

Washtenaw Area Transportation Study (WATS)
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Washtenaw Area Transportation Study

TRANSPORTATION FUNDING OPPORTUNITIES



Originally developed by the Washtenaw Area Transportation Study

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This brochure summarizes the major transportation funding programs available through the Transportation Equity Act for the 21st Century (TEA-21) and the State of Michigan. The programs described in this document are available to local communities, transit agencies, and the road commission in Washtenaw County. Where available, the following information is provided for each program: program description/origin; eligibility requirements; funding amounts; funding distribution process; and examples.

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Federal Aid Urban

The fund's allocation is based on each county's share of regional population in the urbanized area; Washtenaw County receives approximately \$3 million each year. All communities within the urban boundary with road jurisdiction, transit agencies and the Washtenaw County Road Commission may submit projects for consideration. The projects require a minimum 20 percent local match from the applicant. To be eligible for federal aid urban funds, roads must be designated by the Federal Highway Administration's National Functional Classification (NFC) as collector or above.

The UATS Policy Committee approves the multi-year federally funded urban Surface Transportation Program (STPU) for Washtenaw County.

Federal Aid Small Urban Funding

These funds are similar to the Federal Aid Urban funding described above, however, the areas of eligibility differ. All communities with road jurisdiction, including small cities and villages with a population more than 5000 are eligible to apply for these funds. The State selects these projects.

creation of an all-season road system; located on a rural primary road or major street; also eligible for federal aid funding; meet all-season standards; coordinated to ensure continuity of an all-season system; and connect existing all-season roads or point-of-loading origin.

There is no formal application process for Category D grants; funds are distributed to eligible recipients based on their annual federal aid allocation. Eligible recipients include county, city or village road agencies and transit agencies in counties with a population of less than 400,000. Category D funds can only be used for construction activities and a 20% local match is required.



Cities in Rural Counties (Category F)

Category F funds are available to county, city, and village road agencies in counties with a population of 400,000 or less to provide system continuity with the secondary all-season road system. These funds are awarded to projects that improve access to the state all-season system, including the Priority Commercial Network; improve safety and all-season capabilities on routes having high commercial traffic; increase the interchange potential between transportation modes; and are coordinated with the secondary all-season system or provide all-season routes within a city.

In order for a project to be eligible for Category F funding, it must be for improvements to the federal aid roads under county or city/village jurisdiction and be located within the federal aid urban boundary. Eligible project costs include costs normally associated with highway construction projects. A minimum 20% local match is required with a maximum grant amount of \$375,000 per project. The Office of Economic Development, a division of MDOT, prepares an annual call for projects.

Transportation Economic Development Fund (TEDF)

The Transportation Economic Development Funds are used to promote and support economic development activities by improving the transportation system. There are several categories of funding (A, B, C, D, E and F). Washtenaw County, because of its population, is only eligible to apply for and receive categories A, D and F funds. Summaries of each of those funding programs follow.



Economic Development Road Projects (Category A)

Category A funds aim to improve the network of highway services essential to economic competitiveness; improve accessibility to target industries as a catalyst for economic growth; support private initiatives that create or retain jobs; and to encourage economic development and redevelopment efforts that improve the health, safety, and welfare of Michigan citizens. The industries targeted for Category A funding include: agriculture, tourism, forestry, high-tech research, manufacturing, mining and office centers at least 50,000 square feet in size.

Eligible recipients include all county road commissions, cities and villages, and MDOT. Projects eligible to receive Category A funds are those that address a transportation need (condition, safety or accessibility) that is critical to an economic development project. Letters of interest can be submitted to the Office of Economic Development year-round, though awards are granted quarterly. The projects require a minimum 20% local match from the applicant and overmatching is encouraged.

Secondary All-Season Road System (Category D)

Category D funds are awarded to projects that serve development by establishing and integrating a local secondary all-season road system with the state trunkline system. In order to be eligible for Category D funding projects must be essential to the

Federal Aid Rural

The fund's allocation is based on each county's share of regional rural population; Washtenaw County receives approximately \$500,000 each year. All rural communities with road jurisdiction and population less than 5000, rural transit agencies and the Washtenaw County Road Commission may submit projects for consideration. The projects require a minimum 20 percent local match from the applicant. Eligible projects include transit capital projects and roadway construction on public roads classified as rural minor collector or higher according to the National Functional Classification (NFC).

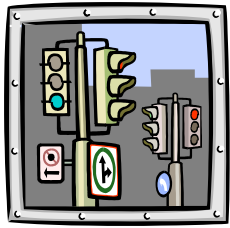
The UATS Policy Committee approves the multi-year federally funded rural Surface Transportation Program (STPR) for Washtenaw County.



Safety

The Local Safety Program was continued with the passage of TEA-21. The funds from this program are used for highway safety improvements or rail highway crossings on the state and local system. Eligible projects include: replacement, installation or elimination of guardrail, replacement of bridge railing and approach guardrail, upgrading of traffic signs and signals, removal of roadside obstacles, drainage improvements, and minor intersection improvements. Each individual safety project is generally small, usually with a total project cost of \$500,000 or less. Projects are awarded a maximum of 80 percent federal funds or \$200,000.

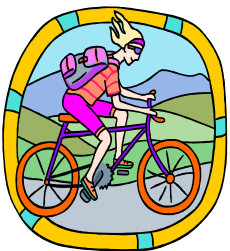
Safety funding is awarded based on a statewide competitive application process. Projects are evaluated on a benefit/cost ratio which is based on the number of traffic crashes eliminated. All cities, villages, county road commissions, and MDOT are eligible to apply for funding.



Congestion Mitigation/Air Quality (CMAQ)

The U.S. Congress created the CMAQ program with ISTEA in 1991 and renewed it in the Transportation Equity Act for the 21st Century, also known as TEA-21. The primary purpose of this program is to fund improvements to the transportation system in nonattainment and maintenance areas which reduce vehicle exhaust emissions. This federal-aid program will fund projects that improve the flow of traffic on the existing roadway system, transit services and projects and programs that reduce the demand for the roadway system. In most cases the CMAQ program provides 80 percent of the project cost; the applicant is responsible for the balance. Traffic signal improvements as well as transit projects may be funded at 100 percent of the project cost. Note that all projects are “capped” at the awarded amount and the applicant is responsible for all additional costs.

CMAQ funding is awarded based on a regional competitive application process. Projects are evaluated on a benefit/cost ratio based on the reduction of emissions, as well as the overall quality of the project. All cities, villages, county road commissions, MDOT, public/private partnerships, and transit agencies are eligible to apply for funding. Projects must be deemed eligible by FHWA. UATS prioritizes projects for Washtenaw County. MDOT and SEMCOG jointly select projects for the region.



Enhancement

This program, like the Safety Program, was also continued with the passage of TEA-21. Ten percent of the Surface Transportation Fund is set aside for Enhancement activities. The activities that are allowed are classified into four categories. *Non-motorized Facilities* include bicycle and pedestrian facilities, preservation of abandoned railway corridors, and safety and educational activities. *Transportation Aesthetics* include acquisition of scenic easements and scenic

sites, scenic highway programs, landscaping and beautification, and control and removal of outdoor advertising. *Water Quality and Wildlife Mortality* includes efforts to mitigate water pollution due to highway runoff and efforts to reduce animal mortality and maintain wildlife habitat connectivity across transportation facilities. *Historic Preservation* includes acquisition of historic sites, historic highway programs, historic preservation, rehabilitation of established historic transportation-related structures, archaeological planning and research, and the establishment of transportation museums.

Enhancement funding is awarded based on a statewide competitive application process. Funds are distributed statewide based on merit by category. All cities, villages, county road commissions, MDOT, and transit agencies are eligible to apply for funding.



Transportation and Community and System Preservation Pilot (TCSP)

This is a comprehensive initiative of research and grants to investigate the relationships between transportation and community and system preservation and private sector-based initiatives. States, local governments, and metropolitan planning organizations are eligible for discretionary grants to plan and implement strategies that improve the efficiency of the transportation system; reduce environmental impacts of transportation; reduce the need for costly future public infrastructure investments; ensure efficient access to jobs, services, and centers of trade; and examine private sector development patterns and investments that support these goals. A total of \$120 million is authorized for this program for fiscal years 1999 – 2003.

TCSP grants are awarded based on a competitive application process. All states, metropolitan planning organizations and local governments are eligible to apply for planning and implementation grants. Grants are awarded based on meeting several program criteria including past performance and future potential.