

11 Project Funding

This section discusses the factors to consider when selecting and applying for trail funding from local, state, and/or federal sources.

There are a number of factors to consider when evaluating sources of funding assistance. Most importantly, the Town must assess if the project meets the eligibility requirements of the funding source. With respect to bicycle and pedestrian facilities, certain programs require that the project emphasis be *transportation-oriented* whereas other programs focus on *recreation-related* facilities.

In general, most state and federal funding programs still require a local match. Some programs require a cash match whereas other programs will allow in-kind contributions or “soft” matches. Similarly, some funding programs are administered on a reimbursement basis, which would require the Town to allocate funding up-front and be incrementally reimbursed as the project proceeds from concept to construction.

The Town can also consider pursuing private funding from sources such as philanthropic foundations or corporations located in the community.

11.1 Funding Mechanisms

11.1.1 Transportation-Focused Funding Programs

When applying for transportation-focused funding programs, it is important to stress the project’s consistency with transportation plans at the local and regional level. It is equally important to highlight how the proposed facility fits into the larger bicycle and pedestrian network.

The two most commonly used funding programs for bicycle and pedestrian projects are the Transportation Enhancement (TE) Program and Congestion, Mitigation and Air Quality (CMAQ) Program. Both programs were originally funded through the federal Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA) and continued via the Transportation Equity Act for the 21st Century (TEA-21). These programs are included in the current reauthorization of the Act, entitled The Safe, Accountable, Flexible, and Efficient Transportation Equity Act of 2003 (SAFETEA). The availability of state and federal funding will dictate whether a trail project will proceed through the TE or CMAQ Program.

It is important to note that a project funded under either the TE or CMAQ Program are administered by MassHighway and therefore must adhere to state and federal design standards.

Transportation Enhancement (TE) Program

In order for a project to be considered for the TE Program, the Town needs to submit a funding application to the Cape Cod Commission. The Commission is responsible for selecting which regional projects are eligible for consideration as TE Program funded projects. Selected projects are reviewed for eligibility and preparedness for implementation before a project is forwarded to MassHighway and the State Transportation Enhancement Steering Committee. Under this program, the Town

(applicant) is responsible for 10% of the project cost. Towns typically do one of the following to meet this requirement

- Funding 10% of the design cost plus 10% of the construction cost; or
- Funding the entire design (which is typically between 10-20% of the construction cost depending upon project complexity)

Under the first option, the Town is responsible for 10% of the design cost and then the state will reimburse the Town the difference to complete the design. The Town's 10% match for the construction is included in the final construction cost estimate as a list of "non-participating" items (which are items not funded by MassHighway under the specific contract). The Town will be responsible for paying for the "non-participating" items in order to achieve their 10% requirement. This approach equates to the same dollar figure as saying the Town is responsible for funding 10% of the design plus the construction cost.

Under the second option, the Town funds the entire design which is often slightly more than the 10%. This option seems to be more widely used and demonstrates a Town's commitment to help advance the project through the design phase. The Town is responsible for administering the design contract through a MassHighway design and review process. The Town does not provide any funding toward the construction phase of the project under this option. MassHighway would be responsible for constructing the project using the federal funding.

Congestion Mitigation and Air Quality (CMAQ) Improvement Program

A trail project often fits the eligibility requirements for both the TE Program and the Federal Congestion Mitigation and Air Quality Improvement Program (CMAQ) of SAFETEA. CMAQ is a transportation air quality improvement program that provides funding for both bike and pedestrian facilities that serve to reduce automobile travel. A Town must complete a CMAQ Air Quality Analysis Worksheet for Bicycle and Pedestrian Projects to document a quantifiable reduction in auto emissions and/or congestion to be eligible under this program. Under this program, the project cost is funded 80% federal and 20% state or local match. The Towns must be prepared to provide a local funding commitment comprised of a cash match in the amount of 10% under the same scenarios described under the TE Program.

As part of this process, the Town must also demonstrate the project's feasibility to MassHighway. The first step is to complete a Project Need Form (PNF) and submit it to the MassHighway District 5 Office. This form should also be forwarded to the Cape Cod Commission for their files. This study should be attached to the PNF to provide additional information. The PNF can be prepared with or without the help of a consultant. A town official should take the lead and act as the principal point of contact for the project in each community. MassHighway will review the PNF and evaluate the merits and readiness of the project. They will also provide the Town with advice on how to proceed, both in terms of the design process and available funding sources. Pending approval of the PNF, the Town will then be asked to prepare a Project Initiation Form (PIF).

11.1.2 Recreation Focused Programs

There are also local, state, and federal programs that help fund recreational and environmentally focused projects. When applying for funds under these programs, it will be important for the Town to stress the conservation and recreation potential of the trail.

Recreational Trails Program (RTP)

The Recreational Trails Program (RTP) provides federal funding support for a variety of trail development and maintenance projects and is administered on a reimbursement basis by the DCR.

The RTP funds up to 80% of each trail project, with at least 20% of the total project cost funded by other sources. The match can consist of money from other sources such as non-federal grants, donations, or municipal funds. A “soft match” in the form of materials, labor, and in-kind services is also permitted. “Soft match” contributions include paid labor, volunteer/donated labor, purchased materials and services, and donated labor and materials. Grant amounts, not including the match, may range from \$2,000 to \$50,000, with requests greater than \$50,000 being considered for regional or statewide projects.

Unlike the projects programmed for inclusion on the TIP or through TE or CMAQ, the RTP requires that projects be primarily recreation rather than transportation oriented. Priority will be given to projects that create or facilitate physical improvements that seek to protect or enhance the site’s natural and cultural resource values while also satisfying a recreational demand. Historically, grant applications seeking funds for trail planning and design activities have not been looked at favorably.

Community Preservation Act (CPA)

The Community Preservation Act (CPA) is enabling legislation designed to help communities plan ahead for sustainable growth and raise funds to achieve their goals.

The CPA was passed at the Orleans Town Meeting in May 2005 with a community-wide real estate property surcharge of three percent. The funds are reserved in a Community Preservation Fund. The state will provide matching funds through Community Preservation Trust Fund to communities that have approved the CPA and collected tax revenue. The amount of state match, up to 100%, depends on how much money is in the state’s Community Preservation Trust Fund and how many communities have enacted the CPA.

The discretionary feature of the CPA allows the Town to select and fund projects that address the future needs of the community. As outlined in MGL Chapter 44B, the Town must allocate a minimum of ten percent of the annual revenues of the fund for each of three core community concerns: acquisition and preservation of open space, acquisition and preservation of historic buildings and landscapes, and creation and support of affordable housing. Once the Town has expended or reserved at least ten percent of the annual funds on each required use category, the Town can choose how to allocate the remaining 70 percent of annual CPA funds among these three purposes and/or recreational purposes. The funds can be allocated towards one purpose, spread among all four, or set aside for future spending.

CPA funds were used to support this trail study and could also be used towards the design and/or construction of the recommended alternatives. CPA funds could be used as a match towards the TE, CMAQ and RTP programs. Many communities have used CPA funds as their 10% match for the TE and CMAQ programs. For an RTP match, the CPA funding must be used towards on the ground trail construction as opposed to planning and engineering services.

11.1.3 Private Sources

There are also a multitude of philanthropic foundations, non-profit organizations, and corporations whose mission may align with the Committee's goal of developing a trail. Donations from formalized private programs are highly sought after and are therefore quite competitive.

The Bikes Belong Coalition, Fields Pond Foundation and Kodak American Greenway Program are four such private entities that provide funding support for bicycle and/or pedestrian projects.

Bikes Belong Coalition

Bikes Belong Coalition is a non-profit organization sponsored by members of the American Bicycle Industry. Bikes Belong provides competitive national grants for projects that will "put more people on bicycles more often." The Coalition accepts requests for funding up to \$10,000 for facility, capacity, and education projects. They will not consider projects in which Bikes Belong is the sole funder but will consider proposals where they are initial funder and the project sponsor is looking to leverage the money for other funding programs. More information is available at: <http://www.bikesbelong.org>

Fields Pond Foundation

The primary mission of the Fields Pond Foundation is to provide financial assistance to nature and land conservation organizations that are community-based and that serve to increase environmental awareness by involving local residents in conservation issues. Proposals from municipal government agencies are encouraged. The foundation accepts project grants for trailmaking and other enhancement of public access to conservation lands, rivers, coastlines and other natural resources. They look for opportunities where a modest investment of grant funds can help in a significant way to improve public access to, and enjoyment of, natural areas, while maintaining the health and integrity of the environment. Projects in which volunteerism is a significant component are more likely to be funded. The expected range of grants is \$500 to \$25,000, with most falling within the range of \$2,000 to \$10,000. The Foundation is willing to consider multiple-year grants. Proposals may be submitted at any time, since the Directors meet regularly throughout the year. It is recommended that applicants contact them informally before proceeding to prepare a formal application. More information is available at: <http://www.fieldspond.org/>

Kodak American Greenways

The Kodak American Greenways Grant Awards Program is a partnership project of the Eastman Kodak Company, the Conservation Fund, and the National Geographic Society. The program provides small grants to stimulate the planning and design of greenways in communities throughout America. Grants may be used for activities such as: mapping, ecological assessments, surveying, conferences, and design activities; developing brochures, interpretative displays, audio-visual productions or public opinion surveys; hiring consultants, incorporating land trusts, building a foot bridge, planning a bike path, or other creative projects. In general, grants can be used for all appropriate expenses required to complete a greenway project including planning, technical assistance, legal and other costs. Letters of support from associated agencies, public officials, citizen groups or non-profit organizations must be included with the application. Eligible applicants include local, regional, or statewide nonprofit organizations. Although public agencies may also apply, community organizations will receive preference. The maximum grant is \$2,500. However, most grants range from \$500 to \$1,000. More information is available at: <http://www.conservationfund.org/>

New England Grassroots Environment Fund

The New England Grassroots Environment Fund (NEGEF) is designed to validate and support grassroots activists working on hometown environmental issues. Such environmental issues include smart growth, land use and natural resource management including trail development. The NEGEF Small Grants Program will fund a broad range of activities including, but not limited to, communication needs, computer networking, capacity building, advocacy campaigns, institutional support, conferences, meeting travel, and enhancing partnerships in the region. In 2008, a grant was awarded to the Great Barrington Trails and Greenways Project to develop a public outreach program that included a monthly e-newsletter, a vision map, community walks, and meetings with community groups to promote broader participation. In addition, the Squannacook River Rail Trail Committee in Townsend received a grant to mail informational flyers to share news about the committee's progress and urging townspeople to continue their support. Other example projects are listed in the NEGEF Annual Report on the website. Grant applicants must be working at the grassroots level, and must demonstrate a major element of volunteer involvement in their programs. Grants range from \$500 to \$2,500. More information is available at: <http://www.grassrootsfund.org/>

In addition, many private companies sources have financial resources that that they contribute as part of a community outreach program. For example, Intel Corporation of Hudson, Massachusetts donated funds and assistance, in the form of volunteers, to the Assabet River Trail project through their "Intel in the Community" program. In Salisbury, the Timberland Company, local contractors, town workers and volunteers sponsored a cooperative Earth Day work event to help construct an extension of the Salisbury Point Ghost Trail.

To successfully seek funding from private sources, the Town through its Bike and Walkways Committee will need to undertake a comprehensive search and marketing effort.