

**Metro**

Metropolitan Transportation Authority

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metro.net**PLANNING AND PROGRAMMING COMMITTEE****October 17, 2007****SUBJECT: STATUS OF JARC AND NEW FREEDOM PROGRAMS AND FUNDING****ACTION: RECEIVE AND FILE****RECOMMENDATION**

Receive and file this update on the status of the federal Job Access and Reverse Commute (JARC) and New Freedom (NF) programs and their funding.

**ISSUE**

Previously, we informed the Board of Directors of award recommendations for local agencies that submitted proposals in response to Metro's February 2007 request for grant applications under the Federal Transit Administration (FTA) Sections 5316 - Job Access and Reverse Commute and 5317 - New Freedom programs. We are now completing our countywide grant application for submittal to the FTA, as well as the funding agreements with the successful applicants for execution. We also are now developing a new competitive process to solicit proposals and award the remaining funds available through 2009 under these two FTA programs. We plan to issue a Solicitation for Proposals for these funds in January 2008.

**DISCUSSION**

By resolution dated May 25, 2006, the Board of Directors authorized Metro to be the Designated Recipient of JARC and NF formula funds. The Board also authorized the Chief Executive Officer to select projects, program funding, and file and execute FTA grant applications, agreements, and contracts on behalf of Metro to fulfill its responsibilities as the Designated Recipient.

In June 2007, we informed the Board of Directors of award recommendations for local agencies that submitted proposals in response to Metro's February 2007 request for grant applications under the FTA Sections 5316-JARC and 5317-NF programs. Following this, we mailed award notification letters to successful applicants and worked with the Southern California Association of Governments (SCAG) to add the projects administratively in the

Los Angeles County Transportation Improvement Program. We are now completing our grant application for submittal to the FTA, as well as the funding agreements with the successful applicants for execution.

Finally, we are reviewing the status of JARC projects that were funded in 2004. Based on our review so far, some of those projects are not progressing as approved and we have determined that some changes may be needed to maximize the use of the funds. During our review, we also received requests from the City of Calabasas and Long Beach Transit to extend their respective projects, due to their success and service demand. We plan on allowing unspent 2004 grant funds be used to extend these projects and amending the funding agreements with Calabasas and Long Beach Transit to reflect these changes.

### Federal Project Selection and Coordinated Planning Requirements

The federal Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) authorization requires that Metro, in its role as Designated Recipient of FTA Section 5316-JARC and Section 5317-NF funds, develop a competitive process for requesting grant applications to fund projects that meet the eligibility criteria of the JARC and NF programs. During the previous funding cycle, Metro did develop such a process that identified the evaluation criteria, including overall effectiveness, potential in addressing identified needs/gaps, coordination between these two programs and with other programs, outreach, soundness of the proposed implementation plan, and funding match requirements, among other factors.

SAFETEA-LU also requires the Designated Recipient to certify that the projects selected for funding result from a locally developed, coordinated public transit-human services transportation plan ("the Coordinated Plan"). Our region's Coordinated Plan is now being developed according to the FTA guidelines, and it will identify needs that could be funded from FTA Section 5310- Elderly Persons and Persons with Disabilities, Section 5316-JARC, and Section 5317-NF programs. Development of the region's Coordinated Plan will allow for participation from representatives of public, private, and non-profit transportation and human services providers, as well as participation from other public stakeholders, including persons with disabilities. All projects to be selected in fiscal year (FY) 2008 and beyond must be derived from the Coordinated Plan. We anticipate that the Coordinated Plan will be completed by November 2007. Metro, as the lead agency, and in consultation with other agencies and groups in the region, will need to adopt the Consolidated Plan so that it may be filed with the California Department of Transportation (Caltrans) and the FTA.

In addition to the Coordinated Plan, the FTA is requiring that Designated Recipients responsible for implementing Section 5310- Elderly Persons and Persons with Disabilities, JARC, and NF programs document their approach to managing the programs. Accordingly, Metro will need to develop a Program Management Plan (PMP) that the FTA will use to conduct management reviews of the programs. The PMP also will provide public information regarding the competitive process for selecting and administering projects funded by the programs.

## New Solicitation Process for Proposals

To help Designated Recipients meet the SAFETEA-LU requirement for the competitive solicitation of grant applications for the JARC and NF programs, the FTA provides some flexibility with the process itself. The competition may be held annually or at intervals up to three years, as determined by the Designated Recipient and based on local needs. Eligible applicants, under FTA guidelines, may include private non-profit organizations, state or local governments, and operators of public transportation services. Metro held the last solicitation for grant applications in February 2007. Only 21 applications were received under the JARC and NF programs, but the submittals represented a considerable increase from prior years. However, most of the applications did not compete well.

From the February 2007 solicitation, we have identified areas for improving participation and success. First, we will issue the Solicitation for Proposals to fund projects for up to three years, as opposed to annually. This will help us to program and obligate available and anticipated FTA Section 5316 and Section 5317 funds through Fiscal Year 2009, and will help Los Angeles County avoid having any funds lapse. Over \$7 million in federal funds are subject to federal lapsing by September 2008. Furthermore, this will help us to minimize the administrative process, maximize project implementation efforts, and allow for efficiencies of implementation. We expect to authorize project expenses annually, contingent upon federal funding appropriations.

Secondly, we will allocate and program \$34 million in total funding currently available, which includes \$7 million from 2006 that we do not want to lapse and \$27 million for years 2007-2009. Of these amounts, about \$24 million would be available from the JARC program and \$10 million from the NF program for Los Angeles County, after ten percent is allocated for administration. Finally, we will identify categories of projects that address gaps identified in the Coordinated Plan. We plan to conduct Metro's Solicitation for Proposals in January 2008.

We believe that this new approach for the required competitive solicitation process would allow for a more regional and integrated funding strategy. Such a strategy can better address the gaps between current services and needs, as well as opportunities to improve efficiencies in service delivery, as identified in the Coordinated Plan. We plan to conduct separate workshops before the next Solicitation for Proposals, and we will actively engage interested agencies countywide, including the offices of the county supervisors and the Los Angeles County Department of Public Social Services.

### **NEXT STEPS**

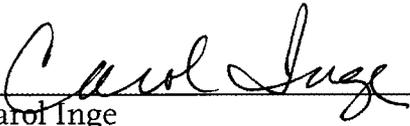
We will proceed with developing the new competitive solicitation process for the JARC and NF programs, including the formation of evaluation teams and the organization of workshops and other outreach efforts. We also will prepare the Program Management Plan that the FTA requires, and we will return to ask the Board to adopt the Coordinated Plan.

The following schedule reflects the anticipated activities as described above:

- Board adoption of Coordinated Plan: January 2008
- Requests for Proposals released: January 2008
- Proposals due: March 2008
- Project Selection and Award: April 2008
- FTA Application submitted: June 2008

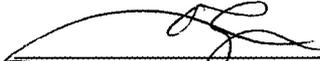
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