



## FINAL DRAFT 2024 JOINT ADVOCACY PROGRAM

Note: This is an updated version of the Draft 2024 Advocacy program presented at the November Joint Legislation Committee. Text additions are displayed in *italics* and text removals are indicated with ~~strikethroughs~~.

### State Advocacy Objectives and Goals

1. **Transportation Funding:** Advocate for resources to support the implementation of Plan Bay Area 2050 (and future iterations of Plan Bay Area), including funding for operating and maintaining the transportation network, transit modernization and expansion, equitable mobility improvements, decarbonizing the transportation system, and improving the resilience of our transportation network. Explore non-traditional fund sources, including the proposed state climate bond (SB 867 (Allen)/AB 1567 (Garcia)). Further, support incorporating equity considerations into funding decisions, but oppose relying exclusively on communities defined by the state’s CalEnviroScreen method, which disproportionately excludes the Bay Area low-income communities relative to other parts of the state.

Transportation Funding	Goals
A. Regional Revenue Measure	<p>MTC to sponsor state authorizing legislation for a future regional transportation revenue measure <i>to create a climate-friendly transportation system that is safe, accessible and convenient for all</i>. Pursue a unified Bay Area engagement and advocacy strategy to develop and maintain consensus around the purpose/goals, expenditure plan priorities <i>and menu of revenue options</i>. <i>Include within the enabling legislation transit oversight and accountability provisions aimed at delivering a more reliable, connected, convenient, rider-friendly Bay Area transit network</i>. <del>Engage with the public to inform contents of enabling legislation for a future regional transportation revenue measure.</del></p>
B. State Transit Funding	<p>Engage in ongoing discussions related to narrowing the Bay Area’s transit operating funding gap and seek opportunities to fund transit system improvements that enhance coordination and improve the rider experience. <i>Support the extension of the state’s Cap-and-Trade Program</i>.</p> <p>Maintain future funding promised in the \$5.1 billion state transit package that was included in the fiscal year (FY) 2023-24 state budget, including advocating for \$2.2 billion in FY 2024-25 (\$2 billion in General Fund for the regional Transit and Intercity Rail Capital Program and \$230 million in Greenhouse Gas Reduction Fund monies for the new Zero Emission Transit Capital Program).</p>

2. **Public Transit System Improvements:** Support policies aimed at ensuring public transit is an affordable, reliable, safe and convenient transportation option that is provided equitably and accessibly.

Public Transit System Improvements	Goals
A. Transit Transformation Action Plan	Support policies to create a more user-friendly, connected Bay Area transit network that better serves existing transit riders and attracts new riders to transit in line with the Transit Transformation Action Plan (Action Plan) adopted by the Blue Ribbon Recovery Task Force. Support reforms that show promise to remove barriers to timely Action Plan implementation, including related to fare coordination and integration, real-time transit and other customer information initiatives, and transit priority. <i>(Also see Item 1A).</i>
B. Other Bay Area Transit System Improvements	Building on 2A, explore opportunities to strengthen transit network management. Further, support high-priority system improvements that extend beyond items identified in the Action Plan, including safety and security.

3. **Housing Production, Preservation and Tenant Protection (“3 Ps”):** Improve access to opportunity and support the Bay Area in meeting housing goals by supporting policies aimed at increasing production of housing and increasing funding to produce and preserve affordable housing and associated infrastructure to help build complete communities. Protect tenants and low-income communities from unjust evictions and displacement.

Advancing Housing 3Ps	Goals
A. Bay Area Housing Finance Authority	<p>Advocate for policies and funding to maximize the affordable housing production, preservation and protection (3Ps) resources BAHFA can deliver to Bay Area jurisdictions, including through collaborating with partners on clean-up legislation to ACA 1 that increases its likelihood of success, modifies housing-related definitions to avoid conflicts with existing programs, broadens the allowable uses of bond proceeds to include tenant protections (if polling indicates support by voters), and avoids limitations on BAHFA programs.</p> <p>Monitor legislation impacting BAHFA pilot programs and, if opportunities arise, support policies that enhance ongoing pilots, both operationally and financially.</p>

Advancing Housing 3Ps	Goals
	Continue to develop materials and conduct outreach to educate voters and key stakeholders about the potential regional housing bond on the November 2024 ballot.
B. Housing, Homelessness and Community Development Funding	In partnership with regional and statewide organizations, support robust General Fund investments for the 3Ps and other supportive infrastructure. Additionally, continue to advocate for Assemblymember Wicks' AB 1657, a \$10 billion statewide housing bond with funding for the Multifamily Housing Program and a new preservation program for which BAHFA would likely be eligible.
C. Bay Area Regional Housing Needs Allocation Implementation	Support a range of strategies to help localities meet the Bay Area's Regional Housing Needs Allocation (RHNA) goals, including proposals to drive down the cost of affordable housing development and accelerate housing production. Advocate for new tools, funding, and incentives that support the 3Ps, including new regional resources modeled after the Regional Early Action Planning program, described in 4A. Further, engage in discussions related to RHNA updates consistent with 4B.

4. **Sustainable and Equitable Transportation and Land Use:** Consistent with SB 375 (Steinberg, 2008) and California's Climate Action Plan for Transportation Infrastructure (CAPTI), support policies aimed at reducing vehicle miles traveled and associated greenhouse gas emissions (GHGs) and traffic congestion. Advocate for policies and funding tools that support regions in implementing state mandated sustainable communities strategies (e.g., Plan Bay Area 2050).

Sustainable & Equitable Transportation and Land Use	Goals
A. SB 375 Implementation	Advocate for policies and funding tools that support regions in implementing state-mandated sustainable communities strategies (SCS), including, but not limited to, support for new resources for regions to invest in SCS implementation. Build on the Regional Early Action Plan (REAP) programs – twice funded by the state – that provided flexible funds to regions to invest in policies and program to reduce vehicle miles traveled,

Sustainable & Equitable Transportation and Land Use	Goals
	<p>encourage infill and affordable housing (including through technical assistance), and advance social equity.</p> <p>Further, support travel demand management <i>and greenhouse gas emission (GHG) reduction tools (including road pricing)</i>, support Vision Zero and speed-reduction policies (see 6A) and align state programs to support high-impact GHG-reduction projects.</p>
<p>B. Transportation and Land Use Planning Reform</p>	<p>Engage in any discussions related to SB 375 and/or Regional Housing Needs Allocation (RHNA) Cycle 7 to ensure any updates are:</p> <ol style="list-style-type: none"> <li>1. Aligned with Plan Bay Area 2050’s guiding principles</li> <li>2. Structured to empower regions to balance the state’s sometimes competing goals related to climate, housing and equity</li> <li>3. Implementable at both the regional and local levels</li> </ol> <p>Further, while continuing to support ambitious regional GHG reduction targets, explore options for regulatory revisions to SB 375 to incentivize near-term, real-world progress on GHG emission reduction over the current approach (which places too great an emphasis on long-term modeling) and achieve greater alignment, rather than competition, between regional and state GHG reduction strategies.</p>

5. **Transportation System Safety and Effectiveness:** Advocate for policies that improve transportation system safety for all road users and the effectiveness and service delivery of the Bay Area’s transportation system, including Bay Area Toll Authority (BATA) toll bridge operations and interoperability with out of state toll facilities, high-occupancy vehicle and Express Lane performance and transit priority improvements to help move buses out of traffic. Support legislation that provides an opportunity to expand the ability of transportation agencies to better communicate with their customers.

6. **Climate, Resilience and Environment:** Support funding and policy strategies to help achieve and better coordinate state and regional climate goals, advance energy efficiency and improve the Bay Area’s resilience to natural hazards and the impacts of climate change, including earthquakes, sea level rise and fire. Support proposals for funding to improve the health of the San Francisco Estuary.

<b>Climate, Resilience and Environment</b>	<b>Goals</b>
<p>A. Climate Adaptation and Resilience Planning and Implementation Funding</p>	<p>Pursue funding for regional and local climate adaptation, including through the proposed state climate bonds (SB 867 (Allen)/AB 1567 (Garcia)). In particular, support funding to strengthen climate resilience based on regional needs (\$1.8 billion proposed in AB 1567) and new resources to support <del>the San Francisco Estuary Partnership’s efforts to implement</del> water management projects. Further, support MTC/ABAG’s Priority Conservation Area framework, San Francisco Estuary Partnership programs, and other regional resilience efforts by advocating for inclusion of incentives for the use of natural infrastructure, urban greening, and nature-based solutions in enhancing climate resilience.</p> <p>Support policies and funding to enhance seismic safety and earthquake preparedness in the Bay Area, including through advocating to restore \$250 million in the FY 2023-24 or FY 2024-25 budget for soft story retrofits of multifamily homes, consistent with the FY 2022-23 budget agreement.</p> <p>Additionally support ongoing investment in the new state and local Transportation Infrastructure Climate Adaptation Programs established in SB 198 (2022).</p>
<p>B. Energy Efficiency and Resilience (Residential and Transportation)</p>	<p>Support funding and policies that support residential energy efficiency retrofits – including flexibility to allow homeowners to concurrently implement energy and water retrofits – and funding and policies to increase homeowners’ resilience to power outages.</p> <p>Support resources and policies related to electrical grid upgrades (and other green energy sources) and energy prioritization to help ensure energy is available to power low- and zero-emission homes and transportation networks.</p>

7. **Transportation Project Delivery:** Monitor legislation related to transportation project delivery and support strategies to speed up the delivery of transportation projects and at a lower cost, including expanding flexibility in contracting and public private partnerships. Seek opportunities to support transit priority, State Route 37, and other MTC/BATA priority projects.
8. **Transportation Innovation and Shared Mobility:** Engage in regulatory and legislative efforts to facilitate the deployment of new mobility technologies to accelerate their safety, accessibility, mobility, environmental, equity and economic benefits, including opportunities to increase access to transit and reduce the share of single-occupancy vehicle (SOV) trips.
9. **Brown Act Reforms:** Support legislation to provide long-term flexibility for regional and multijurisdictional agencies to conduct their business remotely outside of emergency conditions as a means of increasing board member, advisory council and public participation while also reducing the time and expenses associated with travel, vehicle miles traveled and the greenhouse gas and other tailpipe emissions from driving. Specifically, continue to advocate for the MTC- and ABAG-supported AB 817 (Pacheco).

## Federal Advocacy Objectives and Goals

### 1. **Transportation and Housing Funding:** Support robust federal investment in Bay Area transportation and housing infrastructure.

Transportation & Housing Funding	Goals
<p>A. MTC’s Bay Area Infrastructure Grants Strategy: Maximize Bay Area Funds from Bipartisan Infrastructure Law (BIL) Discretionary Transportation Grants</p>	<p>Consistent with MTC’s Bay Area Infrastructure Grant Strategy and the Major Project Advancement Policy, engage with the U.S. Department of Transportation and the Bay Area Congressional Delegation during Infrastructure Investment and Jobs Act (also called the Bipartisan Infrastructure Law, or “BIL”) grant development to advocate for program policies and funding eligibilities that enhance Bay Area competitiveness. Coordinate with regional, state and federal partners to unify support for regional BIL priority projects and advocate for grant awards for projects consistent with the regional grants strategy.</p> <p>Regarding Capital Investment Grants (CIG), continue to pursue sufficient annual appropriations to meet the funding needs of Bay Area projects with existing full funding grant agreements (FFGA) and to secure FFGAs for the Bay Area’s next generation of transit projects.</p> <p>Update the Bay Area Infrastructure Grants Strategy as needed, including to reflect the priorities outlined in the upcoming Bay Area Regional Zero Emission Bus Transition Strategy.</p>
<p>B. Low Income Housing Tax Credits</p>	<p>Support efforts to modify and expand the federal Low Income Housing Tax Credit (LIHTC) Program, California’s largest source of federal funding for affordable housing construction and rehabilitation. Prioritize policy changes to increase California’s LIHTC financing capacity, including lowering the LIHTC bond financing threshold to 25 percent from 50 percent. Under current law, California’s LIHTC allocations are effectively capped by the federal rule requiring 50 percent of construction costs be funded from a state’s limited allocation of private activity bonds (PABs). Demand for PABs in California significantly exceeds supply. Lowering the required “state match” for bond financed LIHTCs could unlock tens of thousands of new affordable units in California that are ready to go but awaiting federal tax credits.</p>

<b>Transportation &amp; Housing Funding</b>	<b>Goals</b>
C. Transportation and Housing Appropriations (FY 2024 and FY 2025)	<p>Partner with local, regional and statewide transportation agencies as well as national stakeholders to ensure that Congress funds highway and transit formula programs consistent with levels authorized by the surface transportation law. Support robust CIG funding, consistent with 1A, and prioritize BIL grant augmentations for programs that support Plan Bay Area 2050 implementation, including investments in transit, rail, complete streets, state of good repair and innovative mobility options.</p> <p>Support regional, state and national partners in advocating for increased federal investment in affordable housing and homelessness programs, including Section 8 Housing Choice vouchers, HOME Investment Partnership Program (HOME), Community Development Block Grant Program (CDBG) and McKinney-Vento Homelessness Assistance programs. Continue to support policies and funding opportunities that support BAHFA and other regional efforts to address affordable housing challenges.</p>
D. PEPRAs: Preserve Bay Area Transit Operator Access to Federal Transit Grants	<p>Support efforts spearheaded by the California Transit Association to monitor ongoing issue that Bay Area federal transit grants may be withheld because of a 2021 U.S. Department of Labor interpretation that state pension law known as “PEPRA” may impede federally guaranteed transit union collective bargaining rights. If necessary, seek a legislative solution.</p>



2. **Surface Transportation Authorization:** Continue to work with the U.S. Department of Transportation to ensure the new surface transportation law – enacted as part of the 2021 Infrastructure Investment and Jobs Act, also called the Bipartisan Infrastructure Law (BIL) – is implemented consistent with our reauthorization and Plan Bay Area 2050 priorities. Further, engage with local, regional, state and national partners to begin to build coalitions around the following BIL reauthorization priorities:

Surface Transportation Authorization	Goals
A. Preserve Core Transit and Highway Formula Funds	<p>Maintain funding increases to the core transit and highway formulas that were approved through the BIL. Specifically, ensure formula funding increases provided through BIL advance appropriations (i.e., from the General Fund) are made permanent, in addition to maintaining the BIL formula growth funded from the Highway Trust Fund.</p>
B. Prioritize Formula over Discretionary Funding	<p>Formula resources provide increased predictability for long term planning, reduce administrative burden, and enhance flexibility for regions and states to align federal spending with the investments needed to achieve regional, state and federal goals.*            Prioritize funding for the following programs, which MTC distributes:</p> <ul style="list-style-type: none"> <li>a. Transit programs that fund the Transit Capital Priorities Program (transit State of Good Repair (Section 5337), transit Urbanized Area (Section 5307))</li> <li>b. Federal Highway Programs that fund the One Bay Area Grant Program (Surface Transportation Block Grant and Congestion Mitigation and Air Quality Improvement Program)</li> <li>c. Other suballocated highway programs MTC distributes to support mobility, climate, equity and safety goals (Carbon Reduction Program and Transportation Alternatives Program)</li> </ul> <p>* Importantly, the federal performance-based system – adopted under the 2012 MAP 21 – establishes federal goals and performance metrics tied to formula funds. Growing those resources empowers states and regions to make progress toward those goals.</p>

<b>Surface Transportation Authorization, cont.</b>	<b>Goals</b>
C. Capital Investment Grant Program	Maintain federal support for the Capital Investment Grant program, the primary federal fund source for major transit capital and modernization improvements.
D. BIL Policy Updates	Within the BIL framework, grow federal support for transit and regional mobility solutions – including through updating tolling policy as a strategy to support mode shift – revise transit programs to reward Bay Area best practices, and expedite project delivery without harming the environment.
E. Transit Operating	<p>Engage in discussions related to the federal government’s role in transit operations guided by the following principles:</p> <ol style="list-style-type: none"> <li>1. <b>Focus on Transit Riders:</b> Federal operating assistance should focus on transit improvements that attract and retain riders.</li> <li>2. <b>Maintain federal commitments to safety and state of good repair:</b> Any new transit operating program should augment, not replace funding for current programs. Absent new money, safeguards should ensure any new flexibility to use formula funds for operating assistance does not come at the expense of federal investments in safety and state of good repair.</li> <li>3. <b>Support improvements that can be sustained over the long-term:</b> Ensure upgrades which only require a time-limited subsidy, including upgrades to existing service, are eligible for funds. For traditional service expansions, ensure new service can be maintained.</li> </ol>

3. **Climate, Resilience and Environment:** Advocate for a strong federal partner in the Bay Area’s efforts to improve air quality, reduce greenhouse gas (GHG) emissions, and make our communities and transportation networks resilient to a changing climate, especially in communities of concern that are most vulnerable to the impacts of climate change.