Agenda Item 10

METROPOLITAN
TRANSPORTATION
COMMISSION

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Memorandum

TO: Elderly and Disabled Advisory Committee DATE: March 25, 2009

FR: Kristen Mazur, MTC Staff

RE: Revised New Freedom Program Guidelines

Background

The New Freedom Program provides grants for new capital and operational projects aimed at reducing, beyond the requirements of the Americans with Disabilities Act of 1990, transportation barriers faced by individuals with disabilities.

Funds are apportioned by formula to large urbanized areas (UAs), small UAs and rural areas based on the population of persons with disabilities. Funds are required to be spent on projects that provide transportation services within those areas.

Designated recipients of the funds are responsible for conducting a competitive selection process to determine which projects should receive funding. MTC is the designated recipient for the Bay Area's large UA funds. Caltrans is the designated recipient for the Bay Area's small UA funds, and the state's rural area funds; MTC may, however, conduct the competitive selection process on behalf of Caltrans for small UA funds. MTC is currently working with Caltrans to determine if it is feasible for MTC to do so this year.[1]

[1] Caltrans is conducting a separate Call for Projects for the small and non-UA funds. That Call for Projects has a different timeline, application form, and scoring criteria. Additional information about the small and non-UA call for projects can be found on the Caltrans website: http://www.dot.ca.gov/hq/MassTrans/5317.html

Third Cycle New Freedom Program Guidelines for Large UAs

MTC staff developed the attached program guidelines (see Attachment 1), which will be used to conduct the competitive selection process for the large UA funds comprising the Third Cycle New Freedom Program starting later this spring.

The highlights from the proposed Third Cycle Program Guidelines for large UAs are:

- Total funding available for the Bay Area's large UAs in the third cycle is approximately $3.5 million. This amount consists of the entire FY 2007-08 apportionment, and the entire estimated FY 2008-09 apportionment.[2] During the last cycle of programming, the Commission recommended that that previous cycle (Cycle II) be for FY 2006-07 funds only, followed by a third cycle that used two years of funding. The target programming amount for each large UA is shown in Table 1.

Table 1. Programming Targets for New Freedom Program Third Cycle

Large Urbanized Area (UA)	Third Cycle Target
Bay Area Large UA (2-year program)	**$3,482,968**
Antioch UA	*$130,928*
Concord UA	*$263,102*
San Francisco-Oakland UA	*$2,052,918*
San Jose UA	*$862,988*
Santa Rosa UA	*$173,032*

- Large UAs Projects are required to be derived from the Elderly & Disabled component of the Bay Area's Coordinated Public Transit-Human Services Transportation Plan, available at www.mtc.ca.gov/planning/pths/.

[2] The FY 2009 amount is an estimate because, as of March 23, 2009, FTA has only released a portion (43%) of the New Freedom FY09 apportionments (see Federal Register notice dated December 18, 2008). Final apportionments are expected to be available later in April.

- Projects must be "new." Any service or activity that was not operational on August 10, 2005, and did not have an identified funding source as of August 2005, as evidenced by inclusion in the Transportation Improvement Plan (TIP) or the STIP, is considered "new."

- Eligible applicants include: a) private non-profit organizations; b) state or local governmental authority; and c) operators of public transportation services, including private operators of public transportation services.

- There is no maximum amount for funding requests, except that applicants should not request more than the target amount for the large UAs in which their projects will provide services.

- Applications will be evaluated based on MTC-adopted criteria, including: demonstration of need and expected benefits; evidence of coordination, partnership, and outreach efforts and project readiness.

- Call for Projects is expected to be released at the end of May, following Commission adoption of the Program Guidelines (draft is attached).

- A workshop for prospective applicants will be held on Thursday, June 25, 2009 from 1:00 p.m. to 3:00 p.m. at the MetroCenter's Third Floor Conference Room. Attendance is not required, but is encouraged.

- Applications will be due to MTC by 5:00 p.m. on Friday, August 7, 2009. Preliminary results are expected to be announced in October 2009.

Proposed Policy Change

The Federal Transit Administration (FTA) is considering a policy change that would expand the type of projects that are eligible for funding under the New Freedom program. Should this policy change take effect during this funding cycle, MTC will review and score all projects that are considered eligible by the FTA at the time of the competitive scoring and selection process.

The details of the policy change under consideration are:

- On January 23, 2008, the FTA issued a Notice of Proposed Policy Statement for Eligible New Freedom projects in the Federal Register (see Federal Register volume 74, No. 14). Comments on the proposal were due February 23, 2009, and the FTA is considering those comments now.

- In the past, the FTA said that new and expanded fixed-route and demand-responsive transit services designed to meet the needs of individuals with disabilities were not eligible for New Freedom funding. In the proposed policy statement, the FTA is considering a revised interpretation of the New Freedom circular, which would make these activities eligible for New Freedom funding. Examples of eligible projects would include the following:

- Fixed-route service extended to serve a congregate living facility or a workplace serving large numbers of individuals with disabilities; or

- New or expanded demand-responsive service, including new hours or days of operation, or increased geographic coverage, to meet the needs of individuals with disabilities.

Next Steps

MTC staff will present the proposed program guidelines at the April 2nd EDAC meeting. They will also be discussed with the Transit Finance Working Group, Partnership Technical Advisory Committee, and Partnership Accessibility Committee. The guidelines will be revised as appropriate based on comments received. The draft final guidelines will be presented to the Programming and Allocations Committee for approval at their May 13th meeting.