



**June 1, 2026**

**To:** Regional Transportation Planning Committee

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

**Subject:** Comprehensive Transportation Funding Programs – 2026 Call for Projects Programming Recommendations

### **Overview**

The Orange County Transportation Authority issued the 2026 annual Measure M2 Comprehensive Transportation Funding Programs Regional Capacity Program and Regional Traffic Signal Synchronization Program call for projects in September 2025. Project applications were due in November 2025. A list of projects recommended for funding is presented for the Orange County Transportation Authority Board of Directors' review and approval.

### **Recommendations**

- A. Approve the award of \$55.67 million in 2026 Regional Capacity Program (Project O) funds to eight local jurisdiction projects.
- B. Approve the award of \$12.29 million in 2026 Regional Traffic Signal Synchronization Program (Project P) funds to six local jurisdiction projects.

### **Background**

The Regional Capacity Program (RCP), Project O, is the Measure M2 (M2) competitive funding program through which the Orange County Transportation Authority (OCTA) supports streets and roads capital projects. The Regional Traffic Signal Synchronization Program (RTSSP), Project P, is the M2 competitive program which provides funding for signal synchronization projects.

Both programs are included in the Comprehensive Transportation Funding Programs (CTFP), which includes all the competitive M2 programs that provide grants to local jurisdictions for transit, streets and roads, and environmental cleanup. These programs are subject to a call for projects (call), which is guided by the Board of Directors (Board)-approved CTFP guidelines. The CTFP

guidelines are updated before each call and include scoring criteria developed in collaboration with the OCTA Technical Advisory Committee (TAC), which is comprised of representatives from the 35 local jurisdictions.

The CTFP guidelines for the 2026 call were approved by the Board on September 8, 2025. At that meeting, the Board also authorized issuance of the current call. Based on the cash flow assumptions available at that time, the anticipated combined annual funding level for these programs was approximately \$42 million, with additional funding subject to availability. The deadline to submit projects for consideration for the 2026 CTFP call was November 20, 2025.

### ***Discussion***

#### **RCP**

OCTA received nine applications from seven local jurisdictions requesting a total of \$97.05 million in RCP funding as further detailed in Attachment A. During the application process, one project application was withdrawn by the City of Fullerton to allow for further refinement of the project scope, reducing the total requested funding for this call to \$94.40 million. The remaining eight applications were reviewed for eligibility, consistency, adherence to the guidelines, and overall M2 program objectives. Applications were evaluated and ranked based on the scoring criteria identified in the guidelines. During the review process, staff worked with the local jurisdictions to address technical issues such as application scoring corrections, scope of work clarifications, and refinement of final project funding requests.

Based upon these reviews, funding is recommended for eight projects, totaling \$55.67 million (inflationary adjustments added, as appropriate). The recommended amount differs from what was originally requested by the local jurisdictions due to the removal of ineligible costs identified in the applications, reductions in project cost estimates, and adjustments to local match contributions. The revised recommended grant amounts reflect only the project scope components and costs that appear to be eligible or potentially eligible under the guidelines. Attachment B provides additional detail on the programming recommendations.

The recommended RCP funding will support projects in the cities of Anaheim, Irvine, Orange, Santa Ana, San Juan Capistrano, and the County of Orange. Of the eight recommended projects, six will provide arterial capacity improvements, including completion of a new roadway to close a network gap, while two will provide enhancements to freeway-to-arterial/street transitions.

Implementation of these projects in aggregate is anticipated to produce notable congestion-reducing benefits in Orange County, while enhancing the arterial system overall.

**RTSSP**

With respect to the RTSSP, OCTA received seven applications requesting a total of \$12.75 million in funding. During the technical review process, one project was deemed ineligible for this cycle because it did not meet the CTFP guidelines requirement that projects be included in the applicable Local Signal Synchronization Plans. With the removal of the ineligible application, the total requested funding for this call was reduced to \$12.29 million. Staff worked with the remaining local jurisdictions to address technical issues related to construction unit cost refinements and project scope of work clarifications. Attachment A provides additional details on the submitted projects.

Based on these reviews, awards totaling \$12.29 million are recommended to fund six RTSSP projects. All six of the recommended RTSSP projects are anticipated to be initiated by the local jurisdiction in fiscal year 2026-27. Together, these projects will improve throughput on six arterial roadways in the cities of Aliso Viejo, Anaheim, Dana Point, Fullerton, Irvine, Laguna Hills, Laguna Niguel, Mission Viejo, Placentia, Santa Ana, Tustin, Yorba Linda, and the County of Orange. Additional details on the recommended RTSSP projects are provided in Attachment C.

The table below provides an overall summary of the funding recommendations:

<b>2026 CTFP Call Summary (\$ in millions)</b>			
	<b>RCP</b>	<b>RTSSP</b>	<b>Total</b>
Number of Applications Recommended for Approval	8	6	14
Amount Recommended for Approval (escalated)	\$55.67	\$12.29	\$67.96

Staff recommends the award of \$67.96 million for 14 projects under the RCP and RTSSP. This recommended amount exceeds the typical annual funding range previously identified for these programs, as updated cash flow assumptions support a higher funding level in this cycle. The updated assumptions considered existing program requirements, anticipated project delivery schedules, and available RCP and RTSSP cash flow. While the most recent cash flow report shared with the Board in October 2025 reflected a

reduction in overall M2 sales tax revenue assumptions, the timing of current commitments and projected expenditures supports funding all eligible projects submitted in the 2026 call. Funding all eligible projects in the 2026 call will reduce flexibility for future cycles; however, currently assumed future call amounts remain supportable, and future call cycles are expected to return to levels more consistent with the long-term program plan.

The CTFP guidelines include a tiered funding approach that prioritizes projects for funding when available revenues are insufficient to fund all eligible projects. However, because all eligible RCP and RTSSP projects submitted in this cycle are recommended for funding, the tiered funding approach was not applied.

These recommendations will support 14 local jurisdiction projects that are expected to provide meaningful regional mobility benefits, reduce congestion, improve arterial operations, and enhance the efficiency of Orange County's roadway network. A map displaying the 2026 RCP and RTSSP recommended projects is provided in Attachment D.

The OCTA Technical Steering Committee and TAC reviewed and recommended the RCP and RTSSP awards for Board approval at their meetings in April 2026.

#### Next Steps

With Board approval of these recommendations, staff will initiate letter agreements between OCTA and the appropriate local jurisdictions. As these projects advance, staff will continue to monitor their status and project delivery through the semi-annual review process.

#### **Summary**

Programming recommendations to award \$67.96 million to 14 projects in M2 2026 RCP and RTSSP funds are presented for Board approval.

***Attachments***

- A. 2026 Measure M2 Call for Projects – Applications Received
- B. 2026 M2 Regional Capacity Program (Project O) Call for Projects – Programming Recommendations
- C. 2026 M2 Regional Traffic Signal Synchronization Program (Project P) Call for Projects – Programming Recommendations
- D. 2026 Project O and P Awards

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