

Strategic Plan  
Technical Memorandum  
2023 Update



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# 1 Executive Summary

Bayway has developed this strategic plan that serves as a guide to implementing key projects outlined in their Transit Development Plan (TDP) Major Update. The Bayway Strategic Plan is based on a financial review that provided an analysis of their current position and potential funding opportunities to help Bayway determine the best way of advancing these projects. The subsequent strategies and recommendations identify the projects that best support Bayway's objectives, specifies the next steps for implementation, and provides financial resources that may potentially fund these endeavors. The following projects will help Bayway expand their services to reach new riders, make current operations more efficient, reduce congestion in constrained corridors, and provide alternative and sustainable transportation options to meet the evolving transit demand in their service area:

1. New Transfer Center
2. Specialized Beach Service
3. Highway 231 On-Demand Service
4. Bay County/ St. Joe Company Partnership

Successful implementation of the Strategic Plan will require Bayway to seek new funding sources, establish new partnerships, and improve community outreach and marketing efforts. This can be accomplished by leveraging existing funding sources, taking advantage of new funding opportunities, contracting with third party service providers, developing new technology platforms, initiating marketing campaigns, and engaging with additional stakeholders.

## **FY2022/2023 Update**

The Financial Review Section (Section 3) was revised to only include active federal and state grants, excluding those that are closed, the application is still under review, or one-time funds (i.e., CARES). This section was also updated to include additional funding opportunities. The status of the New Transfer Center, Specialized Beach Service, Highway 231 On-Demand Service, and Bay County/St. Joe Company Partnership is provided in Section 4.

## **Projects added for Potential Implementation in the next Fiscal Year**

In addition, the following projects from the TDP were added for potential implementation during **this fiscal year**:

1. Expanded Weekend Service
2. Route 5 Frequency Improvements
3. Mobility on Demand Service on Martin Luther King, Jr. Boulevard/Highway 77.

## 2 Introduction

The purpose of this Technical Memorandum is to provide a strategic plan for implementing the projects that are of critical importance to expanding Bayway's ridership and operations. The strategic plan applies the recommendations outlined in the financial review to support the advancement of these projects. The recommended projects are also featured in Bayway's Transit Development Plan (TDP) Major Update. This Technical Memorandum gives a comprehensive overview of the project objectives, project significance, and identifies financial opportunities to help support their implementation.

## 3 Financial Review

A financial review of Bayway was recently conducted that included an analysis of their current level of funding, including revenue sources and capital/operating expenses. **2023 Update:** The tables were revised/updated to include only active grants. The Financial Analysis Section (Funding Analysis) includes new funding opportunities made available by the 2021 Infrastructure Investment and Jobs Act.

### 3.1 Existing Funding Sources

#### 3.1.1 FTA Section 5307: Urbanized Area Formula Grant

Section 5307 grant funds are allocated by the FTA to agencies operating public transit services in urbanized areas for capital, operating and/or planning expenses. As Panama City is considered an urbanized area, Bay County receives these funds and expends them on the fixed route service that operates in this area. Common expenses include capital equipment, facilities, service operations, and planning. Operating expenses for this grant require a 50% local match. Vehicles and other capital equipment require a 20% nonfederal match. Toll revenue credits issued by FDOT may be used as soft match for capital expenses, resulting in Federal funds covering up to 100% of the capital costs. Both planning and preventative maintenance are considered eligible capital expenses by the FTA under the Section 5307 Program. **Table 1** provides the active 5307 grants and remaining funds.

**Table 1: 5307 Grant Expenditures**

Fiscal Year	Amount	Local Match	Application of Funds	Remaining Funds
2015-2016	\$2,283,835	\$392,342 State \$700,000 Local (Operating)	<u>Operating Assistance</u> Operations - \$700,000 <u>Capital Assistance</u> Buses – \$309,000 Surveillance/Security Equipment - \$127,9961 Support Equipment - \$106,000 Facilities - \$390,445 Software - \$27,000 <u>Other</u> Metropolitan Planning - \$125,000 Project Administration - \$309,000 Enhanced ADA Access - \$143,962	\$407,287
2016-2017	\$2,256,065	\$389,016 State \$700,000 Local (Operating)	<u>Operating Assistance</u> Operations - \$700,000 <u>Capital Assistance</u> Buses - \$241,605 Surveillance/Security Equipment - \$31,869 Support Equipment - \$100,000 Facilities - \$423,000 Software - \$39,161 <u>Other</u> Project Administration - \$364,932 Preventive Maintenance - \$250,499 Construct Enhanced ADA Access - \$100,000 Bus Route Signing - \$4,999	\$423,000
2020-2021	\$2,654,704	\$388,676 State \$550,000 Local (Operating)	<u>Operating Assistance</u> Operations - \$550,000 <u>Capital Assistance</u> Surveillance/Security Equipment - \$91,965 Support Equipment - \$351,085 Software - \$30,900	\$639,433

Fiscal Year	Amount	Local Match	Application of Funds	Remaining Funds
			<u>Other</u> Project Administration - \$594,754 Preventive Maintenance - \$350,000 Short Range Transit Planning - \$136,000	
2021-2022	\$2,707,622	\$250,000 State \$250,000 Local (Operating)	<u>Operating Assistance</u> Operations - \$1,000,000 <u>Capital Assistance</u> Surveillance/Security Equipment - \$106,057 Support Equipment - \$896,565 Transit Improvements - \$100,000 <u>Other</u> Metropolitan Planning - \$227,000 Project Administration - \$555,000 Preventive Maintenance - \$323,000	\$2,526,969

### 3.1.2 FTA Section 5339: Bus and Bus Facilities Formula Grant

Section 5339 grant funds are allocated by the FTA to agencies for bus replacements/rehabilitations and bus facility projects. Bayway utilizes these funds to purchase additional vehicles to support their services. These funds require 20% match for net capital costs, 15% match for low or no emissions vehicle purchases, and 10% match for low or no emissions equipment/facilities to support these vehicles. As with the 5307 program, FDOT issued toll revenue credits may offset the need for local match dollars on eligible capital expenses. **Table 2** summarizes the active 5339 grants and remaining funds.

**Table 2: 5339 Grant Expenditures**

Fiscal Year	Amount	Local Match	Application of Funds	Remaining Funds
2021-2023	\$895,558	\$223,889 State	Replacement 35-ft Bus - \$823,913 Project Admin - \$71,645	\$823,913 \$71,645
2023-2024	\$531,907	\$106,381	Construction – Admin/Maintenance Facility Replacement Vans – (Rural application)	\$531,907

### 3.1.3 FTA Section 5305: Metropolitan and Statewide Planning Grant

Section 5305 grant funds are allocated to FDOT, which then suballocates these funds to Metropolitan/Transportation Planning Organizations (MPOs, TPOs) to support transportation plans and programs that encourage and promote the safe and efficient management, operation, and development of an integrated transportation network. The Bay County TPO serves as the metropolitan planning organization for the urbanized area and uses these funds to secure transportation planning services on behalf of Bayway. These funds require 20% match – 10% must be local match and 10% can be matched by the FDOT. Bayway does not provide the local match. **Table 3** lists the 5305 funds as listed in the Bay County TPO Unified Planning Work Program (UPWP).

**Table 3: 5305 Grant Expenditures**

Fiscal Year	Amount	Local Match	Application of Funds
2022-2023	\$75,224	\$7,522 State \$7,522 Local	Salaries, Fringe, Contractual, Travel, Indirect Costs, Other Direct Costs
2023-2024	\$69,890	\$6,989 State \$6,989 Local	Salaries, Fringe, Contractual, Travel, Indirect Costs, Other Direct Costs

### 3.1.4 FTA Section 5311: Rural Area Formula Grant

Section 5311 grant funds are allocated by the FTA to FDOT, which then suballocates these funds to recipients operating public transit services in rural areas for capital and operating expenses. As portions of Bay County are considered a rural area, the county receives these funds and uses them to subcontract the demand response service in Bay County. Operating expenses for this grant require a 50% local match. Vehicle expenses, as well as paratransit service expenses, require a 20% match. **Table 4** provides the active 5311 grants.



**Table 4: 5311 Grant Expenditures**

Fiscal Year	Amount	Local Match	Application of Funds
2023-2024	\$306,520	\$153,260	Operating Assistance

### 3.1.5 State Block Grant

FDOT uses a formula allocation to distribute State Block Grants to public transit providers to assist with covering capital and operating expenses. These funds require 50% local match (cannot include federal or other state funds in the match). Bayway uses these grant funds combined with local funds to match their Section 5307 operating funds. **Table 5** lists the active State Block Grant.

**Table 5: State Block Grant Expenditures**

Fiscal Year	Amount	Local Match	Application of Funds
2022-2023	\$1,288,068	\$644,034	Operating Assistance

### 3.1.6 Transit Corridor Grant

FDOT allocates Transit Corridor grant funds to support new services within specific transit corridors when the services are designed and expected to help reduce or alleviate congestion or other mobility issues within the corridor. These state funds do not require a match. **Table 6** lists the active Transit Corridor grant.

**Table 6: Transit Corridor Grant Expenditures**

Fiscal Year	Amount	Local Match	Application of Funds
2022-2023	\$250,000	None	Increase service to Front Beach Road, US-98 and SR-30 to reduce traffic congestion

### 3.1.7 Service Development Grant

FDOT allocates Service Development Program grant funds for demonstration or pilot projects to determine whether a new or innovative technique or measure can be used to improve or expand public transit. These funds are granted for up to a three-year period. These state funds require 50% local match. **Table 7** lists the active service development grants.

**Table 7: Service Development Grant Expenditures**

Fiscal Year	Amount	Local Match	Application of Funds
2023-2024	\$3,150,000	\$1,575,000	Operating Assistance – Microtransit service from Panama City Beach to East Walton County

## 3.2 Funding Analysis

The funding review indicated Bayway is utilizing grant funds to support their planning, operating, and capital needs to the best of their ability. To acquire operating assistance, Bayway is applying local revenue as a match to draw down State Block Grant funds, which are then being applied as a match toward Section 5307 grant funds to operate fixed route services. Bayway is also applying local revenues to draw down Section 5311 funds that are used to subcontract demand response services. Capital equipment is being funded through Section 5307 and 5339 grant funds. Planning funds are acquired through Section 5305(d)

grant funds. Bayway is also acquiring Service Development and Transit Corridor program funds to support various projects, such as expanding routes. Though Bayway is currently expending their full grant amounts, the financial review identified new potential federal and state funding sources, as well as methods for maximizing current funding sources.

Additional Section 5307 grant funds can be obtained and applied toward operating expenses to the extent they are matched by additional local government tax revenues. Every additional dollar of local revenue added to Bayway's budget can be used to match a dollar of state block grant operating dollars. The combined local and state dollars can then be used as a 50 percent match for additional Section 5307 operating funds. In summary, one additional dollar of eligible local revenue has the potential to fund up to \$4 of additional operating expense.

Bayway utilizes approximately \$250,000 (not including fare revenues) in local revenues to match state and federal transit grants. It is noted that Bay County has enacted 7 of a potential 12 cents in state authorized local fuel taxes. Enacting any or all the remaining 5 cents available would provide the County with additional funds with which to address local transportation needs and priorities. They may also obtain additional local government funds, advertising revenue and local contributions to use as match to access the additional 5307 operating funds.

Bayway has the option to use additional 5307 grant funds toward capital acquisitions by utilizing toll revenue credits as a match to the funds with no local revenue sources needed. These funds can be useful in purchasing vehicles to operate new services, as well as be applied toward the construction of new facilities.

Bayway is poised to apply for discretionary grants through the Federal Infrastructure Investment and Jobs Act passed in 2021. The projects they wish to pursue may also be eligible for other state grant programs. By leveraging their current funding sources and acquiring new revenue sources, Bayway will have the ability to move forward with funding new projects and services.

### **2023 Update**

The following discretionary and formula grants are available under the IIJA that could be used implement projects identified in this Strategic Plan and TDP:

- Strengthening Mobility and Revolutionizing Transportation (SMART) Grant – Discretionary grant. The SMART program provides funds to public agencies to conduct demonstration projects focused on advanced smart community technologies such as connected vehicles, systems integration, and traffic signals. More information may be found at: [Strengthening Mobility and Revolutionizing Transportation \(SMART\) Grants Program | US Department of Transportation](#)
- Innovative Coordinated Access and Mobility (ICAM) Grant – Discretionary Grant. This program provides competitive funding to support innovative projects for the transportation disadvantaged that will improve the coordination of transportation services and non-emergency medical

transportation services. More information may be found at: [Innovative Coordinated Access and Mobility Grants | FTA \(dot.gov\)](#)

- Advanced Transportation Technologies and Innovative Mobility Deployment (ATTIMD/ATTAIN) Grant – Discretionary Grant. This program provides funds to deploy, install, and operate advanced technologies to improve safety, mobility, efficiency, system performance, intermodal connectivity, and infrastructure return on investment. More information may be found at: [Bipartisan Infrastructure Law - Apportionment Fact Sheet | Federal Highway Administration \(dot.gov\)](#)
- Carbon Reduction Program – Formula Grant. This funding is used to support projects designed to reduce transportation emissions. Funds are allocated to the Metropolitan Planning Organization, and the projects must be consistent with the Bay County TPO Long Range Transportation Plan. More information may be found at: [INFORMATION: Carbon Reduction Program \(CRP\) Implementation Guidance \(dot.gov\)](#)

## 4 Projects

Bayway has established the following goals and objectives in their TDP Major Update for expanding and improving their transit system:

**Table 8: Goals and Objectives**

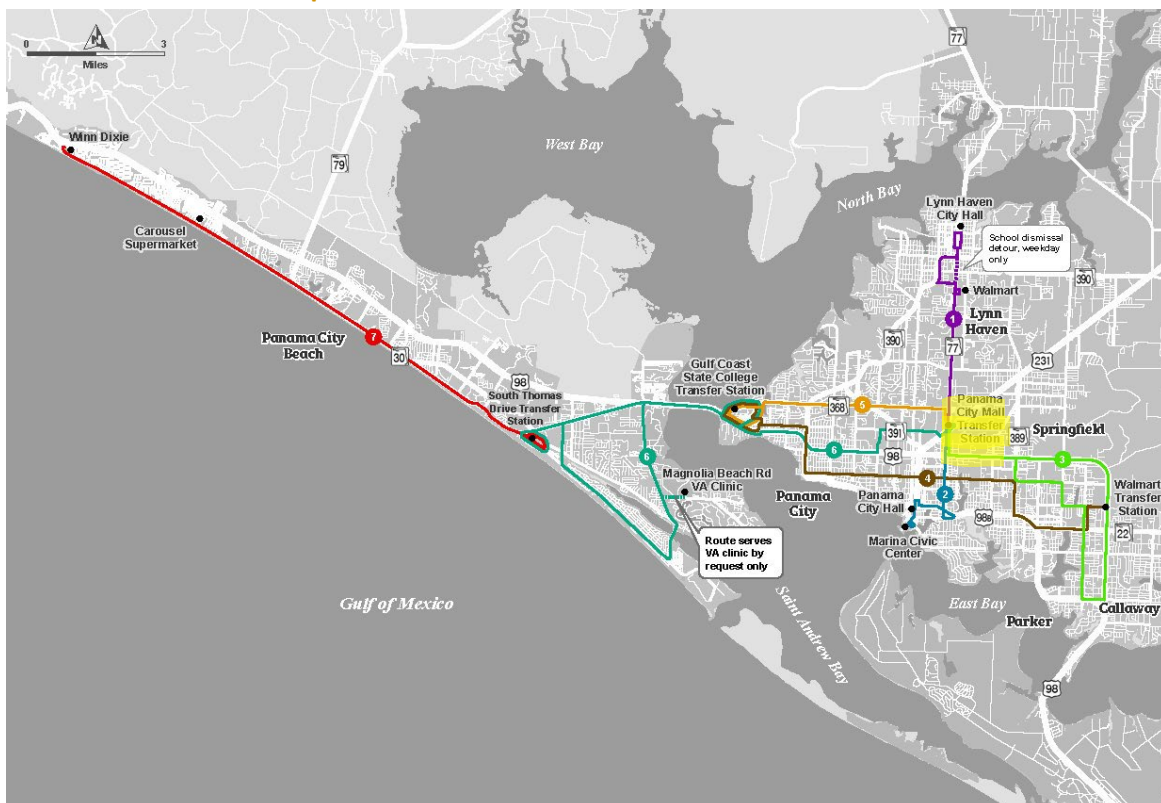
Goal 1	Improve Ridership by Increasing Reliability and Efficiency
Goal 2	Develop Robust Communication Program to Support Public Outreach Strategies
Goal 3	Expand System by Increasing Mobility Options and Service Equity
Goal 4	Seek New Partnerships and Strengthen Existing Partnerships
Goal 5	Pursue and Implement New Technology Opportunities
Goal 6	Increase Safety and Efficiency to Maintain Inventory in State of Good Repair

The following projects best align with these goals and will help Bayway to meet the objectives, as well as advance their transit system to meet the evolving needs of the County's residents. This has been updated to include a summary of actions of the previous and projects planned for the upcoming year.

### 4.1 Transfer Center

FDOT will soon begin constructing a flyover that will displace Bayway's transfer center at the Panama City Mall. Due to the Panama City Mall transfer center serving as a hub for five of the system's seven main fixed routes (**Figure 1**), its relocation is critical for the continuation of Bayway's transit services.

**Figure 1. Transfer Center Map**



### 4.1.1 Financials

The following are some potential funding sources to support the construction of a new transfer center:

- Bus and Bus Facilities Competitive Program through the Infrastructure Investment and Jobs Act (IIJA)

On November 15, 2021, the Infrastructure Investment and Jobs Act (IIJA) was signed into law. The \$1.2 trillion bill provides over \$109 billion in dedicated funding to fund public transit projects through a combination of formula and competitive grant programs. Most of the funding in the bill will be distributed directly to state transportation departments with a significant portion reserved for new, USDOT-administered discretionary grant programs.

The discretionary component of the Bus and Bus Facilities Competitive Program supports construction, rehabilitation, and/or replacement of buses, bus - related equipment, related support facilities, transfer stations, and intermodal facilities. IIJA provides an advance appropriation of nearly \$2 billion over five years. At least 15 percent of funds are reserved for rural areas.

Additional information about these discretionary grants, including eligibility criteria, are available from the Federal Transit Administration.

- Federal Transit Administration Section 5307: Urbanized Area Formula Grant

Section 5307 grant funds are allocated by the FTA to agencies operating public transit services in urbanized areas for capital, operating and/or planning expenses. As Panama City is considered an urbanized area, Bay County currently receives these funds and expends them on the fixed route service that operates in this area.

FTA provides a single annual allocation in the small, urbanized area, or “Governor’s Apportionment” category to each state DOT, which then advises FTA how suballocations are to be awarded. Because not all agencies within this category (50,000 – 200,000 urbanized area population) are able to utilize a full population-based award, FDOT retains discretion to provide additional 5307 funds to transit agencies which demonstrate the needs and ability to match. Though Bay County historically expended all of the Section 5307 grant funds allocated to them each year, they have the ability to request these additional funds held by FDOT.

For example, if there are \$2,000,000 in unallocated funds statewide, this amount will be allocated to agencies who requested additional funds using a formula based on the populations in the areas that made the request. Bayway is not guaranteed to receive the entirety of the additional funds requested, but it is possible that they may receive a substantial share of the requested amount.

These additional funds received can be applied toward capital expenses, planning costs and/or preventative maintenance utilizing only additional state toll credits requested from FDOT as

match. This method may allow Bayway to access additional 5307 funds to supplement the construction of their new transfer center without needing to provide local match funds.

#### 4.1.2 2023 Update

With respect to the planned construction of a flyover and new transfer center, the situation has remained largely unchanged. The funding for the new bus transfer center has still not been secured leading to general uncertainty about the future of the project.

Under the IJJA, funding for the grants for Buses and Bus Facilities has increased to \$617 million for formula-based grants, \$384 million for competitive based grants and \$1.123 billion for low or no emissions competitive grants for the fiscal year 2023. This funding increased in 2024 and subsequent years through 2026 for all the above-mentioned awards.

#### 4.1.3 Next Steps

- Site Selection/Needs Assessment (Spring 2024)
- NEPA Process (Fall/Winter 2024)
- Grant Applications (Fall 2024)

## 4.2 Specialized Beach Service

Panama City Beach is home to approximately 18,000 residents. Each year during peak season, Panama City Beach hosts an additional 17 million visitors. While tourism serves as the area's most significant economic contributor, the sharp influx of visitors causes extreme congestion along already constrained corridors, such as Front Beach Road and the surrounding area, where most of the hotels, restaurants, shopping, and other businesses are located. FDOT estimates that over 40,000 vehicles pass through the Pier Park area each day (Figure 2). This amount of congestion has been historically difficult to sustain for a city of only 18,000 year-round residents.

Figure 2. Panama City Beach Congestion Map



Though there are long-term projects in progress to address the constrained corridors, a more urgent solution is needed to alleviate the congestion in the meantime. Bayway has proposed a solution to this problem by developing a Specialized Beach Service that would use electric, open-air golf carts to offer express service between Front Beach Road and Back Beach Road. This service would connect bus stops on Back Beach Road to beach access points and businesses along Front Beach Road. This offers residents and visitors an opportunity to travel to and from the popular beach area without dealing with heavy congestion and parking constraints along Front Beach Road. This service aims to reduce the number of personal vehicles traveling in the area as residents and visitors could either use existing public transit services or park near bus stops on Back Beach Road and then be shuttled to and from Front Beach Road. The service could also be operated as a 'fare free' service with rides booked through a mobile application. Funding options also include a potential public-private partnership to fund the service. It is estimated that the service could be funded with an estimated project cost of \$400,000.

#### **4.2.1 Financials**

The following are some potential funding sources to consider for the Specialized Beach Service project:

- Service Development Program

The Public Transit Service Development Program was enacted by the Florida Legislature to provide initial funding for special projects. The program is selectively applied to determine whether a new or innovative technique or measure can be used to improve or expand public transit services. Service Development projects specifically include projects involving the use of new technologies; services, routes, or vehicle frequencies; the purchase of special transportation services; and other such techniques for increasing service to the riding public. Projects involving the application of new technologies or methods for improving operations, maintenance, and marketing in public transit systems are also eligible for Service Development Program funding. Service Development Projects are subject to specified times of duration, but no more than three years. If implementation is determined to be successful, Service Development projects should be continued by the public transit provider without additional Public Transit Service Development Program funds.

##### *Eligibility Criteria*

Eligible projects need to show the ability or provide strategies to continue funding after the Service Development funding has been used. Priority shall be given to projects that are statewide in nature or will demonstrate services, technologies, or methods that would be applicable elsewhere in the state. Projects shall be developed in consultation with eligible recipients, and the need for such projects shall be justified in the recipient's TDP (or transportation disadvantaged plan, if applicable).



- Transit Corridor Grant Program

The Transit Corridor Program provides funding to transit agencies to support new services within specific corridors when the services are designed and expected to help reduce or alleviate congestion or other mobility issues within the corridor. Transit Corridor Program funds may be used for capital or operating expenses.

*Eligibility Criteria*

To be eligible, projects must be identified in the agency's Transit Development Plan (TDP), Congestion Management System Plan, or other formal study undertaken by a public agency. Priority for funding under this program is for existing projects that meet their adopted goals and objectives. Any remaining funds are allocated to each of the FDOT districts by formula, based on each district's percentage of the total state urbanized population. Projects designed to alleviate congestion in a region may receive funding at up to 100 percent.

#### **4.2.2 2023 Update**

As part of the planning phase for the implementation of the Specialized Beach Service, discussions have been undertaken with a potential service operator. During these discussions, the potential operator has indicated it prefers a longer-term contractual commitment to continued operation of the service. There have also been complications in securing funding through the TDC. These issues have led to a delay in the implementation of the 'Specialized Beach Service'.

Considering the complications, it is recommended that this project be revisited in FY2024 for future implementation.

#### **4.2.3 Next Steps**

- Needs Assessment/Service Assessment
- Stakeholder Outreach
- Seek Partners (Public-Private Partnership Model)
- Investigate grant funding options
- Investigate further on potential service operators

### **4.3 HWY 231 On-Demand Service**

Bayway currently operates 7 routes that service nearly 73% of the population that lives within the urbanized area. However, this system provides access to only 10% of the total county population, leaving many of the county's residents without access to jobs, medical services, quality nutrition, and other needs. The Bay County Transportation Disadvantaged Service Plan (TDSP) forecasts the TD population to grow by 3% between 2021 to 2024. However, the 2019 ACS Survey indicates that the county's population is outpacing the TDSP forecasts by 2.5% meaning the TD population may be growing at a faster pace than anticipated. This expanding gap in mobility access creates significant limitations and challenges for potential and existing TD eligible riders and it is critical to ensure they have mobility options to access the resources they need to survive.



The Highway 231 On-Demand Service project would be a public-private partnership between Bayway and Raiser, LLC (a.k.a. Uber) that serves as a new on-demand mobility service. This service would advance Bayway's equity objectives by connecting TD eligible riders to existing transit services that provide access to quality jobs, medical services, food options and other life sustaining activities. The proposed service area includes a 23.61-mile corridor running along North Highway 231 between Panama City Mall and Highway 20 that could serve approximately 12,988 residents, of which 16.5% are living at or below the poverty level and 2% are zero-vehicle households with no other viable transportation options.

#### 4.3.1 Financials

- Service Development Program (grant application has been submitted for the new fiscal year)
- Public Transportation Innovation Grant through the IIJA  
The Bipartisan Infrastructure Law, enacted as the Infrastructure Investment and Jobs Act (IIJA), continues the Public Transportation Innovation program, which awards funding to advance innovative public transportation research and development. Activities eligible to receive funding under the Public Innovation program include:
  - Accelerated implementation and deployment of advanced digital construction projects that promote, implement, deploy, demonstrate, showcase, support, and document the application of advanced digital construction management systems, practices, performance, and benefits.
  - Research activities that relate to the development and deployment of new and innovative ideas, practices, and approaches.
  - Innovation and development activities that seek to improve public transportation systems nationwide to provide more efficient and effective delivery of public transportation services, including through technology and technological capacity improvements.
  - Demonstration, deployment, or evaluation projects that promote the early deployment and demonstration of innovation in public transportation that has broad applicability.
  - Low or no emission vehicle component assessments to test, evaluate, and analyze low or no emission vehicle components intended for use in low or no emission vehicles, and conduct directed technology research.
  - Transit Cooperative Research Program (TCRP) activities to provide applied research that addresses key challenges facing the public transportation industry.

##### *Competitive Programs*

- Mobility on Demand (MOD) Sandbox
- Accelerating Innovative Mobility (AIM) Initiative
- Enhancing Mobility Innovation (EMI)
- Integrated Mobility Innovation (IMI)

Additional information about these discretionary grants, including eligibility criteria, will be available from the FTA and the Florida Department of Transportation as the funds become available.

### 4.3.2 2023 Update

The HWY 231 On-Demand Service has been implemented and service is currently operational. The service is operated under Bayway on Demand+, which enables riders to schedule trips through Uber while only paying a small \$1.50 copay for trips. More information about the service is listed in the link below: [On Demand+ - Bayway \(baywaytransit.org\)](https://baywaytransit.org). The service was implemented using an Innovative Service Development Grant from the CTD. Currently, the service has not received substantial ridership, and there may be opportunities to reallocate some of the grant funding provided for this project.

### 4.3.3 Next Steps

- Evaluate the effectiveness and ridership of the HWY 231 On-Demand Service,
- Continue to conduct community outreach and educate the public about the service.

## 4.4 Bay County/ St. Joe Company Partnership

Walton County is home to one of the largest employers in the area, St. Joe Company, which currently employs 200 people, but is projected to potentially employ up to 350 people by the end of 2022. The St. Joe Company has requested Bayway to assist with providing transit services to their employees that work along the 30A corridor. The service area proposed covers 23 miles, approximately 29,800 residents, and 15,900 private jobs. Around 5% of these residents live in zero-car households. This partnership with St. Joe Company could result in a critical opportunity to connect Bay County residents to these jobs using the 30A corridor that runs between the two counties.

Bayway is considering a microtransit service model to provide this service. Implementing services that run between Bay County and Walton County may result in a cost-effective method of providing mobility access between these areas. The proposed service will operate 6 days a week (Monday through Saturday) following the current operational hours of the fixed route transit system (6:00am to 8:00pm). Bayway will maintain the existing fare structure for rides under this proposed service.

### 4.4.1 Financials

- Service Development Program  
Service development grant application has been submitted for the new fiscal year.
- Park and Ride Lot Grant Program  
The State Park and Ride Lot Program was established to provide funding for the purchase and/or lease of private land for the planning, design and construction of park and ride lots, the promotion of these lots, and the monitoring of their usage. This program is an integral part of the State Commuter Assistance Program efforts to encourage the use of transit, carpools, vanpools, and other high occupancy modes. The purpose of this program is to reduce the use of single occupant vehicle travel throughout the state.

### *Criteria*

To be eligible for funding, projects must be sited, sized, and promoted in such a way that there is a reasonable expectation of at least an average of 60% occupancy. Those facilities that have previously achieved at least 95% occupancy are prioritized for expansion.

#### ○ Commuter Assistance Grant Program

The Commuter Assistance Program is a coordinated effort to provide alternatives to single occupant commuters through public/private partnerships that provide brokerage services to employers and individuals for carpools, vanpools, etc. Eligible recipients include local government entities and their designees, who are encouraged to subcontract with private organizations to provide services under the grant project. The purpose of this program is to reduce the use of single occupant vehicles using carpools, vanpools, and other high occupancy modes.

### *Criteria*

To be eligible for funding, projects must be approved by the FDOT District Office and, in turn, the Central Office, through the development of an annual work plan that includes, at a minimum:

- An organization chart identifying all personnel funded by the project
- Measurable program goals and objectives with milestones to determine progress in stated emphasis areas consistent with District work plans
- A marketing plan identifying market penetration and client service targets
- An annual project budget identifying revenues and expenses by source

Match requirements depend on whether additional funds will be used for the project.

- If the local eligible recipient has taken action to secure or designate federal funds for a project, the federal match ratio applies
- If the Central Office has indicated on a project-by-project basis that other program funds can be reasonably anticipated for the project, the appropriate match ratio associated with such funds will apply
- If the project is regional in scope and no regional funding mechanism exists, the project is eligible to be funded up to 100%

#### **4.4.2 2023 Update**

A service development grant has been awarded by FDOT to provide a transit service that assists riders living and working along County Road 30A. Bayway has determined that a microtransit solution would be the most economical option for this service. In partnership with the transit operator (Transdev), Spare Labs was identified as being the software company of choice to enable the implementation of a microtransit route along County Road 30A. The necessary software has been acquired and is currently in the process of being tested to ensure a smooth implementation of service.

Negotiations are continuing with the St. Joe Company to prepare a proposal for their review to provide financial assistance with the required grant match and to assist with funding the annual software cost for the service.

The Partnership with the St. Joe company has proven to be a positive economic driver for the area and the Bayway transit system. With the addition of Sunday service, the planned expansion of transit services to employees of St. Joe along the 30A corridor is closer to reality. Funding has been received and is in the initial planning stages and should begin during FY 2023/2024.

#### 4.4.3 Next Steps

- Establishment of the service is currently in process this involves partnering with a third-party contractor to provide the microtransit service, establishing an on-demand booking model for riders to use, and providing community outreach to market the new services
- Services are anticipated to commence December 2023.
- Evaluate the results of the new service during 2024

## 4.5 New Projects

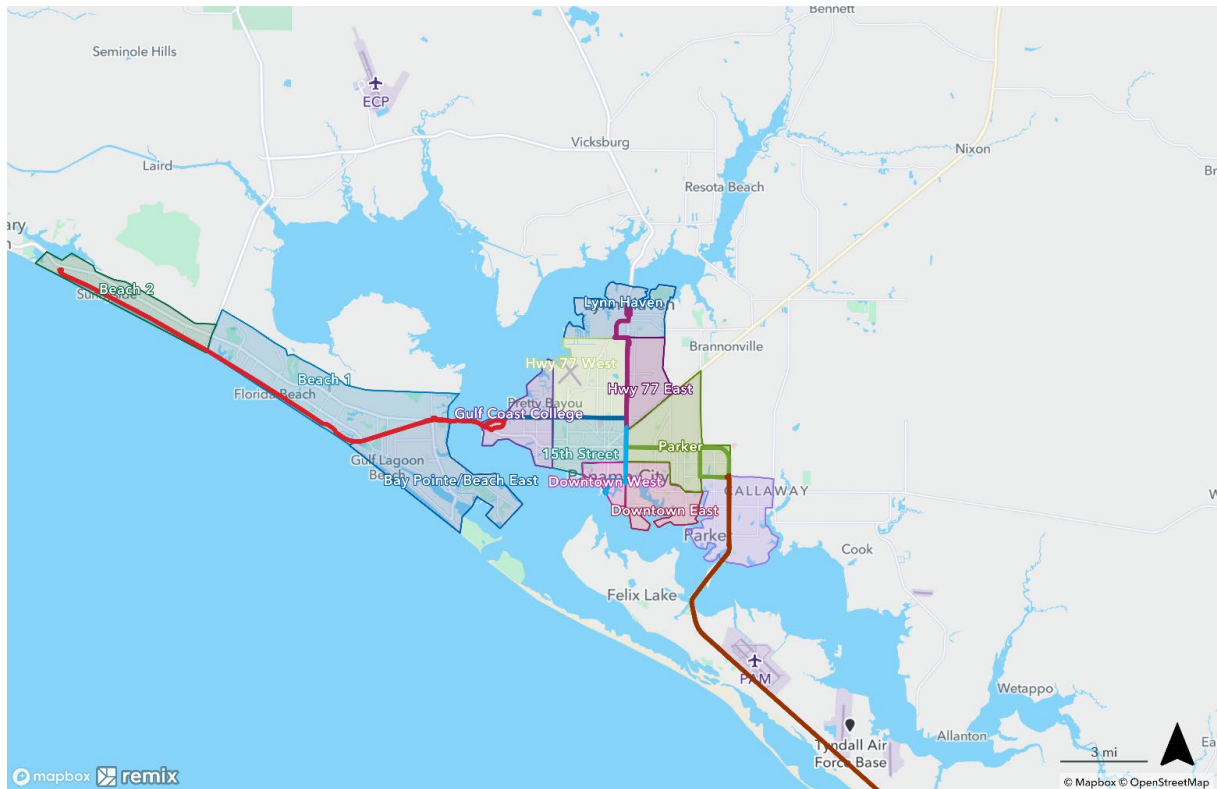
### 4.5.1 Sunday Service

While not listed in the TDP, Bayway has implemented Sunday service during the peak summer period to match the hours of service of the existing Saturday service. The Sunday fixed route service concluded on November 26, 2023, and is set to resume on March 3, 2024. The 2024 Sunday service is scheduled to operate until October 27, 2024. It is noted that the 2023 Sunday service was originally scheduled to conclude on the last weekend in October however due to the ridership the TDC agreed to fund the service for an additional month.

### 4.5.2 Mobility on Demand (MoD) on MLK Corridor

This project is being changed to a Systemwide MoD Study. This study is currently underway with a final report expected in Fall 2023. **Figure 3** is an illustration of what the MoD zones **could** look like. **This is only an example and does not represent a final product in any way shape or form.** The new funding options provided by the IJA grant (Section 3.2) could be used to implement this new service.

**Figure 3: Bayway Mobility on Demand Zones**



### 4.5.3 Route 5 Frequency Enhancement

The TDP Implementation Plan includes increasing the frequency on Route 5 to every 30 minutes during FY2023/2024. This project would increase access to destinations along W. 23rd Street and help support the contract with the Florida State University (FSU) Panama City Campus. While pursuing a service development grant is recommend course of action to implement this service change, FDOT is in the process of developing a High-Capacity Transit Corridor (HCTC). The purpose of this program is to provide capital and operating funds to upgrade transit service on dense corridors with the goal of shifting trips to transit. Eligible projects include:

- Up to five years of operating assistance (amount of assistance decrease over time) for either the affected route or feeder service into the affected route
- Stops and/or station upgrades
- Non-motorized connections to affordable housing or low-income communities; and
- Technology upgrades.

**This program is still under development and may not be available during the FY2023/2024 fiscal year.**

Assuming this program is implemented, the next step is to designate the W. 23<sup>rd</sup> Street as an HCTC Facility and develop a Corridor Concept Plan. Funding can then be sought to pursue different aspect of the project. It is recommended to move the implementation of this project until FY204/2025 to factor in potential service changes from the Systemwide MoD study.

# Project Contact Info

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