Bay Area Metro Center 375 Beale Street San Francisco, CA 94105



METROPOLITAN TRANSPORTATION COMMISSION

Meeting Agenda

Joint MTC ABAG Legislation Committee

	Jesse Arreguin, Chair	Sam Liccardo, Vice Chair	
	Ме	mbers	
	Eddie Ahn, David Ca	anepa, Damon Connolly,	
	Carol Dutra-Vernaci, Pa	at Eklund, Victoria Fleming,	
	Barbara Halliday, Da	ve Hudson, Gordon Mar,	
Karen Mitchoff, Alfredo Pedroza, David Rabbitt,			
Belia Ramos, Libby Schaaf, and Jim Spering			
Non-Voting Members			
	Dorene M. Gia	copini and Vacant	
Friday, November 4, 2022	9	:45 AM	REMOTE

In light of Governor Newsom's State of Emergency declaration regarding COVID-19 and in accordance with Assembly Bill 361's (Rivas) provisions allowing remote meetings, this meeting will be accessible via webcast, teleconference, and Zoom for all participants.

A Zoom panelist link for meeting participants will be sent separately to Committee members.

The meeting webcast will be available at http://mtc.ca.gov/whats-happening/meetings Members of the public are encouraged to participate remotely via Zoom at the following link or phone number. Committee Members and members of the public participating by Zoom wishing to speak should use the "raise hand" feature or dial *9. When called upon, unmute yourself or dial *6. In order to get the full Zoom experience, please make sure your application is up to date.

Attendee Link: https://bayareametro.zoom.us/j/85175872068 iPhone One-Tap: US: +13126266799,,85175872068# or +16468769923,,85175872068# Join by Telephone (for higher quality, dial a number based on your current location) US: 888 788 0099 (Toll Free) or 877 853 5247 (Toll Free) Webinar ID: 851 7587 2068 International numbers available: https://bayareametro.zoom.us/u/keEDzXDQS7 Detailed instructions on participating via Zoom are available at: https://mtc.ca.gov/how-provide-public-comment-board-meeting-zoom

Members of the public may participate by phone or Zoom or may submit comments by email at info@bayareametro.gov by 5:00 p.m. the day before the scheduled meeting date. Please include the committee or board meeting name and agenda item number in the subject line. Due to the current circumstances there may be limited opportunity to address comments during the meeting. All comments received will be submitted into the record.

1. Call to Order / Roll Call / Confirm Quorum

Quorum: A quorum of this body shall be a majority of its regular voting members (9).

2. Consent Calendar

2a.	<u>22-1510</u>	Approval of Joint MTC ABAG Legislation Committee Minutes of the October 14, 2022 Meeting
	Action:	Committee Approval
	Attachments:	2a_22-1510_2022-10-14_Joint_MTC_ABAG_Legislation_Committee_Meeting_

3. State and Federal Legislation

3a.	<u>22-1511</u>	Draft 2023 MTC and ABAG Joint Advocacy Program	
	Action:	Draft 2023 Joint Advocacy Program for MTC and ABAG, expressing the agencies' state and federal legislative priorities. Information	
	Presenter:	Georgia Gann Dohrmann	
	<u>Attachments:</u>	3ai_22-1511_Draft Advocacy_Program_Summary_Sheet.pdf	
		3aii 22-1511 Attachment A 2023 DRAFT MTC ABAG Advocacy Program.r	
3b.	<u>22-1512</u>	Washington D.C. Legislative Update	
		Report on key legislative, funding and political developments over the past month from Washington, D.C. prepared by the Summit Strategies team.	
	<u>Action:</u>	Information	
	<u>Presenter:</u>	Georgia Gann Dohrmann	
	<u>Attachments:</u>	3b_22-1512_MTC_Report_October_2022.pdf	

4. Public Comment / Other Business

Committee Members and members of the public participating by Zoom wishing to speak should use the "raise hand" feature or dial *9. When called upon, unmute yourself or dial *6.

5. Adjournment / Next Meeting

The next meeting of the Joint MTC ABAG Legislation Committee will be Friday, December 9, 2022 at 9:45 a.m. Any changes to the schedule will be duly noticed to the public. **Public Comment:** The public is encouraged to comment on agenda items at Committee meetings by completing a request-to-speak card (available from staff) and passing it to the Committee secretary. Public comment may be limited by any of the procedures set forth in Section 3.09 of MTC's Procedures Manual (Resolution No. 1058, Revised) if, in the chair's judgment, it is necessary to maintain the orderly flow of business.

Meeting Conduct: If this meeting is willfully interrupted or disrupted by one or more persons rendering orderly conduct of the meeting unfeasible, the Chair may order the removal of individuals who are willfully disrupting the meeting. Such individuals may be arrested. If order cannot be restored by such removal, the members of the Committee may direct that the meeting room be cleared (except for representatives of the press or other news media not participating in the disturbance), and the session may continue.

Record of Meeting: Committee meetings are recorded. Copies of recordings are available at a nominal charge, or recordings may be listened to at MTC offices by appointment. Audiocasts are maintained on MTC's Web site (mtc.ca.gov) for public review for at least one year.

Accessibility and Title VI: MTC provides services/accommodations upon request to persons with disabilities and individuals who are limited-English proficient who wish to address Commission matters. For accommodations or translations assistance, please call 415.778.6757 or 415.778.6769 for TDD/TTY. We require three working days' notice to accommodate your request.

可及性和法令第六章: MTC 根據要求向希望來委員會討論有關事宜的殘疾人士及英語有限者提供 服務/方便。需要便利設施或翻譯協助者,請致電 415.778.6757 或 415.778.6769 TDD / TTY。我們 要求您在三個工作日前告知,以滿足您的要求。

Acceso y el Titulo VI: La MTC puede proveer asistencia/facilitar la comunicación a las personas discapacitadas y los individuos con conocimiento limitado del inglés quienes quieran dirigirse a la Comisión. Para solicitar asistencia, por favor llame al número 415.778.6757 o al 415.778.6769 para TDD/TTY. Requerimos que solicite asistencia con tres días hábiles de anticipación para poderle proveer asistencia.

Attachments are sent to Committee members, key staff and others as appropriate. Copies will be available at the meeting.

All items on the agenda are subject to action and/or change by the Committee. Actions recommended by staff are subject to change by the Committee.

Bay Area Metro Center 375 Beale Street San Francisco, CA 94105



METROPOLITAN TRANSPORTATION COMMISSION

Meeting Minutes - Draft

Joint MTC ABAG Legislation Committee

Jesse Arreguin, Chair Sam Liccardo, Vice Chair

Members Eddie Ahn, David Canepa, Damon Connolly, Carol Dutra-Vernaci, Pat Eklund, Victoria Fleming, Barbara Halliday, Dave Hudson, Gordon Mar, Karen Mitchoff, Alfredo Pedroza, David Rabbitt, Belia Ramos, Libby Schaaf, and Jim Spering Non-Voting Members Dorene M. Giacopini and Vacant

Friday, October 14, 2022

9:45 AM

REMOTE

1. Call to Order / Roll Call / Confirm Quorum

- Present:
 14 Vice Chair Liccardo, Committee Member Hudson, Chair Arreguin, Committee Member Halliday, Committee Member Eklund, Committee Member Connolly, Committee Member Spering, Committee Member Ahn, Committee Member Pedroza, Committee Member Mitchoff, Committee Member Ramos, Committee Member Canepa, Committee Member Dutra-Vernaci and Committee Member Fleming
- Absent: 3 Committee Member Mar, Committee Member Schaaf and Committee Member Rabbitt

Non-Voting Member Present: Commissioner Giacopini Ex Officio Voting Members Present: Commission Chair Pedroza and Commission Vice Chair Josefowitz Ad Hoc Non-Voting Member Present: Commissioner Worth

2. Consent Calendar

Upon the motion by Committee Member Eklund and second by Committee Member Spering, the Consent Calendar was unanimously approved. The motion carried by the following vote:

- Aye: 13 Vice Chair Liccardo, Committee Member Hudson, Chair Arreguin, Committee Member Halliday, Committee Member Eklund, Committee Member Connolly, Committee Member Spering, Committee Member Ahn, Committee Member Pedroza, Committee Member Mitchoff, Committee Member Ramos, Committee Member Canepa and Committee Member Dutra-Vernaci
- Absent: 4 Committee Member Mar, Committee Member Schaaf, Committee Member Rabbitt and Committee Member Fleming
- 2a.22-1426Approval of Joint MTC ABAG Legislation Committee Minutes of the
December 10, 2021 and September 9, 2022 Meeting

Action: Committee Approval

 Attachments:
 2ai
 22-1426
 2021-12-10
 Joint_MTC_ABAG_Legislation_Committee_

 Meeting_Minutes_Draft.pdf
 2aii
 22-1426
 2022-09-09
 Joint_MTC_ABAG_Legislation_Committee_

 Meeting_Minutes_Draft.pdf
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 22-1426
 2022-09-09
 Joint_MTC_ABAG_Legislation_Committee_

2b. <u>22-1558</u> MTC Resolution No. 3931, Revised - Policy Advisory Council Appointment

Action: Commission Approval

Presenter: Kỳ-Nam Miller

Attachments: 11j 22-1558 MTC Reso 3931 Council Appointment.pdf

2c. <u>22-1427</u> Legislative History

Detailed list of bills the ABAG and MTC are tracking in Sacramento, including those ABAG or MTC supports or opposes.

Action: Information

Presenter: Georgia Gann Dohrmann

Attachments: 2c Handout-October 2022 Legislative History.pdf

Commissioner Fleming arrived after the approval of the Consent Calendar.

3. Local / Regional / State Legislation

3a. <u>22-1429</u> 2022 Legislative Scorecard

Comparison of MTC/ABAG 2022 Advocacy Program with legislative outcomes in the 2022 state and federal legislative sessions.

Action: Information

Presenter: Georgia Gann Dohrmann

Attachments: <u>3a 22-1429 2022 Legislative Scorecard.pdf</u>

Rich Hedges spoke on this item.

4. Federal Legislation

4a. <u>22-1428</u> Washington D.C. Legislative Update

October 2022 Report from Washington, D.C. advocates.

Action: Information

Presenter: Georgia Gann Dohrmann

Attachments: 4a_22-1428_MTC_Summit_Strategies_October_Report.pdf

5. Public Comment / Other Business

6. Adjournment / Next Meeting

The next meeting of the Joint MTC ABAG Legislation Committee will be Friday, November 4, 2022 at 9:45 a.m. Any changes to the schedule will be duly noticed to the public.

Metropolitan Transportation Commission and Association of Bay Area Governments Joint MTC ABAG Legislation Committee

November 4, 2022

Agenda Item 3a

Draft 2023 MTC and ABAG Joint Advocacy Program

Subject:

Draft 2023 Joint Advocacy Program for MTC and ABAG, expressing the agencies' state and federal legislative priorities.

Discussion:

Attachment A is the first draft of the Joint Advocacy Program for 2023, the first year of the 2023-24 state legislative session. This draft program contains many provisions that were also contained in 2022, with important updates. Notably, we propose pursuing a unified statewide advocacy strategy for new ongoing (multi-year) state funding to address transit operators' fiscal cliffs as well as other improvements needed to attract riders back to transit. This effort will be a top priority and will be complemented by ongoing support for maximizing the Bay Area's share of state and federal transportation capital investments, including advocacy to support state and federal partners in providing transportation funding at levels committed in the state's multi-year transportation and climate packages (enacted through the fiscal year 2022-23 budget) and the federal 2021 Bipartisan Infrastructure Law (BIL).

Regarding housing, we are newly proposing sponsoring Bay Area Housing Finance Authority (BAHFA) "clean up" legislation to address unintended statutory limitations on BAHFA's ability to effectively finance affordable housing and support affordable housing preservation and tenant protection in the Bay Area. Since standing up the new authority and beginning work on the BAHFA Business Plan, staff have identified several statutory changes needed in advance of a 2024 regional revenue measure to maximize BAHFA's financing potential and ability to provide benefits across the 3Ps of production, preservation and protection.

Joint MTC ABAG Legislation Committee November 4, 2022 Page 2 of 2

Next Steps:

Staff will seek additional feedback from Bay Area and statewide stakeholders and partner agencies over the next month. We are also sharing this draft with MTC's Policy Advisory Council on November 9, 2022. Based on discussion at your meeting and additional feedback received over the next month, staff will prepare a final 2023 Joint Advocacy Program for your consideration in December, prior to forwarding the document for final approval by the Commission and Executive Board.

We look forward to hearing the Committee's feedback and answering any questions you may have.

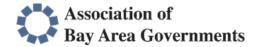
Attachments:

• Attachment A: 2023 DRAFT MTC/ABAG Advocacy Program

erew When

Therese W. McMillan





2023 <u>DRAFT</u> ADVOCACY PROGRAM

State Advocacy Objectives and Goals

1. **Transportation Funding:** Advocate for resources to support the implementation of Plan Bay Area 2050, including funding for operating and maintaining the transportation network, transit modernization and expansion, equitable mobility improvements, decarbonizing the transportation system, and improving the resilience of our transportation network.

Transportation Funding	Goals
A. Transit Operations and Ridership Recovery	Pursue a unified statewide advocacy strategy for new ongoing (multi-year) state funding to address transit operators' fiscal cliffs as well as other improvements needed to attract riders back to transit, including investments to improve the customer experience and address workforce shortages. Partner with the region's transit operators, the California Transit Association, and other state and regional partners to develop and implement the strategy. Explore a range of revenue sources, including the General Fund and Greenhouse Gas Reduction Fund (funded by Cap and Trade). Support legislative proposals to extend Cap and Trade beyond 2030. Consistent with 2A, advocate for inclusion of funding to support timely implementation of the Transit Transformation Action Plan adopted by the Blue Ribbon Transit Recovery Task Force and MTC.
B. Transit, Rail and Port Investments Committed in 2022 Transportation Package	Advocate for General Fund investments at levels consistent with commitments in the \$10.8 billion multi-year, multimodal transportation package that was approved in the fiscal year (FY) 2022-23 state budget and pursue provisions that ensure the Bay Area's priorities are addressed in FY 2023-24 budget bill.

Transportation Funding, cont.	Goals
C. Zero-emission Transit Fleets	Building on Executive Order N-79-20, support additional funding to help transit operators transition bus, ferry and rail fleets to zero emission vehicles, accelerating the decarbonization of the transportation system and supporting the implementation of the Innovative Clean Transit rule and zero-emission ferry and rail regulations. Specifically, seek up to \$1.25 billion for zero-emission vehicle investments in the FY 2023-24 budget, consistent with the level identified in AB 211 (2022), part of the multiyear climate commitment in the 2022-23 budget. Ensure zero-emission transit vehicles and infrastructure are eligible uses of the public transit funds referenced in 1B.
D. Regional Transportation Revenue Measure Preparation	Convene key Bay Area stakeholders and engage with the Bay Area delegation to explore state authorizing legislation for a future regional revenue measure, with a target of legislative approval in 2024. Central to the discussion will be developing consensus around the purpose/goals of the measure, expenditure plan priorities and potential sources of new revenue. A key consideration will be the interplay between a request for state "bridge" funding to address the impending transit operations' fiscal cliffs and a future regional measure. Engage with the public to inform regional revenue measure discussions.
E. Tolling Authorization Clarification	Support legislation to clarify the California Transportation Commission's (CTC) authority to authorize conversion of existing roadways to toll roads and toll discounts for low-income motorists. Specifically, work with partners to advocate for modest near-term clarifications and monitor statewide Road Usage Charge Technical Advisory Committee recommendations; advocate to hold on pursuing broader roadway pricing policy changes until after the completion of MTC's <u>Next Generation Bay Area Freeways</u> study.
F. Equitable Access to Opportunity/ Equity Priority Communities	Support broadening eligibility requirements in existing and/or new transportation funding streams to enable their use as a subsidy for low-income transportation system users (e.g., discounted fares for public transportation or shared mobility services). Ensure that legislation aimed at incorporating equity considerations into funding distribution does not rely exclusively on communities defined by the state's CalEnviroScreen method, which disproportionately excludes the Bay Area low-income communities relative to other parts of the state.

2. **Public Transit:** Support policies aimed at ensuring public transit is an affordable, reliable and convenient transportation option that is provided equitably and accessibly.

Public Transit	Goals
A. Transit Transformation Action Plan Implementation	Support policies and funding that will help advance the goals of the Transit Transformation Action Plan adopted by the Blue Ribbon Recovery Task Force and MTC and explore opportunities for legislative or administrative changes to remove barriers to transit priority implementation.
B. Commuter Benefits	In partnership with the Bay Area Air Quality Management District, explore opportunities to secure updates to the state parking cash out program to further incentivize transit commuting in the Bay Area. Building on AB 2206 (Lee, 2022), which closed a compliance loophole and thus expanded the reach of the parking cash out program, consider updates that would provide employers subject to the state program the option to either offer a cash out at the full value of the parking spot or a transit subsidy (i.e. a transit pass or transit benefit subsidy) at an amount lower than the cash out value.
C. Transportation Development Act (TDA) Performance Standards Update and State Transit Assistance (STA) Revenue Calculations	Continue to engage in California Transit Association-led efforts to explore a new approach to Transportation Development Act (TDA) performance measures. Support focus on incentivizing transit agencies to pursue actions aimed at increasing ridership versus measures focused on efficiency. As a stop gap measure, support efforts to extend through FY 2024-25 statutory relief for TDA farebox requirements and explore continuation of a "hold harmless" provision for calculation and allocation of State Transit Assistance (STA) revenue- based funds.

3. **Bay Area Housing Finance Authority (BAHFA):** Advocate for policies that empower BAFHA to efficiently and effectively support Bay Area cities and counties in addressing the Bay Area's chronic housing affordability challenges. Maximize the affordable housing production, preservation and protection resources BAHFA can deliver to Bay Area jurisdictions.

BAHFA Topics	Goals
	Sponsor BAHFA "clean up" legislation to address unintended statutory limitations on BAHFA's ability to effectively finance affordable housing and support preservation and protection in the Bay Area. Since standing up the new authority and beginning work on the BAHFA Business Plan, staff have identified the following statutory changes as needed in advance of a 2024 regional revenue measure to maximize BAHFA's financing potential:
A. Update BAHFA Authorizing Legislation (AB 1487, Chiu, 2019)	• Clarify that BAHFA's lending authority includes the ability to issue bonds and other indebtedness backed by rent payments.
Legislation (AB 1487, Chiu, 2019)	• Conform BAHFA's powers and duties to the California Constitution. This would enable BAHFA to fund tenant protection programs with bond proceeds if voters approve an amendment to the state's constitution, as contemplated by a potential statewide ballot measure in 2024.
	• Ensure that implementation of any commercial linkage fee allows for coverage of administrative expenses.
	Other minor technical changes
B. Support BAHFA Pilots	Monitor legislation impacting BAHFA pilot programs and, if opportunities arise, support policies that enhance ongoing pilots, both operationally and financially. If legislation is introduced related to a statewide rental application portal, ensure it complements BAHFA's Doorway program.
C. Regional Housing Revenue Measure Preparations	Coordinate with key Bay Area stakeholders regarding placement of a regional housing measure on the November 2024 ballot, in accordance with BAHFA/ABAG board direction.
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BAHFA Topics, cont.	Goals
D. Lower the Vote Threshold for Regional and Local Affordable Housing Bonds	Engage in regional and statewide efforts to pursue a statewide ballot measure in November 2024 to amend California's State Constitution to enable local and regional affordable housing bonds to be approved by a simple majority. This modification would greatly increase the likelihood of passage for a 2024 regional housing bond pursuant to AB 1487 (Chiu, 2019), as well as local affordable housing bonds. Collaborate with partners to explore the merit of pursuing ballot placement via legislative authorization versus solely via the initiative process.

4. Sustainable and Equitable Mobility: Consistent with SB 375 (Steinberg, 2008) and California's *Climate Action Plan for Transportation Infrastructure* (CAPTI), support policies aimed at reducing vehicle miles traveled and associated greenhouse gas emissions (GHG) and traffic congestion. Advocate for policies and funding tools that support regions in implementing state mandated sustainable communities strategies (e.g., Plan Bay Area 2050).

Sustainable and Equitable Mobility	Goals
A. SB 375 Implementation	Advocate for policies and funding tools that support regions in implementing state- mandated sustainable communities strategies (SCS), including, but not limited to, support for travel demand management, tools, support for enforcement tools including automated speed enforcement (see 6A), and aligning state programs to support high-impact GHG-reduction projects.
B. SB 375 Reform	While continuing to support ambitious regional GHG reduction targets, continue to engage in legislative activity related to revisions to the now 14-year-old law, SB 375 (Steinberg, 2008). Pursue changes to incentivize near-term, real-world progress on GHG emission reduction over the current approach, which places too great an emphasis on long-term modeling, and seek changes to provide greater alignment, rather than competition between regional and state GHG reduction strategies.

5. Housing Production, Preservation and Protection ("3 Ps"): Improve access to opportunity by supporting policies aimed at increasing production of housing and increasing funding to produce and preserve affordable housing and associated infrastructure to help build complete communities. Protect tenants and low-income communities from unjust evictions and displacement.

3Ps Housing Topic		Goals
А.	Housing, Homelessness and Community Development Funding	 In partnership with regional and statewide organizations, seek state funding for affordable housing production, preservation, and prevention and other supportive infrastructure. Support FY 2023-24 state budget investments at levels that meet or exceed the multi-year commitments in the FY 2022-23 budget for affordable housing production – including investments in the state Low Income Housing Tax Credit (LIHTC) program and the Housing Accelerator and Multifamily Housing Programs to advance state-supported housing projects into production and to tee up the next round of affordable housing developments – as well as in infill infrastructure and homelessness assistance programs. Additionally, support the following new investments: a) Creating the Community Anti-Displacement and Preservation Program (CAPP), for which BAHFA would be eligible. b) Support legislation modeled after ACA 14 (Wicks, 2022) which would have dedicated five percent of general fund revenues to housing and homelessness programs for 10 years. The bill would have explicitly protected existing constitutional commitments, including funding for schools and the Rainy Day Fund.
B.	Bay Area Regional Housing Needs Allocation	Support a range of strategies to help meet the Bay Area's Regional Housing Need Allocation (RHNA) goals, including proposals to drive down the cost of affordable housing development and accelerate housing production. With regional and statewide partners, explore legislation to provide upfront savings to affordable housing developers as it relates to applications for welfare tax exemptions. Currently, affordable housing developers must pay first and then wait approximately one-to-two years before receiving a rebate.

C. Low Income Housing Tax Credits	Explore options to support California's low-income housing tax credits (LIHTC) program in reflecting the intersecting (and sometimes competing) state goals related to climate and equity, including ensuring that the program supports housing production near high-quality transit and affordable housing production and preservation across income categories.
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6. **Transportation System Safety and Effectiveness:** Advocate for policies that improve transportation system safety for all road users and the effectiveness and service delivery of the Bay Area's transportation system, including improved compliance with traffic laws while protecting user's privacy. Expand the ability of transportation agencies to communicate with their customers to provide relevant transportation-related information and quality service while following industry best practices with regard to enabling customers to opt-in to receive non-essential communications.

Transportation System Safety and Effectiveness	Goals
 A. Zero traffic fatalities goal (Vision Zero) 	Building on the recommendations of the Zero Traffic Fatalities Task Force, support legislation aimed at achieving the Vision Zero goals of no roadway-related deaths or serious injuries by improving safety for all road users, including through continuing to support authorization of automated speed enforcement technology to enforce speed limits.
B. Toll Bridge and Toll Road Operations	Monitor legislation related to toll operations to protect the independence of toll agency operations. Seek opportunities to expand the ability of toll agencies to communicate with their customers about mobility options in the corridor, including public transit (e.g., allow communication about Clipper START in FasTrak [®] communications as strategy to encourage mode shift to transit) and generally improve customer communications.
C. High-Occupancy Vehicle Lanes (HOV) and Express Lanes Performance	Oppose legislation that could impede the operation and/or performance of HOV or express lanes. Support legislation that could authorize the piloting of technology to enforce vehicle passenger occupancy requirements and other strategies to improve performance of the lanes.

7. Climate, Resilience and Environment: Support funding and policy strategies to help achieve and better coordinate state and regional climate goals, advance energy efficiency and improve the Bay Area's resilience to natural hazards and the impacts of climate change, including earthquakes, sea level rise and fire. Support proposals for funding to improve the health of the San Francisco Estuary.

Climate, Resilience and Environment	Goals
A. Climate Adaptation Planning and Implementation Funding	Pursue funding for regional and local climate adaptation funding in the FY 2023-24 state budget, including at least \$75 million for the regional planning and implementation through the Integrated Climate Adaptation and Resiliency grant program, \$150 million for the State Coastal Conservancy (SCC) for protection and restoration, including for San Francisco Bay restoration and the SCC Climate Ready program, and another \$97 million for the Climate Ready program. These funding amounts are consistent with the FY 2023-24 funding level specified in SB 155 (2021), the 2021 multi-year climate adaptation trailer bill, and AB 211 (2022), a component of the 2022 multi-year climate commitment. Additionally support ongoing investment in the new state and local Transportation Infrastructure Climate Adaptation Programs, established in SB 198 (2022).
C. Seismic Safety	Support policies and funding to enhance seismic safety and earthquake preparedness in the Bay Area, including through advocating for \$250 million in the FY 2023-24 budget for soft story retrofits of multifamily homes, consistent with the 2022-23 budget agreement.

- 8. **Transportation Project Delivery:** Monitor legislation related to transportation project delivery and support strategies to speed up the delivery of transportation projects and at a lower cost, including expanding flexibility in contracting and public private partnerships.
- 9. **Transportation Innovation and Shared Mobility:** Engage in regulatory and legislative efforts to facilitate the deployment of new mobility technologies to accelerate their safety, accessibility, mobility, environmental, equity, and economic benefits, including opportunities to increase access to transit and reduce the share of single-occupancy vehicle (SOV) trips.
- 10. **Brown Act Reforms**: Monitor and support legislation to provide long-term flexibility for regional and multijurisdictional agencies to conduct their business remotely outside of emergency conditions as a means of increasing board member and public participation while also reducing the time and expenses associated with travel, vehicle miles traveled and the greenhouse gas and other tailpipe emissions from driving.

Federal Advocacy Objectives and Goals

1. Transportation and Housing Funding: Support robust federal investment in Bay Area transportation and housing infrastructure.

Transportation and Housing Funding	Goals
 A. MTC's Bay Area Infrastructure Grants Strategy: Maximize Bay Area Funds from Bipartisan Infrastructure Law (BIL) Discretionary Transportation Grants 	Consistent with MTC's Bay Area Infrastructure Grant Strategy and the Major Project Advancement Policy, engage with the U.S. Department of Transportation (U.S. DOT) and the Bay Area Congressional Delegation during Bipartisan Infrastructure Law (BIL) grant development to advocate for program policies and funding eligibilities that enhance Bay Area competitiveness. Coordinate with regional, state and federal partners to unify support for "regional target" grants behind regional BIL priority projects and advocate for grant awards for projects consistent with the regional grants strategy.
	Regarding Capital Investment Grants (CIG), continue to pursue sufficient annual appropriations to meet the funding needs of Bay Area projects with existing full funding grant agreements (FFGA) and to secure FFGAs for the Bay Area's next generation of transit projects.
	Additionally, update the Bay Area Infrastructure Grants Strategy as needed, including to reflect the priorities outlined in the upcoming Bay Area Regional Zero Emission Bus Transition Strategy.
B. Transportation Appropriations (FY 2023 and FY 2024)	Partner with local, regional and statewide transportation agencies as well as national stakeholders to ensure that Congress funds highway and transit formula programs consistent with levels authorized by the surface transportation law. Support robust CIG funding, consistent with 1A and prioritize BIL grant augmentations for programs that support Plan Bay Area 2050 implementation including investments in transit, rail, complete streets, state of good repair, and innovative mobility options.

Transportation and Housing Funding, cont.	Goals
C. Low Income Housing Tax Credits	Support efforts to modify and expand the federal Low Income Housing Tax Credit (LIHTC) Program, California's largest source of federal funding for affordable housing construction and rehabilitation. Prioritize policy changes to increase California's LIHTC financing capacity, including lowering the LIHTC bond financing threshold to 25 percent from 50 percent. Under current law, California's LIHTC allocations are effectively capped by the federal rule requiring 50 percent of construction costs be funded from a state's limited allocation of private activity bonds (PABs). Demand for PABs in California significantly exceeds supply. Lowering the required "state match" for bond-financed LIHTCs could unlock tens of thousands of new affordable units in California that are ready to go but awaiting federal tax credits.
D. Housing and Community Development Appropriations (FY 2023 and FY 2024)	Support regional, state and national partners in advocating for increased federal investment in affordable housing and homelessness programs, including Section 8 Housing Choice vouchers, HOME Investment Partnership Program (HOME), Community Development Block Grant Program (CDBG) and McKinney-Vento Homelessness Assistance programs. Pursue new policies and resources within the Department of Housing and Urban Development (HUD) that support regional approaches to housing, consistent with 1F.
E. Transit Transformation Action Plan Implementation	Seek opportunities to accelerate the Transit Transformation Action Plan early action items—namely transit fare integration, mapping and wayfinding, real time data and transit priority – by advocating that those activities are eligible for existing and new funding programs.
F. Bay Area Housing Finance Authority (BAHFA)	Lead efforts to enable BAHFA to compete for HUD discretionary grant funding to expand resources available to BAHFA for affordable housing and/or homelessness prevention projects. Seek to include regional planning agencies as eligible recipients of new HUD discretionary grants proposed in the reconciliation bill and, in the case that the bill is enacted, work with HUD on grant development.

G. PEPRA: Preserve Bay Area Transit Operator Access to Federal Transit Grants	Support efforts spearheaded by the California Transit Association to monitor ongoing issue that Bay Area federal transit grants may be withheld because of a 2021 U.S. Department of Labor interpretation that state pension law known as "PEPRA" may impede federally guaranteed transit union collective bargaining rights. If necessary, seek a legislative solution.
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- 2. Surface Transportation Authorization Implementation: Continue to work with the U.S. Department of Transportation to ensure the new surface transportation law enacted as part of the 2021 Bipartisan Infrastructure Law is implemented consistent with our reauthorization and Plan Bay Area 2050 priorities.
- 3. Climate, Resilience and Environment: Advocate for a strong federal partner in the Bay Area's efforts to improve air quality, reduce greenhouse gas (GHG) emissions, and make our communities and transportation networks resilient to a changing climate, especially in communities of concern that are most vulnerable to the impacts of climate change.

Climate, Resilience and Environment	Goals
A. Climate Change Mitigation	Seek opportunities to support the federal government in taking bold action to reduce greenhouse gas emissions and limit the magnitude of the climate crisis. Consistent with 1B and 1C, support investments in transit, rail, complete streets, smart growth and other sustainable infrastructure investments in federal spending bills. Additionally, defend investments in the 2022 Inflation Reduction Act and 2021 BIL that accelerate the deployment of zero-emission infrastructure and technologies.
B. Disaster Mitigation and Resilience	Seek opportunities to secure resources for the Bay Area to invest in disaster mitigation and resilience, including investing in strategically placed green and grey infrastructure to protect our communities and residents that are most vulnerable to the adverse effects of climate change. Support a strong regional role in disaster mitigation and resilience planning. Support policies to break down federal silos and encourage coordination of federal resources to support communities and regions in comprehensively addressing a climate threat.

resilience of the San Francisco Estuary.	C. San Francisco Estuary	Monitor National Estuary Partnership program funding and defend investments in the 2021 BIL that increase resources for the health and resilience of the San Francisco Estuary.
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4. **Transportation Innovation and Shared Mobility:** Support policies that enable technological innovations to improve mobility, including connected and automated vehicle (CV/AV) deployment, shared mobility and mobility on demand, while protecting the public's interest.



Metropolitan Transportation Commission and Association of Bay Area Governments Joint MTC ABAG Legislation Committee

November 4, 2022

Washington D.C. Legislative Update

Subject:

Report on key legislative, funding and political developments over the past month from

Washington, D.C. prepared by the Summit Strategies team.

Issues:

None identified.

Recommendations:

Information

Attachments:

• Attachment A: Summit Strategies Team Report – October, 2022

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Therese W. McMillan

Agenda Item 3b

Joint MTC ABAG Legislation Committee November 4, 2022 Page 2 of 5 Attachment A Agenda Item 3b



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Summit Strategies Team Report – October 2022

From: Summit Strategies Team

To: Therese McMillan, Executive Director

Date: October 20, 2022

Subject: October Federal Policy Monthly Report

- Congress Finalizes Government Funding
- Bipartisan Infrastructure Law Update
- Agency Actions and Competitive Grant Update
- National Transportation News Roundup

Below is a status update on issues of interest to MTC and the actions that we have taken to date.

Congress Finalizes Government Funding

As reported last month, lawmakers succeeded in passing a continuing resolution (CR) stopgap measure to fund the government before the end of fiscal year (FY) 2022. The CR passed in the Senate by a vote of 72-25 and in the House by a vote of 230-201. The House margin was tighter because House GOP leaders urged their members to vote against the bill. Passage of the CR went relatively smoothly after Senator Joe Manchin (D-WV) agreed to pull his energy permitting measure. A bipartisan group of senators, led by Senator Bernie Sanders (I-VT) and Senator Mitch McConnel (R-KY), opposed Sen. Manchin's permitting measure, dooming the proposal from being a part of the package.

The CR includes emergency military and economic funding for the war in Ukraine, funding to combat the water crisis in Jackson, Mississippi, funding for disaster aid, and funding for federal court security, among other measures. The CR funds the government through December 16, 2022, making the end of year legislative session a busy one for lawmakers when they return from midterm elections. The National Defense Authorization Act (NDAA) also needs to pass before the end of the calendar year.

Bipartisan Infrastructure Law Update

Over the last month, availability of competitive grant program funding was announced for:

- \$600 million in competitive grants for FY 2022 and FY 2023 Competitive Grants for the Rail Vehicle Replacement Program. This is a new BIL program that funds rail rolling stock replacements. Proposals must be submitted by January 5, 2023 to be considered.
 Additional information on the program, including the NOFO, can be found here.
- \$100 million in grants for the Strengthening Mobility and Revolutionizing Transportation (SMART) Grants Program. The program will fund projects that use data and technology to solve real-world challenges facing communities today. <u>Additional information on the</u> <u>program, including the Notice of Funding Opportunity (NOFO), can be found here.</u>
- \$60 million for FHWA's Advanced Transportation Technology and Innovation (ATTAIN) program, which promotes advanced technologies to improve safety and reduce travel times for drivers and transit riders and serves as a national example. <u>Additional information on the program, including the NOFO, can be found here.</u>

Agency Actions and Competitive Grant Update

Biden-Harris Administration Launches New Program to Help Communities Seek Infrastructure Projects

On Thursday, October 6, 2022, the DOT released information about its Thriving Communities Program. For two years, the Thriving Communities Program will provide under-resourced and disadvantaged communities with technical assistance to support their ability to identify, develop, and deliver transportation and community revitalization activities. The Program will prioritize selecting communities that are working to advance projects to improve health outcomes; reduce housing and transportation cost burdens and improve housing conditions; preserve or expand jobs; and increase reliable mobility options for disadvantaged communities and households for better access to health care, food, education, and other essential destinations. <u>Additional information on how to submit a Letter of Intent, become a capacity builder, and upcoming webinars can be found here.</u>

DOT Expands Its Financing Program to Help More Infrastructure Projects Progress

On Tuesday, October 4, 2022, DOT announced that the U.S. Department of Transportation's (USDOT) Build America Bureau will offer low-cost and flexible financing for transit and Transit-oriented Development (TOD) projects at the maximum level authorized under law via the Transportation Infrastructure Finance and Innovation Act (TIFIA) program. TIFIA is designed to speed up the delivery on transportation projects and make them cheaper for project sponsors. Historically, TIFIA loans have been capped at 33% of eligible project costs. Under the new initiative, loans will be able to cover 49% of eligible project costs if they meet certain criteria. Additional information on what activities qualify projects for receiving loans up to 49% of project costs can be found here.

FHWA Releases Fiscal Year 2023 Apportionments

On Tuesday, October 11, 2022 the Federal Highway Administration released \$60 billion in fiscal 2023 apportionments for formula programs under its jurisdiction authorized in the BIL. State and local government's ability to fully utilize the contract authority amounts apportioned by the FHWA will be dependent on completion of the full year transportation appropriations bill. The current CR provides states the authority to obligate only the pro rata share (approximately 20 percent of the total) of the amount of Federal aid highway funding provided in FY 2022. Additional information on the apportionment can be found here.

National Transportation News Roundup (links to articles)

- Truck parking a 'national concern,' Buttigieg says. (Land Line)
- Supply chain, inflation issues threaten small bus market. (Mass Transit)
- As EV sales grow, battle over U.S. road weight limits heats up. (Reuters)
- Bus travel is back post-COVID, but trains are running behind. (Axios)
- <u>Wisconsin senator introduces bill aimed at improving railroad service. (Fright Waves)</u>