

Date: October 26, 2022
W.I.: 1512
Referred by: PAC
Revised: 10/25/23-C

ABSTRACT

Resolution No. 4537

This resolution adopts MTC's Major Project Advancement Policy (MAP). The MAP consists of a set of principles and definitions guiding project selection and assignment of funds, a project list consistent with Plan Bay Area 2050, a funding endorsement matrix assigning discretionary funding to major projects, and terms and conditions to which these endorsements will be subject.

This resolution includes the following attachments:

Attachment A – MAP Principles

Attachment B – MAP Definitions

Attachment C – MAP List of Projects and Programs

Attachment D – MAP Funding Endorsement Matrix

Attachment E – MAP Terms and Conditions

This resolution was revised via Commission action on October 25, 2023 to update the MAP Funding Endorsement Matrix in Attachment D, and incorporate the Stage Gate Policy and Procedures in Attachment E.

Further discussion of these actions is contained in the Programming and Allocations Committee MTC Executive Director's Memoranda dated October 12, 2022 and October 11, 2023.

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

RE: Major Project Advancement Policy

METROPOLITAN TRANSPORTATION COMMISSION
RESOLUTION NO. 4537

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 articulated goals and objectives for the region's transportation system through its current Regional Transportation Plan (RTP)/Sustainable Communities Strategy (SCS) entitled Plan Bay Area 2050, which was adopted in October 2021; and

WHEREAS, Plan Bay Area 2050 includes a list of transportation projects and programs to be advanced over the life of the Plan that will maintain and expand the region's transportation system consistent with the goals of Plan Bay Area 2050; and

WHEREAS, local, regional, state and federal discretionary funds will continue to be required to finance the transportation programs and projects identified in Plan Bay Area 2050, 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; and

WHEREAS, MTC recognizes that coordinated regional priorities for transportation investment will best position the Bay Area to compete for limited discretionary funding sources now and in the future; and

WHEREAS, the Major Project Advancement Policy was developed through a process of regional coordination to identify funding priorities, policy reinforcements, and a risk management approach for delivery of the transportation capital projects identified in Plan Bay Area 2050 by; now, therefore, be it

RESOLVED, that MTC establishes principles to guide identification of projects and assignment of funding sources through the Major Project Advancement Policy (Attachment A), attached hereto and incorporated herein as though set forth at length; and, be it further

RESOLVED, that MTC establishes eligibility, funding types, and levels for prioritizing projects through Major Project Advancement Policy Definitions (Attachment B), attached hereto and incorporated herein as though set forth at length; and, be it further

RESOLVED, that MTC adopts the Major Project Advancement Policy List of Projects and Programs (Attachment C), consistent with the transportation project list adopted in Plan Bay Area 2050, attached hereto and incorporated herein as though set forth at length; and, be it further

RESOLVED, that MTC adopts the Major Project Advancement Policy Funding Endorsement Matrix (Attachment D), assigning funding as defined in Attachment B to projects identified in Attachment C, attached hereto and incorporated herein as though set forth at length; and, be it further

RESOLVED, that the discretionary funding assignments included in the funding matrix are subject to the terms and conditions outlined in Attachment E, including specific conditions for funding sources, policy reinforcements, and risk management, attached hereto and incorporated herein as though set forth at length.

METROPOLITAN TRANSPORTATION COMMISSION

A handwritten signature in black ink, appearing to be 'AP' followed by a long horizontal stroke.

Alfredo Pedroza, Chair

The above resolution was entered into by the Metropolitan Transportation Commission at a regular meeting of the Commission held in Oakland, California, on October 26, 2022.

Major Project Advancement Policy (MAP) Principles

The MAP is intended to support implementation of Plan Bay Area 2050 and is aimed at delivering the Bay Area's major transportation projects. For large, regionally significant projects in Plan Bay Area 2050, the MAP will seek to achieve regional coordination on federal, state, and regional discretionary funding requests and develop MTC's role in risk management and ensuring consistency with regional policies.

Funding Strategy

1. The MAP should establish ambitious but realistic funding targets for current and future federal, state, and other funding sources to advance projects in the region. These targets should be revised as funding conditions change.
2. The MAP should reflect the importance of fulfilling funding commitments for regionally significant projects that have been prioritized in past and current funding frameworks prior to making new large-scale funding commitments – subject to Commission assessment of cost/schedule overruns and remaining project benefits.
3. The MAP is an endorsement framework and cannot commit specific fund sources for specific projects. Given that most of the fund sources in the MAP are competitive, the MAP will need to be adjusted as projects succeed or fail in securing funds as needed and proposed, or as state and federal programming objectives and guidelines change.

Risk Management

4. Projects in the MAP should be sequenced in a manner that considers project readiness and deliverability, cost and schedule risk, connectivity, and operational sustainability. Projects can advance in the sequencing by demonstrating they meet specific criteria associated with these considerations.
5. The MAP should recognize and reflect major project cost and schedule risks and incorporate appropriate requirements for the inclusion of project contingency costs.
6. The MAP risk management program should not duplicate existing federal, state, or local oversight efforts, but instead focus on risk earlier in the project development pipeline related to customer focused system connectivity and cost and schedule control.

Policy Reinforcements

7. Projects in the MAP should align with Plan Bay Area 2050 guiding principles and other regional policies to receive funding endorsements.
8. The MAP should reflect the importance that smaller, lower-cost, and high benefit modernization projects have in advancing the goals and objectives of Plan Bay Area 2050, and reserve funding for these types of projects. Modeling and performance assessments conducted during the development of Plan Bay Area 2050, reveal the importance of these smaller projects in reducing greenhouse gas emissions and congestion. The provision of major and mega project funding endorsements should not result in a dearth of funding for these important smaller projects.

Major Project Advancement Policy – Definitions

The Major Project Advancement Policy, or MAP, seeks to support the implementation of Plan Bay Area 2050, deliver the Bay Area’s major transportation projects, achieve regional coordination on federal, state, and regional discretionary funding requests for regionally significant projects, develop MTC’s role in risk management, and ensure consistency with regional policies. The MAP includes three components: a funding strategy, policy reinforcements, and risk management. The following are concepts and terms used throughout the MAP that establish the base eligibility and structure of the policy.

A. Map Eligibility

To be included in the MAP, a project must be:

- Seeking competitive federal, state, or other grant opportunities consistent with MTC’s Federal BIL and state TIRCP strategies; **and**
- Included in Plan Bay Area 2050:
 - Tier 1 projects above \$1 billion.
 - Tier 2 projects above \$1 billion (for project development phases and funding opportunities only)
 - Programmatic categories with specific projects below \$1 billion (approved or consistent with Plan Bay Area 2050 Tier 1) that exceed \$1 billion when combined

Completed projects, fully funded projects or projects not seeking competitive federal, state, or other grants are not eligible for the MAP. Inclusion in the MAP is not necessary or appropriate for all projects.

B. Funding Definitions

Committed: Funding programmed or otherwise committed to a project by official action of the funding body. Committed funding is not enumerated in the MAP funding strategy; detail is available in individual project funding plans.

- “Funding Gap” is the total project cost minus the committed funding

Identified: known funding sources that have known or reasonably projected funding levels (for example, ongoing programs such as Federal CIG or grants with enacted legislation).

Anticipated: aggregated pot of unspecified future funds reasonably expected to become available, as estimated in PBA2050. Could include new local, county, regional, state, or federal funding streams not yet established.

Contingencies

1. Project contingencies are required for certain federal and state funding sources. MTC will screen projects for appropriate contingencies consistent with FHWA and FTA recommended contingency levels at project milestones during project development and construction.
2. Prior to completion of the contingency screen referenced in #1 above, the MAP will include a contingency reserve for megaprojects, identifying a percentage of target funding in several transit and non-transit funding categories.

Contingency levels in the draft framework are set at \$500 million for Level 1 and 20% of megaproject cost for Levels 2 and 3

Consistency with other MTC Funding Frameworks

1. MAP Funding Endorsements for federal Bipartisan Infrastructure Law (BIL) funding will be consistent with the MTC's Regional Grants Prioritization Endorsement List, adopted by the Commission on March 23, 2022, or as amended.
2. MAP Funding Endorsements for State Transit and Intercity Rail Capital Program (TIRCP) funding will be consistent with MTC Resolution 4130, the region's TIRCP Framework.
3. MAP funding endorsements may require changes to either the MTC's Regional Grants Prioritization Endorsement List for BIL or MTC Resolution 4130, the region's TIRCP Framework.

C. MAP Levels

The MAP establishes a sequence of projects for funding prioritization by sorting the projects into Levels based on readiness criteria.

Level 1 projects will be prioritized for discretionary funding first, with an emphasis on identified funding sources.

Level 2 projects will generally only be endorsed for smaller amounts of near-term funding. They may be endorsed for additional near-term funding only after Level 1 projects for over-subscribed or highly competitive fund sources. Level 2 projects will be assigned a higher proportion of anticipated funding.

Level 3 projects would generally not be prioritized for near-term funding except for early phases. Level 3 projects would primarily be assigned anticipated funding.

Where near-term program funding is constrained, endorsement and advocacy efforts will be focused on Level 1 projects to deliver ready to go infrastructure investments and provide early transit benefits.

Delivering Level 1 projects will provide funding capacity in the medium term for projects in Level 2 to advance to Level 1. Endorsements for Level 2 projects, especially for future federal and state funding rounds and specific project development funding opportunities establish a pipeline of regional priorities beyond Level 1.

Level 1 and 2 projects will also have expectations related to risk management and policy reinforcement, to be defined as work on the MAP progresses

Level Criteria

The following criteria define how projects are assigned to each MAP level. The resulting level assignments for project submitted through the MAP call for projects are detailed in Attachment B. All projects in Levels 1 through 3 are contained in Tier 1 (FYs 2021 – 2035) of Plan Bay Area 2050.

- Level 1 – Projects In, or Nearing Construction:
 - Projects with more than 50% committed funding and construction start by 2028*; **or**
 - Transit Megaprojects with approved Federal Transit Administration (FTA) Capital Investment Grants (CIG) Full Funding Grant Agreement or FTA Letter of Intent issued for funding in the Expedited Project Delivery (EPD) pilot program
- Level 2 – Projects Emerging from Project Development and Ready for Construction
 - Projects with more than 30% committed funding and construction start by 2035
- Level 3 – Pipeline Projects in Development
 - Projects with less than 30% committed funding

**based on expectation that projects receiving BIL funds in the initial 5-year period would start construction by 2028*

Alternative Level definitions may be established for programmatic categories if the projects or funding sources do not align well with the above criteria. For example, smaller projects may rely on a larger proportion of state or federal discretionary funding and would not be able to achieve the required levels of committed funding before seeking such funds. Additionally, exceptions may be made for megaprojects on a case-by-case basis.

The initial level definitions for the MAP are based on funding and timeline readiness criteria. Projects were evaluated with respect to these definitions, based on Plan Bay

Area 2050 information and information submitted by project sponsors. In the future, new projects may be evaluated on additional risk management and policy reinforcement criteria as those components are developed and adopted into the MAP.

Moving Between MAP Levels

When changes to cost, funding, scope or schedule occur that may warrant a level reassignment, the project sponsor or MTC may initiate a request to review the project's level assignment. A detailed process for initiating, reviewing, and adopting changes to a project's level will be adopted into the MAP at the next update.

Major Project Advancement Policy - List of Projects

This attachment lists and defines the categories of projects in the Major Project Advancement Policy (MAP), lists individual projects based on submittals by project sponsors, and establishes the Level assignments for some projects. Within each category and level, projects are listed in alphabetical order by sponsor and project title (no additional priority ranking within each level). Not all projects need to be in the MAP to be eligible for funding.

| Megaprojects | | |
|--|----------------|--------------------------------|
| Project Title | Sponsor | Total Cost (\$millions) |
| Level 1 | | |
| BART Core Capacity Program | BART | \$4,400 |
| Peninsula Corridor Electrification Project | Caltrain | \$2,443 |
| Bart to Silicon Valley Phase II | VTA | \$9,000 |
| Level 1 Megaprojects Contingency | N/A | \$500 |
| Level 2 | | |
| Caltrain Downtown Extension | TJPA | \$5,000 |
| Valley Link Rail Project - Initial Operating Segment (Dublin/Pleasanton BART to Mountain House) | Valley Link | \$1,864 |
| Level 2 Megaprojects Contingency | N/A | \$375 |
| Level 3 | | |
| BART Station Modernization & Transit-Oriented Development Program | BART | \$1,161 |
| Muni Metro Modernization - Subway Renewal Program | SFMTA | \$1,200 |
| SFMTA Building Progress | SFMTA | \$2,300 |
| Level 3 Megaprojects Contingency | N/A | \$1,900 |
| Megaprojects Total | | \$30,143 |

| ZEB Transition | | |
|---|----------------|--------------------------------|
| Project Title | Sponsor | Total Cost (\$millions) |
| Level 1 | | |
| Level 1 ZEB Projects - TBD | Varous | \$1,300 |
| Level 2 | | |
| Level 2 ZEB Projects - TBD | Various | \$1,300 |
| Level 3 | | |
| SFMTA Zero Emission Fleet and Facility Transition | SFMTA | \$1,080 |
| Level 3 ZEB Projects - TBD | Various | \$1,300 |
| ZEB Transition Total | | \$4,980 |

| BRT Program | | |
|----------------------------|----------------|--------------------------------|
| Project Title | Sponsor | Total Cost (\$millions) |
| Level 1 | | |
| Level 1 BRT Projects - TBD | Various | \$400 |
| Level 2 | | |
| Level 2 BRT Projects - TBD | Various | \$300 |
| Level 3 | | |
| San Pablo Ave Project | AC Transit | \$505 |
| Level 3 BRT Projects - TBD | Various | \$300 |
| BRT Program Totals | | \$1,505 |

| Transit Service Improvements and Modernization | | |
|--|------------------|--------------------------------|
| Project Title | Sponsor | Total Cost (\$millions) |
| Level 1 | | |
| Muni Metro Modernization - Train Control Upgrade Project | SFMTA | \$558 |
| Eastridge to BART Regional Connector | VTA | \$530 |
| Other Level 1 Transit Improvements | Various | \$250 |
| Level 2 | | |
| Irvington BART Station | City of Fremont | \$282 |
| Muni Forward/Five Minute Network | SFMTA | \$650 |
| Other Level 2 Transit Improvements | Various | \$170 |
| Level 3 | | |
| AC Transit Division Redevelopment Project | AC Transit | \$360 |
| E 14th St/Mission St/Fremont Blvd Transit Corridor Project | AC Transit | \$840 |
| Local Bus Service Frequency Boost AC Transit Systemwide | AC Transit | \$263 |
| Multimodal Transportation Enhancements AC Transit and WETA Alameda Point | AC Transit | \$521 |
| San Pablo Avenue Multimodal Corridor Improvements | Alameda CTC | \$144 |
| Fleet of the Future Maintenance Facility | BART | \$415 |
| Battery-Equipped Electric Multiple Units (BEMU) | Caltrain | \$206 |
| Capitol Corridor South Bay Connect | Capitol Corridor | \$354 |
| I-680 Express Bus | CCTA | \$398 |
| I-80 Express Bus | CCTA | \$282 |
| East Bay Dumbarton Corridor Program Combined Form | Multiple | \$598 |
| Kirkland Yard BEB Conversion and Renovation | SFMTA | \$124 |
| Muni Metro Modernization - Muni Core Capacity | SFMTA | \$700 |
| South East San Francisco Transportation Improvements | SFMTA | \$635 |
| ReX Blue Line | TBD | \$380 |
| ReX Green Line | TBD | \$642 |
| ReX Red Line | TBD | \$384 |
| WETA Frequency Boost | WETA | \$341 |

| | | |
|---|---------|-----------------|
| Other Level 3 Transit Improvements | Various | \$650 |
| Transit Service Improvements and Modernization | | \$10,677 |

Grade Separations Program

| Project Title | Sponsor | Total Cost (\$millions) |
|---|----------------------|-------------------------|
| Level 1 | | |
| Broadway Grade Separation Project | City of Burlingame | \$316 |
| Other Level 1 Grade Separations | Various | TBD |
| Level 2 | | |
| South Linden Avenue - Scott Street Grade Separation Project | City of San Bruno | \$305 |
| Caltrain Grade Separation at Mary Avenue | VTA | \$253 |
| Rengstorff Avenue Caltrain Grade Separation | VTA | \$251 |
| Other Level 2 Grade Separations | Various | TBD |
| Level 3 | | |
| Ravenswood, Oak Grove, Glenwood Caltrain Grade Separation Project | City of Menlo Park | \$335 |
| Redwood City Grade Separations and Transit Center | City of Redwood City | \$938 |
| Downtown San Mateo Grade Separations | City of San Mateo | \$1,000 |
| Caltrain Grade Separation at Sunnyvale Avenue | VTA | \$251 |
| Churchill Avenue Grade Separation | VTA | \$219 |
| Lawrence Expressway Grade Corridor Improvements | VTA | \$455 |
| Meadow Drive & Charleston Road Grade Separation | VTA | \$516 |
| Monterey Corridor Grade Separations | VTA | \$403 |
| Other Level 3 Grade Separations | Various | TBD |
| Grade Separations Program Total | | \$5,241 |

Express Lanes Program

| Project Title | Sponsor | Total Cost (\$millions) |
|--------------------------------------|---------|-------------------------|
| Level 1 | | |
| Level 1 Express Lanes Projects - TBD | Various | \$1,000 |
| Level 2 | | |
| Level 2 Express Lanes Projects - TBD | Various | \$1,000 |
| Level 3 | | |
| Level 3 Express Lanes Projects - TBD | MTC | \$1,300 |
| Express Lanes Total | | \$3,300 |

Other Roadway/Goods Movement/Bicycle and Pedestrian

Projects listed below have not been assigned MAP Levels and are listed alphabetically. MTC will continue working with project sponsors to develop Level definitions appropriate for these projects and that consider existing adopted regional funding priorities for certain federal and state funding categories.

| Project Title | Sponsor | Total Cost (\$millions) |
|--|---------------------------------|--------------------------------|
| Bay Area Forward Program | MTC | \$774 |
| Bay Skyway: Critical Link in Complete Streets Network | BATA | \$521 |
| East Bay Greenway | Alameda CTC | \$266 |
| I-280/Winchester Interchange Improvements | VTA | \$250 |
| I-580/US-101/SMART Marin Resilience Project | TBD | \$890 |
| I-680/SR-4 Interchange Improvements Phase 1, 2A, 4 | CCTA | \$493 |
| I-680 NB Express Lane in Contra Costa | CCTA | \$479 |
| I-80 Westbound Truck Scales | STA | \$250 |
| I-80/I-680/SR12 Interchange Improvements | STA | \$498 |
| Northbound US 101 to Eastbound I-580 Direct Connector | TAM | \$208 |
| Oakland Army Base Infrastructure Improvements | City of Oakland/Port of Oakland | \$301 |
| SF Managed Lanes US-101 and I-280 | SFCTA | \$207 |
| SR 37 Sears Point to Mare Island Improvement Project/Interim Project | MTC | \$420 |
| SR 37 FLOOD REDUCTION PROJECT - FR. US-101 to ATHERTON AVENUE | TAM | \$318 |
| SR 4 Operational Improvements | CCTA | \$259 |
| SR 85 Transit Lane Project | VTA | \$220 |
| US 101 Mabury-Berryessa-Oakland Rd Corridor Project | VTA | \$250 |
| US 101 Managed Lanes North of I-380 Project | C/CAG and SMCTA | \$350 |
| US 101/SR 25 Interchange Improvements | VTA | \$460 |
| US 101/SR 84 Interchange Improvement | City of Redwood City | \$301 |
| US 101/SR 92 Interchange Direct Connector Project | C/CAG and SMCTA | \$169 |
| US-101/Zanker Rd/Skyport Dr/Fourth St Interchange Improvements | VTA | \$261 |
| Yerba Buena Island (YBI) I-80 Interchange Improvements Project | SFCTA | \$272 |
| Roadway Projects Total | | \$8,416 |

Tier 2 Megaprojects - Early Phases Only

| Project Title | Sponsor | Total Cost (\$millions) |
|---|------------|-------------------------|
| AC Transit Division Modernization Project | AC Transit | \$1,830 |
| AC Transit Rapid Bus Network | AC Transit | \$1,766 |
| BART Caldecott Tunnel Seismic Retrofit | BART | \$1,200 |
| BART Electrical Mechanical Rehab Program (BART SGR) | BART | \$6,000 |
| Caltrain Enhanced Growth Project | Caltrain | \$2,840 |
| Group Rapid Transit Service Expansion Redwood City-Newark ("Dumbarton Rail Corridor Project") | SamTrans | \$3,249 |
| Light Rail Service Expansion VTA Stevens Creek Blvd | VTA | \$2,830 |
| Link21 (formerly New SF-Oakland Transbay Rail Crossing) | BART | \$28,800 |
| San Jose Diridon Station | VTA | \$5,000 |
| SR 37 Ultimate Sea Level Rise Adaptation Project | MTC | \$8,370 |
| VTA Light Rail Modernization and Grade Separation (1st St Corridor North San Jose) | VTA | \$2,200 |
| VTA Light Rail Modernization and Grade Separation (Diridon to Japantown Tunnel) | VTA | \$1,500 |
| Tier 2 Megaprojects Subtotal | | \$65,585 |

Major Project Advancement Policy
Proposed Funding Endorsement Table
October, 2022

In \$Billions

| Project/Program Title | Sponsor | Funding | | CIG | Other Federal | TIRCP Base | TIRCP Augment 1* | TIRCP Augment 2 | SB1 | Other State | Other | | Total Endorsement |
|--|-------------|---------|---------|---------|---------------|------------|------------------|-----------------|--------|-------------|----------------|-------------|-------------------|
| | | Cost | Gap | | | | | | | | Local/Regional | Anticipated | |
| Revenue Envelope: | | | | \$ 5.8 | \$ 8.8 | \$ 2.5 | \$ 1.30 | \$ 0.8 | \$ 2.3 | \$ 2.1 | \$ 3.8 | \$ 10.6 | \$ 38.1 |
| Level 1 -- Projects In, or Nearing Construction | | | | | | | | | | | | | |
| Peninsula Corridor Electrification Project | Caltrain | \$ 2.4 | \$ 0.41 | \$ 0.05 | \$ 0.06 | \$ - | \$ 0.30 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 0.41 |
| BART Core Capacity Program | BART | \$ 4.4 | \$ 0.66 | \$ 0.06 | \$ - | \$ - | \$ 0.25 | \$ 0.35 | \$ - | \$ - | \$ - | \$ - | \$ 0.66 |
| BART to Silicon Valley Phase II | VTA | \$ 9.0 | \$ 3.29 | \$ 2.1 | \$ - | \$ - | \$ 0.45 | \$ 0.30 | \$ - | \$ - | \$ 0.5 | \$ - | \$ 3.30 |
| Level 1 Megaprojects Contingency | N/A | \$ 0.5 | \$ 0.40 | \$ - | \$ 0.05 | \$ - | \$ - | \$ 0.10 | \$ - | \$ - | \$ - | \$ 0.3 | \$ 0.40 |
| Level 1 ZEB Projects | | \$ 1.3 | \$ 1.31 | \$ - | \$ 1.11 | \$ 0.10 | \$ 0.10 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1.31 |
| Level 1 BRT Projects | | \$ 0.4 | \$ 0.33 | \$ 0.3 | \$ 0.03 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 0.33 |
| Transit Service Improvements and Modernization | | \$ 1.3 | \$ 0.75 | \$ - | \$ 0.31 | \$ 0.35 | \$ - | \$ - | \$ 0.1 | \$ - | \$ - | \$ - | \$ 0.75 |
| Grade Separations | | \$ 0.3 | \$ 0.15 | \$ - | \$ 0.05 | \$ - | \$ 0.1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 0.15 |
| Express Lanes Projects | | \$ 1.0 | \$ 0.96 | \$ - | \$ 0.10 | \$ - | \$ - | \$ - | \$ 0.3 | \$ - | \$ - | \$ 0.6 | \$ 0.96 |
| Other Roadway/ATP Projects Under \$250 M | | \$ 0.3 | \$ 0.25 | \$ - | \$ 0.10 | \$ - | \$ - | \$ - | \$ 0.1 | \$ 0.1 | \$ - | \$ - | \$ 0.25 |
| Level 1 Subtotal | | \$ 20.9 | \$ 8.5 | \$ 2.5 | \$ 1.7 | \$ 0.5 | \$ 1.2 | \$ 0.8 | \$ 0.4 | \$ - | \$ 0.5 | \$ 0.8 | \$ 8.5 |
| Level 2 -- Projects Ready for Construction | | | | | | | | | | | | | |
| Revenue Envelope: | | | | \$ 3.3 | \$ 7.1 | \$ 2.0 | \$ 0.1 | \$ 0.1 | \$ 1.9 | \$ 2.1 | \$ 3.3 | \$ 9.8 | \$ 29.6 |
| Caltrain Downtown Extension (DTX)** | TJPA | \$ 6.5 | \$ 4.2 | | | \$ 0.50 | \$ 0.06 | | | | | | \$ - |
| Valley Link Rail Project - Initial Operating Segment | Valley Link | \$ 1.9 | \$ 1.2 | | | \$ 0.30 | \$ 0.04 | | | | | | \$ - |
| Level 2 Megaprojects Contingency | N/A | \$ 0.4 | \$ 0.4 | | | | | | | | | | \$ - |
| Level 2 ZEB Projects | | \$ 1.3 | \$ 1.3 | | | \$ 0.10 | | \$ 0.05 | | | | | \$ - |
| Level 2 BRT Projects | | \$ 0.3 | \$ 0.3 | | | | | | | | | | \$ - |
| Transit Service Improvements and Modernization | | \$ 1.0 | \$ 0.7 | | | \$ 0.30 | | | | | | | \$ - |
| Grade Separations | | \$ 0.8 | \$ 0.7 | | | | | | | | | | \$ - |
| Express Lanes Projects | | \$ 1.0 | \$ 1.0 | | | | | | | | | | \$ - |
| Goods Movement | | \$ 0.6 | \$ 0.3 | | | | | | | | | | \$ - |
| Roadway-Other | | \$ 0.7 | \$ 0.7 | | | | | | | | | | \$ - |
| Level 2 Subtotal | | \$ 14.4 | \$ 10.7 | \$ - | \$ - | \$ 1.2 | \$ 0.1 | \$ 0.1 | \$ - | \$ - | \$ - | \$ - | \$ - |

= Likely future endorsement areas

* MTC proposes to limit TIRCP Augment 1 endorsements for existing TIRCP projects to Level 1 Megaprojects

**The DTX project cost increase is attributable to inclusion of construction cost for the trainbox under the Salesforce Center that was completed in 2018.

**Level 3 and Tier 2 MAP Projects
Funding Assignment -- TBD**

| | Cost | |
|---|----------------------|--------------------|
| | (\$ billions) | Funding Gap |
| Level 3 -- Pipeline Projects in Development | | |
| SFMTA Building Progress | \$ 2.3 | \$ 2.1 |
| BART Station Modernization & Transit-Oriented Development Program | \$ 1.2 | \$ 1.1 |
| Muni Metro Modernization - Subway Renewal Program | \$ 1.2 | \$ 1.2 |
| Level 3 Megaprojects Contingency | \$ 1.9 | \$ 1.9 |
| Level 3 ZEB Projects | \$ 2.4 | \$ 2.4 |
| Level 3 BRT Projects | \$ 0.8 | \$ 0.8 |
| Transit Service Improvements and Modernization | \$ 7.6 | \$ 7.5 |
| Grade Separations | \$ 4.1 | \$ 4.1 |
| Express Lanes Projects | \$ 1.3 | \$ 1.3 |
| Goods Movement | \$ 1.7 | \$ 1.2 |
| Bike/Ped | \$ 0.8 | \$ 0.7 |
| Roadway -- Other | \$ 3.1 | \$ 3.0 |
| Level 3 Subtotal | \$ 28.5 | \$ 27.4 |
| Tier 2 -- Early Project Development | | |
| VTA Light Rail Modernization and Grade Separation (Diridon to Japantown Tunnel) | \$ 1.5 | \$ 1.5 |
| VTA Light Rail Modernization and Grade Separation (1st St Corridor North San Jose) | \$ 2.2 | \$ 2.2 |
| AC Transit Rapid Bus Network | \$ 1.8 | \$ 1.8 |
| Link21 (formerly New SF-Oakland Transbay Rail Crossing) | \$ 28.8 | \$ 28.6 |
| BART Electrical Mechanical Rehab Program (BART SGR) | \$ 6.0 | \$ 5.3 |
| Group Rapid Transit Service Expansion Redwood City-Newark ("Dumbarton Rail Corridor Project") | \$ 3.2 | \$ 3.2 |
| Caltrain Enhanced Growth Project | \$ 2.8 | \$ 2.8 |
| AC Transit Division Modernization Project | \$ 1.8 | \$ 1.8 |
| BART Caldecott Tunnel Seismic Retrofit | \$ 1.2 | \$ 1.2 |
| San Jose Diridon Station | \$ 5.0 | \$ 4.9 |
| Light Rail Service Expansion VTA Stevens Creek Blvd | \$ 2.8 | \$ 2.8 |
| SR 37 Ultimate Sea Level Rise Adaptation Project | \$ 8.4 | \$ 8.4 |
| Tier 2 Subtotal | \$ 65.6 | \$ 64.5 |
| Grand Total | \$ 94.0 | \$ 92.0 |

MAP Terms and Conditions

E-1: Funding

a. Financial Forecasts and Specific Conditions by Funding Source

Federal and state-managed funding sources are subject to the guidelines and requirements of the funding agency. MTC's role is detailed in the table below.

| Funding Source | Basis for Financial Forecast | MTC Role and Conditions |
|--|---|--|
| Federal | | |
| CIG-New Starts/Core Capacity/Expedited Project Delivery | Assumes 10% bay area share plus additional funds from assumed FY23 appropriation and non-Bay Area contribution for megaregion projects | FTA discretionary grant program MTC has identified priorities through the adopted BIL Strategy. Future priorities will be identified through future MAP updates. MTC will endorse applications based on the adopted BIL framework and MAP. |
| CIG -Small Starts | 10% Bay Area share of Small Starts program | FTA discretionary grant program MTC may identify priority Small Starts projects through future MAP updates. MTC will consider endorsing applications for MAP Level 1 and Level 2 projects. |
| Intercity Passenger Rail | Assumes 50% of program will be directed to High-Speed Rail expenditures. Bay Area share of remaining 50% is approximately 13% and is sized to estimates of endorsed project competitiveness | FRA Discretionary Grant Program MTC has identified priorities through the adopted BIL Strategy. Future priorities will be identified through future MAP updates. |

| Funding Source | Basis for Financial Forecast | MTC Role and Conditions |
|--|---|--|
| | | MTC will endorse applications based on the adopted BIL framework and MAP. |
| Consolidated Rail Infrastructure and Safety Improvements (CRISI) | Approximately 6% of total program due to Bay Area positive train control needs | <p>FRA Discretionary Grant Program</p> <p>MTC's adopted BIL framework prioritizes grade separations and high-performing goods movement projects for these funds, and identifies specific priority grade separation projects.</p> <p>Additional prioritization of grade separation projects will be handled by future updates of the MAP or other regional processes.</p> |
| Railroad Crossing Elimination Program | Assumes 50% of program will be directed to freight only expenditures. Bay Area share of remaining 50% is based on proportion of Amtrak ridership. | <p>FRA Discretionary Grant Program</p> <p>MTC's adopted BIL framework prioritizes grade separations and high-performing goods movement projects for these funds, and identifies specific priority grade separation projects.</p> <p>Additional prioritization of grade separation projects will be handled by future updates of the MAP or other regional processes.</p> |
| MEGA (National Infrastructure Project Assistance) – Large and Small | Forecast assumes Bay Area will be competitive for two high-cost projects of approximately \$100M each | <p>USDOT Discretionary Grant Program</p> <p>MTC has identified priorities through the adopted BIL Strategy. Future priorities will be identified through future MAP updates.</p> <p>MTC will endorse applications based on the adopted BIL framework and MAP.</p> |

| Funding Source | Basis for Financial Forecast | MTC Role and Conditions |
|--|---|---|
| Bridge Investment Program | | <p>FHWA Discretionary Grant Program</p> <p>MTC has identified priorities through the adopted BIL Strategy. Future priorities will be identified through future MAP updates.</p> <p>MTC will endorse applications based on the adopted BIL framework and MAP.</p> |
| INFRA | Forecast assumes Bay Area will be competitive for three high-cost projects of approximately \$100M each | <p>USDOT Discretionary Grant Program</p> <p>MTC has identified priorities through the adopted BIL Strategy. Future priorities will be identified through future MAP updates.</p> <p>MTC will endorse applications based on the adopted BIL framework and MAP.</p> |
| Rural Surface Transportation Program | Bay Area share of TIGER grants from 2009-2015 (2.51%). | <p>USDOT Discretionary Grant Program</p> <p>MTC has identified priorities through the adopted BIL Strategy. Future priorities will be identified through future MAP updates.</p> <p>MTC will endorse applications based on the adopted BIL framework and MAP.</p> |
| Protect (Surface Transportation Resilience) | Bay Area share estimated at 10% due to region's competitiveness in local match availability and planning emphasis | <p>FHWA Discretionary Grant Program</p> <p>MTC has identified priorities through the adopted BIL Strategy. Future priorities will be identified through future MAP updates.</p> <p>MTC will endorse applications based on the adopted BIL framework and MAP.</p> |

| Funding Source | Basis for Financial Forecast | MTC Role and Conditions |
|---|---|---|
| Low- and Zero-Emission Bus Program | Midpoint of Bay Area share of 5307 and 5337 (~5%) | FTA Discretionary Grant Program Future priorities and endorsements to be determined by the regional zero-emission transition strategy (in progress as of Sept 2022) |
| Bus and Bus Facilities Discretionary | Midpoint of Bay Area share of 5307 and 5337 (~5%) | FTA Discretionary Grant Program Future priorities and endorsements to be determined by the regional zero-emission transition strategy (in progress as of Sept 2022) |
| Transit Capital Priorities | Assumes 1/3 of total FTA formula funds available for MAP expenditures, including an increase in FY21 funding levels due to BIL | Federal formula funds and other regional revenues programmed by MTC MTC programs TCP revenues for transit capital maintenance and rehabilitation. TCP is programmed by MTC in coordination with the Transit Finance Working Group, and each programming cycle may include multiple years of funding. |
| State | | |
| TIRCP | Augmentation 1: \$1 billion for previous TIRCP grantees plus \$200 million for other projects including \$100 million from the Project Development Reserve. Assumes Bay Area share is 80% of the \$1.5 billion total funding for non-Southern California regions, plus 30% of the statewide set-aside for Grade Separations. Augmentation 2: Assumes Bay Area population share of ~20% of \$4B over a two-year period. | CalSTA discretionary grant program MTC identifies regional priorities for TIRCP through the TIRCP Framework (found within the regional Cap and Trade framework, MTC Resolution No 4130, Revised) MTC endorses projects based on the adopted TIRCP framework.. Endorsement amounts will be specific to Augmentation and baseline funding rounds. |

| Funding Source | Basis for Financial Forecast | MTC Role and Conditions |
|--------------------------------------|---|--|
| | TIRCP Baseline: 30% Bay Area share of \$2.9B/year Cap and Trade auction proceeds plus SB1 revenue. Assumes no sunset to Cap and Trade proceeds. | |
| SB1 SCCP | 30% Bay Area share of forecast consistent with Plan Bay Area 2050 | <p>CTC discretionary grant program</p> <p>MTC and Caltrans are responsible for nominating Bay Area projects for the program. MTC staff works in partnership with the Bay Area County Transportation Agencies (BACTAs), transit operators, Caltrans, and the applicable state agencies to develop nomination prioritization principles and project nominations (MTC Resolution No. 4533).</p> |
| SB1 TCEP | 20% Bay Area share of forecast consistent with Plan Bay Area 2050 | <p>CTC discretionary grant program</p> <p>MTC is responsible for compiling Bay Area project nominations (MTC Resolution No. 4534) and confirming consistency with MTC's adopted Regional Transportation Plan/Sustainable Communities Strategy.</p> |
| State Bridge Formula | 20% Bay Area share of forecast consistent with Plan Bay Area 2050 | Distributed via a statewide process. |
| Active Transportation Program | Forecast is consistent with Plan Bay Area 2050. Includes both state and regional sub-programs. Assumes %15 Bay Area share of state sub-program | <p>State funded discretionary grant program; some funds distributed to MTC via regional formula.</p> <p>MTC administers the region's share of the State's Active Transportation Program (ATP) by establishing guidelines (MTC Resolution No.</p> |

| Funding Source | Basis for Financial Forecast | MTC Role and Conditions |
|---------------------------|--|--|
| | | 4487) and a competitive selection process every two years. |
| Regional/Local | | |
| Regional Measure 3 | Assumes availability of RM3 funds for allocation during the MAP time period. | <p>Regional voter-approved measure. MTC does not anticipate approving any allocations of RM3 funds until and unless the ongoing legal challenge has reached a final, non-appealable resolution in favor of RM3.</p> <p>The investment plan including amounts for each project are identified in statute. Some programmatic categories will be programmed by MTC and/or listed project sponsors through a regional process.</p> |

b. Operating Funding

Projects in the MAP assigned regional discretionary funds or endorsed for state or federal discretionary funds will be responsible for fully funding operations of the project. Assignment of capital funds by MTC in the MAP does not represent a commitment to fund operating costs for any project.

In addition to funding the capital projects in the MAP, transit operators with expansion projects in the MAP are expected to sustain levels of core services to Equity Priority Communities. Should the transit operator’s financial stability deteriorate, or the expansion project in question experience significant cost increases, these financial capacity determinations will be considered a reevaluation of the project’s MAP Level and funding assignments.

c. Cost Increases

Date: October 26, 2022

Referred by: PAC

Revised: 10/25/23-C

Attachment E

Resolution No. 4537

Page 7 of 9

Commitment of regional discretionary funds are capped at the amounts shown in Attachment D in year of expenditure dollars, unless they are increased via a Commission-approved update to the MAP. In general, project sponsors are responsible for funding any cost increases (including financing costs) above the estimates shown in in Attachment D from other sources. If a cost increase results in a funding shortfall, the project may be reevaluated against the Level criteria and funding, risk management, and policy reinforcement conditions before MTC will consider assigning additional regional discretionary funds, consistent with the Stage Gate process defined below.

E-2 Stage Gate Policy and Procedures

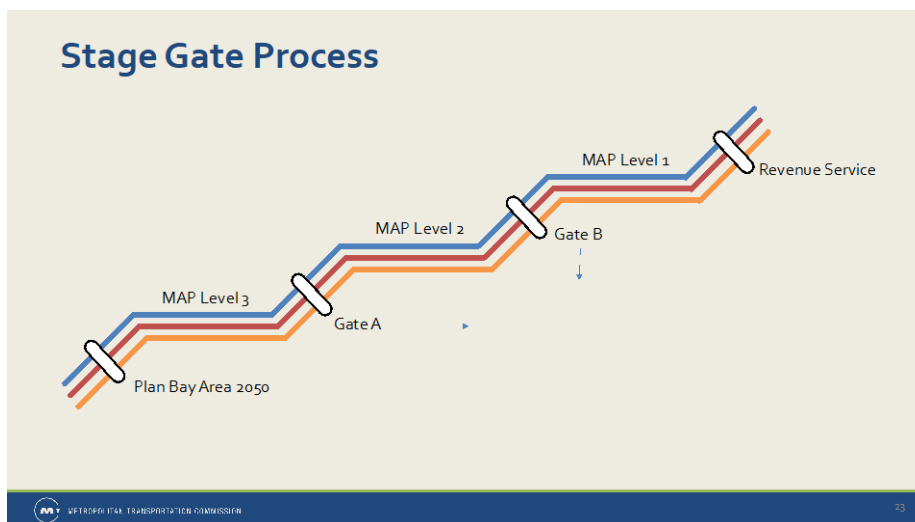
Evaluation Framework:

Stage Gate evaluations will focus on the following:

1. Cost and Funding: an evaluation of the cost and funding plan including assessments of contingency, escalation rates, overall cost estimates versus similar recent projects, assessment of capital and operating plans focused on non-committed funding sources.
2. Adherence to Plan Bay Area and Regional Policies: an assessment of adherence to Plan Bay Area and other policies including Transit Oriented Communities, Clipper/Fare Integration/Discount Fares, the Regional Express Lane Strategic Plan, Vision Zero and other policies as a result of Regional Plan updates or other approved Commission policies.
3. Project Readiness: an assessment of governance, procurement, delivery and operating model and other areas relevant to the successful delivery and operation of the project.

Process:

The MAP process includes two stage gates, GATE A and GATE B, as seen in the diagram below.



The evaluation process is purposefully scalable and flexible to address the different types, cost, opportunities, risk, and challenges facing MAP projects and program. The evaluation process includes the following steps:

1. Evaluation initiated by project sponsor's request to be reassigned levels within the MAP or MTC staff's identification of a project that cannot remain in the current map level due to delivery obstacles. Stage Gate evaluations on projects over \$1 billion, require Commission approval before commencement of process.
2. MTC staff, with the support of a consultant with relevant expertise, define the type of assessment to be used based on project risk/complexity and project cost. Projects with lower costs and/or a reduced risk profile could be evaluated through a rapid or basic assessment, whereas moderate and detailed assessments would be used when risk/complexity and/or project costs are higher.
3. The Rapid, Basic, Moderate or Detailed assessment is performed based on the three components of the Evaluation Framework.
4. Based on the assessment, the project will receive a confidence score of low, medium or high to be incorporated into a staff recommendation to the Commission. The recommendation could include:
 - a. Advance the project to the next MAP Level without conditions.
 - b. Advance the project to the next MAP Level with conditions or recommendations.
 - c. Do not advance the project to the next MAP Level until specific conditions are met or further assessments are performed.
 - d. Reassignment of the project to a lower MAP Level until specific conditions are met.