

Appendix C: Funding Opportunities

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Funding Opportunities

The funding opportunities described below outline various sources of funding available to plan and construct bicycle and pedestrian facilities, enhance traffic safety, reduce pollution, prioritize smart growth, and improve community health and well-being. The following sections cover federal, state, regional, and local sources of funding, including potential sources of community-based and private funding. This list will be maintained as a living document and additional funding sources will be added as they are encountered throughout the project. Because no one source of funding will be sufficient to cover the project in its entirety any combination of funds from these funding sources along with direct funding from partner agencies will be considered.

Federal Sources

In California, federal transportation monies are administered through the California Department of Transportation (Caltrans) and Metropolitan Planning Organizations. Federal funding is intended for capital improvements and safety and education programs, and projects must relate to the surface transportation system. In Santa Cruz County the Regional Transportation Commission (SCRTC) administers federal grant money.

Fixing America's Surface Transportation Act (FAST)

Fixing America's Surface Transportation (FAST) authorizes \$305 billion from 2016-2020 for highway, motor vehicle safety. FAST Act apportionments for California totaled \$74,658,102 in FY 2016. A portion of these funds will be available through formula and discretionary grant programs, described below.

More info: http://www.fhwa.dot.gov/legsregs/directives/notices/n4510805/n4510805_t2.cfm; <https://www.transportation.gov/fastact>

Surface Transportation Block Grant Program (STBG)

Fifty-one percent of each state's STBG funds are sub-allocated geographically by population.¹ A wide variety of bicycle and pedestrian improvements are eligible. The remaining monies may be spent in any area of the state. Two relevant areas of funding under the under this grant program are the Transportation Alternatives Set-Aside and the Recreational Trails Program.

Transportation Alternatives Set-Aside includes the construction, planning, and design of a range of bicycle and pedestrian infrastructure including on-road and off-road trail facilities for pedestrians, bicyclists, and other active forms of transportation. The FAST Act will set aside \$835 million annually for TA for FY 2016 and 2017, and \$850 million annually for FYs 2018-2020.

More info: http://www.fhwa.dot.gov/environment/transportation_alternatives/

¹ Per the FAST Act, this percentage will increase by one percentage point each year up to 55%

Recreational Trails. This program funds development and maintenance of recreational trails and trail-related facilities for a variety of pedestrian, bicycle, and streetscape projects including sidewalks, bikeways, multi-use paths, and rail-trails. Approximately \$82 million is available nationally for the Recreational Trails Program, with California receiving \$5,698,627 per year through FY 2020. In California the Recreational Trails Program is administered by the California Department of parks and Recreation,

More info: http://www.fhwa.dot.gov/environment/recreational_trails/

Highway Safety Improvement Program (HSIP)

HSIP provides roughly \$2.4 billion nationally for projects and programs that help communities achieve significant reductions in traffic fatalities and serious injuries on all public roads, bikeways, and walkways. Infrastructure and non-infrastructure projects are eligible for HSIP funds. All HSIP projects must be consistent with the state’s Strategic Highway Safety Plan. Grant size ranges from \$100,000 to \$10 million. In California this program is administered by Caltrans – see *State Sources* for more information.

More info: <http://www.dot.ca.gov/hq/LocalPrograms/hsip.html>

Congestion Mitigation and Air Quality Improvement Program (CMAQ)

CMAQ funds projects and programs that support transportation projects and other related efforts that contribute to air quality improvements and provide congestion relief. These federal dollars can be used to build bicycle and pedestrian facilities that reduce travel by automobile. The FAST Act provides approximately \$2.5 billion in CMAQ funding each year. CMAQ funding is administered by the Monterey Bay Air Resources District (MBARD).

More info: <https://www.fhwa.dot.gov/fastact/factsheets/cmaqfs.cfm>

Formula Grants for Rural Areas - 5311

The Federal Transit Authority (FTA) provides capital, planning, and operating assistance to support public transportation in rural areas with less than 50,000 people. The federal funding share is 80% for capital project, which can include bus shelter improvements and improvements that connect pedestrians and bicyclists to transit. The FAST Act provides approximately \$550 million in Section 5311 funding each year.

More info: <https://www.transit.dot.gov/regulations-and-guidance/environmental-programs/livable-sustainable-communities/fta-program-bicycle>

Partnership for Sustainable Communities

The Partnership for Sustainable Communities is a joint project of the Environmental Protection Agency, the U.S. Department of Housing and Urban Development, and the U.S. Department of Transportation. The partnership aims to “improve access to affordable housing, more transportation options, and lower transportation costs while protecting the environment in communities nationwide.” The Partnership is based on five Livability Principles, one of which explicitly addresses the need for bicycle and pedestrian infrastructure. The Partnership is not a formal agency with a regular annual grant program: rather, each participating agency separately offers funding opportunities.

More info: <https://www.sustainablecommunities.gov/partnership-resources>

(not a funding program in itself – an overarching partnership that links to other specific funding programs)

Transportation Investment Generating Economic Recovery (TIGER) Grants

The U.S. Department of Transportation’s TIGER Discretionary Grant program invests in road, rail, transit and port projects that enhance economic development and improve access to reliable and safe transportation. Since 2009, Congress has dedicated more than \$4.6 billion for seven rounds of grants to fund projects. A variety of project types have been awarded, including over \$213 million for 16 bicycle and pedestrian projects.

More info: <https://www.transportation.gov/tiger>

State Grant Sources

Road Maintenance and Rehabilitation Program

Recently approved CA State SB 1, which raises the state excise tax on diesel and gasoline and introduces new vehicle fees, also includes a program designed to address the state’s maintenance backlog. This money is to be made available to counties – like Santa Cruz County – that have initiated their own “self-help” sales tax transportation measures. Under the new bill, the Road Maintenance and Rehabilitation Program will receive \$200 million annually, and will include support for projects with complete streets components.

More info: http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180SB1

Environmental Enhancement and Mitigation (EEM) Grant Program

The EEM Program offers \$7 million each fiscal year for grants to state, local, federal and nonprofit organizations for projects directly or indirectly related to the environmental impact of transportation facility modifications or construction of new transportation facilities. The EEM Program encourages projects that produce multiple benefits, such as reducing greenhouse gas emissions, increasing water use efficiency, reducing risks from climate change impacts, and demonstrating collaboration with local, state and community entities. Applicable funding categories include assessing environmental impact for proposed transportation improvements and acquisition, restoration, or enhancement of resource lands to

mitigate for loss or detriment to such lands near right of way for transportation improvements. In California this funding is available through the California Natural Resources Agency.

More info: <http://resources.ca.gov/grants/environmental-enhancement-and-mitigation-eem/>

Active Transportation Program (ATP)

The purpose of the ATP is to encourage the increased use of active modes of transportation to reduce greenhouse gas emissions and enhance public health. For example, funding could enable activities that increase the proportion of trips that use biking and walking or increase safety and mobility for non-motorized users, including infrastructure projects such as recreational trails and walkways. In the most recent ATP Cycle 3, \$240 million was available through Caltrans.² The recent passage of SB 1 will allocate an additional \$100 million per year to this program.

More info: <http://www.dot.ca.gov/hq/LocalPrograms/atp/>

State Cap and Trade Program

Per AB 32, California must reduce greenhouse gas emissions to 1990 levels by 2020. A key component of this goal is the creation of a carbon cap and trade program, which places a cap on carbon emissions and enables companies to buy and/or trade emissions allowances through a state-run marketplace. Auction revenue is deposited into the Greenhouse Gas Reduction Fund, which includes permanent annual appropriations to support low carbon transportation. The remaining revenue is subject to annual appropriations, some of which may benefit active transportation programs. Key programs from both the continuous appropriation and the 2016-2017 Governor’s budget are outlined below.

More info: <https://www.arb.ca.gov/cc/capandtrade/auctionproceeds/ggrfprogrampage.htm>

Low Carbon Road Program

The Governor’s 2016-2017 budget includes a one-time \$100 million appropriation of annual auction proceeds to the Department of Transportation for a Low Carbon Road Program, offering competitive grants for local streets and roads improvements that encourage active transportation and greater road efficiency. At the time of writing, it is unclear how funds from this program will be made available.

² <http://www.dot.ca.gov/hq/LocalPrograms/atp/cycle-3.html>

Affordable Housing and Sustainable Communities

The Affordable Housing and Sustainable Communities program receives a permanent annual appropriation equivalent to 30% of the Greenhouse Gas Reduction Fund. Last year this allotment was \$400 million. The Strategic Growth Council, a council of six state agency secretaries, is responsible for administering this fund. Although 50% of this money must go towards affordable housing, the remainder can support a range of projects including bicycle and pedestrian infrastructure projects.

More info: <http://sgc.ca.gov/Grant-Programs/AHSC-Program.html>

Urban Greening Grant Program

Through the Urban Greening Grant Program, approximately \$76 million is available to assist entities in developing a master urban greening plan that will ultimately result in projects to help the State meet its environmental goals and the creation of healthy communities. These funds assist entities preserve, enhance, increase or establish community green areas such as urban forests, open spaces, wetlands and community spaces (e.g., community gardens). Successful projects focus on conversion of paved areas to green space, natural stormwater management, and generally green infrastructure projects that reduce GHG emissions. Projects must have one other co-benefit as well, such as reducing vehicle miles traveled through the construction of pedestrian and bicycle facilities that provide safe routes between residences, commercial centers, workplaces, and schools.

More info: <http://sgc.ca.gov/Grant-Programs/UGG-Program.html>

Transportation Project Programming Process

Santa Cruz County Regional Transportation Commission is the designated regional transportation agency that acts as a clearinghouse for competing transportation project needs. Adding Complete Streets elements to projects through the regular process for programming transportation projects is an important opportunity to improve conditions in the San Lorenzo Valley. This process is coordinated through SCCRTC to access the state-sponsored resources summarized below.

Santa Cruz County Regional Transportation Improvement Program (RTIP)

The RTIP identifies projects programmed to receive various state and federal funds, amends information on previously programmed projects, and acts as Santa Cruz County's proposal to the California Transportation Commission (CTC) (coordinated with Caltrans District 5) for programming State Transportation Improvement Program (STIP) funds.

More info: <https://scrtc.org/funding-planning/approved-projects/>

Surface Transportation Block Grant Program

In Santa Cruz County the Surface Transportation Block Grant program is administered by RTC. A wide variety of bicycle and pedestrian improvements are eligible for funding under the Transportation Alternatives Set-Aside portion of this program.

More info: <https://scrtc.org/funding-planning/project-funding/>

State Transportation Improvement Program (STIP)

The STIP is a multi-year capital improvement program of transportation projects on and off the State Highway System, funded with revenues from the Transportation Investment Fund and other funding sources. STIP programming generally occurs every two years. The programming cycle begins with the release of a proposed fund estimate in July of odd-numbered years, followed by California Transportation Commission (CTC) adoption of the fund estimate in August (odd years). The fund estimate serves to identify the amount of new funds available for the programming of transportation projects. Once the fund estimate is adopted, Caltrans and the regional planning agencies prepare transportation improvement plans for submittal by December 15th (odd years). Caltrans prepare the Interregional Transportation Improvement Plan (ITIP) and regional agencies prepare Regional Transportation Improvement Plans (RTIPs). Public hearings are held in January (even years) in both northern and southern California. The STIP is adopted by the CTC by April (even years). This process, as well as the fund distribution process are outlined in charts available on the Transportation Programming website below.

More info: <http://www.dot.ca.gov/hq/transprog>

State Highway Operation and Protection Program (SHOPP)

The Office of State Highway Operations and Protection Program (SHOPP) Management has primary responsibility for planning, developing, managing and reporting the four-year SHOPP portfolio of projects. This includes preparation of the four-year program, participating in the development of the State Highway System Management Plan, coordinating the formal amendment of adopted SHOPP projects, coordinating with CTC staff, management of the annual Minor Program, coordination with Districts and Headquarters divisions, and upkeep of project information in the Department's CTIPS database.

More info: <http://www.dot.ca.gov/hq/transprog/shopp.htm>

Highway Safety Improvement Program (HSIP)

HSIP funding is available to the agency with responsibility for the expenditure of federal-aid highway funds; in this case Santa Cruz County. HSIP funds are eligible for work on any public road or publicly owned bicycle or pedestrian pathway or trail that improves the safety for its users.

Eligibility for these funds is based on collision metrics and benefits which are demonstrated through use of tools made available for the grant application.

More info: <http://www.dot.ca.gov/hq/LocalPrograms/hsip.html>

Regional & Local Sources

Santa Cruz County Measure D – Neighborhood Projects

In November 2016 Santa Cruz County approved Measure D, a half-cent, 30-year sales tax that provides roughly \$500 million to the County to improve the transportation network and fund sustainable alternative transportation efforts. Approximately \$10 million has been allocated to the San Lorenzo Valley area for Highway 9 corridor improvements under the Neighborhood Projects distribution category.

More info: <https://sccrtc.org/funding-planning/2016transportationballotmeasure/>

Association of Monterey Bay Area Governments (AMBAG)

Text

More info: [links](#)

Monterey Bay Air Resources District (MBARD) – AB 2677 Grant Program – Clean Air Management Program

In 1990 the State passed AB 2677, which enables the Monterey Bay Air Resources District to charge a \$4 vehicle registration fee with proceeds going to a grant program that enables local agencies to invest in projects that reduce motor vehicle fuel emissions. Roundabouts, adaptive traffic signal control projects, and related planning and technical studies are eligible for funding. The maximum grant award is \$200,000.

More info: <http://mbard.org/programs-resources/planning/grants-incentives/ab2766-grant-program/>

Private Sources

Private funding sources can be acquired by applying through advocacy groups, foundations, or corporate donations, although funding can tap into federal and state sources as well. Below are several examples of private funding opportunities available.

Foundations

Foundation funding sources are typically private or community-based, and can be in the form of gifts, grants, or loans. Private foundations are generally comprised of a small core set of donors that can include an individual, a family, or a corporation, which dictate its funding interests. In turn, community foundations grants are generally donor-driven and focused on the local geographic area in which it is located. In either case,

funding opportunities are often available through open Request for Proposals or can be relationship-driven. A wide range of funding interests exist through foundations, including community health and wellness, traffic and pedestrian safety, environmental conservation, and investments in smart growth.

Corporate Donations

Corporate donations are often received in the form of liquid investments (i.e., cash, stock, bonds) and in the form of land. Employers recognize that creating places to bike and walk is one way to build community and attract a quality workforce. Bicycling and outdoor recreation businesses often support local projects and programs. Municipalities typically create funds to facilitate and simplify a transaction from a corporation's donation to the given municipality. Donations are mainly received when a widely-supported capital improvement program is implemented. Such donations can improve capital budgets and/or projects.

People for Bikes Community Grants

People for Bikes community grants are supported by partners in the bicycle industry and go towards important and/or influential projects that will leverage federal funding and "build momentum for bicycling in communities across the U.S." The program funds corridor improvements, mountain bike trails, BMX parks, trails, and park access. Grants range from \$1,000-\$10,000.

More info: <http://www.peopleforbikes.org/pages/community-grants>