



COMMONWEALTH of VIRGINIA
DEPARTMENT OF SOCIAL SERVICES
Office of the Commissioner

Danny TK Avula MD, MPH
Commissioner

December 29, 2023

MEMORANDUM

TO: The Honorable Glen Youngkin
Governor of Virginia

The Honorable Janet D. Howell
Co-Chair, Senate Finance and Appropriations Committee

The Honorable George L. Barker
Co-Chair, Senate Finance and Appropriations Committee

The Honorable Barry D. Knight
Chair, House Appropriations Committee

Michael Maul
Director, Department of Planning and Budget

FROM: Danny TK Avula MD, MPH

SUBJECT: Annual Report on TANF Projects by the Virginia Transit Association

This report is submitted pursuant to Item 356.S. of the 2022 Appropriation Act, which states:

S. Out of this appropriation, \$1,000,000 the first year and \$1,000,000 the second year for the Temporary Assistance for Needy Families (TANF) block grant shall be provided to the Virginia Transit Association to offer competitive grants for public transportation (as defined in Virginia Code §33.2-100) and public transportation demand management service fare passes. The Virginia Transit Association shall report on annual program performance and outcome measures contained in the memorandum of understanding with the Department of Social

Services. The department shall report on any performance and outcome data collected through the memorandum of understanding by July 1 of each year. This report shall be provided to the Governor, Director of the Department of Planning and Budget, and the Chairmen of the House Appropriations and Senate Finance committees.

Please contact me should you have questions at (804) 726-7011.

DA:kc

Attachment

cc: The Honorable John Little, Secretary of Health and Human Resources

Annual Report on TANF Funded Projects by the Virginia Transit Association September 2023

Report Mandate

Item 347.S. of the 2022 Appropriation Act

S. Out of this appropriation, \$500,000 the first year and \$500,000 the second year for the Temporary Assistance for Needy Families (TANF) block grant shall be provided to the Virginia Transit Association to offer competitive grants for public transportation (as defined in Virginia Code §33.2-100) and public transportation demand management service fare passes. The Virginia Transit Association shall report on annual program performance and outcome measures contained in the memorandum of understanding with the Department of Social Services. The department shall report on any performance and outcome data collected through the memorandum of understanding by July 1 of each year. This report shall be provided to the Governor, Director of the Department of Planning and Budget, and the Chairmen of the House Appropriations and Senate Finance and Appropriations Committees, by September 1 each year.

Background

In 2017, the Virginia General Assembly appropriated TANF block grant funds to the Virginia Transit Association (VTA) for competitive grants for transportation projects. Initially, VTA awarded contracts to the following grant applicants: City of Charlottesville Office of Economic Development (GO Ride Expansion and Regional OnDemand Transit Coalition), Fredericksburg Regional Transit (Transit Supports Working Families), Hampton Roads Community Action Program, Inc. (Navigating Wealth Building in Hampton Roads), and Harrisonburg Rockingham Social Services District (Harrisonburg Transit TANF Grant). These four grant sub-recipients initiated their programs in October and November 2020; however, ridership was very low. This was due in large part to the COVID-19 pandemic and its impact on public transit ridership, including potential riders staying at home due to employment site restrictions and increased childcare responsibilities. Additionally, most transit agencies were operating fare-free in response to COVID-19. Because the contracts were reimbursement contracts to reimburse the cost of provided rides and the rides were being provided fare-free, there were no expenditures for State Fiscal Year (SFY) 2021.

For SFY2022, the VTA awarded \$1 million of its \$2 million appropriation of funds in the 2020-2022 biennium budget in competitive grants to the following sub-recipients: Hampton Roads Community Action Program, Inc. (Navigating Wealth Building in Hampton Roads), OmniRide (TANF Commuter Bus Pass Program), Giles Health and Family Center (Giles County Access to Community Transportation), and Greater Roanoke Valley Transit Company (Zero Transit for Working Families). Hampton Roads Community Action Program, Inc. was the only returning sub-recipient. The other three sub-recipients initiated their respective programs in July 2021. Unfortunately, the highly transmissible Omicron variant of COVID-19 spread rapidly, impacting ridership again. The risk of illness, coupled with temporary returns to remote learning for

students, limited the demand for transportation. All four sub-recipients continued to engage in program capacity and rider recruitment efforts.

In 2022, the Virginia General Assembly, in Item 347.S. of the appropriation act, appropriated \$500,000 for each year in the 2023-2024 biennium budget in TANF block grant funds to VTA for competitive grants for public transportation projects. For SFY2023, the VTA awarded contracts to the following grant applicants: Hampton Roads Community Action Program, Inc. (Navigating Wealth Building in Hampton Roads), Giles Health and Family Center (Giles County Access to Community Transportation), and the Richmond Office of Equitable Transit and Mobility.

On January 1, 2023, the Virginia Initiative for Education and Work (VIEW), the employment and training program for recipients of TANF, ended interim COVID procedures and resumed normal operations. This caused an increase in the number of TANF recipients required to participate in VIEW. With more mandatory participants, the demand for public transportation increased and was reflected in the ridership numbers for these three sub-recipients.

Implementation

Hampton Roads Community Action Program – Navigating Wealth Building in Hampton Roads (HRCAP)

HRCAP has the largest service area (seven localities), is the most mature program, and has the most measurable program outcomes. HRCAP and its private partner, consultant InteracVAULT, Inc., continue to bolster, expand, and fine-tune their efforts to reach eligible participants. HRCAP has partnered with Hampton Roads Transit and focused on outreach to all local departments of social services (LDSS) to inform benefits and eligibility staff about the program and cultivate referral networks. HRCAP provided 1,617 transit trips at a total cost of \$4,894.98 across all categories of reimbursable expenses. Service occurred throughout all four quarters of the fiscal year. HRCAP encountered suppressed demand due to potential participants opting for alternative short-term transportation solutions offered by LDSS. HRCAP did not apply for funds for SFY2024.

- Transit passes provided: 1,617
- Value of transportation provided - \$4,894.98

Giles Health and Family Center – Giles County Access to Community Transportation (GCACT)

GCACT is the only rural area sub-recipient, and its program goal focus of on-demand bus trips reflects its geographic and cultural characteristics. GCACT began serving riders in December 2021. The program director collaborated with the LDSS and their eligibility staff to use a release of information form that has expedited approval and referral of program participants. As in other regions, GCACT also encounters significant transportation needs among low-income residents

outside of the program eligibility target. GCACT provided 451 on-demand bus trips at a total cost of \$13,625.00 across all categories of reimbursable expenses. Service occurred throughout all four quarters of SFY2023 and increased by over 100 trips from the first quarter to the second quarter and more than doubled from the third quarter to the fourth quarter. GCACT increased participation through local job fairs and other events and assisted in matching potential riders with employers and childcare providers.

- On-demand bus trips – 451
- Value of transportation provided - \$13,625.00

Richmond Office of Equitable Transit and Mobility (OETM)

OETM provided 11,269 vanpool trips at a total cost of \$278,113.00 across all categories of reimbursable expenses. Service occurred during the second, third, and fourth quarters of SFY2023 after establishing the new program during the first quarter. Service is primarily supporting full-time employment. OETM provided vanpool services to the City of Richmond’s public housing authority communities, which connected residents to jobs within the city and throughout the surrounding counties. OETM expanded the service schedule to 24 hours a day and added a second vendor to increase capacity in response to demand. Demand continues to exceed capacity.

- Vanpool trips – 11,269
- Value of transportation provided - \$278,113.00

Conclusion

The initiation of the TANF block grant funding for transportation projects coincided with the onset of the COVID-19 pandemic. The lasting impacts of the pandemic continue to shape the environment in which the transportation industry operates. Changes to the job market, increased benefit payments and other financial relief, childcare provider closures and reduced capacity, and persistent public health concerns continued to influence ridership in the sub-recipients’ programs for SFY2023. Despite this, ridership for these projects increased in SFY2023, primarily due to the end of COVID procedures for the VIEW program. The total expenditures for SFY2023 were \$296,632.98.