

Appendix I. Funding Sources

FUNDING SOURCES

Transportation planning and related efforts can be funded through a variety of local, state, and federal sources. However, these revenues have many guidelines in terms of how they can be spent.

As it is currently, most funding for existing TO programs and services is derived from the MPO, ODOT and other competitive grant programs. The current budget for TO is a fraction of the cost of the Eugene-Springfield average annual transportation budget; the region currently provides \$300,000 annually through MPO funding and \$100,000 is received from ODOT. It is evident, that in order to expand the scope of coverage of TO, the region will need to creatively piecemeal together various funding sources, or identify a more secure and stable funding source.

The tables below summarize local, state and federal existing funding sources that may be used to implement programs and strategies in this Plan; as well as, universal examples of potential revenue streams, many of which are not tapped into in the Eugene—Springfield region.

LOCAL FUNDING SOURCES	DESCRIPTION	ELIGIBLE PROJECT TYPES	MANAGING AGENCY
Operational			
Community Development Block Grants (CDBG)	City-managed federal funds from the Federal Department of Housing and Urban Development that can be used to make improvements in low and moderate income neighborhoods, eliminate barriers for people with disabilities, create jobs, and provide affordable housing.	Projects that make the existing transportation system accessible to people with disabilities and projects that improve quality of life or economic development in low income neighborhoods.	City of Eugene City of Springfield
Central Lane MPO Surface Transportation Program – Urban (STP-U)	STP-U is federal funding available to metropolitan areas of at least 200,000 people for transportation projects and planning that can include transit, bicycle and pedestrian components. The Central Lane MPO receives approximately \$3-4 M per year in STP-U funds, with 10% or \$300K specifically dedicated to Transportation Options activities.	A broad range of activities pertaining to transportation options are eligible for STP-U funding. Activities must be consistent with the priorities of the Regional Transportation Plan. Eligible projects include some of the following: <ul style="list-style-type: none"> • Capital and operating costs for traffic management and programs • Bicycle, pedestrian, transit, and TDM/TO projects, plans, programs, and services • Transit research and capital facility costs • Infrastructure based intelligent transportation system capital improvements 	Central Lane Metropolitan Planning Organization

Urban Renewal Areas (Tax Increment Financing)	Urban Renewal Areas stimulate economic development by publicly financing needed improvements within designated districts such as, infrastructure, public open spaces, public plazas, facade improvements and environmental improvements. URA priorities are well aligned with transportation including transit, bike, and pedestrian connectivity.	Eligible projects support vibrant communities, improve connections throughout the URA, and with the broader area i.e. between the core of downtown Eugene, with the riverfront area and the University of Oregon.	City of Eugene; Springfield Economic Development Agency (SEDA)
Business Improvement District (BID)	There are two BIDs in Eugene, one in Downtown and another in the University District. These are narrowly constructed, but there is potential to include alternative transportation options.	Not defined	City of Eugene

STATE AND FEDERAL FUNDING SOURCES	DESCRIPTION	ELIGIBLE PROJECT TYPES	MANAGING AGENCY
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Planning			
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Transportation and Growth Management Grant	<p>The Oregon Transportation and Growth Management Program (TGM) provides local governments with funding for planning projects that lead to more livable, economically vital, transportation-efficient, sustainable, pedestrian-friendly communities. TGM awards two types of grants:</p> <p>Category 1: Transportation System Planning, including TSP updates, to give Oregonians a range of transportation choices and meet requirements of the Oregon Transportation Planning Rule</p> <p>Category 2: Integrated Land Use & Transportation Planning, to promote compact, mixed-use development supported by improved pedestrian, bicycle, transit, and multi-modal street facilities</p>	Projects that lead to more livable, economically vital, transportation-efficient, sustainable, pedestrian-friendly communities.	Oregon Department of Transportation
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5339 Alternatives Analysis	Assists financing the evaluation of all reasonable modal and multimodal alternatives and general alignment options for identified transportation needs in a particular, broadly defined travel corridor.	Corridor/geographic assessment of public transportation or multimodal alternatives	Federal Transit Administration
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Operational			
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Intercity Transit Program	The ODOT Rail and Public Transit Division could provide funding for projects connecting intercity passenger rail and transit users with the local multi-modal transportation network.	Projects involving or connecting to ODOT rail and public transit facility hubs.	Oregon Department of Transportation
ODOT Statewide Transportation Improvement Program (STIP)	Beginning the summer of 2012, the State Transportation Improvement Plan (STIP) was divided into two broad categories: "Enhance" and "Fix-It". Enhance activities expand, improve, or enhance the transportation system. Fix-It activities fix or preserve the transportation system.	Activities that further the Oregon Transportation Plan goals, provide diverse economic opportunity, support independence for all ages, vibrant communities, efficient use of resources, etc.	Oregon Department of Transportation / Central Lane Metropolitan Planning

	The Oregon Transportation Commission (OTC) continues to put a strong emphasis on preserving the existing transportation system first. This is evidenced by the funding split between the Fix-It portion of the proposed new STIP (76 percent) and the Enhance portion (24 percent).	Eligible activities include: Most projects eligible for the previous Transportation Enhancement funds; Recreational Trails; Safe Routes to School; Transportation Demand Management projects, plans, programs and services; Transportation Alternatives; and projects eligible for Flex Funds.	Organization
ODOT TO Budget	Dedicated by the Oregon Legislature to provide resources for TDM activities.	TO activities.	Oregon Department of Transportation
FTA Section 5307	<p>FTA Section 5307 funds support capital, operating, and planning expenditures for publicly owned transit systems. Reporting to the National Transit Database (NTD) is the mechanism in which influences 5307 funds.</p> <p>With the adoption of MAP-21, these formula grants consolidated activities and projects eligible under the FTA Section 5316 (Job Access - Reverse Commute). Job Access and Reverse Commute Program (5316) provides approximately \$150,000 per year in Federal Transit Administration funds.</p>	<p>Eligible activities include capital, operating, and planning expenditures for transit-related activities.</p> <p>Consideration is given to projects that transport low income individuals to and from jobs and activities related to employment, and for reverse commute projects.</p> <p>Public sector vanpool programs that report to the National Transit Database earn additional 5307 funds for the region.</p>	Federal transit Administration
FTA Section 5310	<p>This program provides capital and operating funds that enhance mobility for seniors and persons with disabilities by providing funds for programs to serve the special needs of transit-dependent populations beyond traditional public transportation services and Americans with Disabilities Act (ADA) complementary paratransit services. The funds are allocated to ODOT for distribution to local transit agencies.</p> <p>With the adoption of MAP-21, Section 5310 consolidates the New Freedom Program and the Elderly and Disabled Program.</p>	<p>Transportation options, programs, and services that assist seniors and individuals with disabilities.</p> <ul style="list-style-type: none"> •public transportation projects to improve access to fixed-route transit; •public transit projects expressly designed for seniors and people with disabilities, where transit is insufficient, inappropriate or unavailable; and •alternatives to public transportation that assist seniors and people with disabilities 	Oregon Department of Transportation

Capital

Transportation Alternatives Program (TAP)	Transportation Alternatives Program (TAP) funds expand travel choice, strengthens the local economy, improve the quality of life, and protect the environment. TAP was established by Congress in 2012, and is	On - and off- road pedestrian and bicycle facilities, infrastructure projects for improving non-driver access to public transportation and	Federal Highway Administration
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funded through a proportional set-aside of the core Federal-aid Highway Program.

With the adoption of MAP-21, TAP consolidates Transportation Enhancement (TE) activities and programs, as well as, the Recreational Trails Program, and Safe Routes to School.

enhanced mobility, community improvement activities, and environmental mitigation; recreational trail projects; safe routes to school projects; and projects for planning, designing, or constructing boulevards and other roadways largely in the right-of-way of former divided highways.

ConnectOregon	ConnectOregon is a lottery bond based initiative to invest in non-highway transportation projects that promote economic development and ensure Oregon's transportation system is strong, diverse, and efficient.	Investments in air, rail, marine, transit and bicycle and pedestrian infrastructure.	Oregon Department of Transportation
FTA Section 5309	Funds are federal earmarked funds available for transit capital improvements. Funds are administered by the FTA regional office and are granted on a project-by-project basis, typically to finance one-time capital improvements. The funding ratio for these funds is 80 percent federal and 20 percent local match. LTD is the recipient of these funds within the MPO.	Available for transit capital improvements including: •New and replacement buses and facilities, •Modernization of existing rail systems •New fixed- and non-fixed guide way systems extensions •Bus corridor improvements.	Federal transit Administration

UNIVERSAL FUNDING SOURCES	DESCRIPTION	ADVANTAGES	STABILITY	DISADVANTAGES
Advertising	Additional advertising on vehicles and stations	Already used.	Unstable	Limited potential. Sometimes unattractive.
Energy Tax Incentives	Tax credit for energy efficient products and technologies	Already used. Stimulates the local economy.	Moderately Stable	Difficult to measure.
Development Cost Changes / Transportation Impact Fees	A fee on new development to help finance infrastructure, including transit improvements	Charges beneficiaries.	Unstable	Limited potential.
Discounted Bulk Transit Passes	Discounted passes sold to groups based on their ridership	Increases revenue and transit ridership	Stable	Increases transit service costs and so may provide little net revenue

Employee Commute Options Program (ECO)	Requires large employers to provide commute options to reduce drive alone trips to the workplace.	Reinforces program efforts.	Unstable	Difficult to enforce.
Employee Levy	A levy on each employee within a designated area or jurisdiction	Charges for commuters.	Stable	Requires collection system. May encourage sprawl if only in city centers.
Employer-based funding	Incentives for employees to use alternative forms of transportation	Reinforces program efforts. Increases utilization.	Stable	Difficult to measure.
Expanded Parking Pricing	Increase when and where public parking facilities (such as onstreet parking spaces) are priced	Moderate to large potential. Distributes burden widely. Reduces driving.	Stable	
Fare Increases	Increase fares or change fare structure to increase revenues	Widely applied. Is a user fee (considered equitable).	Uncertain*	Discourage transit use. Is regressive.
Foundation Grants	Grant funding from foundations and groups that seek to encourage alternative modes of transportation	Already used. Easy to apply.	Unstable	Sources are uncertain. Highly variable. May be restrictive on the types of programs that qualify.
Fuel Taxes	An additional fuel tax in the region	Widely applied. Reduces vehicle traffic and fuel use.	Moderately Stable	Is considered regressive.
Land Value Capture	Special taxes on property that benefit from the transit service	Large potential. Charges beneficiaries.	Stable	May be costly to implement. May discourage transit-oriented development.
Local Business Sponsorship	Funding from local business to promote activities and programs that support alternative forms of transportation	Already used. Large potential.	Unstable	Highly variable.
Parking Levy	A special property tax on parking spaces throughout the region	Large potential. Distributes burden widely. Encourages	Stable	Costly to implement. Opposed by suburban property

		compact development.		owners.
Parking Sales Tax	Special tax on commercial parking transactions	Is applied in other cities.	Unstable - Moderately Stable	Discourages parking pricing and downtown development
Private Donations	Donations from individuals and private businesses to promote alternative forms of transportation	Easy to apply.	Unstable	Sources are uncertain. Highly variable.
Property Taxes	Increase local property taxes	Widely applied. Distributes burden widely.	Stable	Supports no other objectives. Is considered regressive.
Reduced Parking Incentives	Reduce parking requirement in exchange for a commitment to implement TO incentives.	Increases utilization. Low cost to implement.	Moderately Stable	
Regional Sales Tax	A special local sales tax	Distributes burden widely.	Moderately Stable	Supports no other objectives. Regressive.
Road Tolls	Tolls on some roads or bridges Reduces traffic congestion.		Moderately Stable	Can encourage sprawl if only applied in city centers.
Station Air Rights	Sell the rights to build over transit stations	Charges beneficiaries.	Uncertain*	Limited potential.
Station Rents	Collect revenues from public and private development at stations	Charges beneficiaries.	Stable	Limited potential.
Transportation Management Area (TMA)	A percentage of STP funds are allocated to the TMA	Existing program funding.	Stable	Competing priorities.
Utility Levy	A levy to all utility accounts in the region	Easy to apply. Distributes burden widely.	Stable	Is small, regressive and support no other objectives.
Vehicle Fees	An additional fee for vehicles registered in the region	Applied in some jurisdictions. Charges motorists for costs.	Stable	Does not affect vehicle use.

Vehicle-KM Tax	A distance-based fee on vehicles registered in the region	Reduces vehicle traffic.	Moderately Stable	Costly to implement.
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