

Attachment B: Prioritization Principles for Bay Area 2026 SB1 Competitive Program Nominations

Subject:

This document includes the proposed prioritization principles for each Senate Bill 1 competitive program for which MTC has a role. The prioritization principles will be used to select and rank projects for MTC’s nomination in the Solutions for Congested Corridors Program, and to refine projects for MTC’s compilation of projects for the Trade Corridor Enhancement Program.

Solutions for Congested Corridors Program (SCCP):

Senate Bill 1 identifies \$250 million per year for the Solutions for Congested Corridors Program (SCCP). The SCCP funds projects that make specific performance improvements designed to reduce congestion in highly traveled corridors. MTC and Caltrans are the only eligible nominating agencies in the Bay Area and must prioritize their nominations.

Prioritization Principle	Discussion
Alignment with CAPTI and CSIS	Degree of alignment with California State Transportation Agency’s (CalSTA’s) Climate Action Plan for Transportation Infrastructure (CAPTI) and the Caltrans System Investment Strategy (CSIS) – both of which advance <i>Plan Bay Area 2050+</i> goals.
Addresses mobility in key congested corridors	Supports overall program intent; potential to use most recent Vital Signs Top Congested Corridors data, Caltrans data, and other regional planning documents
Demonstrates Benefits to EPCs	Emphasizes projects that provide meaningful benefits to residents of Equity Priority Communities (EPCs)
Reduces Greenhouse Gas Emissions	The Governor’s Executive Order N-19-19 directs the California State Transportation Agency (CalSTA) to prioritize projects that lower fuel consumption and greenhouse gas emissions from transportation.

Prioritization Principle	Discussion
Deliverability by FY 28-29 and Leveraging/Full Funding	Emphasize ready-to-go projects that have at least 35% design, and leverage other funds to complete funding plan
Partnership	Demonstrate Caltrans and other partner support; Caltrans joint-nomination is preferred (announcement expected mid-2026)

Trade Corridor Enhancement Program (TCEP):

Senate Bill 1 identifies \$300 million per year to be deposited into the Trade Corridor Enhancement Account (TCEA). The TCEA, along with any federal freight formula funds for California, form the basis for the Trade Corridor Enhancement Program. The TCEP funds infrastructure improvements on corridors that have a high volume of freight movement. MTC compiles project nominations from the region.

Prioritization Principle	Discussion
Alignment with CAPTI and CSIS	Degree of alignment with California State Transportation Agency's (CalSTA's) Climate Action Plan for Transportation Infrastructure (CAPTI) and the Caltrans System Investment Strategy (CSIS), both of which advance <i>Plan Bay Area 2050+</i> goals.
Address mobility in key freight corridors	Emphasize projects on Primary Highway Freight Network, multi-modal/ rail/ port projects, and projects in MTC's Goods Movement Investment Strategy
Demonstrates Benefits to EPCs	Emphasizes projects that provide meaningful benefits to residents of Equity Priority Communities (EPCs)

Prioritization Principle	Discussion
Address community impacts from freight corridors	Encourage mode shift from highway to rail, emission reduction projects.
Deliverability by FY 28-29 and Leveraging/ Full Funding	Emphasize ready-to-go projects that have at least 35% design; Support projects that previously received TCEP funds and leverage other funds to complete funding plan
Partnership	Demonstrate Caltrans and other partner support; Caltrans joint-nomination is preferred (announcement expected mid-2026)

Local Partnership Program (LPP):

Senate Bill 1 identifies \$200 million per year for the Local Partnership Program. The California Transportation Commission first takes \$20 million off the top each year for an incentive program (awarding immediate funds for a new or renewed tax, toll, or fee dedicated solely to transportation) and splits the remaining money 60% to a formulaic share based on population and revenue generated, and 40% to a competitive program. LPP allows local and regional transportation agencies that have passed sales tax measures, developer fees, or other imposed transportation fees to fund road maintenance and rehabilitation, sound walls, and other transportation improvement projects. MTC has no formal role in nominating projects, aside from projects using regional bridge tolls to qualify for LPP funds.

Proposal:

Provide MTC letters of support for projects that further the goals and priorities of MTC's Regional Transportation Plan / Sustainable Communities Strategy, *Plan Bay Area 2050+*, and that address funding gaps.