

Oregon Department of Transportation
Public Transit Division

5311 Start-up Program Policy Discussion
Public Transportation Advisory Committee
May 11, 2009

Background

Oregon currently operates an “open” 5311 program. That is; Oregon allows new participants/services to be funded by the 5311 program. Some states operate closed programs where funding is limited to participants who already receive 5311 funding.

In order to allow new participants/services to be funded by the 5311 program, PTD created the 5311 Start-up Program in 1999. The Start-up Program is designed to help fund new rural general public transportation service. Successful start-up programs are transitioned to the regular 5311 formula program, usually over a two year time period.

Recent examples of Start-up program services include COIC services in central Oregon; Snake River Transit in Malheur County, Oregon and Payette County, Idaho; Milton-Freewater, and the Mountain Express in Clackamas County.

Start-up funding comes from two sources: 1) funds taken “off the top” from funds available for formula distribution; and 2) Funds deobligated from other grants. The funding level is targeted at \$300K.

Eligible projects include any new service that is eligible under the 5311 program. New service means service in area that was previously unserved. Examples of eligible services include demand response, fixed route (with ADA complementary paratransit), commuter service, and deviated fixed route service. The service must be open equally to the general public and marketed as such (E&D service open to the general public on a space available basis is not eligible). The new service must be in a coordinated plan(s) for the area(s) served.

Eligible projects do not include additional service to areas already served (such as additional hours, days, or routes within service area). New service cannot duplicate existing service by another provider, but may complement existing service. And, if service was available previously, the service must have been discontinued at least one year to be considered as a Start-up project.

Funding for project components include (actual awards are based on the specific needs of the start-up organization):

- Planning – Planning funds may be available to potential start-ups if the project is in the coordinated plan and some preliminary planning has been done.
- Operations – Initial amount is based on estimated funding level grantee would expect to receive through the regular formula program (some formula variables would be based on estimates rather than historical data).
- Capital – Allowable uses include vehicles, vehicle rehabilitation, vehicle equipment, computers, software, and other capital items that might be needed.

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Local governments (including city, county, tribe, transportation district, council of governments) are eligible recipients. When a potential conflict arises, preference will be given to an existing grantee that is expanding service rather than to a new grantee. If there is more than one potential start-up project, funding priority is based on when an applicant has made it to the funding commitment point, not when the applicant first contacts the division regarding the start-up program. The participant is expected to coordinate to the maximum extent possible with other transportation service providers in the service area and adjacent to the service area.

Firm commitment to a start-up project will happen when the project's readiness and availability of funds are in alignment. This may happen at any time during a given fiscal year. The project can continue to operate as a start-up for up to two years. If the start-up project is successful, it will be transitioned to the regular 5311 formula program at the beginning of the next fiscal year.

Policy Questions for the PTAC

- 1) Is the PTAC in agreement with Oregon's "Open" 5311 program?
- 2) Is the PTAC in agreement with Oregon's Start-up Program?