



**Metro**

Metropolitan Transportation Authority

One Gateway Plaza  
Los Angeles, CA 90012-2952

213.922.2000 Tel  
metro.net

January 12, 2007

**TO: BOARD OF DIRECTORS**

**THROUGH: ROGER SNOBLE**   
**CHIEF EXECUTIVE OFFICER**

**FROM: CAROL INGE**   
**CHIEF PLANNING OFFICER**

**SUBJECT: CURRENT STATUS OF FEDERAL JARC AND NEW FREEDOM  
PROGRAMS AND PROJECT SELECTION**

### **ISSUE**

On May 25, 2006, the Board of Directors by resolution approved Metro to be the Designated Recipient for formula funding from the Federal Transit Administration (FTA) Sections 5316 - Job Access and Reverse Commute (JARC) and 5317 - New Freedom programs. This report advises the Board of the current status of these programs and presents how we plan to proceed with identifying candidate projects.

### **BACKGROUND**

On August 10, 2005, President Bush signed the *Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users* (SAFETEA-LU), providing \$286.4 billion in guaranteed funding for federal surface transportation programs over five years through FY 2009. SAFETEA-LU included provisions for improving transportation services for persons with disabilities, older Americans, and individuals with lower incomes. We anticipate that Los Angeles County will receive some \$8 million annually under the JARC and New Freedom programs through fiscal year 2009. Metro, as the Designated Recipient, will be eligible to use up to 10% of the JARC and New Freedom funds as reimbursement for expenses incurred in administering these programs.

SAFETEA-LU requires the Designated Recipient to certify that the projects selected for JARC and New Freedom funding result from a "locally developed, coordinated public transit-human services transportation plan." The coordinated plan must be developed through a process that includes representatives of public, private, and non-profit transportation and human services providers, and also requires participation by the public.

## **Current Status**

Los Angeles County has a coordinated plan that was developed previously for the JARC program and that can serve as the foundation for meeting the project selection requirements under the new SAFETEA-LU guidelines that the FTA is completing. We are working closely with Access Services Incorporated (ASI) and the Southern California Association of Governments (SCAG) to satisfy the requirements of these programs. As the Consolidated Transportation Services Agency, ASI has awarded a contract that includes the preparation of an action plan; an inventory of existing service providers; and strategies to implement consolidated and coordinated transportation services. In addition, ASI's contract requires that the completed action plan meet the SAFETEA-LU coordinated plan criteria.

Recognizing the time constraints under which Designated Recipients are to operate, the FTA has encouraged Designated Recipients to proceed based on draft program guidance published earlier this year. Any new provisions that may be added to the final guidance will become effective in subsequent years. To that end, we have completed proposed project selection criteria and developed a draft application package based on the Los Angeles County coordinated plan that currently is in place for the JARC program. We also are developing a program management plan and scheduling a public outreach workshop.

## **NEXT STEPS**

Final FTA guidance for the federal JARC and New Freedom programs still have not been published, but projects for the current fiscal year need to be selected, approved, and adopted in the Regional Transportation Improvement Program by Spring 2007. We will be proceeding with our preparations for selecting JARC and New Freedom projects with the \$8.0 million in federal funds authorized for the current fiscal year, according to current FTA instruction and a May 2006, Board-adopted resolution (see Attachment A). Attachment B provides our timeline for implementing the JARC and New Freedom programs, and Attachment C provides the criteria we expect to use for project selection. We expect to return to the Board by March 2007 with a Board Box report identifying the projects selected for funding.

Prepared by: Erv Poka, Transportation Planning Manager  
Regional Program Management

### Attachments:

- A. May 2006 Board Report and Board Resolution
- B. Timeline for JARC and New Freedom Programs
- C. Project Selection Criteria



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**PLANNING AND PROGRAMMING COMMITTEE  
MAY 17, 2006**

**SUBJECT: DESIGNATED RECIPIENT FOR FEDERAL FORMULA  
FUNDING FROM JOB ACCESS AND REVERSE COMMUTE  
AND NEW FREEDOM PROGRAMS**

**ACTION: ADOPT RESOLUTION APPROVING METRO AS DESIGNATED  
RECIPIENT FOR FEDERAL JOB ACCESS AND REVERSE COMMUTE AND  
NEW FREEDOM FUNDING**

**RECOMMENDATION**

Adopt the attached resolution approving the Los Angeles County Metropolitan Transportation Authority (Metro) as the Designated Recipient to receive and dispense formula funding from Federal Transit Administration (FTA) Sections 5316/Job Access and Reverse Commute (JARC) and 5317/New Freedom Programs.

**ISSUE**

Southern California Association of Governments (SCAG) staff has recommended that it would be more efficient for Metro to directly administer JARC and New Freedom federal formula funds for Los Angeles County. To do this, Metro must first become a Designated Recipient for the federal formula funding, as determined by the Governor through the State of California Department of Transportation (Caltrans).

**POLICY IMPLICATIONS**

In California, the Governor designates federal transportation formula fund recipients through Caltrans. For Los Angeles County, the role of Designated Recipient has traditionally been assigned to SCAG. Currently, SCAG is responsible for receiving and dispensing FTA Section 5307 Urbanized Area Formula funds for the area.

For JARC and New Freedom federal formula funding, SCAG staff has recommended that Metro be the Designated Recipient for Los Angeles County. SCAG staff believes that Metro, as the only other eligible regional transportation planning and programming agency within Los Angeles County, is better positioned with expertise and resources to oversee the JARC and New Freedom programs and to administer their federal formula funding. According to FTA guidance, if the Designated Recipient for JARC and New Freedom funding will not be the same agency as the Designated Recipient for Section 5307 Urbanized Area Formula

funds, then the new recipient must be officially designated before applying for fiscal year (FY) 2006 funds and thereafter. With SCAG's recommendation, the Governor through Caltrans needs to officially designate Metro as the Designated Recipient for JARC and New Freedom funding.

Once Metro assumes the role of Designated Recipient for JARC and New Freedom funding on behalf of Los Angeles County, Metro will be expected to be responsible for applying for and receiving the federal formula funding. Metro also will be responsible for developing a coordinated public transit – human services transportation plan (“the coordinated plan”) for Los Angeles County, according to requirements from the federal Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU).

### OPTIONS

The Board of Directors could consider two options to the recommended action as follows:

1. Reject the SCAG staff recommendation for Metro to become the Designated Recipient for JARC and New Freedom funds, and request that SCAG be the Designated Recipient for Los Angeles County; or,
2. Reject the SCAG staff recommendation for Metro to become the Designated Recipient for JARC and New Freedom funds, and allow for no Designated Recipient for Los Angeles County.

We do not recommend that the Board consider Option 1, as SCAG staff already has indicated that they would prefer Metro to assume the Designated Recipient role for Los Angeles County. Metro is better positioned to become the Designated Recipient and administer the JARC and New Freedom programs to benefit Los Angeles County. More specifically, Metro has the legal capacity to receive and dispense federal funds for public transit purposes; submit public transit projects for inclusion in the Transportation Improvement Program; submit and execute project applications to the FTA; enter into formal project agreements with sub-grantees; and hold and certify public hearings. We also do not recommend that the Board consider Option 2, as the FTA will not provide any JARC or New Freedom funding to Los Angeles County without a Designated Recipient.

### FINANCIAL IMPACT

For the FY 06 Budget, we expect to use existing staff and budgetary allocations to address all necessary activities for the recommended action. As the JARC and New Freedom Programs are multi-year programs, the cost center manager and Deputy Chief Executive Officer will be accountable for budgeting costs for needed activities in future years.

Once Metro is recognized as the Designated Recipient, we may apply for and be reimbursed for up to ten percent (10%) of the JARC and New Freedom funding made available, so as to repay our expenditures in administering the programs. We anticipate that Los Angeles County will be receiving as much as \$8.5 million annually for the combined JARC and New Freedom programs during the SAFETEA-LU programming period.

## **BACKGROUND**

SAFETEA-LU, the federal funding authorization for fiscal years 2006 through 2009, was enacted last year. Under this legislation, JARC and the New Freedom programs were developed with new funding and provisions to improve transportation services for persons with disabilities, older Americans, and individuals with lower incomes.

The FTA Section 5316 JARC Program provides formula funding to support the development and maintenance of job access and reverse commute projects designed to transport welfare recipients and eligible low-income individuals to and from jobs and activities related to their employment. Anticipated funding for the Los Angeles metropolitan area is estimated to be \$6 million annually.

The FTA Section 5317 New Freedom Program provides formula funding for new transportation services and transportation alternatives beyond those that the Americans with Disabilities Act of 1990 (ADA) requires to assist persons with disabilities. Anticipated funding for the Los Angeles metropolitan area is estimated to be \$2.5 million annually.

Beginning in FY 2007, for both the JARC and New Freedom programs, SAFETEA-LU requires the recipient of these funds to certify that projects selected for funding result from a "locally developed, coordinated public transit-human services transportation plan." Furthermore, SAFETEA-LU requires that such a plan must be developed through a process that included representatives of public, private, and nonprofit transportation and human services providers and participation by the public.

Los Angeles County has a coordinated plan that was developed for the JARC program and could serve as the foundation for meeting the project selection requirement of the new SAFETEA-LU required plan. We are currently working with Access Services Incorporated (ASI) who has already initiated a contract to meet state legal requirements that include the preparation of an action plan and inventory, identifying specialized service providers and strategy to implement consolidated and coordinated services. Included within ASI's contract scope is the requirement that the action plan meet the SAFETEA-LU coordinated plan criteria. We believe that once this work is completed, ASI's plan can help us meet the coordinated plan requirement.

## **NEXT STEPS**

Upon Board approval and adoption of the accompanying resolution, we will submit the required documentation to Caltrans and SCAG to implement the Board's action. Once the FTA formulates the final guidelines for JARC and New Freedom Programs, we will implement and administer these programs according to these federal requirements.

**ATTACHMENTS**

A. Board Resolution Approving Metro as Designated Recipient

Prepared by: David Sikes, Transportation Planning Manager  
Regional Program Management

Frank Flores, Deputy Executive Officer  
Programming and Policy Analysis



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Carol Inge  
Chief Planning Officer



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Roger Snoble  
Chief Executive Officer



**RESOLUTION APPROVING THAT THE  
LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY (METRO)  
BE IDENTIFIED AS THE DESIGNATED RECIPIENT FOR FEDERAL TRANSIT  
ADMINISTRATION (FTA) FORMULA FUNDING UNDER JOB ACCESS AND REVERSE  
COMMUTE (JARC) AND NEW FREEDOM PROGRAMS**

**WHEREAS**, the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU), portions of which propose to improve transportation services for persons with disabilities, older Americans, and individuals with lower incomes, was signed into law in 2005; and

**WHEREAS**, SAFETEA-LU includes FTA Sections 5316/JARC and 5317/New Freedom Formula Programs that provide federal formula funding; and

**WHEREAS**, Caltrans, on behalf of the Governor, approves Designated Recipients for the purposes of receiving and dispensing FTA formula funding from Sections 5316/JARC and 5317/New Freedom Programs for urbanized areas over 200,000 in California; and

**WHEREAS**, federal regulations require that a statewide or regional agency responsible under state law for financing, construction, or operating directly, by lease, contract, or otherwise of public transit services be named as the Designated Recipient for the purposes of receiving and dispensing FTA Sections 5316/JARC and 5317/New Freedom formula funds in accordance with the provisions of 49 U.S.C. 5303-5306; and

**WHEREAS**, Metro has the legal capacity to receive and dispense federal funds for public transit purposes; submit public transit projects for inclusion in the Transportation Improvement Program; submit project applications to the FTA; enter into formal project agreements with the FTA; and hold and certify public hearings; and

**WHEREAS**, by naming Metro as the Designated Recipient for FTA Sections 5316/JARC and 5317/New Freedom formula funds for areas of Los Angeles County, it would foster an effective planning process that ensures connectivity between modes, reduces access disadvantages experienced by modal systems, and promotes efficient overall transportation

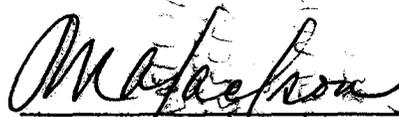
investment strategies for the disabled and disadvantaged residing in the Los Angeles County region.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Los Angeles County Metropolitan Transportation Authority that:

1. The Board of Directors approves Metro to be declared the Designated Recipient for formula funding from FTA Sections 5316/JARC and 5317/New Freedom Programs.
2. The Chief Executive Officer or the Chief Executive Officer's Designee is authorized to select projects, program funding, and file and execute FTA grant applications, agreements and contracts on behalf of Metro to fulfill the responsibilities of Designated Recipient, hereunder.

### CERTIFICATION

The undersigned, duly qualified and acting as the Board Secretary of the Los Angeles County Metropolitan Transportation Authority, certifies that the foregoing is a true and correct representation of the Resolution adopted at a legally convened meeting of the Board of Directors of the Los Angeles County Metropolitan Transportation Authority held on Thursday, May 25, 2006.



MICHELE JACKSON  
Metro Board Secretary

DATED:

(SEAL)

## JARC AND NEW FREEDOM PROJECT SELECTION TIMELINE

DECEMBER 2006	Board box item Publish program information and application package Outreach
JANUARY 2007	Complete Project Management Plan (PMP) Workshop for applicants Select review team
FEBRUARY 2007	Application submittal deadline
MARCH 2007	Application review and scoring Board Box Item – final scoring and selection Draft ASI's Coordinated Plan Completed
APRIL 2007	Submit Program of Projects to SCAG for inclusion in the FTIP
MAY 2007	Final Coordinated Transportation Plan Issued
JUNE 2007	Submit grant to FTA Execute MOU with Sub-Grantees
AUGUST 2007	FTA grant award Implement projects

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY  
JOB ACCESS AND REVERSE COMMUTE AND NEW FREEDOM  
PROJECT SELECTION CRITERIA

The following information and scoring criteria will be used to score and rate project applications for Job Access and Reverse Commute (JARC) and New Freedom Initiative (NFI) funding.

*a. Gaps in Current Services and Project Goals/Objectives:*

The application should directly address transportation gaps and/or barriers, either (1) identified through the locally developed human services transportation planning process, or (2) derived from a documented assessment of needs within the designated communities of concern. The application should also clearly state the overall program goals and objectives, and explain how the project is consistent with the objectives of the JARC and NFI grant programs.

*b. Coordination and Program Outreach:*

Proposed projects will be evaluated based on their ability to coordinate with other community transportation and/or social service resources. The application should show how existing resources are being leveraged in support of the new initiative. In addition, project stakeholders should be clearly identified, with a description of their involvement throughout the life of the project. Project sponsors should also describe how they will promote public awareness of the project. Letters of support from key stakeholders should be attached to the grant application.

*c. Implementation Plan:*

For projects seeking funds to support program operations, applicants must provide a well-defined service operation plan, showing the implementation steps and timelines for carrying out the plan. The project application should indicate the number of persons expected to be served, and the number of trips (or other units of service) expected to be provided. The service operation plan should identify key personnel assigned to this project and their qualifications. Project sponsors should demonstrate their institutional capability to carry out the service delivery aspect of the project as described.

For projects seeking funds for capital purposes, the applicant must provide a solid rationale for use of JARC and NFI funds for this purpose, and demonstrate that no other sources of funds are available to meet this need. An implementation plan and timeline for completing the capital project should also be included.

In either of the above cases, projects sponsors should show how they plan to continue operating the service beyond the period of the grant funding.

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY  
JOB ACCESS AND REVERSE COMMUTE AND NEW FREEDOM  
PROJECT SELECTION CRITERIA

*d. Project Budget:*

Projects must submit a clearly defined project budget, indicating anticipated project expenditures and revenues, including documentation of matching funds. Proposals should address long-term efforts and identify potential funding sources for sustaining the service beyond the grant period. Proponent shall demonstrate how using this funding leverages resources to the maximum possible extent.

*e. Program Effectiveness and Performance Indicators:*

The project will be scored based on the project sponsor's ability to demonstrate that the proposed project is the most appropriate match of service delivery to the need, and is a cost-effective approach. Project sponsors must also identify clear, measurable outcome-based performance measures to track the effectiveness of the service in meeting the identified goals. A plan should be provided for ongoing monitoring and evaluation of the service, and steps to be taken if original goals are not achieved.

Applicants should describe their proposed steps to measure the effectiveness of the proposed project and the magnitude of the impact that the project will have on the mobility of low-income residents.

*f. Innovation:*

Proposed new or innovative service concepts or facilities that have the potential for improving access and mobility for the target populations and may have application elsewhere,