

# DRAFT

## 8. BICYCLE FUNDING

### BICYCLE FUNDING GOAL AND OBJECTIVE

**Goal:**

Prioritize and Increase Bicycle Funding

**Objective:**

Identify and pursue new and existing local, regional, state and federal funding sources for bicycle facility improvements and bicycle education and promotion programs.

### INTRODUCTION

Funding is perhaps the most critical component to ensuring that San Francisco's residents, employees and visitors are able to safely use bicycles for their daily transportation. Bicycle lanes and racks, on-the-road training classes, education campaigns and promotional activities all require some level of funding. Due to competing demands for limited City funds, outside funding plays a crucial role in successful implementation of these programs.

Since fiscal year 2001-02, San Francisco has spent approximately \$5 million on bicycle facilities. It is estimated that up to \$18 million will be required over the next five years to complete the near-term bicycle route network improvements identified in this Plan. Approximately \$8 million in potential funding has been identified, leaving a financial need of roughly \$10 million.

There are two general types of funding sources: those that are bicycle-specific and those that are not specific to bicycles, but that can fund some types of bicycle projects and programs. Many of these non-specific funding sources can be used only for bicycle projects under very specific conditions or in conjunction with other projects. Most of these programs are highly competitive and securing funding can be extremely difficult.

An excellent and exhaustive list of both bicycle-specific and general funding sources is the "Guide to Bicycle Project and Program Funding in California,"<sup>i</sup> (a

combined effort of the California Bicycle Coalition, California Department of Transportation (Caltrans) Bicycle Facilities Unit and the Planning and Conservation League Foundation). It provides an update on available bicycle project and program funding sources in California and identifies key contacts to help obtain federal, state, local and private monies. Excerpts from that guide are included in this Chapter.

A guide to general transportation funding in the San Francisco Bay Area is "Moving Costs: A Transportation Funding Guide for the San Francisco Bay Area,"<sup>iii</sup> published by the Metropolitan Transportation Commission (MTC) in January 1999 and revised in the spring of 2000. This guide consists of detailed tables summarizing federal, state and local sources of money, indicating the amount available, eligible uses and potential Bay Area candidates. A summary of bicycle funding sources is shown in Table 8-1 below.

**Table 8-1**  
Overview of Bicycle Funding Sources

<b>Funding Program</b>	<b>Granting Agency</b>	<b>Administering Agency</b>	<b>Applications Due</b>
Bay Trail Program	Association of Bay Area Governments (ABAG)	ABAG	Varies
Bicycle Facility Program (BFP)	Bay Area Air Quality Management District (BAAQMD)	BAAQMD	June
Bicycle Transportation Account (BTA)	Caltrans	Caltrans	December
Community Based Transportation Planning (CBTP) and Environmental Justice (EJ) Grants	Caltrans	Caltrans	January
Congestion Mitigation & Air Quality Improvement Program (CMAQ)	MTC by way of San Francisco County Transportation Authority (SFCTA) selection process	Caltrans	Varies
Lifeline Transportation Program	MTC	SFCTA	August
Office of Traffic Safety (OTS)	OTS	OTS	January
Proposition K (formerly Proposition B) Half-Cent Sales Tax (Prop K)	SFCTA	SFCTA	April/May Annual Call + Monthly Applications
Regional Bicycle and	MTC	SFCTA	May

<b>Funding Program</b>	<b>Granting Agency</b>	<b>Administering Agency</b>	<b>Applications Due</b>
Pedestrian Grant Program (RBPP)			
Safe Routes to Transit (SR2T)	MTC	Transportation and Land Use Coalition (TALC) and MTC	Varies
Safe Routes to School (SR2S) - Federal	Caltrans	Caltrans	Summer
Safe Routes to School (SR2S) – State	Caltrans	Caltrans	Fall
Surface Transportation Program (STP)	Federal	Various - funds many different transportation programs	Varies
Transportation Development Act Article 3 (TDA)	MTC	SFCTA	March-June
Transportation Enhancements Activities (TEA)	MTC by way of SFCTA selection process	Caltrans	Varies
Transportation for Livable Communities (TLC) – Station Area Planning	MTC	MTC	Varies
Transportation for Livable Communities (TLC) – County	MTC by way of SFCTA selection process	Caltrans	February
Transportation Fund for Clean Air (TFCA) – Program Manager	BAAQMD	SFCTA	March
Transportation Fund for Clean Air (TFCA) – Regional	BAAQMD	BAAQMD	June

Outside funding sources used in the past by the San Francisco Municipal Transportation Agency (SFMTA) Bicycle Program include:

- BTA
- Golden Gate Park Concourse Authority
- OTS
- RBPP
- SR2S
- SR2T

- Prop K
- State Transportation Improvement Program (STIP)
- Transportation Development Activities (TDA) Article 3
- Transportation Enhancement Activities (TEA)
- TFCA

## FUNDING BICYCLE ACTIVITIES

### Action 8.1

Work with appropriate agencies to identify funding to assist in achieving the goals and objectives set forth in this Bicycle Plan.

Successfully supporting existing and future bicycle programs and activities requires the City to receive funding from a variety of sources. In deciding which funding sources to tap, the City should consider the following:

- Administrative costs – some funding sources have extensive reporting, invoicing and contracting requirements. In some cases the cost of administering these grants can exceed the value of the grant itself
- Appropriateness – eligible activities, budget limits and schedule should be analyzed to identify the most appropriate projects for specific funding sources
- Staffing capacity - grants are not an end unto themselves, they should be used to further SFMTA Bicycle Program goals and objectives. Applying for and administering projects without adequate staff to manage them reduces the bicycle staff's ability to efficiently and effectively complete existing projects.

The following sections highlight those funding sources from which the SFMTA Bicycle Program might reasonably be expected to receive funding.

### LOCAL FUNDING SOURCES

Currently, the primary sources of local funding for bicycle activities are: San Francisco's half-cent transportation sales tax (Proposition K), the operating budgets of City and County of San Francisco departments, the local Transportation Fund for Clean Air (TFCA) and the Golden Gate Park Concourse Authority.

- **City and County of San Francisco.** Multiple San Francisco agencies have programs that directly or indirectly support bicycling, and the following is not a comprehensive list. As of 2008, the SFMTA funds staff in its Bicycle Program through its general operating budget. Prior to that time, the SFMTA Bicycle Program was funded primarily through grant funds. In addition to the Bicycle Program, the SFMTA also funds other

mobility-related activities, including a Pedestrian Program and a Traffic Calming Program, and oversees traffic, transit, and parking operations in San Francisco. The Department of Public Works maintains San Francisco's streets through its paving and rehabilitation programs. The San Francisco Department of Public Health spearheads various initiatives to improve health and safety, including the promotion of physical activity. The Recreation and Park Department has jurisdiction over multi-use paths and other bicycle facilities in the City's parks, playgrounds and open spaces. The San Francisco Police Department enforces and educates drivers and bicyclists about safety and traffic laws. The Department of the Environment promotes driving alternatives such as bicycling through activities and promotions to City employees and San Francisco employers. The San Francisco Planning Department leads both citywide and specific area planning efforts, including streetscape design efforts.

- **Half-cent local transportation sales tax program (Proposition K).** When San Francisco voters approved Prop K in November of 2003, they also approved an expenditure plan that determines eligibility for projects and programs and sets funding caps for them. The San Francisco County Transportation Authority (SFCTA) administers and oversees the delivery of the Expenditure Plan. Prop K calls for the development of five-year prioritization plans for its programmatic categories (e.g., traffic calming, transit enhancements, bicycle circulation/safety), development of the Strategic Plan (a 10+-year look ahead at Proposition K programming) and allocation of funds to specific projects and programs.

The primary programs for bicycle activities are Bicycle Circulation/Safety and Pedestrian and Bicycle Facility Maintenance. Over the 30-year life of Prop K, the new expenditure plan includes \$19.1 million for Pedestrian and Bicycle Facility Maintenance and \$56.0 million for Bicycle Circulation/Safety. Bicycle projects and programs also could be eligible for funding from the following expenditure plan categories: BART Station Access, Safety and Capacity; New and Upgraded Streets; New Signals and Signs; Advanced Technology and Information Systems; (Maintenance of) Signals and Signs; Traffic Calming; Transportation Demand Management/Parking Management; and Transportation/Land Use Coordination.

- **Transportation Fund for Clean Air (TFCA).** TFCA funds pedestrian, bicycle and other transportation projects to improve air quality by reducing motor vehicle emissions. The SFCTA is the TFCA Program Manager for San Francisco. Bicycle projects funded in the past include painting bicycle stencils on bicycle routes, installing bicycle racks and installing bicycle lanes.

## REGIONAL FUNDING SOURCES

The Bay Area has a number of regional programs that can be used to fund bicycle projects. The majority of these programs are administered by the MTC, but other regional agencies, such as the Association of Bay Area Governments (ABAG) and the Bay Area Air Quality Management District (BAAQMD), play a role in bicycle funding. The major regional programs are:

- **Bay Trail Project** – An ABAG-administered program that funds projects that complete the San Francisco Bay Trail, a continuous 500-mile regional network of bicycling and hiking trails adjacent to the San Francisco Bay. “The San Francisco Bay Trail Gap Analysis Study” identifies missing segments of the Bay Trail in San Francisco along with (2005) cost estimates for their completion.
- **Bicycle Facility Program (BFP)**<sup>1</sup> – The BFP program, administered by the BAAQMD, seeks to reduce motor vehicle emissions through the implementation of new bicycle facilities. Eligible activities include bicycle lanes, bicycle racks on transit vehicles, bicycle lockers and bicycle parking. Education or promotional activities are not eligible.
- **Lifeline Transportation Program** – The Lifeline Transportation Program supports community-based transportation projects to improve mobility for low-income residents. Projects resulting from a Community-Based Transportation Plan (CBTP) are given preference.
- **Regional Bicycle and Pedestrian Program (RBPP)** – The MTC created RBPP in 2003 to fund construction of the Regional Bicycle Network, regionally significant bicycle and pedestrian projects. Seventy-five percent of the program funds are allocated to the county congestion management agencies (the SFCTA in San Francisco) and the remaining 25 percent are allocated through a regional competitive process. The MTC is in the process of its five-year update to the Regional Transportation Plan (RTP), known as the Transportation 2035 Plan. A budget of \$1 billion has been proposed for the RBPP over a 25 year period.
- **Regional Transportation Improvement Program (RTIP)**<sup>iii</sup> – The RTIP is the Bay Area's proposal to the State of California for how the region's STIP funds should be spent on transit, state highway, local road, bicycle and pedestrian projects over a five-year period. As the congestion management agency (CMA) for San Francisco, the SFCTA follows the MTC's guidelines and develops the San Francisco list of projects to be funded in the STIP. As the regional transportation planning agency (RTPA) for the Bay Area, the MTC approves the region's funding priorities

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1 Within the TFCA, bicycle facility improvements are now handled under a separate Bicycle Facility Program and not under the TFCA Regional Fund process.

for the STIP and submits the projects to the California Transportation Commission (CTC) by way of the RTIP.

- **Safe Routes to School (SR2S)** – The MTC is currently exploring, as part of its Transportation 2035 Plan, the creation of a regional SR2S program.
- **Safe Routes to Transit (SR2T)** – In 2004 Bay Area voters approved a \$1 toll increase (known as Regional Measure 2) on all Bay Area bridges, with a portion of the revenue to fund the SR2T program. For this fund source, eligible bicycle-related projects include: secure bicycle storage at transit stations; safety enhancements for pedestrian and bicycle station access to transit stations; removal of pedestrian and bicycle barriers near transit stations; and system-wide transit enhancements to accommodate bicyclists or pedestrians. There are five funding cycles – 2005, 2007, 2009, 2011 and 2013 – at roughly \$4 million per cycle.
- **Transportation Development Act Article 3 (TDA)** – State legislation enacted in 1971 required that a quarter of every cent of retail sales tax generated within a county be used to fund transportation projects. Funds are predominantly spent on transit related projects, but TDA Article 3 requires that 2 percent of the funds be allocated to bicycle and pedestrian projects such as the elimination or improvement of an identified safety problem; roadway or route improvements; bicycle parking; bicycle racks on transit; maintenance of facilities; bicycle safety, education, and promotional activities; projects that improve regional connections and bicycle plans. Funds are allocated by the MTC to county congestion management agencies (the SFCTA in San Francisco).
- **Transportation for Livable Communities (TLC)** – The MTC created the TLC program in 1998 with the goal of supporting more community-based transportation projects that provide a range of transportation choices, support connectivity and are developed through an inclusive community planning effort. Bicycle improvements funded under this program are typically infrastructure projects that improve bicycle access to transit facilities.

## STATE FUNDING SOURCES

California has a number of programs that may fund bicycle projects, most are administered by Caltrans. In recent years, several policy changes have been implemented within Caltrans to improve planning for bicyclists, fund improvements for bicyclists and ensure the routine accommodation of bicyclists in roadway projects. The major state programs that fund bicycle projects are:

- **Bicycle Transportation Account (BTA)** – The BTA is a flexible, discretionary program that funds a wide variety of bicycle projects, programs and planning initiatives. These include new bikeways; bicycle parking; bicycle-carrying facilities on public transit vehicles; installation of traffic control devices; elimination of hazardous conditions on existing bikeways; and improvement to and maintenance of bikeways. The BTA also funds project planning, engineering and right of way acquisition. Funding levels for the BTA are set during the annual state budget process and tend to fluctuate.
- **Community Based Transportation Planning (CBTP) and Environmental Justice (EJ) Grants** – These grant programs are designed to promote more inclusive planning processes for transportation projects throughout California. While the grants are not specific to bicycles, they do fund a number of bicycle-related project activities, such as complete street studies or plans; pedestrian/bicycle/transit linkage studies or plans; and “green” transportation infrastructure planning. These grants are subject to the annual State budget process and funding levels have historically fluctuated.
- **Office of Traffic Safety (OTS)** – OTS grants fund bicycle education and enforcement programs. OTS funds originate from the National Highway Transportation Safety Agency and have stringent reporting, invoicing, and timely-use-of-funds requirements.
- **Safe Routes to School (SR2S)** – The State SR2S program funds a variety of infrastructure improvements using federal funds that may directly or indirectly benefit bicyclists, such as bicycle lanes, bicycle parking, new or improved traffic signals and traffic calming projects. To be eligible, projects must have a school nexus. SR2S does *not* fund non-infrastructure projects. All K-12 schools are eligible for SR2S funding. Funding levels for SR2S are set during the annual State budget process and can fluctuate from year to year.
- **Surface Transportation Improvement Program (STIP)** – The STIP is California's major expenditure plan for capital transportation projects. Project lists, including bicycle and pedestrian projects, are developed by the MTC and submitted to the CTC (see description for “RTIP”).

### FEDERAL FUNDING SOURCES

Preceded by the Intermodal Surface Transportation Efficiency Act (ISTEA) in 1991 and the Transportation Equity Act for the 21st Century (TEA-21) in 1998, the latest iteration of the federal transportation law is the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users, better known as SAFETEA-LU. SAFETEA-LU was signed into law in 2005 and continued many

of the programs of its predecessors. SAFETEA-LU expires in September of 2009 and it is unclear whether the basic structure of the legislation will be revised.

At the federal level there are dozens of programs that can directly or indirectly fund bicycle projects, yet a small number of them provide the majority of funding. Federal funding sources tend to be the most competitive and tend to have the most requirements of how money is spent and projects are administered. These include:

- **Congestion Mitigation & Air Quality Improvement Program (CMAQ)** - The CMAQ program was designed to enable "non-attainment" areas under the Clean Air Act to fund certain types of transportation programs to improve air quality. Eligible projects include both construction and non-construction activities, such as: bicycle facilities (planning, engineering and construction), bicycle racks on buses, bicycle parking, trails, bicycle route maps, bicycle-activated traffic lights, bicycle safety and education programs and bicycle promotional programs. In the Bay Area, CMAQ funds are distributed through various funding programs by the MTC, including RBPP and TLC.
- **Safe Routes to School (SR2S)** – While California has had a SR2S program since 1999, SAFETEA-LU established the first such federal program. SR2S grants can fund both “infrastructure” projects such as: sidewalk improvements, traffic calming, crossing improvements and bicycle parking; and “non-infrastructure” projects, such as: public outreach campaigns, traffic education and enforcement, bicycling classes and SR2S coordinator positions. Under SAFETEA-LU only schools K-8 are eligible for SR2S funding. Caltrans administers this federal program through its state Safe Routes to School Coordinator.
- **Surface Transportation Program (STP)** – This funding program is intended to be the primary federal source for pedestrian and bicycle projects. Eligible bicycle activities include on-road facilities, off-road trails, sidewalks, crosswalks, bicycle and pedestrian signals, bike parking and other ancillary facilities. "Non-construction" projects are also eligible and include maps, brochures or public service announcements. STP funds also may be used to bring sidewalks and intersections into compliance with the Americans with Disabilities Act (ADA). Finally, STP funds can also be spent on bicycle and pedestrian coordinator positions.
- **Transportation Enhancements Activities (TEA)** – Three of the twelve eligible activities within the TEA program are directly related to bicycling. They are: 1) pedestrian and bicycle facilities, which include: sidewalks, walkways or curb ramps; bike lane striping, wide paved shoulders, bike parking and bus racks; off-road trails; bike and pedestrian bridges and

underpasses; 2) pedestrian and bicycle safety and educational activities; and 3) conversion of abandoned railway corridors to trails.

In the Bay Area, much of the funding associated with these federal programs is funneled through the MTC and is utilized for regional funding programs.

### **NON-TRADITIONAL FUNDING SOURCES**

In addition to the traditional funding sources described above, there are also a variety of non-traditional funding sources that might be appropriate for the long-term implementation of project and program recommendations contained in this Plan. These include:

- San Francisco-based foundations (such as Bechtel Foundation, S.H. Cowell Foundation, Swig Foundation and National Energy Foundation)
- Alliances with organizations (such as the San Francisco Convention and Visitors Bureau and the SFBC), corporations (such as Sports Basement, Levi Strauss Company, Nike, Gap and Bank of America), and agencies (such as the National Park Service/Golden Gate National Recreation Area) that have related interests
- Development or redevelopment projects (such as development impact fees or tax increment financing)
- Adopt-a-Trail/Path programs
- Memorial funds

Because the SFMTA Bicycle Program has a very good track record of obtaining traditional types of grants and the Proposition K half-cent transportation sales tax program includes more than \$75 million over 30 years for Pedestrian and Bicycle Facility Maintenance and Bicycle Circulation/Safety, it is recommended that the Program focus on continuing funding from existing grant sources and seek non-traditional funding sources where appropriate.

Included below are some suggestions for bicycle funding that were made during this Plan's public outreach process. They involve City policy decisions that must be made by the Board of Supervisors or the voters. The City should:

- Dedicate funding for multimodal transportation and not reduce funding for transportation when there is a City budget crisis
- Secure dedicated funding from the City's transportation budget for specific bicycle facilities and enhancements.

In addition, the SFCTA can be a resource in identifying and advocating for new funding sources. If the MTC moves forward with levying a regional gas tax, the

SFMTA should advocate for an equitable share of those revenues for bicycle projects.

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i The “Guide to Bicycle Project and Program Funding in California” can be viewed online at <http://www.calbike.org/pdfs/Funding-Guide.pdf> or by visiting the California Bicycle Coalition’s website at <http://www.calbike.org>.

ii “Moving Costs: A Transportation Funding Guide for the San Francisco Bay Area” can be viewed at [http://mtc.ca.gov/library/funding\\_guide/index.htm](http://mtc.ca.gov/library/funding_guide/index.htm). A printed copy can be ordered by contacting the MTC-ABAG Library (510) 464-7836 or [library@mtc.ca.gov](mailto:library@mtc.ca.gov)

iii Information on the RTIP can be viewed online at <http://mtc.ca.gov/funding/STIP/>.