Bay Area Partnership Board

April 29, 2026 **Agenda Item 5b-26-0577**

Update on Senate Bill 1 State Competitive Funding Programs

Subject:

This item will provide background on the Bay Area's performance in Senate Bill 1 state competitive funding programs, an update on MTC's prioritization principles and endorsement frameworks, and information on important program milestones and deadlines.

Background:

The Road Repair and Accountability Act of 2017, commonly known as Senate Bill 1 (SB1, Beall), provides over $5 billion in new transportation revenues annually to both new and existing funding programs. This memo focuses on five statewide competitive programs funded or augmented by SB1 funds that Bay Area cities, counties, and transit operators apply to for funding: four programs managed by the California Transportation Commission (CTC), and one managed by the California State Transportation Agency (CalSTA).

All five funding programs have Calls for Projects this calendar year. Below is a summary of upcoming programs and their expected application due dates.

Program	MTC Role*	Funding Amount	Application Due Date
Transit and Intercity Rail Capital Program (TIRCP)	Endorse	$950 M Statewide Over Five Years	5/18/2026 (to CalSTA)
Active Transportation Program (ATP): Statewide Component**	Technical Assistance	$310 M Statewide Over Four Years	6/22/2026 (to CTC)
Solutions for Congested Corridors (SCCP)	Nominate	$500 M Statewide Over Two Years	Late 11/2026 (to CTC)
Trade Corridor Enhancement Program (TCEP)	Compile Nominations	Up to $1.0 B Statewide Over Two Years (Assumes federal funds)	Late 11/2026 (to CTC)
Local Partnership Competitive Program (LPP-C)	Regional Support	$144 M Statewide Over Two Years	Late 11/2026 (to CTC)

** For all programs, MTC also confirms that nominated projects are consistent with the region's RTP/SCS.*

*** ATP also has a regional component solely for Bay Area jurisdictions. The MTC-led regional ATP follows the same deadlines, requires an additional application, and has $53 million available over four years.*

Historical Performance

The Bay Area historically has performed well in these statewide competitive programs. For TIRCP, SCC, and LPP-C, Bay Area jurisdictions and transit operators have received a much greater percentage of available funds statewide when compared to the region's 20% population share of the state. The region's TCEP performance generally mirrors our 20% population share; however, the Bay Area has generally underperformed in the statewide component of ATP. Detailed project lists are included in Attachment A.

Part of the reason for the Bay Area's success in securing statewide competitive program funding is the region's framework to prioritize grant applications based on principles that closely align with the state's project selection criteria and program goals, and with regional plans, policies, and priorities. For TIRCP, MTC Resolution No. 4130, Revised outlines the region's Cap and Trade (now Cap and Invest) strategy that includes TIRCP. For SB1, MTC adopted prioritization principles in April that emphasize projects most likely to secure limited competitive funds, with particular focus on the state's Climate Action Plan for Transportation Infrastructure (CAPTI).

CalSTA last updated CAPTI in 2025. CAPTI details state priorities for discretionary transportation funds, including SB1 programs, to address climate change while supporting public health, safety, and equity. The California Department of Transportation (Caltrans) takes an implementing role for CAPTI and developed the Caltrans System Investment Strategy (CSIS) to serve as an investment framework to guide transportation investments and decisions. Caltrans' CSIS will guide which projects receive Caltrans support for funding programs including SB1. CTC, through its funding programs, has also included language in the draft SB1 guidelines recognizing CAPTI goals and a preference for projects that align with CAPTI. CAPTI's impact on SB1 is reflected by a shift away from funding capacity-increasing highway projects, and instead funding projects that are Vehicle Miles Traveled (VMT) neutral or negative such as transit, active transportation, and efficiency projects.

TIRCP Endorsements

In March, MTC staff initiated a call for project application information through outreach to MTC's partners and received notice of ten planned applications from the Bay Area. Staff reviewed applications and intend to provide letters of consistency based on *Plan Bay Area 2050+*, as required by the TIRCP program guidelines.

In addition to confirming consistency with *PBA50+*, MTC has an opportunity to endorse certain applications from sponsors in the region. MTC's TIRCP Framework, part of the overall Cap and Trade Framework in MTC Resolution No. 4130, Revised, sets regional targets and priorities to guide MTC endorsements for each round. The Framework was developed to implement and prioritize near term projects, with a focus on the region's core capacity transit needs and projects and programs with strong performance. As part of development of MTC's Major Project

Advancement Policy, the framework was revised in 2022 to reflect progress on the prior framework, new priorities from Plan Bay Area 2050, and changes to funding availability

The Transbay Joint Powers Authority (TJPA) has conveyed plans to apply for a total of $750 million for The Portal during this TIRCP cycle. MTC's adopted TIRCP framework endorsed The Portal for $500 million in TIRCP funds. The federal administration's change in funding priorities, along with inflationary pressure, has increased the need for early state investment in The Portal, and with other sponsors named in the framework not pursuing TIRCP this round, it is a strategic opportunity to prioritize funding for the project. In light of these factors, staff intend to recommend the Commission supersede the adopted endorsement limit for The Portal for this round to endorse the full $750 million request. Capacity for this higher endorsement would come from the unassigned category for multiple operators, which includes a regional contingency.

Besides this exception, staff intend to recommend maintaining the projects and endorsement limits in the TIRCP framework. This recommendation will include endorsements for the remaining projects, none of which are named in the framework, up to a maximum of $25 million per project if they are consistent with *PBA 50+*. Staff intend to revisit and update the framework as part of *PBA 50+* implementation and in light of the Cap and Invest program extension, before the next TIRCP cycleActive Transportation Program

The CTC adopted the ATP Guidelines in March 2026 and subsequently released a call for projects, with applications due June 22, 2026. CTC's ATP Guidelines govern both the statewide and regional components of ATP, with the regional component further governed by MTC's regional ATP Guidelines adopted in February (MTC Resolution No. 4744). Both components use the same application (and a supplemental application for the regional component), and have the same application due date. MTC continues to offer technical assistance on application preparation and project development support for prospective Bay Area applicants. CTC will release staff recommendations and adopt the statewide component in November and December 2026. MTC expects to release staff recommendations and adopt the regional component in early 2027, with CTC approving those projects in Spring 2027.

Senate Bill 1 Competitive Programs (SCC, TCEP, and LPP-C)

MTC adopted the SB1 prioritization principles in April. Staff will issue a Call for Nominations and evaluate nominations based on the prioritization principles for SCC and TCEP. Staff will return to the Commission in August to recommend the region's program of nominations for SCC and TCEP. Also in August, the CTC will adopt the SCC, TCEP, and LPP guidelines and release the Call for Projects. Application will be due to CTC in late November 2026. CTC is scheduled to release staff recommendations and adopt the three SB1 competitive programs in June 2027.

Issues:

Policy Compliance: Staff recommend that selected projects comply with all applicable regional policies, such as the Complete Streets Policy (MTC Resolution No. 4493), and the Transit Priority Policy for Roadways (MTC Resolution No. 4739).

Recommendations:

Information.

Attachments:

- Attachment A: List of Previous Bay Area SB1, TIRCP, and ATP (Statewide) Awards
- Attachment B: Table of State Competitive Funding Programs Purpose

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Attachment B: State Competitive Funding Programs Purpose

Each program focuses on a specific target area to meet state transportation goals. The table below summarizes the purpose and regional framework for each program.

Program	Purpose (State Program Reference)	Regional Framework
TIRCP	Fund transformative capital improvements that will modernize California's intercity, commuter, and urban rail systems, and bus and ferry transit systems, to significantly reduce emissions of greenhouse gases, vehicle miles traveled, and congestion. (https://calsta.ca.gov/subject-areas/transit-intercity-rail-capital-prog)	MTC Resolution No. 4130
ATP (Statewide)	Aims to increase the proportion of trips accomplished by walking and biking, increasing the safety and mobility of non-motorized users, advancing efforts of regional agencies to achieve greenhouse gas reduction goals, enhancing public health, and providing a broad spectrum of projects to benefit many types of users including disadvantaged communities. (https://catc.ca.gov/programs/active-transportation-program)	MTC Resolution No. 4744
SCC	Fund projects to reduce congestion in heavily traveled corridors. Projects must deliver measurable performance improvements that balance mobility, community, and environmental impacts. (https://catc.ca.gov/programs/sb1/solutions-for-congested-corridors-program)	MTC Reso. No. 4663 (To be superseded 8/2026)
TCEP	Fund infrastructure improvements on federally designated Trade Corridors of National and Regional Significance, on California's portion of the National Highway Freight Network, as identified in California Freight Mobility Plan, and along other corridors that have a high volume of freight movement. (https://catc.ca.gov/programs/sb1/trade-corridor-enhancement-program)	MTC Reso. No. 4664 (To be superseded 8/2026)
LPP-C	Funding to counties, cities, districts, and regional transportation agencies in which voters have approved fees or taxes dedicated solely to transportation improvements or that have imposed fees, including uniform developer fees, dedicated solely to transportation improvements. The program will balance the need to direct increased revenue to the state's highest transportation needs while fairly distributing the economic impact of increased funding. (https://catc.ca.gov/programs/sb1/local-partnership-program/local-partnership-program-competitive)	None