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STATE OF MICHIGAN
DEPARTMENT OF TRANSPORTATION
LANSING

BRADLEY C. WIEFERICH, P.E.
DIRECTOR

September 4, 2025

Small Urban Transportation Agencies
Regional Planning and Development Agencies

Subject: Fiscal Years 2027 - 2029 Small Urban Program Call for Projects

Dear Transportation Partner:

The Michigan Department of Transportation (MDOT) is issuing a "Call for Projects" (CFP) for the Small Urban Program that serves designated census urban areas with a population between 5,000 and 50,000 for Fiscal Years (FY) 2027 - 2029. The purpose of this call is to solicit projects from local road and transit agencies within those small urban areas that wish to utilize federal transportation funding for FY 2027 - 2029. The CFP is a process through which funding is allocated to road and transit projects that serve the highest priority needs of each individual small urban area. Through this CFP, local agencies may bring forward projects to be presented to, reviewed and prioritized by their small urban committee. Projects selected to receive funding will be amended into the FY 2026 - 2029 Statewide Transportation Improvement Program (STIP).

It is estimated that the Small Urban Program will receive approximately \$14 million of Surface Transportation Block Grant (STBG) allocation annually in FY 2027 - 2029. Funding criteria for the MDOT Small Urban Program is listed below:

- Allocation of funding is distributed, and projects are awarded, in either an odd or even year to each small urban area with populations of 5,000 to 50,000 as designated by the 2020 United States Census.
- The maximum amount awarded for a project or projects to a small urban area for each year that funding is allocated to that area is:
 - **FY 2027 - \$420,000**
 - **FY 2028 - \$420,000**
 - **FY 2029 - \$420,000**
- The local road agency that is implementing a project must provide a minimum 20 percent local cash match to the total participating costs for road and bridge projects. For transit projects, the local match is provided by MDOT through the Comprehensive Transportation Fund (CTF) funds.
- All proposed projects must be within the approved federal Adjusted Urban Census Boundary (ACUB) and located on the Federal Highway System. Local roads have limited eligibility per 23 USC 133 (g) Special Rule for Areas of Less Than 50,000 Population that allows up to 15 percent of the STBG program to be obligated on roads with the NFC classification of rural minor collectors or local roads inside of a census urban area with a population less than 50,000. Please see Small Urban Program Guidelines for more details.
- Funding can only be used for roadway construction or for transit capital costs.

For the FY 2027 - 2029 Small Urban CFP, the regional planning agencies (RPAs) are responsible for scheduling a day, time and place for the small urban committees to meet in person. The RPAs are responsible for making sure that the meetings are advertised as a public meeting, facilitating the meetings, taking meeting minutes and sending the meeting minutes to the small urban committee members, the MDOT Small Urban Program manager, and for transit projects, to the MDOT Office of Passenger Transportation (OPT) regional project manager.

The small urban committees consist of one voting member from the city/village, one voting member from the county road commission, and one voting member from the transit agency. For small urban areas that are in multiple counties, each county road commission and transit agency is represented on the small urban committee, and each county road commission and transit agency will have one vote. For small urban areas that have multiple cities/villages, each city/village is represented on the small urban committee, and each city/village will have one vote. For areas that are served by more than one transit agency, each transit agency will have one vote.

The small urban committee members are responsible for meeting at the designated day, time, and place that the RPA has scheduled. At this public meeting the small urban committees will select, prioritize and approve projects for FY 2027 - 2029 based on their odd/even cycle funding years.

For the local agency receiving road funding: the local agency that is receiving funding is responsible for filling out the 2606 form and sending it to the MDOT Small Urban Program manager and to the RPA. The Small Urban Program manager will program the project in JobNet and generate a job number (JN). After the project is programmed in JobNet and has a JN, the road projects must be amended into either the STIP or a metropolitan planning organization (MPO) transportation improvement program (TIP) based on the geography of the project. The local agency is responsible for working with MDOT Local Agency Planning (LAP) to have a complete biddable package ready for obligation by Sept. 10 of the fiscal year that the project was selected for.

For transit agencies receiving funding: the transit agency that is receiving funding is responsible for filling out the 2638 form and sending it to the RPA and MDOT Small Urban Program manager. The Small Urban Program manager will program the project in JobNet and generate a JN. Furthermore, transit projects must be identified in a transit agency's Public Transportation Information Management System (PTIMS) application by Feb. 1, and, if applicable, identified in their Transit Award Management System (TRAMS) grant applications. The transit projects must be in either the STIP or an MPO TIP with an approved status by the third Wednesday in May in order to flex the funds to the Federal Transit Administration.

The MDOT Small Urban Program manager will attend the scheduled small urban meetings whenever possible. Once the project forms are received, the MDOT Small Urban Program manager will program the projects into the MDOT database (JobNet) and notify the RPAs and small urban committee members when it has been programmed and a JobNet JN has been generated.

Program Submittal Timeline:

- **September 2025** – MDOT distributes the CFP for Small Urban Program projects.
- **Sept. 15 – Nov. 15, 2025** – RPAs schedule and hold meetings with their respective small urban committees to select, prioritize and approve projects for FY 2027 - 2029.
- **Nov. 15 – Nov. 30, 2025** – The local road or transit agency receiving funding will fill out applicable 2606/2638 forms (enclosed) and send those to the RPA, MDOT Small Urban Program manager and, if applicable to the MDOT OPT regional transit project manager **no later than Nov. 30, 2025**.
- **Dec. 1 - 15, 2025** – The MDOT Small Urban Program manager will program projects into MDOT's JobNet database, generate a JobNet JN, and provide the RPAs and local road/transit agencies with the JN associated with their project. A list of FY 2027 - 2029 selected projects will be sent out via GovDelivery and posted to the Small Urban website by Dec. 15, 2025.

For those areas with FY 2027 projects that would like to obligate in October 2026, please be aware of the following dates for submitting documentation to LAP. More details are available at [FY 2026 Project Planning Guide](#):

- Local agency submits its Section 106 and National Environment Policy Act (NEPA) documentation: Dec. 5, 2025
- Local agency submits its grade inspection: May 4, 2026
- Complete biddable package turned into LAP: July 17, 2026

Prior to obligation, the project will need to have an "Approved" status in the rural STIP or an MPO TIP. More information regarding the required planning process and instructions for completing the project application are available on the [Small Urban Program webpage](#).

If you have any questions regarding the Small Urban Program CFP, please contact Mark Kloha, transportation planner, Statewide Planning section at 517-242-7212 or KlohaM@Michigan.gov.

Sincerely,

Craig Newell, Administrator
Statewide Transportation Planning Division

Enclosures

cc: D. Mayle, MDOT
H. Bowden, MDOT
M. Kloha, MDOT