



**September 11, 2025**

**To:** Transit Committee

**From:** Darrell E. Johnson, Chief Executive Officer

**Subject:** Federal Transit Administration Program of Projects for Federal Fiscal Year 2024-25

**Overview**

The Orange County Transportation Authority annually prepares a program of projects to secure Federal Transit Administration formula grants for transit capital projects, capitalized cost of contracted services, and preventive maintenance. The federal fiscal year 2024-25 program (October 1, 2024 through September 30, 2025), including amendments to prior programs, is presented for Board of Directors' review and approval.

**Recommendations**

- A. Approve the Federal Fiscal Year 2024-25 Federal Transit Administration Section 5307 Urbanized Area Formula, Section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities, Section 5337 State of Good Repair, and Section 5339 Bus and Bus Facilities Program of Projects, including federal and local funds, and the use of match credit for projects included in this report.
- B. Approve changes to funding for preventive maintenance and capitalized cost of contracted services in prior federal fiscal years for Federal Transit Administration, Section 5307 Urbanized Area Formula Program of Projects, including federal and local funds, and the use of match credit for projects to comply with guidelines for use of the funding.
- C. Approve the five-year programming plan for Federal Transit Administration Section 5307 Urbanized Area Formula, Federal Transit Administration Section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities, Federal Transit Administration Section 5337 State of Good Repair, and Federal Transit Administration Section 5339 Bus and Bus Facilities.

- D. Authorize staff to adjust individual project funding consistent with final apportionments and eligibility determinations through the Infrastructure Investment and Jobs Act, and direct staff to include updated numbers in grant and programming status reports.
- E. Authorize the Chief Executive Officer to submit the Federal Transit Administration grant applications that are required for the recommendations above to the Federal Transit Administration.
- F. Authorize staff to process all necessary amendments to the Federal Transportation Improvement Program and execute or amend all necessary agreements to facilitate the above actions.

### ***Background***

The Infrastructure Investment and Jobs Act (IIJA) was enacted by Congress and signed into law by President Biden on November 15, 2021. The IIJA provides funding for public transportation programs for federal fiscal year (FFY) 2021-22 through FFY 2025-26 as well as advance appropriations for certain programs. The IIJA provides funding of up to \$108 billion for federal public transportation programs with \$91 billion in guaranteed funding. Under the IIJA, the Federal Transit Administration (FTA) makes federal formula funds available through annual apportionments for four major funding programs:

- FTA Section 5307 Urbanized Area Formula Program (FTA 5307)
- FTA Section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities Program (FTA 5310)
- FTA Section 5337 State of Good Repair (SGR) Program (FTA 5337)
- FTA Section 5339 Bus and Bus Facilities Program (FTA 5339)

The Orange County Transportation Authority (OCTA) is an eligible recipient for each of these four programs. The Southern California Association of Governments (SCAG) confirms the apportionments of FTA 5307, FTA 5337, and FTA 5339 for each recipient in the SCAG region, and the Los Angeles County Metropolitan Transportation Authority (LA Metro) confirms the apportionments of FTA 5310. Following those confirmations, the transit agencies develop a Program of Projects (POP) and submit grant applications consistent with the confirmed apportionment. FTA published the apportionment levels for FFY 2024-25 on May 5, 2025, and OCTA's shares were confirmed by LA Metro on June 30, 2025, and SCAG on July 1, 2025. The FTA-issued apportionments need to be obligated by September 2025. However, the funds can be spent in FFY 2024-25 or in subsequent years as needed. OCTA staff lists the programming year as FFY 2024-25 to represent the year the funds were provided.

The FTA requires agencies to develop, publish, and afford an opportunity for a public hearing on the transit FTA POP for grant-funded projects. OCTA satisfies this requirement through the public participation carried out by SCAG with every amendment or modification of the Federal Transportation Improvement Program (FTIP). SCAG's process meets the FTA requirement. Once the FFY 2024-25 FTA POP is approved, staff will begin the application process for the four grant programs.

### ***Discussion***

Project recommendations for FTA funding are based on the current policies outlined in OCTA's Capital Programming Policies (CPP) (Attachment A), federal funding requirements, and the OCTA-adopted Comprehensive Business Plan (CBP). Descriptions of the recommended projects for the FFY 2024-25 FTA POP are provided in Attachment B.

The proposed FFY 2024-25 FTA POP, organized by FTA program, is provided in Attachment C. In addition, the proposed FFY 2024-25 FTA POP, organized by project and type of transit service, is provided in Attachment D.

### **FTA 5307**

OCTA expects to receive \$75,445,083 in FTA 5307 funds for FFY 2024-25. This is an increase of 1.5 percent from FFY 2023-24 due to several factors including prior year service and ridership increases following the pandemic and population changes. The projects recommended for funding are generally consistent with prior year FTA POPs and with the projects or project types listed or described in the CPP and CBP. One difference this year is that the FTA POP includes a dedicated set-aside for safety projects. This set-aside is required to help OCTA meet safety performance targets related to miles between road calls, fatalities, injuries, and the prevention of safety incidents for both OC Bus and OC ACCESS services. FTA 5307 funds, which were generated based on services provided through the Southern California Regional Rail Authority (Metrolink) and the Anaheim Transportation Network (ATN), are recommended to be provided to projects or activities that support those services, consistent with both the CPP and CBP. The funding for Metrolink is consistent with the budget assumptions for the approved fiscal year (FY) 2025-26 Metrolink budget and OCTA budget.

- OC Bus Preventive Maintenance (PM) (\$25,214,650)
- Capitalized Cost of Contracted Services for Fixed Route (\$23,037,765)
- Capitalized Cost of Contracted Services for OC ACCESS (\$15,832,796)
- Safety Projects (0.75 percent minimum) (\$565,838)
- Metrolink Preventive Maintenance – Operating Subsidy (\$6,659,886)
- Metrolink New Capital (\$3,084,444)
- ATN Suballocation (\$1,049,704)

Adjustments to the FFY 2023-24 FTA POP for FTA 5307 were necessary as the FTA guidance limits the use of FTA 5307 for PM to two years. The period for use of PM was originally beyond the FFY 2024-25 period but had to be adjusted to comply with the FTA guidance. The adjustment of funds is reflected in Attachment E.

Attachment E also provides a multi-year plan for the use of FTA 5307 funds through FFY 2028-29. This multi-year plan assumes the continuation of funding at the same level as the current year through either an extension of the IIJA or the authorization of a new transportation act. OCTA uses the multi-year plan to program future funds to projects in the FTIP, which helps OCTA access those funds when needed.

#### **FTA 5310**

OCTA expects to receive \$3,237,798 in FTA 5310 funds for FFY 2024-25. This amount represents a decrease of 5.5 percent over FFY 2023-24. These funds are proposed to be used for capitalized costs of contracted services for OC ACCESS service (Attachment E), consistent with the CPP.

Adjustment to the FFY 2023-24 FTA POP for FTA 5310 was necessary to match the actual FFY 2023-24 apportionment and is reflected in Attachment F along with a multi-year plan for the use of FTA 5310 funds through FFY 2028-29.

#### **FTA 5337**

OCTA expects to receive \$23,654,753 in FTA 5337 SGR funds for FFY 2024-25. This amount represents a decrease of 1.8 percent over FFY 2023-24. The amount of service provided directly impacts the amount of funding that is made available. During the reporting period that is reflected in this funding amount, rail service was suspended several times due to coastal erosion and slope failure issues. The funding was also decreased due to the addition of other transit agencies throughout the country, which reduced the SCAG region's share. The following projects are proposed for these funds:

- Metrolink Rehabilitation and Renovation (\$19,267,925)
- Metrolink PM (\$3,084,444)
- OC Bus PM Facilities (\$1,302,384)

Each year, Metrolink submits a budget request to OCTA to fund rehabilitation projects that are required to maintain the Metrolink system. FTA 5337 funds can only be used for this type of work. Consistent with the CPP, funds are split between rail and bus projects based on the formula used to calculate the overall revenues for the program. The proposed funding for Metrolink is consistent with

the FY 2025-26 Metrolink budget and the OCTA FY 2025-26 Budget which were both approved by the Board of Directors (Board) on June 9, 2025.

Like the FTA 5307 and FTA 5310 multi-year plans, a multi-year plan for the use of FTA 5337 through FFY 2028-29 is provided in Attachment G.

#### FTA 5339

OCTA expects to receive \$5,973,699 in FTA 5339 funds for FFY 2024-25, including \$122,167 generated by services provided by ATN. This represents an increase of 2.9 percent over FFY2023-24. The 5339 funds are recommended to support the replacement of paratransit vehicles that have met their useful life. Funds generated by services provided by ATN are also recommended to be directed to ATN.

The FFY 2024-25 FTA 5339 funds will support the replacement of three of 13 22-foot cutaway paratransit vehicles and 27 of 108 gasoline paratransit vans.

- Replacement Cutaway Paratransit Vehicles (\$711,485)
- Replacement Gasoline Paratransit Vans (\$5,140,047)
- ATN Suballocation (\$122,167)

Like the FTA 5307, 5310, and 5337 multi-year plans above, a multi-year plan for the use of FTA 5339 through FFY 2028-29 is provided in Attachment H.

#### FFY 2024-25 FTA POP

The following table summarizes the recommended formula programming for the FFY 2024-25 FTA POP.

Formula Programs	Bus	Rail	ATN Suballocation	Total
FTA 5307	\$ 64,651,049	\$ 9,744,330	\$ 1,049,704	\$ 75,445,083
FTA 5310	\$ 3,237,798			\$ 3,237,798
FTA 5337	\$ 1,302,384	\$ 22,352,369		\$ 23,654,753
FTA 5339	\$ 5,851,532		\$ 122,167	\$ 5,973,699
Total	\$75,042,763	\$ 32,096,699	\$ 1,171,871	\$ 108,311,333
Percentage of FTA Formula Funding	69.3%	29.6%	1.1%	100%

Overall, the recommended FY 2024-25 FTA POP includes \$108.311 million in FTA formula funding for transit projects. For the \$75.043 million in OC Bus funding, 92.2 percent of the funding is directed towards capitalized operating

expenses and only the FTA 5339 funding at approximately 7.8 percent is directed towards capital projects. Using most of the federal funds for operating expenses ensures the timely use of grant funds and preserves local transit funds.

#### **Next Steps**

With Board approval, staff will initiate the programming and grant submittal and execution process for the projects included in this report. The changes that are requested in this report have been added to the OCTA Capital Funding Program Report (Attachment I).

#### **Summary**

Board approval is requested to program \$108.311 million in FTA formula funding for the FFY 2024-25 FTA POP, adjust the FFY 2023-24 FTA POP for FTA 5307 and FTA 5310, and move forward with the five-year programming plans for FTA 5307, 5310, 5337, and 5339.

#### **Attachments**

- A. Capital Programming Policies by Fund Source, December 2021
- B. Orange County Transportation Authority, Federal Transit Administration Program of Projects Description
- C. Proposed Program of Projects for Federal Fiscal Year 2024-25 by Fund Source
- D. Proposed Program of Projects for Federal Fiscal Year 2024-25 by Project
- E. Adjustments to FFY 2023-24 Program of Projects for FTA Section 5307 Funds and Proposed Five-Year Programming Plan for FTA Section 5307 Funds
- F. Adjustments to FFY 2023-24 Program of Projects for FTA Section 5310 Funds and Proposed Five-Year Programming Plan for FTA Section 5310 Funds
- G. Proposed Five-Year Programming Plan for FTA Section 5337 Funds
- H. Proposed Five-Year Programming Plan for FTA Section 5339 Funds
- I. Capital Funding Program Report

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