

National Capital Region Transportation Planning Board

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DRAFT 11/29/07

Honorable Matthew Kelly
Chairman
Fredericksburg Area
Metropolitan Planning Organization
P.O. Box 863
Fredericksburg, VA 22404

RE: Allocation and Sharing of Federal Transit Administration (FTA) Section 5307
Funds for the Washington Urbanized Area

Dear Chairman Kelly:

At its September 20, 2006 meeting, the National Capital Region Transportation Planning Board (TPB) received copies of five resolutions adopted on September 18, 2006 by the FAMPO Policy Committee stating FAMPO policies with respect to the allocation of federal Section 5307 formula transit funds for the Washington urbanized area. In this letter the TPB addresses the FAMPO policy statements in each of these resolutions, and outlines its responses and recommendations on each of the topics addressed in the resolutions.

Over the past several months, TPB staff has reviewed the current procedures for allocating FTA Section 5307 formula funds within the Washington urbanized area, and has consulted with senior staff at FAMPO and other organizations potentially affected by the programming of the funds, including the Washington Metropolitan Area Transit Authority (WMATA), the Potomac and Rappahannock Transportation Commission (PRTC), the Northern Virginia Transportation Commission (NVTC), the Northern Virginia Transportation Authority (NVTA), the Virginia Department of Rail and Public Transportation (VDRPT), and the District of Columbia, Maryland, and Virginia Departments of Transportation. At its November 2 and December 7, 2007 meetings, the TPB Technical Committee was briefed on the current procedures for allocating FTA Section 5307 funds in the Washington urbanized area, the FAMPO policy statements, and proposed procedures for the allocation and sharing of these funds in the future. At its December 19, 2007 meeting, the TPB was briefed on these current procedures and the FAMPO policy statements. At its January 16, 2008 meeting, the TPB approved sending this letter to FAMPO for its consideration and further discussion.

Regarding FAMPO Resolution FY 06-32b on VRE generated funds, the TPB is in agreement with FAMPO's policy position, which conforms to current practice for allocating Section 5307 FTA formula funds to VRE. The TPB believes that this practice is working well and should continue.

FAMPO Resolution FY 06-32c addresses Section 5307 funds which are apportioned among small urbanized areas in the Commonwealth of Virginia by the Virginia Department of Rail and Public Transportation (VDRPT). These small urbanized area funds are in a separate category from the Section 5307 funds apportioned by the FTA formula for the Washington urbanized area, and the TPB does not intend to take any position on the apportionment of these small urbanized area funds.

Regarding FAMPO Resolution FY 06-32d with respect to the designation of urbanized areas as a result of the 2010 Census, the TPB acknowledges FAMPO's belief that the Washington and Fredericksburg urbanized areas should remain separate following the 2010 Census, with the boundary on the Prince William/Stafford County line. The TPB would be willing to discuss this question once the 2010 census results are available, but does not intend to take a position at this time.

Regarding FAMPO Resolutions FY 06-32a and FY 06-32e on the portions of FTA Section 5307 funds for the Washington urbanized area that are based on population, population density, and bus service factors, the TPB recommends that FAMPO proceed in accordance with the following guidance provided by the FHWA and FTA in an August 9, 2004 letter to Mr. Henry Connors, Jr., Chairman of FAMPO:

"TPB, along with the FTA designated recipients in the Washington D.C. urbanized area determine how Federal transit funds are spent in that urbanized area, which encompasses northern Stafford County. Therefore, FAMPO may wish to participate in the TPB planning process, as projects and programs serving the needs of northern Stafford County are eligible for a portion of the Federal funds apportioned to the Washington D.C. urbanized area."

Based upon this federal guidance, the TPB recommends that FAMPO participate in the TPB planning and programming process with regard to projects serving the needs of northern Stafford County. Should FAMPO wish to participate in the TPB planning and programming process to identify transportation projects that are eligible for the 5307 funds, there are a number of considerations with respect to current practices and funding commitments that should be kept in mind.

First, the bus service and related ridership in North Stafford contributes to the Washington urbanized area Section 5307 apportionment only if the north Stafford service and ridership statistics are reported as part of the National Transit Database (NTD) clearly identified as Washington D.C. urbanized area statistics, which did not happen in 2005. Consequently, the FY 2007 apportionment of Section 5307 funds does not account for the existence of bus service in north Stafford, an omission that has been brought to the Fredericksburg Regional Transit System's (FRED) attention. Correct reporting of these statistics in the future will make it possible to quantify the north Stafford County contribution to the Washington urbanized area Section 5307 apportionment.

Second, the 2006 Update to Constrained Long Range Plan (CLRP) Financial Plan for the Washington region brought the region's jurisdictions together to address funding sources for highway and transit needs, including the use of 5307 funds for transit capital improvement priorities. One current commitment of 5307 funding reflected in the 2006 CLRP update is specified in WMATA Board resolution #2000-08, adopted on January 27, 2000. This resolution states that in order to support WMATA's ability to finance projects under a TIFIA loan guarantee, "transit systems shall receive funds only if WMATA, as the designated recipient, has allocated to them Section 5307 funds directly attributable to their transit operations in the Washington urbanized area as of January 1, 2000." Any changes to the allocation of those funds would require a negotiated agreement between the region's jurisdictions. (The terms of this TIFIA loan guarantee were approved by the Federal Transit Administration (FTA), and the loan guarantee used for railcar rehabilitation is still required until the current program ends in 2010.)

Finally, I would like to bring to your attention a point made by several TPB member jurisdictions during the development of this letter. WMATA provides service to many passengers who reside outside of the WMATA Compact jurisdictions, and Compact members pay the local subsidy for operating and capital expenses generated by those passengers. Any decrease in the federal capital funds available to WMATA would require an increase in capital contributions from the local Compact jurisdictions. In 2007, residents of the FAMPO region make approximately 3,700 trips daily on Metrorail. WMATA estimates that Compact jurisdictions are currently paying approximately \$590,000 annually to subsidize the fares of FAMPO region riders.

The TPB looks forward to receiving comments from FAMPO on these recommendations on the allocation and sharing of FTA Section 5307 funds for the Washington urbanized area. Please contact Ronald Kirby, staff director for the TPB, at (202) 962-3310 if you have any questions regarding this proposal.

Sincerely

Chair, National Capital Region
Transportation Planning Board



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Matt Kelly
FAMPO Chairman

Lloyd Robinson
FAMPO Administrator

November 19, 2007

Mr. Ron Kirby, Director
Transportation Planning Division
Washington Metropolitan Area Council of Governments
777 North Capital Street NE
Washington, DC 20002

RE: FTA Section 5307 Formula Funds Issue Between FAMPO and the TPB Arising from the 2000 Census

Dear Mr. Kirby:

I am writing to express concern over the subject issue.

As you know the 2000 Census designated a portion of North Stafford County as a part of the Washington Urbanized Area (UZA). As a result of this designation about \$200,000 of FTA Section 5307 formula funding has been accruing annually to WMATA, as the Designated Recipient for your UZA, as a result of the population and population density of that portion of North Stafford County. In addition, in the past three years, new transit services have begun in North Stafford County, and these are now being reported to FTA through the National Transit Data Base (NTD). It is our belief that, beginning in the next Federal fiscal year, these new services will add to the amounts of Section 5307 funds which WMATA receives as a result of North Stafford County, bringing the total to more than \$260,000 a year.

Last fall we sent you a series of Board Resolutions in which we requested, among other things, that the FTA Section 5307 funds attributable to North Stafford County be returned to the FAMPO Region and that the Transportation Planning Board (TPB) work with us to assure that, in the 2010 Census, this and other potential problems be avoided, by uniting in a request that the UZA boundary between our two Regions be drawn at the Stafford County-Prince William County line.

Since that time you and I have spoken frequently, and I understand that movement on at least the Section 5307 formula issue has occurred with your MPO Technical Committee and the transit providers in your Region.

Mr. Ron Kirby
November 19, 2007
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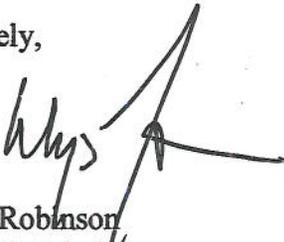
I certainly believe that you and your colleagues have been acting in good faith to resolve this problem. However I also understand from staff reports that the Northern Virginia Transportation Authority (NVTA) Board discussed this issue at its November meeting and voiced opposition to any reverting of North Stafford County-generated Section 5307 funds back to the FAMPO Region.

I further understand that you had intended for this issue to be on the TPB Board Agenda last week, but that that meeting was cancelled, and you now intend to introduce this to the TPB Board in December, for discussion and action in January.

We are concerned that this issue could simply linger on without resolution, possibly through the 2010 Census. FAMPO Chair Matt Kelly and I stand ready to do anything we can to resolve this issue and are ready to attend any TPB Board meeting you think advisable.

I think we are all working in good faith here and look forward to hearing from you.

Sincerely,

A handwritten signature in black ink, appearing to read 'Lloyd Robinson', with a large, stylized flourish extending upwards and to the right.

Lloyd Robinson
FAMPO Administrator

Cc: Chairman Kelly and FAMPO Board
Pierce Homer, Virginia Transportation Secretary
Letitia A. Thompson, FTA Region III Administrator
Matthew O. Tucker, Virginia DRPT Director
Richard Taube, NVTC, Executive Director