

**Metropolitan Transportation Commission
Programming and Allocations Committee**

March 11, 2026

Agenda Item 2d-26-0279

MTC Resolutions Nos. 3989, Revised and 4505, Revised

Subject:

Various revisions to the One Bay Area Grant (OBAG 3) and MTC exchange programs, including programming \$2.4 million to MTC for the Bay Wheels contract extension.

Background:

The OBAG 3 program establishes the policy and programming framework for investing federal Surface Transportation Block Grant Program (STP) and Congestion Mitigation and Air Quality Improvement program (CMAQ) funds for FY 2023 through FY 2026.

MTC's fund exchange program provides greater flexibility to deliver select priority projects within the broader OBAG framework. MTC Resolution No. 3989, Revised, describes the procedures governing MTC's exchange program and details the agreements and commitments that have been made to date. 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 3 and MTC exchange programs as detailed below.

Regional Bikeshare

At the Regional Network Management (RNM) Committee this month, staff will recommend extending the contract for the Bay Wheels regional bikeshare service with the current provider for five additional years (through July 2032). The proposed contract extension would maintain and expand this popular service, allowing MTC to maximize previous system investments and continue to deliver benefits to riders across the region.

With this item, staff recommend reprogramming \$2.4 million in OBAG 3 funds to MTC for the Bay Wheels contract extension from the following sources:

- \$1,250,000 in remaining regional bikeshare balances,
- \$600,000 in regional transportation demand management (TDM) balances, and
- \$560,000 previously programmed to MTC for bikeshare station electrification (project will be delivered by the contractor under the proposed Bay Wheels contract extension).

As part of this recommendation, staff recommend changing the fund source for the bikeshare and TDM balances from federal STP/CMAQ to non-federal MTC exchange funds, as the existing contract and proposed extension are ineligible for federal funds.

This action as proposed would fully program the \$20 million in OBAG 3 regional capacity initially set aside for the bikeshare program by the Commission. Further regional support for this program will be contingent on other funding sources, such as OBAG 4.

Issues:

None.

Recommendations:

Refer MTC Resolution Nos. 3989, Revised and 4505, Revised to the Commission for approval. The Bay Wheels contract extension will also be considered by the RNM Committee this month. Only items approved by both Committees will be forwarded to the Commission for approval.

Attachments:

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



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