

**Metropolitan Transportation Commission
Programming and Allocations Committee**

March 9, 2022

Agenda Item 3a - 22-0343

MTC Resolution No. 4505, Revised

Subject:

Revisions to the One Bay Area Grant program (OBAG 3) to adopt guidelines for the County & Local Program call for projects.

Background:

The OBAG 3 program, adopted by the Commission in January 2022, establishes the policy and programming framework for investing federal Surface Transportation Block Grant Program (STP) and Congestion Mitigation and Air Quality Improvement program (CMAQ) funds for FY 2022-23 through FY 2025-26.

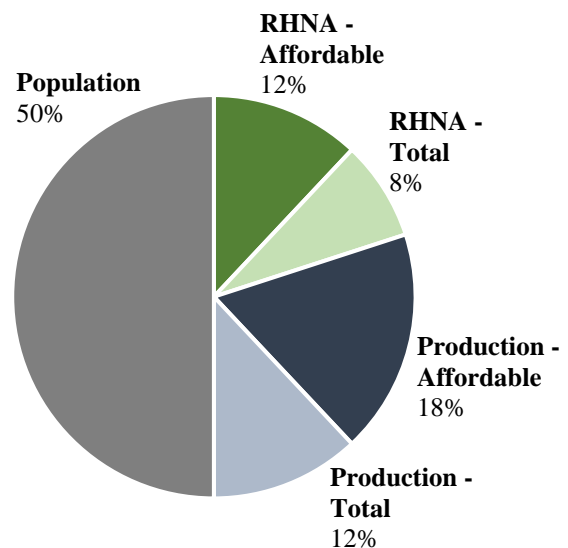
This month, staff recommends adoption of the County & Local Program guidelines for the regionwide competitive call for projects process, administered and selected by MTC in coordination with the nine Bay Area County Transportation Agencies (CTAs). The guidelines provide additional details on the procedures and project selection criteria outlined in the overall OBAG 3 programming framework, and can be reviewed in full in Appendix A-1 to the program resolution.

Nomination Targets

The call for projects guidelines include nomination targets for each county, which establish the maximum funding request that each CTA may submit to MTC in project nominations. For policy continuity and consistency, MTC staff recommend using the same factors and overall weights that were used in prior OBAG cycles to develop nomination targets, with only minimal changes to incorporate the most recently available data. However, for OBAG 3, the resulting targets do not imply or guarantee funding amounts or relative shares to any individual county or jurisdiction.

The factors, relative weighting, and source information used in developing the proposed nomination targets for each county are as follows:

- **Population:** 50% of the nomination target is based on a county’s share of the regional population, using 2021 population estimates from the California Department of Finance.
- **Housing Production:** 30% of the nomination target is based on a county’s share of regional



housing production during the current and previous Regional Housing Needs Allocation (RHNA) cycles (2007 to 2019), using building permit data compiled by the Association of Bay Area Governments (ABAG). Similar to OBAG 2, permitted units in each jurisdiction are capped at RHNA totals.

- **Planned Growth:** 20% of the nomination target is based on a county’s share of regional housing allocations through the 2023-31 RHNA cycle.
- **Housing Affordability:** For housing production and RHNA factors, 60% of each factor is calculated based on the production or planned growth in affordable housing alone, while the remaining 40% considers all housing types. Affordable housing is defined as housing for very low-, low-, or moderate-income households, categories established by the California Department of Housing and Urban Community Development (HCD) based on county-specific housing cost as a proportion of local area median income (AMI).

To ensure a sufficient pool of project nominations for regional project selection, MTC is soliciting nominations for 120% of the available funding capacity for the County & Local Program. With a total of \$340 million available for programming, the nomination target for the call for projects totals \$408 million (120%). MTC will award \$340 million to projects selected from the larger nomination pool.

The nomination target for each CTA, calculated using the factors described above, and totaling the 120% nomination target total, is shown in the following table.

County	Nomination Target %	Nomination Target \$
Alameda	20.3%	\$82,827,000
Contra Costa	13.9%	\$56,775,000
Marin	2.8%	\$11,544,000
Napa	1.5%	\$6,143,000
San Francisco	15.2%	\$62,138,000
San Mateo	9.1%	\$37,054,000
Santa Clara	26.8%	\$109,385,000
Solano	4.7%	\$19,159,000
Sonoma	5.6%	\$22,975,000
CTA Nomination Totals		\$408,000,000
120% available funds		
Funds Available		\$340,000,000
County & Local Program		

Note: MTC will award \$340 million to projects selected from the \$408 million nomination pool.

Outreach Requirements

The guidelines establish the public engagement and outreach requirements for MTC and the CTAs. Prior to issuing the call for projects within their county, each CTA is required to develop a public outreach and engagement plan, in coordination with MTC staff to ensure it satisfies applicable federal and regional requirements. In addition, prior to the September 30, 2022 project nomination deadline, CTAs are required to provide detailed documentation demonstrating compliance with the program's outreach requirements.

County Screening, Evaluation, and Nominations

Following MTC's release of the call for project nominations on May 1, 2022, CTAs will solicit project applications within their counties and conduct an initial screening and prioritization of projects.

Priority Development Area (PDA) Minimum Investments

In submitting project nominations to MTC, CTAs must meet the minimum PDA investment thresholds for their respective counties. For the North Bay counties of Marin, Napa, Solano, and Sonoma, the overall PDA supportive nominations must total 50% or more of the CTA's total funding request for that county. For the remaining counties of Alameda, Contra Costa, San Francisco, San Mateo, and Santa Clara, 70% or more of each CTA's funding request must consist of PDA supportive projects.

Evaluation Criteria

To prioritize projects that align with regional plans and policies, CTAs must give additional weight to projects that:

1. Are located in PDAs or Transit-Rich Areas (TRAs), identified in locally adopted plans for PDAs, or support preservation of Priority Production Areas (PPAs);
2. Are located in jurisdictions with affordable housing protection, preservation, and production strategies, including an emphasis on community stabilization and anti-displacement policies with demonstrated effectiveness;
3. Invest in historically underserved communities, including projects prioritized in a Community-Based Transportation Planning (CBTP) or Participatory Budgeting process, or projects located within Equity Priority Communities with demonstrated community support;

4. Address federal performance management requirements by supporting regional performance goals for roadway safety, asset management, environmental sustainability, or system performance; and
5. Implement multiple Plan Bay Area 2050 strategies;
6. Demonstrate consistency with other regional plans and policies, including the Regional Safety/Vision Zero policy, Equity Platform, Regional Active Transportation Plan, Transit Oriented Communities (TOC) policy update, and the Blue Ribbon Transit Transformation Action Plan.
7. Demonstrate public support from communities disproportionately impacted by past discriminatory practices, including redlining, racial covenants, urban renewal, and highway construction that divided low-income and communities of color.
8. Can be completed in accordance with MTC's Regional Project Delivery Policy (MTC Resolution No. 3606, Revised) and can meet all OBAG 3 deadlines, and federal and state delivery requirements.

In addition to these evaluation criteria, CTAs may include other local criteria into their prioritization processes. Additional project evaluation criteria must be approved by both MTC staff and the CTA's governing board prior to the release of the call for projects within the respective county.

County Nominations

After completing initial project screening and evaluations, CTAs will submit prioritized project nominations and required documentation to MTC by September 30, 2022. Prioritized nomination lists must be approved by the CTA's governing board prior to submission to MTC. On a case-by-case basis, as determined by MTC staff, CTAs may submit a draft prioritized nomination list by September 30, 2022 and submit the board approved nomination list and required documentation by October 31, 2022

Regional Project Evaluation and Selection

An evaluation panel of MTC staff will evaluate all project nominations and develop a recommended program of projects for Commission consideration and approval.

Evaluation Criteria

Following an initial screening of projects for program eligibility, the evaluation panel will score projects using the following scoring rubric:

1. CTA Prioritization (75 points): Relative CTA project rank or score, which may be scaled and normalized across CTAs to allow for regionwide comparison.

2. Regional Impact (15 points): Alignment with Plan Bay Area 2050 strategies, anticipated effectiveness in advancing regional objectives, and contribution to regionally significant networks or facilities.
3. Deliverability (10 points): Sponsor capacity to deliver the project through the Federal-aid process, including consideration of prior performance of OBAG projects and anticipated risk to the project development schedule or funding plan.
4. Air Quality (10 points): Projects eligible for CMAQ funding will also be evaluated for estimated emissions benefits, including priority for projects that reduce fine particular matter (PM_{2.5}), as well as the relative cost-effectiveness of the project to reduce transportation emissions.

Project Selection Process

All nominated projects will be scored by the evaluation panel, with CMAQ funding prioritized for high performing air quality improvement projects. After the initial regional evaluation process, MTC staff may adjust project prioritization based on the following policy and programming considerations:

- County-specific PDA investment thresholds;
- Regionwide investment targets in active transportation investments and Safe Routes to School (SRTS);
- Relative STP and CMAQ fund availability; and
- Overall program balancing for a variety of project types, equitable investments, and geographic spread.

Using this process, MTC staff will develop a recommended program of projects for Commission consideration and approval which is estimated in January 2023.

Issues:

- **Infrastructure Investment and Jobs Act (IIJA) Revenues:** Staff anticipates the STP/CMAQ apportionments from the recently enacted federal surface transportation authorization, IIJA or Bipartisan Infrastructure Law (BIL), will exceed the \$750 million in programming capacity currently estimated for the four-year OBAG 3 framework. The programming of additional STP/CMAQ funds will be considered through a future Commission action.
- **Active Transportation Investment:** The OBAG 3 framework established a \$200 million aspirational investment target that aligns with the aggressive mode shift and safety goals of *PBA 2050*. Staff will monitor the development of federal and state funding programs

that support active transportation projects in the coming months, as well as the project nominations submitted by each CTA, and may recommend adjusting this program-specific investment target accordingly.

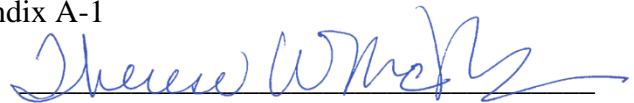
- **Federal Programming Requirements:** The County & Local Program Guidelines provide additional details on the process through which MTC will solicit, evaluate, and select projects for STP/CMAQ funds. Staff are confident that these guidelines satisfy the federal corrective action MTC received regarding its programming of STP/CMAQ funding. Staff will continue to work with federal and state partners to ensure the OBAG 3 programs are implemented consistent with federal requirements.

Recommendations:

Refer MTC Resolution No. 4505, Revised, to the Commission for approval.

Attachments:

- Presentation
- MTC Resolution No. 4505, Revised, Appendix A-1



Therese W. McMillan

Date: January 26, 2022
W.I.: 1512
Referred by: PAC
Revised: 02/23/22-C 03/23/22-C

ABSTRACT

Resolution No. 4505, Revised

Adoption of the project selection and programming policies for the third round of the One Bay Area Grant program (OBAG 3). The project selection and programming policies contain the project categories that are to be funded with various fund sources, including federal surface transportation act funding assigned to MTC for programming, to implement the Regional Transportation Plan (*Plan Bay Area 2050*) and to be included in the federal Transportation Improvement Program (TIP) for the OBAG 3 funding delivery period.

The resolution includes the following attachments:

- Attachment A – OBAG 3 Project Selection and Programming Policies
- Attachment B – OBAG 3 Project Lists

With the adoption of the project selection and programming policies, Attachments B-1 and B-2 program \$8,300,000 to Regional Planning Activities, \$37,200,000 for OBAG 3 Program and Project Implementation, and \$4,000,000 for Program and Project Implementation for transit transformation activities within the Planning and Program Implementation Regional Program; and \$35,157,000 for CTA Planning Activities within the Planning and Program Implementation County & Local Program.

On February 23, 2022, Attachment B-1 was revised to program \$30,000,000 in OBAG 3 Regional Multimodal Systems Operations and Performance Program funds to the Clipper C2 Capital project as part of an alternative funding plan for the project's Regional Measure 3 (RM3) funds.

On March 23, 2022, Appendix A-1 was added to incorporate guidelines for the County and Local Program call for projects.

Further discussion of the project selection criteria and programming policy is contained in memorandums to the Programming and Allocations Committee dated January 12, 2022; February 9, 2022 and March 9, 2022.

Date: January 26, 2022
W.I.: 1512
Referred by: PAC

RE: One Bay Area Grant Program (OBAG 3) Project Selection and Programming Policies

METROPOLITAN TRANSPORTATION COMMISSION
RESOLUTION NO. 4505

WHEREAS, the Metropolitan Transportation Commission (MTC) is the Regional Transportation Planning Agency (RTPA) for the San Francisco Bay Area pursuant to Government Code Section 66500 *et seq.*; and

WHEREAS, MTC is the designated Metropolitan Planning Organization (MPO) for the nine-county San Francisco Bay Area region and is required to prepare and endorse a Transportation Improvement Program (TIP) which includes federal funds; and

WHEREAS, MTC, as the RTPA/MPO for the San Francisco Bay Area, is assigned programming and project selection responsibilities for certain state and federal funds; and

WHEREAS, state and federal funds assigned for RTPA/MPO programming discretion are subject to availability and must be used within prescribed funding deadlines; and

WHEREAS, the California Department of Transportation (Caltrans) Obligation Authority (OA) Management Policy allows RTPAs and MPOs to exchange regional Surface Transportation Block Grant Program (STP), Congestion Mitigation and Air Quality Improvement Program (CMAQ), and other federal funds assigned to the RTPA or MPO with Caltrans and other regions, when a region or Caltrans-managed local program has excess or insufficient apportionment available to deliver its annual federal program; and

WHEREAS, Title 23 CFR § 630, Subpart G, allows the advancement of federal-aid projects and expenditure of eligible costs prior to the obligation of funds (referred to as “Advance Construction” or “AC”) with reimbursement of eligible expenditures permitted following conversion of the AC to a regular obligation; and

WHEREAS, MTC, in cooperation with transit operators, Caltrans, the Bay Area Air Quality Management District (BAAQMD), Bay Area County Transportation Agencies (CTAs), counties, cities, and interested stakeholders, has developed policies and procedures to be used in

the selection of projects to be funded with various funding including regional federal funds as set forth in Attachments A and B of this Resolution, incorporated herein as though set forth at length; and

WHEREAS, using the policies set forth in Attachment A of this Resolution, MTC, in cooperation with the Bay Area Partnership and interested stakeholders, will develop a program of projects to be funded with these funds for inclusion in the federal TIP, as set forth in Attachment B of this Resolution, incorporated herein as though set forth at length; and

WHEREAS the federal TIP and subsequent TIP revisions and updates are subject to public review and comment; now therefore be it

RESOLVED that MTC approves the “Project Selection and Programming Policies” for projects to be funded in the OBAG 3 program as set forth in Attachments A and B of this Resolution; and be it further

RESOLVED that the funds assigned to MTC as the RTPA/MPO for programming and project selection shall be pooled and distributed on a regional basis for implementation of project selection criteria, policies, procedures, and programming, consistent with implementation of the Regional Transportation Plan (RTP); and be it further

RESOLVED that the projects will be included in the federal TIP subject to final federal approval and requirements; and be it further

RESOLVED that the Executive Director or designee may make technical adjustments and other non-substantial revisions, including changes to project sponsor, updates to fund sources and distributions to reflect final funding criteria and availability; and be it further


RESOLVED that the Executive Director or designee is authorized to revise Attachment B as necessary to reflect the programming of projects as the projects are selected, revised, and included in the federal TIP; and be it further

RESOLVED that the Executive Director or designee is authorized to execute Advance Construction (AC) Authorizations with Caltrans and/or the Federal Highway Administration (FHWA) for federal projects sponsored or implemented by the Metropolitan Transportation Commission; and be it further

RESOLVED that the Executive Director or designee is authorized to execute agreements and Letters/Memorandums of Understanding with Caltrans and other MPOs and RTPAs for the exchange of regional Surface Transportation Block Grant Program (STP) and Congestion Mitigation and Air Quality Improvement Program (CMAQ) and other federal funds assigned to MTC for programming discretion, consistent with Caltrans' Obligation Authority (OA) Management Policy; and be it further

RESOLVED that the Executive Director or designee shall make available a copy of this resolution, and attachments as may be required and appropriate.

METROPOLITAN TRANSPORTATION COMMISSION

A handwritten signature in black ink, consisting of a large, stylized 'A' followed by a long horizontal line extending to the right.

Alfredo Pedroza, Chair

The above resolution was entered into by the Metropolitan Transportation Commission at the regular meeting of the Commission held in San Francisco, California and at other remote locations on January 26, 2022.

Appendix A-1: County & Local Program Call for Projects Guidelines

The One Bay Area Grant (OBAG 3) County & Local Program funding is available to projects through a competitive call for projects process, administered and selected by MTC in coordination with the nine Bay Area County Transportation Agencies (CTAs). MTC is responsible for call for projects oversight and final project selection.

To receive County & Local Program funding, CTAs and project sponsors must adhere to all OBAG 3 programming policies, including the call for projects guidelines. In the case of any conflict or inconsistency between these guidelines (MTC Resolution No. 4505, Appendix A-1) and the OBAG 3 Project Selection and Programming Policies (MTC Resolution No. 4505, Attachment A), the Project Selection and Programming Policies will be given precedence.

Program Requirements

Sponsor Requirements

Bay Area cities, counties, transit agencies, federally-recognized Tribal governments, and CTAs are eligible to apply for OBAG 3 County & Local Program funds. Cities and counties must meet the following requirements to receive program funding:

- Have a general plan housing element adopted and certified by the California Department of Housing and Community Development (HCD) for the 2023-31 Regional Housing Needs Allocation (RHNA) cycle by December 31, 2023, and maintain certification throughout the OBAG 3 program period;
- Submit Housing Element Annual Reports to HCD each year by the April 1 deadline throughout the OBAG 3 program period;
- Adopt a resolution self-certifying compliance with state housing laws related to surplus lands, accessory dwelling units, and density bonuses by December 31, 2023;
- Maintain ongoing compliance with the Housing Accountability Act (as determined by MTC staff) throughout the OBAG 3 program period;
- Adopt a Local Roadway Safety Plan (LRSP) or equivalent safety plan, as defined by the California Highway Safety Improvement Program (HSIP) guidelines, by December 31, 2023;
- Maintain a certified Pavement Management Program (StreetSaver® or equivalent), updated as prescribed by MTC staff;
- Fully participate in statewide local streets and road needs assessment surveys (including any assigned funding contribution); and
- Provide traffic count data to MTC to support FHWA's Highway Performance Monitoring System (HPMS) on an annual basis, or as directed by MTC staff.

The above requirements do not apply to sponsors with no general plan or land use authority, such as CTAs or transit agencies under a Joint Powers Agreement (JPA) or special district.

In addition, all recipients of OBAG 3 funding, including public agencies without land use authority as well as federally-recognized Tribal governments, are required to:

- Comply with MTC's Complete Streets Policy, and its successor, including the requirement to complete a Complete Streets Checklist for each project applying for OBAG 3 funding; and

- Comply with MTC's Regional Project Delivery Policy (MTC Resolution No. 3606), including identification of a staff position to serve as the single point of contact (SPOC) for the implementation of all FHWA-administered funds within that agency. The person in this position must have sufficient knowledge and expertise in the federal-aid delivery process to coordinate issues and questions that may arise from project inception to project close-out.

Project Requirements

Sponsors may apply to receive funding through the call for projects process for eligible project types, as detailed by program category in the County & Local Programs section of Attachment A. Projects must comply with OBAG 3 General Programming Policies, in addition to the programming policies specific to the County & Local Program.

For each project, sponsors must provide the following:

- A Complete Streets Checklist for each distinct project location using the Complete Streets web application (located at <https://completestreets.mtc.ca.gov/>). This checklist will be updated as part of MTC's Active Transportation Plan and Complete Streets Policy update, and sponsors will be required to complete the revised version, available by May 1, 2022. CTAs must make checklists available to their Bicycle and Pedestrian Advisory Committee (BPAC) for review prior to project nomination. For projects that have already submitted a Complete Streets checklist for prior cycles of regional discretionary funding, sponsors may be required to complete an updated checklist or complete a second checklist review with their BPAC, as determined on a case-by-case basis by MTC staff.
- For projects eligible for Congestion Mitigation and Air Quality Improvement Program (CMAQ) funds, the inputs necessary to assess the emissions benefits and cost-effectiveness of air quality improvements resulting from project implementation. Air quality calculation input forms are provided by project type on the OBAG 3 webpage (available at www.mtc.ca.gov/obag3) under "Partner Agency Resources."
- All projects selected by MTC for funding must provide a Resolution of Local Support, approved by the sponsor's governing body (template resolutions are available at <https://mtc.ca.gov/funding/federal-funding/federal-highway-administration-grants/one-bayarea-grant-obag-3>).
- All projects selected by MTC for funding must submit a project application, through MTC's Fund Management System (FMS), including a copy of the approved Resolution of Local Support.

PDA Minimum Investments

CTA nomination lists must meet or exceed the minimum threshold established for PDA supportive investments. For the North Bay counties of Marin, Napa, Solano, and Sonoma, the overall PDA supportive nominations must total 50% or more of the CTA's total funding request for that county. For the remaining counties of Alameda, Contra Costa, San Francisco, San Mateo, and Santa Clara, 70% or more of each CTA's funding request must consist of PDA supportive projects.

To be credited towards each county's PDA minimum investment threshold, a project must be located within or connected to a PDA, or be within one mile of a PDA boundary. Projects that are not physically located within one mile of a PDA but have a clear and direct connection to PDA implementation, such as

transit maintenance facility improvements, may also be credited towards the PDA minimum investment thresholds. Determinations for such projects will be provided by MTC staff on a case-by-case basis.

Projects which consist of countywide programs or activities, including funds dedicated to CTA planning and programming, are given partial credit towards each county's minimum investment threshold calculations (70% or 50%, in line with each county's minimum threshold).

Nomination Targets

County nomination targets establish the maximum funding request that each CTA may make through County & Local Program project nominations. Similar to prior OBAG cycles, these targets are based on population, recent housing production and planned growth, and housing affordability. However, the OBAG 3 nomination targets do not commit or imply a guaranteed share of funding to any individual county or jurisdiction.

To ensure a sufficient pool of projects for regional selection, MTC is soliciting nominations for 120% of the available funding capacity for the County & Local Program. Each CTA's nomination target is calculated as a percent share of this overall nomination total, using the following factors:

- **Population:** 50% of the nomination target is based on a county's share of the regional population, using 2021 population estimates from the California Department of Finance.
- **Housing Production:** 30% of the nomination target is based on a county's share of regional housing production during the current and previous Regional Housing Needs Allocation (RHNA) cycles (2007 to 2019), using building permit data compiled by the Association of Bay Area Governments (ABAG).
- **Planned Growth:** 20% of the nomination target is based on a county's share of regional housing allocations through the 2023-31 RHNA cycle.
- **Housing Affordability:** For housing production and RHNA factors, 60% of each factor is calculated based on the production or planned growth in affordable housing alone, while the remaining 40% considers all housing types. Affordable housing is defined as housing for very low-, low-, or moderate-income households, categories established by the California Department of Housing and Community Development (HCD) based on housing cost as a proportion of local area median income (AMI). For the purposes of calculating nomination targets, county-specific AMI values are used.
- **Planning and Implementation Balance:** Nomination targets may be further adjusted to ensure that no county receives a nomination target below the base planning amount programmed for that county. No such adjustments were necessary in developing the proposed nomination targets for OBAG 3.

The resulting nomination targets are detailed in the table below by county. CTAs may only nominate County & Local Program projects up to the target amounts listed below.

County	CTA	Nomination Share	Nomination Target
Alameda	Alameda County Transportation Commission	20.3%	\$82,827,000
Contra Costa	Contra Costa Transportation Authority	13.9%	\$56,775,000

Marin	Transportation Authority of Marin	2.8%	\$11,544,000
Napa	Napa Valley Transportation Authority	1.5%	\$6,143,000
San Francisco	San Francisco County Transportation Authority	15.2%	\$62,138,000
San Mateo	City/County Association of Governments of San Mateo County	9.1%	\$37,054,000
Santa Clara	Santa Clara Valley Transportation Authority	26.8%	\$109,385,000
Solano	Solano Transportation Authority	4.7%	\$19,159,000
Sonoma	Sonoma County Transportation Authority	5.6%	\$22,975,000
CTA Nomination Totals (120% available funds)			\$408,000,000
Funds Available (County & Local Program)			\$340,000,000

In addition, CTAs are encouraged (but not required) to submit project nomination lists that align with the following regionwide County & Local Program funding targets and constraints:

- **Active Transportation Investment Target:** OBAG 3 establishes a regionwide target of \$200 million for active transportation projects, including bicycle, pedestrian, and Safe Routes to School (SRTS) programs and projects. Bicycle and pedestrian elements included on projects that are not solely focused on active transportation (such as sidewalk or bike lane improvements included in a local road preservation project) also contribute to this regionwide investment target.
- **SRTS Investment Target:** OBAG 3 carries forward ongoing commitments to SRTS programming, by establishing a \$25 million regionwide target for SRTS programs and projects. Qualifying projects also contribute to the broader active transportation investment target described above.
- **Fund Source Eligibility:** Fund source targets for the County & Local Program are proportional to the overall composition of OBAG 3 funding, estimated to be 60% Surface Transportation Block Grant Program (STP) funds and 40% CMAQ funds. As CMAQ is the more restrictive fund source, in effect this constraint requires that at least 40%, or \$150 million, of County & Local Program funds be allocated to CMAQ-eligible projects.

Outreach Requirements

MTC partners with CTAs to conduct public engagement and local agency outreach for the County & Local Program call for projects, consistent with Title VI of the Civil Rights Act and associated federal requirements. The existing relationships CTAs have with local jurisdictions, elected officials, transit agencies, federally-recognized Tribal governments, community organizations and stakeholders, and members of the public within their respective counties make them well suited to assist MTC in this role.

CTAs should develop outreach plans consistent with this section, and each CTA must have their plan approved by MTC staff prior to initiating the call for projects activities in their respective county. In addition, CTAs are required to submit documentation to MTC demonstrating compliance with this section during the project nomination process. A list of acceptable outreach compliance documentation can be found below (page 7).

Public Engagement

As part of their call for projects process, CTAs are required to conduct countywide outreach and engagement with stakeholders and the public to solicit project ideas. CTAs are expected to implement their public outreach and engagement efforts in a manner consistent with MTC's Public Participation Plan (MTC Resolution No. 4174), which can be found at <http://mtc.ca.gov/about-mtc/public-participation/public-participation-plan>. CTAs should make every effort to follow current best practices related to virtual and in-person public participation, outreach, and engagement. CTAs should also make meaningful efforts to lower participation barriers for hard-to-reach populations, Limited English Proficient (LEP) speakers, people with disabilities, and those who are historically challenged from weighing in on public decision making processes.

At a minimum, MTC and CTAs are required to:

- Execute effective and meaningful local outreach and engagement efforts during the call for projects by working closely with local jurisdictions, elected officials, transit agencies, community-based organizations, other relevant stakeholders, and the public through the project solicitation process;
- Explain the local call for projects process, informing stakeholders and the public about methods for public engagement; relevant key milestones; the timing and opportunities for public comments on project ideas, including all standing public meetings and any County & Local Program call for projects-specific events and/or meetings; and when decisions are to be made on the list of projects to be submitted to MTC;
- Hold public meetings and/or workshops at times that are conducive to public participation to solicit public input on project ideas to submit;
- When possible, schedule meetings/events at times and locations that prioritize participation from Equity Priority Communities and other communities that have historically been systematically left out of the decision-making process;
- Post notices of public meetings and hearing(s) on their agency website; include information on how to request language assistance for individuals with limited English proficiency, as well as reasonable accommodations for persons with disabilities. If agency protocol has not been established, please refer to MTC's Plan for Assisting Limited English Proficient Populations at mtc.ca.gov/about-mtc/public-participation/get-language-assistance or the Americans with Disabilities Act;
- Offer language assistance¹ and accommodations for people with disabilities on all collateral materials and meeting notices. Establish a reasonable amount of time to request assistance in advance and include this information in materials and meeting notices;
- Hold in-person public meetings, when health protocols allow for in-person meetings to be safely held, in central locations that are accessible via multiple transportation modes,

¹ The Regional Housing Technical Assistance program has developed a useful reference document that outlines best practices for offering language translation services: https://abag.ca.gov/sites/default/files/documents/2021-11/Best_Practices_Multilingual_Engagement_10-2021.pdf.

especially public transit, and ensure all locations are accessible to persons with disabilities;
and

- Respond to written public comments, and whenever possible, post all written comments to the agency's website and summarize how public feedback impacted the decision-making process.

CTAs with recent public engagement efforts relevant to the County & Local Program call for projects are encouraged to incorporate the results of these efforts into their project prioritization process, provided that such efforts are:

- Completed recently or concurrently (up to 12 month prior to the County & Local Program call for projects, with older but relevant outreach considered by MTC staff on a case-by-case basis);
- Sufficiently comprehensive to determine public support and priorities for transportation project types eligible for funding under OBAG 3 (for example, development of a Countywide Transportation Plan or Countywide Capital Improvement Program);
- Conducted in an accessible, equitable manner consistent with federal Title VI nondiscrimination requirements; and
- Supplemental to other, dedicated opportunities for public input on OBAG 3 County & Local Program funding specifically that meet the minimum outreach requirements detailed in the paragraph above.

Agency Coordination

CTAs are expected to work closely with regional stakeholders during the call for project process, including MTC, Caltrans, and potential project sponsors. At a minimum, MTC and CTAs are required to communicate the call for projects and solicit applications from all local jurisdictions, transit agencies, and federally recognized Tribal governments within their county boundaries. For counties with federally recognized Tribal governments within their jurisdictions, MTC and CTAs are required to offer opportunities for government-to-government consultation to the Tribes.

Title VI Responsibilities

Call for projects processes must be consistent with Title VI of the Civil Rights Act, and the associated Executive Order on Environmental Justice (EO 12898), which together prohibit discrimination in federally-assisted programs on the basis of race, ethnicity, or income. Public outreach to, and involvement of, individuals in low income and communities of color covered under Title VI is critical to both local and regional decisions. MTC and CTAs are required to ensure that underserved communities are provided opportunities for access and input to the project submittal process. This may include, but is not limited to, the following:

- Assisting community-based organizations, Equity Priority Communities, and any other underserved community interested in having projects submitted for funding; and
- Removing barriers for persons with limited-English proficiency and other communities that have historically been systematically left out of the decision-making process to have access to the project submittal process.

Resources and Documentation

CTAs may refer to MTC's Public Participation Plan for further guidance on Title VI outreach strategies, found at <http://mtc.ca.gov/about-mtc/public-participation/public-participation-plan>. Additional

resources related to Title VI, civil rights compliance, and virtual participation are available from these agencies:

- FHWA at <http://www.fhwa.dot.gov/civilrights/programs/tvi.htm>;
- Caltrans at http://www.dot.ca.gov/hq/LocalPrograms/DBE_CRLC.html#TitleVI;
- MTC at http://www.mtc.ca.gov/get_involved/rights/index.htm; and
- ABAG webinar: "Engage How To! Introduction to Remote Meeting Tools" at <https://abag.ca.gov/our-work/housing/regional-housing-technical-assistance/training>

Additionally, CTAs are encouraged to use the following resources to source MTC pre-approved consultant services for their outreach efforts:

- **Equity Consultant Bench:** for general support with outreach activities, available at https://mtc.ca.gov/sites/default/files/documents/2021-07/Equity_Bench_Consultant_Catalog_2021.pdf; and
- **Translation and Interpreter Services Consultant Bench:** for translation, interpretation, and American Sign Language (ASL) services to ensure meaningful access by Limited English Proficiency (LEP) populations (as required under Title VI) and provide accessibility accommodations (as required by the Americans with Disabilities Act), available at <http://mtc.legistar.com/gateway.aspx?M=F&ID=5b527bad-4840-4614-8ce8-72d94770e4e6.pdf>.

Both consultant benches include consultant firms pre-qualified by MTC through Request for Qualifications (RFQ) processes which included "Cooperative Use" language, allowing other agencies to use MTC's processes to satisfy their own contracting and procurement guidelines.

To demonstrate compliance with outreach requirements, CTAs are required to submit the following documentation to MTC staff by September 30, 2022:

- A copy of the CTA's public outreach and engagement plan, developed in coordination with MTC;
- Copies or text of public notice(s) of opportunities for members of the public to provide input on County & Local Program criteria and/or project nominations, which must include information on how to request language assistance and accessibility accommodations;
- A list of CBOs or other organizations representing potentially impacted groups that the CTA contacted for input on the County & Local Program;
- Dates, times, and locations of public meetings, hearings, and/or workshops where opportunity for public input on the County & Local Program was afforded;
- A summary of public input received during the call for projects process, and how such feedback, and the results of any relevant prior outreach, was used in the CTA evaluation and decision-making process;
- A description of correspondence and/or meetings with all applicable local jurisdictions, transit agencies, and federally-recognized tribal governments informing each of the call for projects opportunity; and
- If information from prior or concurrent outreach efforts was incorporated into the CTA's call for projects process, a narrative description of these efforts, how the results informed project prioritization, and how the CTA met the minimum public involvement requirements for the OBAG 3 call for projects described above.

County Screening and Evaluation

CTAs, in coordination with MTC, will solicit and collect project applications, screening applicants and projects for program eligibility, and initial scoring and/or ranking of projects. CTAs will develop individual application materials, deadlines, and processes for their county's call for projects, consistent with these overall program guidelines and subject to approval by MTC staff. At minimum, CTAs must incorporate the following regional criteria into their project evaluations.

- **Eligibility:** CTAs should screen potential sponsors and applications for eligibility with federal and regional requirements. Projects must be:
 - Eligible for STP or CMAQ funds, as detailed in 23 USC Sec. 133 and at <https://www.fhwa.dot.gov/fastact/factsheets/stbgfs.cfm> (STP), and in 23 USC Sec. 149 and at http://www.fhwa.dot.gov/environment/air_quality/cmaq/policy_and_guidance/ (CMAQ);
 - Consistent with *Plan Bay Area 2050*, available at <https://www.planbayarea.org/>; and
 - Meet all OBAG 3 programming policy requirements described in these guidelines and in MTC Resolution 4505.
- **Alignment:** CTAs should evaluate projects for alignment with relevant federal and regional plans and policies. Additional weight should be given to projects that:
 - Are located in PDAs or Transit-Rich Areas (TRAs), identified in locally-adopted plans (e.g. Specific Plans) for PDAs, or support preservation of Priority Production Areas (PPAs), as defined in Chapter 1 of *Plan Bay Area 2050* and available for viewing or download at <https://opendata.mtc.ca.gov/datasets/MTC::plan-bay-area-2050-growth-geographies/about>;
 - Invest in historically underserved communities, which may include projects prioritized in a Community-Based Transportation Planning (CBTP) or Participatory Budgeting process, or projects located within Equity Priority Communities with demonstrated community support. Equity Priority Communities are defined in Chapter 1 *Plan Bay Area 2050* and described at <https://mtc.ca.gov/planning/transportation/access-equity-mobility/equity-priority-communities>;
 - Are located in jurisdictions with affordable housing protection, preservation, and production strategies, including an emphasis on community stabilization and anti-displacement policies with demonstrated effectiveness;
 - Implement multiple *Plan Bay Area 2050* strategies, described throughout the Plan (in particular, Chapters 2-5), or implementation actions (Chapter 7);
 - Advance Federal Performance Management Goals for safety, asset management, environmental sustainability and system performance, as detailed in 23 USC Sec. 105(b) and at <https://www.fhwa.dot.gov/tpm/about/goals.cfm>;
 - Demonstrate consistency with one or more of the following regional plans and policies:
 - Regional Safety/Vision Zero Policy (MTC Resolution No. 4400): <https://mtc.ca.gov/tools-resources/digital-library/10a-20-0788-resono-4400-regional-safety-vz-policy.pdf>
 - Equity Platform: <https://mtc.ca.gov/about-mtc/what-mtc/equity-platform>

- Regional Active Transportation Plan (in development):
<https://mtc.ca.gov/funding/investment-strategies-commitments/climate-protection/regional-active-transportation-plan>
- Transit Oriented Communities Policy (update pending):
<https://mtc.ca.gov/planning/land-use/transit-oriented-development-tod-policy>
- Blue Ribbon Transit Transformation Action Plan:
https://mtc.ca.gov/sites/default/files/documents/2021-09/Transit_Action_Plan_1.pdf
- **Community Support:** CTAs must prioritize project applications with demonstrated public support from communities disproportionately impacted by past discriminatory practices, including redlining, racial covenants, urban renewal, and highway construction that divided low-income and communities of color. Community support may be determined through a variety of means, including (but not limited to):
 - Responses to public outreach, including comments received at public meetings or hearings, feedback from community workshops, survey responses, etc.; and
 - Endorsement by a Community-Based Organization (CBO) representing historically and potentially impacted populations.
- **Deliverability:** CTAs must evaluate applicants and projects for potential deliverability issues, deprioritizing or excluding projects as needed based on risk. CTAs should ensure that project sponsors have sufficient agency capacity and technical expertise to complete projects in accordance with MTC's Regional Project Delivery Policy (available at <https://mtc.ca.gov/funding/federal-funding/project-delivery>) and meet OBAG 3 deadlines. Project sponsors must be able to obligate OBAG 3 funds no later than January 31, 2027.

CTA project evaluation criteria must be approved by both MTC staff and the CTA's governing board prior to initiating the call for projects activities in their respective county. CTAs may develop separate evaluation frameworks by project type, but each such framework must meet the requirements of this section.

Project Nominations

After completing initial project screening and evaluations, CTAs will submit project nominations and associated documentation to MTC for regional evaluation and project selection. Nomination lists must be approved by the CTA's governing board prior to submission to MTC. CTA project nomination packets are due to MTC by September 30, 2022, and must include the following elements:

- **Nomination List:** list(s) of eligible candidate projects for the OBAG 3 County & Local Program, ranked or scored according to the evaluation criteria developed by the CTA and approved by MTC staff. Nomination lists must comply with all OBAG 3 programming policies, including sponsor and project requirements, PDA minimum investments, and CTA nomination targets.
- **Board Approval:** signed resolution documenting CTA governing board action approving the County & Local Program project nomination list.
- **Outreach Documentation:** materials verifying CTA compliance with outreach requirements as described above.

- **Compliance Checklists:** completed checklists and supporting documentation affirming compliance with County & Local Program programming policies for both the CTA and each sponsor with a project on the nomination list. Checklists should be completed by the CTA, and must be signed by a signatory authority for the concerned agency. CTA and sponsor checklists are provided through the OBAG 3 webpage (available at www.mtc.ca.gov/obag3) under "Partner Agency Resources."

Regional Project Evaluation

Using the nomination packets provided by the CTAs, MTC staff will form a review committee composed of multidisciplinary group of staff members to complete a regional project evaluation process and develop a recommended subset of projects for adoption by the Commission. This process will consist of the following steps:

- **Eligibility Review:** MTC staff will review submitted documentation and ensure CTA, sponsor, and project compliance with applicable federal and regional policies. Any issues identified will be communicated to CTA staff, and projects with unresolved issues will be excluded from further consideration.
- **Regional Criteria:** members of the review committee will score projects using the following rubric:
 - CTA Prioritization (75 points): relative CTA project rank or score, scaled to a range of 0-75 and normalized across CTAs.
 - Regional Impact (15 points): project alignment with *Plan Bay Area 2050* strategies, anticipated effectiveness in advancing regional objectives, and contribution to regionally significant networks or facilities.
 - Deliverability (10 points): sponsor capacity to deliver the specified project, including consideration of prior performance on MTC-funded projects, and any anticipated risk to the project development schedule or funding plan.
 - Air Quality Improvement (10 points): for CMAQ-eligible projects relative cost-effectiveness of projects in reducing emissions for criteria air pollutants for the San Francisco Bay Area Air Basin and additional consideration for PM2.5 reducing projects.
- **Project Ranking Process:** candidate projects will be ranked according to their average review committee score. To ensure that high performing air quality improvement projects are prioritized for CMAQ funding, MTC staff will first develop a recommended list of eligible projects for CMAQ funding using the comprehensive rubric rankings (all eligible projects scored with a maximum possible score of 110 points and ranked from highest to lowest score). All remaining projects, including CMAQ-eligible projects not recommended for funding using this first method, will then be ranked with the air quality improvement portion of the rubric score excluded (all remaining projects scored with a maximum possible score of 100 points and ranked from highest to lowest score). The latter rankings will be used by MTC staff to develop a recommended list of projects for STP funding.
- **Program Balancing:** candidate projects will be initially prioritized according to their ranking as described above. However, to achieve programmatic investment thresholds, and ensure a balanced program of projects, MTC staff may adjust project prioritization based on the following factors:

- County PDA investment targets;
- Regionwide investment targets, including Active Transportation and SRTS investments;
- Relative STP and CMAQ availability; and
- Overall program balancing for a variety of project types, equitable investments, and geographic spread.

Using this process, MTC staff will develop a draft program of recommended projects for Commission adoption. MTC staff will coordinate with CTA staff to provide comments and feedback on the draft program of projects, and may refine the recommended program of projects accordingly.

Program Approval

The Commission will consider the recommended OBAG 3 County & Local Program projects in January 2023. Projects approved by the Commission for funding will be eligible for programming into the TIP starting in February 2023. Approved County & Local Program projects and any subsequent revisions by the Commission will be detailed in Attachment B-2.

Projects nominated by CTAs but not selected for funding by the Commission will automatically be considered for future eligible funding opportunities through the OBAG 3 Regional Program, or as additional programming capacity becomes available for the County & Local Program.