

Chapter 6. FINANCIAL RESOURCES AND FUNDING OVERVIEW

Acquiring funding for projects and programs is considerably more likely if it can be leveraged with a variety of local, state, federal and private sources. This section identifies potential matching and major funding sources available for bicycle and pedestrian projects and programs as well as their associated need and criteria.

Federal Funding Sources

Federal funding is primarily distributed through a number of different programs established by the Federal Transportation Act. The latest act, The Safe, Accountable, Flexible, Efficient Transportation Equity Act – a Legacy for Users (SAFETEA-LU) was enacted in August 2005 as Public Law 109-59. SAFETEA-LU authorizes the Federal surface transportation programs for highways, highway safety, and transit for the five-year period 2005-2009. This legislation is currently being re-authorized.

In South Carolina, Federal funding is administered through State (SCDOT) and regional planning agencies such as GPATS. Most, but not all, of these funding programs are oriented toward transportation versus recreation, with an emphasis on reducing auto trips and providing inter-modal connections. Federal funding is intended for capital improvements and safety and education programs, and projects must relate to the surface transportation system.

SAFETEA-LU

There are a number of programs identified within SAFETEA-LU that provide for the funding of bicycle and pedestrian projects.

Surface Transportation Program

Every six years, Congress sets the country's transportation and infrastructure priorities — allocating hundreds of billions of dollars for projects that shape our communities for generations. The Surface Transportation Authorization Act of 2009 is expected to provide high-level transportation funding policy changes.⁹ The Surface Transportation Program (STP) provides states with flexible funds which may be used for a wide variety of projects on any Federal-aid Highway including the National Highway System, bridges on any public road, and transit facilities.

The new transportation bill is expected to create an Office of Livability within the Federal Highway Administration. The office will administer bicycle and pedestrian programs, including Safe Routes to School and Transportation Enhancements. The office is charged with increasing modal choice, advancing livable communities, and promoting integrated land use and planning. Also under the Office's jurisdiction will be compilation and dissemination of best practices on active transportation, developing better data collection and analysis on active transportation, and requiring that all federal aid projects consider comprehensive street design principles, policies, and standards. The Office will also oversee the creation of the U.S. Bicycle Route System.

⁹ Source: <http://transportation.house.gov/Media/file/Highways/HPP/Surface%20Transportation%20Blueprint.pdf>

Bicycle and pedestrian improvements are eligible activities under the current STP. This covers a wide variety of projects such as on-street facilities, off-road trails, sidewalks, crosswalks, bicycle and pedestrian signals, parking, and other ancillary facilities. SAFETEA-LU also specifically clarifies that the modification of sidewalks to comply with the requirements of the Americans with Disabilities Act is an eligible activity.

As an exception to the general rule described above, STP-funded bicycle and pedestrian facilities may be located on local and collector roads which are not part of the Federal-aid Highway System. In addition, bicycle-related non-construction projects, such as maps, coordinator positions, and encouragement programs, are eligible for STP funds. SCDOT estimates that they will receive an average of \$118 million annually for this program through the lifetime of SAFETEA-LU.

Transportation Enhancements

Administered by SCDOT, this program is funded by a set-aside of STP funds. Projects must serve a transportation need. These funds can be used to build a variety of pedestrian, bicycle, streetscape and other improvements that enhance the cultural, aesthetic, or environmental value of transportation systems. The statewide grant process is competitive.

SCDOT's Transportation Enhancement Program can be used for a feasibility study for a greenway; however, the greenway must serve as primarily a transportation facility, rather than a recreational one. The requirement is an 80/20 match and must be pursued by a government entity, in this case, the City of Easley. The required match can be in-kind. Applications are submitted through the MPO. Project selection cycle is on-going.¹⁰

Congestion Mitigation/Air Quality Program

The Congestion Mitigation/Air Quality Improvement Program (CMAQ) provides funding for projects and programs in air quality non-attainment and maintenance areas for ozone, carbon monoxide, and particulate matter which reduce transportation related emissions.

These federal funds can be used to build bicycle and pedestrian facilities that reduce travel by automobile. Recreational facilities generally are not funded. SCDOT estimates that they will receive an average of \$8.7 million annually for this program through the lifetime of SAFETEA-LU.¹¹

Recreational Trails Program

The Recreational Trails Program of the Federal Transportation Bill provides funds to states to develop and maintain recreational trails and trail-related facilities for both non-motorized and motorized recreational trail uses. Examples of trail uses include hiking, bicycling, in-line skating, equestrian use, and other non-motorized and motorized uses. These funds are available for both paved and unpaved trails, but may not be used to improve roads for general passenger vehicle use or to provide shoulders or sidewalks along roads.

Recreational Trails Program funds may be used for:

- Maintenance and restoration of existing trails
- Purchase and lease of trail construction and maintenance equipment
- Construction of new trails, including unpaved trails

¹⁰ Application instructions available at: http://www.scdot.org/community/pdfs/app_instruct.pdf

¹¹ More information available at: <http://www.fhwa.dot.gov/environment/cmaqpgs/apport03.htm>

- Acquisition or easements of property for trails
- State administrative costs related to this program (limited to seven percent of a State's funds)
- Operation of educational programs to promote safety and environmental protection related to trails (limited to five percent of a State's funds)

South Carolina Recreational Trails Program is a Federal-aid assistance program with an annual grant cycle requiring an 80/20 match (match can be in-kind). The program is for motorized and non-motorized recreational use. Applicants must submit a Letter of Intent in order to be eligible to apply for a grant. Applications are due in March and awarded in July of each year. Minimum grant amount is \$10,000 with a maximum amount of \$100,000. Applicants can be municipal, state, or federal government, or for- or non-profit organizations. SC's Parks, Recreation, and Tourism grants must be used for construction (no more than 5% for planning or engineering).¹²

Safe Routes to School (SR2S)

The Safe Routes to School Program is an effective means of promoting physically active transportation such as walking and bicycling in the Easley community.

Getting children walking and bicycling to school is proven to:

- Enhance the health of kids - Increased physical activity can combat a host of health problems facing kids today.
- Improve air quality and the environment - Replacing car trips to school with walking or bicycling can help reduce air pollution.
- Create safer routes for walking and bicycling for the entire community - Sidewalks, education programs and traffic calming measures are some of the ways to improve conditions for children and improve overall community livability.

In 2005, Congress provided funding for each state to have a Safe Routes to School (SRTS) Program. SRTS enables and encourages children, including those with disabilities, to safely walk and bicycle to and from school. SCDOT's Safe Routes to School Program assists schools and communities in the planning, development, and implementation of projects and activities that will improve safety and reduce traffic, fuel consumption, and air pollution in the vicinity of schools while promoting a healthy lifestyle for children and their parents.

Selected schools will be required to design a comprehensive Safe Routes to School Plan specific to that school. This plan must incorporate the Five E's of Safe Routes to School: Engineering, Education, Encouragement, Enforcement, and Evaluation. SRTS Workshops will aid in the designing of a comprehensive SRTS Plan.

South Carolina's SRTS funding program, which is due to be updated in 2010, has provided up to \$200,000 per school for infrastructure and non-infrastructure improvement programs. 90% of the funding must be used for infrastructure. Because the grants are competitive and statewide funding limited, only one school in a given municipality is likely to receive funding.

Development Block Grants

The Community Development Block Grants program provides money for streetscape revitalization, which may be largely comprised of pedestrian improvements. Federal Community Development Block Grant grantees may "use Community

¹² More information available at: <http://www.scprt.com/files/Grants/2009%20Rec%20Trails%20Application.pdf>

Development Block Grants funds for activities that include (but are not limited to): acquiring real property; reconstructing or rehabilitating housing and other property; building public facilities and improvements, such as streets, sidewalks, community and senior citizen centers and recreational facilities; paying for planning and administrative expenses, such as costs related to developing a consolidated plan and managing Community Development Block Grants funds; provide public services for youths, seniors, or the disabled; and initiatives such as neighborhood watch programs.”

Rivers, Trails and Conservation Assistance Program

The Rivers, Trails and Conservation Assistance Program (RTCA) is a National Parks Service program which provides technical assistance via direct staff involvement, to establish and restore greenways, rivers, trails, watersheds and open space. The RTCA program provides only for planning assistance—there are no implementation monies available. Projects are prioritized for assistance based on criteria that include conserving significant community resources, fostering cooperation between agencies, serving a large number of users, encouraging public involvement in planning and implementation, and focusing on lasting accomplishments.

Land and Water Conservation Fund

The Land and Water Conservation Fund (LWCF) is a Federally-funded program that provides grants for planning and acquiring outdoor recreation areas and facilities, including trails. Funds can be used for right-of-way acquisition and construction. These funds are administered by the South Carolina Department of Parks, Recreation and Tourism.

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 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 Transportation, Community and System Preservation Program funds require a 20 percent match.

State Funding Sources

South Carolina Department of Transportation – Capitol Projects

South Carolina Department of Transportation would like to work closely with the City of Easley in including bicycle and pedestrian improvements as part of major projects. It is recommended that the two organizations continue to liaise with one another on an ongoing basis to identify opportunities for implementation of the Easley Bicycle and Pedestrian Plan.

South Carolina Department of Transportation – Maintenance Program

South Carolina Department of Transportation carries out a number of road resurfacing projects annually that are geared at maintenance. There may be opportunities for road re-stripping to be completed as part of regular roadway maintenance. This will require coordination between the City, the SCDOT District Traffic Engineer and the local Maintenance office to ensure that the pavement marking design is safe for cyclists or drivers.

Statewide Transportation Improvement Program

The Statewide Transportation Improvement Program (STIP) is SCDOT's short-term capital improvement program, providing project funding and scheduling information for the department and South Carolina's metropolitan planning organizations. The program provides guidance for the next six years and is updated every three years. The South Carolina Department of Transportation Commission, as well as the Federal Highway Administration (FHWA) and Federal Transit Administration (FTA) approve the STIP.

In developing this funding program, SCDOT must verify that the identified projects comply with existing transportation and comprehensive plans and SAFETEA-LU planning requirements. The STIP must fulfill Federal planning requirements for a staged, multi-year, statewide, intermodal program of transportation projects. Specific transportation projects are prioritized based on Federal planning requirements and the different State plans.¹³

South Carolina Transportation Infrastructure Bank

The South Carolina Transportation Infrastructure Bank (SCTIB) is a statewide revolving loan fund designed in 1997 to assist major transportation projects in excess of \$100 million in value. The SCTIB has since approved more than \$4.5 billion in financial assistance and is arguably the largest and most active State Infrastructure Bank in the country.¹⁴

Regional Funding Sources

GPATS is the Greenville-Pickens Area Transportation Study. The GPATS Study Area extends into five Upstate counties, including the cities of Easley, Fountain Inn, Greenville, Greer, Liberty, Mauldin, Pickens, Simpsonville, and Travelers Rest.

GPATS is the Metropolitan Planning Organization (MPO) for the Greenville Urbanized Area. An MPO is a federally required regional transportation planning organization. MPOs are responsible for planning and prioritizing all federally funded transportation improvements within an urbanized area. Every Urbanized Area with a population of 50,000 or more must create an MPO in order to be eligible for federal transportation funds from the Federal Highway Administration (FHWA) and Federal Transit Administration (FTA).

Each MPO is required by federal regulations to define a planning area that includes all of the current Urbanized Area, and the additional area that is likely to become urbanized during the next 20 to 25 years. The U.S. Census Bureau defines the boundaries of Urbanized Areas as a part of the Decennial Census. An Urbanized Area is made up of densely populated, contiguous (connected) Census Blocks that have a combined population of 50,000 persons or more.

The technical staff for GPATS includes: Planners, engineers, and public works officials from the cities and counties served by GPATS are represented on the Study Team, as well as officials from the South Carolina Department of Transportation (SCDOT) and the Federal Highway Administration (FHWA). The study team develops plans, evaluates potential transportation improvements, and makes recommendations to the Policy Committee.

The two key products that GPATS develops are the Transportation Improvement Program (TIP) and the Long Range Transportation Plan (LRTP). The TIP is a list of all of the transportation improvement projects to be funded with FHWA or

¹³ Additional information is available at: <http://www.scdot.org/inside/stip.shtml>

¹⁴ Additional information is available at: <http://www.chiplimehouse.net/whisper/graphics/60565Connector%20Fall%202007%2012.pdf>

FTA funds in the upcoming three years. A project must be listed in an approved TIP before federal funds can be spent on the project. The TIP is the funded, short-range element of the regional transportation plan. The LRTP is a 25-year plan that establishes transportation priorities for the region. The LRTP lists all projects that can be funded, based on estimates of available state and federal funds. A project must be listed in the LRTP before it can be added to the TIP.

Local Funding Sources

Local Bond Measures

Local bond measures, or levies, are usually general obligation bonds for specific projects. Bond measures are typically limited by time based on the debt load of the local government or the project under focus. Funding from bond measures can be used for right-of-way acquisition, engineering, design and construction of pedestrian and bicycle facilities.

Tax Increment Financing/Urban Renewal Funds

Tax Increment Financing (TIF) is a tool to use future gains in taxes to finance the current improvements that will create those gains. When a public project (e.g., sidewalk improvements) is constructed, surrounding property values generally increase and encourage surrounding development or redevelopment. The increased tax revenues are then dedicated to finance the debt created by the original public improvement project.

System Development Charges/Developer Impact Fees

System Development Charges (SDCs), also known as Developer Impact Fees, represent another potential local funding source. SDCs are typically tied to trip generation rates and traffic impacts produced by a proposed project. A developer may reduce the number of trips (and hence impacts and cost) by paying for on- or off-site pedestrian improvements that will encourage residents to walk or use transit rather than drive. In-lieu parking fees may be used to help construct new or improved pedestrian facilities. Establishing a clear nexus or connection between the impact fee and the project's impacts is critical in avoiding a potential lawsuit.

Street User Fees

Many cities administer street user fees through residents' monthly water bills. The revenue generated by the fee can be used for operations and maintenance of the street system, and priorities would be established by the Public Works Department. Revenue from this fund can be used to maintain on-street bicycle and pedestrian facilities, including routine sweeping of bicycle lanes and other designated bicycle routes.

Local Improvement Districts (LIDs)

Local Improvement Districts (LIDs) are most often used by cities to construct localized projects such as streets, sidewalks or bikeways. Through the LID process, the costs of local improvements are generally spread out among a group of property owners within a specified area. The cost can be allocated based on property frontage or other methods such as traffic trip generation.

Business Improvement Districts

Pedestrian improvements can often be included as part of larger efforts aimed at business improvement and retail district beautification. Business Improvement Districts 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 pedestrian and bicycle improvements, such as wider sidewalks, landscaping, and ADA compliance.

Other Local Sources

Residents and other community members are excellent resources for garnering support and enthusiasm for a bicycle and pedestrian facility, and the City should work with volunteers to substantially reduce implementation and maintenance costs. Local schools, community groups, or a group of dedicated neighbors may use the project as a project for the year, possibly working with a local designer or engineer. Work parties can be formed to help clear the right-of-way for a new path or maintain existing facilities where needed. A local construction company could donate or discount services. Other opportunities for implementation will appear over time, such as grants and private funds. The City should look to its residents for additional funding ideas to expedite completion of the bicycle and pedestrian system.

Other Funding Sources and Potential Partners

National Trails Fund

This fund provides funding to grassroots organizations for establishing and maintaining trails. Awards are usually between \$500 and \$5,000. Applications are due December 15, 2009 and are awarded April 2010.¹⁵

Bikes Belong Grant Program

The Bikes Belong Coalition of bicycle suppliers and retailers has awarded \$1.2 million and leveraged an additional \$470 million since its inception in 1999. The program funds corridor improvements, mountain bike trails, BMX parks, trails, and park access. It is funded by the Bikes Belong Employee Pro Purchase Program.

American Greenways Program

Administered by The Conservation Fund, the American Greenways Program provides funding for the planning and design of greenways. The Program is a partnership between the Conservation Fund, Eastman Kodak Company and the National Geographic Society. Applications for funds can be made by local, regional or statewide non-profit organizations and public agencies. The maximum award is \$2,500, but most awards range from \$500 to \$1,500. American Greenways Program monies may be used to fund unpaved trail development.

River Wood Johnson Foundation Grants

River Wood Johnson Foundation Grants are awarded to promote healthy communities and lifestyles. Most grants are awarded through Calls for Proposals for the seven program areas of the RWJ Foundation. The Berkeley-Charleston-Dorchester Council Governments was awarded a RWJ Foundation grant to complete a regional bicycle and pedestrian action plan.

¹⁵ <http://www.americanhiking.org/Our-Work/National-Trails-Fund/>

Palmetto Health Baptist Easley

As a part of the Easley community for 50 years, Palmetto Health Baptist hospital has provided care to multiple generations of Pickens County families. Palmetto Health is a recognized leader in providing a wide range of comprehensive health care services.¹⁶ Similar health care institutions, including the Greenville Hospital System, have been actively involved in promoting and funding active living-related programs and campaigns. The Greenville Hospital System, for example, provided \$1 million over 10 years to promote the Swamp Rabbit Trail. Palmetto Health has indicated their commitment to public health and active living by sponsoring a walking/fitness trail on a parcel of land opposite the Hospital along SC135.

National Walk@Lunch Day in April

National Walk@LunchDay helps individuals to incorporate physical activity into the work day and encourages individuals to increase daily physical activity by walking at lunch every day.¹⁷ While any increase in walking will help promote good health, the President's Council on Physical Fitness and Sports recommends 30 minutes a day, on five or more days a week, or 10,000 steps daily, to produce the best, long-term health benefits for most individuals. That is why Blue Cross and Blue Shield Plans have launched WalkingWorks, the Blue Program for a Healthier America.

Zest Quest – Clemson University's Youth Learning Institute

Zest Quest®, a not-for-profit children's health initiative, effectively addresses the three areas of need cited by Surgeon General Carmona.¹⁸ The mission of Zest Quest is to educate and provide incentive for children and their families to live healthier lives, and the program seeks to create an enjoyable environment that inspires children to lead physically, emotionally, and intellectually healthier lives. Through interactive, curriculum-based educational and mentorship programs, children will learn valuable tools and healthy habits to prevent future health problems.

In addition to securing data for scientific purposes, the Zest Quest program encourages students by rewarding prizes for those who adopt healthy habits taught through the Zest Quest curriculum. The grand prize is a day camp experience.

Upstate Forever

Upstate Forever promotes sensible growth and the protection of special places in the Upstate region of South Carolina.¹⁹ The membership-based, nonprofit organization covers ten counties (Abbeville, Anderson, Cherokee, Greenville, Greenwood, Laurens, Oconee, Pickens, Spartanburg, and Union), and we have three main programs: Land Trust, Sustainable Communities, and Clean Air and Water.

- The **Land Trust program** works with landowners to protect significant properties and resources in the region, primarily through land protection agreements. To date the group has completed 57 such agreements, protecting nearly 10,391 acres of important land in the Upstate.

¹⁶ Additional information is available at: www.palmettohealth.org

¹⁷ More information about National Walk@Lunch Day is available from Blue Cross and Blue Shield. National Walk@Lunch Day is an extension of the Blue Cross and Blue Shield Association's WalkingWorks® program. (www.southcarolinablues.com)

¹⁸ Additional information is available at: www.zestquest.org

¹⁹ Additional information is available at: www.upstateforever.org

- The Sustainable Communities program promotes economically, socially, and environmentally sound growth in the Upstate by supporting green development, parks and natural areas, active living initiatives, land use and infrastructure planning, and adaptive reuse and revitalization of existing communities.
- The Clean Air and Water program works to promote low impact development; improve stormwater and erosion control measures; buffer floodplains, greenways, and lakeshores; protect pristine streams and wild rivers; improve air quality in the region; and raise awareness about climate change. Its water quality efforts are organized geographically, focused on mountain streams, urban rivers, rural waters, and statewide water resources.

Across all three programs, Upstate Forever works to educate the public, developers, and policy makers about land use, conservation, and growth management issues in the Upstate. Upstate Forever publishes a semi-annual newsletter, the Upstate Advocate; a monthly bulletin, the Upstate Update, and a weekly Legislative Update during the South Carolina legislative session. Upstate Forever also maintains this website; sponsor conferences, lectures, and workshops; take numerous field trips; and speak to many different groups and organizations throughout the region.