



Safe Routes
to School
National
Partnership

Overview of Local Active Transportation Financing

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Topics

- Why do we need local active transportation funding?
- What are key considerations in working on active transportation funding?
- What are funding mechanisms for local active transportation funding?
- How does passing an active transportation financing policy occur in real life?



Why do we need local active transportation funding?

We need money!

- Today's roadway infrastructure is crumbling & much of highway system is nearing end of life
- We've been building for cars rather than people for decades
- We chronically underfund transportation & we are losing ground.
 - Gas tax has not kept up with inflation
 - Higher fuel efficiency/alternative fuel cars



Underfunding active transportation is deadly – and inequitable.

- 35% increase in walking deaths in last decade
- Underinvestment & dangerous investment in communities of color yields more collisions & fatalities

People Killed While Walking by Income



Governing, August 2014



People Killed While Walking by Race



Governing, August 2014

Transportation funding:

- Federal: Key source, but <25% of trans funding
- Local level: ~35-40% of transportation funding

Active transportation is a key investment:

- **inexpensive** compared to motor vehicle infrastructure
- Great return on investment



What are key considerations in working on active transportation financing?

Key Considerations

- Funding levels are **high** enough to address significant projects
- **Long term**, rather than one time or stop gap
- Ongoing **community engagement** is built into the process from start to finish
- Funding is available for both street **infrastructure** projects & also **education and encouragement** programs
- Prioritized for projects in **high need** areas (look at data around injuries & fatalities, health indicators, rates of walking for children & adults, historic levels of investment, etc.)
- Funding **avoids negative incentives** or unintended consequences, esp. for low income communities & communities of color.



Local Mechanisms for Funding Active Transportation

What types of local mechanisms are we talking about?

- Primarily new funds
- But don't forget the glory of alternative ways to direct money toward active transportation



Key Issue!

State Authorization for Local Taxation, Fines, or Other Fund Raising

- Another key thing that may require state action is to authorize certain types of local actions
- Local governments are merely arms of the state
- In some states, fines and local taxes long authorized
- In others, require specific action to okay



Bonds

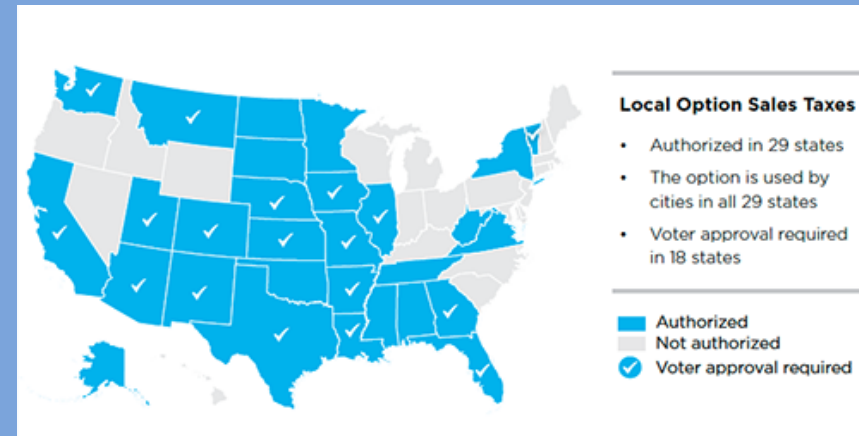
- A bond is basically a loan
- Usually general obligation bonds, not revenue bonds
- May create a longer term source of funding – often 10 to 20 years.
- Common to see used for transportation & active transportation
- Bonds funding active transportation: Denver, Chicago, Dallas, Durham, Nashville, SF



Sales Taxes

- ½ cent sales taxes for transportation are common
- Many such taxes around the country create significant funding for Safe Routes to School and active transportation
- 29 states allow localities to pass local sales taxes, with 18 requiring voter approval

Source: National League of Cities



- *Hillsborough, FL: 1 cent sales tax for 30 years; \$276 million for sidewalks, transit, etc.*
- *Tulsa, OK: 15 year sales tax for transit*



Property Taxes

- Tax based upon value of property, used to provide essential services—including active transportation seems sensible
- Walking & biking infrastructure contributes to property values
- *Washington County, OR (\$44 mil/year for sidewalks & roads)*
- *Snohomish County, WA (\$1 mil/year for paths, sidewalks and crosswalks near schools)*
 - *About \$5/year for \$250,000 home*



Traffic Fines & Fees

- **Approaches:** Doubled fines for speeding or moving violations in school zones or other sensitive areas; red light cameras; speed enforcement cameras
- **Pros:** Can generate significant funds (e.g. Seattle's Safe Routes to School fund is getting \$5-\$13 million/year)
- **Cons:** Traffic fines are problematic – not adjusted for income (unlike many other countries) & can encourage overpolicing & tickets instead of fixes



Ridehailing & Shared Mobility Fees

- Ridehailing fees are emerging across the country, going into general funds, education, & transportation
 - *Chicago: 15-cent surcharge per ridehailing trip going to transit, generated around \$16 mil in 2018*
- Note: Because ridehailing is increasing congestion & depressing transit ridership, fees may not even be covering costs imposed by the mode
- Other shared mobility (bikeshare & scooters): Fees emerging based on rides, use of right of way, etc.
 - *Portland, Santa Monica, & Minneapolis*

Targeted District Financing

- Business/Neighborhood Improvement Districts: self imposed levies to fund area wide improvements
- Tax Increment Financing (TIF): Loan based on anticipation of increased future tax revenue to finance current improvements in an area
- Both of these generate funding for specific districts/neighborhoods
- TIFs can be controversial



Donations & Fundraising

- Adopt-a-Path and naming programs
- Grants, donor campaigns, crowdfunding, events
- Generally smaller amounts & discrete projects or needs (e.g. Safe Routes to School programs)



Other Potential Sources of Local Funds

- Fuel/VMT taxes: very imp't for transportation generally; often problematic for active transportation but possible (e.g. Coquille OR)
- Transportation utility fees (e.g. Corvallis, OR); vehicle impact mitigation fee
- Local income taxes
- Value capture
- Public private partnerships (very common for transit)
- Advertising or naming rights: ads on buses, transit cars, bikeshare, trails





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