



# MTC's Transit-Oriented Communities (TOC) Policy and OBAG 4

C/CAG Congestion Management & Environmental Quality  
(CMEQ) Committee

February 24, 2025

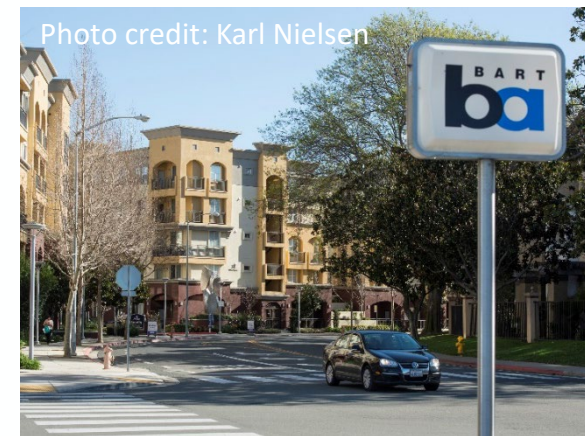


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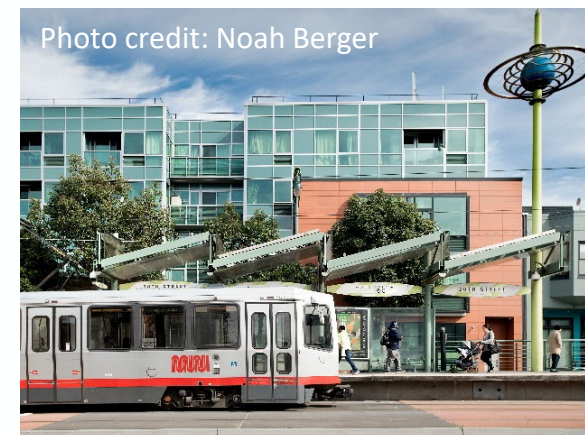


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ASSOCIATION OF BAY AREA GOVERNMENTS  
METROPOLITAN TRANSPORTATION COMMISSION

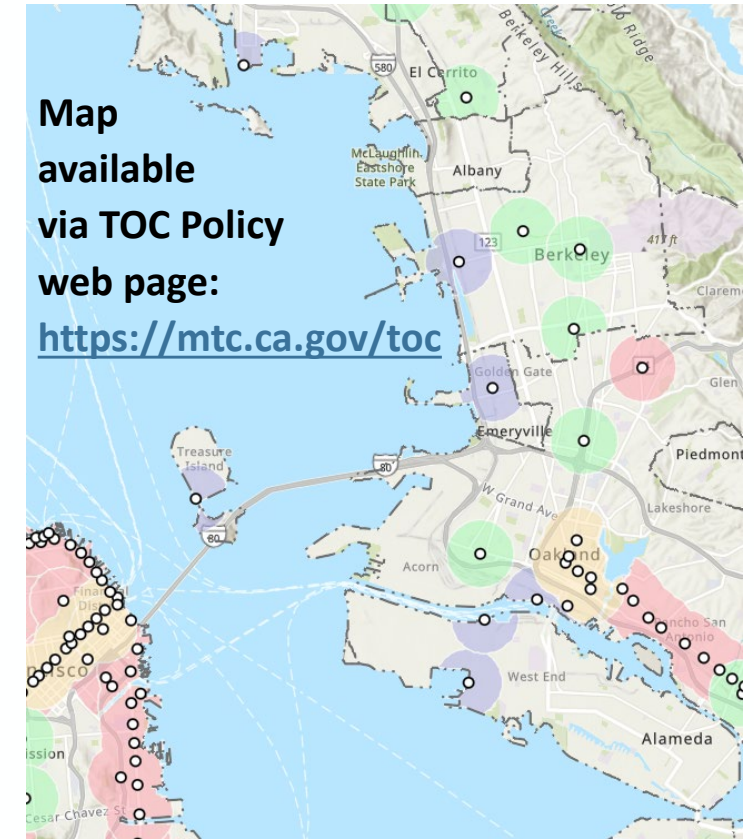
# Agenda

- Transit-Oriented Communities (TOC) Policy overview
- Update on TOC Policy implementation
- Integration of TOC Policy into OBAG 4 Program



# TOC Policy Background

- TOC Policy ([MTC Resolution 4530](#)) adopted in September 2022
- Supports region's transit investments by promoting places that enable more people to use transit more often for more types of trips
- Applies to locations within half-mile of existing and planned stops/stations served by rail, light rail, BRT, and ferries.
- Focuses on core elements of **land use density, affordable housing, parking management, and complete streets/multimodal access** to implement Plan Bay Area 2050 strategies
- Starting in 2026, OBAG funding cycles will consider TOC Policy compliance for prioritizing investments.



# TOC Policy Requirements

1. Minimum residential and office densities for new development vary by level of transit service
  - Average for parcels in ½-mile TOC area with residential or office allowed as primary use
  - Do not apply to parcels with existing residential or where new residential or office not allowed
2. Policies for affordable housing and commercial stabilization
  - Two for each of “3Ps” (production, preservation, protection), one for commercial stabilization
  - Jurisdiction chooses policies that best meet local needs from menu of options
3. Parking maximums for new residential and general/neighborhood commercial development vary by level of transit service.
  - Requirements for bicycle, shared, and unbundled parking as well as Transportation Demand Management (TDM)/curb management.
4. Transit station access and circulation
  - Comply with Complete Streets Policy and prioritize implementation of active transportation projects.
  - Complete access gap analysis and accompanying capital and/or service improvement program.
  - Identify opportunities for Mobility Hub planning and implementation.



# TOC Policy Implementation To Date

- Completed over **200 meetings** with stakeholders, including over 120 one-on-one meetings with jurisdiction staff.
- Released **Final Administrative Guidance**, which contains more detail about policy requirements and how to demonstrate local efforts towards compliance.
- Developed an **online portal** for jurisdictions to submit compliance documentation.
- **Ongoing support to jurisdiction staff** for assessing compliance, technical assistance to achieve compliance, and support in submitting materials to document compliance.



# OBAG Background

## One Bay Area Grant (OBAG)

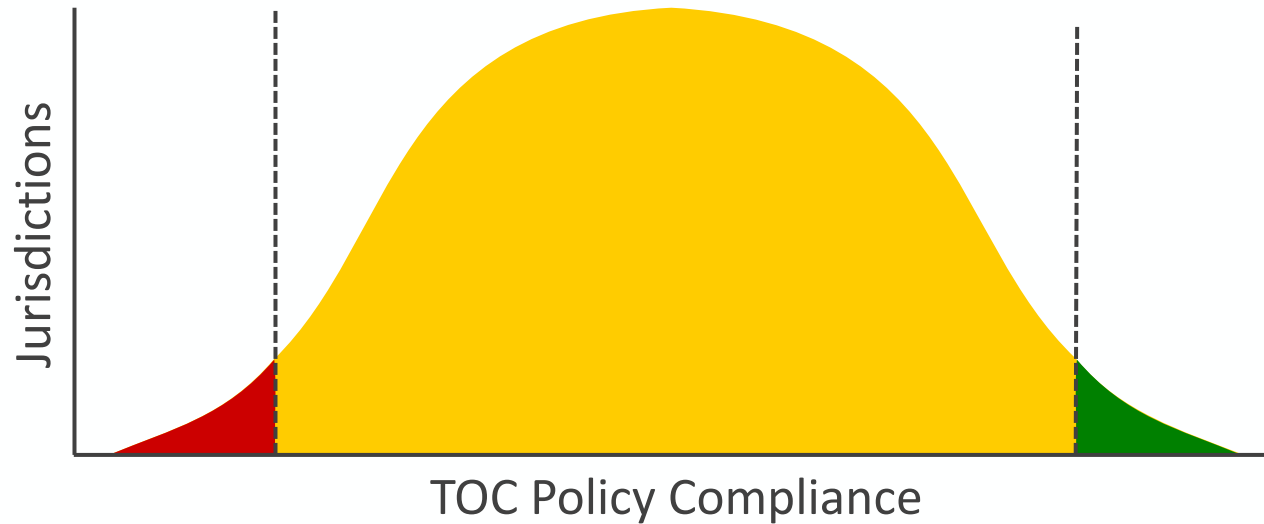
- First adopted 2012
- Combines two federal highway formula programs:
  - Surface Transportation Block Grant Program (STP)
  - Congestion Mitigation and Air Quality Improvement (CMAQ)
- Flexible funds to implement shared local and regional goals
  - Focus on *Plan Bay Area*

## OBAG 4 Considerations

- New policies/constraints
  - Transit Oriented Communities (TOC) Policy
  - Transit fiscal cliff (SB 125) contribution
  - *Plan Bay Area 2050+*
- Improve existing features
  - Sponsor requirements
  - Project selection
  - Equity considerations



# Initial TOC Policy Considerations for OBAG 4



## Key Features

- **Compliance tiers\*** establish eligibility by jurisdiction
- **Set-aside** incentive for top tier

*\*Requirements under development, to be informed by ongoing partner outreach*

## TOC Policy Compliance Tiers

**Non-Compliant**  
Jurisdictions

*Eligible for limited  
planning funds*

**Substantially  
Compliant**  
Jurisdictions

*Eligible for most  
funding*

**Compliant**  
Jurisdictions

*Eligible for all  
funding, including  
**set-aside***

**Non-TOC**  
Jurisdictions

*Eligible for most  
funding*



# OBAG 4 Development Timeline

## Key Milestones

<b>2025</b>	<ul style="list-style-type: none"><li>• Partner coordination and engagement</li><li>• Draft OBAG 4 policy development</li></ul>
<b>2026</b>	<ul style="list-style-type: none"><li>• Final OBAG 4 policy adoption</li><li>• County Program call for projects</li><li>• TOC documentation deadline</li></ul>
<b>2027</b>	<ul style="list-style-type: none"><li>• County Program project selection</li></ul>

## Initial Outreach Schedule

- Partnership Board (12/2/24)
- Transit Finance Working Group (12/4/24)
- CTA Executive Directors (12/6/24)
- Local Streets and Roads Working Group (12/12/24)
- **County Planning Director Meetings (Jan-Mar 2025)**
- **County Public Works / Transportation Meetings (Jan-Mar 2025)**
- **MTC Programming & Allocations (3/12/25 – tentative)**





# Questions and Comments



## **Staff Contacts:**

### ***OBAG Program***

Thomas Arndt

[tarndt@bayareametro.gov](mailto:tarndt@bayareametro.gov)

### ***TOC Policy***

[tocpolicy@bayareametro.gov](mailto:tocpolicy@bayareametro.gov)

Gillian Adams

[gadams@bayareametro.gov](mailto:gadams@bayareametro.gov)

Eli Kaplan

[ekaplan@bayareametro.gov](mailto:ekaplan@bayareametro.gov)