

FUNDING SOURCES

BICYCLE, PEDESTRIAN & TRAILS

OVERVIEW

A variety of potential funding sources, including local, state, regional, and federal funding programs, may be used to construct bicycle, pedestrian and trail improvements or to institute programs. Most of the Federal and State programs are competitive, and involve the completion of extensive applications with clear documentation of the project needs, costs, and benefits. Local funding for projects can come from sources within jurisdictions that compete only with other projects in each jurisdiction's budget.

A detailed program-by-program explanation of available funding along with the latest relevant information follows.

FEDERAL FUNDING PROGRAMS

SAFETEA-LU

The Safe Accountable Flexible Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) sets the framework for spending federal transportation revenue. SAFETEA-LU expired with the federal fiscal year in 2009; however, Congress has extended its provisions until a new bill can be passed. Many of the programs described in this section may remain once there is a new transportation bill.

SAFETEA-LU currently contains four major programs that fund bikeway, pedestrian and trails projects: Surface Transportation Program (STP), Highway Safety Improvement Program (HSIP), Transportation Enhancement Activities (TE), and Congestion Mitigation and Air Quality Improvement (CMAQ), along with other programs such as the National Recreational Trails Fund, Section 402 (Safety) funds, Scenic Byways funds, Transportation, Community, and System Preservation Program (TCSP), and Federal Lands Highway funds.

SAFETEA-LU funding is administered through the California Department of Transportation (Caltrans), and the Los Angeles County Metropolitan Transportation Authority (Metro), and varies depending upon the program.

Each of the four main programs' funding processes are outlined in detail below. Generally, Caltrans distributes funding through each district's Local Assistance Program. Metro is responsible for allocating all discretionary federal, state and local transportation funds to improve all modes of transportation for Los Angeles County. Metro does so primarily through the Call for Projects (CFP) program. The CFP is a competitive process by which these discretionary funds are distributed to regionally significant projects every other year. There are seven categories in which projects are competitively ranked, including categories for bikeways improvements and pedestrian improvements. The CFP process is part of the larger Los Angeles County Transportation Improvement Program.

The federal government apportions STP funding to each state based upon total lane miles of Federal-aid highways, vehicle miles traveled on Federal-aid highways, and highway users' tax payments within that state. Each state has its own method for distributing these funds to each jurisdiction. In California, 10% of funds is set aside in California's Surface Transportation Improvement Program as TE funding. Of the remaining funds, 27.5% goes to Caltrans for discretionary use (Caltrans programs this) and 62.5% is divided among each region by population for the Regional Surface Transportation Programs (RSTPs).

As mentioned above, TE funds come from the set aside in the STP funding. The TE program is a reimbursable capital-improvement program, where eligible projects must impact the surface transportation system. California typically has about \$75 million per year in TE funds. Caltrans divides the TE funding, allocating three-quarters to the Regional Transportation Planning Agencies (in Los Angeles County, this is Metro), and the rest to each of the twelve Caltrans districts. Metro allocates the share of Los Angeles County's TE funds through the CFP and other Metro Board actions. The rest which goes to Caltrans is used for statewide TE projects. These projects are available to local agencies and administered by Caltrans.

State statutes established the Regional Surface Transportation Program to program the 62.5% leftover STP funding after TE and Caltrans set asides. Caltrans apportions approximately \$320 million annually to each region, and about 76% of these RSTP funds must be spent within the 11 urbanized areas in California with populations of 200,000 or more. Regional projects such as roadway construction, rehabilitation, bicycle and pedestrian walkways, among others, are eligible for this type of funding. Metro programs the Los Angeles County share of the RSTP. Metro first allocates \$30.7 million per year of RSTP funds on a per capita basis to the County and each jurisdiction in the County for discretionary use. Metro allocates the rest of the funding to itself and to other agencies through the CFP.

The CMAQ program (separate from the STP) funds transportation projects or programs that will contribute to the attainment or maintenance of air quality standards for ozone and carbon monoxide. Federal funds are apportioned to each State according to the severity of these problems. Caltrans apportions funds to the various Metropolitan Planning Organizations (MPOs). SCAG, the MPO for Los Angeles, Orange, San Bernardino, Riverside, Ventura and Imperial Counties, then apportions these funds to the various County Transportation Commissions (CTCs). The CTCs then determine how funds are allocated. Los Angeles County typically receives around \$137 million. Metro programs these funds to itself and other agencies or jurisdictions through the Call for Projects or other Metro board actions.

Caltrans distributes Highway Safety Improvement Program funds through the Local Assistance program; more details follow in the separate HSIP section below.

More information can be found at:

<http://www.dot.ca.gov/fedliaison/safetealu.shtml>
<http://safety.fhwa.dot.gov/safetealu/>
http://www.metro.net/projects/call_projects/

http://www.bikeleague.org/resources/reports/pdfs/lab_cmaq.pdf
http://www.bikeleague.org/resources/reports/pdfs/section_402.pdf

Highway Safety Improvement Program (HSIP)

The Highway Safety Improvement Program (HSIP), a SAFETEA-LU program, aims to achieve a significant reduction in traffic fatalities and serious accidents through the implementation of infrastructure-related highway safety improvements. These improvements may be on any public road or publicly owned bicycle and pedestrian pathway or trail, and can include the use of devices such as traffic signals, curb extensions, crosswalks, among others. In 2009, \$1.296 billion in funds was available nationwide.

For the state portion, SAFETEA-LU allows each state to use HSIP funds for education and enforcement activities, as long as those activities are consistent with the state's Strategic Highway Safety Plan (SHSP). California completed its SHSP in September 2006, and created an Implementation Plan in April 2008.

Applications are submitted electronically, and must demonstrate that the proposed engineering improvements will increase the safety of the proposed project area. These are calculated in the application program using Crash Reduction Factors with accompanying financial values. Project areas which have a prior history of injuries or fatalities are more likely to be funded.

Caltrans is distributing approximately \$70 million to local jurisdictions in FY 2010/11.

More information can be found at:

<http://www.dot.ca.gov/hq/LocalPrograms/hsip.htm>

http://safety.fhwa.dot.gov/safetealu/fact_sheets/ftsht1401.cfm

http://www.bikeleague.org/resources/reports/pdfs/highway_safety_improvement_program.pdf

Recreational Trails Program

The California State Parks and Recreation Department administers Recreational Trails Program (RTP) funds. RTP annually funds recreational trails, including bicycle and pedestrian paths. Cities, counties, districts, state agencies, federal agencies and non-profit organizations may apply, but not Councils of Governments. A 12 percent match is required. Federal, state, local and private funds may be used to match the grant. There is no limit to the grant request; however, there are different requirements within the grant application depending on whether the project requires more or fewer than \$100,000.

More information can be found at:

Tel. (916) 653-7423

localservices@parks.ca.gov

http://www.parks.ca.gov/?Page_id=24324
<http://www.fhwa.dot.gov/environment/rectrails/>

Transportation, Community, and System Preservation Program (TCSP)

TCSP is another SAFETEA-LU program that provides federal funding for projects that improve the efficiency of the transportation system, reduce the impact on the environment, and generally investigate the relationships between transportation, community and system preservation. Eligible projects include improving conditions for bicycling and walking, better and safer operations of existing roads, new signals, and development of new programs. States, MPOs and local jurisdictions are eligible to apply for the discretionary grants. Grantees must annually report on the status of the project and the degree to which the project is attaining the stated goals. The report must include quantitative and qualitative assessments. The Federal Highway Administration administers the program, and distributed approximately \$60 million nationwide in FY 2010. The FHWA solicits a call for grant applications annually.

More information can be found at:
<http://www.fhwa.dot.gov/tcsp/index.html>

Safe Routes to School (SRTS)

As of 2006, the federal Safe Routes to School program offers grants to local agencies and others for facilities and programs. Non-traditional agencies may apply such as, school districts, COGs, health departments, non-profit organizations, education departments, hospitals, and federally-recognized Native American tribes may apply but must partner with a City/County/Metropolitan Planning Organization/Regional Transportation Planning Organization that serves as the responsible agency. Bikeways, sidewalks, intersection improvements, traffic calming, and other projects that enhance bicycle and pedestrian safety to elementary and middle schools are eligible. Safety education, enforcement, and promotional programs are also eligible.

Caltrans administers this grant and releases the funds in multi-year cycles through its district offices. Approximately \$46 million was spent statewide in 2008 SRTS-funded projects. The funds are distributed to each Caltrans district according to school enrollment. Local jurisdictions, school districts, and other agencies compete for these funds. This program will have to be reauthorized with the upcoming federal transportation bill.

More information can be found at:
<http://www.dot.ca.gov/hq/LocalPrograms/saferoutes/saferoutes.htm>

Land and Water Conservation Fund (LWCF)

States receive individual allocations of LWCF grant funds based upon a national formula, with state population being the most influential factor. States initiate a statewide competition for the amount available annually. The State then receives, scores and ranks applications

according to certain project selection criteria so that only the top-ranked projects (up to the total amount available that year) are chosen for funding. Chosen applications are then forwarded to the National Park Service for formal approval and obligation of federal grant monies. Bike paths and recreational trails are eligible uses of this money. Cities, counties, recreation and park districts, and any other entity that has the authority to develop or maintain a public park is eligible to apply. This program is a reimbursement program, and the applicant is expected to initially finance the entire project. In California, \$1.74 million is available this year, but the amount of funds varies based on the total amount apportioned to the state annually. A one for one match is required, and federal funds cannot be used as a match, except Community Development Block Grants. The California State Parks Department administers the funds.

More information can be found at:
http://www.parks.ca.gov/?Page_id=21360

Community Development Block Grants (CDBG)

The CDBG entitlement program allocates annual grants to larger cities and urban counties to develop viable communities by providing decent housing, a suitable living environment, and opportunities to expand economic opportunities, principally for low- and moderate-income persons. Every year the local governments receive federal money for a wide variety of community improvements in the form of CDBG funds. Bicycle and pedestrian facilities are eligible uses of these funds. CDBG funds only pay for projects in areas of economic need. COGs are not eligible to receive CDBG funds, and no match is required.

More information can be found at:
<http://www.hud.gov/offices/cpd/communitydevelopment/programs/>

Economic Stimulus Funds (American Recovery and Reinvestment Act of 2009)

Starting in 2009, the Federal government has given significant funds to local governments for a wide array of projects, many transportation related. Bikeways, trails, and pedestrian improvements have been eligible. Some of these have been funded by Transportation Investment Generating Economic Recovery (TIGER) grants. Other projects have been funded by the Energy Efficiency and Conservation Block Grant Program, administered by the California Energy Commission. Altogether, \$37.3 million is available for EECBG grants. Projects that have completed environmental review and design, deemed to be “shovel ready” have been favored. These have been short-term programs with expiration dates. Thus far, 16,711 grants have been awarded in California, totaling over \$22.53 billion. Nationally, there is \$275 billion available in the form of federal contracts, grants and loans.

More information can be found at:
<http://www.recovery.gov>
<http://www.dot.gov/documents/finaltigergrantinfo.pdf>

<http://www.energy.ca.gov/recovery/blockgrant.html>

Rivers, Trails, and Conservation Assistance Program (RTCA)

The Rivers, Trails, and Conservation Assistance Program is the community assistance arm of the National Park Service. RTCA provides technical assistance to communities in order to preserve open space and develop trails. The assistance that RTCA provides is not for infrastructure, but rather building plans, engaging public participation, and identifying other sources of funding for conservation and outdoor recreation projects.

More information can be found at:

<http://www.nps.gov/ncrc/programs/rtca/index.htm>

http://www.nps.gov/ncrc/programs/rtca/contactus/cu_apply.html

STATE FUNDING PROGRAMS

Transportation Development Act (TDA) Article 3 (SB 821)

TDA Article 3 funds—also known as the Local Transportation Fund (LTF)—are used by cities within Los Angeles County for the planning and construction of bicycle and pedestrian facilities. Each city in Los Angeles County receives TDA Article 3 funds from Metro according to population.

TDA Article 3 funds may be used for the following activities related to the planning and construction of bicycle and pedestrian facilities:

- Engineering expenses leading to construction.
- Right-of-way acquisition.
- Construction and reconstruction.
- Retrofitting existing bicycle facilities to comply with the Americans with Disabilities Act (ADA).
- Route improvements, such as signal controls for cyclists, bicycle loop detectors, rubberized rail crossings, and bicycle-friendly drainage grates.
- Purchase and installation of bicycle facilities, such as improved intersections, secure bicycle parking, benches, drinking fountains, changing rooms, rest rooms, and showers adjacent to bicycle trails, employment centers, park-and-ride lots, and/or transit terminals accessible to the general public.

Bicycle Transportation Account (BTA)

The State Bicycle Transportation Account (BTA) is an annual statewide discretionary program that is available through the Caltrans Bicycle Facilities Unit for funding bicycle projects. Available as grants to local jurisdictions, the BTA emphasizes projects that benefit bicycling for commuting purposes. Agencies may apply for these funds through the Caltrans Office

of Bicycle Facilities. Applicant cities and counties are required to have an approved bicycle plan that conforms to Streets and Highways Code 891.2 to qualify and compete for funding on a project-by-project basis. Cities may apply for these funds through the Caltrans Office of Bicycle Facilities. A local match of 10 percent is required for all awarded funds. Every year \$7.2 million is allocated for bicycle projects statewide. The Non-motorized Transportation Plan establishes a regional network from which local plans can build upon for local-serving bicycle and pedestrian routes. Once a jurisdiction has an approved bicycle plan that meets the requirements of the Street and Highways Code 891.2, they may apply for the Caltrans grant.

More information can be found at:

<http://www.dot.ca.gov/hq/MassTrans/State-TDA.html>

<http://www.dot.ca.gov/hq/LocalPrograms/bta/btawebPage.htm>

Safe Routes to School (SR2S)

The Safe Routes to School (SR2S) program is separate from the federal Safe Routes to School Program. This program, initiated in 2000, is meant to improve school commute routes by improving safety to bicycle and pedestrian travel through bikeways, sidewalks, intersection improvements, traffic calming, and ongoing programs. This program funds improvements for elementary, middle, and high schools. A local match of 10 percent is required for this competitive program, which allocates approximately \$24.25 million annually, or \$40 million to \$50 million in two-year cycles. Each year the state legislature decides whether to allocate funds to the program. Caltrans administers SR2S funds through its district offices.

More information can be found at:

<http://www.dot.ca.gov/hq/LocalPrograms/saferoutes/saferoutes.htm>

Office of Traffic Safety (OTS)

The California Office of Traffic Safety (OTS) seeks to reduce motor vehicle fatalities and injuries through a national highway safety program. Priority areas include police traffic services, alcohol and other drugs, occupant protection, pedestrian and bicycle safety, emergency medical services, traffic records, roadway safety, and community-based organizations. The OTS provides grants for one to two years. The California Vehicle Code (Sections 2908 and 2909) authorizes the apportionment of federal highway safety funds to the OTS program. Bicycle safety programs are eligible programs for OTS start-up funds. City and county agencies are eligible to apply, as well as COGs. There is no set maximum for grants, and no match is required; however, contributions of other funds may make projects more competitive.

More information can be found at:

http://www.ots.ca.gov/Grants/Apply/Proposals_2011.asp

<http://www.dot.ca.gov/hq/traffops/saferesr/>

Environmental Enhancement and Mitigation Program (EEMP)

EEM Program funds are allocated to projects that offset environmental impacts of modified or new public transportation facilities, including streets, mass transit guideways, park-n-ride facilities, transit stations, tree planting to mitigate the effects of vehicular emissions, off-road trails, and the acquisition or development of roadside recreational facilities. Every year \$10 million dollars is available with individual grants limited to \$350,000. Cities, counties, COGs, state agencies and non-profit organizations may apply. No match is required; however, additional points will be given for matching funds. The State Resources Agency administers the funds.

More information can be found at:
<http://www.resources.ca.gov/eem/>

AB 2766 Subvention Program

AB 2766 Clean Air Funds are generated by a surcharge on automobile registration. The South Coast Air Quality Management District (AQMD) allocates 40 percent of these funds to cities according to their proportion of the South Coast's population for projects that improve air quality. The projects are up to the discretion of the city and may be used for bicycle or pedestrian projects that could encourage people to bicycle or walk in lieu of driving. The other 60 percent is allocated through a competitive grant program that has specific guidelines for projects that improve air quality. The guidelines vary and funds are often eligible for a variety of bicycle, NEV and pedestrian projects. The Mobile Source Review Committee administers the discretionary funds.

More information can be found at:
<http://www.aqmd.gov/localgovt/AB2766.htm>
<http://www.aqmd.gov/trans/ab2766.html>

Per Capita Grant Program

The Per Capita Grant Program is intended to maintain a high quality of life for California's growing population by providing a continuing investment in parks and recreational facilities. Specifically it is for the acquisition and development of neighborhood, community, and regional parks and recreation lands and facilities in urban and rural areas.

Eligible projects include acquisition, development, improvement, rehabilitation, restoration, enhancement, and the development of interpretive facilities for local parks and recreational lands and facilities. Per Capita grant funds can only be used for capital outlay. They may be used for bike paths and trails. This grant is given to local governments based on their population. Some cities have used up their full allocation, while others have not. Regional parks and open space districts also receive these funds. COGs are not eligible to receive Per Capita Grant funds. The California State Parks Department administers the grant funds.

More information can be found at:
http://www.parks.ca.gov/?page_id=22333

Roberti-Z'berg-Harris (RZH) Grant Program - Proposition 40

Funds for this grant program are to be allocated for projects pursuant to the Roberti-Z'berg-Harris Urban Open Space and Recreational Grant Program and are to be used for:

- High priority projects that satisfy the most urgent park and recreation needs, with emphasis on unmet needs in the most heavily populated and most economically disadvantaged areas within each jurisdiction.
- Projects for which funding supplements--rather than supplants--local expenditures for park and recreation facilities and does not diminish a local jurisdiction's efforts to provide park and recreation services.
- Block grants allocated on the basis of population and location in urbanized areas.
- Need-basis grants to be awarded competitively to eligible entities in urbanized areas and in non-urbanized areas.

Eligible projects include:

- Acquisition of park and recreation lands and facilities
- Development/rehabilitation of park and recreation lands and facilities
- Special Major Maintenance of park and recreation lands and facilities
- Innovative Recreation Programs

Bike paths and recreational trails are eligible uses of this money. Cities, counties and recreation and parks districts may apply for these funds, but not COGs. The maximum grant request is \$250,000 per project, and no match is required. The California State Parks Department administers the funds.

More information can be found at:
http://www.parks.ca.gov/default.asp?page_id=22329

Proposition 84 - Statewide Park Program

The Statewide Park Act awards grants on a competitive basis to the most critically underserved communities across California for the creation of new parks and new recreational facilities. Altogether, \$368 million will be given in two funding cycles. The first funding cycle in 2009 awarded \$184 million. Grants range from \$100,000 to \$5 million. No match is required. Bikeways and trails can be funded with this program. They do not have to be in a park.

The creation of new parks in neighborhoods where none currently exist will be given priority. These new parks will meet the recreational, cultural, social, educational, and environmental needs of families, youth, senior citizens, and other population groups.

Cities, counties, districts with a park and recreation director, COGs, joint power authorities, or nonprofit organizations are eligible to apply for these funds. The California State Parks Department administers the Statewide Park Program funds.

More information can be found at:
http://www.parks.ca.gov/?Page_id=26025

Proposition 84 – Urban Greening Project Grants

In 2006 California voters passed Proposition 84 to expand recreational facilities and to fund environmental quality projects. Of this, \$70 million was set aside to fund urban greening projects that reduce energy consumption, conserve water, improve air and water quality, and reduce global warming gases. This money will be dispersed in three funding cycles. The first cycle ended in April 2010. Cities, counties, and nonprofit organizations (but not COGs) are eligible to apply for these funds. No matching funds are required, but they are encouraged. Bike paths and recreational trails are eligible uses of this money. The State of California Strategic Growth Council administers this program.

More information can be found at:
http://www.resources.ca.gov/bonds_prop84_urbangreening.html
http://sgc.ca.gov/urban_greening_grants.html

Caltrans Disabled Rights Court Settlement

Caltrans has reached an agreement to settle a class action suit brought by Californians for Disability Rights and the California Council for the Blind. The court decision was finalized in April 2010. The agreement calls for Caltrans to spend \$1.1 billion over the next 30 years, removing barriers to disabled pedestrians along state highways and at Caltrans park-and-ride facilities. Caltrans will administer the funds. The funds will be dispersed annually in the following amounts:

- \$25 million for the first five years
- \$35 million for the next 10 years
- \$40 million for the following 10 years
- \$45 million for the last five years

More information can be found at:
<http://www.dot.ca.gov/hq/paffairs/news/pressrel/09pr28.htm>

Wildlife Conservation Board Public Access Program

The Wildlife Conservation Board (WCB) provides grants for the development of facilities for public access to hunting, fishing, or other wildlife-oriented recreation. These monies can be used for trail head development, boardwalks, among others. Support facilities such as restrooms and parking areas are also eligible for funding. A 50% match is the preferred

amount for the funds. The program typically has \$1 million for local assistance grants available annually.

More information can be found at:
<http://www.wcb.ca.gov/Access/index.html>

Transportation Planning Grant Program

The Transportation Planning Grant Program has two grant programs which can aide the planning and development of bicycle and pedestrian facilities. The Environmental Justice: Context Sensitive Planning Grant is to promote the involvement of low-income and minority groups in the planning of transportation projects. The program requires a local match of 10% with a 5% in-kind contribution maximum. The Community Based Transportation Planning program funds coordinated transportation and land use planning projects that encourage community involvement and partnerships. These projects must support livable and sustainable community concepts. The Office of Community Planning, part of Caltrans Division of Transportation Planning, is responsible for managing the program and receives approximately \$3 million annually for each program. Grants are available up to \$300,000 for the Community Based Transportation Planning grant, and \$250,000 for the Environmental Justice Context Sensitive Planning Grant. MPOs, Regional Transportation Planning Agencies, cities, counties, and transit agencies are all eligible to apply for funding.

More information can be found at:
<http://www.dot.ca.gov/hq/tpp/grants.html>
For EJ CTS - Tel. (916) 651-6889
For CBTP - Tel. (916) 651-6886

Coastal Conservancy

This grant program, administered through the California Coastal Conservancy, funds the acquisition, planning, design and/or construction of projects that increase or preserve coastal access. Grants range in size from \$10,000 to several million dollars. These grants may be used for trail or bike planning and construction that improve or maintain coastal access.

More information can be found at:
<http://scc.ca.gov/applying-for-grants-and-assistance/forms/>

LOCAL FUNDING

Proposition C Local Return

County-wide, 20 percent of Proposition C funds, Los Angeles County ½ cent sales tax revenue, returns to the cities according to population. The money may be spent on a variety of transportation projects, including bicycle projects. Some of the Proposition C funding is programmed through the Metro Call for Projects (see SAFETEA-LU section above).

Measure R Local Return

A portion of this Los Angeles County ½ cent sales tax revenue returns to the cities according to population. The money may be spent on a variety of transportation projects, including bicycle projects. Of the \$40 billion, which will be collected over the 30 years from Measure R's passage in 2008, \$5.91 billion (approximately 15%) will be returned to local jurisdictions for improvements such as street resurfacing, rehabilitation and reconstructions, bikeways, pedestrian improvements, and streetscapes. Cities may spend this money as they choose from these categories. The distribution of funds varies by year.

More information can be found at:
<http://www.metro.net/projects/measurer/>

Redevelopment Agency Funds

Redevelopment Agency funds are tax increments derived from taxes on property within redevelopment areas. They must be spent on improvements in the designated redevelopment area based on adopted Redevelopment Plans. Local jurisdictions should ensure that planned bicycle, pedestrian, and trail projects are incorporated within all applicable Redevelopment Plans for individual Redevelopment Agency project areas. The local Redevelopment Agencies determine what to spend their funds on.

Resurfacing and Repaving

Local jurisdictions should take advantage of opportunities to add bicycle lanes and other markings upon resurfacing and repaving of streets. While other lanes are re-stripped, the bike facilities can be painted as well. This requires close coordination with the Planning or Community Services Department and Public Works so that low cost bicycle upgrades are not left out of street maintenance projects.

New Construction

Future road widening and construction projects are one means of providing bike lanes, pedestrian improvements and trails. To ensure that roadway construction projects provide appropriate measures where needed, it is important that an effective review process or ordinance is in place to ensure that new roads meet the standards and guidelines presented

in this master plan. Developers may also be required to dedicate land toward the widening of roadways in order to provide for enhanced bicycle mobility.

Impact Fees and Developer Mitigation

Impact fees may be assessed on new development to pay for transportation projects, typically tied to vehicle trip generation rates and traffic impacts generated by a proposed project. A developer may reduce the number of trips (and hence impacts and cost) by paying for on- or off-site bikeway improvements that will encourage residents to bicycle rather than drive. In-lieu parking fees may also be used to contribute to the construction of new or improved bicycle parking facilities. Establishing a clear nexus or connection between the impact fee and the project's impacts is critical in avoiding a potential lawsuit. Local jurisdictions have the option to create their own impact fee and mitigation requirements.

Benefit Assessment Districts

Bike paths, bicycle lanes, bicycle parking, and related facilities can be funded as part of a local benefit assessment district. However, defining the boundaries of the benefit district may be difficult since the bikeways will have citywide or regional benefit. Sidewalks, trails, intersection crossings and other pedestrian improvements can also be funded through benefit assessments.

Property Taxes and Bonds

Cities and counties can sell bonds to pay for bikeways, pedestrian facilities, as well as any amenities related to these facilities. A supermajority of two-thirds of voters in that jurisdiction must vote to levy property taxes to repay the bonds.

Business Improvement Districts

Bicycle and pedestrian improvements can often be included as part of larger efforts of business improvement and retail district beautification. Similar to benefit assessments, Business Improvement Districts (BIDs) collect levies on businesses in order to fund area-wide improvements that benefit businesses and improve access for customers. These districts may include provisions for bicycle improvements such as bicycle parking or shower and clothing locker amenities, sidewalk improvements and pedestrian crossing enhancements.

User Fees

Bicycle lockers and automated bicycle parking could be paid for with a user fee. Not knowing how much revenue the fee would generate, this funding source would require an alternative backup source.

Parking Meter Revenues

Cities can fund various improvements through parking meter revenues. The ordinance that governs the use of the revenues would specify eligible uses. Cities have the option to pass ordinances that specify bicycle or pedestrian facilities as eligible expenditures.

Adopt-a-Path Program

Maintenance of bicycle paths and recreational trails could be paid for from private funds in exchange for recognition, such as signs along the path saying "Maintained by (name)". In order for this to consistently work, a special account could be set up for donors to pay into.

General Funds

Cities and counties may spend general funds as they see fit. Any bicycle, pedestrian, or trails project could be funded through general funds and then matched with other funds.