Metropolitan Transportation Commission

Administration Committee

April 9, 2025 **Agenda Item 3a-25-0396**

MTC Resolution No. 4698 - Fiscal Year 2025-26 Overall Work Program (OWP)

Subject:

A request that MTC Resolution No. 4698 be referred to the Commission for approval. This resolution guides the FY 2025-26 OWP, a collaborative metropolitan transportation planning process involving the Metropolitan Transportation Commission (MTC), the Association of Bay Area Governments (ABAG), the Federal Highway Administration (FHWA), the Federal Transit Administration (FTA), Caltrans, and other local transportation partners. The request includes authorization for the Executive Director to enter into and execute required certifications, assurances, and an Overall Work Program Agreement (OWPA) for federal and state grants.

Background:

The Overall Work Program (OWP) is an annual or biennial statement of work identifying the planning priorities and activities to be carried out within a metropolitan planning area. At a minimum, an OWP includes a description of the planning work and resulting products, who will perform the work, time frames for completing the work, the cost of the work, and the source(s) of funds. Metropolitan Planning Organizations (MPOs) are required to develop an OWP to govern work programs for the expenditure of FHWA, FTA, and State planning funds pursuant to Title 23 Code of Federal Regulations (CFR) 450.308(b). As the federally designated MPO for the nine-county San Francisco Bay Area region, MTC annually develops and maintains the OWP, which is the principal document governing the budget, allocation, and use of federal and state transportation planning funds. Annual funding for the MPO transportation planning activities is primarily provided through the Consolidated Planning Grant (CPG) which is awarded by Caltrans, FHWA, and FTA.

The FY 2025-26 OWP is developed in consultation and coordination with the region's transit operators, County Transportation Agencies (CTAs), ABAG, Caltrans, FHWA, and FTA. The FY 2025-26 OWP includes Caltrans' Overall Work Program and transportation and air quality related planning activities proposed for the nine-county San Francisco Bay Area region for the state fiscal year July 1, 2025 to June 30, 2026.

Plan Bay Area 2050, adopted by MTC and ABAG in October 2021, continues to guide regional planning priorities established in the OWP; new action items that emerge from *Plan Bay Area 2050+* over the next fiscal year will be integrated into the FY 2025-26 OWP as appropriate. High priority actions for next year include but are not limited to:

- Adopting *Plan Bay Area 2050+*, including the *Transit 2050+* modal plan, to serve as the new regional blueprint for transportation, housing, the economy and the environment. This includes the Environmental Impact Report (EIR) and Implementation Plan as core components, as well as supplemental technical reports.
- Beginning development of white papers related to the regional growth framework, congestion management, and/or other key topics in advance of *Plan Bay Area 2060*, the next regional plan slated to be adopted in 2030.
- Updating financial forecasts related to transit operations to inform policy discussions about a potential 2026 regional transportation measure.
- Delivering additional mapping and wayfinding pilot projects and further advance transit priority policies and regional fare integration consistent with the Transit Transformation Action Plan.
- Reviewing submittals from local jurisdictions to demonstrate compliance with MTC's 2026 deadline for the Transit Oriented Communities (TOC) Policy.
- Advancing a major refresh of MTC's Equity Priority Communities (EPCs) framework that is used for the statutorily-required *Plan Bay Area* effort, as well as related planning and funding processes, consistent with Title VI of the Civil Rights Act of 1964.

MTC staff provided the Draft OWP for review to Caltrans, FHWA, and FTA on February 28, 2025. MTC staff will incorporate comments received from state and federal agencies in the final FY 2025-26 OWP, as appropriate. Attached for your review and consideration for referral to the Commission is MTC Resolution No. 4698, which includes the following actions:

- Approves the OWP for FY 2025-26.
- Authorizes the Executive Director or designee to apply for grants and execute agreements to secure federal and state funds for transportation planning activities in the nine-county San Francisco Bay Area.

- Authorizes the programming of approximately $24 million in FY 2025-26 transportation planning funds as follows:

Program	**Amount**
Federal Highway Administration Planning (FHWA PL) (FY 2025-26)	$9.7 million
Federal Highway Administration Planning (FHWA PL) (FY 2024-25) (Carryover)	$2.1 million
Federal Highway Administration Planning (FHWA PL) (FY 2025-26) - Complete Streets Bipartisan Infrastructure Law	$0.2 million
Federal Highway Administration Planning (FHWA PL) (FY 2024-25) (Carryover) - Complete Streets Bipartisan Infrastructure Law	$0.1 million
Federal Transit Administration (FTA) 5303 (FY 2025-26)	$5.0 million
Federal Transit Administration (FTA) 5303 (FY 2024-25) (Carryover)	$2.1 million
Federal Highway Administration State Planning and Research (FHWA SP&R) (FY 2025-26)	$0.5 million
Federal Transit Administration (FTA) 5304 (FY 2022-23) (Carryover)	$0.5 million
Federal Transit Administration (FTA) 5304 (FY 2024-25) (Carryover)	$0.4 million
Road Maintenance and Rehabilitation Account (RMRA) Senate Bill 1 (SB1) Sustainable Communities Formula (FY 2025-26)	$2.1 million
Road Maintenance and Rehabilitation Account (RMRA) Senate Bill 1 (SB1) Sustainable Communities Formula (FY 2024-25) (Carryover)	$1.0 million
Road Maintenance and Rehabilitation Account (RMRA) Senate Bill 1 (SB1) Sustainable Communities Formula (FY 2023-24) (Carryover)	$0.2 million
Total	$24.0 million

Commission approval is the first step in authorizing the FY 2025-26 expenditure of federal and state Consolidated Planning Grant (CPG) funds which are included in the MTC FY 2025-26 Operating Budget. Following approval by the Commission, Caltrans, FHWA, and FTA are slated to review and approve the OWP no later than June 30, 2025.

An electronic version of the draft FY 2025-26 OWP can be reviewed at the following link: https://mtc.ca.gov/about-mtc/administrative-requirements/overall-work-program-owp

Issues:

The transportation policy landscape remains dynamic given policy priorities of the new federal administration, including potential impacts to funding programs and policies. Staff will continue to monitor and track developments in this space to the extent that they affect funding, operations, and work planning.

Recommendations:

Refer MTC Resolution No. 4698 to the Commission for approval.

Attachments:

- MTC Resolution No. 4698 - FY 2025-26 Overall Work Program (OWP)
  - Attachment A
  - Attachment B
- Presentation

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