

January 26, 2015

## FY 2015 FTA SECTION 5310 NOTICE OF FUNDING AVAILABILITY

The purpose of this notice is to announce the availability of Federal Transit Administration (FTA) grant funding financial assistance for Federal Fiscal Year 2015 (October 2014 – September 2015) administered by the Arizona Department of Transportation (ADOT).

ADOT's Multimodal Planning Division (MPD) administers the FTA Section 5310 grant program, also known as the ADOT Coordinated Mobility Program, which is designed to financially support a variety of transit services to enhance mobility for seniors and individuals with disabilities in Arizona. The 2015 grant cycle continues to represent a modified Section 5310 program under MAP-21 that offers additional project eligibility categories, but also repealed the Section 5316 (Job Access Reverse Commute) and Section 5317 (New Freedom) programs, which means funding for those programs or associated project costs are no longer available.

**Complete details** about this grant program, including how to apply for funding, review procedures, and compliance requirements are in the "ADOT Coordinated Mobility Program Grant Guidebook." The updated FY 2015 version will be located on the ADOT website by February 24, 2015.

### Program Overview

**FTA Section 5310** funding is available to fund costs for mobility management activities, the purchase of capital equipment (e.g., vehicles, dispatch software), and operations to offer transportation services that address the mobility needs of seniors and individuals with disabilities.

The primary focus of the program is funding mobility management activities and capital project expenses, primarily for nonprofit agencies, with the intent of providing service to meet the mobility needs of seniors and individuals with disabilities when public transportation is insufficient, inappropriate, or unavailable (traditional 5310 projects).

Project operation costs are eligible for specific types of projects, but these projects must be: public transportation projects that exceed the minimum requirements of the ADA; public transportation projects that improve access to fixed-route service and decrease reliance by individuals with disabilities on ADA complementary paratransit service; or public transportation projects that provide alternatives to public transportation that assist seniors and individuals with disabilities. The expanded eligibility provisions are a result of the consolidation of the Section 5317 program, which was repealed by the federal government, with the Section 5310 program.

Eligibility for "traditional" Section 5310 funds, which include mobility management and capital projects, is limited primarily to private nonprofit organizations; however, public agencies are eligible to apply for projects if they certify that no non-profit organizations are readily available to provide service in the

same area. Public agencies are also eligible if they are designated by ADOT *and* at the regional level through coordination planning activities to provide oversight and administration for a project that is conducted in the interest, or strongly supportive, of local, regional, and/or State coordination objectives, such as a Council of Governments (COG) conducting regional mobility management activities.

Eligible organizations for “other” Section 5310 funds, which include operating expenses, are private nonprofit organizations; public agencies that certify there are no nonprofit organizations readily available to provide services in the same area; and operators of public transportation that receive 5310 funds indirectly through another eligible recipient.

Private operators of “public transportation” are eligible subrecipients under the Section 5310 program. The definition of “public transportation” includes *shared-ride surface transportation services*. Private taxi companies that provide *shared-ride taxi service* to the general public on a regular basis are operators of public transportation, and therefore eligible subrecipients. “Shared-ride” means two or more passengers in the same vehicle who are otherwise not traveling together. For more information, please see the ADOT Coordinated Mobility Program Grant Guidebook.

All regions in the State, with the exception of the Phoenix-Mesa urbanized area (UZA), are eligible to apply through ADOT for Section 5310 program funds. MAP-21 federal guidelines allow large urbanized areas to directly administer Section 5310 funds. Therefore, previous ADOT subrecipients, as well as new applicants, in the Phoenix-Mesa UZA will apply through the City of Phoenix, in coordination with MAG, for Section 5310 funds.

### **Funding Available**

MAP-21 federal legislation has changed the level of funding the State provides for the Section 5310 Program. Federal guidelines both allocate a specific funding amount *and* allow large urbanized areas to directly administer Section 5310 program funds. Arizona has two large urbanized areas, which are the Phoenix – Mesa UZA in the MAG region and the Tucson UZA in the PAG region. For the 2015 application cycle, the Phoenix-Mesa UZA *will not use* ADOT to administer their Section 5310 program. Applicants formally under ADOT in the Phoenix-Mesa UZA apply directly through the City of Phoenix, in coordination with MAG. Conversely, the Tucson UZA *continues to use* ADOT to administer their Section 5310 program funding. Applicants continue to apply under ADOT for these funds.

ADOT uses two types of Section 5310 funding to fund eligible projects, Section 5310 *Formula* funds and Section 5310 *STP* funds. *Formula* funds can be used for all eligible projects listed in the above Program Overview in both the rural and urbanized areas of the state. *STP* funds can be used for mobility management and capital projects, and only in the rural areas of the state.

For 5310 *Formula* funds, the following amounts are based on actual FY 2014 federal apportionments for Arizona by federal designated census population area. FY 2015 apportionments were not available at the time of this NOFA release.

- Rural: approximately \$760,000 (\$340,000 approx. available for operating)
- Small Urban: approximately \$1,080,000 (\$485,000 approx. available for operating)
- Urban Tucson / PAG region: approx. \$825,000 (\$370,000 approx. available for operating)

For 5310 *STP* funds, approximately 1.5 to 3 million dollars is available for capital projects in the rural areas of the state.

Reference is made above to rural areas and large and small-urbanized areas. The FTA, using U.S. Census Bureau information, generally defines these population areas of the state as follows:

- A non-urbanized (rural) area is an area with a population under 50,000. This includes all areas outside of an urbanized area.
- A small UZA is an area with a population between 50,000 and 200,000. In Arizona, the small-urbanized areas are Avondale – Goodyear, Casa Grande, Flagstaff, Lake Havasu City, Prescott Valley – Prescott, Sierra Vista, and Yuma.
- A large UZA is an area with a population of over 200,000. In Arizona, the large UZAs are Phoenix-Mesa and Tucson.

The Section 5310 program has two match ratios. The match ratio for *non-operating expenses* (capital and mobility management) is 80% federal and 20% local. The local match can be in the form of cash or in-kind contributions, except that the local match for tangible capital (vehicles, software, etc.) *must* be in the form of cash. For *operating expenses*, the federal share cannot exceed 50% of the total net operating deficit of the service, which is defined as total operating expenses minus operating revenues (e.g., fares, donations in lieu of fares). Dependent on the particular program, all or a portion of the local match can be derived from other federal funds, excluding other FTA or U.S. Department of Transportation (DOT) funds.

### **Pre-Application Requirements**

Organizations contemplating the submittal of an application should be aware of some important prerequisites. In order to apply for the Section 5310 grant program, the project or services to be provided must be “included in” (either specifically described in or consistent with) the most recent version of one’s locally developed Coordinated Public Transit-Human Service Transportation Plan. If applying for a project that is consistent with the Coordination Plan but not specifically described in the text, note that such projects still need to be listed in the annual amendment to the plan containing the current project list. Those who are unsure whether their proposed project is eligible based on these planning requirements should contact their regional Council of Governments (COG) or Metropolitan

Planning Organization (MPO) contact person(s). Those agencies seeking funding who have had little collaboration with those in the human services field are encouraged to speak to their COG or MPO contact person(s) immediately about how to meet this important requirement.

In addition to being included in the necessary planning documents, *all* applicants for 2015 FTA assistance *must* be registered to use the Arizona E-Grants system and assigned a username and password. All applications for FY 2015 Section 5310 funding will be submitted electronically on this system, hard copy paper applications are not accepted.

### **Application Timeline and Technical Assistance**

- Application forms in E-Grants and guidance documents on the ADOT website will be available starting **Tuesday, February 24, 2015**.
- Applications are due in the system by **Wednesday, April 15, 2015**.

Late applications will not be accepted and ADOT does not intend to extend the application submission deadline.

The E-Grants help desk is available from 8:00 am to 5:00 pm (MST). The phone number and email to contact the help desk are provided under the “Show Help” section on the system’s home page and also below. If an applicant has a question after hours, the Help Desk returns all calls and emails immediately the following day.

- Phone: 1-866-449-1425
- Email: [azhelpdesk@agatesoftware.com](mailto:azhelpdesk@agatesoftware.com)

If you have questions about the Section 5310 program, please contact the ADOT Coordinated Mobility Program manager, Dan Harrigan, at 602-712-8232 or [dharrigan@azdot.gov](mailto:dharrigan@azdot.gov).

### **Other Important Information**

- Minority organizations and organizations whose clientele includes a significant number of minority members are strongly encouraged to apply for funds.
- Applications submitted for FY 2015 FTA funds will be awarded and contracted for Federal Fiscal Year 2016 (October 2015 through September 2016), with a project and contract start date of October 1, 2015.
- Contract documents are submitted at the time of application. A final funding commitment that defines the project(s) award description, contract eligibility dates, and match requirements, documented in the form of an Exhibit A, is sent to the applicant by ADOT after awards are made to finalize the contract agreement. Finalized Exhibit A’s are required before the contract is valid and a subrecipient can start billing for expenses under that contract.
- Those who are requesting vehicles will most likely receive this vehicle via an ADOT led procurement process and therefore must submit cash local match at the time of Exhibit A receipt.

- Those who are awarded FTA funds will:
  - Be notified of their 2015 award in June 2015.
  - Enter into a contract with ADOT and submit basic performance data.
  - Incur expenses up front after the contract start date (October 1, 2015) and then request reimbursement from ADOT based on documented records.
  - Be required to comply with various Federal requirements (e.g., Civil Rights provisions).

We look forward to receiving your application in the upcoming months. Thank you for your interest in FTA funding.

Sincerely,



Mike Normand, Director Transit Programs  
Arizona Department of Transportation  
Multimodal Planning Division

