



# Update on the Major Projects Advancement Policy and Transit and Intercity Rail Capital Program Framework

Programming and Allocations Committee  
September 13, 2023

# MAP Overview

- The MAP was adopted in October 2022 to support implementation of Plan Bay Area 2050 and deliver the Bay Area's major transportation projects
- The adopted MAP includes a project list and funding endorsement table with funding details for Level 1 megaprojects
- Staff committed to future MAP updates to further develop MTC's role in risk management and ensure consistency with regional policies in coordination with existing FTA and project sponsor risk management programs

# Proposed Oct 2023 MAP Action

1. Adopt Updated MAP and TIRCP Funding Table
  - Updates to projects costs, and inclusion of new funding
  - Re-balancing of TIRCP Augment 2 endorsements
2. Adopt Stage Gate Evaluation Policy and Procedure
3. Refine Programmatic Categories including establishing MAP Level assignments for some categories

# Current Considerations for MAP Endorsement

- In October 2022, MTC prioritized the BART Core Capacity and the VTA BART to Silicon Valley Phase 2 projects for TIRCP Augment 2 funding
- The FY2023-24 State Budget and subsequent trailer bills direct an estimated \$770M over two years to MTC for TIRCP Augment 2 (expanding eligibility to include transit operations), subject to certain reporting and short-term financial planning requirements.
- Staff recommends maintaining the TIRCP Augment 2 funding commitments to the projects noted above and reserving the remaining funds for either transit operations or additional capital projects to be determined.

# Fall 2023 TIRCP - Draft MTC Recommendation

- Consistent with MTC advocacy since 2022, prioritize existing MTC commitments to two BART Mega Projects leveraging nearly \$6 billion in federal funding
- Consider use of estimated \$45 million remaining for operating needs

Agency	Project	Estimate based on FY2023-24 State Budget and SB 125	Notes
BART	Core Capacity: <ul style="list-style-type: none"> <li>• Rail Cars and Storage</li> <li>• Traction Power</li> <li>• Train Control System</li> </ul>	\$350 Million	Continued funding for key elements of BART system
VTA	BART to Silicon Valley Phase II	\$375 Million	Funding commitment reinforces FTA New Starts Request
TBD	TBD	\$45 Million	TBD Transit Operations
Total		\$770 Million	

# Stage Gate Evaluation Policy and Procedure

- Establish framework for Evaluations focused on:
  - Cost and Funding
  - Adherence to Plan Bay Area and regional policies
  - Readiness (Including: assessment of governance, procurement, delivery and operating model)
- Establish process for Evaluations
  - Requests for entry into MAP or movement between MAP Levels
  - Evaluation Components
  - Recommendations to MTC for action

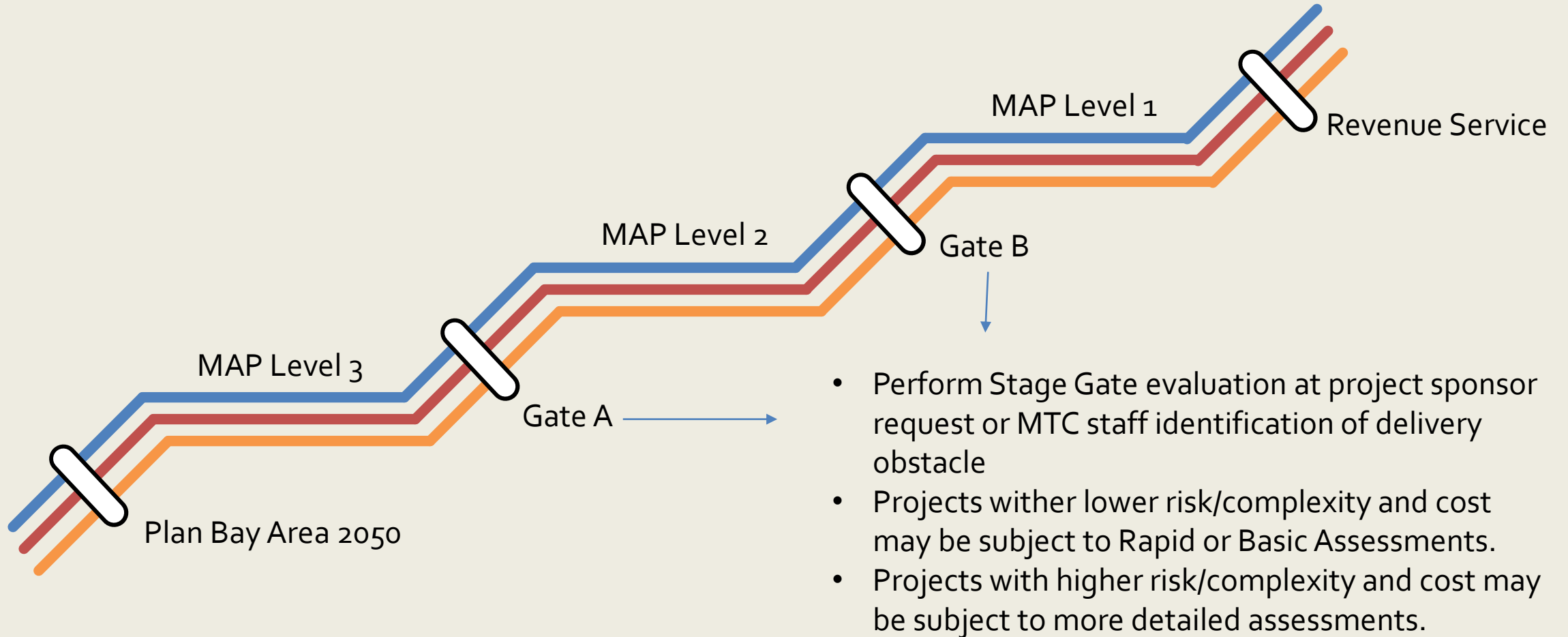
# Adopted MAP Level Definitions – October 2022

## *Projects placement in MAP levels based on Readiness and Funding Commitments*

- Plan Bay Area 2050 Tier 1
  - Level 1 – Projects In, or Nearing, Construction
    - More than 50% committed funding and construction start by 2028\*; *or*
    - Transit Megaproject with approved FTA Capital Investment Grants (CIG) Full Funding Grant Agreement or FTA Letter of Intent issued for funding in the Expedited Project Delivery (EPD) pilot program
  - Level 2 – Projects Emerging from Project Development and Ready for Construction
    - More than 30% committed funding and construction start by 2035
  - Level 3 – Pipeline Projects in Development
    - Less than 30% committed funding
- Optional Tier 2/Level 4/Future Projects Level: Tier 2 PBA 2050 project competing for Project Development funding only

*\*based on expectation that projects receiving BIL funds in the initial 5-year period would start construction by 2028*

# Stage Gate Process





# Evaluation Focus Areas for Project Level Setting

- Policy: Adherence to Plan Bay Area, regional policies such as Transit Oriented Communities, Clipper/Fare Integration/Discount Fares, Express Lane Strategic Plan, Vision Zero, Complete Streets, Mapping/Wayfinding and other regional policies
- Cost/Funding: Assessment of contingency, escalation rates, and overall cost estimates versus recent peer projects. Assessment of capital and operating funding plan for non-committed fund sources.
- Readiness Evaluation: assessment of governance, procurement, delivery and operating model

# Define Type of Assessment Based on Project Risk/Complexity and Cost

Evaluation may include:

## Stage Gate Evaluation

- Assess a project's readiness to move to the next map level

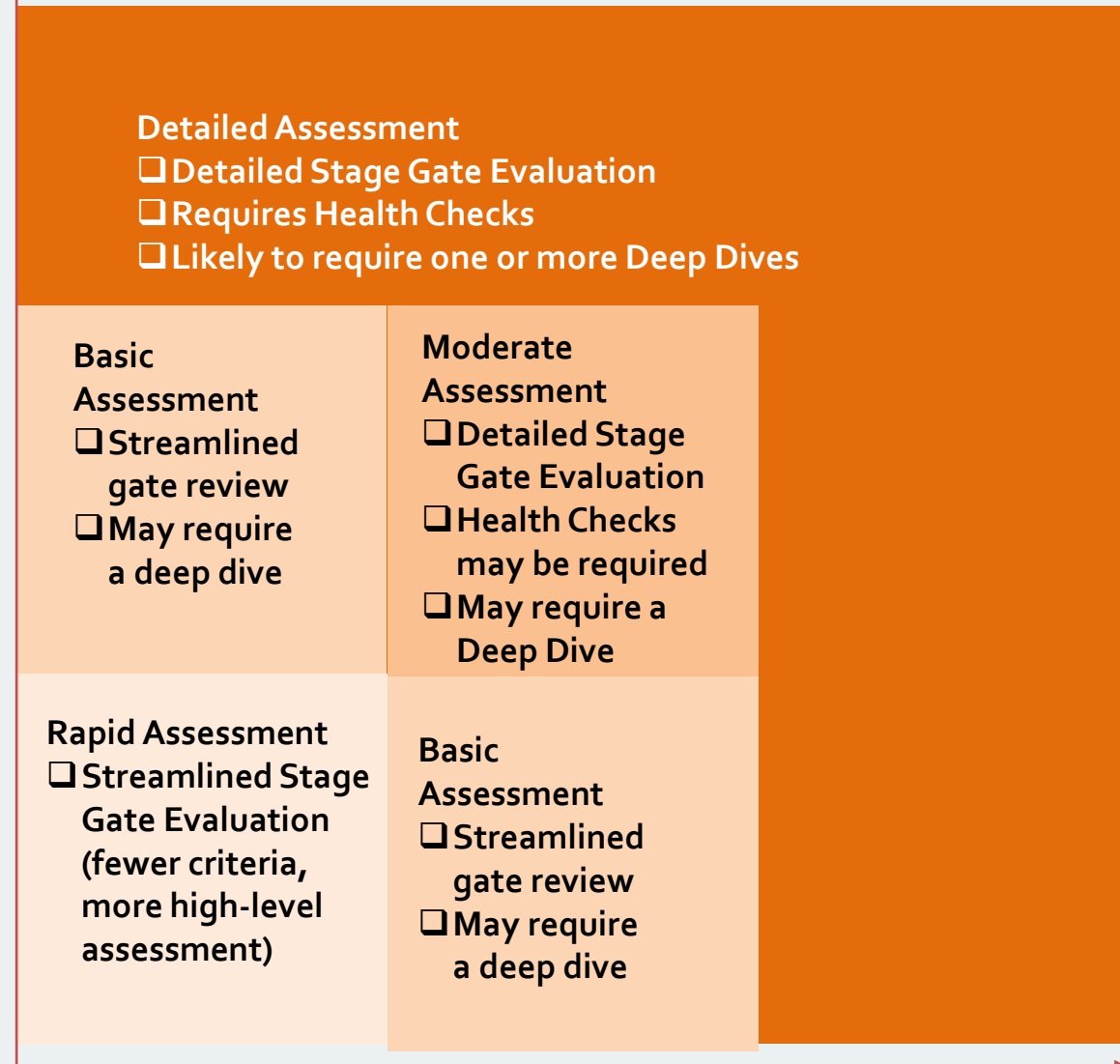
## Health Check Reviews

- Regular reviews of project development to make Stage Gate Evaluations more efficient or seamless and identify any key issues that should be actioned prior to evaluation

## Deep Dive Reviews

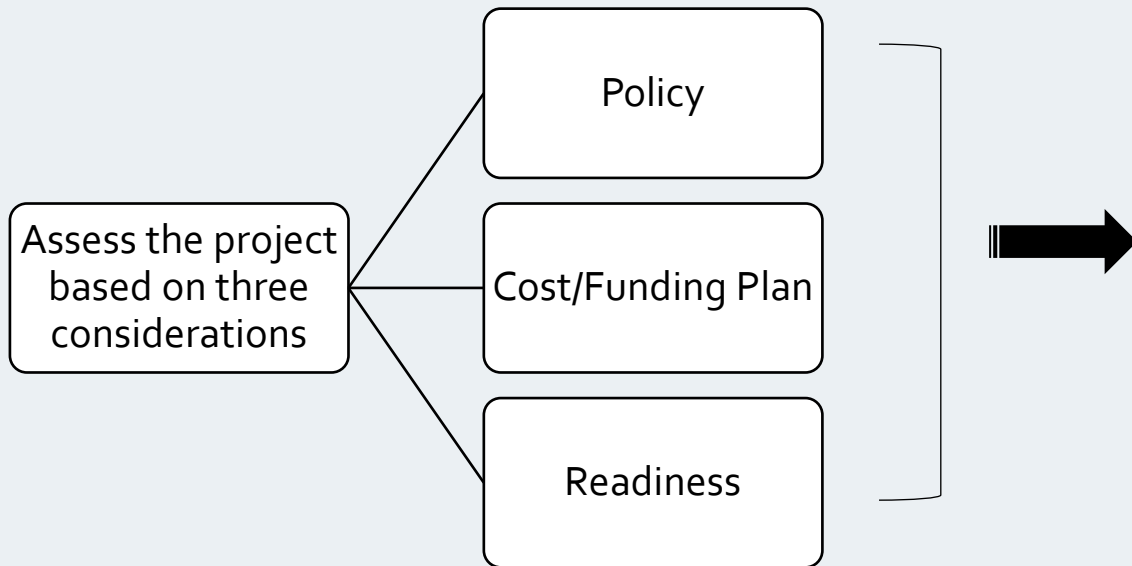
- Focused assessment of core issues that may be triggered during a Stage Gate Evaluation or Health Check
- The intention of the deep dive is to efficiently augment project performance or minimize risks

Risk and Complexity



Cost

# Summarizing the Evaluation



Based on the three considerations, the project receives a confidence score (low, medium, high) and set of recommendations derived from the three considerations.

MTC staff presents the evaluation to the Commission with a recommendation that may include:

1. Advance the project to the next level without conditions.
2. Advance the project to the next level with specific conditions.
3. Do not advance the project until specific conditions are met or further assessment is performed.

# Proposed Programmatic Categories – Next Steps

Proposed Categories	Status/Next Step	Establish Levels in MAP
Express Lanes	Develop Regional Strategic Plan	Late 2023
Grade Separations	Assign Projects to MAP Levels in Summer 2023 – Consistent with BIL Strategy	Late 2023
Zero Emission Transit Transition	Develop Regional Strategic Plan - Identify Level 1 projects for 2023 federal funding cycle	Late 2023
Transit Expansion <i>(Formerly Bus Rapid Transit . Expand category to include expansion projects from other transit modes)</i>	Continue to work with transit operators to identify projects for FTA Small Starts and other funding opportunities	TBD
Transit Priority, Networks, and State of Good Repair <i>(Formerly Transit Service Improvements and Modernization. Includes all projects in existing category minus projects moved to Major Transit Expansion; Elevates transit priority projects)</i>	February 2023 – MTC to award \$21 million for transit priority projects through Transit Priority Initiative program 2023 – 2024 – Inventory and identify additional projects and develop MAP Levels for funding opportunities.	Late 2023
Goods Movement <i>(New category including some projects from "Other Roadway")</i>	Assign Projects to MAP Levels in March 2023 – Consistent with BIL Strategy	Late 2023
Other Roadway <i>(Same as existing minus Goods Movement projects)</i>	Assign Projects to MAP Levels in March 2023 – Consistent with BIL Strategy	Late 2023

# Bipartisan Infrastructure Law Regional Endorsement List

- Adopted by Commission in 2022 for major categories of the BIL
- Developed in coordination with partners for larger scale projects of regional and national significance
- Nearly 60% of BIL awards to California are Bay Area projects
- Staff intends to review and may recommend additions and/or substitutions to list later in 2023

# Bipartisan Infrastructure Law – Recent Awards

## Bay Area Regional Priority Projects: Fiscal Year (FY) 2022 Grant Cycle

BIL Regional Priority Project	Grant Program	Bay Area Award	California Awards	California % National Awards	Bay Area % California Awards
<b>Bay Area Awards Secured</b>		\$ in Millions			
<b>Golden Gate Bridge Seismic Retrofit</b>	Bridge Investment Program (Large)	\$400	\$400	19%	100%
<b>Caltrain Electrification</b>	Capital Investment Grant Augment	\$43	\$143	34%	58%
<b>BART Core Capacity</b>		\$40			
<b>Port of Oakland Electrification and Modernization</b>	Port Infrastructure Development Program	\$37	\$94	13%	39%
<b>Zero-emission buses and infrastructure</b>	Low- and No-Emission Bus Grants	\$43	\$150	10%	29%
	Bus and Bus Facilities Discretionary Grants				
<b>Other Regional Priority Grant Programs with FY 2022 Awards Announced</b>					
Bay Area did not receive award in FY 2022 grant cycle	INFRA	N/A	\$150	10%	0%
	MEGA		\$30	3%	
	Rural Surface Transportation Program		\$25	9%	
<b>TOTAL</b>		<b>\$563</b>	<b>\$992</b>	<b>13%</b>	<b>57%</b>

# Direction on Staff Proposal for October & November

- State Budget Funding to MTC - \$770M Total: Staff recommends maintaining the TIRCP Augment 2 funding commitments to BART Core Capacity (\$350M) and the VTA BART to Silicon Valley Phase 2 (\$375M) projects and reserving the remaining funds for transit operations (\$45M).
- Regional Endorsement List for federal BIL Funding: Staff recommends assessing current project list and funding opportunities and returning in November to reconfirm list or propose revisions.

# Questions?