

Accessing Area Jobs:

*New Opportunities for
Transportation-to-Work
Projects in Illinois* October 2006



JOBLINKS
CONNECTING PEOPLE TO THE WORKPLACE



Work, Welfare & Families

An Illinois Coalition Working to End Poverty

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Dia Cirillo, director of policy at *Work, Welfare and Families*, developed this series of briefs for the organization's transportation-to-work initiative. Her work in public policy focuses on issues impacting the self-sufficiency of low-wage workers and their families.

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Acknowledgements

Work, Welfare and Families has prepared a series of briefs for those interested in public transit issues, engaging in public transit planning, identifying and advocating for public transit improvements, and representing those who rely on public transit in their communities across Illinois.

Transit Uncovered: How to Improve Public Transit in Your Community (October 2006)

An introduction to public transit in Illinois: what it is, how it's funded, who the major stakeholders are and how to get involved. Includes a glossary of transit terminology.

Accessing Area Jobs: New Opportunities in Transportation-To-Work Projects in Illinois (October 2006)

An overview of the Job Access and Reverse Commute program in Illinois and other funding sources for transportation-to-work initiatives. Also includes five Illinois JARC projects.

How Illinois Developed State Transportation Coordination: A Case Study (December 2006)

An overview of Illinois' process in developing a state-level initiative to coordinate planning and funding of transportation for disadvantaged populations.

Work, Welfare and Families will also post these briefs, other related information including the Illinois Interagency Coordinating Committee on Transportation's Coordination Primer, and links to federal regulations and the Framework for Action. You can access this information at www.workwelfareandfamilies.org.

Work, Welfare and Families thanks the Community Transportation Association of America for funding these briefs. We would also like to thank those who advised and commented on this work, including Carolyn Jeskey Community Transportation Association of America Joblinks Employment Transportation Program, Natasha Holmes, Illinois Department of Transportation, Ed Heflin, Illinois Rural Transit Assistance Center and Linda Podeschi, Illinois Public Transportation Association, Jeff Faulkner, Ways to Work, Becky Hines, YWCA McClean County, Bill Jung, RIDES Mass Transit, Mary Keating, RIDE DuPage and Jessica Pirtle and Shari Crockett, Monroe/Randolph Transit District.

A special thanks is extended to Chris Wood for the many hours he committed to preparing two of the briefs.

Finally, we would like to thank those organizations, individuals, transit providers and elected officials who develop and support efforts to improve local transit to better serve their communities.

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Introduction – Accessing Area Jobs Is a Priority for Many

What is work-related transportation? JARC funds can be used to support transportation to childcare, education and training programs, job interviews and even medical appointments in addition to jobs. By providing transportation to these activities, JARC ensures that low income families remain in the workforce and have an opportunity to improve their job opportunities.

Economic changes and recent developments in public policy have created new demands on our transit systems. Many communities, whether urban, suburban or rural are looking for solutions to expand existing transit and transportation services to accommodate routes to work, especially for low income families, as a result of new growth outside of central business districts, the development of jobs away from affordable housing for working families, and the expansion of low wage jobs, particularly in the retail and service industries.

This brief takes a look at what government funding is available to support transportation-to-work projects, such as the Job Access and Reverse Commute (JARC) program; what has driven the interest in these new services for low-wage workers; and how communities can access these funds and serve as a catalyst to creating new services.

Low-wage job: A job that furnishes an annual income for full-time work at or below 200% of federal poverty, which does not offer a sufficient wage to cover basic necessities and support a family.

Low income: A frequently used measure is 200% of the annual federal poverty guidelines and below. In 2006, a family of three at 200% of these guidelines would earn \$33,200 annually.

This brief introduces transportation-to-work projects and the JARC program to stakeholders who are not experts in transportation and provides the tools and resources necessary for local stakeholders interested in transit in Illinois to get involved with improving access to jobs. It includes five case studies of organizations in Illinois that have successfully solicited JARC funding and implemented JARC projects over the last seven years.

Please Note: *Transit Uncovered*, the first brief of this series, offers a comprehensive glossary of transportation related terms. You can refer to this brief at www.workwelfareandfamilies.org.

Case Study: YWCA of McLean County

YWCA uses JARC funds to operate a van transportation service within Bloomington and Normal, Illinois. The service operates on Sundays between the hours of 6 am and Midnight and provides a way for low-income individuals and person with disabilities to get to and from childcare and work.

Stats:

- 2 vans seating seven each
- 150 to 170 rides a month
- Serves a population of 150,433 in a 1,184 sq. mile region
- three employees: two drivers and one director

Yearly JARC grant amounts:

2004	\$110,000 (with local match)
2003	\$57,500 (with local match)
2003	\$224,000 (with local and state match)
2001	\$83,500 (with local match)

Community collaboration. The YWCA of McLean County's JARC project demonstrates the importance of community collaboration in improving access to jobs in Illinois. After welfare reform was implemented in 1996, McLean County created a transportation advisory committee to address the issues of welfare to work in McLean County. The committee identified a need for expanded public transportation Monday through Saturday from 6 pm to Midnight and all day on Sundays to improve job access for low-income families working non-traditional shifts. As an organization already providing transit services to seniors as part of their daily programming, and with the help of JARC funds and the collaboration of the Bloomington-Normal Public Transit and the transportation advisory committee, the YWCA was able to provide expanded transit services for the entire county. Two years later, after seeing the success of the YWCA, Bloomington-Normal expanded their transit services to weekday nights as well.

Funding partner(s):

State Farm, United Way, Illinois
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I SECTION

What Is Job Access and Reverse Commute?



What is a mobility manager?

Assists individuals in using transit as well as increase the efficiency of area transportation through coordination. It can be a person who gives one-on-one assistance to riders and also facilitates coordination among transit providers, or a website that helps to ensure usage of the transportation system by providing information on routes and cost of area transportation.

In 1998 under the reauthorization of the federal transportation law, Transportation Equity Act of the 21st Century (TEA-21), a companion program to welfare reform was created to fund transportation-to-work projects specifically for low income communities at or below 150% of federal poverty, about \$21,000 for a family of three in 1999 dollars, and welfare recipients. It was called the Job Access and Reverse Commute (JARC) program. Even though JARC was a small program, approximately \$480 million nationally over five yearsⁱ, under this federal transportation law, it opened new doors to community organizations seeking to fund transportation-to-work projects for low income individuals, and with that new opportunity, JARC also served as an entry point for community organizations to provide input on how transit systems and services are developed.

In 2005, Congress made JARC a permanent formula program of the new federal transportation law, SAFETEA-LU, (Safe, Accountable, Efficient Transportation Equity Act: A Legacy for Users), and this time has apportioned \$602 million for four years through 2009.ⁱⁱ Based on the JARC program, Congress also developed an entirely new program for individuals with disabilities called **New Freedom**,

and now requires both state and regional authorities to maintain a **Human Service Transportation Plan** to broaden transportation services and reduce duplication for the **transportation disadvantaged**—which includes low income people, seniors and individuals with disabilities.

How JARC Works

The Job Access and Reverse Commute Program funds two general categories of projects: i) Job access and ii) reverse commute. Eligible recipients of JARC funds are nonprofits, government entities or transit providers. Both types of projects focus on providing new or expanded transportation to and from work and work-related activities, and funds are eligible to use for operating costs, such as drivers, administration and overhead, as well as capital expenditures including vehicles, bus stop equipment, and office materials. JARC can also be used for car ownership programs that have a shared ride component and promoting the use of transit by providing information on routes or funding an individual or even a website to help workers get to work, otherwise known as a mobility manager. In addition, JARC grants also include costs of marketing, outreach and promoting transit use by workers with non-traditional work schedules, promoting

the use of transit vouchers, and promoting the use of employer-provided transportation. In particular, Job Access funding only focuses on populations at or below 150% of federal poverty, or approximately \$26,000 for a family of three.

Reverse Commute projects do not need to focus funding on a specific income level, and funding solely focuses on projects providing new or expanded public transportation services from urban, suburban and rural areas to suburban workplaces. Eligible use of funds for Reverse Commute grants include operating costs and capital costs associated with reverse commute buses, trains, carpools, vans or other transit services.

Reverse commute: any non-traditional commute, generally from the city to the suburbs or from suburb to suburb, or rural area to suburb.

Some examples of Job Access projects include:

- Expanding public transit service including routes, headways, frequencies, weekend service and 2nd and 3rd shifts as well as fixed route, fixed-deviation or demand response
- Developing new public transit service
- Creating or expanding subsidized taxi programs
- Coordinating with specialized transit, elderly and disabled, school buses, faith based vehicles, etc.

- Funding car ownership program that have a shared ride component
- Promoting the use of transit through a mobility manager, public outreach or marketing

Some examples of Reverse Commute projects include:

- Subsidizing the cost of additional buses, vanpools or other services
- Purchasing and leasing buses or vans to transport employees typically from a transit stop (bus or rail) and their workplaces

This brief offers descriptions of several case studies of both Job Access and Reverse Commute projects and Section 4 explains how to apply for JARC funding in Illinois.

Case Study: RIDES Mass Transit

RIDES operates demand response bus service, River Taxi service; extended service for medical trips; employment trips and shopping trips in an 11-county region in downstate Illinois. Rides has used JARC funds for Job Access Transportation including purchasing three vehicles and general operating costs of the Job Access service.

Stats:

- Serves a population of 135,000 in a 4093 sq. mile region
-

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Coordinating Transportation for Different Populations. A nationally recognized model of coordination, RIDES Mass Transit coordinates transportation for all residents in the eleven county region in the far southeastern corner of Illinois. As a recipient of grants for public transportation, the elderly, individuals with disabilities and JARC funds, RIDES is able to knit together a seamless regional system of transportation that has eliminated inefficiencies such as empty vehicles and unnecessary miles. By developing “residential routes” that mix general public riders and clients on any route, RIDES has created a transit system that responds to customer demands and is affordable, with in county fares costing only \$2.

II

SECTION

Why JARC Matters

JARC provides the impetus for cities, regions and states to support new economic growth, close the spatial mismatch between housing and jobs, and connect to area job centers. It has also been critical in bringing much needed seed money to rural parts of the country. JARC serves as a catalyst for rethinking the structure of our transportation systems holistically to accommodate nontraditional hours and reverse commutes in order to reduce unemployment, increase business productivity and profit, and improve the social fabric of our communities.

JARC offers several new opportunities to transit providers and communities alike as it can:

- i) Demonstrate demand for new routes to areas where job growth has occurred
- ii) Close the gap between jobs and locations where housing exists for working families
- iii) Provide funding for innovative transportation solutions so workers can get to jobs, childcare facilities, education and training programs and other work-related services
- iv) Serve as a catalyst to build a coordinated transportation system to serve low-wage workers, seniors and disabled persons at the same time
- v) Make funding available to rural areas.

JARC matters because it allows public transit services to i) keep pace with economic growth ii) close the spatial mismatch iii) provide inexpensive transportation options and iv) respond to the needs of low income families given recent public policy changes. A discussion of each of these dynamics follows to explain how important JARC is to communities and low income families.

Spatial mismatch: A distance between affordable housing and job centers for which no adequate public transit exists.

Did you know?

The manufacturing industry retracted by 24% in the last sixteen years, losing over 220,000 jobs. At the same time, three service related industries—professional and business services, education and health services, and the leisure and hospitality industry—were responsible for most of the economic growth in Illinois, growing by 37%, over the same period of time adding 550,000 jobs to the economy.ⁱⁱⁱ

Keeping Pace with the Economy

The last two decades have witnessed a dramatic shift in the national economy as well as Illinois where service and retail industries have come to furnish the majority of jobs replacing the manufacturing industry as the single largest job sector. These economic changes carry substantial local consequences for most communities. For example, most new jobs offer wages that are lower than those of jobs lost in manufacturing. These service or retail jobs are located often along commercial and industrial corridors far from existing central business districts and available transit.

Closing the Spatial Mismatch

Creating public transportation options to connect to these jobs presents challenges to most communities in Illinois. In the Northeast Region, the Collar Counties now account for the greatest growth in entry level jobs in the region.^{iv} Housing for working families has not accompanied this economic expansion, creating a spatial mismatch between entry level jobs and housing that is affordable for working families. The suburbs are growing their own economy and no longer are solely considered bedroom communities of Chicago. Consequently, suburb to suburb commutes have increased as have commutes within the Collar Counties.

Other small urban communities in Illinois have experienced similar growth or are located near communities that have become job centers; these communities include Bloomington, Rockford, Kankakee, Danville and Decatur and Metro East.

Did you know?

In the Northeast Region, even though Chicago remains the single largest job center, 50% of the region's office inventory has been developed in the suburbs over the last two decades.^v

Did you know?

According to the Interagency Coordinating Committee on Transportation's 2006 Report to the Governor, of the 12 transit districts in metropolitan areas throughout Illinois, only 6 provide service after 7 pm during the week.^{vi}

Job growth in the service and retail industries has also meant that jobs operate more frequently during nontraditional work schedules, after 7 pm, during the third shift and on weekends. Most transit services and routes have remained focused on old central business districts and traditional Monday through Friday work schedules despite these economic changes.

Cost Matters

Owning a car is expensive. A recent study released by the Surface Transportation Policy Project and Center for Neighborhood Technology documented the cost of transportation in 20 cities throughout the nation. In Chicago, transportation expenses are second to housing, costing a household more than \$8,000 per year, which accounts for 17% of the median income in the state.^{vii}

Addressing Policy Changes Impacting Low Income Families

Welfare reform also has contributed to an increased interest in developing transportation to work projects for low-wage workers and their families. When the federal legislation passed reforming welfare ten years ago, the Personal Responsibility and Work Opportunity Reconciliation Act in 1996, it terminated entitlement benefits and required the majority of families receiving benefits to transition to work. Such a dramatic shift in policy called on the federal government to develop programs that would support transportation to work and work-related supports such as childcare and education and training for low income families.

Did you know?

For an individual earning minimum wage, which is a little more than \$11,000 per year, s/he could spend close to an entire salary on maintaining a car. Even for a family of four at twice the federal poverty line, with a family income of about \$36,000, these expenses would account for 22% of their earned income.

Lessons Learned: Ingredients for Successful Transportation-to-Work Projects

This brief provides five Illinois case studies, illustrating several different scenarios of how JARC has been used. JARC has been successful in furnishing start-up funds for transit interested stakeholders in rural counties to initiate or expand transit in their region both to improve job access to low income workers but also to provide general transit to other members of the community (Monroe and Randolph Counties transit). It has served as a resource to build systems of public transportation exemplified by its role in

2 Did you know?

Nationally, 62% of all new low wage (primarily retail and service related) jobs are being created in the suburbs while 75% of all welfare recipients live in the central city or rural areas.^{viii}

expanding rural transit services (RIDES Mass Transit in Southeastern Illinois). In another scenario, fully coordinated transportation services for seniors, individuals and low income individuals have been implemented (DuPage County by RIDE DuPage, which has become a national model on coordination). Still another scenario shows us how JARC can be used for a car-ownership program.

Most of the strategies implemented with JARC funds have worked. Others have not since, as a relatively new funding stream, JARC presents certain challenges to communities in how it can be used. While the case studies of JARC projects in Illinois found throughout this brief help to help illustrate the potential of JARC grants to improve job access and support economic growth in Illinois, it also presents some of the challenges that communities face in developing and implementing JARC. As your community begins the process to develop a JARC project, consider the lessons learned from the case studies discussed in this brief and listed below. This list should help you to identify what additional components you may need to begin your project.

Keys to success:

- (1) **Leadership.** All five projects in the case study had someone with the capacity, vision, willingness and political moxie to champion the cause of improving job access in their area. Leadership is especially critical in small urban or rural areas in downstate Illinois in which there are limited resources and infrastructure to provide job access transit. See the Randolph-Monroe Mass Transit section for an example.
- (2) **Cooperation and collaboration between different sectors and transit and job access interested stake-holders.** Communities are now obligated by the new federal transportation law, SAFETEA-LU to develop integrated services that coordinate JARC (Section 5316) with other specialized funds for seniors (Section 5310 funding) and individuals with disabilities (New Freedom, Section 5317). This new obligation builds on the success of JARC projects in Illinois and elsewhere. Most Illinois projects that have been successful have formed a transportation advisory panel or committee that includes the interests of different sectors and interest groups in the region.

By being inclusive, and inviting all transit and job access interested parties, the project is much more likely to be able to secure matching local funds, maximize partnerships and the capacity of the service, and more importantly, design a transit system that best meets the needs of the community.

(3) *Integration of human service and workforce development organizations.* All of the interviewees mentioned the importance of human service and workforce development organizations both in the planning and implementing of their service. Sharing resources and using the various organizations' capacities, pre-existing services, and expertise saves resources and increases the reach and breadth of job access transportation in most regions. Additionally a broad coalition will ensure greater opportunity to mobilize elected officials on behalf of a project. (With SAFETEA-LU, this has become a required part of the planning and approval process for all JARC projects).

(4) *Including the end users of the service in the planning process.*

Again, under the theme of cooperation and collaboration, all of the interviewees talked about incorporating their targeted transportation riders in the planning and evaluation process of the service. For many of the organizations this includes having someone on the planning committee and also sending out surveys to people who use the service, having them rate service and provide feedback. This will help make sure the program best services the needs of the users and thus will have the maximum impact.

(5) *Network.* All the interviewees emphasized the importance of getting to know the other transit and human service professionals in your region and in the state. Go to conferences. Make a friend at the Illinois Department of Transportation (IDOT). Talk to other human service agencies, workforce development agencies, metropolitan planning organizations (MPOs), mass transit districts (MTDs) and other transportation providers that run similar programs. Find common interests and potential partners as well as organizations you can call for technical or political support.

(6) *Organizational capacity.* Given as a reason why organizations should coordinate with other organizations, most organizations do not have the capacity to do their usual programming, run and manage a grant, fundraise, and run a transit service. Most of the organizations interviewed contract out their transportation service to another organization to facilitate.

(7) *Ask for help.* Many of the interviewees emphasized the importance of working with organizations that complement your organization's skills set. Most of the interviewees gave multiple examples of organizations they went to for technical support. Some of the resources most often mentioned include the Interagency Coordinating Committee on Transportation (ICCT), the Rural Transportation Assistance Center (RTAC), *Work, Welfare and Families* and IDOT. Their contact information is given in Section 6.

Case Study: Monroe-Randolph Transit District

Monroe-Randolph Transit District (MRTD) uses JARC funds to provide demand response service to those in need of employment transportation and non-emergency medical transportation in Monroe or Randolph Counties. In addition, MRTD also provides demand-response public transportation to the public based on availability (i.e., if there are seats available that are not needed for employment or non-emergency medical transportation they are filled with general transit trips going to the same area). The service runs from 7:00 AM to 5:00 PM Monday through Friday and is available via dispatch with 24 hours notice.

MRTD JARC project Stats:

- 6 employees: mechanic, dispatcher, 3 part time drivers, director
- 5 vehicles: 2 wheelchair accessible vehicles and 3 cars
- Serves a population of 60,000 in a 900 sq. mile region
- 200 to 250 rides a month

Funding sources:

Monroe and Randolph Counties and Downstate Operating Assistance Program
(3/32 of 80% of the sales tax money from Monroe and Randolph Counties)*

Innovative Leadership Shari Crockett was an adult education coordinator and programmer helping adults earn their GEDs and social services in Monroe and Randolph Counties when she began to notice a problem: there was no public transportation in Monroe and Randolph Counties and many of her clients could not get to the job trainings, GED classes or social services that they needed. Wanting to help her clients, Shari began to look into bringing public transit to Monroe and Randolph Counties. She began to organize a consortium of human service agencies to bring public transit to their region. Under Shari's leadership, the consortium was able to secure a JARC grant in 1999 for approximately \$100,000 with a local match of another \$100,000 from various local organizations. The \$200,000 provided the seed money to start up a basic demand-response employment transportation service. In December 2005 the consortium became a full fledged Transit District making them eligible to be a direct recipient of federal grants.

Yearly JARC grant amounts:

2005	\$220,000 (with local match)
2003	\$226,000 (with local match)
2002	\$187,736 (with local match)

*See *Transit Uncovered* for an explanation of these funds. www.workwelfareandfamilies.org

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III SECTION

Opportunities in the New Federal Transportation Law

With the passage and implementation of SAFETEA-LU in 2005, JARC became a formula program in which funds are allotted to states and designated direct recipients based on the population of the region and the number of low-income persons in the state or urban region proportional to the total number in the US.

Below and on the following page are a table and a pie chart with the apportioned JARC funds in FY 06 for the six urbanized areas in Illinois with populations over 200,000 and the total apportioned to the state for all non-urbanized and small urban regions in Illinois. Please note that as of FY 2006, 71% of all JARC funds in Illinois are apportioned to Chicago, 24% for other Illinois cities in large urban areas, and only 5% are apportioned to non-urbanized or small urban areas with populations less than 50,000.

Percentage of JARC Funds by Type of Region

- 60% of JARC funds are allocated to designated recipients (usually MPOs or MTDs) in areas with populations over 200,000 (\$82.8 million in FY 06 nationally)
- 20% are allocated to states for areas with populations between 50,000 and 200,000 (\$27.6 million in FY 06 nationally)
- 20% are allocated to states for areas with populations under 50,000 (\$27.6 million in FY 06 nationally)
- All funds are allocated proportionally based on the percentage of low-income people in each of the three categories above.

**Figure 1:
JARC Apportionments in Illinois by
Region, FY 2006^{ix}**

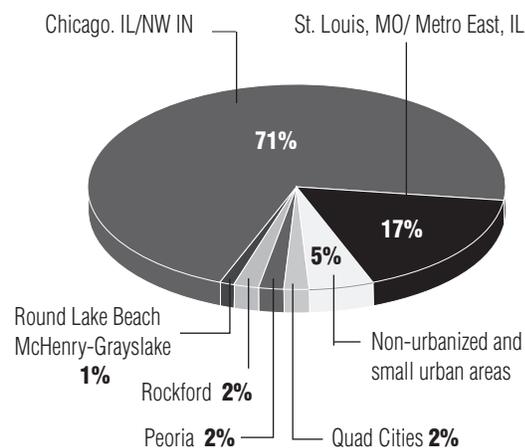


Table 1:
JARC Regional Apportionments in Illinois, FY 2006 - 2009^x

Region	FY 2006	FY 2007	FY 2008	FY 2009
Chicago	\$3,573,680	\$3,729,057	\$4,039,812	\$4,259,930
St. Louis	\$862,036	\$899,516	\$974,476	\$1,027,572
Non-urbanized and small urban areas*	\$251,482	\$262,418	\$284,285	\$299,775
Quad Cities	\$127,174	\$132,703	\$143,761	\$151,595
Peoria	\$119,851	\$125,062	\$135,484	\$142,866
Rockford	\$112,551	\$117,444	\$127,231	\$134,164
Round Lake Beach-McHenry-Grayslake	\$46,631	\$48,658	\$52,713	\$55,585
SUM	\$5,093,405	\$5,314,858	\$5,757,762	\$6,071,487
*population<200,000				

The second major change in the 2005 JARC legislation (SAFETEA-LU) is the requirement that JARC projects must be included in a locally-developed human service transportation coordinated plan (HSTP) beginning in FY 2007, integrating other related funding streams, in particular New Freedom (transportation-to-work initiatives for disabled persons) and 5310 funding (for seniors and persons with disabilities). This is an effort to encourage greater participation by these populations in the planning process and to reduce the duplication of services.

Case Study: Ride DuPage of DuPage County Department of Human Services

A nationally recognized model, Ride DuPage uses JARC funds to support a GIS based centralized scheduling and dispatching system to broker and coordinate transportation for multiple paratransit service sponsors including townships. In addition to supporting the scheduling and dispatching center, JARC funds are used to provide demand-responsive service to low income workers traveling to and from work and work-related services. The services are offered 24 hours a day, 7 days a week.

Subsidized Taxi Program: One of the unique things about Ride DuPage is its use of taxis to provide demand-response services during non-traditional working hours. In order to improve job access services to low income workers and persons with disabilities in DuPage County, Ride DuPage has contracted with two taxi companies in the region to provide demand-response service from 9 pm to 5 am (roughly). The taxis for the two companies volunteer to be part of the service in exchange for a small nominal nightly fee plus the fare for the ride. In order to serve the needs of people with disabilities, the taxi companies also offer accessible transportation for persons with disabilities. By utilizing an already existing service, Ride DuPage provides a valuable service to the public with minimal cost to the County.

In addition to JARC grants, there are other federal funding streams that target specific types of transportation disadvantaged populations (e.g., disabled persons, seniors and low income workers) or regions (e.g., urban or rural), and can also be used to improve job access services.

Stats:

- 70 vehicles per day
- Serves a population of 930,000 in a 337 square mile region

Yearly JARC grant amounts

2005: \$990, 670 (with local match)
2004: \$739, 905 (with local match)

Funding partner:

DuPage County

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Human Services Transportation Plan (HSTP): Provision of SAFETEA-LU that requires states, urbanized and rural areas to establish a locally developed, coordinated public transit—human services transportation plan for all FTA programs that target underserved populations, such as seniors, low income individuals and individuals with disabilities. The HSTP promotes coordination between public, private, and non-profit transportation providers, human services providers, and the public in order to reduce duplication of services, increase coverage and encourage cost efficiency. Without an HSTP, direct recipients of FTA monies, such as urban areas, will not be able to access certain funds, including JARC and New Freedom.

New Freedom Program (Section 5317): The purpose of the New Freedom Program is to encourage services and facility improvements to address the transportation needs of person with disabilities. The funds are allocated through a formula based upon population of persons with disabilities and could be used to increase paratransit services to jobs. Funds are allocated either through the state for small urban and rural areas (populations under 200,000) or through the direct recipient of the funds (usually the MPO or MTD in the region).

Nonurbanized Area Formula Program (Sections 5311 & 5340): A federal program that provides capital and operating assistance for rural and small urban public transportation. Funds could be used to expand service hours or regions of service to increase the accessibility of jobs in nonurbanized areas. Funds are allocated through the state.

Formula Program for Elderly Persons and Persons with Disabilities (Section 5310): 5310 provides funding through a formula program to increase mobility for the elderly and people with disabilities. Funds allocated by formula to the states for capital costs of providing services to elderly persons and persons with disabilities. Allocation is made on the basis of the number of elderly and persons with disabilities in each state. States may sub allocate to nonprofit organizations and public agencies if they are designated to provide coordinated service.

Capital Investment Grants “New Starts” (Section 5309): Provides funding for Major Fixed Guideway Capital Investment projects (New Starts) and Capital Investment Grants of \$75 million or less (Small Starts) both which can be used to improve transit services to work for low income populations.

Urbanized Area Formula Grants (Sections 5307, 5336j, 5340): Funds are to provide urbanized areas public transportation capital investments and operating expenses only in urbanized areas under 200,000 in population.

IV SECTION

Improving Access to Area Jobs: *Securing a JARC Grant in Illinois*

What is a *direct recipient*?

Designated by the state and recognized by the Federal Transit Administration, it is the entity that receives JARC and New Freedom funds for a given region to be awarded to eligible organizations (non-profits, government or transit providers), which upon receipt of funds are known as grantees or subrecipients.

There are three basic steps in securing a JARC grant in Illinois. The first step is to draw up a rudimentary plan describing your project. If you are looking for ideas you may want to read the case studies provided throughout this brief to get an understanding of some of the types of projects that can be proposed. Include in the plan basic information about your project. Generally, this should cover three components:

- (1) A project description including
 - a. start and end dates of your project,
 - b. transit services offered,
 - c. populations and region targeted,
 - d. why your transit services are needed,
 - e. how your project promotes intermodal transportation,
 - f. how your transit service will coordinate with other transit services and service providers,
- (2) A means to measure and evaluate the impact of your service (for additional measures, see the ICCT Report to the Governor)
 - a. how your service project enhances job access in your region,
 - b. how your service impacts transportation disadvantaged populations.
- (3) A rudimentary budget with itemized gross project costs
 - a. estimated cost per one-way trip and average daily riders,

- b. itemized capital costs,
- c. itemized operating costs,
- d. source or sources of state, local, or federal matching funds.

Please note that the actual components will vary by region based on the priorities of your region's direct recipient of JARC funds.

The second step is to contact your local JARC administrator (who will usually be the region's Metropolitan Planning Organization (MPO) or Mass Transit District (MTD)). They are the "direct recipient" of the JARC funds and are the best initial point of contact when considering applying for JARC funding.

There are six primary administrators of JARC funds in Illinois, one for each of the five large urbanized areas in Illinois with populations over 200,000 and the Illinois Department of Transportation (IDOT), which administers funds to all rural and small urban regions in Illinois that have populations of 200,000 and less. The contact information for these organizations is given at right by metropolitan region. Contact the administrator in your area to ask what the process is to apply for JARC funds in your region. Be sure to have your rudimentary plan ready to help describe what your project is, why it's important and how you expect to fund it.

Finding the Direct Recipient Near You

Listed below are the six regions eligible for JARC funding in Illinois. All counties and metropolitan areas are as of 2004 using 2000 census data. Please contact the direct recipient agency for more information about the JARC application process in your region. At the time of publication of this brief, the only confirmed direct recipients are the RTA and IDOT. All remaining organizations that we have listed will know which is the direct recipient in their region.

- (1) **Chicago metropolitan area** (includes **Round Lake Beach-McHenry-Grayslake metropolitan area**)
Illinois Counties: Cook, DeKalb, DuPage, Kane, Kendall, Grundy, Lake, McHenry and Will Counties.
Direct recipient agency: Regional Transportation Authority (RTA)
Contact: William Reynolds, Principal Analyst
JARC Application: www.rtachicago.com/CMS400Min/uploadedFiles/2006%20JARC%20NFI%20Application.pdf

- (2) **St. Louis metropolitan area:**
Illinois Counties: Bond, Calhoun, Jersey, Clinton, Macoupin, Madison, St. Clair, and Monroe Counties
Potential Direct Recipient Agencies¹: East-West Gateway Coordinating Council and St. Louis Regional Transit
Contacts: Steve Schneider, Director of Budget and Grants, St. Louis Regional Transit, (314) 982-1538.

MPO: East-West Gateway Coordinating Council
Contact: Jim Wild, Division Manager of Transportation Planning and Programming, East-West Gateway Coordinating Council, (314) 421-4220

- (3) **Davenport-Moline-Rock Island metropolitan area:**
Illinois Counties: Henry, Mercer and Rock Island Counties
Direct recipient: Bi-State Regional Commission
Contact: Marianne Doonan, Senior Planner, (309) 793-6302, x122

- (4) **Peoria-Pekin metropolitan area:**
Illinois Counties: Marshall, Peoria, Tazewell, Stark, and Woodford Counties.
Direct recipient: Greater Peoria Mass Transit District (Citilink)
Contact: John Stwkowkie, (309) 679-8140

MPO: Tri County Regional Commission
Contact: Nicole Nutter, Transportation planner, Tri County Regional Commission, (309) 673-9796, x223

- (5) **Rockford metropolitan area:**
Illinois Counties: Ogle, Winnebago and Boone Counties.
Direct recipient: Rockford Mass Transit
Contact: Richard McVinnie, Executive Director, Rockford Mass Transit, (815) 961-2230

MPO: Rockford Area Transportation Study (RATS)
Contact: Hayes Morrison, Transportation Planner, RATS, (815) 987-5628

- (6) **Rural/small urban Illinois**
Illinois Counties: All counties not listed above
Direct Recipient Agency: Illinois Department of Transportation (IDOT), Division of Public and Intermodal Transportation (DPIT)
Contact: Natasha Holmes, IDOT DPIT, 312-793-3307

The third step is applying for the JARC grant. This process is unique to each region but must meet some basic core criteria as set out by the Federal Transit Administration (FTA). The six core criteria that projects must adequately meet in order to qualify for JARC grant funding are as follows:

- (1) Demonstrate need for new or expanded transportation services and the extent to which the proposed services meet this need
- (2) Provide transportation to new employers/ work related services, and/or provide new service hours
- (3) Identify sources of matching funds
- (4) Demonstrate organizational capacity to implement the project
- (5) Show coordination with area agencies and employers
- (6) Describe marketing and outreach strategies or promotion of services to target population

The organization with the regional planning jurisdiction, whether it be the “direct recipient” of JARC funding, the MPO or MTD, or IDOT then reviews the grant and based on apportioned funding and state and regional laws, makes decisions on funding. Currently, as of 2006, Illinois is in the process of developing the JARC selection process for the state to accommodate changes made under SAFETEA-LU, to reduce duplication of services and to improve coordination. As of September 2006, the RTA had finalized its 2006 JARC application process and had made it accessible to the general public. The 2007 application process will be developed in conjunction with the HSTP process.

In 2006, to secure JARC funding in Northeast Illinois, all applicants must complete the RTA’s three-page application. The application requests a project description, project funding information and answers to selection criteria questions to determine eligibility. The application solicits information very similar to the rudimentary plan suggestions described at the beginning of the section. To download the application, or to learn more about the application process, please see RTA’s website: www.rtachicago.com/CMS400Min/uploadedFiles2006%20JARC%20NFI%20Application.pdf.

Case Study: Ways to Work

Ways to Work uses JARC funds to issue small direct loans to low-income families for the purchase and/or maintenance of a car to use for transportation to work and childcare. In addition to low interest loans, the program also funds staffing and direct program costs of running the program that include social and financial services for the applicants. Loan sizes range up to \$4,000 at no greater than 8% interest. Ways to Work partners with human service organizations to implement the program locally in 50 different communities in 25 states across the U.S. In Illinois, Ways to Work partners with Childserv, Bethany for Children and Families, and the National Urban League to facilitate its programs within the state.

Outcomes^{vi}

(from 2005-2006 third-party evaluation):

- Net income (take home pay) for program participants increased by 41%
- Average net income of program participants grew from \$11,900 to \$15,300
- 90% repayment rate on loans
- Most borrowers (90%) cite the car loan as instrumental in helping them to maintain or improve their employment circumstances
- Individuals who received their loan at least 36 months ago were twice as likely to have a checking or savings account then those in the program for less than 1 year

Low Income Car Ownership – LICO Ways to Work (WtW) takes an innovative approach to improving access to jobs in Illinois instead of using a mass transit paradigm as many of the other JARC grantees do, WtW instead focuses on car ownership as a means to move families from welfare to self-sufficiency. In designing the program, WtW realized that public transit is not sufficient for all low income families and that for some families owning a car may make the difference between getting or and keeping a job. To help remedy this problem, WtW designed a low interest car loan program that provides low-interest car loans to low income families as well as the financial training necessary to manage and budget their incomes more effectively. The program has been extremely effective in helping its participants find and maintain employment as demonstrated below in the outcomes section.

As the only organization in this publication that has done a formal evaluation of their JARC program at this time, Ways to Work (WtW) is the only organization that can measure the impact of the services on moving low income families from welfare to self-sufficiency (see the summary of WtW for the outcomes).

- 90% indicated a significant impact on their quality of life (e.g., more time with family, friends and for themselves)
- 4 of 5 parents were able to put their children into more satisfactory childcare services as a result of car ownership.

Stats:

Disbursed over 3,000 loans in 52 communities across the nation

Yearly JARC amounts (for Illinois):
2005 – \$740,358 (with local match)

Contact:

Jeff Faulkner
Executive Director
(618) 634-9717

V

SECTION

Securing Local Match Is the Hardest Part

Most federal funds require a local match in order to cover the full cost of a program or project. JARC is no different, in that it now requires 20% match for capital expenses and 50% match for operating expenses. Even though JARC's match requirements are the same size as other transportation programs, they still present a significant challenge to grantees, whether they are community-based organizations or transit providers.

States typically meet the local match for large capital investments in transportation (roads, highways, vehicles and other materials necessary for a public transit system); and along with localities, states often meet the match for operating investments in public transit, specifically for urban and rural programs (Sections 5307 and 5311). However, many states do not make match funds available for JARC projects, even though JARC represents a fraction of the costs of urban and rural transit programs.

The good news is that with SAFETEA-LU the match for JARC, New Freedom, Section 5310 and many other FTA programs can now come from local, state and non-U.S. DOT federal sources. Eligible sources of funding are listed below. Because securing a local match can be the toughest part of the process in pursuing a JARC grant, your group should maximize relationships in your community by inviting as many potential allies and stakeholders to your table and work closely with your elected officials. When pursuing local funds as match, such as county or municipal dollars, a public referendum or legislation may be required—all the more reason to work in coalition. For more information on coalition building and working with elected officials, see *Transit Uncovered*, the first brief of this series, and its Sections 3 and 7.

Potential Sources of JARC Match

(Courtesy of the Urban Transportation Center, University of Illinois at Chicago)

CASH

Federal, non-U.S. Dept. of Transportation (FTA, FHWA)

- U.S. Dept. of Health and Human Services, Temporary Aid for Needy Families (TANF), Community Service Block Grants (CSBG), and Social Services Block Grants (SSBG)
- U.S. Dept. of Housing and Urban Development, Community Development Block Grants (CDBG) and Hope VI Grants
- U.S. Dept. of Labor, Workforce Investment Act formula and competitive Grants

State, non-federally U.S. Dept. of Transportation funded (FTA, FHWA)

- Illinois Dept. of Human Services (IDHS, pass through TANF), Occupational Rehabilitation Services (ORS), Area Agency on Aging, (Title XX)
- Illinois Dept. of Transportation, non-federal
- Illinois Dept. of Commerce and Economic Opportunity (DCEO)

Local

- Municipal, city, village, town, general fund, motor fuel tax (MFT) or special fund, such as Empowerment Zone (EZ) or Enterprise Community (EC)
 - County funds
 - Township funds
 - Not-for profit, social service, faith-based, and charitable (United Way, Easter Seals)
- Business, private payments, contracts for transportation services, service agreements, fare subsidies or contributions
 - Business Associations, Chambers of Commerce, Transit Management Association (TMA)
- Other, personal contributions, political campaign funds or special events

Revenues

- Revenues from service agreements are an eligible match, but revenues from individual fares cannot be used as matching funds.

NON-CASH

- State toll way credits
- In kind services, wages, operating expenses, direct and indirect expenses attributed to administering, operating and/or marketing services. (Example: organization pays driver's wages and benefits and requisitions JARC for one-half reimbursement.)

VI SECTION

Findings from a Selection of Illinois JARC Projects

JARC funds are unique in that they are a relatively small source of funding but with the potential to make a significant impact if used thoughtfully and deliberately. Throughout this brief are five case studies of organizations in Illinois that have used JARC funds in a variety of different ways and have been largely successful in improving access to jobs for low-income workers in Illinois. The organizations were selected as a representative sample of different usages of JARC funds in Illinois, and include one county (DuPage County), two Mass Transit Districts (Rides Mass Transit District and Monroe-Randolph Mass Transit District), and two nonprofit organizations (Ways to Work and YWCA of McLean County) in suburban, rural and small urban regions of northeast and downstate Illinois.

The five organizations have taken different approaches and have faced different challenges to increase access to jobs for low-income families in Illinois. Four of the organizations have used or are using the funds to create, supplement or expand on-demand or deviated-route work transportation services in their region. The fifth organization, Ways to Work, uses JARC funds as collateral to provide low-interest car loans to low income families and to fund the operating budget of their organization. Although each organization in each case study has its own unique approach, all five have been successful at filling transit gaps and improving job access and transportation options for working class families in Illinois.

In addition to looking at what worked, another important component of analyzing and evaluating the JARC process is looking at what did not work. What were the challenges the different organizations faced. On the next page are some of the challenges raised multiple times in the interviews.

- The matching local or state funds required by JARC are difficult to find in rural or small urban areas.
- The JARC grant application process is opaque and time consuming.
- JARC funds were insufficient to meet the work transportation demands of the community.
- JARC projects are not sustainable without a continuation of JARC funds or other sources.
- JARC is a reimbursement-based program and some of the organizations do not have the financial resources to front the money.
- Per passenger costs are high in small urban and rural regions.

Despite these challenges all five organizations and their representatives were emphatic about the importance of JARC funds as an effective but challenging solution (albeit partial) to improving job access for working class or welfare families in Illinois. When evaluating the challenges of securing JARC funding and implementing JARC projects, it is important to keep in mind that the purpose of JARC is to act as seed money, not as an annual revenue stream, and that some of the challenges listed above were part of the legislative design of the funding stream. Some of the challenges were purposeful in that they were designed to encourage cooperation and collaboration between government, business, and nonprofit organizations as well as between transit-interested and job access-interested stakeholders.

Other challenges have been addressed in the SAFETEA-LU legislation to help improve transparency and to increase local ownership and accessibility of JARC funds throughout Illinois.

Resources:

Here are four of the most commonly cited resources in the interviews. In addition, each of the organizations featured is willing to provide technical support or answer any questions you may have about the funding process, their program, or challenges they may have had to overcome.

Ed Heflin

Manager

Rural Transit Assistance Center (RTAC)
(800) 526-9943

Dawn Maye

Transit Coordination Specialist

ICCT
(800) 526-9943

Dia Cirillo

Director of Policy

Work, Welfare and Families
(312) 658-0225, *202

Erica Interrante

HSTP Project Manager

Illinois Department of Transportation
(312) 793-3532

Area MPOs and MTDs (For a full list, see *Transit Uncovered* at www.workwelfareandfamilies.or.)

Endnotes:

ⁱ Federal Registers 1999-2004, Federal Transit Administration website: http://www.fta.dot.gov/funding/apportionments/grants_financing_174.html

This amount represents JARC funds that Congress apportioned from 1999 through 2003 for the original duration of TEA-21, additional apportionments occurred for years 2004 and 2005 totaling \$230 million as TEA-21 was awaiting reauthorization. Of the \$150,000,000 made available for the Job Access and Reverse Commute (JARC) program by Public Law 108-7, the Department of Transportation (DOT) and Related Agencies Appropriations Act for Fiscal Year 2003, (FY 2003 DOT Appropriations Act) Congress directed that \$45,000,000 be used for new fixed guideway systems under FTA's Capital Investment Grants program, leaving \$105,000,000 for the JARC program.

ⁱⁱ Federal Transit Administration Fiscal Year 2006 - 2009 Estimated Apportionments/ Allocations by State

ⁱⁱⁱ Center for Tax and Budget Accountability, *The State of Working Illinois*, 2005.

^{iv} University of Illinois at Chicago, Urban Transportation Center (1999). *Entry Level Job Opening—a map*.

^v Lang, Robert E. *Office Sprawl: The Evolving Geography of Business*. Center on Urban & Metropolitan Policy, Brookings Institution (2000).

^{vi} Interagency Coordinating Committee on Transportation, *Report to Governor Rod R. Blagojevich and Illinois General Assembly*, January 2006.

^{vii} Surface Transportation Policy Project/Center for Neighborhood Technology (2003). *Transportation Costs and the American Dream: Why a lack of Transportation Choices Strains the Family Budget and Hinders Home Ownership*.

^{viii} General Accounting Office (GAO), *Transportation's Role in Moving from Welfare to Work*, May 1998.

^{ix} Federal Transit Administration, Fiscal Year 2006-2009 Estimated Apportionments/ Allocations by State for Selected Federal Transit Administration Programs, January 2006.

^x Ibid.



About Work, Welfare and Families: An Illinois Coalition Working to End Poverty

Work, Welfare and Families is a coalition of organizations working together to educate about and promote public policies that improve the well-being of low income families in Illinois. The organization represents a network of over 200 human service, advocacy, religious, and civic organizations throughout the state. Through its transportation-to-work initiative, *Work, Welfare and Families* originated legislation to create the Interagency Coordinating Committee on Transportation to broaden coverage for the transportation disadvantaged and currently serves as its co-chair along with the Illinois Department of Transportation. The organization has also secured close to \$1 million in Job Access Reverse Commute funds for communities across Illinois and has led a five city community engagement process to close gaps in transportation to area job centers.

www.workwelfareandfamilies.org



About the Community Transportation Association of America

The Community Transportation Association is a nonprofit, membership association committed to removing barriers to isolation and improving mobility for all people. The Association is involved in several projects to provide information and technical assistance to communities, transportation providers, and other groups to increase mobility and improve the quality of community transportation.

1341 G Street, NW, 10th Floor, Washington, DC 20005
202.628.1480 or 800.891.0590 <http://www.ctaa.org>



About the Joblinks Employment Transportation Initiative

Getting to work. It's one of the basics of community life. Public and community transportation play a critical role in moving Americans to employment sites, training facilities, educational programs, interviews, child care, and back home. For some, it's a standard commute on a train or bus; for others, it might be a third-shift vanpool to a nearby factory; and for still others, it can be a connection to new skills through the local technical college.

Through a partnership with the Employment and Training Administration, U.S. Department of Labor, and the Federal Transit Administration, U.S. Department of Transportation, the Community Transportation Association of America provides technical assistance designed to help communities overcome one of the most significant barriers preventing low-income individuals and others from obtaining and keeping jobs—transportation. This program, known as the Joblinks Employment Transportation Initiative, or simply Joblinks, includes demonstration projects, technical assistance, conferences, and publications.



This publication was prepared pursuant to a grant from the U.S. Department of Transportation Federal Transit Administration. The opinions and conclusions expressed herein are solely those of the authors and should not be construed as representing the opinions or policy of any agency of the federal government.