

**Metropolitan Transportation Commission and Association of Bay Area Governments
Joint MTC Planning Committee with the ABAG Administrative Committee**

June 9, 2023

Agenda Item 7a

**Plan Bay Area 2050 Implementation: 2023 Local Grant Award Recommendations -
Climate Initiatives and Growth Framework Implementation Programs**

Subject:

Approval of \$36.4 million in grants to support local implementation of Plan Bay Area 2050, including construction and planning for Mobility Hubs and Parking Management, and planning and technical assistance for Priority Development Areas (PDAs) and Priority Production Areas (PPAs).

Background:

The regional One Bay Area Grant Program (OBAG3) includes funding for several initiatives to support local implementation of key Plan Bay Area 2050 (PBA 2050) Strategies. In 2022, staff received Commission approval to release a call for projects for two of these programs: 1) Climate Initiatives grants focusing on [Parking Management](#) and [Mobility Hubs](#), and 2) Growth Framework implementation grants focusing on [Priority Development Areas](#) (PDAs) and [Priority Production Areas](#) (PPAs).

After releasing calls for projects for each program, staff conducted extensive outreach to city, county transportation agency (CTA) and transit agency staff, hosted webinars, presented at county-level planning director meetings, and convened one-on-one discussions with prospective applicants. To capture potential synergies between the programs, staff co-presented the Climate and Growth Framework grant opportunities, and identified opportunities for grantees to achieve complementary outcomes by grants offered through the programs. Coordinating the 2022-23 call for projects for these programs is intended to be a first step toward better integrating the variety of local technical assistance and grant funding offered by MTC/ABAG, reducing the amount of time and attention required by increasingly resource-constrained local staff.

The call for projects application windows closed on February 25, 2023 for Growth Framework grants and on March 31, 2023 for Climate Initiatives Program grants. Overall, MTC received 59 applications for \$46.3 million. Award recommendations, summarized below and described individually in Attachment B, would fund 53 projects at \$38 million, which includes two PDA

planning grants recommended for funding by the Transportation Authority of Marin (TAM) through the county One Bay Area Grant (OBAG) program submission process that will be managed through the regional program to take advantage of economies of scale. Staff will work with all applicants that did not receive awards to strengthen applications and increase the chances of success in future funding rounds using remaining program funds.

Recommended Awards: Climate Initiatives Program (\$19.4 million)

For this Climate Initiatives grant round, staff are requesting approval of \$16 million for capital grants to accelerate nine “shovel ready” Mobility Hub and Parking Management projects capable of achieving quantifiable outcomes during the OBAG3 cycle, and \$2.8 million for 13 planning efforts to lay the groundwork for future projects. Also included is \$500,000 for technical assistance to project sponsors. Several proposals are not recommended for funding because of eligibility issues and the one-grant-per-jurisdiction limitation in each program, with more detail provided in Attachment B. The funding request includes:

- **Mobility Hubs Capital (\$10.1 million)** – Four projects to include environmental, design, and right-of-way phases in addition to construction.
- **Mobility Hubs Planning (\$1.2 million)** – Three projects to develop a mobility hub plan for 1) a specific transit station or stop or 2) a network of hubs.
- **Parking Management Capital (\$6 million)** – Six projects for activities including purchasing and installing equipment, temporary operations staffing, outreach materials, and other actions to implement new parking pricing and management programs. Strategies include implementing variable pricing programs at transit stations, implementing demand-responsive pricing in high-demand areas, managing curb space to balance uses, and improving wayfinding to available parking. These strategies reduce circling and congestion and improve safety and funding for other mobility options.
- **Parking Management Planning (\$1.6 million)** – Ten projects that include aligning local parking policies with MTC’s TOC Policy, identifying and prioritizing parking management strategies in PDAs, developing plans to more comprehensively balance on- and off-street parking and other uses at the curb, and aligning parking policies and programs to reduce vehicle miles traveled.

- **Wraparound Technical Assistance (\$500,000)** – Based on the feedback of grant recipients of projects funded through the Climate Initiatives Program in OBAG2, staff recommend offering technical support to the awarded projects to position them for success and alignment with program objectives. This includes consultation on design drawings, evaluation, funding obligation, and other assistance project sponsors may need.

Recommended Awards: Growth Framework Implementation (\$18.2 million)

Staff request approval of \$17 million in regional OBAG3 funding for planning and technical assistance for PDAs and PPAs to establish locally-driven plans and conduct implementation activities required to overcome obstacles to realizing these plans, as well as the inclusion of \$1.2 million previously approved through the OBAG3 County & Local program. This includes:

- **PDA Planning Grants (\$14.75 million in Regional OBAG3 funding)** – The requested funding would support eleven new plans, nine amendments to existing plans, and six plan implementation grants designed to address a specific barrier to implementing an adopted plan. Notably, eighteen of these grants will involve local adoption of development standards to comply with the Transit-Oriented Communities Policy, while ten will enable plans in Connected Communities PDAs—places with less frequent transit service where a different set of mobility and zoning strategies are required. The grants recommended for funding will support a diversity of communities, with eleven of the grants enabling PDA plans in Equity Priority Communities and ten supporting plans in High Resource Areas. Together, the grants will fund plans in eight of the nine Bay Area counties, and all the grant-funded projects will explicitly advance recently adopted Housing Elements. Local jurisdictions initially submitted applications totaling \$17.2 million, well above the \$15 million allocated for this round, however a jurisdiction that submitted two \$1.2 million applications subsequently withdrew both applications. Consequently, there are roughly \$250,000 in excess funds that staff recommend directing to PPA technical assistance as described below. All final applications for PDA planning grants are recommended for awards.

In addition to \$14.75 million in recommended Regional OBAG3 funding, Attachment B also highlights \$1.6 in County & Local OBAG3 funding approved by the Commission in January to support two PDA Plans submitted by the City of San Rafael to the Transportation Authority of Marin (TAM), and recommended to MTC for approval by TAM. These grants will be administered similar to those listed above as part of the regional PDA Planning Program.

- **PPA Planning Grants and Technical Assistance (\$2.75 million)** – The PPA Pilot Program will support an Infrastructure and Facility modernization plan for the Port of Benicia, allowing a regionally significant area to prepare for a variety of multiple future economic conditions. In addition, the requested funding will support three multi-jurisdiction planning initiatives convened by county economic development entities that will benefit a total of 25 PPAs in Alameda, Contra Costa, and Solano counties. These multi-jurisdiction efforts will include establishing development standards that respond to the needs of today’s industrial businesses, evaluating existing infrastructure capacity and identifying projects required to meet future need, and establishing financing vehicles to enable the build out of this much-needed infrastructure. Because the amount of money requested for the PPA program outstripped available funding, staff is unable to fully fund all three of these proposals. To allow each of these meritorious proposals to proceed, staff propose to award each \$500,000, or roughly two-thirds of the funding requested. Included in this award is the \$250,000 remaining after the set of PDA awards described above. Additionally, the two lowest scoring applications are not recommended for award, with more information in Attachment B.

Remaining Funding

The recommended set of awards leave \$21 million for Mobility Hubs, \$7 million for parking capital projects and \$400,000 for parking planning projects, as well as \$8 million for Growth Framework Implementation. Consistent with Commission direction in 2022, staff propose to utilize the remaining \$8 million in Growth Framework implementation funding in a future call for projects that is open to both existing PDAs and to areas subject to the Transit Oriented

Communities Policy not yet nominated PDAs. The Growth Framework and Climate Initiatives programs plan to release a call for projects with the remaining funding in Spring 2024.

Next Steps:

Staff will work with awardees to establish scopes of work and begin the contracting process. Staff will also work with project sponsors not recommended for funding to assist in the development of an application for the next rounds of grant funding offered through both programs. To the greatest extent possible, staff will coordinate future calls for projects between these and other MTC grant programs intended to support local implementation of Plan Bay Area 2050. Staff will also coordinate with the Transit 2050+ project currently underway to identify a regional transit network and prioritize key Mobility Hubs in the subsequent Mobility Hubs funding cycle.

Issues:

- **PDA Applications and Geographic Balance:** PDA planning grant requests were less balanced across the nine counties than prior program cycles, with a concentration in the North Bay. Staff did extensive outreach to ensure that local jurisdictions were aware of the available funding; however, with many local jurisdictions still in the process of completing their housing elements, there were likely local staff constraints that affected submittals in some areas. As noted above, there will be another call for projects for PDA planning grants in 2024 that will provide opportunity for jurisdictions that did not submit requests in the current cycle. Additionally, there is reasonable geographic balance in the program overall when viewed over the nine cycles of the program.
- **Station Area Litigation:** The proposed award to Millbrae for the MSASP Amendment - Integrated Multi-Modal Transit Station is complicated by CEQA litigation between the City of Millbrae and High Speed Rail as well as an eminent domain lawsuit between the City, BART, and Caltrain. Staff recommend convening a meeting prior to executing the grant with the City of Millbrae, with the goal of ensuring that the litigation will not adversely affect the station area planning. The Millbrae Multi-Modal Transit Station is a regionally important transportation hub and potential site for transit-oriented housing and commercial development. It is important that PDA planning funds are invested toward a

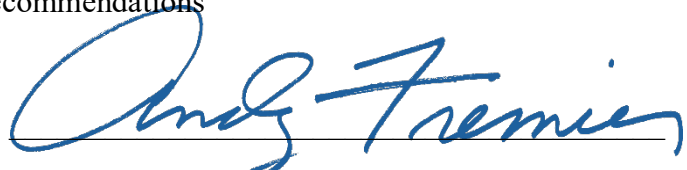
Plan Amendment that can achieve outcomes of mutual benefit to the community and transportation partners, and advance Plan Bay Area 2050.

Recommendations:

Refer Climate Initiatives and Growth Framework Implementation grant recommendations to the Commission for approval. Associated programming revisions to MTC Resolution Nos. 4202, Revised; 4505, Revised; and 4540, Revised are included on the June Programming and Allocations Committee agenda. Only the applicable recommendations approved by the Planning Committee and by the Programming and Allocations Committee will be referred to the Commission.

Attachments:

- Attachment A: PowerPoint
- Attachment B: Project Award Recommendations



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