

APPENDIX 13: Additional Transit Funding Opportunity Details

- FTA Section 5309 – Bus, Bus Facility and New Starts Program
- Funds coming from the FTA Section 5309 program are limited to capital investments and the maintenance of those investments. More specifically funding falls into one of three categories:
 - Buses and bus facilities
 - New fixed guideway projects (e.g. rail, ferry, cable car)
 - Rail modernization projects
- All funds falling under FTA Sections 5309 are distributed directly from the FTA and they are designated for such projects as: purchasing new transit vehicles, rebuilding buses, constructing maintenance facilities, constructing transfer facilities, constructing terminals and passenger shelters, and purchasing computers. Beginning in the FY 2007, a portion of the ‘new starts’ funding will be set aside for ‘small starts’ projects. This allocation of funds will result in less than \$75 million for streetcar projects, trolley projects, bus rapid transit, etc. Also, almost all the funds under FTA Section 5309 are discretionary which means that they can be difficult to acquire.
- Under this program local governments are required to match 20% of federal funds. However, if actual costs and ridership numbers fall within 10 percent of the estimates, then it is possible to get the federal funding to pay for a higher percentage of the project. ‘New starts’ funding is usually appropriated by congress. The applications process is extensive for New Starts funding and includes:
 - Alternatives Analysis and Preliminary Engineering
 - Project Justification, including analysis of:
 - Mobility Improvements
 - Environmental Benefits
 - Operating Efficiencies
 - Cost Effectiveness
 - Economic Development
 - Transit Supportive Land Use and Future Patterns
 - Other Factors, including, among other things, the technical capability of the project sponsor to implement and operate the proposed investment.
 - Demonstrated Local Financial Commitment.

Previously, a 5309 grant was approved for \$850,000 toward a new administrative and bus facility in the Valley, making \$1,000,000 available for a new facility when local matches are added in.

FTA Section 5310 – Elderly and Disabled Program

The formula grants for Special Needs of Elderly Individuals and Individuals with Disabilities provides transit capital assistance, through the states, to organizations that provide specialized transportation services to elderly persons and to persons with disabilities. Funding is approximately \$100 million per year, nationwide. Section 5310 funds are allocated to states based on the state's population of these specialized groups. Private non-profit agencies and under certain circumstances, public agencies, may apply for this statewide discretionary funding program.

Allocated through the state according to area population, these funds are most often used for capital purchases. However, Section 5310 program grants can be submitted for "contract service to operate" transportation programs for the elderly and persons with disabilities and SAFETEA-LU authorized pilot projects in seven states to determine if the use of Section 5310 funding for direct operations improves the mobility for the elderly and persons with disabilities. Section 5310 provides up to an 80 percent contribution for funded capital programs.

Grantees of federal funding through Section 5310 (along with the Job Access and Reverse Commute (JARC) and New Freedom programs) are required to certify that funded projects are derived from a Coordinated Public Transit-Human Services Transportation Plan. Up to 10 percent of the total grant amount for all three sources of funds may be used to support planning and project selection activities. There is no match required, and the funds may be applied for in advance of completing the planning activities.

FTA estimates for 5310 funding in Idaho range from \$538,000 in FY06 to \$622,000 in FY09.

FTA Section 5311 – Rural and Small Urban Areas Program

The formula funding for Rural and Small Urban Areas (population under 50,000) is apportioned in proportion to each state's non-urbanized population. Funding may be used for capital, operating, state administration, and project administration expenses. Each state must use 15 percent of its annual apportionment to support intercity bus service (Section 5311(f)), unless the Governor certifies that these needs of the state are adequately met. A primary objective of intercity bus service is to support the connection between non-urbanized areas and larger regional systems. Grant eligible intercity bus activities include planning and marketing for intercity bus transportation, capital grants for intercity bus shelters, joint-use stops and depots, operating grants through purchase-of-service agreements, user-side subsidies and demonstration projects, and coordination of rural connections between small transit operations and intercity bus carriers. Capital assistance may be provided to purchase vehicles or vehicle related equipment such as wheelchair lifts for use in intercity service.

Projects to meet the requirements of the Americans with Disabilities Act, the Clean Air Act, or bicycle access projects, may be funded at 90 percent federal match. The maximum FTA share for operating assistance is 50 percent of the net operating costs or 80 percent for capital and project administration. Under SAFETEA-LU, states with a very high percentage of federal lands may apply the federal highway program sliding scale federal match. Operating project match is 5/8th of the sliding scale share for capital projects.

Recipients of Section 5311 funds must submit annual data on service levels, costs, and revenues to the National Transit Database. These requirements will be tailored to the smaller

size of the typical public transportation system in rural areas, while still providing enough information to judge the condition and performance of rural public transportation services.

SAFETEA-LU added Indian tribes as eligible recipients, and a portion of funding is set aside each year for Indian tribes - \$8 million in FY 2006 and rising to \$15 million by FY 2009. The reauthorization bill also significantly increased funding for the 5311 program, especially for low-density states, which are allocated 20 percent of section 5311 funds.

FTA Section 5316 – Job Access/Reverse Commute (JARC)

This program was designed to develop transportation services designed to transport welfare recipients and low-income individuals to and from jobs. Under SAFETEA-LU, JARC changed to become a formula program rather than the prior competitive discretionary grants program. The formula is based on ratios involving the number of eligible low-income and welfare recipients with 60 percent of funds going to urban areas with more than 200,000 in population, 20 percent for urban areas with fewer than 200,000 in population, and 20 percent to rural areas.

Eligible projects include capital and operating costs of equipment, facilities and associated capital maintenance items, promoting transit use by workers with nontraditional work schedules and other employer provided benefits. This program has a 50 percent match requirement for operations and 20 percent for capital. Local contributions can be matched with federal (non-Department of Transportation) dollars. Matching funds could include Community Development Block Grants, Temporary Aid to Needy Families (TANF) or Department of Labor Welfare to Work. The program may provide new funds to “jump start” transit service if it can be demonstrated that the service transports workers transitioning from welfare to work.

Grantees of federal funding through the JARC program (along with the Section 5310 and New Freedom programs) are required to certify that funded projects are derived from a Coordinated Public Transit-Human Services Transportation Plan. Up to 10 percent of the total grant amount for all three sources of funds may be used to support planning and project selection activities. There is no match required, and the funds may be applied for in advance of completing the planning activities.

FTA Section 5317 – New Freedom Program

Under SAFETEA-LU, this program was created to encourage services and facility improvements to address the transportation needs of persons with disabilities that go beyond those required by the Americans with Disabilities Act. Grants are available for associated capital and operating costs with 20 percent and 50 percent local match requirements respectively. Matching share requirements are flexible to encourage coordination with other federal programs that may provide transportation, such as Health and Human Services or Agriculture.

Funds are allocated through a formula based upon population of persons with disabilities. Areas over 200,000 in population receive 60 percent of the funding, 20 percent goes to states for areas under 200,000 in population and 20 percent goes to states for non-urbanized areas. States and designated recipients must select grantees competitively.

Lewis Clark Valley Metropolitan Planning Organization Regional Transportation Plan

Grantees of federal funding through the New Freedom Program (along with the Job Access and Reverse Commute (JARC) and Section 5310 programs) are required to certify that funded projects are derived from a Coordinated Public Transit-Human Services Transportation Plan. Up to 10 percent of the total grant amount for all three sources of funds may be used to support planning and project selection activities. There is no match required, and the funds may be applied for in advance of completing the planning activities.

JARC and New Freedom grants for small urban areas (50,000 to 199,999 in population) are appropriated to the state, which is to select grantees competitively. For example, small urban areas (UZAs) in Idaho include Coeur d'Alene, Idaho Falls, Lewiston, Nampa and Pocatello. JARC funding for these UZAs is estimated to range from \$299,000 in FY06 to \$356,000 in FY09. Original estimated appropriations for the Lewiston/Clarkston UZA provided around \$50,000 in JARC funds and \$30,000 in New Freedom grants annually between FY06 and FY09