



Where's the Money? Funding Your Active Transportation Project

Webinar | April 22, 2021



MISSION

The mission of the Safe Routes Partnership is to advance safe walking and rolling to and from schools and in everyday life, improving the health and well-being of people of all races, income levels, and abilities, and building healthy, thriving communities for everyone.



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Recording

You are viewing Kori Johnson's screen

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An Overview of Active Transportation Funding

Marisa Jones & Michelle Lieberman, Safe Routes Partnership



Raise Hand

Q&A

Leave



SPEAKERS

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An Overview of Active Transportation Funding

Marisa Jones & Michelle Lieberman, Safe Routes Partnership

Outline

- What Do We Need Money For?
- Primary Sources of Funding
- Funding Flow and Processes
- Addressing Common Hurdles



A group of about ten children and one adult are walking across a crosswalk on a city street. They are dressed in winter clothing. In the background, there is a large brick building with a sign that reads "HIGHLAND SCHOOL". The scene is captured during the day with some shadows, suggesting late afternoon or early morning light.

What Do We Need the Money For?

Common Infrastructure Project Needs

- Traffic or environmental studies
Design/engineering
- Getting the space – ROW acquisition or easement
- Making the space usable – grading, drainage
- Construction
- Ongoing maintenance

Funding for Walking, Bicycling, and Safe Routes to School

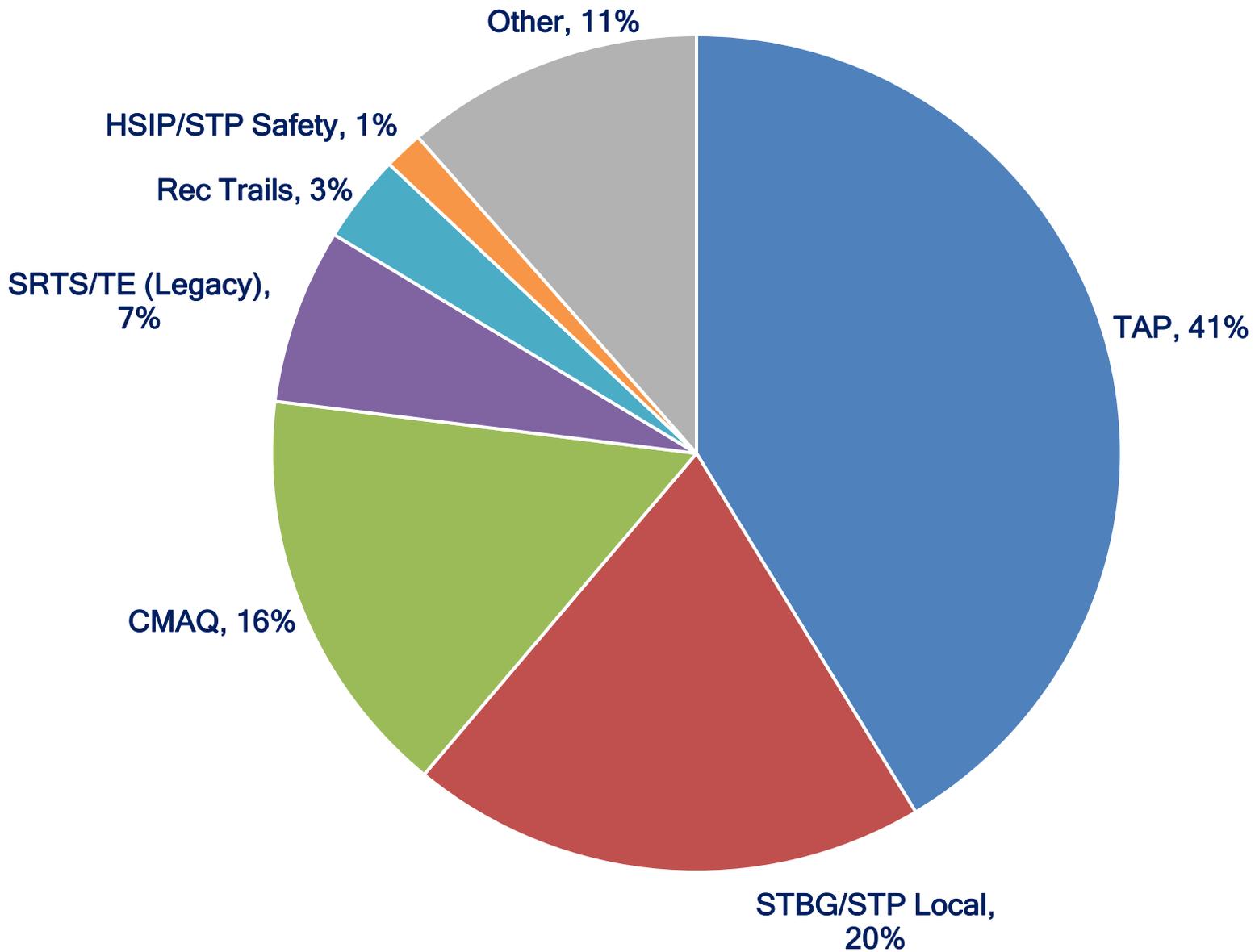
- **Federal:** \$850 million annually*
- **State:** \$430,380,116 annually**
- **Local:** wide variation \$0 to millions

*This presentation is being given in April 2021 while significant efforts are underway to reauthorize the surface transportation bill and pass an infrastructure stimulus package, so funding amounts, eligibility criteria, match requirements, and programs are all subject to change

**Four year average from 2016-2020



Sources of Federal Funding for Biking and Walking (2018-19)



Transportation Alternatives Program (TAP)

- The major federal source of transportation funding for bicycling, walking, and Safe Routes to School
- Created in the 2012 transportation bill MAP-21 by merging 3 programs (Safe Routes to School, Transportation Enhancements, and Recreational Trails)
- Also known as the “STP Setaside”





Transportation Alternatives Program (TAP)

- Currently funded at \$850M / year
- Authorized by the FAST Act, extended through September 30, 2021 by continuing resolution in 116th Congress
- This program is designed to support local priorities
- State DOTs and MPOs must run competitions to choose projects
- Covers ~80% of project cost (requires local match)

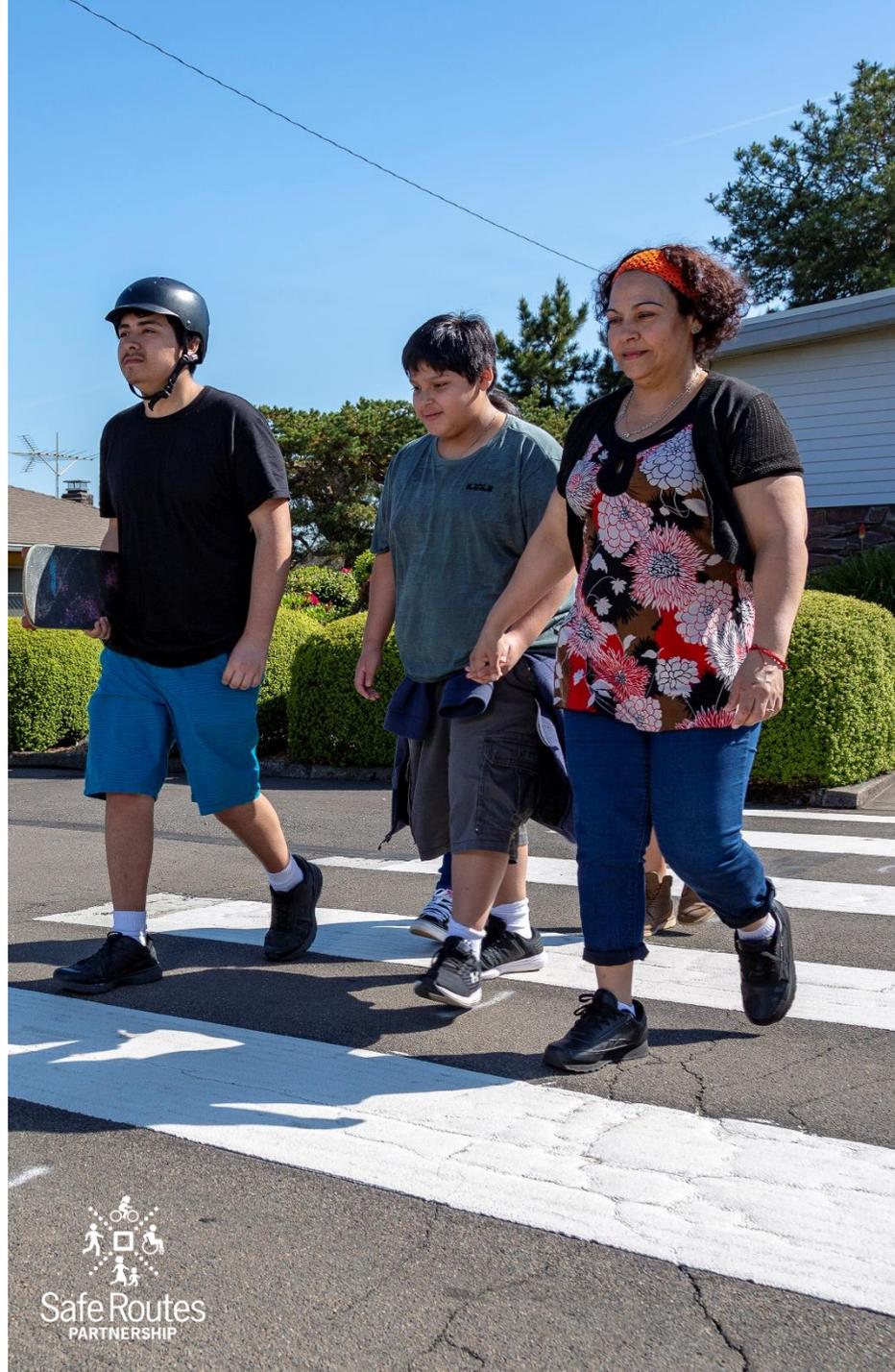
Eligible Projects & Sponsors

TAP funding supports:

- Sidewalks, crosswalks, bike lanes, trails, lighting
- Safe Routes to School programs at thousands of schools

Who is eligible to apply?

- Local governments
- Regional transportation authorities
- Transit agencies
- State and local parks/public lands agencies
- Schools and school districts
- Tribal governments
- Nonprofits that administer transportation safety programs
- Other local/regional agencies that administer transportation or trails
- State DOTs and MPOs may not apply





RAISE Discretionary Grants

- Rebuilding American Infrastructure with Sustainability and Equity
- Federal grant run by US Department of Transportation
 - \$1 billion available for 2021, usually around \$500M
 - National competitive process for regional/local projects
 - Was known as TIGER 2010-2017, BUILD in 2018-2020 with changes
 - Renamed RAISE in 2021



RAISE Discretionary Grants*



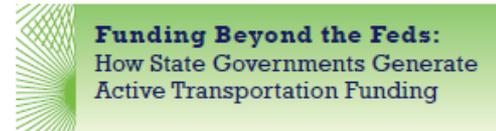
- Prioritizes projects that connect multiple transportation modes and that help the economy, accessibility and safety
 - At least 50% set aside for rural projects
 - Very competitive program but funds larger projects (up to \$25 million)
 - Up to \$30 million for planning grants (non-construction), minimum \$10 million to areas of persistent poverty
 - Funds roads and bridges, freight projects, ports, transit, larger trail/biking/walking projects
 - New focus on climate, environmental justice, and racial equity
- Notice of Funding Opportunity announced 4/31/21, due 7/12/21
 - <https://www.transportation.gov/RAISEgrants>

State Active Transportation Funding

Across the country, states put up significant amounts of their own money for walking, bicycling, and Safe Routes to School - equivalent to 56% of Transportation Alternatives funding apportioned annually!

- General funds
- Dedicated taxes
- Fines and fees

See our [Making Strides 2020 Report Cards](#) for information on whether your state has funding specifically for walking, bicycling, and Safe Routes to School



Increasingly, states are responding to calls to make walking and biking safe, convenient, and connected by creating funding streams for pedestrian and bicycle safety education, sidewalks, bike lanes, crosswalks, and other street features that support active transportation. While states can access federal funds to build active transportation infrastructure, due to increasing demand and decreasing revenue from the federal gas tax,¹ many states are generating their own revenue to fund transportation, including active transportation. [Making Strides: 2020 State Report Cards on Support for Walking, Bicycling, and Active Kids and Communities](#) reveal that 30 states dedicate state funding to walking, bicycling, and Safe Routes to School. The amounts of funding range widely (around \$25,000 to \$149 million annually), and the sources of revenue filling the active transportation coffers are varied as well. Here are some of the more popular methods that local governments use to generate funds for active transportation.



Transportation Bonds

Bonds are, in essence, a loan. They are a financing mechanism involving long-term debt, in which the state receives money up front from bond purchasers and pays them back over time with interest. Bonds are a very common source of transportation funding. Bonds can only be used to fund infrastructure, not operations or ongoing costs.

State Taxes

By passing dedicated increases to sales taxes, excise taxes, income taxes, or fuel taxes states can produce significant revenue for transportation. Some states require taxes to be approved by voters instead of elected officials, and may require a supermajority of voters to agree to a tax increase. Fourteen states require a legislative supermajority and voter approval for new taxes, and six states require voter approval to exceed a spending cap.² Although elected officials are often wary of voter resistance to tax increases, historically more than 75 percent of local and state transportation financing measures are successful at the ballot box.³

Gas/Fuel Taxes

State gas taxes are among the methods commonly called upon to generate additional transportation funding that includes active transportation. Fuel tax increases are likely the most significant state funding mechanism for transportation generally; 28 states and D.C. have raised fuel taxes since 2013.⁴

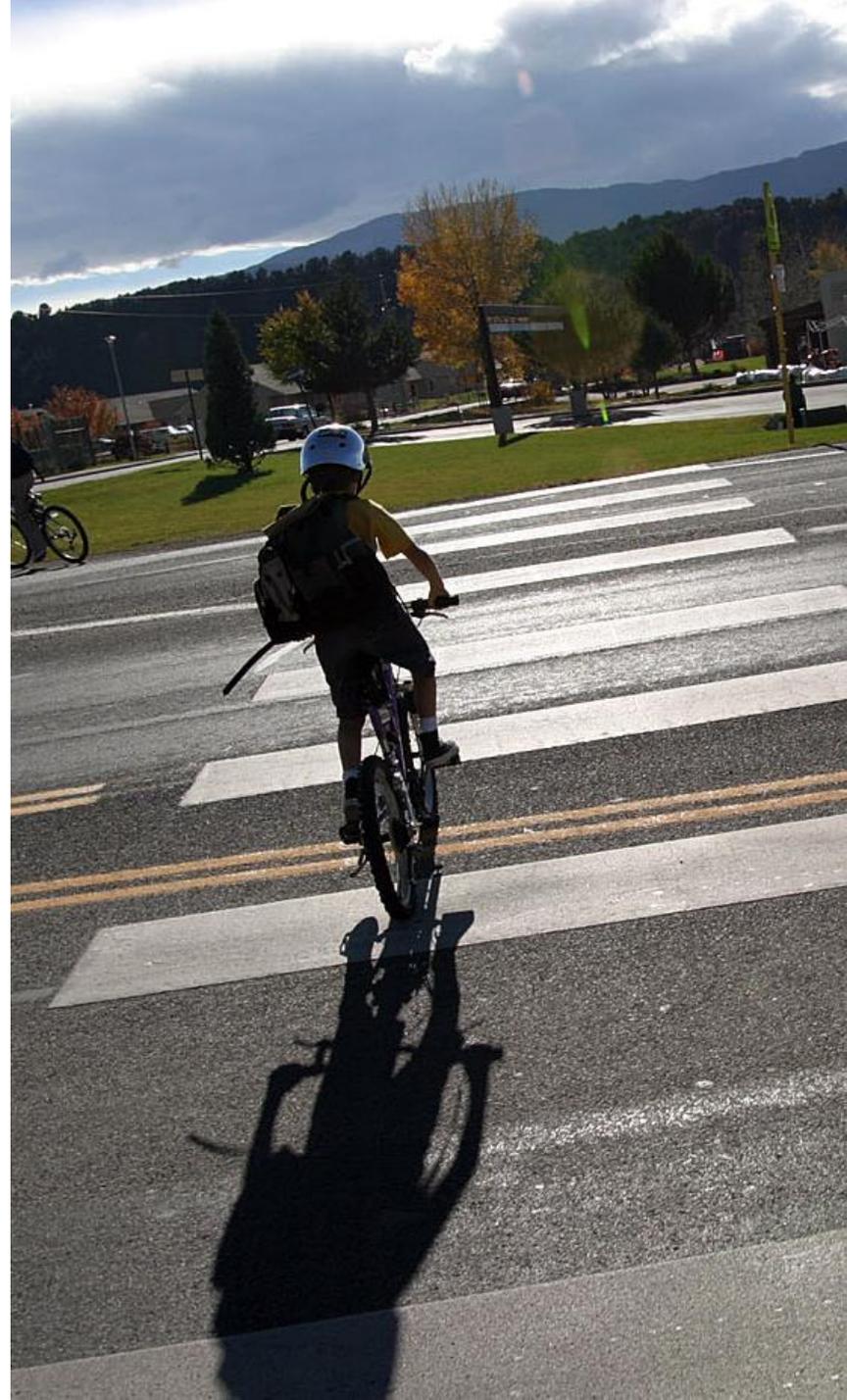
Fees

States use a wide range of fees to generate revenue for transportation. Fees can be a popular choice for policymakers because they can be passed legislatively without a supermajority and do not need to be voted on by constituents like many taxes. Philosophically, some support fees because they see them as putting the cost of providing a service on those using it, others oppose fees because they erode the communal sense of people funding the government, which then provides public goods. Fees that are used to pay for transportation or active transportation include the following:

- Vehicle registration/vehicle transfer/license fees are common in most states. At a minimum, such fees need to cover the operational costs of registering vehicles and drivers, but these fees may also be used to generate funds for infrastructure. Some states dedicate a portion of these fees to active transportation.
- Electric vehicle special fees: A number of states have passed special fees for electric or hybrid vehicles, often annual fees of \$100-\$200.⁵ Electric and hybrid vehicles pay the same annual registration fees as other vehicles, but pay fewer or no gas taxes, so a number of states have imposed these special fees as partial compensation.
- Specialty license plates: Specialty license plates (Share the Road plates or bike plates) are available in around half of the states for an additional fee. All or part of the additional fee goes to support walking or biking in the state; some states allow the money to go directly to an advocacy group, while in other states the money goes to a state fund for safety education or infrastructure.

Local Active Transportation Funding

- General funds
- Bonds
- Special improvement districts
- Taxes, fines, and fees





Local Active Transportation Funding Resources

"But How Will We Pay For It?"
Active Transportation Funding Mechanisms: Municipal Bonds 101



Introduction
As you convince decisionmakers that safe walking and biking matter, it's important to start thinking about how to pay for the improvements needed to make walking and bicycling safe, easy, and convenient. This fact sheet explains one way to fund active transportation improvements: bonds. It covers what bonds are, how they can be used to pay for active transportation infrastructure, and provides advice for advocates interested in using this method to pay for active transportation.

Investing in Health
For more general information on active transportation financing and to learn about other ways to pay for street safety improvements, please review our report, *Investing in Health: Robust Local Active Transportation Financing for Healthy Communities*, published by the Institute of Medicine.

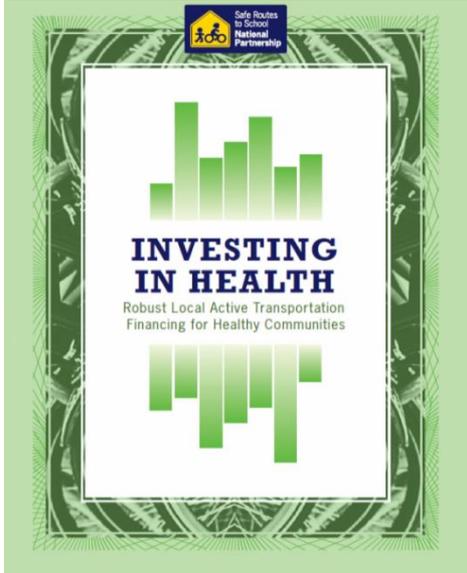
What Are Bonds?
Bonds are one way that governments borrow money and are a form of debt issued by governments or corporations that function similarly to a loan. They are used to fund capital projects and are repaid regularly over time with interest.



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GENERATING AND PRIORITIZING FUNDING FOR ACTIVE TRANSPORTATION

INVESTING IN HEALTH
Robust Local Active Transportation Financing for Healthy Communities

<https://www.saferoutespartnership.org/resources/fact-sheet/municipal-bonds-101>

<https://www.saferoutespartnership.org/resources/fact-sheet/active-trans-regional-funding>

<https://www.saferoutespartnership.org/resources/report/active-transportation-financing>

How do Federal TAP Dollars Flow to Communities?



What Happens to a State's Transportation Alternatives Program Funds?

Recreational Trails Set-Aside

Funding comes off the top of each state's TAP funds to "develop and maintain recreational trails and trail-related facilities for both nonmotorized and motorized recreational trail uses." These funds cannot be transferred to other uses.

After taking out the Recreational Trails Set-Aside, the remaining TAP funds are divided within a state according to a funding formula that is set out in the FAST Act. The money is divided up this way to give communities of all sizes a chance to compete for TAP money.



50%

of the remaining funds are awarded by the state DOT around the state.

50%

of the remaining funds are awarded through competitions based on community size, with funds proportionately divided into the following pots based on population.



States can choose to transfer these funds away from walking and bicycling, for example, to highway projects.

State DOT-run competition for communities of any size anywhere in the state.

MPOs run competitions in urban areas over 200k population.

State DOT-run competition for communities with less than 5k pop (rural, small communities).

State DOT-run competition for communities with 5k-200k pop (mid-sized communities).

Transportation Alternatives Program (TAP)



- Access to these dollars depends on your state DOT's decisions
 - DOT decides when and how to run competitions
 - See our [Making Strides 2020 State Report Cards](#) for rating of your state's choices:



Tapping into TAP



- Competitions run by state DOT (state pot and population pots; may be run together)
- Competitions run by MPOs - if you live/work in an urbanized area with population over 200,000, check with your MPO in addition to your DOT



Tapping into TAP



- **Timeline:** should be published well in advance, some states bundle years of funding together

Solicitation materials

- [Transportation Alternatives Guidebook - program eligibility requirements and regional contacts \(PDF\)](#)
- [TA Letter of Intent worksheet \(Word\)](#)
- [TA Letter of Intent reviewer checklist \(Word\)](#)
- [TA Full Application \(Word\)](#)

2020-2021 solicitation timeline

- **Thursday, Oct. 1, 2020** – Announce Transportation Alternatives solicitation. Open letter of intent period.
- **Friday, Oct. 30, 2020** – Deadline for applicants to submit letters of intent.
- **Friday, Jan. 8, 2021** – Deadline for applicants to submit full applications.
- **Thursday, April 15, 2021** – Deadline for ATPs to select TA projects. Grant recipients announced.

**Sample Timeline from Minnesota DOT*

Tapping into TAP



- Workshops and Technical Assistance
- Guides and Scoring Rubrics

For the 2019-2020 cycle, the Safe Routes to School Rulemaking Advisory Committee determined the below criteria for project selection. Project ranking will be determined by points and scoring criteria listed in Appendix B.

Priority Level	Criteria	Description
High	FOCUS AREA: Title I Schools (schools where 40% or more students are eligible for free/reduced lunch).	If the primarily affected school has 98% students eligible for free and reduced lunch, it will be more competitive than a school with 40%. Slight priority is given to schools with above the state average of students of color, chronic absenteeism, and the rate of English learners.
	Safety Risk Factors	Higher speed, number of crossing lanes and crossing distance, average annual daily traffic, and history of school related crashes will be more competitive.
	Elementary/Middle schools	Schools that serve any grades kindergarten through eighth grade will be more competitive than schools that do not serve any of those grades.
	Readiness	A project that has completed or does not need right of way acquisition, utilities relocation, storm water mitigation, public process, environmental consideration mitigation, and design will be more competitive.

Keep In Mind



- Some states run annual competitions, some states bundle years of funding together
- Some states have minimum request amounts, some have maximums
- Match requirements are typically 20%, but may be lower in states with high percentages of federal land



Addressing Common Hurdles

Making the Match

- TAP requires a 20% local match*
- What types of funding can be used to make up the 20 percent match?
 - State funds
 - Local government funds
 - Private donations/philanthropic funds
 - Generally, federal dollars are not eligible, though the Community Development Block Grants program and AmeriCorps are exceptions



Making the Match

- Projects completed on federal land (including national parks), tribal land, and/or providing access to federal land can be done entirely with TAP funds
- Toll credits can be used as non-federal match
- State support for matching funds
 - Some states provide the match for projects serving lower-income schools and communities, as these will be the locations hardest pressed to secure the matching dollars or for categories of projects, like Safe Routes to School projects.
 - Is your state one of these states? Check it out in [Making Strides 2020](#)



Developing a Competitive Funding Application

- **Be ready to act!** Know what the application is going to require and what you should prepare beforehand
- Common requirements/pre-work
 - Community engagement and support
 - Identification of the project in a planning document
 - Concept design/engineering (level varies)
- Partners, partners, partners!

Making Change Quicker: Addressing Long Timelines



Tactical Urbanism (Pop Up Projects)



Traffic Calming Using Low Cost Materials



Incremental Change



Before



Phase I - high visibility crosswalks (paint)

To come: Phase 2 -
Pavers and curb
extensions




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Q & A



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Thank you!