

ISSUE: Consideration of an application to the Federal Transit Administration (FTA) that would designate the City as a direct federal recipient eligible to receive federal discretionary grants to fund City priorities such as electric buses and associated infrastructure needs.

RECOMMENDATION: That the City Council:

1. Adopt the Authorizing Resolution, which authorizes the City Manager to apply for federal assistance with the Federal Transit Administration and file annual certifications and assurances;
2. Authorize the City Manager to approve the Interlocal Agreement with the Alexandria Transit Company (DASH), which sets out ongoing responsibilities; and
3. Adopt the City of Alexandria's FTA Title VI Program with regards to funds obtained from the Federal Transit Administration.

BACKGROUND: The City Council and the Alexandria Transit Company (ATC) Board of Directors have made clear that electrification of the DASH bus fleet is a priority in order to combat climate change. However, there is a \$59.8 million gap (unsecured federal/state grants) in the City's planned \$105 million, 10-year DASH Bus Fleet Replacements project in the City's FY 2023 to FY 2032 Capital Improvement Program. To fund the required fleet replacement and facility upgrades, the City will need to seek new revenue sources.

The federal government has recently made bus electrification, including electric vehicles and facilities, a priority. There is an expansion of federal "Low-No" grants which fund low- or no-emission buses and infrastructure, with two grants announced in early March. Staff recommend exploring these opportunities for the potential to secure bus and infrastructure funds. For this reason, the City and DASH are undertaking the required steps to become a direct federal recipient to be eligible for these grants. The City and DASH have previously studied federalization on several occasions but did not pursue becoming a designated federal recipient because the limited federal funding available did not outweigh the costs of administering the requirements. Currently the City is a sub-recipient under the Northern Virginia Transportation Commission, which has indicated that staffing concerns prevent their assistance with applying for and administering this level of discretionary grants.

Becoming a direct federal recipient would make the City eligible for millions of dollars of new funds. However, it also entails new requirements, reporting, and potential changes to procedures and workflow, necessitating changes to office procedures and new staff.

DISCUSSION: In the region, other municipal governments have taken on the role of direct recipient of FTA funding. These include:

- Arlington County, Virginia
- Fairfax County, Virginia
- Montgomery County, Maryland

The roles, responsibilities, and organizational structure of staff, as they relate to the various FTA compliance areas, vary for each jurisdiction. The goal of the direct recipient designation is to facilitate application and award of FTA discretionary grant funds. As a direct recipient, the City would be responsible for compliance with grant requirements and would need to demonstrate to FTA that it has the technical capacity to satisfy these duties and responsibilities. Many of the requirements to become a direct recipient can be performed within the

City's organizational structure or in coordination with DASH. Furthermore, there are some requirements that are better suited to be completed by DASH with oversight provided by City staff.

In coordination with DASH, staff has developed the Interlocal Agreement (Attachment 2) that delineates the obligations, federal requirements, and compliance responsibilities of each party.

As outlined in Title VI Circular 4702.1B and Environmental Justice Circular 4703.1, the City and DASH must establish a Title VI Program that outlines the policies and procedures that the agency will follow to ensure the fair and equitable provision of transit service and passenger amenities (Attachment 3). These policies were subjected to a public outreach process and approved by the Agency's Board of Directors and the jurisdiction's elected body. DASH conducted a month-long public outreach process for its Title VI policies which included a community meeting, public hearing, onboard bus posters, community group engagement, and a Title VI website with translations in both Spanish and Amharic. The DASH Board of Directors also adopted this program on March 9 (Attachment 4).

FISCAL IMPACT: The City Manager's proposed FY 2023 budget includes a recommendation for 1 FTE (full time employee) in the Department of Transportation & Environmental Services for a grant administrator (\$127,012) to coordinate the requirements associated with becoming a direct recipient and federal grants. The position will develop grant applications, conduct post-award grant administration, prepare grant reports, submit reimbursements and conduct grant close out activities including compliance with the FTA reporting and auditing requirements.

Notably, if successful, the fiscal impact of adopting the resolution would allow the City to apply for millions of dollars of new federal funding for electric buses and associated infrastructure. If this position were not to be funded, existing staff resources would be used to comply with the requirements at the expense of implementing other programs and priorities.

ATTACHMENTS:

Attachment 1: Authorizing Resolution

Attachment 2: Interlocal Agreement between the City of Alexandria and the Alexandria Transit Company

Attachment 3: The City of Alexandria's Federal Transit Administration (FTA) Title VI Program Attachment 4:

ATC Adoption of Title VI policies and program

Attachment 5: Presentation

STAFF:

Emily A. Baker, Deputy City Manager

Joanna Anderson, City Attorney

Yon Lambert, Director, T&ES

Hillary Orr, Deputy Director, T&ES, Transportation

Christina Zechman Brown, Deputy City Attorney

Christopher Ziemann, Division Chief, T&ES, Transportation Planning

Raymond Mui, Assistant General Manager, DASH

Martin Barna, Director of Planning & Marketing, DASH

Jennifer Slesinger, Regional Coordinator, T&ES, Transportation Planning

Josh Baker, General Manager, DASH