

**FTA Recipient Award Toolkit  
Section 5307 Urbanized Area Formula Program  
Specific Inclusions**



**Federal Transit Administration**

**Fiscal Year 2026**

## Version Log

The following table records the history of modifications and successive editions of this document.

Version	Updates	Version Date
1.0	Developed a Section 5307 program-specific toolkit from existing FTA resources.	05/08/2026

## Legal Notice

**Notice:** This guidance document is not legally binding in its own right, and the Federal Transit Administration will not rely upon it as a separate basis for affirmative enforcement actions or other administrative penalties. Conformity with this document (as distinct from existing statutes and regulations) is voluntary only, and nonconformity will not affect rights and obligations under existing statutes and regulations. This toolkit does not relieve recipients of the need to thoroughly review relevant FTA program circulars and applicable federal regulations. FTA does not require recipients to adhere to the recommendations in this document, except to the extent to which they cite federal regulations.

# Toolkit Purpose & Orientation

## Overview

The **Federal Transit Administration (FTA) Recipient Award Toolkit** may be used as reference material for developing applications for awards in the Transit Award Management System (TrAMS) and is intended to provide helpful information to recipients regarding application development, consistent with FTA Circulars and other information materials. This document, **Section 5307 Program Specific Inclusions**, provides FTA recipients with recommendations for developing grant applications specific to the Section 5307 grant program. This document offers program-specific guidance around program requirements (including eligibility and match requirements), recommended application inclusions, and application sample language.

The contents of this document do not have the force and effect of law and are not meant to bind the public in any way. FTA recommends that recipients consult the [TrAMS User Guide](#) while navigating TrAMS. Throughout the application development process, continue coordinating with assigned regional representatives for support in areas requiring additional clarification beyond what is available in the TrAMS User Guide.

By following the recommended language and documentation standards outlined in the **FTA Recipient Award Toolkit**, recipients can:

- **Streamline Application Review:** These suggested approaches to application development are intended to help ensure that the key information in an application is clearly presented. This can reduce the possibility of later requests for clarification and can accelerate the path to a grant award.
- **Facilitate Grant Management:** Using a standardized format for critical program data within the application often makes managing the grant, from initial review through closeout, more efficient for both the recipient and FTA staff.

## Toolkit Structure

This document is part of a larger **FTA Recipient Award Toolkit** which provides a framework for all TrAMS applications. All of the toolkit documents are linked on the FTA website at: <https://www.transit.dot.gov/funding/grants/applying/fta-recipient-award-toolkit>.

- **General Application Development Information:** provides recipients with an understanding of the processes, approaches, and best practices of a TrAMS award application, including preliminary work for application development; considerations for application planning; and key elements of an award, such as the executive summary, application projects, and budget descriptions.
- **Program Specific Inclusions:** expands on the General Application Development document by providing recipients with accessible information for application

development for the grant programs listed below, including program descriptions, program-specific applicability requirements, match percentages for funding, and navigation support for FTA Program Circulars.

- **Section 5307:** Urbanized Area Formula Program
- **Section 5310:** Enhanced Mobility of Seniors and Individuals with Disabilities Program
- **Section 5311:** Formula Grants for Rural Areas Program
- **Section 5311(c)(2):** Public Transportation on Indian Reservations (Tribal Transit) Program
- **Section 5337:** State of Good Repair Grants Program
- **Section 5339:** Grants for Buses and Bus Facilities Program

Acronyms and definitions for terms used in this toolkit are provided in the applicable [FTA Circulars](#).

This toolkit is subject to change without notice. When available, hyperlinks to source documents are included so that users have access to the most up-to-date information.

# Section 5307: Urbanized Area Formula Program

## Program Introduction and Special Requirements

**Overview:** FTA apportions Section 5307 funds to urbanized areas (UZAs) and States for public transportation capital projects, operating assistance, preventive maintenance, and transportation-related planning to support the continuation and expansion of public transportation services in the United States.

This section pertains to the Section 5307 Formula Program. FTA also administers a 5307(h) Passenger Ferry competitive grant program. Funding for 5307(h) is awarded based on competitive selection criteria published in a NOFO in the Federal Register. Consult the applicable NOFO for more information on that program.<sup>1</sup>

The following Security and Safety Requirements pertain to Section 5307 funding:

Section 5307 Security and Safety Requirements
<ul style="list-style-type: none"><li>All UZAs must spend at least 1% of their Section 5307 funding on security unless the designated recipient certifies via the annual Certifications and Assurances that expenditure for security projects is not necessary.<sup>2</sup> For UZAs with more than one recipient, the requirement, if necessary, may be met by some or all recipients, as long as 1% of Section 5307 funding for the entire UZA is used for security activities.</li><li>If recipients are using 5307 funds for security expenditures, FTA recommends recipients explain what those expenditures are and include a short narrative (it may be as short as one sentence) in the Executive Summary, noting the security expenditures and the activities in which they will take place.</li></ul> <p><b>Note:</b> Security is a goal and not a specific expense. Hence, recipients may identify a wide variety of potential expenses that satisfy the 1% security requirement.</p> <ul style="list-style-type: none"><li>If the recipient is responsible for both the 1% security and 0.75% safety rule (below), they may designate an activity to meet both requirements by justifying how the activity contributes towards both enhanced safety and security.</li></ul>
<ul style="list-style-type: none"><li>Each recipient serving a large UZA (populations of 200,000 or more) that is subject to Public Transportation Agency Safety Plan (PTASP) requirements must spend at least 0.75% of their Section 5307 funding on safety-related projects,<sup>3</sup> unless the UZA's designated recipient certifies, through annual Certifications and Assurances, that the</li></ul>

<sup>1</sup> [FTA Circular C9050.1A Urbanized Areas Formula Grant Programs Guidance](#) (Chapter 2, Section 19 Pg. II-9)

<sup>2</sup> Per 49 U.S.C. 5307(c)(1)(J); see [FTA Circular C9050.1A Urbanized Areas Formula Grant Programs Guidance](#) (Chapter 5, Section 10, Pg. V-11)

<sup>3</sup> Per 49 U.S.C. 5329(d); see [FTA Circular C9050.1A Urbanized Areas Formula Grant Programs Guidance](#) (Chapter 5, Section 12, Pg. V-13)

## Section 5307 Security and Safety Requirements

expenditure is not necessary for the UZA for that fiscal year. In large UZAs with multiple recipients, this requirement applies to each recipient individually. If the UZA-level certification is not made, then each recipient must set aside and spend the 0.75%. There is no ability to waive or make this determination at the project level.

- If recipients are using 5307 funds for safety expenditures, FTA recommends recipients explain what those expenditures are and include a short narrative (it may be as short as one sentence) in the Executive Summary, noting the safety expenditures and the activities in which they will take place.

**Note:** Safety is a goal and not a specific expense. Hence, recipients may identify a wide variety of potential expenses that satisfy the 0.75% safety rule.

- If the recipient is responsible for both the 0.75% safety rule and the 1% security rule (above), they may utilize one activity to meet both requirements by justifying how the activity contributes towards both enhanced safety and security.

## Executive Summary – Recommended Inclusions

To streamline application reviews, FTA recommends including the following Section 5307 elements in the Executive Summary. These Executive Summary recommendations are specific to Section 5307 and supplement the Recipient Award Toolkit – General Application Development Information document. FTA recommends that recipients include:

- A brief description of all activities to be funded in the award, as outlined within the Executive Summary section of the [Recipient Award Toolkit - General Application Development Information](#) document.
- Distinction of funding by UZA name or number, and by year of appropriation.
- A description of the source of local funds for the non-federal match.
- The percentage of Section 5307 apportionment used for ADA operating assistance, if applicable.
- An acknowledgment of how the 1% security requirement, if applicable, and 0.75% safety requirements are met. If not applicable, include language such as “[Recipient] has determined that the minimum 1% expenditure for security projects is not necessary per 49 U.S.C. 5307(c)(1)(J)(ii).”

## Award Description – Recommended Inclusions

In the application **Award Description**, provide a brief description outlining the Purpose, Activities to be Performed, Expected Outcomes, Intended Beneficiaries, and Subrecipient

Activities pertaining to the application.<sup>4</sup> A sample Award Description with example recommended inclusion language for a 5307 application follows below; alter the details for your specific application:

- **Purpose:** The purpose of this award is to provide one year of preventive maintenance and one year of operating assistance. This funding will also be used to purchase four replacement vehicles for ABC Transit Agency.
- **Activities to be performed:** Funds will be used to cover all eligible preventive maintenance and operating expenses, including driver salaries, fuel, items having a useful life of less than one year, and the purchase of four replacement vehicles.
- **Expected outcomes:** Funding will permit ABC Transit Agency to meet preventive maintenance standards, continue to provide operations, and keep rolling stock vehicles in a state of good repair.
- **Intended beneficiaries:** ABC Transit Agency and the riders that rely on its service will benefit from continued services, permitting members of the community to get to work and other destinations.
- **Subrecipient Activities:** None.

## Budget Information – Eligible Program Activities & Match Requirements<sup>5</sup>

The following table describes activities eligible for Section 5307 funding. List applicable local non-federal funding match percentages in the Project Budget.

Eligible Activity	Description
<b>Capital Projects<sup>6</sup></b>	<p><b>Eligibility</b></p> <ul style="list-style-type: none"> <li>• All capital projects listed under <a href="#">49 USC 5302(4)</a>. In general, eligible capital project expenses involve purchasing, leasing, constructing, maintaining, or repairing facilities, rolling stock, and equipment for use in a public transportation system.</li> <li>• Refer to <b>Table IV-2</b> (Pg. IV-4) and <b>Table IV-3</b> (Pg. IV-8) within <a href="#">Circular 9050.1A</a> for examples of eligible capital projects.</li> <li>• Additionally, refer to <b>Chapter IV</b> (Pg. IV-10) of <a href="#">Circular 9050.1A</a> to confirm whether your award activities meet any</li> </ul>

<sup>4</sup> [FTA Circular C5010.1F Award Management Requirements](#) (Appendix B, Section 3, Pg. B-3)

<sup>5</sup> [FTA Circular C9050.1A Urbanized Areas Formula Grant Programs Guidance](#) (Chapter 4, Pg. IV-1)

<sup>6</sup> [FTA Circular C9050.1A Urbanized Areas Formula Grant Programs Guidance](#) (Chapter 4, Section 3, Pg. IV-2)

Eligible Activity	Description
	<p>unique eligibility considerations and circumstances for particular capital activities (e.g., requirements for fleet expansion or facilities).</p> <ul style="list-style-type: none"> <li>For Capital Cost of Contracting, specify the contract type and the total contract amount in the Capital Cost of Contracting Application Line Item (ALI) extended budget description.</li> </ul> <p><b>Match Requirement</b></p> <ul style="list-style-type: none"> <li>Most capital activities are funded at up to 80% federal share and a 20% local match (80%/20%).</li> <li>Some capital activities may be subject to differing match requirements (e.g., up to 85% Federal share for the acquisition of Vehicles that are ADA-compliant). Refer to <b>Chapter IV</b> (Pg. IV-17) of <a href="#">Circular 9050.1A</a> for additional information.</li> </ul>
<p><b>Workforce Development Activities<sup>7</sup></b></p>	<p><b>Eligibility</b></p> <ul style="list-style-type: none"> <li>Recipients are allowed to use up to 0.5% of their Section 5307 funding to support workforce development activities, including for the cost of administering a training program. See <a href="#">49 USC 5314(b)</a> for a list of eligible workforce development activities.</li> <li>Recipients may use up to an additional 0.5% of their Section 5307 funding towards tuition, supplies, travel, and accommodations associated with National Transit Institute (NTI) training or other state-contracted training, not including administrative expenses (<a href="#">49 USC 5314(c)</a>).</li> <li>Recipients may use up to 0.5% of their Section 5307 funding towards costs of participating in the Public Transportation Safety Certification Training Program established under <a href="#">49 USC 5329(c)</a> for employees who are directly responsible for safety oversight.</li> </ul> <p><b>Match Requirement</b></p> <ul style="list-style-type: none"> <li>Funded at up to 80% Federal share and a 20% local match (80%/20%).</li> </ul>

<sup>7</sup> [FTA Circular C9050.1A Urbanized Areas Formula Grant Programs Guidance](#) (Chapter 4, Section 3, Pg. IV-22)

Eligible Activity	Description
	<ul style="list-style-type: none"> <li>• If a Small UZA exceeds the 0.5% allowable of Program 5307 funding towards workforce development training activities, additional funding can be utilized for training as Operating Expenses at up to 50% Federal share and a 50% local match (50%/50%).</li> <li>• Training for maintenance personnel can be funded as Preventive Maintenance at up to 80% Federal share and a 20% local match (80%/20%). Training for operating personnel can be funded as Operating Expenses at up to 50% Federal share and a 50% local match (50%/50%).</li> </ul>
<b>Interest and Debt Financing<sup>8</sup></b>	<p><b>Eligibility</b></p> <ul style="list-style-type: none"> <li>• Bond interest under advance project authority, buildings and equipment, working capital, leasing, capital cost of contracting, and other interest costs are often eligible project costs, with certain limitations (including the factors indicated in <a href="#">2 CFR 200.449(c)–(g)</a>).</li> <li>• For further information, please refer to <b>Chapter VI</b> (Pg. VI-12-13) of <a href="#">Circular 5010.1F</a>.</li> </ul>
<b>Planning Projects<sup>8</sup></b>	<p><b>Eligibility</b></p> <ul style="list-style-type: none"> <li>• Section 5307 funds are available for the planning, engineering, design, and evaluation of public transportation projects and for other technical transportation-related studies. Refer to <b>Chapter IV, Section 4</b> (Pg. IV-24) of <a href="#">Circular 9050.1A</a> for a list of eligible planning activities.</li> <li>• Include all planning projects carried out within the metropolitan transportation planning process that use FTA or Federal Highway Administration (FHWA) funds in the Unified Planning Work Program (UPWP), as approved by the Metropolitan Planning Organization (MPO). Include a list of the proposed planning projects, project scopes, and related costs in the UPWP.</li> <li>• For more information on planning activities, please refer to <a href="#">Circular 8100.1D</a>.</li> </ul>

<sup>8</sup> [FTA Circular C9050.1A Urbanized Areas Formula Grant Programs Guidance](#) (Chapter 4, Section 3, Pg. IV-24)

Eligible Activity	Description
	<p><b><u>Match Requirement</u></b></p> <ul style="list-style-type: none"> <li>Funded at up to 80% federal share and a 20% local match (80%/20%).</li> </ul>
<p><b>Operating Assistance<sup>9</sup></b></p>	<p><b><u>Small Urbanized Areas (UZAs) Eligibility</u></b></p> <ul style="list-style-type: none"> <li>Small UZAs (UZAs with a population of fewer than 200,00 people) may use their apportioned Section 5307 funding for Operating Assistance with no limit to the amount of the apportionment used for this activity.</li> <li>The use of program funds for operating assistance is subject to metropolitan and statewide planning requirements, per <a href="#">23 CFR 450</a>.</li> </ul> <p><b><u>Large Urbanized Areas (UZAs) Eligibility</u></b></p> <ul style="list-style-type: none"> <li>Large UZAs (UZAs with a population of greater than 200,000 people) may only use their apportioned Section 5307 funding for Operating Assistance, provided that the UZA operates 100 or fewer buses or vehicles in fixed-route service or in demand-response service, excluding Americans with Disabilities Act (ADA) complementary paratransit service, during peak service hours. This is commonly referred to as the “100-bus rule”.</li> <li>Eligible systems and maximum amounts are listed in FTA’s <b>Apportionment Table 3A 5307 Operating Assistance Special Rule Operator Caps</b> published on the <a href="#">current apportionment website</a>.</li> <li>Transit systems eligible to use Section 5307 funds for operating assistance may not use Section 5307 funds for rail fixed-guideway operating assistance.</li> <li>If an agency provides public transportation across multiple UZAs, that agency will receive an operating cap for each UZA.</li> <li>The use of program funds for operating assistance is subject to metropolitan and statewide planning requirements, per <a href="#">23 CFR 450</a>.</li> </ul>

<sup>9</sup> [FTA Circular C9050.1A Urbanized Areas Formula Grant Programs Guidance](#) (Chapter 4, Section 3, Pg. IV-25)

Eligible Activity	Description
	<p><b><u>Match Requirement</u></b></p> <ul style="list-style-type: none"> <li>Funded at up to 50% federal share and a 50% local match for both Small and Large UZAs (50%/50%). For eligible Operating Expenses under Section 5307, the Federal share may not exceed 50% of the net operating cost, which is determined after deducting fares and other system-generated revenues and ineligible costs as described in <b>Chapter IV, Section 4</b> (Pg. IV-24) of <a href="#">Circular 9050.1A</a>.</li> </ul>
<p><b>Job Access and Reverse Commute (JARC) Projects<sup>10</sup></b></p>	<p><b><u>Eligibility</u></b></p> <ul style="list-style-type: none"> <li>JARC project activities are focused on employment-related transportation and reverse commute transportation for low-income persons.</li> <li>Recipients in Large UZAs may use Section 5307 funds for JARC-related operating expenses if they do or do not meet the 100-bus rule.</li> <li>Requirements for JARC projects can be found in <b>Chapter IV, Section 3</b> (Pg. IV-30) of <a href="#">Circular 9050.1A</a>.</li> <li>There is no requirement or limit to the amount of Section 5307 funds that can be used for JARC projects.</li> </ul> <p><b><u>Match Requirement</u></b></p> <ul style="list-style-type: none"> <li>JARC projects follow the match requirements of other Section 5307 capital, operating, and planning projects.</li> </ul>
<p><b>Americans with Disabilities Act (ADA) Complementary Paratransit Services</b></p>	<p><b><u>Eligibility</u></b></p> <ul style="list-style-type: none"> <li>Recipients may be eligible to use Section 5307 funding to fund ADA Complementary Paratransit services. Refer to <b>Chapter IV, Section 3</b> (Pg. IV-9) of <a href="#">Circular 9050.1A</a> for additional information.</li> </ul> <p><b><u>Match Requirement</u></b></p> <ul style="list-style-type: none"> <li>Funded at up to 80% federal share and a 20% local match (80%/20%).</li> </ul>

<sup>10</sup> [FTA Circular C9050.1A Urbanized Areas Formula Grant Programs Guidance](#) (Chapter 4, Section 3, Pg. IV-29)

## Application Finalization – Relevant Attachments and Documentation

The following table outlines TrAMS attachments for grant applications utilizing Section 5307 funding. Upload attachments to the “**Recipient Documents**” or “**Application Documents**” modules in TrAMS as designated below.

Attachment	Description	Document Upload Location
<b>Governor’s Designation Letter</b>	<ul style="list-style-type: none"> <li>Governor’s designation letter for Designated or Direct recipients.</li> </ul>	<ul style="list-style-type: none"> <li>Recipient Documents</li> </ul>
<b>Program of Projects (POP)</b>	<ul style="list-style-type: none"> <li>For both states/territories and Designated Recipients, a Program of Projects (POP) includes a description of each project to be funded from a UZA’s apportionment, any suballocation among public transportation providers, total project costs, and local and Federal share for each project. The POP is also used to convey how the proposed use of funds apportioned to the applicable UZA(s) complies with any minimum expenditure requirements (e.g., 1% for security) or limits on how the funding may be used (e.g., operating assistance caps or caps on the use of funds for paratransit operations at an 80 percent Federal share). If more than one recipient will apply for grants for projects in the POP, include the portion of the POP that identifies the projects to be funded in the grant in each application.</li> </ul>	<ul style="list-style-type: none"> <li>Application Documents</li> </ul>
<b>Suballocation Letter/Split Letter</b>	<ul style="list-style-type: none"> <li>When a UZA, large or small, consists of multiple transportation providers that will receive funds, a Suballocation Letter is used. This letter, sometimes referred to as a Split Letter (for large UZAs) or Apportionment letter (for small UZAs), reflects the amount allocated to each transit operator in a UZA.</li> </ul>	<ul style="list-style-type: none"> <li>Application Documents</li> </ul>
<b>S/TIP</b>	<ul style="list-style-type: none"> <li>For capital projects and operating assistance, the relevant components of the applicable Transportation Improvement Program (TIP) and Statewide Transportation Improvement Program (STIP) for the project or activities the funds are</li> </ul>	<ul style="list-style-type: none"> <li>Application Documents</li> </ul>

Attachment	Description	Document Upload Location
	proposed to support.	
<b>Unified Planning Work Programs (UPWP)</b>	<ul style="list-style-type: none"> <li>• Relevant components of the applicable Unified Planning Work Programs (UPWP), for planning projects.</li> </ul>	<ul style="list-style-type: none"> <li>• Application Documents</li> </ul>