

MARTA

Fund OK

Doubtful

By SHARON BAILEY

The Metropolitan Atlanta Rapid Transit Authority has a "snowball's chance in hell" of getting all of the \$291 million in federal money it wants in fiscal 1975 for the development of Atlanta's massive rapid rail system.

This is the view of knowledgeable-transit observers, who point out that the Urban Mass Transportation Administration (UMTA), source of federal money for transit construction across the nation, finds itself squeezed hard by burgeoning applications, inflation and other factors.

The view is buttressed by an aide to Georgia Congressman Andrew Young, who says Young met with UMTA's top administrator, Frank C. Herringer, before Christmas and "indications were that UMTA may not fund the full \$291 million."

"It wasn't unequivocal, just sort of an indication he got," says the aide. But others, close to the transit field, are more blunt. One observer says he'd be a "shocked soul" if MARTA got its full 1975 application.

Item: UMTA has some \$872 million to give away for capital expenditures for transit in fiscal 1975. Some 200 cities, ranging from tiny hamlets to giants like New York and Chicago, have put in requests for more than \$5 billion—almost six times the amount available.

Item: Atlanta is one of at least six major cities competing for big grants for new or expanded systems, including New York, Chicago, Boston, Philadelphia and Baltimore. Most are more or less in a similar stage of development—a stage requiring heavy amounts of money.

Item: At \$291 million, the Atlanta appli-

cation, if granted in full, would take a full third of all the UMTA money available.

Last year, MARTA received a \$69.5 million grant to kick off engineering and land acquisition work on the Atlanta system in a big way. The \$291 million application is the second of a series MARTA will make for federal money.

The transit authority presently projects the cost of the system at \$1.7 billion, about \$1.3 billion of which is projected to come from federal coffers and the remainder from MARTA's one-cent sales tax in Fulton and DeKalb counties.

Terrell Hill, MARTA's governmental liaison, says the transit authority's application was not inflated, but represents the best on-the-target estimate available of money need.

MARTA representatives are lobbying hard for the grant, presumably pointing out the progress made in rapid transit planning in Atlanta and the solid base of local financial support which MARTA enjoys through its one-cent sales tax.

Federal officials have been lavish with praise of Atlanta's transit program in past visits here, but all an UMTA spokesman will say about the \$291 million application is that Washington will "do everything possible to be as helpful as possible."

Should Atlanta not get its full award, it could stretch out the time over which the system will be built, or it could consider paying for more of the system with local money, assuming its availability.

UMTA grants are made on an 80-20 basis, with 80 per cent of the cost of a system coming from federal money and 20 per cent from local money. MARTA must come up with \$72 million just to match the proposed 1975 federal allocation.

In addition, the sales tax money is used

to subsidize the operation of city buses to the tune of about \$1 million a month.

When MARTA took over the old Atlanta Transit System in 1972, the subsidy required was only about half a million. The authority expected some increase, partly as a result of adding six million vehicle miles a year to the system, but big wage increases for bus drivers, higher fuel costs and other expenses have pushed the subsidy higher than projected.

UMTA, also, has found itself in a money squeeze for more than one reason, Hill notes.

The energy crisis has spurred interest in mass transit and added to the pile of grant applications.

Inflation has played havoc with transit budgets everywhere, forcing most or all applicants to seek more money than they originally expected.

And Congress last year adopted the 80-20 formula—after UMTA had already sought its appropriation based on the previous two-thirds, one-third formula, in which Uncle Sam provided only two-thirds of the cost.

If the picture appears to have gray spots this year, wait until next, suggest some observers. MARTA expects to ask for \$477 million for fiscal 1976, and another \$276 million in fiscal 1977.

According to The Wall Street Journal, the President's Office of Management and Budget wants rail-transit funding "kept in check, at around \$650 million" (with the remainder of UMTA-type money going to cities for bus systems).

But how much UMTA will seek from Congress for next year is still a question mark, says Hill, expressing cautious optimism that the "energy crisis will work in our favor." The transit industry is lobbying now for a bigger chunk, he says.