

OBAG 4 County Program Administrative Guidance

February 2026

Summary

Applicants and recipients of One Bay Area Grant (OBAG 4) County Program funds are subject to certain requirements established by the Metropolitan Transportation Commission (MTC) via MTC Resolution No. 4740, Revised (available on MTC’s [OBAG 4 webpage](#)). This administrative guidance summarizes MTC staff implementation of these requirements, including compliance determinations, enforcement actions, and applicability by sponsor and project type.

Compliance Determination

MTC staff are responsible for determining sponsor compliance with OBAG 4 County Program requirements, as detailed in **Table 1**. Staff will make initial compliance determinations during the project evaluation process (Fall 2026) and will monitor awardee compliance throughout the OBAG 4 period, making regular status reports to working groups and County Transportation Agencies (CTAs).

Table 1: OBAG 4 County Program Requirements and Compliance Determinations

| Requirement | Policy Excerpt | Determination Basis |
|----------------------------------|--|--|
| Housing Element | Jurisdiction sponsors must 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 and maintain certification throughout the OBAG 4 program period. | California Department of Housing and Community Development (HCD) reporting |
| Annual Progress Report | Jurisdictions must submit Housing Element Annual Reports to HCD each year by the April 1 deadline throughout the OBAG 4 program period. | HCD reporting |
| State Housing Laws | Jurisdictions must comply with the Housing Accountability Act and other state housing laws related to surplus lands, accessory dwelling units, and density bonuses throughout the OBAG 4 program period. | HCD enforcement letters and MTC staff interpretation |
| Local Roadway Safety Plan | Jurisdiction sponsors must complete and maintain a Local Roadway Safety Plan (LRSP) or equivalent safety plan, as defined by the California Highway Safety Improvement Program (HSIP) guidelines, including the requirement that plans be updated within five years. | Jurisdiction reporting via Vision Zero Working Group and MTC staff interpretation |
| PMP Certification | Jurisdiction sponsors must maintain a certified Pavement Management Program (StreetSaver® or equivalent), updated as prescribed by MTC staff. | MTC reporting |
| LSR Survey | Jurisdictions must fully participate in statewide local streets and road needs assessment surveys (including any assigned funding contribution). | Direct reporting from statewide survey administrator |
| HPMS Traffic Count Data | Jurisdiction sponsors must 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. | Jurisdiction reporting |

Applicants should initially comply with all requirements to be recommended for award. On a case-by-case basis, MTC staff may consider recommending funding to applicants that satisfy the threshold to delay funds as detailed below.

Enforcement Actions

MTC staff are responsible for implementing OBAG 4 County Program requirements, including taking enforcement actions if sponsors fall out of compliance as detailed in **Table 2**. Staff will first delay or withhold funds and work with sponsors to address initial compliance issues. If necessary, staff will recommend Commission action to rescind and reprogram funds from sponsors with unresolved issues.

Table 2: OBAG 4 County Program Enforcement Actions

| Enforcement Action | Policy Excerpt |
|-----------------------|--|
| Delay Funds | MTC will deprioritize county awards for inclusion in the Annual Obligation Plan (AOP) from sponsors with minor or initial compliance issues. |
| Withhold Funds | MTC will withhold or reverse TIP programming for county awards from sponsors with substantial and/or sustained compliance issues. |
| Rescind Funds | MTC will rescind and reprogram county awards from noncompliant sponsors that do not, or are unable to, develop a reasonable plan to comply and deliver funds within the OBAG 4 period. |

The threshold for each enforcement action is detailed in **Table 3**. When compliance issues are identified for sponsors with existing projects, MTC staff will contact both the sponsor and the respective CTA.

- In the case of continuous requirements (Housing Element, State Housing Laws, Local Roadway Safety Plan, and PMP Certification), staff will request that the sponsor provide a plan to achieve compliance within the OBAG 4 period. Staff will recommend that the Commission rescind awards from sponsors that do not provide a reasonable plan within six months of this initial request.
- In the case of cyclical requirements (Annual Progress Report, LSR Survey, HPMS Traffic Count Data), staff will use the “three strikes” principle to recommend that the Commission rescind awards from sponsors that have not complied after three consecutive opportunities.

Table 3: Thresholds for OBAG 4 County Program Enforcement Actions

| Requirement | Threshold to Delay Funds (Deprioritize in AOP) | Threshold to Withhold Funds (Remove from TIP) | Threshold to Rescind Funds (Rescind Grant Award) |
|----------------------------------|--|---|---|
| Housing Element | Jurisdiction is out of compliance but MTC staff have reviewed and concurred with plan to comply within OBAG 4 period | Jurisdiction is out of compliance and has not provided MTC staff with a reasonable plan to comply within the OBAG 4 period (<6 months from request) | Jurisdiction is out of compliance and has not provided MTC staff with a reasonable plan to comply within the OBAG 4 period (>6 months from request) |
| Annual Progress Report | Jurisdiction did not submit APR for prior year | Jurisdiction did not submit APR for past two years | Jurisdiction did not submit APR for past three years |
| State Housing Laws | Jurisdiction has active HCD notice of violation but MTC staff have reviewed and concurred with plan to comply within OBAG 4 period | Jurisdiction has active HCD notice of violation and has not provided MTC staff with a reasonable plan to comply within the OBAG 4 period (<6 months from request) | Jurisdiction has active HCD notice of violation and has not provided MTC staff with a reasonable plan to comply within the OBAG 4 period (>6 months from request) |
| Local Roadway Safety Plan | Jurisdiction has outdated LRSP but MTC staff have reviewed and concurred with plan to comply within OBAG 4 period | Jurisdiction has outdated LRSP and has not provided MTC staff with a reasonable plan to comply within the OBAG 4 period (<6 months from request) | Jurisdiction has outdated LRSP and has not provided MTC staff with a reasonable plan to comply within the OBAG 4 period (>6 months from request) |
| PMP Certification | Jurisdiction has expired PMP certification but has applied for current PTAP cycle or committed to updates using local funds | Jurisdiction has expired PMP certification and has not provided MTC staff with a reasonable plan to comply within the OBAG 4 period (<6 months from request) | Jurisdiction has expired PMP certification and has not provided MTC staff with a reasonable plan to comply within the OBAG 4 period (>6 months from request) |
| LSR Survey | Jurisdiction did not participate in latest survey but staff have committed to responding in the next cycle | Jurisdiction did not participate in past two surveys | Jurisdiction did not participate in past three surveys |
| HPMS Traffic Count Data | Jurisdiction did not respond to the latest data request but staff have committed to responding in the next year | Jurisdiction did not respond to the last two data requests | Jurisdiction did not respond to the last three data requests |

Requirement Applicability

The OBAG 4 County Program requirements detailed in this guidance apply primarily to jurisdiction sponsors with land use authority. Other eligible applicants, such as transit agencies, CTAs, and federally recognized Tribal governments are generally exempt from these requirements.

However, to ensure fair and consistent implementation of OBAG 4 policies, MTC staff will also apply these requirements to capital projects delivered on behalf of a local jurisdiction by another agency. Specifically, to receive or maintain funding, sponsors must ensure that all participating local jurisdictions comply with OBAG 4 County Program requirements for the following project types: capital projects sponsored by one jurisdiction but located substantially within another local jurisdiction or jurisdictions, non-transit capital projects sponsored by a transit agency in a local jurisdiction or jurisdictions, and capital projects sponsored by a CTA in a local jurisdiction or jurisdictions. Applicable project types are detailed in **Table 4**.

Table 4: Applicability of OBAG 4 County Program Requirements by Sponsor and Project Type

| Sponsor Type | Project Type | Project Location | Requirements Applicability |
|---------------------|---------------------------------------|---|---|
| Jurisdiction | Any | Within sponsor jurisdiction | Apply to sponsor jurisdiction |
| Jurisdiction | Capital (any phase) | Substantially outside sponsor jurisdiction (>10%) | Apply to all local jurisdictions with substantial project area |
| Transit Agency | Non-transit capital (any phase) | Local jurisdiction(s) | Apply to all local jurisdictions within project area |
| Transit Agency | Transit capital or non-infrastructure | Any | <i>Jurisdiction compliance requirements do not apply</i> |
| CTA | Capital (any phase) | Local jurisdiction(s) | Apply to all local jurisdictions within project area |
| CTA | Non-infrastructure | Any | <i>Jurisdiction compliance requirements do not apply</i> |

Agencies applying for OBAG 4 County Program funds for capital projects on behalf of another jurisdiction or jurisdiction(s) as specified above must provide letters of support from each impacted jurisdiction in their application materials.