

Date: May 27, 2022
Current Meeting: June 2, 2022
Board Meeting: June 2, 2022

BOARD MEMORANDUM

TO: Santa Clara Valley Transportation Authority
Board of Directors

THROUGH: General Manager/CEO, Carolyn M. Gonot

FROM: Chief Planning and Programming Officer, Deborah Dagang

SUBJECT: One Bay Area Grant Cycle 3 Program and Project Selection Criteria

Policy-Related Action: No

Government Code Section 84308 Applies: No

ACTION ITEM

RECOMMENDATION:

1. Approve the One Bay Area Grant Cycle 3 (OBAG 3) program and project selection criteria.
2. Approve \$10 million for Congestion Management Agency (CMA)/ County Transportation Agencies (CTA) planning and programming activities to be implemented and managed for fiscal years 2023-2026.

EXECUTIVE SUMMARY:

- The One Bay Area Grant (OBAG) is a Metropolitan Transportation Commission (MTC) program that works closely with each county to distribute Federal Highway Administration funds to local projects and programs.
- Staff recommends the Board of Directors adopt the OBAG 3 program and project selection criteria.
- Adopting the criteria will allow for the release of the countywide call-for-projects in a timely manner and meet MTC's deadlines
- The programmatic recommendations should incentivize a higher rate of successfully delivered projects.
- The adoption of the OBAG 3 program includes allocation of \$10 million for Congestion Management Agency planning and programming activities for fiscal years 2023-2026.

STRATEGIC PLAN/GOALS:

Implementation of the OBAG program falls under Business Line 2 of VTA's Strategic Plan:

Delivering Projects and Programs. Business Line 2 charges VTA to "Provide a comprehensive line of services, technical support, funding programs, and mobility solutions to the public and Member Agencies."

FISCAL IMPACT:

This action prioritizes federal programming for local Congestion Management Program Member Agency projects. Only funds programmed to VTA for its own projects will flow to VTA. The budget impacts of those projects will be addressed in a separate memorandum. The Member Agencies will obtain their funding through Caltrans. If adopted as proposed, \$10 million will be made available for future VTA Congestion Management Program budgets covering fiscal years 2023 through 2026.

BACKGROUND:

The One Bay Area Grant program (OBAG) was created by the Metropolitan Transportation Commission (MTC) in May 2012 to better integrate the region's discretionary Federal Highway Administration's funding program with the Regional Transportation Plan and Sustainable Communities Strategy, collectively known as Plan Bay Area 2050. The primary objective of the program is to strategically advance Plan Bay Area 2050 implementation through OBAG investments and policies.

The OBAG program is divided into a Regional Program, managed by MTC, and a County & Local Program, managed by MTC in partnership with the nine Bay Area County Transportation Agencies (CTAs). VTA is the CTA for Santa Clara County. MTC is preparing for the third round of OBAG funding known as OBAG 3.

MTC adopted final OBAG 3 guidelines for the County & Local Program on March 23, 2022. The funding sources for the four-year program include Surface Transportation Block Grant Program (STP) and Congestion Mitigation and Air Quality (CMAQ) funds.

MTC OBAG 3 Program Changes

For this cycle, there are several major changes to the program. Most significantly, MTC has developed fund targets rather than providing a guaranteed funding amount for each county. In previous cycles, VTA issued a call-for-projects and developed a project list based on a guaranteed funding amount provided by MTC. For OBAG 3, counties are only provided with an estimated funding amount provided by MTC. The funding estimate for Santa Clara County is approximately \$91 million. In addition, the CTA is expected to over program the project list to 120% of the base amount, which is approximately \$109.2 million.

While VTA will still issue a call-for-projects and develop a list of projects, MTC will make the final project selection based on: a) CTA prioritization (75 points), b) regional impact (15 points), c) deliverability (10 points), and d) air quality for CMAQ-eligible projects only (10 points).

The second significant change is that MTC will no longer allow guaranteed funding amounts for specific types of projects. In prior cycles, the Santa Clara County OBAG program consisted of guaranteed funds for local streets and roads rehabilitation as well as competitive programs for Safe Routes to School, complete streets, and Priority Development Area (PDA) planning.

Therefore, all project types will compete with each other on both the local and regional level.

DISCUSSION:

To prepare for the call-for-projects and projects selection process, VTA has developed draft project selection criteria by assigning points to various categories on MTC's template application. The Technical Advisory Committee's Capital Improvements Program Working Group (CIPWG) requested aligning the criteria with the application.

After much consideration, the criteria points were chosen based on a) staff knowledge of the objectives of Plan Bay Area 2050 and the program guidelines; b) regional level discussions on program development with MTC and CTAs; and c) the unique needs of the county expressed by CIPWG members. Additionally, the criteria align well with MTC's goals which should allow for Santa Clara County projects to compete well within the region.

The criteria and corresponding evaluation points are shown in Attachment A - One Bay Area Grant (OBAG 3) - County & Local Program-Santa Clara County Project Selection Criteria.

Project Categories

As in prior cycles, MTC carried forward the investment policy that requires large populated counties to program seventy percent of the funds in Priority Development Areas. Therefore, once the 30 percent non-PDA threshold of ranked projects has been reached, the remaining projects must meet the PDA definition. With that restriction in mind, staff proposes the following project categories with approximate target percentages for the Santa Clara County OBAG 3 program.

Fix-it First Road Preservation (approximately 30%)

STP fund are available to local jurisdictions for road preservation on Federal-Aid eligible roads. While VTA supports and encourages the use of these funds within or supporting the PDAs, it is not required. Consistent with previous Board-adopted programs, the first expected use will be for rehabilitation and reconstruction of roadways with a pavement condition index (PCI) of 70 or less. Jurisdictions with PCI greater than 70 may submit applications if they meet MTC requirements for OBAG 3 preventive maintenance projects.

Complete Streets (approximately 51%)

The category rewards projects that are in or support a PDA by MTC definition. The predominate federal fund source is CMAQ but may include STP funds. It is open to all jurisdictions within the county and VTA to fund pedestrian, bicycle, and signal systems projects designed to support dense development and use of alternative transportation modes by installing complete streets elements.

Safe Routes to School - infrastructure only (approximately 6%)

The Safe Routes to School (SRTS) category is funded exclusively by federal CMAQ. CMAQ funds in this category focus on reducing greenhouse gases as well as the health and safety of school-aged children by promoting walking, biking, transit and carpooling to school, targeting grades K-12. Additional programming in the Complete Streets category would be available for SRTS projects.

Note that MTC has established an investment target of \$25 million for SRTS at the regional level as well as \$200 million for Active Transportation Projects.

Planning (approximately 2%)

Under OBAG 3, various planning exercises are available for STP funds. These may include local plans for "other new PBA 2050 Growth Geographies", PDA plans, safety, Vision Zero, community-based transportation plans, mobility hub, and regional advance mitigation planning.

CMA/CTA Planning (approximately 9%)

VTA recommends programming \$10 million for Congestion Management Agency (CMA) planning and programming over the four-year period FY 2023-2026 to implement, develop and manage the program. This is similar to OBAG 2 when the VTA Board allocated \$10.9 million. Typically, CMA/CTA activities are funded through Member Agency fees, Planning, Programming & Monitoring (PPM) funds from the State Transportation Improvement Program (STIP) and the OBAG program STP Planning funds. The funds are not subject to the prioritization process.

Federal-Aid Secondary, county only (approximately 2%)

California Streets and Highways Code Section 182.6(d)(2) requires that a portion of STP funds be set aside and guaranteed for use by each unincorporated county area, and based on 110% of the apportionment of Federal-Aid Secondary (rural) funding. The funds are not subject to the prioritization process.

Schedule

MTC has developed an expedited five-month OBAG 3 timeline which will require VTA and Member Agencies to evaluate projects very quickly. During prior cycles, the county's program development and project submission spanned eleven months.

Based on MTC's timeline, VTA has developed the Santa Clara County OBAG 3 program schedule as shown in Table 1.

Table 1 - 2022 Santa Clara County OBAG 3 Program Schedule

Milestone	Date
MTC releases county/local program Call-for-Projects	5/01/2022
TAC/CAC/BPAC/PAC/CMPP review criteria	May 2022
Optional: Draft Compete Streets Checklist due to VTA	June 2022
VTA Board adopts criteria	6/02/2022
VTA releases Call-for-Projects	6/03/2022
VTA BPAC reviews Compete Streets Checklists	7/13/2022
Applications due to VTA	7/25/2022
VTA staff review applications	7/26-29/2022
CIPWG Scoring Committee reviews applications	8/1-12/2022
TAC/CAC/BPAC/PAC/CMPP review Prioritized list of Projects	September 2022
Board adopts Prioritized list of Projects	10/6/2022

Project Evaluation

Following board-adopted policy, the applications will be reviewed and ranked by a scoring committee drawn from CIPWG.

All VTA member agencies are represented in CIPWG. However, evaluation committee participation is voluntary. No agency may have more than one representative. The committee minimum size is three, and the maximum is ten. In addition, committee members may not evaluate their own project to avoid a conflict.

ALTERNATIVES:

The VTA Board may modify the program, the project selection criteria, and/or the criteria points. Any delay in adopting the criteria could lead to issues in delivering a project list to MTC within their expedited timeline.

CLIMATE IMPACT:

The projects identified in the OBAG program focus on transit, bicycle and pedestrian infrastructure. These improvements promote mode shift that can have a transformative impact on climate change by reducing vehicle miles traveled and greenhouse gas emissions.

ADVISORY COMMITTEE DISCUSSION/RECOMMENDATION:

The Technical Advisory Committee considered this item at their May 11, 2022 meeting and approved staff recommendations with suggested modifications, including: ability to apply in multiple program categories; remove the fix-it-first criterion and/or remove the PCI limit; and measure the merits of a project.

The Citizens Advisory Committee considered this item at their May 11, 2022 meeting and approved staff recommendations with suggested modifications, including: ability to apply in multiple program categories; create a non-PDA Complete Streets program category; prioritize complete streets projects; and more emphasis on non-policy housing issues.

The Bicycle & Pedestrian Advisory Committee considered this item at their May 11, 2022 meeting and approved staff recommendations deferring to staff for the best mechanism to: prioritize complete streets projects; prioritize safety and consider gap closure in the criteria; and encourage road preservation projects to include complete streets elements.

The Policy Advisory Committee considered this item at their May 12, 2022 meeting and approved staff recommendations with suggested modifications, including: ability to apply in multiple program categories; remove the fix-it-first criterion and/or remove the PCI limit; measure the merits of a project; and emphasize housing issues such as denser planned housing and transportation needs to address affordable housing.

STANDING COMMITTEE DISCUSSION/RECOMMENDATION:

The Congestion Management Program & Planning Committee considered this item at their May 19, 2022 meeting and approved staff recommendations unanimously.

Prepared by: Celeste Fiore
Memo No. 8179

ATTACHMENTS:

- Attach A_8179_Criteria (PDF)
- Attach B_8179_Acronyms (PDF)
- OBAG3 PPT_2022May17 (PDF)