

Transportation Funding Overview

Funding Source	Intent of Program	Eligible Agencies to Request Funding	Eligible Infrastructure			Qualifications for Funding	Type of Submittal Required	Next Available/ Call for Projects	Competitive	Type of Approval Needed
			Federal Aid Eligible Roads	Act 51 Non-Federal Aid Eligible Roads	Public Transit					
Surface Transportation Block Program – Urban (STBG)	This federal program was established to: Aid public road jurisdictions with funding for roads on federal-aid routes including pedestrian and bicycle infrastructure, bridges, transit capital and planning activities.	Cities, Road Commissions, Public Transit and Villages located within the MPO planning area (Population 50,000 and over)	Yes	No	Yes	A local match of at least 18.5 percent is required	Application forms can be obtained from MPO/SWMPC	Every three years – Next call begins in mid-summer 2024 for years projects occurring in 2026 - 2030	TwinCATS /NATS MPO Planning Area	MPO adoption of Transportation Improvement Program (TIP). Resolution of match from local agency governance. MDOT reviews and compiles all MPO TIPs as part of the Statewide Transportation Improvement Program (STIP). FHWA & FTA give final approval of the STIP.
Transportation Block Program- Rural (STBG)	This federal program was established to: Aid public road jurisdictions with funding for roads on federal-aid routes including pedestrian and bicycle infrastructure, bridges, transit capital and planning activities.	Cities, Road Commissions, Public Transit and Villages located within the Census designated rural areas of Berrien, Cass, and Van Buren County	Yes	No	Yes	A local match of at least 18.5 percent is required	Application forms can be obtained from SWMPC	Every three years – Next call begins in mid-summer 2024 for years projects occurring in 2026 - 2030	County	County Rural Task Force Approval Region IV Rural Task Force (Berrien, Cass & Van Buren) Resolution of match from local agency MDOT review and adds to STIP FHWA & FTA give final approval of the STIP.
Transportation Alternatives Program (TA)	TAP is a source of funding for on- and off-road pedestrian and bicycle facilities, infrastructure projects that improve non-driver access to public transportation, recreational trail projects, safe routes to school projects, and projects for planning, designing, or constructing boulevards and other roadways largely in the rights-of-way of former divided highways.	All Cities, Road Commissions, Natural Resources, Public Land Agencies, Public Transit, School Districts, Tribes, Villages. A non-eligible project sponsor (such as a non-profit) may partner with an eligible co-sponsor in applying for funds	Yes	Yes	Yes	A local match of at least 20 percent is required	Application forms can be obtained from the online Michigan Grant System	Applications are accepted year-round. The program holds Application Review Committee meetings four times per year to determine which applications will be recommended for selection.	Statewide	MPO approval is needed for projects within the MPO planning boundary. MDOT Application Review Committee reviews and selects projects that will be funded.
Congestion Mitigation and Air Quality Improvement (CMAQ)	This program funds highway/street, transit, bicycle/pedestrian, or freight projects, which help improve or maintain clean air quality by reducing transportation-related emissions. Eligible highway/street projects must be on the federal-aid system, which includes all federal functional class routes except local and rural minor collectors.	Cities, Road Commissions, Public Transit and Villages located in Berrien, Cass, and Van Buren	Yes	No	Yes	A local or state match of at least 20 percent is required	Application forms must be submitted with emission reduction calculations and supporting documentation of congestion reduction and/or travel reduction assumptions	Every three years – Next call begins in mid-summer of 2024 for years projects occurring in 2026-2030	Countywide	County project evaluation committee recommendation with MDOT approval Inclusion of selected projects in the Statewide Transportation Improvement Program MPO must also include selected projects in their Transportation Improvement Program FHWA and FTA final approval of the STIP

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Highway Safety Improvement Program (HSIP)	Created to fund projects that promote significant reductions in traffic fatalities and serious injuries on all public roads. The HSIP requires a data-driven, strategic approach to improving highway safety on all public roads that focus on performance.	Cities, Road Commissions and Villages located in Berrien, Cass, and Van Buren	Yes	Yes	No	Project must be consistent with the State's strategic Highway safety plan. A 10-30 percent local match is required depending on category of project.	Electronic Submittal Form Cover Letter MDOT Form 1627 MDOT Time of Return (TOR) Analysis UD-10s Detailed cost estimate Map showing project location	August annually	Statewide	Local Agencies within Metropolitan Planning Organization (MPO) areas must coordinate with their MPO to ensure inclusion of their project in the area's Transportation Improvement Program . Project applications which are expected to have significant public controversy and/or require an environmental assessment will not be considered until these outstanding issues have been resolved.
Highway-Railroad Crossing Surface Repair Fund	This program assists railroad companies and public road jurisdictions with rebuilding public highway-railroad grade crossing surfaces in Michigan.	Cities, Road Commissions, and Villages	Yes	No	No	40 percent match from railroad and local agency	Highway-Railroad Crossing Surface Repair Program application signed by both the public road jurisdiction and the railroad	September, annually	Statewide	MDOT Railroad division selects projects. Must be included in TIP if project is within MPO boundaries.
Transportation Economic Development Fund (TEDF)	TEDF state funding was created to assist in the funding of highway, road, and street projects necessary to support economic growth.	Cities, Road Commissions and Villages located in Berrien, Cass, and Van Buren	Yes	No	No	Qualifications vary depending on category of funding	Types of submittal requirements vary depending on category of funding	Accepted continually	Statewide	A department liaison with the Bureau of Transportation Planning works with the task forces to identify projects appropriate for Category D funding and submits this information to the Office of Economic Development. Whenever possible, projects are coordinated with Category F (urban areas in rural counties) projects to establish all-season system continuity within cities and villages.
Small Urban Program	The Small Urban Program provides federal Surface Transportation Program (STP) funding to areas with a population of 5,000 to 49,999. Road and transit capital projects are eligible for STP funds.	Cities, villages, transit agencies, and road commissions located within or serving urbanized areas as defined by U.S. Census with a population of 5,000 to 49,999	Yes	No	Yes	20 percent match	The following agencies must be included in project selection and prioritization process: City or village government(s) Transit provider(s) County Road commission	Next call begins in late summer 2024 for years projects occurring in 2026 - 2030	Small Urban Area	Prioritized list of projects with supporting minutes documenting process and required agencies in attendance. MDOT committee selects final list of funded projects on a rotating basis. Must be included in STIP or TIP if project falls within an MPO boundary.

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Urbanized Area Formula Program (Section 5307)	This program was established to provide federal funding for support of transit activities in urbanized areas over 50,000 in population. Those activities may include capital, planning, job access and reverse commute projects, as well as operating expenses in certain circumstances.	Transit Agencies that operate in Census designated urban areas. (Twin Cities Area Transportation Authority, Niles Dial a Ride)	No	No	Yes	Recipients must be designated by the MPO and governor(s). 50 percent of operating expenses for operating support. 20 percent of net project cost for preventive. Maintenance or capital for vehicles.	MDOT Passenger Division Application FTA TEAM online application	Annual	No / Federal allocation based on population and other factors.	Inclusion in the MPO TIP (and resulting STIP) Resolution from applicant's policy board Consolidated transit funding application form Certification of compliance with federal transit requirements Signed agreement to abide by federally established labor protection provisions
Bus and Bus Facilities (Section 5339)	Federal assistance to replace, rehabilitate and purchase buses and related equipment and to construct bus-related facilities	Urban and Rural Transit Agencies	No	No	Yes	20 percent local or state match. Projects must be in an approved MPO TIP and Statewide TIP. Projects must be included in a Transit Asset Management Plan.	MDOT Passenger Division Application	Annual	Statewide	Inclusion in the MPO TIP (and resulting STIP) Resolution from applicant's policy board Consolidated transit funding application form Certification of compliance with federal transit requirements Signed agreement to abide by federally established labor protection provisions
Rural Areas Formula (Section 5311)	This program provides federal funding for support of transit activities in rural areas and in urban areas of less than 50,000 in population (operating, capital, planning, and job access and reverse commute assistance).	Transit that operates in designated rural areas. (Berrien Bus, Van Buren Public Transit, Cass County Transit)	No	No	Yes	50 percent of operating deficit for operating support. 20 percent of net project cost for preventive maintenance or capital projects.	MDOT Passenger Division Application	February Annually	County	Inclusion in the STIP Resolution from applicant's policy board. Certification of compliance with federal transit requirements Signed agreement to abide by federally established labor protection provisions
NEW Carbon Reduction Program	The Bipartisan Infrastructure Act of 2022 established the Carbon Reduction Program, which provides funds for projects designed to reduce transportation emissions, defined as carbon dioxide (CO2) emissions from on-road highway sources.	Cities, Road Commissions, Public Transit and Villages located within the MPO planning area (Population 50,000 and over)	Yes	No	Yes	20 percent match	Application forms can be obtained from MPO/SWMPC	Every three years – Next call begins in mid-summer of 2024 for years projects occurring in 2026-2030	TwinCATS /NATS MPO Planning Area	MPO approval is needed for projects within the MPO planning boundary. MDOT Application Review Committee reviews and selects projects that will be funded.