



REGIONAL FORMULA FUND POLICY UPDATES

Transit Operators Working Group (TOG)

Jon Ravenelle / April 26, 2019



REGIONAL FORMULA FUND POLICIES OVERVIEW

REGIONAL FORMULA FUND POLICY UPDATES

- ▶ ATL and ARC have been working to update the Regional Suballocation Policies.
- ▶ Policy updates include:
 - Adjustments to reflect the change in Designated Recipient.
 - Adjustments to reflect the role of the ATL's Regional Transit Plan and HB 930.
 - Updates to the Program of Projects (POP) development and approval process, including a more expansive public engagement process to meet FTA requirements.
 - Updates to the Low-Income set-aside process to include biennial project calls that provide greater opportunities for the development of new mobility management, service, and technology projects.
- ▶ Updated policies will go into effect October 1, 2019 (start of Federal fiscal year 2020) with the existing suballocation methodology being used for Federal fiscal year 2019.

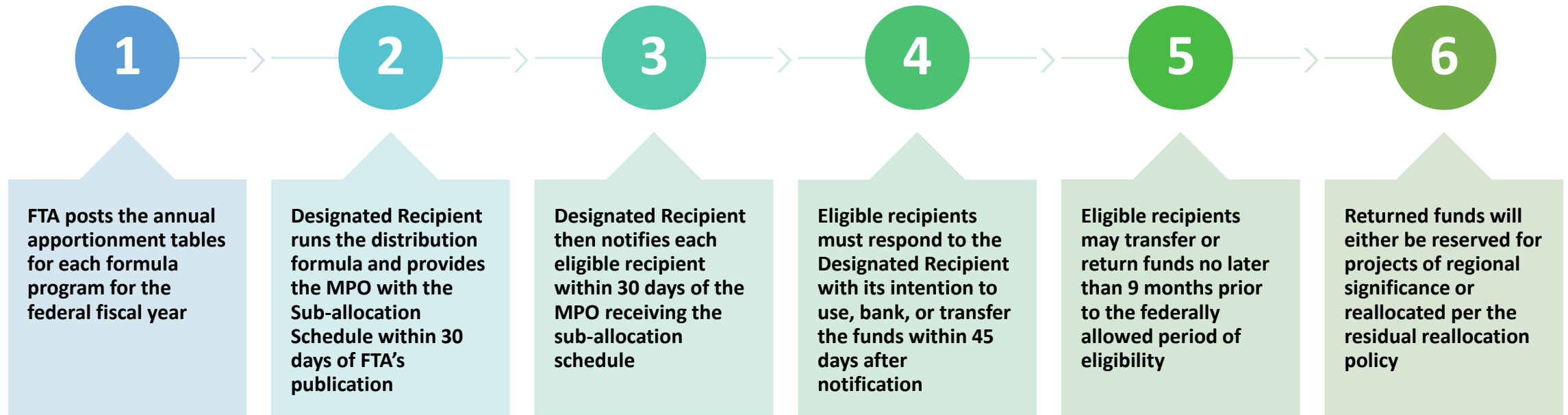
REGIONAL FORMULA FUND POLICY UPDATE TIMELINE

Week Of:	Activities
Feb. 11th	- Provide TOS Update and coordinate with FTA for feedback on POP process and make necessary revisions.
Feb. 18 th to Mar. 4th	- ATL & ARC finalize proposed policies.
Mar. 11th	- Send proposed policies to regional operators/TOG group for review.
Mar. 18th to Apr. 15th	<ul style="list-style-type: none"> - ARC & /ATL conduct joint meetings with operators/locals. - ARC & ATL receive and review feedback on proposed policies - answer any questions.
Apr. 22nd	- ARC & ATL present proposed policies during TOG meeting and gather recommendations related to policies.
Apr. 29th to May 6th	- Update/adjust proposed policies as necessary.
May 23 rd	- ATL Board receives presentation on details of proposed policies.
August Board Adoption	- ATL & ARC Board adoptions in August meetings.
Oct. 1, 2019	- New Regional Suballocation Policies effective.



SUBALLOCATION PROCESS OVERVIEW

SUB-ALLOCATION PROCESS



BANKING & TRANSFERRING FTA FORMULA FUNDS

- ▶ An eligible recipient may elect to initially bank suballocated funds.
- ▶ Banked funds are available for eligible recipients to obligate during the period of eligibility associated with the Federal formula funding program:
 - 5307 Funding: Federal Fiscal Year of Apportionment + 5 years
 - 5337 Funding: Federal Fiscal Year of Apportionment + 3 years
 - 5339 Funding: Federal Fiscal Year of Apportionment + 3 years
- ▶ Eligible recipients may also transfer their suballocation funding to another eligible recipient.
 - Each recipient that is party to a transfer will receive updated Suballocation letters and Balance Sheets from the Designated Recipient documenting the transfer

RESIDUAL REALLOCATION PROCESS

- ▶ Suballocated funds that are returned to the region for redistribution are termed “residual”

- ▶ Funds may be returned to the region for a variety of different reasons:
 - An eligible recipient may elect to voluntarily return their suballocated funds to the region because they cannot or choose not to use them

 - Funding not programmed as a project in the POP in the last year of federally allowed period of eligibility may also be returned to the region (or can be transferred to another eligible recipient)

- ▶ Residual funds are reallocated per the process below to ensure FTA formula funds remain in the region:
 - Designated Recipient and the MPO, together, may elect to set-aside/reserve a portion of the residual for a specific regional purpose

 - If there is no regional set-aside, the Designated Recipient will then run an abbreviated distribution formula that includes the suballocation calculation based on NTD service data reported by operators

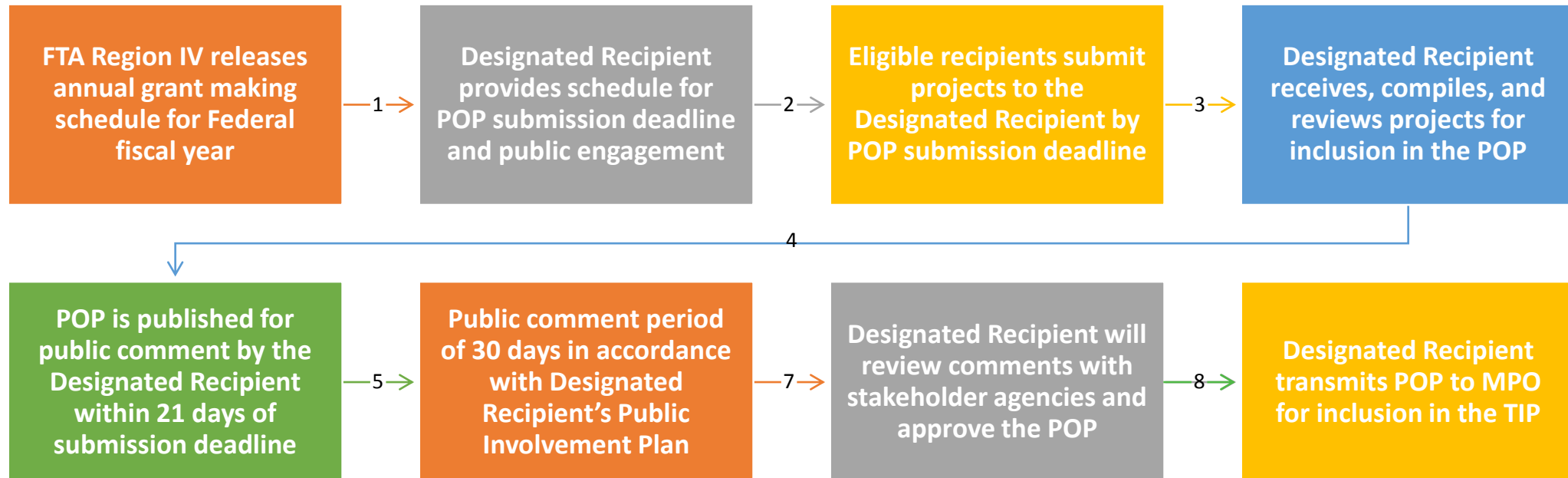


PROGRAM OF PROJECTS (POP) OVERVIEW

PROGRAM OF PROJECTS (POP) DEVELOPMENT

- ▶ Program of Projects (POP) is a list of projects to be funded from an eligible recipient's suballocation and is approved by the Designated Recipient in coordination with the MPO
- ▶ POP includes a brief description of the projects, including any sub-allocation among public transportation providers, total project costs, and federal share for each project
- ▶ Beginning in Federal FY 2020, ATL, as the Designated Recipient, will lead the POP Development.
 - Coordinating with eligible recipients to submit their projects
 - Conducting public participation activities
 - Reviewing projects for conformity with the ATL's Regional Transit Plan (RTP)

POP APPROVAL AND ADOPTION PROCESS



POP – ADMINISTRATIVE MODIFICATION PROCESS

- ▶ Any changes to projects included in the final approved POP that need to occur during the remainder of the Federal fiscal year will be considered administrative modifications and will not require a formal comment process

- ▶ Types of changes included in an administrative modification will include:
 - Additions to funding for an existing project
 - Addition of a new project activity to an existing project or expanding the scope of a project
 - Changes to funding between existing projects or existing project activities
 - Reduction of funding for an existing project activity
 - Addition of residual reallocation funding to an existing project

- ▶ New projects not considered in the annual POP update will be considered for adoption in the POP if the public comment process is fully conducted by the operator/local jurisdiction submitting that project.



5307 Regional Project Set-Asides
(included in proposed policies)

RESERVING FUNDS FOR REGIONAL PLANNING ENTITIES - PROPOSED

- ▶ Current ATL/ARC proposed policies include:
 - One percent (1%) of the total 5307 Atlanta UZA apportionment (exclusive of Low-Income set aside) will be reserved:
 - One fourth of one percent (.25%) for the ARC
 - Three fourths of one percent (.75%) for the ATL

- ▶ Proposed policy regional planning entities funding amounts (using FFY 2019 apportionments):
 - Total set-aside for regional planning entities increases by \$332,136
 - ARC set-aside: \$166,068
 - ATL set-aside: \$498,204

- ▶ ATL funding will be utilized for regional projects and planning including:
 - General Transit Feed Specification (GTFS) coordination activities
 - Regional Fare System and Policy studies
 - Regional Transit Signal Prioritization studies
 - Regional On-Board Survey
 - Regional capital projects – i.e. regional bus stop signage type projects

PROPOSED 5307 FORMULA FUND POLICY – IMPACTS

Eligible Recipient	FY 2019 Calculation		FY 2020 Proposed Policy Calculation		Net Change	
	5307 Total	% of Total	5307 Total	% of Total	% of Total	Amount
	Federal	5307 Funding	Federal	5307 Funding	5307 Funding	
ARC	\$ 332,136		\$ 166,068			\$ (166,068)
ATL	\$ -		\$ 498,204			\$ 498,204
Barrow	\$ 44,695	0.06%	\$ 44,511	0.06%	0.000%	\$ (184)
Bartow	\$ 29,775	0.04%	\$ 29,653	0.04%	0.000%	\$ (122)
Carroll	\$ 85,553	0.12%	\$ 85,202	0.12%	0.000%	\$ (351)
Cherokee	\$ 910,127	1.24%	\$ 906,282	1.23%	-0.005%	\$ (3,845)
City of Atlanta	\$ 262,162	0.36%	\$ 260,844	0.35%	-0.002%	\$ (1,318)
Cobb	\$ 5,601,539	7.61%	\$ 5,576,948	7.58%	-0.033%	\$ (24,591)
Coweta	\$ 338,250	0.46%	\$ 336,862	0.46%	-0.002%	\$ (1,388)
CPACS	\$ 42,179	0.06%	\$ 41,967	0.06%	0.000%	\$ (212)
Dawson	\$ 15,601	0.02%	\$ 15,537	0.02%	0.000%	\$ (64)
Douglas	\$ 872,712	1.19%	\$ 868,798	1.18%	-0.005%	\$ (3,914)
Fayette	\$ 360,468	0.49%	\$ 358,988	0.49%	-0.002%	\$ (1,480)
Forsyth	\$ 644,359	0.88%	\$ 641,714	0.87%	-0.004%	\$ (2,645)
GRTA	\$ 3,880,164	5.27%	\$ 3,860,665	5.25%	-0.026%	\$ (19,499)
Gwinnett	\$ 5,467,963	7.43%	\$ 5,444,534	7.40%	-0.032%	\$ (23,429)
Hall	\$ 53,190	0.07%	\$ 52,971	0.07%	0.000%	\$ (219)
Henry	\$ 905,467	1.23%	\$ 901,586	1.23%	-0.005%	\$ (3,881)
Jackson	\$ 24,126	0.03%	\$ 24,027	0.03%	0.000%	\$ (99)
MARTA	\$ 49,701,643	67.53%	\$ 49,462,261	67.21%	-0.325%	\$ (239,382)
Newton	\$ 286,206	0.39%	\$ 285,032	0.39%	-0.002%	\$ (1,174)
Paulding	\$ 456,172	0.62%	\$ 454,299	0.62%	-0.003%	\$ (1,873)
Pike	\$ 655	0.00%	\$ 653	0.00%	0.000%	\$ (3)
Rockdale	\$ 321,135	0.44%	\$ 319,817	0.43%	-0.002%	\$ (1,318)
Spalding	\$ 171,523	0.23%	\$ 170,819	0.23%	-0.001%	\$ (704)
Walton	\$ 107,364	0.15%	\$ 106,923	0.15%	-0.001%	\$ (441)
Low Income	\$ 2,682,964		\$ 2,682,964			\$ -
Total	\$ 73,598,128	100.00%	\$ 73,598,128	100.00%		\$ -

NOTES:

- ▶ Proposed New Regional Planning Entity Set-Aside percentages using FY19 apportionment:
 - ARC (0.25%)
 - ATL (0.75%)
 - Overall increase 0.5% to 1.0%
- ▶ Set-Asides from Section 5307 apportionment only. Not Section 5340
- ▶ Set-Asides administered after Low-Income component set aside is reserved from 5307 apportionment
- ▶ ATL Set-Aside funding must be used regional projects, not administration.
 - General Transit Feed Specification (GTFS) regional coordination activities
 - Regional Fare System and Policy studies
 - Regional Transit Signal Prioritization studies
 - Regional On-Board Survey

5307 ANNUAL APPORTIONMENT CALCULATION – SET ASIDES

▶ 5307 Low Income Component Set-Aside:

- Administered by the Designated Recipient through a project solicitation
- Project solicitation will be conducted every two years
- Awards will be made by the Designated Recipient based on evaluation of projects that meet the requirements for Low Income Component funding under the Section 5307 program

▶ Regional Projects Set-Aside:

- Designated Recipient and the MPO, together, may elect to set-aside/reserve a portion of the remaining 99% of Section 5307 funds (exclusive of Low Income) for a specific regional purpose
- Terms of the set-aside are to be stated in a written agreement from the authorized representatives of the Designated Recipient and MPO
- Written agreement will outline the agency/entities responsible for the coordination and/or implementation of the regional projects

REGIONAL PROJECT SET-ASIDES

- ▶ Option to set-aside a portion of 5307 suballocation provides the Region with ability to work regionally in the funding of specific projects of regional significance
- ▶ ATL and ARC electing to take a set-aside of additional 5307 funding will include significant outreach and coordination with operators and local jurisdictions:
 - ATL & ARC Transit Operators Working Group (TOG)
 - ATL Transit Executives Working Group



5337 Shared Segment Methodology

(included in proposed policies)

5337 SHARED SEGMENT – CURRENT METHODOLOGY

$$\begin{aligned} & \text{GCT(\% REPORTED) + Cobb Linc (\% REPORTED) +} \\ & \text{MARTA(\% REPORTED) + Xpress(\% REPORTED)} \\ & = \\ & \text{TOTAL DIRECTIONAL ROUTE MILES of HIMB} \end{aligned}$$

- ▶ In 2017 eligible HIMB operators identified concerns with current suballocation method
- ▶ Current suballocation is based on which operator first reported segment to NTD which was based on who operated in segment first
- ▶ Does not reflect amount of service being operated in each shared segment by each operator

5337 SHARED SEGMENT – PROPOSED METHODOLOGY

- ▶ Determine transit operators share of service provided on each HIMB segment:
 - GTFS feed data details amount of service provided by each transit operators on each HIMB segment
 - Example - *Segment 1*
 - *Operator A: 50 annual trips = 38% of annual service on Segment 1*
 - *Operator B: 80 annual trips = 62% of annual service on Segment 1*
 - Suballocate funding amount attributable to each segment to transit operators based on amount of service provided on each segment by each operator
 - Example - *Segment 1: \$100 for Federal fiscal year 2050*
 - *Operator A: based on 38% share of service on Segment 1 = \$38*
 - *Operator B: based on 62% share of service on Segment 1 = \$62*

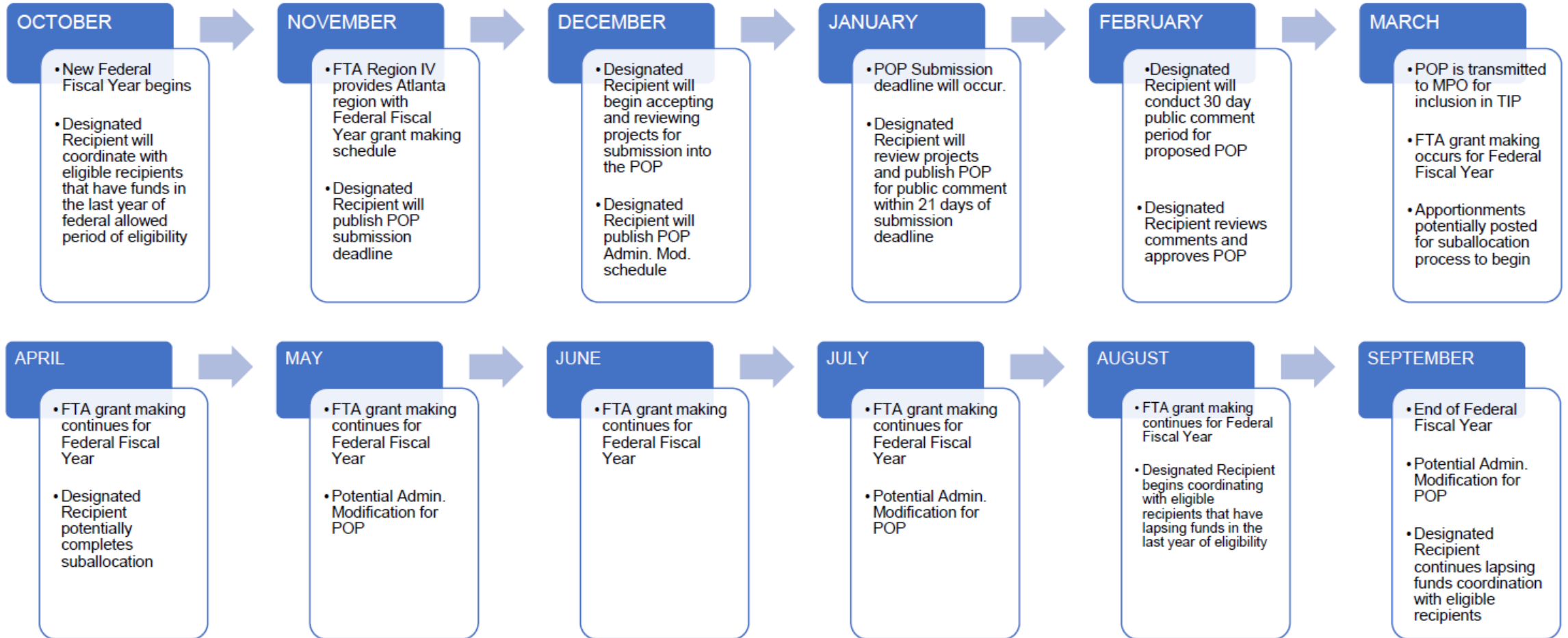
5337 SHARED SEGMENT – TAKE AWAYS

- ▶ Suballocation amounts will be based on amount of service provided by each operator within each segment
- ▶ As a result, suballocation will fluctuate as service levels change year-over-year
- ▶ New methodology will be phased in over a two-year period to reduce impacts of suballocation methodology
- ▶ ATL will be coordinating with all operators throughout the year to ensure that region is capturing all eligible DRM segments



ANNUAL GRANT ACTIVITY CYCLE

ANNUAL GRANT ACTIVITY CYCLE TIMELINE



Note: Cycle may change depending on a variety of factors including FTA Region IV grant making cycle and Federal apportionments timing.



THANK YOU!