



Legislation Text

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City of Alexandria, Virginia

MEMORANDUM

DATE: JANUARY 6, 2021

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: MARK B. JINKS, CITY MANAGER /s/

DOCKET TITLE:

Consideration of a Resolution to Support Grant Applications to the Virginia Department of Rail and Public Transportation for FY 2022 State Aid Grant Programs. [ROLL-CALLVOTE]

ISSUE: Consideration of a Resolution (Attachment 1) to Support grant applications to the Virginia Department of Rail and Public Transportation (DRPT) for the FY 2022 State Aid Grant Programs; and consideration of FY 2022 Commuter Assistance Program (CAP) Operating Assistance Grant (formerly known as the Transportation Demand Management Operating Assistance Grant) and required local matching funds.

RECOMMENDATION: That City Council approves submission of grant applications by February 1, 2021 for:

1. Up to \$23,800,000 in eligible expenses for State aid transit operating assistance;
2. \$8,840,000 in eligible expenses for eight electric DASH buses;
3. Up to \$220,000 for the City's commuter assistance program; and
4. Authorize the City Manager to apply for State Aid Grants through the Northern Virginia Transportation Commission (NVTC) and enter into any necessary agreements with the Commonwealth of Virginia and or NVTC to accept and implement the grants.

BACKGROUND: The City applies annually to the Virginia DRPT for grant funds that support transit operating assistance, capital expenses and commuter outreach programs. These grants support operating and capital investments into DASH, Metro and DOT/Paratransit.

DRPT offers two programs for transit and commuter assistance funding: MERIT (Making Efficient and Responsible Investments in Transit) and CAP (Commuter Assistance Program). The MERIT program includes six individually administered grant programs that provide funding for transit capital purchases, operations, planning processes, and planning studies. The CAP includes two grant programs that provide funding for CAP operations (formerly TDM Operating Assistance) and CAP projects (formerly Mobility Programs). Pursuant to state legislation, DRPT in 2019 modified the program to implement a statewide prioritization process for these Capital and Operating Assistance Grant Programs and for transit capital expenditures adopted annually by the Commonwealth Transportation Board.

The City has operated a commuter outreach program, also known as Transportation Demand Management (TDM), since 1981 which is entirely supported by grants. Today, the program is known as GO Alex and serves as a companion to infrastructure investment. GO Alex provides information, encouragement and incentives to support Council's goal of increasing transit ridership and safety for people who use forms of transportation other than a single-occupant vehicle. To support these efforts, the City each year applies to and receives funds from the state. The annual Commuter Assistance Program Operations Grant funds two full-time City positions to manage GO Alex, oversee multiple Federal grants, and to support other multi-modal programs and projects across the City.

DISCUSSION: The City plans to submit applications for three DRPT grant programs that will help offset City operating expenses. The programs all work toward the City's goal of supporting multimodal transportation options and reducing single occupancy vehicle trips to relieve congestion. The summaries below reflect the proposed applications and align with the guidelines and criteria outlined by DRPT for each pot of funding:

FY 2022 Operating Assistance State Aid Grant

City of Alexandria Operating Assistance (Total eligible expenses, \$23,800,000): The Operating Assistance grant provides a reimbursement to the City for a percentage of the dollars spent on transit and paratransit operations. The amount the Commonwealth can provide in operating assistance is allocated based on system size and system performance and varies based on the amount and number of requests made to the Commonwealth. In FY 2021, the City received \$4,705,701 or 20.4% of the eligible expenses for operating assistance.

FY 2022 Capital Assistance State Aid Grant

DASH Bus Expansion (\$8,840,000): The Capital Assistance program provides a reimbursement to the City of a percentage of the total project cost to add, expand, or improve service to project costs that exceed \$2 million or include an increase of greater than five vehicles or 5% of fleet size, whichever is greater. Using a previously awarded NVT A 70% grant, the City ordered four 40-foot electric buses and four 60-foot electric buses to add eight expansion buses that will arrive in FY 2022. This purchase which totals \$8.8 million is eligible for a future percentage reimbursement through the Capital Assistance program, and the funds that come back to the City are used to offset general fund dollars required for transit operational costs, such as WMATA. The percentage distribution can theoretically be up to 50%, but the actual percentage will be determined by totaling all of capital assistance grant funds statewide and dividing that by the total amount of capital assistance funds grants requested statewide. NVTC then receives these grant funds and applies its regional distribution formula. The result is likely to be a state grant for less than 50%.

FY 2022 Commuter Assistance Program (CAP) Grant

GO Alex (\$220,000): The Commuter Assistance Program grant provides a reimbursement to the City for operating dollars spent on the GO Alex programming and staffing. These funds will maintain current staffing levels and fund some programming. A 20% match is required, and this funding request is 42% lower than the

previous year due to budget constraints and the limited capacity to provide the required local match.

FISCAL IMPACT: Operating Assistance funds provided by DRPT to jurisdictions do not require a local match. Based on the funding rates from FY 2021, the City could expect to be awarded up to approximately \$5 million in operating assistance. The capital assistance grant amount that will be earned is not known at this time. These funds when received will be utilized to support the City's WMATA operating budget.

The Commuter Assistance grants require a 20% match, which the City is likely to budget for FY 2022. If local match funds are not included in the City's FY 2022 Operating Budget, the City may withdraw or otherwise amend this grant application.

ATTACHMENTS:

Attachment 1: Resolution

Attachment 2: Transportation Commission Letter of Support

STAFF:

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