



**OFFICE OF THE
CHIEF FINANCIAL OFFICER**
Office of Development and Grants

Coleman A. Young Municipal Center
2 Woodward Avenue, Suite 1026
Detroit, Michigan 48226

Phone 313•628•1258
Fax 313•224•0542
www.detroitmi.gov

September 9, 2025

The Honorable Detroit City Council
ATTN: City Clerk Office
200 Coleman A. Young Municipal Center
Detroit MI 48226

**RE: Request to Accept an Increase in Appropriation for the FY 2023 Section 5307
Formula Fund Grant**

The Federal Transit Administration has awarded an increase in appropriation to the City of Detroit Department of Transportation (DDOT) for the FY 2023 Section 5307 Formula Fund Grant, in the amount of \$13,407,324.00. There is also a required State match for the award, from the Michigan Department of Transportation, in the amount of \$3,351,832.00. There is no local match requirement. The total increase is \$16,759,156.00. This funding will increase appropriation 21436, previously approved in the amount of \$61,771,653.00, by council on October 8, 2024, to a total of \$78,530,809.00.

The amendment provides additional funding to continue the activities described in the original grant agreement to support DDOT's fixed route bus service and terminal operations, and has added the additional project of procuring administrative vehicles. Funds will be also used to provide facility improvements for DDOT's terminals and preventative maintenance on DDOT buses to ensure on-going service without interruption. This is a reimbursement grant.

I respectfully ask your approval to accept the increase in appropriation funding in accordance with the attached resolution.

Sincerely,

DocuSigned by:
Terri Daniels
4D2BEEE23C8D489...

Terri Daniels
Director, Office of Development and Grants

CC:
Sajjiah Parker, Assistant Director, Grants

DocuSigned by:
Donald R. Johnson
34F9074313554A4...
Office of Budget

DocuSigned by:
Cheryl Smith-Williams
B8CAE73E1C57407...
Agreement Approved as to Form
By the Law Department



Office of Development and Grants

RESOLUTION

Council Member _____

WHEREAS, the Detroit Department of Transportation (DDOT) is requesting authorization to accept an increase in appropriation for the FY 2023 Section 5307 Formula Fund Grant, from the Federal Transit Administration, in the amount of \$13,407,324.00, to support DDOT's fixed route bus service and terminal operations; and

WHEREAS, there is a required State match for the award, from the Michigan Department of Transportation, in the amount of \$3,351,832.00, and there is no local match requirement; and

WHEREAS, the total award increase is \$16,759,156.00; and

WHEREAS, this funding will increase appropriation 21436, previously approved in the amount of \$61,771,653.00, by council on October 8, 2024, to a total of \$78,530,809.00; and

WHEREAS, the Law Department has approved this agreement as to form; and

WHEREAS, this request has been approved by the Office of Budget; now

THEREFORE, BE IT RESOLVED that the Director or Head of the Department is authorized to execute the modified grant agreement on behalf of the City of Detroit, and

BE IT FURTHER RESOLVED, that the Budget Director is authorized to increase the budget accordingly for appropriation number 21436, in the amount of \$16,759,156.00, for the FY 2023 Section 5307 Formula Fund Grant.

**UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
FEDERAL TRANSIT ADMINISTRATION**

**GRANT AGREEMENT
(FTA G-33)**

On the date the authorized U.S. Department of Transportation, Federal Transit Administration (FTA) official signs this Grant Agreement, FTA has obligated and awarded federal assistance as provided below. Upon execution of this Grant Agreement by the Recipient named below, the Recipient affirms this FTA Award, enters into this Grant Agreement with FTA, and binds its compliance with the terms of this Grant Agreement.

The following documents are incorporated by reference and made part of this Grant Agreement:

- (1) "Federal Transit Administration Master Agreement," FTA MA(33), <http://www.transit.dot.gov>,
- (2) The Certifications and Assurances applicable to the FTA Award that the Recipient has selected and provided to FTA, and
- (3) Any Award notification containing special conditions or requirements, if issued.

WHEN THE TERM "FTA AWARD" OR "AWARD" IS USED, EITHER IN THIS GRANT AGREEMENT OR THE APPLICABLE MASTER AGREEMENT, "AWARD" ALSO INCLUDES ALL TERMS AND CONDITIONS SET FORTH IN THIS GRANT AGREEMENT.

FTA OR THE FEDERAL GOVERNMENT MAY WITHDRAW ITS OBLIGATION TO PROVIDE FEDERAL ASSISTANCE IF THE RECIPIENT DOES NOT EXECUTE THIS GRANT AGREEMENT WITHIN 90 DAYS FOLLOWING FTA'S AWARD DATE SET FORTH HEREIN.

FTA AWARD

Federal Transit Administration (FTA) hereby awards a Federal Grant as follows:

Recipient Information

Recipient Name: CITY OF DETROIT

Recipient ID: 2107

UEI: CRWJSGLZ3KX1

DUNS: 021100409

Award Information

Federal Award Identification Number (FAIN): MI-2024-006

Award with Amendment Number: MI-2024-006-01

Award Name: Section 5307 and Section 5339 Bus Purchase & Repair, Surveillance and Security, Planning and Preventative Maintenance

Award Start Date: 9/20/2024

Original Award End Date: 3/31/2032

Current Award End Date: 3/31/2032

Award Executive Summary: Amendment#1
Kanasha Yowpp

DDOT is applying for FY23 Section 5307 funds in the amount of \$13, 407,324 FTA, with a match provided by State CTF (in the amount of \$3,351,832) for a total of \$16,759,156. This request for funds will complete the request for the total FY23 year apportionment of Section 5307 funds. This amendment will provide additional funding to continue the activities as described in the original grant, with 1 additional project added to procure administrative vehicles.

To meet the requirements that 0.75% of Section 5307 funds will be used on safety measures, and 1% of funds will be used on security measures, DDOT will allocate funds in 2 of the ALIs contained here toward that effort. Rehab and renovate facilities 11.44.03, and preventative maintenance 11.7A.00. See the extended budget description for more details.

This application is consistent with the funding allocations and the supporting documents attached:

- 1.) RTA split letter for FY22 dated June 17, 2022
- 2.) RTA split letter for FY23 dated November 2, 2023
- 3.) FY25-26 Unified Work Program report
- 4.) FY25-26 Unified Work Program - MDOT letter to FHA documenting Executive Committee approval of February 28, 2025
- 5.) FY24-25 Unified Work Program report
- 6.) FY24-25 Unified Work Program approved agreement dated December 18, 2024
- 7.) Approved STIP FTA approval date Job#205245 January 8, 2025 and job#224524 administrative modification approval date April 8, 2025
- 8.) DDOT list of fleet vehicles that will meet their useful life and be replaced with these funds
- 9.) SEMCOG 2045 Regional Transportation Plan FTA approval date July 15, 2019

- 10.) DDOT spare ratio extension request letter dated April 24, 2024
- 11.) Approved spare ratio letter from FTA dated May 22, 2024 approving an extension until June 30, 2025.

Original Grant

The Detroit Department of Transportation (DDOT) is applying for Section 5307 FY22 (FTA \$27,732,646) and FY23 (FTA \$16,808,036) funds totaling \$44,540,682 FTA. The 20% state match is being provided by CTF for a total of \$11,135,171. The 5307 federal and state total in this grant is \$55,675,853.

Section 5307:

FY 2022: \$27,732,646

FY 2023: \$16,808,036

DDOT is also applying for FY22, FY23, and FY24 Section 5339 funds in the amount of \$4,876,640 FTA, with a match provided by State CTF (in the amount of \$1,219,160), for a total of \$6,095,800.

Section 5339:

FY22: \$1,151,158

FY23: \$1,416,880

FY24: \$2,308,602

The overall federal and state funds in this grant total \$61,771,653.

The funding in this grant will provide for the purchase and installation of security and surveillance equipment both mobile and static within facility. ADP hardware/software, the purchase of new buses and the rehabilitation of buses, bus shelters, planning activities, preventative maintenance, and the rehab and renovation of facilities. Funding is being sought to adequately meet the needs of DDOT as we seek to provide increased service to the community, restoring levels to those preceding the COVID-19 pandemic.

To meet the requirements that 0.75% of FY2022 Section 5307 funds will be used on safety measures, and 1% of funds will be used on security measures, DDOT will allocate funds in at least 5 of the ALIs contained here toward that effort. Rehab and rebuilding buses 11.14.01, acquiring surveillance equipment 11.32.07, acquiring mobile security equipment 11.42.09, rehab and renovate facilities 11.44.03, and preventative maintenance 11.7A.00. See the extended budget description for more details.

This application is consistent with the funding allocations announced in the RTA split letter attached. Other attachments include an approved STIP, the DDOT list of fleet vehicles that will meet their useful life and to be replaced with these funds, the SEMCOG 2045 Regional Transportation Plan, the DDOT 2024 Unified Work Program

report, and the DDOT spare ratio extension letter dated April 24, 2024, and approved by FTA May 22, 2024 for an extension until June 30, 2025. Also included are email correspondence showing FTA satisfied that no NEPA was required for bus shelters, bus shelter photos and specs, and the bus replacement list.

Research and Development: This award does not include research and development activities.

Indirect Costs: This award does not include an indirect cost rate.

Suballocation Funds: Recipient organization is directly allocated these funds and is eligible to apply for and receive these funds directly.

Pre-Award Authority: This award is using Pre-Award Authority.

Award Budget

Total Award Budget: \$78,530,809.00

Amount of Federal Assistance Obligated for This FTA Action (in U.S. Dollars): \$13,407,324.00

Amount of Non-Federal Funds Committed to This FTA Action (in U.S. Dollars): \$3,351,832.00

Total FTA Amount Awarded and Obligated (in U.S. Dollars): \$62,824,646.00

Total Non-Federal Funds Committed to the Overall Award (in U.S. Dollars): \$15,706,163.00

Award Budget Control Totals

(The Budget includes the individual Project Budgets (Scopes and Activity Line Items) or as attached)

Funding Source	Section of Statute	CFDA Number	Amount
5307 - Urbanized Area Formula Grants (2013 and forward)	5307-2A	20507	\$57,948,006
5339 – Buses and Bus Facilities Formula	5339-1	20526	\$4,876,640
Local			\$0
Local/In-Kind			\$0
State			\$15,706,163
State/In-Kind			\$0

Other Federal	\$0
Transportation Development Credit	\$0
Adjustment	\$0
Total Eligible Cost	\$78,530,809

(The Transportation Development Credits are not added to the amount of the Total Award Budget.)

U.S. Department of Labor Certification of Public Transportation Employee Protective Arrangements:

DOL Decision: DOL Concur - Certified
 DOL Review Date: 9/5/2024
 DOL Certification Date: 9/5/2024

Amendment 1 DOL Decision: DOL Concur - Certified
 Amendment 1 DOL Review Date: 8/13/2025
 Amendment 1 DOL Certification Date: 8/13/2025

Special Conditions

There are no special conditions.

FINDINGS AND DETERMINATIONS

By signing this Award on behalf of FTA, I am making all the determinations and findings required by federal law and regulations before this Award may be made.

FTA AWARD OF THE GRANT AGREEMENT

Awarded By:
 Kelley Brookins
 Regional Administrator
 FEDERAL TRANSIT ADMINISTRATION
 U.S. DEPARTMENT OF TRANSPORTATION
 Contact Info: kelley.brookins@dot.gov
 Award Date: 8/22/2025

EXECUTION OF THE GRANT AGREEMENT

Upon full execution of this Grant Agreement by the Recipient, the Effective Date will be the date FTA or the Federal Government awarded Federal assistance for this Grant

Agreement.

By executing this Grant Agreement, the Recipient intends to enter into a legally binding agreement in which the Recipient:

- (1) Affirms this FTA Award,
- (2) Adopts and ratifies all of the following information it has submitted to FTA:
 - (a) Statements,
 - (b) Representations,
 - (c) Warranties,
 - (d) Covenants, and
 - (e) Materials,
- (3) Consents to comply with the requirements of this FTA Award, and
- (4) Agrees to all terms and conditions set forth in this Grant Agreement.

Executed By:

CITY OF DETROIT