Welcome

Mark Kloha
MDOT Small Urban Coordinator

Rural Task Force

Small Urban

MPOs

Rural Task Force Program is for census urbanized areas with a population of less than 5,000 people.

Small Urban Program is for 5,000 to 50,000

Metropolitan Planning Organizations (MPOs) are urbanized areas with a census population of 50,000 people or more.

Small Urban Program – in the middle

- MDOT Small Urban Program provides transportation funding to census urbanized areas with a population 5,000-50,000
  - Small Urban program fills in the gap for cities and villages between the RTF and MPO areas.

How many Small Urban areas are there? 2010 to 2020 Census

- With the 2010 Census – there were 56 Small Urban areas.
- With the 2020 Census – there are now 65 Small Urban areas.

14 newish areas

- New Small Urban areas as of the 2020 Census
  - Allendale
  - Buchanan
  - Cheboygan
  - Dexter
  - Dundee
  - Durand
  - Fenton
  - Frankenmuth
  - Freeland
  - Fremont
  - Mattawan
  - Sparta
  - Adrian
  - Tecumseh

Small Urban Program – 56 to 65

- 2020 Census
  - Traverse City is an MPO
  - Adrian-Tecumseh is no longer one area.
    - Two separate Small Urban areas
  - Williamston-Webberville; Goodrich-Ortonville; Clare-Farwell - these are no longer Small Urban areas.
    - Part of RTF program

how is the program funded

- The Small Urban program receives approximately 13-14 million dollars each year in federal funds
  - STBG – State Transportation Block Grant
  - STUL/SRGS are JobNet finsys codes
  - STUL/SRGS are federal funds available for the Small Urban program from the STBG funds
- Federal Revenue Specialist sends out updated amounts for the Small Urban program (list of revenue amounts)

the even year and odd year cycles

- With this limited funding, each Small Urban area only receives funding every other year.
- The Small Urban areas are split into two categories:
  - Even year cycle
  - Odd year cycle

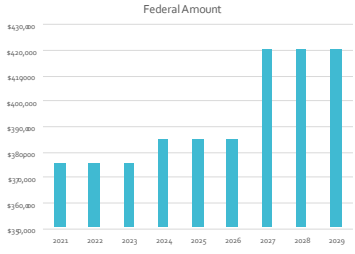
Small Urban Program – odd and even

- There are 32 areas that receive funding in the even years.
- There are 33 areas that receive funding in the odd years.

the actual dollars

- Each Small Urban area receives $420,000 in federal STUL funds every other year.
  - Was $385,000
  - Increase of $35,000
- Federal funds and local match
  - Requires local match - 20% or $105,000
  - Can overmatch – this is quite common
- Projects are capped (not pro rata) – local agencies are responsible for any cost overruns

Funding by year



Transit match is different

- Transit Project required match
  - For transit projects, the match amount comes from State funds and not the local transit agency.
  - Comprehensive Transportation Fund (CTF)

Small Urban Program – who does what when

- Regional Planning Agency (RPA) Responsibilities
- Small Urban Committee responsibilities
- Local Agency responsibilities
- MDOT/Small Urban Program Manager responsibilities

3C Process

- Small Urban Program follows the Federal 3C process
  - Cooperative
  - Comprehensive
  - Continuous

Small Urban Program and RPAs

- The RPAs will schedule the day, time, and place for Small Urban meetings
- Advertise the meetings - the Small Urban meeting must be advertised, public, in-person meetings
  - Send proof of advertising to Small Urban progam manager
- Facilitate the meeting
- Take meeting minutes
- Send meeting minutes to committee members, MDOT Small Urban program manager, OPT for transit projects

Small Urban Program and Small Urban Committees

- The Small Urban Committees consist of the following agencies as voting members:
  - City or Village
    - Some Small Urban areas have multiple cities/villages and all are included
  - County Road Commission
    - Some Small Urban areas are in multiple counties and both counties are included
  - Transit provider for the urbanized area
  - Township representatives can attend the meetings, provide input, however, they are not voting members

Small Urban Committees

- The Small Urban Committee member responsibilities:
  - To attend the scheduled meetings
  - Prepared to discuss projects
  - Prioritize, select, and approve projects for their areas and/or make changes to previously selected projects
  - Can select and prioritize illustrative projects

Illustrative Projects – unfunded projects that are approved by the Small Urban committee

- Illustrative Projects and Lists
  - Illustrative projects are unfunded projects that are selected and approved by the Small Urban committee
  - Not required, however, can be useful
  - Local projects sometimes get done with other funding such as all local funds
  - Problems can occur with the originally selected project
  - Sometimes extra funding can become available
  - With the illustrative project list, the Small Urban committees have a starting point for selecting the next project.
  - Should the Small Urban committee decide to proceed with an already selected/approved illustrative project, this would only require an email vote.

Small Urban Program and Small Urban Committees

- Small Urban Committees
  - Make sure projects are within their urbanized areas
  - The road/transit project is eligible
    - Federal-aid eligible road or
    - Minor collector road on federal-aid highway system prior to Jan. 1, 1991
    - Minor collector and local roads are eligible to receive up to 15% of the Small Urban funds – SRGS funding code
    - Work being done is eligible
- The funding available to Small Urban committees can be split up between different roads and/or different agencies.

Small Urban Program and Local Agencies

- Local Agency Responsibilities:
  - Fill out the 2606 and or 2638 forms
    - 2606 – road
    - 2638 – transit
  - Send those to RPA and Small Urban Program Manager
  - Make sure the required local match can be met

Small Urban Program and Local Agencies

- Local Agency Responsibilities:
  - Projects must be obligated in the FY selected
  - Funds do not carryover to the next year
  - It is possible to obligate in one FY and do construction in the next
  - Work with LAP to get a complete biddable package turned into LAP in a timely manner – the sooner the better.

Local Agencies and when to contact Mark

- When to contact Small Urban Program Manager or RPA or both
  - If there are any changes to a selected project
  - If there are any problems with the project – delays, timing, anything – the sooner you contact me the better – more time to discuss and schedule meetings

Making Changes – Major Actions

- Changes that require a formal meeting:
  - Project additions or deletions from the approved list
  - Cost changes greater than 25%
  - Major scope changes – including project name/route, or location changes
  - Significant changes to type of work or project description

Making Changes – Minor Actions

- Changes that require an email vote:
  - Cost changes that are less than 25%
  - Minor scope changes – along same route – less than a half mile
  - Minor changes to work type
  - Year changes
  - Moving a project from Illustrative list to approved project list – this requires an email vote.

Small Urban areas in MPOs

- There are several Small Urban areas within the Metropolitan Planning Organization (MPO) boundaries.
- For these areas, the local agency will need to work with their respective MPO to make sure their projects are included in the Transportation Improvement Program (TIP).

Small Urban Program Manager

- Small Urban Program Manager Responsibilities:
  - Call For Projects (CFP)
    - CFP Letters
    - Small Urban Guidance document
    - Update Small Urban website
    - Monthly update for project lists

Small Urban Program Manager

- Small Urban Program Manager Responsibilities:
  - Small Urban Program Manager programs projects into JobNet
  - After Small Urban committees meet, select project, submit their 2606 or 2638 form, program manager creates the JN in JobNet
  - This is different from RTF program

What I need - summary

- A project application form – 2606 or 2638 form from the local agency
- Minutes from the Small Urban committee meeting
  - Provided by the RPA
  - Draft minutes provided within two weeks of the meeting
- A copy of the public announcement of the meeting from local news and/or webpage – also provided by the RPA

Small Urban CFP - 2025

- The last CFP occurred in FY 2025-26 for FY 2027-2029.
- It was a compressed schedule to allow RPAs/MPOs to focus on the MPO TIP development, get that approved, then focus on the Small Urban program
- All Small Urban committees did meet.
  - FY 2027 is fully programmed
  - FY 2028 and FY 2029 – a few areas need to re-meet and select projects

Small Urban Program CFP next schedule

- Next CFP will be for FY 2030-2033
- The estimated timeframe is to have the next CFP letter and documentation sent out in late FY 2027 into FY 2028.
- This CFP will be coordinated with the next STIP development to have the projects programmed in JobNet in time for the STIP Snapshot.
  - It is FY 2026 and we are working on the development schedule for the next STIP.
  - The Small Urban Program CFP will be timed accordingly with the STIP development schedule

Other Items of interest

- Sliding Scale
- Bid Savings
- Federal Aid Buyout
- Small Urban website and links

Sliding scale option

- Sliding Scale option – 81.85/18.15
- Due to federal lands and tribal lands – can't collect taxes on these, the 80/20 split can be adjusted to 81.85/18.15
- For $420,000 – the local match would be $93,133
- Does not reduce the federal $420,000 amount – only lowers the local match amount

Sliding scale option

- The sliding scale can be used by any Small Urban area for any road or bridge project.
- It would help reduce the local amount the city or county would need to provide.
- Transit projects will always be matched by the State of Michigan at 80/20.

Bid Savings

- Small Urban areas can utilize bid savings.
- However, you would need to **work with LAP early on**, get the project bid and let to understand how much there is in bid savings
- Have enough time to meet, select a new project, and get that obligated or flexed to transit projects
- In most cases of bid savings within the Small Urban program, the money has gone to a transit project.
- Projects that utilize bid savings will still need to be obligated within that fiscal year
- Emphasizes the importance of an illustrative project list

Federal-aid buyout

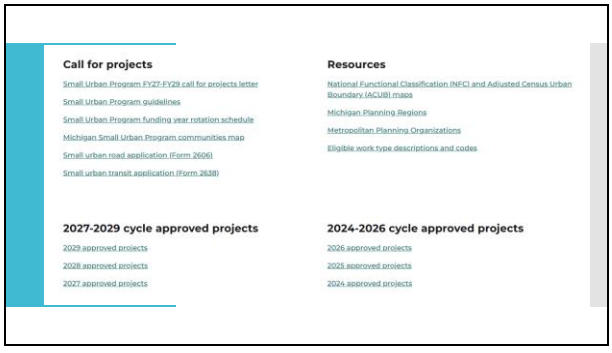
- **When** MDOT does offer the federal-aid buyout –
  - Small Urban agencies can take advantage of this **when** offered
  - Receive 90% of the federal dollars available
  - There are forms that need to be filled out and submitted
  - Federal Aid Buyout Program

Small Urban Program Website link

- Small Urban Program website:
  - http://www.michigan.gov/mdotsmallurban

Small Urban Program – Website

- FY 2027-2029 CFP letter
- Small Urban Guidance Document
- Funding year rotation schedule
- 2606 and 2638 forms
- Approved Project lists – updated monthly on the Small Urban website



Call for projects

Small Urban Program FY27-FY29 call for projects letter
Small Urban Program guidelines
Small Urban Program funding year rotation schedule
Michigan Small Urban Program communities map
Small urban road application (Form 2606)
Small urban transit application (Form 2638)

Resources

National Functional Classification (NFC) and Adjusted Census Urban Boundary (ACUB) maps
Michigan Planning Regions
Metropolitan Planning Organizations
Eligible work type descriptions and codes

2027-2029 cycle approved projects

2029 approved projects
2028 approved projects
2027 approved projects

2024-2026 cycle approved projects

2026 approved projects
2025 approved projects
2024 approved projects

Small Urban Program and MDOT subscription service

- MDOT email subscription service
  - Sign up for email subscription from MDOT – Small Urban Program
  - Demonstration

Small Urban Program Updates

- Small Urban project lists are updated monthly
  - Posted to Small Urban website
  - Sent out via MDOT email subscription service
- Other important updates will be posted to the Small Urban website and/or sent out via MDOT email subscription service

NFC Map and layers

- NFC Map
  - NFC, NHS & ACUB (arcgis.com)
  - 2020 ACUB layer – make sure road projects are in designated area
  - MPO layer – check to see if project needs to be in MPO TIP
  - Federal Aid Eligible layer – either federal aid eligible road or local road (not a private road)
  - RPA layer – RPAs and Small Urban areas

FAQ

- Funds split between projects – yes
- Funds split between agencies – yes
- AC/ACC projects – yes
- Special Rule and project on local road or rural minor collector – yes
- Add other funds such as Economic Development, CMAQ, and/or MPO funds if project is in MPO boundary – yes
- TEDF-F funds can be used for Small Urban as this is a state funded competitive grant. (TEDF-D is for rural and is utilized by Rural Task Force) Transportation Economic Development Fund
- Can two different agencies select two different projects on local non-federal aid eligible road, both agencies AC the projects, and add in other funds - yes

Small Urban Contact

- If you have any questions about the Small Urban Program, please contact:
  - Mark Kloha, Transportation Planner
    MDOT – Bureau of Transportation Planning
    Statewide Planning Section
    (517) 242-7212
    kloham@michigan.gov

Q & A

Thank you