



**August 28, 2025**

**To:** Regional Transportation Planning Committee

**From:** Darrell E. Johnson, Chief Executive Officer

**Subject:** Release 2026 Annual Call for Projects for Measure M2 Comprehensive Transportation Funding Programs

### **Overview**

The Orange County Transportation Authority provides grants to local agency projects to improve the regional roadway network and coordinate traffic signals. The Measure M2 Comprehensive Transportation Funding Programs guidelines provide the mechanism for administration of the annual competitive call for streets and roads projects. The sections for the Regional Capacity Program (Project O) and the Regional Traffic Signal Synchronization Program (Project P) in the 2026 Comprehensive Transportation Funding Programs guidelines and a request to issue a call for projects are presented for review and approval.

### **Recommendations**

- A. Approve proposed revisions to the Comprehensive Transportation Funding Programs guidelines.
- B. Authorize staff to issue the 2026 call for projects for the Regional Capacity Program.
- C. Authorize staff to issue the 2026 call for projects for the Regional Traffic Signal Synchronization Program.

### **Background**

Measure M2 (M2) Project O, the Regional Capacity Program (RCP), provides funding for improvements to the Orange County Master Plan of Arterial Highways. The RCP also provides for intersection improvements and other projects to help improve street operations and reduce congestion.

M2 Project P, the Regional Traffic Signal Synchronization Program (RTSSP), provides funding for multi-agency, corridor-based signal synchronization to support efficient operation of existing arterials throughout Orange County.

These programs allocate funds through a competitive process and target projects that improve traffic flow by considering factors such as degree of congestion relief, cost-effectiveness, and project readiness.

The Comprehensive Transportation Funding Programs (CTFP) serves as the mechanism through which the Orange County Transportation Authority (OCTA) staff administers the RCP and RTSSP, as well as other M2 competitive transit (Projects S and V) and environmental cleanup (Project X) programs.

The CTFP guidelines identify procedures and requirements that local jurisdictions must satisfy to apply for M2 funding and how project applications are evaluated. The guidelines also define how local jurisdictions can seek reimbursement once funds are awarded. The CTFP guidelines were first approved by the OCTA Board of Directors (Board) on March 22, 2010, and were most recently updated and approved in March 2025.

### ***Discussion***

Recommended updates to the 2026 CTFP guidelines have been prepared for the release of the 2026 RCP and RTSSP call for projects (call). Minimal changes have been made this cycle to prioritize more time to address the CTFP payment backlog as reported in the M2 performance assessment report that was presented to the Board in March of this year. By limiting changes in the call cycle and implementing multiple recommendations from the consultant's analysis of the CTFP payment process, staff has reduced the payment backlog by 30 percent and is continuing to reduce the payment backlog.

The draft CTFP guidelines have been updated to reflect appropriate deadlines and dates for the 2026 RCP and RTSSP call. On average, OCTA awards approximately \$30 million through the RCP call and \$12 million through the RTSSP call annually. Additional funding above the average award level may be available pending review of the M2 funding outlook. However, based on discussions regarding this 2026 RCP and RTSSP call with the Technical Advisory Committee (TAC) at the May 2025 meeting, staff is expecting fewer applications than in previous call cycles.

Attachment A provides a table of all proposed 2026 CTFP guidelines changes, and Attachment B provides a redlined version of the 2026 CTFP guidelines in track changes format.

The 2026 CTFP guidelines revisions were provided through email notification to the TAC members in early July 2025, and to date, no comments have been received. The recommended revisions are now being submitted to the Board for final consideration and approval. Authorization is also requested to initiate the

2026 RCP and RTSSP call to support local streets and roads improvement projects throughout Orange County.

#### **Next Steps**

If the Board approves the recommendations noted above, staff will notify the local jurisdictions of the initiation of the 2026 RCP and RTSSP call, the timing, and any other pertinent information. Staff will offer a workshop for local jurisdictions as an additional resource. Grant applications will be due to OCTA by November 20, 2025. Upon receipt of the applications, OCTA will review the proposed projects based upon evaluation criteria specified in the 2026 CTFP guidelines and will work with applicants to resolve questions related to the applications. The projects submitted for consideration in this call will be prioritized for Technical Steering Committee, TAC, and Board consideration in spring 2026. Projects selected for funding may start as early as July 1, 2026, and the latest planned start date would be June 30, 2029, depending on each project's schedule. Grant allocations that are planned to start in either fiscal year (FY) 2027-28 or FY 2028-29 will be escalated, consistent with the guidelines.

#### **Summary**

M2 provides funding for competitively selected streets and roads congestion improvements through the RCP and corridor signal synchronization improvements through the RTSSP. The 2026 CTFP guidelines serve as the mechanism that OCTA uses to administer these competitive funding sources. Staff is seeking Board approval of the proposed updates to the 2026 CTFP guidelines and authorization to initiate the 2026 RCP and RTSSP call.

***Attachments***

- A. 2026 CTFP Guidelines (Projects O and P) – Proposed Changes List
- B. Guidelines Excerpt, Comprehensive Transportation Funding Programs  
Guidelines, 2026 Call for Projects Redlined

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