



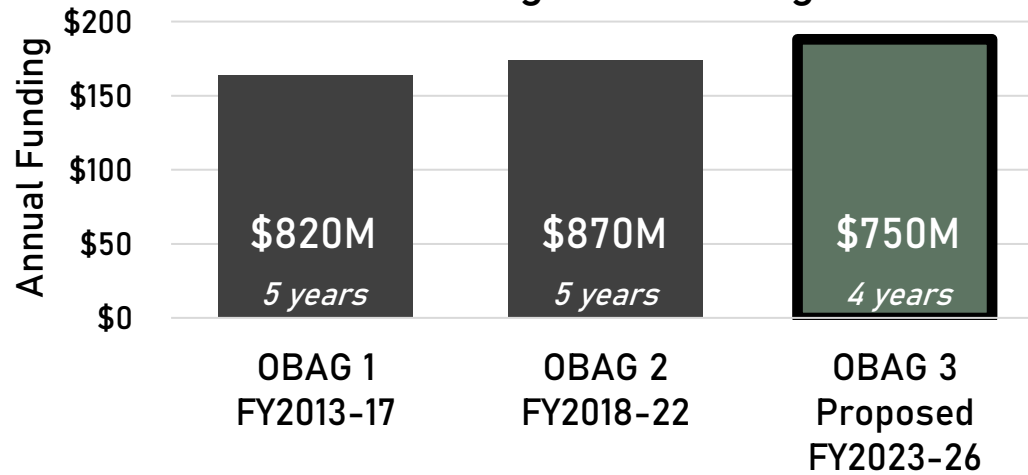
One Bay Area Grant OBAG 3 Framework Proposal

MTC Programming & Allocations Committee

November 10, 2021

Program Revenues

OBAG Program Funding

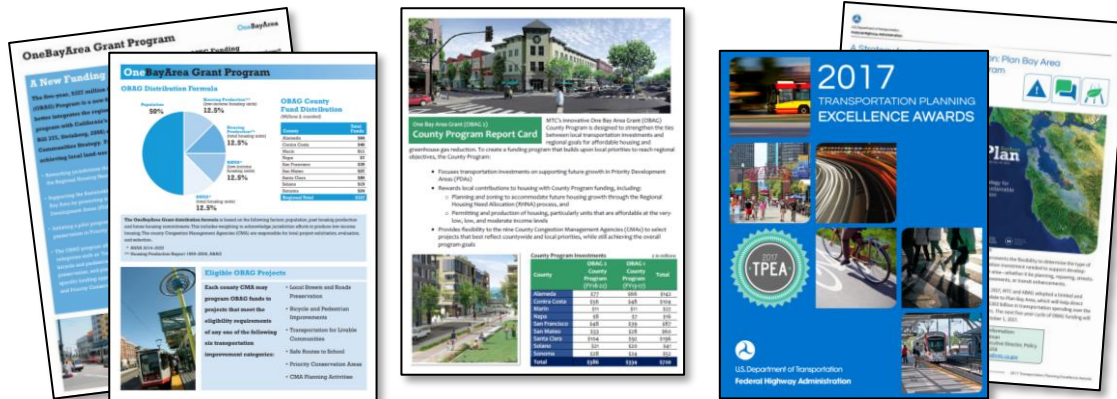


Federal Fund Source

- ❖ Regional shares of federal STP/CMAQ
- ❖ STP/CMAQ account for only 1.3% of *Plan Bay Area 2050* transportation revenues

OBAG 3 Funding Assumptions

- ❖ (New) 4-year program, FY2023-FY2026
- ❖ \$750 million total, or \$188 million/year
 - Assumes 2% annual increase over current funding levels
 - Actual program funding dependent upon passage of new surface transportation authorization and annual appropriations

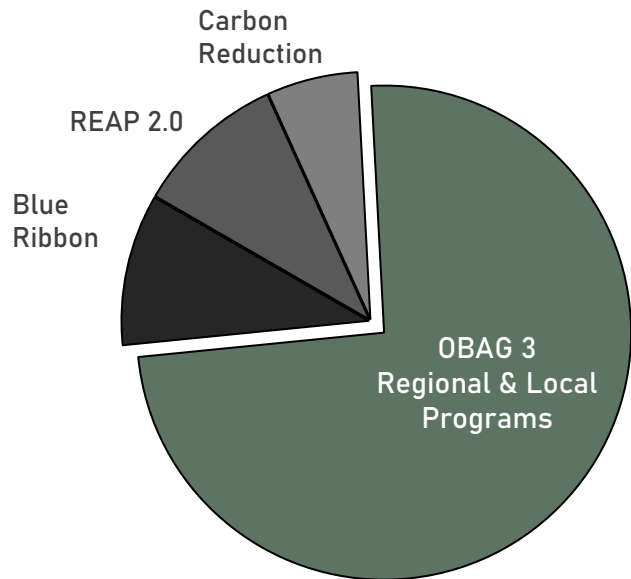




O BAG 3 Considerations

- Preserve effective program features to support regional objectives
- Advance *Plan Bay Area 2050* implementation
- Incorporate recent policy initiatives and adapt to current landscape
- Advance equity through policies and investments
- Address federal requirements, including performance & recertification
- Coordinate with complementary fund sources
- Reflect a shared/partnership approach to program implementation

Comprehensive Funding Approach



Amount	Fund Source	Purpose
\$750 million	OBAG 3 - STP/CMAQ <i>FHWA formula funds</i>	STP: Flexible federal fund source CMAQ: Emissions reductions focus
\$85 million	Blue Ribbon <i>One-time funding</i>	State and federal fund sources identified for near-term Blue Ribbon projects.
\$100 million	REAP 2.0 <i>One-time funding from State budget surplus</i>	Flexible source for projects that advance the Sustainable Communities Strategy
\$60 million	Carbon Reduction <i>Potential new FHWA formula program</i>	Flexible source for projects that reduce greenhouse gas emissions
~\$1 billion	Total	

Proposed Focus Areas

Planning & Program Implementation	Growth Framework	Climate Initiatives, Conservation & Resilience	Complete Streets & Community Choice	Multimodal Systems Operations & Performance
<p>Coordinated and collaborative performance-based planning and programming activities</p>	<p>Assist local planning efforts to create range of housing options in <i>PBA 2050</i> growth areas</p> <p>Regional studies and pilots to advance growth framework</p>	<p>Reduce emissions and solo vehicle trips</p> <p>Protect priority natural and agricultural lands and improve access to parks and open space</p> <p>Protect transportation assets from impacts of climate change</p>	<p>Improve and maintain local streets and roads to meet the needs of all users, while improving safety</p> <p>Support development and advancement of community-led transportation enhancements in Equity Priority Communities (EPCs)</p>	<p>Support efforts to increase transit system integration, efficiency and reliability to increase ridership and improve mobility options</p> <p>Optimize existing highways and key arterials to maximize person throughput and multimodal system performance</p>

Partnership Approach – County/Local

- ❖ Achieve desired outcomes through a shared approach with CTAs, jurisdictions, and transit operators
- ❖ Partnerships needed in key areas that are implemented at the local level:
 - Growth framework implementation – implementing local plans
 - Active transportation & safety – aggressive mode shift and safety targets
 - Community choice – delivering priority projects identified by Equity Priority Communities
 - Transit oriented development implementation – accelerating transit-supportive housing and access improvements

County & Local Program Proposed Focus Areas

- Maintain program flexibility to identify range of project types to address *PBA 2050* goals
- Focus investments in PDAs and other select growth geographies
- Emphasize bicycle/pedestrian projects and programs, including SRTS and other safety efforts
- Prioritize projects within EPCs or that otherwise directly benefit disadvantaged populations
- Prioritize transit access improvements and other supportive infrastructure to accelerate TOD

Partnership Approach - Regional

OBAG 2 Regional Programs

Regional Programs	Funding (Annual)
Regional Planning Activities	\$2
PDA Planning & Implementation	\$4
Climate Initiatives	\$5
Pavement Management	\$2
Active Operational Management	\$35
Transit Capital Priorities	\$38
Priority Conservation Area Grants	\$3
Housing Initiatives	\$8
N/A	-
OBAG 2 Regional Program Total	\$95 (55%)

OBAG 3 Regional Programs

Regional Programs - <i>Proposed</i>	Funding (Annual)
Planning & Program Implementation	\$10
Growth Framework	\$6
Climate, Conservation, & Resilience	\$25
<i>Pavement Mgmt. incl. in Complete Streets</i>	-
Multimodal Systems Operations & Performance	\$40
<i>PCA Grants incl. in Climate & Conservation</i>	-
<i>Future housing initiative req. add'l revenue</i>	-
Complete Streets & Community Choice	\$14
OBAG 3 Regional Program Total	\$94 (50%)

OBAG 3 Regional Program Highlights

Consolidates:

- OBAG staff costs into single category (Planning & Prg. Imp.)
- Transit and highway investments into single multimodal program category

Significantly increases:

- Resources dedicated to Climate Initiatives

Creates new program:

- Coordinating regional policies, tools, and assistance for safe, active and sustainable local streets

Notes: Amounts in millions. Totals may not add due to rounding. OBAG 2 total does not include Safe & Seamless Mobility Quick-Strike or Regional Strategic Initiatives as they were funded with one-time revenue increases and prior cycle savings.

Partnership Approach - Regional

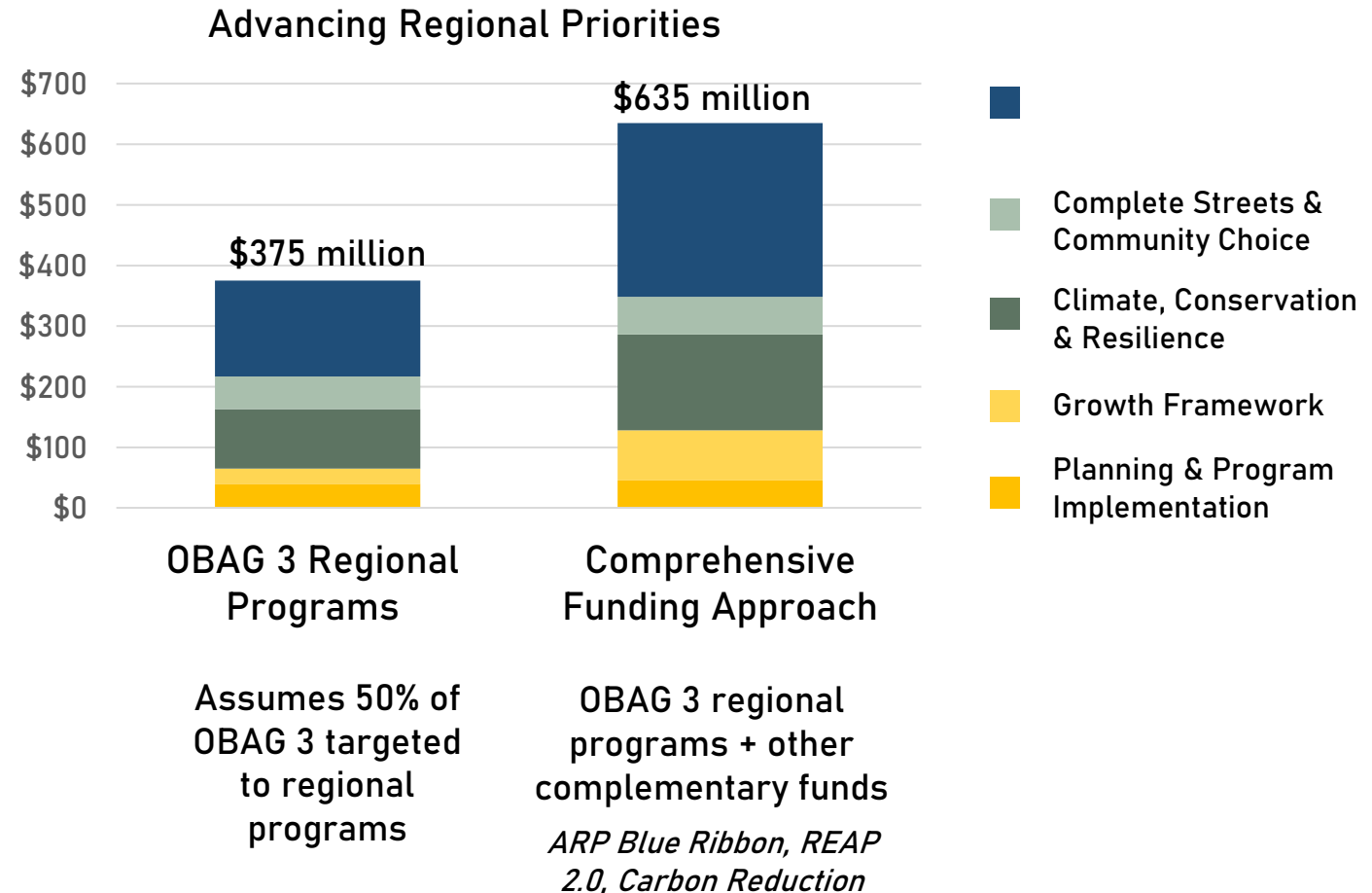
Significant resources are required to advance regional priorities:

❖ Catalytic investments to reach aggressive goals in *Plan Bay Area 2050*

- Climate Initiatives
- PDA & TOD implementation

❖ Coordinate and deploy strategies at a regional scale

- Bay Area Forwards
- Regional transit investments emerging from Transit Transformative Action Plan



Key Program Provisions

PDA Investment Targets

- ❖ Maintain PDA investment targets at OBAG 2 levels
 - 50% North Bay counties
 - 70% elsewhere
- ❖ Incorporate consideration for new *PBA 2050* growth areas
- ❖ Develop uniform definition for projects that are credited towards PDA targets

Local Policy Adoption

For fund eligibility, local jurisdictions must maintain:

- ❖ Certified Housing Element annual progress reporting
- ❖ Compliance with current state laws governing surplus lands, density bonus, and accessory dwelling units, including the Housing Accountability Act
- ❖ Compliance with (updated) Complete Streets policy & checklist

CMAQ Process

For all projects seeking CMAQ funding, MTC will:

- ❖ Assess emissions benefits and cost-effectiveness of projects prior to project selection
- ❖ Document CMAQ programming process in OBAG 3 guidelines

Key Program Provisions

Equity Opportunities

- ❖ Equity lens woven throughout program focus areas
- ❖ Increased investment in community-based planning and participatory budgeting efforts
- ❖ (New) dedicated funding to develop community projects for implementation
- ❖ County and Local Program: Prioritize projects within EPCs or that directly benefit disadvantaged populations

Active Transportation & Safety

- ❖ (New) regionwide investment target to meet *PBA 2050* mode shift goals
 - \$200 million regionwide target, including SRTS
- ❖ (New) Regional Active Transportation Plan alignment, including AT Network implementation
- ❖ (New) Regional Safety/Vision Zero Policy alignment

Federal Performance

- ❖ Align investments with federal goal areas – ex. safety & asset management
- ❖ Report on program performance outcomes

Local Call for Projects Framework

MTC and CTA Roles

- ❖ MTC initiates regionwide call for projects
- ❖ CTAs assist with local outreach and initial project screening process, using processes reviewed by MTC for consistency with guidelines
- ❖ MTC develops countywide nomination targets to guide CTAs in the maximum amount of funding requests that they can submit to MTC for project selection
- ❖ MTC selects projects based on initial screening & prioritization by CTAs and additional regional considerations

Nomination targets:

- ❖ Are based on housing outcomes and planned growth of local jurisdictions; and are based on considerations required to be addressed in MTC's performance-based planning process
- ❖ Do not imply guaranteed amounts for individual jurisdictions
- ❖ Carry forward the OBAG 1 & 2 incentive/reward for cities that make progress on housing outcomes by increasing the amount of funding requests that their county can submit to MTC for project selection

Investment & Policy Priorities

- ❖ Proposed investment levels, partnership approaches, and policy provisions are intended to work together to address several overarching program considerations
- ❖ Delivering on regional priorities will require significant investment from OBAG 3, *and* giving top priority to regional initiatives when defining complementary fund programs

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~\$1 billion+	Total

OBAG 3 Development Schedule

