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| **DRAFT & ABRIDGED** | | **CIRCULAR** |
| U.S. Department  of Transportation  **Federal Transit**  **Administration** | |
| **FTA C** **9030.1E** |
|
| DATE |
| **Subject:** | **Urbanized Area Formula program: Program Guidance and Application Instructions - Abridged for Mobility Managers** | |

4. DEFINITIONS All definitions in 49 U.S.C. 5302 and 5307 apply to this circular, as well as the following definitions:

I-3 h. Coordinated Plan: See “Locally Developed, Coordinated Public Transit-Human Services Transportation Plan.”

I-4 y. Job Access and Reverse Commute Project: A category of reimbursable project expenses that includes activities identified under 49 U.S.C. 5302(9), as explained in Chapter IV of this circular.

I-5 bb.Locally Developed, Coordinated Public Transit-Human Services Transportation Plan: A plan that identifies the transportation needs of individuals with disabilities, older adults, and people with low incomes; provides strategies for meeting those local needs; and prioritizes transportation services for funding and implementation.

cc. Low-Income Individual: The term ‘low-income individual’ means an individual whose family income is at or below 150 percent of the poverty line, as that term is defined in Section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)), including any revision required by that Section, for a family of the size involved.

gg. Mobility Management: Consists of short-range planning and management activities and projects for improving coordination among public transportation and other transportation service providers carried out by a recipient or subrecipient through an agreement entered into with a person, including a government entity, under 49 U.S.C. Chapter 53 (other than 49 U.S.C. 5309). Mobility management does not include operating public transportation services.

I-6 qq. Public Transportation: The term ‘public transportation’ means regular, continuing shared-ride surface transportation services that are open to the general public or open to a segment of the general public defined by age, disability, or low income; and does not include: intercity passenger rail transportation provided by the entity described in chapter 243 (or a successor to such entity); intercity bus service; charter bus service; school bus service; sightseeing service; courtesy shuttle service for patrons of one or more specific establishments; or intra-terminal or intra-facility shuttle services

I-7 uu. Senior: The term “senior” means an individual who is 65 years of age or older.

aaa Subrecipient: An entity that receives FTA funds via a pass-through agreement with a direct recipient or designated recipient, whereby the original recipient remains responsible for compliance with all terms, conditions and requirements associated with the grant.

# CHAPTER II PROGRAM OVERVIEW

II-1

1. PROGRAM GOALS. Pursuant to 49 U.S.C. 5307, FTA apportions Urbanized Area Formula Program funds to urbanized areas (UZAs) and to States for public transportation capital projects, operating assistance, **job access and reverse commute projects**, and for transportation-related planning. To support the continuation and expansion of public transportation services in the United States, Section 5307 supports public transportation by:
   1. assisting in the planning, engineering, design, construction, evaluation, and maintenance of public transportation projects, equipment, and facilities;
   2. facilitating cooperation between public transportation companies and private companies engaged in public transportation to encourage the planning and establishment of area-wide public transportation systems needed for economical and desirable urban development;
   3. **encouraging mobility management, employment-related transportation alternatives, joint development practices, and transit-oriented development;**
   4. **providing financial assistance to States and local governments to help carry out national goals related to mobility for all, including elderly individuals, individuals with disabilities, and economically disadvantaged individuals;**
   5. investing in bus and bus-related activities such as replacement, overhaul and rebuilding of buses; and
   6. investing in crime prevention, public transportation safety, and security equipment.

II-7

1. Repealed Programs: MAP-21 repealed a number of public transportation programs that existed under the previous authorization. Funds that were authorized under these programs remain available for obligation in a grant until the applicable statutory period of availability expires, or until the funds are fully expended, rescinded by Congress, or otherwise reallocated. The relationship of each of these repealed programs to the Urbanized Area Formula Program is described below.

II-8

(3**) Job Access and Reverse Commute Program** (JARC) (Section 5316).

The Section 5316 Job Access and Reverse Commute Program (JARC) was a former formula grant program for projects that improve access to employment-related transportation services for welfare recipients and eligible low-income individuals, and that transport residents of urbanized and nonurbanized areas to suburban employment opportunities. This program was repealed by MAP-21. Funds that were apportioned to urbanized areas for Fiscal Year 2012 and prior years will remain available for obligation until they lapse or are expended, and remain subject to the program requirements at the time they were apportioned.

All projects selected for funding must have been derived from a locally developed, coordinated public transit-human services transportation plan. Program funds are available for capital, planning, and operating expenses for eligible projects. Up to 10 percent of the recipient’s total fiscal year apportionment may be used to fund program administration costs including administration, planning, and technical assistance.

While the Section 5316 JARC program was repealed under MAP-21, job access and reverse commute projects are now an eligible project type under the Urbanized Area Formula Program. Please see Chapter IV – Eligible Project Types and Requirements for a list of project types and requirements under Section 5307.

Guidance for funds apportioned under the Section 5316 JARC Program is contained in FTA Circular 9050.1, “The Job Access and Reverse Commute (JARC) Program Guidance and Application Instructions.”

II-9

1. **New Freedom Program** (Section 5317).

The New Freedom Program (Section 5317) was a formula grant program that provided funding for capital and operating expenses to support new public transportation services beyond those required by the Americans with Disabilities Act of 1990 (ADA) and new public transportation alternatives beyond those required by the ADA designed to assist individuals with disabilities with accessing transportation services. The purpose of the New Freedom formula grant program was to provide additional resources to overcome existing barriers facing Americans with disabilities seeking integration into the work force and full participation in society.

The New Freedom Program was repealed by MAP-21. Unexpended funds apportioned for Fiscal Year 2012 and prior years will remain available for obligation until they lapse or are expended, and are subject to the rules under which they were apportioned.

All projects selected for funding must have been derived from a locally developed, coordinated public transit-human services transportation plan. Local transit providers are expected to participate in the development of this transportation plan. Program funds are available for capital and operating expenses for eligible projects. Up to 10 percent of the recipient’s total fiscal year apportionment may be used to fund program administration costs including administration, planning, and technical assistance.

While the Section 5317 New Freedom Program was repealed under MAP-21, similar projects are eligible under the Section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities Formula Program. Program information will be available in FTA Circular 9070.1G.

Guidance for funds apportioned under the Section 5317 New Freedom Program is contained in FTA Circular 9045.1, “New Freedom Program Guidance and Application Instructions.”

**CHAPTER III  
  
GENERAL PROGRAM INFORMATION**

III 4-5

6. FEDERAL SHARE OF PROJECT COSTS.

* 1. Planning and Capital Projects. The Federal share for planning and capital projects that receive funding under the Section 5307 Program may not exceed 80 percent of the net project cost. Net project cost is that portion of the cost of a project that cannot reasonably be financed from the grantee’s revenues.
  2. Exceptions. The Federal share may exceed 80 percent for certain projects related to ADA, CAA, and certain bicycle projects as follows:
     1. Americans with Disabilities Act (ADA). The Federal share is 85 percent for project costs for acquiring vehicles and vehicle-related equipment or facilities attributable to compliance with the ADA of 1990 (42 U.S.C. 12101 *et seq*).

(3) Bicycle Facilities. As provided by 49 U.S.C. 5319, the Federal share is 90 percent for those bicycle access projects or portions of bicycle access projects designed to:

* + - 1. provide access for bicycles to public transportation facilities,
      2. provide shelters and parking facilities for bicycles in or around public transportation facilities, or
      3. install equipment for transporting bicycles on public transportation vehicles.

(4) Bicycle Enhancement Projects. When the project involves bicycle access to public transportation and the grant or any portion of the grant is made with the funds required to be expended under the one percent for “associated transit improvement” requirement as provided by 49 U.S.C. 5307(c)(1)(K), the Federal share will be 95 percent.

**CHAPTER IV  
  
ELIGIBLE PROJECTS AND REQUIREMENTS**

IV-1

1. PLANNING PROJECTS.  Section 5307 funds are available for the planning, engineering, design, and evaluation of public transportation projects and for other technical transportation-related studies. Eligible activities include, but are not limited to: studies relating to management, operations, capital requirements and economic feasibility; work elements and related activities preliminary to and in preparation for constructing, acquiring or improving the operation of facilities and equipment; plans and specifications; evaluation of previously funded projects; **job access and reverse commute projects**; and other similar or related activities before and in preparation for the construction, acquisition, or improved operation of public transportation systems, facilities, and equipment.
2. CAPITAL PROJECTS. Capital projects eligible under the Urbanized Area Formula Program include all projects included under 49 U.S.C. 5302(3), as explained below. In general, capital project expenses involve purchasing, leasing, constructing, maintaining or repairing facilities, rolling stock and equipment intended for use in a public transportation system. Capital project costs may include all direct costs and indirect costs associated with the project (provided that the grantee has an approved Cost Allocation Plan or indirect cost proposal).

The examples of eligible activities, below, indicate the breadth of capital projects eligible under the Section 5307 Program. This list is intended to be illustrative, not exhaustive. Please contact the appropriate FTA regional office regarding the eligibility of other projects.

Projects eligible for capital funding include but are not limited to:

IV-6

1. **Mobility Management** is intended to build coordination among public transportation providers and other transportation service providers carried out by a recipient or subrecipient through an agreement (See 49 U.S.C. 5302(K)(i)). Mobility management does not include the costs of operating public transportation services, which includes fuel, driver salaries, and other non-administrative operating expenses directly related to the operation of vehicles.

Mobility management includes:

1. The promotion, enhancement, and facilitation of access to transportation services, including the integration and coordination of services for individuals with disabilities, older adults, and low-income individuals;
2. Support for short term management activities to plan and implement coordinated services;
3. The support of State and local coordination policy bodies and councils;
4. The operation of transportation brokerages to coordinate providers, funding agencies and customers;
5. The provision of coordination services, including employer-oriented Transportation Management Organizations, Transportation Management Associations, Business Improvement Districts or other like organizations, and Human Service Organizations’ customer-oriented travel navigator systems and neighborhood travel coordination activities such as coordinating individualized travel training and trip planning activities for customers;
6. The development and operation of one-stop transportation traveler call centers to coordinate transportation information on all travel modes and to manage eligibility requirements and arrangements for customers among supporting programs; and
7. Operational planning for the acquisition of intelligent transportation technologies to help plan and operate coordinated systems inclusive of Geographic Information Systems (GIS) mapping, Global Positioning System (GPS) technology, coordinated vehicle scheduling, dispatching and monitoring technologies, as well as technologies to track costs and billing in a coordinated system and single smart customer payment systems.

IV18-20

5. **JOB ACCESS AND REVERSE COMMUTE PROJECTS**. MAP-21 created a new category for “job access and reverse commute projects” under Section 5307. There is no set-aside or cap on the amount of Section 5307 funds that can be used for these projects. Private non-profit organizations may receive funding for job access and reverse commute projects as a subrecipient of an FTA designated recipient or direct recipient.

A job access and reverse commute project is defined in 49 U.S.C. 5302(9) as:

“a transportation project to finance the planning, capital and operating costs that support the development and maintenance of transportation services designed to transport welfare recipients and eligible low income individuals to and from jobs and activities related to their employment, including transportation projects that facilitate the provision of public transportation services from urbanized areas and rural areas to suburban employment locations.”

In order for a job access and reverse commute project to receive funding under Section 5307, it must meet the following requirements:

1. New and Existing Services. Eligible job access and reverse commute projects must provide for the development or maintenance of eligible job access and reverse commute services. Recipients may not re-classify existing public transportation services that have not received funding under the former Section 5316 program as job access and reverse commute services in order to qualify for operating assistance. In order to be eligible as a job access and reverse commute project, a proposed project must qualify as either a “development project” or “maintenance project” as follows:
2. Development Projects: “Development of transportation services” means new projects that meet the statutory definition and were not in service as of the date MAP-21 became effective, October 1, 2012. This includes projects that expand the service area or hours of operation for an existing service. Projects for the development of new qualifying job access and reverse commute projects must be identified as such in the recipient’s program of projects (POP).
3. Maintenance Projects: “Maintenance of transportation services” means projects that continue and maintain job access and reverse commute projects and services that received funding under the former Section 5316 program. Projects funded under the former Section 5316 program must be eligible under Section 5307 in order to continue to receive funding.
4. Reverse Commute Projects. Reverse commute projects are a category of job access and reverse commute projects that provide transportation services from urbanized and rural areas to suburban employment locations. Generally, these services increase the capacity of public transportation services operating in the reverse direction of existing peak services. Reverse commute projects may only qualify as job access and reverse commute projects under Section 5307 if they meet all other requirements, including having been designed to transport welfare recipients and eligible low-income individuals to and from jobs and employment related activities.
5. Welfare recipients and eligible low-income individuals. Projects funded as “job access and reverse commute projects” must be designed to provide transportation services for welfare recipients and eligible low-income individuals. The term “low-income individual” is defined as an individual whose family income is at or below 150 percent of the poverty line, as that term is defined in Section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)), including any revision required by that Section, for a family of the size involved. Projects that serve the general public without specific route or design characteristics intended to respond to the needs of these populations may not be eligible as job access and reverse commute project. However, job access and reverse commute projects do not need to be designed exclusively for these populations.
6. Planning and Program Development. In order for an entity to receive Section 5307 funding for a job access and reverse commute project, the project must be identified by the recipient as a job access and reverse commute project in the recipient’s program of projects (POP), which must be made available for public review and comment.

In addition, FTA encourages recipients to ensure that projects meet the employment-related transportation needs of welfare recipients and low income individuals, either by deriving such projects from a locally-coordinated public transportation/human services planning process that involves low-income communities and their stakeholders, or by an alternative process that engages low income community stakeholders in the identification and development of the project.

1. Eligible Projects. Projects that comply with the above requirements may include:
2. Late-Night and weekend service;
3. Guaranteed ride home service;
4. Shuttle service;
5. Expanding fixed route public transit routes, including hours of service or coverage;
6. Demand-responsive van service;
7. Ridesharing and carpooling activities;
8. Transit-related aspects of bicycling (such as adding bicycle racks to vehicles to support individuals that bicycle a portion of their commute, providing secure bicycle parking at transit stations, or infrastructure and operating expenses for bicycle sharing programs in the vicinity of transit stations, not including the acquisition of bicycles);
9. Promotion, through marketing efforts, of the: (1) use of transit by low-income individuals and welfare recipients with non-traditional work schedules; (2) use of transit voucher program by appropriate agencies for welfare recipients and other low-income individuals. (3) development of employer-provided transportation such as shuttles, ridesharing, carpooling; or (4) use of transit pass programs and benefits under Section 132 of the Internal Revenue Code of 1986;
10. Implementing Intelligent Transportation Systems (ITS), including customer trip information technology, vehicle position monitoring systems, or geographic information systems (GIS) software;
11. Integrating automated regional public transit and human service transportation information, scheduling and dispatch functions;
12. Subsidizing the costs associated with adding reverse commute bus, train, carpool van routes or service from urbanized area and non-urbanized areas to suburban work place;
13. Subsidizing the purchase or lease by a non-profit organization or public agency of a van or bus dedicated to shuttling employees from their residences to a suburban workplace;
14. Otherwise facilitating the provision of public transportation service to suburban employment opportunities; and
15. Supporting mobility management and coordination programs among public transportation providers and other human service agencies providing transportation. Mobility management techniques may enhance transportation access for populations beyond those serviced by one agency or organization within a community. For example, under mobility management, a non-profit agency could receive job access and reverse commute funding to support the administrative costs of sharing services it provides to its own clientele with other low-income individuals and coordinate usage of vehicles with other non-profits, but not the operating costs of the service. As described under “Capital Projects”, mobility management is intended to build coordination among existing public transportation providers and other transportation service providers with the result of expanding the availability of service.

**CHAPTER V  
  
PLANNING & PROGRAM DEVELOPMENT**

V-7

1. COORDINATED PLANNING. Three former FTA formula programs, the Elderly Individuals and Individuals with Disabilities (Section 5310), Job Access and Reverse Commute (JARC) (Section 5316), and New Freedom (Section 5317) programs, previously required that eligible projects be derived from a locally developed, coordinated public transit-human services transportation plan.

This coordinated planning process was intended to create an inventory of area transportation services, identify gaps in transportation service for the affected transportation-disadvantaged populations, ascertain opportunities for human services program coordination, and establish funding priorities for those projects. This process was designed to be highly participatory, by involving affected low income, persons with disabilities and older adult populations in the development and approval of this plan.

Under MAP-21, the Section 5316 JARC program was repealed and a new eligibility was created for job access and reverse commute projects under Sections 5307 and 5311. In addition, the Section 5317 program was repealed and a new eligibility was created for these project types under Section 5310. Beginning with funding apportioned for FY 2013, the requirement that eligible projects be derived from a locally developed, coordinated public transit-human services transportation plan only applies to the Section 5310 program.

Although the coordinated planning process is no longer required for job access and reverse commute projects, FTA encourages public transit systems in all areas to continue to participate in the coordinated public transit-human service transportation planning process in order to identify and develop job access and reverse commute projects for funding under Section 5307. This process gives affected populations direct participation in the formulation and approval of projects that are intended to serve them, and provides an opportunity for a variety of public, private and non-profit transportation providers, non-DOT transportation programs and other community interests to likewise share their knowledge and participate in formulating projects and identify opportunities for coordination.

In addition, recipients should be aware that several other FTA requirements can be met through the use of the coordinated planning process. For example, Section 5307(b)(5) requires that recipients ensure that the proposed program of projects assisted under Section 5307 provides for the coordination of public transportation with transportation services assisted from other United States Government sources. Additionally, the Metropolitan Planning requirements under Section 5303(g)(3)(B)(ii) require that recipients conduct planning in coordination with non-DOT funded non-emergency transportation services.

Public transit systems in urbanized areas in which a recipient is applying for funds under Sections 5310 are required to continue to participate in the coordinated public transit-human service transportation planning process.

MPOs and recipients may choose to address this requirement through this existing coordinated planning process. Alternatively, MPOs and recipients may develop a process that meets this coordination requirement, and which includes a process for analyzing and documenting efforts to achieve efficiencies and service effectiveness through transportation coordination efforts.

The local coordinated planning process may also include consideration of the intercity bus transportation needs of the targeted population of seniors, individuals with disabilities, and low income individuals. Identification of unmet intercity mobility needs of human service agency clients during the local coordinated planning process may help the State with its intercity bus needs assessment as described in Chapter VIII of FTA Circular 9040.1F, “Nonurbanized Area Formula Program Guidance and Application Instructions”. FTA encourages States to include intercity bus mobility needs in the coordinated planning process for Section 5310, and for unobligated funds under Sections 5316, and 5317. While intercity bus service other than commuter service is not eligible under Section 5307, the needs for intermodal connectivity and urban/rural connections for the targeted populations may be a relevant factor in the coordinated planning process for urbanized areas.

The designated recipient must certify compliance with these coordination requirements for Section 5307. While the coordination of service takes place at the local level, the State may facilitate coordination through participation in statewide interagency coordinating councils and statewide coordinated planning activities.

FTA Circular 9070.1G provides more detailed guidance on the requirements for locally developed, coordinated public-transit human services transportation plans.

This abridged version of the draft regulations was compiled by Dwight Mengel, Chief Transportation Planner, Tompkins County Dept of Social Services, Ithaca, NY. [dwight.mengel@dfa.state.ny.us](mailto:dwight.mengel@dfa.state.ny.us), 607.274.5604