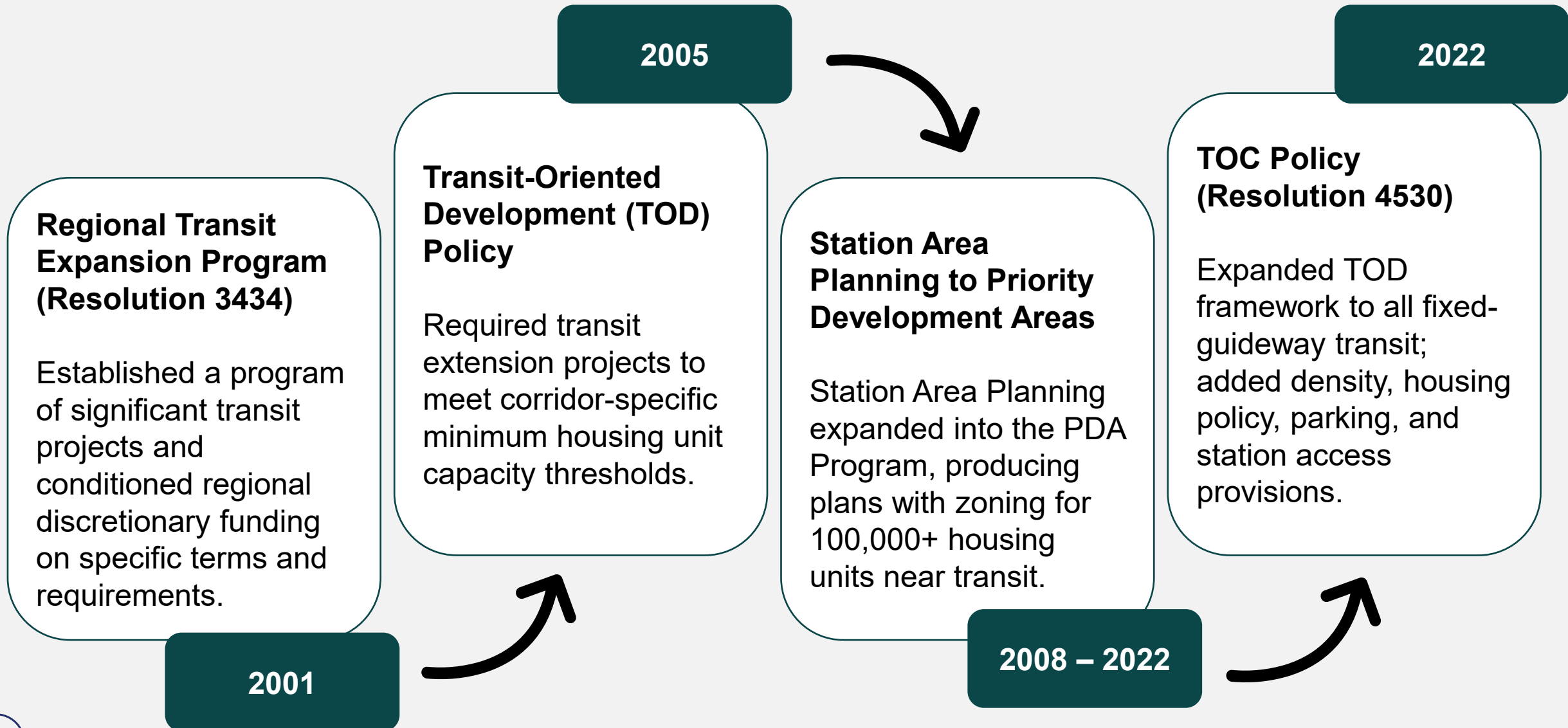


Transit-Oriented Communities (TOC) Policy & Transit Extensions



Planning Committee
May 8, 2026

From TOD to TOC: MTC's Policy History

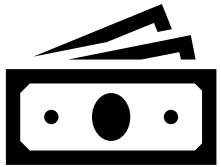


TOC Policy vs. TOC Incentive Program



TOC Policy (September 2022)

- Adopted the TOC Policy via **MTC Resolution No. 4530**, including four key components of density, housing, parking, and station access
- Signaled that future OBAG cycles would prioritize TOC-consistent station areas



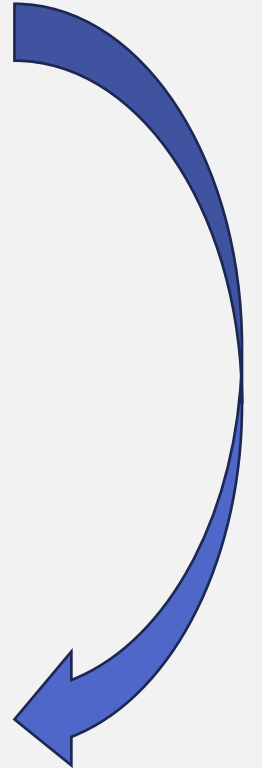
TOC Incentive Program (February 2026)

- Adopted the TOC Policy Evaluation Framework via **MTC Resolution No. 4754**, with a 100-point scoring system and 85-point threshold for incentives
- Set July 2027 deadline for jurisdictions to qualify for OBAG4 formula-based awards

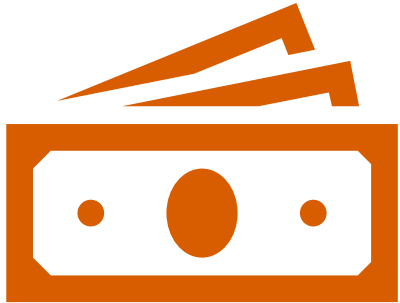


TOC Policy Amendment (*Today's Item*)

- Proposed revisions to original TOC Policy via **MTC Resolution No. 4530, Revised**, primarily related to handling of transit extension projects in Appendix 1



Transit Extensions: Scale, Timing, and Regional Impact



The Bay Area will invest \$28 billion in transit extensions through 2050. RM3 alone *allocates more than \$2.75 billion across 20 capital projects*, augmented with billions more in federal & state dollars.



New stations are once-in-a-generation opportunities. Station construction triggers real estate activity; *supportive policies beforehand maximize the investment* and reduce displacement pressure.



The transit network depends on **supportive policies** across density, housing, parking, and station access in station areas. The TOC Policy is an **essential tool to implement the strategies and vision** of Plan Bay Area 2050+.

Transit Extensions: TOC Policy Applicability

Applies to projects in Plan Bay Area 2050+ seeking funding allocation or endorsement, including:

- BART to Silicon Valley Phase 2
- Capitol Corridor South Bay Connect
- Capitol Corridor Hercules Station
- Irvington BART
- SMART to Healdsburg
- SMART to Cloverdale
- The Portal (*Caltrain Downtown Extension*)
- Valley Link
- *New WETA Ferry Terminals*
- *New Bus Rapid Transit (BRT) Lines*



Source: Caltrans District 4



Source: Jim Maurer



Source: Noah Berger

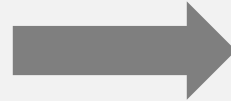


Source: Caltrans District 4

Transit Extensions & TOC: From Fixed Deadline to Flexible Path

Current Policy

All transit extension TOCs must achieve consistency by 2026 — a **fixed deadline** with limited flexibility or connection to project delivery realities.



Proposed Change

A structured path forward: sponsors and jurisdictions commit to a work plan and demonstrate progress — with **more time** and **more flexibility** in how consistency is achieved.

Extending flexibility to transit extension areas that need more time to meet TOC requirements is consistent with the Commission's action under OBAG 4.

Upcoming Projects and TOC Consistency

The work plan must demonstrate **the steps jurisdiction(s) will take to achieve 85 points** on the TOC Evaluation Framework.

TOC Consistency Gap

Many station areas are far below the 85-point TOC Incentive Program threshold as of spring 2026.

Grants Awarded to Accelerate Progress

Several transit extension projects have active grants to complete TOC-consistent policies in the next few years.

MTC's monitoring of local actions to achieve TOC consistency is **critical in maximizing the success of major new transit investments.**

Proposed Amendments to TOC Policy

Transit Extensions: Transparency & Reporting

- Remove 2026 deadline
- Sponsor/jurisdiction work plan documenting actions needed to reach 85 points* prior to construction, or within 5 years after an allocation/endorsement (*whichever is later*)
- Progress reports to the Commission annually or within 6 months after an allocation/endorsement (*whichever is sooner*)
- Reporting requirements cease once 85-point consistency is achieved
- Continued lack of progress toward TOC Policy consistency could impact future MTC funding and/or endorsement decisions

Other Minor Amendments

- Clarify that the Commission will further consider the evolving role of the TOC Policy at the start of the next OBAG cycle
- Align nomenclature with the TOC Evaluation Framework approved under MTC Resolution No. 4754

Staff Recommendation

Staff requests that the Commission adopt MTC Resolution No. 4530, Revised, amending the Transit-Oriented Communities Policy to:

- **Provide greater flexibility to transit extension projects** seeking non-OBAG regional discretionary funding or MTC endorsements for federal or state discretionary capital funding
- **Clarify that the Commission will further consider the evolving role of the TOC Policy** at the start of the next OBAG cycle
- **Align nomenclature with the TOC Evaluation Framework** approved under MTC Resolution No. 4754



Credit: Karl Nielsen