

FY 1981 Summary of UMTA'S Transit Assistance Program

Prepared by: Office of Transit Assistance
Washington, D.C.



U.S. Department of Transportation

**Urban Mass Transportation
Administration**

FY 1981 Summary of UMTA'S Transit Assistance Program

Prepared by: Office of Transit Assistance,
Washington, D.C. 20590.



U.S. Department of Transportation

**Urban Mass Transportation
Administration**

TABLE OF CONTENTS

INTRODUCTION..... 1

SECTION 3 CAPITAL PROGRAM SUMMARY..... 4

 Bus 4

 Rail Modernization and Extensions.....10

 New Starts13

 Urban Initiatives15

SECTION 5 PROGRAM SUMMARY.....17

INTERSTATE TRANSFER PROGRAM

 Summary - Transit Projects.....19

SUMMARY OF OTHER PROGRAMS

 Federal-Aid Urban Systems.....22

 Section 17.....23

 Section 18.....23

INTRODUCTION

The Urban Mass Transportation Administration (UMTA) is the principal source of Federal financial aid to urban and non-urban areas for improving mass transportation. While the UMTA program supports transit through demonstrations, training, technological development, and research, the bulk of the financial assistance is for transit capital and operating assistance programs. This publication provides a summary of the FY 1981 transit capital and operating assistance programs. Table 1 shows the breakout of the FY 1981 Program. Figures 1-3 provide information on the distribution of program funds as well as comparative data for previous years' funding levels.

- Section 3 is a program of discretionary capital and planning assistance grants to transit agencies and public bodies throughout the nation. Grants for special transportation services for the elderly and handicapped under Section 16(b)(2) also are included under this program. In FY 1981 a separate funding category also existed for the Urban Initiatives program under Section 3, although that program is currently being phased out. The Section 3 program also provides funding for planning, human resource programs, innovative techniques and technology introduction; however only transit capital projects are discussed in this publication.
- Section 5 is a program of formula grants to urbanized areas for both operating and capital assistance. Allocation formulae determine the funding distribution for various purposes under four separate tiers on the basis of population, population density, or commuter rail train/route miles and fixed guideway route miles.
- The Interstate Transfer program allows local jurisdictions, with proper approval, to substitute transit capital assistance projects for non-essential segments of the Interstate Highway System.
- The Federal-Aid Urban System (FAUS) program permits the funding of transit projects with Urban System Highway Trust funds.
- Section 17 is a program providing financial assistance to defray additional costs incurred by transit agencies as a result of the take over of certain commuter rail operations by Conrail. While appropriations for Section 17 ended in FY 1978, some funds appropriated in prior years remained available in FY 1981.
- Section 18, administered jointly by UMTA and the Federal Highway Administration, provides formula grants to states for capital and operating assistance projects in small urban (under 50,000) and rural areas.

As a part of President Reagan's initiative to improve the Nation's economy changes were made to the UMTA program in FY 1981. These changes reflect a major shift in policy for the UMTA program. A budget deferral was passed by the Congress which delayed the obligation of \$220 million of UMTA funds until FY 1982. New policy directives were also announced. The Urban Initiatives program will be brought to an orderly termination in FY 1982 with the completion of projects under construction. The New Starts program is being

scaled back to permit the completion of operable segments of projects already under construction. No new rail system or extension construction projects will be undertaken under the Section 3 program, at least until the economy improves. The Section 5 operating assistance program will be gradually phased out, although no changes were made in the FY 1981 program. The Federal Government's role in funding the capital needs of bus and existing rail systems will be maintained.

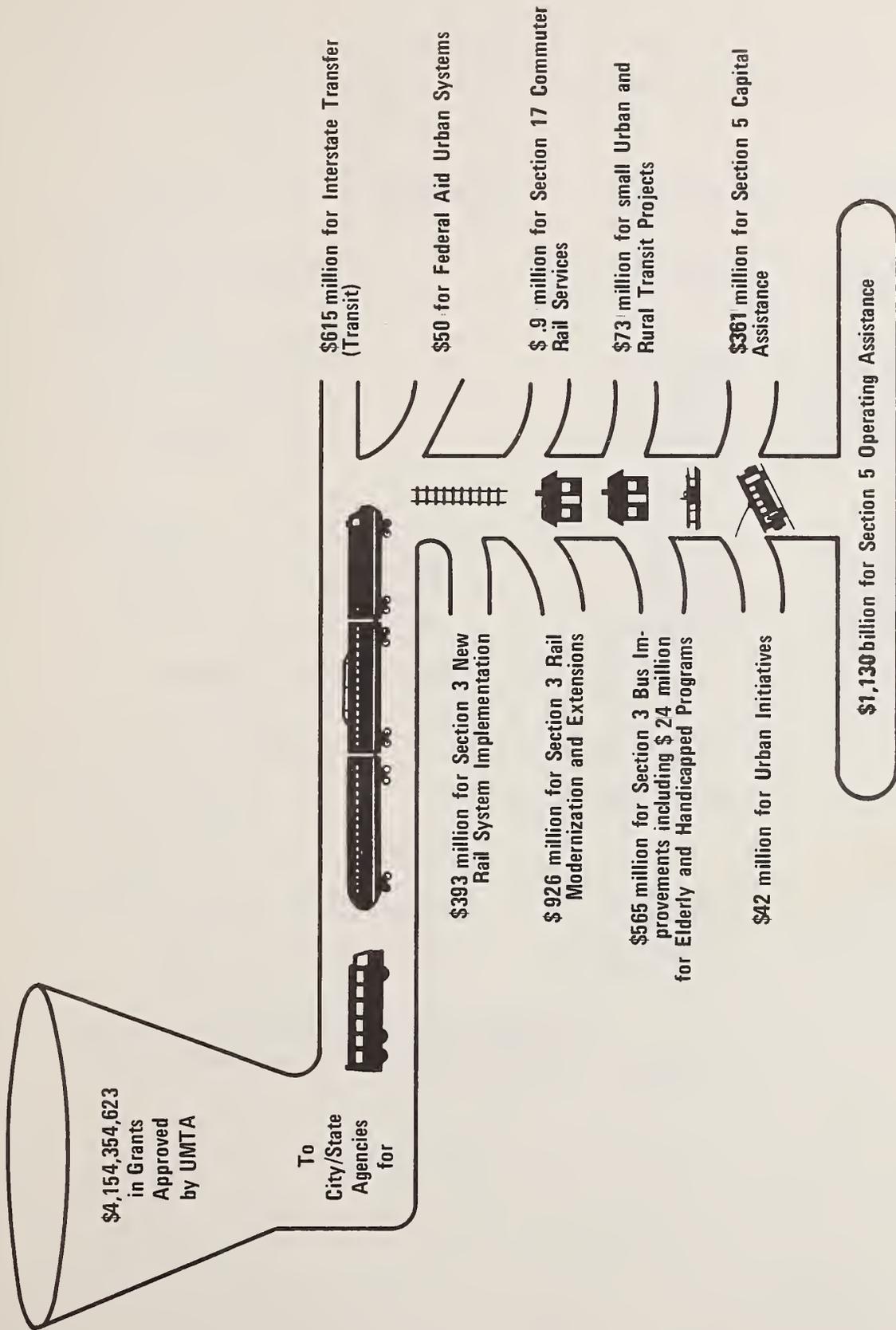


FIGURE 1. ACCOMPLISHMENTS FOR FISCAL YEAR 1981

Table 1

FY 1981 Obligations

Transit Assistance Grants By Program and Type

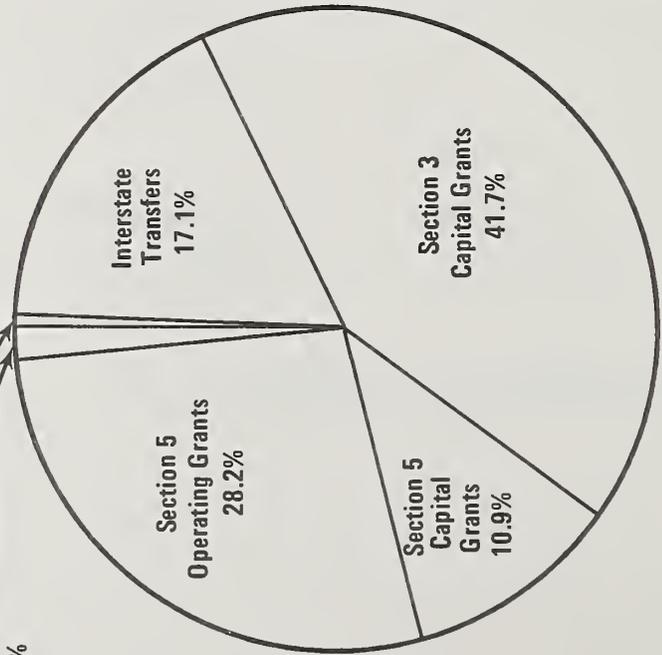
<u>PROGRAM</u>	<u>OPERATING</u>	<u>CAPITAL</u>	<u>TOTAL</u>
I. Section 3			
Bus and Bus Related		\$ 564,896,514	\$ 564,896,514
Rail Modernization and Extensions		925,599,998	925,599,998
New Starts/Downtown Circulation Systems		393,003,488	393,003,488
Urban Initiatives		<u>41,500,000</u>	<u>41,500,000</u>
<u>SUBTOTAL</u>		1,925,000,000	1,925,000,000*
II. Section 5			
Tier I	872,738,769	30,278,045	903,016,814
Tier II	162,630,914	3,527,098	166,158,012
Tier III	94,140,917	552,344	94,663,261
Tier IV	<u>0</u>	<u>326,986,267</u>	<u>326,986,207</u>
<u>SUBTOTAL</u>	1,129,510,600	361,313,754	1,490,824,354
III. Interstate (Transit)		614,855,408	614,855,408
IV. FAUS (Transit)		49,676,329	49,676,329
V. Section 17	850,221		850,221
VI. Section 18	<u>29,013,686</u>	<u>44,134,625**</u>	<u>73,148,311</u>
TOTAL	1,159,374,507	2,994,980,116	4,154,354,623

* does not include \$45 million for planning

** includes state and project administration expenses.

Federal-Aid Urban Systems (FAUS) 0.7%

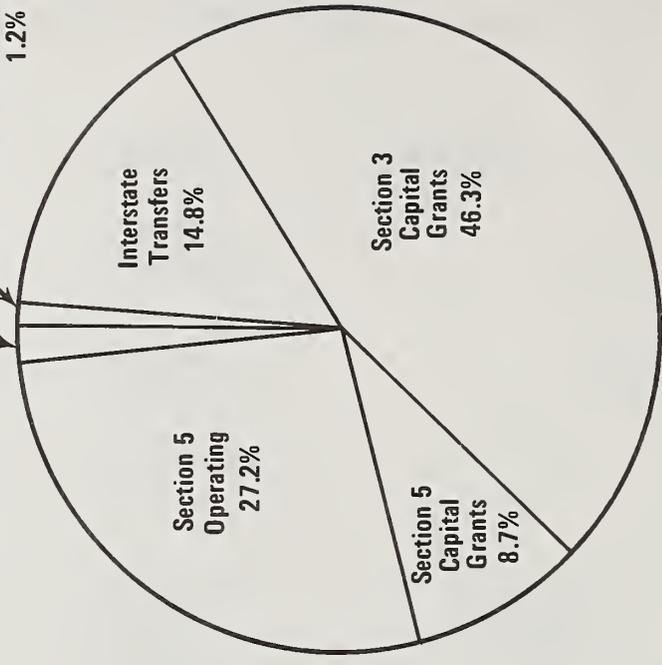
Sections 17 & 18 Operating and Capital Grants 1.4%



FY 80

Section 17 and 18 Operating and Capital Grants 1.8%

Federal-Aid Urban Systems 1.2%



FY 81

FIGURE 2. UMTA TRANSIT ASSISTANCE PROGRAM PERSPECTIVE

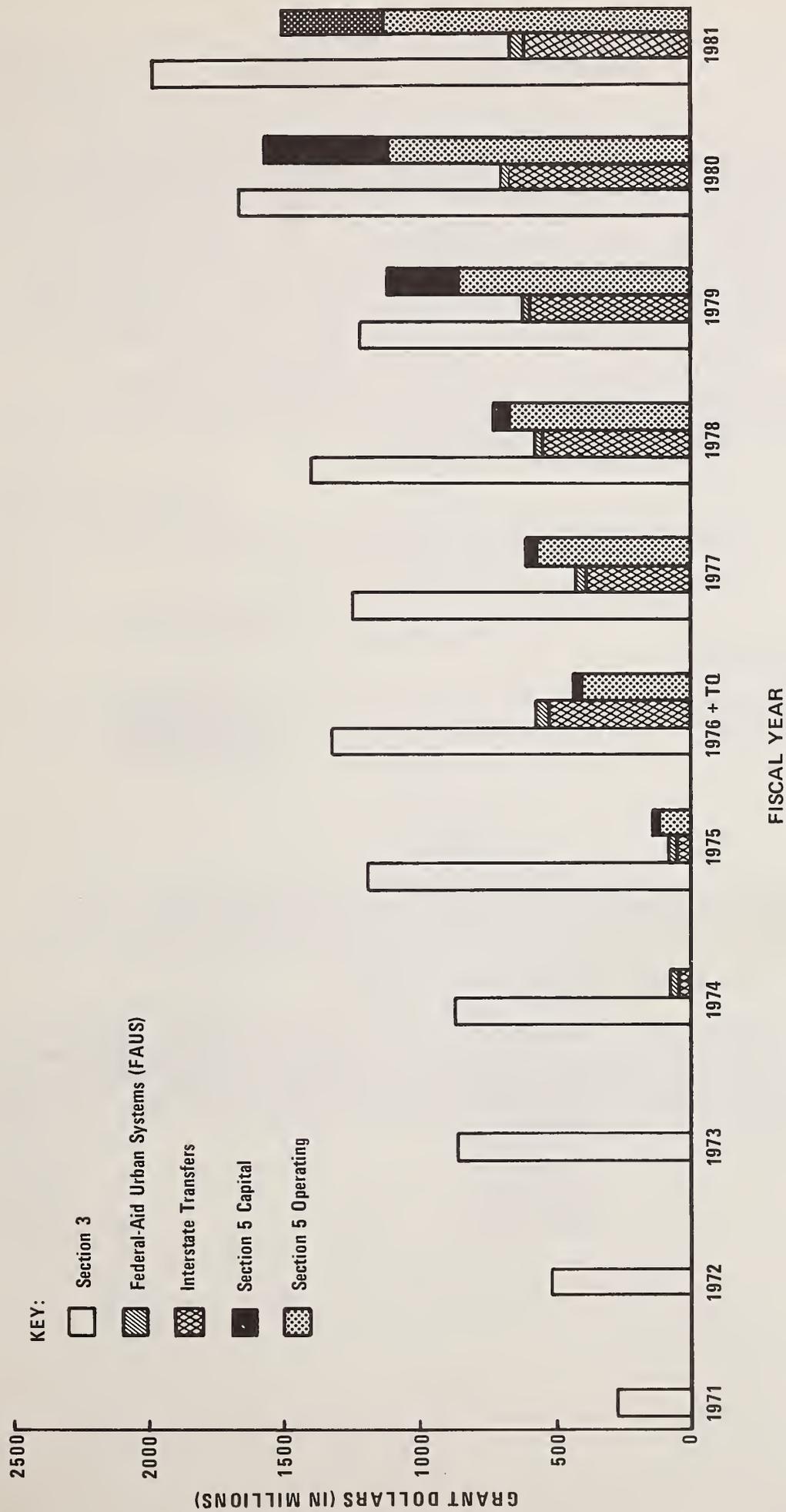


FIGURE 3. ANNUAL TRANSIT ASSISTANCE PROGRAM LEVELS FOR FISCAL YEARS 1971-1981

SECTION 3 CAPITAL PROGRAM SUMMARY

Section 3 funds are used for the purchase of buses and bus facilities, modernization of existing rail systems, construction of new fixed guideway systems, investments in urban development under the urban initiatives program, and the purchase of private transit operators. They also provide funding for specialized transportation services to assist in meeting the special needs of the elderly and handicapped persons under the 16(b)(2) program. Table 2 below indicates the breakout of Section 3 program funds. Figure 4 shows the distribution of FY 1981 Section 3 grants for the 25 largest urbanized areas.

The Section 8 planning assistance program of \$45 million was funded out of the Section 3 program; however, only the capital assistance activities are discussed in this year end program summary.

Table 2

FY 1981 Obligations for UMTA Section 3 Capital Programs (excludes planning)

Bus	\$ 564,896,514
Rail	
Modernizations and	
Extensions	925,599,998
New Starts	393,003,488
Urban Initiatives	41,500,000
TOTAL	<u>1,925,000,000</u>

BUS

Approximately 70 percent of transit passenger trips are made by bus, and recent ridership increases have severely strained many cities' transit capabilities. UMTA's Section 3 bus program has provided over \$4 billion for bus and bus related projects since 1965, and in FY 81 twenty-nine percent of Section 3 funds were dedicated to bus needs.

UMTA's bus grants have funded the purchase of private transit systems and permitted the replacement of overage buses in addition to providing for fleet expansion where local conditions have warranted such growth. Other related facilities like garages, maintenance shops and support equipment are funded through Section 3 grants as well.

During FY 81 Section 3 funds aided in the purchase of approximately 3,650 vehicles. Of this number 1,834 were standard size (35 ft.-40 ft.) buses; 197 were under 30 feet; 1,370 were paratransit vehicles, like vans and other facilities to transport the elderly and handicapped; and 249 were articulated buses. Buses are also purchased under other UMTA program grants such as Section 5, Interstate Transfer, and the Federal Aid Urban Systems program. The total bus acquisitions for FY 81 are detailed in Table 3 below.

Table 3

FY 81 Bus Purchases 1>

	Standard (35 ft.- 40 ft.)	Small (under 30 ft.)	Articulated	Para- transit	Total
Section 3	1834	197	249	1370	3650
Section 5	1511	165	40	150	1866
Interstate Transfer	99	0	9	0	108
Federal-Aid Urban System	<u>12</u>	<u>14</u>	<u>11</u>	<u>0</u>	<u>37</u>
TOTAL	3456	376	309	1520	5661

1> numbers reflect preliminary analysis of data

Table 4 lists the areas receiving the most Section 3 bus funds in FY 81. A brief description of how the funds were used follows.

Table 4

Section 3
Fiscal Year 1981

Ten Areas Receiving Most Section 3 Bus Funds

(excludes 16(b)(2) funds)

Los Angeles/Long Beach	\$49,999,998
St. Louis	25,000,000
Northeast New Jersey	24,647,712
San Francisco/Oakland	22,761,648
Seattle	20,000,000
Denver	19,568,640
Pittsburgh	17,934,000
Atlanta	15,304,000
New York	15,000,000
Salt Lake City	14,050,752

Los Angeles. The largest FY 81 bus grant was made to the Southern California Rapid Transit District (SCRITD) for \$27.9 million for the purchase of 270 standard replacement buses as a part of the Letter of Intent Commitment made in 1979. This was in conjunction with a Section 5 grant in the amount of \$24 million for 240 new buses (making a total of 510 out of a commitment of 940). Another grant of \$9.8 million was made to the SCRITD for construction of the West Valley Maintenance Facility. An additional \$6.9 million was granted for the purchase of support equipment and MIS Implementation and \$3.6 million was made to the SCRITD for South L.A. Division 18 land acquisition. Also within the Los Angeles/Long Beach area grants were made for bus rehabilitation or replacement to the cities of Torrance (\$684,800), Commerce (\$289,600) and Santa Monica (\$832,000).

St. Louis. The Bi-State Development Agency (Bi-State) received a \$25,000,000 grant to permit the completion of construction and the purchase of all necessary equipment associated with the Main Shop and South St. Louis County Garage facilities.

New Jersey. A grant of \$18.1 million to the New Jersey Transit Corporation (NJTC) will provide funding to aid in the purchase of 36 transit buses (with the local share provided by the Port Authority of NY and NJ) and will fund the purchase of all the tangible assets of Transport of New Jersey and Maplewood Equipment Company as part of the New Jersey Bus Buyout program. An additional \$6.5 million was granted to the NJTC for Bus Rehabilitation projects.

San Francisco/Oakland. In the San Francisco-Oakland area grants were made to Alameda-Contra Costa Transit (AC Transit) for a \$7.8 million renovation of the Central maintenance facility (Phase I) and for \$10.4 million for replacement of 79 standard size buses. Another \$2 million received by the Bay Area Rapid Transit System (BART) is to aid in financing the improvements of AIR-BART facilities at the BART Coliseum Station and the Oakland Airport and the purchase of one small wheelchair-accessible vehicle. The Golden Gate Bridge Highway and Transportation District received \$2.6 million for various ferry and bus improvements.

Seattle-Everett. The Municipality of Metropolitan Seattle received \$20 million which, in conjunction with Section 5 bus funds, will fund the purchase of 109 articulated buses with lifts, fareboxes and radios.

Denver. The Regional Transportation District (RTD) received a grant of \$18.9 million for the purchase of 69 articulated buses and \$.7 million for Phase I renovation of the Alameda bus garage.

Pittsburgh. A grant of \$9.5 million to the Port Authority of Allegheny County (PAT) is the final increment to complete the full funding contract for the East Busway. An additional \$7 million grant to the Pennsylvania Department of Transportation will aid in the phased purchase of 450 buses for PAT under the Statewide Bus Purchase program.

Atlanta. The Metropolitan Atlanta Rapid Transit Authority (MARTA) received \$10 million for land acquisition, design, construction and equipment of the Laredo Operating Facility. A grant of \$5.3 million will aid in the purchase of 25 articulated buses.

New York City. A grant of \$12 million to the New York City Transit Authority (NYCTA) will permit the purchase of approximately 96 transit buses. An additional \$3 million was received by the New York City Department of Transportation for construction of the Broadway Plaza Transit Mall.

Salt Lake City. The Utah Transit Authority (UTA) received \$10.9 million for the purchase of 74 new 40-foot buses and \$2.1 million for Phase I of the renovation and expansion of Central Garage. A third grant of \$1.1 million will fund Phase I of the construction of a new garage in Ogden.

16(b)(2) Program - Elderly and Handicapped

Section 16(b)(2) of the Urban Mass Transportation Act provides for the availability of Section 3 funds to private, nonprofit organizations for the purpose of providing public transit services for the elderly and handicapped. In FY81, \$23.7 million was obligated for these services by UMTA. Distribution of program funds by region and State are given in Table 5 below.

Table 5

16(b)(2) Obligations

FY 1981

Region I		Region VI	
Connecticut	\$ 261,000	Louisiana	\$421,000
Maine	381,000	New Mexico	144,517
Massachusetts	763,648	Oklahoma	750,000
New Hampshire	175,652	Texas	840,066
Rhode Island	111,628	Arkansas	377,000
Vermont	125,536		
Region II		Region VII	
New York	1,877,820	Iowa	377,000
New Jersey	597,600	Kansas	261,000
Puerto Rico	476,104	Missouri	34,020
		Nebraska	68,400
Region III		Region VIII	
Maryland	319,000	Colorado	297,288
Pennsylvania	888,000	Montana	254,832
Virginia	0	North Dakota	140,272
West Virginia	261,000	South Dakota	101,248
District of Columbia	316,000	Utah	189,000
Delaware	0	Wyoming	294,192
Region IV		Region IX	
Alabama	339,812	Arizona	311,184
Florida	865,696	California	1,887,204
Kentucky	392,000	Hawaii	114,948
Mississippi	345,076	Nevada	201,444
North Carolina	878,720	Guam	115,000
South Carolina	304,000		
Tennessee	105,335		
Georgia	993,680		
Region V		Region X	
Michigan	1,252,000	Alaska	115,000
Ohio	757,000	Idaho	138,982
Illinois	801,000	Oregon	314,308
Wisconsin	754,000	Washington	396,000
Indiana	841,904		
Minnesota	348,000		

RAIL MODERNIZATION AND EXTENSIONS

The primary areas which receive funding under the Section 3 rail modernization and extension program are New York, Northeastern New Jersey, Chicago, Philadelphia, Boston, Cleveland, Pittsburgh and San Francisco. In addition, commuter rail service in Detroit and the Baltimore-Washington area, the New Orleans light rail system and the Seattle Waterfront trolley system are occasional recipients of funding. Table 6 below shows the distribution of funds for rail modernization and extension projects in FY 1981.

These older rail systems account for approximately 30 percent of the country's total transit ridership, and their maintenance is vital for the economic health of the areas they serve. UMTA's rail modernization and extension program provides funding for the modernization, rehabilitation and expansion of these crucial transit facilities. Rail modernization grants fund a wide variety of improvements such as track and signaling improvements, station modernization, system electrification, security equipment and other safety improvements, fare collection systems, noise abatement programs, rehabilitation or construction of shop and yard facilities, and the purchase of rolling stock. A number of extension projects have been funded with Section 3 grants through 1981 and they are identified in Table 7. Current administration policy calls for the completion of all rail extension segments under construction. Consideration of proposals to fund new rail extensions will be deferred at least until the condition of the economy improves. Both UMTA and the Congress have recognized the capital deficiencies of these older systems, and have made \$6 billion available through FY 81 for modernization grants. In a committee report accompanying the DOT FY80 Appropriations Act Congress requested that more detailed data be developed to more closely estimate actual needs. UMTA is currently developing a study design to determine the costs of upgrading the nation's light, rapid and commuter rail systems to modern standards of safety, reliability and aesthetics.

Table 6

Rail Modernization and
Extension Grants - Section 3
FY 1981

<u>Cities</u>	<u>Rail Modernization</u>
New York	\$305,020,700
Chicago	150,000,000
New Jersey	116,500,000
Philadelphia	91,125,344
Pittsburgh	92,808,440
Boston	64,999,998
San Francisco	54,399,300
Cleveland	45,000,000
Detroit	4,500,000
Baltimore-Washington	746,216
New Orleans	500,000
<u>TOTAL</u>	<u>\$925,599,998</u>

Table 7
Completed and Ongoing Extension Projects
(dollars in millions)

A. Completed Projects

<u>City</u>	<u>Project</u>	<u>Miles</u>	<u>Total Section 3 Funding</u>
Chicago	Dan Ryan	10	39
	Kennedy	5	37
Boston	Orange Line-North	6	80
	Red Line - S.Shore	9	60 1)
Cleveland	Airport Extension	4	12

1) Supplemented by \$45.3 million of Interstate Transfer funds

B. Ongoing Projects

<u>City</u>	<u>Project</u>	<u>Miles</u>	<u>FY 81 Funding</u>	<u>Total to Date</u>
New York	E. 63rd St.	3	-	419.5
	Archer Ave.	3	5.6	261
Chicago	O'Hare Airport			
	Extension	7	21.5	157.5*
Philadelphia	Airport Extension	5	6.2	71.2
	Center City			
	Commuter Connector	2	16	213

*Includes Interstate Transfer funds of \$13.4 million

The major projects funded by these rail modernization grants are highlighted below.

Boston. Rail modernization grants to the Massachusetts Bay Transportation Authority (MBTA) included \$13.4 million for the track rehabilitation program on deteriorated and substandard track on the Green, Red, Orange and Blue lines; \$13.2 million for station modernization and platform lengthening projects; and \$10 million to continue the Authority's Power Improvements Project. Other grants made to the MBTA were for safety improvements to the tunnel system (\$7.2 million), small construction projects for plant facilities (\$4.7 million); reconstruction of 88 Red Line Rapid Transit Cars (\$5.2 million) and various commuter rail improvements (\$5.7 million). Finally a \$2.9 million grant will fund cost overruns for the completion of the Quincy Adams Rapid Transit Station.

New York. The largest grant to the New York Area was for \$207 million to the Transit Authority (NYCTA) for the purchase of 370-380 rapid rail cars. Other grants to the NYCTA included \$21.2 million for engineering and design for the rapid rail modernization program, \$2 million for the Adopt-A-Station program and \$1.3 million for various other projects. In addition a grant of \$5.6 million was received by the NYCTA for the Archer Avenue rapid rail extension.

Commuter rail improvements in the New York area were funded through various grants to the Metropolitan Transportation Authority (MTA). These included \$27.5 million to continue electrification work for the Upper Harlem Line; \$10.7 million for reconstruction activities of the Morris Park Shops, and \$14 million for various other commuter rail improvements. Finally, the City of White Plains received \$1.5 million for design of a multi-modal transportation center including modernization of the White Plains commuter rail station. Grants totalling \$20 million were made to the Connecticut Department of Transportation for continued rehabilitation of the New Haven Commuter Rail Line.

Northern New Jersey. The New Jersey Department of Transportation (NJDOT) received \$5.2 million to permit continuation of the reelectrification of the former Erie-Lackawanna Commuter railroad and to purchase 88 transit buses in conjunction with Port Authority of New York and New Jersey funds. The New Jersey Transit Corporation (NJTC) received \$59.4 million toward the purchase of sixty push-pull commuter railcars and seven locomotives for the North Jersey Coast Line. An additional grant of \$2.8 million to NJTC will fund construction initiation of the rehabilitation program for the Newark City Subway. Finally, \$1.5 million was granted to the NJTC as part of the bus buyout projects to purchase Newark City Subway related assets from Transport of New Jersey.

Philadelphia. The major grants to the City of Philadelphia included \$16 million for continued work on the Center City Commuter Tunnel and \$6.2 million for the Airport High Speed Line extension. A \$2.4 million grant was made to cover cost escalation of the Broad Street subway car purchase and \$2.0 million for additional engineering on the Frankford Elevated Line. Rail Modernization grants were also made to the City of Philadelphia for improvements to the Brill Arsenal-Northeast corridor (\$4.5 million); for the installation of a closed circuit television surveillance system for the downtown commuter stations (\$1.8 million); and for engineering for improvements to the 30th Street Station (\$.6 million). Grants made to the Southeastern Pennsylvania Transportation Authority (SEPTA) included \$26.7 million to aid in financing the Commuter Railroad Facilities Coordination Program and \$15.9 million for

funding of the Market/Frankford car overhaul project and rehabilitation of PCC cars. Other grants funded construction projects for surface-subway route stations (\$4.8 million); \$3.2 million for track improvements; \$1.2 million for passenger safety improvements; \$3 million for the commuter car rehabilitation program; and \$1.9 million for renewal of the utility fleet. Various smaller grants were also made to SEPTA for general improvements and \$.6 million to the Delaware River Port Authority (DRPA) was granted for the purchase and installation of various electrical system improvements.

Pittsburgh. The Port Authority of Allegheny County (PAT) received \$90.7 million for rehabilitation of the South Hills Light Rail Transit System (LRT); \$1.2 million for construction on the Monongahela Incline rehabilitation project and \$1 million for various commuter rail improvements, specifically for the McKeesport Transportation Center.

Chicago. Major rail modernization grants funded by UMTA to the Chicago area in FY 1981 included \$40 million to continue financing the purchase of 300 rapid transit cars and \$10.7 million for rapid rail track and station improvements. The commuter rail authority received \$36.1 million to initiate the FY 1981 Commuter Rail Improvement Program and \$21.6 million for various other projects including commuter rail station upgrading and the rehabilitation of commuter cars. The City of Chicago received \$21.5 million for continued funding of the O'Hare Extension Project. The Northwestern Indiana Commuter Transportation District received \$20 million for the purchase of 36 commuter rail cars and facility rehabilitation.

Cleveland. The Greater Cleveland Regional Transit Authority (GCRTA) received a further \$38 million to fund the purchase of up to 40 rapid transit cars and install signals and \$7 million to continue other rapid transit improvements.

San Francisco. The San Francisco Municipal Railway (MUNI) received \$16.1 million for the purchase of 15 LRV's for fleet expansion. Additionally a grant in the amount of \$6.0 million was issued for continuing rehabilitation work on the cable car system. The Bay Area Rapid Transit District (BART) received \$9.1 million for implementation of the Integrated Control System (ICS) and \$6.7 million to finance the purchase of four preproduction rail cars to permit their testing and evaluation before a larger car order is placed. CALTRANS received \$8.9 million for the transfer to public ownership of rail cars for the commuter system between San Jose and San Francisco.

Other Systems. A grant of \$4.5 million was made to the Southwestern Michigan Transportation Authority (SEMTA) for the renovation of seven commuter rail cars, one locomotive and various other improvements. The Maryland Department of Transportation received \$.7 million for commuter rail capital improvements. New Orleans received \$.5 million for preliminary engineering for trolley rail rehabilitation.

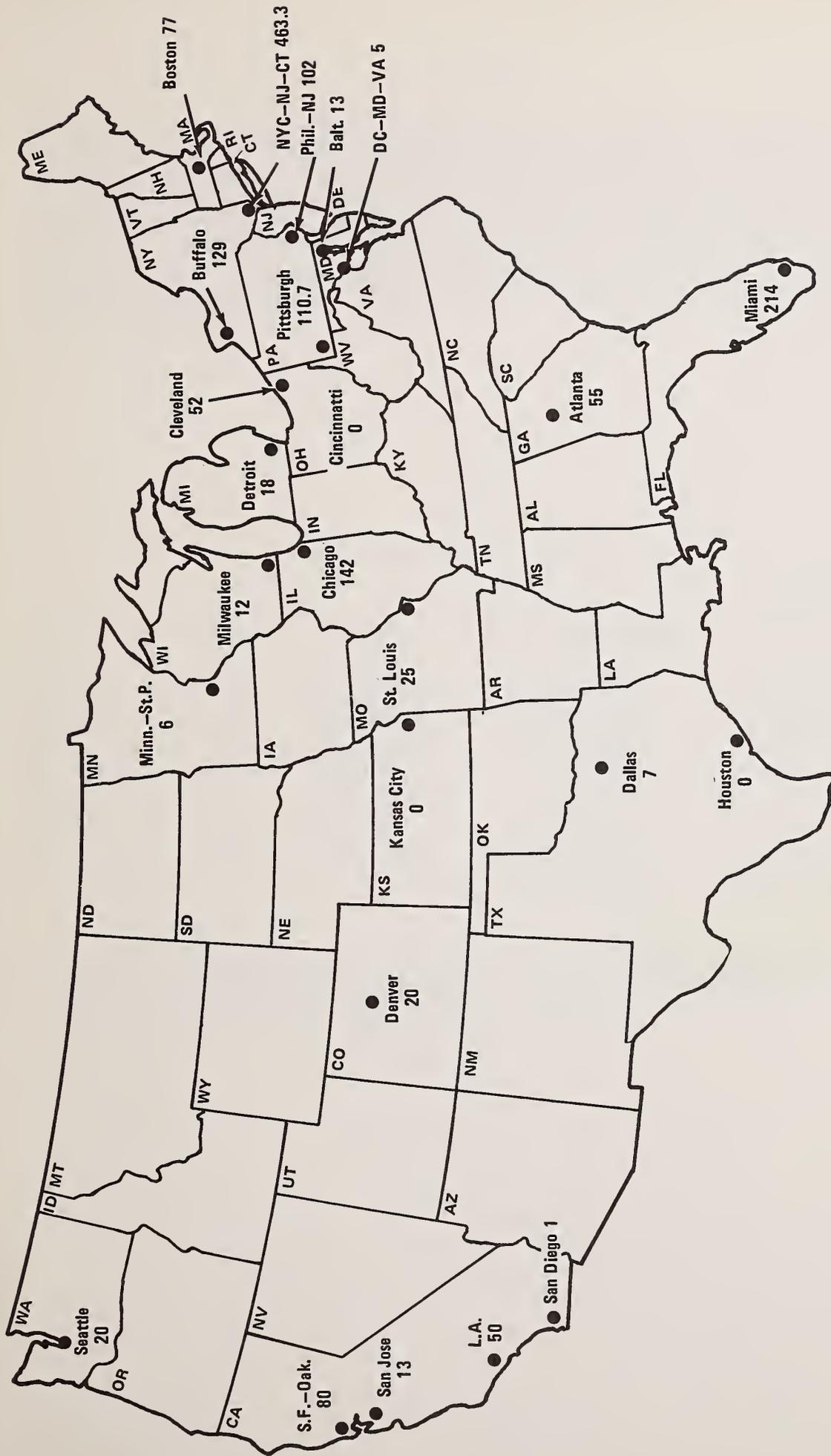


FIGURE 4. DISTRIBUTION OF FISCAL YEAR 1981 SECTION 3 GRANTS FOR 25 LARGEST URBANIZED AREAS (Dollars in Millions)

NEW STARTS

Since 1964, UMTA has approved projects under the Section 3 program for the implementation of new fixed guideway systems in San Francisco, Atlanta, Miami, Baltimore and Buffalo. Current administration policy calls for the completion to operable segments of all new start systems already under construction. Commitments made by UMTA under existing Letters of Intent will be honored. The initiation of new rail transit systems and extensions under the Section 3 Discretionary Grant program has been deferred at least until the state of the national economy improves. Table 8 shows the distribution of FY81 funds for new starts projects.

Table 8

FY 81
Section 3

New Starts Program

<u>City</u>	<u>Miles</u>	<u>Type</u>	<u>FY 81 Obligation</u>	<u>Total Obligation to date</u>
Miami	1.9	Circulator	11,500,000	13,524,080
Miami	20.5	Heavy Rail	\$195,000,000	\$ 579,190,152
Buffalo	6.4	Light Rail	124,800,000	336,800,000
Baltimore	8.0	Heavy Rail	4,803,488	594,030,720
Portland*	14.9	Light Rail	8,900,000	8,900,000
Atlanta	2.5	Heavy Rail	40,000,000	90,000,000
(Phase B-1) Detroit	<u>2.9</u>	Circulator	<u>8,000,000</u>	<u>9,527,004</u>
Sub Total			393,003,488	1,631,971,956

* The bulk of funding for the Portland light rail transit system will be provided by Interstate Transfer grants. Total funding through FY 1981, including Interstate Transfer is \$42.5 million.

New Starts grants in FY 1981 were used to advance the following projects:

Miami. The \$195 million in funds granted to Metropolitan Dade County in FY 1981 was for continued construction on the Miami Rapid Rail Transit System. UMTA's full funding commitment to the project is \$670,400,000. UMTA's financial participation under the full funding contract is expected to be completed in FY 1984. Miami also received \$11 million in funding for the downtown circulator project.

Buffalo. The grant of \$124.8 million made to the Niagara Frontier Transportation Authority (NFTA) will aid in constructing the Light Rail Rapid Transit (LRRT) System's yard and shops complex, communications system, six underground and two surface passenger stations. The August 1980 Letter of Intent committing UMTA to funding participation in the project calls for a total of \$359,840,000 in Federal funding, to be completed in FY 1983.

Baltimore. The grant of \$4.8 million to the Maryland Department of Transportation provides further financial assistance toward the construction of the Baltimore Rapid Rail Transit System. This grant completed UMTA's Commitment under the full funding contract, except for those costs that are eligible as extraordinary costs as defined in the contract.

Portland. Funds granted to the Tri-County Metropolitan Transportation District of Oregon (Tri-Met) will aid in the purchase of 26 articulated light rail transit vehicles and other items in support of the Banfield Light Rail Project. The grant of \$8.9 million of Section 3 funds was directed by the Congress; the balance of UMTA's share of the project's cost is expected to be funded from Interstate Transfer Funds.

Atlanta. The \$40.0 million grant made to the Metropolitan Atlanta Rapid Transit Authority represents UMTA's FY 1981 funding commitment as specified by the 1980 Letter of Intent to fund the Phase B-1 System. UMTA's total funding commitment is for \$130,960,000 to be completed in FY 1982.

Detroit. The grant of \$8 million to the Southeastern Michigan Transportation Authority (SEMTA) satisfies a congressional mandate and will aid in the financing of the downtown circulation system for Detroit.

URBAN INITIATIVES

In FY 1981 UMTA made \$41.5 million available for the Urban Initiatives program. Urban Initiatives projects have included the acquisition, construction, or improvement of facilities which enhance the coordination between public transportation and other forms of transportation and which promote urban economic development and community revitalization.

After FY 1982 the Urban Initiatives program will be discontinued as a distinct category although the transit elements of such projects will be eligible for funding under the Section 3 discretionary program. Current policy calls for completion of those urban initiatives projects already under construction.

Table 9 lists funding to urbanized areas for urban initiatives projects in FY 1981.

Table 9

FY 81 URBAN INITIATIVES

<u>City</u>	<u>Project</u>	<u>Amount</u>
Boston, Massachusetts	South Station	\$ 3,000,000
Cambridge, Massachusetts	Kendall Square	1,000,000
Burlington, Vermont	Church Street Mall	1,577,640
Asbury Park, New Jersey	Asbury Park Transportation Center	2,200,000
Buffalo, New York	Huron Street Station Hotel- Office Building Joint Development Complex	3,700,000
Philadelphia, Pennsylvania	Gallery II Overbuild, Phase II	1,200,000
Baltimore, Maryland	Howard Street Transit Mall	1,000,000
Roanoke, Virginia	International Transportation Terminal	497,280
Charleston, West Virginia	"Superblock" Transit Improvements	3,000,000
Harrisburg, Pennsylvania	Penn Central RR Station Reconstruction	5,500,000
Altoona, Pennsylvania	Phase II, Intermodal Transportation Center	3,300,000
Miami, Florida	Overtown	470,672
Indianapolis, Indiana	Union Station Rehabilitation	1,000,000
Gary, Indiana	Intermodal Transfer Terminal	700,000
Davenport, Iowa	Ground Transport Center	2,700,000
Cedar Rapids, Iowa	Ground Transportation Center	4,600,000
Fargo, North Dakota	Downtown Transfer Terminal	3,623,408
Oakland, California	City Center Joint Development	<u>2,431,000</u>
TOTALS		\$41,500,000

SECTION 5 PROGRAM SUMMARY

Section 5 is a formula grant program for urbanized areas, providing either capital or operating assistance for mass transportation. For urbanized areas over 200,000 in population, funds flow directly to the designated recipient. For areas under 200,000, the funds go to the Governor of the state for distribution.

Federal operating subsidies were funded in FY 1981 although the program will be phased out gradually over the next three years. This administration believes that the issues surrounding operating subsidies are local rather than Federal issues: fares, routes, wage rates, fringe benefits and levels of service. Operating assistance funds have held fares at artificially low levels and their gradual phase out will return responsibility for operating efficiency and fare levels to local governments.

The program is funded through four tiers which are explained below:

- Tier I continues the original grant program, which provides funds to urbanized areas based on population and population density for either capital or operating assistance purposes. A total of \$850 million was appropriated for Tier I in FY81. Actual obligations were \$903 million which represented obligation of new funds plus a draw down of funds appropriated but unobligated in earlier years. Of this amount \$872.7 million or 96.6 percent was applied to operating assistance projects, while \$30.2 million or 3 percent was for capital projects.
- Tier II is a program aimed at the largest urbanized areas. Eighty-five percent of the funds go to urbanized areas with populations over 750,000, and the rest to urbanized areas under 750,000 population. Within those categories, funds are apportioned based on population and population density and can be used for either operating or capital assistance. A total of \$165 million was appropriated for Tier II in FY 1981 and \$166.2 million was obligated using carryover funds. All but \$3.5 million was used for operating assistance.
- Tier III is for capital and operating assistance projects involving commuter rail and/or other fixed guideway systems. Funds are apportioned based on commuter rail and fixed guideway route miles and commuter rail train miles operated within each urbanized area. A total of \$90 million was appropriated for FY81 but a drawdown of carried over funds permitted an obligation level of \$94.7 million. All but \$522,000 of this amount was used for operating assistance projects.
- Tier IV is for the purchase of buses and bus related items including support equipment and the construction of bus facilities. These funds may not be used for operating assistance purposes. Funds are apportioned based on population and population density.

A total of \$350 million was appropriated for Tier IV in FY81 of which \$327 million was obligated to transit agencies. Tier IV funding will be continued in future years since it is limited to capital uses.

As in the past, the great majority of Section 5 funding was used for operating assistance to transit agencies. In FY81, approximately 76% of all Section 5 funds went to 535 operating assistance projects throughout the nation. In addition to providing over \$1.1 billion in operating assistance, Section 5 funds in FY81 provided \$361 million in capital assistance for 266 transit projects. Distribution of FY 1981 Section 5 Grants for the 25 largest urbanized areas is identified in Figure 5.

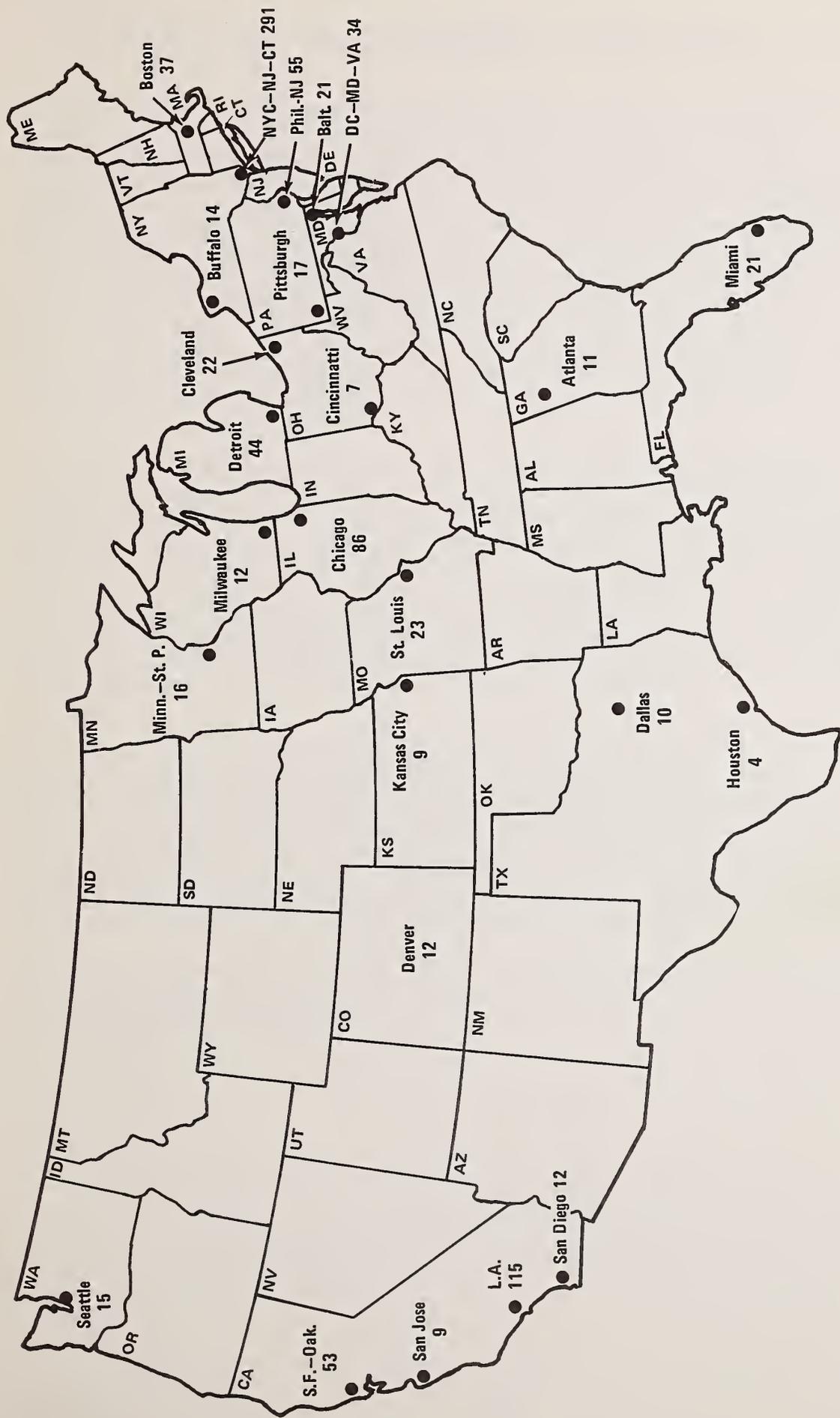


FIGURE 5. DISTRIBUTION OF FISCAL YEAR 1981 SECTION 5 GRANTS FOR 25 LARGEST URBANIZED AREAS
(Dollars in Millions)

INTERSTATE TRANSFER PROGRAM SUMMARY - TRANSIT PROJECTS

The Interstate Transfer program was established by the 1973 Federal-Aid Highway Act and amended by subsequent amendments to the Federal-Aid Highway Act and the Surface Transportation Assistance Act of 1978. The law permits State and local officials to withdraw planned Interstate highway routes or segments which are within or which connect urbanized areas and to substitute mass transit or non-Interstate highway projects. The withdrawal request is a joint submittal by the Governor and local governments within whose jurisdiction the Interstate segment would have been located, and must be concurred in by the Metropolitan Planning Organization (MPO) representing the principal elected officials of the area. The principal Federal decision in an Interstate withdrawal is the determination that the segment is not essential to the completion of a unified and connected Interstate system. Withdrawal requests are reviewed and approved jointly by UMTA and FHWA.

The approval of an Interstate withdrawal creates an authorization of funding available for use only by the affected area, and the amounts available are adjusted on a quarterly basis to reflect changes in price trends as measured under the FHWA Composite Price Index, thereby keeping pace with inflationary (or deflationary) trends. The withdrawal creates a special authorization of funding. The Surface Transportation Act of 1978 prohibits further withdrawals after September 30, 1983 and requires that concept plans for substitute projects be submitted and approved by September 30, 1983. The 1978 legislation further requires all projects to be under construction or under contract for construction by September 30, 1986.

Substitute funds may be used in any combination for a wide variety of highway and public mass transit projects. Highway projects are street and highway improvements on any of the Federal-Aid highway systems. Transit projects include any undertaking to develop, improve, or purchase public mass transit facilities or equipment (with the exception of operating assistance), such as construction of facilities, purchase of rolling stock, and other transportation equipment. Substitute transit projects are handled by UMTA while highway projects are handled by FHWA.

Table 10 summarizes by area the level of FY 1981 funding activity for Interstate transit projects, and a brief discussion of substitute transit project approvals follows.

Table 10

Interstate Transfer Grants
Substitute Transit Projects

FY 1981

<u>Area</u>	<u>Amount</u>
Washington, D.C.	\$275,000,000
Hartford, CT	1,300,000
Boston, MA	192,023,000
New York, NY	20,000,000
Northeast New Jersey	17,210,120
Philadelphia, PA	51,000,000
Memphis, TN	2,599,980
Chicago, IL	26,544,769
Minneapolis, MN	1,999,999
Omaha, NB	1,999,999
San Francisco, CA	750,000
Sacramento, CA	500,000
Portland, OR	23,927,466
TOTAL	\$614,855,408

The following projects were funded in FY 1981 with Interstate Transfer grants.

Boston. The Massachusetts Bay Area Transportation Authority (MBTA) received \$190 million to fund a major portion of the Orange Line Relocation program. This project involves intercity and commuter railroad track relocation as well as the building of six new stations and the renovation of three others. Another \$2 million was provided for pre-grant engineering of service options on the Green Line Northwest Corridor and other transit corridors.

Hartford, CT The Connecticut Department of Transportation received \$1.3 million in Interstate Transfer funds for the purchase of nine buses with lifts, fareboxes and spare parts.

New York. An Interstate Transfer grant of \$20 million was received by the New York City Transit Authority to help implement security improvements in the Corona yard, modernize 2 subway stations and improve signage at 75 stations. These improvements are being made as part of a six year Accelerated Transit Program.

Northeast New Jersey. A grant of \$15 million to the New Jersey Transit Corporation (NJTC) provided additional funding for the statewide commuter rail track rehabilitation program, which includes purchase and installation of continuous welded rail, interlockings components, cross ties and timber ties. An additional \$2.2 million was made available to NJTC for design and engineering of a commuter rail maintenance facility.

Philadelphia. The Southeastern Pennsylvania Transportation Authority (SEPTA) received six Interstate Transfer grants for a total of \$51 million. These grants include \$13.3 million to finance the continuing construction of shops for maintenance of Light Rail Vehicles; and \$11.3 million to improve and modify the Red Arrow Division substations to assure the Media - Sharon Hill Line with ample power for the new Light Rail Vehicles. SEPTA also received \$5.6 million for Center City Commuter Car modifications so all former Reading Railroad and Penn Central cars can operate on either system once the Commuter connector is complete. Another grant of \$1.2 million will fund modernization projects for City Transit Division's pump rooms and signal, control and communications cables. SEPTA also received \$7.2 million which, in conjunction with \$5.1 million of Section 3 funds, will aid in the rehabilitation of 250 buses to meet existing and future demand. Finally, a grant of \$12.5 million will fund the purchase of 70 replacement buses.

Chicago. The largest Interstate Transfer grants made to the Chicago area in FY 1981 were for \$13.4 million to continue financing the O'Hare Extension and \$5.2 million for transit station security improvements- including a closed circuit television security system - at ten Chicago Transit Authority stations. Another \$2.3 million was received for renovation of the State Street subway station and \$2.4 million for improvements to ten commuter rail parking lots. Various smaller grants were also made to the area for planning, design and engineering of various projects.

Twin Cities, Minnesota. The Metropolitan Transit Corporation (MTC) received \$2 million to purchase up to nine replacement articulated buses and related support equipment.

Memphis. The Memphis Area Transportation Authority (MATA) received \$2.6 million for the purchase of twenty 40' buses.

Omaha, Nebraska. The \$2 million grant made to Metro Area Transit (MAT) will fund partial construction of a bus garage and maintenance facility.

San Francisco. The California Transportation Department (Caltrans) received \$.8 million to finance planning studies for the Embarcadero Project.

Sacramento. A one half million grant to Caltrans will fund planning studies for the Folsom/I-80 corridors.

Portland. Of \$23.9 million received by the Portland area \$23.4 million was for final engineering and design, right-of-way acquisition and construction of yards and shops for the Banfield corridor project, a 14.9 mile light rail transit system from downtown Portland to the City of Gresham. A small \$.4 million grant was for planning and corridor design studies.

Washington, D.C. A total of \$275 million was provided to the Washington Metropolitan Area Transit Authority (WMATA) for Metrorail Construction, design and land acquisition, program management and general construction consultant and unanticipated cost overruns. Total Interstate Transfer funding for the system through FY 1981 amounts to \$1.8 billion.

SUMMARY OF OTHER PROGRAMS

FEDERAL-AID URBAN SYSTEMS (FAUS)

The Federal-Aid Urban System (FAUS) program provides for the diversion of Highway Trust Funds to finance mass transit capital and planning assistance projects. From its inception in 1974 through FY81, a total of \$243 million has been used for transit related projects, mostly in the New York urbanized area. In FY 1981, fourteen transit projects were funded, for a total of \$49.7 million. This amount represents approximately 5 percent of the FAUS funds allugated in FY 81. As in previous years, the bulk of the funds continues to go for highway projects which are administered by the Federal Highway Administration. The majority of the funds used for transit projects - \$31 million - was dedicated to the rail modernization program of the New York City Transit Authority.

Other New York grants included \$1.5 million for the Broadway Plaza project and \$2.4 million for the purchase of small buses in Westchester County. Minneapolis received \$1.9 million for the the purchase of 9 articulated buses and \$10 million was made available to Los Angeles for maintenance facility land acquisition. San Francisco received \$1.4 million for the purchase of 10 buses for fleet expansion and the City of Davis received \$86,000 to aid in the replacement of 2 buses. Table 11 shows the distribution of FY 1981 program funds for FAUS projects.

Table 11

FY 1981 Obligations

Federal Aid Urban Systems

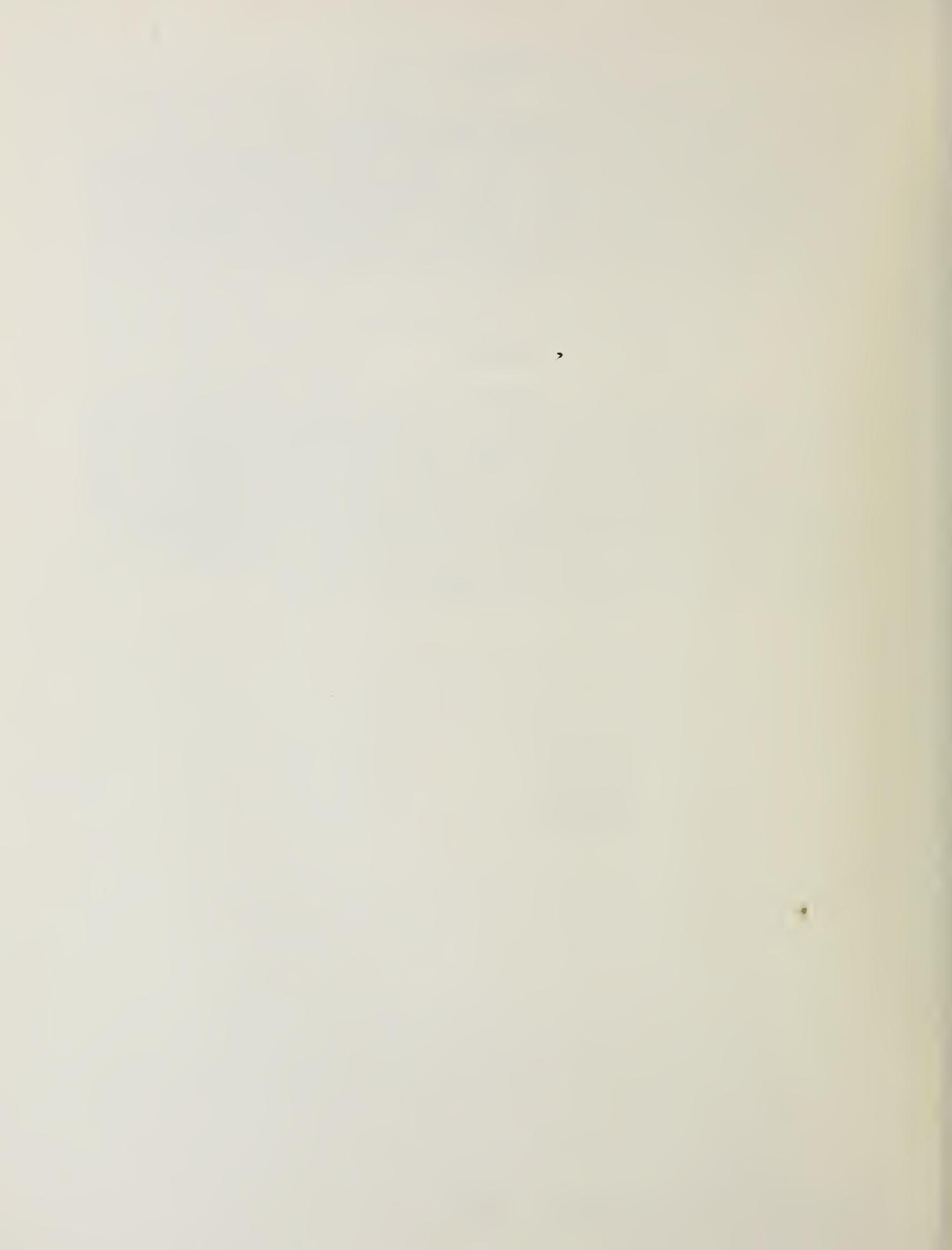
New York	\$36,052,500
New Jersey	215,541
California	11,489,788
Minnesota	<u>1,918,500</u>
Total	\$49,676,329

SECTION 17

Section 17 of the UMT Act of 1964, as amended, authorized funding for Conrail, Amtrak, States, local public bodies and other agencies that incurred additional costs because of the Regional Rail Reorganization Act of 1973 (3R Act). The program was authorized at \$125 million, of which approximately \$114 million was obligated by the end of FY81. Only two agencies continued to receive assistance in FY81. The Maryland DOT received \$268,232 as reimbursement for payments made to Conrail in settlement of liability claims and repair costs resulting from an accident in the Baltimore-Washington, D.C. areas. In addition N.W. Indiana received \$581,989 for prior years operating costs of Conrail.

SECTION 18

FY79 was the first year of operation for the Section 18 program which provides formula grants to the states for projects serving small urban (under 50,000 population) and rural areas. This program is administered jointly by UMTA and FHWA, with FHWA designated lead responsibility for day-to-day administration. During FY 81 \$72.5 million was appropriated for the program. With the use of carryover authority, \$ 73.1 million was obligated for various operating and capital projects. In line with the Administration's policy to end Federal participation in operating subsidies the Section 18 program will be phased out over the next several years although funding for eligible capital projects will continue to be available under the Section 3 discretionary grant program.



DOT LIBRARY



00399545