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**Attachment A – OBAG and MTC Exchange Proposed Programming Details**

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***Regional Communications Infrastructure Upgrade***

The Regional Communications Infrastructure Upgrade project (formerly Connected Bay Area) is a partnership between MTC and Caltrans to implement the Bay Area Regional Communications Infrastructure Strategic Investment Plan (2019) and deliver a fast, reliable, and resilient fiber optic network connecting Transportation Management System (TMS) elements on regional freeways and state-owned arterials with the Caltrans District 4 Transportation Management Center (TMC). The Commission has previously programmed a total of \$43.4 million in OBAG 2 (\$19 million) and OBAG 3 (\$24.4 million) funds to support this effort.

In recent years, Caltrans has taken a more prominent role in the design, funding, and delivery of communications infrastructure. For example, the Department is currently working to implement the California Advanced Transportation Management System (CATMS) by 2028, which would integrate regional TMC's across the state under a single software platform. In addition, earlier this year, Caltrans committed to delivering elements of the OBAG 2 funded communications scope of work through a larger State Highway Operation and Protection Program (SHOPP) project, reducing MTC's contribution by \$10 million. Staff recommend reprogramming these savings to the West Oakland Link project as detailed below.

Considering Caltrans' expanded commitments, staff expect that MTC will take a more limited facilitation and funding role in future implementation of the Investment Plan. Staff will continue to coordinate with Caltrans to identify SHOPP projects and other mechanisms to deliver near-term capital improvements. However, staff expect that associated upcoming MTC funding contributions will be substantially less than the \$24.4 million currently programmed in OBAG 3. This month, staff recommend reprogramming \$1.1 million of these funds to the Priority Conservation Area (PCA) program as detailed below. Staff will return to the Commission in the coming months with additional programming recommendations for remaining OBAG 3 Regional Communication Infrastructure Upgrade funds, pending further discussion with Caltrans.

***West Oakland Link***

MTC's West Oakland Link project is an elevated pedestrian and bicycle pathway that will connect Mandela Parkway with the existing San Francisco-Oakland Bay Bridge East Span path, forming a key component of the larger Multimodal Bay Skyway project and closing a significant gap in the San Francisco Bay Trail. In February, the Commission awarded \$23.3 million in Regional Measure 3 (RM3) Safe Routes to Transit & Bay Trail (SR2TBT) funds to MTC for the

Multimodal Bay Skyway, contingent on the project team developing a full funding plan for either:

- The complete project, through a subsequent award from the Senate Bill 1 (SB1) Cycle 4 Solutions for Congested Corridors Program (SCCP), or
- A deliverable segment that maintains project benefits as awarded.

In June, the California Transportation Commission (CTC) adopted the Cycle 4 SB1 competitive programs, which did not include a SCCP award for the Multimodal Bay Skyway. To ensure that MTC can utilize awarded SR2TBT funds and deliver a usable segment of the project, this month staff recommend that the Commission reprogram \$10 million in OBAG 2 funds from MTC and Caltrans' Regional Communications Infrastructure Project to MTC's West Oakland Link. A concurrent item related to this project and the SR2TBT program is on this month's agenda under item 2f.

***Priority Conservation Area (PCA) Program***

In December 2024, the ABAG Administrative Committee authorized the San Francisco Estuary Partnership to receive \$1.1 million in regional discretionary funds for the Pacific Flyway Center's Walk in the Marsh project. The Center is located on the edge of the Suisun Marsh and provides public access, environmental education, and habitat enhancement to the area, which is a nesting and feeding ground for migratory birds along the Pacific Flyway. The Walk in the Marsh project will enhance and create 124 acres of managed wetlands with trails, boardwalks, and interpretive elements. This month, the Joint Planning Committee will consider designation of the Pacific Flyway site as a new Priority Conservation Area (PCA), as part of broader PCA updates.

To provide accepted funding for this project, staff recommend that the Commission reprogram \$1.1 million in OBAG 3 funds from MTC's Regional Communications Infrastructure Upgrade project to MTC for the PCA Program, including:

- \$1 million for the Pacific Flyway Fund's Pacific Flyway Center – Walk in the Marsh project, and
- \$100,000 for PCA program implementation associated with this additional project.

As part of this action, staff recommend changing the fund source for these projects from federal STP/CMAQ to non-federal MTC exchange funds to address eligibility constraints.

In addition, this month staff recommend revisions to the MTC exchange programs to deprogram approximately \$52,000 in project savings from Alameda County's Niles Canyon Trail (Phase 1) PCA project. These savings will return to MTC's exchange fund for future programming.

***Bay Area Housing Finance Authority (BAHFA)***

In June 2024, the Commission programmed \$5 million in MTC exchange funds to the Bay Area Housing Finance Authority (BAHFA) for county election costs related to a planned ballot measure for an affordable housing general obligation bond. However, in August 2024, the BAHFA Board voted to withdraw the bond measure from the November 2024 general election ballots in the Bay Area.

This month, staff recommend reprogramming the \$5 million in unused MTC exchange funds from BAHFA county election costs for BAHFA's mixed-income loan fund, which is also ineligible for federal transportation funds. The Chan Zuckerberg Initiative (CZI) recently made a \$6 million conditional award to BAHFA for the mixed-income fund, contingent on MTC providing \$5 million in matching capital funds. The recommended action would fulfill CZI's condition, multiplying the benefits of MTC exchange funds and retaining the Commission's original intent to advance BAHFA affordable housing programs. The terms of the mixed-income financing program are anticipated to be finalized by early 2026 and are subject to approval by the BAHFA Board.

***Bay Trail***

In September 2022, the Commission set aside \$2.5 million in OBAG 3 Complete Streets and Community Choice funds for the Bay Trail program, as follows:

- \$1.5 million for Bay Trail Planning,
- \$750,000 for a broad range of implementation activities, and
- \$250,000 for technical assistance.

In May 2024, the Commission changed the fund source for \$350,000 of \$750,000 in Bay Trail implementation funds from federal STP/CMAQ to non-federal MTC exchange funds to support Bay Trail Equity Strategy recommendations that are ineligible or unsuitable for federal funds.

This month, staff recommend the following revisions to OBAG 3 Bay Trail programming:

- Reflect that the \$350,000 MTC exchange for Bay Trail Equity Strategy recommendations is part of the Bay Trail Planning project (decrease OBAG 3 funding from \$1.5 million to \$1.15 million), not the Bay Trail Implementation project (increase OBAG 3 funding back to \$750,000), and

- Program \$250,000 in Bay Trail Technical Assistance funds to MTC for Oakland's Doolittle Drive Bay Trail Gap Closure project and change the fund source from federal STP/CMAQ to non-federal MTC exchange, as this project would substantially benefit from the increased regional support and reduced administrative effort afforded to other Active Transportation Technical Assistance projects awarded MTC exchange funds.