

**Metropolitan Transportation Commission
Programming and Allocations Committee**

April 10, 2024

Agenda Item 4a-24-0374

**Regional Approach and Prioritization Principles for Bay Area Senate Bill 1 (SB1)
Competitive Program Nominations**

Subject:

Proposed Regional Approach and Prioritization Principles for Bay Area SB1 competitive program nominations, including Solutions for Congested Corridors, Trade Corridor Enhancement, and Local Partnership Programs.

Background:

The Road Repair and Accountability Act of 2017, commonly known as Senate Bill 1 (SB1, Beall), provides over \$5 billion in new transportation revenues annually to both new and existing funding programs. Since then, the State has programmed three rounds of SB1 competitive funding; the selected Bay Area projects are shown in Attachment A. In general, the Bay Area was quite successful in earlier rounds.

The California Transportation Commission (CTC) is now preparing for the next round of grants covering Fiscal Years (FYs) 25-26 and 26-27, with applications due in late 2024.

Below is a summary of upcoming programs and their expected application due dates.

| Program | MTC Role* | Funding Amount (Years: FY 25-26 and FY 26-27) | Application Due Date |
|---|------------------------|---|---------------------------------|
| Solutions for Congested Corridors (SCCP) | Nominate | \$500 M Statewide Over Two Years | ~12/2024 (to CTC) |
| Trade Corridor Enhancement Program (TCEP) | Compile Nominations | ~\$1.0 B Statewide Over Two Years (Assumes federal funds) | ~12/2024 (to CTC) |
| Program | MTC Role* | Funding Amount (Years: FY 25-26 and FY 26-27) | Application Due Date |

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|---|---------------------|---|--------------------------|
| Local Partnership Competitive Program (LPP-C) | Regional Support | \$144 M Statewide Over Two Years | ~12/2024 (to CTC) |
|---|---------------------|---|--------------------------|

** For all programs, MTC also confirms that nominated projects are consistent with the region’s RTP/SCS.*

To maximize the region’s grant performance and competitiveness, MTC staff proposes continuing a regional approach to prioritize grant applications based on principles that closely align with the state’s project selection criteria and program goals, and with regional plans, policies, and priorities. Similar to past cycles, staff recommends including deliverability, full funding plans, improving mobility, demonstrated partnership, and alignment with the state’s Climate Action Plan for Transportation Infrastructure (CAPTI) as prioritization metrics, as detailed in Attachment B. For this cycle, staff recommends elevating projects advancing CAPTI goals as a higher priority over other metrics.

Focus on CAPTI

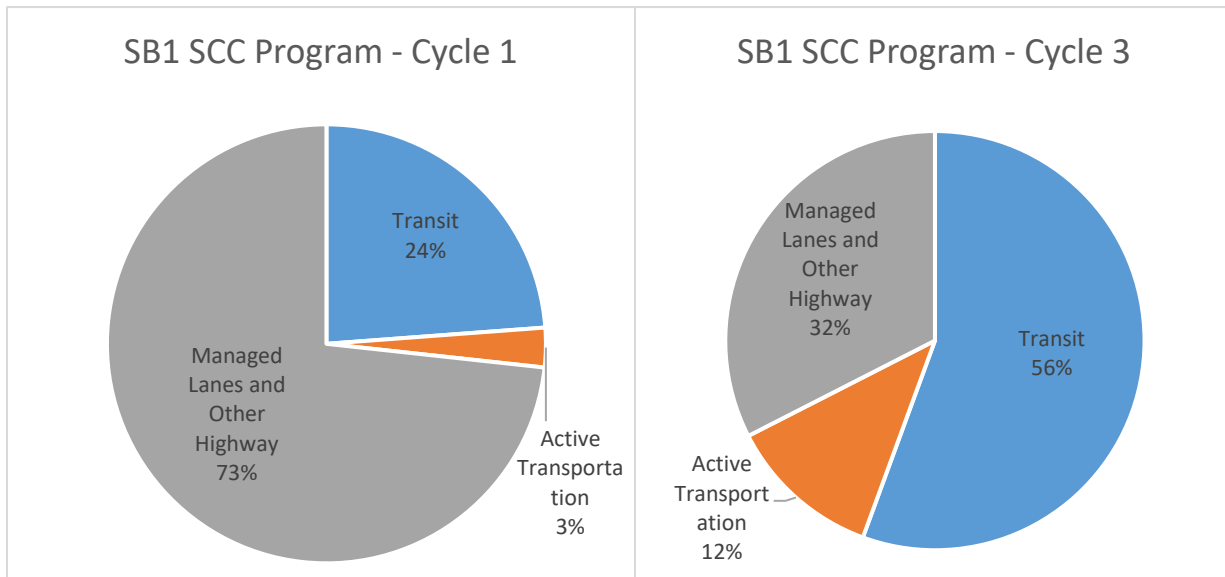
The California State Transportation Agency (CalSTA) adopted CAPTI in 2021. CAPTI details state priorities for discretionary transportation funds, including SB1 programs, to address climate change while supporting public health, safety, and equity. The California Department of Transportation (Caltrans) takes an implementing role for CAPTI and is developing the Caltrans System Investment Strategy (CSIS) that will serve as an investment framework to guide transportation investments and decisions. Caltrans’s CSIS will guide which projects receive Caltrans support for funding programs including SB1. CTC, through its funding programs, has also included language in the draft SB1 guidelines recognizing CAPTI goals and a preference for projects that align with CAPTI.

Given the statewide focus on CAPTI, projects that strongly align with CAPTI and Caltrans’s CSIS are better poised to receive funding from the state. Therefore, MTC staff recommends giving a higher scoring weight to projects that closely align with CAPTI/CSIS, over other metrics such as leverage and partnership. Project types and project scopes that align with the CAPTI guiding principles include projects that:

- Build toward an integrated statewide rail and transit network,
- Promote safe bicycle and pedestrian infrastructure networks,
- Invest in zero-emission vehicle infrastructure,
- Advance equity and social and environmental justice,
- Improve safety with a focus on Vision Zero,

- Address climate risk and improve resiliency against climate change,
- Do not significantly increase passenger vehicle travel, and where appropriate, include pricing and multimodal options to mitigate vehicle miles traveled,
- Promote infill development and protect against displacement,
- Develop a zero-emission freight transportation system, and
- Protect natural and working lands.

The pie charts below illustrate the evolution of project types from Cycle 1 (pre-CAPTI) to Cycle 3 (post-CAPTI) in the SCC Program. The share of transit and active transportation projects has grown, while the share of managed lanes and other highway projects has significantly decreased.



Process, Engagement, and Schedule

MTC staff previewed the proposed principles with the Bay Area County Transportation Agency Project Delivery Committee in March. Upon adoption of the principles, staff will request project nomination candidates from partner agencies. Staff would evaluate the candidates against the prioritization principles, as well as alignment with other policies such as the Bipartisan Infrastructure Law (BIL) Strategy and Major Project Advancement Policy (MAP), and bring MTC’s endorsement actions to this Committee in July 2024. An anticipated timeline of actions is included on the last slide of Attachment C.

MTC adopted the 2024 Regional Transportation Improvement Program (RTIP) policies and procedures in September 2023. In it, MTC requires sponsors to use RTIP (or other local) funds as match to SB1 competitive program applications before MTC will commit other regional discretionary funding.

Issues:

State Guidelines. The State has not yet finalized guidelines for any of the programs discussed in this memo; CTC plans to consider the final guidelines and release the call for projects in August 2024. If the final guidelines affect the proposed prioritization principles, staff will return to this committee to propose revising the principles.

Policy Compliance: Staff recommends that selected projects comply with all applicable regional policies, including the Transit Oriented Communities (TOC) Policy (MTC Resolution No. 4530) and Transit Coordination Implementation Plan (MTC Resolution No. 3866).

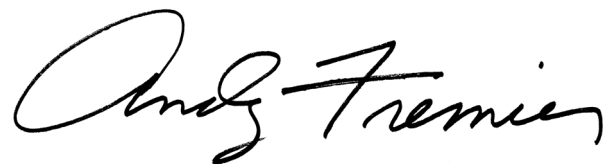
Recommendations:

Staff recommends the Committee:

- Provide feedback to staff on prioritization principles; and
- Refer the Proposed Prioritization Principles (Attachment B) to the Commission for approval in preparing staff's recommended Bay Area SB1 Competitive Program Project Nominations for MTC Commission consideration in July 2024.

Attachments:

- Attachment A: List of Previous Bay Area SB1 Awards
- Attachment B: Proposed Prioritization Principles
- Attachment C: Principle Discussion Slide Presentation



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