

APPENDIX B TRANSPORTATION FUNDING SOURCES

FEDERAL FUNDING

Federal funding is determined by authorizations established under SAFETEA-LU. Federal aid highway funds for individual programs are apportioned by formula using factors relevant to the specific program. Explanations of each funding category, including eligible uses of funds, limitations, federal and state funding ratios, and availability are presented below.

Federal Highway Administration

The Federal Highway Administration (FHWA) is the federal funding source for highway projects:

Interstate Maintenance Program (IM) (90/10)

The Interstate Maintenance Program provides funding to rehabilitate, restore, and resurface the interstate highway system. The program will not fund projects that add new travel lanes unless the lanes are designated as high occupancy vehicle (HOV) lanes. Eligible projects include reconstruction of bridges, interchanges, and overpasses, and acquisition of right-of-way along existing interstates. Funding can only be used on interstate highways. Federal funds can be used to pay up to 90 percent of a project's cost. A State match of 10 percent is required.

National Highway System (NHS) (80/20)

National Highway System (NHS) funds can be used for any type of improvement on roadways designated as part of the National Highway System. These include all interstate routes, strategic highway connectors, and specially designated "principal arterial" roadways. Funds can be used for transit projects, ridesharing projects, or any other type of project on an NHS road, as long as the project improves travel in the corridor. Funding for the NHS program comes from federal funds (80%) matched by state funds (20%).

Surface Transportation Program (STP) (80/20)

The Surface Transportation Program (STP) provides funding for projects not included in the interstate system or the NHS, with the exception roads functionally classified as local roads. The STP is further divided into six subprograms:

Surface Transportation Program-Urban

The Surface Transportation Program is intended to benefit collector and minor arterial roads, rather than the principal arterials funded by the Interstate Maintenance and National Highway System Programs. In order to be eligible for funding, a road must be classified as a collector or arterial; local roads are not eligible. Fifty percent of all STP funds are reserved for the

Urban Surface Transportation Program (STP-U), the largest of all the STP programs. Funds are allocated to states and regions according to a formula that is based on the population of the urban area. Funds can be used for a wide range of projects, such as roadway widening, reconstruction, transit projects, and ridesharing projects. Funding for STP-U projects comes from federal funds (80%) matched by state and/or local funds (20%).

The FHWA distinguishes between large urban areas (with populations of over 200,000 people) and small urban areas (with populations between 50,000 and 200,000 people). The Waterbury Urbanized Area, the major urban area in the Central Naugatuck Valley Region (CNVR) is considered a small urban area. The STP-Other Urban is the subcategory of the STP-U Program for small urban areas. All other program guidelines are the same as for the STP-U program. The CNVR also has portions of the Bridgeport-Stamford, New Haven, and Hartford Urbanized Areas. Each of these has its own STP-U allocation.

COGCNV ranks projects based on the functional classification of the road, its condition, its accident history, the amount of use, and the proposed project's impact on surrounding land uses. COGCNV's prioritized list of projects also reflects each town's proportional share of the region's STP-Other Urban allocation and the amount of funding a town has already received. In order to be eligible for STP-Other Urban funds, roadways must be classified as minor collectors or higher in urban areas and major collectors or higher in rural areas. Local roads are not eligible.

Surface Transportation Program-Anywhere

Thirty percent of STP funds are allocated to the Surface Transportation Program-Anywhere (STP-A) program. These funds can be used anywhere in the state, regardless of rural or urban designation and for any type of transportation project. ConnDOT determines where the funds will be spent.

The Surface Transportation Program-Rural (STP-R) program is a subcategory of the STP-A program. A certain proportion of the STP-A funds must be spent in rural areas with a population of less than 5,000 people. The amount of funding allocated for rural areas is based on miles of roadway that were part of a previous federal program known as the rural secondary program. STP-Rural program funds can be used for any type of transportation project.

Surface Transportation Program-Enhancement

Ten percent of all STP funds must be spent on Surface Transportation Program-Enhancement (STP-Enhancement) projects. Transportation enhancement projects must relate to the intermodal transportation system by reason, function, proximity, or impact and must fall under one of the following twelve federally-eligible enhancement project areas:

1. Provides facilities for pedestrians and bicycles.
2. Acquires scenic easements and scenic or historic sites.
3. Provides scenic or historic highway programs including tourist and welcome center facilities.
4. Provides landscaping or scenic beautification
5. Provides historic preservation.
6. Rehabilitates and allows for the operation of historic transportation buildings, structures, or facilities (including historic railroad facilities and canals).
7. Preserves abandoned railway corridors (including the conversion and use thereof for pedestrian or bicycle trails).
8. Removes (or regulates) the use of outdoor advertising.
9. Provides for archaeological planning and research.
10. Mitigates water pollution due to highway runoff or reduces wildlife mortality caused by motor vehicles while maintaining habitat connectivity.
11. Provides safety and educational activities for pedestrians and bicyclists.
12. Establishes transportation museums.

Each Regional Planning Organization (RPO) submits its highest priority STP-Enhancement projects to ConnDOT for consideration. ConnDOT evaluates and ranks the priority regional projects. Funding for STP-Enhancement projects comes from federal funds (80%) matched by local funds (20%).

Highway Safety Improvement Program (HSIP) (90/20)

This program authorizes a new Federal-aid funding program to achieve a significant reduction in traffic fatalities and serious injuries on all public roads.

Highway Bridge Replacement and Rehabilitation Program (BRXZ) (80/20)

This program provides funds to assist States in their programs to rehabilitate deficient highway bridges and retrofit bridges on public roads. It has two subcategories:

Bridge Program: On System

The FHWA On-System Bridge Program is the primary federal bridge program. Funds may be used to replace or rehabilitate bridges on the federal aid road system that are classified as a collector or higher. ConnDOT regularly inspects and rates the condition of bridges. Projects are selected from the list of bridges with “poor” or “fair” condition ratings. Municipal bridges are not typically considered in the selection process. Funding comes from federal sources (80%) matched by state sources (20%).

Bridge Program: Off System

The FHWA Off-System Bridge Program provides funds to replace or rehabilitate bridges that are not on the federal-aid road system. ConnDOT inspects and rates the condition of local as well as state bridges. Projects are selected the same way as in the On-System Bridge Program.

Since most state roads are on the federal aid road system, they are usually not qualified for this program. Many of the funded projects are municipal bridges. Funding comes from federal sources (80%) matched by state sources (20%).

The Local Bridge Program is a subset of the FHWA Off-System Bridge Program. To qualify for the Local Bridge Program, a bridge must carry a certified local road and be structurally deficient according to Federal Highway Administration criteria. Bridges must be located on roads functionally classified as “rural local roads,” “rural minor collectors,” or “urban local roads.” Bridges are qualified if the physical condition of the deck, superstructure or substructure (piers and abutments and surrounding areas), or culverts are rated “poor” or worse (“serious,” “critical,” or in “imminent failure”). The carrying capacity of the bridge and structural integrity are the most heavily weighted factors in calculating the bridge’s sufficiency rating. Serviceability, functional obsolescence, and essentiality for public use are also considered in ConnDOT’s numerical formula. Bridges over 20 feet in length are inspected biannually. When a local bridge is included in the program, the municipality retains responsibility for survey studies, preliminary and final design, material testing, right-of-way activities, and construction supervision and inspection. Grants are available based on an assessment of a town’s ability to pay. The town’s contribution ranges from 10 to 33% of the total cost of the project depending on the ranking of the bridge. Funding is available at the construction phase, with reimbursement of preliminary studies, engineering, and property acquisition costs.

High Priority Projects (HPP) (80/20)

High Priority Project funds are made available for specific projects identified by Congress. These projects are referred to as demonstration projects.

Congestion Mitigation and Air Quality Program (CMAQ) (80/20)

The Congestion Mitigation and Air Quality (CMAQ) Program directs funds toward transportation projects in Clean Air Act non-attainment areas for ozone and carbon monoxide. These projects will contribute to meeting the attainment of national ambient air quality standards. In determining project eligibility, priority is given to projects and programs included in an approved State Implementation Plan (SIP). Each state is guaranteed at least 0.5% of the annual nationwide CMAQ apportionment of one billion dollars. The remaining CMAQ funds are apportioned to states in ozone and carbon monoxide non-attainment zones.

The CNVR is within a non-attainment zone for Ozone and Particulate Matter (PM 2.5). Many CMAQ projects qualify for 100% federal funding, while other projects qualify for a split (80% federal, 20% state). All CMAQ funded projects require an assessment and documentation of air quality benefits by the State of Connecticut.

Recreational Trails (RT) (80/20)

This program provides funding to the Department of Environmental Protection (DEP) to develop and maintain recreational trails for motorized and nonmotorized recreational trail users. The DEP will forward applications to park and recreation directors or chief elected officials in each municipality.

Transportation and Community and System Preservation Program (TCSP)

This program provides funding for the planning and implementation of projects that address the relationships between transportation and the community. Projects should include improving the efficiency of the transportation system; reducing the impacts of transportation on the environment; reducing the need for costly future public infrastructure investments; ensuring efficient access to jobs and services; and encouraging private sector development patterns which meet these goals. The funding levels are 80% federal and 20% local.

Section 330, 115, & 117 (100/0)

This program provides 100% federal funding to projects established by congressional designation.

Safe Routes to School (SRS) (100/0)

This program is designed to enable and encourage children, including those with disabilities, to walk and bicycle to school, and to help plan, develop, and implement projects that will improve safety, reduce traffic, fuel consumption, and air pollution in the vicinity of schools. Funds will be administered by ConnDOT, and state, local, and regional agencies, including non-profit organizations, will be eligible to apply for funding for proposed projects.

Federal Transit Administration

The Federal Transit Administration (FTA) is the federal funding source for transit projects:

Section 5316 Job Access and Reverse Commute Grants (JARC) (50/50)

The goal of the Job Access and Reverse Commute (JARC) Program is to provide funds for transportation services designed to transport welfare recipients to and from jobs and activities related to their employment. The Department of Social Services (DSS) also provides funding for this program through the Temporary Family Assistance program. JobLinks is the CNVR's Job Access and Reverse Commute program, providing transportation services through North East Transportation (NET) and Managed Transportation Services (MTS), an NET subcontractor.

Section 5317 New Freedoms Initiative (50/50)

The program funds projects that provide transportation assistance to individuals with disabilities. Eligible projects include new public transportation services and public transportation alternatives beyond those required by the ADA.

Section 5309 Capital Funding Program (80/20)

With Section 5309 funds, the FTA provides capital funding to establish new rail projects (“New Starts”), improve and maintain existing rail and other fixed guideway systems, and rehabilitate bus systems. New Start funds are awarded on a discretionary basis. Proposed new rail services must compete against proposals from other areas of the country.

Section 5307 Capital and Operating Program

FTA Section 5307 funds are primarily for capital assistance projects, such as the purchase of new buses. A small portion of the funds are reserved for operating assistance; federal regulations restrict the amount that can be used for operating assistance. Section 5307 funds are pooled and applied first to the highest priority bus needs as identified in regional TIPs and the STIP. The FTA provides 80% of Section 5307 funds, and ConnDOT provides the non-federal share for all local bus systems in Connecticut.

Section 5310 Capital Program

Under Section 5310, the FTA provides capital assistance to non-profit organizations that provide specialized transportation for elderly people and persons with disabilities. Public agencies approved by the state to coordinate services for the elderly and persons with disabilities are also eligible. Section 5310 funding is 80% federal matched by 20% state. Many CNVR municipalities and non-profit agencies use Section 5310 grants to purchase or replace vehicles.

Section 5311 Capital & Operating Program

This program provides funds to assist in the development, improvement, and use of public transportation systems in non-urbanized and small urban areas.

STATE FUNDING

The Special Transportation Fund (STF) supports debt service on the state bonds issued to pay for transportation projects (matching federal funds), and it supports a small program of pay-as-you-go activities. The major sources of STF dollars are the motor fuels tax and motor vehicle receipts, which, when combined, make up approximately 80% of total fund revenue. The state resources are sufficiently available to match federal dollars provided by funding program.

LOCAL FUNDING

Some projects within the TIP require the municipality where a project is located to provide a local match to federal funds. Local funding may include bonding, LOCIP, or other sources.

