

**Metropolitan Transportation Commission
Programming and Allocations Committee**

June 10, 2026

Agenda Item 2c-26-0613

MTC Resolutions Nos. 3989, Revised, 4202, Revised, and 4505, Revised

Subject:

Various revisions to the One Bay Area Grant (OBAG 2 and 3) and MTC exchange programs, including programming \$8 million in OBAG 3 Priority Conservation Area (PCA) funds to various projects and reprogramming \$3.4 million in OBAG 2 Housing Incentive Pool (HIP) funds.

Background:

The OBAG 2 and 3 programs establish the policy and programming framework for federal Surface Transportation Block Grant Program (STP) and Congestion Mitigation and Air Quality Improvement program (CMAQ) funds for FY 2018 through FY 2026.

MTC's fund exchange program provides local funds to deliver priority projects within the broader OBAG framework. The program facilitates funding agreements with partner agencies to exchange federal STP/CMAQ funds with non-federal local funds. These exchanges do not increase the total amount of funds available to the region but enable MTC to support key investments within the OBAG policy framework that are ineligible for STP/CMAQ funds.

This month, staff recommend revisions to the OBAG 2 and 3 and MTC exchange programs as follows:

- **Priority Conservation Area (PCA) Grant Awards:** At the Planning Committee meeting on June 12, staff will recommend awards for the recent PCA call for projects. With this item, staff recommend programming \$8 million in remaining OBAG 3 PCA grant funds to various projects consistent with the Planning Committee recommendations, changing the fund source for \$6.1 million of these funds from federal STP/CMAQ to non-federal MTC exchange to support projects that align with the PCA goals and objectives but are ineligible or poorly suited for federal funds.
- **Housing Incentive Pool (HIP) Reprogramming:** In addition, staff recommend reprogramming \$3.4 million in OBAG 2 HIP funds from the San Francisco Municipal Transportation Authority's (SFMTA's) Lincoln Way Traffic Improvements project to SFMTA's 29 Sunset Muni Forward project to ensure timely delivery. The Lincoln Way project will be delivered with local funds.
- **Co-Sponsor Addition:** Finally, staff recommend adding the City of San Mateo as a co-sponsor for the San Mateo County Transportation Authority's (SMCTA's) 19th Ave/Fashion Island Blvd Complete Street Class IV project, which was previously awarded OBAG 3 county program funds. This change will allow the partner agencies to proceed with the current project delivery plan.

Issues:

None.

Recommendations:

Refer MTC Resolution Nos. 3989, Revised, 4202, Revised, and 4505, Revised to the Commission for approval. The PCA grant awards will also be considered by the Planning Committee this month. Only items approved by both Committees will be forwarded to the Commission for approval.

Attachments:

- MTC Resolution No. 3989, Revised
 - Attachment B
- MTC Resolution No. 4202, Revised
 - Attachment B-1
- MTC Resolution No. 4505, Revised
 - Attachment B-1
 - Attachment B-2



Andrew B. Fremier