METROPOLITAN TRANSPORTATION COMMISSION

ASSOCIATION OF BAY AREA GOVERNMENTS

Bay Area Metro Center
375 Beale Street
San Francisco, CA 94105

Board Room, 1st Floor

MEETING AGENDA

Date: Friday, November 13, 2026 | **Time:** 9:45 a.m.

Joint MTC ABAG Legislation Committee

Chair: Ken Carlson
Vice Chair: Alicia John-Baptiste
Clerk: Brittny J. Sutherland

This meeting shall consist of a simultaneous teleconference call at the following location(s):
San José City Hall, 200 E. Santa Clara St., 18th floor, conference room T-1854, San José, CA 95113
70 W. Hedding St. East Wing, 10th Floor, Supervisor's Conference Room, San Jose, CA 95110

Meeting attendees may opt to attend in person for public comment and observation at 375 Beale Street, Board Room (1st Floor). In-person attendees must adhere to posted public health protocols while in the building. The meeting webcast will be available at https://mtc.ca.gov--/whats-happening/meetings/live-webcasts.
Members of the public are encouraged to participate remotely via the following Zoom link or phone number:

Attendee Link: https://bayareametro.zoom.us/j/81109279620

Phone one-tap:
+14086380968,,81109279620# US (San Jose)
+16694449171,,81109279620# US
Webinar ID: 811 0927 9620
International numbers available: https://bayareametro.zoom.us/u/kddK9EV03r
Members of the public participating by Zoom wishing to speak should use the “raise hand” feature or dial *9. When called upon, unmute yourself or dial *6. In order to get the full Zoom experience, please make sure your application is up to date. All standing committee meeting agendas may also be accessed on MTC’s website here:
https://mtc.ca.gov--/meetings-events
Detailed instructions on participating via Zoom are available at:
https://bayareametro.zoom.us/u/kdR1hznEgA
https://mtc.ca.gov--/how-provide-public-comment-board---meeting-zoom
Members of the public may participate by phone or Zoom during the meeting. In order to be posted to the meeting’s web page and circulated to committee members prior to the meeting, written comments must be sent by email at info@bayareametro.gov by 5:00 p.m. two (2) business days before the scheduled

meeting date. Please include the committee or board meeting name and agenda item number in the subject line. All comments received will be submitted into the record.

Roster

Ken Carlson
Chair

Alicia John-Baptiste
Vice Chair

Susan Adams
Pat Burt
Betty Duong
Dorene M. Giacopini*
Carlos Romero
Eddie Ahn
Pamela Campos
Pat Eklund
Matt Mahan
Maureen Toms
Candace Andersen
Noelia Corzo
Marilyn Ezzy Ashcraft
Belia Ramos
Wanda Williams

**Non-Voting Members*

Vacant MTC - 1

Dorene M. Giacopini, will be attending remotely per Government Code s. 54953(c).

Agenda

1. Call to Order / Roll Call / Confirm Quorum

Quorum: A quorum of this body shall be a majority of its regular voting members (9).

2. Consent Calendar

2a. **Approval of Joint MTC ABAG Legislation Committee Minutes of the October 9, 2026 Meeting** 26-2234

Action: Committee Approval

Attachments:

- 2a_26-2234_Joint_MTC_ABAG_Legislation_Committee_Minutes_-_2026-10-09_2_1.pdf

2b. **Washington, D.C. Report** 26-2102

October 2026 Report from Washington, D.C. advocate.

Action: Information

Presenter(s): Georgia Gann Dohrmann

Attachments:

- 2b_26-2102_Washington_D.C._Legislative_Update_2_1.pdf

3. Regional Legislation

3a. **November 2026 Election Update** 26-2100

Election update covering key statewide, regional and local ballot measures relevant to MTC-ABAG, as well as an update on state and federal legislative races for the San Francisco Bay Area delegation.

Action: Information

Presenter(s): Georgia Gann Dohrmann

Attachments:

- 3a-26-2100_-_Election_Results_Summary_Sheet.pdf

4. State and Federal Legislation

4a. **Potential 2027 Bay Area Housing Finance Authority (BAHFA) Legislation** 26-2103

Update on Regional Housing Stakeholder Committee work to date, including discussions related to possible 2027 BAHFA legislation related to a potential future regional housing measure.

Action: Information

Presenter(s): Daniel Saver, Maria Noel Fernandez, RHSC Co-Chair, Jennifer Martinez, RHSC Co-Chair, Ann Silverberg, RHSC Co-Chair

Attachments:

- 4a_26_2103_Summary_Sheet_Potential_2027_Bay_Area_Housing_Finance_Authority_BAHFA_Legislation_3.pdf
- 4ai_26_2103_2_Attachment_A_Presentation_BAHFA_2_1.pdf

4b. **Draft 2027 MTC and ABAG Legislative Advocacy Program** 26-2101

Draft 2027 Joint Advocacy Program for MTC and ABAG, outlining the agencies' state and federal legislative priorities.

Action: Information

Presenter(s): Georgia Gann Dohrmann

Attachments:

- 4b_26-2101_-_Advocacy_Program_Summary_Sheet_-_Leg_Cmte-_Nov_2026.pdf
- 4bi_26-2101_Attachment_A_DRAFT_2027_Advocacy_Program__Leg_Committee_2_1.pdf

4c. **Diridon Station Program Construction Authority** 26-2346

Update on discussions about potential legislation to authorize a construction authority for the Diridon Station Program.

Action: Information

Presenter(s): Rebecca Long

Attachments:

- 4c_26-2346_Diridon_Station_Program_Construction_Authority_2_1.pdf
- 4ci_26-2346_Attachment_A_Caltrain_presentation.pdf
- 4cii_26-2346_Attachment_B_MTC_letter_to_JPAB_12.11.24.pdf

5. Public Comment / Other Business

Members of the public participating by Zoom wishing to speak should use the "raise hand" feature or dial *9. When called upon, unmute yourself or dial *6.

6. Adjournment / Next Meetings:

The next meeting of the Joint MTC ABAG Legislation Committee will be held on Friday, December 11, 2026 at 9:45 a.m. at the Bay Area Metro Center, 375 Beale Street, San Francisco, CA, and other remote locations. Any changes to the schedule will be duly noticed to the public.

Public Comment: The public is encouraged to comment on agenda items at meetings by completing a request-to-speak card (available from the Clerk) and passing it to the Clerk. Public comment may be limited by any of the procedures set forth in Section 3.09 of MTC's Procedures Manual (Resolution No. 1058, Revised) if, in the chair's judgment, it is necessary to maintain the orderly flow of business.

Meeting Conduct: If this meeting is willfully interrupted or disrupted by one or more persons rendering orderly conduct of the meeting unfeasible, the Chair may order the removal of individuals who are willfully disrupting the meeting. Such individuals may be arrested. If order cannot be restored by such removal, the members of the meeting body may direct that the meeting room be cleared (except for representatives of the press or other news media not participating in the disturbance), and the session may continue.

Record of Meeting: Meetings are recorded. Copies of recordings are available at a nominal charge, or recordings may be listened to at MTC offices by appointment. Audiocasts are maintained on MTC's Web site (mtc.ca.gov) for public review for at least one year.

Accessibility and Title VI: MTC provides services/accommodations upon request to persons with disabilities and individuals who are limited-English proficient who wish to address Commission matters. For accommodations or translations assistance, please call 415.778.6757 or 415.778.6769 for TDD/TTY. We require three working days' notice to accommodate your request.

可及性和法令第六章：MTC 根據要求向希望來委員會討論有關事宜的殘疾人士及英語有限者提供服務/方便。需要便利設施或翻譯協助者，請致電 415.778.6757 或 415.778.6769 TDD / TTY。我們要求您在三個工作日前告知，以滿足您的要求。

Acceso y el Titulo VI: La MTC puede proveer asistencia/facilitar la comunicación a las personas discapacitadas y los individuos con conocimiento limitado del inglés quienes quieran dirigirse a la Comisión. Para solicitar asistencia, por favor llame al número 415.778.6757 o al 415.778.6769 para TDD/TTY. Requerimos que solicite asistencia con tres días hábiles de anticipación para poderle proveer asistencia.

Attachments are sent to meeting body members, key staff and others as appropriate. Copies will be available at the meeting.

METROPOLITAN TRANSPORTATION COMMISSION
ASSOCIATION OF BAY AREA GOVERNMENTS

Bay Area Metro Center
375 Beale Street
San Francisco, CA 94105

Board Room, 1st Floor

MEETING MINUTES

Date: Friday, October 9, 2026 | **Time:** 9:40 a.m.

Joint MTC ABAG Legislation Committee

Clerk: Brittny J. Sutherland

Roster

Ken Carlson
Chair

Alicia John-Baptiste
Vice Chair

Susan Adams
Pat Burt
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Dorene M. Giacopini*
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Wanda Williams

Eddie Ahn
Pamela Campos
Pat Eklund
Matt Mahan
Carlos Romero

Candace Andersen
Noelia Corzo
Marilyn Ezzy Ashcraft
Mitch Mashburn
Maureen Toms

**Non-Voting Members*

Dorene M. Giacopini, will be attending remotely per Government Code s. 54953(c).

Agenda

1. Call to Order / Roll Call / Confirm Quorum

Quorum: A quorum of this body shall be a majority of its regular voting members (9).

Chair Carlson called the meeting to order at 11:28 a.m.

Present:	14 -	Member Adams, Commissioner Ahn, Commissioner Andersen, Commissioner Burt, Commissioner Campos, Chair Carlson, Commissioner Corzo, Commissioner Duong, Commissioner Eklund, Commissioner Ezzy Ashcraft, Vice Chair John-Baptiste, Commissioner Ramos, Commissioner Toms, Commissioner Williams
Absent:	3 -	Commissioner Mahan, Commissioner Mashburn, Commissioner Romero
Non-Voting Present:	1 -	Commissioner Giacopini

Commissioner Campos, Commissioner Duong, and Commissioner Williams participated remotely pursuant to Gov. Code Section 54953.8.3(2).

Member Corzo arrived after the approval of the consent calendar.

Member Williams departed before the approval of the Consent Calendar. The remote location remained open until the meeting concluded.

2. Consent Calendar

Upon the motion by Commissioner Eklund and second by Commissioner Andersen, the Consent Calendar was unanimously approved. The motion carried by the following vote:

Aye:	12 -	Chair Carlson, Vice Chair John-Baptiste, Commissioner Ahn, Commissioner Andersen, Commissioner Burt, Commissioner Campos, Commissioner Duong, Commissioner Eklund, Commissioner Ezzy Ashcraft, Member Adams, Commissioner Ramos, and Commissioner Toms
Absent:	5 -	Commissioner Corzo, Commissioner Mahan, Commissioner Mashburn, Commissioner Romero, and Commissioner Williams

2a. **Approval of Joint MTC ABAG Legislation Committee Minutes of the September 11, 2026 Meeting** 26-2086

Action: Committee Approval

Presenter(s): Committee Clerk

2b. **Legislative History** 26-2087

List of the bills MTC-ABAG are tracking in Sacramento, including those bills on which MTC and/or ABAG has a position.

Action: Information

Presenter(s): Jadie Moar

2c. **Washington, D.C. Report** 26-2088

Report on key federal legislative funding and political developments over the past month prepared by MTC's federal advocacy team, Summit Strategies.

Action: Information

Presenter(s): Georgia Gann Dohrmann

3. State and Federal Legislation

3a. **2026 Legislative Scorecard** 26-2089

Comparison of MTC's and ABAG's Joint 2026 Advocacy Program with legislative outcomes in the 2026 state and federal legislative sessions.

Action: Information

Presenter(s): Georgia Gann Dohrmann

The following members of the public were called to speak: Anthony Carroll, North Coast State Carpenters; and Adina Levin, Seamless Bay Area..

4. Public Comment / Other Business

Members of the public participating by Zoom wishing to speak should use the "raise hand" feature or dial *9. When called upon, unmute yourself or dial *6.

Roland Lebrun was called to speak.

5. Adjournment / Next Meetings:

The next meeting of the Joint MTC ABAG Legislation Committee will be held on Friday, November 13, 2026 at 9:45 a.m. at the Bay Area Metro Center, 375 Beale Street, San Francisco, CA, and other remote locations. Any changes to the schedule will be duly noticed to the public.

Chair Carlson adjourned the meeting at 11:46 a.m.

Metropolitan Transportation Commission and Association of Bay Area Governments

Joint MTC ABAG Legislation Committee

November 13, 2026 **Agenda Item 2b-26-2102**

Washington D.C. Legislative Update

Subject:

October 2026 Report from Washington, D.C. advocate.

Issues:

None identified.

Recommendations:

Information

Attachments:

- Attachment A: Summit Strategies Team Report – October 2026

Andrew B. Fremier

SUMMIT STRATEGIES

440 1st Street, NW, Suite 440
Washington, DC 20001
(202) 638-3307 main
www.summitstrategies.us

Summit Strategies Team Report – October 2026

From: Summit Strategies Team

To: Andrew B. Fremier, Executive Director

Date: November 5, 2026

Subject: October 2026 Federal Policy Monthly Report

- **What the Election Results Mean for Public Transportation**
- **Congress Recesses Until After Midterm Elections**
- **Bill Introduced to Improve Transit Operations**
- **FTA Proposes Updated CIG Guidance**
- **Supporting MTC Priorities in Congress**
- **National Transportation News Roundup**

Below is a status update on issues of interest to MTC and the actions that we have taken to date.

What the Election Results Mean for Transportation

Democrats achieved decisive victories in both the House and Senate, exceeding even their most optimistic expectations heading into Election Day. While vote counting and final certification will continue in the coming days and weeks, Democrats have secured at least 54 seats in the Senate and 242 seats in the House. Democrat's larger than expected victory has upended predictions for the lame duck session and the beginning of the 120th Congress. The results give Democrats control of both chambers for the 120th Congress and fundamentally change the political dynamics surrounding the remaining legislative business of 2026 and the next Congress.

Democrats will enter year-end negotiations with increased leverage on several major legislative priorities, including Fiscal Year (FY) 2027 appropriations, the National Defense Authorization Act, and permitting reform. At the same time, the election results will bring significant changes to congressional committee leadership and oversight priorities. For transportation and infrastructure stakeholders, the most immediate challenge remains the approaching December 11 deadline for extending federal surface transportation authorities.

House of Representatives

Representative Rick Larsen (D-WA) is expected to become chairman of the House Transportation and Infrastructure Committee. He officially launched his bid for the position on the Wednesday after the midterm election. In a letter to his fellow Democrats, Larsen outlined several priorities, including advancing surface transportation reauthorization, reauthorizing the Federal Aviation Administration, improving rail safety, conducting oversight on the Trump Administration's politicization and cancellation of grants, and strengthening transportation safety and resiliency.

Before the committee can turn to these longer-term priorities, however, Congress must address the December 11 expiration of the current surface transportation extension. While lawmakers continue to push for a full five-year reauthorization, another partial extension will be needed. Transit advocates will continue pushing for the inclusion of Division J advance appropriations in any extension. Their inclusion is particularly important because the current continuing resolution

did not provide additional advance appropriations for transit programs, creating an additional funding challenge for transit agencies beginning in FY 2027.

Significant changes are expected on the Highways and Transit Subcommittee next year. Current Chair David Rouzer (R-NC) is poised to become the committee's top Republican following Chairman Sam Graves's (R-MO) retirement, provided Rouzer retains his seat in the House. His reelection remains subject to the outcome of a surprising closely contested race. Congresswoman Eleanor Holmes Norton (D-DC), the subcommittee's top Democrat, has also announced her retirement. Leadership of the subcommittee in the next Congress remains uncertain, although Representatives John Garamendi (D-CA) and Rick Crawford (R-AR) are among the senior members whose positions could factor into the selection process.

Democrats are also beginning to consider how their new House majority will affect the FY 2027 appropriations process. House Appropriations Committee Ranking Member Rosa DeLauro (D-CT), who is expected to become chairwoman, has indicated that Democrats will seek a greater share of congressionally directed spending, commonly known as earmarks. Some Democrats are also advocating for another short-term CR, which would give the new majority greater influence over the development of FY 2027 spending bills when the 120th Congress convenes. It remains unclear whether another funding extension would include a continued delay in implementing the Office of Management and Budget's proposed changes to the Uniform Guidance. However, Democrats are expected to make this an issue as they seek to revisit federal grant administration and oversight policies.

Senate

In the Senate, Senator Jeff Merkley (D-OR) is positioned to lead the Environment and Public Works Committee, which has jurisdiction over roads, bridges and environment. Senator Maria Cantwell (D-WA) is expected to chair the Commerce, Science, and Transportation Committee, which has jurisdiction over rail, safety and ports. It is unclear which Democrat will become chair of the Senate Banking Committee, which oversees public transportation and housing. Senator Elizabeth Warren (D-MA), currently the committee's top Democrat, has the seniority and committee experience to be a leading contender for the chairmanship. Former Senator Sherrod

Brown (D-OH), who won his election this week, previously chaired the committee and could seek a return. However, the Democratic caucus will ultimately determine committee assignments and leadership decisions. Senator Tim Scott (R-SC) is likely to remain as the top Republican on the committee in the 120th Congress. Senator Ron Wyden (D-OR) is expected to lead the Senate Finance Committee, which has jurisdiction over tax provisions affecting transportation and infrastructure investment.

Regardless of who assumes these leadership positions, the Senate will quickly be faced with the surface transportation reauthorization. Unlike the House, the Senate has not yet released legislative text for a comprehensive reauthorization bill. With the December 11 deadline approaching, another short-term extension into 2027 is expected to be necessary while the new Congress develops its reauthorization proposal.

Congress Recesses Until After Midterm Elections

Congress is out of session until after the 2026 midterm elections. Before leaving DC to hit the campaign trail, lawmakers did not make progress on the biggest transportation issues remaining in the 119th Congress—surface transportation reauthorization and Fiscal Year (FY) 2027 appropriations. Lawmakers will return to the Capitol on November 9, leaving only five legislative weeks remaining to extend federal funding and pass other important bills. The results of the midterm elections will have a major impact on what will receive floor time.

One priority in the Senate will be the Bipartisan American Affordability and Jobs Act (BAAJA) of 2026, a bipartisan permitting reform agreement negotiated by Senators Shelley Moore Capito (R-WV), Sheldon Whitehouse (D-RI), Mike Lee (R-UT), and Martin Heinrich (D-NM). The legislation was introduced on September 30, immediately before the Senate recessed for the midterm elections.

The bill would make broad changes to the federal environmental review and permitting process for energy and infrastructure projects, with the stated goal of making project approvals faster, more predictable, and more durable while retaining environmental safeguards. Among other provisions, it would amend the National Environmental Policy Act (NEPA), establish additional

deadlines for federal agency reviews and decisions, streamline interagency permitting, and create greater certainty for projects after federal permits are issued.

The legislation also would significantly change judicial review of federal permitting decisions. For NEPA challenges, the bill would establish a 150-day statute of limitations, compared with the current six-year default under the Administrative Procedure Act. It would also establish a 150-day limitation for certain Clean Water Act §404 challenges and place additional limits on when courts could vacate permits.

The Senate is expected to hold a cloture vote on the motion to proceed on November 9, 2026, following the November 3 elections. The bill remains subject to potential amendments as it moves through the Senate.

Bill Introduced to Improve Transit Operations

On Thursday, October 1, Representative Mark DeSaulnier (D-CA) introduced the *Better Transit for Riders Act.* The bill mandates that the Federal Transit Administration (FTA) form a task force within two years of enactment to develop benchmarks for urbanized areas, focusing on best practices on the allocation and use of transit funds, best practices regarding the composition of transit agency funding sources, and transit coordination metrics. The group must consider rider experience, safety, land use integration, and environmental impacts when developing its recommendations. An initial report on the task force's findings must be submitted within two years of the bill's enactment.

FTA Proposes Updated CIG Guidance

On October 1, the Federal Transit Administration (FTA) published proposed revisions to its Capital Investment Grant (CIG) Policy Guidance, opening a public comment period that runs through November 16, 2026. The proposal would update the most recent CIG Policy Guidance, issued in November 2025, and make significant changes to how New Starts, Small Starts, and Core Capacity projects move through the CIG pipeline.

The proposed policy guidance makes sweeping changes to the CIG program, including:

- Earlier NEPA: Project sponsors would be expected to initiate the environmental review process under NEPA before requesting entry into Project Development.
- 30-day completeness requirement: Sponsors would have 30 days after submitting an initial request to provide all necessary information. Requests remaining incomplete after 30 days would no longer be considered.
- 50 percent non-CIG commitment: For New Starts and Core Capacity projects, sponsors would need commitments for at least 50 percent of non-CIG funding before requesting entry into Engineering.
- First-year Project Development milestones: Within one year of entering Project Development, sponsors would need to:
    - establish an updated project cost, scope, and schedule;
    - complete at least 15 percent overall design; and
    - identify the third-party agreements necessary to complete the project.
- Early documentation: Within three months of entering the development phase, project sponsors would have to submit NEPA and ridership documentation to FTA.
- Formal CIG cost-share methodology: FTA proposes a formal methodology for determining the CIG percentage cost share. The new methodology would prioritize cost-effectiveness and ridership. The proposal also includes additional considerations related to birth and marriage rates in the transit corridor that could increase the federal share by as much as 10 percent.
- Uniform cost-effectiveness approach: New Starts, Small Starts, and Core Capacity projects would use the same cost-effectiveness measure currently used for New Starts, with uniform cost-effectiveness breakpoints.
- Annual updates for projects in Engineering: Project sponsors would be required to submit annual updates to FTA covering the project's scope, schedule, total project cost, non-CIG

funding commitments, and third-party agreements. Projects that fail to demonstrate sufficient progress could be removed from the pipeline.

- Expanded pre-award authority: FTA proposes new provisions identifying activities eligible for automatic pre-award authority and, under specified circumstances, expanding full pre-award authority. The proposal would also permit certain non-CIG federal funds to be used for pre-award-authority work.
- Early Systems Work Agreements: FTA would clarify when project sponsors can request an Early Systems Work Agreement (ESWA).
- Land use/economic development criteria: The proposal would reduce the weighting of the affordable-housing subfactor under economic development to 20 percent and eliminate the "access to essential services" subfactor under the land-use criterion for New Starts and Small Starts.
- Project Justification warrants: FTA proposes to expand warrant eligibility to all three CIG project types when specified ridership and cost thresholds are met. The revised guidance would also increase the weight given to cost-effectiveness to 25 percent and reduce environmental benefits to 5 percent.
- Local financial commitment: FTA would place greater emphasis on the reasonableness of capital and operating cost estimates when evaluating local financial commitments.

According to the Federal Register notice, the final CIG Policy Guidance, when published on FTA's website, would become effective immediately. FTA is not proposing to grandfather projects currently in the CIG pipeline, meaning projects already in development could be subject to the new guidance if it is finalized as proposed.

There remains the possibility of legislative action to require grandfathering of projects already in the pipeline or to block or modify aspects of the proposed changes. The House version of the FY2027 THUD Committee report includes language urging FTA to consider the potential for further CIG guidance changes to cause project delays and cost increases and to ensure that projects already in the pipeline with a rating are not subjected to a new rating if they are making

measurable progress toward an FFGA or SSGA. However, the language would not require FTA to grandfather projects currently in the pipeline.

The Senate's FY2027 THUD bill has not yet been released, so it remains uncertain whether comparable language will appear in the Senate bill or ultimately be included in final FY2027 appropriations legislation.

Comments are due November 16, 2026, through DOT docket FTA-2026-0331. FTA has made clear that the October 1 proposal is not currently effective; the agency must review and respond to comments before issuing final guidance.

Supporting MTC Priorities in Congress

Your DC Team has been hard at work and has communicated with several congressional offices and industry stakeholders over the last month. This list includes:

- The Office of Representative Lateefah Simon (D-CA), including Sydney Dahiyat (Legislative Assistant)
- The Office of Representative John Garamendi (D-CA), including Elisabeth Raczek (Legislative Assistant)
- The Office of Representative Jared Huffman (D-CA), including Mel Andrade (Legislative Assistant)
- The House Transportation and Infrastructure Committee Highways and Transit Subcommittee, including Jackie Schmitz (Staff Director)
- The Office of Senator Adam Schiff (D-CA), including Colleen Oinuma (State Deputy Director)
- The Office of Senator Alex Padilla (D-CA), including Nora Simon (Policy Adviser)
- The Senate Appropriations Committee Transportation, Housing and Urban Development and Related Agencies, including Mike Clarke (Clerk—Republican), Chris Devine (Professional Staff Member—Republican), Christina Monroe (Clerk—Democratic), and Kelsey Daniels (Professional Staff Member—Democratic)

- The American Association of State Highways and Transportation Officials, including Susan Howard (Director of Policy and Government Relations)

National Transportation News Roundup (links to articles)

- Trump administration unveils plan to tie high birth and marriage rates to transit funding (Politico)
- MIT Transit Lab to develop AI hub for public transportation agencies (Mass Transit)
- Subway Gates Deterred Fare Evasion, M.T.A. Says. More Will Be Installed (The New York Times)
- Transit on the ballot in these 11 states (Smart Cities Dive)

Metropolitan Transportation Commission and Association of Bay Area Governments
Joint MTC ABAG Legislation Committee

November 13, 2026 **Agenda Item 3a-26-2100**

November 2026 Election Update

Subject:

Election update covering key statewide, regional and local ballot measures relevant to MTC-ABAG, as well as an update on state and federal legislative races for the San Francisco Bay Area delegation.

Overview:

The November 3, 2026, general election includes a number of races and ballot measures of interest to MTC-ABAG. These include elections for the Bay Area's congressional and state legislative delegations, as well as statewide, regional and local ballot measures related to transportation, housing, infrastructure and other regional priorities. Among the measures staff are tracking are:

- **Bay Area Regional Transit Measure:** The five-county sales tax measure to support public transit in Alameda, Contra Costa, San Francisco, San Mateo and Santa Clara counties. As of Monday, November 9, the measure was passing by 63%. Details by county are available on the Public Transit Revenue Measure District webpage at this link (https://mtc.ca.gov/about-mtc/authorities/public-transit-revenue-measure-district).
- **Statewide Ballot Measures:** Proposition 1, the $11.25 billion Veterans and Affordable Housing Bond, and Proposition 43, which would increase the voter approval threshold for local special taxes proposed through citizen initiatives, have both been called. Proposition 1 passed, with 61% of voters in support as of November 9, and Proposition 43 failed, with 57% of voters in opposition as of that same date. Vote counting is ongoing, so these percentages may change.
- **Local Ballot Measures:** A range of measures addressing transit operations, affordable housing, renter protections, transportation infrastructure and climate resilience, including measures in Alameda, Berkeley, San Francisco and San Mateo

County. Staff will provide an update on local measure outcomes at your committee meeting.

Fourteen Bay Area congressional seats were on the ballot this November. Of those 11 were incumbents who won their bids for re-election, including Representative Aisha Wahab, who won her first full term as representative for California's 14th Congressional District in Alameda County. California Senator Mike McGuire flipped California's newly redrawn 1st Congressional District, which includes portions of Sonoma County, defeating Republican incumbent James Gallagher. California Senator Scott Wiener represents California's 11th Congressional District in San Francisco, succeeding Speaker Emerita Nancy Pelosi. In California's redrawn 4th Congressional District, which includes Napa County, Eric Jones leads incumbent Congressman Mike Thompson. The race has not yet been called, with an estimated 58% of the votes counted as of the November 9 writing of this memo.

At the state level, Assemblymember Damon Connolly will replace Mike McGuire as the representative for the 2nd Senate District. Union City Councilmember Scott Sakakihara will newly represent Senate District 10 in Alameda and Santa Clara counties, formerly held by State Senator and current Congresswoman Aisha Wahab. Additionally, all 17 incumbent Bay Area Assemblymembers running for reelection won their races. In the region's only open Assembly seat, Rohnert City Councilmember Jackie Elward was elected to succeed Damon Connolly.

Recommendation:

Information

Issues:

None identified.

Attachments:

- None

Andrew B. Fremier

Metropolitan Transportation Commission and Association of Bay Area Governments

Joint MTC ABAG Legislation Committee

November 13, 2026 **Agenda Item 4a-26-2103**

Potential 2027 Bay Area Housing Finance Authority (BAHFA) Legislation

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Subject:

Update on Regional Housing Stakeholder Committee work to date, including discussions related to possible 2027 BAHFA legislation related to a potential future regional housing measure.

Overview:

In March 2026, following completion of BAHFA's new strategic plan, the BAHFA Oversight, ABAG Housing, and BAHFA Advisory Committees (collectively "BAHFA Policy Committees") affirmed a three-phase approach to continue exploration of a potential regional housing revenue measure as early as 2028. Phase 1 focuses on stakeholder engagement to develop a policy framework that may inform amendments to BAHFA's enabling legislation; Phase 2 would consider legislative changes necessary to implement the policy framework; and Phase 3 would involve potential development of a regional revenue measure guided by any statutory revisions.

To support Phase 1, BAHFA and ABAG established a hybrid engagement structure that combines policymaker oversight with broad stakeholder participation. Under this approach, the Regional Housing Stakeholder Committee (RHSC), a multi-sector body convened by external partners and stakeholder leaders, is tasked with developing recommendations and identifying areas of consensus on key policy issues. The BAHFA Policy Committees provide guidance through agency-approved Guiding Principles, ongoing feedback, and public discussion, while retaining responsibility for any future legislative advocacy position and policy decisions at the regional level.

The RHSC and the BAHFA Policy Committees have been discussing four primary issue areas: (1) Revenue Mechanisms, (2) Eligible Uses, (3) Labor Standards, and (4) Revenue Distribution. The RHSC Co-Chairs have joined BAFHA staff in presenting several updates to BAHFA Policy Committees to facilitate alignment. The anticipated outcome of Phase 1 is a Policy Framework documenting proposed statutory amendments, associated analysis, and levels of stakeholder support.

Background on BAHFA

BAHFA is the first regional housing finance authority in California. It was created in 2019 when the California Legislature passed AB 1487 (Chiu) with the goal of creating regional solutions to address the Bay Area's affordable housing needs. It codified the "3Ps" framework and granted BAHFA regional revenue-generating authority subject to voter approval to enable it to work collaboratively with all Bay Area jurisdictions and produce more housing; preserve affordable housing; and protect vulnerable residents from displacement.

The specific components of AB 1487 are complex and define rules and responsibilities for BAHFA's regional activities as well as those of counties and cities that receive their own allocations from a potential future revenue measure. The legislation includes:

- Governance, roles, and responsibilities for the BAHFA Board, the ABAG Executive Board (as the Executive Board to BAHFA), as well as county and city governing bodies that would receive direct allocations from a potential future revenue measure.
- The composition and duties of the BAHFA Advisory Committee.
- Detailed descriptions of the five primary revenue mechanisms available to BAHFA and how each source must be allocated.
- Rules for BAHFA and cities/counties pertaining to expenditure of funds raised via a revenue measure for each 3Ps category (e.g., minimum investment levels of 52% for production, 15% for preservation, and 5% for protections).
- Rules pertaining to BAHFA's and cities/counties' "flexible" funds raised via a revenue measure and expenditure categories not included in one of the 3Ps.
- Reporting and accountability requirements for BAHFA and counties.

The San Francisco Bay Area Regional Housing Finance Act has been amended twice by AB 1319 (Wicks, 2023) and AB 598 (Wicks, 2024). Updates include:

- Clarifying that BAHFA can serve as an issuer of revenue bonds and own real property.
- With regard to a potential revenue measure advanced pursuant to BAHFA's statutory authority:

- Adding a requirement that counties must consult with their respective cities when developing their local expenditure plans.
- Clarifying that BAHFA must accept county expenditure plans as complete if they satisfy the statutory checklist.
- Clarifying that BAHFA cannot deem local projects ineligible for regional funding based on local land-use or housing policies, though BAHFA may use project-specific prioritization criteria.
- Clarifying that BAHFA may enter implementation agreements with counties/cities receiving allocations.

Staff and one or more of the RHSC Co-Chairs will present to the Joint Legislation Committee about emerging consensus on the four primary issue areas and will return to this Joint Committee in December with an overview of their recommendations regarding potentially sponsoring a bill in 2027 to update BAHFA's enabling legislation.

Recommendation:

Information

Attachments:

- Attachment A: Presentation

Andrew B. Fremier

BAHFA Enabling Legislation & Potential Future Revenue Measure

Draft Policy Framework
From Regional Housing Stakeholder Committee

November 13, 2026, MTC-ABAG Joint Legislation Committee



Housing, opportunity, and thriving communities are within reach if we act together to bring resources home to the Bay Area.

The Bay Area's housing crisis is too big for any one city, county, or organization to solve alone.

We need a regional solution that matches the scale of the challenge — one that aligns policy, billions in funding, and political will across jurisdictions.

Regional Housing Stakeholder Committee Co-Chairs & Coordinating Committee



Maria Noel Fernandez
Executive Director

WORKING PARTNERSHIPS USA



Jennifer Martinez
Vice President, Policy & Innovation Division

SFF San Francisco Foundation



Ann Silverberg
President & CEO, Affordable

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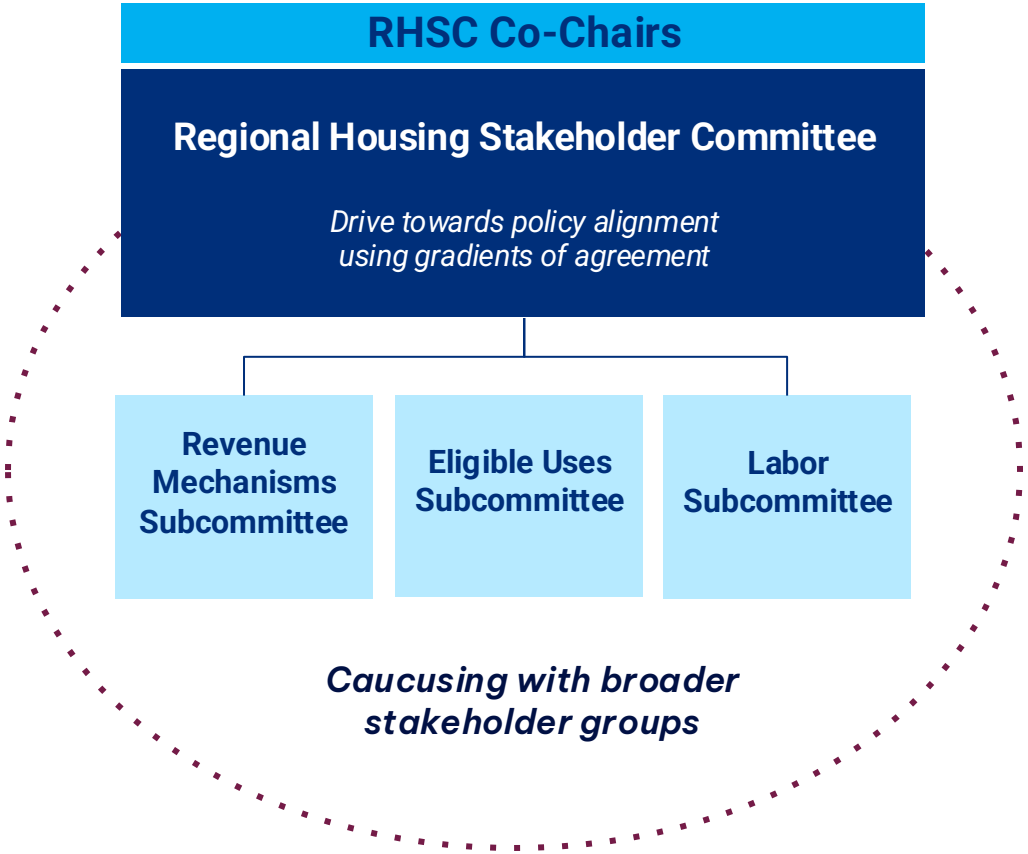
Regional Housing Stakeholder Committee Structure

Coordinating Committee

RHSC Co-Chairs
Related California Affordable
Working Partnerships USA
San Francisco Foundation

BAHFA
All Home
Enterprise

Consultant Support



RHSC COMMITTEE MEMBERS

CO-CHAIR
Ann Silverberg
Related California Affordable | President and CEO

CO-CHAIR
Jennifer Martinez
San Francisco Foundation | Vice President, Policy and Innovation

CO-CHAIR
Maria Noel Fernandez
Working Partnerships USA | Executive Director

Amie Fishman
Non-Profit Housing Association of Northern CA | Executive Director

Andreas Cluver
Building & Construction Trades Council of Alameda | Secretary-Treasurer

Ashley Banta
Opportunity House | Executive Director

Lina Blanco
North Bay Organizing Project | Tenant Organizer

Chris Iglesias
Unity Council | CEO

Dan Adams
SF Mayor's Office of Housing and Community Development | Director

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Jean Cohen
South Bay Labor Council | Executive Officer

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Marin County Community Development Agency | Deputy Director

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Bay Area Council | President and CEO

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San Mateo County's Department of Housing | Director

Rebecca Foster
SF Housing Accelerator Fund | CEO

Regina Celestin Williams
SV@Home | Executive Director

Kyle Smeallie
SF Community Land Trust (SFCLT) | Policy Director

Scott Littlehale
North Coast States Carpenters Union | Executive Research Analyst

Sean Elsbernd
SPUR | CEO

Tiffany Bohee
Mercy Housing California | President

Zach Goldman
SEIU 1021 | Policy and Legislative Director

WHAT'S NEXT

Timeline

Phase 1 - Stakeholder Engagement

Mar - Nov 2026

Create a broad table to discuss outstanding policy issues to inform proposed legislative changes

Outcome: policy framework for statutory amendments

Phase 2 - State Legislation

Nov 2026 – Sep 2027

Implement policy framework through proposed amendments to BAHFA's enabling legislation and any additional legislation. Joint advocacy between BAHFA and coalition that could emerge from stakeholder process

Outcome: pass state legislation

Phase 3 - Revenue Measure

Jan 2027 - Nov 2028

Policy development of a regional measure (simultaneous with phase 2), guided by revised statute and potential for amended statute to permit placement via qualified voter initiative if a measure proceeds

Outcome: ballot measure

Engaged 250+ organizations across sectors & 9 Bay Area counties

All Hands Convenings

- San Francisco, San Jose, East Bay, North Bay

Meetings

- 11 RHSC Meetings
- 7 Eligible Use Subcommittee Meetings
- 6 Revenue Subcommittee Meetings
- 4 Labor Subcommittee Meetings
- 100+ Coordinating Committee meetings

Outreach & Analysis

- Research
- Surveys
- Written Assignments
- 1:1 Discussions
- Presentations to BAHFA/MTC/ABAG
- NPH Housing Conference Panel

Elected Official Engagement

Multiprong engagement efforts, including:

- **3 meetings with BAHFA Oversight and ABAG Housing Committees (+ BAHFA Advisory Committee)**
- **11 countywide and subregional presentations for local elected officials**
- **Webinar for local elected officials**
- **Survey for local elected officials**
- **Webinar and convening for local housing staff**

Over 350 touchpoints with local elected officials and their staff.

Key Policy Topics:

1. Revenue Mechanisms
2. Eligible Uses of Funds
3. Labor Standards
4. Revenue Distribution

+ Explicit authority for citizen initiative for regional housing measure

Policy Issue #1: Revenue Mechanisms

Revenue Mechanism	Anticipated RHSC Recommendation
Differentiated Parcel Tax	**Consensus to expand flexibility by enabling differentiated rates and ability to craft exemptions**
Sales Tax	***Not recommended***
Payroll Tax	***Not recommended***
Real Estate Transfer Tax	***Not recommended***
Non-ballot revenue options	***Research ongoing***

Policy Issue #2: Eligible Uses

RHSC Consensus Reached:
Add operating subsidies as an eligible use of production and preservation funds for extremely low-income (ELI) and very low-income (VLI) housing.
Add homeownership as an eligible use of regional production funds.
Increase total minimum funds for homelessness prevention and tenant protections to 10%: preserve pre-existing 5% for all uses, and add an additional minimum of 5% specifically for homelessness prevention
Enhance authority to develop innovative financing approaches to enable mixed-income, middle-income, and social housing for regional and local funds.
Add community engagement requirements for local expenditure plans.

Still Under Discussion by RHSC:
Establish good cause for eviction requirements for housing funded through regional measure.
Establish minimum spending targets for ELI housing, including production, preservation, and operating subsidies.

Policy Issue #3: Labor Standards

- The Labor Subcommittee has met 4 times since the start of the RHSC.
- Members are caucusing with their constituencies to explore how the Policy Framework could address labor standards.
- Members are developing proposals and will exchange positions to work towards compromise and alignment.

Policy Issue #4: Revenue Distribution

BAHFA's statute already allows:

- **Flexibility to determine precise amount of "return to source" funding when ballot measure is under development**
- **Local control over expenditure planning for return to source funds**
- **BAHFA can provide technical assistance to facilitate strong county-city collaboration early in process**

Feedback from local governments and stakeholders can be accommodated without amending the statute.

Summary of Proposed Changes

Area of Focus	Proposed Change
Citizen Initiative	Explicit authority for citizen initiative for a regional housing revenue measure
Revenue Mechanisms	Authority to consider a differentiated parcel tax, with ability to craft exemptions
Eligible Uses	Add operating subsidies as an eligible use of production and preservation funds Add homeownership as an eligible use of regional production funds Increase minimum funds for homelessness prevention and tenant protections to 10% Enhance authority to develop innovating financing approaches for BAHFA and local funding recipients. Add community engagement requirement for local expenditure planning ***Pending** - Establish minimum spending targets for extremely low-income housing* ***Pending** - Establish good cause for eviction requirements*

Summary of Proposed Changes

Area of Focus	Proposed Change
Labor Standards	Under negotiations.
Revenue Distribution	Propose to incorporate feedback from local governments and stakeholders in Phases 2 and 3.

Next Steps

A successful regional measure could result in

$1 billion/year* going to the following uses**:

Up to $200 million per year administered by BAHFA (with at least $26 million/yr in flexible funding, up to $20 million/yr in flexible grants to local govs).

At least $800 million per year administered by Counties and Cities that receive a direct allocation (with at least $120 million/yr in flexible funding).

- **At least $520 million**/yr (52%) for the production of affordable housing in the region (with dedicated funding for extremely low-income households).
- **At least $150 million**/yr (15%) for the preservation of existing housing (with dedicated funding for extremely low-income households).
- **At least $100 million**/yr (10%) for homelessness prevention and tenant protections.

** For illustrative purposes only; no decision has been made on the scale of a potential revenue measure*
*** Funding estimates for each category assume that RHSC recommendations are implemented*

The Work Ahead: Phase 2

November 2026 election outcomes will significantly influence the specific strategies that the RHSC pursues. Regardless of the election outcomes, we will pursue additional housing revenues for the Bay Area.

Potential Ballot Measure in 2028

Would require amendments to BAHFA's statute via state legislation; design a regional ballot measure for as early as the 2028 election.

Non-Ballot Revenue Options

Would likely require state action, as well as local and regional stakeholder engagement, to advance non-ballot revenue options for affordable housing for the Bay Area.

Immediate Next Steps - Now through December 2026

Make final recommendation for policy changes for consideration by MTC-ABAG in the 2027 Joint Advocacy Program (slated for adoption in December) to include the following:

- **Insights gleaned from 2026 election results** including Prop 1, Regional Transit Measure, Prop 43, and local revenue measures.
- **Results from final deliberations** at the Regional Housing Stakeholder Committee meeting on 11/16.

Metropolitan Transportation Commission and Association of Bay Area Governments
Joint MTC ABAG Legislation Committee

November 13, 2026 **Agenda Item 4b-26-2101**

Draft 2027 MTC and ABAG Legislative Advocacy Program

Subject:

Draft 2027 Joint Advocacy Program for MTC and ABAG, outlining the agencies' state and federal legislative priorities.

Background:

Each year, MTC and ABAG adopt a joint advocacy program that guides the agencies' state and federal advocacy efforts. Throughout the fall, staff seek input on draft advocacy priorities from key local external partners, including MTC-ABAG's Community Advisory Council, MTC's Partnership Legislative Committee (a forum for local transportation agency staff and interested stakeholders to share information) and housing advocacy groups. Staff also coordinate with other metropolitan planning organizations across the state as well as statewide and national partners to help inform the advocacy program.

Staff presented the draft 2027 advocacy program to the Community Advisory Council on November 6, where members expressed broad support for the proposed direction. Members were particularly interested in securing long-term state transportation funding, including replacing declining gas tax revenues and identifying transit operating funding solutions beyond the 14-year regional transit measure. They also expressed strong interest in expanding housing resources and pursuing an ambitious federal agenda, particularly in light of the November election results.

We anticipate returning to the Legislation Committee with a proposed final advocacy program in December, followed by Commission and ABAG Executive Board adoption in December and January, respectively.

Proposed 2027 Legislative Priorities:

As MTC and ABAG develop their priorities for 2027, it is useful to reflect on Senate Bill (SB) 1087 (Cabaldon), one of the most significant accomplishments of the past session. Specifically, MTC-ABAG co-sponsored SB 1087 to modernize and streamline the regional planning process and free up staff capacity to focus more on *implementation* of the plan. While its enactment was a big win for the Bay Area and other metropolitan areas, the legislation did not address one of the largest obstacles to implementation, namely the need for increased flexible funding to deliver

the full breadth of the projects and programs included in sustainable communities strategies (Plan Bay Area 2050+ (PBA 2050+) in our region). Specifically, significantly more resources are needed for planning, technical assistance, and project/program delivery to achieve the plan's goals across affordable housing, transportation, and the environment, including climate adaptation/resilience.

PBA 2050+ provides the policy foundation for MTC-ABAG's advocacy program, which is intended to support implementation of PBA 2050+'s ambitious goals and strategies. For 2027, the draft advocacy program identifies funding and policy objectives and associated goals across a range of topics, including transportation and housing, housing supportive policies, project delivery, transportation system effectiveness, and climate, resilience and the environment. There is also a stand-alone PBA 2050+ implementation section to address funding and policy needs associated with the plan that are not otherwise covered in the above-mentioned topics. The draft 2027 Advocacy Program is provided in Attachment A.

With respect to transit funding, the draft advocacy program includes the goal of securing additional state funding, with a focus on ensuring the Legislature honor its prior-year state funding commitments to transit via SB 125 (a budget trailer bill enacted in 2023 that includes funding for the region which MTC programmed for Bay Area transit capital priorities BART Core Capacity and BART to Silicon Valley Phase 2) and securing additional Cap-and-Invest resources for other transportation programs, similar to this past year and consistent with PBA 2050+. At the federal level, the focus will be on sustaining the Bay Area's approximately $1 billion per year in highway and transit formula funds.

Regarding housing, consistent with the implementation plan for PBA 2050+, we anticipate MTC-ABAG will sponsor legislation to update the Bay Area Housing Finance Authority's (BAHFA) authorizing statute to lay the groundwork for a potential future regional housing measure. The specifics of the proposed legislation will depend on the recommendations from the Regional Housing Stakeholder Committee, which aims to finalize its work in mid-November.

Other likely priorities include:

- **Regional Housing Needs Allocation (RHNA):** Identify funding to support the region and cities and counties with RHNA Cycle 7 work, potentially as part of broader funding

opportunities to support SCS implementation. Further, explore larger opportunities to better align RHNA and SCS timelines, support Bay Area jurisdictions with their housing element updates, and facilitate timely state review of housing elements.

- **Regional Programs and Services:** Support funding and policies necessary to sustain and strengthen MTC-ABAG programs and services, including sustaining dedicated funding for the Bay Area Regional Energy Network (BayREN).
- **ADAPT Assets Act:** Seek reintroduction of federal legislation to establish a national resilience demonstration program that supports delivery of large-scale infrastructure projects and improves coordination across agencies and jurisdictions.

In addition, staff anticipate undertaking foundational education and stage-setting to lay the groundwork for increased long-term state transportation funding at a scale that meaningfully advances implementation of Plan Bay Area 2050+ and successor plans. Staff anticipate this will be a multi-year effort led by a broad coalition of statewide stakeholders.

Attachments:

- Attachment A: Draft 2027 MTC ABAG Legislative Advocacy Program



Andrew B. Fremier

DRAFT 2027 MTC ABAG ADVOCACY PROGRAM

State Advocacy Objectives and Goals

1. **Transportation Funding:** Advocate for resources to support the implementation of Plan Bay Area 2050+, including sustaining and, where possible, increasing funding to operate and maintain the transportation network, improve the transit rider experience, support transit modernization and expansion, improve multimodal transportation options and enhance the resilience of our transportation network.

Transportation Funding Items	Goals
A. Sustain Bay Area Transit Funding	Seek resources to sustain Bay Area transit operating and capital programs. Support protecting prior-year state commitments to transit through the SB 125 funding package ($460 million in remaining Greenhouse Gas Reduction Fund allocations statewide are owed through FY 2027-28) and advocating that the Legislature fulfill the statutory dollar amounts for transportation and housing programs prescribed in the in the Cap-and-Invest expenditure plan, including the Low Carbon and Transit Operations Program and Transit and Intercity Rail Capital Program.
B. Increase Bay Area Transportation Funding	Support near-term opportunities to increase funding for Bay Area transportation projects and programs. Work with statewide partners to lay the groundwork for increased long-term state investment in multimodal transportation needs at a scale that meaningfully advances the needs and priorities identified in Plan Bay Area 2050+ and successor plans.

2. **Housing Funding and Policies:** Support the ambitious housing goals of Plan Bay Area 2050+ by advocating for policies and funding that support increased housing production, preservation and protection ("3Ps") for people of all incomes.

Housing Funding and Policies Items	**Goals**
A. Bay Area Housing Finance Authority (BAHFA)	Based on recommendations from the Regional Housing Stakeholder Committee and subject to feedback from the Joint MTC ABAG Legislation Committee, sponsor legislation to update BAHFA's statute to lay the groundwork for a potential future regional housing measure.
B. Regional Housing Needs Assessment (RHNA)	Support funding for regions and local governments to prepare for and implement RHNA Cycle 7, which is currently an unfunded state mandate. Explore opportunities to adjust RHNA timelines to better align with SCS deadlines, provide more time for local jurisdictions to update housing elements and help the Department of Housing and Community Development manage its statewide housing element review workload. Monitor other proposals related to statutory updates that would impact future RHNA cycles, advocating for policy that is implementable both regionally and locally.
C. Advance Affordable Housing Production, Preservation and Protection (the "3Ps")	Support policies and funding aimed at increasing housing production, preserving existing affordable housing, improving housing affordability and protecting tenants and low-income communities from displacement.

3. **Transportation Project Delivery:** Monitor legislation related to transportation project delivery and support strategies to efficiently and effectively deliver transportation plans, programs and projects consistent with Plan Bay Area 2050+, including streamlining environmental review, where appropriate, and expanding flexibility in contracting and public private partnerships.

4. **Transportation System Effectiveness:** Advocate for policies that sustain and improve the effectiveness and service delivery of the Bay Area's transportation system.

Transportation System Effectiveness Items	**Goals**

A. MTC Programs and Services	Support funding and policies necessary to effectively fund, operate, sustain, and improve MTC-administered programs and services, including the Bay Area Toll Authority toll bridge operations, FasTrak®, Clipper®, Freeway Service Patrol, Lyft Bike, and Express Lanes.
B. Transit Rider Experience	Support proposals that advance a more user-friendly, connected Bay Area transit network in line with the 2021 Bay Area Transit Transformation Action Plan and Regional Network Management efforts to improve the transit rider experience.
C. Other System Effectiveness	Support policies and investments that improve the efficiency, reliability, connectivity and overall effectiveness of the Bay Area transportation system. Support approaches that improve mobility and system performance while balancing safety, environmental and equity outcomes, including strategies to responsibly deploy emerging transportation technologies.

5. **Climate, Resilience and Environment:** Support funding and policies necessary to effectively fund, operate, sustain, and improve BayREN and ABAG Power (ABAG's Energy and Infrastructure programs) and ABAG- and MTC-administered programs, including the San Francisco Estuary Partnership, San Francisco Bay Restoration Authority, San Francisco Bay Trail and the San Francisco Water Trail. Support efforts to improve the Bay Area's resilience to natural hazards and the impacts of climate change, including through increased state investment in climate adaptation and improving multi-benefit resilience project delivery.

6. **Plan Bay Area 2050+ Implementation:** Advocate for policies and funding tools that support MTC-ABAG and other regions in implementing state-mandated sustainable communities strategies (SCS).

Plan Bay Area 2050+ Implementation	Goals
A. SCS Implementation Funding	Partner with the California Association of Councils of Governments and regional partners to explore opportunities for flexible, formula-based funding to MTC and other metropolitan planning organizations to support SCS implementation.
B. Healthy and Safe Streets	Support policies and funding that advance the Bay Area Vision Zero Action Plan and Plan Bay Area 2050+ safety strategies, with a focus on reducing fatalities and serious injuries and improving safety for all roadway users.
C. Other Plan Bay Area 2050+ Implementation	Support policies that advance other Plan Bay Area 2050+ implementation priorities not otherwise addressed in the Advocacy Program, including, but not limited to, policies to address challenges with the California Air Resources Board's Innovative Clean Transit rule.

Federal Advocacy Objectives and Goals

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

Transportation & Housing Funding Items	Goals
A. Transportation Funding	Protect federal transportation funding available to California and the Bay Area, including formula funding and existing federal grant commitments. As opportunities arise, secure additional federal investment in Bay Area transportation infrastructure consistent with Plan Bay Area 2050+ and pursue new capital discretionary grants consistent with MTC's Major Project Advancement Policy.
B. Housing Funding	Support federal investment in affordable housing and homelessness prevention, including, but not limited to, retaining policies designed to maximize the use of the federal Low Income Housing Tax Credit program, continued funding of CDBG, HOME and housing vouchers and continued federal funding commitments towards permanent housing solutions. Support appropriations for federal grant programs available to regional housing entities, including BAHFA, to support regional housing planning and implementation.

C. BATA and Build America Bonds	Monitor developments related to Build America Bonds (BABs) subsidy payments to BATA and other bond issuers, and support opportunities to protect or restore full federal reimbursement to BATA and other issuers.

2. **Surface Transportation Reauthorization:** Advocate for a federal transportation reauthorization platform for the next multi-year federal surface transportation program consistent with the priorities below.

Surface Transportation Reauthorization Items	**Goals**
A. Sustain Bay Area Federal Transportation Funding	MTC's top federal advocacy priority is to keep Bay Area federal transportation dollars at least level by sustaining and, where possible, increasing Highway Trust Fund (HTF) support for the core highway and transit formula programs. This includes avoiding steep cuts for California and the Bay Area by sustaining bridge and transit state of good repair (SOGR) formula funding in the surface transportation authorization. The Federal Transit Administration (FTA) Capital Investment Grant (CIG) program also provides multiyear commitments that are essential for the Bay Area's priority transit system modernization and expansion projects.
B. Prioritize Highway and Transit Formulas	The 2021 infrastructure law — the Infrastructure Investment and Jobs Act — paired a federal surface transportation authorization with an economic stimulus package that, together, provided an unprecedented scale of federal transportation investment. As Congress considers a narrower reauthorization, it should prioritize formula funds, which provide states and regions the certainty they need to plan, deliver and maintain major projects. Discretionary programs remain important for funding nationally significant projects that are too large for formulas and for testing new ideas.
C. Capital Investment Grant (CIG) Program	Sustain federal investment in the CIG program, which is vital to completing the next generation of the Bay Area's top priority transit expansion projects, as identified in MTC's Major Project Advancement Policy.

D. Improve Project Delivery and Transportation System Effectiveness	Enhance flexibility in federal policy and funding implementation to remove barriers and accelerate projects getting to construction. Lead advocacy for the following policy updates: • Expand at-risk project pre-agreement authority • Authorize regions to adopt six-year (vs. four-year) Transportation Improvement Programs • Clarify Title 23 eligibility for regional advance mitigation
E. Establish a Resilience Demonstration Program	Break down barriers to protecting our nation's infrastructure from natural disasters by creating a new resilience demonstration program to fund a limited number of large-scale resilience projects that safeguard critical infrastructure, streamline interagency coordination, expedite project completion and provide a national blueprint for cost-effective disaster preparedness.

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.

Climate, Resilience and Environment Items	Goals
A. ADAPT Assets Act	Partner with Congressman Garamendi and Congressman Thompson to re-introduce the Accelerating Demonstration Approaches for Protecting Transportation (ADAPT) Assets Act, which would authorize $10 billion for the resilience demonstration program described in 2E.
B. San Francisco Estuary	Further, advocate for funding and policies that protect the San Francisco Estuary's wildlife and ecological resources, and support sea-level rise adaptation. Advocate for increased appropriations and policies that protect the San Francisco Estuary and support sea-level rise adaptation.

4. **Preserve Bay Area Transit Operator Access to Federal Transit Grants:** Support efforts spearheaded by the California Transit Association to monitor an ongoing risk that Bay Area federal transit grants may be withheld because of a 2021 U.S. Department of Labor interpretation that California's state pension law known as "PEPRA" may impede federally guaranteed transit union collective bargaining rights. If necessary, seek a legislative solution.

Metropolitan Transportation Commission and Association of Bay Area Governments
Joint MTC ABAG Legislation Committee

November 13, 2026 **Agenda Item 4c-26-2346**

Diridon Station Program Construction Authority

Subject:

Update on discussions about potential legislation to authorize a construction authority for the Diridon Station Program.

Overview:

State legislation is under development to establish a Diridon Station Program Construction Authority focused on funding advocacy for and delivery of a defined set of projects to modernize and enhance the Diridon Station, improve connections and rail safety to the surrounding neighborhoods, and promote economic development between the Station and Downtown San José. Projects within the Diridon Station Program include construction of an expanded station, grade separations, a bridge replacement, a bicycle/pedestrian undercrossing, road improvements and noise barriers. This memo seeks Committee feedback on several policy considerations.

Recommendation:

Information

Background:

The Diridon Station Program was developed through a series of studies and plans starting with the Diridon Station Area Plan (2014), the Downtown West Plan (2016), and Diridon Integrated Station Concept Plan (2020). The Program was further refined through the development of a preferred alternative during a Business Case process between 2023 and 2025. MTC has been a key partner of the Diridon Project for many years, as a member of the Diridon Joint Policy Advisory Board (JPAB) formed in 2010, as a funder for early station area plans and now through Regional Measure 3, and as a current member of the Diridon Station Steering Committee (Steering Committee) — formed in 2025 and comprised of voting representatives of the California High-Speed Rail Authority, Caltrain, the City of San José, Santa Clara Valley Transportation Authority and MTC (represented by San José Mayor and MTC Commissioner Mahan). In the last legislative session, MTC supported and advocated for SB 1375 (Cortese),

which provided a California Environmental Quality Act exemption appliable to the project to help expedite delivery.

Proposed Construction Authority Legislation:

Following the recommendations of a peer review panel, in February 2026, the Steering Committee endorsed pursuit of legislation in 2027 to establish a Diridon Station Program Construction Authority, including provisions for the authority's duties to include "funding advocacy" and for its scope to be solely focused on the Diridon Program (allowing consideration of other projects only if they cause no negative impact to the Diridon Program). A core argument for the single-purpose authority is that it would allow for the focus, attention, and accountability needed to deliver the Program without competing with other partner agency priorities.

Recent discussions and updates on the terms of the enabling legislation have continued among partner agencies at the staff and board levels, including at recent Steering Committee and Caltrain board meetings (see Attachment A for the November 5, 2026 presentation to the Caltrain Board). There are two core features of the proposed legislation that we want to highlight for the Committee's consideration:

- New single-purpose delivery entity for Diridon Station Program of Projects
- Including funding advocacy as a core responsibility of the new entity

Considerations:

Single-Purpose Agency Approach In May 2022, the Commission held a workshop focused on ways to improve project delivery and cost containment for megaprojects following decades of challenges in the Bay Area (and nationwide). The workshop highlighted the importance of strong institutional capacity, experienced staff, established delivery processes, and stable funding sources to avoid major cost escalation and schedule slippage for megaprojects. Professor Ethan Elkind of UC Berkeley Law presented findings from his report, "*Getting Back on Track: Policy Solutions to Improve California Rail Transit Projects"* that the unique demands and expertise of multi-billion-dollar projects pose challenges for agencies that rarely build them and recommended, among other items, that transit agencies form regional collaboratives to house permanent expertise not tied to individual projects.

Given this research and the Commission's interest in reducing cost overruns and delays in the

construction of megaprojects, staff have questioned the creation of a new agency for the limited purpose of constructing the Diridon Station Program. Such an approach could be a missed opportunity to address historical challenges by building on existing expertise and expanding capacity for future projects. The sunsetting of the authority after the Diridon Program is complete means there is no formal route to ensure the expertise gained by delivering the program will be retained so that it can be applied to future capital projects. Further, the proposed approach adds one more agency to the Bay Area's transportation landscape. Attachment B includes a December 2024 letter from Executive Director Fremier to the JPAB.

Funding Advocacy May Conflict with MTC's Regional Role. As the Bay Area's regional transportation planning, funding and coordinating agency, MTC evaluates funding requests, program performance, and project readiness across a broad range of transportation investments and sequences major capital projects for endorsement of competitive discretionary funding consistent with Plan Bay Area 2050+ and our Major Project Advancement Policy. A core objective of the proposed legislation is funding advocacy for the Diridon Station Program. Serving as a board member of a body that is charged with advocating for funding for a single set of projects raises the question of whether MTC could do so without acting in conflict with its broader regional planning, megaproject oversight and funding responsibilities. Accordingly, it may be appropriate for MTC to remain outside the governing structure of the proposed Diridon Station Program Construction Authority.

Request for Input:

In summary, staff look forward to hearing the committee's input on the scope of the proposed construction authority and MTC's role on any such authority to help inform further conversations with the Steering Committee and future legislative advocacy.

Attachments:

- Attachment A: Presentation to Caltrain Board of Directors, November 5, 2026
- Attachment B: MTC Letter to Diridon Station Joint Policy Advisory Board, 12/11/24

Andrew B. Fremier

Diridon Station Program Construction Authority – Enabling Legislation



JPB Board Meeting

November 5, 2026

Purpose and Recommended Motion

1. INFORMATION - Diridon Station Program Construction Authority (DSPCA) Update

2. ACTION – Staff recommend that the Board of Directors:

    - Approve the recommended terms for the proposed Diridon Station Program Construction Authority (DSPCA) enabling legislation.

Diridon Station Program

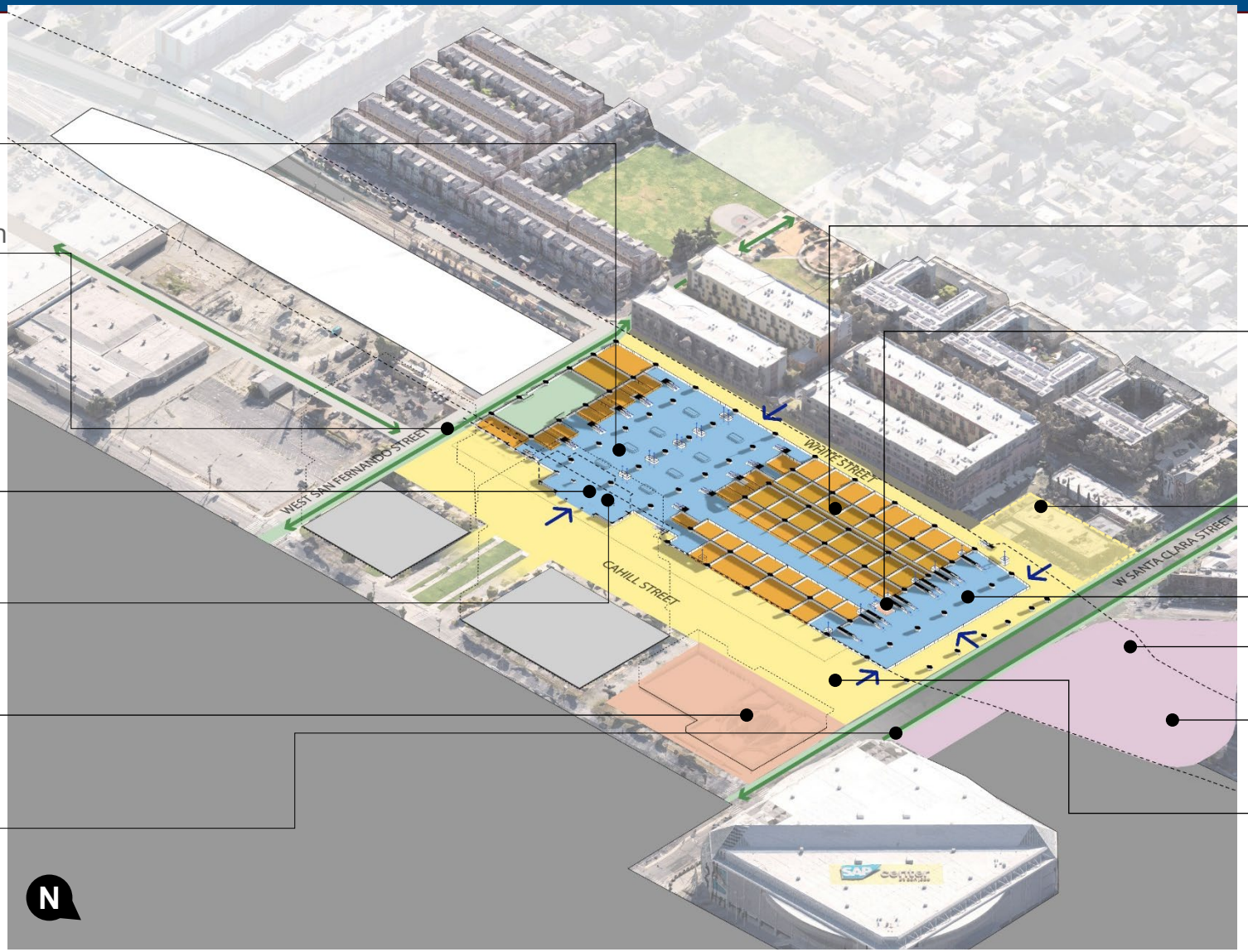
(Partner Agencies: City of San Jose, Caltrain, VTA, MTC, CHSRA)

Diridon Station Project



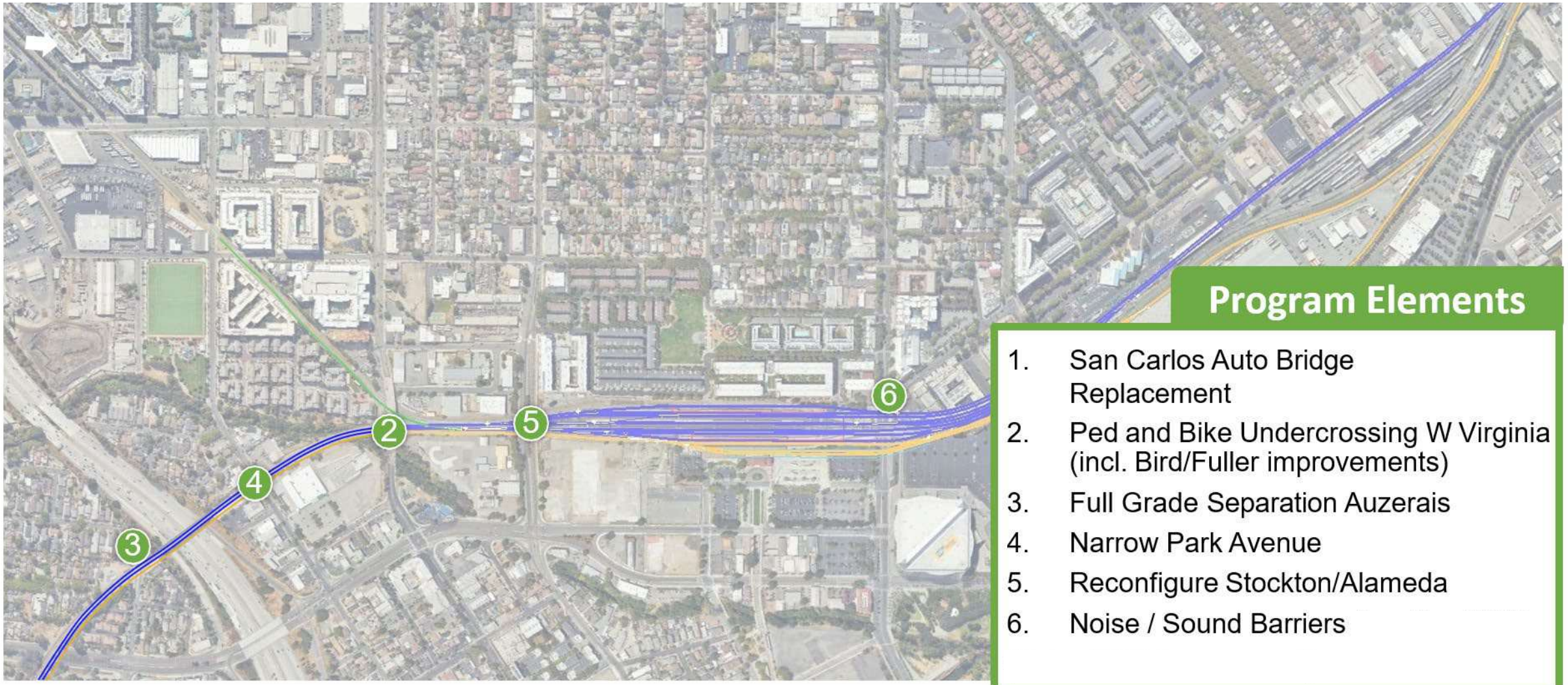
- Expanded station to meet future demand
- 3-level rail station
  - Street Level: Rail
  - Below Level 1: Concourse
  - Below Level 2 / 3: Future BART & LRT connections
- Next to rail station
  - Bus facility
  - Future Airport Connector

Station Concourse (Below Level 1)



- South Concourse
- San Fernando Bike Path
- Historic Station
- VTA Light Rail
- BART Station
- Santa Clara Street Bike Path
- Retail / Operations
- BART Entrance
- Potential New Public Realm
- North Concourse
- Car/Taxi/Pick Up/ Drop Off
- Bus Parking
- New Public Realm

Diridon Program Additional Projects



Program Elements

1. San Carlos Auto Bridge Replacement
2. Ped and Bike Undercrossing W Virginia (incl. Bird/Fuller improvements)
3. Full Grade Separation Auzerais
4. Narrow Park Avenue
5. Reconfigure Stockton/Alameda
6. Noise / Sound Barriers

Program Timeline

- **2019-2025**
  - Vision
  - Alternatives Development and Community Engagement
  - Alternative (~10% Design) and Diridon Station Program Approved
  - Delivery organization options / DSPCA Concept Support
- **2025-2028/29**
  - Program Director Hired (Bill Sirois)
  - Operator coordination
  - State and federal environmental review (CEQA exemption)
  - Establish DSPCA
- **Final Design and Delivery TBD**

Construction Authority Context

Recommended Governance for Delivery Phase



Construction Authority

- Construction Authority is an authorized entity legally empowered to plan, fund, manage, and deliver a project/program
- Temporary entity set up by state enabling legislation
- Effective way to advance a large capital project/program
- Singular mission to design and deliver – no competing priorities
- Leadership singular focus on delivering project on time and on budget
- Proven model

DSPCA Committee/Board Presentations

- 2023 : Begin Agency Partner discussions
- 2024 – Present: Diridon Program Board/Committee discussions
  - Several presentations focused on evaluation
  - Policy direction to pursue Diridon Station Program Construction Authority
  - August 2026 (Enabling Legislation terms)
- 2024 – Present: Caltrain discussions
  - JPB AMP July 2024, January 2026
  - JPB August 2026 (Enabling Legislation terms)
  - General Diridon Program updates throughout

Peer Review (Jul 2025)

- Panel: Michael Allegra, Rick Clarke, Rick Thorpe
- Program risk scan
- Key findings related to Construction Authority model
  - Single-project focused construction authority is good
  - It is more than an engineering bubble – it is an advocacy and funding agency
  - Everyone invited to the table should have a financial stake in the project
  - Board composition should be made up of project champions
  - Find Executive Director as soon as possible
  - Strong owner and construction authority relationship is a must

Caltrain Core Principles

- Keep rail corridor safe and secure
- Minimize impact to operations
- Minimize impact to customers and community
- No negative impact to Caltrain capital and O/M budgets
- Support successful delivery of Diridon Station Program
- Maximize revenue generating opportunities
- Protect Caltrain owned assets
- Receive newly constructed quality assets from DSPCA at program completion

DSPCA Enabling Legislation

Governance Document Framework

- Enabling Legislation
  - Defines the DSPCA mandate, legal powers, and board structure
  - Strive for simplicity and clarity
- Master Cooperative Agreements
  - Defines individual partner agency roles and responsibilities relative to the DSPCA
  - Detailed Caltrain parameters / approvals / coordination
- Bylaws
  - Governs partner agency relationships, and day-to-day governance and operational rules

Diridon Program Committee Direction (Feb 2026)

- Establish Diridon Station Program Construction Authority

  "Reaffirm direction to staff to prepare draft legislation establishing a Construction Authority solely focused on the Diridon Program, with authority to consider other projects only if there is no negative impact to the Diridon Program." (February 2026 action)

  (Note: MTC staff does not support Diridon Program focus and desires undefined authority beyond the Diridon Program.)

- Senator Cortese and Assemblymember Ahrens leadership
- Construction Authority Board Seats
  - Reflects current Diridon Program Steering Committee structure
  - 2 Caltrain; 2 City of San Jose; 2 VTA; 1 CHSRA; 1 MTC
  - Plus ability to add

Caltrain Recommended Key Terms (Action)

- DSPCA is a temporary entity established to deliver the Diridon Station Program
- Board structure consistent with current Diridon Station Program Committee structure plus ability to add
- DSPCA's purpose to award and oversee planning, design, and construction contracts and funding for completion of the program
- DSPCA to be granted all program delivery powers necessary to complete its purpose
- Caltrain as the station/rail corridor owner/operator to grant access to the Caltrain ROW upon MCA execution
- Define off-ramp based on DSPCA performance

Caltrain Example MCA Guardrails

- Caltrain Rights (examples)
  - Caltrain retains ownership, safety and operations decisions
  - Caltrain retains its discretion to prioritize and implements SOGR and related improvements
- Caltrain Diridon Station Program Parameters (examples)
  - Caltrain safety and design standards compliance
  - Caltrain approval of construction operating plans
  - Caltrain “firewalled” from DSPCA risks and liabilities
  - Caltrain party to any DSPCA agreements involving Caltrain assets
  - Funding agreements link to corridor access
  - Transfer of new assets after Caltrain testing and acceptance

Next Steps

Next Steps

- Target to be ready for 2027 state legislation process
- JPB and Diridon Program Committee Actions
  - Nov 4 Diridon Program Steering Committee
  - Nov 5 JPB Action – Caltrain recommended terms
    - **Staff recommend that the Board of Directors:**
      - **Approve the recommended terms for the proposed Diridon Station Program Construction Authority (DSPCA) enabling legislation.**
  - Dec 18 Diridon Program Steering Committee (to be rescheduled)
- Program partners presenting to their “boards/committees” as part of Legislative Program Update during upcoming months

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December 11, 2024

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James P. Spering
Solano County and Cities

Andrew B. Fremier
Executive Director

Alix Bockelman
Chief Deputy Executive Director

Diridon Station Joint Policy Advisory Board

RE: **MTC Comments on Long-Term Governance**

Dear Members of the Joint Policy Advisory Board (JPAB):

MTC staff would like to express support for the progress that has been made on the Diridon Station project through the business case work and appreciates the continued input of all partner agencies into the process. At MTC's December Programming and Allocations Committee meeting, staff is recommending that MTC enter into the interim co-operative agreement with the partner agencies. Following selection of a final design, MTC staff look forward to the project advancing through the environmental stage.

As the JPAB has discussed, another next step is to establish a long-term governance approach, formalizing an entity to lead the delivery stage of the Diridon Station project. The team assessed several models, with promise towards establishing a delivery authority similar to the one used to construct the Gold Line in Los Angeles. We are intrigued by this approach, not only for delivery of the Diridon Station project, but for the possibility that the entity could extend beyond Diridon to deliver other major projects in the region. Our interest is consistent with the topic of a 2022 Commission workshop focused on the challenges and opportunities of delivering major projects in the region. The Commission expressed the importance of better managing risk throughout project lifecycles - including having the staffing expertise to successfully deliver major projects - and developing funding strategies to prioritize and sequence funding requests among the many entities in the region. Establishing a delivery authority could help to build staffing expertise and capacity within the region to deliver major projects and reduce delivery risk.

MTC staff is also concerned that establishing a new project-specific delivery authority that is also charged with seeking funding would, in effect, create another transportation entity in the region, adding to the more than two dozen existing transportation authorities. This would serve to complicate an already competitive and uncoordinated regional grant and funding advocacy landscape.

As development and refinement of a long-term governance approach for the Diridon Station project advances, MTC staff request that the JPAB and soon-to-be-formed Steering Committee also evaluate the MTC staff considerations, including whether a delivery authority could have an option to focus on a broader portfolio of projects in the region, and whether grant and funding advocacy is best nested in the same authority and/or what refinements might be in place distinct from the peer delivery authorities considered to-date.

We appreciate the opportunity to provide input and be part of the shaping of this important regional project.

Sincerely,



Andrew B. Fremier
Executive Director