



METROPOLITAN
TRANSPORTATION
COMMISSION

Bay Area Metro Center
375 Beale Street, Suite 800
San Francisco, CA 94105
415.778.6700
www.mtc.ca.gov

Sue Noack, Chair
Cities of Contra Costa County

January 21, 2026

*Stephanie Moulton-Peters,
Vice Chair*
Marin County and Cities

Dear Commissioners,

Margaret Abe-Koga
Santa Clara County

Eddie Abn
San Francisco Bay Conservation
and Development Commission

David Ambuchi
California State
Transportation Agency

Candace Andersen
Contra Costa County

Marilyn Ezzy Ascraft
Cities of Alameda County

Pat Burt
Cities of Santa Clara County

David Canepa
San Mateo County

Victoria Fleming
Sonoma County and Cities

Dorene M. Giacomini
U.S. Department of Transportation

Alicia Jobn-Baptiste
San Francisco Mayor's Appointee

Barbara Lee
Oakland Mayor's Appointee

Matt Maban
San Jose Mayor's Appointee

Amber Manfree
Napa County and Cities

Mitch Masbourn
Solano County and Cities

Myrna Melgar
City and County of San Francisco

Nate Miley
Alameda County

Gina Papan
Cities of San Mateo County

Belia Ramos
Association of Bay Area
Governments

Libby Schaaf
U.S. Department of Housing
and Urban Development

Andrew B. Fremier
Executive Director

Alix Bockelman
Chief Deputy Executive Director

On behalf of Vice Chair Moulton-Peters and myself, we want to express our deep appreciation for the time and input you have all provided on the One Bay Area Grant Program (OBAG 4) and the Transit-Oriented Communities (TOC) Policy over the past several months. These have been complex and consequential issues, and your engagement has been invaluable.

As you recall, this was the major topic of discussion at our recent Commission workshop. To help us all make an informed decision, I convened an ad hoc committee to dive deeper into scenarios, weigh pros and cons, and ensure that the full Commission had the benefit of that analysis. The ad hoc committee reached consensus on the recommendations presented today.

We are recommending a two-step process for moving forward. Vice Chair Moulton-Peters and I are resolute that we must take action now. The first step—approval of the funding framework for the OBAG 4 program—is agendized for this month's Commission meeting. The second step, which will be agendized next month, will focus on eligibility requirements for a modest but meaningful TOC Policy set-aside program.

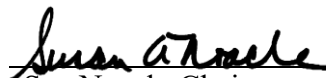
We also want to acknowledge staff's diligence and responsiveness throughout this process. They have worked hard to provide the scenarios and information we requested, and their efforts have helped us get to this point.

We feel strongly that it is time to start making hard decisions—even if they are not unanimous. Jurisdictions that rely on OBAG 4 funding, along with the many partners and stakeholders who have been closely following the development of OBAG 4 and the TOC Policy, need certainty and clarity to be effective in their work.

The recommendation before you today strikes the right balance on OBAG 4 and charts out a meaningful set-aside to reward TOC progress. You will hear more about the eligibility details for the TOC policy set-aside in February.

Thank you again for your commitment and leadership on these critical issues.

Sincerely,


Sue Noack, Chair


Stephanie Moulton-Peters, Vice Chair