

Colorado Legislative Council Staff



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FEDERAL STIMULUS FUNDING FOR COLORADO SURFACE TRANSPORTATION AND PUBLIC TRANSIT PROJECTS by Kurtis Morrison

On February 17, 2009, President Obama signed the American Recovery and Reinvestment Act of 2009 (ARRA), Public Law 111-5, into law. The bill appropriated \$787 billion for domestic spending and tax relief. Colorado is estimated to receive approximately \$3 billion through ARRA grant funding and services (not including tax relief provisions impacting individual and business tax filings). The ARRA supports a broad range of transportation projects, including highways, mass transit, aviation, maritime, railroads, and transit security. This issue brief specifically addresses funds appropriated for highways, surface transportation, and public transit.

Background

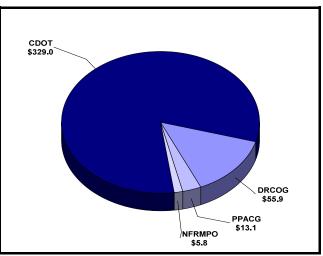
The ARRA appropriated \$27.5 billion and \$8.4 billion for surface transportation and public transit, respectively, through discretionary and formula grants to states, counties, and municipalities. Under ARRA guidelines, the majority of transportation stimulus funds are to be distributed with priority given to projects with expected completion dates within three years of enactment and in economically distressed areas. Colorado is slated to receive \$403.8 million for surface transportation projects and \$102.7 million for transit projects.

Surface Transportation Allocations

Of the \$403.8 million for Colorado highway and

surface transportation projects, 81.5 percent of funding is to be administered by the Colorado Department of Transportation (CDOT). Remaining funds are appropriated to the following metropolitan planning organizations (MPOs): the Denver Regional Council of Governments (DRCOG); the Pikes Peak Area Council of Governments (PPACG); and the North Front Range Metropolitan Planning Organization (NFRMPO). Table 1 indicates the distribution of transportation funds by recipient.

Table 1 ARRA Allocations for Colorado Highway and Surface Transportation Projects (millions)



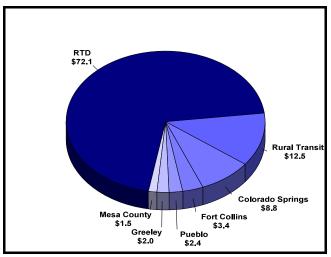
Source: Colorado Department of Transportation

Stimulus funds do not require a state or local funding match. ARRA required that 50 percent of surface transportation funds be obligated within 120 days following the bill's enactment and that all remaining funds be obligated one year following enactment (February 17, 2010). Unobligated funds are returned to the federal government for redistribution to other states.

Transit Allocations

Federal transit funds are appropriated for bus purchases, fleet upgrades and maintenance, intermodal and multimodal transit facilities, and other mass transit modes. Of the \$102.7 million in ARRA funds for Colorado public transit spending, approximately 70.2 percent is provided to the Regional Transportation District (RTD), 17.6 percent to cities and counties, and 12.2 percent to CDOT to benefit rural area transit. Grants also do not require a state or local funding match. Deadlines to obligate funds vary according to program.

Table 2 ARRA Allocations for Colorado Public Transit Projects (millions)



Source: Colorado Department of Transportation

Project Information

As of July 31, 2009, CDOT reports that of Colorado transportation projects planned to receive ARRA funds:

- 51 projects have gone to advertisement;
- 34 projects are under contract;
- 18 projects are under construction; and
- 1 project is complete.

The following are examples of ARRA funds obligated for Colorado surface transportation and mass transit projects.

I-225 and East Colfax Avenue interchange reconstruction. The Interstate-225 and East Colfax Avenue interchange reconstruction project is estimated to cost \$43 million. The project has received approximately \$11.3 million and \$1.1 million in federal stimulus funds committed by DRCOG and CDOT, respectively. The site is adjacent to the Anschutz Medical Campus, a rapidly growing job center for medical, health sciences, and research professionals. The interchange, originally designed for 4,000 vehicles per day, currently accommodates 58,000 vehicles per day.

State Highway 62 resurfacing. CDOT has committed \$4 million to resurface a Highway 62 segment in San Miguel and Ouray Counties in southwest Colorado. The 21.5-mile resurfacing project is estimated to cost \$11.7 million.

Union Station redevelopment. RTD has received \$18.6 million in stimulus funds for the redevelopment of Union Station located in downtown Denver. The redevelopment project will convert the existing facility into a multimodal transit station to accommodate bus, passenger train, and light rail transportation. The total project cost is estimated at approximately \$475 million. ARRA funds will cover design and construction costs.

West Belleview Avenue resurfacing. The state has obligated \$1.2 million to resurface a segment of West Belleview Avenue adjacent to South Federal Boulevard. The road segment surface will be replaced with two inches of new asphalt and will receive new curbs and sidewalks.

Other projects. Information regarding all ARRA funding obligations for Colorado transportation projects is available through the following resources:

- State of Colorado, Governor's Office www.colorado.gov/recovery
- Colorado Department of Transportation
 <u>www.dot.state.co.us/arra</u>