunder, eligible project sponsors wishing to receive federal or state funds for a regionally-significant project shall submit an application first with the appropriate MPO, or RTPA, as applicable, for review and inclusion in the federal Transportation Improvement Program (TIP); and

**WHEREAS**, MTC is the MPO and RTPA for the nine counties of the San Francisco Bay region; and

**WHEREAS**, MTC has adopted a Regional Project Funding Delivery Policy (MTC Resolution No. 3606, revised) that sets out procedures governing the application and use of REGIONAL DISCRETIONARY FUNDING; and

**WHEREAS**, APPLICANT is an eligible sponsor for REGIONAL DISCRETIONARY FUNDING; and

**WHEREAS**, as part of the application for REGIONAL DISCRETIONARY FUNDING, MTC requires a resolution adopted by the responsible implementing agency stating the following:

- the commitment of any required matching funds; and
- that the sponsor understands that the REGIONAL DISCRETIONARY FUNDING is fixed at the programmed amount, and therefore any cost increase cannot be expected to be funded with additional REGIONAL DISCRETIONARY FUNDING; and
- that the PROJECT will comply with the procedures, delivery milestones and funding deadlines specified in the Regional Project Funding Delivery Policy (MTC Resolution No. 3606, revised); and
- the assurance of the sponsor to complete the PROJECT as described in the application, subject to environmental clearance, and if approved, as included in MTC's federal Transportation Improvement Program (TIP); and
- that the PROJECT will have adequate staffing resources to deliver and complete the PROJECT within the schedule submitted with the project application; and
- that the PROJECT will comply with all project-specific requirements as set forth in the PROGRAM; and
- that APPLICANT has assigned, and will maintain a single point of contact for all FHWA- and CTC-funded transportation projects to coordinate within the agency and with the respective Congestion Management Agency (CMA), MTC, Caltrans, FHWA, and CTC on all communications, inquires or issues that may arise during the federal programming and delivery process for all FHWA- and CTC-funded transportation and transit projects implemented by APPLICANT; and
- in the case of a transit project, the PROJECT will comply with MTC Resolution No. 3866, revised, which sets forth the requirements of MTC's Transit Coordination Implementation Plan to more efficiently deliver transit projects in the region; and
- in the case of a highway project, the PROJECT will comply with MTC Resolution No. 4104, which sets forth MTC's Traffic Operations System (TOS) Policy to install and activate TOS elements on new major freeway projects; and
- in the case of an RTIP project, state law requires PROJECT be included in a local congestion management plan, or be consistent with the capital improvement program adopted pursuant to MTC's funding agreement with the countywide transportation agency; and

**WHEREAS**, that APPLICANT is authorized to submit an application for REGIONAL DISCRETIONARY FUNDING for the PROJECT; and

**WHEREAS**, there is no legal impediment to APPLICANT making applications for the funds; and

**WHEREAS**, there is no pending or threatened litigation that might in any way adversely affect the proposed PROJECT, or the ability of APPLICANT to deliver such PROJECT; and

**WHEREAS**, APPLICANT authorizes its Executive Director, General Manager, or designee to execute and file an application with MTC for REGIONAL DISCRETIONARY FUNDING for the PROJECT as referenced in this resolution; and

**WHEREAS**, MTC requires that a copy of this resolution be transmitted to the MTC in conjunction with the filing of the application.

**NOW, THEREFORE, BE IT RESOLVED** that the APPLICANT is authorized to execute and file an application for funding for the PROJECT for REGIONAL DISCRETIONARY FUNDING under the FEDERAL TRANSPORTATION ACT or continued funding; and be it further

**RESOLVED** that APPLICANT will provide any required matching funds; and be it further

**RESOLVED** that APPLICANT understands that the REGIONAL DISCRETIONARY FUNDING for

the project is fixed at the MTC approved programmed amount, and that any cost increases must be funded by the APPLICANT from other funds, and that APPLICANT does not expect any cost increases to be funded with additional REGIONAL DISCRETIONARY FUNDING; and be it further

**RESOLVED** that APPLICANT understands the funding deadlines associated with these funds and will comply with the provisions and requirements of the Regional Project Funding Delivery Policy (MTC Resolution No. 3606, revised) and APPLICANT has, and will retain the expertise, knowledge and resources necessary to deliver federally-funded transportation and transit projects, and has assigned, and will maintain a single point of contact for all FHWA- and CTC-funded transportation projects to coordinate within the agency and with the respective Congestion Management Agency (CMA), MTC, Caltrans, FHWA, and CTC on all communications, inquires or issues that may arise during the federal programming and delivery process for all FHWA- and CTC-funded transportation and transit projects implemented by APPLICANT; and be it further

**RESOLVED** that PROJECT will be implemented as described in the complete application and in this resolution, subject to environmental clearance, and, if approved, for the amount approved by MTC and programmed in the federal TIP; and be it further

**RESOLVED** that APPLICANT has reviewed the PROJECT and has adequate staffing resources to deliver and complete the PROJECT within the schedule submitted with the project application; and be it further

**RESOLVED** that PROJECT will comply with the requirements as set forth in MTC programming guidelines and project selection procedures for the PROGRAM; and be it further

**RESOLVED** that, in the case of a transit project, APPLICANT agrees to comply with the requirements of MTC's Transit Coordination Implementation Plan as set forth in MTC Resolution No. 3866, revised; and be it further

**RESOLVED** that, in the case of a highway project, APPLICANT agrees to comply with the requirements of MTC's Traffic Operations System (TOS) Policy as set forth in MTC Resolution No. 4104; and be it further

**RESOLVED** that, in the case of an RTIP project, PROJECT is included in a local congestion management plan, or is consistent with the capital improvement program adopted pursuant to MTC's funding agreement with the countywide transportation agency; and be it further

**RESOLVED** that APPLICANT is an eligible sponsor of REGIONAL DISCRETIONARY FUNDING funded projects; and be it further

**RESOLVED** that APPLICANT is authorized to submit an application for REGIONAL DISCRETIONARY FUNDING for the PROJECT; and be it further

**RESOLVED** that there is no legal impediment to APPLICANT making applications for the funds; and be it further

**RESOLVED** that there is no pending or threatened litigation that might in any way adversely affect the proposed PROJECT, or the ability of APPLICANT to deliver such PROJECT; and be it further

**RESOLVED** that APPLICANT authorizes its Executive Director, General Manager, City Manager, or designee to execute and file an application with MTC for REGIONAL DISCRETIONARY FUNDING for the PROJECT as referenced in this resolution; and be it further

**RESOLVED** that a copy of this resolution will be transmitted to the MTC in conjunction with the filing of the application; and be it further

**RESOLVED** that the MTC is requested to support the application for the PROJECT described in the resolution, and if approved, to include the PROJECT in MTC's federal TIP upon submittal by the project sponsor for TIP programming.

## RTIP Project Application

### Part 2: Project Study Report (PSR), or equivalent

The required format of a PSR or PSR equivalent varies by project type. The following table categorizes PSR and PSR equivalent requirements by project type. The PSR or PSR equivalent must be prepared by a registered engineer and contain the proper approvals including approval of Executive Director, Deputy Director, Division Chief or District Director, of the nominating agency and the implementing agency. For a rail project where the implementing agency is Union Pacific or BNSF, their signature will not be required in a PSR equivalent. Additional guidance on how to prepare these documents is available on the Internet at the addresses indicated below, or from MTC.

#### Project Study Report (PSR) Requirements PSR and Equivalents by Project Type

Project Type	Type of Document Required *	Where to get more information
State Highway	Full PSR or PD/ENV Only	<a href="https://dot.ca.gov/-/media/dot-media/programs/design/documents/apdx-l-template.docx">https://dot.ca.gov/-/media/dot-media/programs/design/documents/apdx-l-template.docx</a>
Local Roadway a. rehabilitation b. capacity increasing or other project	PSR for local rehabilitation PSR equivalent – project specific study with detailed scope and cost estimate	In most cases completing the Preliminary Environmental Study and Field Review forms in the Local Assistance Procedures Manual should be sufficient. These forms can be found at: <u>Preliminary Environmental--</u> <a href="https://dot.ca.gov/programs/local-assistance/guidelines-and-procedures/local-assistance-procedures-manual-lapm">https://dot.ca.gov/programs/local-assistance/guidelines-and-procedures/local-assistance-procedures-manual-lapm</a> then look in chapter 6 pg 6-31. <u>Field Review --</u> <a href="https://dot.ca.gov/programs/local-assistance/guidelines-and-procedures/local-assistance-procedures-manual-lapm">https://dot.ca.gov/programs/local-assistance/guidelines-and-procedures/local-assistance-procedures-manual-lapm</a> then look in chapter 7 pg 7-13.
Transit	State of California Uniform Transit Application	<a href="https://dot.ca.gov/-/media/dot-media/programs/rail-mass-transportation/documents/f0010035-state-uta-instruc-091906-a11y.docx">https://dot.ca.gov/-/media/dot-media/programs/rail-mass-transportation/documents/f0010035-state-uta-instruc-091906-a11y.docx</a>
Other	PSR equivalent with detailed scope and cost estimate	To be determined on a case-by-case basis

\* In some instances a Major Investment Study (MIS) prepared under federal guidance may serve as a PSR equivalent where information provided is adequate for programming purposes.

## **RTIP Project Application**

### **Part 3: Electronic Project Programming Request (ePPR) Form**

Applicants are required to submit an electronic Project Programming Request (ePPR) form in order to be considered for funding from the 2022 RTIP.

The ePPR for new projects will be made available at the following location:

<https://dot.ca.gov/programs/financial-programming/office-of-capital-improvement-programming-ocip>

The ePPRs must also be submitted for existing projects and can be downloaded at the following location:

<https://dot.ca.gov/programs/financial-programming/office-of-capital-improvement-programming-ocip>

### **Part 4: Performance Measures Worksheet**

Applicants submitting nominations for projects with total project costs exceeding \$50 million, or have over \$15 million in STIP funds programmed, are required to submit a Performance Measure Worksheet.

The Worksheet template is available at the following location:

<https://catc.ca.gov/programs/state-transportation-improvement-program>

Select the “2022 STIP Guidelines” document. The template begins on page 11 and continues on page 50 of the guidelines, under “Appendix B: Performance Indicators and Measures”.

### **Part 5: Complete Streets Checklist**

Applicants are required to include the Complete Streets (Routine Accommodations) Checklist with the application submittal to MTC for projects that will have an impact on bicycles or pedestrians. The Checklist is available from the Congestion Management Agencies and at the MTC website at

<https://mtc.ca.gov/planning/transportation/complete-streets>.

# MTC 2022 Regional Transportation Improvement Program

(all numbers in thousands)

County	Agency	PPNO / Project	2022 RTIP	2022 RTIP Funding by Fiscal Year					Outside	
			Total	22-23	23-24	24-25	25-26	26-27	RTIP	
<b>Alameda County Shares</b>										
Alameda	MTC	2100	Planning, programming, and monitoring	854	161	166	172	176	179	0
Alameda	ACTC	2179	Planning, programming, and monitoring	1,141	0	0	394	747	0	0
Alameda	ACTC	0044D	Oakland Alameda Access Project	11,870	0	11,870	0	0	0	0
Alameda	City of Fremont	new	I-880/Decoto Road Interchange Modernization Project	3,000	0	0	0	3,000	0	0
Alameda	BART	new	Downtown Berkeley BART Station Elevator Modernization	1,000	0	0	0	0	1,000	0
Alameda	MTC		Regional Set Aside	0	0	0	0	0	0	5,063
<b>Alameda County Total</b>				<b>17,865</b>	161	12,036	566	3,923	1,179	<b>5,063</b>
<b>Contra Costa County Shares</b>										
Contra Costa	CCCPW	0294E	Treat Boulevard Corridor Improvements	1,600	0	1,600	0	0	0	0
Contra Costa	CCTA	0299A	SR4 Operational Improvements – Phase 1	7,500	0	7,500	0	0	0	0
Contra Costa	CCTA	0299B	SR4 Operational Improvements - Phase 2	3,000	0	3,000	0	0	0	0
Contra Costa	BART	2010C1	Concord Station Modernization: Lighting and Fare Gate Improvements	5,397	5,397	0	0	0	0	0
Contra Costa	CCTA	2011O	Planning, programming, and monitoring	1,225	140	284	275	263	263	0
Contra Costa	MTC	2118	Planning, programming, and monitoring	554	104	108	112	114	116	0
Contra Costa	CCTA	2025H	I-80/Central Avenue - Phase 2 (Local Road Realignment)	1,873	0	0	1,873	0	0	0
Contra Costa	CCTA	0521L	Innovate 680 Coordinated Adaptive Ramp Metering (CARM) Project	25,000	0	2,000	23,000	0	0	0
Contra Costa	CCTA	2321B	I680 NB Express Lane Completion Ph 1	15,000	0	0	15,000	0	0	0
Contra Costa	MTC		Regional Set Aside	0	0	0	0	0	0	31,090
<b>Contra Costa Total</b>				<b>61,149</b>	5,641	14,492	40,260	377	379	<b>31,090</b>
<b>Marin County Shares</b>										
Marin	MTC	2127	Planning, programming, and monitoring	158	30	31	32	32	33	0
Marin	TAM	2127C	Planning, programming, and monitoring	216	0	0	216	0	0	0
Marin	MTC		Regional Set Aside	0	0	0	0	0	0	571
<b>Marin County Total</b>				<b>374</b>	30	31	248	32	33	<b>571</b>
<b>Napa County Shares</b>										
Napa	Caltrans	0380N	Silverado Trail Five-Way Intersection Improvements	1,153	0	0	1,153	0	0	0
Napa	MTC	2130	Planning, programming, and monitoring	97	18	19	20	20	20	0
Napa	NVTA	1003E	Planning, programming, and monitoring	248	51	51	50	48	48	0
Napa	MTC		Regional Set Aside	0	0	0	0	0	0	376
<b>Napa County Total</b>				<b>1,498</b>	69	70	1,223	68	68	<b>376</b>
<b>San Francisco County Shares</b>										
San Francisco	SFCTA	2007	Planning, programming, and monitoring	884	259	46	199	380	0	0
San Francisco	MTC	2131	Planning, programming, and monitoring	435	82	85	88	89	91	0
San Francisco	SFMTA	New	Communications-Based Train Control - Phase 3 N-Judah	10,642	0	0	0	10,642	0	0

County	Agency	PPNO / Project	2022 RTIP	2022 RTIP Funding by Fiscal Year					Outside
			Total	22-23	23-24	24-25	25-26	26-27	RTIP
San Francisco	SFMTA	2014W New Flyer Midlife Overhaul - Phase III	7,952	0	0	7,952	0	0	0
San Francisco	MTC	Regional Set Aside	0	0	0	0	0	0	1,548
<b>San Francisco County Total</b>			<b>19,913</b>	<b>341</b>	<b>131</b>	<b>8,239</b>	<b>11,111</b>	<b>91</b>	<b>1,548</b>
<b>San Mateo County Shares</b>									
San Mateo	MTC	2140 Planning, programming, and monitoring	450	85	88	91	92	94	0
San Mateo	SM C/CAG	2140A Planning, programming, and monitoring	894	72	236	195	195	196	0
San Mateo	SM C/CAG	0658M US 101 Managed Lanes – I380 to SF County Line	5,477	5,477	0	0	0	0	0
San Mateo	Caltrans	0658M US 101 Managed Lanes – I380 to SF County Line	1,700	0	1,700	0	0	0	0
San Mateo	City of Daly City	0658G ITS Improvements in Daly City, Brisbane, & Colma	7,900	7,900	0	0	0	0	0
San Mateo	MTC	Regional Set Aside	0	0	0	0	0	0	1,598
<b>San Mateo County Total</b>			<b>16,421</b>	<b>13,534</b>	<b>2,024</b>	<b>286</b>	<b>287</b>	<b>290</b>	<b>1,598</b>
<b>Santa Clara County Shares</b>									
Santa Clara	VTA	0503J I-280 Soundwalls - SR 87 to Los Gatos Creek	9,374	1,100	7,345	0	0	0	0
Santa Clara	BART	2147E BART to San Jose; Extend from Berryessa to San Jose	29,702	29,702	0	0	0	0	0
Santa Clara	MTC	2144 Planning, programming, and monitoring	997	188	194	201	205	209	0
Santa Clara	SCVTA	2255 Planning, programming, and monitoring	1,475	0	112	454	454	455	0
Santa Clara	VTA	2015H Silicon Valley Express Lanes Program - Phase 5 Civil	44,238	0	39,484	0	0	0	0
Santa Clara	VTA	2015J Silicon Valley Express Lanes Program - Phase 5 ETS	17,670	0	17,670	0	0	0	0
Santa Clara	MTC	Regional Set Aside	0	0	0	0	0	0	3,632
<b>Santa Clara County Total</b>			<b>103,456</b>	<b>30,990</b>	<b>64,805</b>	<b>655</b>	<b>659</b>	<b>664</b>	<b>3,632</b>
<b>Solano County Shares</b>									
Solano	MTC	2152 Planning, programming, and monitoring	262	49	51	53	54	55	0
Solano	STA	2263 Planning, programming, and monitoring	544	159	29	123	116	117	0
Solano	Solano TA	2251A SR12/Church Road Intersection Improvements	1,939	1,939	0	0	0	0	0
Solano	MTC	Regional Set Aside	0	0	0	0	0	0	945
<b>Solano County Total</b>			<b>2,745</b>	<b>2,147</b>	<b>80</b>	<b>176</b>	<b>170</b>	<b>172</b>	<b>945</b>
<b>Sonoma County Shares</b>									
Sonoma	SCTA	0770E Planning, programming, and monitoring	721	278	0	443	0	0	0
Sonoma	MTC	2156 Planning, programming, and monitoring	314	59	61	63	65	66	0
Sonoma	Sonoma County	new West County Trail Gap Closures	3,100	0	0	0	3,100	0	0
Sonoma	Santa Rosa	2354 Santa Rosa US 101 Bicycle and Pedestrian Overcrossing	3,400	0	3,400	0	0	0	0
Sonoma	MTC	Regional Set Aside	0	0	0	0	0	0	1,177
<b>Sonoma County Total</b>			<b>7,535</b>	<b>337</b>	<b>3,461</b>	<b>506</b>	<b>3,165</b>	<b>66</b>	<b>1,177</b>
<b>2022 RTIP Total - Bay Area</b>			<b>230,956</b>	<b>53,250</b>	<b>97,130</b>	<b>52,159</b>	<b>19,792</b>	<b>2,942</b>	<b>46,000</b>



Date: September 22, 2021  
W.I.: 1515  
Referred by: PAC

Attachment C  
Resolution No. 4488  
Page 1 of 13

**2022  
Regional Transportation Improvement Program**

**STIP Amendments / Extensions  
Rules and Procedures**

**September 22, 2021**

**MTC Resolution No. 4488  
Attachment C**

**Metropolitan Transportation Commission  
Funding Policy and Programs Section  
<http://mtc.ca.gov/our-work/fund-invest>**

**RTIP**  
**Regional Transportation Improvement Program**  
**STIP Amendments / Extensions**  
**Rules and Procedures**  
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## **Regional Transportation Improvement Program (RTIP) STIP Amendments / Extensions Rules and Procedures**

### **What is the STIP?**

The State Transportation Improvement Program (STIP) is the State's spending program for state and federal funding. The STIP is comprised of the Regional Transportation Improvement Program (RTIP) and the Interregional Transportation Improvement Program (ITIP). The program is updated every two years and covers a five-year period. STIP funded projects, like all other state and federally funded projects, must be listed in the TIP in order for the sponsor to access the funding.

Seventy-five percent (75%) of the funding in the STIP flows to regions by formula through their RTIPs. Regions throughout the state are charged with developing an expenditure plan for the funds. Eligible project types include improvements to state highways, local roads, public transit, intercity rail, pedestrian and bicycle facilities, grade separations, transportation system management, transportation demand management, soundwall projects, intermodal facilities, and safety.

The remaining 25% of the funding flows to the ITIP, which is a statewide program managed by Caltrans. This funding is directed to projects that improve interregional transportation and is closely linked to Caltrans's Interregional Transportation Strategic Plan (ITSP). Eligible project types include intercity passenger rail, mass transit guideways, grade separation, and state highways.

### **When are Amendments and Extensions Allowed?**

#### **STIP Amendments**

An amendment may change the cost, scope or schedule of a STIP project and its components. For instance, if the final cost estimate for a project is higher (or lower) than the amount programmed, a STIP amendment may be requested to increase or (decrease) the amount programmed. Or, as a project progresses through project development, it may be time to add the next component or phase. Likewise, if the project schedule is delayed significantly, an amendment may be warranted to request a change in program year of the funding in order to prevent a funding lapse. STIP amendments may also be requested to delete project funding or to add a new project into the STIP.

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**Important Tip:** Once a state fiscal year (July 1 – June 30) has begun, the CTC will not allow STIP amendments to delete or change the funding programmed in that fiscal year. Instead, the project sponsor may request a one-time extension as described below.

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#### **One-time Extension Requests**

SB 45 established deadlines for allocation, contract award, expenditure and reimbursement of funds for all projects programmed in the STIP. The CTC may, upon request, grant a one-time extension to each of these deadlines for up to 20 months. However, the CTC will only grant

an extension if it finds that an unforeseen and extraordinary circumstance beyond the control of the responsible agency has occurred that justifies the extension. Furthermore, the extension will not exceed the period of delay directly attributable to the extraordinary circumstance. Generally, the CTC does not grant extensions longer than 12 months. Additionally, project sponsors must be present at the CTC meeting where action is taken on any extension request, to answer questions the CTC staff or commissioners may have.

### **Roles and Responsibilities**

The STIP Amendment and Extensions process requires review and approval by various agencies to ensure the action requested is appropriate, and consistent with state statutes, CTC guidance, Caltrans procedures and regional policies. Projects must be included in a county Congestion Management Program (CMP) or county Capital Improvement Program (CIP), and must be consistent with the Regional Transportation Plan (RTP) to be programmed in the RTIP. Therefore, any additions or changes that may impact the priorities established within these documents must be reviewed and approved by the appropriate agency. Furthermore, improperly programmed funds or missed deadlines could result in funding being permanently lost to the region.

*Project sponsors* are responsible for reviewing and understanding the procedures, guidance and regulations affecting projects programmed in the STIP. Project sponsors must also assign a Single Point of Contact – an individual responsible for submitting documentation for STIP amendments and extensions that must have read and understood these policies and procedures, particularly the CTC STIP Guidelines available on the internet at <https://dot.ca.gov/programs/financial-programming/office-of-capital-improvement-programming-ocip> and the MTC RTIP Policies and Application Procedures posted on the internet at: <http://mtc.ca.gov/our-work/fund-invest/investment-strategies-commitments/transit-21st-century/funding-sales-tax-and>. Project sponsors are ultimately responsible for ensuring the required documentation is provided to Caltrans by the deadlines established by MTC’s Regional Project Delivery Policy (MTC Resolution No. 3606) and Caltrans for all allocations, extensions, and additional supplemental funds requests.

*The Congestion Management Agencies/Transportation Authorities*, collectively known as the Bay Area County Transportation Agencies (CTAs), are responsible for ensuring the packages submitted by the project sponsors are complete, and the proposed changes are consistent with the Regional Transportation Plan (RTP), and Congestion Management Plans (CMPs) or Capital Improvement Program (CIP). The CTAs check to ensure the proposed changes meet MTC, CTC and other state or federal guidance and regulations. As mentioned in the Guiding Principles of the 2022 RTIP Policies and Procedures, the CTA must consider equitable distribution of projects in accordance with Title VI. Following CTA concurrence of the request, the complete package is forwarded to MTC.

*The Metropolitan Transportation Commission (MTC)*, as the Regional Transportation Planning Agency (RTPA) for the nine counties of the San Francisco Bay Area, provides concurrence for the STIP requests and formally submits all STIP Amendments to Caltrans for approval by the CTC. MTC also verifies compliance with established state and regional policies. Although MTC provides concurrence on extensions, additional supplemental funds

requests and some allocation requests, it is the responsibility of the project sponsor, not MTC, to ensure the required documentation is submitted to Caltrans by the established deadlines for these action requests.

*The California Department of Transportation (Caltrans)* processes the requests and makes recommendations to the California Transportation Commission (CTC) in accordance with Department procedures and CTC policies and guidelines.

*The California Transportation Commission (CTC)* approves or rejects the requests based on state statutes and its own established guidance and procedures.

### **Requesting STIP Amendments and Extensions**

As described below, the procedures for processing STIP amendments and extensions vary depending on whether the project is sponsored by Caltrans or a local agency, and whether it has already received STIP funding. Extension Requests and STIP Amendments to delay projects programmed in the following fiscal year must be submitted to MTC and Caltrans by January 31 for CTC action no later than April.

### **Step 1: Project Sponsor Requests STIP Amendment or Extension**

#### **For currently programmed Caltrans projects:**

- Caltrans and the appropriate CTA identify and discuss the issue(s) that may require an amendment or extension and notify MTC Funding Policy and Programs (FPP) Section staff that a change to the current STIP may be necessary and is being considered.
- Caltrans and CTA agree on proposed change(s).
- Where necessary, CTA staff requests policy board approval of proposed change.
- Once approved by the CTA, CTA notifies Caltrans in writing of the county's concurrence, with a copy sent to MTC FPP.
- Caltrans requests MTC concurrence for the STIP Amendment/Extension by transmitting the following to MTC FPP:
  - Letter requesting the STIP Amendment or Extension with explanation and justification of the need for the action with the following attachments:

#### **For a STIP Amendment:**

- Copy of CTA's letter of concurrence
- Revised electronic Project Programming Request (ePPR) Form – <https://dot.ca.gov/programs/financial-programming/office-of-capital-improvement-programming-ocip>
- Submittal of TIP Revision Request through FMS – <http://fms.mtc.ca.gov>
- A construction 'STIP History' for each amendment that would delay the year of construction. The 'STIP History' outlines the project's construction history as programmed in the STIP with particular attention to any previous delays

and reason for the previous and current delay. It must note the original inclusion of the project construction component in the STIP and each prior project construction STIP amendment delay including for each, the amendment date, the dollar amount programmed for construction, and the scheduled year of construction delay. It must also include a statement on the financial impact of the construction delay on the project, and an estimated funding source for the additional funds necessary to complete the project under the delayed schedule. (A STIP History is only required for amendments to delay the year of construction.)

**For an Extension:**

- Copy of CTA's letter of concurrence
- A construction 'STIP History' for each extension that would delay construction as described above for a STIP Amendment.

**For currently programmed local projects:**

- Sponsor and the appropriate CTA identify and discuss the issue(s) that may require an amendment or extension and notify Caltrans and MTC Funding Policy and Programs Section staff that a change to the current STIP may be necessary and is being considered.
- Sponsor and CTA agree on proposed change(s).
- Sponsor requests CTA concurrence for the STIP Amendment/Extension by submitting the following to the CTA by January 31:
  - Letter requesting the STIP Amendment or Extension with explanation and justification of the need for the action with the following attachments:

**For a STIP Amendment:**

- Revised electronic Project Programming Request (ePPR) Form - <https://dot.ca.gov/programs/financial-programming/office-of-capital-improvement-programming-ocip>
- Submittal of TIP Revision Request through FMS – <http://fms.mtc.ca.gov>
- A construction 'STIP History' for each amendment that would delay the year of construction. The 'STIP History' outlines the project's construction history as programmed in the STIP with particular attention to any previous delays and reason for previous and current delay. It must note the original inclusion of the project construction component in the STIP and each prior project construction STIP amendment delay including for each, the amendment date, the dollar amount programmed for construction, and the scheduled year of construction delay. It must also include a statement on the financial impact of the construction delay on the project, and an estimated funding source for the additional funds necessary to complete the project under the delayed schedule. (A STIP History is only required for amendments to delay the year of construction.)
- Any other documentation required by the CTA or Caltrans

**For an Extension:**

- Copy of completed Request for Time Extension form (Exhibit 25-A, located on the internet at: <https://dot.ca.gov/programs/local-assistance/forms/local-assistance-program-guidelines-forms>).
  - A construction ‘STIP History’ for each extension that would delay construction, as described above for a STIP Amendment.
  - A listing showing the status of all SB 45 and regional project delivery policy (MTC Resolution 3606) deadlines for all of the project sponsors’ allocated STIP projects, and all active projects funded through the Federal Highway Administration (FHWA), including but not limited to Surface Transportation Program (STP), Congestion Mitigation Air Quality Improvement (CMAQ), and Active Transportation Program (ATP) projects. This is to ensure project sponsors are aware of the other deadlines facing other projects, and so that sponsors will work to meet those deadlines. A template is available online at: [http://mtc.ca.gov/sites/default/files/Template\\_FHWA\\_Funded\\_Projects\\_Status.xlsx](http://mtc.ca.gov/sites/default/files/Template_FHWA_Funded_Projects_Status.xlsx).
  - Any other documentation required by the CTA or Caltrans
- Where necessary, CTA staff requests policy board approval of proposed request.
  - Sponsor submits Caltrans’ “Request for Time Extension” form and any other required documentation to Caltrans.
  - CTA requests MTC concurrence for the STIP Amendment/Extension by transmitting a letter to MTC FPP requesting the STIP Amendment or Extension with explanation and justification of the need for the action along with the documentation submitted by the project sponsor. A copy of the request is also sent to Caltrans.
  - Sponsor must be present at the CTC meeting where action is being taken on the extension request to justify the reasons for the extension. Failure to be present may result in the CTC denying the extension request, and risk losing the programmed funds permanently due to missed deadlines. In limited instances, a project sponsor may request that their CTA be available in place of the project sponsor. The CTA and MTC must concur with this request via email.

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**Important Tip:** For STIP Extensions, the CTC will only grant an extension if it finds that an unforeseen and extraordinary circumstance beyond the control of the responsible agency has occurred that justifies the extension. Furthermore, the extension will not exceed the period of delay directly attributable to the extraordinary circumstance, up to a maximum of 20 months (although the Commission generally does not grant any extension longer than 12 months). It is therefore absolutely necessary that the letter and supporting documentation clearly explains and justifies the extension request. Failure to provide adequate justification and not being present at the CTC meeting will most likely result in an extension not being approved.

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**For all new projects:**

- Sponsor and the appropriate CTA identify and discuss the issue(s) that may require a new project to be added to the STIP and notify Caltrans and MTC Funding Policy and Programs Section staff an amendment to the current STIP may be necessary and is being considered.
- Sponsor and CTA agree on proposed addition.
- Sponsor requests CTA concurrence for the STIP Amendment by submitting the following to the CTA:
  - Letter requesting the STIP Amendment with explanation and justification of the need for the project to be added to the STIP.
  - Submittal of TIP Revision Request through FMS – <http://fms.mtc.ca.gov>
  - RTIP Application form including: - <https://mtc.ca.gov/funding/state-funding/state-transportation-improvement-program-stip>
    - Resolution of local support
    - Electronic Project Programming Request (ePPR) forms (with maps)
    - Transportation Improvement Program (TIP) amendment
    - Project Study Report (PSR), or equivalent.
    - Complete Streets Checklist and Performance Measures form, as applicable
    - Copy of State-Only Funding Request Exception Form (Only if requesting state-only funding and project is not on pre-approved state-only eligible funding list. Original request is to be submitted directly to Caltrans HQ Budgets for processing and approval prior to MTC submittal of the request to Caltrans/CTC).
- CTA staff obtains policy board approval of proposed addition.
- CTA requests MTC concurrence for the new project by transmitting a letter to MTC FPP requesting the STIP Amendment with an explanation and justification of the need for the project along with a copy of the CTA Resolution approving the project, and the documentation listed above provided by the project sponsor.

**Step 2: MTC Review and Concurrence**

- Once a complete request has been received, MTC FPP staff will place the request on the MTC Programming and Allocations Committee (PAC) meeting agenda for concurrence of major changes, or prepare a letter of concurrence for the Executive Director's signature for minor changes.
- Following approval by PAC and/or the Executive Director, MTC will send a Letter of Concurrence to Caltrans District 4 with a copy to the appropriate CTA. (District 4 will ensure that the request is copied to the appropriate contacts at Caltrans Headquarters and CTC.) MTC may concur with minor extensions administratively at the staff level, and with minor changes on Caltrans-sponsored projects administratively via email.



### **Major versus minor changes**

- All major changes, including any requests to program a new project, will be presented to MTC's Programming and Allocations Committee (PAC) to determine MTC's concurrence. Major changes include:
    - request to program a new project (or delete a project)
    - schedule delay that affects air quality conformity analysis
    - project advance with reimbursement or replacement project per AB 3090
    - request to use Grant Anticipation Revenue Vehicle (GARVEE) financing
  - For minor changes, MTC staff may write a letter of concurrence for the Executive Director's signature. Minor changes include:
    - Extension requests for allocation, award, expenditure and reimbursement/project completion deadlines (minor extensions may be concurred administratively by MTC staff)
    - schedule changes, except where change implies major cost or delivery ramifications
    - changes in implementing agency or project sponsor
    - changes to project budget that are less than 20% of the total project cost or less than \$1 million.
    - redirection of funds from one project component to another (e.g. from project engineering into environmental)
    - changes considered routine and not impacting project delivery
- \* Amendments or extensions based on new federal or state requirements may need to go to MTC's PAC

### **Additional/Supplemental Funds**

On occasion it may be necessary to provide additional 'Supplemental' funding to a project as a result of cost increases or revised cost estimates. There are several different processes to follow depending on where the project is within its delivery schedule. The various methods to add STIP funding to a project are as follow:

**Biennial STIP Cycle:** If additional funding is identified years before the actual allocation, the project sponsor may request the funding through the biennial STIP adoption process. This process is outlined in MTC's RTIP Policies and Application Procedures, and is the preferred method of requesting additional/supplemental funds.

**STIP Amendment:** If additional funding is identified prior to the allocation of funds, but is required prior to the next biennial STIP adoption, a STIP amendment adding the funds to the project may be requested as outlined in the STIP Amendment procedures above. However, in most cases the additional funds could be added at the time of allocation, thus foregoing the STIP amendment process.

**Additional Funds at Time of Allocation:** Often the simplest way to add supplemental funds is at the time of allocation. The process is the same as the procedures outlined above for a time extension (Exhibit 25-A, located on the internet at: <https://dot.ca.gov/programs/local-assistance/forms/local-assistance-program-guidelines-forms>). In all supplemental funding requests, the additional funding must be approved by the CTC.

**Additional Funds After Allocation:** It may be necessary to seek additional funds after an allocation, either to award the project or due to unforeseen cost increases while the project is under construction. In either case, an analysis should be performed to determine whether re-engineering (sometimes called “value engineering”) could achieve cost reductions to accommodate the increase. If additional funds are still necessary, a funding source outside the STIP should be pursued prior to seeking additional STIP funding. If it is determined that additional STIP funds are needed, then the project sponsor should proceed as with the procedures outlined for “Additional Funds at Time of Allocation”. It should be noted that once the funds are allocated, the project sponsor does not have the option to add the funds through a STIP amendment since the CTC does not allow amendments to change the programming for a given component after the funds have been allocated.

### **Allocation of Funds**

Project sponsors request an allocation of funds directly to Caltrans, with Caltrans placing the request on the CTC Agenda for approval. The completed request package is due to Caltrans 60 days prior to the CTC meeting where the funds are anticipated to be allocated. MTC requires sponsors to obtain MTC concurrence on allocation requests in addition to the circumstances noted below:

**Local Road Rehabilitation Projects:** Allocation of funds for local road rehabilitation projects requires certification from MTC. Project sponsors should submit the “Pavement Management System Certification” form with the “Local Road Rehabilitation Project Certification” form attached (Exhibits 25-L and 25-K, both found on the internet at: <https://dot.ca.gov/programs/local-assistance/forms/local-assistance-program-guidelines-forms>) directly to MTC for signature. MTC will then transmit the signed form to Caltrans District 4 – Local Assistance. All other allocation request documentation should be sent directly to Caltrans District 4 – Local Assistance.

**Allocation of State-Only Funds:** MTC concurs with all State-Only funds allocations that are listed in the STIP as State-Only. Projects without State-Only funding pre-approved by CTC must request a State-Only Funding Exception form (Exhibit 25-E, found on the internet at: <https://dot.ca.gov/programs/local-assistance/forms/local-assistance-program-guidelines-forms>). MTC must concur with the exception request, and the form is submitted to Caltrans.

**Funds Allocated Differently than Programmed:** In some instances it may be necessary to allocate funds differently from what is programmed in the STIP. These situations generally still require MTC concurrence. Fortunately a STIP amendment may not be

required, and the funding may be revised at the time of the allocation, thus avoiding the long STIP amendment process. However, A TIP amendment is still required, especially if federal funds are involved. Changes that are allowed at the time of allocation are noted below; however, project sponsors should consult with Caltrans District 4 Local Assistance, the CTA and/or MTC to determine whether a change at the time of allocation is permissible before preparing the allocation request.

- Change in implementing agency
- Cost savings (allocation less than program amount)
- Redirection of funds among project components or phases within the project as long as total STIP funding has not increased or previously been allocated.
- Advancement of funding from future years (transit projects with funds to be transferred to FTA require a TIP amendment to advance funds)
- Change in funding type (a change to state-only funding requires approval from Caltrans with their “State-Only Funding Request Exception” form if the project type is not on the pre-approved state-only eligible funding list – see “Allocation of State-Only Funds” above).

**STP/CMAQ Match Reserve:** Project sponsors must work with the applicable CTA to obtain programming approval for STP/CMAQ match made available in the STIP. The CTA develops a countywide list for the use of the reserved funds and submits the list to MTC, who in turns provides Caltrans with the region-wide Match Program. Any deviation from this program, whether in the funding amount, project sponsor, or funding year, requires the CTA to resubmit an updated plan for the county to MTC. Caltrans cannot allocate the matching funds if they are inconsistent with the approved STIP - STP/CMAQ Match Program.

**Funds allocated as programmed in the STIP:** The allocation of funds as they are programmed in the STIP and TIP should receive MTC concurrence. Project sponsors work with Caltrans District 4 local assistance and MTC programming staff in obtaining the allocation. STIP projects using federal funds will not receive federal authorizations to proceed without the project being properly listed in the TIP. Federal authorization to proceed (E-76) requests must be submitted to Caltrans concurrently with the STIP allocation package to avoid delays to authorization.

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**Important Tip:** Although some minor changes in the allocation of funds may not require a full STIP amendment, most changes still require MTC concurrence, and possibly a TIP amendment and a vote of the CTC. Project sponsors are encouraged to consult with the CTA, and Caltrans District 4 prior to preparing any allocation request, to ensure sufficient time is allowed for processing the allocation request, particularly toward the end of the year when the Timely Use of Funds provisions of SB 45 are of critical concern.

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### **Timeline for STIP Amendment/Extension Approval**

Completed documentation requesting MTC concurrence must be received by MTC staff no later than the first day of the month prior to the month in which the request will be heard by the Programming and Allocations Committee (PAC). (For example, requests received by January 1 will be reviewed at the February PAC meeting). Subsequently, requests with completed documentation and MTC concurrence must be submitted to the Caltrans District Office 60 to 90 days prior to the CTC meeting where the item will be considered. Therefore, requests for concurrence need to be submitted to MTC generally 150 days prior to CTC action for STIP Amendments and 120 days prior to CTC action for extensions.

For example, a STIP amendment request to add a new STIP project (considered a major amendment) is due to MTC by January 1, so it may be approved at the February PAC Meeting, and then submitted to Caltrans in time for the 60-day due date of March 21, so it may be noticed at the May 18 CTC meeting for action at the June 29 CTC meeting.

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**Important Tip:** The CTC will not amend the STIP to delete or change the funding for any project component after the beginning of the fiscal year in which the funding is programmed. Therefore, all amendments to delay a project component must be approved by the CTC by the June meeting in the year prior to the programmed year of funding. To meet this deadline, amendments to delay delivery must be submitted to MTC no later than January 1 of the fiscal year prior to the fiscal year of the funding subject to delay.

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### **Timely Delivery of Programmed Funds**

Projects programmed in the STIP must adhere to the delivery polices established in MTC Resolution 3606. Unless coordination with other funding sources and programs require a later date, requests for STIP extensions, amendments to delay existing STIP projects and STIP allocations are due to Caltrans Local Assistance no later than January 31 of the fiscal year the funds are programmed in the STIP. This is to ensure STIP projects do not miss the June 30 end-of year delivery deadlines imposed by the CTC.

A due date schedule is prepared each year for the submittal of STIP requests. This schedule is posted on the internet at: <https://dot.ca.gov/programs/financial-programming/office-of-capital-improvement-programming-ocip> In addition, [MTC Resolution 3606](#) imposes regional deadlines in advance of state and federal timely use of funds deadlines, to ensure funds are not lost to the region.

### **STIP Amendment Form/TIP Amendment Form**

The forms necessary to initiate the STIP Amendment process may be downloaded from the MTC website at: <https://mtc.ca.gov/funding/state-funding/state-transportation-improvement-program-stip>. TIP Amendments should be processed through the Fund Management System, also available at the website mentioned above.

**Contacts for STIP Amendments/Extensions:**

<u>Name</u>	<u>Area</u>	<u>Phone</u>	<u>Email</u>
Karl Anderson	STIP/TIP Amendments	415.778.6645	<a href="mailto:kanderson@bayareametro.gov">kanderson@bayareametro.gov</a>
Kenneth Kao	STIP	415.778.6768	<a href="mailto:kkao@bayareametro.gov">kkao@bayareametro.gov</a>
Adam Crenshaw	TIP Amendments	415.778.6794	<a href="mailto:acrenshaw@bayareametro.gov">acrenshaw@bayareametro.gov</a>

# APPENDIX A – 20

## *Regional Policies: Project Funding and Specific Funding Programs*

**Active Transportation Program (ATP) Cycle 5 Regional  
Program Guidelines and Program of Projects**

**MTC Resolution No. 4403**



Date: February 26, 2020  
W.I.: 1515  
Referred by: PAC  
Revised: 05/27/20-C  
04/28/21-C

ABSTRACT

Resolution No. 4403, Revised

This resolution adopts the Active Transportation Program (ATP) Regional Program Cycle 5 Guidelines for the San Francisco Bay Area, for submission to the California Transportation Commission (CTC), consistent with the provisions of Senate Bill 99 and Assembly Bill 101.

This resolution includes the following attachments:

Attachment A – Guidelines: Policies, Procedures, and Project Selection Criteria

Attachment B – 2021 Regional ATP Program of Projects

This resolution was revised by Commission action on May 27, 2020, to update Attachment A with the revised application deadline and programming milestones in response to Executive Order N-33-20, the COVID-19 State of Emergency.

This resolution was amended via Commission action on April 28, 2021 to update Attachment B, Cycle 5 Regional Active Transportation Program of Projects.

Further discussion of these actions is contained in the Summary Sheet to the MTC Programming and Allocations Committee dated February 12, 2020, May 13, 2020, and April 14, 2021.

Date: February 26, 2020  
W.I.: 1515  
Referred by: PAC

RE: Adoption of Regional Active Transportation Program (ATP) Cycle 5 Guidelines and Program of Projects

METROPOLITAN TRANSPORTATION COMMISSION  
RESOLUTION NO. 4403

WHEREAS, the Metropolitan Transportation Commission (MTC) is the regional transportation planning agency for the San Francisco Bay Area pursuant to Government Code Section 66500 *et seq.*; and

WHEREAS, MTC has adopted and periodically revises, pursuant to Government Code Sections 66508 and 65080, a Regional Transportation Plan (RTP); and

WHEREAS, MTC is the designated Metropolitan Planning Organization (MPO) for the nine-county San Francisco Bay Area region and is required to prepare and endorse a Transportation Improvement Program (TIP) which includes federal funds; and

WHEREAS, MTC is the designated recipient for federal funding administered by the Federal Highway Administration (FHWA) assigned to the MPO/Regional Transportation Planning Agency (RTPA) of the San Francisco Bay Area for the programming of projects (regional federal funds); and

WHEREAS, the California State Legislature passed and the Governor signed into law Senate Bill 99 (Chapter 359, Statutes 2013) and Assembly Bill 101 (Chapter 354, Statutes 2013), establishing the Active Transportation Program (ATP); and

WHEREAS, MTC adopts, pursuant to Streets and Highways Code Section 2381(a)(1), an Active Transportation Program of Projects using a competitive process consistent with guidelines adopted by the California Transportation Commission (CTC) pursuant to Streets and Highways Code Section 2382(a), that is submitted to the CTC and the California Department of Transportation (Caltrans); and



WHEREAS, MTC has developed, in cooperation with CTC, Caltrans, operators of publicly owned mass transportation services, congestion management agencies, countywide transportation planning agencies, and local governments, guidelines to be used in the development of the ATP; and

WHEREAS, a multi-disciplinary advisory group evaluates and recommends candidate ATP projects for MTC inclusion in the Active Transportation Program of Projects; and

WHEREAS, the ATP is subject to public review and comment; now, therefore, be it

RESOLVED, that MTC approves the guidelines to be used in the evaluation of candidate projects for inclusion in the ATP, as set forth in Attachment A of this resolution, and be it further

RESOLVED, that MTC approves the Active Transportation Program of Projects, as set forth in Attachment B of this resolution, and be it further

RESOLVED that the Executive Director or designee can make technical adjustments and other non-substantial revisions; and be it further

RESOLVED, that the Executive Director shall forward a copy of this resolution, and such other information as may be required to the CTC, Caltrans, and to such other agencies as may be appropriate.

METROPOLITAN TRANSPORTATION COMMISSION

  
\_\_\_\_\_  
Scott Haggerty, Chair

The above resolution was entered into by the Metropolitan Transportation Commission at a regular meeting of the Commission held in San Francisco, California, on February 26, 2020.

Date: February 26, 2020  
W.I.: 1515  
Referred by: PAC  
Revised: 05/27/20-C

Attachment A  
Resolution No. 4403  
Page 1 of 14

# **2021 Regional Active Transportation Program (ATP)**

**Cycle 5**

**Guidelines**

**February 26, 2020  
Revised: May 27, 2020**

**MTC Resolution No. 4403  
Attachment A**

**Metropolitan Transportation Commission  
Programming and Allocations Section  
<http://mtc.ca.gov/our-work/fund-invest>**

**2021 Regional Active Transportation Program (ATP) Cycle 5  
Guidelines  
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## 2021 Regional Active Transportation Program Cycle 5 Guidelines

### **Background**

In September 2013, the Governor signed Senate Bill 99 (Chapter 359, Statutes 2013) and Assembly Bill 101 (Chapter 254, Statutes 2013) into law, creating the Active Transportation Program (ATP). The State envisions the ATP to consolidate several other funding sources intended to promote active transportation, such as the Bicycle Transportation Account and Transportation Alternatives Program, into a single program.

State and federal law segregate ATP funds into three main components, distributed as follows:

- 50% to the state for a statewide competitive program
- 10% to the small urban and rural area competitive program to be managed by the state
- 40% to the large urbanized area competitive program, with funding distributed by population and managed by the Metropolitan Planning Organization (MPO) – hereinafter referred to as the “Regional Active Transportation Program”

The California Transportation Commission (CTC) developed guidelines for the Cycle 5 ATP and approved them on March 25, 2020. The CTC Guidelines lay out the programming policies, procedures, and project selection criteria for the statewide competitive program, as well as for the small urban/rural and large MPO regional competitive programs. Large MPOs, such as MTC, have the option of developing regional policies, procedures, and project selection criteria that differ from those adopted by CTC, provided CTC approves the regional guidelines.

This document serves as MTC’s Cycle 5 Regional ATP Guidelines that substantially follow those of the CTC, but include some differences based on the region’s existing policies and priorities. MTC adopted these Guidelines for the MTC Regional Active Transportation Program on February 26, 2020 and approved by the CTC on March 25, 2020.

### **Development Principles**

The following principles will frame the development of MTC’s Regional ATP.

- MTC will work with CTC staff, Caltrans, Bay Area County Transportation Agencies (CTAs), transit operators, regional Active Transportation Working Group, and interested stakeholders to develop the Regional Active Transportation Program.
- ATP investments must advance the objectives of the Regional Transportation Plan (RTP)/Sustainable Communities Strategy.
- MTC will exceed the State’s 25% minimum programming requirement to projects benefiting disadvantaged communities.
- MTC will continue to work with Caltrans, CTAs, transit operators, and project sponsors to seek efficiencies and streamlining for delivering projects in the federal-aid process.
- MTC will continue to advocate that all project savings and un-programmed balances remain within the ATP program rather than redirected to the State Highway Account, and specifically that savings

and balances in the 40% Large MPO programs remain within the regional programs, consistent with federal guidance on the Transportation Alternative Program (TAP).

- MTC will not penalize project applicants for previous project delivery issues outside of the sponsor's control.

### **CTC Guidelines**

The CTC adopted the Statewide ATP Guidelines on March 25, 2020, and are available at <https://catc.ca.gov/programs/active-transportation-program>. The approved CTC Guidelines for the Active Transportation Program, as posted on the CTC website, are incorporated in MTC's Regional ATP Guidelines via this reference. All project sponsors are required to follow both the MTC and CTC ATP Guidelines in the development and implementation of the Regional ATP.

### **ATP Development Schedule**

The development of the ATP will follow the schedule outlined in Appendix A-1 of this guidance, which is subject to change.

### **ATP Regional Shares**

Appendix A-2 of this guidance provides the MTC regional shares for Cycle 5 of ATP funding (FY 2021-22 through FY 2024-25), consistent with the ATP Fund Estimate approved by the CTC on March 25, 2020. Appendix A-2 also includes the State's 25% minimum programming requirement to projects benefiting disadvantaged communities.

### **Public Involvement Process**

In developing the ATP, MTC is committed to a broad, inclusive public involvement process consistent with MTC's Public Participation Plan, available at <http://mtc.ca.gov/about-mtc/public-participation/public-participation-plan>.

### **ATP Projects in the Transportation Improvement Program (TIP)**

Consistent with state and federal requirements, ATP funded projects must be programmed in the TIP before seeking a CTC allocation. Selected projects must complete and submit a Fund Management System (FMS) application by June 1, 2021, to be included in the TIP. In addition, MTC requires that a federal Request for Authorization (RFA) be submitted simultaneously with the ATP allocation request to Caltrans and CTC when the ATP project includes federal funds. Unless a state-only funding exception is granted, ATP funds will contain federal funds. Therefore, projects must receive a CTC allocation and a federal authorization to proceed before the expenditure of eligible costs or advertisement of contract award.

### **Deviations from Statewide Policies**

Below are MTC-region specific policies as they apply to the Regional Active Transportation Program. These policies differ from CTC's Guidelines.

**1. Application Process and Additional Regional Screening/Evaluation Criteria**

MTC elects to hold a separate call for projects for the Regional Active Transportation Program and has additional evaluation and screening criteria. Further information on these changes, as well as instructions for the application process, are detailed later in this guidance.

Project sponsors may apply for either the State ATP program or Regional ATP program, or to both. Sponsors applying to the State ATP program, the Regional ATP program, or both the state and regional programs must submit a copy of their state application to MTC. To be considered for the regional program, including consideration if unsuccessful in the statewide program, applicants must meet all regional requirements and submit a regional application by the application deadline.

**2. Definition, Evaluation, and Funding Minimum for Disadvantaged Communities**

*Definition*

The MTC region has already adopted a measure to define Disadvantaged Communities (DACs) known as “Communities of Concern”. MTC updated the Communities of Concern (COCs) definition in January 2016 as a part of the *Plan Bay Area 2040* Equity Framework. To meet the State’s 25% DAC minimum requirement in the Regional ATP, MTC elects to use MTC’s COC definition.

MTC’s Communities of Concern are defined as those census tracts that have a concentration of both minority and low-income households, or that have a concentration of 3 or more of the remaining 6 factors below (#3 to #8), but only if they also have a concentration of low-income households. The concentration thresholds for these factors are described below.

<b>Disadvantage Factor</b>	<b>% of Regional Population</b>	<b>Concentration Threshold</b>
1. Minority Population	58%	70%
2. Low Income (<200% of Poverty) Population	25%	30%
3. Limited English Proficiency Population	9%	20%
4. Zero-Vehicle Households	10%	10%
5. Seniors 75 Years and Over	6%	10%
6. People with Disability	9%	25%
7. Single-Parent Families	14%	20%
8. Severely Rent-Burdened Households	11%	15%

Based on this definition, 22% of the region’s population is located in Communities of Concern. MTC’s Communities of Concern definition of Disadvantaged Communities meets the State’s legislative intent and has already been in use in the MTC region for planning and programming purposes.

Additional discussion of the Communities of Concern definition and methodology are included in the *Plan Bay Area 2040 Equity Analysis Report*, available online at <https://www.planbayarea.org/2040-plan/plan-details/equity-analysis>. Information regarding the 2016 update is available online at <https://mtc.legistar.com/View.ashx?M=F&ID=4216456&GUID=42E0CBF3-9490-4A6D-A6A6-B04003451057>. The last link also includes a static map of the COC locations. An interactive online map is available at <https://arcg.is/1aeHq>.

#### *Community-Based Transportation Plans (CBTPs)*

The Community-Based Transportation Planning Program is a collaborative planning process that involves residents in low-income Bay Area communities, community- and faith-based organizations that serve them, transit operators, CTAs, and MTC. Each plan includes locally identified transportation needs, as well as solutions to address them. Each plan reflects the objectives of the program, which are to:

- emphasize community participation in prioritizing transportation needs and identifying potential solutions;
- foster collaboration between local residents, community-based organizations, transit operators, CTAs, and MTC; and
- build community capacity by involving community-based organizations in the planning process.

Project findings are forwarded to applicable local or county-level policy boards, as well as to MTC, for consideration in planning, funding, and implementation discussions.

#### *Vision Zero Policy or Bike and Pedestrian Safety Policy or Plan*

Vision Zero is a traffic safety policy that takes an ethical approach toward achieving safety for all road users, setting the goal of zero traffic fatalities or severe injuries. Vision Zero policies maintain that traffic deaths and severe injuries are preventable and focus attention on the shortcomings of the transportation system itself, including the built environment, policies, and technologies that influence behavior. Vision Zero sets the highest level of responsibility on the system designers – transportation planners and engineers, policymakers, police, etc. Each Vision Zero policy contains five core resolutions:

- Traffic deaths and severe injuries are acknowledged to be preventable.
- Human life and health are prioritized within all aspects of transportation systems.
- Acknowledgment that human error is inevitable and transportation systems should be forgiving.
- Safety work should focus on systems-level changes above influencing individual behavior.
- Speed is recognized and prioritized as the fundamental factor in crash severity.

Alternatively, jurisdictions may adopt policies or a plan addressing bicycle and pedestrian safety, in the spirit of Vision Zero.

MTC elects to change the statewide application's scoring point value for Disadvantaged Communities, assigning the value to 60% of the statewide scoring value. Twenty percent of the statewide scoring value will be awarded for projects within a jurisdiction (city or county) with a Vision Zero or Bike and Pedestrian Safety Policy or Plan, and the remaining twenty percent to projects identified in an approved Community-Based Transportation Plan (CBTP) or similar. The applicant will provide proof of Vision Zero safety policy or plan adopted by resolution and CBTP consistency in the supplemental regional application.

### **3. Match Requirement**

The CTC Guidelines do not require a match for Statewide ATP project nominations. The CTC Guidelines allow MPOs to define different match requirements for the Regional ATP.

Differing from CTC Guidelines, MTC elects to impose a local match requirement for the regional ATP of 11.47%, with match waivers for projects benefiting Disadvantaged Communities, stand-alone non-infrastructure projects, and safe routes to schools projects. As an added provision, a project sponsor may request the local match requirement be waived for the construction phase of an infrastructure project if the pre-construction phases are entirely funded using non-federal and non-ATP funds. This provision minimizes the number of federalized phases requiring an E-76 through Caltrans Local Assistance.

### **4. Large Funding Requests**

MTC intends to fund a variety of projects across the region. If an ATP application request is larger than \$10 million, the applicant must provide evidence that the project can be scaled or segmented and can deliver commensurate benefits. A smaller segment of the project may be selected for funding if there is not enough funding available for the full request. The applicant will provide an explanation of scalability in the supplemental regional application. MTC will not consider an application requesting more than \$10 million scalability explanation.

### **5. Contingency Project List**

MTC will adopt a list of projects for programming the Regional ATP that is financially constrained against the amount of ATP funding available (as identified in the approved ATP Fund Estimate). In addition, MTC will include a list of contingency projects, ranked in priority order based on the project's evaluation score. MTC intends to fund projects on the contingency list should there be any project failures or savings in the Cycle 5 Regional ATP. This list will ensure that MTC will fully program all regional ATP funds and that no ATP funds are lost to the region. The contingency list is valid until the adoption of the next ATP Cycle.

## **Application Process**

### **Project Application**

Upon CTC's concurrence of MTC's Regional ATP Guidelines, MTC will issue a call for projects for the Regional Active Transportation Program. Project sponsors must complete an application for



each project proposed for funding in the ATP, consisting of the items included in Appendix A-3 of this guidance. Project sponsors must use the Project Programming Request (PPR) forms provided by Caltrans for all projects. The PPR must be submitted electronically in Microsoft Excel format for upload into the regional and statewide databases. All application materials, in the form of 3 hard copies and 1 electronic copy must be received by MTC or postmarked no later than September 15, 2020, to be considered.

### **Additional Project Screening Criteria, Including Readiness**

In addition to the CTC Guidelines, all projects included in the ATP must meet the following screening criteria.

- A. Prohibition of Multiple Phases in the Same Year.** Project sponsors must provide sufficient time between the scheduled allocation of environmental funds and the start of design, right of way or construction. Therefore, projects may not have more than one phase programmed per fiscal year, except for the design and right of way phases, which may be programmed in the same fiscal year. Exceptions may be made on a case-by-case basis.
- B. Deliverability.** Project sponsors must demonstrate they can meet the delivery timeframe of the Active Transportation Program. Projects that can be delivered (receive a CTC allocation and federal authorization to proceed for federal funds) earlier shall receive priority for funding over other projects. As specified in MTC's Regional Project Delivery Policy (MTC Resolution No. 3606, Revised), sponsors must receive the CTC allocation and receive the federal authorization to proceed (E-76 / federal obligation) for federally funded projects by January 31 of the programmed fiscal year. There are no extensions to these regional delivery deadlines.
- C. One Bay Area Grant (OBAG) 2 Requirements.**
  - a. Consistency with OBAG 2 Housing Element Requirement. Jurisdictions (cities and counties) must have a general plan housing element adopted and certified by the California Department of Housing and Community Development (HCD) for 2014-2022 RHNA by May 31, 2015. Jurisdictions that have failed to meet this deadline must have their housing elements certified by HCD by June 30, 2016, to be eligible to receive ATP funding. Furthermore, under state statute, jurisdictions are required to submit Housing Element Annual Reports by April 1 every year. All cities and counties receiving ATP funding must comply with this requirement during the entire ATP funding period or risk deprogramming of ATP funding.
  - b. Consistency with OBAG 2 Complete Streets Policy. Complete Streets are an essential part of promoting active transportation. To that end, project sponsors must supply documentation that the jurisdiction(s) in which the project is located meets the OBAG Complete Streets Policy by September 15, 2020. The policy may be met by the jurisdiction, either having updated the General Plan after January 1, 2010, to be consistent with the Complete Streets Act of 2008 or adopting a complete streets policy

resolution incorporating MTC's complete streets requirements. For further information regarding MTC's OBAG Complete Streets Policy, refer to the OBAG 2 website at <http://mtc.ca.gov/our-work/fund-invest/federal-funding/obag-2>. A sample complete streets policy resolution is available at [http://mtc.ca.gov/sites/default/files/OBAG\\_2\\_Reso\\_Guidance\\_Final.pdf](http://mtc.ca.gov/sites/default/files/OBAG_2_Reso_Guidance_Final.pdf)

**D. Transit Agency Coordination.** Applicants must demonstrate coordination with affected transit agencies in the supplemental regional application. Evidence of coordination should be in the form of a support letter or other discussion showing coordination with affected transit operators. Projects that do not impact transit operations should indicate "no impact." Otherwise, an application may be disqualified based on a lack of coordination with affected transit operators.

#### **Additional Project Evaluation Criteria**

MTC will use the CTC project evaluation criteria as outlined in the CTC Guidelines, with additional points and criteria for the Regional Active Transportation Program. The additional criteria and point values are:

- **Consistency with Regional Priorities and Planning Efforts. (0 to 7 points)**  
Applicants shall describe the project's consistency with previously-approved regional priorities, and how the project supports *Plan Bay Area 2040*. MTC staff will award points for the degree of the proposed project's consistency with regional priorities, such as:
  - Consistency with *Plan Bay Area 2040*'s Healthy and Safe Community goals & Transportation Demand Management strategies.
  - Consistency with MTC's Spare the Air Youth & Safe Routes to School Program, making it safer and easier for students and teachers to walk or bike to school.
  - Bay Trail build-out
  - Regional Bike Network build-out
  - Gap closures in the Regional Bike Network
  - Multi-jurisdictional projects
  - Applications only requesting construction phase funds
  - Demonstration of meeting regional project delivery requirements
  - Prior ATP cycle programming
- **Completion of Approved Environmental Document. (0 or 3 points)**  
While the Active Transportation Program may fund pre-construction phases of projects, including the environmental document phase, the region prefers projects which are environmentally cleared in order to promote certainty in project delivery and project scope. Applicants that provide evidence of an approved environmental document consistent with the California Environmental Quality Act (CEQA) and National Environmental Policy Act (NEPA) will receive additional points. If requesting state-only funding, only CEQA documentation is required. Evidence may be provided by the following methods:
  - Photocopy of the approved environmental document cover and executive summary;
  - Link to the approved environmental document available online;

- Full soft copy of the environmental document provided on the electronic copy of the application;
- Documentation from Caltrans regarding environmental approval; and/or
- Other Council/Board action, such as resolutions and/or Planning Department approval of the environmental document.

This provision does not apply to planning activities or stand-alone non-infrastructure projects, which receive the full points to this criterion regardless of environmental status at the time of application. These projects must still follow any applicable CEQA and NEPA requirements to receive ATP funding.

- **Countywide Plans/Goals Consistency Determination. (0 or -2 point)**  
Following the application due date, MTC will share the received applications with the CTAs. The CTAs will review the applications for consistency with adopted countywide transportation plans, active transportation plans, and/or other countywide goals, as applicable. The CTAs will provide MTC a list of projects determined to be inconsistent with countywide plans and/or goals no later than February 1, 2021. Inconsistent projects will receive a 2 point penalty; consistent projects will be held harmless.
- **Deliverability Determination. (0 or -5 points)**  
MTC staff will review each application's project delivery schedule for the ability to meet regional deadlines as described in MTC Resolution No. 3606, Revised. Projects that are deemed unable to allocate ATP funds within the four programming years of Cycle 5 (FY 2021-22 through FY 2024-25) shall receive a 5 point penalty. Projects that are deemed able to allocate within the four programming years of Cycle 5 will be held harmless.

### **Additional Regional Policies**

#### **Title VI Compliance**

Investments made in the ATP must be consistent with federal Title VI requirements. Title VI prohibits discrimination on the basis of race, color, disability, and national origin in programs and activities receiving federal financial assistance.

#### **MTC Resolution No. 3606 Compliance – Regional Project Delivery Policy**

The CTC ATP Guidelines establish timely use of funds and project delivery requirements for ATP projects. Missing critical milestones could result in deletion of the project from the ATP, and a permanent loss of funds to the region. Therefore, these timely use of funds deadlines must be considered in programming the various project phases in the ATP. While the CTC Guidelines provide some flexibility with respect to these deadlines by allowing for deadline extensions under certain circumstances, the CTC is very clear that deadline extensions will be the exception rather than the rule. MTC Resolution No. 3606 details the Regional Project Delivery Policy for regional discretionary funding, which may be more restrictive than the State's delivery policy. All projects in the regional ATP are subject to the Regional Project Delivery Policy (MTC Resolution 3606), including the adoption of a Resolution of Local Support for selected projects by April 1, 2021. For additional information, refer to <http://mtc.ca.gov/our-work/fund-invest/federal-funding/project-delivery>.

**MTC Resolution No. 3765 Compliance – Complete Streets Checklist**

MTC's Resolution No. 3765 requires project sponsors to complete a checklist that considers the needs of bicycles and pedestrians for applicable projects. The Complete Streets Checklist (also known as "Routine Accommodations Checklist") is available through MTC's website online at <http://mtc.ca.gov/our-work/plans-projects/bicycle-pedestrian-planning/complete-streets>.

Furthermore, it is encouraged that all bicycle projects programmed in the ATP support the Regional Bicycle Network and county-wide bicycle plans. Guidance on considering bicycle transportation can be found in MTC's 2009 Regional Bicycle Plan (a component of Transportation 2035) and Caltrans Deputy Directive 64. MTC's Regional Bicycle Plan, containing federal, state, and regional policies for accommodating bicycles and non-motorized travel, is available on MTC's Web site at:

<http://mtc.ca.gov/our-work/plans-projects/bicycle-pedestrian-planning>.

<b>METROPOLITAN TRANSPORTATION COMMISSION (MTC)</b> <b>2021 Regional Active Transportation Program (rATP) Cycle 5</b> <b>Appendix A-1: ATP Development Schedule (Subject to Change)</b> <b>May 13, 2020</b>	
January 2020	CTC released draft ATP Guidelines
January 2020	Draft Regional ATP Guidelines presented to Working Groups
February 12, 2020	MTC Programming and Allocations Committee (PAC) review and recommendation of final Regional ATP Guidelines
February 26, 2020	MTC Commission adoption of Regional ATP Guidelines MTC submits adopted Regional ATP Guidelines to CTC for consideration
March 25, 2020	<b>CTC adoption of State ATP Guidelines</b> <b>CTC adoption of MTC's Regional ATP Guidelines</b>
March 26, 2020	<b>CTC released ATP Call for Projects for Statewide Competitive Program</b> <b>MTC released ATP Call for Projects for Regional Program</b>
<del>June 15, 2020</del> July 15, 2020	<b>State Quick-build Pilot Program Applications Due to CTC (Statewide Program)</b>
<del>June 15, 2020</del> September 15, 2020	<b>State ATP Applications Due to CTC (Statewide Program)</b> <b>Regional ATP Applications Due to MTC (Regional Program)</b>
September 15, 2020	CTC releases staff recommendation for ATP Statewide Quick-build Pilot Program
December 2, 2020	<b>ATP Statewide Quick-build Pilot Program Adoption:</b> CTC scheduled to adopt the statewide quick-build pilot program
<del>October 31, 2020</del> February 15, 2021	CTC releases staff recommendation for ATP Statewide Competitive Program
<del>December 2, 2020</del> March, 2021	<b>ATP Statewide Program Adoption:</b> CTC scheduled to adopt the statewide program and transmit unsuccessful projects to the Regions for consideration
<del>December 16, 2020</del> March 31, 2021	MTC releases staff recommendation for ATP Regional Program
<del>January 2021</del> April 2021	Working Group discussions of staff recommendations
<del>January 13, 2021</del> April 13, 2021	MTC Programming and Allocation Committee (PAC) scheduled review and recommendation of final ATP Regional Program
<del>January 27, 2021</del> April 28, 2021	<b>ATP Regional Program Adoption:</b> MTC Commission scheduled approval of ATP regional program and transmittal to CTC for consideration
<del>April 1, 2021</del> June 1, 2021	<b>TIP Amendment Deadline:</b> Successful ATP project sponsors to submit 2021 TIP Amendment, including Resolution of Local Support
<del>March 15, 2021</del> June 2021	<b>CTC Approval of ATP Regional Program</b>
January 31, 2022	Allocation/Obligation Deadline for Regional ATP projects programmed in FY 2021-22
January 31, 2023	Allocation/Obligation Deadline for Regional ATP projects programmed in FY 2022-23
January 31, 2024	Allocation/Obligation Deadline for Regional ATP projects programmed in FY 2023-24
January 31, 2025	Allocation/Obligation Deadline for Regional ATP projects programmed in FY 2024-25

Shaded Area – Actions by State, CTC or Caltrans

**Metropolitan Transportation Commission (MTC)  
 2021 Regional Active Transportation Program (ATP) Cycle 5**

*Based on CTC ATP Fund Estimate adopted on 3/25/2020*

**Appendix A-2: MTC ATP Regional Share Targets**

**Cycle 5 Program - FY 2021-22 through FY 2024-25**

*ATP Regional Share*

All numbers in thousands

<b>Fund Source</b>	<b>FY 2021-22</b>	<b>FY 2022-23</b>	<b>FY 2023-24</b>	<b>FY 2024-25</b>	<b>Total</b>
Federal STBG (TAP)			\$5,484	\$5,484	\$10,969
Federal Other			\$1,907	\$1,907	\$3,815
State	\$8,045	\$8,045			\$16,090
SB1			\$3,066	\$3,066	\$6,132
<b>Total ATP Regional Share</b>	<b>\$8,045</b>	<b>\$8,045</b>	<b>\$10,458</b>	<b>\$10,458</b>	<b>\$37,005</b>

*State's 25% Disadvantaged Communities Minimum Requirement*

<b>Classification</b>	<b>FY 2021-22</b>	<b>FY 2022-23</b>	<b>FY 2023-24</b>	<b>FY 2024-25</b>	<b>Total</b>
25% - Benefiting Disadvantaged Communities	\$2,011	\$2,011	\$2,614	\$2,614	\$9,251
75% - Anywhere in the Region	\$6,034	\$6,034	\$7,843	\$7,843	\$27,754
<b>Total ATP Regional Share</b>	<b>\$8,045</b>	<b>\$8,045</b>	<b>\$10,458</b>	<b>\$10,458</b>	<b>\$37,005</b>

**METROPOLITAN TRANSPORTATION COMMISSION (MTC)**  
**2021 Regional Active Transportation Program (ATP) Cycle 5**

**Appendix A-3: Regional ATP Project Application**

Project sponsors must submit a completed project application for each project proposed for funding in the Regional Active Transportation Program. The application consists of the following parts and are available on the Internet (as applicable) at: <http://mtc.ca.gov/atp>

1. Cover letter on Agency letterhead signed by the applicant's Chief Executive Officer or other officer authorized by the applicant's governing board
  - a. If the proposed project is implemented by an agency other than the project sponsor, documentation of the agreement between the two entities must be included
  - b. If proposing matching funds, the letter should include confirmation that these matching funds are available for the proposed project
2. Project application forms
  - a. Statewide ATP Application Form, available at <https://dot.ca.gov/programs/local-assistance/fed-and-state-programs/active-transportation-program/cycle5>
  - b. Regional ATP Supplemental Application Form, available at <http://mtc.ca.gov/atp>, including back-up documentation, as applicable, such as:
    - i. Community of Concern benefit evidence
    - ii. Scalability plan for applications requesting more than \$10 million.
    - iii. Environmental Documentation certification evidence (CEQA and NEPA, if requesting federal funds)
    - iv. OBAG 2 Complete Streets Policy and Housing Element compliance
    - v. Vision Zero Policy or Bike and Pedestrian Safety Policy or Plan evidence
    - vi. Community-Based Transportation Plan evidence
    - vii. Transit Agency Coordination evidence
3. Project Programming Request (PPR) form
  - a. Available at: <https://dot.ca.gov/programs/transportation-programming/office-of-capital-improvement-programming-ocip>
4. Complete Streets Checklist
  - a. Available at: <http://mtc.ca.gov/our-work/plans-projects/bicycle-pedestrian-planning/complete-streets>
  - b. Not necessary for Planning or Non-Infrastructure projects.

Note: Selected projects are also required to provide a Resolution of Local Support for the project no later than June 1, 2021.

**Attachment B**  
**Metropolitan Transportation Commission**  
**2021 Active Transportation Program (ATP)**  
**Cycle 5**  
**FY 2021-22 through FY 2024-25**  
**Regional ATP Cycle 5 Program of Projects**

MTC Resolution No. 4403  
 Attachment B  
 Adopted: 02/26/20-C  
 Revised: 04/28/21-C

**Regional ATP Cycle 5 Projects (in order by county)**

County	Implementing Agency	Project	Regional ATP
Alameda	Alameda County PW	E. Lewelling Boulevard Safe and Complete Street for Active Transportation	\$ 2,996,000
Alameda	Emeryville	40th Street Protected Bikeway and Pedestrian Improvements	\$ 1,374,000
Contra Costa	Caltrans D4	Central Avenue I-80 Undercrossing Ped/Bike Improvements	\$ 3,833,000
Marin	MTC	Richmond-San Rafael Bridge Shared Use Path Gap Closure	\$ 4,302,000
San Francisco	SFCTA	Yerba Buena Island Multi-use Pathway Project	\$ 3,800,000
San Francisco	SFMTA	Folsom Streetscape Project ( <i>Partial</i> )	\$ 7,040,000
San Mateo	San Mateo (City)	Delaware Street Safe Routes to School Corridor	\$ 1,661,000
Sonoma	Santa Rosa	Santa Rosa US Highway 101 Bicycle and Pedestrian Overcrossing	\$ 12,000,000
<b>TOTAL:</b>			<b>\$37,006,000</b>

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**Regional ATP Cycle 5 Contingency List (in descending score order)**

County	Implementing Agency	Project	Regional ATP
San Francisco	SFMTA	Folsom Streetscape Project ( <i>Remaining Amount</i> )	\$ 4,960,000
Alameda	Fremont	Walnut Avenue Corridor Protected Intersections Project	\$ 2,712,000
Sonoma	Healdsburg	Healdsburg Avenue Complete Streets Project	\$ 10,107,000
Contra Costa	CC County PW	Market Avenue Complete Street	\$ 2,884,000
Sonoma	Sonoma County	Moorland Pedestrian and School Access	\$ 4,454,000
Alameda	Alameda County PW	Mission Boulevard Safe and Complete Street for Active Transportation	\$ 7,900,000
Contra Costa	EBRPD	Martinez Intermodal Station - Crockett Bay Trail Gap Closure Project	\$ 2,209,000
<b>TOTAL:</b>			<b>\$35,226,000</b>

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# APPENDIX A – 21

## *Regional Policies: Project Funding and Specific Funding Programs*

**Active Transportation Program (ATP) Cycle 6 Regional  
Program Guidelines and Program of Projects  
MTC Resolution No. 4487**



Date: February 23, 2022  
W.I.: 1515  
Referred by: PAC

ABSTRACT

Resolution No. 4487, Revised

This resolution adopts the Active Transportation Program (ATP) Regional Program Cycle 6 Guidelines for the San Francisco Bay Area, for submission to the California Transportation Commission (CTC), consistent with the provisions of Senate Bill 99 and Assembly Bill 101.

This resolution includes the following attachments:

- Attachment A – Guidelines: Policies, Procedures, and Project Selection Criteria
- Attachment B – 2023 Regional ATP Program of Projects

Further discussion of these actions is contained in the Summary Sheet to the MTC Programming and Allocations Committee dated February 9, 2022.

Date: February 23, 2022  
W.I.: 1515  
Referred by: PAC

RE: Adoption of Regional Active Transportation Program (ATP) Cycle 6 Guidelines and Program of Projects

METROPOLITAN TRANSPORTATION COMMISSION  
RESOLUTION NO. 4487

WHEREAS, the Metropolitan Transportation Commission (MTC) is the regional transportation planning agency for the San Francisco Bay Area pursuant to Government Code Section 66500 *et seq.*; and

WHEREAS, MTC has adopted and periodically revises, pursuant to Government Code Sections 66508 and 65080, a Regional Transportation Plan (RTP); and

WHEREAS, MTC is the designated Metropolitan Planning Organization (MPO) for the nine-county San Francisco Bay Area region and is required to prepare and endorse a Transportation Improvement Program (TIP) which includes federal funds; and

WHEREAS, MTC is the designated recipient for federal funding administered by the Federal Highway Administration (FHWA) assigned to the MPO/Regional Transportation Planning Agency (RTPA) of the San Francisco Bay Area for the programming of projects (regional federal funds); and

WHEREAS, the California State Legislature passed and the Governor signed into law Senate Bill 99 (Chapter 359, Statutes 2013) and Assembly Bill 101 (Chapter 354, Statutes 2013), establishing the Active Transportation Program (ATP); and

WHEREAS, MTC adopts, pursuant to Streets and Highways Code Section 2381(a)(1), an Active Transportation Program of Projects using a competitive process consistent with guidelines adopted by the California Transportation Commission (CTC) pursuant to Streets and Highways Code Section 2382(a), that is submitted to the CTC and the California Department of Transportation (Caltrans); and

WHEREAS, MTC has developed, in cooperation with CTC, Caltrans, operators of publicly owned mass transportation services, congestion management agencies, countywide

transportation planning agencies, and local governments, guidelines to be used in the development of the ATP; and

WHEREAS, a multi-disciplinary advisory group evaluates and recommends candidate ATP projects for MTC inclusion in the Active Transportation Program of Projects; and

WHEREAS, the ATP is subject to public review and comment; now, therefore, be it

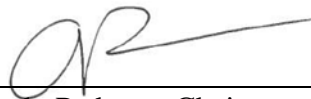
RESOLVED, that MTC approves the guidelines to be used in the evaluation of candidate projects for inclusion in the ATP, as set forth in Attachment A of this resolution, and be it further

RESOLVED, that MTC approves the Active Transportation Program of Projects, as set forth in Attachment B of this resolution, and be it further

RESOLVED that the Executive Director or designee can make technical adjustments and other non-substantial revisions; and be it further

RESOLVED, that the Executive Director shall forward a copy of this resolution, and such other information as may be required to the CTC, Caltrans, and to such other agencies as may be appropriate.

METROPOLITAN TRANSPORTATION COMMISSION



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Alfredo Pedroza, Chair

The above resolution was entered into by the Metropolitan Transportation Commission at a duly called and noticed meeting held in San Francisco, California and at other remote locations, on February 23, 2022.

Date: February 23, 2022  
W.I.: 1515  
Referred by: PAC

Attachment A  
Resolution No. 4487  
Page 1 of 14

**2023 Regional Active Transportation Program  
(ATP)**

**Cycle 6**

**Guidelines**

**February 23, 2022**

**MTC Resolution No. 4487  
Attachment A**

**Metropolitan Transportation Commission  
Programming and Allocations Section**  
<http://mtc.ca.gov/funding>

**2023 Regional Active Transportation Program (ATP) Cycle 6  
Guidelines  
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## **2023 Regional Active Transportation Program Cycle 6 Guidelines**

### **Background**

In September 2013, the Governor signed Senate Bill 99 (Chapter 359, Statutes 2013) and Assembly Bill 101 (Chapter 254, Statutes 2013) into law, creating the Active Transportation Program (ATP). The State envisions the ATP to consolidate several other funding sources intended to promote active transportation, such as the Bicycle Transportation Account and Transportation Alternatives Program, into a single program.

State and federal law segregate ATP funds into three main components, distributed as follows:

- 50% to the state for a statewide competitive program
- 10% to the small urban and rural area competitive program to be managed by the state
- 40% to the large urbanized area competitive program, with funding distributed by population and managed by the Metropolitan Planning Organization (MPO) – hereinafter referred to as the “Regional Active Transportation Program”

The California Transportation Commission (CTC) developed guidelines for the Cycle 6 ATP which are expected to be adopted on March 16, 2022. The CTC Guidelines lay out the programming policies, procedures, and project selection criteria for the statewide competitive program, as well as for the small urban/rural and large MPO regional competitive programs. Large MPOs, such as MTC, have the option of developing regional policies, procedures, and project selection criteria that differ from those adopted by CTC, provided CTC approves the regional guidelines.

This document serves as MTC’s Cycle 6 Regional ATP Guidelines that substantially follow those of the CTC, but include some differences based on the region’s existing policies and priorities. MTC adopted these Guidelines for the MTC Regional Active Transportation Program on February 23, 2022, for final consideration by the CTC on March 16, 2022.

### **Development Principles**

The following principles will frame the development of MTC’s Regional ATP.

- MTC will work with CTC staff, Caltrans, Bay Area County Transportation Agencies (CTAs), transit operators, regional Active Transportation Working Group, and interested stakeholders to develop the Regional Active Transportation Program.
- ATP investments must advance the objectives of the Regional Transportation Plan (RTP)/Sustainable Communities Strategy (SCS).
- MTC will exceed the State’s 25% minimum programming requirement to projects benefiting disadvantaged communities.
- MTC will continue to work with Caltrans, CTAs, transit operators, and project sponsors to seek efficiencies and streamlining for delivering projects in the federal-aid process.
- MTC will continue to advocate that all project savings and un-programmed balances remain within the ATP program rather than redirected to the State Highway Account, and specifically that savings and balances in the 40% Large MPO programs remain within the regional programs, consistent with

federal guidance on the Surface Transportation Block Grant (STBG) Transportation Alternatives set-aside.

- MTC will not penalize project applicants for previous project delivery issues outside of the sponsor's control.

### **CTC Guidelines**

The CTC Statewide ATP Guidelines are expected to be adopted on March 16, 2022, and are available at <https://catc.ca.gov/programs/active-transportation-program>. The approved CTC Guidelines for the Active Transportation Program, as posted on the CTC website, are incorporated in MTC's Regional ATP Guidelines via this reference. All project sponsors are required to follow both the MTC and CTC ATP Guidelines in the development and implementation of the Regional ATP.

### **ATP Development Schedule**

The development of the ATP will follow the schedule outlined in Appendix A-1 of this guidance, which is subject to change.

### **ATP Regional Shares**

Appendix A-2 of this guidance provides the MTC regional shares for Cycle 6 of ATP funding (FY 2023-24 through FY 2026-27), consistent with the ATP Fund Estimate scheduled for adoption by the CTC. Appendix A-2 also includes the State's 25% minimum programming requirement to projects benefiting disadvantaged communities.

### **Public Involvement Process**

In developing the ATP, MTC is committed to a broad, inclusive public involvement process consistent with MTC's Public Participation Plan, available at <http://mtc.ca.gov/about-mtc/public-participation/public-participation-plan>.

### **ATP Projects in the Transportation Improvement Program (TIP)**

Consistent with state and federal requirements, ATP funded projects must be programmed in the TIP before seeking a CTC allocation. Selected projects must complete and submit a Fund Management System (FMS) application by June 1, 2023, to be included in the TIP. In addition, MTC requires that a federal Request for Authorization (RFA) be submitted simultaneously with the ATP allocation request to Caltrans and CTC when the ATP project includes federal funds. Unless a state-only funding exception is granted, ATP funds will contain federal funds. Therefore, projects must receive a CTC allocation and a federal authorization to proceed before the expenditure of eligible costs or advertisement of contract award.

### **Deviations from Statewide Policies**

Below are MTC-region specific policies as they apply to the Regional Active Transportation Program. These policies differ from CTC's Guidelines.



**1. Application Process and Additional Regional Screening/Evaluation Criteria**

MTC elects to hold a separate call for projects for the Regional Active Transportation Program and has additional evaluation and screening criteria. Further information on these changes, as well as instructions for the application process, are detailed later in this guidance.

Project sponsors may apply for either the State ATP program or Regional ATP program, or to both. Sponsors applying to the State ATP program, the Regional ATP program, or both the state and regional programs must submit a copy of their state application to MTC. To be considered for the regional program, including consideration if unsuccessful in the statewide program, applicants must meet all regional requirements and submit a regional application by the application deadline.

**2. Definition, Evaluation, and Funding Minimum for Disadvantaged Communities**

*Definition*

The MTC region has already adopted a measure to define Disadvantaged Communities (DACs) known as “Equity Priority Communities”. MTC updated the Equity Priority Communities (EPCs) definition in 2020 as a part of *Plan Bay Area 2050* Equity Framework. To meet the State’s 25% DAC minimum requirement in the Regional ATP, MTC elects to use MTC’s EPC definition.

MTC’s Equity Priority Communities are defined as those census tracts that have a concentration of both people of color and low-income households, or that have a concentration of 3 or more of the remaining 6 factors below (#3 to #8), but only if they also have a concentration of low-income households. The concentration thresholds for these factors are described below.

<b>Disadvantage Factor</b>	<b>% of Regional Population</b>	<b>Concentration Threshold</b>
1. Minority Population	58%	70%
2. Low Income (<200% of Poverty) Population	21%	28%
3. Limited English Proficiency Population	8%	12%
4. Zero-Vehicle Households	9%	15%
5. Seniors 75 Years and Over	6%	8%
6. People with Disability	10%	12%
7. Single-Parent Families	13%	18%
8. Severely Rent-Burdened Households	10%	14%

Based on this definition, 21% of the region’s population is located in Equity Priority Communities. MTC’s Equity Priority Communities definition of Disadvantaged Communities meets the State’s legislative intent and has already been in use in the MTC region for planning and programming purposes.

Additional discussion of the Equity Priority Communities definition and methodology are included in the *Plan Bay Area 2050* Equity Analysis Report, available online at

<https://bayareametro.github.io/Spatial-Analysis-Mapping-Projects/Project-Documentation/Equity-Priority-Communities/>. The last link also includes a static map of the EPC locations. An interactive online map is available at <https://opendata.mtc.ca.gov/datasets/equity-priority-communities-plan-bay-area-2050>.

### *Community-Based Transportation Plans (CBTPs)*

The Community-Based Transportation Planning Program is a collaborative planning process that involves residents in low-income Bay Area communities, community- and faith-based organizations that serve them, transit operators, CTAs, and MTC. Each plan includes locally identified transportation needs, as well as solutions to address them. Each plan reflects the objectives of the program, which are to:

- emphasize community participation in prioritizing transportation needs and identifying potential solutions;
- foster collaboration between local residents, community-based organizations, transit operators, CTAs, and MTC; and
- build community capacity by involving community-based organizations in the planning process.

Project findings are forwarded to applicable local or county-level policy boards, as well as to MTC, for consideration in planning, funding, and implementation discussions.

### *Vision Zero Policy or Bike and Pedestrian Safety Policy or Plan*

Vision Zero is a traffic safety policy that takes an ethical approach toward achieving safety for all road users, setting the goal of zero traffic fatalities or severe injuries. Vision Zero policies maintain that traffic deaths and severe injuries are preventable and focus attention on the shortcomings of the transportation system itself, including the built environment, policies, and technologies that influence behavior. Vision Zero sets the highest level of responsibility on the system designers – transportation planners and engineers, policymakers, police, etc. Each Vision Zero policy contains five core resolutions:

- Traffic deaths and severe injuries are acknowledged to be preventable.
- Human life and health are prioritized within all aspects of transportation systems.
- Acknowledgment that human error is inevitable and transportation systems should be forgiving.
- Safety work should focus on systems-level changes above influencing individual behavior.
- Speed is recognized and prioritized as the fundamental factor in crash severity.

Alternatively, jurisdictions may adopt policies or a plan addressing bicycle and pedestrian safety, in the spirit of Vision Zero.

MTC elects to change the statewide application's scoring point value for Disadvantaged Communities, assigning the value to 60% of the statewide scoring value. Twenty percent of the statewide scoring value will be awarded for projects within a jurisdiction (city or county) with a

Vision Zero or Bike and Pedestrian Safety Policy or Plan, and the remaining twenty percent to projects identified in an approved Community-Based Transportation Plan (CBTP). The applicant will provide proof of Vision Zero safety policy or plan adopted by resolution and CBTP consistency in the supplemental regional application.

### **3. Match Requirement**

The CTC Guidelines do not require a match for Statewide ATP project nominations. The CTC Guidelines allow MPOs to define different match requirements for the Regional ATP.

Differing from CTC Guidelines, MTC elects to impose a local match requirement for the regional ATP of 11.47%, with match waivers for projects benefiting Disadvantaged Communities, stand-alone non-infrastructure projects, and safe routes to schools projects. As an added provision, a project sponsor may request the local match requirement be waived for the construction phase of an infrastructure project if the pre-construction phases are entirely funded using non-federal and non-ATP funds. This provision minimizes the number of federalized phases requiring an E-76 through Caltrans Local Assistance.

### **4. Large Funding Requests**

MTC intends to fund a variety of projects across the region. If an ATP application request is larger than \$10 million, the applicant must provide evidence that the project can be scaled or segmented and can deliver commensurate benefits. A smaller segment of the project may be selected for funding if there is not enough funding available for the full request. The applicant will provide an explanation of scalability in the supplemental regional application. MTC will not consider an application requesting more than \$10 million without a scalability strategy.

### **5. Contingency Project List**

MTC will adopt a list of projects for programming the Regional ATP that is financially constrained against the amount of ATP funding available (as identified in the approved ATP Fund Estimate). In addition, MTC will include a list of contingency projects, ranked in priority order based on the project's evaluation score. MTC intends to fund projects on the contingency list should there be any project failures or savings in the Cycle 6 Regional ATP. This list will ensure that MTC will fully program all regional ATP funds and that no ATP funds are lost to the region. The contingency list is valid until the adoption of the next ATP Cycle.

## **Application Process**

### **Project Application**

Upon CTC's concurrence of MTC's Regional ATP Guidelines, MTC will issue a call for projects for the Regional Active Transportation Program. Project sponsors must complete an application for each project proposed for funding in the ATP, consisting of the items included in Appendix A-3 of this guidance. Project sponsors must submit an electronic Project Programming Request (ePPR) form provided by Caltrans for all projects. The ePPR must be submitted electronically in

CalSMART. All application materials, in the form of 1 electronic copy must be received by MTC no later than June 15, 2022, to be considered.

**Additional Project Screening Criteria, Including Readiness**

In addition to the CTC Guidelines, all projects included in the ATP must meet the following screening criteria.

- A. Prohibition of Multiple Phases in the Same Year.** Project sponsors must provide sufficient time between the scheduled allocation of environmental funds and the start of design, right of way or construction. Therefore, projects may not have more than one phase programmed per fiscal year, except for the design and right of way phases, which may be programmed in the same fiscal year. Exceptions may be made on a case-by-case basis.
- B. Deliverability.** Project sponsors must demonstrate they can meet the delivery timeframe of the Active Transportation Program. Projects that can be delivered (receive a CTC allocation and federal authorization to proceed for federal funds) earlier shall receive priority for funding over other projects. As specified in MTC’s Regional Project Delivery Policy (MTC Resolution No. 3606, Revised), sponsors must receive the CTC allocation and receive the federal authorization to proceed (E-76 / federal obligation) for federally funded projects by January 31 of the programmed fiscal year. There are no extensions to these regional delivery deadlines.
- C. One Bay Area Grant (OBAG) 3 Requirements.**
- a. Consistency with OBAG 3 Housing Element Requirement. Jurisdictions (cities and counties) must have a general plan housing element adopted and certified by the California Department of Housing and Community Development (HCD) for the 2023-2031 Regional Housing Needs Allocation (RHNA) by December 31, 2023. Jurisdictions without a certified general plan housing element will be ineligible for future regional ATP cycles until they comply.. Furthermore, under state statute, jurisdictions are required to submit Housing Element Annual Reports by April 1 every year.
  - b. Consistency with OBAG 3 Local Road Safety Plan Policy. To reinforce the region’s focus on safety, cities and counties will be required to adopt a Local Road Safety Plan (LRSP) or equivalent safety plan and supply documentation that the jurisdiction(s) in which the projects is located meets the OBAG 3 Local Road Safety Plan Policy by December 31, 2023. Jurisdictions without an adopted LSRP or equivalent safety plan will be ineligible for future regional ATP cycles until they comply.. Jurisdictions OBAG 3 funds may be used to complete an LRSP or equivalent safety plan.
- D. Transit Agency Coordination.** Applicants must demonstrate coordination with affected transit agencies in the supplemental regional application. Evidence of coordination should be in the form of a support letter or other discussion showing coordination with affected transit operators. Projects that do not impact transit operations should indicate “no impact.” Otherwise,

an application may be disqualified based on a lack of coordination with affected transit operators.

### **Additional Project Evaluation Criteria**

MTC will use the CTC project evaluation criteria as outlined in the CTC Guidelines, with additional points and criteria for the Regional Active Transportation Program. The additional criteria and point values are:

- **Consistency with Regional Priorities and Planning Efforts. (0 to 7 points)**  
Applicants shall describe the project's consistency with previously-approved regional priorities, and how the project supports *Plan Bay Area 2050*. MTC staff will award points for the degree of the proposed project's consistency with regional priorities, such as:
  - Consistency with *Plan Bay Area 2050* Health and Safety goals & Transportation strategies.
  - Consistency with MTC's Spare the Air Youth & Safe Routes to School Program, making it safer and easier for students and teachers to walk or bike to school.
  - Bay Trail build-out
  - Regional active transportation network build-out
  - Gap closures in the regional active transportation network
  - Multi-jurisdictional projects
  - Applications only requesting construction phase funds
  - Demonstration of meeting regional project delivery requirements
  - Prior ATP cycle programming
- **Completion of Approved Environmental Document. (0 or 3 points)**  
While the Active Transportation Program may fund pre-construction phases of projects, including the environmental document phase, the region prefers projects which are environmentally cleared in order to promote certainty in project delivery and project scope. Applicants that provide evidence of an approved environmental document consistent with the California Environmental Quality Act (CEQA) and National Environmental Policy Act (NEPA) will receive additional points. If requesting state-only funding, only CEQA documentation is required. Evidence may be provided by the following methods:
  - Photocopy of the approved environmental document cover and executive summary;
  - Link to the approved environmental document available online;
  - Full soft copy of the environmental document provided on the electronic copy of the application;
  - Documentation from Caltrans regarding environmental approval; and/or
  - Other Council/Board action, such as resolutions and/or Planning Department approval of the environmental document.

This provision does not apply to planning activities or stand-alone non-infrastructure projects, which receive the full points to this criterion regardless of environmental status at the time of application. These projects must still follow any applicable CEQA and NEPA requirements to receive ATP funding.
- **Countywide Plans/Goals Consistency Determination. (0 or -2 point)**

Following the application due date, MTC will share the received applications with the CTAs. The CTAs will review the applications for consistency with adopted countywide transportation plans, active transportation plans, and/or other countywide goals, as applicable. The CTAs will provide MTC a list of projects determined to be inconsistent with countywide plans and/or goals no later than December 1, 2023. Inconsistent projects will receive a 2 point penalty; consistent projects will be held harmless.

- **Deliverability Determination. (0 or -5 points)**

MTC staff will review each application's project delivery schedule for the ability to meet regional deadlines as described in MTC Resolution No. 3606, Revised. Projects that are deemed unable to allocate ATP funds within the four programming years of Cycle 6 (FY 2023-24 through FY 2026-27) shall receive a 5 point penalty. Projects that are deemed able to allocate within the four programming years of Cycle 6 will be held harmless.

### **Additional Regional Policies**

#### **Title VI Compliance**

Investments made in the ATP must be consistent with federal Title VI requirements. Title VI prohibits discrimination on the basis of race, color, disability, and national origin in programs and activities receiving federal financial assistance.

#### **MTC Resolution No. 3606 Compliance – Regional Project Delivery Policy**

The CTC ATP Guidelines establish timely use of funds and project delivery requirements for ATP projects. Missing critical milestones could result in deletion of the project from the ATP, and a permanent loss of funds to the region. Therefore, these timely use of funds deadlines must be considered in programming the various project phases in the ATP. While the CTC Guidelines provide some flexibility with respect to these deadlines by allowing for deadline extensions under certain circumstances, the CTC is very clear that deadline extensions will be the exception rather than the rule. MTC Resolution No. 3606 details the Regional Project Delivery Policy for regional discretionary funding, which may be more restrictive than the State's delivery policy. All projects in the regional ATP are subject to the Regional Project Delivery Policy (MTC Resolution 3606), including the adoption of a Resolution of Local Support for selected projects by April 1, 2023. For additional information, refer to <http://mtc.ca.gov/our-work/fund-invest/federal-funding/project-delivery>.

#### **MTC Resolution No. 3765 Compliance – Complete Streets Checklist**

MTC's Resolution No. 3765 requires project sponsors to complete a checklist that considers the needs of bicycles and pedestrians for applicable projects. The Complete Streets Checklist (also known as "Routine Accommodations Checklist") is available through MTC's website online at <https://mtc.ca.gov/planning/transportation/complete-streets>. Furthermore, it is encouraged that all bicycle projects programmed in the ATP support the regional active transportation network and county-wide bicycle plans. Guidance on considering bicycle transportation can be found in MTC's 2009 Regional Bicycle Plan (a component of Transportation 2035) and Caltrans Deputy Directive 64. MTC's Regional Bicycle Plan, containing federal, state, and regional policies for accommodating

bicycles and non-motorized travel, is available on MTC's Web site at: <https://mtc.ca.gov/planning/transportation/bicycle-pedestrian-micromobility>. MTC is currently developing the Regional Active Transportation Plan and updating MTC's Complete Streets Policy later this year. Future ATP cycle guidelines will align with the Regional Active Transportation Plan and be consistent with the updated Complete Streets Policy, and we urge early alignment and compliance from applicants where feasible.

<b>METROPOLITAN TRANSPORTATION COMMISSION (MTC)</b> <b>2023 Regional Active Transportation Program (rATP) Cycle 6</b> <b>Appendix A-1: ATP Development Schedule (Subject to Change)</b> <b>February 23, 2022</b>	
January 2022	CTC released draft ATP Guidelines
January 2022	Draft Regional ATP Guidelines presented to Working Groups
February 9, 2022	MTC Programming and Allocations Committee (PAC) review and recommendation of final Regional ATP Guidelines
February 23, 2022	MTC Commission adoption of Regional ATP Guidelines MTC submits adopted Regional ATP Guidelines to CTC for consideration
March 16, 2022	<b>CTC adoption of State ATP Guidelines</b> <b>CTC adoption of MTC's Regional ATP Guidelines</b>
March 16, 2022	<b>CTC released ATP Call for Projects for Statewide Competitive Program</b> <b>MTC released ATP Call for Projects for Regional Program</b>
June 15, 2022	<b>State Quick-build Pilot Program Applications Due to CTC (Statewide Program)</b>
June 15, 2022	<b>State ATP Applications Due to CTC (Statewide Program)</b> <b>Regional ATP Applications Due to MTC (Regional Program)</b>
September 15, 2022	CTC releases staff recommendation for ATP Statewide Quick-build Pilot Program
October 2022	CTC releases staff recommendation for ATP Statewide Competitive Program
December 7, 2022	<b>ATP Statewide Quick-build Pilot Program Adoption:</b> CTC scheduled to adopt the statewide quick-build pilot program
December 7, 2022	<b>ATP Statewide Program Adoption:</b> CTC scheduled to adopt the statewide program and transmit unsuccessful projects to the Regions for consideration
January 4, 2023	MTC releases staff recommendation for ATP Regional Program
January 2023	Working Group discussions of staff recommendations
January 11, 2023	MTC Programming and Allocation Committee (PAC) scheduled review and recommendation of final ATP Regional Program
January 25, 2023	<b>ATP Regional Program Adoption:</b> MTC Commission scheduled approval of ATP regional program and transmittal to CTC for consideration
April 1, 2023	<b>TIP Amendment Deadline:</b> Successful ATP project sponsors to submit 2023 TIP Amendment, including Resolution of Local Support
March 15, 2023	<b>CTC Approval of ATP Regional Program</b>
January 31, 2024	Allocation/Obligation Deadline for Regional ATP projects programmed in FY 2023-24
January 31, 2025	Allocation/Obligation Deadline for Regional ATP projects programmed in FY 2024-25
January 31, 2026	Allocation/Obligation Deadline for Regional ATP projects programmed in FY 2025-26
January 31, 2027	Allocation/Obligation Deadline for Regional ATP projects programmed in FY 2026-27

Shaded Area – Actions by State, CTC or Caltrans



**Metropolitan Transportation Commission (MTC)  
 2023 Regional Active Transportation Program (ATP) Cycle 6**

*Final amounts are subject to changed according to the final ATP Fund Estimate (expected approval on 3/16/2022)*

**Appendix A-2: MTC ATP Regional Share Targets  
 Cycle 6 Program - FY 2023-24 through FY 2026-27**

*ATP Regional Share*

All numbers in thousands

<b>Fund Source</b>	<b>FY 2023-24</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>Total</b>
Federal (TAP, Recreational Trails, Other)	\$3,122	\$3,122	\$10,515	\$10,515	\$27,274
State	\$8,444	\$8,444			\$16,887
SB1			\$2,960	\$2,960	\$5,919
<b>Total ATP Regional Share</b>	<b>\$11,566</b>	<b>\$11,566</b>	<b>\$13,475</b>	<b>\$13,475</b>	<b>\$50,080</b>

*State's 25% Disadvantaged Communities Minimum Requirement*

<b>Classification</b>	<b>FY 2023-24</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>FY 2026-27</b>	<b>Total</b>
25% - Benefiting Disadvantaged Communities	\$2,891	\$2,891	\$3,369	\$3,369	\$12,520
75% - Anywhere in the Region	\$8,674	\$8,674	\$10,106	\$10,106	\$37,560
<b>Total ATP Regional Share</b>	<b>\$11,566</b>	<b>\$11,566</b>	<b>\$13,475</b>	<b>\$13,475</b>	<b>\$50,080</b>

**METROPOLITAN TRANSPORTATION COMMISSION (MTC)**  
**2023 Regional Active Transportation Program (ATP) Cycle 6**

**Appendix A-3: Regional ATP Project Application**

Project sponsors must submit a completed project application for each project proposed for funding in the Regional Active Transportation Program. The application consists of the following parts and are available on the Internet (as applicable) at: <http://mtc.ca.gov/atp>

1. Cover letter on Agency letterhead signed by the applicant's Chief Executive Officer or other officer authorized by the applicant's governing board
  - a. If the proposed project is implemented by an agency other than the project sponsor, documentation of the agreement between the two entities must be included
  - b. If proposing matching funds, the letter should include confirmation that these matching funds are available for the proposed project
2. Project application forms
  - a. Statewide ATP Application Form, available at <https://dot.ca.gov/programs/local-assistance/fed-and-state-programs/active-transportation-program/cycle6>
  - b. Regional ATP Supplemental Application Form, available at <http://mtc.ca.gov/atp>, including back-up documentation, as applicable, such as:
    - i. Equity Priority Community benefit evidence
    - ii. Scalability plan for applications requesting more than \$10 million.
    - iii. Environmental Documentation certification evidence (CEQA and NEPA, if requesting federal funds)
    - iv. Regional active transportation network
    - v. OBAG 3 Complete Streets Policy, Housing Element compliance, and Local Road Safety Plan compliance
    - vi. Vision Zero Policy or Bike and Pedestrian Safety Policy or Plan evidence
    - vii. Community-Based Transportation Plan evidence
    - viii. Transit Agency Coordination evidence
3. Electronic Project Programming Request (ePPR) form
  - a. Available at: <https://dot.ca.gov/programs/financial-programming/office-of-capital-improvement-programming-ocip>
4. Complete Streets Checklist
  - a. Available at: <https://mtc.ca.gov/planning/transportation/complete-streets>
  - b. Not necessary for Planning or Non-Infrastructure projects.

Note: Selected projects are also required to provide a Resolution of Local Support for the project no later than April 1, 2023.

**Attachment B**  
**Metropolitan Transportation Commission**  
**2023 Active Transportation Program (ATP)**  
**Cycle 6**  
**FY 2023-24 through FY 2026-27**  
**Regional ATP Cycle 6 Program of Projects**

MTC Resolution No. 4487  
 Attachment B  
 Adopted: 02/23/22-C

**Regional ATP Cycle 6 Projects (in order by county)**

County	Implementing Agency	Project	Regional ATP
<b>TOTAL:</b>			<b>\$0</b>

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**Regional ATP Cycle 6 Contingency List (in descending score order)**

County	Implementing Agency	Project	Regional ATP
<b>TOTAL:</b>			<b>\$0</b>

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# **APPENDIX A – 22**

## ***Regional Policies: Project Funding and Specific Funding Programs***

**San Francisco Bay Area Transit Capital Priorities  
(FTA Sections 5307, 5337 and 5339)  
Process and Criteria for Fiscal Years  
Starting FY 2020-21  
MTC Resolution No. 4444**



Date: January 27, 2021  
W.I.: 1512  
Referred By: PAC

ABSTRACT

Resolution No. 4444

This resolution approves the process and establishes the criteria for programming:

- Federal Transit Administration (FTA) Sections 5307 Urbanized Area Formula, 5337 State of Good Repair, and 5339 Bus & Bus Facilities formula funds apportioned to the San Francisco Bay Area starting in FY 2020-21
- Federal Highway Administration STP and CMAQ funds dedicated to Transit Capital Rehabilitation and Transit Priorities projects by the One Bay Area Grant Program, and
- Bridge tolls and other regional revenues dedicated to transit capital projects by the Core Capacity Challenge Grant Program (MTC Resolution 4123), and
- Proceeds of financing required to advance future FTA or STP/CMAQ revenues to fund annual TCP or CCCGP programs of projects.

This resolution includes the following attachment:

Attachment A - San Francisco Bay Area Transit Capital Priorities Process and Criteria  
for Development of the FY2020-21 and Future Transit Capital Priorities  
Project Lists

Further discussion of the Transit Capital Priorities Policy is contained in the MTC Programming and Allocations Committee Summary Sheet dated January 13, 2021.

Date: January 27, 2021  
W.I.: 1512  
Referred By: PAC

RE: San Francisco Bay Area Transit Capital Priorities Process and Criteria for Fiscal Years Starting FY2020-21

METROPOLITAN TRANSPORTATION COMMISSION  
RESOLUTION NO. 4444

WHEREAS, the Metropolitan Transportation Commission (MTC) is the regional transportation planning agency for the San Francisco Bay Area pursuant to Government Code Sections 66500 et seq.; and

WHEREAS, MTC is the designated Metropolitan Planning Organization (MPO) for the nine-county Bay Area and is required to prepare and endorse a Transportation Improvement Program (TIP) which includes a list of priorities for transit capital projects; and

WHEREAS, MTC has worked cooperatively with the cities, counties and transit operators in the region to establish a process and a set of criteria for the selection of transit capital projects to be included in the TIP; and


WHEREAS, the process and criteria to be used in the selection and ranking of projects are set forth in Attachment A, which is incorporated herein as though set forth at length; now, therefore, be it

RESOLVED, that MTC approves the Transit Capital Priorities (TCP) Process and Criteria as set forth in Attachment A; and, be it further

RESOLVED, that MTC will use the process and criteria to program Federal Transit Administration (FTA) Sections 5307, 5337 and 5339 funds or any successor programs for fiscal years starting in FY2020-21, Federal Highway Administration STP and CMAQ funds dedicated to Transit Capital Rehabilitation and Transit Priorities projects by the One Bay Area Grant Program, bridge tolls and other regional revenues dedicated to transit capital projects by the Core Capacity Challenge Grant Program (MTC Resolution 4123), and proceeds of financing required to advance future FTA or STP/CMAQ revenues to fund annual TCP programs of projects to finance transit projects in the San Francisco Bay Area region; and, be it further

RESOLVED, that the Executive Director of MTC is authorized and directed to forward a copy of this resolution to the Federal Transit Administration (FTA), and such agencies as may be appropriate.

METROPOLITAN TRANSPORTATION COMMISSION

  
\_\_\_\_\_  
Scott Haggerty, Chair

The above resolution was entered into by the Metropolitan Transportation Commission at a regular meeting of the Commission held in San Francisco, California and at other remote locations, on January 27, 2021.

Date: January 27, 2021  
W.I.: 1512  
Referred By: PAC

Attachment A  
Resolution No. 4444  
Page 1 of 49

**San Francisco Bay Area Transit Capital Priorities Process and Criteria**

**For Development of the FY2020-21 and Future  
Transit Capital Priorities Project Lists**

Metropolitan Transportation Commission  
Bay Area Metro Center  
375 Beale Street, Suite 800  
San Francisco, CA 94105



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## I. BACKGROUND

The Transit Capital Priorities (TCP) Process and Criteria applies to the programming of:

- Federal Transit Administration (FTA) Sections 5307 Urbanized Area Formula, 5337 State of Good Repair, and 5339 Bus & Bus Facilities formula funds apportioned to the San Francisco Bay Area in FY2020-21 and beyond, until Commission passes a successor resolution,
- Federal Highway Administration STP and CMAQ funds dedicated to Transit Capital Rehabilitation and Transit Priorities projects by the One Bay Area Grant Program, and
- Bridge tolls and other regional revenues dedicated to transit capital projects by the Core Capacity Challenge Grant Program (MTC Resolution No. 4123), and
- Financing required to advance future FTA or STP/CMAQ revenues to fund annual TCP or CCCGP programs of projects.

The TCP Criteria are the rules, in part, for establishing a program of projects for eligible transit operators in the San Francisco Bay Area Region's large urbanized areas (UZAs) of San Francisco/Oakland, San Jose, Concord, Santa Rosa, and Antioch; and the small urbanized areas of Vallejo, Fairfield, Vacaville, Napa, Livermore, Gilroy-Morgan Hill, and Petaluma.

On December 4, 2015, President Obama signed the Fixing America's Surface Transportation (FAST) Act into law. The FAST Act provides funding authorizations for FY2016 through FY2020. The Act maintains the same FTA formula programs as the previous authorization, Moving Ahead for Progress in the 21<sup>st</sup> Century (MAP-21). The FAST Act includes few modifications to FTA programs or policies. These modifications have been included in the TCP Criteria as appropriate. As of the adoption of this TCP Process and Criteria, no successor act to the FAST Act had been passed into law; rather, a continuing resolution had been passed for FY2021 funding.

In December 2013, MTC adopted Resolution No. 4123 for the Transit Core Capacity Challenge Grant Program (CCCGP), which establishes a policy commitment of approximately \$7.4 billion in federal, state, regional and local funds to high-priority transit capital projects that will improve the capacity and state of good repair of transit services in the urban core of the region. The CCCGP will determine the TCP program amounts for certain projects and sponsors. A more detailed description of the CCCGP is provided on Page 39 of Attachment A to this resolution.

## II. GOALS AND OBJECTIVES

The goal of the TCP Process and Criteria is to fund transit projects that are most essential to the region and consistent with Plan Bay Area 2040, the region's current long-range Regional Transportation Plan (RTP), and Plan Bay Area 2050, the updated RTP currently under development. The TCP Process and Criteria also implements elements of the Transit Sustainability Project recommendation (MTC Resolution No. 4060). Among the region's objectives for the TCP Process and Criteria are to:

*Fund basic capital requirements:* All eligible projects are to be considered in TCP Process and Criteria score order, with emphasis given to the most essential projects that replace and sustain the existing transit system capital plant. MTC will base the list of eligible replacement and expansion projects on information provided by the transit operators in response to a call for projects, or on information provided through the CCCGP. Operator-proposed projects should be based on Short Range Transit Plan (SRTP) service objectives or other board-approved capital plans. Requests for replacement/rehabilitation of assets should be consistent with FTA-required Transit Asset Management (TAM) plans. All projects not identified as candidates for the TCP Program are assumed to be funded by other fund sources and are so identified in operators' SRTPs or capital plans.

*Maintain reasonable fairness to all operators:* Tests of reasonable fairness are to be based on the total funding available to each operator over a period of time, the level and type of service provided, timely obligation of prior year grants, and other relevant factors. A proportional share distributed to each operator is specifically not an objective.

*Complement other MTC funding programs for transit:* MTC has the lead responsibility in programming regional Surface Transportation Program (STP) and Congestion Mitigation-Air Quality (CMAQ) funds, and State Transportation Improvement Program (STIP) funds. Transit capital projects are also eligible for funding under these federal and state programs. Development of the TCP Program of Projects ("TCP Program") will complement the programming of STP, CMAQ, and STIP funds to maximize the financial resources available in order to fund the most essential projects for the San Francisco Bay Area's transit properties.

### **III. FTA FORMULA FUNDS**

#### **A. TCP Application Process**

The Transit Finance Working Group (TFWG) serves as the forum for discussing the TCP Process and Criteria, the TCP Program of Projects, and other transit programming issues. Each transit operator in the MTC region is responsible for appointing a representative to staff the Transit Finance Working Group (TFWG). The TFWG serves in an advisory capacity to the MTC Partnership Technical Advisory Committee (PTAC). All major policy revisions and programming-related decisions are to be reviewed with PTAC. In general, the MTC Programming and Allocations Committee and the full Commission take action on the TCP Program and any other transit-related funding programs after the TFWG and PTAC has reviewed them.

#### **Capital Program Submittal**

For the purposes of programming, project sponsors will submit requests for funding in accordance with detailed instructions in MTC's call for projects. The level of detail must be sufficient to allow for MTC to screen and score the project.

#### **Board Approval**

MTC requires that operators seek board approval prior to programming projects in the TIP. The board resolution for FY2020-21 programming should be submitted by March 10, 2021, the planned date when the Programming and Allocations Committee will consider the proposed program. If a board resolution cannot be provided by this date due to board meeting schedule constraints, applicants should indicate in a cover memo with their application when the board resolution will be adopted. Appendix 1 is a sample resolution of board support.

#### **Opinion of Counsel**

Project sponsors have the option of including specified terms and conditions within the Resolution of Local Support as included in Appendix 1. If a project sponsor elects not to include the specified language within the Resolution of Local Support, then the sponsor shall provide MTC with a current Opinion of Counsel stating that the agency is an eligible sponsor of projects for the FTA Section 5307, 5337, 5339, and/or STP/CMAQ programs; that the agency is authorized to perform the project for which funds are requested; that there is no legal impediment to the agency applying for the funds; and that there is no pending or anticipated litigation which might adversely affect the project or the ability of the agency to carry out the project. A sample format is provided in Appendix 2.

#### **Screening projects**

MTC staff will evaluate all projects for conformance with the Screening Criteria (Section III) below. Certain requirements must be met for a project to reach the scoring stage of the Transit Capital Priorities process. Operators will be informed by MTC staff if a

project has failed to meet the screening criteria, and will be given an opportunity to submit additional information for clarification.

### **Scoring projects**

MTC staff will only score those projects that have passed the screening process. Based on the score assignment provided in Table 6, MTC staff will inform operators of the score given to each project. Operators may be asked to provide additional information for clarification.

### **Programming Projects/Assigning projects to fund source**

Projects passing screening and scoring criteria will be considered for programming in the TCP Program in the year proposed, however, projects will only be programmed in the Transportation Improvement Program (TIP) if the following conditions are met: 1) funding is available in the year proposed, and 2) funds can be obligated by the operator in the year proposed. Project fund sources will be assigned by MTC staff and will be based on project eligibility and the results of the Multi-County Agreement model.

### **FTA Public Involvement Process and the TIP**

*FTA Public Involvement Process:* To receive an FTA grant, a grant applicant must meet certain public participation requirements in development of the FTA programs. As provided for in FTA Circular 9030.1E (revised January 16, 2014), FTA considers a grantee to have met the public participation requirements associated with the annual development of the Program of Projects when the grantee follows the public involvement process outlined in the FHWA/FTA planning regulations for the TIP. In lieu of a separate public involvement process, MTC will follow the public involvement process for the TIP.

*Annual Programming in the TIP:* MTC, in cooperation with the state and eligible transit operators, is required to develop a TIP for the MTC Region. The TIP is a four-year programming document, listing federally funded transportation projects, projects requiring a federal action, and projects deemed regionally significant. TCP programming in each year of the TIP will be financially constrained to the estimated apportionment level. Programming adjustments in the TIP will be done in consultation with eligible transit operators in the MTC region.

### **Changes to the Transit Capital Priorities Program**

Each year after FTA releases apportionments for its formula funding programs, the preliminary TCP Program for the year will be revised if necessary to fit within the available revenues. The annual program revisions and corresponding amendment to the TIP is referred to as the Program of Projects (POP) Amendment, and finalizes the program for the year.

As part of the POP amendment, project sponsors may also request discretionary amendments to the preliminary program that conform to the TCP Process and Criteria

programming policies. Discretionary amendments may be allowed only in certain circumstances. The following general principles govern changes:

- Amendments are not routine. Any proposed changes will be carefully studied.
- Amendments are subject to MTC and TFWG review.
- Amendments which adversely impact another operator's project will not be included without the prior agreement of other operators to the change.
- Amendments will be acceptable only when proposed changes are within the prescribed financial constraints of the TIP.
- Emergency or urgent projects will be considered on a case-by-case basis as exceptions.

Operators proposing the change must provide relevant information to substantiate the urgency of the proposed amendment. Projects that impede delivery of other projects will be considered only if an agreement can be reached between the affected operators for deferring or eliminating the affected projects from consideration.

Following the FY2020-21 program, project sponsors will be able to make revisions to their requests for future years.

### **Funding Shortfalls**

If final apportionments for the FTA formula programs come in lower than MTC has previously estimated, MTC staff will first redistribute programming to other urbanized areas with surplus apportionments in which the projects are eligible, and, second, negotiate with operators to constrain project costs or defer projects to a future year. If sufficient resolution is not possible, MTC will consider additional information, including project readiness, prior funding (if the project is a phased multi-year project), whether the project had been previously deferred, and the amount of federal funds that each of the concerned operators received in recent years, before making reductions to programming. As a final option for closing any shortfalls, staff may institute an across-the-board reduction in programming, proportionally allocated within each affected urbanized area.

### **Project Review**

Each operator is expected to complete their own Federal grant application using FTA's Transit Award Management System (TrAMS). MTC staff will review grant applications and submit concurrence letters to FTA on behalf of project sponsors as needed.

### **Program Period**

The TCP Criteria will be used to develop a program of projects for FY2020-21, aligned with the FAST Act continuing resolution in place at time of adoption. Staff will endeavor to align future updates with multi-year programming under any new surface

transportation authorization in order to help operators with multi-year capital budgeting, and to help the region take a longer-term view of capital replacement needs.

## **B. Project Eligibility**

### **Federal Requirements and Eligibility**

#### **Federal and State Legislation**

Projects selected will conform to the requirements of the FAST Act, Clean Air Act Amendments of 1990 (CAAA), the California Clean Air Act (CCAA), and the Americans with Disabilities Act (ADA). Project sponsors shall agree to comply with federal law, including all applicable requirements of the FAST Act, CAAA, ADA, Section 504 of the Rehabilitation Act, and Title VI of the Civil Rights Act of 1964, in implementing their Projects.

#### **Intelligent Transportation Systems (ITS) Architecture Policy**

Project sponsors will be required to meet the Federal Transit Administration's National ITS Architecture Policy as established by FTA Federal Register Notice Number 66 FR 1455 published January 8, 2001 and as incorporated by the regional architecture policy which can be accessed at: <http://mtc.ca.gov/our-work/operate-coordinate/intelligent-transportation-systems-its>.

#### **1% Security Policy**

Project sponsors are also required to meet the FTA 1% security set-aside provisions as established in the FY2004-05 Certifications and Assurances, FTA Federal Register Notice Number 69 FR 62521 published on October 26, 2004, and as it may be refined by FTA in future notifications. An updated circular (FTA Circular 9030.1E - January 16, 2014) includes additional certification requirement by designated recipients at the urbanized area level. As the designated recipient, MTC will review the grant applications for each appropriations year for compliance and certification to FTA. The security programming may not apply to all eligible operators in a UA, depending on need for security projects. Refer to the applicable FTA circulars for additional information.

#### **Program Eligibility**

Program eligibility is based on the statutory eligibility for the FTA Section 5307, 5337 and 5339 programs. Following are the program eligibility for each of the three funding programs authorized by the FAST Act. If revisions to eligibility for these programs are adopted as part of reauthorizing legislation of FTA circulars or other guidance issued by FTA, the region will consider conforming amendments to the TCP Process and Criteria.

*FTA Section 5307 Urbanized Area Federally Defined Program Eligibility (Statutory Reference: 49USC5307):* Capital projects; planning; job access and reverse commute projects; and operating costs of equipment and facilities for use in public transportation in urbanized areas with a population of fewer than 200,000, and, in certain

circumstances, in urbanized areas with a population greater than 200,000. Eligible capital projects include—

- (A) acquiring, constructing, supervising, or inspecting equipment or a facility for use in public transportation, expenses incidental to the acquisition or construction (including designing, engineering, location surveying, mapping, and acquiring rights-of-way), payments for the capital portions of rail trackage rights agreements, transit-related intelligent transportation systems, relocation assistance, acquiring replacement housing sites, and acquiring, constructing, relocating, and rehabilitating replacement housing;
- (B) rehabilitating a bus;
- (C) remanufacturing a bus;
- (D) overhauling rail rolling stock;
- (E) preventive maintenance;
- (F) leasing equipment or a facility for use in public transportation
- (G) a joint development improvement that meet specified requirements
- (H) the introduction of new technology, through innovative and improved products, into public transportation;
- (I) the provision of nonfixed route paratransit transportation services in accordance with section 223 of the Americans with Disabilities Act of 1990 (42 U.S.C. 12143), under specified circumstances;
- (J) establishing a debt service reserve to ensure the timely payment of principal and interest on bonds issued by a grant recipient to finance an eligible project
- (K) mobility management; and
- (L) associated capital maintenance.

*FTA Section 5337 State of Good Repair Federally Defined Program Eligibility (Statutory Reference: 49USC5337):* Capital projects to maintain fixed guideway and high intensity motorbus public transportation systems in a state of good repair, including projects to replace and rehabilitate—

- (A) rolling stock;
- (B) track;
- (C) line equipment and structures;
- (D) signals and communications;
- (E) power equipment and substations;
- (F) passenger stations and terminals;



- (G) security equipment and systems;
- (H) maintenance facilities and equipment;
- (I) operational support equipment, including computer hardware and software;  
and
- (J) development and implementation of a transit asset management plan.

The term 'fixed guideway' means a public transportation facility:

- (A) using and occupying a separate right-of-way for the exclusive use of public transportation;
- (B) using rail;
- (C) using a fixed catenary system;
- (D) for a passenger ferry system; or
- (E) for a bus rapid transit system.

The term 'high intensity motorbus' means public transportation that is provided on a facility with access for other high-occupancy vehicles.

*FTA Section 5339 Bus and Bus Facilities Federally Defined Program Eligibility (Statutory Reference: 49USC5339): Capital projects—*

- (1) to replace, rehabilitate, and purchase buses and related equipment; and
- (2) to construct bus-related facilities.

## **Regional Requirements and Eligibility**

### **Urbanized Area Eligibility**

Transit operators are required to submit annual reports to the National Transit Database. Service factors reported in large urbanized areas partially determine the amounts of FTA Section 5307, 5337 and 5339 funds generated in the region. MTC staff will work with members of the Partnership to coordinate reporting of service factors in order to maximize the amount of funds generated in the region and to determine urbanized area eligibility. An operator is eligible to claim FTA funds only in designated urbanized areas as outlined in Table 1 below. Eligibility is based on geographical operations, NTD reporting, and agreements with operators.

### **Table 1. Urbanized Area Eligibility**

Urbanized Area	Eligible Transit Operators
San Francisco-Oakland	AC Transit, ACE, BART, Caltrain, GGBHTD, Marin County Transit District, SFMTA, SamTrans, SMART, Union City Transit, Water Emergency Transportation Authority, WestCAT
San Jose	ACE, Caltrain, VTA
Concord	ACE, BART, CCCTA, LAVTA
Antioch	BART, ECCTA
Santa Rosa	GGBHTD, Santa Rosa City Bus, SMART, Sonoma County Transit
Vallejo	Napa Vine on behalf of American Canyon, Solano County Transit
Fairfield	Fairfield-Suisun Transit
Vacaville	Vacaville Transit
Napa	Napa VINE
Livermore	ACE, LAVTA
Gilroy-Morgan Hill	Caltrain, VTA
Petaluma	GGBHTD, Petaluma Transit, Sonoma County Transit

- (i) Altamont Commuter Express (ACE) is eligible to claim funds in four of the San Francisco Bay Area’s urbanized areas according to Federal Transit Administration statute. ACE has entered into an agreement with other operators eligible to claim funds in the San Jose UZA, which prevents ACE from claiming funds in that UZA. Likewise, ACE has also determined that they will be reporting their Livermore area revenue miles in the Stockton UZA and have elected not to seek funding from the Livermore UZA. The project element that the Regional Priority Model would apportion to these two urbanized areas will be deducted from the total amount of their capital request. ACE operates on track privately owned by Union Pacific. Requests for track rehabilitation, maintenance, and or upgrades for funding in the San Francisco-Oakland and Concord UZAs will be assessed for eligibility upon review of the ACE and Union Pacific agreement.
- (ii) Santa Rosa City Bus, Sonoma County Transit, and SMART will apportion Santa Rosa urbanized area funding in accordance with an agreement between the three agencies, which first incorporated SMART in FY2020, updating the previous agreement between the bus operators.
- (iii) Golden Gate Bridge and Highway Transportation District (GGBHTD) is eligible to claim funds in the Santa Rosa Urbanized Areas. However, as a result of an agreement between the operators and discussion with the TFWG, GGBHTD will not claim funds from the Santa Rosa UZA at this time. However, should it become advantageous to the region for GGBHTD to report revenue miles in the Santa Rosa UZA and thereby claim funds in that UZA, agreements between the operators will be re-evaluated. Golden Gate is an eligible claimant for funds in the Petaluma UZA, and in years where extensive capital needs in other urbanized areas in the region is high; Golden Gate’s projects could be funded in the Petaluma UZA.
- (iv) Funding agreements between operators in the San Jose and Gilroy-Morgan Hill UZAs are subject to the conditions outlined in the Caltrain Joint Powers Board Agreement and any agreements negotiated between the Board and MTC.

### **Eligibility for New Operators**

New operators will be required to meet the following criteria before becoming eligible for TCP funding:

- The operator provides public transit services in the San Francisco Bay Area that are compatible with the region's Regional Transportation Plan.
- The operator is an FTA grantee.
- The operator has filed NTD reports for at least two years prior to the first year of programming, e.g., has filed an NTD report for 2019 services and intends to file a report for 2020 to be eligible for FY 2020-21 TCP funding.
- The operator has executed a Cooperative Planning Agreement with MTC.
- The operator has submitted a current SRTP or other board-approved capital plan to MTC.

### **Screening Criteria**

A project must conform to the following threshold requirements before the project can be scored and ranked in the TCP Program's project list. Screening criteria envelopes three basic areas. The following subheadings are used to group the screening criteria.

- Consistency Requirements;
- Financial Requirements;
- Project Specific Requirements;

*Consistency Requirements:* The proposed project must be consistent with the currently adopted Regional Transportation Plan (RTP). Smaller projects must be consistent with the policy direction of the RTP, as the RTP does not go into a sufficient level of detail to specifically list them.

The proposed project must be consistent with the requirements of MTC's Transit Coordination Implementation Plan as set forth in MTC Resolution 3866.

Projects near or crossing county boundaries must be consistent/complementary with the facility (or proposed facility) in the adjacent county.

Projects must be included in an operator's Short Range Transit Plan or other board-approved capital plan, or in an adopted local or regional plan (such as Congestion Management Programs, Countywide transportation plans pursuant to AB3705, the Seaport and Airport Plans, the State Implementation Plan, the Ozone Attainment Plan, the Regional Transportation Plan, and local General Plans). Requests for replacement/rehabilitation of assets should be consistent with Transit Asset

Management (TAM) plans required by the FTA TAM rule and regional TAM performance metrics.

*Financial Requirements:* The proposed project has reasonable cost estimates, is supported by an adequate financial plan with all sources of funding identified and a logical cash flow, and has sensible phasing. Transit operators must demonstrate financial capacity, to be documented in the adopted TIP, as required by the FTA. All facilities that require an ongoing operating budget to be useful must demonstrate that such financial capacity exists.

*Project Specific Requirements:* All projects must be well defined. There must be clear project limits, intended scope of work, and project concept. Planning projects to further define longer range federally eligible projects are acceptable. Examples of projects include:

- Replacement/rehab of one revenue vehicle sub-fleet or ferry vessel; a sub-fleet is defined as the same bus size, manufacturer, and year; or any portion of a train set that reaches the end of its useful life at a common time.
- Train control or traction power replacement/rehab needs for a given year.
- Fixed guideway replacement/rehab needs for a given year (e.g., track replacement and related fixed guideway costs, ferry fixed guideway connectors).

All projects must be well justified, and have a clear need directly addressed by the project. All assets that would be replaced or rehabilitated must be included in the Regional Transit Capital Inventory (RTCI), a database of all transit capital assets in the region. Vehicle replacement projects, in particular, must identify the specific vehicles being replaced as listed in the RTCI.

A proposed project includes an implementation plan that adequately provides for any necessary clearances and approvals. The proposed project must be advanced to a state of readiness for implementation in the year indicated. For this requirement, a project is considered to be ready if grants for the project can be obligated within one year of the award date; or in the case of larger construction projects, obligated according to an accepted implementation schedule.

**Asset Useful Life**

To be eligible for replacement or rehabilitation, assets must meet the following age requirements in the year of programming:

**Table 2. Useful Life of Assets**

Heavy-Duty Buses, other than Over-the-Road-Coaches*	12 years (or 500,000 miles in service)
Over-the-Road-Coaches*	14 years (or 500,000 miles in service)
Medium-Duty Buses*	10 years (or 500,000 miles in service)
* (or an additional 5 years for buses rehabilitated with TCP funding)	
Van <sup>1</sup>	4, 5, or 7 years, depending on type
Light Rail Vehicle (LRV)	25 years
Electric Trolleybus	15 years
Heavy Railcar <sup>2</sup>	25 years
(or an additional 20 years for railcars rehabilitated with TCP funding)	
Locomotive	25 years
(or an additional 20 years for locomotives rehabilitated with TCP funding)	
Heavy/Steel Hull Ferries	30 years
(or an additional 20 years for ferries rehabilitated with TCP funding)	
Lightweight/Aluminum Hull Ferries <sup>3</sup>	25 years
Used Vehicles <sup>4</sup>	Varies by type
Tools and Equipment	10 years
Service Vehicle	7 years
Non-Revenue Vehicle	7 years
Track	Varies by track type
Overhead Contact System/3 <sup>rd</sup> Rail Facility	Varies by type of OCS/3 <sup>rd</sup> rail replaced

*Notes:*

- 1) A paratransit van is a specialized van used in paratransit service only such as service for the elderly and handicapped. Three general categories of vans are acceptable in Transit Capital Priorities: Minivans, Standard Conversion Vans, and Small Medium-Duty Coaches. The age requirements for each type are 4, 5, and 7 years respectively.
- 2) *Includes Caltrain and ACE commuter rail and BART urban rail cars.*
- 3) *Lightweight ferries will not generally last beyond a 25-year useful life. Propulsion and major component elements of lightweight ferries can be replaced in TCP without extending the useful life beyond its anticipated useful life of 25 years.*
- 4) *Used vehicles are eligible to receive a proportionate level of funding based on the type of vehicle and number of years of additional service. (See "used vehicle replacement" Section IV, Definition of Project Categories).*

**Early Replacement Programming Requests**

Requests to program vehicle replacement funds one or two years prior to the first eligible year in order to advance procurements or to replace vehicles with higher than normal

maintenance costs will be considered if the proposal has minimal impacts on other operators and can be accommodated within the region's fiscal constraints.

Exceptions for replacement of assets prior to the end of their useful life may be considered only if an operator has secured FTA approval for early retirement, which must occur before the annual apportionment has been released.

**Compensation for Deferred Replacement (Bus Replacement beyond Minimum Useful Life)**

Operators that voluntarily replace buses or vans beyond the minimum federally eligible useful life specified in Table 2 will be eligible for either of two financial compensations:

Option 1. Operators receive all of the savings, but need to apply the savings to capital replacement and rehab projects (Score 10-16).

Option 2. Operators receive half of the savings to the region created by later replacement of vehicles, which may be programmed to lower scoring eligible projects.

Savings to the region are calculated based on the pricelist cost and minimum useful life of the vehicle type. For example, if replacement of a bus with a 12-year useful life and a \$600,000 replacement cost (federal share) is deferred for two years, the savings to the region would be  $2/12 \times \$600,000 = \$100,000$ . Under Option 1, the operator would receive \$100,000 for eligible Score 10-16 capital projects. Under Option 2, the operator would receive \$50,000, which could be programmed for any eligible project. The region would retain the other \$50,000 in savings to be programmed to other needs in accordance with the TCP policy. Operators may choose between Option 1 and Option 2.

For operators that are proposing to take advantage of the bus replacement compensation, the vehicles being replaced must be older than the age requirements listed above. It is the operator's responsibility to ensure that vehicle replacement requests beyond the minimum useful life maintain a state of good repair for the assets. Requests to activate this policy option should be noted when transmitting project applications to MTC.

**Project Funding Caps**

In order to prevent committing a significant portion of the programming to an operator in any one year, the following annual funding ceilings for projects are established:

Revenue vehicle replacement projects cannot exceed \$20 million for buses or \$30 million for rail car or ferry vessel replacement and rehabilitation projects, in the aggregate, for all funding programs. If the cost of the vehicle procurement exceeds the annual cap, the difference will be programmed in subsequent years subject to availability of funds.

Fixed guideway replacement and rehabilitation projects in the aggregate cannot exceed the amounts specified for each fixed guideway (FG) operator in Table 3. The total amount of the caps is \$120 million (3% escalation) based on the updated CIP projections. Each operator’s cap is based on its share of the updated fixed guideway need projections included in the adopted Plan Bay Area 2040 RTP, with a floor applied so that no operator’s cap is reduced by more than 5% from their prior cap.

When developing the proposed TCP programs for FY2020-21 and beyond, the fixed guideway caps may be increased or decreased proportionally, depending on the aggregate demand for Score 16 projects compared to projected revenues. Operators have the option of submitting contingent fixed guideway programming requests equal to 20% of the operator’s cap, in addition to requests for programming the cap amount. The contingent requests will be programmed if the program’s fiscal balance allows the region to increase the caps.

Additionally, in an attempt to better align FG needs and FG cap programming, in the call for projects for a multi-year program, operators may request more than their annual cap in a particular year if the increase is offset by a lower request in another year (i.e. as long as the total requested for FG projects over a four-year program does not exceed the annual cap times four). When developing the program, staff will attempt to program FG caps as requested. However, in order to balance needs across operators within each UZA, programming may be adjusted to match available funds and project needs.

**Table 3. Fixed Guideway Caps**

FG Operator	Project Category	Fixed Guideway Cap
ACE	All Eligible FG Categories	\$1,594,000
BART	All Eligible FG Categories	52,646,000
Caltrain	All Eligible FG Categories	13,673,000
GGBHTD	All Eligible FG Categories	5,350,000
SFMTA	All Eligible FG Categories	33,324,000
VTA	All Eligible FG Categories	8,103,000
WETA	All Eligible FG Categories	6,310,000

The cap amount may be programmed to any projects that are eligible for FTA Section 5337 funding and that fall into one of the following categories:

- Track/Guideway Replacement/Rehabilitation
- Traction Power Systems Replacement/Rehabilitation
- Train Control/Signaling Replacement/Rehabilitation
- Dredging
- Ferry Fixed Guideway Connectors Replacement/Rehabilitation
- Ferry Major Component Replacement/Rehabilitation

- Ferry Propulsion Replacement/Rehabilitation
- Cable Car Infrastructure Replacement/Rehabilitation
- Wayside or Onboard Fare Collection Equipment Replacement/Rehabilitation for Fixed Guideway vehicles

Programming for all projects that fall within these categories must be within the operator's cap amount with the exception of fixed guideway infrastructure projects included in the CCCGP program of projects. Such projects may be funded with a combination of fixed guideway cap funds and additional TCP funds above the operator's fixed guideway cap.

Operators may request a one-year waiver to use fixed guideway cap funds for other capital needs that are not included in one of the eligible project categories listed above if the operator can demonstrate that the other capital needs can be addressed by the one-year waiver, or that the use of fixed guideway cap funds is part of a multi-year plan to address the other capital needs. The operator must also demonstrate that the waiver will have minimal impact on the operator's ability to meet its fixed guideway capital needs.

**Emergency duration special protocols:**

Staff will explicitly consider pandemic impacts on operating and fixed guideway capital needs when assessing these requests. Staff will prioritize FG cap funds when assessing any requests for PM/operating assistance from FG cap operators, pending FTA funding source eligibility, including applicable Emergency Relief provisions. Emergency relief requests and programming are subject to the Principles for Redirecting Funds to Transit Operators (Appendix 3).

Other replacement projects cannot exceed \$5 million. This cap applies to non-vehicle and non-fixed guideway Score 16 projects, including communications systems, bus fare collection equipment (fixed guideway wayside fare collection equipment is covered under the fixed guideway caps), and bus emission reduction devices; and lower scoring replacement projects. Vehicle rehabilitation projects that are treated as Score 16 because the life of the asset is being extended (see Asset Useful Life above) are also subject to this cap. Exceptions to this cap include those projects included in the CCCGP. Replacement of Clipper® fare collection equipment that is centralized under MTC will be treated as a separate project for each operator whose Clipper® equipment is being replaced, including MTC for the replacement of back-end equipment and systems, for the purposes of applying this project funding cap. If project costs exceed the cap, the difference will not automatically be programmed in subsequent years; the region will assess its ability to program additional funding year-by-year based on projected revenues and demand for other Score 16 needs.



Expansion or enhancement projects cannot exceed \$3.75 million.

Vanpool Support Program programming cannot exceed the amount of apportionments per UA generated by vanpool reporting to the NTD.

As part of the development of the program, project caps may be increased or decreased on an annual basis in order to better match programming to available revenues, subject to negotiation and agreement among operators and MTC.

Exceptions to these annual funding ceilings will be considered by MTC and the TFWG on a case-by-case basis after evaluating programming requested through the call for projects, and the region's estimated fiscal resources. For large rehabilitation programs, MTC may conduct negotiations with the appropriate sponsor to discuss financing options and programming commitments.

### **Bus-Van Pricelist**

Requests for funding for buses and vans cannot exceed the prices in the Regional Bus-Van Pricelist for each year of the TCP program as shown in Tables 4 through 7. If an operator elects to replace vehicles with vehicles of a different fuel type, the price listed for the new fuel type vehicle applies, e.g., if an operator is replacing diesel buses with diesel-electric hybrid buses, the operator may request funds up to the amount listed for hybrid buses.

The pricelist was developed through a subcommittee of the TFWG and based on a survey of prices paid by operators in the Bay Area. Price escalation rate by year is noted in the tables.

Note that the bus prices do not include allowances for radios and fareboxes; they will be considered a separate project under the TCP policy. The price of electronic fareboxes varies approximately between \$10,000 and \$14,000 whereas the price of radios varies from \$1,000 to \$5,000. Requests for funding radios and fareboxes should be within the price range mentioned above. Requests above these ranges will require additional justification. Fareboxes for/on fixed guideway vehicles will be funded out of the operators' fixed guideway cap amounts (see Table 3). Operators are expected to include Clipper® wiring and brackets in all new buses, so the buses are Clipper®-ready without requiring additional expenses.

### **Compensation for Cost Effective Bus Purchases**

Under this element of the TCP policy, operators that request less than the full pricelist amount for vehicle replacements would be eligible for either of two financial compensations:

Option 1\* Operators receive all of the savings, but need to apply the savings to capital replacement and rehab projects (Score 10-16).

Option 2\* Operators receive half of the savings to the region created by cost effective vehicle purchases, which may be programmed to lower scoring (below score 10) eligible projects, including preventive maintenance.

The intent of this policy element is to ensure that the region's limited funds can cover more of the region's capital needs while targeting funding to the vehicles most in need of replacement.

\*If the amount of federal apportionments received does not allow us to fully program all Score 16 projects, MTC reserves the right to reduce the percentage of savings that would go back to the operator.

**Table 4: Regional Bus-Van Pricelist, FY2020-21**

Vehicle Type	Total	Federal/MTC	Local	Federal/MTC %	Local %
Minivan Under 22'	71,000	56,800	14,200	80%	20%
Cut-Away/Van, 4 or 5-Year, Gas	101,000	80,800	20,200	80%	20%
Cut-Away/Van, 4 or 5-Year, Diesel	114,000	91,200	22,800	80%	20%
Cut-Away/Van, 4 or 5-Year, CNG	131,000	104,800	26,200	80%	20%
Cut-Away/Van, 7-Year, Gas	114,000	91,200	22,800	80%	20%
Cut-Away/Van, 7-Year, Diesel	161,000	128,800	32,200	80%	20%
Cut-Away/Van, 7-Year, CNG	214,000	171,200	42,800	80%	20%
Transit Bus 30' Diesel	523,000	418,400	104,600	80%	20%
Transit Bus 30' CNG	597,000	477,600	119,400	80%	20%
Transit Bus 30' Hybrid	782,000	625,600	156,400	80%	20%
Transit Bus 30' Battery	900,000	720,000	180,000	80%	20%
Transit Bus 35' Diesel	578,000	462,400	115,600	80%	20%
Transit Bus 35' CNG	686,000	548,800	137,200	80%	20%
Transit Bus 35' Hybrid	835,000	668,000	167,000	80%	20%
Transit Bus 35' Battery	912,000	729,600	182,400	80%	20%
Transit Bus 40' Diesel	554,000	443,200	110,800	80%	20%
Transit Bus 40' CNG	611,000	488,800	122,200	80%	20%
Transit Bus 40' Hybrid	847,000	677,600	169,400	80%	20%
Transit Bus 40' Battery	1,088,000	870,400	217,600	80%	20%
Transit Bus 40' Fuel-Cell	1,218,000	974,400	243,600	80%	20%
Over-the-Road 45' Diesel	659,000	527,200	131,800	80%	20%
Over-the-Road 45' CNG	866,000	692,800	173,200	80%	20%
Over-the-Road 45' Battery	1,145,000	916,000	229,000	80%	20%
Articulated 60' Diesel	888,000	710,400	177,600	80%	20%
Articulated 60' Hybrid	1,265,000	1,012,000	253,000	80%	20%
Articulated 60' Battery	1,363,000	1,090,400	272,600	80%	20%
Articulated 60' Fuel-Cell	1,543,000	1,234,400	308,600	80%	20%
Double-Decker Diesel	1,049,000	839,200	209,800	80%	20%
Notes:					
1. Prices escalated 1.887% over FY2019-20 Pricelist Survey responses, rounded to the nearest \$1,000. If survey responses were not available for a given Vehicle Type, the adopted FY20 Pricelist Total was used as the baseline.					
2. For buses with dual-side doors, add \$50,000 to the total (\$40,000 Federal, \$10,000 Local).					
3. For vehicle procurements over 20, 5% of the cost of the buses can be added to the pricelist amounts to account for soft costs.					

**Table 5: Regional Bus-Van Pricelist, FY2021-22**

Vehicle Type	Total	Federal/MTC	Local	Federal/MTC %	Local %
Minivan Under 22'	72,000	57,600	14,400	80%	20%
Cut-Away/Van, 4 or 5-Year, Gas	103,000	82,400	20,600	80%	20%
Cut-Away/Van, 4 or 5-Year, Diesel	116,000	92,800	23,200	80%	20%
Cut-Away/Van, 4 or 5-Year, CNG	133,000	106,400	26,600	80%	20%
Cut-Away/Van, 7-Year, Gas	116,000	92,800	23,200	80%	20%
Cut-Away/Van, 7-Year, Diesel	164,000	131,200	32,800	80%	20%
Cut-Away/Van, 7-Year, CNG	218,000	174,400	43,600	80%	20%
Transit Bus 30' Diesel	533,000	426,400	106,600	80%	20%
Transit Bus 30' CNG	608,000	486,400	121,600	80%	20%
Transit Bus 30' Hybrid	797,000	637,600	159,400	80%	20%
Transit Bus 30' Battery	917,000	733,600	183,400	80%	20%
Transit Bus 35' Diesel	589,000	471,200	117,800	80%	20%
Transit Bus 35' CNG	699,000	559,200	139,800	80%	20%
Transit Bus 35' Hybrid	851,000	680,800	170,200	80%	20%
Transit Bus 35' Battery	929,000	743,200	185,800	80%	20%
Transit Bus 40' Diesel	564,000	451,200	112,800	80%	20%
Transit Bus 40' CNG	623,000	498,400	124,600	80%	20%
Transit Bus 40' Hybrid	863,000	690,400	172,600	80%	20%
Transit Bus 40' Battery	1,109,000	887,200	221,800	80%	20%
Transit Bus 40' Fuel-Cell	1,241,000	992,800	248,200	80%	20%
Over-the-Road 45' Diesel	671,000	536,800	134,200	80%	20%
Over-the-Road 45' CNG	882,000	705,600	176,400	80%	20%
Over-the-Road 45' Battery	1,167,000	933,600	233,400	80%	20%
Articulated 60' Diesel	905,000	724,000	181,000	80%	20%
Articulated 60' Hybrid	1,289,000	1,031,200	257,800	80%	20%
Articulated 60' Battery	1,389,000	1,111,200	277,800	80%	20%
Articulated 60' Fuel-Cell	1,572,000	1,257,600	314,400	80%	20%
Double-Decker Diesel	1,069,000	855,200	213,800	80%	20%
Notes:					
1. Prices escalated 1.887% over FY2020-21 Pricelist Survey responses, rounded to the nearest \$1,000. If survey responses were not available for a given Vehicle Type, the adopted FY20 Pricelist Total was used as the baseline.					
2. For buses with dual-side doors, add \$50,000 to the total (\$40,000 Federal, \$10,000 Local).					
3. For vehicle procurements over 20, 5% of the cost of the buses can be added to the pricelist amounts to account for soft costs.					

**Table 6: Regional Bus-Van Pricelist, FY2022-23**

Vehicle Type	Total	Federal/MTC	Local	Federal/MTC %	Local %
Minivan Under 22'	73,000	58,400	14,600	80%	20%
Cut-Away/Van, 4 or 5-Year, Gas	105,000	84,000	21,000	80%	20%
Cut-Away/Van, 4 or 5-Year, Diesel	118,000	94,400	23,600	80%	20%
Cut-Away/Van, 4 or 5-Year, CNG	136,000	108,800	27,200	80%	20%
Cut-Away/Van, 7-Year, Gas	118,000	94,400	23,600	80%	20%
Cut-Away/Van, 7-Year, Diesel	167,000	133,600	33,400	80%	20%
Cut-Away/Van, 7-Year, CNG	222,000	177,600	44,400	80%	20%
Transit Bus 30' Diesel	543,000	434,400	108,600	80%	20%
Transit Bus 30' CNG	619,000	495,200	123,800	80%	20%
Transit Bus 30' Hybrid	812,000	649,600	162,400	80%	20%
Transit Bus 30' Battery	934,000	747,200	186,800	80%	20%
Transit Bus 35' Diesel	600,000	480,000	120,000	80%	20%
Transit Bus 35' CNG	712,000	569,600	142,400	80%	20%
Transit Bus 35' Hybrid	867,000	693,600	173,400	80%	20%
Transit Bus 35' Battery	947,000	757,600	189,400	80%	20%
Transit Bus 40' Diesel	575,000	460,000	115,000	80%	20%
Transit Bus 40' CNG	635,000	508,000	127,000	80%	20%
Transit Bus 40' Hybrid	879,000	703,200	175,800	80%	20%
Transit Bus 40' Battery	1,130,000	904,000	226,000	80%	20%
Transit Bus 40' Fuel-Cell	1,264,000	1,011,200	252,800	80%	20%
Over-the-Road 45' Diesel	684,000	547,200	136,800	80%	20%
Over-the-Road 45' CNG	899,000	719,200	179,800	80%	20%
Over-the-Road 45' Battery	1,189,000	951,200	237,800	80%	20%
Articulated 60' Diesel	922,000	737,600	184,400	80%	20%
Articulated 60' Hybrid	1,313,000	1,050,400	262,600	80%	20%
Articulated 60' Battery	1,415,000	1,132,000	283,000	80%	20%
Articulated 60' Fuel-Cell	1,602,000	1,281,600	320,400	80%	20%
Double-Decker Diesel	1,089,000	871,200	217,800	80%	20%
Notes:					
1. Prices escalated 1.887% over FY2021-22 Pricelist Survey responses, rounded to the nearest \$1,000. If survey responses were not available for a given Vehicle Type, the adopted FY20 Pricelist Total was used as the baseline.					
2. For buses with dual-side doors, add \$50,000 to the total (\$40,000 Federal, \$10,000 Local).					
3. For vehicle procurements over 20, 5% of the cost of the buses can be added to the pricelist amounts to account for soft costs.					

**Table 7: Regional Bus-Van Pricelist, FY2023-24**

Vehicle Type	Total	Federal/MTC	Local	Federal/MTC %	Local %
Minivan Under 22'	74,000	59,200	14,800	80%	20%
Cut-Away/Van, 4 or 5-Year, Gas	107,000	85,600	21,400	80%	20%
Cut-Away/Van, 4 or 5-Year, Diesel	120,000	96,000	24,000	80%	20%
Cut-Away/Van, 4 or 5-Year, CNG	139,000	111,200	27,800	80%	20%
Cut-Away/Van, 7-Year, Gas	120,000	96,000	24,000	80%	20%
Cut-Away/Van, 7-Year, Diesel	170,000	136,000	34,000	80%	20%
Cut-Away/Van, 7-Year, CNG	226,000	180,800	45,200	80%	20%
Transit Bus 30' Diesel	553,000	442,400	110,600	80%	20%
Transit Bus 30' CNG	631,000	504,800	126,200	80%	20%
Transit Bus 30' Hybrid	827,000	661,600	165,400	80%	20%
Transit Bus 30' Battery	952,000	761,600	190,400	80%	20%
Transit Bus 35' Diesel	611,000	488,800	122,200	80%	20%
Transit Bus 35' CNG	725,000	580,000	145,000	80%	20%
Transit Bus 35' Hybrid	883,000	706,400	176,600	80%	20%
Transit Bus 35' Battery	965,000	772,000	193,000	80%	20%
Transit Bus 40' Diesel	586,000	468,800	117,200	80%	20%
Transit Bus 40' CNG	647,000	517,600	129,400	80%	20%
Transit Bus 40' Hybrid	896,000	716,800	179,200	80%	20%
Transit Bus 40' Battery	1,151,000	920,800	230,200	80%	20%
Transit Bus 40' Fuel-Cell	1,288,000	1,030,400	257,600	80%	20%
Over-the-Road 45' Diesel	697,000	557,600	139,400	80%	20%
Over-the-Road 45' CNG	916,000	732,800	183,200	80%	20%
Over-the-Road 45' Battery	1,211,000	968,800	242,200	80%	20%
Articulated 60' Diesel	939,000	751,200	187,800	80%	20%
Articulated 60' Hybrid	1,338,000	1,070,400	267,600	80%	20%
Articulated 60' Battery	1,442,000	1,153,600	288,400	80%	20%
Articulated 60' Fuel-Cell	1,632,000	1,305,600	326,400	80%	20%
Double-Decker Diesel	1,110,000	888,000	222,000	80%	20%
Notes:					
1. Prices escalated 1.887% over FY2022-23 Pricelist Survey responses, rounded to the nearest \$1,000. If survey responses were not available for a given Vehicle Type, the adopted FY20 Pricelist Total was used as the baseline.					
2. For buses with dual-side doors, add \$50,000 to the total (\$40,000 Federal, \$10,000 Local).					
3. For vehicle procurements over 20, 5% of the cost of the buses can be added to the pricelist amounts to account for soft costs.					

**Table 7B: Regional Bus-Van Pricelist, FY2024-25**

Vehicle Type	Total	Federal/MTC	Local	Federal/MTC %	Local %
Minivan Under 22'	75,000	60,000	15,000	80%	20%
Cut-Away/Van, 4 or 5-Year, Gas	109,000	87,200	21,800	80%	20%
Cut-Away/Van, 4 or 5-Year, Diesel	122,000	97,600	24,400	80%	20%
Cut-Away/Van, 4 or 5-Year, CNG	142,000	113,600	28,400	80%	20%
Cut-Away/Van, 7-Year, Gas	122,000	97,600	24,400	80%	20%
Cut-Away/Van, 7-Year, Diesel	173,000	138,400	34,600	80%	20%
Cut-Away/Van, 7-Year, CNG	230,000	184,000	46,000	80%	20%
Transit Bus 30' Diesel	563,000	450,400	112,600	80%	20%
Transit Bus 30' CNG	643,000	514,400	128,600	80%	20%
Transit Bus 30' Hybrid	843,000	674,400	168,600	80%	20%
Transit Bus 30' Battery	970,000	776,000	194,000	80%	20%
Transit Bus 35' Diesel	623,000	498,400	124,600	80%	20%
Transit Bus 35' CNG	739,000	591,200	147,800	80%	20%
Transit Bus 35' Hybrid	900,000	720,000	180,000	80%	20%
Transit Bus 35' Battery	983,000	786,400	196,600	80%	20%
Transit Bus 40' Diesel	597,000	477,600	119,400	80%	20%
Transit Bus 40' CNG	659,000	527,200	131,800	80%	20%
Transit Bus 40' Hybrid	913,000	730,400	182,600	80%	20%
Transit Bus 40' Battery	1,173,000	938,400	234,600	80%	20%
Transit Bus 40' Fuel-Cell	1,312,000	1,049,600	262,400	80%	20%
Over-the-Road 45' Diesel	710,000	568,000	142,000	80%	20%
Over-the-Road 45' CNG	933,000	746,400	186,600	80%	20%
Over-the-Road 45' Battery	1,234,000	987,200	246,800	80%	20%
Articulated 60' Diesel	957,000	765,600	191,400	80%	20%
Articulated 60' Hybrid	1,363,000	1,090,400	272,600	80%	20%
Articulated 60' Battery	1,469,000	1,175,200	293,800	80%	20%
Articulated 60' Fuel-Cell	1,663,000	1,330,400	332,600	80%	20%
Double-Decker Diesel	1,131,000	904,800	226,200	80%	20%
Notes:					
1. Prices escalated 1.887% over FY2023-24 Pricelist Survey responses, rounded to the nearest \$1,000. If survey responses were not available for a given Vehicle Type, the adopted FY20 Pricelist Total was used as the baseline.					
2. For buses with dual-side doors, add \$50,000 to the total (\$40,000 Federal, \$10,000 Local).					
3. For vehicle procurements over 20, 5% of the cost of the buses can be added to the pricelist amounts to account for soft costs.					

**Project Definition and Scoring**

**Project Scoring**

All projects submitted to MTC for TCP programming consideration that have passed the screening process will be assigned scores by project category as indicated in Table 8.

**Table 8. Project Scores**

<b>Project Category/Description</b>	<b>Project Score</b>
<b>Debt Service</b>	<b>17</b>
Debt service – repayment of financing issued against future FTA revenues. Debt service, including principal and interest payments, for any financing required to advance future FTA or STP revenues to fund annual TCP or CCCGP programs of projects will be treated as score 17.	
<b>Revenue Vehicle Replacement</b>	<b>16</b>
Vehicle Replacement - replacement of a revenue vehicle at the end of its useful life (see Asset Useful Life above). Vehicles previously purchased with revenue sources other than federal funds are eligible for FTA formula funding as long as vehicles meet the replacement age. Vehicles are to be replaced with vehicles of similar size (up to 5’ size differential) and seating capacity, e.g., a 40-foot coach replaced with a 40-foot coach and not an articulated vehicle. If an operator is electing to purchase smaller or larger buses (above or below a 5’ size differential), or do a sub-fleet reconfiguration, the replacement sub-fleet will have a comparable number of seats as the vehicles being replaced. Paratransit vehicles can be replaced with the next larger vehicle providing the existing vehicle is operated for the useful life period of the vehicle that it is being upgraded to. Any other significant upgrade in size will be considered as vehicle expansion and not vehicle replacement. For urgent replacements not the result of deferred maintenance and replacement of assets 20% older than the usual replacement cycle (e.g., 12 or 16 years for buses depending on type of bus), a project may receive an additional point.	
<b>Revenue Vehicle Rehabilitation</b>	<b>16</b>
Vehicle Rehabilitation - major maintenance, designed to extend the useful life of a revenue vehicle (+5 years for buses, +20 years for railcars, +20 years for locomotives, +20 years for heavy hull ferries). Rehabilitation of historic railcars, which have, by definition, extended useful lives, is included in this category.	
<b>Core Capacity Challenge Grant Program Projects</b>	<b>16</b>
Projects proposed for TCP funding in the CCCGP (MTC Resolution No. 4123) that are not otherwise Score 16.	
<b>Used Vehicle Replacement</b>	<b>16</b>
Used Vehicle Replacement - replacement of a vehicle purchased used (applicable to buses, ferries, and rail cars) is eligible for federal, state, and local funding that MTC administers. Funds in this category include FTA Section 5307, STP, CMAQ, STIP, and Net Toll Revenues. However, funding for replacement of the used vehicle will be limited to a proportionate share of the total project cost, equal to the number of years the used vehicle is operated beyond its standard useful life divided by its standard useful life (e.g., if a transit property retained and operated a used transit bus for 5 years, it is eligible to receive 5/12 <sup>th</sup> of the allowable programming for the project).	



<b>Fixed Guideway Replacement / Rehabilitation</b>	<b>16</b>
Rehabilitation/Replacement Fixed Guideway - projects replacing or rehabilitating fixed guideway equipment at the end of its useful life, including rail, guideway, bridges, traction power systems, wayside train control systems, overhead wires, cable car infrastructure, and computer/communications systems with a primary purpose of communicating with or controlling fixed guideway equipment. Projects in this category are subject to fixed guideway project caps.	
<b>Ferry Propulsion Systems</b>	<b>16</b>
Ferry Propulsion Replacement—projects defined as the mid-life replacement and rehabilitation of ferry propulsion systems in order that vessels are able to reach their 25-year useful life. Projects in this category are subject to fixed guideway project caps.	
<b>Ferry Major Component</b>	<b>16</b>
Ferry Major Components—projects associated with propulsion system, inspection, and navigational equipment required to reach the full economic life of a ferry vessel. Projects in this category are subject to fixed guideway project caps.	
<b>Ferry Fixed Guideway Connectors</b>	<b>16</b>
Ferry Fixed Guideway Connectors—floats, gangways, and ramps associated with the safe moorage and boarding of passengers to/from ferry vessels. Projects in this category are subject to fixed guideway project caps.	
<b>Revenue Vehicle Communication Equipment</b>	<b>16</b>
Communication Equipment – Includes on-board radios, radio base stations, and computer/communications systems with a primary purpose of communicating with and/or location/navigation of revenue vehicles, such as GPS/AVL systems.	
<b>Non-Clipper® Fare Collection/Fareboxes</b>	<b>16</b>
Revenue vehicle and wayside fare equipment are eligible for replacement as score 16. The maximum programming allowance for revenue vehicle fare equipment purchased separately from revenue vehicles is outlined in Section III, Project Funding Caps, providing the fare equipment is not replaced prior to the 12-year replacement cycle for buses. Fare equipment must be compatible with the Clipper® fare collection system.	
<b>Clipper®</b>	<b>16</b>
Clipper® - replacement of Clipper® fare collection equipment and systems.	
<b>Bus Diesel Emission Reduction Devices</b>	<b>16</b>
Bus diesel emission reduction devices or device components required to meet or exceed California Air Resources Board requirements, including first-time retrofits, upgrades, replacements and spares. Devices or components must be installed on buses that will remain in service for at least five (5) years following year programming in order to be treated as Score 16. Only spares up to 10% of the operator’s current device inventory will be treated as Score 16. Bus diesel emission device projects treated as Score 16 require a 50% local match. Devices or components installed on buses scheduled to be replaced within five (5) years of programming, and spares in excess of 10% of the operator’s inventory, will be treated as Preventive Maintenance (Score 9). See Section V. Programming Policies, Bus Diesel Emission Reduction Device Funding Program.	
<b>Vanpool Support Program</b>	<b>16</b>
Turnkey vanpool services contracted by MTC. This program is subject to funding cap at levels no greater than the projected apportionments generated by vanpool reporting in the urbanized area.	
<b>Safety</b>	<b>15</b>

<p>Safety/Security - projects addressing potential threats to life and/or property. The project may be maintenance of existing equipment or new safety capital investments. Includes computer/communications systems with a primary purpose of communicating with/controlling safety systems, including ventilation fans, fire suppression, fire alarm, intruder detection, CCTV cameras, and emergency “blue light” phones. Adequate justification that the proposed project will address safety and/or security issues must be provided. The TFWG will be provided an opportunity to review proposed projects before a project is programmed funds in a final program. Projects that contribute to a 1% security requirement will be considered Score 16.</p>	
<b>ADA/Non Vehicle Access Improvement</b>	<b>14</b>
<p>ADA - capital projects needed for ADA <i>compliance</i>. Does not cover routine replacement of ADA-related capital items. Project sponsor must provide detailed justification that the project is proposed to comply with ADA. Subject to TFWG review.</p>	
<b>Fixed/Heavy Equipment, Maintenance/Operating Facilities</b>	<b>13</b>
<p>Fixed/Heavy equipment and Operations/Maintenance facility - replacement/rehabilitation of major maintenance equipment, generally with a unit value over \$10,000; replacement/rehabilitation of facilities on a schedule based upon the useful life of the components.</p>	
<b>Station/Intermodal Stations/Parking Rehabilitation</b>	<b>12</b>
<p>Stations/Intermodal Centers/Patron Parking Replacement/Rehab - replacement/rehabilitation of passenger facilities. Includes computer/communications systems with a primary purpose of communicating with/controlling escalators or elevators, and public address or platform display systems at stations or platforms.</p>	
<b>Service Vehicles</b>	<b>11</b>
<p>Service Vehicles - replacement/rehabilitation of non-revenue and service vehicles based on useful life schedules.</p>	
<b>Tools and Equipment</b>	<b>10</b>
<p>Tools and Equipment - maintenance tools and equipment, generally with a unit value below \$10,000.</p>	
<b>Administrative Computer Systems and Office Equipment</b>	<b>9</b>
<p>Office Equipment - computers, copiers, fax machines, etc. Includes administrative - MIS, financial, HR, scheduling, transit asset management, and maintenance management systems.</p>	
<b>Preventive Maintenance</b>	<b>9</b>
<p>Preventive Maintenance - ongoing maintenance expenses (including labor and capital costs) of revenue and non-revenue vehicles that do not extend the life of the vehicle. This includes mid-life change-out of tires, tubes, engines and transmissions that do not extend the life of the vehicle beyond the twelve years life cycle. Preventive Maintenance may be treated as Score 16 under certain circumstances; see Section V. Programming Policies, Preventive Maintenance Funding.</p>	
<b>Operational Improvements/Enhancements</b>	<b>8</b>
<p>Operational Improvement/Enhancements - any project proposed to improve and/or enhance the efficiency of a transit facility.</p>	
<b>Operations</b>	<b>8</b>
<p>Operations—costs associated with transit operations such as the ongoing maintenance of transit vehicles including the cost of salaries. See Section V, Limited Use of FTA Funds for Operating Purposes.</p>	
<b>Expansion</b>	<b>8</b>
<p>Expansion - any project needed to support expanded service levels.</p>	

### **C. Programming Policies**

#### **Project Apportionment Model for Eligible Urbanized Areas**

There are four elements that need to be considered to determine operators' urbanized area apportionment: multi-county agreements, high-scoring capital needs, the 10% ADA set-aside amounts, the Lifeline set-aside amounts, and the Unanticipated Costs Reserve. The Regional Priority Model, as explained in paragraph (a), establishes funding priority for apportioning high-scoring capital projects to eligible urbanized areas. Funding may be limited by multi-county agreements as explained in paragraph (b) below. Eligible programming revenues are net of the 10% ADA set-aside discussed in paragraph (c) below, and the Vehicle Procurement Reserve, if any, described at the end of this section.

- a) *Regional Priority Programming Model*: The 2000 Census changes to the region's urbanized areas made numerous operators eligible to claim funds in more than one urbanized area. This has necessitated a procedure for apportioning projects to eligible urbanized areas. The *Regional Priority Model*, as described below, was fashioned to prioritize funds for the replacement of the region's transit capital plant, while minimizing the impact of the 2000 Census boundary changes. The 2010 Census did not result in any major changes to the region's urbanized areas.

The model assumes a regional programming perspective and constrains regional capital demand to the amount of funds available to the region, prior to apportioning projects to urbanized areas. It then apportions projects to urbanized areas in the following order:

- i. Funds are apportioned first for operators that are the exclusive claimant in a single UZA (e.g., LAVTA, Fairfield, etc.)
  - ii. Fund projects for operators that are restricted to receiving funds in one urbanized area (e.g., SFMTA, AC Transit, WestCAT, CCCTA, etc.)
  - iii. Fund balance of operator projects among multiple urbanized areas, as eligibility allows, with the objective of fully funding as many high scoring projects as possible.
  - iv. Reduce capital projects proportionately in urbanized areas where need exceeds funds available.
  - v. Fund lower scoring projects (additional programming flexibility) to operators in urbanized areas where apportionments exceed project need.
- b) *Multi-County Agreements*: For some operators, urbanized area (UZA) apportionments are guided by multi-county agreements. Aside from the

acknowledged agreements, funds are apportioned based on the regional priority model.

There are three specific agreements that are being honored under the negotiated multi-county agreement model: the Caltrain Joint Powers Board Agreement, the Altamont Commuter Express (ACE) Cooperative Services Agreement and the Santa Rosa UZA Agreement.

Consideration for future agreements will include representation from each interested county, interested transit property, or an appointed designee, and be approved by all operators in the affected UZA and MTC.

- c) *10% ADA Paratransit Service Set-Aside*: The FAST Act caps the share of each urbanized area's Section 5307 apportionment that can be programmed for ADA paratransit service operating costs at 10%. An amount equal to 10% of each participating urbanized area's FTA Section 5307 apportionment will be set-aside to assist operators in defraying ADA paratransit operating expenses. The purpose of this set-aside is to ensure that in any one year, a transit operator can use these funds to provide ADA service levels necessary to maintain compliance with the federal law, without impacting existing levels of fixed route service. ADA set-aside programmed to small UZA operators will not impact eligible programming amounts in large UZAs.

The formula for distributing the 10% ADA operating set-aside among the eligible operators in each UA is based on the following factors:

- (i) Annual Demand Response (DR) Operating Expenses (45%),
- (ii) Annual Demand Response (DR) Ridership (45%), and
- (iii) Annual Overall Ridership (10%)
- (iv) Operators with zero DR Operating Expenses and DR Ridership will not receive ADA set-aside.

Table 7 shows the percentages by operator and urbanized area (Data Source: NTD, Year: 2018). The table may be revised based on updated NTD data in future years.

**Table 7: ADA Set-aside Percentages by Operator and Urbanized Area**

Operator	Large UZAs					Small UZAs						
	San Francisco-Oakland	San Jose	Concord	Antioch	Santa Rosa	Vallejo	Fairfield	Vacaville	Napa	Livermore	Gilroy-MH	Petaluma
AC Transit	35.6%											
ACE	0.0%		0.0%									
BART	12.3%		27.7%	21.1%								
Caltrain	0.0%	0.0%										
CCCTA			61.0%									
Fairfield-Suisun Transit							100%					
GGBHTD	1.9%											
LAVTA			11.2%							100%		
Marin County Transit	5.5%											
Napa VINE						19.7%			100%			
Petaluma Transit												65.0%
SamTrans	13.7%											
SFMTA	28.2%											
Santa Rosa CityBus					41.0%							
SolTrans						80.3%						
Sonoma County Transit					59.0%							35.0%
SMART	0.0%				0.0%							0.0%
Tri Delta Transit				78.9%								
Union City	1.0%											
Vacaville								100%				
WestCat	1.9%											
WETA	0.0%											
VTA		100.0%									100%	
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

- 1) For small UZAs of Fairfield, Vacaville, and Napa, ADA Paratransit Programming is optional, as funds may be otherwise programmed for other operating expenses.
- 2) Formula based on three weighted factors: a) Operator's Annual Demand Response Expenses (45%), b) Operator's Annual Demand Response Ridership (45%), and c) Operator's Overall Annual Systemwide Ridership (10%).
- 3) To calculate funding amounts, multiply 10% of related urbanized area revenue estimate against percentages shown for operators in that urbanized area.
- 4) ACE, Caltrain, SMART, and WETA do not report Demand Response service statistics to NTD, and are therefore ineligible for an ADA Set-Aside share.
- 5) Percent shares are based on the 2018 NTD Report.

An operator may use its share of the FTA Section 5307 set-aside for other capital projects if the operator can certify that:

- Their ADA paratransit operating costs are fully funded in its proposed annual budget;
- For jointly-funded paratransit services, operators' FTA Section 5307 ADA set-aside shares have been jointly considered in making decisions on ADA service levels and revenues.

If MTC is satisfied with the operator's certification, the operator may re-program its set-aside for any Score 16 project(s), including those projects funded under

FG caps. To ensure that the Section 5307 10% set-aside funding is duly considered for annual ADA paratransit needs, there will be no multi-year programming of the 10% ADA set-aside to capital-only purposes.

- d) *Lifeline Set-Aside*: MAP-21 eliminated the Job Access and Reverse Commute (JARC) program (Section 5316) and combined JARC functions and funding with the Urbanized Area Formula (Section 5307) and the Non-urbanized Area Formula (Section 5311) programs. JARC projects were made eligible for 5307 funding, and 3.07% of 5307 appropriations are apportioned by the JARC low-income formula. However, there are no minimum or maximum amounts that can be programmed for JARC projects.

The region has historically used JARC funds apportioned to large urbanized areas to support the Lifeline program. In recognition of the changes to the JARC program and the continued need for funding for the Lifeline program:

- The first priority for 5307 funds apportioned by the JARC formula is the Lifeline program;
- Funds will be set aside for the Lifeline program based on an analysis of the amount of apportionments in each UZA that is apportioned by the low-income formula;
- Section 5307 funds programmed for JARC projects shall be subject to the Lifeline Program guidelines in effect for that year of programming, rather than to the TCP Policies, provided such projects are consistent with federal laws and regulations related to Section 5307.

#### **Limited Use of FTA Funds for Operating Purposes**

FTA permits the use of FTA Section 5307 small urbanized funds to be used for operating purposes. For operators eligible to claim in both large and small urbanized areas, the amount of funds used for operating will be deducted from the amount of capital claimed in the large UA.

MAP-21 provided new eligibility for small and medium-sized bus operators in large urbanized areas to use Section 5307 funds for operating assistance. For operators with up to 75 buses, 75% of the urbanized area's apportionment attributable to the operator (as measured by vehicle revenue hours) may be programmed for operating assistance. For operators with 76 to 100 buses, 50% of the urbanized area's apportionment attributable to the operator (as measured by vehicle revenue hours) may be programmed for operating assistance. Eligible operators may request operating assistance up to the maximum eligible amount, but operating assistance will be programmed only after higher scoring projects in the urbanized area are funded. Operating assistance requests will be treated at Score 8 in the programming process (see Table 6 Project Scores above).

### **Specified Urbanized Area Flexibility**

In urbanized areas with only one transit operator (Fairfield, Vacaville, Napa) greater flexibility for funding lower scoring projects will be allowed, providing that other operators in the region are not impacted. These operators will also be allowed to use funds for operating, without reduction of funding for capital projects, providing that capital is adequately maintained and replaced on a reasonable schedule as outlined in each operator's SRTP or other board-approved capital plan, and in accordance with goals outlined in the RTP for maintaining the region's capital plant (maintenance of effort).

### **Associated Transit Improvements**

The FAST act eliminated the requirement that 1% of the FTA section 5307 apportionments in large urbanized areas be programmed for Associated Transit Improvements (formerly referred to as transit enhancements). However, designated recipients must still submit an annual report listing projects carried out in the preceding year with these funds as part of the Federal fiscal year's final quarterly progress report in TrAMS. The report should include the following elements:

- (A) Grantee name;
- (B) UZA name and number;
- (C) FTA project number;
- (D) Associated transit improvement category;
- (E) Brief description of improvement and progress towards project implementation;
- (F) activity line item code from the approved budget; and
- (G) Amount awarded by FTA for the project. The list of associated transit improvement categories and activity line item (ALI) codes may be found in the table of Scope and ALI codes in TrAMS. To assist MTC staff in preparing this report, grantees should continue to identify associated transit improvement projects that will receive funding from the Urbanized Area Formula Program.

### **Preventive Maintenance Funding**

Preventive maintenance will be considered a Score 9 funding priority in Transit Capital Priorities, unless the conditions for one of the following four policy elements are met, in which case preventive maintenance will be treated as Score 16. For an individual operator to make use of preventive maintenance funding, other operators in the region must be able to move forward with planned capital replacement. It is the intent of this policy that funding for preventive maintenance will not increase the region's transit capital shortfall.

- a) *Funding Exchange*: Operators who wish to exchange a capital project for preventive maintenance funding in order to use their local or state funds to

ease federal constraints or strictly as a financing mechanism may do so providing that the replacement asset funded with local funds is comparable to the asset being replaced and is maintained in service by the purchasing operator for its full useful life as outlined in Section V. The Funding Exchange element can be applied to lower scoring capital projects as well as preventive maintenance. Operators using the Funding Exchange element must certify in writing that the assets will be replaced with non-federal funds.

- b) *Capital Exchange*: In this option, an operator could elect to remove an eligible capital project from TCP funding consideration for the useful life of the asset in exchange for preventive maintenance funding. The funding is limited to the amount of capital funding an operator would have received under the current TCP policy in a normal economic climate. If an operator elects to replace the asset - removed from regional competition for funding under these provisions – earlier than the timeline established for its useful life, the replacement will be considered an expansion project. Operators using the Capital Exchange element will be limited to two years preventive maintenance funding within a 12-year period.
- c) *Negotiated Agreement within an Urbanized Area*: In the third option, an operator may negotiate with the other operators in the affected urbanized areas to receive an amount of preventive maintenance funding, providing that a firewall is established between the affected urbanized area(s) and all other urbanized areas. This will ensure that other operators’ high-scoring capital replacement projects are not jeopardized.
- d) *Budgetary Shortfalls*: Requests for preventive maintenance to meet budgetary shortfalls will be considered on a case-by-case basis if a fiscal need can be demonstrated by the requesting operator based on the guidelines outlined below. MTC must declare that a fiscal need exists to fund preventive maintenance where such action would displace higher scoring capital projects ready to move forward in a given fiscal year. A fiscal need can be declared if the following conditions exist:
  - An operator must demonstrate that all reasonable cost control and revenue generation strategies have been implemented and that a residual shortfall remains.
  - An operator can demonstrate that the shortfall, if not addressed, would result in a significant service reduction.

The Commission will consider the severity of the shortfall and the scope and impact of the service cuts in determining whether fiscal need exists. Operators establishing a fiscal need must also adhere to the following four requirements in order to be eligible to receive funding for preventive maintenance:

- i. Operators must successfully show a board approved bridging strategy that will sustain financial recovery beyond the year for which preventive maintenance is requested.



- ii. The bridging strategy should not rely on future preventive maintenance funding to achieve a balanced budget. In other words, should a service adjustment be required to balance the budget over the long run, preventive maintenance should not be invoked as a stopgap to inevitable service reductions.
- iii. Funds programmed to preventive maintenance should not be considered as a mechanism to sustain or replenish operating reserves.
- iv. Operators requesting FTA formula funds will be limited to two years preventive maintenance funding within a 12-year period.

The requesting operator will enter into an MOU with MTC or other formal agreement or action, such as Board approvals, and if applicable, with other transit properties affected by the preventive maintenance agreement. The agreement or actions will embody the four eligibility requirements outlined above as well as any other relevant terms and conditions of the agreement.

e) Emergency duration special protocols:

Until the Commission removes them, the following special protocols are in effect for this section due to the Covid-19 pandemic.

- Operating funding is eligible in addition to preventive maintenance funding, for those operators eligible under FTA rules, including applicable Emergency Relief provisions enacted by FTA.

Under declaration of fiscal need:

- Operator demonstration of implementation of reasonable cost control and revenue generation strategies may take into account special pandemic factors such as stopping fare collection for public safety, service levels that allow for physical distancing by passengers, and avoidance of deep service and labor cuts in anticipation of recovery.
- Operator demonstration that shortfall not being addressed would result in significant service reduction may likewise take into account pandemic factors, such as already-reduced schedules and transition schedules planned for a return to full service.

Under operator requirements for eligibility:

- Bridging strategy does not need to be approved by operator's board. However, it should still be prepared at the staff level, and will be summarized for the Commission as part of any program recommendations.

-The provision limiting two years of preventive maintenance/operations funding within a 12-year period will not apply during this emergency period.

The MOU requirement listed above in subsection (d) is waived.

Emergency relief requests and programming are subject to the Principles for Redirecting Funds to Transit Operators (Appendix 3).

### **Vehicle Procurement Reserves**

The TCP Program may reserve funds for future programming for major vehicle replacement/procurement projects (e.g. BART, SFMTA, Caltrain). The programming of such reserves will be based on the cash-flow needs of the projects and available revenue streams.

### **Grant Spend-down Policy**

This policy conditions new programming on the expenditure of prior year grants in order to direct the region's limited funds to the projects most in need of additional resources and accelerate the delivery of TCP projects.

The focus of this policy is on fixed guideway (FG) projects, as vehicle procurement projects are generally completed in a timely manner. Each year, MTC staff will calculate the balance of older FG grants from TrAMS data in consultation with each operator. The goal amounts will be compared against TrAMS grant balances for the appropriate grants in September of each year to determine if the goals have been met. The policy establishes a target for spending a specified percentage of the grant balance each year. Table 9 below explains the spend-down goals for each program year.

If the goals for each operator are met, the full FG cap amounts specified for that operator in the relevant section above will be programmed, subject to funding availability. However, if the target is not met, staff will defer the FG funding for those operators not meeting their goals proportionate to the percentage of the prior-year grants unexpended. If the goal is then met in subsequent years, the full FG cap would be programmed, subject to funding availability. Additionally, operators will have the opportunity to request deferred FG cap amounts in later years, subject to meeting their grant spend-down goals and availability of funding. Programming of these deferred caps will be treated as a lower priority than other Score 16 projects.

#### *Restoration of Deferred Fixed Guideway Caps:*

- Voluntarily-deferred caps: the deferred amount will be programmed in the year of the operator's choosing, programmed as a prior-year commitment.
- Involuntarily-deferred caps: in years when additional funding is available, after meeting Debt Service payment requirements, a subcommittee of the FG operators will be called to evaluate proposals to restore prior-year involuntarily

deferred caps. The recommendations of this subcommittee will be considered for programming recommendations to the Commission.

- Restoration of any deferred caps to an operator, whether voluntary or involuntary, would be rescinded if the operator does not meet their spend-down target in the same year.
- Operators who do not meet their spend-down target in the year of a proposed restoration or the immediately-prior year would not be eligible for cap restoration.

Fixed guideway programming for FY2020-21 will be based on an analysis of grant spending through September of 2020. Future programming will include the full cap amounts, but will be conditioned on meeting the grant spend-down goals in the appropriate year. Should an operator not meet its target in a given year, the FG cap amount in the preliminary program would be reduced accordingly in that year’s POP amendment.

**Table 9: FY2020-21 to FY2024-25 Program Grant Spend-Down Policy**

Program Year	Basis for Balance	Spend-Down Target	Spend-Down Period
FY2020-21	Undisbursed balance of FG grants awarded FY2014-15 or earlier, as of 9/2017	Remaining balance, as of 9/2019	9/2019 to 9/2020
FY2021-22	Undisbursed balance of FG grants awarded FY2017-18 or earlier, as of 9/2020	1/4 of balance	9/2020 to 9/2021
FY2022-23		1/3 of remaining balance, as of 9/2021	9/2021 to 9/2022
FY2023-24		1/2 of remaining balance, as of 9/2022	9/2022 to 9/2023
FY2024-25		Remaining balance, as of 9/2023	9/2023 to 9/2024

**Joint Procurements**

In recognition of the policy direction of the Transit Sustainability Project Resolution No. 4060, before TCP funds are programmed for revenue vehicles, non-revenue vehicles, communications and vehicle location systems, fare collection equipment, bus emission reduction devices, computer systems, including management information systems and maintenance/asset management systems, or other equipment, operators must evaluate and pursue, as appropriate, opportunities for joint procurements and integrated operations with other operators. The “Compensation for Cost Effective Bus Purchases” that was introduced into the TCP Policy with the prior update will provide operators an extra incentive to pursue joint procurement opportunities. MTC will coordinate discussions if requested.

**Transit Asset Management**

FTA issued a final rule related to transit asset management and NTD reporting for transit providers in July, 2016; the effective date of the rule is October 1, 2016. The rule establishes a National Transit Asset Management (TAM) System in accordance with the Moving Ahead for Progress in the 21<sup>st</sup> Century Act (MAP-21). The National TAM System elements include the definition of “state of good repair”, a requirement that providers develop and carry out a TAM plan, performance measures and targets for capital assets, reporting requirements, and the application of analytical processes and decision support tools.

### ***Implementation Timeline & Rule Compliance***

#### *TAM Plans*

A provider’s initial TAM plan must be completed no later than two years after the effective date of the final rule i.e. by September 2018. A TAM Plan must cover a horizon period of at least four (4) years and must be updated at least once every four years. The Plan update should coincide with the planning cycle for the relevant Transportation Improvement Program or Statewide Transportation Improvement Program.

#### TAM Plan Requirements

TAM Plan Requirements apply to all direct recipients and sub-recipients of Federal financial assistance under 49 U.S.C. Chapter 53 that own, operate, or manage capital assets used for providing public transportation. The TAM Plan requirements also vary based on whether the provider is a Tier 1, or Tier 2 provider:

- Tier 1 Providers – All rail transit providers and all recipients that own, operate or manage 101 or more vehicles in revenue service during peak regular service across all fixed route modes or in any one non-fixed route mode. Tier 1 providers must develop TAM plans including elements 1 – 9 listed below.
- Tier 2 Providers – A recipient that owns, operates, or manages 100 or fewer vehicles in revenue service during peak regular service across all non-rail fixed route modes or in any one non-fixed route mode, or is a sub-recipient under the 5311 Rural Area Formula Program. Tier 2 operators may develop their own TAM plan or participate in a group TAM plan and need only include elements 1 – 4 as listed below. A sponsor must develop a group TAM plan for its Tier 2 sub-recipients, except those sub-recipients that are also direct recipients under 49 U.S.C. 5307.

#### *TAM Plan Elements*

- i. An inventory of the number and type of capital assets owned by the provider except equipment with an acquisition value under \$50,000 that is not a service vehicle. The inventory must include third-party owned or jointly procured exclusive-use maintenance facilities, administrative facilities, rolling stock, and guideway infrastructure used by a provider in the provision of public transportation. The asset inventory must be

- organized at a level of detail commensurate with the level of detail in the provider's program of capital projects.
- ii. A condition assessment of those inventoried assets for which a provider has direct capital responsibility.
  - iii. A description of the analytical processes or decision-support tools that a provider uses to estimate capital investment needs over time and develop its investment prioritization.
  - iv. A provider's project-based prioritization of investments
  - v. A provider's TAM and SGR policy
  - vi. A provider's TAM plan implementation strategy
  - vii. A description of key TAM activities that a provider intends to engage in over the TAM plan horizon period
  - viii. A summary or list of the resources, including personnel, that a provider needs to develop and carry out the TAM plan; and
  - ix. An outline of how a provider will monitor, update, and evaluate, as needed, its TAM plan and related business practices to ensure continuous improvement of TAM practices

MTC is proposing that the region take a coordinated approach in complying with the rule, in order to maximize the potential for region-wide benefits, including, but not limited to, the development of a group plan for Tier 2 operators.

#### Performance Targets

Additionally, recipients need to report on the condition of their system and performance targets. The final rule establishes SGR standards and four SGR performance measures. Targets for the following fiscal year must be set, for each applicable asset class, each year. To the extent practicable, a provider must coordinate with the States and MPOs in the selection of State and MPO performance targets. In addition, MTC will need to set regional performance targets for transit asset condition.

The individual operator targets will also serve as the basis of the regional performance targets. To facilitate the translation of operator to regional performance targets, MTC is proposing some parameters for operators to follow in the setting of their agency TAM targets, including:

- Consistency with Plan Bay Area and Transit Capital Priorities (TCP) Policies – With a goal of establishing a nexus between performance targets and MTC's programming and planning policies, transit operator performance targets should be as consistent as possible with Plan Bay Area investments and current programming policies.
- Limited/Consistent Asset Classes – Since targets are required to be set for each relevant asset class, MTC is proposing to limit or consolidate the number of motor bus asset classes that have associated targets to be consistent with the bus/van price list used in the TCP process and guidance from the FTA on target-

setting by asset class for facilities. Without some standardization of asset classes, the variations of asset classes among operators would result in an unwieldy number of targets.

MTC, as a designated recipient, is required to report to the Department of Transportation on the condition of its recipients' public transportation systems and performance targets. Therefore, all operators are required to report their targets to MTC prior to the end of each calendar year.

**Transit Core Capacity Challenge Grant Program: Resolution No. 4123**

The Transit Core Capacity Challenge Grant program (CCCGP) makes a policy commitment of approximately \$7.4 billion in federal, state, regional and local funds over the FY2014-15 to FY2029-30 period to high-priority transit capital projects that will improve the capacity and state of good repair of transit services in the urban core of the region.

The \$7.4 billion Core Capacity Challenge Grant program:

- \* Focuses on the SFMTA, BART, and AC Transit – the three transit operators that carry 80% of the region's passengers as well as more than three-quarters of the minority and low-income passengers.
- \* Leverages regional discretionary funds and local contributions, including proposed Cap and Trade revenue.
- \* Accelerates and solidifies funding for fleet replacement projects, and identifies new funding for key enhancement projects.
- \* Requires that the participating operators meet the performance objectives of the Transit Sustainability Project.

TCP programming for all projects identified in the CCCGP will be consistent with the funding amounts, local match requirements and other terms and conditions specified in MTC Resolution No. 4123.

All projects proposed for TCP funding in the CCCGP that are not otherwise Score 16 will be treated as Score 16. CCCGP fixed guideway infrastructure projects included in the CCCGP program of projects may be funded with a combination of fixed guideway cap funds and additional TCP funds above the operator's fixed guideway cap. Programming for CCCGP projects is based on cash flow needs, funding availability, and other policy elements.

In order to meet cash flow needs of the CCCGP and other TCP projects in years in which project funding needs exceed the region's annual FTA apportionments, financing may be required to advance future FTA/STP revenues. Debt service, including principal and interest payments, for any such financing will be treated as Score 17.



### **Financing**

MTC staff, working with financial and legal advisors, and transit operator staff through the Partnership's Transit Finance Working Group, has been developing plans to finance one or more transit capital projects by borrowing against future Federal Transit Administration (FTA) formula funds. The projects would be funded all or in part with proceeds of the financing, rather than annual FTA apportionments programmed through the Transit Capital Priorities (TCP) program. A portion of the region's apportionments would be used to make debt service payments. The objective of financing is to accelerate the funding and delivery of critical capital projects by advancing FTA funds from future years when annual apportionments are projected to exceed high-priority needs, to the next four-year TCP programming cycle, when needs are projected to exceed annual apportionments.

The need for financing was anticipated when MTC adopted the Core Capacity Challenge Grant Program (Resolution 4123) in 2013, which established a \$7.5 billion, 16-year funding framework for a set of key projects designed to increase capacity and improve the state of good repair of transit service in the urban core of the region, including fleet replacement and expansion for BART, SFMTA and AC Transit, and related infrastructure projects. The Core Capacity funding plan includes \$3.5 billion in FTA and other federal funds, of which a portion would be advanced through financing to accelerate completion of the projects.

The specific terms of any financing would be subject to agreements between the operator and MTC, MTC, the operator, and FTA, and MTC and bondholders. Debt service, including principal and interest payments, will have the highest priority among programming needs and will receive a Score 17 in developing the program. Debt service will be paid from apportionments in the same urbanized area(s) in which the operator whose project(s) are being financed is eligible. It is expected that any debt would be repaid over a 10-15 year period.

### **Vanpool Reporting & Programming**

MTC's vanpool subsidy program began November 1, 2018. MTC began reporting vanpool data to NTD in 2019 for FY2018-19. Staff may propose to include in the TCP program, starting with the FY2020-21 program, 5307 funds for the Vanpool Support Program.

The amount proposed for programming from each urbanized area will not exceed the projected apportionments generated by vanpool reporting in the urbanized area. Any apportionments that are generated by vanpool reporting but are not programmed for the Vanpool Support Program will be available for programming to transit operator projects following the TCP programming guidelines. Staff anticipates submitting its own 5307 grants to FTA to request funds programmed for the Vanpool Support Program, but may elect to ask one or more transit operators to request the funds on MTC's behalf, and enter into a pass-through agreement with MTC.



#### **IV. ONE BAY AREA GRANT PROGRAM TRANSIT CAPITAL PROGRAM**

The Commission's One Bay Area Grant Program Second Round (OBAG 2) Project Selection Criteria and Programming Policy for FY2017-18 through FY 2021-22, MTC Resolution No. 4202, Revised, includes \$189 million in STP/CMAQ funding for transit priorities, including BART car replacement and expansion, replacement of Clipper equipment and development of Clipper 2.0, and the TPI Program. Specific projects are included in Attachment B-1 to MTC Resolution No. 4202, Revised.

The Commission is expected to adopt the Cycle 3 / One Bay Area Grant Program (OBAG 3) Program Project Selection Criteria and Programming Policy for FY2022-23 through FY 2026-27 in calendar year 2021.

This section specifies the programming policies for OBAG 2 funds for TCP projects, and will be updated to the extent that OBAG 3 includes funding for transit capital needs.

##### **Transit Capital Priorities**

Certain OBAG 2 funds are programmed for transit capital replacement and rehabilitation projects to supplement the FTA funds in the Transit Capital Priorities program. OBAG 2 funds for TCP projects will be programmed using the same policies and procedures as used for the FTA formula funds, as specified in Section III. FTA Formula Funds, with priority given to Score 16 projects that meet the eligibility criteria for STP or CMAQ, and that cannot be fully funded with FTA funds within the program's fiscal constraints.

**APPENDIX 1 – BOARD RESOLUTION**

***Sample Resolution of Board Support  
FTA Section 5307, 5337, and 5339, and Surface Transportation Program Project Application***

Resolution No. \_\_\_\_\_

**AUTHORIZING THE FILING OF AN APPLICATION FOR FTA FORMULA PROGRAM AND SURFACE  
TRANSPORTATION PROGRAMS FUNDING FOR (project name) AND COMMITTING THE  
NECESSARY LOCAL MATCH FOR THE PROJECT(S) AND STATING THE ASSURANCE OF (name of  
jurisdiction) TO COMPLETE THE PROJECT**

**WHEREAS**, Fixing America’s Surface Transportation (FAST, Public Law 114-94) continues and establishes new Federal Transit Administration formula programs (23 U.S.C. §53) and continues the Surface Transportation Program (23 U.S.C. § 133); and

**WHEREAS**, pursuant to FAST, and the regulations promulgated there under, eligible project sponsors wishing to receive Federal Transit Administration (FTA) Section 5307 Urbanized Area, Section 5337 State of Good Repair, or Section 5339 Bus and Bus Facilities (collectively, FTA Formula Program) grants or Surface Transportation Program (STP) grants for a project shall submit an application first with the appropriate metropolitan transportation planning organization (MPO), for review and inclusion in the MPO's Transportation Improvement Program (TIP); and

**WHEREAS**, the Metropolitan Transportation Commission is the MPO for the San Francisco Bay region; and

**WHEREAS**, (applicant) is an eligible project sponsor for FTA Formula Program or STP funds; and

**WHEREAS**, (applicant) wishes to submit a grant application to MTC for funds from the FY2020-21 FTA Formula Program or STP funds, for the following project(s):  
(project description) .

**WHEREAS**, MTC requires, as part of the application, a resolution stating the following:

- 1) the commitment of necessary local matching funds (18-50% for FTA Formula Program funds, depending on project type, and 11.47% for STP funds); and
- 2) that the sponsor understands that the FTA Formula Program and STP funding is fixed at the programmed amount, and therefore any cost increase cannot be expected to be funded from FTA Formula Program or STP funds; and

- 3) the assurance of the sponsor to complete the project as described in the application, and if approved, as programmed in MTC's TIP; and
- 4) that the sponsor understands that FTA Formula Program funds must be obligated within three years of programming and STP funds must be obligated by January 31 of the year that the project is programmed for in the TIP, or the project may be removed from the program.

**NOW, THEREFORE, BE IT RESOLVED** by (governing board name) that (applicant) is authorized to execute and file an application for funding under the FTA Formula Program and/or Surface Transportation Program in the amount of (\$request) for (project description); and

**BE IT FURTHER RESOLVED** that (governing board) by adopting this resolution does hereby state that:

- 1) (applicant) will provide (\$ match amount) in local matching funds; and
- 2) (applicant) understands that the FTA Formula Program and STP funding for the project is fixed at ( \$ actual amount), and that any cost increases must be funded by the (applicant) from local matching funds, and that (applicant) does not expect any cost increases to be funded with FTA Formula Program and Surface Transportation Program funds; and
- 3) (project name) will be built as described in this resolution and, if approved, for the amount shown in the Metropolitan Transportation Commission (MTC) Transportation Improvement Program (TIP) with obligation occurring within the timeframe established below; and
- 4) The program funds are expected to be obligated by January 31 of the year the project is programmed for in the TIP; and
- 5) (applicant) will comply with FTA requirements and all other applicable Federal, State and Local laws and regulations with respect to the proposed project; and

**BE IT FURTHER RESOLVED\***, that (agency name) is an eligible sponsor of projects in the program for FTA Formula Program and STP funds; and

**BE IT FURTHER RESOLVED\***, that (agency name) is authorized to submit an application for FTA Formula Program and STP funds for (project name); and

**BE IT FURTHER RESOLVED\***, that there is no legal impediment to (agency name) making applications for FTA Formula Program and STP funds; and

**BE IT FURTHER RESOLVED\***, that there is no pending or threatened litigation which might in any way adversely affect the proposed project, or the ability of (agency name) to deliver such project; and

**BE IT FURTHER RESOLVED**, that (agency name) agrees to comply with the requirements of MTC's Transit Coordination Implementation Plan as set forth in MTC Resolution 3866; and

**BE IT FURTHER RESOLVED** that a copy of this resolution will be transmitted to the MTC prior to MTC programming the FTA Formula Program or Surface Transportation Program funded projects in the Transportation Improvement Program (TIP); and

**BE IT FURTHER RESOLVED** that the MTC is requested to support the application for the project described in the resolution and to program the project, if approved, in MTC's TIP.

**\* Not required if opinion of counsel is provided instead.**

**APPENDIX 2 – OPINION OF COUNSEL**

***Sample Opinion of Legal Counsel***  
***FTA Section 5307, 5337, 5339 and STP Project Application***

(Date)

To: Metropolitan Transportation Commission  
Fr: (Applicant)  
Re: Eligibility for FTA Section 5307 Program, FTA 5337 State of Good Repair Program, FTA 5339 Bus and Bus Facilities Program, and Surface Transportation Program (STP)

This communication will serve as the requisite opinion of counsel in connection with the application of (Applicant) \_ for funding from the FTA Section 5307, 5337 or 5339 programs, or STP, made available pursuant to the Fixing America’s Surface Transportation federal transportation authorization (FAST, Public Law 114-94) or successor legislation.

1. (Applicant) is an eligible sponsor of projects for the FTA Section 5307, 5337 or 5339 programs, or the STP program.
2. (Applicant) is authorized to submit an application for FTA Section 5307, 5337 or 5339 funding, or STP funding for (project).
3. I have reviewed the pertinent state laws and I am of the opinion that there is no legal impediment to (Applicant) making applications FTA Section 5307, 5337 or 5339 program funds, or STP funds. Furthermore, as a result of my examinations, I find that there is no pending or threatened litigation which might in any way adversely affect the proposed projects, or the ability of (Applicant) to carry out such projects.

Sincerely,

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Legal Counsel

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Print name

***Optional Language to add to the Resolution for Local Support***

Project sponsors have the option of consolidating the 'Opinion of Legal Counsel' within the Resolution of Local Support, by incorporating the following statements into the Resolution of Local Support:

***Resolved, that (agency name) is an eligible sponsor of projects in the FTA Formula Program and STP Programs; and be it further***

***Resolved, that (agency name) is authorized to submit an application for FTA Formula Program and STP funds for (project name); and be it further***

***Resolved, that there is no legal impediment to (agency name) making applications for FTA Formula Program and STP funds; and be it further***

***Resolved, that there is no pending or threatened litigation which might in any way adversely affect the proposed project, or the ability of (agency name) to deliver such project; and be it further***

If the above language is not provided within the Resolution of Local Support, an Opinion of Legal Counsel is required as provided (Appendix 2).

### **APPENDIX 3 – PRINCIPLES FOR REDIRECTING FUNDS TO TRANSIT OPERATIONS**

**(As approved by Commission on December 16, 2020)**

These principles apply to fund sources that are under the direct authority of the Metropolitan Transportation Commission to program, allocate, distribute or otherwise control; and that such fund sources allow flexibility to direct to transit operations within existing statutory authorities.

1. Use funding to smooth the transition to a transit system based on service demand and available resources. – A re-direction of funding for transit operations would be intended as temporary relief, not an ongoing subsidy. The Commission seeks to aggressively pursue new funding at the federal and state levels to help catalyze a financial recovery for public transit that approaches its status prior to the COVID-19 pandemic and its devastating impacts on ridership. Until which time such aid and recovery are realized, these investment principles and any attendant actions are designed to ease the disruption.

To ease the disruption to agency labor forces and the public, funding should provide a “glide path” to an optimized system, once the availability of future operating resources and the demand for service are better understood. An expected federal funding relief package, a proposed vaccine roll-out plan, or other similar information could be important factors to right-size the system and establish a transition glide path.

2. The benefits of redirecting funds to transit operations should outweigh the disbenefits. – The opportunity costs or trade-offs involved with re-directing funds from their intended usage to transit operations can include, but are not limited to:
  - Capital job losses
  - Safety and reliability concerns if fund source is normally directed to state of good repair purposes
  - Other pandemic recovery strategies including bicycle/pedestrian, mobility, and regional programs and projects
  - Inability to implement Plan Bay Area /Sustainable Communities Strategy goals, priorities and climate objectives, and meet multiple federal performance requirements
  - Inability to fund county priorities including congestion relief and multi-modal improvements; including loss of leveraged state and federal competitive funds
  - The ability of transit service benefitting from redirected funds to address the needs of those most dependent on its preservation, and for whom mobility options present undue burdens

Further, the degree of impact that a redirection of a specific funding source might have, given the scale of operations funding need, should be considered. An analysis of the relevant costs and benefits should be conducted prior to the redirection of funding.

3. Specific to the federal transit formula funds programmed within the Transit Capital Priorities (TCP) process, the distribution of funds redirected from transit capital priorities to transit operations or preventive maintenance should promote fairness and balance of need across Bay Area operators. – Funds normally used to improve the state of repair of transit capital assets in the region are distributed based on capital rehabilitation and replacement need, limitations posed by federal Urbanized Area (UA) eligibility, and negotiated agreements related to the distribution of formula funds among eligible operators within UAs. Funding redirected from transit capital priorities to transit operations for any particular operator, should be treated as an advance against future funding shares for that operator.
  
4. Any transit operator utilizing funding subject to these principles to preserve or otherwise enable transit service during the COVID-19 recovery, commits to providing that service consistent with the Transformational Transit Action Plan emerging from the Commission’s Blue Ribbon Transit Recovery Task Force. Such investment is intended not as a discrete and singular act, but as part of a suite of actions underway to stabilize transit service overall during the current pandemic crisis, and position that foundation to build a strategic recovery that better addresses the needs of Bay Area transit customers into the future.



# APPENDIX A – 23

## *Regional Policies: Project Funding and Specific Funding Programs*

**San Francisco Bay Area Transit Capital Priorities  
(FTA Sections 5307, 5337 and 5339)  
Program of Projects for  
FY 2021-22 thru FY 2023-24  
MTC Resolution No. 4510**



Date: March 23, 2022  
W.I.: 1512  
Referred By: PAC  
Revised: 05/25/22-C

ABSTRACT

Resolution No. 4510

This resolution approves the FY2021-22 through FY2023-24 Transit Capital Priorities preliminary program of projects for inclusion in the Transportation Improvement Program (TIP). The program includes projects funded with FTA Section 5307 Urbanized Area, Section 5337 State of Good Repair, and Section 5339 Bus and Bus Facilities Formula Programs. In addition, One Bay Area Grant Cycle 2 (OBAG 2) Transit Priorities funds are programmed in MTC Resolution No. 4202, and AB 664 Bridge Toll revenues and BATA Project Savings are programmed in MTC Resolution No. 4513 and Resolution No. 4169, respectively, for FYs 2021-22 through 2023-24 Transit Capital Priorities projects. This resolution will be amended to add the remainder of the FY2021-22 through FY2023-24 Transit Capital Priorities program at a future date, and to adjust for actual FTA apportionments.

This Resolution includes the following attachments:

Attachment A – FY2021-22 Program of Projects

Attachment B – FY2022-23 Program of Projects

Attachment C – FY2023-24 Program of Projects

Attachment D – FY2021-22 through FY2023-24 Programming Notes

Attachments A through D of this resolution were revised on May 25, 2022 to make revisions to the Transit Capital Priorities Program of Projects for FYs 2021-22 through 2023-24 as requested by operators, to set aside funds for fixed guideway cap increases and zero emission bus infrastructure, and to reconcile the program to final FTA apportionments in FY 2021-22.

Further discussion of the TCP program of projects is contained in the Programming and Allocations Committee summary sheets dated March 9, 2022 and May 11, 2022.

Date: March 23, 2022  
W.I.: 1512  
Referred By: PAC

RE: San Francisco Bay Area Regional Transit Capital Priorities Program

METROPOLITAN TRANSPORTATION COMMISSION  
RESOLUTION NO. 4510

WHEREAS, the Metropolitan Transportation Commission (MTC) is the regional transportation planning agency for the San Francisco Bay Area pursuant to Government Code Sections 66500 et seq.; and

WHEREAS, MTC is the designated Metropolitan Planning Organization (MPO) for the nine-county Bay Area and is required to prepare and endorse a Transportation Improvement Program (TIP) which includes a list of priorities for transit capital projects; and

WHEREAS, MTC is the designated recipient of the Federal Transit Administration (FTA) Section 5307 Urbanized Area, Section 5337 State of Good Repair, and Section 5339 Bus and Bus Facilities funds for the large urbanized areas of San Francisco-Oakland, San Jose, Concord, Antioch, and Santa Rosa, and has been authorized by the California Department of Transportation (Caltrans) to select projects and recommend funding allocations subject to state approval for the FTA Section 5307 and Section 5339 funds for the small urbanized areas of Vallejo, Fairfield, Vacaville, Napa, Livermore, Gilroy-Morgan Hill, and Petaluma in MTC's Federal Transportation Improvement Program; and

WHEREAS, MTC has worked cooperatively with the cities, counties and transit operators in the region and with Caltrans to establish priorities for the transit capital projects to be included in the TIP; and

WHEREAS, the process and criteria used in the selection and ranking of such projects are set forth in MTC Resolution No. 4444; and

WHEREAS, the projects to be included in the TIP are set forth in the detailed project listings in Attachments A-C, which is incorporated herein as though set forth at length; now, therefore, be it

RESOLVED, that MTC adopts the FY2021-22 through FY2023-24 Transit Capital Priorities program of projects to be included in the TIP as set forth in Attachments A-C; and, be it further

RESOLVED, that the Executive Director or designee is authorized to revise Attachments A-D as necessary to reflect the programming of projects as the projects are revised in the TIP; and be it further

RESOLVED, that the Executive Director of MTC is authorized and directed to forward a copy of this resolution to FTA, and such agencies as may be appropriate.

METROPOLITAN TRANSPORTATION COMMISSION

A handwritten signature in black ink, consisting of a large, stylized 'A' followed by a long horizontal line extending to the right.

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Alfredo Pedroza, Chair

The above resolution was entered into by the Metropolitan Transportation Commission at a regular meeting of the Commission held in San Francisco, California and at other remote locations on March 23, 2022.

FY 2021-22 Transit Capital Priorities / Transit Capital Rehabilitation Program						
TIP ID	Operator	Project Description	Total FTA Program	FTA Section 5307	FTA Section 5337	FTA Section 5339
<b>Actual Apportionments</b>			<b>652,894,201</b>	<b>309,591,917</b>	<b>329,005,589</b>	<b>14,296,695</b>
<b>Previous Year Carryover</b>			<b>3,059,533</b>	<b>2,449,917</b>	<b>-</b>	<b>609,616</b>
<b>Funds Available for Programming</b>			<b>655,953,733</b>	<b>312,041,834</b>	<b>329,005,589</b>	<b>14,906,310</b>
<b>MTC Debt Service</b>						
REG170023	MTC	Debt Service	-	-	-	-
<b>Lifeline Set-Aside</b>						
TBD	TBD - Lifeline	TBD - Reserved for future programming	-	-	-	-
<b>ADA Operating Set-Aside</b>						
VAR210003	AC Transit	ADA Paratransit Assistance	6,729,308	6,729,308	-	-
VAR210003	BART	ADA Paratransit Capital Accessibility Improvements	3,381,044	3,381,044	-	-
VAR210003	CCCTA	ADA Paratransit Assistance	1,823,750	1,823,750	-	-
VAR210003	ECCTA	ADA Operating Assistance	852,076	852,076	-	-
VAR210003	LAVTA	ADA Paratransit Operating Subsidy	546,984	546,984	-	-
VAR210003	MCTD	ADA Paratransit Assistance	1,039,640	1,039,640	-	-
VAR210003	Napa Vine	ADA Operating Assistance	442,601	442,601	-	-
VAR210003	Petaluma	ADA Set-Aside	103,359	103,359	-	-
VAR210003	SamTrans	ADA Paratransit Operating Subsidy	2,589,649	2,589,649	-	-
VAR210003	Santa Rosa	ADA Operating Assistance	313,314	313,314	-	-
VAR210003	SFMTA	ADA Paratransit Operating Support	5,330,519	5,330,519	-	-
VAR210003	SolTrans	ADA Paratransit Operating Subsidy	475,285	475,285	-	-
VAR210003	Union City	ADA Set-Aside	189,025	189,025	-	-
VAR210003	VTA	ADA Operating Set-Aside	5,224,040	5,224,040	-	-
VAR210003	Westcat	ADA Paratransit Operating Subsidy	359,148	359,148	-	-
<b>Total Program Set-asides and Commitments</b>			<b>29,399,742</b>	<b>29,399,742</b>	<b>-</b>	<b>-</b>
<b>Funds Available for Capital Programming</b>			<b>626,553,991</b>	<b>282,642,092</b>	<b>329,005,589</b>	<b>14,906,310</b>
<b>Capital Projects</b>						
ALA990052	AC Transit	ADA Operating Depreciation Costs from 3 Vendors	1,634,374	1,634,374	-	-
NEW	AC Transit	Replace (23) 40ft Urban Buses - Diesel	6,878,238	-	-	6,878,238
ALA170048	ACE	ACE Fixed Guideway (Capitalized Maintenance)	1,594,000	-	1,594,000	-
NEW	ACE	ACE Railcar Replacement	3,200,000	-	3,200,000	-
ALA210008	ACE	ACE Capital Access Fee	1,426,707	1,426,707	-	-
ALA090065	BART	Fare Collection Equipment	6,360,000	-	6,360,000	-
ALA190014	BART	Elevator Renovation Program	7,000,000	-	7,000,000	-
BRT030004	BART	Train Control Renovation	10,240,000	-	10,240,000	-
BRT030005	BART	Traction Power System Renovation	10,240,000	-	10,240,000	-
BRT97100B	BART	Rail,Way, and Structures Program	17,406,000	-	17,406,000	-
REG090037	BART	Railcar Replacement Program	126,236,167	89,369,064	36,867,103	-
SM-03006B	Caltrain	Systemwide Track Rehabilitation	9,038,600	-	9,038,600	-
SM-050041	Caltrain	Comm. System/Signal Rehab.	2,554,400	-	2,554,400	-
SM-170010	Caltrain	TVM Project	2,080,000	-	2,080,000	-
NEW	CCCTA	Replace 40ft Diesel Buses - Diesel	18,048,000	17,134,616	-	913,384
SOL110041	Fairfield	Bus Replacement	308,398	-	-	308,398
VAR190006	Fairfield	Operating Assistance	3,550,376	3,550,376	-	-
MRN150014	GGBHTD	Ferry Major Component Rehabilitation	359,148	359,148	-	-
MRN990017	GGBHTD	Ferry Dredging	5,350,000	-	5,350,000	-
NEW	MCTD	MCTD: Revenue Vehicle Rehabilitation	240,398	240,398	-	-
NEW	MCTD	MCTD: Vehicle Replacement - 5 Paratransit Vehicles	412,000	412,000	-	-
REG10003	MTC	Bay Area Vanpool Program	3,021,540	3,021,540	-	-
NAP170003	Napa Vine	NVTA- Vine Transit Bus Maintenance Facility	225,046	36,437	-	188,609
VAR190006	Napa Vine	Napa Vine Operating Assistance	1,770,429	1,770,429	-	-
NEW	Petaluma	Purchase (2) Replacement Fixed Route Buses	1,486,400	1,349,064	-	137,336
NEW	SamTrans	Replace 40ft Diesel Buses - Battery	26,616,000	25,771,207	-	844,793
NEW	SamTrans	Replace Paratransit Vehicles	3,845,520	3,845,520	-	-
NEW	Santa Rosa	Replace (2) 40' Diesel Buses - Electric	1,774,401	884,212	-	890,189
VAR190006	Santa Rosa	Operating Assistance	1,601,036	1,601,036	-	-
VAR190007	Santa Rosa	Preventive Maintenance	345,554	345,554	-	-

Date: March 23, 2022  
W.I.: 1512  
Referred by: PAC  
Revised: 05/25/22-C

Attachment A  
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FY 2021-22 Transit Capital Priorities / Transit Capital Rehabilitation Program						
TIP ID	Operator	Project Description	Total FTA Program	FTA Section 5307	FTA Section 5337	FTA Section 5339
SF-050024	SFMTA	Wayside/Central Train Control & Trolley Signal Systems Rehabilitation	24,272,000	-	24,272,000	-
SF-090012	SFMTA	Light Rail Vehicle Replacement Procurements	108,635,101	-	108,635,101	-
SF-090035	SFMTA	Paratransit Fleet Replacement Procurements	1,557,360	1,557,360	-	-
SF-170018; S	SFMTA	Motor Coach & Trolley Coach Midlife Overhauls	17,706,666	17,706,666	-	-
SF-170021	SFMTA	Historic Streetcar & Cable Car Restorations	2,293,334	-	2,293,334	-
SF-95037B	SFMTA	Muni Rail Replacement	3,639,000	-	3,639,000	-
SF-970170	SFMTA	Overhead Line Rehabilitation	2,930,000	-	2,930,000	-
SF-99T002	SFMTA	Cable Car Infrastructure	2,483,000	-	2,483,000	-
VAR190007	SMART	Preventive Maintenance	3,963,022	3,963,022	-	-
SOL090034	SolTrans	Bus Replacement Alternative Fuel	2,661,600	2,242,269	-	419,331
VAR190006	SolTrans	Operating Assistance	618,791	618,791	-	-
VAR190007	SolTrans	Preventive Maintenance	1,000,000	1,000,000	-	-
SON170006	Sonoma County	SCT Replacement Bus Purchase	889,458	686,285	-	203,173
VAR190007	Sonoma County	SCT Preventive Maintenance	1,280,000	1,280,000	-	-
ALA190029	Union City	Union City Transit Electric Bus Procurement	953,600	953,600	-	-
VAR190006	Vacaville	Operating Assistance	1,300,000	1,300,000	-	-
SOL210004	Vacaville	Electric Bus Fleet	221,978	6,682	-	215,296
NEW	VTA	Hybrid and Electric Bus Replacement 2022	45,598,000	42,337,143	-	3,260,857
NEW	VTA	North 1st Street/Tasman Drive - EB Tack Switch Addition Proj. - T	1,640,000	-	1,640,000	-
NEW	VTA	Network Switch Replacement/Upgrade	3,680,000	-	3,680,000	-
NEW	VTA	Axle Press Replacement	1,736,300	-	1,736,300	-
SCL050002	VTA	Rail Replacement and Rehabilitation	6,876,000	-	6,876,000	-
SCL090044	VTA	OCS Rehab & Replacement Program	13,120,000	-	13,120,000	-
SCL150008	VTA	Track Intrusion Abatement FY22/23	2,227,200	-	2,227,200	-
NEW	Westcat	Revenue Vehicle Replacement	1,678,400	1,678,400	-	-
VAR190007	Westcat	Preventive Maintenance	193,600	193,600	-	-
NEW	WETA	Ferry Vessel Replacement - MV Mare Island	21,157,300	21,157,300	-	-
REG090054	WETA	Ferry Channel Dredging - Vallejo Ferry Terminal	2,455,920	-	2,455,920	-
REG090057	WETA	Vessel Engine Overhaul - Pyxis Class Vessels	1,810,560	-	1,810,560	-
REG090057	WETA	Waterjet Control System Upgrade - Pyxis Class Vessel	600,000	-	600,000	-
REG090057	WETA	Ferry Mid-Life Refurbishment - MV Gemini	3,590,000	-	3,590,000	-
REG090067	WETA	Passenger Float Rehabilitation - Pier 9 Berthing Facility	1,089,600	-	1,089,600	-
<b>Total Capital Projects</b>			<b>558,700,521</b>	<b>249,432,799</b>	<b>295,008,118</b>	<b>14,305,758</b>
<b>Programmatic Set-Asides</b>						
TBD	TBD	Fixed Guideway Cap Increase	22,990,000	-	22,990,000	-
TBD	TBD	Zero Emission Bus Facilities Program	18,988,124	18,988,124	-	-
<b>Total Programmed</b>			<b>630,078,387</b>	<b>297,820,666</b>	<b>317,998,118</b>	<b>14,305,758</b>
<b>Fund Balance</b>			<b>25,875,346</b>	<b>14,221,168</b>	<b>11,007,471</b>	<b>600,552</b>

FY 2022-23 Transit Capital Priorities / Transit Capital Rehabilitation Program						
TIP ID	Operator	Project Description	Total FTA Program	FTA Section 5307	FTA Section 5337	FTA Section 5339
<b>Projected Apportionments</b>			<b>667,985,722</b>	<b>317,287,826</b>	<b>336,004,067</b>	<b>14,693,829</b>
<b>Previous Year Carryover</b>			<b>25,875,346</b>	<b>14,221,168</b>	<b>11,007,471</b>	<b>646,707</b>
<b>Funds Available for Programming</b>			<b>693,861,068</b>	<b>331,508,995</b>	<b>347,011,538</b>	<b>15,340,536</b>
<b>MTC Debt Service</b>						
REG170023	MTC	Debt Service	-	-	-	-
<b>Lifeline Set-Aside</b>						
TBD	TBD - Lifeline	TBD - Reserved for future programming	-	-	-	-
<b>ADA Operating Set-Aside</b>						
VAR210003	AC Transit	ADA Paratransit Assistance	6,870,547	6,870,547	-	-
VAR210003	BART	ADA Paratransit Capital Accessibility Improvements	3,452,007	3,452,007	-	-
VAR210003	CCCTA	ADA Paratransit Assistance	1,862,028	1,862,028	-	-
VAR210003	ECCTA	ADA Operating Assistance	869,959	869,959	-	-
VAR210003	LAVTA	ADA Paratransit Operating Subsidy	558,463	558,463	-	-
VAR210003	MCTD	ADA Paratransit Assistance	1,061,461	1,061,461	-	-
VAR210003	Napa Vine	ADA Operating Assistance	451,890	451,890	-	-
VAR210003	Petaluma	ADA Set-Aside	105,528	105,528	-	-
VAR210003	SamTrans	ADA Paratransit Operating Subsidy	2,644,002	2,644,002	-	-
VAR210003	Santa Rosa	ADA Operating Assistance	319,581	319,581	-	-
VAR210003	SFMTA	ADA Paratransit Operating Support	5,442,399	5,442,399	-	-
VAR210003	SolTrans	ADA Paratransit Operating Subsidy	485,260	485,260	-	-
VAR210003	Union City	ADA Set-Aside	192,993	192,993	-	-
VAR210003	VTA	ADA Operating Set-Aside	5,333,674	5,333,674	-	-
VAR210003	Westcat	ADA Paratransit Operating Subsidy	366,686	366,686	-	-
<b>Total Program Set-asides and Commitments</b>			<b>30,016,478</b>	<b>30,016,478</b>	<b>-</b>	<b>-</b>
<b>Funds Available for Capital Programming</b>			<b>663,844,590</b>	<b>301,492,517</b>	<b>347,011,538</b>	<b>15,340,536</b>
<b>Capital Projects</b>						
ALA990052	AC Transit	ADA Operating Depreciation Costs from 3 Vendors	1,907,830	1,907,830	-	-
NEW	AC Transit	Replace (23) Articulated 60ft Buses - FCB	27,634,500	19,700,965	-	7,933,535
ALA170048	ACE	ACE Fixed Guideway (Capitalized Maintenance)	1,594,000	-	1,594,000	-
ALA210008	ACE	ACE Capital Access Fee	1,426,707	1,426,707	-	-
ALA090065	BART	Fare Collection Equipment	6,360,000	-	6,360,000	-
ALA190014	BART	Elevator Renovation Program	7,000,000	-	7,000,000	-
BRT030004	BART	Train Control Renovation	10,240,000	-	10,240,000	-
BRT030005	BART	Traction Power System Renovation	10,240,000	-	10,240,000	-
BRT97100B	BART	Rail,Way, and Structures Program	17,406,000	-	17,406,000	-
REG090037	BART	Railcar Replacement Program	175,466,210	96,122,501	79,343,709	-
SM-03006B	Caltrain	Systemwide Track Rehabilitation	11,500,000	-	11,500,000	-
SM-050041	Caltrain	Comm. System/Signal Rehab.	1,100,000	-	1,100,000	-
SM-170010	Caltrain	TVM Project	1,073,000	-	1,073,000	-
NEW	CCCTA	Replace 22' Vehicles	1,440,000	1,440,000	-	-
CC-070092	ECCTA	ECCTA: Transit Bus Replacements	1,499,729	566,717	-	933,012
SOL110041	Fairfield	Bus Replacement	2,818,214	2,500,000	-	318,214
VAR190006	Fairfield	Operating Assistance	1,151,476	1,151,476	-	-
MRN150014	GGBHTD	Ferry Major Component Rehabilitation	366,686	366,686	-	-
MRN990017	GGBHTD	Ferry Dredging	5,350,000	-	5,350,000	-
NEW	GGBHTD	Collision Avoidance System	840,000	840,000	-	-
NEW	GGBHTD	Replacement Ferry -- CARB Compliance	4,000,000	4,000,000	-	-
NEW	LAVTA	AVL	332,429	332,429	-	-
NEW	LAVTA	Fareboxes	205,190	205,190	-	-
NEW	LAVTA	Radios	40,128	40,128	-	-
NEW	LAVTA	Replace (4) 40' Buses - Fuel Cell	4,044,800	2,727,639	-	1,317,161
NEW	LAVTA	Replace (8) 40' Buses - Hybrid	5,625,600	5,625,600	-	-
NEW	MCTD	MCTD: Replace 2 Rural Cutaway vehicles	188,800	188,800	-	-
NEW	MCTD	MCTD: Replace 3 Demand Response Cutaways with Vans	252,000	252,000	-	-
NEW	MCTD	MCTD: Replace 4 Demand Response Vans	336,000	336,000	-	-
NEW	MCTD	MCTD: Replace 7 local 35ft Hybrid Vehicles	4,855,200	4,855,200	-	-

Date: March 23, 2022  
W.I.: 1512  
Referred by: PAC  
Revised: 05/25/22-C

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FY 2022-23 Transit Capital Priorities / Transit Capital Rehabilitation Program						
TIP ID	Operator	Project Description	Total FTA Program	FTA Section 5307	FTA Section 5337	FTA Section 5339
NEW	MCTD	MCTD: Replace one(1) Shuttle Vehicle	94,400	94,400	-	-
REG10003	MTC	Bay Area Vanpool Program	5,477,459	5,477,459	-	-
NAP090005	Napa Vine	NVTA ZEB Bus Procurement	225,046	30,434	-	194,612
VAR190006	Napa Vine	Napa Vine Operating Assistance	1,805,838	1,805,838	-	-
NEW	Petaluma	Purchase (2) Replacement Paratransit Vans	168,000	168,000	-	-
SON170017	Petaluma	Petaluma AVL Equipment	740,000	740,000	-	-
NEW	SamTrans	Replace 40ft Diesel Buses - Battery	36,160,000	36,160,000	-	-
SON090024	Santa Rosa	Preventive Maintenance	1,040,485	1,040,485	-	-
VAR190006	Santa Rosa	Operating Assistance	1,633,056	1,633,056	-	-
SF-050024	SFMTA	Wayside/Central Train Control & Trolley Signal Systems Rehabilitation	23,740,000	-	23,740,000	-
SF-090012	SFMTA	Light Rail Vehicle Replacement Procurements	67,336,982	-	67,336,982	-
SF-090035	SFMTA	Paratransit Fleet Replacement Procurements	3,087,000	3,087,000	-	-
SF-170018; S	SFMTA	Motor Coach & Trolley Coach Midlife Overhauls	10,542,385	10,542,385	-	-
SF-170021	SFMTA	Historic Streetcar & Cable Car Restorations	11,666,666	-	11,666,666	-
SF-95037B	SFMTA	Muni Rail Replacement	3,837,000	-	3,837,000	-
SF-970170	SFMTA	Overhead Line Rehabilitation	2,500,000	-	2,500,000	-
SF-99T002	SFMTA	Cable Car Infrastructure	3,247,000	-	3,247,000	-
VAR190007	SMART	Preventive Maintenance	4,148,529	4,148,529	-	-
SOL090034	SolTrans	Bus Replacement Alternative Fuel	1,808,000	1,375,322	-	432,678
VAR190006	SolTrans	Operating Assistance	1,600,000	1,600,000	-	-
VAR190007	SolTrans	Preventive Maintenance	1,001,167	1,001,167	-	-
SON170006	Sonoma County	SCT Replacement Bus Purchase	932,847	724,136	-	208,711
VAR190007	Sonoma County	SCT Preventive Maintenance	1,280,000	1,280,000	-	-
VAR190006	Vacaville	Operating Assistance	1,400,000	1,400,000	-	-
NEW	VTA	Signal Improvements Guadalupe	12,607,300	-	12,607,300	-
NEW	VTA	North Yard Tire Awning	320,000	-	320,000	-
SCL050001	VTA	Electric 40' Bus Replacement 2023	26,703,200	23,352,661	-	3,350,539
SCL050002	VTA	Rail Replacement and Rehabilitation	12,133,000	-	12,133,000	-
SCL110099	VTA	Bridge and Structures Repairs FY22/23	192,000	-	192,000	-
SCL150008	VTA	Track Intrusion Abatement FY22/23	407,000	-	407,000	-
SCL170050	VTA	SCADA Control Center & System Replacement	2,280,000	-	2,280,000	-
SCL190026	VTA	HVAC Replacement Project	404,450	-	404,450	-
REG090057	WETA	Ferry Mid-Life Refurbishment - MV Pisces	3,697,700	-	3,697,700	-
REG090057	WETA	Vessel Engine Injectors Replacement - MV Dorado	117,100	-	117,100	-
REG090057	WETA	Ferry Major Component Rehabilitation - MV Hydrus and MV Cetus	3,601,600	-	3,601,600	-
REG090057	WETA	Vessel Engine Overhaul - MV Carina and MV Peralta	554,800	-	554,800	-
<b>Total Capital Projects</b>			<b>554,784,509</b>	<b>240,246,741</b>	<b>299,849,307</b>	<b>14,688,461</b>
<b>Programmatic Set-Asides</b>						
TBD	TBD	Fixed Guideway Cap Increase	22,990,000	-	22,990,000	-
TBD	TBD	Zero Emission Bus Facilities Program	18,988,124	18,988,124	-	-
<b>Total Programmed</b>			<b>626,779,111</b>	<b>289,251,343</b>	<b>322,839,307</b>	<b>14,688,461</b>
<b>Fund Balance</b>			<b>67,081,957</b>	<b>42,257,652</b>	<b>24,172,231</b>	<b>652,075</b>



FY 2023-24 Transit Capital Priorities / Transit Capital Rehabilitation Program						
TIP ID	Operator	Project Description	Total FTA Program	FTA Section 5307	FTA Section 5337	FTA Section 5339
<b>Projected Apportionments</b>			<b>684,294,742</b>	<b>325,610,252</b>	<b>343,412,309</b>	<b>15,272,181</b>
<b>Previous Year Carryover</b>			<b>67,081,957</b>	<b>42,257,652</b>	<b>24,172,231</b>	<b>652,075</b>
<b>Funds Available for Programming</b>			<b>751,376,699</b>	<b>367,867,904</b>	<b>367,584,540</b>	<b>15,924,255</b>
<b>MTC Debt Service</b>						
REG170023	MTC	Debt Service	-	-	-	-
<b>Lifeline Set-Aside</b>						
TBD	TBD - Lifeline	TBD - Reserved for future programming	-	-	-	-
<b>ADA Operating Set-Aside</b>						
VAR210003	AC Transit	ADA Paratransit Assistance	7,050,765	7,050,765	-	-
VAR210003	BART	ADA Paratransit Capital Accessibility Improvements	3,542,554	3,542,554	-	-
VAR210003	CCCTA	ADA Paratransit Assistance	1,910,869	1,910,869	-	-
VAR210003	ECCTA	ADA Operating Assistance	892,778	892,778	-	-
VAR210003	LAVTA	ADA Paratransit Operating Subsidy	573,111	573,111	-	-
VAR210003	MCTD	ADA Paratransit Assistance	1,089,304	1,089,304	-	-
VAR210003	Napa Vine	ADA Operating Assistance	463,742	463,742	-	-
VAR210003	Petaluma	ADA Set-Aside	108,296	108,296	-	-
VAR210003	SamTrans	ADA Paratransit Operating Subsidy	2,713,356	2,713,356	-	-
VAR210003	Santa Rosa	ADA Operating Assistance	325,972	325,972	-	-
VAR210003	SFMTA	ADA Paratransit Operating Support	5,585,157	5,585,157	-	-
VAR210003	SolTrans	ADA Paratransit Operating Subsidy	497,987	497,987	-	-
VAR210003	Union City	ADA Set-Aside	198,055	198,055	-	-
VAR210003	VTA	ADA Operating Set-Aside	5,473,567	5,473,567	-	-
VAR210003	Westcat	ADA Paratransit Operating Subsidy	376,305	376,305	-	-
<b>Total Program Set-asides and Commitments</b>			<b>30,801,818</b>	<b>30,801,818</b>	<b>-</b>	<b>-</b>
<b>Funds Available for Capital Programming</b>			<b>720,574,881</b>	<b>337,066,086</b>	<b>367,584,540</b>	<b>15,924,255</b>
<b>Capital Projects</b>						
ALA990052	AC Transit	ADA Operating Depreciation Costs from 3 Vendors	1,945,987	1,945,987	-	-
NEW	AC Transit	Replace (24) Urban Buses - Diesel	10,548,000	2,302,200	-	8,245,800
ALA170048	ACE	ACE Fixed Guideway (Capitalized Maintenance)	1,594,000	-	1,594,000	-
ALA210008	ACE	ACE Capital Access Fee	1,426,707	1,426,707	-	-
ALA090065	BART	Fare Collection Equipment	6,360,000	-	6,360,000	-
ALA190014	BART	Elevator Renovation Program	7,000,000	-	7,000,000	-
BRT030004	BART	Train Control Renovation	10,240,000	-	10,240,000	-
BRT030005	BART	Traction Power System Renovation	10,240,000	-	10,240,000	-
BRT97100B	BART	Rail, Way, and Structures Program	17,406,000	-	17,406,000	-
REG090037	BART	Railcar Replacement Program	24,252,859	-	24,252,859	-
SM-03006B	Caltrain	Systemwide Track Rehabilitation	11,500,000	-	11,500,000	-
SM-050041	Caltrain	Comm. System/Signal Rehab.	1,100,000	-	1,100,000	-
SM-170010	Caltrain	TVM Project	1,073,000	-	1,073,000	-
NEW	CCCTA	Replace (10) 30ft Urban Buses	7,616,000	6,640,790	-	975,210
NEW	CCCTA	Replacement Vans	177,600	177,600	-	-
SOL110041	Fairfield	Bus Replacement	330,739	-	-	330,739
VAR190006	Fairfield	Operating Assistance	3,747,245	3,747,245	-	-
MRN150014	GGBHTD	Ferry Major Component Rehabilitation	5,726,305	376,305	5,350,000	-
NEW	GGBHTD	Replace Conventional OTR Coaches	10,544,000	10,544,000	-	-
NEW	GGBHTD	Replace Conventional OTR Coaches with ZEBs	2,748,000	2,748,000	-	-
NEW	GGBHTD	Replacement Ferry -- CARB Compliance	12,000,000	12,000,000	-	-
NEW	MCTD	MCTD: Vehicle Replacement - 5 Paratransit Vehicles	428,000	428,000	-	-
REG10003	MTC	Bay Area Vanpool Program	6,586,592	6,586,592	-	-
REG170022	MTC	Clipper Next Gen Fare Collection System	3,153,905	3,153,905	-	-
NAP090005	Napa Vine	NVTA ZEB Bus Procurement	234,138	31,866	-	202,272
VAR190006	Napa Vine	Napa Vine Operating Assistance	1,841,954	1,841,954	-	-
SON170005	Petaluma	Yard and Facility Improvements	106,443	106,443	-	-
NEW	SamTrans	Replace 40ft Diesel Buses - Battery	55,248,000	55,248,000	-	-
NEW	SamTrans	Replace Paratransit Vehicles	2,420,471	2,420,471	-	-
NEW	SamTrans	Replace 35ft Diesel Buses - Battery	3,860,000	3,860,000	-	-
VAR190006	Santa Rosa	Operating Assistance	1,665,717	1,665,717	-	-
VAR190007	Santa Rosa	Preventive Maintenance	713,879	713,879	-	-

Date: March 23, 2022  
W.I.: 1512  
Referred by: PAC  
Revised: 05/25/22-C

Attachment C  
Resolution No. 4510  
Page 2 of 2

FY 2023-24 Transit Capital Priorities / Transit Capital Rehabilitation Program						
TIP ID	Operator	Project Description	Total FTA Program	FTA Section 5307	FTA Section 5337	FTA Section 5339
SF-050024	SFMTA	Wayside/Central Train Control & Trolley Signal Systems Rehabilitation	18,212,000	-	18,212,000	-
SF-090012	SFMTA	Light Rail Vehicle Replacement Procurements	89,571,273	-	89,571,273	-
SF-170018; S	SFMTA	Motor Coach & Trolley Coach Midlife Overhauls	34,665,700	34,665,700	-	-
SF-170021	SFMTA	Historic Streetcar & Cable Car Restorations	13,082,666	-	13,082,666	-
SF-95037B	SFMTA	Muni Rail Replacement	6,887,000	-	6,887,000	-
SF-970170	SFMTA	Overhead Line Rehabilitation	2,225,000	-	2,225,000	-
VAR190007	SMART	Preventive Maintenance	4,078,615	4,078,615	-	-
SOL090034	SoITrans	Bus Replacement Alternative Fuel	3,683,200	3,233,492	-	449,708
VAR190007	SoITrans	Preventive Maintenance	1,085,190	1,085,190	-	-
SON170006	Sonoma County	SCT Replacement Bus Purchase	977,104	760,178	-	216,926
VAR190007	Sonoma County	SCT Preventive Maintenance	1,280,000	1,280,000	-	-
VAR190006	Vacaville	Operating Assistance	1,450,000	1,450,000	-	-
NEW	VTA	Signal Improvements Guadalupe	4,524,670	-	4,524,670	-
SCL050001	VTA	Electric 40' bus replacement 2024	18,768,000	15,285,583	-	3,482,417
SCL050002	VTA	Rail Replacement and Rehabilitation	8,827,200	-	8,827,200	-
SCL110099	VTA	Bridge and Structures Repairs FY24	680,000	-	680,000	-
SCL170005	VTA	Paratransit Fleet Procurement	1,445,547	1,445,547	-	-
SCL090044	VTA	OCS Rehab & Replacement Program	11,400,000	-	11,400,000	-
SCL150008	VTA	Track Intrusion Abatement FY24	1,452,000	-	1,452,000	-
SCL190026	VTA	HVAC Replacement Project	765,560	-	765,560	-
NEW	Westcat	Revenue Vehicle Replacement	1,115,200	1,115,200	-	-
REG090054	WETA	Ferry Channel Dredging - Vallejo Ferry Terminal	2,605,500	-	2,605,500	-
REG090057	WETA	Ferry Major Component Rehabilitation	8,062,400	-	8,062,400	-
REG090057	WETA	Ferry Mid-Life Refurbishment - MV Taurus	3,929,200	-	3,929,200	-
REG090057	WETA	Vessel Engine Injectors Replacement	222,600	-	222,600	-
REG090067	WETA	Passenger Float Rehabilitation - Oakland Ferry Terminal	2,067,000	-	2,067,000	-
<b>Total Capital Projects</b>			<b>472,898,166</b>	<b>182,365,167</b>	<b>276,629,928</b>	<b>13,903,071</b>
<b>Programmatic Set-Asides</b>						
TBD	TBD	Fixed Guideway Cap Increase	22,990,000	-	22,990,000	-
TBD	TBD	Zero Emission Bus Facilities Program	22,023,752	22,023,752	-	-
<b>Total Programmed</b>			<b>548,713,735</b>	<b>235,190,736</b>	<b>299,619,928</b>	<b>13,903,071</b>
<b>Fund Balance</b>			<b>202,662,964</b>	<b>132,677,168</b>	<b>67,964,612</b>	<b>2,021,184</b>

**Transit Capital Priorities / Transit Capital Rehabilitation Program Notes**

1	Program is based on actual apportionments for FY 2021-22 (except 5339 small UZAs, which are estimates) and estimated apportionments for FYs 2022-23 and 2023-24. Program assumes availability of financing proceeds, subject to future Commission authorization. If financing is not secured, this program will be revised accordingly.
2	AC Transit: \$11,719,686 of AB 664 Bridge Toll funds and \$24,493,576 of BATA Project Savings, for a total of \$36,213,262, have been programmed to AC Transit as part of the Core Capacity Challenge Grant Program (CCCGP). These FY2021-22 funds will support AC Transit's purchase of 65 40ft urban buses.
3	BART: The program has assumed the need for financing proceeds of approximately \$840,000,000 will be needed for the BART Railcar Replacement Project, starting in FY2021-22, with programming largely limited to debt service. Due to the influx of FTA formula funds from the BIL, there is an opportunity to provide significant pay-go funds in FYs 2021-22, 2022-23, and 2023-24. \$323,931,484 in funds is programmed in May 2022 toward pay-go.
4	VTA: VTA is programmed 5337 funds above its \$8,103,000 fixed guideway cap in each year of the program. The totals above the cap are \$19,440,200 in FY2021-22; \$20,240,750 in FY2022-23, and \$19,546,430 in FY2023-24, totaling \$59,227,380 over the three-year cap total of \$24,309,000 and for a total of \$83,536,380 in fixed guideway programming. VTA staff requested and was granted a waiver of the cap due to additional funds available in the San Jose UZA after meeting other VTA funding needs and in recognition of the Caltrain funding agreement.  VTA is also provided a waiver to the \$20,000,000 cap on bus replacements, as funds are available to cover the entire request. The FY2021-22 bus procurement at \$40,359,250 is waived its \$20,359,250 over the cap. The FY2022-23 bus procurement at \$27,013,510 is waived its \$7,013,510 over the cap.
5	Santa Rosa UZA: Santa Rosa CityBus, Sonoma County Transit and Sonoma-Marín Area Rail Transit District (SMART) apportion Santa Rosa urbanized area funding in accordance with an agreement first in effect for FY2020 funds. The portion of FTA 5307 funds within the Santa Rosa urbanized area to be divided by the City and the County is the prior year's subtotal apportioned to those two operators, modified by the same rate as the modification to the FTA 5307 funds nationwide (ex.a 2% increase). That modified amount is divided between the two operators per the agreement in effect starting with FY2014 (58% Santa Rosa City Bus and 42% Sonoma County). The portion of the appropriated funds not divided by Santa Rosa and Sonoma County is distributed to SMART. For FY2021-22, \$2,333,370 is available to Sonoma County Transit, \$3,222,272 to Santa Rosa CityBus, and \$4,148,529 to SMART for 5307. For FY2022-23, \$2,333,370 is available to Sonoma County Transit, \$3,222,272 to Santa Rosa CityBus, and \$3,969,816 to SMART for 5307. For FY2023-24, \$2,394,574 is available for Sonoma County Transit, \$3,306,792 for Santa Rosa CityBus, and \$4,257,328 for SMART for 5307.
6	SFMTA: SFMTA's FY2021-22 request for \$113,635,101 for light rail vehicle replacement procurement will be partially funded with \$5,000,000 in BATA Project Savings, as committed through MTC Res. 4123. The remaining funds are obligated in the 5337 program.
7	WETA: WETA has opted to reinstate deferred caps from prior years in the proposed program. WETA had previously deferred \$15,313,252 in FG cap funds that is programmed across the three years of the program toward their fixed guideway needs. In FY2023-24, WETA borrows \$160,728 against its FY2024-25 cap of \$6,310,000.
8	SamTrans: SamTrans is provided a waiver to the \$20,000,000 cap on bus replacements, as funds are available to cover the entire request. The FY2021-22 bus procurement at \$26,616,000 is waived its \$6,616,000 over the cap. The FY2022-23 bus procurement at \$36,160,000 is waived its \$16,160,000 over the cap. Finally, the FY2023-24 bus procurement at \$59,108,000 is waived its \$39,108,000 over the cap.
9	Vacaville: Vacaville Transit is programmed \$221,978 in FY2021-22 funds (\$215,296 in 5339 and \$6,682 in 5307) toward their Electric Bus Fleet project, replacing lapsed FY2018-19 5339 funds that were programmed in the FY2020-21 TCP but did not get put into a grant in time.
10	GGBHTD: Golden Gate is programmed \$4,000,000 in FY 2022-23 and \$12,000,000 in FY 2023-24 for the design and construction of a replacement ferry vessel pending required compliance with CARB zero emission regulations. The funds are programmed but will not be entered in to the TIP until finalization of the CARB regulations and design and construction estimates.
11	Petaluma: Petaluma's automatic vehicle location (AVL) equipment request was for \$680,000 in FY2021-22 and \$80,000 in FY2022-23. With only \$67,000 remaining after programming their other requests in FY2021-22, the total request of \$740,000 is programmed FY2022-23.
12	CCCTA (County Connection): CCCTA's FY2021-22 bus procurement request, at \$28,880,000 exceeds the Concord UZA's available funds in that fiscal year by \$1,235,962; thus, that amount is programmed to the bus procurement project in FY2022-23. This request is also granted a waiver of the \$20,000,000 bus replacement cap, waiving its \$8,880,000 over the cap.
13	Vanpool: MTC's vanpool program is funded using 5307 funds for the first time in FY2021-22. The program receives 100% of its expected need, estimated at \$400 per van per month, and going up to \$600 per van per month starting in July 2022. FTA policy guiding vanpool service allows vanpool passenger fares that exceed operating expenses to be re-invested in capital equipment and to be counted toward a recipient's local match requirement. These programming amounts assume the use of this provision. Staff will reevaluate annually.

# APPENDIX A – 24

## *Regional Policies: Project Funding and Specific Funding Programs*

**AB 664 Net Bridge Toll Revenues Program of Projects  
for FY 2021-22 thru FY 2023-24**

**MTC Resolution No. 4513**



Date: March 23, 2022  
W.I.: 1512  
Referred By: PAC

ABSTRACT

Resolution No. 4513

This resolution establishes the program of projects and allocates AB 664 Net Bridge Toll Revenues to eligible transit operators for FY 2021-22. The programming and allocation for FY2021-22 for AC Transit is consistent with the Transit Capital Priorities (TCP) Program (MTC Res. No. 4510) and the Core Capacity Challenge Grant Program (MTC Res. No. 4123). This resolution will be updated to provide matching funds to eligible East Bay and West Bay operators concurrent with full programming of the FY2021-22 TCP Program.

This Resolution includes the following attachments:

Attachment A – Program of AB 664 Net Bridge Toll Revenue Projects FY2021-22

Attachment B – Allocation of AB 664 Net Bridge Toll Revenues FY 2021-22

Further discussion of the allocation and programming of AB 664 Bridge Toll Revenue is contained in the Programming and Allocations Committee summary sheet dated March 9, 2022.

Date: March 23, 2022  
W.I.: 1512  
Referred By: PAC

RE: AB 664 Net Bridge Toll FY 2021-22 Program of Projects and Allocations

METROPOLITAN TRANSPORTATION COMMISSION  
RESOLUTION NO. 4513

WHEREAS, the Metropolitan Transportation Commission (MTC) is the regional transportation planning agency for the San Francisco Bay Area pursuant to Government Code Sections § 66500 et seq.; and

WHEREAS, pursuant to Streets and Highways Code § 30892, after deduction for MTC's administrative costs, MTC shall allocate toll bridge net revenues to public entities operation public transportation systems to achieve MTC's capital planning objectives in the vicinity of toll bridges as set forth in its adopted Regional Transportation Plan (RTP) ("Net Revenues"); and

WHEREAS, pursuant to Streets and Highways Code § 30894, MTC has adopted MTC Resolution No. 4015, which sets forth MTC's bridge toll revenue allocation policies; and

WHEREAS, pursuant to Streets and Highways Code § 30895, MTC has prepared and submitted to the Legislature a report on the capital planning and ferry system objectives of MTC to be achieved through the allocation of net toll revenues; and

WHEREAS, "Claimants" have each submitted an application to MTC for an allocation of net bridge toll revenues in FY2021-22 for the projects and purposes set forth in Attachment B to this resolution, attached hereto and incorporated herein as though set forth at length; and

WHEREAS, claimants certify that their respective projects and purposes set forth in Attachment A are in compliance with the requirements of the California Environmental Quality Act (Public Resources Code § 21000 et seq.) and the State EIR Guidelines (14 Cal. Code Regs. § 15000 et seq.); now, therefore, be it

RESOLVED, that MTC finds that the Claimants' projects and purposes as set forth in Attachment A are in conformance with MTC's Regional Transportation Plan, MTC's bridge toll revenue allocation policies, and MTC's capital planning and ferry system objectives; and, be

it further

RESOLVED, that MTC approves the allocation of net bridge toll revenues in FY 2021-22 to Claimants, in the amounts, for the purposes, and subject to the conditions listed on Attachment B to this resolution.

METROPOLITAN TRANSPORTATION COMMISSION

A handwritten signature in black ink, consisting of a large, stylized 'A' followed by a long horizontal line extending to the right.

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Alfredo Pedroza, Chair

The above resolution was entered into by the Metropolitan Transportation Commission at a regular meeting of the Commission held in San Francisco, California and at other remote locations on March 23, 2022.

**PROGRAM OF AB 664 NET BRIDGE TOLL REVENUE PROJECTS**

<b>FY2021-22 Program</b>			<b>East Bay</b>	<b>West Bay</b>
	<b>Revenue Projections</b>		<b>13,319,686</b>	<b>700,000</b>
	<b>Previous Year Carry-Over (if any)</b>			
	<b>Expirations and Rescissions</b>			
	<b>Total Funds Available</b>		<b>13,319,686</b>	<b>700,000</b>
<b>Sponsor</b>	<b>Eligible Capital Projects</b>	<b>Fund Source</b>		
<u>Current Year Programming</u>				
<u>AC Transit Core Capacity Projects</u>				
AC Transit	Replace (25) Urban Buses - Fuel Cell	§ 5307/5339	11,719,686	
	<i>Subtotal - Core Capacity projects</i>		<i>11,719,686</i>	<i>-</i>
	<b>Total Amount Programmed to AC Transit</b>		<b>11,719,686</b>	<b>-</b>
		Fund Balance	<b>1,600,000</b>	<b>700,000</b>

**Notes:**



Date: March 23, 2022  
W.I.: 1512  
Referred by: PAC

Attachment B  
Resolution No. 4513  
Page 1 of 1

**ALLOCATION OF AB 664 NET BRIDGE TOLL REVENUE  
FY 2021-2022**

<b>PO/Acct. Code</b>	<b>Project Sponsor</b>	<b>Project</b>	<b>East Bay Allocation</b>	<b>West Bay Allocation</b>	<b>Approval Date</b>
22-4513-01/5850	AC Transit	Replace (25) Urban Buses - Fuel Cell	\$11,719,686		3/23/2022
					<b>Grand Total</b>
		Total Allocations	\$11,719,686	\$0	\$11,719,686

# APPENDIX A – 25

## *Regional Policies: Project Funding and Specific Funding Programs*

**BATA Project Savings Program of Projects and  
Allocation of Funds**

**MTC Resolution No. 4169**



Date: January 28, 2015  
W.I.: 1511  
Referred by: PAC  
Revised: 09/23/15-C 01/27/16-C  
12/21/16-C 03/22/17-C  
12/20/17-C 06/27/18-C  
01/23/19-C 05/22/19-C  
09/25/19-C 07/22/20-C  
04/28/21-C 06/23/21-C  
07/28/21-C 03/23/22-C  
05/25/22-C 06/22/22-C

ABSTRACT

Resolution No. 4169, Revised

This resolution establishes the program of projects for BATA Project Savings and allocates these funds to eligible projects.

The following attachment is provided with this resolution:

Attachment A – Program of Projects

Attachment B – Allocations

This resolution was revised on September 23, 2015 to update the conditions associated with the programming of \$84 million of BATA project savings to SFMTA’s Light Rail Vehicle purchase (LRV) project, in order to reflect the updated amount of AB 664 funds programmed to the project.

This resolution was revised on January 27, 2016 to program and allocate \$24,922,916 in BATA Project Savings towards AC Transit’s Fleet Replacement consistent with the Core Capacity Challenge Grant Program funding plan.

This resolution was revised on December 21, 2016 to de-program \$23,014,657 in BATA Project Savings funds from SFMTA’s LRV project due to receipt of TIRCP funding of the same amount in FY2015-16 and update the conditions associated with the programming to reflect the updated amount of AB 664 and BATA Project Savings funds programmed to the project.

This resolution was revised on March 22, 2017 to program and allocate \$5,248,522 in BATA Project Savings funds to AC Transit and program \$23,040,236 and allocate \$4,649,495 in BATA Project Savings funds to SFMTA towards their Fleet Replacement projects.

## ABSTRACT

MTC Resolution No. 4169, Revised

Page 2

This resolution was revised on December 20, 2017 program and allocate \$20,167,986 in BATA Project Savings funds to AC Transit and program \$83,921,695 and allocate \$8,091,805 in BATA Project Savings funds to SFMTA toward their Fleet Replacement projects.

This resolution was revised on June 27, 2018 to allocate \$37,270,041 in BATA Project Savings funds to SFMTA toward their Fleet Replacement projects, consistent with the commitments of the Core Capacity Challenge Grant Program, and de-program \$26,867,000 in BATA Project Savings funds from SFMTA's LRV project due to receipt of TIRCP funding of the same amount in FY2017-18 and update the conditions associated with the programming to reflect the updated amount of BATA Project Savings funds programmed to the project.

This resolution was revised on January 23, 2019 to update the programming conditions on SFMTA's LRV Expansion programming from FY2014-15, program an additional \$24,999,671 and allocate \$59,118,014 to SFMTA's LRV Expansion, and program \$5 million for SFMTA projects to execute a funding exchange for their Central Subway project.

This resolution was revised on May 22, 2019 to deprogram \$5 million and remove a project from SFMTA's programming to reflect changes made in the Transit Capital Priorities Program.

This resolution was revised on September 25, 2019 to allocate \$45,729,959 in BATA Project Savings funds to SFMTA toward their Fleet Replacement projects, consistent with the commitments of the Core Capacity Challenge Grant Program, and remove a funding condition related to financing.

This resolution was revised on July 22, 2020 to revise AC Transit's FY2016-17 through FY2019-20 BATA Project Savings programming to match their updated fleet plan, and allocate a total of \$7,890,353 in BATA Project Savings funds to AC Transit (\$3,607,227) and SFMTA (\$4,283,126) toward their Fleet Replacement projects, consistent with the commitments of the Core Capacity Challenge Grant Program, and remove funding conditions on SFMTA programming related to financing.

This resolution was revised on April 28, 2021 to program and allocate a total of \$10,904,715 in BATA Project Savings funds to AC Transit (\$4,912,063) and SFMTA (\$5,992,652) toward their

## ABSTRACT

MTC Resolution No. 4169, Revised

Page 3

Fleet Replacement projects, consistent with the commitments of the Core Capacity Challenge Grant Program.

This resolution was revised on June 23, 2021 to extend \$5,248,522 in BATA Project Savings funds to AC Transit for Fleet Replacement projects, consistent with the commitments of the Core Capacity Challenge Grant Program and the Timely Use of Funds policy outlined in MTC Resolution No. 4015.

This resolution was revised on July 28, 2021 to program and allocate \$1,845,000 to Solano Transportation Authority for Design Services During Construction on the Solano 80 Express Lanes Project, and to program and allocate \$2,822,000 to BAIFA for the Toll System on the Solano 80 Express Lanes Project, as part of a funding exchange.

This resolution was revised on March 23, 2022 to program and allocate a total of \$34,160,576 in BATA Project Savings funds to AC Transit (\$29,160,576) and SFMTA (\$5,000,000) toward their Fleet Replacement projects, consistent with the commitments of the Core Capacity Challenge Grant Program.

This resolution was revised on May 25, 2022 to correct AC Transit's FY 2021-22 allocation, de-allocating \$4,667,000, to reflect a July 2021 funding exchange with the OBAG 2 program.

This resolution was revised on June 22, 2022 to extend \$21,809,281 in BATA Project Savings funds to AC Transit for Fleet Replacement projects, consistent with the commitments of the Core Capacity Challenge Grant Program and the Timely Use of Funds policy outlined in MTC Resolution No. 4015.

Further discussion of this action is contained in the MTC Programming and Allocations Committee summary sheet dated January 14, 2015, September 9, 2015, January 13, 2016, December 14, 2016, March 8, 2017, December 13, 2017, June 13, 2018, January 9, 2019, May 8, 2019, September 4, 2019, July 8, 2020, April 14, 2021, June 9, 2021, July 14, 2021, March 9, 2022, May 11, 2022, and June 8, 2022.

Date: January 28, 2015  
W.I.: 1511  
Referred by: PAC

RE: Programming and allocation of BATA Project Savings

METROPOLITAN TRANSPORTATION COMMISSION  
RESOLUTION NO. 4169

WHEREAS, the Metropolitan Transportation Commission (MTC) is the regional transportation planning agency for the San Francisco Bay Area pursuant to Government Code Section 66500 *et seq.*; and

WHEREAS, Streets and Highways Code Sections 30950 *et seq.* created the Bay Area Toll Authority (“BATA”) which is a public instrumentality governed by the same board as that governing MTC; and

WHEREAS, pursuant to Streets and Highways Code (SHC) Section 31010(b), funds generated in excess of those needed to meet the toll commitments as specified by paragraph (4) of subdivision (b) of Section 188.5 of the SHC shall be available to BATA for funding projects consistent with SHC Sections 30913 and 30914; and

WHEREAS, the BATA Project Savings are bridge toll funds made available from project and financing savings on BATA’s Regional Measure 1 and Toll Bridge Seismic Retrofit programs; and

WHEREAS, MTC adopted Resolution No. 4123, Revised, which established an investment plan for MTC’s Transit Core Capacity Challenge Grant Program that targets federal, state, and regional funds to high-priority transit capital projects between FY2014-15 and FY2029-30, and as part of this investment plan, BATA Project Savings were assigned to certain projects; and

WHEREAS, BATA staff has determined that the Transit Core Capacity Challenge Grant Program is a bridge improvement project that improves the operations of the state-owned toll bridges; and

WHEREAS, BATA has adopted BATA Resolution No. 111, Revised, to amend the BATA budget to include the Transit Core Capacity Challenge Grant Program; and


WHEREAS, BATA has adopted BATA Resolution No. 72, Revised, to amend the BATA Long Range Plan to include the Transit Core Capacity Challenge Grant Program; now, therefore, be it

RESOLVED, that MTC approves the program of projects for BATA Project Savings, for the purposes, and subject to the conditions listed on Attachment A to this resolution, attached hereto and incorporated herein as though set forth at length; and, be it further

RESOLVED, that MTC approves the allocation and reimbursement of BATA Project Savings in accordance with the amount, conditions and reimbursement schedule for the phase, and activities as set forth in Attachment B; and, be it further

RESOLVED, that should the allocation of BATA Project Savings be conditioned on the execution of a funding agreement, that the Executive Director or his designee is authorized to negotiate and enter into a funding agreement with claimant that includes the provisions contained in Attachment A and B.

METROPOLITAN TRANSPORTATION COMMISSION



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Amy Rein Worth, Chair

The above resolution was entered into by the Metropolitan Transportation Commission at a regular meeting of the Commission held in Oakland, California, on January 28, 2015.

Date: January 28, 2015  
W.I.: 1511  
Referred by: PAC  
Revised: 09/23/15-C 01/27/16-C  
12/21/16-C 03/22/17-C  
12/20/17-C 06/27/18-C  
01/23/19-C 05/22/19-C  
09/25/19-C 07/22/20-C  
04/28/21-C 07/28/21-C  
03/23/22-C

Attachment A  
Resolution No. 4169  
Page 1 of 3

PROGRAM OF BATA PROJECT SAVINGS FUND PROJECTS

**FY2014-15 Program of Projects**

Operator	Project	Amount	Conditions
SFMTA	Fleet Expansion - LRV Purchase	34,118,343	This programming counts toward MTC share of replacment LRVs.
<b>Total FY2014-15 Programming:</b>		<b>34,118,343</b>	

**FY2015-16 Program of Projects**

Operator	Project	Amount	Conditions
AC Transit Projects			
	Replace 29 40-ft Artic Urban buses		
	Purchase 10 40-ft urban buses - Zero-Emission Fuel Cell		
	Purchase 10 double-decker diesel buses		
	<i>Total AC Transit Programming</i>	<i>24,922,916</i>	
<b>Total FY2015-16 Programming:</b>		<b>24,922,916</b>	

**FY2016-17 Program of Projects**

Operator	Project	Amount	Conditions
AC Transit Projects			
	Purchase 36 Coach Buses (MCIs)		
	<i>Total AC Transit Programming</i>	<i>5,248,522</i>	
SFMTA Projects			
	Replacement of 60' Trolley Coaches		
	<i>Total SFMTA Programming</i>	<i>12,967,639</i>	
<b>Total FY2016-17 Programming:</b>		<b>18,216,161</b>	

**FY2017-18 Program of Projects**

Operator	Project	Amount	Conditions
AC Transit Projects			
	Purchase 40-ft Urban Buses		
	<i>Total AC Transit Programming</i>	<i>16,560,759</i>	
SFMTA Projects			
	Replacement of 40-ft Trolley Coaches		
	Replacement of 60-ft Motor Coaches		
	Replacement of 30-ft Motor Coaches		
	<i>Total SFMTA Programming</i>	<i>79,638,569</i>	
<b>Total FY2017-18 Programming:</b>		<b>96,199,328</b>	



Date: January 28, 2015  
W.I.: 1511  
Referred by: PAC  
Revised: 09/23/15-C 01/27/16-C  
12/21/16-C 03/22/17-C  
12/20/17-C 06/27/18-C  
01/23/19-C 05/22/19-C  
09/25/19-C 07/22/20-C  
04/28/21-C 07/28/21-C  
03/23/22-C

Attachment A  
Resolution No. 4169  
Page 2 of 3

PROGRAM OF BATA PROJECT SAVINGS FUND PROJECTS

**FY2018-19 Program of Projects**

Operator	Project	Amount	Conditions
AC Transit Projects			
	Replace 50 40-ft buses		
	<i>Total AC Transit Programming</i>	<i>2,321,181</i>	
SFMTA Projects			
	Fleet Expansion - LRV Purchase		Note: \$24,999,671 programmed in January 2019. Programming counts toward MTC share of replacement LRVs.
	40-ft Motor Coach Midlife Overhaul		
	Replace 35 Paratransit Cutaway Vans		
	<i>Total SFMTA Programming</i>	<i>27,452,111</i>	
<b>Total FY2018-19 Programming:</b>		<b>29,773,292</b>	

**FY2019-20 Program of Projects**

Operator	Project	Amount	Conditions
AC Transit Projects			
	Preventive Maintenance		
	<i>Total AC Transit Programming</i>	<i>1,286,046</i>	
SFMTA Projects			
	Muni Rail Replacment		
	40-ft Motor Coach Midlife Overhaul		
	<i>Total SFMTA Programming</i>	<i>1,830,686</i>	
<b>Total FY2019-20 Programming:</b>		<b>3,116,732</b>	

**FY2020-21 Program of Projects**

Operator	Project	Amount	Conditions
AC Transit Projects			
	Replace (50) 40ft Urban Buses - Diesel		
	<i>Total AC Transit Programming</i>	<i>4,912,063</i>	
SFMTA Projects			
	Light Rail Vehicle Replacement Procurements		
	<i>Total SFMTA Programming</i>	<i>5,992,652</i>	
<b>Total FY2020-21 Programming:</b>		<b>10,904,715</b>	

Date: January 28, 2015  
W.I.: 1511  
Referred by: PAC  
Revised: 09/23/15-C 01/27/16-C  
12/21/16-C 03/22/17-C  
12/20/17-C 06/27/18-C  
01/23/19-C 05/22/19-C  
09/25/19-C 07/22/20-C  
04/28/21-C 07/28/21-C  
03/23/22-C 05/25/22-C

Attachment A  
Resolution No. 4169  
Page 3 of 3

PROGRAM OF BATA PROJECT SAVINGS FUND PROJECTS

**FY2021-22 Program of Projects**

Operator	Project	Amount	Conditions
Solano Transportation Authority	Solano 80 Express Lanes - Design Services During Construction		Note: The programming is a part of the exchange of federal funds originally earmarked for the I-80 Managed Lanes project in Solano County.
	<i>Total STA Programming</i>	<i>1,845,000</i>	
BAIFA	Solano 80 Express Lanes - Toll System		Note: The programming is a part of the exchange of federal funds originally earmarked for the I-80 Managed Lanes project in Solano County.
	<i>Total BAIFA Programming</i>	<i>2,822,000</i>	
AC Transit Projects			
	Replace (25) Urban Buses - Fuel Cell	11,980,314	
	Replace (17) 40ft Urban Buses - BEB	9,472,750	
	Replace (23) 40ft Urban Buses - Diesel	3,040,512	
	<i>Total AC Transit Programming</i>	<i>24,493,576</i>	
SFMTA Projects			
	Light Rail Vehicle Replacement Procurements		
	<i>Total SFMTA Programming</i>	<i>5,000,000</i>	
<b>Total FY2021-22 Programming:</b>		<b>34,160,576</b>	

Date: January 28, 2015

W.I.: 1511

Referred by: PAC

Revised: 01/27/16-C 03/22/17-C  
12/20/17-C 06/27/18-C  
01/23/19-C 09/25/19-C  
07/22/20-C 04/28/21-C  
06/23/21-C 07/28/21-C  
03/23/22-C 05/25/22-C  
06/22/22-C

Attachment B  
Resolution No. 4169  
Page 1 of 1

### ALLOCATIONS TO BATA PROJECT SAVINGS FUNDED PROJECTS

Operator	Project	Date	Amount	Allocation No.	Notes
AC Transit	Projects Listed on Attachment A	1/27/2016	24,922,916	16-4169-01	See Notes below
AC Transit	Projects Listed on Attachment A	3/22/2017	5,248,522	17-4169-01	See Notes below
SFMTA	Projects Listed on Attachment A	3/22/2017	4,649,495	17-4169-02	See Notes below
AC Transit	Projects Listed on Attachment A	12/20/2017	16,560,759	18-4169-01	See Notes below
SFMTA	Projects Listed on Attachment A	12/20/2017	4,956,713	18-4169-02	See Notes below
SFMTA	Projects Listed on Attachment A	6/27/2018	37,270,041	18-4169-03	See Notes below
SFMTA	Projects Listed on Attachment A	1/23/2019	59,118,014	19-4169-01	See Notes below
SFMTA	Projects Listed on Attachment A	9/25/2019	45,729,959	20-4169-01	See Notes below
AC Transit	Projects Listed on Attachment A	7/22/2020	3,607,227	21-4169-01	See Notes below
SFMTA	Projects Listed on Attachment A	7/22/2020	4,283,126	21-4169-02	See Notes below
SFMTA	Light Rail Vehicle Replacement	4/28/2021	5,992,652	21-4169-03	See Notes below
AC Transit	Replace (50) 40ft Urban Buses -Diesel	4/28/2021	4,912,063	21-4169-04	See Notes below
STA	Solano 80 Express Lanes - DSDC	7/28/2021	1,845,000	22-4169-01	See Notes below
BAIFA	Solano 80 Express Lanes - Toll System	7/28/2021	2,822,000	22-4169-02	See Notes below
AC Transit	FY22 Projects Listed on Attachment A	3/23/2022	24,493,576	22-4169-03	See Notes below
SFMTA	Light Rail Vehicle Replacement	3/23/2022	5,000,000	22-4169-04	See Notes below
<b>Total Allocations:</b>			<b>251,412,063</b>		

**Notes:**

- 1 Acceptance of allocations requires operator agreement to comply with the provisions of the AB 664 Net Bridge Toll Revenues section of MTC Resolution No. 4015 and that any BATA Project Savings funds received shall be subject to MTC Resolution No. 4015, unless otherwise agreed to herein.
- 2 Allocation 17-4169-01 shall be extended to 6/30/2022 in accordance with the Timely Use of Funds policy in MTC Resolution No. 4015. See PAC memo dated June 9, 2021 for detail.
- 3 Allocations 22-4169-01 and 22-4169-02 are a part of the exchange of federal funds originally earmarked for the I-80 Managed Lanes project in Solano County. See PAC memo dated July 14, 2021 for more detail.
- 4 Technical correction made on 8/12/2021 to correct amounts to match Attachment A which were transposed in Attachment B for allocations 21-4169-03 and 21-4169-04.
- 5 Allocations 17-4169-01 and 18-4169-01 shall be extended to 6/30/2023 in accordance with the Timely Use of Funds policy in MTC Resolution No. 4015. See PAC memo dated June 8, 2022 for detail.

# APPENDIX A – 26

## *Regional Policies: Project Funding and Specific Funding Programs*

**FTA Nonurbanized Area Formula (Section 5311)  
Program Funding Objectives and Criteria for  
the San Francisco Bay Area  
MTC Resolution No. 4036**



Date: November 16, 2011  
W.I.: 1512  
Referred By: PAC  
Revised: 10/23/13-C

ABSTRACT

Resolution No. 4036, Revised

This resolution adopts the Federal Transit Administration (FTA) Section 5311 Nonurbanized Area Formula Program Funding Objectives and Criteria for the San Francisco Bay Area.

The resolution includes the following attachment:

Attachment A - FTA Section 5311 Nonurbanized Area Formula Program Funding  
Objectives and Criteria for the San Francisco Bay Area

This resolution was revised on October 23, 2013 to update the Section 5311 formula with new population data from the 2010 Census and new transit route data from the 2012 Regional Transit Database (RTD), and to remove provisions related to the two-year transition period policy, which is no longer applicable now that the first two years of the formula-based policy are complete.

Further discussion of this action is contained in the MTC Programming and Allocations Committee Summary sheets dated November 9, 2011 and October 9, 2013.

Date: November 16, 2011  
W.I.: 1512  
Referred By: PAC

Re: Federal Transit Administration (FTA) Section 5311 Nonurbanized Area Formula Program Funding Objectives and Criteria for the San Francisco Bay Area

METROPOLITAN TRANSPORTATION COMMISSION  
RESOLUTION NO. 4036

WHEREAS, the Metropolitan Transportation Commission (MTC) is the regional transportation planning agency for the San Francisco Bay Area pursuant to Government Code sections 66500 et. seq.; and

WHEREAS, MTC is the designated metropolitan planning organization (MPO) for the nine-county San Francisco Bay Area; and

WHEREAS, the U.S. Department of Transportation (DOT) has adopted rules and regulations (23 CFR 450 and CFR 613) which require that the MPO, in cooperation with the state and publicly-owned operators of mass transportation services, carry on a continuing, cooperative and comprehensive transportation planning process that results in plans and programs consistent with the comprehensively planned development of the urbanized area, as a condition to the receipt of federal capital or operating assistance; and

WHEREAS, Section 5311 Title 49 of the United States Code (formerly Section 18 of the Federal Transit Act (FTA) provides a formula grant program for public transportation projects in areas other than urbanized areas (49 U.S.C. Section 5311); and

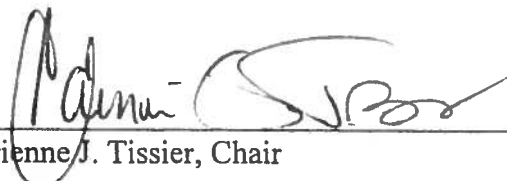
WHEREAS, MTC has developed, in consultation with interested transportation providers, the FTA Section 5311 Nonurbanized Area Formula Program Funding Objectives and Criteria for the San Francisco Bay Area, attached hereto as Attachment A, and incorporated herein as though set forth at length; now, therefore, be it

RESOLVED, that MTC adopts the FTA Section 5311 Nonurbanized Area Formula Program Funding Objectives and Criteria for the San Francisco Bay Area as provided in Attachment A; and be it further

RESOLVED, that MTC will use these funding objectives and criteria to program MTC's regional apportionment of FTA Section 5311 Nonurbanized Area Formula Program funds; and be it further

RESOLVED, that the Executive Director of MTC shall forward a copy of this Resolution, and such other information as may be required, to such other agencies as may be appropriate.

METROPOLITAN TRANSPORTATION COMMISSION

  
\_\_\_\_\_  
Adrienne J. Tissier, Chair

The above resolution was entered into by the Metropolitan Transportation Commission at a regular meeting of the Commission held in Oakland, California, on November 16, 2011.

Date: November 16, 2011  
W.I.: 1512  
Referred By: PAC  
Revised: 10/23/13-C

Attachment A  
Resolution No. 4036  
Page 1 of 5

**FTA Section 5311 Nonurbanized Area Formula Program  
Funding Objectives and Criteria  
for the San Francisco Bay Area  
Metropolitan Transportation Commission**

**I. Funding Principles for the Section 5311 Program**

The funding principles are intended to guide our funding decisions and establish the basis for developing the programming process. The funding principles for the Section 5311 program are as follows:

1. *Maintain existing needed transit services:* MTC dedicates capital and operating funds for essential projects and programs in an effort to maintain needed existing transit services.
2. *Provide a reliable, equitable and flexible program:* MTC will use a formula distribution system in an effort to provide a reliable and equitable level of funding to transit operators each year. Policy guidelines will accompany the formula in order to give operators flexibility in selecting projects that are consistent with regional priorities.
3. *Fund basic capital requirements:* MTC will require recipients to prioritize the replacement of capital equipment. If recipients request funds for operations, they will be required to submit documentation explaining why the funds are not needed for basic capital.
4. *Maintain a multi-year program of projects:* In order to foster planning it is important that MTC continue to program projects on a multi-year basis, within the constraints of available federal funding programs and subject to changes within those programs. Whenever possible, MTC will adopt a two-year program, with annual adjustments to constrain the program to the available revenues. Each year's program will only be added to the TIP when actual revenues are apportioned by Caltrans.
5. *Maintain Timely Use of Funds Policy:* The Caltrans policy requires that all FTA Section 5311 funds be obligated within two years of programming or the funds will be lost to the region. In order to avoid lost funds to the region, MTC reserves the right to only program funds to those agencies that have submitted their prior year's 5311 application and quarterly reports to Caltrans satisfactorily and in a timely manner.



## II. Funding Formula, Policy Guidelines and Screening Criteria

### A. Funding Formula

Funds will be distributed to transit operators according to each operator's nonurbanized area population and nonurbanized area route miles. The formula will distribute half of the funds according to the nonurbanized area population served (i.e., according to the number of nonurbanized area residents that live within three-quarters of a mile of the operators' transit stops) and the other half of the funds according to the number of route miles provided in the nonurbanized area. The table below shows the formula distribution. Population data for the proposed formula is based on the 2010 Census, and transit route data is taken from the 2012 Regional Transit Database (RTD).

Transit Operator	Non UA Population (2010) within 3/4-mile of transit stops		Non UA Route Miles <sup>2</sup>		Combined Population and Route Miles Percentage
	Population	Percentage	Miles	Percentage	
AC Transit	8,272	4%	33	2%	3%
CCCTA	11,311	5%	8	0%	3%
LAVTA	6,845	3%	29	2%	2%
Marin Transit <sup>1</sup>	16,993	8%	283	17%	12%
NCTPA	26,713	12%	199	12%	12%
SamTrans	21,741	10%	130	8%	9%
Santa Clara VTA	8,061	4%	94	6%	5%
Solano Transportation Authority <sup>2</sup>	41,935	19%	437	26%	23%
Sonoma County Transit	63,645	29%	435	26%	28%
TriDelta Transit	13,298	6%	29	2%	4%
<b>Total</b>	<b>218,814</b>	<b>100%</b>	<b>1,678</b>	<b>100%</b>	<b>100%</b>

<sup>1</sup> The Marin Transit amount is the sum of the Marin Transit (Local Service) and West Marin Stagecoach amounts. Marin Transit will determine which service will use the 5311 funds.

<sup>2</sup> The Solano Transportation Authority (STA) amount is the sum of the Dixon, Fairfield and Suisun Transit, Rio Vista Delta Breeze, SolTrans, and Vacaville amounts. STA will work with these operators to determine individual shares.

### B. Policy Guidelines

The following policies will accompany the formula system:

1. *Capital Priority.* Recipients will be required to prioritize the replacement of capital equipment, with top priority for capital assets needed to maintain needed existing transit services. If recipients request funds for operations, they will be required to submit documentation explaining why the funds are not needed to maintain or replace capital equipment. Furthermore, if recipients request funds for operations expansions, they will be required to submit documentation explaining why the funds are not needed to maintain existing transit operations.

2. *Project Justification Sheets.* MTC will program funds only to those operators who submit Section 5311 project justification sheets during the Call for Projects. The Section 5311 project justification sheets will contain basic project information, including project title, brief project description, project type, contact information, total project cost, local match amount and funding source, prior programming information (if the project is already included in the TIP), screening criteria, and, for operations requests, an explanation of why the funds are not needed for basic capital. If an operator does not want to participate in the 5311 program (e.g., if the operator's 5311 share is so small that the administrative effort required to apply for and report on the funds outweighs the benefits to the operator), then they will not submit Section 5311 project justification sheets, and MTC will not program any funds to that operator.

### C. Project Screening Criteria

The project screening criteria are intended to eliminate projects that do not meet minimum program standards. MTC will review each applicant's Project Justification Sheets to ensure that each project proposed for the Section 5311 program of projects meets the following criteria:

1. *Availability to the general public.* Section 5311- funded services may be designed to maximize use by members of the general public who are transportation disadvantaged persons, including elderly and disabled persons, however such services should be open to the general public, or part of an array of public transit services, such as ADA complementary services.
2. *Identified local match.* The applicant must identify a funding source for the minimum required local match. The minimum local match is 44.67% for operations projects, and 11.47% for capital projects.
3. *Identified and documented need for a project.* The need for a particular project must be adequately documented and justified on the Section 5311 project justification sheets (e.g., if an operator is requesting funds to replace a vehicle, the existing vehicle to be replaced must meet the asset replacement age). If the applicant prepares a Short Range Transit Plan (SRTP), the project should be identified and justified in the plan.
4. *Project readiness.* The applicant must be prepared to submit an application for the project and be ready to implement/construct the project in the year indicated in the program of projects. If funds for a project are not applied for in the year they are programmed, future programming of federal funds for that project and applicant could be jeopardized.

5. *Consistency with Regional Transportation Plan (RTP)*. The applicant must confirm that the project is consistent with the region's Long Range Plan in effect at the time of the application.

### **III. Fund Programming and Project Review Process**

The steps in developing the region's Section 5311 program of projects are outlined as follows.

MTC will issue a Call for Projects every two years, and will adopt a two-year program. MTC will make annual adjustments to constrain the program to the available revenues. Each year's program will only be added to the TIP when actual revenues are apportioned by Caltrans.

#### **A. Call for Projects Year (first year of two-year program)**

- MTC receives estimate of available Section 5311 funding for the first program year from Caltrans. MTC will estimate the amount of Section 5311 funding available for the second program year.
- MTC uses the funding formula to estimate the amount of Section 5311 funds available to each transit operator, based on the assumption that all eligible operators will submit proposed projects.
- MTC notifies all potential Section 5311 applicants of the amount of Section 5311 funds available, including fund estimates by transit operator, and requests that projects be proposed (in project justification sheets) for the program of projects.
- For each proposed project, applicants complete and submit Section 5311 Project Justification Sheets to MTC.
- MTC staff reviews proposed projects and develops a preliminary program of projects. If there are remaining Section 5311 funds (i.e., if some eligible operators did not submit Project Justification Sheets), MTC will use the funding formula to distribute the remaining balance to the operators that proposed projects. MTC will confer with applicants to finalize the program of projects.
- The program of projects is presented to and considered by MTC's Programming and Allocations Committee.
- If approved by the Committee, the program of projects is presented to and considered by MTC's full Commission and upon approval is forwarded to Caltrans.
- When actual revenues are apportioned by Caltrans, MTC will make adjustments (if needed) to constrain the program to the available revenues and add the first year projects to the Transportation Improvement Program (TIP)

**B. Adjustment year (second year of two-year program)**

- MTC receives estimate of available Section 5311 funding for the second program year from Caltrans.
- MTC will make adjustments (if needed) to constrain the program to the available revenues. Staff will confer with operators if adjustments are needed.
- If there are changes to a project in the current program (e.g., scope of project, costs, etc.), a revised project justification sheet should be completed and sent to MTC.
- The revised program of projects is presented to and considered by MTC's Programming and Allocations Committee.
- The revised program of projects is presented to and considered by MTC's full Commission and upon approval is forwarded to Caltrans.
- MTC will add the second year projects to the Transportation Improvement Program (TIP).

In any year, operators are responsible for submitting their own applications to Caltrans. MTC will assist with the Regional Agency/Transportation Planning Agency (TPA) Certifications and Assurances as needed.

# APPENDIX A – 27

## *Regional Policies: Project Funding and Specific Funding Programs*

**FTA Rural Area Formula (Section 5311)  
Program of Projects for FY 2018-19 and FY 2019-20  
MTC Resolution No. 4511**



Date: April 27, 2022  
W.I.: 1512  
Referred By: PAC

ABSTRACT

Resolution No. 4511

This resolution adopts the FYs 2021-22 and 2022-23 Federal Transit Administration (FTA) Rural Area Formula (Section 5311) Programs of Projects for the San Francisco Bay Area.

The resolution includes the following attachments:

Attachment A - FTA Section 5311 Rural Area Formula Program for FY2021-22

Attachment B - FTA Section 5311 Rural Area Formula Program for FY2022-23

Further discussion of this action is contained in the MTC Programming and Allocations Committee Summary Sheet dated April 13, 2022.

Date: April 27, 2022  
W.I.: 1512  
Referred By: PAC

Re: Program of Projects in the San Francisco Bay Area for FYs 2021-22 and 2022-23  
Federal Transit Administration (FTA) Rural Area Formula (Section 5311) Funds

METROPOLITAN TRANSPORTATION COMMISSION  
RESOLUTION NO. 4511

WHEREAS, the Metropolitan Transportation Commission (MTC) is the regional transportation planning agency for the San Francisco Bay Area pursuant to Government Code sections 66500 et. seq.; and

WHEREAS, MTC is the designated metropolitan planning organization (MPO) for the nine-county San Francisco Bay Area; and

WHEREAS, the U.S. Department of Transportation (DOT) has adopted rules and regulations (23 CFR 450 and CFR 613) which require that the MPO, in cooperation with the state and publicly-owned operators of mass transportation services, carry on a continuing, cooperative and comprehensive transportation planning process that results in plans and programs consistent with the comprehensively planned development of the urbanized area, as a condition to the receipt of federal capital or operating assistance; and

WHEREAS, Section 5311 Title 49 of the United States Code (formerly Section 18 of the Federal Transit Act) provides for a Federal Transit Administration (FTA) formula grant program for public transportation projects in rural areas (49 U.S.C. Section 5311); and

WHEREAS, MTC has adopted Resolution No. 4036, which sets forth MTC's FTA Section 5311 Rural Area Formula Program Funding Objectives and Criteria for the San Francisco Bay Area; and

WHEREAS, MTC has developed, in consultation with interested transportation providers and in accordance with the MTC's Section 5311 Funding Objectives and Criteria, the FYs 2021-22 and 2022-23 FTA Rural Area Formula (Section 5311) Program of Projects for the San Francisco Bay Area, attached hereto as Attachments A and B, and incorporated herein as though set forth at length; now, therefore, be it

RESOLVED, that MTC adopts the FYs 2021-22 and 2022-23 FTA Rural Area Formula (Section 5311) Program of Projects as listed on Attachments A and B; and, be it further

RESOLVED, that the Executive Director of MTC is authorized and directed to modify the FYs 2021-22 and 2022-23 Program of Projects as listed on Attachments A and B to match the actual FTA Rural Area Formula fund appropriation if needed; and, be it further

RESOLVED, that the Executive Director of MTC is authorized and directed to forward a copy of this resolution to Caltrans, and such agencies as may be appropriate.

METROPOLITAN TRANSPORTATION  
COMMISSION

A handwritten signature in black ink, appearing to be 'AP' followed by a long horizontal stroke.

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Alfredo Pedroza, Chair

The above resolution was entered into by the Metropolitan Transportation Commission at a regular meeting of the Commission held in San Francisco, California, and at other remote locations on April 27, 2022.



**Federal Transit Administration**  
**Section 5311 Rural Area Formula Program**  
**FY2021-22**

**FY2021-22 Funding Available:**

<b>Apportionments:</b>	\$	<b>2,319,647</b>
<b>Prior Year Carryover:</b>	\$	<b>-</b>
<b>Total Funding Available:</b>	\$	<b>2,319,647</b>

**FY 2021-22 Programming:**

<u>Applicant</u>	<u>Project Description</u>	<u>Sect. 5311 Program</u>	<u>Local Match</u>	<u>Total Project Cost</u>
LAVTA	Operating Assistance - Rural Alameda County	\$ 60,168	\$ 48,576	\$ 108,744
Marin Transit	West Marin Stagecoach Rural Bus Service	\$ 297,303	\$ 240,072	\$ 537,375
NVTA	Operating Assistance	\$ 295,168	\$ 238,348	\$ 533,516
SamTrans	Demand Response and Route 17 Operations	\$ 217,828	\$ 1,227,523	\$ 1,445,351
VTA	Operating Assistance for Bus Route 68	\$ 112,893	\$ 91,143	\$ 204,036
City of Dixon	Operating Assistance	\$ 300,000	\$ 242,250	\$ 542,250
City of Dixon	Capital Expenses	\$ 163,276	\$ 21,150	\$ 184,426
Rio Vista Delta Breeze	Operating Assistance	\$ 100,000	\$ 80,750	\$ 180,750
Sonoma County Transit	Replacement Vehicle Purchase	\$ 675,277	\$ 349,723	\$ 1,025,000
ECCTA	Preventive Maintenance	\$ 97,734	\$ 78,920	\$ 176,654
<b>Total Programming</b>		<b>\$ 2,319,647</b>	<b>\$ 2,618,456</b>	<b>\$ 4,938,103</b>
<b>Total Available</b>		<b>\$ 2,319,647</b>		
<b>Available for Carryover</b>		<b>\$ -</b>		

**Federal Transit Administration**  
**Section 5311 Rural Area Formula Program**  
**FY2022-23**

**FY2022-23 Funding Available:**

<b>Apportionments:</b>	\$	<b>2,366,040</b>
<b>Prior Year Carryover:</b>	\$	-
<b>Total Funding Available:</b>	\$	<b>2,366,040</b>

**FY 2022-23 Programming:**

<u>Applicant</u>	<u>Project Description</u>	<u>Sect. 5311 Program</u>	<u>Local Match</u>	<u>Total Project Cost</u>
LAVTA	Operating Assistance - Rural Alameda County	\$ 61,371	\$ 49,548	\$ 110,919
Marin Transit	West Marin Stagecoach Rural Bus Service	\$ 303,249	\$ 244,874	\$ 548,123
NVTA	Operating Assistance	\$ 301,072	\$ 243,116	\$ 544,188
SamTrans	Demand Response and Route 17 Operations	\$ 222,185	\$ 1,261,290	\$ 1,483,475
VTA	Operating Assistance for Bus Route 68	\$ 115,150	\$ 92,965	\$ 208,115
City of Dixon	Operating Assistance	\$ 300,000	\$ 242,250	\$ 542,250
City of Dixon	Capital Expenses	\$ 49,541	\$ 6,417	\$ 55,958
Rio Vista Delta Breeze	Operating Assistance	\$ 150,000	\$ 121,125	\$ 271,125
Rio Vista Delta Breeze	Capital Expenses	\$ 75,000	\$ 9,715	\$ 84,715
Sonoma County Transit	Replacement Vehicle Purchase	\$ 688,783	\$ 387,467	\$ 1,076,250
ECCTA	Preventive Maintenance	\$ 99,689	\$ 80,499	\$ 180,188
<b>Total Programming</b>		\$ 2,366,040	\$ 2,739,265	\$ 5,105,305
<b>Total Available</b>		\$ 2,366,040		
<b>Available for Carryover</b>		\$ -		

# APPENDIX A – 28

## *Regional Policies: Project Funding and Specific Funding Programs*

**FTA Urbanized Area Formula (Section 5307) and Rural Area Formula (Section 5311) process, criteria, and program of projects for funds pursuant to CARES Act for FY 2019-20  
Emergency Transit Operations**

**MTC Resolution No. 4420**



Date: April 22, 2020  
W.I.: 1512  
Referred By: Commission  
Revised: 05/27/20-C  
07/22/20-C

ABSTRACT

Resolution No. 4420, Revised

This resolution approves the process, establishes the criteria, and programs projects for Federal Transit Administration (FTA) Sections 5307 Urbanized Area Formula and 5311 Rural Area formula funds apportioned to the San Francisco Bay Area pursuant to the Coronavirus Aid, Relief, and Economic Security Act (H.R. 748) for FY2019-20 Emergency Transit Operations Assistance.

This resolution includes the following attachments:

Attachment A – Principles for Distribution of CARES Act (H.R. 748) Supplemental  
Federal Transit Administration Formula Funds

Attachment B – FY2019-20 Emergency Transit Operations Programming Policy

Attachment C – FY2019-20 Emergency Transit Operations Program of Projects

On May 27, 2020, Attachment A was revised to incorporate proposed actions for Principle 5.

Attachments B and C were revised on July 22, 2020 to update the Policy and Programming for the Phase 2 distribution of CARES Act Emergency Transit Operations funding.

Further discussion is contained in the memoranda to the MTC Programming and Allocations Committee dated May 13, 2020 and July 8, 2020.

Date: April 22, 2020  
W.I.: 1512  
Referred By: Commission

RE: San Francisco Bay Area FY2019-20 Emergency Transit Operations Programming Policy

METROPOLITAN TRANSPORTATION COMMISSION  
RESOLUTION NO. 4420

WHEREAS, the Metropolitan Transportation Commission (MTC) is the regional transportation planning agency for the San Francisco Bay Area pursuant to Government Code Sections 66500 et seq.; and

WHEREAS, MTC is the designated Metropolitan Planning Organization (MPO) for the nine-county Bay Area; and

WHEREAS, the Coronavirus Aid, Relief, and Economic Security (CARES) Act (H.R. 748) has been signed into law in response to the nationwide Coronavirus pandemic, which provides supplemental appropriations for Emergency Transit Operations Assistance through the Federal Transit Administration (FTA) Section 5307 Urbanized Area and Section 5311 Rural Area formula programs; and

WHEREAS, MTC is the designated recipient of the FTA Section 5307 Urbanized Area Formula Program funds for the large urbanized areas of San Francisco-Oakland, San Jose, Concord, Antioch, and Santa Rosa, and has been authorized by the California Department of Transportation (Caltrans) to select projects and recommend funding allocations subject to state approval for the FTA Section 5307 funds for the small urbanized areas of Vallejo, Fairfield, Vacaville, Napa, Livermore, Gilroy-Morgan Hill, and Petaluma in MTC's Federal Transportation Improvement Program and for the Section 5311 funds in non-urbanized areas; and

WHEREAS, MTC has worked cooperatively with the cities, counties and transit operators in the region to establish a set of principles to guide the development of the process and methodology for the initial distribution of CARES Act supplemental federal transit funds; and which provide for adjustments for subsequent distributions, as set forth in Attachment A, which is incorporated herein as though set forth at length; and

WHEREAS, the Policy to be used for the distribution of funds is set forth in Attachment B, which is incorporated herein as though set forth at length; and

WHEREAS, the projects to be funded are set forth in the detailed project listings in Attachment C, which are incorporated herein as though set forth at length; now, therefore, be it

RESOLVED, that MTC approves FY2019-20 Emergency Transit Operations Programming Policy as set forth in Attachment B; and, be it further

RESOLVED, that MTC will use the Policy as set forth in Attachment B to program supplemental FTA Sections 5307 and 5311 formula funds appropriated in the CARES Act for Emergency Transit Operations Assistance as provided under statute; and, be it further

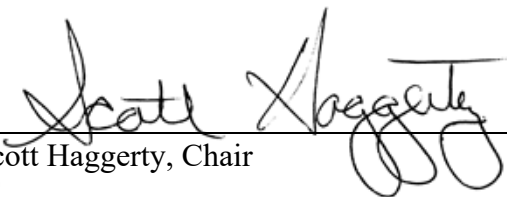
RESOLVED, that MTC will return to the Commission to consider and approve those criteria and factors that will be identified for and associated with Principle 5 as provided for in Attachment A, as a basis for subsequent distributions beyond the initial distribution; and, be it further

RESOLVED, that MTC adopts the FY2019-20 Emergency Transit Operations Program of Projects to be funded as set forth in Attachment C; and, be it further

RESOLVED, that the Executive Director of MTC, or their designee, is authorized and directed to modify the Program of Projects as listed in Attachment C to meet requirements of FTA, and be it further

RESOLVED, that the Executive Director of MTC, or their designee, is authorized and directed to forward a copy of this resolution to the Federal Transit Administration (FTA) or other such agencies as may be appropriate.

METROPOLITAN TRANSPORTATION COMMISSION

  
\_\_\_\_\_  
Scott Haggerty, Chair

The above resolution was entered into by the Metropolitan Transportation Commission at a regular meeting of the Commission held in San Francisco, California on April 22, 2020.

Date: April 22, 2020  
W.I: 1512  
Referred By: Commission  
Revised: 05/27/20-C

Attachment A  
Resolution No. 4420  
Page 1 of 2

**Principles for Distribution of CARES Act (H.R. 748) Supplemental  
Federal Transit Administration Formula Funds**

<b>Principles</b>	<b>Proposed Action</b>
1. Move quickly to distribute first allocation of funds to operators as soon as possible.	Recommend an allocation formula and distribution of an initial installment of funds for approval no later than at the regularly-scheduled MTC Commission meeting on April 22 <sup>nd</sup> .
2. Distribute funding in a manner that best addresses operators’ needs arising from the COVID-19 crisis.	Pursue agreement with transit operators on a distribution framework that comes as close as possible to anticipated transit operator costs associated with COVID-19, consistent with the intent of the CARES Act to direct funding according to need. Recognize the different revenues that comprise operator budgets and that will be affected by the COVID-19 crisis.
3. Allow flexibility to enable the region to address uncertainty/changed circumstances.	Distribute the funds in multiple phases. Limit the initial distribution of funds to approximately 60% of the total funding, given the challenge of accurately predicting revenue losses. Return to the Commission in July with a second programming action to revisit the formula and make any necessary adjustments based on more accurate information on revenue losses and costs incurred from March through June, and more refined forecasts of revenue impacts through the remainder of 2020.
4. Address urbanized area (UZA) constraints associated with federal funds with a needs-based funding distribution of any COVID-19 supplemental state funds.	Because the federal funds are apportioned to the region by UZAs (5 large and 7 small), there may be limitations in how well a regionwide formula can distribute funds in accordance with operators’ actual needs. MTC should take this into consideration in distributing any potential supplemental emergency state funds provided to the region that are under MTC discretion to best achieve a ‘needs-based’ distribution of the combined state and federal COVID-19 supplemental funds.

<p>5. Future distribution(s) – beyond the initial phase – will be subject to a comprehensive COVID-19 recovery strategy that considers any recommended regional adjustments to ensure network connectivity, financial sustainability, and transportation system equity.</p>	<p>Each operator will develop and provide MTC with a COVID-19 recovery strategy. The recovery strategies will consider a) right sizing the services, including criteria for reinstating any service reductions undertaken; b) financial sustainability, including assumptions and rationale regarding how quickly and to what level ridership will recover; and c) how equity/lifeline services are being addressed, including identification of the most transit dependent riders and prioritization of their needs.</p> <p>The proposed actions for this principle will be further guided by the work and direction of the Blue Ribbon Transit Recovery Task Force.</p>
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Date: April 22, 2020  
W.I.: 1512  
Referred By: Commission  
Revised: 07/22/20-C

Attachment B  
Resolution No. 4420  
Page 1 of 7

**San Francisco Bay Area FY2019-20 Emergency Transit Operations  
Assistance Programming Policy**

Metropolitan Transportation Commission  
Bay Area Metro Center  
375 Beale Street, Suite 800  
San Francisco, CA 94105

## I. About the Policy

- a. **Background:** The FY2019-20 Emergency Transit Operations Assistance Programming Policy applies to the programming of supplemental Federal Transit Administration Section 5307 Urbanized Area and 5311 Rural Area formula program funds apportioned to the San Francisco Bay Area in FY2019-20, pursuant to the Coronavirus Aid, Relief, and Economic Security (CARES) Act (H.R. 748).

This policy contains the rules for establishing a program of projects for eligible transit operators in the San Francisco Bay Area Region.

On March 27, 2020, the President signed the CARES Act into law, providing supplemental appropriations for emergency transit operations in response to the global Coronavirus pandemic. These supplemental appropriations were provided via existing FTA Section 5307 and 5311 formula programs, and follow many of the same statutory guidelines and requirements. However, the funds are explicitly eligible for use for operating assistance and capital expenses related to transit operator response to the Coronavirus pandemic.

- b. **Goals & Objectives:** The goal of this policy is to provide emergency operating assistance to transit operators to mitigate lost fare revenues, reduced sales tax revenues, and other lost revenues, and increased costs associated with the Coronavirus pandemic; recognizing distinctions between initial responses to the crisis, and recovery efforts emerging from it;

## II. The Policy

### a. FTA Funds

- i. **Federal Eligibility:** In addition to the typical eligibility for capital and operating projects for the FTA Section 5307 Urbanized Area and FTA Section 5311 Rural Area Formula Programs as described in detail in MTC Resolution Nos. 4036, Revised (5311 Program Policy), and 4242, Revised (Transit Capital Priorities Policy), the CARES Act also makes these funds *“available for the operating expenses of transit agencies related to the response to a coronavirus public health emergency as described in section 319 of the Public Health Service Act, including, beginning on January 20, 2020, reimbursement for operating costs to maintain service and lost revenue due to the coronavirus public health emergency, including the purchase of personal protective equipment, and paying the administrative leave of operations personnel due to reductions in service.”* Further, the CARES Act provides this supplemental funding up to a 100% Federal share.
- ii. **Regional Eligibility:** Transit operators are required to submit annual reports to the National Transit Database (NTD). Service factors reported in large urbanized areas partially determine the amounts of FTA Section 5307 funds generated in the region. An operator is eligible to be programmed and apply to FTA for funds only in designated UZAs, as outlined in Table 1 below. Eligibility is based on geographical operations and 2018 self-reported NTD information and may be broader than the UZA eligibility for the Transit Capital Priorities (TCP) Program (MTC Resolution No. 4242, Revised) typically used for distribution of FTA formula funds, in which

certain operator agreements are recognized. Additionally, MTC is an eligible recipient in each UZA in the region.

**Table 1. Urbanized Area Eligibility**

<b>Urbanized Area</b>	<b>Eligible Transit Operators<sup>†</sup></b>
San Francisco-Oakland	Alameda-Contra Costa Transit District (AC Transit), Altamont Corridor Express (ACE)*, San Francisco Bay Area Rapid Transit District (BART), Peninsula Corridor Joint Powers Board (Caltrain), Fairfield and Suisun Transit (FAST)*, Golden Gate Bridge, Highway & Transportation District (GGBHTD), Marin County Transit District (Marin Transit)*, MTC, San Francisco Municipal Transportation Authority (SFMTA), San Mateo County Transit District (SamTrans), Santa Clara Valley Transportation Authority (VTA), Solano County Transit (SolTrans)*, Sonoma-Marín Area Rail Transit (SMART)*, City of Union City (Union City Transit)*, Water Emergency Transportation Authority (WETA)*, Western Contra Costa Transit Authority (WestCAT)*
San Jose	AC Transit, ACE*, Caltrain, MTC, VTA
Concord	ACE*, BART, Central Contra Costa Transit Authority (CCCTA)*, Eastern Contra Costa Transit Authority (ECCTA/Tri Delta Transit)*, Livermore-Amador Valley Transit Authority (LAVTA)*, MTC, SolTrans*
Antioch	BART, ECCTA/Tri Delta Transit*, MTC
Santa Rosa	GGBHTD, MTC, Santa Rosa CityBus*, SMART*, Sonoma County Transit*
Vallejo	FAST*, MTC, SolTrans*, WETA*
Fairfield	FAST*, MTC, SolTrans*
Vacaville	City of Vacaville (CityCoach)*, FAST*, MTC
Napa	MTC, NVTA/Vine*
Livermore	ACE*, LAVTA*, MTC
Gilroy-Morgan Hill	Caltrain, MTC, VTA
Petaluma	GGBHTD, City of Petaluma*, MTC, SMART*, Sonoma County Transit*

<sup>†</sup> Eligibility based on 2018 NTD Report Data

\*Small Operator

The FTA Section 5311 Rural Area formula program provides funds to transit operators for service in non-urbanized and rural areas. Operator eligibility is determined by non-urbanized service as provided in the 2012 Regional Transit Database, as explained in MTC Resolution No. 4036, and as self-reported in 2018 NTD reporting. Operators eligible to receive Rural Area formula program funds, based on their provision of rural and non-urbanized area service are as follows:

AC Transit	FAST	SamTrans
Caltrain	LAVTA	SolTrans
CCCTA	Marin Transit	Sonoma County Transit
City of Dixon	NVTA/Vine	Vacaville CityCoach
City of Rio Vista	Petaluma	VTA
ECCTA/Tri Delta Transit		

Per the State Management Plan for Federal Transit Funds, Caltrans makes final determination of project eligibility for Section 5311 Rural Area Formula funds.

b. Funding Distribution Methodology

- i. Regional Programming Approach: The Regional Programming Approach, as described below, is designed to prioritize funds to operators based on needs. The approach assumes a regional programming perspective and constrains regional demands to the amount of funds available to the region, prior to programming funds to project. It then assigns funds from urbanized areas in the following order:
  1. Fund needs for operators that are restricted to receiving funds in one UZA (e.g., SFMTA, WestCAT, CCCTA, etc.).
  2. Fund balance of operator needs among multiple UZAs, as eligibility allows, with the objective of fully funding needs (as defined in III.a., below) due to the Coronavirus to the maximum extent possible.
  3. Reduce operator funding proportionately in UZAs where needs exceed available funding.
  4. If, after Future Phase(s) funds are programmed to address pandemic-related operator needs (further described in III.a.2. below), any remaining funds will be programmed for eligible recipients per the TCP Policy (MTC Resolution No. 4242, Revised), but using the UZA eligibility outlined in Table 1 to maintain maximum flexibility with these funds.
- ii. Phased Distribution of Funds: Funds will be distributed in two Phases:
  1. Phase 1: 60.6% of the region's apportionment will be assigned to operators in Phase 1. This phase is intended to roughly address estimated direct operating impacts as a result of the Coronavirus pandemic through June 30, 2020 (e.g., unrealized fare revenue as a result of decreased ridership, unrealized transit agency parking revenue, unrealized bridge toll revenue, increased expenses due to extra cleaning labor and supplies, etc.) using the methodology described in III.a.i., below.
  2. Phase 2: The remaining 39.4% of the region's apportionment will be assigned to operators following the Principles included in Attachment A, with emphasis on the recovery based considerations embodied in Principle 5, to be determined in consultation with regional partners and adopted by the Commission. The methodology for future phases is described in III.a.ii., below.

### III. The Process

- a. The distribution of funds in Phases 1 and 2 will utilize separate methodologies in order to balance the impacts of the Coronavirus pandemic on the various operators in the region. This process recognizes the myriad revenue sources that go into different operator budgets, and seeks to provide equitable levels of funding to each across the region.
  - i. Phase 1 Methodology: The following process describes the methodology used to determine the funding targets to distribute the region's apportionment of CARES Act supplemental FTA funds in Phase 1:
    1. MTC 1% Take-down: 1% of the funds will be assigned to MTC for operating assistance.
    2. The remaining Phase 1 funds will be targeted to operators proportionally based on the following three factors, weighted equally, and with a floor applied such that the Small Operators, as defined above, receive an amount equal to at least 17% of their FY2019-20 operating costs:
      - a. Fare box revenues as reported in operators' FY2019-20 Transportation Development Act (TDA) Claims;
      - b. Operating costs, as reported in operators' FY2019-20 TDA Claims; and
      - c. STA Revenue-based formula qualifying revenues (PUC99314), without the AB 1107 sales tax exclusion.
  - ii. Phase 2 Methodology: The following process describes the methodology used to determine the funding targets to distribute the region's apportionment of CARES Act supplemental FTA funds in Future Phase(s):
    1. MTC 1% Take-down: 1% of the funds will be assigned to MTC for operating assistance.
    2. The remaining Phase 2 funds will be targeted to operators based on the funding each operator received in Phase 1 and their total anticipated revenue losses over a ten-month period. The proposed approach seeks to fully backfill operators' lost revenue due to COVID-19 through December 31, 2020 across both Phase 1 and Phase 2. Because the projected revenue loss across all operators is greater than the total CARES Act funds received, the revenue loss for each operator must be scaled down by 9.87% to allow the March to December need to fit within the available CARES Act funds across both Phase 1 and Phase 2.
    3. To provide additional support for operators that serve higher proportions of transit dependent customers, an "equity adjustment" has been applied to the funding distribution. 25% of an operator's forecasted revenue losses are weighted by its ridership share of very low income. Very low income is defined as under \$50,000 household income.

*Revenue Loss Assumptions*

Amounts shown are a percentage reduction below what the fund source generated prior to COVID-19.

<b>March – August 2020</b>	<b>September – December 2020</b>
Fares -90%	Fares -70%
Sales taxes -45%	Sales taxes -30%
BATA bridge tolls -60%	BATA bridge tolls -25%
Golden Gate Bridge tolls -60%	Golden Gate Bridge tolls -40%
SFMTA Parking -90%	SFMTA Parking -15%
SFMTA General Fund -20%	SFMTA General Fund -20%
Park n Ride revenues -90%	Park n Ride revenues -75%
State Transit Assistance -32%	State Transit Assistance -40%
State Rail Assistance -32%	State Rail Assistance -40%

- iii. **Funding:** Once operator funding targets are determined by the methodology outlined above, the Phase 1 and Phase 2 targets will be funded using the Regional Programming Model described in II.b.i, above.
  
- b. **Annual Programming in the TIP:** MTC, in cooperation with the state and eligible transit operators, is required to develop a Transportation Improvement Program (TIP) for the MTC Region. The TIP is a four-year programming document, listing federally-funded transportation projects, projects requiring a federal action, and projects deemed regionally significant. TCP programming in each year of the TIP will be financially constrained to the estimated apportionment level. Programming adjustments in the TIP will be done in consultation with eligible transit operators in the MTC region.
 

The CARES Act waives the typical requirement for TIP inclusion for the supplemental apportionments included in the Act used for operating assistance or to pay for capital expenses for emergency relief do not need to be included in the TIP/STIP unless the projects are for substantial functional, locational, or capacity changes. [23 CFR §§ 450.326(e)(5), 450.218(g)(5)]. Over time, MTC will work to incorporate all such funding from the CARES Act in to the TIP for fund monitoring purposes. However, inclusion in the TIP is not a precondition for receiving these funds.
  
- c. **Process for Programming Revisions & Amendments:** The principles, policy, and associated programming (Attachments A, B, and C to this resolution) will be revised at a later date to include Future Phase funding amounts for operators and to include more detail on the FTA Section 5311 process, as needed, once provided by Caltrans. MTC will consider revisions to an operator’s programming as requested.
  
- d. **Grant Applications:**
  - i. **FTA Section 5307 Programs:** Each operator is expected to complete their own Federal grant application using FTA’s Transit Award Management System (TrAMS). MTC staff will review grant applications and submit concurrence letters or other required materials to FTA on behalf of project sponsors as needed.

- ii. FTA Section 5311 Program: Operators are responsible for working with Caltrans, the designated recipient and grantee for the Section 5311 program, to respond to calls for projects and submit required materials to access these funds. MTC will assist with the Regional Agency/Transportation Planning Agency (TPA) Certifications and Assurances and any other documentation, as needed.

FY2019-20 Emergency Transit Operations Program of Projects

TIP ID	Operator	Project Description	Total FTA Program	FTA Section 5307	FTA Section 5311
<b>Apportionments</b>			<b>1,288,419,493</b>	<b>1,283,243,071</b>	<b>5,176,422</b>
<b>Regional Transit Programs/Support</b>					
REG190001	MTC	CARES Act-eligible Projects	12,884,194	12,884,194	
<b>Available for Programming</b>			<b>1,275,535,299</b>	<b>1,270,358,877</b>	<b>5,176,422</b>
<b>Phase 1 Programming</b>					
ALA190023	AC Transit	CARES Act-eligible Projects	80,366,395	80,366,395	
ALA190024	ACE <sup>1</sup>	CARES Act-eligible Projects	2,680,453	2,680,453	
ALA190025	BART	CARES Act-eligible Projects	251,637,050	251,637,050	
SM-190011	Caltrain	CARES Act-eligible Projects	49,292,725	49,292,725	
CC-190013	CCCTA	CARES Act-eligible Projects	7,067,680	7,067,680	
SOL190018	City of Dixon	CARES Act-eligible Projects	305,302	-	305,302
CC-190014	ECCTA	CARES Act-eligible Projects	3,891,364	3,891,364	
SOL190020	City of Fairfield	CARES Act-eligible Projects	2,002,985	2,002,985	
MRN190014	GGBHTD	CARES Act-eligible Projects	30,163,006	30,163,006	
ALA190026	LAVTA	CARES Act-eligible Projects	3,501,369	3,501,369	
MRN190013	Marin Transit	CARES Act-eligible Projects	5,438,809	5,199,037	239,772
NAP190005	NVTA	CARES Act-eligible Projects	2,701,734	2,461,683	240,051
SON190008	City of Petaluma	CARES Act-eligible Projects	498,342	498,342	
SOL190019	City of Rio Vista	CARES Act-eligible Projects	119,328	-	119,328
SF-190007	SFMTA	CARES Act-eligible Projects	197,190,672	197,190,672	
SM-190010	SamTrans	CARES Act-eligible Projects	28,519,037	28,341,472	177,565
SON190009	City of Santa Rosa	CARES Act-eligible Projects	2,493,979	2,493,979	
SOL190021	Solano County Transit	CARES Act-eligible Projects	2,590,800	2,590,800	
SON190007	Sonoma County Transit	CARES Act-eligible Projects	3,014,482	2,464,786	549,696
SON190010	SMART	CARES Act-eligible Projects	10,375,471	10,375,471	
ALA190027	Union City Transit	CARES Act-eligible Projects	922,560	922,560	
SOL190022	City of Vacaville	CARES Act-eligible Projects	488,659	488,659	
SCL190038	VTA	CARES Act-eligible Projects	73,023,596	72,932,222	91,374
CC-190015	WCCTA	CARES Act-eligible Projects	2,218,204	2,218,204	
VAR190008	WETA	CARES Act-eligible Projects	12,529,212	12,529,212	
<b>Phase 1 Program Total</b>			<b>773,033,214</b>	<b>771,310,126</b>	<b>1,723,088</b>
<b>Fund Balance</b>			<b>502,502,085</b>	<b>499,048,751</b>	<b>3,453,334</b>
<b>Phase 2 Programming</b>					
ALA190023	AC Transit	CARES Act-eligible Projects	33,793,809	33,793,809	
ALA190025	BART	CARES Act-eligible Projects	125,416,405	125,416,405	
SM-190011	Caltrain	CARES Act-eligible Projects	15,344,609	15,344,609	
CC-190013	CCCTA	CARES Act-eligible Projects	4,745,001	4,745,001	
SOL190018	City of Dixon	CARES Act-eligible Projects	84,971	-	84,971
CC-190014	ECCTA	CARES Act-eligible Projects	4,133,274	3,853,423	279,851
SOL190020	City of Fairfield	CARES Act-eligible Projects	1,935,831	1,935,831	
MRN190014	GGBHTD	CARES Act-eligible Projects	21,417,456	21,417,456	
ALA190026	LAVTA	CARES Act-eligible Projects	3,317,752	3,317,752	
MRN190013	Marin Transit	CARES Act-eligible Projects	4,737,498	3,937,498	800,000
NAP190005	NVTA	CARES Act-eligible Projects	1,675,538	1,675,538	
SON190008	City of Petaluma	CARES Act-eligible Projects	562,604	562,604	
SOL190019	City of Rio Vista	CARES Act-eligible Projects	38,512	-	38,512
SF-190007	SFMTA	CARES Act-eligible Projects	176,592,087	176,592,087	
SM-190010	SamTrans	CARES Act-eligible Projects	17,361,063	16,561,063	800,000
SON190009	City of Santa Rosa	CARES Act-eligible Projects	1,581,689	1,581,689	
SOL190021	Solano County Transit	CARES Act-eligible Projects	2,941,048	2,941,048	
SON190007	Sonoma County Transit	CARES Act-eligible Projects	2,758,113	2,208,113	550,000
NEW	Transbay Joint Powers Authority	CARES Act-eligible Projects	583,287	583,287	
SON190010	SMART	CARES Act-eligible Projects	4,577,061	4,577,061	
ALA190027	Union City Transit	CARES Act-eligible Projects	1,023,851	1,023,851	
SOL190022	City of Vacaville	CARES Act-eligible Projects	1,301,228	1,301,228	
SCL190038	VTA	CARES Act-eligible Projects	68,552,110	67,652,110	900,000
CC-190015	WCCTA	CARES Act-eligible Projects	1,799,643	1,799,643	
VAR190008	WETA	CARES Act-eligible Projects	6,227,645	6,227,645	
<b>Phase 2 Program Total</b>			<b>502,502,085</b>	<b>499,048,751</b>	<b>3,453,334</b>
<b>Total Programming (Phase 1 + Phase 2)</b>			<b>1,288,419,493</b>	<b>1,283,243,071</b>	<b>5,176,422</b>
<b>Fund Balance</b>			<b>-</b>	<b>-</b>	<b>-</b>

Notes:

1. Programming for ACE equal to 50% of the calculated need; remaining 50% will be funded from the San Joaquin Region. Using the proposed needs-based methodology, ACE's need is met when considering the Phase 1 allocation from the MTC region (\$2.7M) and Stockton UZA contributions (\$17.5M). Future emergency funding will necessitate a review of their need and funding.



# APPENDIX A – 29

## *Regional Policies: Project Funding and Specific Funding Programs*

**FTA Urbanized Area Formula (Section 5307) and Rural Area Formula (Section 5311) process, criteria, and program of projects for funds pursuant to CRRSA Act for FY 2020-21  
Emergency Transit Operations**

**MTC Resolution No. 4453**



Date: January 27, 2021  
W.I.: 1512  
Referred By: Commission  
Revised: 03/24/21-C  
04/28/21-C

ABSTRACT

Resolution No. 4453, Revised

This resolution approves the process, establishes the criteria, and programs projects for Federal Transit Administration (FTA) Sections 5307 Urbanized Area Formula and 5311 Rural Area formula funds apportioned to the San Francisco Bay Area pursuant to the Coronavirus Response and Relief Supplemental Appropriations Act of 2021 (CRRSAA) (H.R. 133) for FY2020-21 Emergency Transit Operations Assistance.

This resolution includes the following attachments:

- Attachment A – FY2020-21 Emergency Transit Operations Program of Projects
- Attachment B – Text of July 22, 2020 Amended Motion of Approval of MTC Resolution No. 4420, Revised (“True Up Directive”)
- Attachment C – FY2020-21 Emergency Transit Operations Programming Policy
- Attachment D – CRRSAA Phase 2 Funding Distribution Summary

This resolution was revised on March 24, 2021 via Commission action to program the second phase of CRRSAA funds in Attachment A; to revise the table of eligible operators, add Phase 2 methodology, and add an appendix with ridership count in Attachment C; and to add Attachment D, CRRSAA Phase 2 Funding Distribution Summary.

This resolution was revised on April 28, 2021 via Commission action to program CRRSAA Section 5311 formula funds in Attachment A.

Further discussion is contained in the Metropolitan Transportation Commission Summary Sheet dated January 27, 2021, and the Programming and Allocations Committee Summary Sheets dated March 10, 2021 and April 14, 2021.

Date: January 27, 2021  
W.I.: 1512  
Referred By: Commission

RE: San Francisco Bay Area FY2020-21 Emergency Transit Operations Programming and Policy

METROPOLITAN TRANSPORTATION COMMISSION  
RESOLUTION NO. 4453

WHEREAS, the Metropolitan Transportation Commission (MTC) is the regional transportation planning agency for the San Francisco Bay Area pursuant to Government Code Sections 66500 et seq.; and

WHEREAS, MTC is the designated Metropolitan Planning Organization (MPO) for the nine-county Bay Area; and

WHEREAS, the Coronavirus Response and Relief Supplemental Appropriations Act of 2021 (CRRSAA) (H.R. 133) has been signed into law in response to the nationwide Coronavirus pandemic, which provides supplemental appropriations for Emergency Transit Operations Assistance through the Federal Transit Administration (FTA) Section 5307 Urbanized Area and Section 5311 Rural Area formula programs; and

WHEREAS, MTC is the designated recipient of the FTA Section 5307 Urbanized Area Formula Program funds for the large urbanized areas of San Francisco-Oakland, San Jose, Concord, Antioch, and Santa Rosa, and has been authorized by the California Department of Transportation (Caltrans) to select projects and recommend funding allocations subject to state approval for the FTA Section 5307 funds for the small urbanized areas of Vallejo, Fairfield, Vacaville, Napa, Livermore, Gilroy-Morgan Hill, and Petaluma in MTC's Federal Transportation Improvement Program and for the Section 5311 funds in non-urbanized areas; and

WHEREAS, the projects to be funded are set forth in the detailed project listings in Attachment A, which are incorporated herein as though set forth at length; and

WHEREAS, this Commission approved MTC Resolution No. 4420, Revised with an amended motion of approval conditioned upon a "true up" of any negative differential between projected and actual sales tax and/or fare revenues with any future allocation of federal dollars for pandemic/economic relief as set forth in Attachment B, which is incorporated herein as though set forth at length; and

WHEREAS, the Policy to be used for the distribution of funds is set forth in Attachment C, which is incorporated herein as though set forth at length; now, therefore, be it

RESOLVED, that MTC adopts the FY2020-21 Emergency Transit Operations Program of Projects to be funded as set forth in Attachment A; and, be it further


RESOLVED, that MTC approves FY2020-21 Emergency Transit Operations Programming Policy as set forth in Attachment C; and, be it further

RESOLVED, that MTC will use the Policy as set forth in Attachment C to program supplemental FTA Sections 5307 and 5311 formula funds appropriated in the Coronavirus Response and Relief Supplemental Appropriations Act of 2021 for Emergency Transit Operations Assistance as provided under statute; and, be it further

RESOLVED, that the Executive Director of MTC, or their designee, is authorized and directed to modify the Program of Projects as listed in Attachment A to meet requirements of FTA; and, be it further

RESOLVED, that the Executive Director of MTC, or their designee, is authorized and directed to forward a copy of this resolution to FTA or other such agencies as may be appropriate.

METROPOLITAN TRANSPORTATION COMMISSION

  
\_\_\_\_\_  
Scott Haggerty, Chair

The above resolution was entered into by the Metropolitan Transportation Commission at a duly called and noticed meeting held in San Francisco, California and at other remote locations, on January 27, 2021.

Date: January 27, 2021

W.I.: 1512

Referred by: Commission

Revised: 03/24/21-C

04/28/21-C

Attachment A

Resolution No. 4453

Page 1 of 2

## FY2020-21 Emergency Transit Operations Program of Projects

TIP ID	Operator	Project Description	Total FTA Program	FTA Section 5307	FTA Section 5311
<b>Apportionments</b>			<b>986,988,654</b>	<b>982,271,293</b>	<b>4,717,361</b>
<b>Phase 1 Programming</b>					
	BART	CRRSAA-eligible Projects	103,717,002	103,717,002	
	Caltrain	CRRSAA-eligible Projects	6,936,627	6,936,627	
	GGBHTD	CRRSAA-eligible Projects	20,319,959	20,319,959	
	SFMTA	CRRSAA-eligible Projects	43,750,147	43,750,147	
	WETA	CRRSAA-eligible Projects	4,877,943	4,877,943	
<b>Phase 1 Program Total</b>			<b>179,601,678</b>	<b>179,601,678</b>	<b>-</b>
<b>Fund Balance</b>			<b>807,386,976</b>	<b>802,669,615</b>	<b>4,717,361</b>
<b>Phase 2 Programming</b>					
	AC Transit	CRRSAA-eligible Projects	55,542,954	55,542,954	
NEW	AC Transit	Replacement Buses (fund swap)	1,027,003	1,027,003	
	ACE	CRRSAA-eligible Projects	1,541,963	1,541,963	
	BART	CRRSAA-eligible Projects	274,420,539	274,420,539	
REG090037	BART	Railcar Replacement Program (fund swap)	6,754,237	6,754,237	
	Caltrain	CRRSAA-eligible Projects	39,755,402	39,755,402	
	City of Fairfield	CRRSAA-eligible Projects	1,049,102	1,049,102	
	City of Santa Rosa	CRRSAA-eligible Projects	1,931,323	1,931,323	
	GGBHTD	CRRSAA-eligible Projects	39,429,475	39,429,475	
	Marin Transit	CRRSAA-eligible Projects	4,187,557	3,654,814	532,743
	NVTA	CRRSAA-eligible Projects	2,068,652	1,539,743	528,909
	SamTrans	CRRSAA-eligible Projects	16,428,153	16,037,830	390,323
	SFMTA	CRRSAA-eligible Projects	297,168,390	297,168,390	
	SMART	CRRSAA-eligible Projects	1,789,716	1,789,716	
	Solano County Transit	CRRSAA-eligible Projects	1,692,275	1,692,275	
	Sonoma County Transit	CRRSAA-eligible Projects	2,648,867	1,438,846	1,210,021
	TJPA	CRRSAA-eligible Projects	3,287,474	3,287,474	
	Union City Transit	CRRSAA-eligible Projects	514,277	514,277	
	VTA	CRRSAA-eligible Projects	39,557,271	39,355,158	202,113
	WCCTA	CRRSAA-eligible Projects	1,263,299	1,263,299	
	WETA	CRRSAA-eligible Projects	13,475,795	13,475,795	
	City of Dixon (via Vacaville)	CRRSAA-eligible Projects	462,867		462,867
	ECCTA	CRRSAA-eligible Projects	175,125		175,125
	LAVTA	CRRSAA-eligible Projects	107,814		107,814
	City of Dixon	CRRSAA-eligible Projects	746,590		746,590
	City of Rio Vista	CRRSAA-eligible Projects	360,856		360,856
<b>Phase 2 Program Total</b>			<b>807,386,976</b>	<b>802,669,615</b>	<b>4,717,361</b>
<b>Total Programming (Phase 1 + Phase 2)</b>			<b>986,988,654</b>	<b>982,271,293</b>	<b>4,717,361</b>
<b>Fund Balance</b>			<b>-</b>	<b>-</b>	<b>-</b>

Date: January 27, 2021  
W.I.: 1512  
Referred by: Commission  
Revised: 03/24/21-C  
04/28/21-C

Attachment A  
Resolution No. 4453  
Page 2 of 2

NOTES: 1. The table on Page 1 incorporates the following in the Section 5307 column:

Operator	Calculated CRRSAA Amount	Note
CCCTA	3,688,131	To be funded through fund swap with AC Transit/BART per policy (Attachment C, III.a.ii.3.a)
ECCTA	2,456,412	
LAVTA	1,636,697	
<b>Subtotal</b>	<b>7,781,240</b>	
City of Petaluma	351,690	To be funded via CRRSAA Section 5311/other; calculated amounts directed to other operators per policy (Attachment C, III.a.ii.3.b-d)
City of Vacaville	462,867	
City of Dixon	69,918	
City of Rio Vista	28,192	
<b>Subtotal</b>	<b>912,667</b>	

2. On 4/28/21, Section 5311 programming was added, which met the Commission's commitment in Note 1 to Vacaville, Dixon, and Rio Vista. Additional programming was made to Section 5311-eligible operators based on the Commission's adopted formula. It is staff's intent that the funds set aside for each operator will be considered as part of operators' total coronavirus relief funds programmed to date.

Date: January 27, 2021  
W.I.: 1512  
Referred By: Commission

Attachment B  
Resolution No. 4453  
Page 1 of 1

**Text of July 22, 2020 Amended Motion of Approval of MTC Resolution No. 4420, Revised  
("True Up Directive")**

Upon the motion by Commissioner Josefowitz and the second by Commissioner Spering, the Commission unanimously adopted MTC Resolution No. 4420, Revised with an amendment conditioned upon a "true up" of any negative differential between projected and actual sales tax and/or fare revenues with any future allocation of federal dollars for pandemic/economic relief. Such calculation shall be based upon the actual receipts for the periods March – August and September – December 2020, or appropriate time period for actual available data. In the event any transit operator received less than their adjusted share of CARES Act funding due to the inaccurate forecasts, such differentials shall be compensated with a future federal allocation of emergency funding. If Congress fails to appropriate any such additional dollars for transit operators, then MTC staff shall identify other new or augmented sources of flexible new federal funding which can appropriately compensate operators for those shortfalls. In addition, transit operators will be required to approve resolutions confirming commitment to safety as well as submit monthly reports to MTC on health and safety, including public health actions and COVID case data.

Date: January 27, 2021  
W.I.: 1512  
Referred By: Commission  
Revised: 03/24/21-C

Attachment C  
Resolution No. 4453  
Page 1 of 8

**San Francisco Bay Area FY2020-21 Emergency Transit Operations  
Assistance Programming Policy**

Metropolitan Transportation Commission  
Bay Area Metro Center  
375 Beale Street, Suite 800  
San Francisco, CA 94105



## I. About the Policy

- a. **Background:** The FY2020-21 Emergency Transit Operations Assistance Programming Policy applies to the programming of supplemental Federal Transit Administration Section 5307 Urbanized Area and 5311 Rural Area formula program funds apportioned to the San Francisco Bay Area in FY2020-21, pursuant to the Coronavirus Response and Relief Supplemental Appropriations Act of 2021 (CRRSAA) (H.R. 133).

This policy contains the rules for establishing a program of projects for eligible transit operators in the San Francisco Bay Area Region.

On December 27, 2020, CRRSAA was signed into law, providing supplemental appropriations for emergency transit operations in response to the global Coronavirus pandemic. These supplemental appropriations were provided via existing FTA Section 5307 and 5311 formula programs, and follow many of the same statutory guidelines and requirements. However, the funds are explicitly eligible for use for operating assistance and capital expenses related to transit operator response to the Coronavirus pandemic.

- b. **Goals & Objectives:** The goal of this policy is to provide emergency operating assistance to transit operators to mitigate lost fare revenues, reduced sales tax revenues, and other lost revenues, and increased costs associated with the Coronavirus pandemic; recognizing distinctions between initial responses to the crisis, and recovery efforts emerging from it.

## II. The Policy

### a. FTA Funds

- i. **Federal Eligibility:** In addition to the typical eligibility for capital and operating projects for the FTA Section 5307 Urbanized Area and FTA Section 5311 Rural Area Formula Programs as described in detail in MTC Resolution Nos. 4036, Revised (5311 Program Policy), and 4444 (Transit Capital Priorities Policy), CRRSAA also makes these funds *“available for the operating expenses of transit agencies related to the response to a COVID-19 public health emergency including, beginning on January 20, 2020, reimbursement for operating costs to maintain service and lost revenue due to the COVID-19 public health emergency, including the purchase of personal protective equipment, and paying the administrative leave of operations or contractor personnel due to reductions in service.”* Further, CRRSAA provides this supplemental funding up to a 100% Federal share.
- ii. **CRRSAA Funding to Limited Urbanized Areas:** CRRSAA specified that its FTA Section 5307 funding for a given urbanized area (UZA), when combined with the amounts allocated to that UZA from Section 5307 funds appropriated under the CARES Act, could not exceed 75 percent of that UZA’s 2018 NTD operating cost. Therefore, due to the amounts that were allocated in the CARES Act, within the region only the San Francisco-Oakland, San Jose, and Santa Rosa UZAs received appropriations under CRRSAA.
- iii. **Regional Eligibility:** Transit operators are required to submit annual reports to the

National Transit Database (NTD). Service factors reported in large UZAs partially determine the amounts of FTA Section 5307 funds generated in the region. An operator is eligible to be programmed and apply to FTA for funds only in designated UZAs, as outlined in Table 1 below. Eligibility is based on geographical operations and 2018 self-reported NTD information and may be broader than the UZA eligibility for the Transit Capital Priorities (TCP) Program (MTC Resolution No. 4444) typically used for distribution of FTA formula funds, in which certain operator agreements are recognized. Additionally, MTC is an eligible recipient in each UZA in the region. As of March 2021, Table 1 presents the same information as the CARES Act programming policy for the three UZAs receiving funding, plus the additions of eligibility for Napa Valley Transportation Authority and Transbay Joint Powers Authority in San Francisco-Oakland UZA based on service provided. MTC may subsequently add operators, as justified, based on transit service provided.

**Table 1. Urbanized Area Eligibility**

Urbanized Area	Eligible Transit Operators <sup>†</sup>
San Francisco-Oakland	Alameda-Contra Costa Transit District (AC Transit), Altamont Corridor Express (ACE)*, San Francisco Bay Area Rapid Transit District (BART), Peninsula Corridor Joint Powers Board (Caltrain), Fairfield and Suisun Transit (FAST)*, Golden Gate Bridge, Highway & Transportation District (GGBHTD), Marin County Transit District (Marin Transit)*, MTC, Napa Valley Transportation Authority (NVTA), San Francisco Municipal Transportation Authority (SFMTA), San Mateo County Transit District (SamTrans), Santa Clara Valley Transportation Authority (VTA), Solano County Transit (SolTrans)*, Sonoma-Marin Area Rail Transit (SMART)*, Transbay Joint Powers Authority (TJPA), City of Union City (Union City Transit)*, Water Emergency Transportation Authority (WETA)*, Western Contra Costa Transit Authority (WestCAT)*
San Jose	AC Transit, ACE*, Caltrain, MTC, VTA
Santa Rosa	GGBHTD, MTC, Santa Rosa CityBus*, SMART*, Sonoma County Transit*

<sup>†</sup> Eligibility based on 2018 NTD Report Data

\*Small Operator

The FTA Section 5311 Rural Area formula program provides funds to transit operators for service in non-urbanized and rural areas. Operator eligibility is determined by non-urbanized service as provided in the 2012 Regional Transit Database, as explained in MTC Resolution No. 4036, and as self-reported in 2018 NTD reporting. Operators eligible to receive Rural Area formula program funds, based on their provision of rural and non-urbanized area service are as follows:

AC Transit	FAST	SamTrans
Caltrain	LAVTA	SolTrans
CCCTA	Marin Transit	Sonoma County Transit
City of Dixon	NVTA/Vine	Vacaville CityCoach
City of Rio Vista	Petaluma	VTA
ECCTA/Tri Delta Transit		

Per the State Management Plan for Federal Transit Funds, Caltrans makes final

determination of project eligibility for Section 5311 Rural Area Formula funds.

b. Funding Distribution Methodology

- i. Regional Programming Approach: The Regional Programming Approach, as described below, is designed to prioritize funds to operators based on needs. The approach assumes a regional programming perspective and constrains regional demands to the amount of funds available to the region, prior to programming funds to project. It then assigns funds from urbanized areas in the following order:
  1. Fund needs for operators that are restricted to receiving funds in one UZA (e.g., SFMTA, WestCAT, etc.).
  2. Fund balance of operator needs among multiple UZAs, as eligibility allows, with the objective of fully funding needs (as defined in III.a., below) due to the Coronavirus to the maximum extent possible.
  3. Reduce operator funding proportionately in UZAs where needs exceed available funding.
  4. If, after Future Phase(s) funds are programmed to address pandemic-related operator needs (further described in III.a.2. below), any remaining funds will be programmed for eligible recipients per the TCP Policy (MTC Resolution No. 4444), but using the UZA eligibility outlined in Table 1 to maintain maximum flexibility with these funds.
- ii. Phased Distribution of Funds: Funds will be distributed in two Phases:
  1. Phase 1: A first phase will be distributed according to the True Up Directive as detailed in Attachment A to this resolution using the methodology described in III.a.i., below.
  2. Phase 2: The remaining funding from the region's apportionment will be assigned to operators following a process to be determined in consultation with regional partners and adopted by the Commission. The methodology for future phases is described in III.a.ii., below.

### III. The Process

- a. The distribution of funds in Phases 1 and 2 will utilize separate methodologies in order to balance the impacts of the Coronavirus pandemic on the various operators in the region. This process recognizes the myriad revenue sources that go into different operator budgets, and seeks to provide equitable levels of funding to each across the region.

- i. Phase 1 Methodology: The following process describes the methodology used to determine the Phase 1 distribution of CRRSAA funds according to the True Up Directive:

1. The methodology used to distribute Phase 2 of CARES Act funding – described in MTC Resolution No. 4420, Revised, Attachment B – was adjusted to include actual and anticipated transit operator revenue losses from March 2020 through December 2020, in place of forecasted losses. The distribution was then recalculated and resulting deficits between the initial CARES Act distribution and the recalculation, represent the recommended programming amounts for Phase 1 of CRRSAA funding.

- ii. Phase 2 Methodology:

1. 75% of the remaining funds will be distributed as follows:

- a. Estimated revenue loss from January to June 2021, based on monthly average of actual/anticipated revenue loss from March to December of 2020, will be determined for each operator.
- b. An amount equal to five percent of agency FY2018-19 operating budget will be determined for each operator.
- c. The greater of (a) or (b) will be programmed to each operator, net of CARES funding programmed in excess of actual/anticipated revenue loss from March to December of 2020.
- d. The calculated amount per operator after (c) will be proportionally reduced so that the total distribution equals 75% of remaining funds.

2. 25% of the remaining funds will be distributed as follows:

- a. Proportional by operator to November 2020 percent share of regional transit ridership (detailed in Appendix 1 to this attachment).

3. Adjustments to the amounts distributed via (1) and (2) will be made as follows:

- a. Due to UZA limitations, amounts calculated for CCCTA, ECCTA, and LAVTA will be received as a fund swap via the Transit Capital Priorities program for FY2020-21, or other eligible federal fund source. CRRSAA funds equaling the sum of those three operators' calculated amounts will be programmed to CRRSAA-eligible

operators to facilitate this swap.

- b. Due to UZA and fund swap limitations, amounts calculated for Petaluma, Vacaville, Dixon, and Rio Vista will be met through CRRSAA Section 5311 funding programmed or apportioned to the region by Caltrans, and/or through other mechanisms to be recommended by staff at a later date.
  - c. Operators whose distributed amounts do not meet or exceed the anticipated amount of funding needed to cover revenue losses through the end of FY2020-21 will receive an additional amount to bring their total up accordingly. Such amounts will be covered through the amounts calculated for Petaluma, Vacaville, Dixon, and Rio Vista.
  - d. Funds remaining after (c) will be programmed to TJPA.
- iii. Funding: Once operator funding targets are determined by the methodology outlined above, the Phase 1 and Phase 2 targets will be funded using the Regional Programming Model described in II.b.i, above.
- b. Annual Programming in the TIP: MTC, in cooperation with the state and eligible transit operators, is required to develop a Transportation Improvement Program (TIP) for the MTC Region. The TIP is a four-year programming document, listing federally-funded transportation projects, projects requiring a federal action, and projects deemed regionally significant. TCP programming in each year of the TIP will be financially constrained to the estimated apportionment level. Programming adjustments in the TIP will be done in consultation with eligible transit operators in the MTC region.
- CRRSAA waives the typical requirement for TIP inclusion for the supplemental apportionments included in the Act used for operating assistance or to pay for capital expenses for emergency relief do not need to be included in the TIP/STIP unless the projects are for substantial functional, locational, or capacity changes. [23 CFR §§ 450.326(e)(5), 450.218(g)(5)]. Over time, MTC will work to incorporate all such funding from CRRSAA in to the TIP for fund monitoring purposes. However, inclusion in the TIP is not a precondition for receiving these funds.
- c. Process for Programming Revisions & Amendments: The attachments to this resolution will be revised at a later date to include Future Phase funding amounts for operators and to include more detail on the FTA Section 5311 process, as needed, once provided by Caltrans. MTC will consider revisions to an operator's programming as requested.
- d. Grant Applications:
- i. FTA Section 5307 Programs: Each operator is expected to complete their own Federal grant application using FTA's Transit Award Management System (TrAMS). MTC staff will review grant applications and submit concurrence letters or other required materials to FTA on behalf of project sponsors as needed.
  - ii. FTA Section 5311 Program: Operators are responsible for working with Caltrans,

the designated recipient and grantee for the Section 5311 program, to respond to calls for projects and submit required materials to access these funds. MTC will assist with the Regional Agency/Transportation Planning Agency (TPA) Certifications and Assurances and any other documentation, as needed.

**Appendix 1**

**November 2020 Ridership**

Operator	November 2020 Ridership	% of Region Total
ACE	12,085	0.12%
AC Transit	1,622,533	16.56%
BART	1,424,620	14.54%
Caltrain	82,482	0.84%
CCCTA	89,084	0.91%
City of Dixon	1,555	0.02%
ECCTA	70,524	0.72%
City of Fairfield	23,743	0.24%
GGBHTD	61,698	0.63%
LAVTA	34,702	0.35%
Marin Transit	110,986	1.13%
NVTA	23,684	0.24%
City of Petaluma	10,375	0.11%
City of Rio Vista	261	0.00%
SFMTA	4,683,371	47.79%
SamTrans	378,567	3.86%
SMART	8,145	0.08%
City of Santa Rosa	62,773	0.64%
Solano County Transit	32,754	0.33%
Sonoma County Transit	30,267	0.31%
Transbay Joint Powers Authority	-	0.00%
Union City Transit	13,383	0.14%
City of Vacaville	16,436	0.17%
VTA	956,493	9.76%
WCCTA	25,589	0.26%
WETA	22,830	0.23%
<b>Total</b>	<b>9,798,940</b>	<b>100%</b>

**Source: National Transit Database (NTD), SFMTA, MTC estimates for NTD Limited Reporters**

CRRSAA Phase 2 Funding Distribution Summary

Date: March 24, 2021  
Referred by: PAC

Attachment D  
Resolution No. 4453  
Page 1 of 1

Transit Operator	75% of CRRSAA Phase 2: Based on Remaining Federal Covid-19 Relief Need or 5% of FY 2018- 19 Budget <sup>4</sup>	25% of CRRSAA Phase 2: November 2020 % Share of Regional Ridership x 25% of CRRSAA Phase 2	Proposed CRRSAA Phase 2 Allocation MTC Resolution 4453
AC Transit	\$22,315,943	\$33,227,011	\$55,542,954
BART	\$245,246,486	\$29,174,053	\$274,420,539
Caltrain	\$37,925,150	\$1,689,106	\$39,755,402
GGBHTD	\$37,614,227	\$1,263,481	\$39,429,475
SFMTA	\$201,260,067	\$95,908,323	\$297,168,390
SamTrans	\$8,285,353	\$7,752,477	\$16,037,830
VTA	\$19,767,635	\$19,587,523	\$39,355,158
<b>Subtotal</b>	<b>\$572,414,862</b>	<b>\$188,601,974</b>	<b>\$761,709,749</b>
ACE	\$1,294,481	\$247,482	\$1,541,963
CCCTA (fund swap) <sup>1</sup>	\$1,863,826	\$1,824,305	\$3,688,131
City of Dixon (5311) <sup>2</sup>	\$38,074	\$31,844	\$69,918
ECCTA (fund swap) <sup>1</sup>	\$1,012,188	\$1,444,224	\$2,456,412
City of Fairfield	\$562,881	\$486,221	\$1,049,102
LAVTA (fund swap) <sup>1</sup>	\$926,053	\$710,644	\$1,636,697
Marin Transit	\$1,381,989	\$2,272,825	\$3,654,814
NVTA	\$1,054,730	\$485,012	\$1,539,743
City of Petaluma (5311) <sup>2</sup>	\$139,226	\$212,464	\$351,690
City of Rio Vista (5311) <sup>2</sup>	\$22,848	\$5,345	\$28,192
SMART	\$1,622,918	\$166,797	\$1,789,716
City of Santa Rosa	\$645,827	\$1,285,496	\$1,931,323
Solano County Transit	\$1,021,523	\$670,752	\$1,692,275
Sonoma County Transit	\$819,024	\$619,822	\$1,438,846
Transbay Joint Powers Authority <sup>3</sup>	\$3,220,592	\$0	\$3,287,474
Union City Transit	\$240,214	\$274,064	\$514,277
City of Vacaville (5311) <sup>2</sup>	\$126,282	\$336,584	\$462,867
WCCTA	\$739,276	\$524,024	\$1,263,299
WETA	\$12,855,398	\$467,524	\$13,475,795
<b>Subtotal</b>	<b>\$29,587,349</b>	<b>\$12,065,429</b>	<b>\$40,959,867</b>
<b>GRAND TOTAL</b>	<b>\$602,002,211</b>	<b>\$200,667,404</b>	<b>\$802,669,615</b>

<sup>1</sup> CRRSAA Phase 2 allocations for CCCTA, ECCTA, and LAVTA are proposed to be funded through fund swap with AC Transit/BART per policy (MTC Resolution 4453, Attachment C, III.a.ii.3.a)

<sup>2</sup> CRRSAA Phase 2 allocations for City of Dixon, City of Petaluma, City of Rio Vista, and City of Vacaville are proposed to be funded via CRRSAA FTA Section 5311 funds/other; calculated amounts directed to other operators per policy (MTC Resolution 4453, Attachment C, III.a.ii.3.b-d). Dollar amounts shown above in italics/shaded cells under "Proposed CRRSAA Phase 2 Allocation MTC Resolution 4453" are not included in the total CRRSAA Phase 2 allocation of \$802,699,615 and are shown for illustrative purposes only.

<sup>3</sup> CRRSAA Phase 2 allocation for the Transbay Joint Powers Authority (TJPA) is based on remaining CRRSAA funds once all transit operators have received an allocation equal to or greater than their anticipated revenue losses over the period of January to June 2021.

<sup>4</sup> Whichever is greater of (a) Remaining Federal COVID-19 Relief Need After Accounting for Revenue Losses from January to June 2021 and Remaining Funds from the CARES Act + CRRSAA Phase 1 or (b) 5% of FY 2018-19 Budget.



# APPENDIX A – 30

## *Regional Policies: Project Funding and Specific Funding Programs*

**FTA Urbanized Area Formula (Section 5307) and Rural Area Formula (Section 5311) process, criteria, and program of projects for funds pursuant to ARP Act for FY 2020-21 and FY 2021-22 Emergency Transit Operations**

**MTC Resolution No. 4481**



Date: July 28, 2021  
W.I.: 1512  
Referred By: Commission  
Revised: 09/22/21-C  
10/27/21-C

ABSTRACT

Resolution No. 4481, Revised

This resolution approves the process, establishes the criteria, and programs projects for Federal Transit Administration (FTA) Sections 5307 Urbanized Area Formula and 5311 Rural Area formula funds apportioned to the San Francisco Bay Area pursuant to the American Rescue Plan Act of 2021 (ARP) (H.R. 1319).

This resolution includes the following attachments:

- Attachment A – American Rescue Plan Act FTA Formula Funds Program of Projects
- Attachment B – Principles for the Distribution of Transit Funding from the American Rescue Plan Act of 2021 in the San Francisco Bay Area Region
- Attachment C – American Rescue Plan Act FTA Formula Funds Programming Policy

This resolution was revised via Commission Action on September 22, 2021 to program Phase 1 amounts to operators in Solano and Sonoma Counties and to program funding out of the Specific Hardships and Focused Recovery Strategies categories.

This resolution was revised via Commission Action on October 27, 2021 to program Phase 2 amounts and to program funding out of the Specific Hardships and Focused Recovery Strategies categories.

Further discussion is contained in the Metropolitan Transportation Commission Summary Sheets dated May 26, 2021 and June 23, 2021, and the Programming and Allocations Committee Summary Sheets dated May 12, 2021, June 9, 2021, July 14, 2021, September 8, 2021, and October 13, 2021.

Date: July 28, 2021  
W.I.: 1512  
Referred By: Commission

RE: San Francisco Bay Area American Rescue Plan Act FTA Formula Funds Programming and Policy

METROPOLITAN TRANSPORTATION COMMISSION  
RESOLUTION NO. 4481

WHEREAS, the Metropolitan Transportation Commission (MTC) is the regional transportation planning agency for the San Francisco Bay Area pursuant to Government Code Sections 66500 et seq.; and

WHEREAS, MTC is the designated Metropolitan Planning Organization (MPO) for the nine-county Bay Area; and

WHEREAS, the American Rescue Plan Act of 2021 (ARP) (H.R. 1319) has been signed into law in response to the nationwide Coronavirus pandemic, which provides supplemental appropriations for Emergency Transit Operations Assistance through the Federal Transit Administration (FTA) Section 5307 Urbanized Area and Section 5311 Rural Area formula programs; and

WHEREAS, MTC is the designated recipient of the FTA Section 5307 Urbanized Area Formula Program funds for the large urbanized areas of San Francisco-Oakland, San Jose, Concord, Antioch, and Santa Rosa, and has been authorized by the California Department of Transportation (Caltrans) to select projects and recommend funding allocations subject to state approval for the FTA Section 5307 funds for the small urbanized areas of Vallejo, Fairfield, Vacaville, Napa, Livermore, Gilroy-Morgan Hill, and Petaluma in MTC's Federal Transportation Improvement Program and for the Section 5311 funds in non-urbanized areas; and

WHEREAS, the projects to be funded are set forth in the detailed project listings in Attachment A, which are incorporated herein as though set forth at length; and

WHEREAS, this Commission approved Principles and Approach to the Distribution of Transit Funding from the American Rescue Plan Act of 2021 on May 26, 2021, as set forth in Attachment B; and

WHEREAS, the Policy to be used for the distribution of funds is set forth in Attachment C, which is incorporated herein as though set forth at length; now, therefore, be it

WHEREAS, the Policy to be used for the distribution of funds is set forth in Attachment C, which is incorporated herein as though set forth at length; now, therefore, be it

RESOLVED, that MTC adopts the American Rescue Plan Act FTA Formula Funds Program of Projects to be funded as set forth in Attachment A; and, be it further

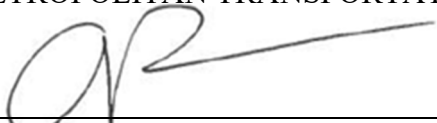
RESOLVED, that MTC approves the American Rescue Plan Act FTA Formula Funds Programming Policy as set forth in Attachment C; and, be it further

RESOLVED, that MTC will use the Policy as set forth in Attachment C to program supplemental FTA Sections 5307 and 5311 formula funds appropriated in the American Rescue Plan Act as provided under statute; and, be it further

RESOLVED, that the Executive Director of MTC, or their designee, is authorized and directed to modify the Program of Projects as listed in Attachment A to meet requirements of FTA; and, be it further

RESOLVED, that the Executive Director of MTC, or their designee, is authorized and directed to forward a copy of this resolution to FTA or other such agencies as may be appropriate.

METROPOLITAN TRANSPORTATION COMMISSION



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Alfredo Pedroza, Chair

The above resolution was entered into by the Metropolitan Transportation Commission at a duly called and noticed meeting held in San Francisco, California and at other remote locations, on July 28, 2021.

Date: July 28, 2021  
W.I.: 1512  
Referred by: Commission  
Revised: 09/22/21-C  
10/27/21-C

Attachment A  
Resolution No. 4481  
Page 1 of 3

**American Rescue Plan Act FTA Formula Funds Program of Projects**

<b>Operator Formula, Phase I</b>					
<b>TIP ID</b>	<b>Operator</b>	<b>Project Description</b>	<b>Total FTA Program</b>	<b>FTA Section 5307</b>	<b>FTA Section 5311</b>
		<b>Apportionments</b>	<b>1,676,840,094</b>	<b>1,676,840,094</b>	<b>-</b>
NEW	AC Transit	ARP-eligible Projects	66,101,819	66,101,819	-
NEW	ACE	ARP-eligible Projects	3,587,230	3,587,230	-
NEW	BART	ARP-eligible Projects	330,848,991	330,848,991	-
NEW	Caltrain	ARP-eligible Projects	41,098,334	41,098,334	-
NEW	CCCTA	ARP-eligible Projects	5,875,630	5,875,630	-
NEW	ECCTA	ARP-eligible Projects	1,909,865	1,909,865	-
NEW	GGBHTD	ARP-eligible Projects	57,697,418	57,697,418	-
NEW	LAVTA	ARP-eligible Projects	5,730,074	5,730,074	-
NEW	Marin Transit	ARP-eligible Projects	2,607,631	2,607,631	-
NEW	NVTA	ARP-eligible Projects	2,320,772	2,320,772	-
NEW	SamTrans	ARP-eligible Projects	15,633,362	15,633,362	-
NEW	SFMTA	ARP-eligible Projects	288,170,574	288,170,574	-
	Solano County Operators*				-
NEW	City of Fairfield		1,455,592	1,455,592	
NEW	Solano County Transit		1,440,000	1,440,000	
	<i>Solano Express Set-aside - Operator TBD</i>		3,668,000	3,668,000	
	Sonoma County Operators*				-
NEW	City of Petaluma	ARP-eligible Projects	896,268	896,268	
NEW	City of Santa Rosa	ARP-eligible Projects	2,469,827	2,469,827	
NEW	SMART	ARP-eligible Projects	3,151,221	3,151,221	
NEW	Sonoma County Transit	ARP-eligible Projects	2,776,544	2,776,544	
NEW	Transbay Joint Powers Authority	ARP-eligible Projects	1,800,000	1,800,000	-
NEW	Union City Transit	ARP-eligible Projects	453,251	453,251	-
NEW	VTA	ARP-eligible Projects	55,687,355	55,687,355	-
NEW	WCCTA	ARP-eligible Projects	2,896,784	2,896,784	-
NEW	WETA	ARP-eligible Projects	13,361,837	13,361,837	-
<b>Phase I Subtotal</b>			<b>911,638,379</b>	<b>911,638,379</b>	<b>-</b>
<b>Fund Balance</b>			<b>765,201,715</b>	<b>765,201,715</b>	<b>-</b>

\*Final amounts for specific Solano and Sonoma county operators were approved in September. For Phase I of programming, Solano County was programmed \$6,563,592 and Sonoma County was programmed \$9,293,860; operator-specific amounts were finalized in collaboration with the County Transportation Authorities.

Date: July 28, 2021  
W.I.: 1512  
Referred by: Commission  
Revised: 09/22/21-C  
10/27/21-C

Attachment A  
Resolution No. 4481  
Page 2 of 3

Operator Formula, Phase II					
TIP ID	Operator	Project Description	Total FTA Program	FTA Section 5307	FTA Section 5311
<b>Apportionments</b>			<b>1,676,840,094</b>	<b>1,676,840,094</b>	<b>-</b>
NEW	AC Transit	ARP-eligible Projects	44,067,879	44,067,879	-
NEW	ACE	ARP-eligible Projects	2,391,486	2,391,486	-
NEW	BART	ARP-eligible Projects	220,565,994	220,565,994	-
NEW	Caltrain	ARP-eligible Projects	27,398,890	27,398,890	-
NEW	CCCTA	ARP-eligible Projects	3,917,087	3,917,087	-
NEW	ECCTA	ARP-eligible Projects	1,273,243	1,273,243	-
NEW	GGBHTD	ARP-eligible Projects	38,464,945	38,464,945	-
NEW	LAVTA	ARP-eligible Projects	3,820,049	3,820,049	-
NEW	Marin Transit	ARP-eligible Projects	1,738,420	1,738,420	-
NEW	NVTA	ARP-eligible Projects	1,547,182	1,547,182	-
NEW	SamTrans	ARP-eligible Projects	10,422,241	10,422,241	-
NEW	SFMTA	ARP-eligible Projects	192,113,716	192,113,716	-
NEW	Solano County Operators*	ARP-eligible Projects	4,375,728	4,375,728	-
NEW	City of Fairfield	ARP-eligible Projects	1,147,538	1,147,538	-
NEW	Solano County Transit	ARP-eligible Projects	960,000	960,000	-
NEW	<i>SolanoExpress</i>	ARP-eligible Projects	2,268,190	2,268,190	-
NEW	Sonoma County Operators*	ARP-eligible Projects	6,195,908	6,195,908	-
NEW	City of Petaluma	ARP-eligible Projects	377,331	377,331	-
NEW	City of Santa Rosa	ARP-eligible Projects	1,711,309	1,711,309	-
NEW	SMART	ARP-eligible Projects	2,183,438	2,183,438	-
NEW	Sonoma County Transit	ARP-eligible Projects	1,923,830	1,923,830	-
NEW	Transbay Joint Powers Authority	ARP-eligible Projects	1,200,000	1,200,000	-
NEW	Union City Transit	ARP-eligible Projects	302,168	302,168	-
NEW	VTA	ARP-eligible Projects	37,124,904	37,124,904	-
NEW	WCCTA	ARP-eligible Projects	1,931,190	1,931,190	-
NEW	WETA	ARP-eligible Projects	8,907,891	8,907,891	-
<b>Phase II Subtotal</b>			<b>607,758,921</b>	<b>607,758,921</b>	<b>-</b>

<b>Fund Balance</b>			<b>157,442,794</b>	<b>157,442,794</b>	<b>-</b>
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Operator Hardship and Disparities, and Other Focused Recovery Strategies					
TIP ID	Operator	Project Description	Total FTA Program	FTA Section 5307	FTA Section 5311
NEW	VTA	ARP-eligible Projects	30,400,000	30,400,000	-
NEW	Caltrain	ARP-eligible Projects	4,827,573	4,827,573	-
NEW	Marin Transit	ARP-eligible Projects	2,000,000	2,000,000	-
NEW	SFMTA	ARP-eligible Projects	29,328,526	29,328,526	-
NEW	WETA	ARP-eligible Projects	1,286,695	1,286,695	-
NEW	SMART	ARP-eligible Projects	1,621,040	1,621,040	-
NEW	Sonoma County Transit	ARP-eligible Projects	1,428,300	1,428,300	-
NEW	City of Santa Rosa	ARP-eligible Projects	1,270,520	1,270,520	-
NEW	City of Petaluma	ARP-eligible Projects	280,140	280,140	-
<b>Setaside Subtotal</b>			<b>72,442,794</b>	<b>72,442,794</b>	<b>-</b>

<b>Fund Balance</b>			<b>85,000,000</b>	<b>85,000,000</b>	<b>-</b>
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Date: July 28, 2021  
W.I.: 1512  
Referred by: Commission  
Revised: 09/22/21-C  
10/27/21-C

Attachment A  
Resolution No. 4481  
Page 3 of 3

Remaining Set-Aside Funds					
TIP ID	Operator	Project Description	Total FTA Program	FTA Section 5307	FTA Section 5311
NEW	AC Transit	ARP-eligible Projects	6,175,442	6,175,442	-
NEW	ACE	ARP-eligible Projects	335,130	335,130	-
NEW	BART	ARP-eligible Projects	30,908,967	30,908,967	-
NEW	Caltrain	ARP-eligible Projects	3,839,537	3,839,537	-
NEW	CCCTA	ARP-eligible Projects	548,920	548,920	-
NEW	ECCTA	ARP-eligible Projects	178,426	178,426	-
NEW	GGBHTD	ARP-eligible Projects	5,390,277	5,390,277	-
NEW	LAVTA	ARP-eligible Projects	535,322	535,322	-
NEW	Marin Transit	ARP-eligible Projects	243,613	243,613	-
NEW	NVTA	ARP-eligible Projects	216,814	216,814	-
NEW	SamTrans	ARP-eligible Projects	1,460,519	1,460,519	-
NEW	SFMTA	ARP-eligible Projects	26,921,813	26,921,813	-
NEW	Soltrans	ARP-eligible Projects	613,192	613,192	-
NEW	Sonoma County Operators*	ARP-eligible Projects	868,262	868,262	-
NEW	City of Petaluma	ARP-eligible Projects	52,877	52,877	-
NEW	City of Santa Rosa	ARP-eligible Projects	239,814	239,814	-
NEW	SMART	ARP-eligible Projects	269,595	269,595	-
NEW	Sonoma County Transit	ARP-eligible Projects	305,976	305,976	-
NEW	Union City Transit	ARP-eligible Projects	42,344	42,344	-
NEW	VTA	ARP-eligible Projects	5,202,490	5,202,490	-
NEW	WCCTA	ARP-eligible Projects	270,627	270,627	-
NEW	WETA	ARP-eligible Projects	1,248,305	1,248,305	-
<b>Setaside Subtotal</b>			<b>85,000,000</b>	<b>85,000,000</b>	<b>-</b>

Note: Alternate near-term revenue sources (likely State Transit Assistance and FTA Formula funds) will be programmed and allocated to provide equivalency for Blue Ribbon initiative funding by operator and in aggregate to the augmented ARP distribution.

<b>Fund Balance</b>			-	-	-
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Date: July 28, 2021  
W.I.: 1512  
Referred By: Commission

Attachment B  
Resolution No. 4481  
Page 1 of 2

## **Principles for the Distribution of Transit Funding from the American Rescue Plan Act of 2021 in the San Francisco Bay Area Region**

- 1. Stabilize and Sustain Transit** – Funds should be used to ensure the financial stability of the region’s transit operators.
  - a. Distribute funds to operators with demonstrated financial need, where layoffs or furloughs would be likely without support. Adequate staffing is critical to the region’s ability to restore service. American Rescue Plan (ARP) Act funds were enacted with the intent that agencies preserve jobs to allow for transit service to be restored as demand begins to recover.
  - b. Recognize that there have been uneven revenue impacts, changes in ridership, and changes in expenses. Account for the fact that based on these uneven impacts and changes, some operators have received more federal relief funds from the Coronavirus Aid, Relief, and Economic Security (CARES) Act and the Coronavirus Response and Relief Supplemental Appropriations Act of 2021 (CRRSAA) than their financial need indicates. As articulated through guiding principles and commitments from both CARES and CRRSAA, the distribution of ARP Act funds will seek to place each operator on an equal financial footing to facilitate a sustainable recovery during FY 2021-22.
  - c. In order to support an equitable, adaptable, sustainable, and customer-focused recovery of transit service across the Bay Area, MTC will make multiple allocations of ARP Act funds to transit operators over the course of FY 2021-22 and potentially into FY 2022-23, to assure operators that potential revenue losses due to the impacts of the COVID-19 pandemic do not limit the ability of transit operators to restore service in FY 2021-22. Specifically, operators should take action to swiftly amend budgets to accommodate allocations as they are made available, to address operating adjustments in a timely manner.
- 2. Restore and Reimagine Service** – Funds should be distributed on the condition that operators take measures to restore service to at least match current demand, and to plan to deploy additional service in a way that advances equity and at a level necessary to support increased local and regional transit demand by September 2021. Although there remains uncertainty about financial sustainability in the medium to long term, transit must be there for riders now, or riders will not be there for transit.



- a. ARP Act funds should be used to restore service and deploy operating staff in a manner that significantly reduces pass ups while physical distancing public health orders remain in place and eliminate persistent pass-ups entirely as soon as possible upon changes to physical distancing public health orders. We note that eliminating passenger pass-ups is of paramount importance to the traveling public, transit operators, and MTC. However, until physical distancing public health orders are lifted, the capacity constraints they impose on vehicle use make it nearly impossible to fully eliminate pass-ups in some circumstances.
  - b. Funds should be used to amend service levels to accommodate new ridership patterns, including increased demand for local service and the anticipated return to in-person school/community college/university in August/September 2021, as well as increased regional commute trips that require coordination among operators, as more workers return to workplaces.
  - c. While services levels should increase on aggregate, operators are encouraged to exercise flexibility, nimbleness, and creativity with where and how service is deployed. As ridership patterns and travel behaviors change, transit service must adapt and scale with these changes. Available resources, including ARP Act funds, should be deployed to maximize operators' ability to serve riders. To grow ridership in the long-run, transit must come back stronger and better than before the pandemic.
- 3. Improve Customer Experience** – Funds should be used to promote and sustain transit usage in the region. Transit needs to invest in welcoming riders back, or risk that habits and travel modes adopted during the pandemic will linger long after the public health risk has passed. To better compete with other modes of transportation, transit must be safe, reliable, affordable, and easy to use for riders.
- a. Funds should support the implementation of certain recommendations from the Blue Ribbon Transit Recovery Task Force that will increase value and enhance the experience for customers.
  - b. Funds should be made available to support creative, customer-oriented initiatives that support transit reliability and/or encourage ridership recovery.

Given the continuing fluidity and uncertainty about the economic, financial, and mobility impacts of COVID-19, these principles may be revised to respond to evolving conditions.

Date: July 28, 2021  
W.I.: 1512  
Referred By: Commission

Attachment C  
Resolution No. 4481  
Page 1 of 7

**San Francisco Bay Area  
American Rescue Plan Act  
FTA Formula Funds Programming Policy**

Metropolitan Transportation Commission  
Bay Area Metro Center  
375 Beale Street, Suite 800  
San Francisco, CA 94105

## I. About the Policy

- a. **Background:** The American Rescue Plan Act FTA Formula Funds Programming Policy applies to the programming of supplemental Federal Transit Administration Section 5307 Urbanized Area and 5311 Rural Area formula program funds apportioned to the San Francisco Bay Area in FY2020-21, pursuant to the American Rescue Plan Act of 2021 (ARP) (H.R. 1319).

This policy contains the rules for establishing a program of projects for eligible transit operators in the San Francisco Bay Area Region.

On March 11, 2021, the ARP was signed into law, providing supplemental appropriations for emergency transit operations in response to the global COVID-19 pandemic. These supplemental appropriations were provided via existing FTA Section 5307 and 5311 formula programs, and follow many of the same statutory guidelines and requirements. However, the funds are explicitly eligible for use for operating assistance and capital expenses related to transit operator response to the Coronavirus pandemic.

- b. **Goals & Objectives:** The goal of this policy is to ensure that all Bay Area transit operators receive enough relief funding to support meaningful and context-specific restoration of transit service and protect the jobs needed to deliver that service. As each transit operator has a unique revenue mix, each of which has been impacted differently by the economic impacts of the COVID-19 pandemic, the immediate need for additional relief funds varies considerably by agency.

## II. The Policy

### a. FTA Funds

- i. **Federal Eligibility:** In addition to the typical eligibility for capital and operating projects for the FTA Section 5307 Urbanized Area and FTA Section 5311 Rural Area Formula Programs as described in detail in MTC Resolution Nos. 4036, Revised (5311 Program Policy), and 4444 (Transit Capital Priorities Policy), ARP also makes these funds “*available for the operating expenses of transit agencies to prevent, prepare for, and respond to the coronavirus public health emergency, including, beginning on January 20, 2020—*

- (i) *reimbursement for payroll of public transportation (including payroll and expenses of private providers of public transportation);*
- (ii) *operating costs to maintain service due to lost revenue due as a result of the coronavirus public health emergency, including the purchase of personal protective equipment; and*
- (iii) *paying the administrative leave of operations or contractor personnel due to reductions in service.”*

Further, ARP provides this supplemental funding up to a 100% Federal share. Funds are available for obligation until September 30, 2024, and must be disbursed by

September 30, 2029.

- ii. **Regional Eligibility:** Transit operators are required to submit annual reports to the National Transit Database (NTD). Service factors reported in large urbanized areas partially determine the amounts of FTA Section 5307 funds generated in the region. An operator is eligible to be programmed and apply to FTA for funds only in designated UZAs, as outlined in Table 1 below. Eligibility is based on geographical operations and 2018 self-reported NTD information and may be broader than the UZA eligibility for the Transit Capital Priorities (TCP) Program (MTC Resolution No. 4456) typically used for distribution of FTA formula funds, in which certain operator agreements are recognized. Additionally, MTC is an eligible recipient in each UZA in the region.

**Table 1. Urbanized Area Eligibility**

<b>Urbanized Area</b>	<b>Eligible Transit Operators<sup>†</sup></b>
San Francisco-Oakland	Alameda-Contra Costa Transit District (AC Transit), Altamont Corridor Express (ACE)*, San Francisco Bay Area Rapid Transit District (BART), Peninsula Corridor Joint Powers Board (Caltrain), Fairfield and Suisun Transit (FAST)*, Golden Gate Bridge, Highway & Transportation District (GGBHTD), Marin County Transit District (Marin Transit)*, MTC, Napa Valley Transportation Authority (NVTA), San Francisco Municipal Transportation Authority (SFMTA), San Mateo County Transit District (SamTrans), Santa Clara Valley Transportation Authority (VTA), Solano County Transit (SolTrans)*, Sonoma-Marin Area Rail Transit (SMART)*, Transbay Joint Powers Authority (TJPA), City of Union City (Union City Transit)*, Water Emergency Transportation Authority (WETA)*, Western Contra Costa Transit Authority (WestCAT)*
San Jose	AC Transit, ACE*, Caltrain, MTC, VTA
Concord	ACE*, BART, Central Contra Costa Transit Authority (CCCTA)*, Eastern Contra Costa Transit Authority (ECCTA/Tri Delta Transit)*, Livermore-Amador Valley Transit Authority (LAVTA)*, MTC, SolTrans*
Antioch	BART, ECCTA/Tri Delta Transit*, MTC
Santa Rosa	GGBHTD, MTC, Santa Rosa CityBus*, SMART*, Sonoma County Transit*
Vallejo	FAST*, MTC, SolTrans*, WETA*
Fairfield	FAST*, MTC, SolTrans*
Vacaville	City of Vacaville (CityCoach)*, FAST*, MTC
Napa	MTC, NVTA/Vine*
Livermore	ACE*, LAVTA*, MTC
Gilroy-Morgan Hill	Caltrain, MTC, VTA
Petaluma	GGBHTD, City of Petaluma*, MTC, SMART*, Sonoma County Transit*

<sup>†</sup> Eligibility based on 2019 NTD Report Data

\*Small Operator

The FTA Section 5311 Rural Area formula program provides funds to transit

operators for service in non-urbanized and rural areas. Operator eligibility is determined by non-urbanized service as provided in the 2012 Regional Transit Database, as explained in MTC Resolution No. 4036, and as self-reported in 2019 NTD reporting. Operators eligible to receive Rural Area formula program funds, based on their provision of rural and non-urbanized area service are as follows:

Caltrain	FAST	SamTrans
City of Dixon	LAVTA	SolTrans
City of Rio Vista	Marin Transit	Sonoma County Transit
ECCTA/Tri Delta Transit	NVTA/Vine	VTA

Per the State Management Plan for Federal Transit Funds, Caltrans makes final determination of project eligibility for Section 5311 Rural Area Formula funds.

b. Funding Distribution Methodology

i. Regional Programming Approach: The Regional Programming Approach, as described below, is designed to prioritize funds to operators based on needs as well as to provide incentive to restore service and to invest in longer term pandemic recovery strategies. The approach assumes a regional programming perspective and constrains regional demands to the amount of funds available to the region, prior to programming funds to project. It then assigns funds from urbanized areas in the following order:

1. Fund calculated shares for operators that are restricted to receiving funds in one UZA (e.g., SFMTA, WestCAT, etc.).
2. Fund balance of operator shares among multiple UZAs, as eligibility allows, with the objective of fully funding needs (as defined in III.a., below) due to the Coronavirus to the maximum extent possible.
3. Reduce operator funding proportionately in UZAs where needs exceed available funding.
4. If, after Future Phase(s) funds are programmed to address intended purposes (further described in III.a.2. below), any remaining funds will be programmed for eligible recipients per the TCP Policy (MTC Resolution No. 4444), but using the UZA eligibility outlined in Table 1 to maintain maximum flexibility with these funds.

ii. Phased Distribution of Funds: Funds will be distributed in at least two Phases:

1. Phase 1: A first phase will be distributed as detailed in Attachment A to this resolution using the methodology described in III.a.i., below.
2. Subsequent phase(s): The remaining funding from the region's apportionment will be assigned to operators following a process to be determined in consultation with regional partners and adopted by the Commission. The methodology for future phases is described in III.a.ii., below.

III. The Process

- a. The distribution of funds in Phase 1 and any subsequent phase(s) may utilize separate methodologies in order to balance the impacts of the Coronavirus pandemic on the various operators in the region, provide incentive to restore a meaningful level of service, and fund targeted recovery strategies and initiatives to improve transit service and ridership in the region.
  - i. Phase 1 Methodology\*
    1. Funding needed for each operator to back-fill forecasted revenue losses for Fiscal Year (FY) 2021-2022, was calculated as 65% of the average estimated monthly revenue loss from March 2020 through June 2021 multiplied by 12 months.
    2. Incentive funding for each operator to be used to resume a meaningful level of pre-COVID service levels, was calculated as 95% of the difference in FY 2019 and FY2021 revenue vehicle hours (RVH), multiplied by the agencywide cost per RVH, capped at \$461/revenue vehicle hour.
    3. The total amounts calculated in numbers 1 and 2 above were summed for each operator.
    4. The difference between prior COVID relief received and actual/estimated revenue losses between March 2020 and June 2021 was deducted from the total amount calculated in number 3 above. This calculation did not include COVID relief funding operators received through the CARES Act "Equity Adjustment."
    5. A "floor" equivalent to 15% of an operator's reported FY 2018-19 operating cost was substituted for operators where that amount was greater than the total calculated using the methodology described in numbers 1 through 4 above.
    6. Total shares for operators in Solano and Sonoma counties were grouped to allow operators and County Transportation Agencies in those counties to collaboratively identify funding amounts per operator that best align with on-going coordination and integration efforts.
    7. The total shares calculated using the methodology described above was multiplied by 60% to determine the funding amounts for Phase 1.
    8. An amount was set aside to implement Blue Ribbon Transit Recovery Task Force initiatives and to respond to hardships or disparities and specific recovery strategies.

*\*Note: The total share determined for the Transbay Joint Powers Authority is based on a review of that agency's COVID-19 related financial impacts, and not the methodology described above.*

- ii. Subsequent Phase(s) Methodology:

1. Funds remaining to be programmed for transit agency operating assistance in Phase 2 were distributed in accordance with the total shares calculated for operators in Phase 1.

2. A total of \$72,442,794 was distributed to various operators from funds that had been set aside for specific hardships and specific recovery strategies.
  3. The remaining balance of funds set-aside for the implementation of Blue Ribbon Transit Recovery Task Force initiatives was distributed to operators using the methodology developed to distribute Phase 1 operating assistance funds. The distribution of set-aside funds for transit operations was done to best position Bay Area transit agencies to compete for additional FTA discretionary financial assistance that is available through ARP. Alternate near-term revenue sources (likely State Transit Assistance and FTA Formula funds) will be programmed and allocated to provide equivalency for Blue Ribbon initiative funding by operator and in aggregate to the augmented ARP distribution.
- iii. Funding: Once operator funding targets are determined by the methodology outlined above, the Phase 1 and subsequent phase(s) targets will be funded using the Regional Programming Model described in II.b.i, above.
- b. Annual Programming in the TIP: MTC, in cooperation with the state and eligible transit operators, is required to develop a Transportation Improvement Program (TIP) for the MTC Region. The TIP is a four-year programming document, listing federally-funded transportation projects, projects requiring a federal action, and projects deemed regionally significant. TCP programming in each year of the TIP will be financially constrained to the estimated apportionment level. Programming adjustments in the TIP will be done in consultation with eligible transit operators in the MTC region.
- ARP waives the typical requirement for TIP inclusion for the supplemental apportionments included in the Act used for operating assistance or to pay for capital expenses for emergency relief do not need to be included in the TIP/STIP unless the projects are for substantial functional, locational, or capacity changes. [23 CFR §§ 450.326(e)(5), 450.218(g)(5)]. Over time, MTC will work to incorporate all such funding from ARP into the TIP for fund monitoring purposes. However, inclusion in the TIP is not a precondition for receiving these funds.
- c. Process for Programming Revisions & Amendments: The attachments to this resolution will be revised at a later date to include Future Phase funding amounts for operators and to include more detail on the FTA Section 5311 process, as needed, once provided by Caltrans. MTC will consider revisions to an operator's programming as requested.
- d. Grant Applications:
- i. FTA Section 5307 Programs: Each operator is expected to complete their own Federal grant application using FTA's Transit Award Management System (TrAMS). MTC staff will review grant applications and submit concurrence letters or other required materials to FTA on behalf of project sponsors as needed.
  - ii. FTA Section 5311 Program: Operators are responsible for working with Caltrans, the designated recipient and grantee for the Section 5311 program, to respond to

calls for projects and submit required materials to access these funds. MTC will assist with the Regional Agency/Transportation Planning Agency (TPA) Certifications and Assurances and any other documentation, as needed.



# APPENDIX A – 31

## *Regional Policies: Project Funding and Specific Funding Programs*

**MTC Lifeline Transportation Cycle 6 Program  
Guidelines for FY 2018-19 and FY 2019-20**

**MTC Resolution No. 4416**



Date: June 24, 2020  
W.I.: 1310  
Referred by: PAC

ABSTRACT

Resolution No. 4416

This Resolution adopts the Lifeline Transportation Program Cycle 6 Guidelines.

The following attachment is provided with this Resolution:

Attachment A —Lifeline Transportation Program Cycle 6 Guidelines FY2018-19 and  
FY2019-20

Further discussion of the Lifeline Transportation Program Cycle 6 Guidelines is provided in the  
Programming and Allocations Committee Summary sheet dated June 10, 2020.

Date: June 24, 2020  
W.I.: 1310  
Referred by: PAC

RE: Lifeline Transportation Program Cycle 6 Guidelines

METROPOLITAN TRANSPORTATION COMMISSION  
RESOLUTION NO. 4416

WHEREAS, the Metropolitan Transportation Commission (MTC) is the regional transportation agency for the San Francisco Bay Area pursuant to Government Code Section 66500 *et seq.*; and

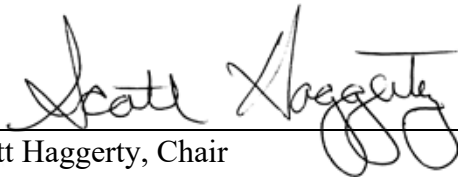
WHEREAS, MTC adopted Resolution 4242, which established the Transit Capital Priorities Process and Criteria for programming FY2016-17 through FY2019-20 Federal Transit Administration Section 5307 Urbanized Area Formula funds, including a set-aside for the Lifeline Transportation Program; and

WHEREAS, MTC will use the process and criteria set forth in Attachment A of this Resolution to fund a Cycle 6 for the Lifeline Transportation Program; now, therefore be it

RESOLVED, that MTC approves the program guidelines to be used in the administration and selection of Cycle 6 Lifeline Transportation projects, as set forth in Attachment A of this Resolution; and be it further

RESOLVED, that the Executive Director of MTC shall forward a copy of this Resolution, and such other information as may be required, to such other agencies as may be appropriate.

METROPOLITAN TRANSPORTATION COMMISSION

  
\_\_\_\_\_  
Scott Haggerty, Chair

The above Resolution was entered into by the Metropolitan Transportation Commission at a regular meeting of the Commission held in San Francisco, California and at other remote locations on June 24, 2020.

Date: June 24, 2020  
W.I.: 1310  
Referred by: PAC

Attachment A  
MTC Resolution No. 4416  
Page 1 of 16



METROPOLITAN  
TRANSPORTATION  
COMMISSION

# **Lifeline Transportation Program Cycle 6 Guidelines**

June 2020

**METROPOLITAN TRANSPORTATION COMMISSION**

**LIFELINE TRANSPORTATION PROGRAM CYCLE 6 GUIDELINES  
FY 2019 AND FY 2020**

June 2020

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Appendix 2. Standard Evaluation Screening Criteria

**METROPOLITAN TRANSPORTATION COMMISSION  
LIFELINE TRANSPORTATION PROGRAM CYCLE 6 GUIDELINES  
FY 2019 AND FY 2020**

June 2020

1. **PROGRAM GOAL.** The Lifeline Transportation Program is intended to fund projects that result in improved mobility for low-income residents of the nine San Francisco Bay Area counties.

The Lifeline Program supports community-based transportation projects that:

- Are developed through a collaborative and inclusive planning process that engages a broad range of stakeholders such as public agencies, transit operators, community-based organizations and residents, and outreach to underrepresented communities.
- Improve a range of transportation choices by adding new or expanded services including but not limited to: enhanced fixed route transit services, first-and last-mile shuttles, taxi voucher programs, and other eligible projects.
- Address transportation gaps and/or barriers identified in Community-Based Transportation Plans (CBTP) or other substantive local planning efforts involving focused outreach to low-income populations such as countywide or regional welfare-to-work transportation plans, the Coordinated Public Transit-Human Services Transportation Plan or other documented assessment of need. Findings emerging from one or more CBTPs or other relevant planning efforts may also be applied to other low-income areas, or otherwise be directed to serve low-income constituencies within the county, as applicable. A map of communities of concern (CoC) is included in the Equity Analysis Report for Plan Bay Area 2040, which is available at: [http://2040.planbayarea.org/sites/default/files/2017-07/Equity\\_Report\\_PBA%202040%20\\_7-2017.pdf](http://2040.planbayarea.org/sites/default/files/2017-07/Equity_Report_PBA%202040%20_7-2017.pdf)

2. **PROGRAM ADMINISTRATION.** The Lifeline Program will be administered by MTC in coordination with transit agencies, county transportation agencies (CTAs) or other designated county-wide agencies as follows:
  - a. **Role of the Transit Agency/Operator.** Transit agencies may submit application(s) and propose projects for Lifeline Cycle 6 funding. Board action is required.
  - b. **Role of the CTA.** MTC staff may engage CTA staff to advise and ensure projects are consistent with the Community Based Transportation Plans, MTC Coordinated Plan, county and local plans. No board action is required.
3. **FUNDING APPORTIONMENT AND AVAILABILITY.** The fund source for the Cycle 6 Lifeline Transportation Program is Federal Transit Administration (FTA) Section 5307 Urbanized Area Formula<sup>1</sup> funds. Cycle 6 will cover a two-year programming cycle, FY2018-19 and FY2019-20.

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<sup>1</sup> The Moving Ahead for Progress in the 21<sup>st</sup> Century (MAP-21) federal transportation authorizing legislation eliminated the FTA Job Access and Reverse Commute (JARC) program (Section 5316) and combined JARC functions and funding with the Urbanized Area Formula (Section 5307) and the Non-urbanized Area Formula (Section 5311) programs. JARC projects were

a. Funding for FTA Section 5307 is apportioned to urbanized areas. The Cycle 6 distribution assigns funding to transit operators first on urbanized area eligibility, and then based on a 50/50 distribution formula of:

- (1) Fifty percent (50%) low-income ridership estimates. A transit agency's estimated low-income ridership is calculated by the transit agency's total ridership (FTA National Transit Data, 2018) multiplied by the percent of ridership that is low-income (from the 2012-2017 MTC On-Board Transit Passenger Demographic Surveys).
- (2) Fifty percent (50%) Community of Concern (CoC) population shares. Source: Total population for transit service area (FTA National Transit Data, 2018) and percent of full transit service area that is within a Community of Concern (MTC Resolution No. 4217, 2012-2016 ACS, 5-year tract level data (See Figure 1)).<sup>2</sup> MTC will assign funds to eligible projects to transit operators. See Section 5 for details about FTA Section 5307 programming process and Appendix 1 for detailed eligibility requirements.

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made eligible for 5307 funding, and, consistent with MTC's Transit Capital Priorities (TCP) Process and Criteria (MTC Resolution No. 4242), in FY2016-17 and FY2019-20 Section 5307 programs, a portion of the Bay Area's urbanized area funds have been set aside for the Lifeline program.

<sup>2</sup> FTA Section 5307 funds are apportioned by transit operator.

**Figure 1. Lifeline Cycle 6 – Share of Regional Low-Income Ridership Estimate and 50/50 Distribution of Low-Income Ridership Estimate and Community of Concern Population Shares**

<i>Operator<sup>1</sup></i>	<i>Share of Regional Low- Income Ridership Estimate<sup>2</sup></i>	<i>Operator Percent Low-Income Ridership Estimate<sup>3</sup> (50% Distribution)</i>	<i>CoC Population Served as Share of Service Area Population<sup>4</sup> (50% Distribution)</i>
Alameda-Contra Costa Transit District (AC Transit)	23.1%	49.0%	28.3%
San Francisco Bay Area Rapid Transit District (BART)	16.9%	14.7%	26.8%
Central Contra Costa Transit Authority (CCCTA)	1.1%	34.1%	4.5%
Fairfield and Suisun Transit (FAST)	.3%	37.5%	34.0%
Golden Gate Bridge, Highway, and Transportation District – Bus Service (GGBHTD)	.4%	8.5%	12.3%
Livermore-Amador Valley Transit Authority (LAVTA)	.6%	37.1%	1.6%
Marin Transit	1.0%	35.5%	3.8%
Napa VINE	.4%	40.4%	23.5%
Petaluma Transit	.2%	53.1%	100.0%
San Mateo County Transit District (SamTrans)	4.1%	38.7%	16.9%
San Francisco Municipal Transportation Agency (SFMTA)	40.4%	20.1%	24.1%
Santa Rosa CityBus	1.0%	61.6%	23.8%
Solano County Transit (SolTrans)	.5%	37.2%	32.4%



<i>Operator<sup>1</sup></i>	<i>Share of Regional Low- Income Ridership Estimate<sup>2</sup></i>	<i>Operator Percent Low-Income Ridership Estimate<sup>3</sup> (50% Distribution)</i>	<i>CoC Population Served as Share of Service Area Population<sup>4</sup> (50% Distribution)</i>
Sonoma County Transit	.5%	56.8%	12.4%
Eastern Contra Costa Transit Authority (Tri Delta Transit)	.8%	38.4%	28.7%
Union City Transit	.1%	42.4%	10.5%
Vacaville – City Coach	.1%	31.7%	6.7%
Western Contra Costa Transportation Authority (WestCAT)	.2%	16.1%	24.6%
Santa Clara Valley Transportation Authority (VTA)	8.4%	25.2%	16.1%
<b>TOTAL</b>	<b>100%</b>	<b>N/A</b>	<b>N/A</b>

- (1) Transit operators listed represent agencies that are eligible to receive FTA Section 5307 for both fiscal years based on urbanized area eligibility and transit service category.
- (2) “Share of Regional Low Income Ridership” percentage is based on low-income ridership estimates from the most recent MTC On-Board Transit Passenger Demographic Surveys, 2012-2017. Consistent with past Lifeline Transportation program funding rounds, Cycle 6 does not include commuter rail and ferry service due to traditionally minimal low-income ridership thresholds. As ridership demographics change over time and services such as the Sonoma Marin Area Rail Transit have commenced new service, staff intends to revisit this policy element for future Lifeline funding rounds.
- (3) Fifty percent (50%) low-income ridership estimates. A transit agency’s estimated low-income ridership is calculated by the transit agency’s total ridership (FTA National Transit Data, 2018) multiplied by the percent of ridership that is low-income (from the 2012-2017 MTC On-Board Transit Passenger Demographic Surveys).
- (4) Fifty percent (50%) Community of Concern (CoC) population shares. Source: Total population for transit service area (FTA National Transit Data, 2018) and percent of full transit service area that is within a Community of Concern (MTC Resolution No. 4217, 2012-2016 ACS, 5-year tract level data (See Figure 1). MTC will assign funds to eligible projects to transit operators. See Section 5 for details about FTA Section 5307 programming process and Appendix 1 for detailed eligibility requirements.

b. Local Fund Exchanges. Consistent with MTC Resolution No. 3331, MTC will allow transit operators to use local fund exchanges to fund projects that are not otherwise eligible for federal funds in Cycle 6. MTC staff is supportive of these fund exchanges to the extent that the exchange projects meet the spirit of the Lifeline Transportation Program. In the event that a transit operator is unable to identify a Lifeline eligible project for the FTA Section 5307 funds, the operator may request to have the funds transferred to another operator or return funds to MTC for redistribution to other operators. Transit operators must notify MTC about their intent to

exchange, transfer or return funds, and MTC staff will review and may approve the requests on a case-by-case basis.

4. FTA SECTION 5307 ELIGIBLE RECIPIENTS/SUBRECIPIENTS.

Transit operators that are FTA grantees are the only eligible recipients of FTA Section 5307 funds.

Non-profit organizations and public agencies that are not FTA grantees are only eligible for Section 5307 funds if they partner with an FTA grantee (transit operator) that is willing to serve as the direct recipient of the Section 5307 funds and pass through the funds to the sub recipient non-profit or public agency.

Section 5307 recipients/sub recipients will be required to have a Dun and Bradstreet (D&B) Data Universal Numbering System (DUNS) number and provide it during the application process.<sup>3</sup> A DUNS number may be obtained from D&B by telephone (866-705-5711) or the Internet (<http://fedgov.dnb.com/webform>).

5. PUBLIC PARTICIPATION. For FTA Section 5307 funds, MTC staff will be soliciting applications from the transit operators for the Lifeline Transportation Program.

Consistent with MTC's Public Participation Plan and FTA's Title VI Circular (FTA C 4702.1B), MTC encourages transit operators to conduct a broad, inclusive public involvement process, and use multiple methods of public outreach in identifying Lifeline projects. Funds in the Cycle 6 program are restricted to transit operators (see Section 4 for recipient eligibility restrictions). Therefore, MTC also acknowledges that each transit operator public outreach strategy will be tailored accordingly.

Further guidance for public involvement is contained in MTC's Public Participation Plan. Additionally, a list of Caltrans best practices for community engagement can be accessed through the Caltrans Final Sustainable Communities Grant Guide at:

[http://www.dot.ca.gov/hq/tpp/grants/1718/1\\_14SEP17\\_FinalSustainableCommunitiesGrantGuideFY2017-18.pdf](http://www.dot.ca.gov/hq/tpp/grants/1718/1_14SEP17_FinalSustainableCommunitiesGrantGuideFY2017-18.pdf)

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<sup>3</sup> A Dun and Bradstreet (D&B) Data Universal Numbering System (DUNS) number is a unique, non-indicative 9-digit identifier issued and maintained by D&B that verifies the existence of a business entity. The DUNS number is a universal identifier required for Federal financial assistance applicants, as well as recipients and their direct sub-recipients.

## 6. ELIGIBLE ACTIVITIES.

- a. Eligible operating projects. Eligible operating projects include (but are not limited to) new or enhanced fixed route transit services, restoration of Lifeline-related transit services eliminated due to budget shortfalls, shuttles, taxi voucher programs, auto loan programs, etc. See Appendix 1 for additional details about eligibility by funding source. Eligible operating projects are different for large and small urbanized areas (UZAs). Refer to FTA Section 5307 Circular (FTA C9030.1E).

(1) General Eligibility. In an effort to address the sustainability of fixed-route transit operations, transit operators may elect to allocate some or all of their Section 5307 funds directly for Lifeline transit operations within the county. Projects must be identified as Lifeline projects before transit operators can claim funds, and will be subject to Lifeline Transportation Program reporting requirements.

- b. Eligible capital projects. Eligible capital projects, consistent with requirements of funding sources, may include (but are not limited to) purchase of vehicles; bus stop enhancements; rehabilitation, safety or modernization improvements; or other enhancements to improve transportation access for residents of low-income communities. See Appendix 1 for additional details about eligibility by funding source.

c. FTA Section 5307 restrictions

(1) Job Access and Reverse Commute requirement. For the Lifeline Transportation Program, the use of FTA Section 5307 funds is restricted solely to Job Access and Reverse Commute (JARC) -type projects. For details regarding eligible FTA Section 5307 JARC-type projects, see the FTA Section 5307 Circular (FTA C 9030.1E), Chapter IV, Section 5 available at: [https://www.transit.dot.gov/sites/fta.dot.gov/files/docs/FINAL\\_FTA\\_circular9030.1E.pdf](https://www.transit.dot.gov/sites/fta.dot.gov/files/docs/FINAL_FTA_circular9030.1E.pdf)  
Also see Appendix 1 for detailed eligibility requirements by fund source.

(2) New and existing services. Consistent with the FTA Section 5307 circular (FTA C 9030.1E), Chapter IV, Section 5.a, eligible job access and reverse commute projects must provide for the development or maintenance of eligible job access and reverse commute services. Recipients may not reclassify existing public transportation services that have not received funding under the former Section 5316 program as job access and reverse commute services in order to qualify for operating assistance. In order to be eligible as a job access and reverse commute project, a proposed project must qualify as either a “development project” or “maintenance project” as follows:

- i. Development Projects. “Development of transportation services” means new projects that meet the statutory definition and were not in service as of the date Fixing America’s Surface Transportation (FAST) Act, became effective December 4, 2015. This includes projects that expand the service area or hours of operation for an existing service.

- ii. Maintenance Projects. “Maintenance of transportation services” means projects that continue and maintain job access and reverse commute projects and services that received funding under the former Section 5316 Job Access and Reverse Commute program.

7. LOCAL MATCH REQUIREMENTS. The Lifeline Transportation Program requires a minimum local match of 20% of the total project cost. Lifeline Transportation Program funds may cover a maximum of 80% of the total project cost.

- a. Exceptions to 20% requirement. There are two exceptions to the 20% local match requirement:

- (1) FTA Section 5307 operating projects require a 50% match.

- (2) All auto-related projects require a 50% match.

- b. Sources of local match. Project sponsors may use certain federal, state or local funding sources (Transportation Development Act, operator controlled State Transit Assistance, local sales tax revenue, etc.) to meet the match requirement. In-kind contributions such as the market value of in-kind contributions integral to the project may be counted as a contribution toward local share.

For FTA Section 5307 projects, the local match can be *non*-Department of Transportation (DOT) federal funds. Eligible sources of non-DOT federal funds include: Temporary Assistance to Needy Families (TANF), Community Services Block Grants (CSBG) and Social Services Block Grants (SSBG) administered by the US Department of Health and Human Services or Community Development Block grants (CDBG) and HOPE VI grants administered by the US Department of Housing and Urban Development (HUD). Grant funds from private foundations may also be used to meet the match requirement.

Transportation Development Credits (“Toll Credits”) are not an eligible source of local match for the Lifeline Transportation Program.

8. COORDINATED PLANNING. Under FAST Act, projects funded with Section 5307 funds are no longer required by FTA to be derived from a locally developed, coordinated public transit-human services transportation plan (“Coordinated Plan”); however, in the Bay Area’s Coordinated Plan, MTC continues to identify the transportation needs of individuals with disabilities, older adults, *and* people with low incomes, and to provide strategies for meeting those local needs. Therefore, projects funded with Lifeline Transportation Program funds should be consistent with the transportation needs, proposed solutions, and enhanced coordination strategies presented in the Coordinated Plan to the extent practicable considering any other funding source restrictions. The Bay Area’s Coordinated Plan was updated in February 2018 and is available at:

[https://mtc.ca.gov/sites/default/files/MTC\\_Coordinated\\_Plan.pdf](https://mtc.ca.gov/sites/default/files/MTC_Coordinated_Plan.pdf)

- a. Mobility management. Mobility management was a key coordination strategy recommended in the 2018 plan. The designation of lead mobility managers or Consolidated Transportation Service Agencies (CTSAs) at the County or sub regional level is an essential component of that strategy. Consistent with those recommendations, MTC may, choose to give priority to—projects

sponsored by or coordinated with County or sub regional Mobility Managers or CTAs. If mobility management projects are not identified as part of the Program of Projects, provide explanation and justification.

Transportation needs specific to senior and disabled residents of low-income communities may also be considered when funding Lifeline projects.

9. GRANT APPLICATION. To ensure a streamlined application process for project sponsors, a universal application form will be used. Transit operators with multi-county projects must notify the relevant CTA Lifeline Program Administrators about their intent to submit a multi-county project. Once MTC receives the application, MTC may send the application to the CTAs. MTC will coordinate with associated CTAs to assess multi-county projects and the associated program of projects submitted by transit operators.

10. APPLICATION EVALUATION SCREENING.

Project will be evaluated based on meeting eligibility requirements outlined in Sections 6 – 9, evaluation screening criteria, and county goal alignment. Standard screening criteria will be used to assess projects. The six criteria include (1) project need/goals and objectives, (2) community-identified priority and county plans, (3) implementation plan and project management capacity, (4) coordination and program outreach, (5) cost-effectiveness and performance indicators, and (6) project budget/sustainability. MTC will establish the weight to be assigned for each criterion in the assessment process.

See Appendix 2 for the detailed standard screening criteria.

11. TRANSIT OPERATOR PROGRAM OF PROJECTS. A full program of projects is due to MTC from each transit operator based on the timeline outlined in Section 18. MTC will provide the transit operator program of projects to the associated CTA Lifeline Program Administrator.

12. POLICY BOARD ADOPTION.

- a. Transit Operator Board Resolution and Concurrence. Prior to MTC's programming of Lifeline Cycle 6 funds (FTA Section 5307) to any project, MTC requires that the transit operator adopt and submit a resolution of local support. The resolution shall state that approved projects not only exemplify Lifeline Program goals, but that the local project sponsors understand and agree to meeting all project delivery, funding match and eligibility requirements, and obligation and reporting deadlines and requirements. MTC will provide a resolution template. MTC has the option of collecting the resolutions of local support from transit operators along with the project applications, or after the project is selected by MTC for funding.

13. PROJECT DELIVERY. All projects funded under the transit operator programs are subject to the following MTC project delivery requirements:

Project sponsors must expend the Lifeline Transportation Program Section 5307 funds within three years of the FTA grant award or execution of agreement with pass-through agency, whichever is applicable. To prevent the Section 5307 funds from lapsing on the federal obligation deadline, MTC

reserves the right to reprogram funds if direct recipients fail to submit their FTA grant by the following dates:

- August 2023 for FY2018-19 funds
- August 2024 for FY2019-20 funds

Project sponsor are encouraged to submit grant applications at least 90 days prior to the close of FTA's Transit Award Management System (TrAMS) due to the time need for application review by USDOT and the US Department of Labor prior to any grants being awarded. Direct recipients are responsible for carrying out the terms of their grants.

14. PROJECT OVERSIGHT. Transit operators are responsible for meeting the MTC obligation deadlines and project delivery requirements. In addition, transit operators will carry out the scope described in the grant applications for the period of performance. All project budget and scope of work changes must be approved by the MTC Commission; however transit operators are responsible for approving budget and scope of work changes prior to MTC's authorization. Transit operators will work with CTA Lifeline Program Administrators and MTC on proposed changes. All scope changes must be fully explained and must demonstrate consistency with Lifeline Transportation Program goals.

See Appendix 1 for detailed accountability and reporting requirements by funding source.

15. PERFORMANCE MEASURES. As part of the Call for Projects, applicants will be asked to establish project goals, and to identify basic performance indicators to be collected in order to measure the effectiveness of the Lifeline projects. At a minimum, performance measures for service-related projects would include: documentation of new "units" of service provided with the funding (e.g., number of trips, service hours, workshops held, car loans provided), cost per unit of service, and a qualitative summary of service delivery procedures employed for the project. For capital projects, project sponsors are responsible for establishing milestones and reporting on the status of project delivery. Project sponsors are responsible for satisfying all reporting requirements, as referenced in Appendix 1. Transit operators will forward all reports containing performance measures to MTC for review and overall monitoring of the Lifeline Transportation Program.

16. FTA SECTION 5307 FUND ADMINISTRATION.

Project sponsors are responsible for entering projects into MTC's Fund Management System for inclusion in the Transportation Improvement Program (TIP). Transit operators that are FTA grantees are the only eligible recipients of Section 5307 funds. FTA grantees will act as direct recipients, and will submit grant applications directly to FTA.

For projects funded with FTA Section 5307 funds that are sponsored by non-FTA grantees (e.g., nonprofits or other local government entities), the FTA grantee who was identified as the partner agency at the time of the application will submit the grant application to FTA directly and, following FTA approval of the grant, will enter into funding agreements with the sub recipient project sponsor.

FTA recipients are responsible for following all applicable federal requirements and for ensuring that their sub recipients comply with all federal requirements. See Section 18 for federal compliance requirements.

**17. COMPLIANCE WITH FEDERAL REQUIREMENTS – Transit Operator Responsibilities**

FTA Section 5307 applicants should be prepared to abide by all applicable federal requirements as specified in 49 U.S.C. Section 5307; FTA Circulars C 9030.1E, 4702.1B and 4703.1; the most current FTA Master Agreement; and the most current Certifications and Assurances for FTA Assistance Programs.

FTA Section 5307 direct recipients will be responsible for adhering to FTA requirements through their agreements and grants with FTA directly and for ensuring that all sub recipients and third-party contractors comply with FTA requirements.

**18. FUTURE PROGRAM CONSIDERATIONS.** These guidelines apply for the purposes of this programming cycle only. Future programs and funding formulas would be subject to revisiting under the following conditions, for example:

- Changes in mix of fund sources for the Lifeline Transportation Program
- Changes in the mix of transit operators in the region
- Changes in ridership demographics and services commenced over time
- Updated data and changes to the definition of Communities of Concern
- Evaluation and experience from this cycle does not meet the intent of the Lifeline Transportation Program.

**19. TIMELINE.** The anticipated timeline for Cycle 6 is as follows:

<b>Action</b>	<b>Anticipated Date*</b>
Commission approves Cycle 6 Program Guidelines	June 24, 2020
MTC approves TIP amendment (administrative modification)	June 24, 2020
MTC issues guidelines to transit operators	June 30, 2020
Transit Operator Board-approved** programs due to MTC from Transit Operator	July/August 2020
<b>MTC Commission approval of Program of Projects</b>	<b>September 2020</b>
FTA grantees can submit FTA grants for FY19 and FY20 funds (after all Board approvals completed)	October 2020

\* Dates subject to change depending on Federal deadlines and availability of funds.

\*\* Transit Operator Board approval and concurrence may be pending at the time of deadline.

**Appendix 1**  
**Lifeline Transportation Program Cycle 6**  
**Funding Source Information**

	FTA Section 5307
Purpose of Fund Source	<b>To support the continuation and expansion of public transportation services in the United States</b>
Detailed Guidelines	<a href="https://www.transit.dot.gov/sites/fta.dot.gov/files/docs/FINAL_FTA_circular9030.1E.pdf">https://www.transit.dot.gov/sites/fta.dot.gov/files/docs/FINAL_FTA_circular9030.1E.pdf</a>
Use of Funds	For the Lifeline Transportation Program, the use of FTA Section 5307 funds is restricted solely to Job Access and Reverse Commute-type projects that support the development and maintenance of transportation services designed to transport welfare recipients and eligible low income individuals to and from jobs and activities related to their employment
Eligible Recipients	<ul style="list-style-type: none"> <li>▪ Transit operators that are FTA grantees</li> </ul>
Eligible Sub-recipients ( <b>must partner with an eligible recipient that will serve as a pass-through agency</b> )	<ul style="list-style-type: none"> <li>▪ Private non-profit organizations</li> <li>▪ Public agencies that are not FTA grantees (e.g., cities, counties)</li> </ul>



	FTA Section 5307
Eligible Projects	<p><u>New and existing services.</u> Eligible job access and reverse commute projects must provide for the development or maintenance of eligible job access and reverse commute services. Recipients may not reclassify existing public transportation services that have not received funding under the former Section 5316 program as job access and reverse commute services in order to qualify for operating assistance. In order to be eligible as a job access and reverse commute project, a proposed project must qualify as either a “development project” or a “maintenance project” (see Section 7.c.(2) of these guidelines for details regarding “development” and “maintenance” projects).</p> <p><u>Capital and Operating projects.</u> Projects that comply with the requirements above may include, but are not limited to:</p> <ul style="list-style-type: none"> <li>▪ Late-night &amp; weekend service;</li> <li>▪ Guaranteed ride home service;</li> <li>▪ Shuttle service;</li> <li>▪ Expanding fixed route public transit routes, including hours of service or coverage;</li> <li>▪ Demand-responsive van service;</li> <li>▪ Ridesharing and carpooling activities;</li> <li>▪ Transit-related aspects of bicycling;</li> <li>▪ Administration and expenses for voucher programs;</li> <li>▪ Local car loan programs;</li> <li>▪ Intelligent Transportation Systems (ITS);</li> <li>▪ Marketing; and</li> <li>▪ Mobility management.</li> </ul> <p>See FTA C 9030.1E, Chapter IV, Section 5307 for details regarding eligible projects.</p>

FTA Section 5307		
Lifeline Program Local Match	20%	<ul style="list-style-type: none"> <li>▪ 50% for operating projects (may use STA funds to cover up to 30% if project is eligible for <b>both</b> JARC and STA)</li> <li>▪ 50% for auto projects</li> <li>▪ 20% for planning and capital projects</li> </ul>
Estimated timing for availability of funds to transit operator	<p>Transit operators, CTSA's and eligible cities and counties can initiate claims for FY18 and FY19 funds immediately following MTC approval of program of projects.</p> <p>For sub recipients, the eligible recipient acting as fiscal agent will likely initiate a funding agreement following MTC approval of program of projects. Funds will be available on a reimbursement basis after execution of the agreement.</p>	<p>Following MTC approval of the program of projects, project sponsor will submit project in FMS for inclusion in the TIP. Following Federal TIP approval, FTA grantees must submit FTA grants.</p> <p>FTA grantees can begin their projects after the funds are obligated in an FTA grant. For sub recipients, the FTA grantee acting as fiscal agent will likely initiate a funding agreement following FTA grant award. Funds will be available on a reimbursement basis after execution of the agreement.</p>
Accountability & Reporting Requirements	<p>Transit operators and eligible cities and counties must submit annual performance (i.e., ridership) statistics for the project, first to MTC for review, and then to MTC along with annual claim.</p> <p>Depending on the arrangement with the pass-through agency, sub recipients will likely submit quarterly performance reports with invoices, first to the pass-through agency for reimbursement, and then to MTC for review.</p>	<p>FTA grantees are responsible for following all applicable federal requirements for preparing and maintaining their Section 5307 grants. MTC may request copies of FTA grantees' quarterly Section 5307 grant reports to FTA.</p> <p>Depending on the arrangement with the pass-through agency, sub recipients will likely submit quarterly performance reports with invoices, first to MTC for review, and then to the pass-through agency for reimbursement. Sub recipients will also submit Title VI reports annually to the pass-through agency.</p>

**Note:** Information on this chart is accurate as of April 2020. MTC will strive to make transit operators aware of any changes to fund source guidelines that may be enacted by the appropriating agencies (i.e. State of California, Federal Transit Administration).

## Appendix 2 Lifeline Transportation Program Cycle 6 Standard Evaluation Screening Criteria

The following standard evaluation screening criteria are intended to provide consistent guidance to transit operators in submitting projects to receive Lifeline Transportation Program funds. Each transit operator, will consider these screening criteria when submitting applications for projects.

- a. Project Need/Goals and Objectives – Serves Low-Income Communities/Residents:** Applicants should describe the unmet transportation need or gap that the proposed project seeks to address and the relevant planning effort that documents the need. Describe how project activities will mitigate the transportation need. Capital or operations projects (sponsored by public transit operators or in partnership with non-profits or cities) that support and augment but are not traditional fixed route projects may be given extra points under this criteria. Project application should clearly state the overall program goals and objectives, and demonstrate how the project is consistent with the goals of the Lifeline Transportation Program.
- b. Community-Identified Priority and County Plans:** Priority should be given to projects that directly address transportation gaps and/or barriers identified through a Community-Based Transportation Plan (CBTP) or other substantive local planning effort involving focused inclusive engagement to low-income populations. Applicants should identify the CBTP or other substantive local planning effort, as well as the priority given to the project in the plan. MTC will coordinate with CTAs to assess project consistency with County Plans.

Other projects may also be considered, such as those that address transportation needs identified in countywide or regional welfare-to-work transportation plans, the Coordinated Public Transit-Human Services Transportation Plan, or other documented assessment of needs within designated communities of concern. Findings emerging from one or more CBTPs or other relevant planning efforts may also be applied to other low-income areas, or otherwise be directed to serve low-income constituencies within the county, as applicable. A map of communities of concern (CoC) is included in the Equity Analysis Report for Plan Bay Area 2040, which is available at [http://2040.planbayarea.org/sites/default/files/2017-07/Equity\\_Report\\_PBA%202040%207-2017.pdf](http://2040.planbayarea.org/sites/default/files/2017-07/Equity_Report_PBA%202040%207-2017.pdf)

- c. Implementation Plan and Project Management Capacity:** For projects seeking funds to support program operations, applicants must provide a well-defined service operations plan, and describe implementation steps and timelines for carrying out the plan.

For projects seeking funds for capital purposes, applicants must provide an implementation plan, milestones and timelines for completing the project.

Priority should be given to projects that are ready to be implemented in the timeframe that the funding is available.

Project sponsors should describe and provide evidence of their organization's ability to provide and manage the proposed project, including experience providing services for low-income persons, and experience as a recipient of state or federal transportation funds. For continuation projects that have previously received Lifeline funding, project sponsor should describe project progress and outcomes.

- d. Coordination and Program Outreach:** Projects will be screened based on their ability to coordinate with other community transportation and/or social service resources. Applicants should clearly identify project stakeholders, and how they will keep stakeholders involved and informed throughout the project. Applicants should also describe how the project will be marketed and promoted to the public.
- e. Cost-Effectiveness and Performance Indicators:** The project will be screened based on the applicant's ability to demonstrate that the project is the most appropriate way in which to address the identified transportation need, and is a cost-effective approach. Applicants must also identify clear, measurable outcome-based performance measures to track the effectiveness of the service in meeting the identified goals. A plan should be provided for ongoing monitoring and evaluation of the service, as well as steps to be taken if original goals are not achieved.
- f. Project Budget/Sustainability:** Applicants must submit a clearly defined project budget, indicating anticipated project expenditures and revenues, including documentation of matching funds. Proposals should address long-term efforts and identify potential funding sources for sustaining the project beyond the grant period.

# APPENDIX A – 32

## *Regional Policies: Project Funding and Specific Funding Programs*

**MTC Lifeline Transportation Cycle 6 Program of  
Projects for FY 2018-19 and FY 2019-20**

**MTC Resolution No. 4446**



Date: October 28, 2020  
W.I.: 1311  
Referred by: PAC  
Revised: 7/28/21-C

ABSTRACT

Resolution No. 4446, Revised

This resolution adopts the FY2018-19 through FY2019-20 Program of Projects for MTC's Cycle 6 Lifeline Transportation Program, funded with FTA Section 5307 Urbanized Area funds.

The evaluation criteria established in Resolution No. 4416 were used to develop the program of projects.

The following attachments are provided with this resolution:

Attachment A — Cycle 6 Lifeline Transportation Program of Projects -  
FY2018 - 19 and FY2019 - 20

This resolution was amended on July 28, 2021 to program \$1,647,290 in Federal Transit Administration (FTA) Section 5307 funds to Santa Clara Valley Transportation Authority's Lifeline Cycle 6 Projects: Downtown San Jose Wayfinding Project; and the Clipper/EZfare Engagement and Marketing for Low-Income and Minority Communities Project.

Further discussion of this action is contained in the Programming and Allocations Committee summary sheets dated October 14, 2020 and July 14, 2021.

Date: October 28, 2020  
W.I.: 1311  
Referred by: PAC

RE: Cycle 6 Lifeline Transportation Program of Projects – FY2018-19 and FY2019-20

METROPOLITAN TRANSPORTATION COMMISSION  
RESOLUTION NO. 4446

WHEREAS, the Metropolitan Transportation Commission (MTC) is the regional transportation planning agency for the San Francisco Bay Area pursuant to Government Code § 66500 et seq.; and

WHEREAS, MTC adopted Resolution No. 4416, which establishes program guidelines to be used for the funding and oversight of the Cycle 6 Lifeline Transportation Program, Fiscal Years 2018-19 and 2019-20; and

WHEREAS, MTC used the process and criteria set forth in Attachment A of Resolution No. 4416 to fund a Program of Projects for the Cycle 6 Lifeline Transportation Program with Section 5307 Urbanized Area funds; and

WHEREAS, the Cycle 6 Lifeline Transportation Program of Projects is set forth in Attachment A of this resolution, attached hereto and incorporated herein as though set forth at length; now therefore be it

RESOLVED, that MTC approves the Program of Projects for the Cycle 6 Lifeline Transportation Program, as set forth in Attachment A of this resolution; and be it further

RESOLVED, that the Executive Director shall forward a copy of this resolution, and such other information as may be required, to the Governor, Caltrans, and to such other agencies as may be appropriate.

METROPOLITAN TRANSPORTATION COMMISSION

  
\_\_\_\_\_  
Scott Haggerty, Chair

The above resolution was entered into by the Metropolitan Transportation Commission at a regular meeting of the Commission held in San Francisco, California and at other remote locations, on October 28, 2020.

**Revised Cycle 6 Lifeline Transportation Program of Projects (FY2018-19 and FY2019-20)**

#	Transit Operator	Project	Other Project Sponsor	Project Description	5307			Notes
					TOTAL Available Funding	Programmed	Unprogrammed Balance	
1	AC Transit	Preservation of Existing Services in Communities of Concern	n/a	The funds will be used to continue and improve transit service to several key MTC Communities of Concern in Alameda County and Contra Costa counties. The three routes in the project (Routes 36,76,86) provide services to approximately 1.5 million passengers annually to and from areas in low-income communities. The communities that the project serves have a high concentration of minority populations that speak limited English, an average of 16 percent of total households do not own a car, and therefore rely on alternative means of transportation to get to and from their daily destinations. This project is estimated to serve 2,933 low income persons daily, 267,667 low income persons quarterly and 1,070,669 low income persons yearly.	1,026,784	1,026,784	0	
2		Line 97	Union City Transit	Lifeline funds will be utilized to continue bus service for Line 97 serving Union City BART.		12,674	0	(1)
3	BART	Embarcadero Station Platform Elevator Capacity and Redundancy Project	n/a	This project will purchase and install a new redundant elevator at the North end (exit towards Ferry Building) of the Embarcadero BART/Muni Station to improve mobility and access for customers. The Embarcadero BART/Muni Station is in the City and County of San Francisco, a regional hub for employment. Hence, the station serves a diverse population, including Communities of Concern, who travel to and from jobs and activities related to employment. The new elevator at this station will primarily serve BART's platform; however, the elevator will also be able to stop at the Muni platform. The design vision includes a glass enclosed cab and hoistway to increase visual transparency. The scope of work also includes refurbishing Muni's elevator, which will exclusively provide access to Muni's platform once the project is complete. In addition, both the North and South end of station stairs will be rebuilt wider.	1,172,942	1,172,942	0	
4	Central Contra Costa Transit Authority	Lifeline Service Preservation	n/a	The Lifeline funds will be utilized to continue service to Communities of Concern in the Central portions of Contra Costa County. These include routes 11, 14 ,16 ,18 ,19, 311, 314, and 316.	83,785	83,785	0	
5	Eastern Contra Costa Transit Authority (Tri Delta Transit)	Operations Funding for Routes Support for Route 200 and 201	n/a	Provision of lifeline, public transit bus service between Bay Point, a community of concern, and Central County (Route 200) and Concord (Route 201) lifeline destinations. Service includes fixed route and adjunct ADA services.	199,621	199,621	0	
6	Fairfield and Suisun Transit	Partial Restoration of Local and Commuter Saturday Service	City of Vacaville	This project will help offset expenses to reinstate Saturday service on Fairfield and Suisun Transit (FAST) local routes and the Solano Express Blue Line eliminated due to a significant drop off in ridership and fare revenue during the COVID-19 pandemic.	246,299	246,299	0	
7	Vacaville - City Coach	Partial Restoration of Local and Commuter Saturday Service	FAST/City of Vacaville	This project will help offset expenses to reinstate Saturday service on Fairfield and Suisun Transit (FAST) local routes and the Solano Express Blue Line eliminated due to a significant drop off in ridership and fare revenue during the COVID-19 pandemic.	106,929	106,929	0	
8	Golden Gate Bridge, Highway and Transportation District - Bus Service	Golden Gate Transit Ambassador Program	n/a	Golden Gate Transit will implement a Transit Ambassador Program, which includes the strengthened regional provision of District-specific transit information to riders from low-income neighborhoods and three Communities of Concern in Marin County.	153,491	138,491	0	
9		Joint Shelter Replacement Project	Marin Transit	Fund transfer from GGBHTD to Marin Transit for a joint shelter replacement project at stops in a community of concern in Novato.		15,000		(3)
10	Livermore Amador Valley Transit Authority	Route 14 Operating Assistance	n/a	Wheels' Route 14 provides service between the North Livermore Low Income Community and a variety of essential destinations including shopping, employment, healthcare, and direct regional rail connections via the Livermore Transit Center/ACE station and Dublin/Pleasanton BART station. Funding would support the project's continued operation from 7/1/2020 through 6/30/2022.	94,183	94,183	0	



**Revised Cycle 6 Lifeline Transportation Program of Projects (FY2018-19 and FY2019-20)**

#	Transit Operator	Project	Other Project Sponsor	Project Description	5307			Notes
					TOTAL Available Funding	Programmed	Unprogrammed Balance	
11	Marin County Transit District	Novato Bus Stop Shelters	n/a	Purchase bus stop shelters at high ridership stops in Novato that no longer have City advertising shelters. The project improves rider conditions for routes serving communities of concern in the City of Novato.	33,892	33,892	0	
12	Napa VINE	Riverside Pathway Connection to Downtown/Transit	City of Calistoga	The Napa Riverside Pedestrian Pathway will provide a direct, ADA compliant multiuse path along the Napa River connecting the bus stop location on Lincoln Avenue (Hwy 29) to the restrooms (in Fire Station), public parking lot, and Post Office to the east. The project will benefit residents as well as visitors and transit riders.	156,657	62,657	0	
13		Pope St. Pedestrian Crossing Improvement	City of Helena	The project includes the design and installation of a rectangular rapid flashing beacon system (or equivalent) on Pope Street at College Avenue; four ADA compliant curb ramps, and continental crosswalk markings on Pope St. at College Ave. Enhancing the crossing at Pope St. and College will improve access and safety for the transit stops serving both schools and for nearby seniors accessing those stops.		94,000		
14	Petaluma Transit	Petaluma Transit Weekend Service	City of Petaluma	Petaluma Transit seeks funding to continue providing fixed route bus and paratransit service on Saturday and Sunday for one year, in order to meet the needs of riders who have employment and other weekend travel needs.	54,789	54,789	0	
15	San Mateo County Transit District	Route 17 and Demand Response Service on the Coastside	n/a	This project will continue funding the operation of existing Lifeline funded fixed route bus service for SamTrans Route 17 and general public demand response service on the Coastside of San Mateo County. Route 17 operates between the hours of 6 am and 9pm seven days a week with general public demand response service operating during the same hours. The route extends from the Linda Mar Park and Ride lot in the North, through Montara, El Granada, and Half Moon Bay before ending in Pescadero to the south.	262,751	262,751	0	
16	Santa Rosa CityBus	Continuing Lifeline Route Operations	n/a	Funding for this project will provide continued operations of the City of Santa Rosa's CityBus Lifeline Routes (Routes 2, 2B, 3, and 12) that service the Roseland Community of Concern area in the City of Santa Rosa.	203,782	203,782	0	
17	San Francisco Municipal Transportation Agency	Essential Trip Card Program	n/a	The Essential Trip Card (ETC) is a discount program to help seniors and people with disabilities make essential trips in taxis. The program uses taxis to take people to the grocery store, pharmacy or medical trips. Customers pay \$12 to receive \$60 value for taxi trips on a debit card.	1,127,352	1,127,352	0	
18	Solano County Transit	SolTrans Route 7-Maintain Lifeline Fixed Route Service	n/a	This Operating Assistance request is for maintaining SolTrans Route 7 (formerly Route 2) which operates seven days a week and provides service from Vallejo Transit Center to Northeast Vallejo and Solano Community College for low-income and transit-dependent populations.	313,451	313,451	0	
19	Sonoma County Transit	Sonoma County Transit CNG Bus Purchase	n/a	Sonoma County Transit is requesting \$166,459 in JARC Lifeline funding to assist with the purchase of one compressed natural gas (CNG) transit coach. The new CNG bus will be deployed on intercity routes serving the Healdsburg, Lower Russian River and Sonoma Springs CBTP areas. The timely replacement of Sonoma County Transit's CNG buses ensures comfortable and reliable public transit service throughout the fixed-route system.	166,459	166,459	0	
20	Santa Clara Valley Transportation Authority	Downtown San Jose Wayfinding Project	VTA	This project implements San Jose's wayfinding pilot identified through MTC's Regional Mapping and Wayfinding Program to harmonize transit information between the 27 Bay Area transit agencies. This project will develop wayfinding maps, procure, and install totems along VTA's downtown transit mall on the light rail platforms and sidewalks adjacent.	1,276,833	1,276,833	0	(4)
21		Clipper/Ezfare Engagement and Marketing for Low-Income and Minority Communities	VTA	This project would engage low-income and minority communities of Santa Clara County to identify their barriers to Clipper/EZfare usage, develop strategies to eliminate those barriers, and initiate a targeted campaign to market Clipper/EZfare to low-income and minority communities.				370,457

**Revised Cycle 6 Lifeline Transportation Program of Projects (FY2018-19 and FY2019-20)**

#	Transit Operator	Project	Other Project Sponsor	Project Description	5307			Notes
					TOTAL Available Funding	Programmed	Unprogrammed Balance	
22	Union City Transit	Line 97	AC Transit	Union City Transit requests transfer of funds to AC Transit for continued operations of Line 97.	12,674		0	(1)
23	Western Contra Costa Transit Authority	Purchase and install new AVL/CAD/APC System	n/a	This funding will support the purchase and installation of a complete AVL/APC system on all fixed-route vehicles within WCCTA's fleet. Once installed and activated, this system will allow WCCTA to improve its real-time information system to give riders better customer information about bus arrivals and departures.	25,311	25,311	0	
<b>Regional Grand Totals</b>					<b>Lifeline Program Revenue Source</b>	<b>Total Proposed Programming</b>	<b>Unprogrammed Balance</b>	
					7,088,442	7,088,442	-	

**Notes**

- (1) Union City Transit requests transferring \$12K to AC Transit for Line 97 project. Pending AC Transit Board action.
- (2) Projects are pending Board approval.
- (3) Projects are pending staff/Board approval for receipt of funds for Lifeline project purpose.
- (4) Proposed action for Commission approval to program VTA's Cycle 6 projects on 7/28/21.

# APPENDIX A – 33

## *Regional Policies: Project Funding and Specific Funding Programs*

**Funding Framework for a High Speed Rail Early Investment  
Strategy for a Blended System in the Peninsula Corridor**

**MTC Resolution No. 4056**



Date: March 28, 2012  
W.I.: 1512  
Referred By: Commission

ABSTRACT

Resolution No. 4056

This resolution approves an Agreement and establishes a funding framework among MTC, the California High Speed Rail Authority (the Authority), the Peninsula Corridor Joint Powers Board (JPB), the San Francisco County Transportation Authority (SFCTA), the San Mateo County Transportation Authority (SMCTA), VTA, the City of San Jose, the City and County of San Francisco, and the Transbay Joint Powers Authority (TJPA), for a High Speed Rail Early Investment Strategy for a blended system in the Peninsula Corridor.

Further discussion of the High Speed Rail Early Investment Strategy is contained in the Executive Director's memorandum dated March 21, 2012.

Date: March 28, 2012  
W.I.: 1512  
Referred by: Commission

Re: High Speed Rail Early Investment Strategy

METROPOLITAN TRANSPORTATION COMMISSION  
RESOLUTION NO. 4056

WHEREAS, the Metropolitan Transportation Commission (MTC) is the regional transportation planning agency for the San Francisco Bay Area pursuant to Government Code 66500 et. seq.; and

WHEREAS, the California High-Speed Rail Authority (Authority) is responsible for planning, building and maintaining an 800-mile statewide high-speed rail system and improved mobility through the development of safe, clean, reliable rail technology; and

WHEREAS, the Authority is exclusively charged with accepting grants, fees and allocations from the state, from political subdivisions of the state and from the federal government, foreign governments, and private sources; and

WHEREAS, the Authority's 2012 Business Plan proposes to incrementally develop the California High-Speed Train (HST) system utilizing a blended system approach that will coordinate the development and operations of HST with existing passenger rail systems that improves, enhances and expands the integration of high-speed and regional/local passenger rail systems; and

WHEREAS, this blended approach requires a series of incremental investments in the peninsula corridor to prepare for integrated service and operations and the Authority recognizes the need for a collaborative effort with regional and local agencies to identify early investment projects along existing rail corridors that increases service, improves safety and efficiency, and creates linkages between HST and local passenger rail service; and

WHEREAS, on December 19, 2001, MTC adopted the Regional Transit Expansion Program of Projects (Resolution 3434) which includes the Transbay Transit Center Phase 2

Downtown Extension and Caltrain Electrification projects as regional priorities for transit expansion; and

WHEREAS, MTC, the Authority, the Peninsula Corridor Joint Powers Board (JPB), the San Francisco County Transportation Authority (SFCTA), the San Mateo County Transportation Authority (SMCTA), VTA, the City of San Jose, the City and County of San Francisco, and the Transbay Joint Powers Authority (TJPA) (collectively, Parties) staff have collaboratively and in good faith prepared a Memorandum of Understanding, as set forth in Attachment A to this Resolution, attached hereto and incorporated herein as though set forth at length, that sets forth principles for developing the corridor electrification and advance signal system elements of the blended system; and

WHEREAS, all Parties are involved in the planning, funding, construction and/or operation of heavy and light rail transit, buses, and/or commuter train services in the peninsula corridor and are considering intermodal service integration, including linkages to the proposed HST service; and

WHEREAS, all Parties wish to establish a policy-level commitment of funding for the electrification and advance signal system elements of the blended system, as set forth in Attachments B and C to this Resolution, attached hereto and incorporated herein as though set forth at length; now therefore be it

RESOLVED, that MTC approves the Memorandum of Understanding for a High Speed Rail Early Investment Strategy as set forth in Attachment A and incorporated herein; and be it further

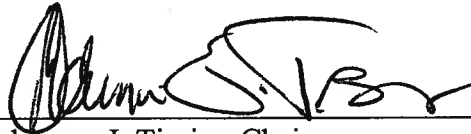
RESOLVED, that all Parties have agreed to and approve the funding plan set forth in Attachment B and incorporated herein; and be it further

RESOLVED, that the Executive Director is authorized to execute Attachment A on behalf of MTC, and to make non-substantive changes or minor amendments as deemed appropriate subject to review by MTC's Office of General Counsel for form; and, be it further

RESOLVED, that MTC agrees to provide the funds as shown in Attachment B subject to the Authority, JPB, VTA, SFCTA and BART also agrees to provide the funds as shown in Attachment B; and be it further

RESOLVED, that MTC agrees to take timely follow-up approval actions as may be necessary to allocate and program specific funding indentified in Attachment B.

METROPOLITAN TRANSPORTATION COMMISSION

A handwritten signature in black ink, appearing to read 'Adrienne J. Tissier', is written over a horizontal line.

Adrienne J. Tissier, Chair

This resolution was entered into by the Metropolitan Transportation Commission at a regular meeting of the Commission held in Oakland, California, on March 28, 2012.

Date: March 28, 2012  
W.I.: 1512  
Referred by: Commission

Attachment A  
Resolution No. 4056  
Page 1 of 4

## MEMORANDUM OF UNDERSTANDING

HIGH SPEED RAIL EARLY INVESTMENT STRATEGY FOR A BLENDED SYSTEM IN  
THE SAN FRANCISCO TO SAN JOSE SEGMENT KNOWN AS THE PENINSULA  
CORRIDOR OF THE STATEWIDE HIGH-SPEED RAIL SYSTEM

BY AND AMONG THE FOLLOWING PARTIES (PARTIES)

CALIFORNIA HIGH SPEED RAIL AUTHORITY (AUTHORITY)  
METROPOLITAN TRANSPORTATION COMMISSION (MTC)  
PENINSULA CORRIDOR JOINT POWERS BOARD (JPB)  
SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY (SFCTA)  
SAN MATEO COUNTY TRANSPORTATION AUTHORITY (SMCTA)  
SANTA CLARA VALLEY TRANSPORTATION AUTHORITY (VTA)  
CITY OF SAN JOSE  
CITY AND COUNTY OF SAN FRANCISCO  
TRANSBAY JOINT POWERS AUTHORITY (TJPA)

### Recitals

**Whereas**, the California High-Speed Rail AUTHORITY (AUTHORITY) is responsible for planning, building and maintaining an 800-mile statewide high-speed rail system and improved mobility through the development of safe, clean, reliable rail technology; and

**Whereas**, the AUTHORITY, in partnership with the Federal Railroad Administration is advancing a California High-Speed Train (HST) network that links the major metropolitan areas of the State of California utilizing corridors into and through Southern, Central and Northern California; and

**Whereas**, the AUTHORITY has responsibility for planning, construction and operation of high-speed passenger train service in California and is exclusively charged with accepting grants, fees and allocations from the state, from political subdivisions of the state and from the federal government, foreign governments, and private sources; and

**Whereas**, the AUTHORITY's 2012 Business Plan proposes to incrementally develop the HST system utilizing a blended system approach that will coordinate the development and operations of HST with existing passenger rail systems that improves, enhances and expands the integration of high-speed and regional/local passenger rail systems; and



**Whereas**, this blended approach requires a series of incremental investments in the Peninsula corridor to prepare for integrated service and operations and the AUTHORITY recognizes the need for a collaborative effort with regional and local agencies to identify early investment projects along existing rail corridors that improves service, improves safety and efficiency, and creates linkages between HST and local passenger rail service; and

**Whereas**, a blended system will remain substantially within the existing Caltrain right-of-way and will accommodate future high-speed rail and modernized Caltrain service along the Peninsula corridor by primarily utilizing the existing track configuration on the Peninsula; and

**Whereas**, this MOU is specific to project investments that upgrade existing rail service and prepare for a future high-speed train project that is limited to infrastructure necessary to support a blended system, which will primarily be a two-track system shared by both Caltrain and high-speed rail and will be designed to continue to support existing passenger and freight rail tenants; and

**Whereas**, local transportation improvement projects are required to be included in a Regional Transportation Plan (Plan), and the Metropolitan Transportation Commission, working closely with local agencies is charged with developing the Plan every four years to provide guidance for transportation investments within the Bay Area and with development of regional transportation strategies to address the needs of the San Francisco Bay Area; and

**Whereas**, on December 19, 2001, MTC adopted the Regional Transit Expansion Program of Projects (Resolution 3434) which includes the Transbay Transit Center Phase 2 Downtown Extension and Caltrain Electrification projects as regional priorities for transit expansion; and

**Whereas**, the Sustainable Communities and Climate Protection Act of 2008 (SB 375, Steinberg, Statutes of 2008) requires the Plan to include a Sustainable Communities Strategy (SCS), showing evidence of integrated planning, goals that establish and strengthen the crucial linkages between the economy, land use development and the regional transportation system to improve access to jobs, education, healthcare, and other amenities in ways that improve the overall quality of life in the Bay Area and the blended system on the Peninsula corridor in the California High-Speed Rail program are consistent with achieving SB 375 goals to reduce greenhouse gas emissions; and

**Whereas**, all Parties are involved in the planning, funding, construction and/or operation of heavy and light rail transit, buses, and/or commuter train services in the Peninsula corridor and are considering intermodal service integration, including linkages to the proposed HST service; and

**Whereas**, it is the intent and purpose of this MOU to strengthen the working relationship between the PARTIES to facilitate the development and implementation of passenger rail improvements that will improve local passenger rail service and operations while preparing

designated HST corridors for eventual HST operation to achieve region wide systems integration of rail service in Northern California; and

**Whereas**, local transportation improvement projects are required to be environmentally evaluated according to CEQA and NEPA regulations and where necessary, existing environmental approval covering incremental improvements to the Peninsula corridor will be updated to reflect evolving local and regional conditions and concerns; and

**Whereas**, incremental improvements and the blended system project will be planned, designed and constructed in a way that supports local land use and Transit Oriented Development policies along the Peninsula corridor; and

Now, **THEREFORE**, it is mutually understood and agreed to by the **PARTIES** as follows:

To jointly support and pursue the implementation of a statewide high speed rail system that utilizes a blended system and operational model on the Peninsula corridor and that has it's northern terminus at the Transbay Transit Center in San Francisco as specified in law, and it's southern limit at Mile Post 51.4 at the Tamien Station in San Jose. The blended system will support and benefit operation of both Caltrain and future high speed train service.

To jointly recognize a defined set of Inter-related Program of Projects that are consistent with the **AUTHORITY**'s phased implementation plan, are consistent with a blended system operation of the corridor and achieve objectives that include but are not limited to system capacity and connectivity for Caltrain, HST and freight, public safety, operational efficiency, effectiveness and connectivity.

To generally describe, identify and work to fully fund an Inter-related Program of Projects known as the Corridor Electrification Infrastructure Project, Advanced Signal System (also known as Positive Train Control ), the Downtown Extension to the Transbay Transit Center, which is the Proposition 1A designated northern terminus of high-speed rail, new high-speed stations at San Jose Diridon Station and a Millbrae BART/Caltrain Station with a connection to San Francisco International Airport, and a Core Capacity project of needed upgrades to stations, tunnels, bridges, potential passing tracks and other track modifications and rail crossing improvements including improvements and selected grade separations required to accommodate the mixed traffic capacity requirements of high-speed rail service and commuter services.

To recognize that of the set of Inter-related Program of Projects, the most substantial and tangible early-investment benefits will be realized when two essential projects are identified for an Initial Investment Strategy to secure, at the earliest possible date, the benefits of the blended system for the traveling public and an Initial Investment Strategy is needed to provide the groundwork upon which future construction can more readily progress.

To recognize that the two Inter-related projects for Initial Investment Strategy are the Corridor Electrification Infrastructure Project that includes the needed rolling stock to operate revenue

service; and the Advanced Signal System project and to adopt as part of this MOU, the funding plans needed to move as expeditiously as possible toward construction of these two essential projects.

To work toward the implementation of the Initial Investment Strategy to the maximum extent feasible and that the PARTIES shall endeavor to incorporate the Electrification Infrastructure and Advanced Signal System projects into their respective plans and that the AUTHORITY shall reflect this MOU in its Business Plan by December 31, 2012.

That the aforementioned projects will need to be environmentally analyzed and cleared according to CEQA and NEPA guidelines as appropriate, including updating and recirculation of the Caltrain Electrification EA/FEIR completed in 2009.

That the AUTHORITY will endeavor in good faith to secure approval and release of \$ 600 million of Proposition 1A funds and \$106 million of Proposition 1A “connectivity” funds consistent with the funding plans contained in this MOU as required to complete at the earliest possible date, the Corridor Electrification Infrastructure and Advanced Signal System projects.

That the AUTHORITY will endeavor in good faith to secure approval of Proposition 1A “connectivity” funds for Bay Area project sponsors consistent with and in accordance with the schedule and project expenditure plan approved and as amended by the California Transportation Commission.

That the AUTHORITY will work with funding partners to assist in seeking and releasing the funds necessary to implement the Electrification Infrastructure Project and Advanced Signal System project. Local agencies may provide local funds, real property, or in-kind resources as matching funds where matching funds are required to qualify for grant funds. PARTIES agree to work together to identify the appropriate amounts and types of local resources that may be used to support the completion of the Electrification Infrastructure Project and the Advanced Signal System Project.

That the AUTHORITY and appropriate PARTIES will coordinate to obtain funding using a mutually agreed-upon strategy. In the event that funding for the program is constrained by statute, recession of existing law, change in funding requirements or eligibility, reduction in funding level or availability, the AUTHORITY and the PARTIES shall takes steps notify each other as needed in a timely manner.

Date: March 28, 2012  
W.I.: 1512  
Referred by: Commission

Attachment B  
Resolution No. 4056  
Page 1 of 2

**FUNDING PLAN**

**Program Costs and Proposed Funding  
for  
Peninsula Corridor Projects:  
Electrification and Advance Signal System**

<b>Program Costs</b> <i>(in \$ millions, year of expenditure)</i>	
Advance Signal System / Positive Train Control (PTC)	\$231
Electrification and Electric Multiple Units (EMUs)	\$1,225
<b>Total</b>	<b>\$1,456</b>

<b>Program Funding</b> <i>(in \$ millions)</i>	
<b>Source</b>	<b>Amount</b>
JPB Contributions	\$180
JPB Local - Currently Available	\$11
Caltrain PTC	\$4
<b>Subtotal Local</b>	<b>\$195</b>
Prop 1A Connectivity	\$106
Prop 1A High Speed Rail Authority	\$600
Prop 1B Caltrain	\$24
<b>Subtotal State</b>	<b>\$730</b>
Federal RR Admin. for PTC	\$17
Federal Transit Admin prior/current obligations	\$43
Federal Transit Admin future obligations	\$440
<b>Subtotal Federal</b>	<b>\$500</b>
MTC Bridge Tolls	\$11
BAAQMD Carl Moyer	\$20
<b>Subtotal Regional</b>	<b>\$31</b>
<b>Total</b>	<b>\$1,456</b>

See Next Page for Notes.

**Funding Plan Notes:**

1. Caltrain Joint Powers Board (JPB) Local Contribution is \$60 million from San Mateo sales tax, \$60 million from VTA sales tax, and \$60 million from San Francisco (\$23 million from sales tax, \$37 million from Regional Transportation Improvement Program (RTIP)/local/other). Each agency's contribution, including Proposition 1A Connectivity funds as outlined in Note 2, is contingent upon the \$60 million each from the other two JPB partners.
2. Prop 1A Connectivity is \$42 million from Caltrain, \$26 million from VTA, and \$38 million from BART (2<sup>nd</sup> priority for BART after receipt of \$150 million for railcars).
3. Prop 1B Caltrain is \$20 million Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA), \$4 million State-Local Partnership Program (SLPP).
4. FTA Prior/Current Obligations is \$16 million for electrification in prior years, \$27 million for EMUs in FY12.
5. FTA Future Obligations is \$315 million for electric multiple units (EMUs), \$125 million from fixed guideway caps. Funds will be programmed in accordance with MTC Transit Capital Priorities process between approximately FY2012-2013 and FY2022-2023.
6. Bridge Tolls is from Regional Measure 1 (RM1) West Bay Rail Reserve.
7. Bay Area Air Quality Management District (BAAQMD) funds to be confirmed.
8. Assumes that all local sources, Prop 1B PTMISEA, all federal sources, and bridge tolls can be used as match to Prop 1A funds, totaling \$726 million in matching funds for \$706 million in Prop 1A funds.
9. Other potential future funding sources could be substituted if secured, including federal Transportation Investment Generating Economic Recovery (TIGER) funds (such as current Caltrain application for \$44 million), State Interregional Transportation Improvement Program (ITIP) funds, and private financing.

Date: March 28, 2012  
W.I.: 1512  
Referred by: Commission

Attachment C  
Resolution No. 4056  
Page 1 of 3

PREPARING THE CALTRAIN CORRIDOR  
FOR HIGH – SPEED RAIL:  
ELECTRIFICATION AND  
ADVANCED SIGNAL SYSTEM PROJECTS  
MARCH 2012

# ELECTRIFICATION INFRASTRUCTURE PROJECT

Electrification of the peninsula rail corridor is a necessary investment to support a blended Caltrain and high-speed rail system. In the short-term, electrification will bring more commuter service to our region in a quieter and greener way. For the long-term, electrification prepares the corridor to receive the high-speed rail system, which will provide a one-seat ride from downtown San Francisco to Los Angeles.

## Project Scope

The electrification infrastructure project includes the installation of traction power facilities, poles and an overhead contact system, and the purchase of electric rolling stock to replace the current diesel trains, known as electric multiple units (EMUs). The project would extend for 52 miles from San Francisco to San Jose.

## Short-Term Benefits

Caltrain electrification and use of EMUs will result in the following benefits:

- > Faster and more frequent service
- > Reduction of air pollutant emissions
- > Reduction of noise and vibration

## Project Status

In 2009, 35% design and federal environmental clearance were completed. Board certification of the Environmental Assessment /Final Environmental Impact Report (EA/FEIR) to complete the state environmental process has not yet been obtained. If full funding is secured by Summer 2012, the planned project schedule is:

## Project Status and Schedule\*

Phase	Start	Complete
Environmental Clearance **	2012	2013
Final Design & Procurement	2013	2015
Construction & Vehicle Testing	2015	2019

\* Schedule assumes design-bid-build procurement process.

\*\* Update/recirculation of the Caltrain Electrification project EA/FEIR.



Caltrain EMU Vehicle

# ADVANCED SIGNAL SYSTEM

The advanced signal system is needed to support Caltrain and high-speed rail blended services on the peninsula corridor. The system is called Communications Based Overlay Signal System, also known as Positive Train Control (PTC).

## Project Scope

The project serves two purposes. One is to provide enhanced performance attributes to maximize train throughput in the rail corridor. The other is to reduce the risk of train-to-train collisions and prevent trains from exceeding authorized speed limits. The system includes control center upgrades, wayside signals, sensors in the tracks, on-board computers, and connections to global positioning systems. The advanced signal system meets a federal mandate to achieve PTC by 2015.

## Project Benefits

The advanced signal system will:

- > Accommodate blended Caltrain and high-speed trains in the peninsula corridor;
- > Increase the safety of the current signal system;
- > Enable more frequent and dependable passenger service; and
- > Improve grade crossing warning functions.

Additionally, it will enable Caltrain to maintain rail operations during construction, and support faster and more efficient construction schedules in a safer work environment. These capabilities will result in significant project cost savings and minimal service disruptions.

Peninsula Corridor Investment Strategy

## Project Status

If full funding is secured by Summer 2012, the planned project schedule is:

## Project Phases and Schedule

Phase	Start	Complete
Planning and Preliminary Design*	January 2008	July 2010
Procurement of DB Contractor	August 2010	December 2011
Hardware & Software Engineering	2012	2013
Construction / Installation	2013	2014
System Testing and Integration	2014	2015
Revenue Service		2015

\* Project is exempt from environmental review.

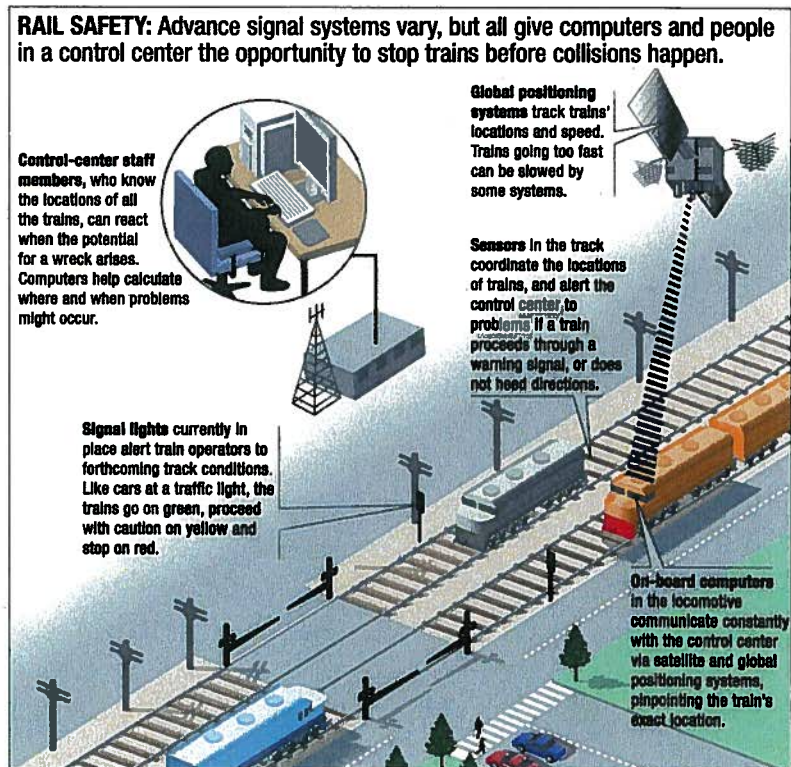


Diagram of how an advanced signal system works



# APPENDIX A – 34

## *Regional Policies: Project Funding and Specific Funding Programs*

Updated Funding Plan for the  
Peninsula Corridor Electrification Project  
MTC Resolution No. 4241



Date: June 22, 2016  
W.I.: 1512  
Referred By: PAC

ABSTRACT

Resolution No. 4241

This resolution updates the funding plan for the Peninsula Corridor Electrification Project by authorizing the Executive Director to execute a Seven-Party Supplement to the 2012 Memorandum of Understanding regarding the High Speed Rail Early Investment Strategy for the Peninsula Corridor (MTC Resolution No. 4056).

This Resolution includes the following attachment:

Attachment A – Seven Party Supplement to 2012 Memorandum of Understanding

Further discussion of the Seven-Party Supplement and the Peninsula Corridor Electrification Project is contained in the Programming and Allocations Committee summary sheet dated June 8, 2016.

Date: June 22, 2016  
W.I.: 1512  
Referred by: PAC

Re: Seven-Party Supplement to the 2012 Memorandum of Understanding regarding the High Speed Rail Early Investment Strategy for the Peninsula Corridor

METROPOLITAN TRANSPORTATION COMMISSION  
RESOLUTION NO. 4241

WHEREAS, the Metropolitan Transportation Commission (MTC) is the regional transportation planning agency for the San Francisco Bay Area pursuant to Government Code 66500 et. seq.; and

WHEREAS, during the spring of 2012, MTC, the California High Speed Rail Authority (CHSRA), the Peninsula Corridor Joint Powers Board (PCJPB), the San Francisco County Transportation Authority (SFCTA), the Santa Clara Valley Transportation Authority (VTA), the City of San Jose, the City and County of San Francisco (CCSF), the San Mateo County Transportation Authority (SMCTA), and the Transbay Joint Powers Authority entered into a Memorandum of Understanding that adopted an early investment strategy pertaining to the Blended System in the San Francisco to San Jose Segment of the Peninsula Rail Corridor (the "2012 Nine-Party MOU"), a copy of which is attached hereto as Exhibit A of Attachment A, and incorporated herein by this reference; and

WHEREAS, the 2012 Nine-Party MOU identifies two principal inter-related projects as essential to the early investment strategy: (1) the Peninsula Corridor Electrification Project, including associated rolling stock acquisition (PCEP), and (2) construction of an advanced signal system, commonly known as the PCJPB's "CBOSS" project, which will incorporate federally mandated Positive Train Control (collectively, the "Early Investment Projects"); and

WHEREAS, \$125 million in Federal Transit Administration (FTA) funds identified in the 2012 Early Investment Strategy funding plan included in the 2012 Nine-Party MOU is needed by the PCJPB to advance critical state of good repair improvements necessary to maintain existing Caltrain operations, and the PCJPB has requested to remove these funds from the early investment funding strategy, which would create a \$125 million funding gap; and

WHEREAS, a note to the 2012 early investment strategy funding plan included in the 2012 Nine-Party MOU indicated that other potential future funding sources could be substituted if secured; and

WHEREAS, the PCJPB conducted a cost estimate study for the PCEP in 2014 to update the 2008 cost estimate on which the 2012 Nine-Party MOU funding strategy for the PCEP was based, and the PCJPB has since included additional program contingency to the PCEP, such that the total anticipated budget for the PCEP is up to \$1.98 billion, which includes costs covering the contracts, program management, and contingency costs; and

WHEREAS, representatives of MTC, PCJPB, SMCTA, VTA, CCSF, SFCTA and CHSRA have met and discussed with all parties to the 2012 Nine-Party MOU additional funding needed for the PCEP to support contract awards, and have agreed to a Seven-Party Supplement to the 2012 Nine-Party MOU (Seven-Party Supplement), which is attached hereto as Attachment A, and incorporated herein by this reference; and

WHEREAS, the Seven-Party Supplement updates the 2012 early investment strategy funding plan by making additional funding commitments to replace \$125 million in FTA funds that PCJPB requested to remove from the early investment funding strategy and to provide sufficient funds to complete PCEP at the anticipated cost of up to \$1.98 billion, which is attached hereto as Exhibit B to Attachment A, and incorporated herein by this reference; now therefore be it

RESOLVED, that MTC approves the Seven-Party Supplement to the 2012 Nine-Party MOU as set forth in Attachment A and incorporated herein; and be it further

RESOLVED, that all Parties have agreed to and approve the funding plan set forth in Exhibit B to Attachment A and incorporated herein; and be it further

RESOLVED, that the Executive Director is authorized to execute Attachment A on behalf of MTC, and to make non-substantive changes or minor amendments as deemed appropriate subject to review by MTC's Office of General Counsel for form; and, be it further

RESOLVED, that MTC agrees to provide the funds as shown in Exhibit B to Attachment A subject to the PCJPB, SMCTA, VTA, CCSF, SFCTA and CHSRA also agreeing to provide the funds as shown in Exhibit B to Attachment A, and subject to Congressional authorization and appropriation, availability of funds, and other critical regional transit capital needs; and, be it further

RESOLVED, that MTC may substitute other MTC-controlled funds in place of the funds shown in Exhibit B to Attachment A; and be it further

RESOLVED, that MTC agrees to take timely follow-up approval actions as may be necessary to allocate and program specific funding identified in Exhibit B to Attachment A; and be it further

RESOLVED, that programming by MTC of FTA funds that are part of the \$125 million in FTA funds that PCJPB requested to remove from the early investment funding strategy for PCJPB fixed guideway infrastructure rehabilitation projects in the regional Transit Capital Priorities Program for FY2016-17 shall be conditioned on an assessment that sufficient funds from the Federal Transit Administration Core Capacity Program, the state Transit Capital and Intercity Rail Program, or other sources have been committed to PCEP to substantially complete the PCEP funding plan.

METROPOLITAN TRANSPORTATION COMMISSION



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Dave Cortese, Chair

This resolution was entered into by the Metropolitan Transportation Commission at a regular meeting of the Commission held in San Francisco, California, on June 22, 2016.

Date: June 22, 2016  
W.I.: 1512  
Referred by: PAC

Attachment A  
Resolution No. 4241  
Page 1 of 6

**SEVEN PARTY SUPPLEMENT TO  
2012 MEMORANDUM OF UNDERSTANDING (MOU)**

**FINANCIAL COMMITMENTS TO ADDRESS FUNDING GAP FOR  
THE PENINSULA CORRIDOR ELECTRIFICATION PROJECT**

BY AND AMONG THE FOLLOWING PARTIES (PARTIES)

SAN MATEO COUNTY TRANSPORTATION AUTHORITY (SMCTA)  
SANTA CLARA VALLEY TRANSPORTATION AUTHORITY (VTA)  
CITY AND COUNTY OF SAN FRANCISCO (CCSF)  
SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY (SFCTA)  
METROPOLITAN TRANSPORTATION COMMISSION (MTC)  
PENINSULA CORRIDOR JOINT POWERS BOARD (JPB)  
CALIFORNIA HIGH SPEED RAIL AUTHORITY (CHSRA)

**RECITALS**

WHEREAS, during the spring of 2012, the California High Speed Rail Authority (CHSRA) and the Peninsula Corridor Joint Powers Board (PCJPB), together with the Metropolitan Transportation Commission (MTC), the San Francisco County Transportation Authority (SFCTA), the Santa Clara Valley Transportation Authority (VTA), the City of San Jose, the City and County of San Francisco (CCSF), the San Mateo County Transportation Authority (SMCTA), and the Transbay Joint Powers Authority entered into a Memorandum of Understanding that adopted an early investment strategy pertaining to the Blended System in the San Francisco to San Jose Segment of the Peninsula Rail Corridor (the "2012 Nine-Party MOU"), a copy of which is attached hereto as Exhibit A and incorporated herein by this reference;

WHEREAS, the 2012 Nine-Party MOU identifies two principal inter-related projects as essential to the early investment strategy: (1) the Peninsula Corridor Electrification Project, including associated rolling stock acquisition (the PCEP), and (2) construction of an advanced signal system, commonly known as the PCJPB's "CBOSS" project, which will incorporate federally mandated Positive Train Control (collectively, the "Early Investment Projects");

WHEREAS, the Parties to the 2012 Nine-Party MOU agreed to work together to identify the appropriate amounts and types of local resources that may be used to support the completion of the Early Investment Projects and to coordinate efforts to obtain funding using a mutually agreed-upon strategy, and in the event that funding for the program is constrained by statute, rescission of existing law, change in funding requirements or eligibility, reduction in funding level or availability, the Parties agreed to take steps to notify each other as needed in a timely manner;

WHEREAS, \$125 million in FTA funds identified in the 2012 Early Investment Strategy funding plan included in the 2012 Nine-Party MOU is needed by the PCJPB to advance critical state of good repair improvements necessary to maintain existing Caltrain operations, and the PCJPB has requested to remove these funds from the early investment funding strategy, which would create a \$125 million funding gap; and

WHEREAS, a note to the 2012 early investment strategy funding plan included in the 2012 Nine-Party MOU indicated that other potential future funding sources could be substituted if secured;

WHEREAS, the PCJPB conducted a cost estimate study for the PCEP in 2014 to update the 2008 cost estimate on which the 2012 Nine-Party MOU funding strategy for the PCEP was based, and the PCJPB has since included additional program contingency to the PCEP, such that the total anticipated budget for the PCEP is up to \$1.980 billion, which includes costs covering the contracts, program management, and contingency costs;

WHEREAS, the Parties to this Seven-Party Supplement (Supplement) have met and discussed with all parties to the 2012 Nine-Party MOU additional funding needed for the PCEP to support contract award and have agreed to the funding commitments specified herein;

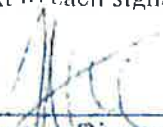
NOW, THEREFORE, it is mutually understood and agreed to by the PARTIES as follows:

1. To fully fund the PCEP, the parties to this Supplement commit to make the funding available to support the PCEP as set forth below. This funding is in addition to funding commitments previously made by these parties in the 2012 Nine-Party MOU.
  - a. The SMCTA will contribute an additional \$20 million;
  - b. The VTA will contribute an additional \$20 million;
  - c. The SFCTA and/or the CCSF will contribute an additional \$20 million;  
  
(For SMCTA, VTA, and SFCTA and/or CCSF, each agency's contribution is contingent upon the \$20 million each from the other two JPB partners, with the exact manner and timing of the contributions to be worked out with the JPB.)
  - d. The MTC will program \$28.4 million from Regional Measures 1 and 2;
  - e. The PCJPB will contribute \$9 million from funding provided by formula to Caltrain through the State of California's Low Carbon Transit Operations Program; and
  - f. The CHSRA will contribute an additional \$113 million.
2. The Parties to this Supplement also support the PCJPB's efforts to obtain \$647 million from FTA's Core Capacity Grant Program for the PCEP as a regional priority. The \$647 million would help provide funding needed for the PCEP, as well as funding to support a larger contingency set-aside for the PCEP program.
3. The Parties to this Supplement understand PCJPB has requested \$225 million from the California State Transportation Agency's Transit & Intercity Rail Capital Program (Cap & Trade TIRCP) to support the PCEP, as contemplated in the 2012 Nine-Party MOU. ~~These funds will be prioritized for PCEP and will be used to backfill any shortfall in requested FTA Core Capacity funds.~~ If available, funding not needed for PCEP will be used to replace the remaining Caltrain diesel vehicles with Electric Multiple Units (EMUs). The exact remaining number of vehicles to be replaced will be contingent on the final Cap & Trade TIRCP grant award.
4. The parties to this Supplement also agree that, with the additional funding sources, \$125 million in FTA funds identified in the 2012 Early Investment Strategy funding plan will no longer be needed for the PCEP, and will instead be programmed by the MTC to the JPB to advance critical Caltrain state of good repair improvements through MTC's established regional Transit Capital Priorities process.
5. The total anticipated amount of funding to be secured for the PCEP will be \$1.980 billion, which includes the funding sources outlined above in paragraphs 1, 2, and 3, along with the original funding sources in the 2012 Nine-Party MOU except the \$125 million noted in paragraph 4 above. The revised funding plan for the PCEP reflecting the changes described herein is attached as Exhibit B.



6. The parties to this supplement agree to continue, through regular meetings, to provide opportunity for all nine parties to the 2012 Nine-Party MOU to discuss, review, and/or comment on relevant project matters and collectively provide advisory oversight to help advance the PCEP.
7. If overall program costs reflect a financial commitment that is below the funding plan of \$1.980 billion, funding commitments from the parties to this Supplement will be reduced proportionally according to their respective additional shares as stated in this Supplement.
8. In the event overall program costs reflect a financial commitment that is above the funding plan of \$1.980 billion, or if the FTA Core Capacity funds are awarded at less than \$647 million, the parties to this Supplement will discuss with all parties to the 2012 Nine-Party MOU how to secure additional funding beyond what is presently identified, and/or discuss project scope adjustments to match to funding availability.
9. The parties to the 2012 Nine-Party MOU will also discuss and agree on program oversight roles for the funding partners prior to the award of the PCEP contracts.


IN WITNESS WHEREOF, this MOU has been executed by the PARTIES hereto as of the day and year indicated next to each signature, with the final signature date constituting the effective date.

  
Jim Hartnett, Executive Director  
Peninsula Corridor Joint Powers Board and  
San Mateo County Transportation Authority

8/21/2016  
Date

  
Nuria Fernandez, General Manager/CEO  
Santa Clara Valley Transportation Authority

8/9/16  
Date

  
Edwin M. Lee, Mayor  
City and County of San Francisco

8/15/2016  
Date


Board of Supervisors  
Resolution No. 366-16  
Dated: 8-8-2016

Attest:

  
for Peggy Nerven  
Clerk of the Board

  
Tilly Chang, Executive Director  
San Francisco County Transportation Authority

8/30/16  
Date

  
Steve Hominger, Executive Director  
Metropolitan Transportation Commission

8-11-16  
Date

  
Jeff Morales, Chief Executive Officer  
California High Speed Rail Authority

8/30/2016  
Date

APPROVED AS TO FORM BY:

8/29/16  
\_\_\_\_\_  
Attorney for Peninsula Corridor Joint Powers Board and  
San Mateo County Transportation Authority Date

8/10/16  
\_\_\_\_\_  
Attorney for Santa Clara Valley Transportation Authority Date

Dennis J. Herrera, City Attorney

By: 8/30/16  
\_\_\_\_\_  
Robin M. Reitzes, Deputy City Attorney Date  
Attorney for City and County of San Francisco

*[SFCTA does not require a signature from their Legal Counsel]*

\_\_\_\_\_  
Attorney for San Francisco County Transportation Authority Date

8/11/16  
\_\_\_\_\_  
Attorney for Metropolitan Transportation Commission Date

8/30/16  
\_\_\_\_\_  
Attorney for California High Speed Rail Authority Date

# MEMORANDUM OF UNDERSTANDING (MOU)

HIGH SPEED RAIL EARLY INVESTMENT STRATEGY FOR  
A BLENDED SYSTEM IN THE SAN FRANCISCO TO SAN  
JOSE SEGMENT KNOWN AS THE PENINSULA CORRIDOR  
OF THE STATEWIDE HIGH-SPEED RAIL SYSTEM

BY AND AMONG THE FOLLOWING PARTIES (PARTIES)

CALIFORNIA HIGH SPEED RAIL AUTHORITY (AUTHORITY)  
METROPOLITAN TRANSPORTATION COMMISSION (MTC)  
PENINSULA CORRIDOR JOINT POWERS BOARD (JPB)  
SAN FRANCISCO COUNTY TRANSPORTATION AUTHORITY (SFCTA)  
SAN MATEO COUNTY TRANSPORTATION AUTHORITY (SMCTA)  
SANTA CLARA VALLEY TRANSPORTATION AUTHORITY (VTA)  
CITY OF SAN JOSE  
CITY AND COUNTY OF SAN FRANCISCO  
TRANSBAY JOINT POWERS AUTHORITY (TJPA)

**Recitals**

**Whereas**, the California High-Speed Rail AUTHORITY (AUTHORITY) is responsible for planning, building and maintaining an 800-mile statewide high-speed rail system and improved mobility through the development of safe, clean, reliable rail technology; and

**Whereas**, the AUTHORITY, in partnership with the Federal Railroad Administration is advancing a California High-Speed Train (HST) network that links the major metropolitan areas of the State of California utilizing corridors into and through Southern, Central and Northern California; and

**Whereas**, the AUTHORITY has responsibility for planning, construction and operation of high-speed passenger train service in California and is exclusively charged with accepting grants, fees and allocations from the state, from political subdivisions of the state and from the federal government, foreign governments, and private sources; and

**Whereas**, the AUTHORITY's 2012 Business Plan proposes to incrementally develop the HST system utilizing a blended system approach that will coordinate the development and operations of HST with existing passenger rail systems that improves, enhances and expands the integration of high-speed and regional/local passenger rail systems; and

**Whereas**, this blended approach requires a series of incremental investments in the Peninsula corridor to prepare for integrated service and operations and the AUTHORITY recognizes the need for a collaborative effort with regional and local agencies to identify early investment projects along existing rail corridors that improves service, improves safety and efficiency, and creates linkages between HST and local passenger rail service; and

**Whereas**, a blended system will remain substantially within the existing Caltrain right-of-way and will accommodate future high-speed rail and modernized Caltrain service along the Peninsula corridor by primarily utilizing the existing track configuration on the Peninsula; and

**Whereas**, this MOU is specific to project investments that upgrade existing rail service and prepare for a future high-speed train project that is limited to infrastructure necessary to support a blended system, which will primarily be a two-track system shared by both Caltrain and high-speed rail and will be designed to continue to support existing passenger and freight rail tenants; and

**Whereas**, local transportation improvement projects are required to be included in a Regional Transportation Plan (Plan), and the Metropolitan Transportation Commission, working closely with local agencies is charged with developing the Plan every four years to provide guidance for transportation investments within the Bay Area and with development of regional transportation strategies to address the needs of the San Francisco Bay Area; and

**Whereas**, on December 19, 2001, MTC adopted the Regional Transit Expansion Program of Projects (Resolution 3434) which includes the Transbay Transit Center Phase 2 Downtown Extension and Caltrain Electrification projects as regional priorities for transit expansion; and

**Whereas**, the Sustainable Communities and Climate Protection Act of 2008 (SB 375, Steinberg, Statutes of 2008) requires the Plan to include a Sustainable Communities Strategy (SCS), showing evidence of integrated planning, goals that establish and strengthen the crucial linkages between the economy, land use development and the regional transportation system to improve access to jobs, education, healthcare, and other amenities in ways that improve the overall quality of life in the Bay Area and the blended system on the Peninsula corridor in the California High-Speed Rail program are consistent with achieving SB 375 goals to reduce greenhouse gas emissions; and

## Exhibit A

**Whereas**, all Parties are involved in the planning, funding, construction and/or operation of heavy and light rail transit, buses, and/or commuter train services in the Peninsula corridor and are considering intermodal service integration, including linkages to the proposed HST service; and

**Whereas**, it is the intent and purpose of this MOU to strengthen the working relationship between the PARTIES to facilitate the development and implementation of passenger rail improvements that will improve local passenger rail service and operations while preparing designated HST corridors for eventual HST operation to achieve region wide systems integration of rail service in Northern California; and

**Whereas**, local transportation improvement projects are required to be environmentally evaluated according to CEQA and NEPA regulations and where necessary, existing environmental approval covering incremental improvements to the Peninsula corridor will be updated to reflect evolving local and regional conditions and concerns; and

**Whereas**, incremental improvements and the blended system project will be planned, designed and constructed in a way that supports local land use and Transit Oriented Development policies along the Peninsula corridor; and

Now, **THEREFORE**, it is mutually understood and agreed to by the **PARTIES** as follows:

To jointly support and pursue the implementation of a statewide high speed rail system that utilizes a blended system and operational model on the Peninsula corridor and that has its northern terminus at the Transbay Transit Center in San Francisco as specified in law, and its southern limit at Mile Post 51.4 at the Tamien Station in San Jose. The blended system will support and benefit operation of both Caltrain and future high speed train service.

To jointly recognize a defined set of Inter-related Program of Projects that are consistent with the AUTHORITY's phased implementation plan, are consistent with a blended system operation of the corridor and achieve objectives that include but are not limited to system capacity and connectivity for Caltrain, HST and freight, public safety, operational efficiency, effectiveness and connectivity.

To generally describe, identify and work to fully fund an Inter-related Program of Projects known as the Corridor Electrification Infrastructure Project, Advanced Signal System (also known as Positive Train Control), the Downtown Extension to the Transbay Transit Center, which is the Proposition 1A designated northern terminus of high-speed rail, new high-speed stations at San Jose Diridon Station and a Millbrae BART/Caltrain Station with a connection to San Francisco International Airport, and a Core Capacity project of needed upgrades to stations, tunnels, bridges, potential passing tracks and other track modifications and rail crossing improvements including improvements and selected grade separations required to accommodate the mixed traffic capacity requirements of high-speed rail service and commuter services.

To recognize that of the set of Inter-related Program of Projects, the most substantial and tangible early-investment benefits will be realized when two essential projects are identified for an Initial Investment Strategy to secure, at the earliest possible date, the benefits of the blended system for the traveling public and an Initial Investment Strategy is needed to provide the groundwork upon which future construction can more readily progress.

To recognize that the two Inter-related projects for Initial Investment Strategy are the Corridor Electrification Infrastructure Project that includes the needed rolling stock to operate revenue service; and the Advanced Signal System project and to adopt as part of this MOU, the funding plans needed to move as expeditiously as possible toward construction of these two essential projects.

## Exhibit A

To work toward the implementation of the Initial Investment Strategy to the maximum extent feasible and that the PARTIES shall endeavor to incorporate the Electrification Infrastructure and Advanced Signal System projects into their respective plans and that the AUTHORITY shall reflect this MOU in its Business Plan by December 31, 2012.

That the aforementioned projects will need to be environmentally analyzed and cleared according to CEQA and NEPA guidelines as appropriate, including updating and recirculation of the Caltrain Electrification EA/FEIR completed in 2009.

That the AUTHORITY will endeavor in good faith to secure approval and release of \$600 million of Proposition 1A funds and \$106 million of Proposition 1A "connectivity" funds consistent with the funding plans contained in this MOU as required to complete at the earliest possible date, the Corridor Electrification Infrastructure and Advanced Signal System projects.

That the AUTHORITY will endeavor in good faith to secure approval of Proposition 1A "connectivity" funds for Bay Area project sponsors consistent with and in accordance with the schedule and project expenditure plan approved and as amended by the California Transportation Commission.

That the AUTHORITY will work with funding partners to assist in seeking and releasing the funds necessary to implement the Electrification Infrastructure Project and Advanced Signal System project. Local agencies may provide local funds, real property, or in-kind resources as matching funds where matching funds are required to qualify for grant funds. PARTIES agree to work together to identify the appropriate amounts and types of local resources that may be used to support the completion of the Electrification Infrastructure Project and the Advanced Signal System Project.

That the AUTHORITY and appropriate PARTIES will coordinate to obtain funding using a mutually agreed-upon strategy. In the event that funding for the program is constrained by statute, rescission of existing law, change in funding requirements or eligibility, reduction in funding level or availability, the AUTHORITY and the PARTIES shall take steps to notify each other as needed in a timely manner.

FUNDING PLAN

**Program Costs and Proposed Funding  
for  
Peninsula Corridor Projects:  
Electrification and Advance Signal System**

<b>Program Costs</b> <i>(in \$ millions, year of expenditure)</i>	
Advance Signal System / Positive Train Control (PTC)	\$231
Electrification and Electric Multiple Units (EMUs)	\$1,225
<b>Total</b>	<b>\$1,456</b>

<b>Program Funding</b> <i>(in \$ millions)</i>	
<b>Source</b>	<b>Amount</b>
JPB Contributions	\$180
JPB Local - Currently Available	\$11
Caltrain PTC	\$4
<b>Subtotal Local</b>	<b>\$195</b>
Prop 1A Connectivity	\$106
Prop 1A High Speed Rail Authority	\$600
Prop 1B Caltrain	\$24
<b>Subtotal State</b>	<b>\$730</b>
Federal RR Admin. for PTC	\$17
Federal Transit Admin prior/current obligations	\$43
Federal Transit Admin future obligations	\$440
<b>Subtotal Federal</b>	<b>\$500</b>
MTC Bridge Tolls	\$11
BAAQMD Carl Moyer	\$20
<b>Subtotal Regional</b>	<b>\$31</b>
<b>Total</b>	<b>\$1,456</b>


Funding Plan Notes:

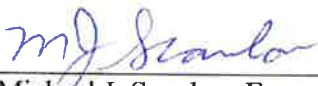
1. Caltrain Joint Powers Board (JPB) Local Contribution is \$60 million from San Mateo sales tax, \$60 million from VTA sales tax, and \$60 million from San Francisco (\$23 million from sales tax, \$37 million from Regional Transportation Improvement Program (RTIP)/local/other). Each agency's contribution, including Proposition 1A Connectivity funds as outlined in Note 2, is contingent upon the \$60 million each from the other two JPB partners.
2. Prop 1A Connectivity is \$42 million from Caltrain, \$26 million from VTA, and \$38 million from BART (2<sup>nd</sup> priority for BART after receipt of \$150 million for railcars).
3. Prop 1B Caltrain is \$20 million Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA), \$4 million State-Local Partnership Program (SLPP).
4. FTA Prior/Current Obligations is \$16 million for electrification in prior years, \$27 million for EMUs in FY12.
5. FTA Future Obligations is \$315 million for electric multiple units (EMUs), \$125 million from fixed guideway caps. Funds will be programmed in accordance with MTC Transit Capital Priorities process between approximately FY2012-2013 and FY2022-2023.
6. Bridge Tolls is from Regional Measure 1 (RM1) West Bay Rail Reserve.
7. Bay Area Air Quality Management District (BAAQMD) funds to be confirmed.
8. Assumes that all local sources, Prop 1B PTMISEA, all federal sources, and bridge tolls can be used as match to Prop 1A funds, totaling \$726 million in matching funds for \$706 million in Prop 1A funds.
9. Other potential future funding sources could be substituted if secured, including federal Transportation Investment Generating Economic Recovery (TIGER) funds (such as current Caltrain application for \$44 million), State Interregional Transportation Improvement Program (ITIP) funds, and private financing.




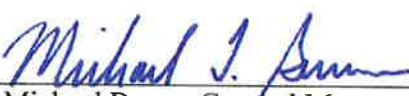
IN WITNESS WHEREOF, this MOU has been executed by the PARTIES hereto as of the day and year indicated next to each signature, with the final signature date constituting the effective date.


  
\_\_\_\_\_  
Jeff Morales, Chief Executive Officer  
California High Speed Rail Authority | Date  
9/18/2012

  
\_\_\_\_\_  
Steve Heminger, Executive Director  
Metropolitan Transportation Commission | Date  
9/18/2012


  
\_\_\_\_\_  
Michael J. Scanlon, Executive Director  
Peninsula Corridor Joint Powers Board and  
San Mateo County Transportation Authority | Date  
9/21/2012

  
\_\_\_\_\_  
Jose Luis Moscovich, Executive Director  
San Francisco County Transportation Authority | Date  
10/15/12

  
\_\_\_\_\_  
Michael Burns, General Manager  
Santa Clara Valley Transportation Authority | Date  
11/29/12

  
\_\_\_\_\_  
Debra Figone, City Manager  
City of San Jose | Date  
12/12/12

  
\_\_\_\_\_  
Edwin M. Lee, Mayor  
City and County of San Francisco | Date  
1/15/13

  
\_\_\_\_\_  
Maria Ayerdi-Kaplan, Executive Director  
Transbay Joint Powers Authority | Date  
1/25/13

**EXHIBIT B**  
**FUNDING PLAN FOR PENINSULA CORRIDOR**  
**ELECTRIFICATION AND ADVANCED SIGNAL SYSTEM PROJECTS**  
(\$ millions)

	9-Party MOU Funding Strategy	Changes in the 7-Party Supplemental MOU	Revised Costs & Funding Sources	CBOSS	PCEP
<b>Projected Costs</b>					
PCEP	1,225.0	755.0	1,980.0	-	1,980.0
CBOSS	231.0		231.0	231.0	-
Total	1,456.0	755.0	2,211.0	231.0	1,980.0
<b>Funding Sources</b>					
JPB Member Contributions	180.0	60.0	240.0	47.0	193.0
JPB Local	11.0	9.0	20.0	11.0	9.0
Caltrain PTC	4.0		4.0	4.0	
Subtotal Local	195.0	69.0	264.0	62.0	202.0
Prop 1A Connectivity	106.0		106.0	106.0	
Prop 1A HSRA	600.0		600.0		600.0
CHSRA Cap & Trade/Other		113.0	113.0		113.0
Cap & Trade TIRCP <sup>1</sup>		20.0	20.0		20.0
Prop 1B Caltrain	24.0		24.0	16.0	8.0
Subtotal State	730.0	133.0	863.0	122.0	741.0
FRA	17.0		17.0	17.0	
FTA/FHWA Prior/Current Obligations <sup>2</sup>	45.8		45.8	29.8	16.0
FTA Future Obligations	440.0	(125.0)	315.0		315.0
FTA Core Capacity <sup>3</sup>	-	647.0	647.0	-	647.0
Subtotal Federal	502.8	522.0	1,024.8	46.8	978.0
MTC Bridge Tolls	11.0	28.4	39.4		39.4
BAAQMD Carl Moyer	20.0		20.0		20.0
Subtotal Regional	31.0	28.4	59.4	-	59.4
Total	1,458.8	752.4	2,211.2	230.8	1,980.4

**Notes**

1. The parties to the Seven-Party Supplement to 2012 Memorandum of Understanding recognize that the JPB has requested State Cap & Trade TIRCP funds to help fund the PCEP. Of the \$225m requested, \$20m is identified to help close the funding gap in the \$1.98 billion project cost estimate for PCEP.

2. The \$2.8m represents a FHWA grant (Railway/Hwy Hazard Elimination) for the CBOSS project that was secured after the 2012 MOU execution. This amount is not included in the 7-party MOU since the funding is for the CBOSS project.

3. \$647 million in FTA Core Capacity funds would help close the funding gap for PCEP, as well as providing funding to support a larger contingency set-aside for PCEP.

# APPENDIX A – 35

## *Regional Policies: Project Funding and Specific Funding Programs*

**Funding Plan for Phase 1 of the BART  
Rail Car Replacement Program**

**MTC Resolution No. 4126**



Date: December 18, 2013  
W.I.: 1512  
Referred By: PAC  
Revised: 01/27/16-C

ABSTRACT

Resolution No. 4126, Revised

This resolution supersedes MTC Resolution No. 3918 by revising the Funding Plan for Phase 1 of the BART Rail Car Replacement Program, which includes a policy-level commitment of approximately \$871 million in regional funding in fiscal years 2006 through 2019. The funding framework for Phase 2 of the project established by Resolution No. 3918 is superseded by the investment plan included in the Core Capacity Challenge Grant Program, MTC Resolution No. 4123.

This Resolution includes the following attachments:

A – Principles for Phase 1 Funding Plan

B – Phase 1 Funding Plan

Attachment B of this resolution was revised by the Commission on January 27, 2016 to 1) revise the Funding Plan for Phase 1 of the BART Rail Car Replacement Program by reducing the commitment of FTA and STP funds by \$150 million and adding a new commitment of AB 664 Bridge Tolls and BATA Project Savings totaling \$150 million, and 2) to update the amounts programmed through FY 2015-16 and the amounts remaining to be programmed.

Further discussion of the BART Rail Car Replacement Program is contained in the Programming and Allocations Summary Sheet dated December 11, 2013 and January 13, 2016.

Date: December 18, 2013  
W.I.: 1512  
Referred by: PAC

Re: BART Rail Car Replacement Program

METROPOLITAN TRANSPORTATION COMMISSION  
RESOLUTION NO. 4126

WHEREAS, the Metropolitan Transportation Commission (MTC) is the regional transportation planning agency for the San Francisco Bay Area pursuant to Government Code 66500 et. seq.; and

WHEREAS, the San Francisco Bay Area Rapid Transit District (BART) is a rapid transit district providing heavy rail transit service in the San Francisco Bay Area; and

WHEREAS, BART has approved Resolution No. 5134 regarding the BART Rail Car Replacement Program and therein agreed to the matters referenced in the succeeding WHEREAS and RESOLVED clauses; and

WHEREAS, BART wishes to replace 669 rail cars through its Rail Car Replacement Program (PROJECT); and

WHEREAS, BART and MTC wish to establish a funding framework and understanding for the PROJECT; and

WHEREAS, BART and MTC wish to establish a policy-level commitment of funding toward a PHASE 1 FUNDING PLAN in fiscal years 2011 through 2019 in order for BART to award a contract for the PROJECT; and

WHEREAS, MTC previously adopted MTC Resolution No. 3866, the Transit Coordination Implementation Plan; and

WHEREAS, pursuant to Resolution No. 3866, MTC may, at its discretion, withhold, restrict or re-program funds and allocations to an operator that has not made reasonable efforts to implement the requirements of Resolution No. 3866; now be it therefore,

RESOLVED, that BART and MTC have agreed to and approve the PRINCIPLES FOR PHASE 1 FUNDING PLAN set forth in Attachment A and incorporated herein; and be it further

RESOLVED, that BART and MTC have agreed to and approve the PHASE 1 FUNDING PLAN set forth in Attachment B and incorporated herein; and be it further

RESOLVED, that BART and MTC agree that MTC's commitment of funding for the PHASE 1 FUNDING PLAN for the PROJECT is limited to the total amount of MTC Funding shown in the PHASE 1 FUNDING PLAN ; and be it further

RESOLVED, that MTC agrees to program in a timely manner Federal Transit Administration (FTA) and Federal Highway Administration (FHWA) funds as set forth in Attachment B, subject to Congressional authorization and appropriation, availability of funds, and other critical regional transit capital needs in order to meet PHASE 1 FUNDING PLAN cash flow needs and minimize financing costs; and be it further

RESOLVED, that MTC may substitute other MTC-controlled funds in place of available FTA and FHWA funds specified in the PHASE 1 FUNDING PLAN; and be it further

RESOLVED, that BART agrees to use the funds as shown in Attachment B to meet the local match requirements of federal funds for the PHASE 1 FUNDING PLAN; and be it further

RESOLVED, that BART agrees to comply with all applicable local, state, and federal requirements for funds programmed by MTC; and be it further

RESOLVED, that BART and MTC agree to work with the Bay Area Partnership to ensure that the PROJECT funding plan will be developed and programmed in agreement with the region's overall approach to the Transit Capital Priorities program; and be it further

RESOLVED, that BART acknowledges that it has received regional funds from MTC to extend the life of some of its current fleet of rail cars so that they will remain in service while the replacement cars are being procured and delivered, and agrees to maintain its current fleet of rail

cars so that they will remain in service while the replacement cars are being procured and delivered; and be it further

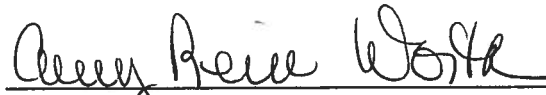
RESOLVED, that BART agrees that it will not request regional funds from MTC for a rehabilitation of its current fleet of railcars; and be it further

RESOLVED, that MTC may withhold amending annual PHASE 1 FUNDING PLAN funds in the Transportation Improvement Program if the Commission finds that BART is not in compliance with MTC Resolution No. 3866; and be it further

RESOLVED, that BART and MTC will work with the FTA to ensure the federal funds are available to the PROJECT; and be it further

RESOLVED, that this resolution supersedes MTC Resolution No. 3918.

METROPOLITAN TRANSPORTATION COMMISSION

  
\_\_\_\_\_  
Amy Rein Worth, Chair

This resolution was entered into by the Metropolitan Transportation Commission at a regular meeting of the Commission held in Oakland, California, on December 18, 2013.

Date: December 18, 2013  
W.I.: 1512  
Referred by: PAC

Attachment A  
Resolution No. 4126  
Page 1 of 2

## **PRINCIPLES FOR PHASE 1 FUNDING PLAN BART CAR REPLACEMENT PROGRAM**

### **1. Project Definition**

The BART Car Replacement Program (PROJECT) consists of replacing 669 A, B, C1 and C2 cars at an estimated cost of \$2.2 billion (in escalated dollars). The procurement of additional capacity expansion cars as well as cars for the Warm Springs and Berryessa extensions is outside of the scope of these Principles.

The PHASE 1 FUNDING PLAN specified in this resolution will address the costs of replacing approximately the first 350 cars at an estimated cost of \$1.2 billion (in escalated dollars).

The PHASE 2 FUNDING PLAN will address the costs of replacing approximately the remaining 319 cars at an estimated cost of \$1.0 billion (in escalated dollars). The PHASE 2 FUNDING PLAN is included in the investment plan established by the Core Capacity Challenge Grant Program, MTC Resolution No. 4123.

### **2. Background and Prior Actions**

MTC Resolution No. 3918 established a funding framework for the BART Rail Car Replacement Program (Phases I and II) and a policy-level commitment of approximately \$780 million in funding toward the Phase 1 Funding Plan for the project in fiscal years 2011 through 2019. Together with regional funds programmed prior to FY 2011, the regional commitment totals \$871 million.

This resolution supersedes MTC Resolution No. 3918 by revising the Phase 1 Funding Plan to reflect changes to the scope and costs for Phase 1 resulting from BART's award of a contract for the rail cars, as specified above under Project Definition. The funding framework for Phase 2 of the project established by Resolution No. 3918 is superseded by the investment plan included in the Core Capacity Challenge Grant Program, MTC Resolution No. 4123.

Transportation 2035 and Plan Bay Area, the region's most recent long-range plans that were adopted in April 2009 and July 2013, respectively, include projected funding to meet BART's capital replacement and rehabilitation needs over the planning period, including the costs of the PROJECT.

### **3. Regional Share of Phase 1 Project Costs**

Consistent with the region's long-range plans and Resolution No. 3918, MTC will provide approximately \$871 million, or about 75%, of the \$1.2 billion PHASE 1 FUNDING PLAN costs.



This includes projected FTA Section 5307, FTA Section 5337, FHWA STP (or successor programs) and/or other anticipated funding sources included in Plan Bay Area, as well as the funds that have been programmed to the PROJECT prior to the adoption of Plan Bay Area and projected earnings on the BART Car Replacement Funding Exchange Account.

**Assumptions for Regional Share:**

- The total cost of the PHASE 1 FUNDING PLAN is \$1.2 billion and includes replacement of 350 cars.
- The PHASE 1 FUNDING PLAN assumes that any FTA or STP programming not needed for direct project expenditures in the year of programming will be exchanged for BART funds, which will be deposited in the BART Car Replacement Funding Exchange Account.
- The PHASE 1 FUNDING PLAN assumes that a combination of earnings credited to the BART Car Replacement Funding Exchange Account and, if earnings are insufficient, additional programming of STP or other funding sources will provide \$50 million for the PHASE 1 FUNDING PLAN.
- The PHASE 1 FUNDING PLAN assumes that state High Speed Rail Connectivity funds and other local BART funds will be available to BART to meet their \$298 million contribution.
- Major transit capital rehabilitation and replacement needs in the Region can be met as anticipated in Plan Bay Area, including 100% of the cost of replacing revenue vehicles and approximately 76% of the cost of replacing and rehabilitating Fixed Guideway and other Score 16 assets.
- The Region will receive \$20.9 billion in Committed Revenues, including FTA formula funds and AB664 bridge tolls, between FY 2013 and FY 2040 as anticipated in Plan Bay Area.
- The Region's Score 16 transit capital replacement and rehabilitation needs between FY 2013 and FY 2040 will not exceed \$32.7 billion as anticipated in Plan Bay Area.

Should these assumptions, including the cost of the PROJECT, change substantively over time, the terms of this PHASE 1 FUNDING PLAN will be re-examined and an alternate approach will be agreed to by MTC and BART that could include extending the timing of fund commitments, seeking alternate fund sources, or other actions.

**4. BART Share of Project Costs**

Consistent with Plan Bay Area and Resolution No. 3918, BART will cover approximately \$298 million, or about 25%, of the \$1.2 billion PHASE 1 FUNDING PLAN costs. This includes High Speed Rail funds and BART operating revenues dedicated to the PROJECT through FY 2019. If necessary, BART will either direct future BART-controlled revenue, such as State Transit Assistance Revenue-Based funds, after meeting revenue sharing and coordination expenses, or raise additional funds through General Obligation bonds, parcel taxes, fare increases or other means to help fund its share of PROJECT costs and/or fixed guideway needs. If necessary, BART can meet this commitment, in whole or in part, by funding a larger share of its fixed guideway capital needs, and reducing the need for regional investments in BART's fixed guideway needs below the level currently projected in Plan Bay Area.

Date: December 18, 2013  
W.I.: 1512  
Referred by: PAC  
Revised: 01/27/16-C

Attachment B  
Resolution No. 4126  
Page 1 of 1

## PHASE 1 FUNDING PLAN FOR BART CAR REPLACEMENT PROGRAM

### BART Car Replacement Project Phase 1 Preliminary Funding Plan Summary \$000

Funding Source	Prior to FY16	FY16 - FY19	Total
<b>MTC Funding</b>			
FTA Formula Programs	370,189	250,811	621,000
FHWA Regional Discretionary Programs	97,474	2,526	100,000
AB 664 Bridge Tolls & BATA Project Savings	-	150,000	150,000
Subtotal MTC Funding *	467,663	403,337	871,000
BART Funding	204,900	93,100	298,000
<b>Total Funding</b>	<b>672,563</b>	<b>496,437</b>	<b>1,169,000</b>

\* MTC Fundng includes programming to other BART projects in exchange for BART funds deposited into the BART Car Replacement Funding Exchange Account, and earnings credited to the account.

# APPENDIX A – 36

## *Regional Policies: Project Funding and Specific Funding Programs*

**Transit Core Capacity Challenge Grant Program  
for High-Priority Transit Capital Projects  
between FY 2014-15 and FY 2029-30**

**MTC Resolution No. 4123**



Date: December 18, 2013  
W.I.: 1512  
Referred by: PAC  
Revised: 01/27/16-C  
07/28/21-C

ABSTRACT

Resolution No. 4123, Revised

This resolution establishes an investment plan for MTC's Transit Core Capacity Challenge Grant Program that targets federal, state, and regional funds to high-priority transit capital projects between FY2014-15 and FY2029-30.

This resolution includes the following attachments:

- A – Funding Plan and Revenue Sources and Assumptions
- B – Project Descriptions
- C – Terms and Conditions

This resolution was revised by the Commission on January 27, 2016 to revise the funding plan for the BART Rail Car project by increasing the commitment of FTA/STP funds by \$150 million and reducing the commitment of AB 664 Bridge Tolls and BATA Project Savings by a total of \$150 million. The revision also corrected a typographical error in the funding plan table in Attachment A concerning the number of BART Cars included in the program.

This resolution was revised by the Commission on July 28, 2021 to revise the funding plan for AC Transit Fleet Replacement by replacing \$4,677,000 in BATA Project Savings funds with a like amount of STP funds, and to update the funding table to reflect a March 2017 Commission action which replaced \$152,443,401 in FTA funds for SFMTA with \$69,443,401 in AB 664 Bridge Tolls and \$83,000,000 in BATA Project Savings.

Further discussion of these actions is contained in the Programming and Allocations memorandum dated November 13, 2013 and Summary Sheets dated December 11, 2013, January 13, 2016, and July 14, 2021.

Date: December 18, 2013  
W.I.: 1512  
Referred by: PAC

RE: Transit Core Capacity Challenge Grant Program

METROPOLITAN TRANSPORTATION COMMISSION  
RESOLUTION NO. 4123

WHEREAS, the Metropolitan Transportation Commission (MTC) is the regional transportation planning agency for the San Francisco Bay Area pursuant to Government Code Section 66500 et seq.; and

WHEREAS, the San Francisco Bay Area Rapid Transit District (BART) is a rapid transit district providing rail transit service in the San Francisco Bay Area; and

WHEREAS, the San Francisco Municipal Transportation Agency (SFMTA) provides bus, trolley, light rail, and cable car/historic rail car service in the City of San Francisco, California; and

WHEREAS, the Alameda-Contra Costa Transit District (AC Transit) is constituted as a special district under California law and is an Oakland based public transit agency serving the western portions of Alameda and Contra Costa counties in the San Francisco Bay Area; and

WHEREAS, Plan Bay Area (“Plan”), the region’s long-range transportation and housing plan adopted by MTC, provides the planning foundation for transportation improvements and regional growth throughout the San Francisco Bay Area through 2040; and

WHEREAS, the Plan’s in-fill and transit-oriented growth strategy relies on a well-maintained and robust transit system to meet greenhouse gas emissions reduction targets and other Plan performance objectives; and

WHEREAS, the Plan identifies a total funding need of \$47 billion over nearly three decades to achieve an optimal state of repair for the region’s public transit network; and

WHEREAS, the Core Capacity Challenge Grant Program (“the Program”) addresses funding for transit capital replacement and rehabilitation needs as well as for key transit infrastructure enhancements needed to support future transit service expansion for AC Transit, BART and SFMTA; and

WHEREAS, the Program targets federal, state and regional funds to high-priority transit capital projects for AC transit, BART and SFMTA; and

WHEREAS, federal, state and regional funds will continue to be required to finance the Program including those funds which are reasonably expected to be available under current conditions, and new funds which need to be secured in the future through advocacy with state and federal legislatures and the electorate; now therefore be it

RESOLVED, that the Core Capacity Challenge Grant Program is a comprehensive funding strategy of local, regional, state and federal funding sources as outlined in Attachment A, attached hereto and incorporated herein as though set forth at length; and, be it further


RESOLVED, that MTC’s commitment of funding for the Program is limited to the total amount of MTC funding shown in Attachment A; and be it further

RESOLVED, that MTC agrees to program Federal Transit Administration (FTA) and Federal Highway Administration (FHWA) funds as set forth in Attachment A in a timely manner in order to meet cash flow needs and minimize financing costs, subject to Congressional authorization and appropriation of funds, and MTC’s ability to meet other critical regional transit capital needs; and be it further

RESOLVED, that Attachment B lists the descriptions of the AC Transit, BART and SFMTA projects that will be funded under the Program; and be it further

RESOLVED, that the funding commitments included in Attachment A are subject to the terms and conditions outlined in Attachment C, attached hereto and incorporated herein as though set forth at length.

METROPOLITAN TRANSPORTATION COMMISSION

  
\_\_\_\_\_  
Amy Rein Worth, Chair

The above resolution was entered into by the  
Metropolitan Transportation Commission  
at a regular meeting of the Commission held  
in Oakland, California, on December 18, 2013

### Attachment A Core Capacity Challenge Grants - Funding Plan (\$ Millions)

Project	Project Cost	Proposed Local \$				Funding Sources for Remaining Need						Total Funding
		BART	SFMTA	AL/CC Sales Tax/Parcel Tax	VTA	FTA/STP	AB664 Bridge Tolls	BATA Project Savings	SFO Net Op Revenue	Cap & Trade	Core Capacity New Starts	
BART Rail Cars (463 cars beyond current funding commitment)	1,521	393				893		15	145	75		1,521
BART Train Control	700	267				163				126	144	700
BART Hayward Maint. Center	433	258			175							433
<b>Subtotal BART</b>	<b>2,654</b>	<b>918</b>	-	-	<b>175</b>	<b>1,056</b>	-	<b>15</b>	<b>145</b>	<b>201</b>	<b>144</b>	<b>2,654</b>
SFMTA Fleet Replacement	2,644		770			1,594	114	167				2,644
SFMTA Fleet Enhance & Expand	648		248							400		648
SFMTA Facilities Core Improvements	209		142							67		209
<b>Subtotal SFMTA (2)</b>	<b>3,502</b>	-	<b>1,160</b>	-	-	<b>1,594</b>	<b>114</b>	<b>167</b>	-	<b>467</b>	-	<b>3,502</b>
AC Transit Fleet Replacement	780			195		481	25	78				780
AC Transit Fleet Expansion	90			40		5				45		90
AC Transit Facility Repl/Rehab	268			106						162		268
<b>Subtotal AC Transit</b>	<b>1,138</b>	-	-	<b>341</b>	-	<b>486</b>	<b>25</b>	<b>78</b>	-	<b>207</b>	-	<b>1,138</b>
<b>Financing</b>	<b>200</b>					<b>200</b>						<b>200</b>
<b>TOTAL</b>	<b>7,494</b>	<b>918</b>	<b>1,160</b>	<b>341</b>	<b>175</b>	<b>3,336</b>	<b>139</b>	<b>261</b>	<b>145</b>	<b>875</b>	<b>144</b>	<b>7,494</b>

- (1) Funding sources for BART Rail Cars were revised by Commission in January 2016 to redirect \$150 million of AB664 Bridge Tolls and BATA Project Savings to the BART Car Phase 1 Funding Plan (MTC Res. 4126), and to replace the bridge tolls with \$150 million of OBAG 2 STP/CMAQ funds transferred from the Phase 1 funding plan.
- (2) SFMTA cost estimates adjusted to use regional cost estimates for buses and LRVs, and converted to year-of-expenditure dollars
- (3) SFMTA AB 664 funding increased \$69,443,401; BATA Project Savings increased \$83,000,000; FTA Amount reduced \$152,443,401 per Commission Action 3/22/2017; Specific usage of those funds discussed in that action, revisions of Res. 4169, Revised and Res. 4262, Revised, and at 1/9/2019 Programming and Allocations Committee.
- (4) AC Transit BATA Project Savings funding decreased \$4,677,000; STP amount increased by like amount on 7/28/2021.



## **Attachment A Revenue Sources and Assumptions**

- Local Funding:
  - BART: For BART, the approximately \$900 million local contribution is comprised of fare revenue and Proposition 1A High Speed Rail connecting operator funds approved for the rail car replacement project. In addition, \$175 million in funding will be provided by the Santa Clara Valley Transit Authority as part of their agreement to contribute to core capacity projects, as BART will soon extend into Santa Clara County and its residents will also benefit from these projects.
  - SFMTA: For SFMTA, the nearly \$1.2 billion in local revenues include existing sales tax and revenue bonds as well as anticipated future sales tax, vehicle license fee, and general obligation bonds. A task force has been convened by the San Francisco Mayor's Office and will be finalizing its recommendations by the close of 2013 with the expectation of going to the ballot in 2014 and 2016 to support this local contribution.
  - AC Transit: For AC Transit, the assumed local contribution of \$340 million would come from a portion of future Alameda County and Contra Costa sales tax measures and/or parcel tax augmentations for AC Transit operations and maintenance needs.
  
- Regional/Other Funding:
  - FTA/STP Funds: The program assumes \$3.5 billion in FTA formula and STP funds. These funds have historically supported transit capital replacement through the Transit Capital Priorities process. Generally, the program timeframe has been 2 to 3 years in duration. The proposed Core Capacity Challenge Grant Program investment strategy would extend the commitment for the identified projects to 15 years. The program would also accelerate FTA and STP funds availability through financing as needed; roughly \$200 million is assumed to pay for financing for timely delivery of this aggressive capital program. The proposal acknowledges the needs of other transit operators in the region by retaining an estimated 33% of expected FTA formula funds for the remaining operators. The proposal also retains funding for the BART Car Phase 1 and on-going fixed guideway priorities for rail and ferry operators. A portion of the federal funds for the BART Railcar Replacement and Expansion project may be programmed to BART's preventive maintenance or another capital project and exchanged for BART local funds deposited into the BART Railcar Replacement Funding

Exchange Account, depending on the cash flow needs of the project. The table below provides more detail.

Projected FTA/STP Revenues 2015-2030:	\$ 7,549	
Core Capacity Challenge Grants	\$ 3,283	43%
Core Capacity Financing Costs	\$ 200	3%
BART & SFMTA Fixed Guideway Caps	\$ 1,235	16%
Remaining BART Car Phase 1 Commitment	\$ 331	4%
Other Operators	\$ 2,500	33%
Total	\$ 7,549	100%

- AB664 Funds: The program assumes \$70 million in AB664 bridge toll funds. These funds have historically supported transit capital replacement by contributing towards local matching funds for eligible operators in the Transit Capital Priorities process. Generally, the funds are programmed annually. The proposed Core Capacity Challenge Grant Program investment strategy would extend the commitment for the identified projects to 15 years, and would accelerate availability of these toll funds by frontloading AB664 revenues that are available as part of a Bay Area Toll Authority (BATA) revenue transfer to MTC in 2010.
- BATA Project Savings: With the completion of the Regional Measure 1 highway and bridge projects and the opening of the New East Span of the Bay Bridge, BATA project savings are proposed to be directed to the Core Capacity Challenge Grant Program. Staff has determined that these transit projects are eligible bridge improvement projects because they will improve functioning or use of one or more of the state-owned bridges. As such, these project expenditures, in an amount of \$250 million, are proposed to be added to BATA's long-range plan and budget. The total includes approximately \$182 million for Core Capacity Challenge Grant Program projects and \$68 million for the BART Rail Car Replacement Phase 1 project (MTC Resolution 4126, Revised).
- SFO Net Operating Revenues: A commitment dating from 1988 and the first rail extension agreement, MTC Resolution 1876, directs \$145 million of the net operating surplus generated by the San Francisco International Airport (SFO) BART Extension to fulfill the remaining SamTrans' capital contribution to the BART system, for the Warm Springs Extension. This proposal would direct these funds to BART's rail car purchase project, which includes rail cars for the Warm Springs extension project. The Warm Springs construction costs were met through other regional funding contributions as part of the 2008 MTC Resolution 3434 Strategic Plan. SFO Net Operating Revenue satisfies SamTrans buy-in to the BART District originally dedicated to the BART to Warm Springs project.

- Cap and Trade Revenues: AB 574 (Lowenthal) seeks to reserve California Cap and Trade allowance revenue from transportation fuels for transportation-related expenditures. Plan Bay Area included an estimated \$3.1 billion over the 28-year period as available to the region. While the distribution of funds to the MPO's has not yet been finalized, a draft framework and set of principles for Cap and Trade revenues, including \$875 million for the Core Capacity Challenge Grant program, has been proposed and is pending Commission approval.
- FTA New Starts Core Capacity: With the enactment of MAP-21, this new category of eligible projects was added to the New Starts Program. Projects eligible for this funding must expand capacity by at least 10% in existing fixed-guideway transit corridors that are already at or above capacity today, or are expected to be at or above capacity within five years. As part of Plan Bay Area's investment strategy, a reserve of \$660 million in New Starts was established for future East Bay and North Bay projects. BART's train control project aligns well with the intent of this new category of FTA competitive funding and the direction outlined in Plan Bay Area.

Date: December 18, 2013  
W.I.: 1512  
Referred by: PAC

Attachment B  
Resolution No. 4123  
Page 1 of 3

## **Attachment B Project Descriptions**

### **BART**

BART Railcar Replacement and Expansion includes the purchase of 463 new cars, which, together with previously committed funding, would bring BART's fleet to a total of 873 cars: 669 to replace the current fleet, 91 to increase core capacity, 30 for the Warm Springs extension, 60 for the Berryessa extension, and 23 for the extension to San Jose/Santa Clara. The 23 cars for the Silicon Valley extension is subject to the availability of \$75 million in Cap and Trade funding. 350 of the 669 replacement cars are being funded under MTC Resolution No. 4126 and the 60 cars for the Berryessa extension are being funded by VTA through an agreement with BART. The \$1.52 billion cost is in addition to the \$1.38 billion already committed to the project, including \$871 million in regional funding. A portion of the federal funds for the BART Railcar Replacement and Expansion project may be programmed to BART's preventive maintenance or another capital project and exchanged for BART local funds deposited into the BART Railcar Replacement Funding Exchange Account, depending on the cash flow needs of the project. BART's current fleet is either already overdue or due for replacement by 2019.

BART Train Control System involves implementing a new train control system. The current system is aging and needs replacement to restore and retain reliability. A new train control system would increase peak period/peak direction throughput and allow BART to expand its fleet to meet future demand while maintaining service reliability.

BART Hayward Maintenance Center includes improvements to expand the current Hayward Yard by adding storage and transfer/access tracks on the existing BART property and a primary shop, a vehicle-level overhaul shop, a component repair shop, a central warehouse and an expanded shop and storage facility. This project is needed to store and service BART's expanded fleet and will serve as the primary maintenance shop and storage yard for the Berryessa extension fleet.

## **SFMTA**

SFMTA Fleet Replacement includes replacement of all of SFMTA's vehicles as they reach the end of their useful lives between 2016 and 2030. SFMTA's fleet includes 494 buses, 333 trolleys, 151 light rail vehicles, and 67 paratransit vans. Also included in the project is approximately \$300 million for mid-life overhauls to extend vehicle service life and maintain reliability, and the costs of rehabilitating Muni's cable car and historic streetcar fleets.

SFMTA Fleet Enhancement & Expansion expands Muni's light rail vehicle fleet by 74 cars: 24 for the Central Subway extension and 50 to increase capacity on existing lines. The project would also fund an additional 110 60' articulated buses and the increased cost for replacing 42 40' buses and trolleys with 60' articulated buses and 60' trolleys to increase capacity on high-ridership routes, and the installation of video and data collection systems on Muni vehicles.

SFMTA Facilities Core Improvements provides for the renovation of ageing, overcrowded, and inefficient facilities and the improvements needed to address current and future needs, such as:

- Muni Metro East (MME) Maintenance Facility – construction of a centralized paint and body shop to allow for operational flexibility and added repair bay capacity at Woods Maintenance Facility.
- Burke Central Parts Warehouse – improved retrieval time and productivity through use of high efficiency racking systems and improvements to extend the shelf life of parts and components stored in the facility.
- Woods Maintenance Facility – added repair bay capacity and flexibility to accommodate articulated buses; improvements to extend life of the facility and fully utilize its space efficiently to improve productivity.

## **AC Transit**

AC Transit Fleet Replacement consists of replacement of all of AC Transit's buses as they reach the end of their useful lives between 2015 and 2030. AC Transit's fleet replacement needs during this period include 150 40' standard transit buses, 57 60' articulated buses, 91 30' buses, 67 40' suburban transit buses, and 39 45' over-the-road coaches.

AC Transit Fleet Expansion includes procurement of 79 Diesel Electric Hybrid buses to implement the service expansions called for under AC Transit's Comprehensive Operations Analysis.

AC Transit Facility Replacement & Rehabilitation includes replacement of equipment such as communications and navigation systems, bus lifts, fuel islands, bus washers, waste treatment systems, and underground storage tanks at AC Transit's maintenance and operations facilities as

the equipment reaches the end of its useful life. The funding would also allow for re-opening of the Richmond Maintenance Facility.

Date: December 18, 2013  
W.I.: 1512  
Referred by: PAC

Attachment C  
Resolution No. 4123  
Page 1 of 2

## **Attachment C Terms and Conditions**

### General Terms

- a) Continue Transit Capital Priorities Process for Other Operators: The FTA revenue assumption acknowledges the needs of other operators in the region by retaining an estimated 33% of expected FTA formula funds for the remaining operators and only commits an estimated 42% of expected FTA formula funds to this program. This percentage attempts to hold all the other operators harmless and retains funding for on-going fixed guideway priorities for rail and ferry operators based on projection of past needs.
- b) Revenues Availability: MTC agrees to program Federal Transit Administration (FTA) and Federal Highway Administration (FHWA) funds as set forth in Attachment A in a timely manner in order to meet cash flow needs and minimize financing costs, subject to Congressional authorization and appropriation of funds, and MTC's ability to meet other critical regional transit capital needs. MTC may substitute other available MTC-controlled funds in place of available FTA funds specified in the Program.
- c) Strategic Review: A strategic review of the Core Capacity Challenge Grant program will be conducted at least every 5 years in order to monitor operator project delivery and local contributions. This will also allow staff to address any changes in the demand for capital projects or the revenue landscape.

### Operator Conditions

- a) Local Match Contributions: In order to qualify for challenge grant funding, AC Transit, BART and SFMTA are required to provide a minimum of 30% matching funds overall, and at least 25% for fleet replacement projects. The operators will be required to provide to MTC a board-approved commitment of local match dollars before the Program funds are programmed and allocated to them.
- b) Compliance with TSP Performance Metrics: Plan Bay Area assumed that the recommendations of the Transit Sustainability Project would be implemented to complement cost control and service improvements already implemented by the region's transit operators. In order to qualify for challenge grant funding, this proposal requires AC Transit, BART, and SFMTA to meet the Transit Sustainability Project's performance objectives outlined in MTC Resolution No. 4060 that call for a 5% real reduction in at least

one of three performance measures (cost per service hour, cost per passenger or cost per passenger mile) by FY2016-17 and no growth beyond CPI thereafter.

- c) Compliance with Funding Requirements: AC Transit, BART and SFMTA are required to comply with all the applicable local, state, and federal requirements for funds programmed by MTC.
- d) Cash flow Needs and Updates: AC Transit, BART and SFMTA are required to provide MTC with an initial cash flow before the program funds are programmed and allocated to them; and update MTC whenever there are significant changes to the cash flow or annually at a minimum.



# APPENDIX A – 37

## *Regional Policies: Project Funding and Specific Funding Programs*

### **Goods Movement Investment Strategy**



Date: February 28, 2018  
W.I.: 1124  
Referred by: Planning

ABSTRACT

Resolution No. 4244

This resolution sets forth MTC's Goods Movement Investment Strategy, a near-term set of projects and programs to improve mobility and economic vitality, address community and environmental concerns of freight, and enable the region to coordinate and compete for state and federal fund sources.

Further discussion of this action is contained in the MTC Executive Director's Memorandum to the Planning Committee dated February 2, 2018.



Date: February 28, 2018  
W.I.: 1124  
Referred by: Planning

Re: Regional Goods Movement Investment Strategy

METROPOLITAN TRANSPORTATION COMMISSION

RESOLUTION NO. 4244

WHEREAS, the Metropolitan Transportation Commission (MTC) is the regional transportation planning agency for the San Francisco Bay Area pursuant to Government Code Sections 66500 et seq.; and

WHEREAS, MTC has developed and adopted a Regional Goods Movement Plan (Plan), which outlines a long-range strategy for how to move goods effectively within, to, from and through the Bay Area by roads, rail, air and water; and

WHEREAS, the Plan recommends that MTC develop a funding strategy, strengthen partnerships, and coordinate rail investments; and

WHEREAS, a regional goods movement executive team, including MTC, Alameda County Transportation Commission, Port of Oakland, the Bay Area Air Quality Management District, Contra Costa Transportation Authority, Santa Clara Valley Transportation Authority, Solano Transportation Authority, and the East Bay Economic Development Authority have collaborated on goods movement revenue forecasts and project and program priorities; and

WHEREAS, MTC has developed the Goods Movement Investment Strategy (Strategy) in coordination with the aforementioned partners as well as public health and environmental stakeholder organizations; and

WHEREAS, the Strategy will help implement projects and programs crucial to achieving Plan Bay Area 2040's performance targets, including reducing delay on the regional freight network, increasing middle-wage jobs, and reducing per capita GHG emissions; and

WHEREAS, the Strategy also sets forth a commitment to reduce impacts of pollution on communities, mitigate emissions from existing technologies, and adopt cleaner technologies; and

WHEREAS, the Strategy helps position the region to coordinate and compete for state and federal funding sources; and


WHEREAS, due to the evolving nature of technology and circumstances related to the Strategy, staff intends to review the strategy approximately every five years, now therefore be it

RESOLVED, MTC adopts the Strategy, described by the revenue estimates and set of projects and programs outlined in Attachments A and B, and

RESOLVED, MTC should work with regional agencies, including the Bay Area Air Quality Management District, Port of Oakland, and Alameda County Transportation Commission, to pursue funding opportunities to deliver specific community protection projects, and

RESOLVED, projects and programs funded and implemented from the Strategy will undergo appropriate reviews and adopt associated mitigation measures, as may be required by law.

METROPOLITAN TRANSPORTATION COMMISSION

  
\_\_\_\_\_  
Jake Mackenzie, Chair

The above resolution was entered into by the Metropolitan Transportation Commission at a regular meeting of the Commission held in San Francisco, California, on February 28, 2018.

Date: February 28, 2018  
W.I.: 1310  
Referred by: PAC

Attachment A  
MTC Resolution No. 4244

## 10-Year Revenues for Bay Area Goods Movement

Fund Source	10-year estimate	Notes
National Highway Freight Program	\$260	Base year is FY 2015-16 and assumes a growth rate of 2% to 3%. Assumes the Bay Area receives 19% of the state program.
National Significant Freight and Highway Projects Discretionary Program (FASTLANE / INFRA)	\$260	Base year is FY 2015-16 and assumes a growth rate of 2% to 3%. Assumes the Bay Area receives 2.5% of the national program.
STP/CMAQ	\$50	Assumes funding for goods movement projects at 5% of PBA2040 forecast. Estimate begins after OBAG2 (e.g. starting with FY23)
RTIP/ITIP	\$140	Based on upprogrammed SB1 STIP revenues from FY 20 to FY 27; assumes 20% would be spent on freight corridors and on freight projects.
SB1 – Trade Corridors	\$540	Assumes Bay Area receives 20% of annual \$300 million earmark that would be begin in FY2019.
SB1 – Solutions for Congested Corridors	\$90	Assumes \$250M a year x 9 years. Assumes Bay Area receives 20% of the program and 20% would be spent on freight elements.
SHOPP	\$170	Assumes 6.5% of SHOPP will be spent on “mobility” enhancements, per the 2016 SHOPP distribution. Assumes 50% of the “mobility” funding would be spent on freight corridors.
Future Bridge Toll Increases (RM3)	\$990	Assuming the SB 595 expenditure plan, assumes \$160M from regional programs plus additional revenues for corridor-specific projects
TFCA - 40% counties	\$5	Assumes funding for goods movement projects at 5% of PBA2040 forecast.
TFCA - 60% regional	\$10	Assumes funding for goods movement projects at 7% of PBA2040 forecast.
Carl Moyer	\$10	Assumes 1% of funding for goods movement projects and assumes authorization continues after 2023.
Mobile Source Incentive Funds	\$8	Assumes authorization continues after 2023. Assumes funding for goods movement projects at 10% of forecast.
AB 617/134	\$20	Assumes one-time funding (40% of \$50M total to the region) for cleaning up trucks and other goods movement-eligible projects
Proposition 1B	\$20	Assumes funding to be awarded to a final tranche of goods movement emissions-reduction projects
Low Carbon Transportation Program	\$10	Assumes funding to the Bay Area from this Cap and Trade source for advanced freight demonstrations
Alameda County Measure BB	\$700	Assumes that 33% of BB would be spent on goods movement, congestion relief on freight corridors, and technology development.
Other sources: private sources, Local match for state and federal sources, other federal sources	\$500	Assumes roughly 30% match for certain competitive programs, and includes private sources of funding for trade projects. Includes \$9.6M in FHWA ATCMTD funds for GoPort ITS.
<b>Total</b>	<b><u>\$3,783</u></b>	

All values in millions of dollars

The 10-year estimate covers FY 17-18 through FY 26-27, unless noted.





Date: February 28, 2018  
W.I.: 1310  
Referred by: PAC

Attachment B  
MTC Resolution No. 4244

## Bay Area Goods Movement Investment Strategy

## Bay Area Goods Movement Investment Strategy - DRAFT

#	Focus Area	Project Name	Project Description	Project Cost (\$millions)
1	Community Protection	Equipment-Based Reduction Projects	<p>Categories for upgrade to zero or near-zero emission (focused on West Oakland, but could also include other communities) include:</p> <ul style="list-style-type: none"> <li>-Yard trucks</li> <li>-Tug boats (incl shore power)</li> <li>-On-road Class 5/6 trucks</li> <li>-Truck retirement project</li> <li>-Locomotives (Class 1 &amp;3)</li> <li>-Ocean-going vessels (bonnets and electrification)</li> <li>-Forklifts</li> <li>-Transport Refrigeration Units</li> <li>-Top/Side Pick Cranes</li> </ul>	\$200
2	Community Protection	Port of Oakland Non-Equipment-Based Reduction Projects	<p>Includes the following components:</p> <ul style="list-style-type: none"> <li>-Port Electrical Grid Improvements</li> <li>-Facility upgrades and emission reductions</li> <li>-Supply Chain Efficiencies- extended Marine terminal hours, grey chassis pool, gate modifications, and technology solutions</li> <li>-Extended gate hours/days</li> </ul>	\$100
3	Community Protection	Freight Emission Reduction Action Plan: Recommended Regional Demonstrations	<p>Urban Delivery Demonstration Project: Range Extended Electric Vehicle (REEV) for Medium Heavy Duty (Class 5 - 6) Trucks.</p> <p>Rail Demonstration Project: Yard Switcher Using Dual Mode Battery-Assisted Locomotive in West Oakland and Richmond.</p> <p>Grow Bay Area Near-Zero and Zero Emission Vehicle R&amp;D Public/Private Clean Truck Collaborative</p>	\$40
4	Community Protection	Community Impact reduction through "receptor-side" mitigations	Invest in "receptor side" mitigations to reduce impacts on "fence-line" communities, including, for example, planting trees or other pollution catchments between sources and communities, investing in improved air quality, air filtration, HVAC etc systems for sensitive facilities located near freight corridors.	\$10
<b>Community Protection Subtotal</b>				<b>\$350</b>

## Bay Area Goods Movement Investment Strategy - DRAFT

#	Focus Area	Project Name	Project Description	Project Cost (\$millions)
5	Freight Roadway	Interstate 80 Corridor	Includes: I-80/I-680/SR12 Interchange - Packages 2-7 West Bound Truck Scales (Solano County) Ashby Interchange Improvements Gilman Street Interchange Improvements	\$640
6	Freight Roadway	Interstate 880 Corridor	Includes: Whipple Road and Industrial Blvd Interchange Improvements Winton Avenue Interchange Improvements A Street Interchange Improvements	\$200
7	Freight Roadway	Interstate 680 Corridor	Includes: SR-4 Interchange Improvements - Phase 3 SR-84 Interchange Improvements + SR-84 Widening South County Access (262/Mission Blvd Cross Connector)	\$440
8	Freight Roadway	Interstate 580 Corridor	Includes: Interchange improvements at Vasco Road Integrated Corridor Management between Foothill Road and Isabel Avenue I580/680 interchange improvements- Planning	\$310
9	Freight Roadway	US 101 Corridor	Includes: SR-25 Interchange and US-101 Widening to 6 lanes SR-92 Interchange Improvements	\$460
10	Freight Roadway	SR-37 Corridor	SR-37 Improvements	\$100
11	Freight Roadway	SR-152 Corridor	SR-152 Environmental and Planning Studies	\$30
12	Freight Roadway	Local road and county road access and safety program on truck routes	Includes: Kirkner Pass Road - NB Truck Climbing Lane Vasco Road Safety Improvements - Phase 2 Byron Highway and Camino Diablo Road	\$40
<b>Freight Roadway Subtotal</b>				<b>\$2,220</b>

## Bay Area Goods Movement Investment Strategy - DRAFT

#	Focus Area	Project Name	Project Description	Project Cost (\$millions)
13	Rail Strategy	Port of Oakland: Go Port	The GoPort project will reduce emissions from idling trucks, increase Port operational efficiency, and provide significantly improved truck and rail access. Project includes: 7th Street Grade Separation West 7th Street Grade Separation East Port of Oakland ITS improvements	\$500
14	Rail Strategy	Rail Connectivity Improvements	Industrial Parkway Connection Shinn Connection New wye connections at Lathrop and Stockton Junctions - not included in project cost since revenue assumptions are not inclusive of SJ County	\$240
15	Rail Strategy	Safety Improvements	Grade crossing improvements at Jack London Square and in Emeryville - City of Berkeley Railroad Crossing Improvements City of Berkeley Gilman Street Grade Separation City of Fremont Railroad Quiet Zones	\$130
16	Rail Strategy	Railroad Grade Crossing Improvements and Grade Separations	Additional Grade Crossing Improvements	\$150
17	Rail Strategy	Targeted Operational Improvements	City of Hercules Third Track Upgrade water side drill track to 3 mainline between Port and Bancroft Track improvements to Coast Subdivision	\$60
18	Rail Strategy	Port of Oakland	Includes: OAB Phase 2 improvements (logistics warehousing, transloading)	\$150
19	Rail Strategy	SMART	Freight rail improvements to the SMART corridor including double-tracking select segments.	\$10
<b>Rail Strategy Subtotal</b>				<b>\$1,240</b>
20	Other	Oakland Airport	Includes: Oakland International Airport Perimeter Dike	\$20
<b>Other Subtotal</b>				<b>\$20</b>
<b>Draft Investment Plan Total: 10-Year</b>				<b>\$3,830</b>

# APPENDIX A – 38

## *Regional Policies: Project Funding and Specific Funding Programs*

**Policies and Procedures for the Regional  
Traffic Relief Plan of Regional Measure 2 (RM2)**

**MTC Resolution No. 3636**



Date: June 23, 2004  
W.I.: 1255  
Referred by: PAC  
Revised: 11/17/04-C 09/21/05-C  
03/28/07-C 05/28/08-C  
04/22/09-C 04/28/10-C

ABSTRACT

Resolution No. 3636, Revised

This resolution adopts the policies and procedures for the Regional Traffic Relief Plan of Regional Measure 2 (RM2), included in Attachment A, *Regional Measure 2 Regional Traffic Relief Plan Policies and Procedures* (with attachments).

This Resolution was revised on November 17, 2004 to add the performance measures for transit operating projects and to make technical changes to the Regional Measure 2 Policies and Procedures.

This Resolution was revised on September 21, 2005 to modify the eligible costs for project sponsors and implementing agencies, clarify transit vehicle purchase requirements, modify progress reporting requirements and frequency, and make minor technical changes.

This Resolution was revised on May 28, 2007 to make clarifications to the invoicing procedures, modify timely use of funds requirements, add project close out procedures, and make minor technical changes.

This Resolution was revised on May 28, 2008 to make changes to the invoicing and reimbursements section and the allocation budget plan section of the IPR format, and make minor technical changes.

This Resolution was revised on April 22, 2009 to make technical changes to reflect the present conditions of the program and make changes to the invoicing and reimbursements section.

This Resolution was revised on April 28, 2010 to make technical changes to reflect the present conditions of the program and incorporate the recent changes in invoicing processes.

Additional discussion of this Resolution is available in the Executive Director's memoranda to the Programming and Allocations Committee dated June 9, 2004 and November 10, 2004, and the Summary Sheet dated September 14, 2005, May 14, 2008, April 8, 2009 and April 14, 2010.

Date: June 23, 2004  
W.I.: 1255  
Referred By: PAC

RE: Policy and Procedures for Implementation of the Regional Traffic Relief Plan of Regional Measure 2 (RM 2)

METROPOLITAN TRANSPORTATION COMMISSION  
RESOLUTION NO. 3636

WHEREAS, pursuant to Government Code Section 66500 *et seq.*, the Metropolitan Transportation Commission ("MTC") is the regional transportation planning agency for the San Francisco Bay Area; and

WHEREAS, Streets and Highways Code Sections 30950 *et seq.* created the Bay Area Toll Authority ("BATA"), which is a public instrumentality governed by the same board as that governing MTC; and

WHEREAS, on March 2, 2004, voters approved Regional Measure 2, which increased the toll for all vehicles on the nine State-owned toll bridges in the San Francisco Bay Area by \$1.00, with this extra dollar funding various transportation projects within the region that have been determined to reduce congestion or to make improvements to travel in the toll bridge corridors, as identified in SB 916 (Chapter 715, Statutes of 2004), commonly referred as Regional Measure 2 ("RM 2"); and

WHEREAS, RM 2 establishes the Regional Traffic Relief Plan and identifies specific capital projects and programs and transit operating assistance eligible to receive RM2 funding as identified in Sections 30914(c) & (d) of the California Streets and Highways Code; and

WHEREAS, BATA shall fund the projects of the Regional Traffic Relief Plan by bonding or transfers to MTC; and


WHEREAS, RM 2 assigns administrative duties and responsibilities for the implementation of the Regional Traffic Relief Plan to MTC; and

WHEREAS, MTC has developed policies and procedures for the implementation of the Regional Traffic Relief Plan as set forth in Attachment A to this Resolution, attached hereto and incorporated herein as though set out in full; now, therefore be it

RESOLVED, that MTC hereby adopts the attached policy and procedure for the implementation of the Regional Measure 2 Regional Traffic Relief Plan as set forth in Attachment A; and, be it further

RESOLVED, that the Executive Director is hereby delegated the ability to make non-substantive changes to Attachment A as he deems appropriate to implement the Regional Traffic Relief Plan.

METROPOLITAN TRANSPORTATION COMMISSION

  
\_\_\_\_\_  
Steve Kinsey, Chair

The above resolution was entered into by the Metropolitan Transportation Commission at the regular meeting of the Commission held in Oakland, California, on June 23, 2004



Date: June 23, 2004  
W.I.: 1255  
Referred by: PAC  
Revised: 11/17/04-C 09/21/05-C  
03/28/07-C 05/28/08-C  
04/22/09-C 04/28/10-C

# **Regional Measure 2 Regional Traffic Relief Plan Policies and Procedures**

**Amended April 28, 2010**

**MTC Resolution No. 3636  
Attachment A**

**Metropolitan Transportation Commission**

**Programming and Allocations Section**  
<http://www.mtc.ca.gov>

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## SECTION 1 – GENERAL PROVISIONS

### **BACKGROUND**

On March 2, 2004, voters passed Regional Measure 2 (RM2), raising the toll for all vehicles on the seven State-owned toll bridges in the San Francisco Bay Area, by \$1.00. This extra dollar is to fund various transportation projects within the region that have been determined to reduce congestion or to make improvements to travel in the toll bridge corridors, as identified in SB 916 (Chapter 715, Statutes of 2004). Specifically, RM2 establishes the Regional Traffic Relief Plan and identifies specific capital projects and programs and transit operating assistance eligible to receive RM2 funding as identified in Sections 30914(c) & (d) of the California Streets and Highways Code.

The following serve as the general provisions in the management of RM2 funding.

Note: Some of the projects identified in the Regional Traffic Relief Plan (RM2 projects), include complementary bridge toll funds (specifically RM1, AB1171) to complete their project funding plan. The administration of the bridge toll funds in these cases will also be governed by this resolution, unless otherwise stated in the allocating resolution.

### **FUND MANAGEMENT**

The collection of toll revenue is estimated to equal \$113 million annually. Costs to administer the program are an annual drawdown on the revenue and an annual limit of up to 38 percent, for the RM2 operation projects. Available revenue for capital allocations will vary annually and capital allocations will be approved with respect to the fund management of the overall program. Final allocation decisions will be subject to the availability of funds. Finally, first year costs (FY 2004-05) include the required reimbursements to counties for the costs of administering the RM2 ballot measure as part of the March 2nd 2004 general election, as well as the 4-month discount from July 2004 through October 2004 to encourage more users to sign up for FasTrak®, the Bay Area's electronic toll collection system.

#### **Program Financing Costs**

It is the intent of the Commission to implement those projects and programs outlined in Streets and Highways Code Section 30914 (c) and (d), to the funding amounts designated. The cost of bonding and financing associated with RM2, including interest payments shall be considered a program cost and shall be identified in the annual RM2 Budget as the first priority repayment. The financing costs are not expected to reduce the overall funding level available to projects and programs.

#### **Funding Exchanges**

Generally, the exchange of RM2 funding with other types of funding from projects not identified in RM2 shall not be allowed, nor shall projects be substituted.

#### **Matching Funds**

A local match is not required for RM2 funds. Complementary funds (non-RM2 funds), for the project phase where RM2 funds are being requested and identified in the financial plan must be available at the time of allocation. Regional Measure 2 funds can be used as the match for federal fund sources requiring a non-federal match.

## **PUBLIC INVOLVEMENT PROCESS**

The capital improvement projects and operating assistance for transit services identified for funding in RM2 are established by state legislation (Senate Bill 916, Chapter 715, Statutes of 2004) approved by the voters on March 2, 2004. In accordance with the legislation as approved by the voters, the Bay Area Toll Authority (BATA) is the financial manager for RM2 funds, whose responsibilities include the preparation of financial plans, the issuance of debt financing, and the disbursement of funds to project sponsors. The Metropolitan Transportation Commission (MTC) is the program and project coordinator, whose responsibilities include reviewing project applications, programming and allocating funds to specific projects, and monitoring project delivery. In some cases, MTC also serves as the project sponsor, for the regional Transit Connectivity Study, as well as certain regional customer service projects, such as the Transit Commuter Benefits promotion, the Real Time Transit information program, and implementation of TransLink®.

Generally, in conducting its review and approval responsibilities stipulated under RM2, MTC will adhere to its public participation policies as outlined in MTC Resolution No. 3821 MTC's Policy and Procedures on Public Involvement.

Specific statutory provisions require further that as part of its assessment of the status of programs and projects under RM2, MTC may make a finding that a program or project cannot be completed or cannot continue due to financing or delivery obstacles making the continuation of the program or project unrealistic, or that a project may be funded using non-RM2 funds. MTC may then determine that the funding will be reassigned. Under these circumstances, the Commission shall hold a public hearing on the project after consultation with the program or project sponsor. The process outlined in MTC's Policy and Procedures on Public Involvement for notification of actions at BATA, Commission, and committee meetings will be adhered to. After the hearing, the Commission may vote to modify the program or the project's scope, decrease its level of funding, or reassign all of the funds to another or an additional regional program or project in the same corridor.

## **COMPLIANCE WITH OTHER REQUIREMENTS**

It is the responsibility of project sponsors to ensure their agency's compliance with all applicable local, state, and federal requirements.

## **INDEMNIFICATION OF MTC**

The sponsor shall indemnify and hold harmless MTC, its Commissioners, officers, agents, and employees from any and all claims, demands, suits, loss, damages, injury, and/or liability, direct or indirect, incurred by reason of any act or omission of sponsor, its officers, agents, employees, and subcontractors, under or in connection with the RM2 program. Sponsor agrees at its own cost, expense, and risk, to defend any and all claims, actions, suits, or other legal proceedings brought or instituted against MTC, its Commissioners, officers, agents, and employees, or any of them, arising out of such act or omission, and to pay and satisfy any resulting judgments.

## **SECTION 2 – CAPITAL PROGRAM GUIDANCE**

### **BACKGROUND**

Projects eligible to receive funding from the Capital Program of the Regional Measure 2 (RM2) Regional Traffic Relief Plan are those projects identified to receive funding under Section 30914(c) of the California Streets and Highways Code (S&HC). Sponsors are required to submit an initial report to establish the baseline project data. These reports are the backbone of the allocation and funding agreements for the capital projects. The capital program is managed in a manner where allocations are approved based upon project sponsor need and readiness and the availability of funding in the bridge toll program. MTC's goal is to carry out the intent of the legislation and ensure that projects are delivered within the investments of the toll payers.

### **CAPITAL PROJECT DEFINITION**

#### **Initial Project Report (IPR)**

Project sponsors with projects identified to receive funding under Section 30914(c) of the S&HC are required to submit an Initial Project Report (IPR) to MTC before July 1, 2004. An updated report must be submitted as needed or as requested by MTC; at a minimum, sponsors must submit an updated IPR with any funding allocation request. The Commission will consider approval of the report, or updated report, in conjunction with the allocation of funds.

This report shall include all information required to describe the project in detail, including identification of lead sponsor, the status of any environmental documents relevant to the project, additional funds required to fully fund the project, the amount, if any, of funds expended to date, a summary of any impediments to the completion of the project and a detailed financial plan. Specific information on the Initial Project Report format is included in Appendix A.

#### **Useable Segment/ Deliverable Product**

RM2 funds for capital projects will be allocated with the specific intent of achieving a product. Deliverable products shall be considered as:

- A completed planning or transit study/ environmental decision/ project approval documentation when allocating to the environmental phase;
- The final design package including contract documents when allocating to the final design phase;
- Title to property/ easements/ rights of entry / possession or utility relocation when allocating to the right of way phase;
- A completely constructed improvement (or vehicle acquisition/ rehabilitation) available for public usage when allocating to the construction phase.

The expenditure of RM2 funds for any phase of the project should lead to making available to the public a useable or operable segment in accordance with the legislative intent. Any additional funds required to fully fund the project must be identified in the uncommitted funding plan of the Initial Project Report (IPR). If the RM2 revenues are funding only a phase or segment of a larger project, it must be demonstrated that the RM2 deliverable phase or segment is fully funded with committed funds.

#### **Project Phases**

Project costs and revenue must be separated into the following project phases:

1. Planning Activities, Environmental Studies & Preliminary Eng (ENV / PE / PA&ED)
2. Final Design - Plans, Specifications and Estimates (PS&E)
3. Right-of-Way Activities /Acquisition / Utility Relocation (R/W)
4. Construction / Rolling Stock Acquisition / Operating Service (CON)

(Planning studies should be categorized under the environmental phase. Vehicle acquisition or equipment purchase should be categorized under the construction phase.)

The project sponsor must display the project in these four components in the Initial Project Report and expenditure (cash flow) plans. If the project sponsors intend to use alternate delivery methods, such as but not limited to: design/build/operate/maintain, the preparation of the Request for Proposal is considered Final Design phase. The Alternate Delivery package is considered the Construction phase.

### **ALLOCATION AND FUNDING AGREEMENT PROCESS**

The allocation process for RM2 capital projects shall also serve as the process for executing funding agreements, in most cases in lieu of a separate funding agreement for each capital project. These agreements are fully executed through a process of project sponsor governing board certification followed by Commission allocation action. Notwithstanding, under S&HC 30914(e), MTC has the option of entering into a memorandum of understanding between itself and a capital project sponsor addressing specific requirements to be met prior to or after the allocation of funds.

An IPR for capital projects, as outlined in S&HC 30914(e) and detailed in Appendix A and B, shall be prepared and adopted by the appropriate governing board\* prior to MTC approval of the IPR and allocation of funds. The sponsor is expected to certify, through an action of its governing board, that certain conditions (general and project specific) are acknowledged and will be adhered to and compliance with the RM2 Policies and Procedures. Along with the certification of conditions from the project sponsor governing board and the IPR, the sponsor will need to provide evidence that the other fund sources contributing toward that project phase are committed. It is recommended that the sponsors submit the allocation request to MTC staff for review sixty days prior to the action by their governing board.

Upon completion of the lead sponsor governing board certification, the Commission will consider the allocation of RM2 funds. An allocation request is considered complete and ready for Commission consideration when all of the component elements to the request are submitted and approved by MTC staff. The Commission's resolution approving the allocation of RM2 funds, based on staff's review of the IPR and corresponding allocation package, will serve as an agreement between MTC and the implementing agency and may include project specific conditions. Where the Commission approves an amount less than the sponsor requested, the Commission allocation amount prevails. Reimbursement of funds is subject to meeting the conditions as stipulated in the MTC allocating resolution. \*Approval and adoption of the IPR and corresponding allocation package by a sponsoring agency staff is acceptable if their board has approved a resolution authorizing and directing staff to execute documents and take actions necessary to meet MTC requirements. A copy of such a resolution must be provided to MTC prior to Commission action.



### Allocation Principles

For the capital program, allocations will be considered as requested and final allocation decisions will be subject to the availability of funds in the overall RM2 program (capital and operating elements). The Commission will carefully consider each allocation and apply the following principles in its allocation decisions:

- 1. Replacement Fund Source Not Allowed.** RM2 funds will not be utilized as a replacement fund source on capital projects for any funds that have been programmed or allocated previously to the project, for the phase requested by the project sponsor, if such replacement results in a shortfall for the overall project or places prior programming commitments in jeopardy.
- 2. Required Evidence of a Fully Funded Project Phase.** The Commission will allocate funds for capital projects only if it finds that the project phase is fully funded, either entirely with RM2 funds or with a combination of RM2 funds and other allocated funds. To receive an allocation of RM2 funds for a jointly funded phase, the other contributing funds must be approved, authorized, assigned and allocated to that phase of work by the authorizing authority. At the request of the project sponsor, the Commission may, on an exception basis, consider allocations of RM2 funding conditioned on the allocation of other funds for that phase. In granting conditional allocations, the Commission will consider the nature and timing of other funding commitments to the requested and future phases of work.
- 3. Phase at a Time Allocations.** Allocations will only be made to projects one phase at a time: environmental/project approval, final design, right of way, and construction. Exceptions will be considered on a case-by-case basis; however, the Commission will strive to minimize funding risks in making allocation exceptions. Also, requests to modify task budgets within approved allocation levels must be approved in writing, in advance by MTC staff. However, multiple phases may proceed at the same time.
- 4. Environmental Clearance.** RM2 funds will not be utilized for any capital expenditure, either for right of way or construction, until the project has been environmentally cleared and approved by the project sponsor. Pursuant to California Environmental Quality Act Public Resources Code §21000, et seq., all applicants are required to submit a valid environmental document that has been certified by the County Clerk for each project. Please refer to Public Resources Code and Title 14 of the California Code of Regulations for more information. Applicants are urged to refer to the statutory and regulatory sections cited when preparing any environmental assessment under CEQA or NEPA. Applicants should consult their environmental officer for guidance in completion of this requirement. If a project is federally funded or is anticipated to be federally funded, project sponsors must submit approved National Environmental Protection Act documents.
- 5. Conditions of Right of Way Allocations.** RM2 funds will be allocated for right of way capital and support only after the project has identified and committed construction capital funds. The Commission will consider exceptions whereupon investment in right of way can be recovered if the project does not go forward. If the Commission approves an allocation of RM2 funds for advance acquisition of right of way meeting the

conditions as outlined above, the project sponsor shall provide that the land is held in escrow until project approval occurs for the transportation improvement. Advance acquisitions made prior to completion of environmental and location processes are not to influence environmental assessment of the project. Note that there are federal and state laws, regulations and policies governing acquisition and relocation activities. It is not intended that the use of RM2 funds shall waive any of the laws, regulations, or policies that may apply.

6. **Deliverable Product.** RM2 funds will be allocated with the specific intent of achieving a deliverable product. The ability of the product to be completed will be taken into consideration when the Commission allocates funds to the project. Any impediments to achieving the specific product shall be brought to the attention to the Commission in the Initial Project Report and through progress reports submitted by the project sponsor. If in the opinion of the Commission, impediments are such that the required product is unachievable, the Commission may withhold allocations, rescind allocations or withhold reimbursements on previously allocated funds. The Commission reserves the right to issue a 30-day stop notice in the event it has to reevaluate the project per S&HC 30914(f).
7. **Complementary Funds Consideration.** Projects with funding from other sources may be given priority if there are pending timely use of funds requirements on the other fund sources.
8. **Complementary Funds Spend Down Rate.** Other fund sources committed to a project phase that are complementary to RM2 funds will be expected to be spent down at an approximate proportional rate to RM2 funds. Exceptions and proposals to consider alternative cash flows from other fund sources must be approved in advance, in writing by MTC staff.
9. **Transit Operating Considerations.** For transit systems, an allocation of funds for capital expenditures, either right of way or construction, may be predicated on an ability to demonstrate that the service meets operating requirements.

### **Allocation Request Process**

Project sponsors or implementing agencies must initiate an allocation request by submitting a draft Initial Project Report and Sponsor/ Implementing Agency Resolution 60 days prior to the required Commission action. Thirty days prior to the Commission action, the project sponsor or implementing agency must submit the completed allocation application package to MTC. The allocation request consists of the following, detailed in Appendix A, and is available on the Internet (as applicable) at: <http://www.mtc.ca.gov>:

Intent to Request an Allocation (60 days prior to Commission action):

1. Draft Initial Project Report
2. Draft Sponsor/ Implementing Agency Resolution

Allocation Application Package (30 days prior to Commission action):

1. Sponsor/ Implementing Agency Resolution of Project Compliance
2. Opinion of Legal Counsel / MTC Indemnification\*

3. Board or Official Governing Body Approved Initial Project Report (IPR)
4. Environmental Documentation
5. Evidence of Allocation and Commitment of Complementary Funds

\* Project sponsors have the option of consolidating the ‘Opinion of Legal Counsel / MTC Indemnification’ within the ‘Implementing Agency Governing Board Resolution of Project Compliance’.

## **EXPENDITURES AND REIMBURSEMENTS**

### **Authority to Expend**

The project sponsor must obtain the Commission’s approval of the allocation and description of eligible costs prior to incurring costs. Project sponsors shall not receive reimbursement for costs incurred prior to MTC approval of the allocation of funding. Project sponsors shall proceed solely at their own risk in advertising, opening bids, or awarding a contract prior to an allocation of RM2 funds. The advertising, bid opening, or awarding of a contract by the sponsor shall in no way prejudice the Commission into making an allocation they deem unsuitable. Final allocation decisions will be subject to the availability of funds.

If a project or project component is ready for implementation earlier than RM2 funding is available, the sponsor may request an allocation of funds covering eligible expenditures but only with the full understanding that reimbursement will be deferred until RM2 funds are available in accordance with the approved allocation.

### **Eligible Expenses**

To ensure that RM2 funds are put to the most efficient use, limitations on allowable expenses have been placed on environmental, design, right of way, construction, staff support, oversight, consultant services and other aspects of project delivery. Furthermore, agency overhead costs, including administrative support, office equipment, and office leases, shall not exceed the cap as described under “Implementing Agency Costs” below.

Note that for all project phases, RM2 funds are limited to the statutorily authorized amount:

#### **1. Environmental Studies and Preliminary Engineering**

Expenses incurred by sponsor staff and consultant staff for environmental study costs, including determination of the appropriate environmental document, preparation of all preliminary engineering for each alternative, including geometric layouts, determination of right-of-way needs, environmental technical studies (such as air, noise, energy, cultural resources and hazardous waste), and all other studies or activities necessary to prepare and to finalize the appropriate environmental document for approval are eligible for reimbursement. Environmental costs eligible for reimbursement shall be limited to the project as described in S&HC Section 30914 (c). Any environmental costs associated with an element of the environmentally scoped project that is beyond the project scope and intent as outlined in S&HC 30914 (c) and approved by the Commission in the IPR is not eligible for reimbursement under RM2.

#### **2. Design Costs**

RM2 funds are eligible for expenses incurred by sponsor staff and consultant staff for design activities related to the project scope identified in S&HC 30914 (c) and as approved by the Commission in the IPR. These activities include but are not necessarily limited to, preparation of alternative design studies; materials and foundation reports; drainage, hydrology and hydraulic reports; management oversight; surveying and mapping; preparation of the plans, specifications and estimate; preparation of bid documents and files for project; preparation of permit applications and maintenance agreements; coordination of agency reviews and any other activities necessary to prepare final PS&E for bid advertisement and award.

### **3. Right-of-Way Acquisition and Utility Relocation**

RM2 funds are eligible for expenses incurred by sponsor staff and consultant staff for all activities related to right-of-way, advanced right-of-way, and hardship acquisitions, including determination of right-of-way needs; title searches; parcel appraisals; hazardous materials disposition; preparation of right-of-way acquisition documents; negotiation with property owners; activities involved with acquiring rights-of-way including condemnation proceedings, right-of-way capital costs, and cost-to-procure impacts related to the acquisition; utility relocation costs.

Services provided for right-of-way activities involved with the property but not necessary for the RM2 project as defined in the scope of work approved by the Commission in the IPR shall be at the expense of the sponsor and borne by non-RM2 fund sources.

If any excess right-of-way is sold, or otherwise disposed of, the value of such property shall be returned to MTC, including any profit realized from the sale of the property based on the prorated percentage of funds MTC contributed to the purchase of the property.

### **4. Construction Costs**

RM2 funds are available to cover all construction expenditures for the project including construction capital, management and inspection, surveys, public outreach, and others as appropriate that are part of the scope of work approved by the Commission in the IPR. RM2 funds are eligible for reimbursement of sponsor's management oversight expenses associated with the construction of the project. This would include activities such as construction management, inspection, expenses associated with reviewing proposed change orders, and activities involved with managing the fund sources contributing to the project.

Any questions regarding eligible costs will be resolved in writing by MTC staff.

Capital improvements and vehicle procurements for the implementation of the approved RM2 projects are eligible for construction funds. Vehicles procured with RM2 funds must be operated in revenue service for their useful life, as defined by MTC's Transit Capital Priorities process and criteria program.

### **5. Project Sponsor/ Implementing Agency Costs**

The amount for which the project sponsor/implementing agency can be reimbursed will be limited, as described below. In all cases, project sponsor/ implementing agency costs will be reimbursed within the cap of project funds stipulated in RM2. These changes are applicable to expenses beginning July 1, 2005. Prior to July 1, 2005, overhead expenses are not eligible for reimbursement.

- a) **DIRECT STAFF COSTS.** Implementing agency staff costs are eligible, provided costs are directly related to the project tasks. Allowable implementing agency staff costs shall include the actual salary and fringe benefits directly related to the project only.
- b) **INDIRECT OVERHEAD COSTS.** An overhead rate for indirect costs can be assessed on direct staff costs (salary and fringe benefit costs) only. The overhead rate shall be calculated by multiplying total labor cost (salaries and fringe benefits as described in above), by the sponsors' or implementing agencies' overhead rate as approved in its OMB Circular A-87 standard or an equivalent rate accepted by MTC. For projects with multiple project sponsors, the project sponsors must mutually agree to the method and overhead rate being applied to that particular RM2 project. The overhead rate effective July 1 of each year shall be applied for the entire fiscal year. Sponsors and implementing agencies may update the rate as of July 1 of each fiscal year. The amount reimbursable for the overhead rate shall not exceed 50% of the direct staff cost and shall not be leveraged on consultant contract or equipment costs. Project sponsors and implementing agencies must self certify and submit an independent opinion with respect to its agency compliance with OMB Circular A-87 standards and laws.
- c) **OTHER DIRECT PROJECT COSTS.** Other direct costs as approved by MTC.
- d) **CONSULTANT COSTS.** Consultant services directly responsible for delivering the project are eligible. Consultant services shall be listed separately and supported in the invoice submittal to MTC.

## **6. Miscellaneous Costs**

The costs of fees from other agencies, including permit fees, or reimbursement for review or oversight costs needed for the project are eligible costs. However, the cost of permits or fees from the sponsor will not be eligible. Utility relocation costs are eligible for reimbursement according to previous agreements establishing rights for those utilities. The costs for specialized equipment for testing, analysis or production of documents for project-related work are also eligible.

### **Invoicing and Reimbursements**

All eligible costs shall be invoiced on a reimbursable basis. Sponsors are encouraged to invoice quarterly and not more frequently than monthly. Any exceptions for supplemental payments must be approved in advance by MTC. For each fiscal year in which expenditures are incurred, sponsors should invoice at least once in that fiscal year. Invoices shall include only eligible costs and must show that the RM2 and matching fund sources are reimbursed and drawn down at approximately the same rate as the RM2 funds. Costs shall be accounted for in the invoice, sufficient to detail services performed with respect to the project scope as approved by MTC and payments made. An invoice format is provided to sponsors by MTC and shall include appropriate supporting reports from the sponsoring agency's general ledger. Approval of invoices shall be contingent on the timely submittal of Progress Reports. In the event such Progress Reports are not complete and current, approval of invoices shall be withheld until an acceptable Progress Report is submitted. Final reimbursement of funds will be subject to review of the delivered

useable/ operable phase or segment and project close out procedures except if all the funds are used before project closeout.

**MTC has implemented a few changes in invoicing procedures effective March 1, 2010, to reduce turnaround time for invoice processing, improve invoice tracking, and improve progress on projects entering or already in more complex and capital intensive phases. These changes include a) revisions in the standard invoicing forms on all projects; b) new invoicing forms requiring additional information on select projects in (or entering) complex and capital intensive phases; c) electronic invoices to be provided along with the usual hard copies on the select projects.** Availability for Audits  
Sponsors of capital projects shall be available for an audit as requested by MTC.

### **TIMELY USE OF FUNDS PROVISIONS AND DEADLINES**

The majority of fund sources used for transportation improvements are bound by timely use of funds deadlines. Failure to meet specific funding milestones can result in the funds being deleted from the project. In the event of funding loss due to the sponsor's inability to meet timely use of funds provisions, the sponsor must demonstrate that the project or project phase is still deliverable.

Generally, project sponsors should encumber funds within one year of receiving an allocation. With respect to project phase milestones 1) sponsors should not take more than 3 years to complete the environmental document and clearance process for environmental phase allocations and 2) Right of Way agreements should be finalized within two years of the allocation of funds for right of way acquisition. Deviations from these timely use of funds guidelines should be highlighted in the progress reporting process and sponsors are required to provide an explanation for this lapse. Amendments, adjustments and extensions should be requested in writing and must be approved, in writing, by MTC staff.

Project sponsors must demonstrate and certify that they can meet all of the timely use of funds deadlines as part of the financial plan included in the Initial Project Report for the various fund sources on the project. It is encouraged that project sponsors follow the provisions of the Regional Project Delivery Policy (MTC Resolution No. 3606).

### **Project Cancellation**

If the RM2 project or project phase is not completed, the project sponsor shall repay MTC any RM2 funds expended above the proportionate share of eligible costs for the project or project phase. With regard to vehicle procurements, removal from revenue service or sale of the vehicle prior to the end of the vehicle's useful life will result in repayment to MTC and the RM2 program for the depreciated value of the vehicle at the time of removal or sale.

Following the Commission consultation with the sponsor, public hearing and determination to redirect funds from the project, payment to MTC shall be made with interest and shall be made in accordance with a negotiated repayment schedule, not to exceed 24 months. MTC shall withhold funds due the sponsor for any missed payments under the negotiated agreement.

## **OTHER PROJECT COST CONDITIONS**

### **Maintenance and Operating Costs**

Pertaining to capital projects outlined in Streets and Highways Code Section 30914 (c), it is the obligation of the project sponsor to arrange for all costs to operate and maintain the improvement constructed under RM2. No costs will be considered as eligible for reimbursement out of RM2 funds to operate or maintain the facility or any portion of the facility. Requests for any initial startup costs as part of the construction contract must be approved in writing by MTC staff.

### **Escalated Costs**

RM2 funding for any individual project or program shall be limited to the amount designated in the RM2 legislation notwithstanding the provisions of Section 30914(f). If funding beyond RM2 amounts are required to complete the project phase the sponsor is responsible for securing the additional funding prior to allocation of RM2 funds.

### **Cost Increases**

In cases where more than RM2 funds are needed to complete a project phase, it is the sole responsibility of the sponsor to secure the additional necessary funding. In the event that the sponsor cannot secure additional funding, and/or the project cannot be segmented, phased, or rescope to meet the available funds and still conform to the intent of the legislation and voter mandate, the Commission shall consult with the program or project sponsor, and conduct a public hearing as outlined in S&HC Section 30914(f). After the hearing, the Commission may vote to modify the project's or program's scope, decrease its level of funding, or reassign all of the funds to another regional project or program within the same corridor. If the existing project is removed from the RM2 program, MTC and the sponsor agree to share expenditures of eligible costs to date in accordance with the allocation conditions accompanying the project allocation.

Contract change orders or cost increases that may arise once the contract has been awarded that are in excess of \$250,000 or 20% of the project cost, whichever is less, shall be noticed to MTC as soon as those increases have been identified or no later than the next scheduled Progress Report. The project sponsor will provide assurance that the project phase the Commission allocated to is still deliverable. A revised financial plan for the project shall be included as part of the submitted Progress Report.

The sponsor is not authorized to claim any RM2 funds in excess of the allocation amount approved by the Commission.

**In no case shall the financial responsibility of BATA and/or MTC regarding RM2 funds exceed the amount designated in S&HC 30914 (c) and (d) unless the Commission reassigns funds.**

### **Cost Savings and Cost Increases at Bid Opening**

At the time of bid opening, the responsible low bid may exceed the funding commitment of RM2 funds as well as other fund sources. If in the event of construction budget exceedences, the sponsor may seek an allocation of any remaining RM2 funds not yet allocated to the project only if other funds are committed in sufficient amounts to deliver the construction phase. If all available fund sources are not sufficient to award the project, the sponsor shall consult with MTC on suitable measures to enable the project to proceed, including but not limited to downscoping the project and rebidding, providing additional clarity to enable a more cost-effective bid, or seeking additional revenues. In no case shall the sponsor exceed the levels of RM2 funding

allowable under Street and Highway Code Section 30914(c). In utilizing all available funding from all sources for contract award, the sponsor shall consult with MTC staff on the likelihood of cost increases during construction and what contingencies are available to address these costs, including the presentation of a risk management plan for constraining construction expenditures to available revenues. In the event of projected cost savings at bid opening, the proportional share of RM2 funds will be rescinded and shall be available to the sponsor for any cost increases associated with the project after construction award until the time of final close-out of the bid phase, including the settlement of all claims. Any requests for exceptions will be considered on a case-by-case basis.

## **MONITORING AND REPORTING REQUIREMENTS**

### **Annual Updates**

On an annual basis, sponsors and implementing agencies may be asked to notify the Commission of anticipated allocation requests for subsequent fiscal year (12 months). The Commission's capacity to allocate RM2 funds depends in part on the information provided by the sponsors and the failure to comply may result in the sponsor's allocation request being deferred until such time when RM2 funds become available.

### **Semi-annual Progress Reports**

As directed by MTC, sponsors and/or implementing agencies will provide MTC with a Semi-Annual Progress Report. Semi-annual periods begin on July 1 and January 1 of any given fiscal year. These reports are meant to update MTC on the project's scope, cost, and schedule. These reports shall include the following:

- **Status:** the phase currently underway and the progress since the last report; major meetings and decisions on the project; any significant accomplishments; any setbacks to the project. The sponsor should note whether they anticipate any problems, and what area these problems exist in.
- **Expenditures to date:** these will be specified as expenditures since the prior reporting, and will include all funding sources including RM2. These will be in sufficient detail to determine that they are eligible expenses.
- **Schedule changes:** any changes in the project schedule as outlined and approved in the IPR and the consequences of those changes, particularly related to project costs. If the schedule has been modified, a revised schedule must be attached.
- **Cost changes:** all changes should be noted in the Progress Report; changes greater than 20% or \$250,000 dollars, whichever is less, must be accompanied by a detailed explanation of what options the sponsor has considered to manage the change. If costs have changed by more than \$250,000 or 20%, whichever is greater, a revised funding plan and cash flow schedule must be attached.
- **Potential Claims:** If RM 2 funds are utilized for the construction phase of the project, then the sponsor must certify if there are any Notices of Potential Claim. If they exist, a summary of such notices as well as the likely cost or schedule impact shall be included. Upcoming allocation requests: Sponsors are requested to provide information on upcoming allocation requests; MTC's capacity to allocate RM2 funds depends in part on the information provided by the sponsors and the failure to comply may result in the sponsor's allocation request being deferred until such time when RM2 funds become available.



- Status of Project Specific Conditions: If project specific conditions were approved as part of the allocation, the sponsor must address the status of meeting the condition.
- Failure to provide the report and required information shall be ground for MTC to withhold reimbursements until a report is submitted and accepted by MTC.

### **Project Close Out**

The Implementing Agency shall be responsible for notifying MTC of the completion of project, prior to submitting the final invoice for the project. After notification, MTC staff will provide the sponsor with the appropriate forms to close out the project, specific to the project type. The final close-out procedure for a project may include sponsor provided documentation verifying the completion of the project, summarizing project costs and expenditures with a reconciliation of balances remaining on the project, transmittal of final deliverables, and on-site field visits. For projects that expend all of the RM 2 funds before completing the overall project as stipulated in statute, MTC has the discretion to continue requesting progress reports on the project. This will be considered on a case-by-case basis. In case of RM2 projects that include complementary bridge toll funds (RM1/AB1171) that have not been expended as yet, sponsors will be expected to continue to provide progress reports on the status of these projects.

### **At Risk Report/Cooperation with Consultants**

Upon receipt of the sponsor-submitted semi-annual progress reports, MTC shall prepare an At-Risk Report (Report) for submittal to the Commission that outlines critical scope, cost, or schedule changes to the project. The sponsor shall cooperate with MTC or any authorized agent of MTC in the preparation of the Report. The report will be presented to the Commission to determine the ability of the project or project phase to be delivered, per Section 30914(f) of the S&HC. Regarding scope changes, any changes resulting in changes in costs or schedule should be delineated.

## **CONSISTENCY WITH OTHER PLANS AND POLICIES**

### **RTP Consistency**

Capital projects seeking allocations must be consistent with the adopted Regional Transportation Plan (RTP), which state law requires be consistent with federal planning and programming requirements.

### **CMP Consistency**

For capital projects, it is required that all committed project phases be included in a Countywide Plan. The phase of the project requiring funding shall be in an approved County Congestion Management Plan (CMP) or in an adopted Capital Improvement Program (CIP) for counties that have opted out of the CMP requirement, prior to seeking allocation of RM2 funds. For multi-county projects, the project must be in the countywide plans and CMP/CIP of the counties affected by the project.

### **TIP and Air Quality Conformity**

Federal laws governing requirements for regions to achieve or maintain federally mandated air quality standards require that all regionally significant transportation improvements be part of a required regional conformity finding. This conformity finding is performed by MTC, the Metropolitan Planning Organization (MPO) for the Bay Area, in concert with the Bay Area Air Quality Management District and the Association of Bay Area Governments and must state that if all the transportation improvements proceed, air quality standards can be reached.

A project is regionally significant if it increases transit or highway capacity or offers an alternative to established regional highway travel. Projects must be included in the conformity analysis, regardless of their fund source. To that extent, all regionally significant RM2 projects must be included in the conformity analysis for the Regional Transportation Plan (Plan) and Transportation Improvement Program (Program). Project sponsors are responsible for updating the TIP listing for their projects following an RM2 allocation or rescission or other significant change to the project. Project specific air quality conformity analysis and findings are the sole responsibility of the project sponsor.

### **Accommodations for Bicyclists, Pedestrians and Persons with Disabilities**

Federal, state and regional policies and directives emphasize the accommodation of bicyclists, pedestrians, and persons with disabilities when designing transportation facilities. As with many existing projects in the Bay Area, an RM2 project is likely to have a number of fund sources that make it whole. A project must incorporate the appropriate policy associated with the fund sources that make up the project. Federal, State, and regional policies and directives regarding non-motorized travel include the following:

#### **Federal Policy Mandates**

TEA-21 states that, "Bicycle transportation facilities and pedestrian walkways shall be considered, where appropriate, in conjunction with all new construction and reconstruction of transportation projects, except where bicycle and pedestrian use are not permitted" (Section 1202).

#### **State Policy Mandates**

Caltrans Deputy Directive 64 (<http://www.dot.ca.gov/hq/tpp/offices/bike/DD64.pdf>), states: "the Department fully considers the needs of non-motorized travelers (including pedestrians, bicyclists, and persons with disabilities) in all programming, planning, maintenance, construction, operations, and project development activities and products. This includes incorporation of the best available standards in all of the Department's practices. The Department adopts the best practices concept in the US DOT Policy Statement on Integrating Bicycling and Walking into Transportation Infrastructure."

#### **Routine Accommodations Policy**

MTC Resolution 3765 requires agencies applying for regional transportation funds to consider the needs of bicyclists and pedestrians in the process of planning and designing a project.

#### **Resolution 3434 TOD policy**

In order to support the development of communities around new transit lines and stations, MTC adopted a [Transit-Oriented Development \(TOD\) Policy](#) that applies to key transit extension projects in the Bay Area. RM2 projects, as appropriate shall comply with the TOD policy.

#### **Intelligent Transportation Systems Policy**

In collaboration with federal, state, and local partners, MTC is developing the regional Intelligent Transportation Systems (ITS) architecture. MTC, state and federal agencies will soon require projects funded with federal highway trust funds to meet applicable ITS architecture requirements. Through the on-line WEBFMS application process, project sponsors will identify

the appropriate ITS category, if applicable. Information on the regional ITS architecture can be found at: <http://www.mtc.ca.gov/planning/ITS/index.htm>.

### **Transit Coordination Policy**

#### **Res. 3866 (Transit Coordination Implementation Plan)**

Res. 3866 establishes coordination requirements for Bay Area transit operators to improve the transit customer experience when transferring between transit operators and in support of regional transit projects like Clipper (formerly TransLink<sup>®</sup>), 511 and the Hub Signage Program. Any agency that is an eligible recipient of funds subject to allocation or programming by MTC – including RM2 capital funds – is subject to Res. 3866 requirements. If a transit operator fails to comply, MTC may invoke the provisions of MTC Resolution No.3866, which could affect access to funds.

### **Traffic Operations System Policy for Major New Freeway Projects**

It is the Commission's policy that all major new freeway projects included in the Transportation 2030 Plan and subsequent regional transportation plans shall include traffic operations system (TOS) elements to effectively operate the region's freeway system and coordinate with local transportation management systems. MTC is requiring that all applicable RM2 projects conform to the regional policy. For purposes of this policy, a "major freeway project" is a project that adds lanes to a freeway, constructs a new segment of freeway, modifies a freeway interchange, or reconstructs an existing freeway. A project is considered "new" if it does not have an approved Project Study Report (PSR) by December 2004. Caltrans shall operate, manage, maintain and replace the TOS elements installed within its right-of-way.

## **SECTION 3 – OPERATING PROGRAM GUIDANCE**

### **BACKGROUND**

Regional Measure 2 (RM 2) will provide operating support for a number of transit services. These projects are identified in Section 30914(d) of the California S&HC.

On October 13, 2004, the Federal Highway Administration with concurrence of the Federal Transit Administration approved the use of toll revenues from the four non-federalized Bay Area bridges for funding transit operations through the RM2 program. This decision allows MTC to begin allocating operating funds to the projects that were approved as part of RM2.

RM2 funds for operating assistance will be made available annually in accordance with the policies and procedures defined in this section.

### **ALLOCATION PROCESS**

Prior to the beginning of each fiscal year MTC will adopt a project specific budget for RM 2 operating funds. It is against this budget, subject to meeting eligibility requirements and fund availability, that project sponsors should request operating allocations.

In S&HC 30914.5(b), MTC is directed to execute an operating agreement with sponsors seeking RM2 funding covering operating assistance for transit services. These agreements are to be executed through a process of project sponsor governing board certification followed by Commission allocation action. The annual funding agreement will consist of approval by both project sponsors and MTC of the terms outlined in the sponsor Implementing Agency Resolution and Operating Assistance Proposal (OAP). The Implementing Agency Resolution should provide evidence of a full funding plan, adherence to performance measures, local agreement to conditions, local certification of absence of legal impediments and local indemnification of the Commission and adherence to the planned activity as outlined in the OAP.

### **Environmental Documentation**

Pursuant to California Environmental Quality Act (CEQA) Public Resources Code §21000, et seq., all applicants are required to indicate that an environmental document has been filed with the County Clerk for each project in their annual application. Please refer to Public Resources Code and Title 14 of the California Code of Regulations for more information. At the time of service initiation, an applicant may submit a request for RM2 funding to cover the costs of the environmental assessment for the RM2 route. Applicants are urged to refer to the statutory and regulatory sections cited when preparing the environmental assessment documents. Applicants should consult their environmental officer for guidance in completion of this requirement. An application for operating funds solely to maintain existing transit services normally will be a Class I categorical exemption under CEQA, and requires only a Notice of Exemption. Applicants should check with their environmental officer for further assistance.

**Allocation Applications**

An allocation request will be considered complete and ready for consideration by the Commission when all of the component elements to the request are submitted and approved for forwarding to the Commission by MTC staff. Each request must be submitted using the most current forms available on the MTC website. Most operating project sponsors will prepare their requests as part of an application for Transportation Development Act funds submitted to MTC annually. For project sponsors that do not receive those funds, applications for operating assistance should be submitted sixty days prior to the expected allocation date and should include the following material:

1. Cover letter detailing the allocation request;
2. Implementing Agency Resolution; \*
3. Operating Assistance Proposal;
4. Opinion of Legal Counsel; \*
5. Environmental documentation;
6. Certifications and assurances; and
7. Fiscal audit.

\* Project sponsors have the option of consolidating the ‘Implementing Agency Resolution’ and the ‘Opinion of Legal Counsel.’

Appendix B details the formats for the Implementing Agency Resolution, Operating Assistance Proposal, the Opinion of Legal Counsel, and the Certifications and Assurances. RM2 operating project sponsors not eligible for Transportation Development Act funding should contact MTC for the most recent Operating Assistance Proposal.

Staff will review the operating assistance request to ensure that the project request meets eligibility per S&H code 30914(d), compliance with financial audit requirements, satisfaction of established performance measures, and other requirements outlined in this policies and procedures manual.

**ELIGIBILITY****Reimbursable Activities**

Transit services eligible to receive operating assistance under RM2 are those projects identified under Section 30914(d) of the S&HC. These projects and services have been determined to reduce congestion or to make improvements to travel in the toll bridge corridors. Due to other federal, state and regional requirements, full eligibility for the receipt of RM2 funding is not determined until approval of the funding allocation by the Commission.

Operating costs included in the operating expense object classes of the uniform system of accounts, exclusive of depreciation and amortization expenses and direct costs for providing charter service, are eligible for RM2 operating assistance. Eligible expenses for operating follow the eligibility criteria for Transportation Development Act funds.

Service initiation costs for RM2 routes – including preparation of environmental clearance – are an eligible expense.

No operator or transit service claimant shall be eligible to receive moneys during the fiscal year from RM2 operating assistance for operating costs that exceed its actual operating cost for the service identified in S&HC 30914(d) or subsequently amended through an action by the MTC Commission (including payment for disposition of claims arising out of the operator's liability) in the fiscal year less the

1. amount of fare revenues received during the fiscal year.

For those cases where the RM2 service is a portion of an operator's service, the methodology used to derive the costs and revenues for the route must be specified at the time of allocation. Any change in the methodology must be approved by MTC staff in advance and may require a revision to the allocation.

The period of eligibility for operating expenses is for the fiscal year for which the allocation is made. The term fiscal year has reference to the year commencing July 1 and ending June 30 of the following year.

Notwithstanding the provisions listed above for transit operating, for purposes of TransLink® and Water Transit Authority administrative expenses, the Federal Highway Administration (FHWA) and Federal Transit Administration (FTA) have determined that planning activities are eligible for reimbursement from toll revenues. Allocation for planning activities will be in accordance with federal guidance and may need to be reviewed by federal agencies in advance of the allocation to confirm that the planned activities are Title 23 eligible.

### **Consistency with Plans**

In addition to the eligibility requirements outlined above, applicants must demonstrate consistency with regional plans and federal planning requirements including but not limited to:

- MTC Regional Transportation Plan: For operations projects, applicants should provide the necessary project reference or information to verify that their project is compatible with the RTP.
- Applicant's Short Range Transit Plan (SRTP) or Countywide Plan: For operations projects, applicants should reference how the project is reflected in their Short Range Transit Plan or County-wide Five Year Plan. All transit operators that receive operating assistance shall prepare a Short Range Transit Plan, or planning/budget document equivalent for their system, including reference to the planned use of RM2 bridge tolls as part of their overall operations. Failure to complete an SRTP could delay an allocation or make a project sponsor ineligible for RM2 operating assistance.
- Air Quality Conformity: An applicant's project must be consistent with the TIP for which MTC has completed an air quality conformity assessment.

### **DISBURSEMENT OF FUNDS**

After approval by the Commission, allocations of RM2 operating funds will be disbursed in accordance with the terms and conditions established in the allocation instructions by MTC. Generally, allocation instructions will direct payments to be made monthly in advance, subject to quarterly adjustments to reflect actual expenses against monthly invoices. Sponsors are required to submit the final fiscal year invoice by July 30th. All disbursements are subject to the availability

of bridge toll revenues and determination of eligible expenses. Specific invoicing procedures will be provided to the sponsor.

Disbursement of RM2 operating assistance may be delayed, cancelled, or adjusted based on MTC audit findings of ineligible expenses. Delinquency of report submittals or failure to comply with other RM2 operating assistance conditions could be grounds for withholding disbursement of funding or rescinding allocations.

## **MONITORING REQUIREMENTS**

### **Annual Update of Operating Assistance Plan**

Streets and Highway Code 30914.5(b) requires that MTC enter into an agreement with all recipients of RM2 operating assistance that shall include, at a minimum, a fully funded operating plan that conforms to and is consistent with the adopted performance measures. The agreement shall also include a schedule of projected fare revenue and any other operating revenues needed to demonstrate that the service is viable in the near-term and is expected to meet the adopted performance measures. These agreements are to be executed through a process of project sponsor governing board certification followed by Commission allocation action as discussed above in Allocation Process.

Applicants for RM2 operating assistance will use the Operating Assistance Plan (OAP) to demonstrate a fully funded operating plan that is consistent with MTC adopted performance measures. The submittal shall be due May 1<sup>st</sup> for July allocations, or on a rolling basis thereafter, and be updated to reflect audited actual expense data as well as adjusted current year financial and operating data statistics, as appropriate.

The OAP required information is included in Appendix B or in the most current Transportation Development Act funding application. RM2 operating project sponsors not eligible for Transportation Development Act funding should contact MTC for the most recent OAP.

### **Performance Measures**

Prior to allocation of revenue for transit operating assistance under subdivision (d) of Section 30914 of the S&HC, the MTC shall adopt performance measures related to farebox recovery, ridership, and other performance measures as needed. The performance measures are included in Appendix C, Part 5. Any request to change approved performance measures, or the recording and reporting of those measures, must be approved in advance and in writing by MTC staff.

The performance measures, as developed in concert with the affected transit operators and the Advisory Council and as approved by the Commission, will effect allocations starting in FY 2006-07. The applicable year for calculating performance measures will be two years in arrears of a requested allocation year. In other words, for FY 2006-07 operating allocations, the Commission will base compliance with the performance measures on FY 2004-05 operating performance.

An independent auditor in the fiscal audit, as discussed below shall verify the certification of compliance with adopted performance measures. Failure to report and meet performance measures established by MTC may be grounds for delays or adjustment to future allocations.

**Fiscal Audit**

As established in S&H Code 30914.5(c), prior to annual allocation of transit operating assistance by the MTC, the MTC shall conduct an independent audit that contains audited financial information, including an opinion on the status and costs of the project and its compliance with the approved performance measures. At a minimum, the fiscal audit will provide the auditor's professional opinion as to whether RM2 operating assistance was spent on eligible costs and performance measures status.

All fiscal and accounting records and other supporting papers shall be retained for a minimum of four years following the close of the fiscal year of expenditure.

**Cooperation with MTC and MTC's Consultants**

Recipients of RM2 operating assistance funds agree to work cooperatively with MTC staff and MTC consultants to provide operating statistics that will be used to monitor the effectiveness of the RM2 operating program and consistency with MTC adopted performance measures. This includes but is not limited to assisting in the collection of survey data, on-board vehicle counts, and making available relevant ridership and costs information. It is important to note that, in most cases, these performance measures will be route-specific and therefore require isolation of the operating cost, passenger boardings, and fare revenue for the route or line for which RM 2 operating assistance is secured.



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## **Appendix A – Capital Allocation Request Forms**

### **Part 1: RM2 Implementing Agency Resolution of Project Compliance**

#### **Resolution No.**

**Implementing Agency:**

**Project Title:**

WHEREAS, SB 916 (Chapter 715, Statutes 2004), commonly referred as Regional Measure 2, identified projects eligible to receive funding under the Regional Traffic Relief Plan; and

WHEREAS, the Metropolitan Transportation Commission (MTC) is responsible for funding projects eligible for Regional Measure 2 funds, pursuant to Streets and Highways Code Section 30914(c) and (d); and

WHEREAS, MTC has established a process whereby eligible transportation project sponsors may submit allocation requests for Regional Measure 2 funding; and

WHEREAS, allocations to MTC must be submitted consistent with procedures and conditions as outlined in Regional Measure 2 Policy and Procedures; and

WHEREAS, (agency name) is an eligible sponsor of transportation project(s) in Regional Measure 2, Regional Traffic Relief Plan funds; and

WHEREAS, the (project title) is eligible for consideration in the Regional Traffic Relief Plan of Regional Measure 2, as identified in California Streets and Highways Code Section 30914(c) or (d); and

WHEREAS, the Regional Measure 2 allocation request, attached hereto in the Initial Project Report and incorporated herein as though set forth at length, lists the project, purpose, schedule, budget, expenditure and cash flow plan for which (agency name) is requesting that MTC allocate Regional Measure 2 funds; now, therefore, be it

RESOLVED, that (agency name), and its agents shall comply with the provisions of the Metropolitan Transportation Commission's Regional Measure 2 Policy Guidance (MTC Resolution No. 3636); and be it further

RESOLVED, that (agency) certifies that the project is consistent with the Regional Transportation Plan (RTP); and be it further

RESOLVED, that the year of funding for any design, right-of-way and/or construction phases has taken into consideration the time necessary to obtain environmental clearance and permitting approval for the project; and be it further

RESOLVED, that the Regional Measure 2 phase or segment is fully funded, and results in an operable and useable segment; and be it further

RESOLVED, that (agency name) approves the updated Initial Project Report, attached to this resolution; and be it further

RESOLVED, that (agency name) approves the cash flow plan, attached to this resolution; and be it further

RESOLVED, that (agency name) has reviewed the project needs and has adequate staffing resources to deliver and complete the project within the schedule set forth in the updated Initial Project Report, attached to this resolution; and, be it further

RESOLVED, that (agency name) is an eligible sponsor of projects in the Regional Measure 2 Regional Traffic Relief Plan, Capital Program, in accordance with California Streets and Highways Code 30914(c); and be it further

RESOLVED, that (agency name) is authorized to submit an application for Regional Measure 2 funds for (project name) in accordance with California Streets and Highways Code 30914(c); and be it further

RESOLVED, that (agency name) certifies that the projects and purposes for which RM2 funds are being requested is in compliance with the requirements of the California Environmental Quality Act (Public Resources Code Section 21000 et seq.), and with the State Environmental Impact Report Guidelines (14 California Code of Regulations Section 15000 et seq.) and if relevant the National Environmental Policy Act (NEPA), 42 USC Section 4-1 et. seq. and the applicable regulations thereunder; and be it further

RESOLVED, that there is no legal impediment to (agency name) making allocation requests for Regional Measure 2 funds; and be it further

RESOLVED, that there is no pending or threatened litigation which might in any way adversely affect the proposed project, or the ability of (agency name) to deliver such project; and be it further

RESOLVED, that (agency name - include for transit projects/sponsors only) agrees to comply with the requirements of MTC's Transit Coordination Implementation Plan as set forth in MTC Resolution 3866; and be it further

RESOLVED, that (agency name) indemnifies and holds harmless MTC, its Commissioners, representatives, agents, and employees from and against all claims, injury, suits, demands, liability, losses, damages, and expenses, whether direct or indirect (including any and all costs and expenses in connection therewith), incurred by reason of any act or failure to act of (agency name), its officers, employees or agents, or subcontractors or any of them in connection with its performance of services under this allocation of RM2 funds. In addition to any other remedy authorized by law, so much of the funding due under this allocation of RM2 funds as shall reasonably be considered necessary by MTC may be retained until disposition has been made of any claim for damages, and be it further

RESOLVED, that (agency name) shall, if any revenues or profits from any non-governmental use of property (or project) that those revenues or profits shall be used exclusively for the public transportation services for which the project was initially approved, either for capital improvements or maintenance and operational costs, otherwise the Metropolitan Transportation Commission is entitled to a proportionate share equal to MTC's percentage participation in the projects(s); and be it further

RESOLVED, that assets purchased with RM2 funds including facilities and equipment shall be used for the public transportation uses intended, and should said facilities and equipment cease to be operated or maintained for their intended public transportation purposes for its useful life, that the Metropolitan Transportation Commission (MTC) shall be entitled to a present day value refund or credit (at MTC's option) based on MTC's share of the Fair Market Value of the said facilities and equipment at the time the public transportation uses ceased, which shall be paid back to MTC in the same proportion that Regional Measure 2 funds were originally used; and be it further

RESOLVED, that (agency name) shall post on both ends of the construction site(s) at least two signs visible to the public stating that the Project is funded with Regional Measure 2 Toll Revenues; and be it further

RESOLVED, that (agency name) authorizes its (Executive Director, General Manager, or his/her designee) to execute and submit an allocation request for the (environmental/ design/ right-of-way/ construction) phase with MTC for Regional Measure 2 funds in the amount of (\$ \_\_\_\_\_), for the project, purposes and amounts included in the project application attached to this resolution; and be it further

RESOLVED, that the (Executive Director, General Manager, or his/her designee) is hereby delegated the authority to make non-substantive changes or minor amendments to the IPR as he/she deems appropriate.

RESOLVED, that a copy of this resolution shall be transmitted to MTC in conjunction with the filing of the (agency name) application referenced herein.

**Part 2: RM2 Sample Opinion of Legal Counsel**

Project sponsors have the option of including specified terms and conditions within the Resolution of Local Support as included in Part 1. If a project sponsor elects not to include the specified language within the Resolution of Local Support, then the sponsor shall provide MTC with a current Opinion of Counsel stating that the agency is an eligible sponsor of projects for the Regional Measure 2; that the agency is authorized to perform the project for which funds are requested; that there is no legal impediment to the agency applying for the funds; and that there is no pending or anticipated litigation which might adversely affect the project or the ability of the agency to carry out the project. A sample format is provided below.

(Date)

To: Metropolitan Transportation Commission  
Fr: (Applicant)  
Re: Eligibility for Regional Measure 2 funds

This communication will serve as the requisite opinion of counsel in connection with the allocation of (Applicant) \_\_\_\_\_ for funding from Regional Measure 2 Regional Traffic Relief Plan made available pursuant to Streets and Highways Code Section 30914(c)(d) for (Project Name) \_\_\_\_\_

1. (Applicant) \_\_\_\_\_ is an eligible sponsor for the Regional Measure 2 funding.
2. (Applicant) \_\_\_\_\_ is authorized to submit an allocation request for Regional Measure 2 funding for (project) \_\_\_\_\_
3. I have reviewed the pertinent state laws and I am of the opinion that there is no legal impediment to (Applicant) \_\_\_\_\_ making applications for Regional Measure 2 funds. Furthermore, as a result of my examinations, I find that there is no pending or threatened litigation that might in any way adversely affect the proposed projects, or the ability of (Applicant) \_\_\_\_\_ to carry out such projects.

Sincerely,

\_\_\_\_\_  
Legal Counsel

\_\_\_\_\_  
Print name

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### **Part 3: RM2 Initial Project Report (IPR) Format**

Section 30914(e) of the California Streets and Highways Code requires that project sponsors with projects listed in the capital program of the Regional Traffic Relief Plan (Section 30914(c)) submit an Initial Project Report (IPR) to the Metropolitan Transportation Commission (MTC) by July 1, 2004. Furthermore, MTC requires the project sponsor to submit an updated report along with any funding allocation request. The governing board of the agency submitting the allocation request must approve the updated IPR before MTC can approve the IPR, or allocation of funds. MTC will approve the report, or updated report, in conjunction with the funding allocation.

The report shall include all information required to describe the project in detail, including identification of lead sponsor, the status of any environmental documents relevant to the project, additional funds beyond RM2 required to fully fund the project, the amount, if any, of funds expended to date, a summary of any impediments to the completion of the project, a detailed financial plan, and notification of whether Regional Measure 2 (RM2) funds will be needed within the subsequent 12 months (following fiscal year). The Initial Project Report is outlined below, with the electronic template available at [www.mtc.ca.gov](http://www.mtc.ca.gov).

- **Project Description and Sponsor Information**, including identification of lead sponsor in coordination with all identified sponsors, and identification of agency to seek and receive allocations from MTC,
- **Project Delivery Information**, including summary of any impediments to the completion of the project, status of any environmental documents relevant to the project, status of the project phases and delivery milestones, and discussion of the operability of the project once completed.
- **Project Budget Information**, including the total budget for the project, and any prior expenditure.
- **RM2 Funding Need Information**, including RM2 expenditure (cash flow) plan, status of any prior RM2 expenditures, and identification of any RM2 funding needs for the next fiscal year, and beyond.
- **Project Funding Information**, including identification of committed funding to the project, any uncommitted funding required to fully fund the project, and segregation of the RM2 deliverable segment if different from the total project. Any timely use of funds requirements must be noted and incorporated into the overall funding schedule of the financial plan. The RM2 phase or component must be fully funded with committed funds, and it must be demonstrated that the RM2 funded phase or component results in a useable or operable segment. For transit projects resulting in expanded or enhanced services, the sponsor shall document the financial capacity to operate and maintain those services for a period of at least 10 years following the year services are initiated.
- **Allocation Budget Plan**. The sponsor must complete an Estimated Budget Plan (EBP) outlining the agency costs, consultant costs, and any other costs associated with the delivery of the Work Plan element for the allocation request. The EBP should represent both the RM2 funds as well as the complementary funds (for projects with complementary fund sources) for the entire work scope.

**Appendix A**

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- **Governing Board Action**, including verification of approval of the IPR. The IPR must be approved by the board or governing body of the agency responsible for preparing and submitting the IPR and requested the allocation of RM2 funding prior to MTC approval of the IPR and allocation of funds. Verification of the governing board action should be attached to the IPR.
- **Agency Contact and IPR Preparation Information**, including agency and project manager, and IPR preparer contact information, and date the report was prepared or updated.

#### **Part 4: Environmental Documentation**

Pursuant to California Environmental Quality Act Public Resources Code §21000, et seq., all applicants are required to submit a valid environmental document that has been certified by the County Clerk for each project. Please refer to Public Resources Code and Title 14 of the California Code of Regulations for more information. Applicants are urged to refer to the statutory and regulatory sections cited when preparing any environmental assessment under CEQA or NEPA. Applicants should consult their environmental officer for guidance in completion of this requirement. If a project is federally funded or is anticipated to be federally funded, project sponsors must submit approved National Environmental Protection Act documents.

#### **Part 5: RM2 Evidence of Allocation and Commitment of Complementary Funds**

Applicants are required to submit evidence of the commitment of complementary funds for the phase for which the applicant is seeking an allocation of RM2 funds. Copies of the applicable resolution(s) and/or governing body actions allocating the funds to the phase, within the years displayed in the cash flow plan, must be attached to the allocation request. The applicant must demonstrate that the phase is entirely funded prior to the allocation of RM2 funds. Part 6: RM2

#### **Allocation Work Plan**

The implementing agency must submit a detailed Work Plan covering the deliverables for which a RM2 funding allocation is being sought. The Work Plan should be consistent with the parameters included in the Board approved Initial Project Report, and must have sufficient detail regarding each deliverables' scope, cost and schedule. The elements of the work plan will serve as the basis of MTC staff review of project sponsor invoices. MTC staff will work with sponsors to ascertain the work breakdown level appropriate to the funding request being made. The Work Plan must be submitted with the allocation application request.

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## **Appendix B – Operating Allocation Request Forms**

### **Part 1: Certifications and Assurances**

(Sample form is available at [www.mtc.ca.gov](http://www.mtc.ca.gov))

Applicant certifies that, if RM-2 funding was received in the prior year, it has included the RM-2 costs and revenues in its general fiscal audit for that year. Applicant also assures that it will include the RM-2 costs and revenues in its general fiscal audit for the year in which funds are requested.

Applicant certifies to one of the following:

- 1) For bus operators, that it has submitted a copy of the California Highway Patrol (CHP) certification, which was issued within the last 13 months indicating compliance with California Vehicle Code §1808.1 and Public Utility Code §99251 (CHP "pull notice system and periodic reports").
- 2) For rail or ferry operators, it certifies that it is current on all inspections and certifications required by federal and state agencies.

Applicant for RM2 funds certifies that it has current SB 602 "joint fare revenue sharing agreements" in place with transit operators in the MTC region with which its service connects, and that it has submitted valid and current copies of all such agreements to MTC.

Applicant also agrees to participate in the Integrated Fare Structure and Transit Connectivity studies authorized in SB 916 (Chapter 715, Statutes of 2004).

Applicant for funds certifies that it complies with MTC's Transit Coordination Implementation Plan (MTC Resolution No. 3866, revised) and with Public Utilities Code §99314.5(c) and §99314.7).

The applicant may be asked to certify such other assurances as MTC may deem appropriate consistent with the RM2 Policies and Procedures outlined above.



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## **Part 2: RM2 Operating Assistance Proposal (OAP)**

The Operating Assistance Proposal (OAP) includes the information outlined below. The format for sponsors to complete is available to be downloaded at [www.mtc.ca.gov](http://www.mtc.ca.gov).

### **1. Description of Proposed Service**

- a. Map of service area.
- b. Description of markets being served (both travel demand as well as inter-operator connections)
- c. Description of methodology used to estimate ridership/assign ridership

### **2. Service Parameters**

- a. Service start/end times.
- b. Headways in the peak and off-peak
- c. Vehicles in service during the peak and off-peak
- d. Daily revenue vehicle hours

### **3. Budget Information**

- a. Basis of expense projections, i.e., description of cost model.
- b. Basis of fare revenue projections (assumptions on fare structure, including any increases over the five years, and resulting average fare).
- c. Description of other revenues – if subsidies from other agencies are included, describe status of commitments.
- d. Five-year projections and audited past actual and adjusted current year information for operating cost and revenue. Revenue projections should disaggregate fare revenue, TDA, local sales tax, private sector contributions, and other subsidies.

### **4. Operating Data and Performance Measures**

- a. Five-year projections and audited past actual and adjusted current year information for service parameters including annual ridership, weekday ridership, revenue vehicle hours, and revenue miles.
- b. Five-year projections and audited past actual and adjusted current year information for performance measures including farebox recovery ratio, passengers per revenue hour, cost per rider, subsidy per rider, and cost per revenue hour.

### **5. Implementation Schedule and Status Report**

- a. Proposed start date
- b. Environmental clearance – status and schedule
- c. Vehicles/other capital – status and procurement schedule for incremental capital needed to support RM2 funded operations.
- d. If partnering with other agencies, provide letters of support from partners.
- e. Description of potential implementation issues
- f. Once operational, please provide a status report on the implementation to-date as well as any planned schedule adjustments or other service changes in the coming year.

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### **Part 3: Sample RM2 Operating Board Resolution**

#### **Resolution No.**

**Implementing Agency:**

**Project Title:**

WHEREAS, SB 916 (Chapter 715, Statutes 2004), commonly referred as Regional Measure 2, identified projects eligible to receive funding under the Regional Traffic Relief Plan; and

WHEREAS, the Metropolitan Transportation Commission (MTC) is responsible for funding projects eligible for Regional Measure 2 funds, pursuant to Streets and Highways Code Section 30914(c) and (d); and

WHEREAS, MTC has established a process whereby eligible transportation project sponsors may submit allocation requests for Regional Measure 2 funding; and

WHEREAS, allocations to MTC must be submitted consistent with procedures and conditions as outlined in Regional Measure 2 Policy and Procedures; and

WHEREAS, (agency name) is an eligible sponsor of transportation project(s) in Regional Measure 2, Regional Traffic Relief Plan funds; and

WHEREAS, the (project title) is eligible for consideration in the Regional Traffic Relief Plan of Regional Measure 2, as identified in California Streets and Highways Code Section 30914(c) or (d); and

WHEREAS, the Regional Measure 2 allocation request, attached hereto in the Operating Assistance Proposal and incorporated herein as though set forth at length, demonstrates a fully funded operating plan that is consistent with the adopted performance measures, as applicable, for which (agency name) is requesting that MTC allocate Regional Measure 2 funds; and

WHEREAS, Part 2 of the project application, attached hereto and incorporated herein as though set forth at length, includes the certification by (agency name) of assurances required for the allocation of funds by MTC; now, therefore, be it

RESOLVED, that (agency name), and its agents shall comply with the provisions of the Metropolitan Transportation Commission's Regional Measure 2 Policy Guidance (MTC Resolution No. 3636); and be it further

RESOLVED, that (agency) certifies that the project is consistent with the Regional Transportation Plan (RTP).

RESOLVED, that (agency name) approves the updated Operating Assistance Proposal, attached to this resolution; and be it further

RESOLVED, that (agency name) approves the certification of assurances, attached to this resolution; and be it further

RESOLVED, that (agency name) is an eligible sponsor of projects in the Regional Measure 2 Regional Traffic Relief Plan, Capital Program, in accordance with California Streets and Highways Code 30914(d); and be it further

RESOLVED, that (agency name) is authorized to submit an application for Regional Measure 2 funds for (project name) in accordance with California Streets and Highways Code 30914(d); and be it further

RESOLVED, that (agency name) certifies that the projects and purposes for which RM2 funds are being requested are in compliance with the requirements of the California Environmental Quality Act (Public Resources Code Section 21000 et seq.), and with the State Environmental Impact Report Guidelines (14 California Code of Regulations Section 15000 et seq.) and, if relevant the National Environmental Policy Act (NEPA), 42 USC Section 4-1 et. seq. and the applicable regulations thereunder; and be it further

RESOLVED, that there is no legal impediment to (agency name) making allocation requests for Regional Measure 2 funds; and be it further

RESOLVED, that there is no pending or threatened litigation which might in any way adversely affect the proposed project, or the ability of (agency name) to deliver such project; and be it further

RESOLVED, that (agency name - include for transit projects/sponsors only) agrees to comply with the requirements of MTC's Transit Coordination Implementation Plan as set forth in MTC Resolution 3866; and be it further

RESOLVED, that (agency name) indemnifies and holds harmless MTC, its Commissioners, representatives, agents, and employees from and against all claims, injury, suits, demands, liability, losses, damages, and expenses, whether direct or indirect (including any and all costs and expenses in connection therewith), incurred by reason of any act or failure to act of (agency name), its officers, employees or agents, or subcontractors or any of them in connection with its performance of services under this allocation of RM2 funds. In addition to any other remedy authorized by law, so much of the funding due under this allocation of RM2 funds as shall reasonably be considered necessary by MTC may be retained until disposition has been made of any claim for damages.

RESOLVED, that (agency name) shall, if any revenues or profits from any non-governmental use of property (or project) that those revenues or profits shall be used exclusively for the public transportation services for which the project was initially approved, either for capital improvements or maintenance and operational costs, otherwise the Metropolitan Transportation Commission is entitled to a proportionate share equal to MTC's percentage participation in the projects(s); and be it further

RESOLVED, that (agency name) authorizes its (Executive Director, General Manager, or his/her designee) to execute and submit an allocation request for operating or planning costs for (Fiscal Year) with MTC for Regional Measure 2 funds in the amount of (\$\_\_\_\_\_), for the project, purposes and amounts included in the project application attached to this resolution; and be it further

RESOLVED, that the (Executive Director, General Manager, or his/her designee) is hereby delegated the authority to make non-substantive changes or minor amendments to the IPR as he/she deems appropriate.

RESOLVED, that a copy of this resolution shall be transmitted to MTC in conjunction with the filing of the (agency name) application referenced herein.

**Part 4: RM2 Sample Opinion of Legal Counsel**

Project sponsors have the option of including specified terms and conditions within the Resolution of Local Support as included in Part 3. If a project sponsor elects not to include the specified language within the Resolution of Local Support, then the sponsor shall provide MTC with a current Opinion of Counsel stating that the agency is an eligible sponsor of projects for the Regional Measure 2; that the agency is authorized to perform the project for which funds are requested; that there is no legal impediment to the agency applying for the funds; and that there is no pending or anticipated litigation which might adversely affect the project or the ability of the agency to carry out the project. A sample format is provided below.

(Date)

To: Metropolitan Transportation Commission  
Fr: (Applicant)  
Re: Eligibility for Regional Measure 2 funds

This communication will serve as the requisite opinion of counsel in connection with the allocation of (Applicant) \_\_\_\_\_ for funding from Regional Measure 2 Regional Traffic Relief Plan made available pursuant to Streets and Highways Code Section 30914(c)(d) for (Project Name) \_\_\_\_\_

4. (Applicant) \_\_\_\_\_ is an eligible sponsor for the Regional Measure 2 funding.
5. (Applicant) \_\_\_\_\_ is authorized to submit an allocation request for Regional Measure 2 funding for (project) \_\_\_\_\_
6. I have reviewed the pertinent state laws and I am of the opinion that there is no legal impediment to (Applicant) \_\_\_\_\_ making applications for Regional Measure 2 funds. Furthermore, as a result of my examinations, I find that there is no pending or threatened litigation that might in any way adversely affect the proposed projects, or the ability of (Applicant) \_\_\_\_\_ to carry out such projects.

Sincerely,

\_\_\_\_\_  
Legal Counsel

\_\_\_\_\_  
Print name

**Part 5: RM2 Performance Measures for Operating Projects**

1. The objective in establishing performance measures is to ensure that the Regional Measure 2 (RM2) operating dollars are directed to productive services within the corridors identified in the legislation, or as redirected by the Commission after a public hearing process.
2. Two performance measures will be used to assess cost recovery and ridership change in accordance with California Streets and Highway Code (S&HC) 30914.5(a), which requires that MTC shall adopt performance measures related to farebox recovery ratio and ridership: 1) farebox recovery and 2) change in passengers per revenue vehicle hour. Farebox recovery ratio and change in passengers per hour performance measures are established in items 4 and 5.
3. Recognizing that the market demands as well as policy goals for the operating projects in S&HC 30914(d) are not uniform, several thresholds for farebox recovery are established and outlined in item 4.
4. An operating segment must meet or exceed the farebox recovery ratio conforming to its particular mode and service type as defined in the table below. Peak service is defined as service that does not continue at least hourly between the morning and afternoon commute periods. All day service is generally defined as service that is provided at least hourly between the hours of 6 a.m. and 7 p.m. Long-haul bus services (> 25 miles) will be deemed “all day” if service is provided at least every two hours during the midday. Owl service is service that has been developed with the specific goal of closing a temporal gap in the transit network.

For purposes of establishing compliance with the performance measures, the farebox recovery ratio for the audit year or the average farebox recovery ratio for a three-year period will be used, whichever is more favorable.

<b>Service Type</b>	<b>Ferry</b>	<b>Rail</b>	<b>Bus</b>
<b>Peak Service</b>	40%	35%	30%
<b>All Day Service</b>	30%	25%	20%
<b>Owl Service</b>	N/A	N/A	10%

Projects (8) and (9) in S&HC 30914(d) are exempt from the farebox thresholds above and instead must meet the farebox requirements established for receiving allocation for state funds (Transportation Development Act, State Transit Assistance, and AB 1107).

5. It is the expectation that all operating segments will maintain a positive change in passengers per revenue vehicle hour when a rolling average over a three-year period is applied. The first three years of service must demonstrate an increase in passengers each year. From the fourth year forward, three-year averages will be calculated and compared. The previous three-year average will be compared to the most recent three-year average, with the most recent year being added and the oldest year being dropped from each average (FYs 2004, 2005 and 2006 will be compared to FYs 2005, 2006, and 2007, and so on). If productivity during the audit year is better than the most recent three-year average, then the previous three-year average will be compared to the audit year. A negative change in an amount equal to or less than a negative

**Appendix B**

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change in Transportation Development Act revenues in the county of operation (or average between the origination and destination) for the same period will be allowable. The goal is to have positive ridership change between each three-year cycle, but the allowance for a negative change is to account for economic adjustments in the region and for fluctuations in regional market demand for each service.

Projects (8) and (9) in S&HC 30914(d) are exempt from the passenger per revenue vehicle hour changes and instead must meet the performance measure requirements established for receiving allocation for state funds (Transportation Development Act, State Transit Assistance, and AB 1107).

6. If an operating program or project cannot achieve its performance objectives described above, MTC staff will consult with the project sponsor about potential service adjustments or redeployment to increase the productivity of the route and best serve transit in the corridor. After this consultation, the sponsor will be given the opportunity to present to the Commission a corrective action plan for meeting the RM2 performance measures. Based on the corrective action plan recommendation, the Commission shall give the sponsor a time certain to achieve the performance measure or have its funding reassigned. If there are no other eligible claimants within the RM2 eligible program category the Commission shall hold a public hearing concerning the project. After the hearing, the Commission may vote to modify the program's scope, decrease its level of funding, or to reassign all of the funds to another or an additional project.
7. Only transit operations will be subject to the performance measure outlined in this policy. Projects (10) and (11) outlined in RM2 under S&HC 30914(d) are not subject to these performance measures as these projects do not meet the definition of transit operations.
8. Each operating project that requests RM2 operating funding will be given a two-year ramp-up period to meet the performance measures with an expectation that measures will be met in the third year of service. If an operating scope or definition is changed at the sponsor request after initial rollout of the operating project, no new ramp-up period will be granted.
9. Compliance with the performance measures must be certified as part of the annual fiscal audit prepared by the project sponsor. The compliance and, therefore eligibility for RM2 operating funds, for a given fiscal year will be based on fiscal audit two years in arrears. Therefore, the first year for which performance measures will be assessed is for FY 2008-09 operating requests; these requests will take into consideration performance in FY 2006-07.
10. For purposes of calculating farebox recovery ratio and passengers per revenue vehicle hour, project sponsors must allocate costs in accordance with the cost allocation shown below for the various service types. This cost allocation strategy must be consistent with that provided to MTC as part of the annual Operating Assistance Plan (OAP). Further, baseline data on ridership, costs, fares, and average fare must be established as part of the OAP for RM2 services that represent an incremental change to the operator's overall service plan. The operator should establish a data collection plan for assessing changes to the baseline system for purposes of calculating ridership, costs, and fare for the new RM2 incremental services.

**Appendix B**

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<b>Service Type</b>	<b>Cost Allocation Methodology</b>
<b>Peak Service</b>	Fully Allocated Costs
<b>All Day Service</b>	Fully Allocated Costs
<b>Owl Service</b>	Marginal Costs

11. For purposes of this policy, the farebox recovery ratio is the ratio of fares collected on the RM2-funded segment to total operating costs for that same segment. Passenger per revenue vehicle hour is defined as the total passengers (total of all adult, youth and student, senior and disabled, inter-operator paid transfer, and non-revenue boardings) divided by the revenue vehicle hours (the total number of hours that each transit vehicle is in revenue service, including layover time).

# APPENDIX A – 39

## *Regional Policies: Project Funding and Specific Funding Programs*

**Programming and Allocation Policies for the AB 664 Net Bridge Toll Revenue, RM1 Regional Rail Extension Reserve, Two Percent Bridge Toll Revenue, and Five Percent State General Fund Revenue Transit Funding Programs**

**MTC Resolution No. 4015**





Date: June 22, 2011  
W.I.: 1514  
Referred By: PAC  
Revised: 12/20/17-C

ABSTRACT

Resolution No. 4015, Revised

This resolution establishes revised programming and allocation policies for the AB 664 Net Bridge Toll Revenue, RM1 Regional Rail Extension Reserve, Two Percent Bridge Toll Revenue, and Five Percent State General Fund Revenue transit funding programs. The revisions establish annual funding for ABAG for the San Francisco Bay Trail, make WETA the sole applicant for ferry services funding, and remove the condition splitting funds between the Northern and Southern bridge groups for the Two Percent Bridge Toll Revenue programs. This resolution supersedes Resolutions 2004, Revised, 3149, and 3288, Revised.

This resolution includes the following Attachment:

Attachment A – Bridge Toll Revenue and State General Fund Revenue Allocation Policy

Attachment A to this resolution was revised on December 20, 2017 to update policies concerning AB 664 Net Bridge Toll Revenues and Bay Trail funds in the Two Percent and Five Percent programs.

Further discussions of the policies are contained in the Programming and Allocations Committee summary sheet dated June 8, 2011 and December 13, 2017.

Date: June 22, 2011  
W.I.: 1514  
Referred By: PAC

RE: Revised Programming and Allocation Policies for the AB 664 Net Bridge Toll Revenues, RM1 Regional Rail Extension Reserve, Two Percent Bridge Toll Revenues, and Five Percent State General Fund Revenues transit funding programs

METROPOLITAN TRANSPORTATION COMMISSION  
RESOLUTION NO. 4015

WHEREAS, the Metropolitan Transportation Commission (MTC) is the regional transportation planning agency for the San Francisco Bay Area pursuant to Government Code § 66500 et seq.; and

WHEREAS, since 1977, MTC has allocated net toll revenues, pursuant to Government Code §§ 30892 and 30893, for eligible transit capital improvements and ferry operations; and

WHEREAS, pursuant to Streets and Highways Code § 30913 (b), MTC has allocated two-thirds of the 2 percent of the 1988 Regional Measure 1 toll increase (“Two Percent Bridge Toll Revenues”) to projects which are designed to reduce vehicular traffic congestion on these bridges; and the remaining one-third of those toll revenues for the planning, construction, operation, and acquisition of rapid water transit systems; and,

WHEREAS, pursuant to Streets and Highways Code § 30884, certain toll revenues (“AB 664 Net Bridge Toll Revenues”) are available to fund transit capital improvements; and

WHEREAS, pursuant to Streets and Highway Code § 30919, MTC has allocated bridge toll revenue (“RM1 Regional Rail Extension Reserves”) for rail extension and improvement projects designed to reduce vehicular congestion on the San Francisco-Oakland Bay Bridge in the counties of Alameda, Contra Costa, San Francisco, San Mateo, and Santa Clara; and

WHEREAS, pursuant to Streets and Highways Code § 30894, MTC adopted MTC Resolution No. 2004, Revised, which sets forth MTC's overall Bridge Toll Revenue Allocation Policy; and

WHEREAS, with the completion of the Regional Ferry Plan Update, MTC adopted Resolution No. 3149, which established a Five Percent Bridge Toll Revenues programming and allocation policy; and

WHEREAS, the California Department of Transportation (DEPARTMENT) entered into a cooperative agreement with the Bay Area Toll Authority (BATA) and MTC on the

federalization of toll bridge projects under BATA's jurisdiction and on the transfer of state funds to replace the five percent Bridge Toll Program funds for ferry operations; and

WHEREAS, under terms of the agreement between the DEPARTMENT, BATA, and MTC, MTC agreed, among other things, to amend its Five Percent Bridge Toll Revenues policy, as set forth in MTC Resolution No. 3149, and to program and allocate state funds made ("Five Percent State General Fund Revenues") available by the DEPARTMENT for transit operating purposes; and

WHEREAS, pursuant to the agreement between the DEPARTMENT, BATA, and MTC, MTC adopted Resolution 3288 to establish interim programming and allocation policies for the Five Percent State General Fund Revenues and Two Percent Bridge Toll Revenues program; and

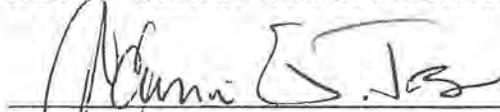
WHEREAS, MTC adopted Resolution 3948 and BATA adopted Resolution 93 and executed a Funding Agreement relieving BATA of responsibility for making AB 664 Net Bridge Toll Revenues Reserve Transfers, Two Percent Transit Reserves Transfers, and Rail Extension Reserves Transfers for 50 years; and

WHEREAS, the adoption of Resolution 3948 necessitates an update and revision to policies governing the various bridge toll revenue and Five Percent State General Fund Revenues; now, therefore, be it

RESOLVED, that MTC adopts the programming and allocation policies for the AB 664 Net Bridge Toll Revenues, RM1 Regional Rail Extension Reserve, Two Percent Bridge Toll Revenues, and Five Percent State General Fund Revenues transit funding programs as set forth in Attachment A, attached hereto and incorporated herein as though set forth at length; and be it further

RESOLVED, that this resolution supersedes MTC Resolution Nos. 2004, 3149, and 3288.

METROPOLITAN TRANSPORTATION COMMISSION



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Adrienne J. Tissier, Chairperson

The above resolution was entered into by the Metropolitan Transportation Commission at a regular meeting of the Commission held in Oakland, California on June 22, 2011.

Date: June 22, 2011  
W.I.: 1514  
Referred By: PAC  
Revised: 12/20/17-C

Attachment A  
Resolution No. 4015  
Page 1 of 5

## **BRIDGE TOLL REVENUE AND STATE GENERAL FUND REVENUE ALLOCATION POLICY**

### **Definitions**

1. "MTC Transit Transfer" refers to the September 2010 payment made from BATA to MTC equal to the estimated present value of specified fund transfers for a 50 year period pursuant to BATA Resolution 93 and MTC Resolution 3948. The payment relieves BATA from making AB 664, Regional Measure 1, and MTC Two Percent Bridge Toll Revenues transfers to MTC for a 50 year period.
2. "AB 664 Net Bridge Toll Revenues" refers to revenues available pursuant to Streets and Highway Code (S& H Code) 30884 calculated as 16% of base toll revenue on the San Francisco-Oakland Bay Bridge, San Mateo, and Dumbarton Bridges to be used for transit capital purposes. Allocations are made from monies held by MTC pursuant to the MTC Transit Transfer.
3. "RM1 Rail Extension Reserve" is composed of not less than 90% of the revenues from the Class I toll increase on the Bay Bridge, as authorized by Regional Measure I and Streets and Highways Code § 30910 et seq. Pursuant to Streets and Highways Code § 30919, MTC must allocate these funds exclusively for rail transit capital extension and improvement projects designed to reduce vehicular traffic congestion on the Bay Bridge. Allocations are made from monies held by MTC pursuant to the MTC Transit Transfer.
4. "East Bay Rail Extension Reserve" consists of 70% of the MTC Rail Extension Reserve. These revenues are to be allocated to rail extension and improvement projects in Alameda and Contra Costa Counties. These projects include, but are not limited to, the BART extensions planned for the Concord-Antioch, Fremont-San Jose, and Bayfair-Livermore rail transit corridors. Allocations are made from monies held by MTC pursuant to the MTC Transit Transfer.
5. "West Bay Rail Extension Reserve" consists of 30% of the MTC Rail Extension Reserve. These revenues are to be allocated to rail extension and improvement projects in San Francisco, San Mateo, and Santa Clara Counties. No specific projects are mentioned in the legislation. Allocations are made from monies held by MTC pursuant to the MTC Transit Transfer.
6. "Two Percent Bridge Toll Revenues" refers to revenues available pursuant to S&H Code 30913(b) used for ferry capital and other capital improvements. Allocations are made from monies held by MTC pursuant to the MTC Transit Transfer.
7. "Five Percent State General Fund Revenues" is funded by the five percent (Five Percent) Bridge Toll Program State General Fund revenues delivered to MTC in amounts equal to projections of the Regional Measure 1 (RM 1) five percent (Five Percent) Bridge Toll Program, based on a cooperative agreement between MTC, BATA and Caltrans. These revenues are to be programmed and allocated for ferry transit operations and bicycle-related planning.

8. "Resolution No. 3434" refers to the region's adopted Regional Transit Expansion Program.

**Objectives**

1. Maintain MTC's flexibility in allocations by avoiding rigid apportionment formulas.
2. Maximize the use of AB 664 Net Bridge Toll Revenues for meeting the local match required for transit capital projects programmed in the Transportation Improvement Program (TIP).
3. Sustain commitments made regarding allocations of new revenues.
4. Secure the financial integrity of the Resolution No. 3434 Program.

**AB 664 Net Bridge Toll Revenues**

Pursuant to S&H Code 30884, AB 664 Net Bridge Toll Revenues are available for capital projects.

1. The first priority for AB 664 Net Bridge Toll Revenues is to match transit capital projects programmed for Federal Transit Administration (FTA) formula funds (the Urbanized Area Formula program, Bus & Bus Facilities Formula program, State of Good Repair Formula program, or successor programs) in the Transportation Improvement Program (TIP). Revenues in each year will be apportioned to each eligible operator in proportion to the operator's share of the FTA formula funds programmed for capital projects in the TIP in the same year.

Resolution No. 4123 establishes the Core Capacity Challenge Grant Program, and sets a fixed amount of AB 664 Net Bridge Toll Revenue funding for AC Transit, BART, and SFMTA for fleet rehabilitation, replacement, and expansion through FY2029-30. AB 664 Net Bridge Toll Revenue programming for those operators will be guided by Resolution No. 4123 and not Resolution No. 4015. This would apply to any successor programs or resolutions.

Capital projects funded with FTA formula funds, but which have defined MTC-approved funding plans (i.e., fund sources and timing specified) that do not include AB 664 Net Bridge Toll Revenue funding would be excluded from the operator's programming share of AB 664 Net Bridge Toll Revenues. This includes Caltrain's Peninsula Corridor Electrification Program and any other future projects with defined MTC-approved funding plans that do not include AB 664 Net Bridge Toll Revenues.

2. MTC will continue its practice of apportioning AB 664 Net Bridge Toll Revenues to eligible operators such that 70% of the funding is apportioned to East Bay transit operators and 30% is apportioned to West Bay transit operators.
3. Similar to the flexibility allowed under the STP/CMAQ program, where second and third year projects may be advanced to the first year for implementation, an operator may request MTC to advance AB 664 Net Bridge Toll Revenues for programmed projects, as long as funds are available for allocation, (e.g. an operator who is programmed revenues in the

third year of the TIP and wishes to exercise pre-award authority for these match funds may request MTC to release the funds.) MTC will determine funding availability and will consider whether there is a need for the advancement.

### **RM1 Regional Rail Extension Reserve**

To the extent feasible and required, maintain MTC's commitment to Resolution No. 3434 projects from the Rail Extension Reserve.

### **Two Percent Bridge Toll Revenues**

Pursuant to Streets and Highways Code Section 30913(b), two-thirds of the annual available funding shall be allocated to projects which are designed to reduce vehicular traffic congestion and improve bridge operations on any bridge, including, but not limited to, bicycle facilities and for the planning, construction, operation, and acquisition of rapid water transit systems. The remaining one-third is available solely for the planning, construction, operation, and acquisition of rapid water transit systems.

#### *Two Percent Bridge Toll Revenues Priorities and Estimated Annual Programming Amounts*

1. \$1 million to the Water Emergency Transit Authority (WETA) for ferry capital improvement projects.
2. \$450,000 to MTC for program management and capital support for the San Francisco Bay Trail.

\*Note that annual funding amounts are established and adjusted through the annual MTC fund estimate adoption

### **Five Percent State General Fund Revenues**

The Five Percent State General Fund Revenues are delivered to MTC in amounts equal to projections of the RM1 Five Percent Bridge Toll Program. These revenues are to be programmed and allocated for ferry transit operations and bicycle-related planning.

#### *Five Percent State General Fund Revenues Priorities and Estimated Annual Programming Amounts as of FY 2010-11*

1. \$2.8 million to the Water Emergency Transit Authority (WETA) for ferry capital improvement projects and ferry operations.
2. \$250,000 to MTC for planning for the San Francisco Bay Trail.

\*Note that annual funding amounts are established and adjusted through the annual MTC fund estimate adoption

The amount of Five Percent State General Fund Revenues programmed for the Bay Trail shall be adjusted by the rate of increase in Five Percent State General Fund Revenues or the rate of increase in the Consumer Price Index, whichever is less, every three years, with the first adjustment occurring with FY2011-12 based calculations. The Bay Trail shall be the sole priority for the Five Percent State General Fund Revenues for bicycle planning.

Program the remainder of the Five Percent State General Fund Revenues to WETA to support ferry service operations. Ferry services will need to have demonstrated an average 40% farebox

recovery ratio (the regional average for all publicly-operated services during the period from 2006 to 2010) for the operating agency in order to ensure continued funding for operations. An operator may meet this requirement based on their average farebox recovery for the most recent three-year period for which National Transit Database statistics are available or their annual farebox recovery for the most recent year for which data is available.

If an operator is unable to meet the performance measure, the funding that would have gone to the ferry operator could be directed by the Commission to a transit service/route that reduces vehicular congestion in one of the bridge group corridors, and has demonstrated the ability to meet the 40% farebox requirement. The service could be ferry or another transit mode, provided that the service/route can meet the performance measure. At least forty percent of the Five Percent funding must be directed toward ferry operations or capital as required.

### **Screening Criteria for all Two Percent Bridge Toll Revenue and Five Percent State General Fund Revenues Projects**

Project submittals for Five Percent State General Fund Revenues and the Two Percent Bridge Toll Revenues must be submitted to MTC for consideration and must meet all of the following screening criteria:

- project is ready for implementation, including having any necessary clearances or approvals, in the year indicated;
- project is well defined and justified in the project proposal;
- entity has the capacity to implement the project;
- entity has an adequate project financial plan, with reasonable cost estimates;
- project has been approved by the local entity's policy board; and
- project is identified in or is part of an adopted regional or local transportation plan.

In addition, entities requesting transit operating funds must:

- complete a Short Range Transit Plan (or similar planning document as specified by MTC) that identifies service plans and budgets for at least a 5-year period;
- be consistent with the adopted Regional Transportation Plan (RTP); and
- submit data on capital replacement needs to MTC, as requested.

MTC staff evaluates project proposals and develops an annual program of projects for Five Percent State General Fund Revenues and 2 % Bridge Toll Revenues. The program of projects is reviewed by the affected entities. MTC adopts the program of projects and allocates the Five Percent State General Fund Revenues and 2 % Bridge Toll Revenues according to the program.

**Timely Use of Funds for Two Percent Bridge Toll Revenues and Five Percent State General Fund Revenues**

All projects programmed with Two Percent Bridge Toll Revenues and Five Percent State General Fund Revenues are subject to the following timely use of funds (TUF) policy. Full disbursement of funds must be completed within three years plus the year in which funds are allocated for a project programmed Bridge Toll Revenues. (For example, funds allocated in FY 2010-11 must be fully disbursed by June 30, 2014. Any unspent funds at the end of September 30, 2014 (which includes a 3-month grace period) will automatically revert to the appropriate Bridge Toll Revenue account.)

**Timely Use of Funds for AB 664 Net Bridge Toll Revenues**

All projects programmed with AB 664 Net Bridge Toll Revenues are subject to the following TUF policy. Full disbursement of funds must be completed within four years plus the year in which funds are allocated for a project programmed Bridge Toll Revenues. (For example, funds allocated in FY2016-17 must be fully disbursed by June 30, 2021. Any unspent funds at the end of September 30, 2021 (which includes a 3-month grace period) will automatically revert to the AB 664 Net Bridge Toll Revenues account.)

Re-allocation of unspent (or lapsed) funds to the same operator and projects is not guaranteed, and is governed by the following principles:

- Reallocations are not routine. The operator must provide a compelling justification for any proposed reallocations. All requests, including emergency or urgent requests, will be considered on a case-by-case basis as exceptions and must be beyond the control of the operator.
- Reallocations are subject to MTC review and staff may seek input from the Partnership Transit Finance Working Group when considering reallocation requests.
- Reallocations due to an operator's failure to rebudget funds between eligible projects to adequately spend down the funds will generally not be considered.

Funds unspent at the end of the four-year period will revert to the AB 664 Net Bridge Toll Revenues account and will be made available for programming in future years.

**Annual Funding Levels for Two Percent Bridge Toll Revenues and Five Percent State General Fund Revenues**

Annual funding levels for Two Percent Bridge Toll Revenues and Five Percent State General Fund Revenues shall be established and adjusted through the annual MTC fund estimate adoption.



# APPENDIX A – 40

## *Regional Policies: Project Funding and Specific Funding Programs*

**Regional Measure 2 (RM2)  
Safe Routes to Transit Grant Program**

**MTC Resolution No. 3735**



Date: December 21, 2005  
W.I.: 1255  
Referred by: PAC  
Revised: 07/25/07-C  
07/28/10-C  
12/21/11-C  
02/26/14-C

ABSTRACT

MTC Resolution No. 3735, Revised

This resolution adopts the Regional Measure 2 (RM2) Safe Routes to Transit Grant Program.

The following attachment is provided with this resolution:

Attachment A — RM2 Safe Routes to Transit Grant Program Fund Recipients

This resolution was revised by Commission Action on July 25, 2007, to include the second cycle projects for the RM2 Safe Routes to Transit Grant Program.

This resolution was revised by Commission Action on July 28, 2010, to include the third cycle projects for the RM2 Safe Routes to Transit Grant Program.

This resolution was revised by Commission Action on December 21, 2011, to include the fourth cycle projects for the RM2 Safe Routes to Transit Grant Program. This resolution supersedes MTC Resolution No. 3932.

This resolution was revised by Commission Action on February 26, 2014, to include the fifth cycle projects for the RM2 Safe Routes to Transit Grant Program.

Further discussion of this action is contained in the Programming and Allocations Committee Summary Sheet dated December 14, 2005, July 11, 2007, July 28, 2010, December 14, 2011, and February 12, 2014.

Date: July 27, 2005  
W.I.: 1255  
Referred by: PAC

RE: Regional Measure 2 (RM2) Safe Routes to Transit Grant Program

METROPOLITAN TRANSPORTATION COMMISSION  
RESOLUTION NO. 3735

WHEREAS, pursuant to Government Code Section 66500 *et seq.*, the Metropolitan Transportation Commission (“MTC”) is the regional transportation planning agency for the San Francisco Bay Area; and

WHEREAS, Streets and Highways Code Sections 30950 *et seq.* created the Bay Area Toll Authority (“BATA”) which is a public instrumentality governed by the same board as that governing MTC; and

WHEREAS, on March 2, 2004, voters approved Regional Measure 2, increasing the toll for all vehicles on the seven state-owned toll bridges in the San Francisco Bay Area by \$1.00, with this extra dollar funding various transportation projects within the region that have been determined to reduce congestion or to make improvements to travel in the toll bridge corridors, as identified in SB 916 (Chapter 715, Statutes of 2004), commonly referred as Regional Measure 2 (“RM2”); and

WHEREAS, RM2 establishes the Regional Traffic Relief Plan and lists specific capital projects and programs and transit operating assistance eligible to receive RM2 funding as identified in Streets and Highways Code Sections 30914(c) & (d); and

WHEREAS, RM2 assigns administrative duties and responsibilities for the implementation of the Regional Traffic Relief Plan to MTC; and

WHEREAS, BATA shall fund the projects of the Regional Traffic Relief Plan by transferring RM2 authorized funds to MTC; and

WHEREAS, MTC adopted policies and procedures for the implementation of the Regional Measure 2 Regional Traffic Relief Plan, which specifies the allocation criteria and project compliance requirements for RM 2 funding (MTC Resolution No. 3636); and

WHEREAS, the RM2 Safe Routes to Transit Grant Program is identified as capital project number 20 under RM 2 and is a competitive grant program available to public agencies including transit operators, cities, and counties; and

WHEREAS, the Transportation and Land Use Coalition and the East Bay Bicycle Coalition and MTC developed a process and criteria to be used in the selection of the RM2 Safe Routes to Transit grant recipients to be funded with Regional Measure 2 funds; and

WHEREAS, Attachment A to this resolution, attached hereto and incorporated herein as though set forth at length, lists the recommended grant recipients and the correlated funding amounts; and

RESOLVED, that MTC approves MTC staff's review of the RM2 Safe Routes to Transit Grant applications; and be it further

RESOLVED, that MTC approves the list of grant recipients and their associated funding amounts as set forth in Attachment A; and, be it further

RESOLVED, that encumbrance of the Safe Routes to Transit grants require a subsequent action, whereby MTC allocates the RM2 funds specific to each grant recipient consistent with the provisions of the Regional Measure 2 Regional Traffic Relief Plan Policy and Procedures as set forth in length in MTC Resolution No. 3636.

METROPOLITAN TRANSPORTATION COMMISSION



Jon Rubin, Chair

The above resolution was entered into by the Metropolitan Transportation Commission at the regular meeting of the Commission held in Oakland, California, on December 21, 2005.

Date: December 21, 2005  
W.I.: 1255  
Referred by: PAC  
Revised: 07/25/07-C  
07/28/10-C  
12/21/11-C  
02/26/14-C

Attachment A  
MTC Resolution No. 3735  
Page 1 of 6

Cycle 1 Safe Routes to Transit Grant Program Projects

Primary Project Sponsor	Project Title	Capital or Planning Project	Award
AC Transit	AC Transit TransBay Expanded Bike Access*	Capital	\$180,000 \$0
AC Transit	AC Transit Bicycle Parking Plan	Planning	\$100,000
BART	BART C2 Rail Car Reconfiguration Project	Capital	\$581,000
City of Albany Community Development Department	El Cerrito/Albany Ohlone Greenway Safety Project	Capital	\$807,000
City of Berkeley	Downtown Berkeley BART Bikestation	Capital	\$496,784
City of Fairfield	Union Avenue/Suisun Train Station Enhancement Program	Capital	\$300,000
City of Oakland CEDA Redevelopment	MacArthur Transit Hub Streetscape Improvement Project Phase II	Capital	\$398,800
City of Oakland Public Works Department	MacArthur BART Station Bicycle Access Project Phase I	Planning	\$30,000
San Francisco Department of Parking & Traffic	Improved Bicycle Access to 16th Street BART Station	Capital	\$195,000
San Francisco Municipal Railway	Balboa Park Station Intermodal Connections	Planning	\$200,000
San Francisco Municipal Railway	Market Street Safety Zone Calming	Capital	\$600,000
Valley Transportation Authority	Santa Clara Transit Center–Pedestrian/Bike Crossing	Planning	\$50,000
<b>TOTAL</b>			<b>\$3,938,584</b> <b>\$3,758,584</b>

\* Project was deleted from the program subsequent to adoption.

Cycle 2 Safe Routes to Transit Grant Program Projects

<b>Primary Project Sponsor</b>	<b>Project Title</b>	<b>Capital or Planning Project</b>	<b>Award</b>
City of Pittsburg; Contra Costa County	Bailey Road Transit Access Improvement Project	Capital	\$650,000
San Francisco MTA; BART	Balboa Park Ocean Avenue Pedestrian/Bicycle Connections	Planning	\$181,280
BART	BART Electronic Bicycle Locker Gap Closure Project	Capital	\$200,000
BART; City of San Leandro	Bay Fair BART Station Area Improvement Plan	Planning	\$100,000
Contra Costa County; BART	Contra Costa Centre/Pleasant Hill BART Shortcut Path and Wayfinding Project*	Capital	<del>\$300,000</del> \$0
San Francisco MTA; SF Department of Public Works	Mission & Geneva Pedestrian Improvements	Capital	\$940,500
City of San Rafael	Puerto Suello Hill Path to San Rafael Transit Center Connector Project	Capital	\$600,000
City of Richmond; City of El Cerrito	Richmond/Ohlone Greenway Gap Closure—Class I Access to Transit	Planning	\$200,000
City of Berkeley, BART	Safe Routes to Ed Roberts Campus/Ashby BART	Capital	\$325,000
San Francisco MTA	24 <sup>th</sup> St. & Mission BART Station Area Access Improvements	Capital	\$450,000
<b>TOTAL</b>			<del>\$3,946,780</del> <b>\$3,646,780</b>

\* Project was deleted from the program subsequent to adoption.

Cycle 3 Safe Routes to Transit Grant Program Projects

<b>Primary Project Sponsor</b>	<b>Project Title</b>	<b>Capital or Planning Project</b>	<b>Award</b>
San Francisco MTA	Balboa Park Station Connections Project Phase II	Capital	\$722,000
BART	Bay Fair BART Safety and Security Improvement Project	Planning	\$196,077
City of Berkeley	Berkeley/AC Transit Ped and Bike Access Improvements*	Capital	<del>\$498,820</del> \$371,187
City of San Leandro	Downtown San Leandro BART Pedestrian and Bicycle Access Project*	Capital	<del>\$750,000</del> \$400,000
San Francisco MTA	Glen Park Area Bicycle Project	Capital	\$168,000
City of Santa Rosa	Highway 101 Bicycle/Pedestrian Overcrossing	Planning	\$100,000
City of Oakland	MacArthur Station Bicycle Access Project Phase II	Capital	\$242,500
San Francisco MTA	Market Street Multi-Modal Transportation Improvements Study	Planning	\$200,000
Richmond Community Redevelopment Agency	Nevin Avenue Bicycle/Pedestrian Improvements: BART to Civic Center	Capital	\$750,000
VTA	VTA Pilot Bike Sharing Implementation	Capital	500,000
West Contra Costa Transportation Advisory Committee	West Contra Costa/Albany Transit Wayfinding Plan	Planning	\$69,000
<b>TOTAL</b>			<del>\$4,196,397</del> <b>\$3,718,763</b>

\* Projects realized savings due to lower costs or revised scope.

Cycle 4 RM2 Safe Routes to Transit Grant Program Projects

<b>Primary Project Sponsor</b>	<b>Project Title</b>	<b>Capital or Planning Project</b>	<b>Award</b>
City of Oakland	19 <sup>th</sup> Street/Uptown Bikestation	Capital	\$531,000
San Francisco MTA	Bicycle-Transit System Integration	Planning	\$180,000
City of Richmond	Overcoming Physical Barriers to Safe Routes to Transit	Capital	\$501,829
San Francisco MTA	Polk Street Bicycle Gap Closure	Capital	\$584,000
City of San Jose	Safe Pathways to Diridon Station	Capital	\$675,000
Santa Clara Valley TA	Santa Clara Caltrain Station Pedestrian and Bicycle Access Tunnel	Capital	\$675,000
City of Emeryville	Star Intersection and San Pablo Avenue at 40th Street Transit Hub Bicycle/Pedestrian Improvements	Capital	\$450,000
City of San Bruno	Transit Corridor Pedestrian and Bike Connection Project	Capital	\$500,000
<b>TOTAL</b>			<b>\$4,096,829</b>



Cycle 5 RM2 Safe Routes to Transit Grant Program Projects

<b>Primary Project Sponsor</b>	<b>Project Title</b>	<b>Capital or Planning</b>	<b>Award</b>
City of Oakland	Rockridge BART Access Improvements	Capital	\$472,000
AC Transit	Design Standards and Guidelines Manual for Safe and Efficient Multi-modal Transit Stops and Corridors	Plan	\$100,000
City of Richmond	Carlson Boulevard Crosstown Connection Project	Capital	\$500,000
Sonoma Marin Area Rail Transit District	Regional SMART Pathway College Ave to Guerneville Rd	Capital	\$750,000
City of El Cerrito	San Pablo Avenue Specific Plan and Complete Streets Plan	Plan	\$100,000
San Francisco MTA	Long Term Bicycle Parking	Plan	\$200,000
Santa Clara Valley TA	Countywide Pedestrian Access to Transit Plan	Plan	\$100,000
City of South San Francisco	South San Francisco Caltrain Station Ped and Bike Underpass Plan	Capital	\$200,000
City of Concord	Concord Bike and Pedestrian Access to Transit	Plan	\$200,000
City of Vallejo	Curtola Parkway Class I Bike Path	Capital	\$750,000
AC Transit	Bus Bulb Parklet Design Standards and Guidelines Manual	Plan	\$100,000
Marin Department of Public Works	San Quentin Village Safe Access Gap Closure and Transit Stop Improvement Project	Capital	\$750,000
City of Oakland	Access Improvements to Lake Merritt BART Station	Capital	\$278,521
San Francisco MTA	Balboa Park Station Access and Safety	Capital	\$278,521
<b>TOTAL</b>			<b>\$4,779,042</b>

Additional Cycle 5 RM2 Safe Routes to Transit  
Grant Program Fund Recipients Should Savings Accrue to the Program (in priority order)

<b>Primary Project Sponsor</b>	<b>Project Title</b>	<b>Capital or Planning</b>	<b>Additional Funding Amount</b>
City of Oakland	Access Improvements to Lake Merritt BART Station	Capital	\$63,589
San Francisco MTA	Balboa Park Station Access and Safety	Capital	\$36,479
BART	West Oakland BART Bike Station	Capital	\$415,000
<b>TOTAL</b>			<b>\$515,068</b>

# APPENDIX A – 41

## *Regional Policies: Project Funding and Specific Funding Programs*

### Caltrans Toll Credit Use Policy



have their matching pro rata share available and are committed to providing it as applicable. The request must include the justification and a tapered match schedule.

The FHWA may approve cases where tapered match would:

- Expedite project completion.
- Reduce the project's overall cost.
- Provide incentive to attract additional nonfederal funds to the project.

### 3.9 FLEXIBLE MATCH

Federal flexible match provisions allow a wide variety of public and private contributions to be credited toward the nonfederal match for federal-aid projects. Eligible contributions include donations of public and private cash, R/W (Acquisition) and in certain cases, public and private materials or services rendered.

The use of flexible match also is subject to review and approval by both Caltrans (Office of Federal Resources) and the FHWA (California Division). The project sponsor must submit a written flexible match plan to the DLAE for review. The plan must specify the appraised value (fair market value) of donated property, materials, and/or services.

Eligibility of flexible match for credit against nonfederal match is subject to the following:

- **Cash** – Private, state, and local entity funds must be received during the period between project approval/authorization and submittal of the project final voucher.
- **Right of Way** – Private, state, local agency property may be donated any time during the project development process. The property must be appraised to determine the fair market value and must be included in the total project cost. The donation of the property shall not influence the NEPA process.
- **Materials** – Private and local entity donation of materials must be appraised to determine fair market value. Credit for state donated materials is not permitted.
- **Services** – State and local entity services may only be credited toward the nonfederal match for Transportation Enhancements (TE) projects. Private donation of services must be documented as to fair market value.

In addition to the referenced flexible match opportunities above, certain sources of federal grant funds may be eligible to match certain categories of highway projects. For more information refer to FHWA's "Innovative Finance Primer" Chapter 2 "Innovative Management of Federal Funds," located at: <http://www.fhwa.dot.gov/innovativefinance/ifp/innoman.htm>.

### 3.10 TOLL CREDIT IN LIEU OF NON-FEDERAL MATCH

Section 1508 of the Moving Ahead for Progress in the 21<sup>st</sup> Century Act (MAP-21) as established under Section 120(i) of the Title 23 of the United States Code (USC) authorizes states to use certain toll revenue expenditures as a credit toward the non-federal matching share of programs

authorized by Title 23 (except for the Emergency Relief (ER) Program) and for transit programs authorized by Chapter 53 of Title 49 of the USC.

Federal-aid highway projects typically require the project sponsors to provide a certain percentage of non-federal funds as match to the federal funds. For example, Surface Transportation Program (STP) funded projects require a minimum of 11.47% of non-federal match funds. Through the use of toll credits, the non-federal share match requirement can be met by applying an equal amount of toll credits and therefore *allow a project to be funded at 100% federal* for federally participating costs. Toll credits can be used on all federal-aid highway funding programs EXCEPT for the ER Program.

Local agencies may now use other federal funding to replace the required local match for both On-System Local Highway Bridge Program (HBP) projects and Highway Safety Improvement Program (HSIP) projects. With this option toll credits can be applied to each federal funding component in the project to increase the federal reimbursement rate to 100%. Caltrans policies also limits the use of toll credits on HSIP and HBP. (The limit of toll credit use for On-System Local Highway Bridge Program (HBP) projects and Highway Safety Improvement Program (HSIP) projects is because all available funds have been fully programmed and there are more needs than funding capacity).

Two websites have been added to the policy to assist local agencies that wish to use toll credits for the federal Planning and Federal Transit Administration (FTA) funds:

- [http://www.dot.ca.gov/hq/tpp/offices/orip/owp/index\\_files/Final\\_2011\\_RPH.pdf](http://www.dot.ca.gov/hq/tpp/offices/orip/owp/index_files/Final_2011_RPH.pdf)
- <http://www.dot.ca.gov/hq/MassTrans/Docs-Pdfs/5311/transittollcreditsrev012611.pdf>

One of the conditions for FHWA's approval of the toll credits is that its use does not reduce the state's non-federal transportation capital expenditures. To conform to this policy, California must demonstrate continued efforts to maintain its non-federal transportation expenditures. Therefore, project sponsors that have savings of transportation dollars due to toll credit match of federal funds shall spend that savings on other transportation related projects.

In addition, it needs to be noted that the use of toll credits does not generate any additional federal funding. Its use is merely to meet the non-federal match requirement of the federal participating cost. The amount of toll credit available each year is limited by the amount of annual Federal Obligation Authority (OA).

Toll credits can be used in any phase of federal-aid projects (Preliminary Engineering, Right of Way, or Construction) as long as that phase of work has not been previously authorized. Caltrans policy does not allow the retroactive use of toll credits on a phase of work that has already received federal authorization. However, subsequent phases can be authorized to use toll credits.

In order to use toll credit, a project MUST meet the following requirements:

- The intended use of toll credits is explicitly expressed in the Request for Authorization (RFA) to proceed by marking the appropriate toll credit use area;
- Indicate the use of toll credits in the Remarks of the signed project Finance Letter;

- Be fully funded at the maximum allowable federal reimbursement rate, excluding federally non-participating costs;
- Programmed in the current Federal Statewide Transportation Improvement Program (FSTIP) as using toll credits;
- The project is funded with funds from one of the programs listed in Caltrans’ Statewide Toll Credit Use Policy.
- Project must meet the eligibility criteria for that particular funding being used on the project.

The following examples demonstrate how the use of toll credits is different than the normal federal/non-federal match funding.

**Scenario A – Traditional Project Funding with Match**

For a project with a total cost of \$120,000 including \$20,000 of federally non-participating costs (\$100,000 federally participating) using a federal reimbursement rate of 88.53%, the funding plan would normally be as indicated in the following Table 1.

Table 1 - Traditional Funding					
Prog Code	Total Cost	Participating Cost	Federal Funds	Non-Federal Funds	Toll Credit
M240	\$120,000	\$100,000	\$88,530	\$31,470	\$0

The federal fund amount required in this scenario is \$88,530 (88.53%) of the participating cost and the non-federal funding amount is equal to the non-participating amount \$20,000 plus the required \$11,470 (11.47%) non-federal match for a total amount of \$31,470.

**Scenario B – Toll Credit Funding**

When toll credit is being applied to the project, it will be used as a credit toward the non-federal share or \$11,470. Since toll credits are not federal funds, federal share must be increased to accommodate the reduction of Non-Federal funds resulting from the toll credit being used as indicated in the following Table 2.

Table 2 - Use Toll Credit					
Prog Code	Total Cost	Participating Cost	Federal Funds	Non-Federal Funds	Toll Credit
M240	\$120,000	\$100,000	\$100,000	\$20,000	\$11,470

The federal fund amount required is changed from \$88,530 (88.53%) to \$100,000, the total Participating Cost, and the non-federal funding amount is equal to the non-participating amount. This option is not applicable for Local HBP projects on the State Highway System and Highway Safety Improvement Program (HSIP) projects (see Scenario C below).

**Scenario C – Toll Credit with Dual Federal Funding**

This scenario is for an HSIP project using STP funds as a match. When other types of federal funding are being applied as a match to the project, each fund must be treated as a separate funding component with 100% federal funding and a corresponding toll credit. A toll credit value equal to the required non-federal match will be applied to each of the federal funding lines as indicated in Table 3.

<b>Funding Line</b>	<b>Prog Code</b>	<b>Total Cost</b>	<b>Participating Cost</b>	<b>Federal Funds 1</b>	<b>Federal Funds 2</b>	<b>Toll Credit</b>
1	MS30 (HSIP)	\$90,000	\$90,000	\$90,000	\$0	\$9,000
2	M240 (STP-Match)	\$10,000	\$10,000	\$0	\$10,000	\$1,147
	<b>Total</b>	<b>\$100,000</b>	<b>\$100,000</b>	<b>\$90,000</b>	<b>\$10,000</b>	<b>\$10,147</b>

For this example, the required non-federal match for HSIP funding line #1 is \$9,000 (10%). For funding line #2 the required match for STP funding is \$1,147 (11.47%). Therefore, the total amount of toll credit applied to this project is \$10,147. This option is applicable for On-System Local HBP projects and Highway Safety Improvement Program (HSIP) projects.

## Local Agencies:

- Work with the respective Metropolitan Planning Organization (MPO) or RTPA to ensure the use of toll credit is appropriate and that such use is properly programmed in the MPO's Federal Transportation Improvement Program (FTIP), and subsequently in the Federal Statewide Transportation Improvement Program (FSTIP);
- Submit Request for Authorization (RFA) and Finance Letter indicating the use of toll credits for the project; Federal funds must equal 100% of the total participating costs. Include a comment in the "Remarks" section of the Finance letter for the use of toll credits; and
- After receiving Authorization to Proceed, an executed Program Supplemental Agreement (PSA), and a State approved Finance Letter. Invoices for eligible costs may be billed at 100% of the participating costs.

Assume a project need of \$100,000.

With funds that you can normally use toll credits with, you have the breakdown below:

	TOTAL	PARTICIPATING	FEDERAL 1	LOCAL	TOLL CREDIT
Traditional	\$100,000	\$100,000	\$88,530	\$11,470	\$ 0
Toll Credit	\$100,000	\$100,000	\$100,000	\$0	\$11,470 (\$100,000 x .1147)

Using On-System Bridge funds, you must have a second non-HBP source of federal funds to make it work:

	TOTAL	PARTICIPATING	Federal 1 ON SYS HBP	Federal 2 STP	LOCAL	TOLL CREDIT
Traditional	\$100,000	\$100,000	\$88,530	\$0	\$11,470	\$0
-----						
Toll Credit (HBP piece)	\$88,530	\$88,530	\$88,530	\$0	\$0	\$10,154 (\$88,530 x .1147)
Toll Credit (STP piece)	\$11,470	\$11,470	\$0	\$11,470	\$0	\$1,316 (\$11,470 x .1147)
TOTAL	\$100,000	\$100,000	\$88,530	\$11,470	\$0	\$11,470

If, for example, the second fund source is DEMO, it would breakdown like this:

	TOTAL	PARTICIPATING	Federal 1 ON SYS HBP	Federal 2 DEMO	LOCAL	TOLL CREDIT
Traditional	\$100,000	\$100,000	\$88,530	\$0	\$11,470	\$0
-----						
Toll Credit (HBP piece)	\$88,530	\$88,530	\$88,530	\$0	\$0	\$10,154 (\$88,530 x .1147)
Toll Cre (DEMO* piece)	\$11,470	\$11,470	\$0	\$11,470	\$0	\$2,294 (\$11,470 x .20)
TOTAL	\$100,000	\$100,000	\$88,530	\$11,470	\$0	\$12,448

\*Note - Eligibility must be check when using DEMO or any other Federal funds in-lieu of the Local match.

Figure 3-6: Toll Credit Example



## CALIFORNIA DEPARTMENT OF TRANSPORTATION TOLL CREDIT USE POLICY

### **Background:**

Section 1111(c) of the Transportation Equity Act for the 21st Century (TEA21), 23 U.S.C., Section 1044 of ISTEA under Section 120(j), and 23 U.S.C., Section 1508 of MAP-21 under Section 120(i) allows states to use certain toll revenue expenditures as a credit toward the non-federal matching share of programs authorized by Title 23 (except for the emergency relief programs) and for transit programs authorized by Chapter 53 of Title 49.

During Fiscal Year (FY) 1992 through FY 2006, California has collected approximately \$18.2 billion in toll receipts, of which over \$7.1 billion was invested to build and/or improve public highway facilities. Based on federal statutes, the State applied for approximately \$5.7 billion in toll credits from investments during this time period. Now approved, these toll credits do not lapse until used by the state.

### **Effective Date and Duration:**

These guidelines apply permanently to the \$5.7 billion, which was conditionally approved by the FHWA for the State of California<sup>1</sup> along with any future toll credits which are received based on Caltrans maintenance of effort in conjunction with local toll collection and will remain in effect until rescinded or modified.

### **Guiding Principles for use of Toll Credits:**

- Compliance with state and federal statutes,
- Maximize the use of federal funds,
- Toll credits should not result in the redirection of non-federal funds away from transportation.

### **Constraints/requirements:**

- Use of toll credits does not generate additional federal funding and is limited to the non-federal match required for Apportionments and Obligation Authority (OA) available in any given year.
- All projects proposed to use toll-credits should be fully funded at the maximum allowable federal reimbursement rate.
- Use of toll credits will require amendments to current programming documents.
- FTIPs still need to be financially constrained.
- Toll credits may not be applied to projects funded with FHWA Emergency Relief funds or Appalachian Development Highway System (ADHS).
- The State must establish a special account to track toll credits.
- Processes for the tracking of toll credit usage must be established.

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<sup>1</sup> On June 1, 2005, the Department received approval from FHWA for \$104.026 million in toll credits from private entity expenditures on State Route 91. This \$104.026 million will be kept separate for use within Orange County.

## Distribution Process:

1. Toll credits will be made available statewide to the RTPAs and to the Department of Transportation for federal match to any eligible federal program. Local agencies may match the Highway Bridge Program for on federal-aid system projects, and local safety projects with any other type of federal funding, including the use of STIP shares, for which the project is eligible.
  - a. RTPAs will provide the Department with an estimate of the total need for toll credits for the FTIP period by programming year.
  - b. In order for the State to implement the usage of toll credits statewide, the RTPA must submit to the Department on or before October 1 of each federal fiscal year, a list of programmed FTIP projects that are planned to use the credits for the upcoming federal fiscal year (starting October 1).
2. Periodically, the policy will be re-evaluated and if necessary changes will be made to the methodology and process for the disbursement of toll credits to take effect in the federal fiscal year subsequent to adoption.
3. Further direction regarding toll credit policy for Planning and Federal Transit Administration can be found at:  
[http://www.dot.ca.gov/hq/tpp/offices/orip/owp/index\\_files/Final\\_2011\\_RPH.pdf](http://www.dot.ca.gov/hq/tpp/offices/orip/owp/index_files/Final_2011_RPH.pdf)  
<http://www.dot.ca.gov/hq/MassTrans/Docs-Pdfs/5311/transittollcreditsrev012611.pdf>

## Monitoring and Reporting of Toll Credit Usage and Balance

In accordance to the FHWA February 8, 2007, Memorandum on Tolling and Pricing Program, Caltrans will establish and maintain a special account to track the use and balance of toll credits for FHWA funded projects.

As a pre-condition for utilizing toll credits on FTA funded projects, RTPAs and local agencies shall develop and maintain a special account to track the use and balance of toll credits acceptable to FTA and FHWA. The obligations of funds through FTA constitute final use of toll credits as FTA funds are not de-obligated but are amended through the FTA.

## APPROVED:



STEVEN KECK

Acting Chief Financial Officer



Date

# APPENDIX A – 42

## *Regional Policies: Project Funding and Specific Funding Programs*

MTC Toll Credit Policy  
MTC Resolution No. 4008



Date: April 27, 2011  
W.I.: 1512  
Referred by: PAC  
Revised: 09/26/12-C

ABSTRACT

Resolution No. 4008, Revised

This resolution establishes the regional policy for managing the use of Toll Credits, also known as Transportation Development Credits, within the San Francisco Bay Area.

This resolution includes the following attachments:

Attachment A – Regional Toll Credit Policy

Attachment A to the resolution was revised on September 26, 2012 to add a fourth principle for the use of toll credits for flexibility in managing programs of regional significance.

Additional discussion of this action is contained in the MTC Programming and Allocations Committee Summary dated April 13, 2011 and September 12, 2012.

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Date: April 27, 2011  
W.I.: 1512  
Referred by: PAC

Re: Regional Toll Credit Policy

METROPOLITAN TRANSPORTATION COMMISSION  
RESOLUTION NO. 4008

WHEREAS, the Metropolitan Transportation Commission (MTC) is the regional transportation planning agency (RTPA) for the San Francisco Bay Area pursuant to Government Code § 66500 et seq.; and

WHEREAS, MTC is the designated Metropolitan Planning Organization (MPO) for the nine-county San Francisco Bay Area Region (the region); and

WHEREAS, MTC, as the designated RTPA and MPO for the region, is responsible for programming and managing certain federal and state funding provided to the San Francisco Bay Area for transportation purposes; and

WHEREAS, Section 1111(c) of the Transportation Equity Act for the 21st Century (TEA21), and 23 U.S.C., Section 1044 of the Intermodal Surface Transportation Efficiency Act (ISTEA) under Section 120(j) allows states to use certain toll revenue expenditures as a credit toward the non-federal matching share of certain programs authorized by Title 23 (referred to as Toll Credits) and for transit programs authorized by Chapter 53 of Title 49 (referred to as Transportation Development Credits); and

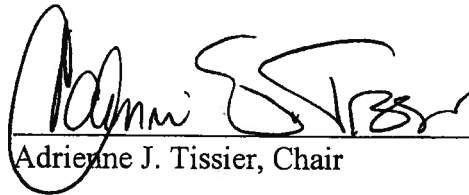
WHEREAS, the Federal Highway Administration (FHWA) has granted approval to Caltrans to use Toll Credits; and

WHEREAS, the California Department of Transportation (Caltrans) has developed a policy on the use of Toll Credits, including the monitoring and reporting of toll credit usage; and

WHEREAS, Attachment A to this resolution, attached hereto and incorporated herein as though set forth at length, establishes the policy principles for the region's use of Toll Credits, now therefore be it

RESOLVED, that MTC approves the regional Toll Credit policy for the San Francisco Bay Area as set forth in Attachment 'A' to this resolution; and be it further

METROPOLITAN TRANSPORTATION COMMISSION



Adrienne J. Tissier, Chair

The above resolution was entered into  
by the Metropolitan Transportation  
Commission at a regular meeting of the  
Commission held in Oakland, California,  
on April 27, 2011

Date: April 27, 2011  
W.I.: 1512  
Referred by: PAC  
Revised: 09/26/12-C

Attachment A  
MTC Resolution No. 4008  
Page 1 of 2

## **Regional Toll Credit Policy**

### **Background**

Section 1111(c) of the Transportation Equity Act for the 21st Century (TEA21), and 23 U.S.C., Section 1044 of the Intermodal Surface Transportation Efficiency Act (ISTEA) under Section 120(j) allows states to use certain toll revenue expenditures as a credit toward the non-federal matching share of certain programs authorized by Title 23 (referred to as toll credits) and for transit programs authorized by Chapter 53 of Title 49 (referred to as transportation development Credits).

Toll credits do not provide additional revenues, but rather allow the use of federal funds at a reimbursement rate of 100% without a required non-federal match.

The Federal Highway Administration (FHWA) approved approximately \$4.2 billion in toll credits for use in California.

Toll credits are managed by Caltrans at the state level.

### **Current State Toll Credit Policy**

Caltrans has established a toll credit policy for federal transportation funds managed by the state. The use of toll credits for STP/CMAQ and FTA Formula FG funds is at the discretion of the RTPA/designated recipient.

### **Regional Principles**

The use of toll credits should be focused toward the objectives below:

- **Maximize Efficient Use of Federal Funds:** Apply toll credits on large federalized projects to substitute for non-federal funding otherwise used as local match (e.g. County sales tax funds). This would allow the local funds to be used on other transportation projects and would focus federal funds on fewer, larger projects, while redirecting more flexible funding to other transportation projects that may have difficulty proceeding through the federal-aid process.
- **Facilitate Funding Exchanges:** Consider the use of toll credits if needed to facilitate the exchange of non-federal funds. Using toll credits maximizes the local dollars available for exchanges thereby expanding the 'pool' of non-federal funds with which to implement a broader range of regional transportation strategies, consistent with MTC's existing exchange program.

- **Target Federal Funds to Specific Phase(s):** For some projects it is often advantageous to use non-federal funds for specific phases, such as preliminary engineering, and use federal funds for other phases such as construction. However, it is difficult to obtain federal approval to consider local funding spent on earlier phases as match to federal funds in later phases. Sponsors tend to over-match smaller projects as a result. It is proposed that toll credits may be used on a case-by-case basis for a specific phase, where non-federal funds have been expended in excess of the required non-federal match in the earlier phases. The overall project would still have non-federal funding exceeding the required match for the entire project, while facilitating project delivery by targeting federal funds to a specific phase.
- **Flexibility for Programs of Regional Significance:** Allow toll credits for programs of regional significance including planning and outreach activities, allowing greater flexibility in managing on-going regional programs and planning efforts.

#### **Implementation**

The Toll Credit policy is to be implemented by MTC through the policies and procedures developed for the specific federal program managed by MTC.

This policy only applies to federal funds managed by MTC (including FTA 5307, FTA 5309 FG, STP and CMAQ).

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#### **Monitoring**

Toll credits are to be entered into MTC's Fund Management System (FMS) for tracking and reporting purposes.



# APPENDIX A – 43

## *Regional Policies: Project Funding and Specific Funding Programs*

**Cap and Trade Funding Framework and  
Process Development Guidelines**

**MTC Resolution No. 4130**



Date: December 18, 2013  
W.I.: 1515  
Referred by: PAC  
Revised: 04/27/16-C 11/20/19-C  
02/23/22-C

ABSTRACT

Resolution No. 4130, Revised

This resolution establishes the Cap and Trade Funding Framework and Process Development Guidelines.

This resolution includes the following attachments:

A – Cap and Trade Funding Framework

B – Guideline Development Process

This resolution was revised on April 27, 2016 to update the Cap and Trade Funding Framework.

This resolution was revised on November 20, 2019 to update the Transit and Intercity Rail Capital Program sections of the Cap and Trade Funding Framework.

This resolution was revised on February 23, 2022 to update the Transit and Intercity Rail Capital Program sections of the Cap and Trade Funding Framework.

Further discussion of these actions is contained in the Programming and Allocations Summary Sheets dated November 13, 2013, December 11, 2013, April 13, 2016, November 13, 2019, and February 9, 2022, and the Commission handouts of December 18, 2013.

Date: December 18, 2013  
W.I.: 1515  
Referred by: PAC

RE: Cap and Trade Funding Framework and Process Development Guidelines

METROPOLITAN TRANSPORTATION COMMISSION  
RESOLUTION NO. 4130

WHEREAS, the Metropolitan Transportation Commission (MTC) is the regional transportation planning agency for the San Francisco Bay Area pursuant to Government Code Section 66500 et seq.; and

WHEREAS, Plan Bay Area (“Plan”), the region’s integrated long-range transportation and land use plan adopted by MTC, provides the planning foundation for transportation improvements and regional growth throughout the San Francisco Bay Area through 2040; and

WHEREAS, the Plan includes a \$3.1 billion reserve from future Cap and Trade funding; and

WHEREAS, the Plan identifies the expected uses of Cap and Trade funding as including but not limited to transit operating and capital rehabilitation/replacement, local streets and roads rehabilitation, goods movement, and transit-oriented affordable housing, consistent with the Plan’s focused land use strategy; and

WHEREAS, the Plan states that Cap and Trade revenues will be allocated to specific programs through a transparent and inclusive regional public process; and

WHEREAS, the Plan calls for the process to ensure that at least 25 percent of the Cap and Trade revenues will be spent to benefit disadvantaged communities in the Bay Area; and

WHEREAS, the Plan directs a significant portion of the revenue generated from Cap and Trade funding be dedicated to unmet transit needs as a robust and efficient public transit network is critical for the Plan’s compact land use strategy focused around existing and planned transit nodes; now therefore be it


RESOLVED, that the Cap and Trade Funding Framework is a comprehensive strategy for reducing greenhouse gas emissions as outlined in Attachment A, attached hereto and incorporated herein as though set forth at length; and, be it further

RESOLVED, that Attachment B sets forth the Project Selection Process Development Guidelines for all funding categories with the exception of the Transit Core Capacity Challenge Grant Program; and be it further

RESOLVED, that the Transit Core Capacity Challenge Grant Program is detailed in Resolution No. 4123; and be it further

RESOLVED, that the funding framework established in Attachment A is subject to state statute and regulations governing the availability and use of the Cap and Trade Funding.

METROPOLITAN TRANSPORTATION COMMISSION

  
\_\_\_\_\_  
Amy Rein-Worth, Chair

The above resolution was entered into by the  
Metropolitan Transportation Commission  
at a regular meeting of the Commission held  
in Oakland, California, on December 18, 2013

Date: December 18, 2013  
 W.I.: 1515  
 Referred by: PAC  
 Revised: 04/27/16-C 11/20/19-C  
 02/23/22-C

Attachment A  
 Resolution No. 4130  
 Page 1 of 4

## **Attachment A**

### **Bay Area Cap and Trade Funding Framework**

#### **Cap and Trade Reserve Investment Principles**

1. Cap and Trade Funds must have a strong nexus to Greenhouse Gas (GHG) reduction
2. Distribution of the available funds will serve to strategically advance the implementation of Plan Bay Area and related regional policies
3. Investment Categories and related Policy Initiatives will be structured to provide co-benefits and opportunities to leverage investments across categories and from multiple sources (public and private).
4. All Investment Categories should include funding that benefits disadvantaged communities in accordance with program guidelines from the applicable state agencies.

#### **Cap and Trade Reserve Funding Categories**

The following chart summarizes the framework including amounts from each category, with additional details following.

Funding Category	Amount (\$ millions)
1. Transit Core Capacity Challenge Grants Program/ TIRCP	3,000
2. Transit Operating and Efficiency Program/ LCTOP	1,136
3. One Bay Area Grants/ AHSC	5,000
4. High Speed Rail	TBD
5. Climate Initiatives	TBD
6. Goods Movement	TBD
<b>TOTAL</b>	<b>TBD</b>

#### **1. Transit and Intercity Rail Capital Program/ Transit Core Capacity Challenge Grants Program**

Plan Bay Area identifies a remaining need of \$17 billion over nearly three decades to achieve an optimal state of repair for the region’s public transit network. The plan’s in-fill and transit-oriented growth strategy relies on a well-maintained transit system to meet greenhouse gas emissions reduction targets and other plan performance objectives.

Proposal:

- Invest \$3.0 billion over the life of Plan Bay Area through the Transit and Intercity Rail Capital Program (TIRCP)
- The TIRCP, and including the Transit Core Capacity Challenge Grant Program:
  - accelerates fleet replacement and other state of good repair projects from Plan Bay Area, including “greening” the fleet and other strategic capital enhancements
  - focuses on BART, SFMTA, AC Transit, VTA, and Caltrain – transit operators that carry 91% of region’s passengers, account for approximately 88% of the plan’s estimated transit capital shortfall, and serve PDAs that are expected to accommodate the lion’s share of the region’s housing and employment growth
  - achieves roughly \$7 billion in total state of good repair investment by leveraging other regional discretionary funds and requiring a minimum approximate 30% local match from the three operators
  - Identifies funding for key transit expansion projects, and allows smaller operators and projects to seek funding from the discretionary TIRCP as needs arise
  - requires that participating operators meet the Transit Sustainability Project’s performance objectives outlined in MTC Resolution No. 4060
- MTC will consider endorsing requests up to \$25 million for projects not explicitly in the framework, conditioned on consistency with the region’s long range plan.
- See Attachment A-1 for full TIRCP framework.

**2. Low Carbon Transit Operations Program**

Plan Bay Area fully funds existing transit service levels at nearly \$115 billion over the three decade period, with an assumption that the largest transit operators achieve near-term performance improvements. However, the plan also identifies the importance of a more robust and expanded public transit network, anchored by expanded local service, as a key ingredient for success of Plan Bay Area’s growth strategy. In particular, the plan falls short of the funding necessary to meet the performance target of growth in the non-auto mode share to 26 percent of all trips.

Proposal:

- Invest \$302 million in Low Carbon Transit Operations Program (LCTOP) population-based funds over the life of Plan Bay Area as follows:
  - \$102 million to North Counties / Small Operators, distributed in same manner as State Transit Assistance population-based Northern Counties/Small Operators category as defined in MTC Resolution No. 3837
  - \$100 million to Clipper and fare policy investments
  - \$100 million to investments in key transit corridors, similar to the Transit Performance Initiative program, with AC Transit, SFMTA, and VTA receiving at minimum the following percentages based on ridership (50%) and service area population (50%):

- AC Transit: 16%
- SFMTA: 28%
- VTA: 17%
- These percentages would be achieved over a five year period, provided that the three operators have eligible, ready to go projects during a five year cycle.
- The remaining 39% would be available to any operator with suitable projects, including AC Transit, SFMTA, and VTA.
- All projects would be selected through a regional process.
- Full LCTOP framework is shown in Attachment A-2.

### **3. One Bay Area Grants/ Affordable Housing and Sustainable Communities Program**

Plan Bay Area invests over \$14 billion in transportation improvements concentrated near high quality transit and higher density housing – through the One Bay Area grant program – focusing on complete streets, bicycle and pedestrian facilities, and streetscape improvements. The Plan identifies a remaining need of \$20 billion over the next three decades to achieve a PCI score of 75, the Plan’s adopted performance target for pavement; of this, roughly 45% is for non-pavement infrastructure, critical for complete streets that would serve alternative modes and transit-oriented development that is a key part of Plan Bay Area’s growth strategy. Further, the provision of housing for low and moderate income households in areas that provide access to jobs was identified in Plan Bay Area as critical to sustaining the region’s economic growth and attaining the Plan’s GHG and Housing Targets.

#### Proposal:

- Target award of 40% of statewide Affordable Housing and Sustainable Communities program funding for projects in the Bay Area, equaling \$5 billion over the life of Plan Bay Area.

### **4. High Speed Rail**

Plan Bay Area includes several projects related to the California High Speed Rail project, including the electrification of Caltrain, and extension into downtown San Francisco. Twenty-five percent of Cap and Trade revenues are continuously appropriated to the California High Speed Rail Authority for planning and capital costs of the high speed rail project.

#### Proposal:

- Advocate for High Speed Rail investment in Bay Area elements of the system, including the Caltrain corridor and Transbay Transit Center / Caltrain Downtown Extension.

## **5. Climate Initiatives**

The Climate Initiatives Program is a multi-agency program focused on investments in technology advancements and incentives for travel options that help the Bay Area meet the GHG emission reduction targets related to SB375.

### Proposal:

- Advocate for Cap and Trade funding program out of the 40% of uncommitted revenues from which Climate Initiatives projects could be funded.

## **6. Goods Movement**

Goods movement investments fall into two categories: (1) projects focused on improving the efficiency of the movement of goods within and through the region, and (2) mitigation projects that reduce the associated environmental impacts on local communities. MTC recently adopted a regional goods movement plan that should form the basis for advocacy and project development.

### Proposal:

- Advocate for Cap and Trade funding program out of the 40% of uncommitted revenues from which goods movement projects could be funded.



Attachment A-1  
Transit and Intercity Rail Capital (TIRCP) Framework  
Proposed 2/23/22 Revisions

Agency	Project/Category	TIRCP Framework Amount (\$millions)
BART	Train Control	250
	Hayward Maintenance Center	50
	Fleet Expansion	200
	<b>BART Total</b>	<b>500</b>
SFMTA	Fleet Expansion and ZEB Transition	481
	Facilities	67
	Core Capacity Study Projects/ BRT	237
	<b>SFMTA Total</b>	<b>785</b>
AC Transit	Fleet Expansion and ZEB Transition	90
	Facilities	50
	Major Corridors	200
	<b>AC Transit Total</b>	<b>340</b>
VTA	<b>BART to San Jose</b>	<b>750</b>
Caltrain	Electrification*	100
	EMUs	125
	<b>Caltrain Total</b>	<b>225</b>
Multiple Operators	<b>TBD Expansion Projects on High Ridership Bus, Rail and Ferry Corridors and ZEB Transition Projects**</b>	<b>400</b>
<b>Region Total</b>		<b>\$3,000</b>

\*Assumes an equal or greater contribution from Cap and Trade High Speed Rail category, and an FTA Core Capacity commitment of \$447 million.

\*\*MTC will consider endorsing requests up to \$25 million for projects that are not explicitly in the framework if they are consistent with the region's long range plan.

## Attachment A-2

## Cap and Trade Framework

## Low Carbon Transit Operations Program Distribution - 24 year estimate

Estimates revenues based on State Controller's Office Letter dated 10/30/2015

Attachment A-2

Resolution No. 4130

Page 1 of 1

	Revenue-Based Funding Estimate*	Population-based Funding Estimate	Total Funding (Revenue-based and Pop.-based)
(\$ millions)			
<b>Operator / Entity / Program</b>	<b>835</b>	<b>302</b>	<b>1,136</b>
ACCMA - Corresponding to ACE	1.8	-	1.8
Caltrain	44.4	-	44.4
CCCTA	5.0	20.4	25.4
ECCTA	2.3	12.3	14.6
LAVTA	2.1	8.4	10.6
NCPTA	0.4	5.8	6.2
SamTrans	32.4	-	32.4
City of Union City	0.4	3.0	3.3
VTA	99.1	-	99.1
VTA - Corresponding to ACE	2.0	-	2.0
WCCTA	2.6	2.7	5.3
WETA	10.3	-	10.3
<i>Marin County</i>			-
GGBHTD	37.9	-	37.9
Marin Transit	-	-	-
Marin County Operators (TBD)	-	10.8	10.8
<i>Solano County</i>			-
City of Dixon	0.0	-	0.0
City of Fairfield	0.9	-	0.9
City of Rio Vista	0.0	-	0.0
City of Vacaville**	-	-	-
Solano County Transit	2.3	-	2.3
Solano County Operators (TBD)	-	17.5	17.5
<i>Sonoma County</i>			-
City of Healdsburg	0.0	-	0.0
City of Petaluma	0.2	-	0.2
City of Santa Rosa	1.1	-	1.1
Sonoma County Transit	1.3	-	1.3
Sonoma County Operators (TBD)	-	20.6	20.6
<b>SUBTOTAL</b>	<b>247</b>	<b>102</b>	<b>348</b>
AC Transit	70.8	-	70.8
BART	197.2	-	197.2
SFMTA	320.2	-	320.2
<b>SUBTOTAL</b>	<b>588</b>	<b>-</b>	<b>588</b>
Clipper and Fare Policy	-	100	100
Invest in key transit corridors (i.e. TPI)***	-	100	100

\* LCTOP Revenue-based funds are distributed per STA current revenue factors for LCTOP Population-based funds

\*\* Vacaville does not receive STA Revenue-based funds

\*\*\* The following operators will receive at minimum the following share of this program over each five-year period subject to provisions in Attachment A:

AC Transit: 16%; SFMTA: 28%; VTA: 17%

Date: December 18, 2013  
W.I.: 1515  
Referred by: PAC  
Revised: 04/27/16-C

Attachment B  
Resolution No. 4130  
Page 1 of 2

## **Attachment B**

### **Cap and Trade Guideline Development Process**

Following adoption of the Cap and Trade Funding Framework, and in conjunction with the timing for the applicable state program, staff will convene stakeholders to develop the project selection process and criteria for individual categories, summarized below:

- TIRCP/ Core Capacity Challenge Grant program\*
- Transit Operating and Efficiency Program/ LCTOP
- One Bay Area Grants/ AHSC
- High Speed Rail
- Climate Initiatives (if available)
- Goods Movement (if available)

The Transit Core Capacity Challenge Grant Program would also follow the process and project selection included in MTC Resolution No. 4123.

**Stakeholder Involvement:** Staff will provide information and develop processes with the Regional Advisory Working Group (RAWG), the Partnership Board and working groups, and the Policy Advisory Council (or their working groups), as appropriate. In addition, certain subject matter experts or stakeholders may be added to the standing working groups to provide information for specific categories of funding.

**Development of Program Guidelines:** Where MTC has discretion within the state programs, the development of project selection process and criteria is proposed to occur in conjunction with state program timelines, and will generally:

- Review studies/efforts completed to-date
- Develop draft guidelines
- Release the draft guidelines for stakeholder review
- Conduct project selection process
- Seek Commission approval for projects/program

Process Steps	Work Plan and Timeframe								
Review Studies and Efforts Completed To-Date	<p>Staff will consider and review with stakeholders recent efforts completed for each of the Cap and Trade categories. Possible studies by category include:</p> <table border="0" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;"><i><b>Transit Operating and Efficiency/ LCTOP</b></i></th> <th style="text-align: left;"><i><b>OneBayArea Grants/ AHSC</b></i></th> <th style="text-align: left;"><i><b>Climate Initiatives</b></i></th> <th style="text-align: left;"><i><b>Goods Movement</b></i></th> </tr> </thead> <tbody> <tr> <td style="vertical-align: top;"> <ol style="list-style-type: none"> <li>1) Transit Sustainability Project</li> <li>2) Short Range Transit Plans or similar plans</li> </ol> </td> <td style="vertical-align: top;"> <ol style="list-style-type: none"> <li>1) Plan Bay Area</li> <li>2) Cycle 1 Evaluation</li> </ol> </td> <td style="vertical-align: top;"> <ol style="list-style-type: none"> <li>1) Plan Bay Area</li> <li>2) Innovative Grants Evaluation</li> <li>3) Air District Plans and programs</li> <li>4) CARB programs</li> </ol> </td> <td style="vertical-align: top;"> <ol style="list-style-type: none"> <li>1) Plan Bay Area</li> <li>2) Regional Goods Movement Plan and update</li> <li>3) California Freight Mobility Plan</li> </ol> </td> </tr> </tbody> </table>	<i><b>Transit Operating and Efficiency/ LCTOP</b></i>	<i><b>OneBayArea Grants/ AHSC</b></i>	<i><b>Climate Initiatives</b></i>	<i><b>Goods Movement</b></i>	<ol style="list-style-type: none"> <li>1) Transit Sustainability Project</li> <li>2) Short Range Transit Plans or similar plans</li> </ol>	<ol style="list-style-type: none"> <li>1) Plan Bay Area</li> <li>2) Cycle 1 Evaluation</li> </ol>	<ol style="list-style-type: none"> <li>1) Plan Bay Area</li> <li>2) Innovative Grants Evaluation</li> <li>3) Air District Plans and programs</li> <li>4) CARB programs</li> </ol>	<ol style="list-style-type: none"> <li>1) Plan Bay Area</li> <li>2) Regional Goods Movement Plan and update</li> <li>3) California Freight Mobility Plan</li> </ol>
<i><b>Transit Operating and Efficiency/ LCTOP</b></i>	<i><b>OneBayArea Grants/ AHSC</b></i>	<i><b>Climate Initiatives</b></i>	<i><b>Goods Movement</b></i>						
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Develop the Guidelines	<p>The guidelines should consider the information gathered in the process steps above as well as state program guidelines and include the following:</p> <ol style="list-style-type: none"> <li>1) Eligible project types</li> <li>2) Individual project review and scoring</li> <li>3) Funding amount and timing</li> <li>4) Consistency with other initiatives</li> <li>5) Potential leverage opportunities/local match requirements</li> <li>6) Other requirements specified for funding eligibility (state requirements)</li> </ol>								
Release the Draft Guidelines for Stakeholder Review	<p>Stakeholders would have an opportunity to review the draft guidelines and provide additional comments. Staff would review comments and finalize the guidelines accordingly.</p>								
Conduct Project Selection	<ul style="list-style-type: none"> <li>• Conduct call for projects/information solicitation in accordance with MTC guidelines or state program guidelines</li> <li>• Seek Commission approval of projects/programs, or of an endorsement strategy</li> <li>• Submit information as required to applicable state agency</li> </ul>								