

2010 Census Implications for Urban Areas in the Houston TMA

Background

An urbanized area (UZA) is an area with a population of 50,000 or more that has been defined as such in the most recent decennial census by the Census Bureau. Urbanized areas (UZAs) are important to the designation of a metropolitan planning organization (MPO) and application of metropolitan planning requirements; designation of transportation management areas (TMA); application of air quality conformity requirements; and, allocation of federal and state funding. The designation of UZAs is particularly important to Federal Transit Administration (FTA) formula allocations for transit.

FTA allocates funding for transit systems in urbanized and rural areas and for programs for the elderly and persons with disabilities. For FTA funding allocation, UZAs are further categorized according to population: small urban (50,000 to 199,999); large urban (200,000 to 999,999); and very large urban (1 million or more). The largest FTA funding program is the Section 5307 Urbanized Area Formula Program, representing 57% of all FTA formula funding. Section 5307 authorizes federal capital and, in some cases, operating assistance for transit in UZAs. Eligible purposes for use of Section 5307 funds include planning, engineering design, and evaluation of transit projects and other technical transportation-related studies; capital investments in bus and bus related activities; and capital investments in new and existing fixed guideway systems. Small UZAs with a population of less than 200,000 may also use Section 5307 funds for operating assistance up to 50% of the operating deficit (operating expenses less fare revenue). For UZAs with populations of 200,000 or more, operating assistance is not an eligible expense.

Current Situation

In the case of both federal and state funding allocations, the designation of urban areas by the U.S. Department of Commerce, Bureau of the Census (Census Bureau) is significant. Changes in UZA designations may impact funding allocations and eligible uses of the funds, particularly in regards to FTA formula funds. The 2010 Census results will likely impact transit formula funding allocation within the Houston region for several areas including the Houston Urbanized Area, The Woodlands and the City of Conroe.

Action Requested

For information only