Santa Fe Metropolitan Planning Organization

Santa Fe MPO Staff Report

Technical Coordinating Committee: July 20, 2026
Transportation Policy Board: July 23, 2026

Matter of Approval: FTA Section 5307 UZA Suballocation Proposal

RECOMMENDED ACTION: Approval of the proposed FTA Section 5307 UZA Suballocation Methodology

Purpose

Over the past six months Santa Fe MPO participated in collaborative meetings with Santa Fe Trails, NCRTD and NMDOT to work towards an equitable framework for distributing FTA Section 5307 Formula Funds amongst the transit providers operating within the Urbanized Area (UZA) boundary. Santa Fe MPO now brings the agreed upon framework to the Santa Fe MPO Policy Board for consideration and possible action.

Background:

FTA distributes Section 5307 funding to NMDOT for Small Urbanized Areas [less than 200,000 population) based on federally determined formulas. The NMDOT then distributes those funds to the transit agencies operating within those UZAs. While Section 5307 funding is a formula program, suballocation within the UZA is determined at the regional level. The existing methodology for Section 5307 suballocation was previously adopted in by the Santa Fe MPO in August 2016 with the intention of reviewing the formula an annual basis. Given the challenge each agaency faces in planning for the region's growing transit demand in light of the current methodology's unpredictability, both NCRTD and Santa Fe Trails expressed interest in revisiting the suballocation formula.

Through a series of collaborative meetings over the last six months, transit providers in the UZA came to a consensus around a suballocation methodology based on each agency's share of 2025 revenue miles within the UZA as the most equitable and predictable path forward. Recognizing Santa Fe Trails as the primary urban provider, NCRTD took the lead in analyzing their share of revenue miles within the UZA to serve as the basis for a revised funding split. In 2025 NCRTD routes amounted to 79,507 revenue miles within the UZA or 12.6% of the total UZA revenue miles. As such, the proposed methodology would result in an 87.4%/12.6% split of Section 5307 funds between Santa Fe Trails and NCRTD respectively.

Included for the Santa Fe MPO Policy Board's review is the spreadsheet, "Santa Fe UZA Calculation and Methodology," which provides a full explanation of the proposed approach. In addition to providing an equitable basis for suballocating the 5307 funds, this methodology would also provide a consistent and transparent methodology going forward to support each agency's ability to plan and grow into the future.

To that end, Santa Fe MPO recommends approval of the proposed methodology for distributing FTA Section 5307 funding within the UZA. Once approved, NMDOT will move forward with 5307 award agreements for FY 2027.