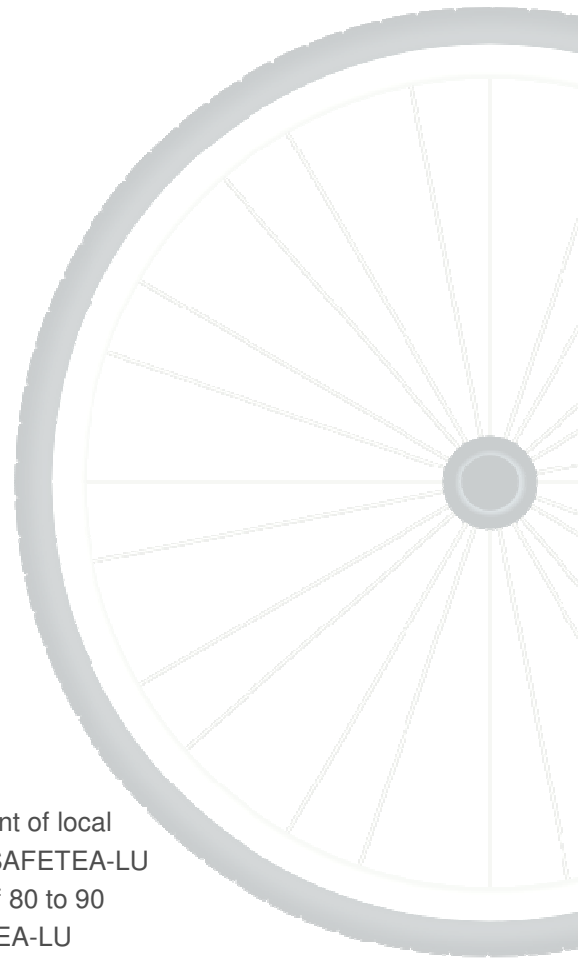




5.0 Funding Opportunities



There are a variety of potential funding sources that can be used for bicycle projects, programs and plans from all levels of government. This section covers federal, state, regional and local sources of funding, as well as some non-traditional funding sources that may be used for bicycle projects.

5.1 Federal Funding Sources

Federal funding through the SAFETEA-LU (Safe, Accountable, Flexible, and Effective Transportation Equity Act – Legacy for Users) could provide the bulk of non-local funding. However, Federal funding requires compliance with NEPA.

SAFETEA-LU funding is administered through the state and regional governments. Most of the funding programs are transportation versus recreation oriented, with an emphasis on (a) reducing auto trips and (b) providing inter-modal connections. Funding criteria includes completion and adoption of a Bikeway Master Plan and quantification of the costs and benefits of the system, proof of public involvement and support, CEQA

compliance, and commitment of local resources. In most cases, SAFETEA-LU provides matching grants of 80 to 90 percent. Applicable SAFETEA-LU programs include:

Federal Lands Highway Funds

Federal Lands Highway Funds may be used to build bicycle and pedestrian facilities in conjunction with roads and parkways at the discretion of the department charged with administration of the funds. The projects must be transportation-related and tied to a plan adopted by the State and Metropolitan Planning Organization. Federal Lands Highway Funds may be used for planning and construction and is managed by the United States Department of Transportation.

Transportation, Community and System Preservation Program

The Transportation, Community and System Preservation Program provides federal funding for transit oriented development, traffic calming and other projects that improve the efficiency of the transportation system, reduce the impact

5.0 Funding Opportunities

on the environment, and provide efficient access to jobs, services and trade centers. The program is intended to provide communities with the resources to explore the integration of their transportation system with community preservation and environmental activities. The Program funds require a 20% match and can be applied to planning, design and construction and is administered through the Federal Highway Administration.

Land and Water Conservation Fund

The Land and Water Conservation Fund is a federally funded program that provides grants for planning and acquiring outdoor recreation areas and facilities. The Fund is administered by the National Parks Service and the California Department of Parks and Recreation and has been reauthorized until 2015. Cities, counties and districts authorized to acquire, develop, operate and maintain park and recreation facilities are eligible to apply. The application deadline is in May, and applicants must fund the entire project, and will be reimbursed for 50% of costs. Property acquired or developed under the program must be retained in perpetuity for public recreational use.

Congestion Mitigation and Air Quality Improvement Program (CMAQ)

CMAQ Funds are directed to transportation projects and programs which contribute to the attainment or maintenance of National Ambient Air Quality Standards in non attainment or air quality maintenance areas for ozone, carbon monoxide, or particulate matter under provisions in the Federal Clean Air Act. Eligible projects include bicycle facilities.

Highway Safety Improvement Program (HSIP)

The Highway Safety Improvement Program

is managed locally by Caltrans. For a project to be eligible for HSIP funds, the project must be on any public road, publicly owned bicycle, pedestrian pathway, or trail. Projects must identify a specific safety problem that can be corrected or be improved substantially.

Regional Surface Transportation Program (RSTP)

Regional Surface Transportation Program (RSTP) funding is distributed based on population, among the urbanized and non-urbanized areas of the State through Metropolitan Planning Organizations (MPOs) and Regional Transportation Planning Agencies (RTPAs). Bicycle facilities are eligible for funding through this federally administered program.

Safe Routes to School (SRTS)

Eligible projects fall under the category of infrastructure (capital improvements), or non-infrastructure (education, encouragement, enforcement). Infrastructure projects must be located within a two mile radius of a grade school or middle school. Local Caltrans representatives serve as the administrative authority on SRTS projects.

Transportation Enhancements (TE)

Federal Transportation Enhancement funds are to be used for transportation-related capital improvement projects that enhance quality-of-life, in or around transportation facilities. Facilities that qualify for TE funds include bicycle safety, education and facility projects. Transportation Enhancements projects are managed locally by Caltrans.

5.0 Funding Opportunities

5.2 Statewide Funding Sources

The State of California uses both federal sources and its own budget to fund bicycle projects and programs.

Bicycle Transportation Account

The Bicycle Transportation Account provides state funding for local projects that improve the safety and convenience of bicycling for transportation. Because of its focus on transportation, Bicycle Transportation Account projects must provide a demonstrable level of utility for transportation purposes. For example, all in-County on-street and paved bikeways would be good candidates for funding. Funds are available for both planning and construction. Bicycle Transportation Account funding is administered by Caltrans and cities and counties must have an adopted Bicycle Transportation Plan in order to be eligible. The maximum amount available through the Bicycle Transportation Account is \$1.2 million dollars, cities and counties are eligible to apply. All projects must be designed to the standards outlined in Chapter 1000 of the Highway Design Manual. The application deadline is in December.

Community Based Transportation Planning Demonstration Grant Program

This fund, administered by Caltrans, provides funding for projects that exemplify livable community concepts including bicycle improvement projects. Eligible applicants include local governments, metropolitan planning organizations and regional transportation planning agencies. A 20% local match is required and projects must demonstrate a transportation component or objective. There is \$3 million available annually statewide. The application deadline is in October.

Environmental Enhancement and Mitigation Program (EEM)

Bicycle projects can qualify for EEM funds if they meet the program's requirements. Any non-profit organization can sponsor projects, which are submitted to the State Resources Agency for evaluation in June/ July of each year.

Assembly Bill 1475 – Safe Routes to School Bill

This bill redefines transportation safety in California by investing \$20 million per year in bike lanes, bicycle and walking trails, new sidewalks and traffic-calming projects near California schools. Several rounds of solicitation and funding have been completed. It is anticipated that this program will continue for future years. Up to 10 percent of the project's cost can fund a non infrastructure component that supports the infrastructure project. Only cities and counties are eligible to compete for funds.

State Transportation Improvement Program (STIP)

All STIP projects must be capital projects (including project development costs) needed to improve transportation. Eligible projects include bicycle facility improvements and improved access to transit and are administered by Caltrans.

Transportation Development Act

Transportation Development Act Article 3 funds are state block grants awarded monthly to local jurisdictions for transit, bicycle and pedestrian projects in California by Caltrans. Funds for pedestrian projects originate from the Local Transportation Fund, which is derived from a ¼ cent of the general state sales tax. Local Transportation Funds are returned to each County based on sales tax revenues.

5.0 Funding Opportunities

Article 3 of the Transportation Development Act sets aside 2% of the Local Transportation Funds for bicycle and pedestrian projects. Eligible pedestrian and bicycle projects include: construction and engineering for capital projects; maintenance of bikeways; bicycle safety education programs (up to 5% of funds); and development of comprehensive bicycle or pedestrian facilities plans. A City or County may use these funds to update their bicycle and pedestrian plan not more than once every five years. These funds may be used to meet local match requirements for federal funding sources. Application deadlines vary within County transportation agencies.

5.3 Local and Regional Funding Sources

A variety of local sources may be available for funding bikeway and pedestrian facilities. However, their use is often dependent on political support.

New Construction

Future road widening and construction projects are one means of providing on-street bikeways. To ensure that roadway construction projects provide these facilities where needed, roadway design standards need to include minimum cross-sections that have sufficient pavement for on-street bikeways and the review process for new development should include input pertaining to consistency with the proposed system.

Impact Fees

Another potential local source of funding is developer impact fees. There are several different impact fees which may be used for bikeway development. Traffic mitigation fees are typically tied to trip generation

rates and traffic impacts produced by the proposed development, and are often used to install Class II bike lanes during road widening projects but are not used for Class I facilities. Bike trail development fees are often used in new specific plan areas as a way to finance construction of Class I trails.

Assessment Districts

Different types of assessment districts can be used to fund the construction and maintenance of bikeway facilities. Examples include Infrastructure Financing Districts (SB 308), Open Space Districts, or Lighting and Landscape Districts. These types of districts have specific requirements relating to their establishment and use of funds.

Potential for Local Ballot Measure

The state legislature has given local jurisdictions the ability to increase the retail transaction use tax, or sales tax, up to 1 percent, which can be earmarked for specific purposes. A super-majority (2/3) vote is required on such an increase. A number of California counties, including Sacramento, San Francisco, Contra Costa, Santa Clara, and Santa Cruz Counties and others, have voted an increase in the sales tax to finance specific transportation improvements.

See the following Funding Summary Table for more specific funding information.

Grant Source	Application Deadline	Agency	Program Funds Available	Matching Requirement	Eligible Applicants	Commute	Recreation	Safety/Education	Comments
Federal Funding									
Regional Surface Transportation Program (RSTP)	Varies by RTPA	RTPAs, Caltrans	\$320 million	11.47% non-federal match	cities, counties, transit operators, Caltrans, and MPOs	X	X		RSTP funds may be exchanged for local funds for non-federally certified local agencies; no match may be required if project improves safety
Congestion Mitigation and Air Quality Program (CMAQ)	December 1, Yearly	RTPAs, Caltrans	\$400 million	11.47% non-federal match	federally certified jurisdictions	X			Counties redesignated to attainment status for ozone may lose this source.
Transportation Enhancement Activities (TEA)	Varies by RTPA	RTPAs, Caltrans	\$60 million	11.47% non-federal match	federally certified jurisdictions	X	X		Funds are dispersed through the four shares listed below
Regional Share	Varies by RTPA	RTPAs, Caltrans	\$45 million	Varies	federal, state, or local depending on category	X	X		Funding share to RTPAs.
Caltrans Share	Varies by RTPA	Caltrans	\$6.6 million	Varies	Caltrans	X	X		Funding share to Caltrans. Available only if regional TEA funds are not used
Statewide Transportation Enhancement Share	Varies by RTPA	State DPR	\$20-30 million	Varies	federal, state (except Caltrans), regional and local agencies with a state partner	X	X		Funding share for all 12 TEA categories except conservation lands.
Conservation Lands Share	Varies by RTPA	Caltrans, State Resources Agency	\$11 million	Varies	RTPAs, counties, cities, school districts, and non-profits	X	X		Funding share for conservation lands category - acquisitions of scenic lands with high habitat conservation value.
Federal Safe Routes to School	TBD	Caltrans	\$68 million over 5 years statewide	None	RTPAs, counties, cities, school districts, non-profits, Native American Tribes		X		Projects that improve system efficiency, reduce environmental impacts of transportation, etc.
Recreational Trails Program (RTP)	October 1	State DPR	\$3 million	20% Match	Jurisdiction with special districts, non profits with management responsibilities over the land		X		For recreational trails to benefit bicyclists, pedestrians, and other users.
Transportation and Community and System Preservation Pilot Program	Pending	FHWA	\$25 million nationwide	-	state, local, MPOs	-	-		Projects that improve system efficiency, reduce environmental impacts of transportation, etc.
Land & Water Conservation Fund	May 1	State DPR	\$7.7 million statewide	50% including in-kind	federal, state, city, county, eligible districts		X		Federally-funded. Projects that acquire and develop outdoor recreation areas and facilities.
State Funding									
Safe Routes to School (SB 10)	May 31	Caltrans	\$18 million	11.5% minimum	city, county				Primarily construction program to enhance safety of pedestrian and bicycle facilities.
Bicycle Transportation Account	December	Caltrans	\$7.2 million	minimum 10% local match on construction	city, county				State-funded. Projects that improve safety and convenience of bicycle commuters.
Regional Transportation Improvement Program (RTIP)	December 15, odd years	RTPA	-	-	city, county, transit operators, Caltrans				Part of State Transportation Improvement Program (STIP), the main state program for transportation project funding. For "improving transportation within the region." RTPA must program funds.
Patroleum Violation Escrow Account (PVEA)	Ongoing	State Legislature	\$5 million	-	city, county, transit operators, Caltrans	-	-		Bicycle and trail facilities have been funded with this program.
Community Based Transportation Planning Demonstration Grant Program	November	Caltrans	\$3 million	20% Local	MPO, RTPA, city, county	X			Projects that exemplify livable community concepts.
Office of Traffic Safety Grants	January 31	Office of Traffic Safety	-	-	state, city, county			X	Bicycle and pedestrian projects have been funded through this program.

Notes:

AQMD - Air Quality Management District
 Caltrans - California Department of Transportation
 CMAQ - Congestion Management and Air Quality
 CTC - California Transportation Commission

FHWA - Federal Highway Administration
 RTPA - Regional Transportation Planning Agency
 State DPR - California Department of Parks and Recreation (under the State Resources Agency)
 TEA - Transportation Enhancement Activities

Resources:

FHWA SAFETEA-LU Web site: www.fhwa.dot.gov/safetealu