



FUNDING SOURCES

CHAPTER 6



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6.1 Bicycle Funding Sources

There are many possible local, regional, state, and federal funding sources available for bikeway projects. The primary funding sources for bicycle projects and programs are described below and shown in the Table 6.1. Except for the local bicycle registration and licensing fees and the Surface Transportation Program, these funding sources are competitively-based grants.

6.1.1 Local

- ***Bicycle Registration and Licensing Fees***
- ***City of Merced Public Facilities Impact Fees***

6.1.2 Regional

- ***Reduce Motor Vehicle Emission Program (REMOVE II)***
- ***Transportation Development Act (TDA)*** comes from the State and is distributed to the regions (MCAG). Transit is a priority for the Local Transportation Fund (LTF) monies. In the past, whatever remaining amounts after transit gets distributed to the local agencies for local streets and roads projects, which could include bike/pedestrian projects. However, in recent years and for future years, 100% LTF monies will very likely be used for “The Bus.”

6.1.3 State

- ***California Bicycle Transportation Account (BTA)*** In order to apply, the local jurisdiction must have an adopted and certified Bicycle Transportation Plan within the past five years.
- ***State Safe Routes to School (SR2S)***
- ***Environmental Enhancement and Mitigation (EEM)***

6.1.4 Federal

- **Surface Transportation Program (STP)** (federal) funds are annually exchanged for State-only dollars, which get distributed to the local jurisdictions for surface transportation projects.
- **Congestion Mitigation Air Quality (CMAQ)** funds are federal-allocated and regionally-awarded. The Merced County Association of Governments (MCAG) receives about \$3 million of CMAQ funds annually, which MCAG awards and programs to CMAQ-eligible projects. CMAQ funds are regionally competitive, when funds are not entirely expended on transit and cost-effective projects/programs. It is up to MCAG to determine which eligible project(s) receives funding.
- **Highway Safety Improvement Program (HSIP)**. This grant focuses on transportation safety improvements to reduce the number of traffic fatalities and major injuries.
- **Office of Traffic Safety (OTS)**. This grant is specifically for bicycle and pedestrian safety.
- **Federal Safe Routes to School (SRTS)** is a federally-funded, competitive grant program, which previously existed under the prior Federal Surface Transportation Act, SAFETEA-LU. SAFETEA-LU was replaced by the new Federal Act, MAP-21, which has eliminated Federal SRTS. However, California has decided to continue funding Federal SRTS at similar levels from the new MAP-21 Transportation Enhancement program for the current Federal Fiscal Year (FFY) 2012/13. This State funding shift may or may not continue in future FFY's.

In February 2013, the *Merced County Association of Governments* received a notice from Caltrans about various funding programs. The notice stated that due to the Governor's budget proposal (announced January 10, 2013) at this time there will not be a Bicycle Transportation Account (BTA) Program "Call for Projects" in Fiscal Year 2013-14. The "**Active Transportation Program**," proposed by the Governor will consolidate the *BTA* along with the *Safe Routes to School Program*, the *Environmental Enhancement and Mitigation Program* and two other programs into one program.

6.1.5 Public Facilities Impact Fees

Based on growth projections through 2030, the *2012 City of Merced Public Facilities Financing Plan* identifies public facilities that will be needed to maintain levels of service and accommodate the demands of the expanding population for roadways, bridges and railroad crossings, traffic signals, fire, police, and parks, recreation, and bikeways consistent with and in support of the City's General Plan. The development impact fee program is based on the 20-year time period through 2030 and the area of concern is the General Plan Specific Urban Development Plan (SUDP)/Sphere of Influence (SOI) Area (adopted January 2012).

QUIMBY ACT

Under the Quimby Act, the City may charge fees to acquire land for park facilities in-lieu of developers dedicating park land within their developments. While bikeways can utilize these “Park Fees” for a portion of their costs, not enough revenue is available to pay for all of those facilities so PFIF funds are also used.

The Parks and Recreation component of the 2012 PFFP includes five projects for a total of over \$11 million, but only \$7.4 million is being funded by the Public Facilities Impact Fees with other costs being covered by grants, private donations, and Quimby Act park fees. Of this \$11 million, the 2012 PFFP estimates a cost of \$2,035,000 for future bikeway projects.

FUNDING MIX

The funding mix for Parks and Recreation bikeways-related projects (Table 6.2) reflect the intention to aggressively pursue public-private ventures, particularly for youth-related facilities. Similarly, federal and state funding will be sought for bikeways and community parks development.

Table 6.2: Bikeway Funding Mix				
Projects	2012 Cost Estimated	Federal & State Grants	Park Fees	2012 Public Facilities Impact Fees
Bikeways	\$2,035,000	\$508,750	\$203,500	\$1,322,750

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USE OF IMPACT FEES FOR BIKEWAY PROJECTS

New growth cannot be required to pay for raising or upgrading the entire community's standard for a service or facility. Any improvements required to bring existing facilities up to standard, but not necessitated by new growth, may not be included in fee calculations. Below-standard facilities are referred to as “existing deficiencies.” Existing deficiencies are excluded from the impact fee calculations in this report. Thus, fees collected through the PFFP program are limited to those projects that are directly related to new growth, and cannot be used to bring existing deficient facilities up to standard. Only Class I off-street bikeways are proposed for public facilities impact fee funding.

In the 2008 Bike Master Plan, an additional 26 miles of Class I bikeways were proposed to serve the General Plan build-out area. In the next 20 years (from 2012), the City projected the need for the construction of approximately 9 miles of new bikeways (along Fahrens, Cottonwood, and Black Rascal Creeks, and utility corridors), and 3 street undercrossings and 3 bridges.

6.1.6 Bicycle Registration and Licensing Fees

Fees to register and license bikes are charged to bike owners to enter a description of the bike and to issue a number into the statewide database for purpose of identifying lost and stolen bicycles. Fees are \$5 to register and \$2 to renew biannually. The total amount of fees collected recently were \$179 in Fiscal Year 10/11; \$225 in fiscal year 11/12 and \$142 so far in fiscal year 12/13 (2/11/13).

6.1.7 Summary Table 6.1 of Bicycle Funding Sources

Table 6.1: Bicycle Funding Sources

Funding Sources	Programming Agency	Approving Agency	Required Matching Funds	Application Deadline	Eligible Bikeway & Support Projects	2012 Public Facilities Impact Fees
Local						
Bicycle Registration & Licensing Fees	Local Jurisdictions	Local Jurisdictions	N/A	N/A	Bicycle Related Programs & Projects	Varies
Public Facilities	Local Jurisdictions	Local Jurisdictions	N/A	N/A	Bikeways for New Development	\$1.3 M through 2030
Regional						
Reduce Motor Vehicle Emissions Program (Remove II)	San Joaquin Valley Air Pollution Control District (SJVAPCD)	SJVAPCD	Varies	Varies	Class I Bike Path Construction or Class II Bike Lane Striping	Grants Limited to: \$150,000 for Class I or \$100,000 for Class II
State						
Bicycle Transportation Account (BTA)	Caltrans	Caltrans	10%	Annual, April	Bikeways, Bike Safety, Storage & Planning	\$7.2 M annually
State Safe Routes to School (SR2S)	Caltrans	Caltrans	10%	Annual, March	Bicycle & Pedestrian Projects	\$24.25 M annually
Environmental Enhancement and Mitigation (EEM)	California Transportation Commission (CTC)	CTC	None	Annual, August	Roadside Recreation	\$10 M annually, Grants Limited to \$350,000
Federal						
Surface Transportation Program (STP)	MCAG , Local Jurisdictions	MCAG , Local Jurisdictions	None	Varies	State Roads, Bridges, Transit Capital, Bicycle and Pedestrian Projects	\$200 M annually, Exchanged Annually for State-Only Dollars
Congestion Mitigation / Air Quality (CMAQ)	MCAG	MCAG , Caltrans & Federal Hwy. Admin.	11.47%	Varies	Bikeways & Support Facilities	Varies
Highway Safety Improvement Program (HSIP)	Caltrans	Caltrans	10%	Annual, July	Transportation Safety Improvements	Unknown; Minimum of \$100,000; Maximum of \$900,000
Offices of Traffic Safety (OTS)	OTS	OTS	Unknown	Annual, Anytime during the year	Bicycle and Pedestrian Safety	Varies
Federal Safe Routes to School (SRTS)	Caltrans	Caltrans	None	Annual	Bicycle and Pedestrian Projects	\$23 M annually

6.2 Bicycle Transportation Account (BTA)

Caltrans' Bicycle Transportation Account (BTA) is one of several funding mechanisms the City uses to pay for bike-related projects. The state awards over 7 million dollars through this program each year to cities and counties throughout the state. During the last 10 years, grant awards have ranged in size from \$5,000 to \$1.2 million. The City of Merced is located in Caltrans District 10, which consists of eight counties and 29 cities in the northern San Joaquin Valley.

6.2.1 Local BTA Grant History

Since FY 2003/04, according to Caltrans online records, District 10 has only awarded 2 grants for local projects: 1) the Bellevue Road bike shoulders; and, 2) a reconstructed Lake Road bike path. During this period, BTA applications were submitted for bike path (Campus Parkway - Class I), and bike lane (Canal Street – Class I, and Downtown – Class II) projects, but no awards were granted.

Prior to this period, the City was awarded a BTA grant in FY 02/03 for the Cottonwood Creek Bike Path Project, as well as an overlay of the Bear Creek Path between McKee Road and G Street.

6.2.2 BTA Award Trends

A review of past BTA awards (2003 to 2012) was conducted to understand the scope and focus of successful bike project applications. To qualify for BTA funding, bike projects must be directly connected to needs of the bike commuter. The results revealed that the needs of the bike commuter are broad and can be described in five broad categories. The number of awards given this survey period per category is listed:

- Facility Preparation Activities 7
- Backbone Commuting Facilities.....305
- Parking Facilities.....39
- Education/Safety.....22
- Intermodal Connections.....13

FACILITY PREPARATION ACTIVITIES

- ROW/Engineering (4)
- Project Feasibility Study (1)
- Safety Study (2)

BACKBONE COMMUTING FACILITIES

Linear Features (269), such as:

- Class I (pathways) (76)
- Bike Boulevard (4)
- Class II (lanes) (140)
- Class III (route) (30)
- Sharrow (5)
- Rehab Pavement and Markings (14)

Point Features (36), such as:

- Bridges [widened road bridge, pedestrian/bike over roads, under-crossing] (13)
- Drainage Grates (2)
- Bike Detection Loops/Video/Push-Button (15)
- Intersection Redesign (2)
- Lighting (4)

PARKING FACILITIES

- Bike Racks (18)
- Lockers (11)

EDUCATION / SAFETY

- Bike Rodeo (6)
- Fund Bike to Work Week (1)
- Bike Commuter Map (3)
- Signs [directional; way-finding; safety] (10)
- Traffic Calming (2)

INTERMODAL CONNECTIONS

- Bus Racks (5)
- Bike Transit Station/Facility (6)
- Bike Repair Site (2)

6.2.3 BTA Application Eligibility Checklist

The following list of key application elements is provided to inform the submittal of future BTA grant applications, and is derived from the checklist used by Caltrans to determine whether an application is complete and eligible for consideration of an award.

- Current BTP with RTPA letter
- Project is listed in current BTP
- Evidence of CEQA clearance (NOE or NOD)
- 10% Local Match and City Council Resolution of Support
- Complete Application containing minimal attachments, submitted by due date

BTA application rating factors and criteria are discussed below.



6.2.4 BTA Rating Factors and Criteria

The following list of key application rating factors and criteria is provided to inform the submittal of future BTA grant applications.

Eligible BTA projects are those that serve the functional needs of bicycle commuters. Accordingly, the BTA Evaluation Committee evaluates applications as Excellent, Good, Fair, Poor, or Ineligible according to the following criteria:

HOW WELL HAS THE APPLICANT DEMONSTRATED THAT THE PROJECT:

1. Will be used primarily by bicycle commuters?
2. Has the potential to increase bicycle commuting?
3. Is the best alternative for the situation?
4. Improves bikeways and/or amenities that support bicycle commuting e.g., bicycle parking, lockers, showers, lighting, call boxes, maps, and bicycle safety education programs.
5. Provides or improves bikeway continuity to activity centers such as public buildings, transit terminals, business districts, shopping centers, schools, etc.
6. Is consistent with the applicable BTP?

OTHER CONSIDERATIONS USED IN EVALUATING BTA PROJECT APPLICATIONS INCLUDE:

1. Citizen and community involvement
2. Cost of project and cost-effectiveness
3. Geographic distribution
4. Projects initiating a community bikeway network
5. Land use, population density, and settlement patterns
6. Local – State match ratio
7. Project readiness
8. Project type Class II & III (on-road) / Class I (off-road) / other
9. Prior funding and project implementation
10. Urban/Rural balance
11. Transportation interface with other modes of transportation
12. Trip purpose: work, school, shop, social / recreational, other
13. Is applicant willing to accept partial funding?
14. Does BTA project connect to or become a part of a larger project or facility with a design not meeting HDM standards?

15. Is facility open 24/7? If not what are the hours of use? And why isn't the facility always available?

6.3 Other Recent Funding Awards

In addition to the BTA funds, the City of Merced has recently obtained over \$3 million for bike-related projects from other sources, which include:

6.3.1 Federal Safe Route to School (SRTS) Program

For the FFY 2012/13 SRTS is funding \$980,900 for crosswalks, safety lighting, flashing beacons, sidewalks, and curb ramps.



6.3.2 Congestion Mitigation Air Quality (CMAQ)

CMAQ has approved \$2.4 million in funding for five different bike-related projects from FY 2010/11 to 2013/14 (time frame includes both engineering and construction) for:

- Construct (Bear Creek) / Class I bike path
- Construct (Black Rascal Creek) / Class I bike path
- Install Class II Bike Lanes in Merced
- 50 New Bike Racks, and

- 3 New Bike Shelters

Approved CMAQ Bicycle Projects for City of Merced

CTIPS ID	Project Title	Phase	Fund Source	Fund Amount	FFY
205-000-0178	Construct (Bear Creek) Class I Bike Path	PE	CMAQ	205,920	10/11
			LOCAL	28,080	
		CON	CMAQ	1,267,200	13/14
			LOCAL	172,800	
205-0000-0177	Construct (Black Rascal Creek) Class I Bike Path	PE	CMAQ	132,000	10/11
			LOCAL	18,000	
		CON	CMAQ	388,000	12/13
			LOCAL	53,000	
205-0000-0195	Install Class II Bike Lanes In Merced	PE	CMAQ	44,265	11/12
			LOCAL	5,735	
		CON	CMAQ	247,884	12/13
			LOCAL	32,116	
205-0000-0202	Merced to Purchase Fifty New Bike Racks	CON	CMAQ	32,844	13/14
			LOCAL	4,256	
205-0000-0203	Merced to Purchase Three New Bike Shelters	PE	CMAQ	22,132	13/14
			LOCAL	2,868	
		CON	CMAQ	123,942	
			LOCAL	16,058	

Sum of Net Increases by Fiscal Year	10/11	11/12	12/13	13/14
CMAQ for Non-Transit Projects	\$337,920	\$44,265	\$635,884	\$1,446,118
	\$2,464,187			