



## Transit Action Team – Funding Sources Summary Document

The following is intended as a resource to help understand available state and federal funding sources for transit projects. This document will continue to evolve over time. Please let us know any suggestions for improvement.

### State Transit Funding Sources

**Casino Revenue** – Provides state transit funding from the annual allocation of the 7.5 percent of the Casino Tax Fund appropriated for transportation services for senior and disabled persons.

**Match Required?**

No.

**Who is Eligible to Apply?**

21 County coordinated systems.

**Who is NOT Eligible?**

Anyone other than 21 County coordinated systems is not eligible.

**Can Public-Private Partnerships Apply?**

Eligible applicants can contract for service with a private or non-profit operator.

**Operational Requirements:**

Services must primarily benefit persons over 60 and individuals with a disability of any age.

**Eligible/Ineligible Uses for Funds:**

- Capital vehicles and equipment;
- Administrative expenses;
- Mobility management and operating expenses targeting the needs of persons over 60 and individuals with a disability of any age.

**Relative Stability:**

Available funding has decreased by more than 50% since 2008 due to diminished returns from Casino Revenue tax.

**NJ-Job Access and Reverse Commute (NJ-JARC)** – Has replaced the FTA Section 5316 JARC program; provides funding for operating only.

**Match Required?**

Yes.

**Match Split:**

50% Local Match for Operating Funds

**Who is Eligible to Apply?**

- Private Non-Profit Organizations;
- State and Local Governmental Authorities;
- Operators of public transportation services, including private operators of public transportation services.

**Can Public-Private Partnerships Apply?**

Eligible applicants can contract for service with a private or non-profit operator.

**Operational Requirements:**

Services must primarily provide access to employment.

**Eligible/Ineligible Uses for Funds:**

Operating expenses for eligible services.

**Relative Stability:**

Stable for existing funded projects but limited funding for new projects.

**Safe Streets to Transit** – Provides funds to counties and municipalities to improve the overall safety and accessibility for mass transit riders walking to transit facilities, encourage mass transit users to walk to transit station, and facilitate the implementation of projects and activities that will improve safety in the vicinity of transit facilities (approximately one-half mile for pedestrian improvements).

**Who is Eligible to Apply?**

Counties and municipalities. A county or municipality may submit one application annually.

**Eligible/Ineligible Uses for Funds:**

The following project related activities are eligible for funding:

- Construction, including construction inspection and material testing according to the Transportation Trust Fund Authority Act; and
- Preliminary and final design for municipalities eligible for Urban Aid or Depressed Rural Centers according to the Transportation Trust Fund Authority Act.

Ineligible projects and activities include:

- Education and enforcement efforts
- Planning studies
- Transit and shuttle services
- Bus stop shelters
- Maintenance operations
- Routine maintenance or repair of sidewalk
- Bicycle Projects (funding for bicycle facilities are available through other Local Aid grant programs)
- Right-of-way purchases associated with any project.
- Operating costs associated with any project.
- Planning

**Additional Notes:**

See [www.state.nj.us/transportation/business/localaid/documents/SSTTHandbook7-3-14.pdf](http://www.state.nj.us/transportation/business/localaid/documents/SSTTHandbook7-3-14.pdf) for more details.

**Transportation Alternatives (TAP)** – Provides set-aside funding for programs from the previous authorization, SAFETEA-LU, which are: Transportation Enhancements (TE), Recreational Trails (REC TRAILS), and the Federal-Aid Safe Routes to School (SRTS). TAP funds may be transferred to NHPP, STP, HSIP, CMAQ or PL, or to the Federal Transit Administration for TAP-eligible projects.

**Match Required?**

No.

**Who is Eligible to Apply?**

- Local governments;
- Regional transportation authorities;
- Transit agencies;
- Natural resource or public land agencies;
- Tribal governments;
- Any other local or regional governmental entity with responsibility for oversight of transportation (other than a metropolitan planning organization or a State agency).
- Regional projects (affecting more than one municipality) must receive county(s) endorsement in addition to the endorsement of affected municipalities.

**Who is NOT Eligible?**

Nonprofit organizations are not directly eligible to apply. However, nonprofit organizations may partner with a local public agency that will assume responsibility and administration for the grant.

**Eligible/Ineligible Uses for Funds:**

For the most recent solicitation, eligible projects were required to fit into one the following 7 categories:

1. Provision of facilities for pedestrians and bicycles;
2. Scenic or historic highway programs, including the provision of tourist and welcome center facilities as well as scenic turnouts, overlooks, and viewing areas;
3. Landscaping and other scenic beautification;
4. Historic Preservation;
5. Rehabilitation of historic transportation buildings, structures and facilities (including historic railroad facilities and canals);
6. Preservation of abandoned railway corridors (including the conversion and use thereof for pedestrian and bicycle trails); and
7. Environmental mitigation to address water pollution due to highway runoff or reduce vehicle-caused wildlife mortality while maintaining habitat connectivity.

In addition, projects must relate to surface transportation. A project may function as a component of the transportation system such as a bike and pedestrian path. Proposals must be for a complete, identifiable and usable facility or activity. Funds are not available for partial projects that cannot function as a complete and useful activity (independent utility). Funds are available for design, property acquisition or construction of projects.

**Additional Notes:**

The federal funds for TAP projects are provided on a reimbursement basis only. Project must receive federal authorization within two years of the date that the applicant is notified of project selection. If the project is not authorized within two years of the notification, the grant will be rescinded and the applicant will have to reapply. For more information, see

[www.dvrpc.org/TAP/pdf/Transportation\\_Alternatives\\_Handbook.pdf](http://www.dvrpc.org/TAP/pdf/Transportation_Alternatives_Handbook.pdf) or [www.state.nj.us/transportation/business/localaid/alternatives.shtm](http://www.state.nj.us/transportation/business/localaid/alternatives.shtm).

**Federal Transit Funding Sources**

**CMAQ (Congestion Mitigation and Air Quality Improvement Program)** – Provides funding for projects that improve air quality and/or relieve congestion without adding new highway capacity, and now under MAP-21, include demand-shifting projects or programs such as telecommuting or establishing electric vehicle charging stations or natural gas vehicle refueling stations.

**Match Required?**

Yes and No.

**Match Split:**

- DVRPC 100% Federal;
- NJTPA requires 25% local match for shuttle operations, otherwise 100% Federal

**Eligible Match Sources:**

Toll Credit

**Who is Eligible to Apply?**

- Any public agency;
- Incorporated private firms;
- Non-profit entities;
- Private firms and non-profits must partner with a public agency sponsor and have a formal agreement in place with the public agency at the time of funding award.

**Who is NOT Eligible?**

Individuals.

**Can Public-Private Partnerships Apply?**

Yes, as long as certain requirements are met.

**Relative Stability:**

Very Stable.

**Additional Notes:**

See DVRPC ([www.dvrpc.org/CMAQ](http://www.dvrpc.org/CMAQ)) and NJTPA ([www.njtpa.org/Project-Programs/Mobility-Programs/CMAQ-Local-Mobility.aspx](http://www.njtpa.org/Project-Programs/Mobility-Programs/CMAQ-Local-Mobility.aspx)) for more details.

**SEC 5310 (FTA Enhanced Mobility of Seniors and Individuals with Disabilities Program)** – Provides funding for two programs merged from the previous authorization: NEW FREEDOM FTA's 5317 Formula Program, which has been discontinued by MAP-21, and the previous authorization's Section 5310 Elderly and Persons with Disabilities Program for the purchase of small buses or van-type vehicles with lifts for private or nonprofit agencies that serve the elderly and persons with disabilities.

**Match Required?**

Yes.

**Match Split:**

- Capital Costs = 80% Federal/20% Local
- Operating Costs = 50% Federal/50% Local

**Eligible Match Sources:**

Capital Assistance:

- Vehicles - 20% match required-provided by NJ TRANSIT
- Equipment - 20% match required-provided by NJ TRANSIT
- Mobility Management - 20% match required-provided by applicant
- Acquisition of Transportation Services - 20% match required-provided by applicant

Operating Assistance:

- 50% match required-provided by applicant

NJ TRANSIT may use Toll Credits in lieu of cash match.

**Who is Eligible to Apply?**

- Private Non-Profit Organizations
- Public Bodies
- Private For Profit Organizations
- Federally Recognized Indian Tribes

**Who is NOT Eligible?**

Individuals.

**Eligible/Ineligible Uses for Funds:**

- Vehicles: ADA compliant vehicles including buses, minibuses, vans and minivans
- Mobility Management/Equipment/Acquisition of Transportation Services:
  - Transit related intelligent transportation systems (ITS's) including computer hardware and software
  - Acquisition of transportation services – such as third party contracts
- Operating: Expenses that are necessary to operate, maintain, or manage a transportation system, such as salaries, maintenance, fuel, insurance

See NJ 5310 Program Guidance document for complete list.

**Additional Notes:**

See [www.njcttp.org/united/SECTION5310PROGRAMJanuary2014.doc](http://www.njcttp.org/united/SECTION5310PROGRAMJanuary2014.doc) for more details.

**SEC 5311 (Non-urbanized Area Formula Program)** – Provides funding for rural public transportation programs in areas with a population fewer than 50,000 according to the Census, including JARC-eligible activities from previous authorizations and in MAP-21.

**Match Required?**

Yes.

**Match Split:**

In New Jersey, in order to encourage local transit, NJ TRANSIT has historically provided one half of the local match. As a result, in New Jersey, the funding ratio in practice has been as follows:

- Operating Expenses = Federal 50%/State 25%/Local 25%
- Administration Expenses = Federal 80%/State 10%/Local 10%
- Capital Expenses = Federal 80%/State 10%/Local 10%

**Who is Eligible to Apply?**

In NJ, only rural designated counties are eligible as sub-recipients to NJ TRANSIT as the designated recipient.

**Who is NOT Eligible?**

Anyone other than rural designated counties is not eligible.

**Can Public-Private Partnerships Apply?**

Eligible applicants can contract for service with a private or non-profit operator.

**Operational Requirements:**

Services must primarily serve trip origins and destinations in Census rural designated areas.

**Eligible/Ineligible Uses for Funds:**

Capital and Operating expenses (See NJ 5311 Program Guidance document for complete list).

**Additional Notes:**

See [www.njcttp.org/united/Section5311SMPJune2012.doc](http://www.njcttp.org/united/Section5311SMPJune2012.doc) for more details.

**SEC 5311 Innovation Grant** – The FTA Section 5311 Innovation Grant is a portion of unused funding allocated to Section 5311 eligible counties on a competitive application basis. The objective is to provide funding to promote coordinated transit services, and connection to NJ TRANSIT bus and rail services in rural counties.

**Match Required?**

Yes.

**Match Split:**

50% Federal/25% Local/25% NJ TRANSIT

**Eligible Match Sources:**

Cash (Hard) match can only be applied to the operating cost of the approved operating service.

**Who is Eligible to Apply?**

Only rural eligible sub-recipients of FTA Section 5311 funding are eligible.

**Who is NOT Eligible?**

Anyone other than rural designated counties is not eligible.

**Can Public-Private Partnerships Apply?**

Eligible applicants can contract for service with a private or non-profit operator.

**Operational Requirements:**

- Project must provide a direct connection with an existing NJ TRANSIT bus, private fixed-route bus, or rail service.
- Route must serve residential locations.
- Service must consist of a deviated fixed-route service with a service frequency of at least 60 minutes.
- Service must be provided at least 5 days per week.
- Proposed service may be either a new service or an expansion of an existing service.
- Proposed service operator must demonstrate the ability to meet operating requirements including meeting NJ Motor Vehicle Commission requirements if charging a fare, having a sufficient vehicle fleet with a 15 percent spare ratio.
- Service must provide a minimum of 4 passenger-trips per revenue hour by the end of the initial service period to be eligible for continued funding.

**Eligible/Ineligible Uses for Funds:**

- Eligible:
  - Operating expenses for driver salary and benefits;
  - Fuel;
  - Vehicle parts;
  - Maintenance.
- Ineligible:
  - Operations management;
  - Dispatch;
  - Training.

**Additional Notes:**

Maximum funding request cannot exceed \$200,000 (including local match).

**SEC 5339 (Bus and Bus Facilities Program)** – Provides formula-based federal funds based on population, vehicle revenue miles, and passenger miles to replace, rehabilitate, and purchase buses and related equipment,

and to construct bus-related facilities with a 20 percent local match requirement. This replaces the previous authorization's Section 5309 Bus and Bus Facilities Program.

**Match Required?**

Yes.

**Match Split:**

80 percent Federal/20 percent Local

**More information coming soon.**

**SEC 5340 (FTA 5340 Formula Program)** – Provides additional apportionment of funding to the Urbanized Area Formula and Rural Area Formula programs in MAP-21 as in previous authorizations.

**More information coming soon.**