



Transit Oriented Communities and One Bay Area Grant Program

Commission Workshop
October 22, 2025



METROPOLITAN
TRANSPORTATION
COMMISSION

OBAG | TOC

Day One Agenda

Topics

- ▶ OBAG background
- ▶ TOC background
 - ▶ Initial evaluation framework



Desired Outcomes

- ▶ Reaffirm **support** for Plan Bay Area's emphasis on **complete communities near transit**.
- ▶ Receive input on an incentive-based approach to **reward TOC Policy progress**.
- ▶ **Receive** direction on achieving shared priorities in the **OBAG 4 program**.

OBAG Background



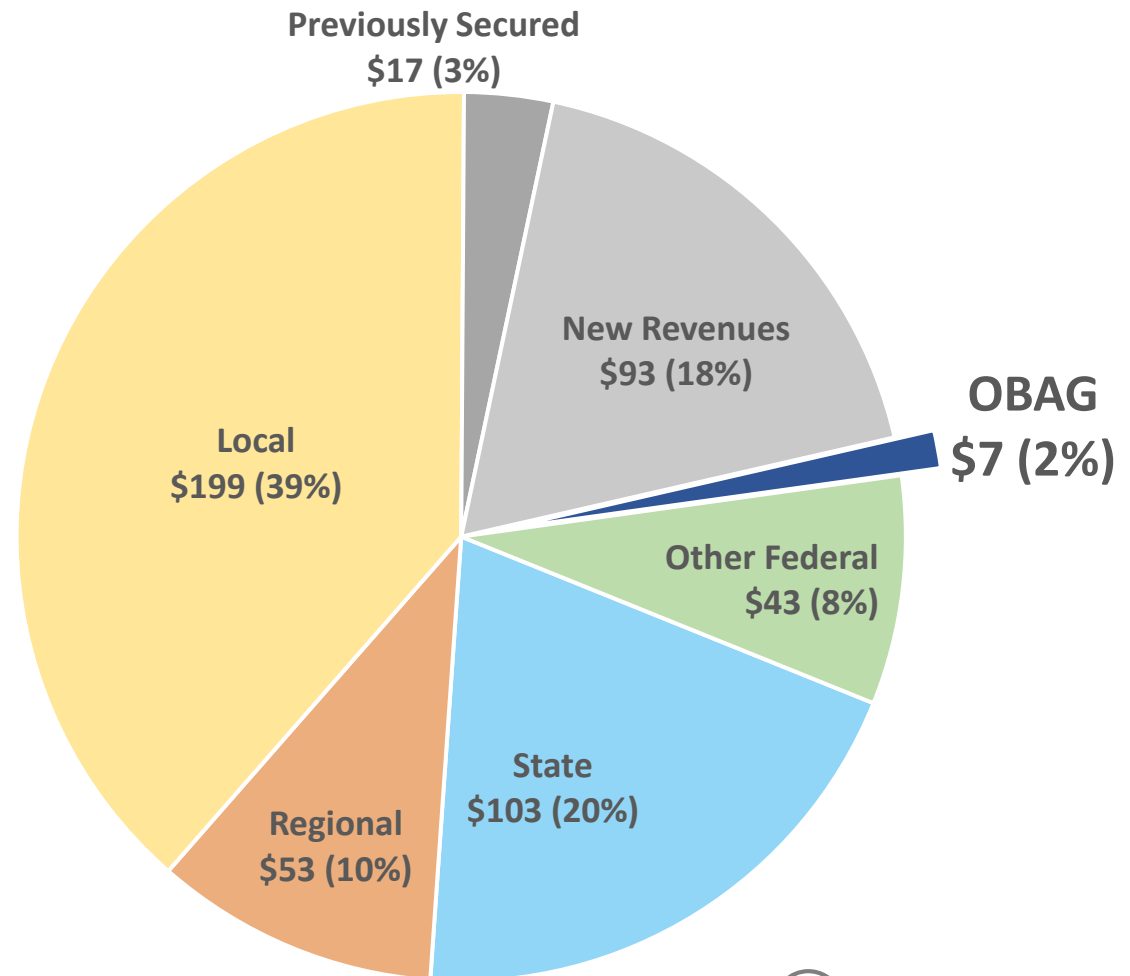
OBAG Funding Sources

- ▶ Federal highway formula programs (STP/CMAQ)
- ▶ MTC responsible for project selection
- ▶ Broad eligibility for transportation plans, projects, and programs
- ▶ OBAG 3 totaled ~\$800M over 4 years

OBAG Funding

Transportation Funding Context

Plan Bay Area 2050+ estimates (2025-50) in billions



Award-Winning Innovation

The One Bay Area Grant (OBAG) program implements *Plan Bay Area* goals and priorities through focused investments and effective incentives that:

-  Expand and improve mobility options
-  Reduce emissions and VMT
-  Encourage sustainable development and focused growth



OBAG Structure

Prior STP/CMAQ Programs

- Investments in regional systems and networks
- Local grant opportunities in support of specific goals

One Bay Area Grant

County Program

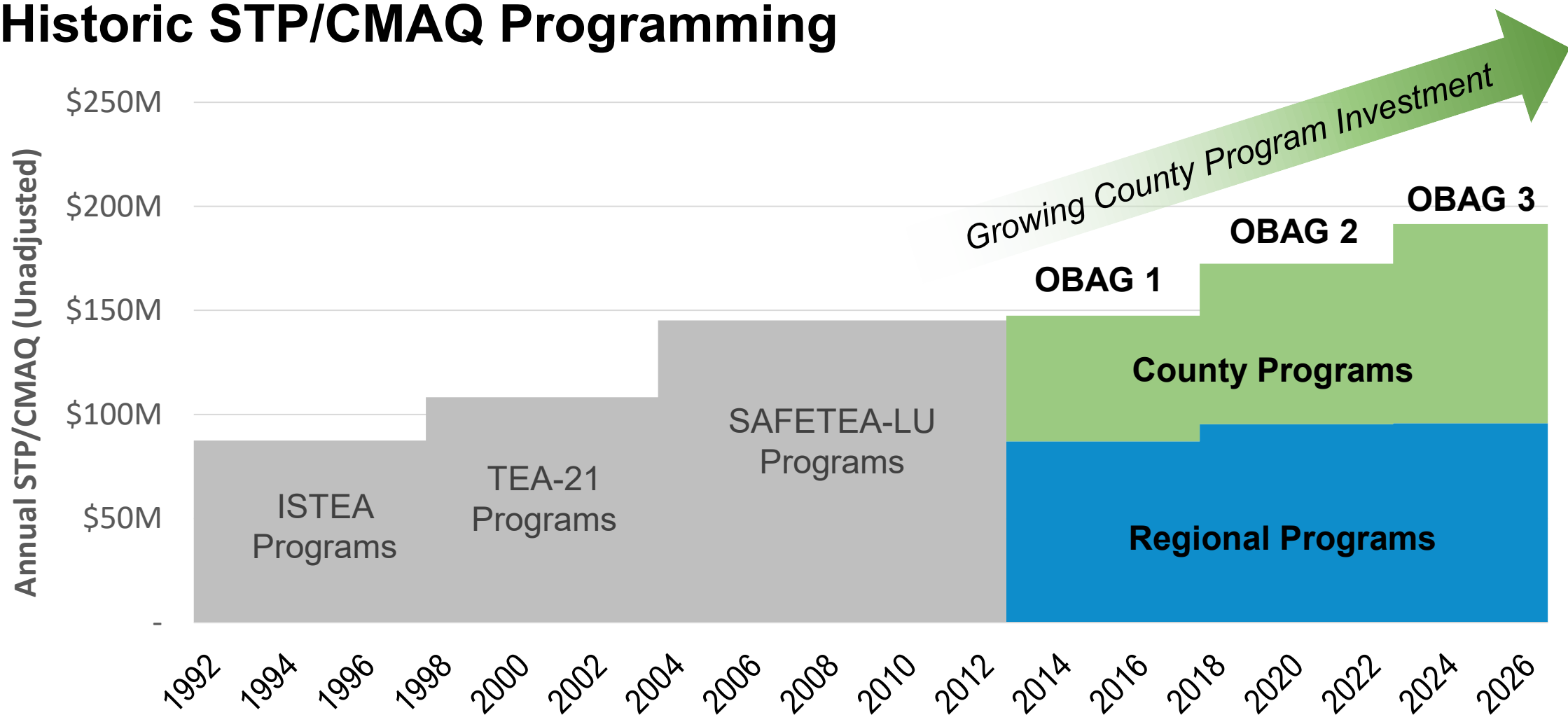
- Unified grant opportunity for various local priorities
- Incentive for focused growth and other goals

Regional Program

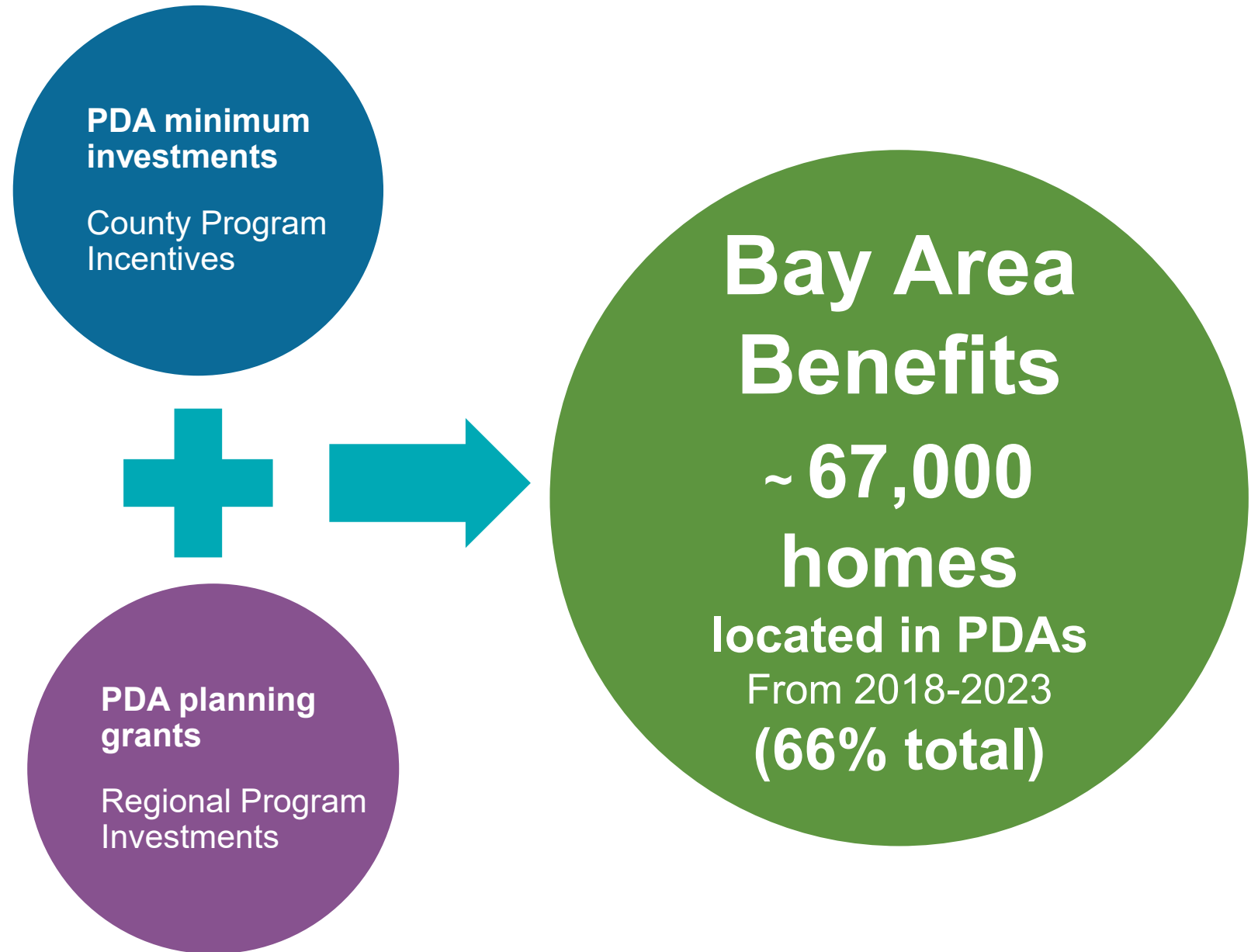
- Investments in regional systems and networks
- Targeted local grant opportunities

OBAG County Program Growth

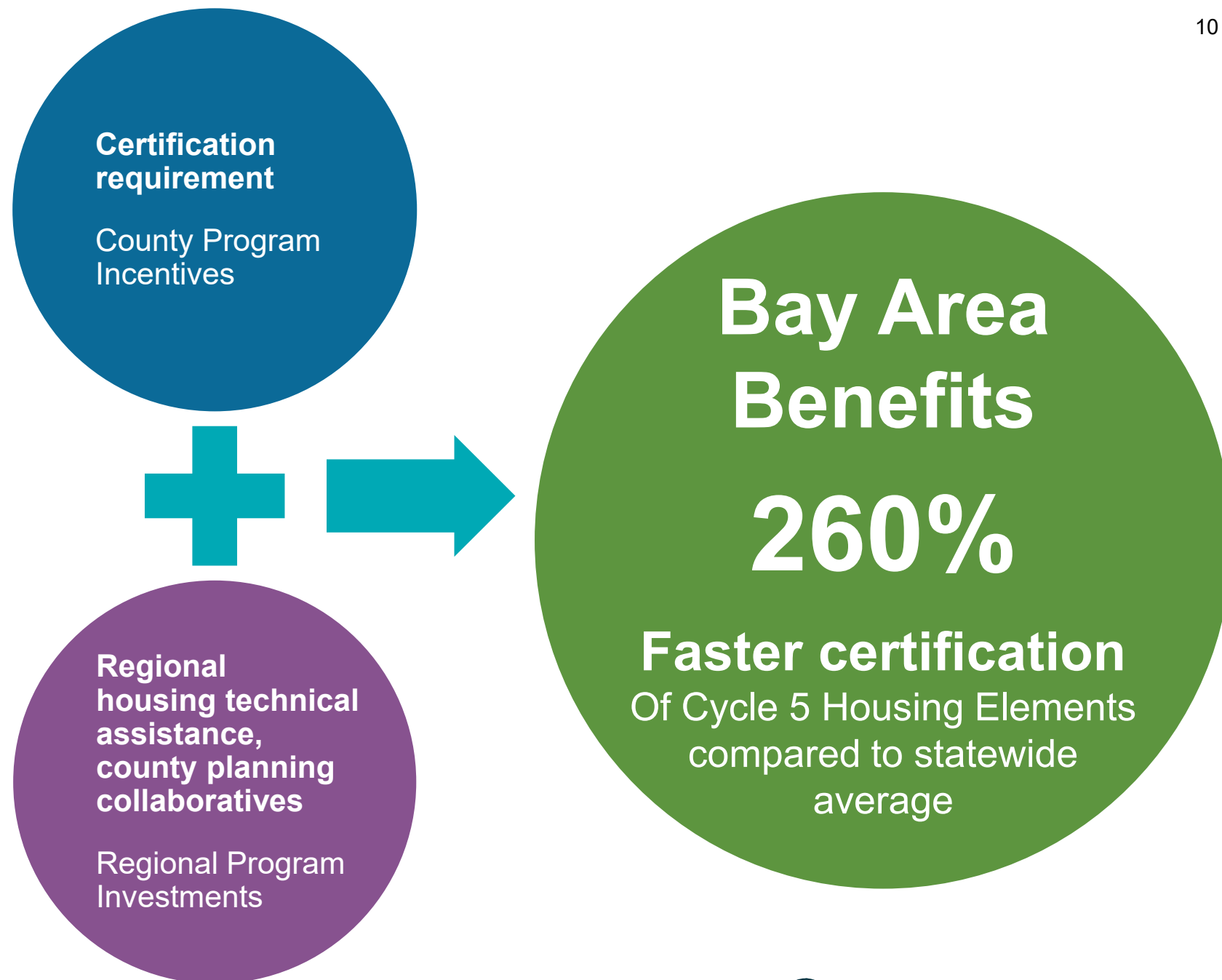
Historic STP/CMAQ Programming



Policy Achievement: Focused Growth



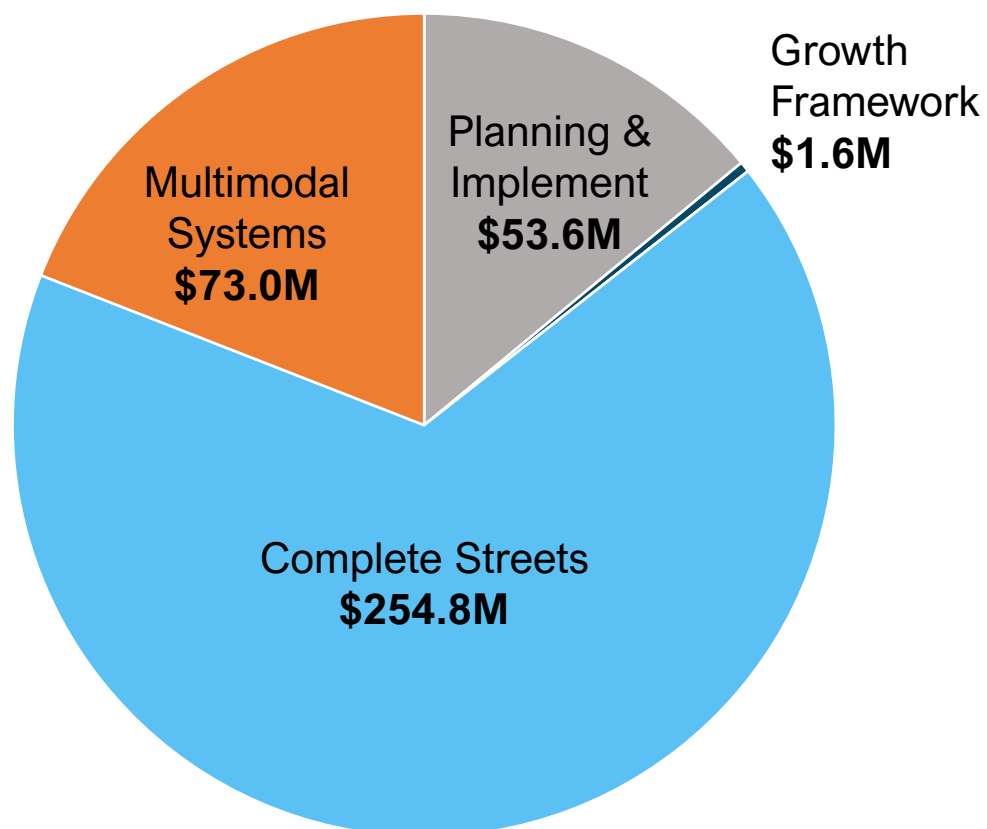
Policy Achievement: Housing Elements



OBAG 3 Investments by Category

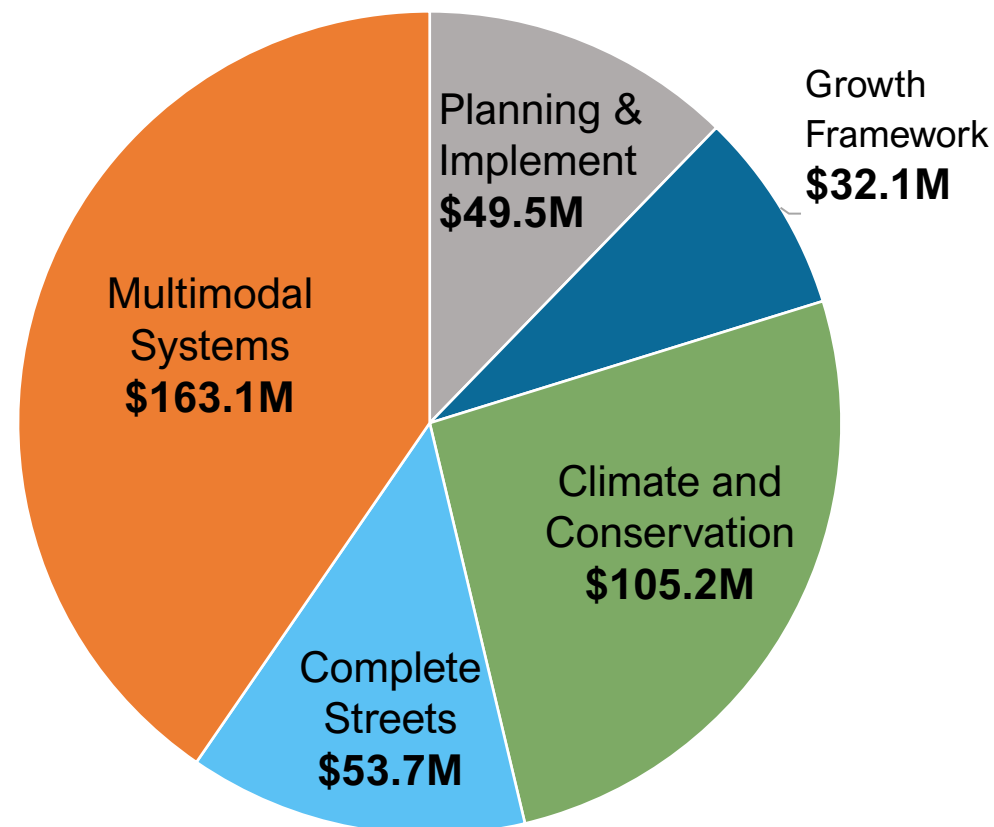
County Program

\$383 million



Regional Program

\$404 million with MTC exchange



O BAG 3 Regional Programs



Regional Programs Deliver Significant Local Benefits



\$23M

PDA Planning
Grants



\$65M

Housing Assistance



\$18M

PCA Grants



\$13M

Pavement
Management



\$82M

Climate Initiative Grants



\$56M

Local Transit
Transformation

Regional Program North Bay Project Example

Santa Rosa Transit Mall



Regional Program East Bay Project Example

Bridge: Dotson Marsh



Regional Program South Bay Project Example

San Jose — Mobility Hubs
at Affordable Housing



Regional Program – Peninsula Project Example

Burlingame Square
Transit Hub





ChargePoint
Network

OBAG 4 Background

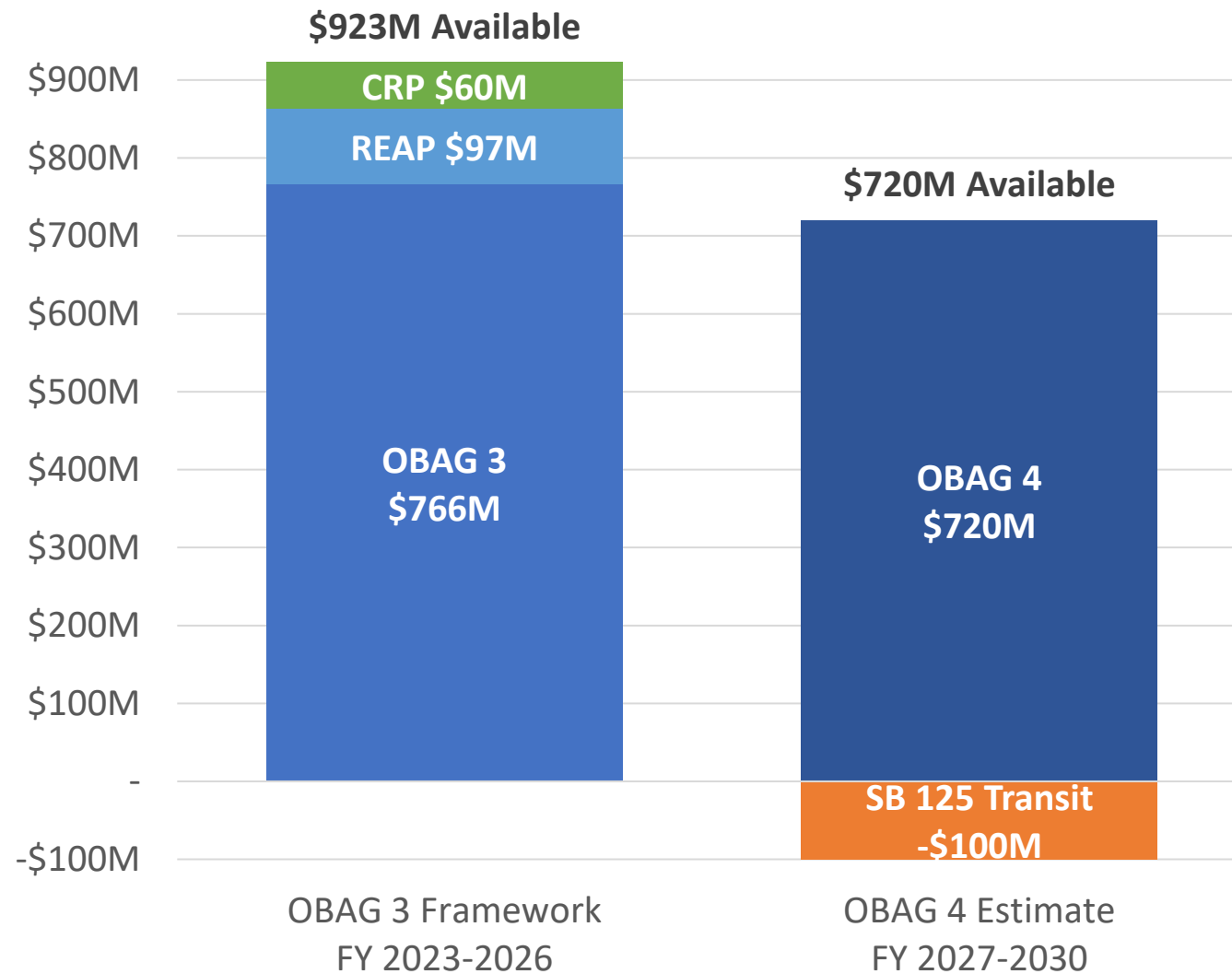


OBAG 4 Capacity

Key Considerations

- ▶ Estimated \$820M in initial STP/CMAQ capacity
- ▶ Loss of Carbon Reduction Program and REAP
- ▶ SB 125 funding package pre-committed \$100M for transit operations

OBAG 4 Capacity Estimate



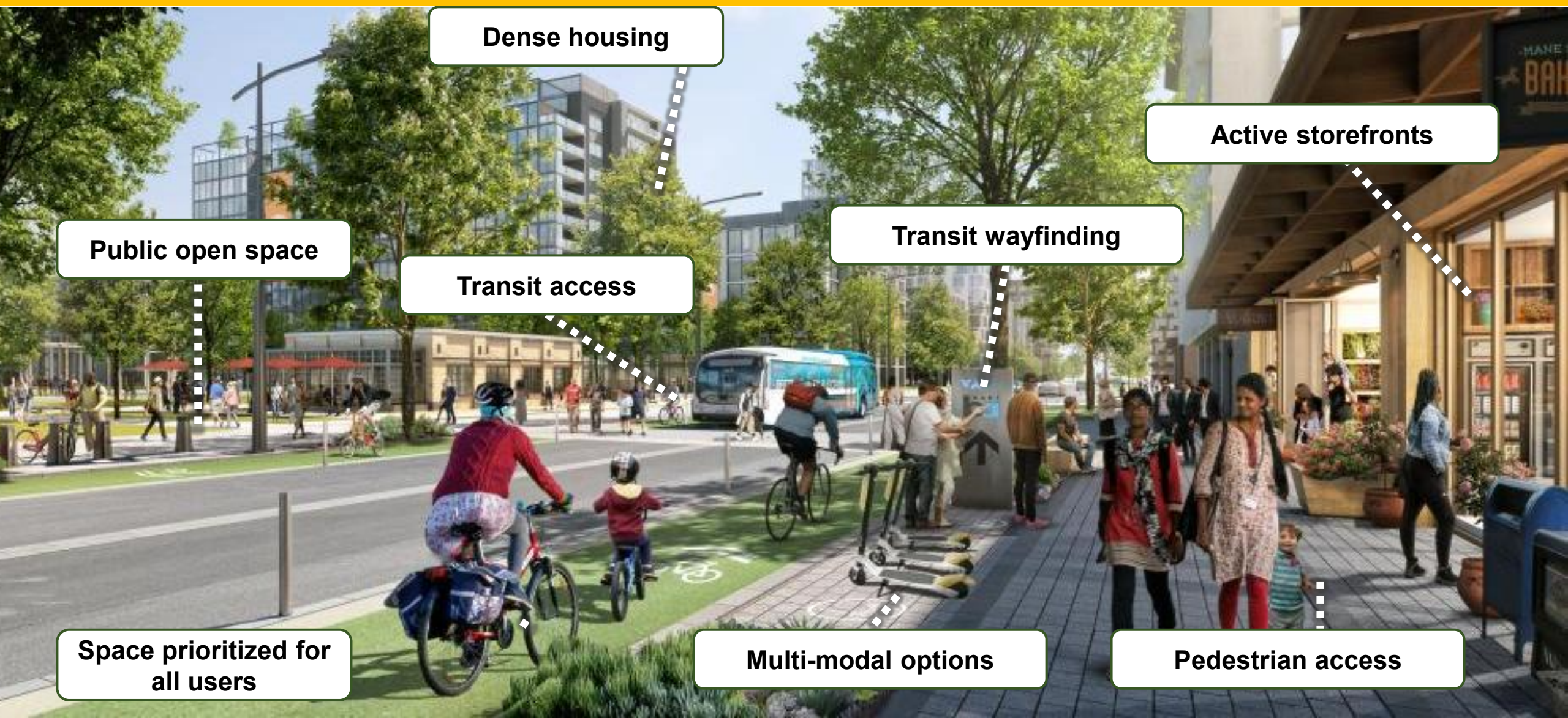
OBAG 4 estimate subject to change



An aerial photograph of a cityscape. In the foreground, a modern multi-story apartment building with orange and white facades is visible. To its left, a light rail train is traveling along an elevated track. The background shows a dense urban area with various buildings and a distant city skyline under a cloudy sky.

Transit-Oriented Communities Policy (TOC) Background

Shared Vision: Complete Communities Near Transit



MTC's Long-Term Commitment to Land Use and Transportation Integration

From TLC to TOC, MTC has steadily advanced policies and funding tools to support more complete, connected communities



From Transit-Oriented Development to Transit-Oriented Communities



TOD – 2005

Housing capacity at **new** extensions

Funding tied to transit agencies

Limited impact (narrow scope on future stations)



TOC – 2022

Housing and office capacity + **policy, parking, and access for *existing and future* stations**

Funding tied to transit agencies + **jurisdictions**

Significant potential impact for **existing station areas and investments**

TOC: A Key Tool for Achieving Plan Bay Area 2050

The TOC Policy advances several key strategies of Plan Bay Area 2050 across housing, transportation, economy, and the environment.

H1: Renter Protections

H2: Affordable Housing Preservation

H3: Greater Housing Mix

EN4: Urban Growth Boundaries

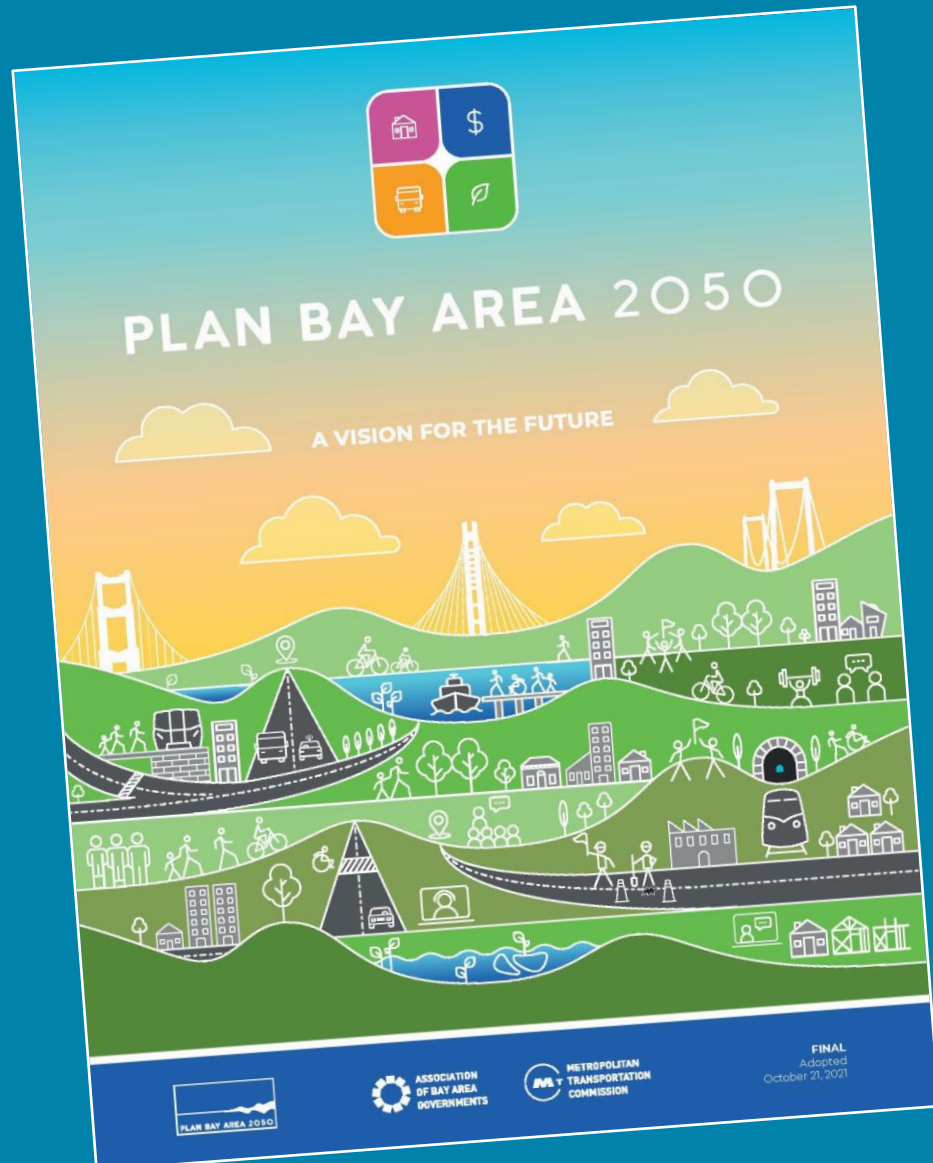
EN7: Sustainable Commute Target

EN9: Transportation Demand Management

T11: Regional Rail

T8: Complete Streets

EC4: Greater Commercial Densities



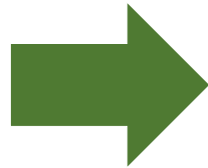
Transit Ridership and Investment

TOC ensures that the billions already invested in transit deliver maximum benefit. Aligning land use around stations with service investments enhances ridership, improving transit agencies' finances.



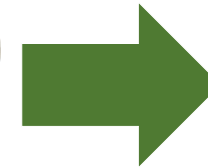
Transit Operating & Expansion Funding

\$340 billion over the next 25 years



Supportive Policy and Aligned Land Use

~900,000 new housing units planned

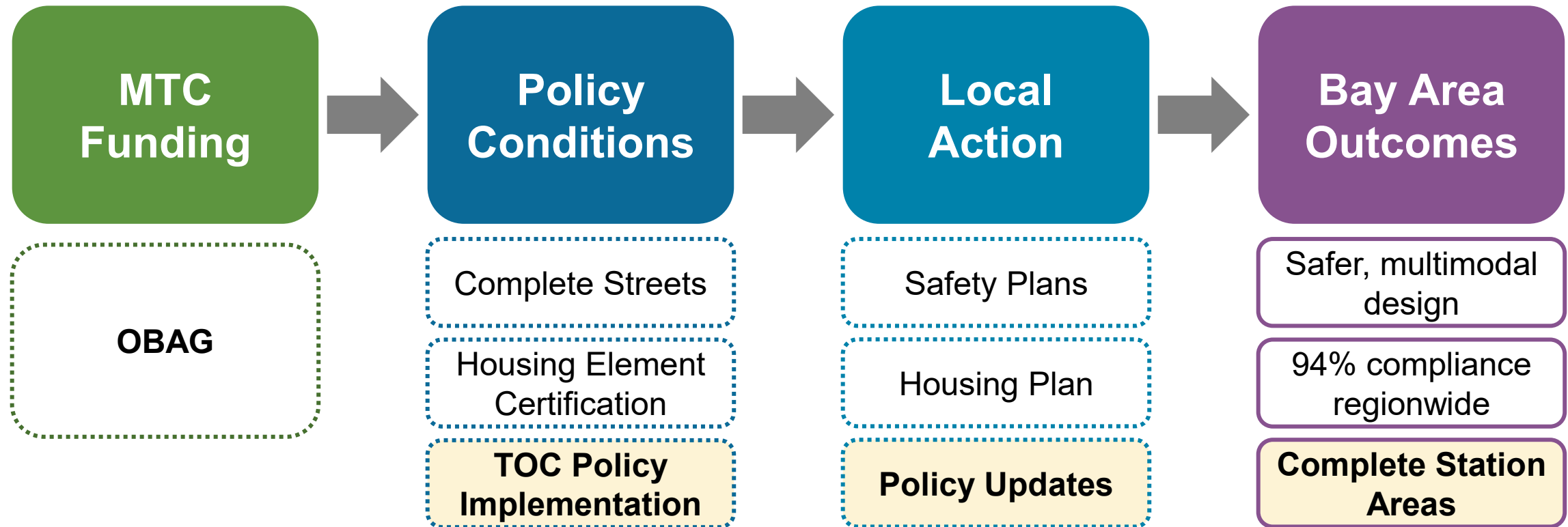


Enhanced Ridership, and Recovery

~270,000 additional daily transit trips (from land use)

Leveraging Funding to Achieve Policy Outcomes

Leveraging funding for local outcomes is effective – TOC is the next step



MTC Resolution No. 4530: “Future OBAG funding cycles (i.e., OBAG4) will consider funding revisions that **prioritize investments in transit station areas that are subject to and compliant with the TOC Policy.**”

Four Key Components of the TOC Policy

The Commission's adopted Resolution 4530 includes the following components:

Density

Residential &
commercial office
standards

Housing

Housing production,
preservation,
protection, and small
business stability

Parking

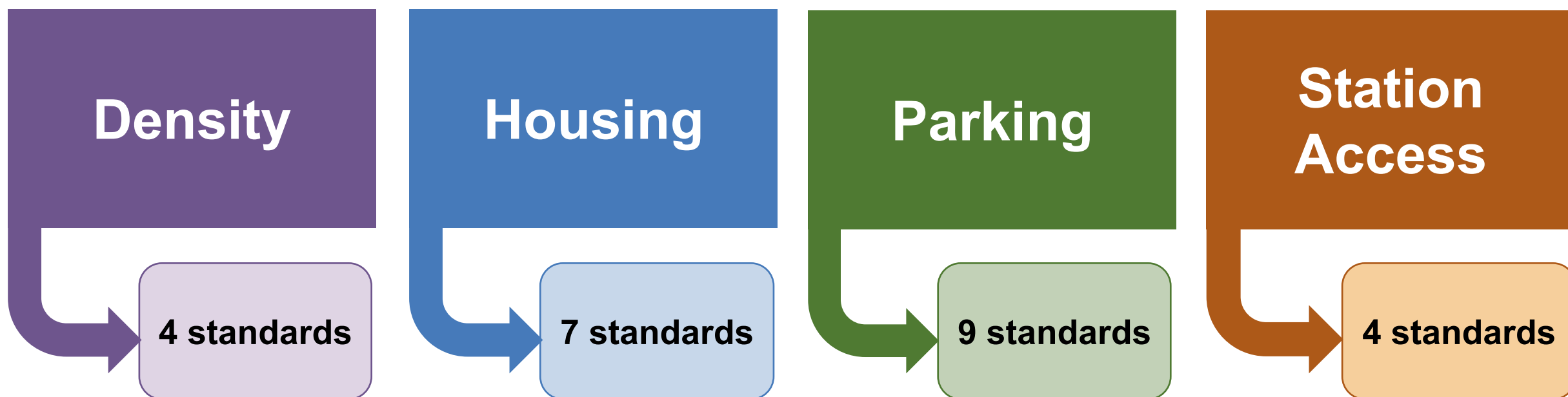
Maximum parking
requirements,
expanded bike/ shared
mobility

Station Access

Safer, easier
walking/biking,
universal accessibility

Policy Components Overview

The TOC policy has four primary *components*



Those components are further divided into specific standards, which were also adopted in Resolution 4530

TOC Policy – Density

TOC Density Standards

Minimum
Residential
Density

Maximum
Residential
Density

Minimum
Commercial
Office Floor Area
Ratio

Maximum
Commercial
Office Floor Area
Ratio

Key Features

Varies by transit service

Applies to **new** development only

Parcels with existing dwelling units can be excluded

TOC Policy – Housing

TOC Housing Standards

**Production
Policies**

**Preservation
Policies**

**Protection
Policies**

**Commercial
Stabilization
Policy**

Key Features

Menu of 26 options provides flexibility

Builds on Housing Element efforts

Funding thresholds based on RHNA allocation

TOC Policy – Parking

TOC Parking Standards

Auto MIN	Auto MAX	Bicycle MIN
Unbundled Parking	Shared Parking	Parking Mgmt

Key Features

Varies by transit service

Applies to **new** development only

Alternative paths to compliance available

TOC Policy – Station Access

TOC Station Access Standards

**Complete Streets
Policy**

**Active
Transportation
Network Projects**

**Station Access
Gap Analysis**

Mobility Hub Plan

Key Features

Menu of eligible strategies

Context-sensitive approach

Alignment with existing local plans



Implementation Actions to Date



MTC Policymakers



MTC Staff Action



Adopt TOC Policy — Sep 2022



Commit to Offering Compliance Flexibility — Sep 2023



Release Final Administrative Guidance — Sep 2024



Provide Technical Assistance — **Ongoing**



Award TOC Grants — Feb 2025



Share Draft TOC Compliance Framework — Apr 2025



Adopt TOC Evaluation Framework



Adopt OBAG 4 Program



Update Technical Assistance and Administrative Guidance



Local Efforts to Advance TOC Policy

San Francisco



Credit: Joey Kotfica

Including TOC Policy Standards related to **density and parking** maximums as part of the Family Zoning Plan

Cotati



Cotati Santero Way Neighborhood, Credit: Hannah Diaz

Adopted Specific Plan in February that included TOC requirements for residential and commercial office

Burlingame



Downtown Burlingame, Source: Burlingame Downtown

Updating Condominium Conversion Ordinance to meet TOC standard

Local Efforts to Advance TOC

Sonoma County



Source: Karl Nielsen

Incorporated **TOC Policy density standards** in Airport Area Specific Plan (adoption forthcoming)

Orinda



Source: BART

Working on an **inclusionary zoning ordinance**, feasibility study included TOC Policy affordability standards

San Carlos



Source: Flor Haus

Exploring **parking maximums and other parking management strategies**

Draft TOC Policy Evaluation Framework

(May 2025)

"Bay City": A Hypothetical

Density – 8 points

- ✗ Minimum Residential Density
- ✗ Minimum Commercial Office FAR
- ✓ Maximum Residential Density
- ✗ Maximum Commercial Office FAR

8

Parking – 12 points

- ✓ Eliminate Parking Minimums
- ✗ Adopt Parking Maximums
- ✓ Adopt Bicycle Parking Minimums
- ✓ Allow Unbundled Parking
- ✗ Allow Shared Parking
- ✓ Adopt Parking Management Strategy

4

6

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Housing – 13 points

- ✓ Production Policy
- ✗ Production Policy
- ✓ Preservation Policy
- ✗ Preservation Policy
- ✓ Protection Policy
- ✗ Protection Policy
- ✓ Commercial Stabilization Policy

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Station Access – 17 points

- ✓ Compliant Complete Streets Policy
- ✓ Active Transportation Network Projects
- ✗ Station Access Gap Analysis
- ✓ Mobility Hub Plan

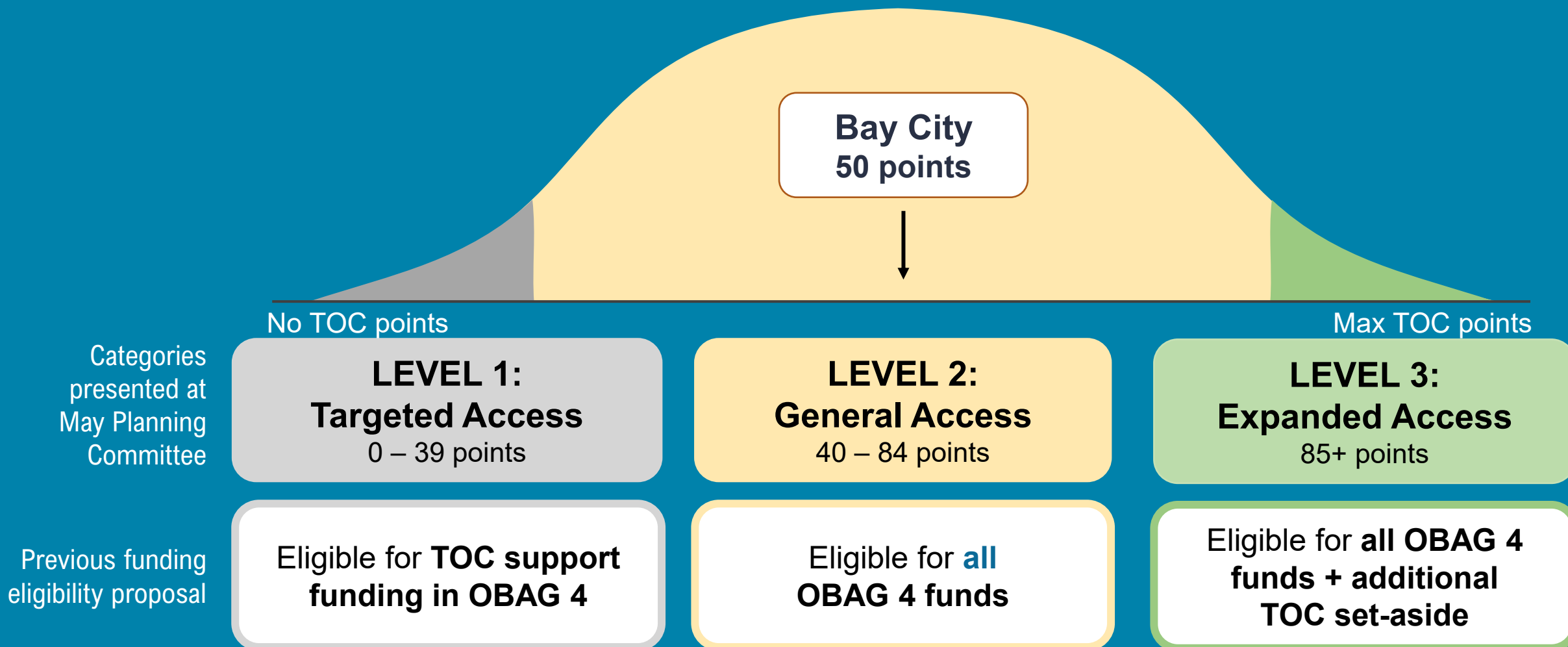
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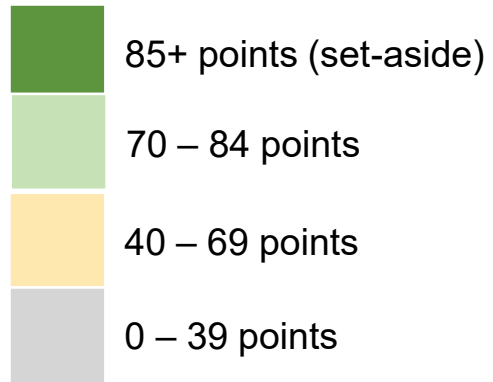
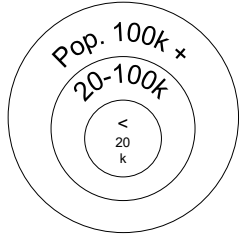
7

50
points

"Bay City" TOC Score Based on Spring 2025 Proposal and Linkage to OBAG

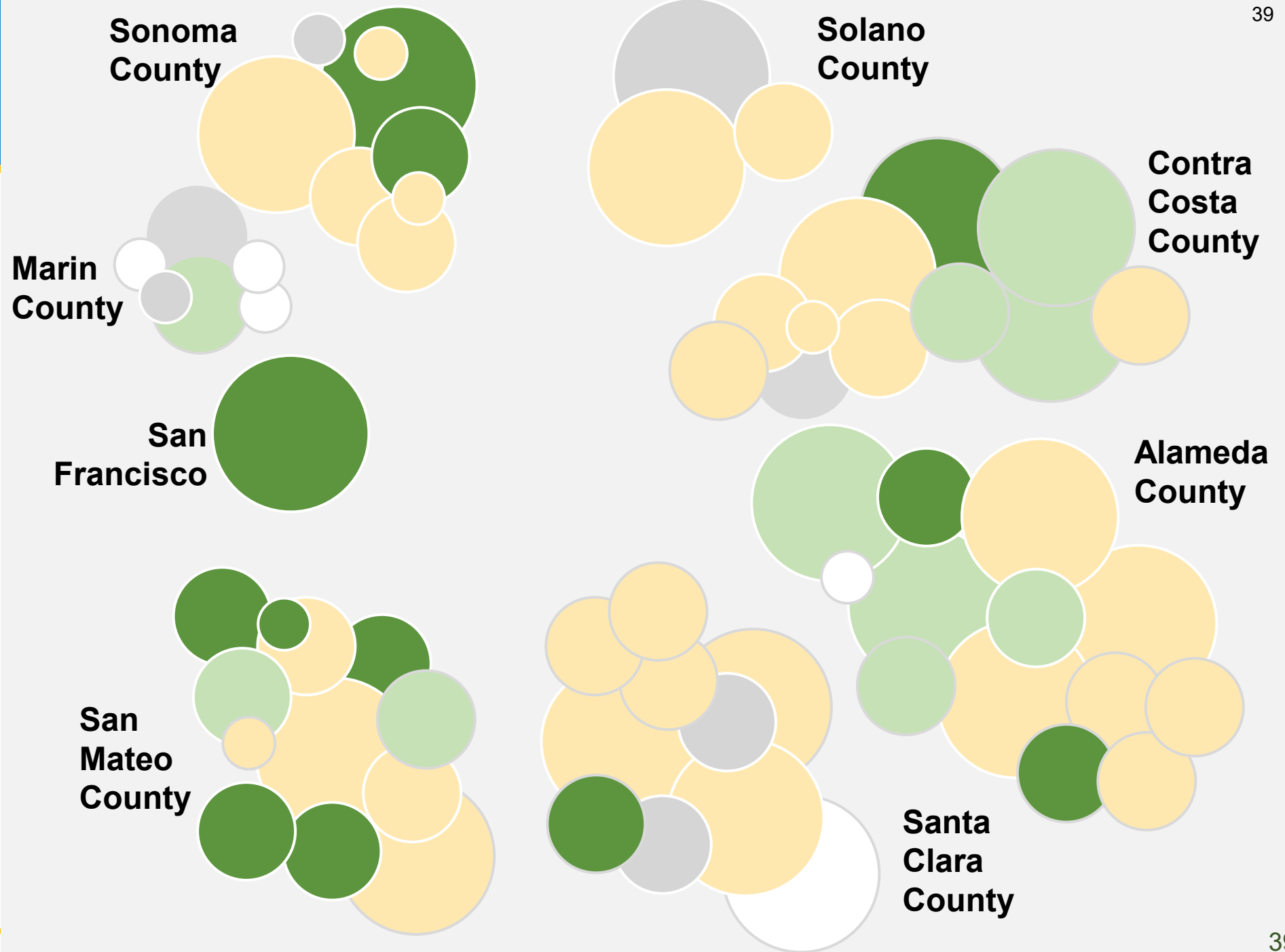


Initial TOC Assessment



MTC staff requested optional scoring estimates from jurisdictions and did preliminary analysis for 61 of 66 TOC jurisdictions.

No TOC score received



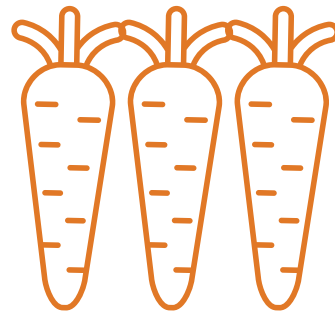
What We're Hearing – At a Glance

Momentum Toward TOC Progress



Jurisdictions are making tangible progress – updating zoning, aligning housing policies, and integrating TOC Policy into local work programs.

Preference for Incentive-Based Approach



TOC compliance should be incentive-based – **encouraging progress through “carrots”** rather than strict eligibility thresholds.

Flexibility is Key



Stakeholders emphasized the diverse nature of Bay Area communities, including the need for **flexibility to make the TOC Policy feasible in different contexts.**

Discussion Questions

- ▶ Are there any clarifying policy questions about OBAG 4 or TOC?
- ▶ Which programs are you most interested in prioritizing in OBAG 4?
- ▶ What challenges do you face in your local jurisdictions in making complete communities a reality?

Looking Ahead

What's on Deck for Tomorrow:

- ▶ Proposed OBAG 4 Framework, including updated funding levels for Regional Programs given approximately \$200 million less in funding
- ▶ Proposed Incentive-Based Approach to Linking OBAG 4 and TOC



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