



**STATE OF TENNESSEE**  
**DEPARTMENT OF TRANSPORTATION**  
**DIVISION OF MULTIMODAL TRANSPORTATION RESOURCES**  
SUITE 1200, JAMES K. POLK BUILDING  
505 DEADERICK STREET  
NASHVILLE, TENNESSEE 37243-1402  
(615) 741-2781

**BUTCH ELEY**  
DEPUTY GOVERNOR &  
COMMISSIONER OF TRANSPORTATION

**BILL LEE**  
GOVERNOR

**March 8, 2023**

**RE: FTA Section 5307 FFY2023 Program Allocation**

Dear Direct Recipients:

TDOT has established its new formula to allocate the Federal Fiscal Year (FFY) 2023 5307 Small Urban apportionment. TDOT is issuing this allocation letter to enable Tennessee's small urban agencies to apply directly to the FTA for these 5307 funds.

TDOT Multimodal is pleased to announce its new formula and the allocation of FTA Section 5307 program funds for FFY2023. Formula factors include the UZA Population, Population Density, and Low Income Population, reported by the 2010 US Census and 2021 Five-year American Community Survey, as well as verified 2021 National Transit Database (NTD) data for Revenue Miles, Unlinked Passenger Trips, Ridership by Ridership per Revenue Miles and Local Investment.

The table below shows the funds allocated to each Direct Recipient:

**FTA Section 5307 FFY2023 Allocation**

<b>Direct Recipient</b>	<b>FFY2023 Allocation</b>
Bristol Tennessee Transit	\$594,951
Clarksville Transit System	\$3,325,289
Cleveland Urban Area Transit System	\$819,828
Jackson Transit Authority	\$2,196,398
Johnson City Transit	\$2,167,618
Kingsport Area Transit Service	\$1,399,788
Morristown- ETHRA	\$572,280
Murfreesboro Rover Transit System*	\$2,282,134
First Tennessee HRA	\$385,731
<b>TOTAL</b>	<b>\$13,744,017</b>

\*Murfreesboro qualifies for Small Transit Intensive Cities (STIC) federal funds in the amount of \$550,406 based on their agency's service performance. The table above represents the full 5307 allocation which includes the additional STIC funds for Murfreesboro.

TDOT offers state matching funds on 5307 capital expenses only. TDOT does not match 5307 operating expenses. Contracts will have a three year term period at time of request, unless circumstances exist that require a period beyond three years, which will be reviewed on a case-by-case basis.

TDOT will make the FFY2023 5307 funds available for obligation through May 31, 2026. Funds allocated are subject to redistribution if not obligated by the deadline.

Tennessee 5307 funds are in high demand and TDOT wants to ensure every dollar is utilized for public transit service and that discarding any funds back to the FTA is minimized. Direct Recipients must receive approval from TDOT prior to deobligating funds in their active 5307 grants. In the event that funds are deobligated by a direct recipient without TDOT written approval, funds may be deducted from the agency's future 5307 allocations.

The table below indicates the period of availability for all 5307 funds:

<b>Federal Fiscal Year</b>	<b>Deadline for Obligating Funds in FTA Grants</b>
FFY21	May 31, 2024
FFY22	May 31, 2025
FFY23	May 31, 2026

As identified in this Split Letter, the Designated Recipient authorizes the assignment/allocation of Section 5307 to the Direct Recipient(s) named herein. The undersigned agree to the Split Letter and the amounts allocated/assigned to each Direct Recipient. Each Direct Recipient is responsible for its application to the Federal Transit Administration to receive Section 5307 funds and assumes the responsibilities associated with any award for these funds.

If you have any questions, please contact Kaitlyn McClanahan, Transit Programs Manager, at [kaitlyn.mcclanahan@tn.gov](mailto:kaitlyn.mcclanahan@tn.gov) or by phone at (615) 532-5835.

Best regards,

*Daniel E. Pallme*

Dan Pallme  
Interim Multimodal Director

cc: Preston Elliott, Deputy Commissioner/Chief  
Larry Sanborn, Multimodal Assistant Director  
Kaitlyn McClanahan, Transit Manager  
Dr. Yvette Taylor, FTA Region IV Administrator  
Robert Buckley, FTA Region IV Director of Finance & Program Oversight  
Andres Ramirez, FTA IV Community Planner  
Jason Spain, TPTA Executive Director  
Chris Campbell, TPTA President