

**FTA Recipient Award Toolkit
Section 5337 State of Good Repair Grants Program
Specific Inclusions**



Federal Transit Administration

Fiscal Year 2026

Version Log

The following table records the history of modifications and successive editions of this document.

Version	Updates	Version Date
1.0	Developed a Section 5337 program-specific toolkit from existing FTA resources.	05/08/2026

Legal Notice

Notice: This guidance document is not legally binding in its own right, and the Federal Transit Administration will not rely upon it as a separate basis for affirmative enforcement actions or other administrative penalties. Conformity with this document (as distinct from existing statutes and regulations) is voluntary only, and nonconformity will not affect rights and obligations under existing statutes and regulations. This toolkit does not relieve recipients of the need to thoroughly review relevant FTA program circulars and applicable federal regulations. FTA does not require recipients to adhere to the recommendations in this document, except to the extent to which they cite federal regulations.

Toolkit Purpose & Orientation

Overview

The **Federal Transit Administration (FTA) Recipient Award Toolkit** may be used as reference material for developing applications for awards in the Transit Award Management System (TrAMS) and is intended to provide helpful information to recipients regarding application development, consistent with FTA Circulars and other information materials. This document, **Section 5337 Program Specific Inclusions**, provides FTA recipients with recommendations for developing grant applications specific to the Section 5337 grant program. This document offers program-specific guidance around program requirements (including eligibility and match requirements), recommended application inclusions, and application sample language.

The contents of this document do not have the force and effect of law and are not meant to bind the public in any way. FTA recommends that recipients consult the [TrAMS User Guide](#) while navigating TrAMS. Throughout the application development process, continue coordinating with assigned regional representatives to support areas requiring additional clarification beyond the TrAMS User Guide.

By following the recommended language and documentation standards outlined in the **FTA Recipient Award Toolkit**, recipients can:

- **Streamline Application Review:** These suggested approaches to application development, relevant to specific programs, are intended to help ensure that the key information in your application is clearly presented. This can reduce the possibility of later requests for clarification and can accelerate the path to a grant award.
- **Facilitate Grant Management:** Using a standardized format for critical program data within the application often makes managing the grant, from initial review through closeout, more efficient for both the recipient and FTA staff.

Toolkit Structure

This document is part of a larger **FTA Recipient Award Toolkit** which provides a framework for all TrAMS applications. All of the toolkit documents are linked on the FTA website at: <https://www.transit.dot.gov/funding/grants/applying/fta-recipient-award-toolkit>.

- **General Application Development Information:** provides recipients with an understanding of the processes, approaches, and best practices of a TrAMS award application, including preliminary work for application development; considerations for application planning; and key elements of an award, such as the executive summary, application projects, and budget descriptions.
- **Program Specific Inclusions:** expands on the General Application Development document by providing recipients with accessible information for application

development for the grant programs listed below, including program descriptions, program-specific applicability requirements, match percentages for funding, and navigation support for FTA Program Circulars.

- **Section 5307:** Urbanized Area Formula Program
- **Section 5310:** Enhanced Mobility of Seniors and Individuals with Disabilities Program
- **Section 5311:** Formula Grants for Rural Areas Program
- **Section 5311(c)(2):** Public Transportation on Indian Reservations (Tribal Transit) Program
- **Section 5337:** State of Good Repair Grants Program
- **Section 5339:** Grants for Buses and Bus Facilities Program

Acronyms and definitions for terms used in this toolkit are provided in the applicable [FTA Circulars](#).

This toolkit is subject to change without notice. When available, hyperlinks to source documents are included so that users have access to the most up-to-date information.

Section 5337 State of Good Repair Grants

Program Introduction and Application Considerations

Overview: FTA apportions Section 5337 funds to urbanized areas (UZAs) for eligible recapitalization and rehabilitation activities with a goal of bringing fixed guideway systems and high-intensity motorbus systems into a State of Good Repair (SGR). Fixed guideway is a public transportation facility (i) using and occupying a separate right-of-way for the exclusive use of public transportation; (ii) using rail; (iii) using a fixed catenary system; (iv) for a passenger ferry system; or (v) for a bus rapid transit system. High-intensity motorbus is bus service provided on High Occupancy Vehicles (HOV) lanes.

In addition to the Section 5337 formula program, FTA administers a Section 5337(f) Rail Vehicle Replacement competitive grants program to assist State and local governmental authorities in replacing rail rolling stock. Funding and specific program requirements for Rail Vehicle Replacement competitive grants will be published in an annual Notice of Funding Opportunity (NOFO) in the Federal Register. Consult the applicable NOFO for more information.¹

The following application considerations are unique to Section 5337 formula funding:

5337 Formula Program Considerations
<ul style="list-style-type: none">Section 5337 Formula Funding is made eligible to UZAs with fixed-guideway and high-intensity motorbus systems that have been in operation for at least seven full federal fiscal years prior to the beginning of the federal fiscal year of the apportionment.² For example, to receive funding in FY 2027, a fixed guideway system would have begun operations no later than September 30, 2019.<ul style="list-style-type: none">While funding is apportioned based on segments of the transportation systems above that have been in operation for at least seven full Federal fiscal years, the recipient may use the apportioned funds for any part of their fixed guideway system. Recipients may also use apportioned high-intensity motorbus funds for eligible projects on any part of their high-intensity motorbus system.
<ul style="list-style-type: none">All projects funded under Section 5337 must be included in the investment prioritization section of the recipient’s current Transit Asset Management (TAM) plan. Recipients must certify compliance as part of their annual Certifications and Assurances and in the application Executive Summary.³
<ul style="list-style-type: none">Expansion projects are generally not eligible under Section 5337. However, FTA will permit expansion of capacity within replacement projects to meet current or projected

¹ [FTA Circular C9050.1A Urbanized Areas Formula Grant Programs Guidance](#) (Chapter 2, Section 9, Pg. II-12)

² [FTA Circular C9050.1A Urbanized Areas Formula Grant Programs Guidance](#) (Chapter 3, Section 1, Pg. III-2)

³ [Per 49 U.S.C. § 5337\(a\)\(4\), 5337\(b\)\(2\); 49 CFR § 625.25\(b\)\(4\); 49 USC § 5337\(a\)\(4\)\(B\)](#)

5337 Formula Program Considerations

short-term service needs (e.g., replacing a maintenance facility with a larger facility or replacing a bus with a larger bus).⁴

- For any expansion elements included in a replacement project, FTA recommends the recipient address how the project meets current or short-term service levels. FTA will review the reasonableness of such expansion elements when reviewing the grant.

- Funds apportioned for high-intensity fixed guideway systems are available exclusively for high-intensity fixed guideway systems, while funds apportioned for high-intensity motorbus projects may also be used interchangeably towards high-intensity fixed guideway projects. When Fixed Guideway and High-Intensity Motorbus funds are included in same grant, they need to be in separate scopes or projects for reservation purposes.

Executive Summary – Recommended Inclusions

To streamline application reviews, FTA recommends including the following Section 5337 elements in the Executive Summary. These Executive Summary recommendations are specific to Section 5337 and supplement the Recipient Award Toolkit – General Application Development Information document. FTA recommends that recipients include:

- A brief description of your application, as outlined within the **Executive Summary** section of the [Recipient Award Toolkit - General Application Development Information](#).
- A statement acknowledging that the projects funded using Section 5337 funds are included in the recipient's Transit Asset Management (TAM) Plan, within the plan's *Investment Prioritization* section. An example of this wording is provided below:
 - *"By executing this grant, we certify that projects funded in this grant are included in the [20XX] Transit Asset Management (TAM) Plan investment prioritization section."*

Award Description – Recommended Inclusions

In the application **Award Description**, provide a brief description outlining the Purpose, Activities to be Performed, Expected Outcomes, Intended Beneficiaries, and Subrecipient Activities pertaining to the application.⁵ A sample Award Description for a 5337 application follows below; alter the details for your specific application:

- **Purpose:** The purpose of this award is to provide funding for the purchase of five replacement heavy rail cars, and the rehabilitation of a transit terminal for ABC Transit.

⁴ [FTA Circular C9050.1A Urbanized Areas Formula Grant Programs Guidance](#) (Chapter 4, Section 3, Pg. IV-10)

⁵ [FTA Circular C5010.1F Award Management Requirements](#) (Appendix B, Section 3, Pg. B-3)

- **Activities to be Performed:** Five heavy rail cars will be replaced and the transit terminal at 123 Main Street will be renovated to include: renovated office space, new roof, and repainting the interior.
- **Expected outcomes:** Both projects will improve the state of good repair for transit assets at ABC Transit.
- **Intended beneficiaries:** Populace of the ABC Transit service area and local area commuters.
- **Subrecipients:** None

Budget Information – Eligible Program Activities & Match Requirements

The following table lists activities eligible for Section 5337 funding⁶. List applicable local non-federal funding match percentages in the **Project Budget**.

Eligible Activity	Description
<p>Capital Projects⁷</p>	<p>Eligibility</p> <ul style="list-style-type: none"> • Capital projects that maintain a Fixed Guideway system in a state of good repair. Fixed guideway service is rail, catenary, ferry, or BRT transit service on a separate right-of-way. • Capital projects that maintain a High-Intensity Motorbus (HIB) system in a state of good repair. Capital costs for HOV lanes are not eligible for the high-intensity motorbus funds. <ul style="list-style-type: none"> ○ High-intensity motorbus (HIB) projects are limited to the maintenance, replacement, or rehabilitation of vehicles, maintenance facilities, and related equipment, and do not include the maintenance, rehabilitation, or replacement of HOV lanes.⁸ ○ Projects that maintain and rehabilitate capital assets used for bus service other than bus service on HOV lanes are not eligible for the HIB funds. • Refer to Table IV-2 (Pg. IV-4) within Circular 9050.1A for examples of eligible projects.

⁶ [FTA Circular C9050.1A Urbanized Areas Formula Grant Programs Guidance](#) (Chapter 4, Pg. IV-1)

⁷ [FTA Circular C9050.1A Urbanized Areas Formula Grant Programs Guidance](#) (Chapter 4, Section 3, Pg. IV-2)

⁸ [FTA Circular C9050.1A Urbanized Areas Formula Grant Programs Guidance](#) (Chapter 4, Section 3, Pg. IV-10)

Eligible Activity	Description
	<ul style="list-style-type: none"> • Additionally, refer to Chapter IV (Pg. IV-10) of Circular 9050.1A to confirm that your award activities meet any unique eligibility considerations and circumstances for particular capital activities (e.g., unique requirements for rehabilitating facilities). <p>Match Requirement</p> <ul style="list-style-type: none"> • Funded up to 80% Federal share and a 20% local match (80%/20%). • Some capital activities may be subject to differing match requirements (e.g., up to 85% Federal share for acquisition of Vehicles or Facilities that are Americans with Disabilities (ADA) compliant). Refer to Chapter IV (Pg. IV-10) of Circular 9050.1A for additional information.
<p>Workforce Development Activities⁹</p>	<p>Eligibility</p> <ul style="list-style-type: none"> • Recipients are allowed to use 0.5% of their Section 5337 funding to support workforce development activities, including the cost of administering a training program. See 49 USC 5314(b) for a list of eligible activities. • Recipients may use an additional 0.5% of their Section 5337 funding towards tuition, supplies, travel, and accommodations associated with National Transit Institute (NTI) training or other state-contracted training, not including administrative expenses (49 USC 5314(c)). • Describe if and how the training activities will be applied at the UZA level within the Designated Recipient’s Program of Projects. <p>Match Requirement</p> <ul style="list-style-type: none"> • Funded up to 80% Federal share and a 20% local match (80%/20%). • Training for maintenance personnel can be funded as Preventive Maintenance at up to 80% Federal share and a 20% local match (80%/20%).

⁹ [FTA Circular C9050.1A Urbanized Areas Formula Grant Programs Guidance](#) (Chapter 4, Section 3, Pg. IV-22)

Eligible Activity	Description
Interest and Debt Financing¹⁰	<p>Eligibility</p> <ul style="list-style-type: none"> • Bond interest under advance project authority, buildings and equipment, working capital, leasing, capital cost of contracting, and other interest costs are often eligible project costs; with certain limitations (including the factors indicated in 2 CFR 200.449(c)–(g)). • For further information, please refer to Chapter VI (Pg. VI-13) of Circular 5010.1.

Application Finalization – Relevant Attachments and Documentation

The following table outlines TrAMS attachments for grant applications utilizing Section 5337 funding. Upload attachments to the “**Recipient Documents**” or “**Application Documents**” modules in TrAMS as designated below.

Attachment	Description	Document Upload Location
Transit Asset Management (TAM) Plan¹¹	<ul style="list-style-type: none"> • Components of the recipient’s Transit Asset Management (TAM) plan relevant to the 5337 funding being requested. 	<ul style="list-style-type: none"> • Application Documents
STIP/TIP	<ul style="list-style-type: none"> • For capital projects, the relevant components of the applicable Transportation Improvement Program (TIP) and Statewide Transportation Improvement Program (STIP) for the project or activities the funds are proposed to support. 	<ul style="list-style-type: none"> • Application Documents
Suballocation Letter/Split Letter	<ul style="list-style-type: none"> • When a UZA, large or small, consists of multiple transportation providers that will receive funds, a Suballocation Letter is used. This letter, sometimes referred to as a Split Letter (for large UZAs) or Apportionment letter (for small UZAs), reflects the amount allocated to each 	<ul style="list-style-type: none"> • Application Documents

¹⁰ [FTA Circular C9050.1A Urbanized Areas Formula Grant Programs Guidance](#) (Chapter 4, Section 3, Pg. IV-24)

¹¹ [FTA Circular C9050.1A Urbanized Areas Formula Grant Programs Guidance](#) (Chapter 5, Section 11, Pg. V-12)

Attachment	Description	Document Upload Location
	transit operator in a UZA.	