

**Metropolitan Transportation Commission
Programming and Allocations Committee**

January 14, 2026

Agenda Item 2e-26-0052

Transit Performance Initiative – Investment Program Semi-Annual Update

Subject:

Semi-annual update on the progress of projects awarded under the Transit Performance Initiative (TPI) Investment Program.

Background:

The TPI Investment program funds low-cost capital investments that can be implemented rapidly to improve operations and customer experience on major transit corridors and systems.

The TPI program has been funded through a combination of One Bay Area Grant (OBAG) federal funds from the OBAG 1 and OBAG 2 programs and from state Low Carbon Transit Operations Program (LCTOP) funds. Overall, since 2012, \$132.2 million has been programmed to 49 capital and planning projects, and 27 of these have been completed or are substantially completed.

Project Status Updates:

Most projects funded through the early rounds of TPI through 2020 are completed or in construction and nearing completion. Projects funded in recent years are either in design or under construction. Projects awarded under the TPI 2022-23 program are primarily in planning or design phases, though some have moved into implementation and construction, and others are still awaiting final award of federal funding.

Staff collected reports from sponsors on all ongoing projects in November 2025 covering recent project progress and milestones, budget and schedule updates, and other changes to the project or status. Please refer to Attachment A for further detail and status updates on individual projects.

TPI Program Look Ahead:

A TPI call for projects utilizing FY 2025-26 LCTOP funds was released by MTC in November, and applications are due on January 16, 2025. The sponsor and recipient of the state LCTOP funds must be a transit operator-eligible to receive State Transit Assistance (STA) funds. Staff intend to present recommended funding awards along with the FY 2025-26 LCTOP population-based funding program to the Commission for approval in mid-2026.

Staff will continue to monitor project progress and work with project sponsors to apply project savings to additional improvements consistent with the TPI Savings Policy.

For future transit priority funding, including LCTOP funding allocations, staff anticipate identifying projects through the Bus Accelerated Infrastructure Delivery (BusAID) program or other Regional Network Management transit priority efforts.

Issues:

The underlying federal funding source for the OBAG funds programmed in February 2023 as part of the TPI 2022-23 program goes through a multi-step, multi-agency review and approval process prior to the award and allocation of funds. Most OBAG funds awarded to transit operators are transferred from FHWA to FTA as part of this process. Most projects receiving these funds experienced significant delays throughout the federal award process – part of a systemic issue in which receiving federal awards can take an extraordinarily long time. This has resulted in delays of a year or more to the start of work on these projects, and may result in cost increases, effectively reducing the purchasing power of the TPI funds.

Further, funding from the LCTOP program awarded in the TPI 2022-23 and 2023-24 programs was released by the state many months later than typical; LCTOP program staff have indicated this is to be the expected schedule going forward.

Recommendation:

Information

Attachments:

- Attachment A – TPI Investment Program Semi-Annual Update
- Attachment B – Transit Performance Initiative Investment Program Projects by Round



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