

MEMORANDUM

**TO: MPO Board
DCHC MPO**

**FROM: Margaret Scully
DCHC MPO Lead Planning Agency**

DATE: May 11, 2016

SUBJECT: FFY 2016 Section 5307/5340 Full Apportionment for Durham NC UZA

The Urbanized Area Formula Funding program (49 U.S.C. 5307) makes Federal resources available to urbanized areas and to Governors for transit capital and operating assistance in urbanized areas and for transportation related planning. An urbanized area is an incorporated area with a population of 50,000 or more that is designated as such by the U.S. Department of Commerce, Bureau of the Census. The Growing States and High Density States Formula Distribution program (49. U.S.C. 5340) provides additional funds to states meeting criteria as a growing state or a high density state. North Carolina meets definition of a growing state and is apportioned additional funds.

Funding is made available to designated recipients (DR) that must be public bodies with the legal authority to receive and dispense Federal funds. Governors, responsible local officials and publicly owned operators of transit services are to designate a recipient to apply for, receive, and dispense funds for transportation management areas pursuant to 49 USC 5307(a)(2). Generally, a transportation management area (TMA) is an urbanized area with a population of 200,000 or more. The Governor or Governor's designee is the designated recipient for urbanized areas with population between 50,000 and 200,000.

For urbanized areas with 200,000 or more in population, funds are apportioned and flow directly to a DR selected locally to apply for and receive Federal funds. Eligible activities include planning, engineering, design and evaluation of transit projects and other technical transportation-related studies; job access and reverse commute projects; capital investments in bus and bus-related activities such as replacement of buses, overhaul of buses, rebuilding of buses, crime prevention and security equipment and construction of maintenance and passenger facilities; and capital investments in new and existing fixed guideway systems including rolling stock, overhaul and rebuilding of vehicles, track, signals, communications, and computer hardware and software. All preventive maintenance and some Americans with Disabilities Act complementary para-transit service costs are considered capital costs.

The DCHC- MPO as the DR for the Durham UZA, has received the full FFY2016 Apportionment and has prepared a recommended split by agency. Funding is apportioned on the basis of legislative formulas. For areas with populations of 200,000 and more, the formula is based on a combination of bus revenue vehicle miles, bus passenger miles, fixed guideway revenue vehicle miles, and fixed guideway route miles as well as population and population density.

The Federal Transit Administration (FTA) defines the role of the DR in its regulatory policies. As the DR for the Durham UZA, DCHC-MPO is required to have all projects listed in the annual Program of Projects, oversee the sub-allocation to transit providers, and provide grant oversight as described in the approved *MPO Policy #2 DCHC-MPO Oversight Procedures for Section 5307 – Urbanized Area Formula Program*. DCHC-MPO oversight also includes projects identified as job access and reverse commute projects by transit providers.