

CHAPTER 11. FUNDING SOURCES

This chapter presents a series of potential revenue sources that could be available to finance the TDM activities. The chapter identifies and reviews all conceivable revenue sources, including federal, state, regional and local funds. For each identified revenue source, there is a discussion about the approval or application process, the funding flexibility, estimated annual yield, lead time and other relevant information.

A summary of each source is presented in Figures 11-1 and 11-2 highlighting the funding flexibility, application or approval process, estimated annual yield (if available), timeline for securing revenue, the activities in this study which are most applicable to the funding source, and other relevant information. (The figures are found at the conclusion of this chapter). Figure 11-1 summarizes this information for federal, state and regional revenues and Figure 11-2 summarizes opportunities at the local level.

FEDERAL FUNDING OPPORTUNITIES

The Transportation Equity Act for the 21st Century, or "TEA-21" was signed into law in June 1998. This massive federal transportation spending bill provides over \$3 billion in annual Federal funding over a six year period. Although TEA-21 provides more transportation dollars in California than ever before and allows more flexibility in how funds can be spent, there is a "backlog" of projects in the San Francisco Bay region waiting to be funded. TEA-21 does include discretionary and competitive grant funding opportunities that could bring new Federal capital dollars to Alameda County and Berkeley.

Transportation and Community and System Preservation Pilot Program

A new innovative program of TEA-21 is called the Transportation and Community and System Preservation Pilot (TCSP) program. Its purpose is to fund projects that address the link between land use, community quality of life and transportation. This is an annual competitive grant process with about \$25 million per year for FYs 2000 through 2003. The program favors projects that partner with private sector interests, demonstrate a commitment of non-federal resources and/or include funding from local and private sources. Cities are eligible recipients of these grant funds. There is no cap on the size of grants under TCSP. Partners could include the organizations represented in the working group and stakeholder interviews, such as the Chamber of Commerce, neighborhood groups, environmental groups, and other groups. A University/City partnership is also viable. The five major objectives of the TCSP program are:

1. Improve the efficiency of the transportation system;
2. Reduce the impacts of transportation on the environment;
3. Reduce the need for costly future investments in public infrastructure;
4. Ensure efficient access to jobs, services, and centers of trade; and

5. Examine development patterns and identify strategies to encourage private sector development patterns which achieve the goals of the TCSP.

Some of the projects that received funding in 1999, include efforts to:

- create and apply a transit-oriented overlay district model; develop a transportation plan consistent with neighborhood goals;
- link a community high school with surrounding land uses via a pedestrian plaza and bicycle improvements;
- develop a plan for transit-oriented development in an existing Transit Corridor, and prepare a transit station area land-use plan; and
- promote transit-oriented development through a location-efficient mortgage program, a market feasibility study, and regionwide outreach.

Transportation for Livable Communities (TLC)

This program of the Metropolitan Transportation Commission provides funding for planning studies and capital expenditures for projects that improve town centers, public transit hubs, or key streets as a way of fostering the link between transportation alternatives and land use. This program targets projects that have utilized a collaborative public planning process and are transit or bicycle/pedestrian oriented, have significant local community benefits, and have been driven largely from a “bottom up” initiative.

In recent months, MTC has broadened the TLC concept to bring location-efficient mortgages (LEM) to the Bay Area; under this pilot program, home-buyers who locate in a neighborhood well-served by public transit can qualify for a larger loan than they might otherwise be able to afford. Currently under discussion is a housing incentive program (HIP) that would offer seed money for high-density housing in the vicinity of public transit hubs.

Projects in the early or conceptual stage of their development are eligible for TLC planning grants, which are awarded to help sponsors refine and elaborate promising project ideas. Projects with completed plans are eligible for capital grants, which directly support construction and help turn plans into reality. Capital grants range in size from \$150,000 to \$2 million per project, while the maximum planning grant is \$50,000. Generally, small amounts are available on a discretionary basis. About \$9 million per year will be available in the region for the next five years. Funding requests are reviewed twice a year by MTC, which has developed a funding application and established criteria for evaluating project merit.

The City and UC submitted an application for a TLC planning grant to fund planning for the downtown Berkeley BART station. The grant effort was unsuccessful at that time, but TLC funds should continue to be pursued for this purpose.

Some of the projects that have recently received funding include:

- construct streetscape improvements, add medians, and "bulb-outs" to enhance walkability;
- construct bicycle lanes ;
- construct streetscape improvements to calm traffic, improve safety and enhance neighborhood commercial center and façade improvements;
- transform a street into a community plaza;
- improve signage to transit and connections to key destinations;
- street lighting, widen sidewalks; and
- provide friendly, convenient pedestrian linkages between transit stops and key destinations.

Transportation Enhancement Activities (TEA) and Transit Enhancements

TEA is a grant program established under ISTEA and reauthorized under TEA-21. It is designed to fund environmental and alternative transportation projects which would not necessarily have other available funding sources. A wide variety of public agencies including cities, counties and transit operators are eligible for TEA funds. These funds are mainly used for capital projects, and can not be used for transit operations. TEA funds at the state level are largely committed to acquiring open space. Regional TEA funds are now applied for through the Alameda County Congestion Management Agency (CMA). The evaluation criteria emphasize the same qualities as the TLC program for the initial programming year. The CMA may elect to revise its criteria for subsequent funding cycles. As with other Federal funding programs, all successful project sponsors are required to follow the Federal process for securing Federal funds. TEA funds that have been returned to Alameda County in the past few years have been fully programmed. This may be an additional grant funding source in the future, however.

STATE FUNDS

Petroleum Violation Escrow Account (PVEA) Funds

PVEA monies represent fines/forfeitures collected against major gas and oil companies. These monies are intended for transportation-related purposes and are applied for through a local legislator to the California Energy Commission. The amount available from year-to-year fluctuates tremendously. This is a highly discretionary revenue source, which has the potential to yield significant amounts, particularly if the project can be related to clean air transportation. The amount of funding in the PVEA varies annually.

The City of Berkeley previously received PVEA grant money to help fund the West Berkeley Electric Shuttle. The grant was obtained through the assistance and sponsorship of then State Assembly member Tom Bates.

REGIONAL FUNDS

Transportation Fund for Clean Air (TFCA)

In October 1991, Governor Wilson signed into law AB 434 (now commonly referred to as TFCA funds) which imposed a \$4.00 surcharge on all vehicle registrations. Forty percent of the funds generated in each county are returned to that county, while the remaining sixty percent of the revenues are distributed throughout the region on a competitive basis. Funds returned to the county are distributed at the discretion of the congestion management agency (for Berkeley -- the Alameda County CMA). The 40% funding pot generates about \$1.6 million annually for Alameda County. Alameda County sets aside 70% of its funds for City projects. (The remaining 30% is available to transit agencies for discretionary projects.) Of the 70% set aside for Alameda County cities, the funding is made available to each city based on the size of that city. In 1999/2000, there was \$98,000 available for the City of Berkeley. Funding requests for the City's share are due to the CMA each January. Berkeley must put forth a project in order to obtain its funding; the City does not automatically receive its earmarked funds. If Berkeley were to forego its funds in one year, it may be eligible for additional funding in a subsequent year.

Applications for regional funds are distributed by the BAAQMD on a competitive basis. The BAAQMD ranks competitive applications using the following criteria:

- Cost-effectiveness (maximum 40 points)
- TFCA funding effectiveness (maximum 35 points)
- Other project attributes (maximum 20 points)
- Disadvantaged community (maximum 5 points)

The CMA criteria incorporates the BAAQMD criteria, however the point assignments differ, with the effectiveness indicator worth 10 points out of a possible 100.

Only public agencies are eligible to apply for TFCA funding. To be eligible for TFCA funds for shuttle/feeder bus service projects, the service must meet two requirements. One, it must be coordinated with and receive the support of the transit agency within its service area. This means that a shuttle service operating within Berkeley must receive a "letter of support" from AC Transit. Secondly, the service can not duplicate existing transit service. Grant applications for the regional TFCA are due at the end of June.

Gasoline Tax

With the passage of SB 595 in 1996, MTC has the authority to go to the voters for a tax increase on gasoline of up to 10-cents per gallon. The legislation permits the regional transportation agency (MTC) to determine when and in which counties in the region the gas tax would be placed on the ballot. Because it is a special tax, the regional gas tax would need to pass by a two-thirds majority of the total regional vote.

The major appeal of a gas tax is that it would generate a significant amount of new revenue. If a 10-cent gas tax were approved, MTC has forecasted a \$4 billion revenue stream over a 20-year period. However, polls indicate that most counties would not have the required super majority for this level of gas tax. Instead, it appears that a 2-cent tax over a short time period (two to five years) may have a better chance of passing. In this case, the revenue stream would be substantially reduced. Alternatively, MTC may elect to place the measure on the ballot only in those Bay Area counties that appear willing to approve the gas tax with a super majority. The counties that approve the measure by two-thirds vote would be allowed to impose the tax even if their neighboring counties did not. A gas tax at the county level could encourage motorists to buy gas in neighboring counties. A gas tax has the potential to encourage people to use alternative forms of transportation because motorists directly pay for this tax.

In any case, MTC is mandated to collect the tax and to be responsible for developing an Expenditure Plan that identifies the projects to be funded. The legislation requires that 95% of a county's revenues generated from this tax must be returned to projects located in that county or to projects the county has identified inside or outside of the county. No mechanism or formula has been developed that identifies a city's share of the MTC allocation, and although this is not an existing funding source yet, it may be in the future.

MTC Transportation Blueprint for the 21st Century and Governor's Transportation Plan

In Spring 2000, the Metropolitan Transportation Plan released its "Transportation Blueprint for the 21st Century." Very shortly thereafter, the California Governor's Office issued its Transportation Plan. The MTC Blueprint planning process identified \$33 billion in unfunded transportation needs and identified \$3.8 billion in projects in the early phases. The Blueprint Plan focuses primarily on providing near-term relief in the region's most congested travel corridors. Projects included in the plan that most directly benefit the Berkeley Study Area are the implementation of rapid bus service in the I-80, I-580, and SR 4 (among others) corridors, funding for nighttime and lifeline transit service, and closing key gaps in the region's bike lane system. The City should monitor these items closely as funds may become available through MTC re-prioritization.

The Governor's Plan provided \$40 million to the Bay Area for the establishment of rapid bus services in key corridors. In addition, AB 1612 (Torlakson) would increase operating funds for nighttime and lifeline transit service, as well as other transit services.

Measure B County Sales Tax Revenues

The existing Measure B will expire on March 31, 2002. A new expenditure plan and 20-year extension of the tax was passed by voters in November 2000. The plan will serve as the guiding document for implementing over \$1.4 billion in locally funded transportation projects over the next 20 years. In addition to the money raised directly by the tax, planners expect the local funding to be used to leverage state and federal grants. In this way, the \$1.4 billion in local taxes could produce as much as \$2 billion in transportation improvements.

Included in the expenditure plan are \$20 million for AC Transit Quality Bus on the San Pablo and Telegraph Avenue corridors and \$7.6 million for emerging projects. These two project earmarks are most relevant to the activities outlined in this TDM Study. In addition, the expenditure plan includes \$317.8 million for local transportation, almost \$246 million for AC Transit, \$71 million for bicycle and pedestrian safety, and calls for building 230 miles of bicycle lanes and facilities throughout the county. It also boosts operating funds for paratransit systems for seniors and the disabled by providing \$148.6 million for this purpose.

The AC Transit Quality Bus program on the San Pablo/Telegraph Berkeley/Oakland Corridors will be funded with \$20,000,000. Improvements include high-capacity articulated buses, stations and shelters, lighting, advancements in signalization, and other bus related enhancements in key Berkeley/Oakland Corridors - San Pablo and/or Telegraph Avenue. The specific corridor will be selected following Major Investment Studies.

In addition, Measure B will provide over \$343 million for local streets and roads to be programmed by all cities and the County. This money will also pay for specific transportation capital improvements for surface streets/arterial roads. Finally, \$2.7 million is ear-marked for the Transit Center Development Fund. These funds will be available to the Cities and County to encourage residential and retail development near transit centers. ACTA will be responsible for administering these funds.

LOCAL REVENUES

This section identifies existing local revenue sources that are being collected in the City. While it is possible that some of these sources could be used to pay for TDM activities, existing sources are generally committed to other funding priorities. In order to support transportation management, these existing priorities would have to be re-evaluated by the City Manager. The existing sources are discussed to show the scope of the fees and taxes collected by the City. The section concludes with a review of new local taxing measures and revenue generators. A

summary of these potential local revenues is found in Figure 11-2 at the conclusion of this chapter.

Existing Local Revenue Sources

Utility Users Tax

The City of Berkeley charges a Utility Users Tax on telephone, electricity, gasoline and cable. The gas tax is 7.5% of gross revenue and is imposed on PG&E. The proposed revenue from this tax for FY 2000 is \$10,250,000. The funds are put into the General Fund. Using any of the revenue from this source for transportation management strategies is a City Manager decision.

City Sales and Use Tax

The City has a 0.95% sales and use tax. In 1998, the City brought in about \$11.7 million in sales tax revenues. The funds are put into the General Fund. Using any of the revenue from this source for transportation management strategies is a City Manager decision.

Parking Space Rental Tax

The City of Berkeley charges a 10% tax on gross revenues from parking spaces in any for-rent-parking space not owned by the City. Residential and hotel parking spaces, where the parking occupant is a resident of the premises, are exempt. Annual revenues from this funding source totaled \$501,162 in FY 1999.

City Parking Meter Revenue

In June 1998, the City's Parking Meter Enterprise Fund had a balance of approximately \$1,290,000. In the past two years and into 2001, the adopted, proposed and projected revenues and expenses in the Parking Meter Fund will bring its balance to about -\$470,000 by June 2001. Annual revenues from the parking meter fund are about \$2,645,500.

City parking meter revenue may be used only for the following purposes:

- Purchasing, Leasing, Installing, Repairing, Maintaining, Operating, Removing, Regulating and Policing of Parking Meters
- Purchasing, Leasing, Acquiring, Improving, Operating and Maintaining of Off-street Parking Facilities in the City
- Installation and Maintenance of Traffic Control Devices and Signals
- Painting and Marking of Streets and Curbs
- Regulating, Controlling and Inspecting Parking and Traffic upon the Public Streets

- As Security for the Payment of Principal of and Interest on Off-street Parking Revenue Bonds Issued by the City

City Parking Lot/Garage Fee Revenues

Annual revenues from the City's parking lots and garages are approximately \$2,300,000. Annual expenses are around \$2,000,000. Expenses include garage operations and debt financing. In 1994, there was a bond measure to finance seismic retrofit of the Sather Gate and Center Street Garages, which obligates parking revenues for about the next 30 years. The remaining \$300,000 net income balance is transferred to the City Parking Meter Fund, where it is used to maintain and operate parking functions. As noted above, the Parking Meter Fund will suffer a net deficit in future years. According to the City, the net income generated by the parking lots and garages is not enough to cover existing structure maintenance. The Parking Meter Fund, however, has experienced net surpluses in past years.

Transient Occupancy Tax

The City of Berkeley collects approximately \$3,000,000 annually from the transient occupancy tax, which is put into the general fund. It would be at the City Manager's discretion to use this funding source to support transportation management activities.

Business Improvement Districts

The City of Berkeley is authorized to create business improvement districts for the acquisition, construction, rehabilitation, restoration, installation, maintenance, etc. for things such as buildings, parking facilities, street furniture and lighting, decorations, parks, and fountains. The City has a Downtown Business Improvement District which generates about \$185,000 annually. In order for any of these funds to be used to finance transportation management activities, members of the assessment district would have to agree to do so. The City does not have an assessment district in the Southside area.

Development Fees

The City of Berkeley collects city-wide development fees on commercial development to support housing and child care. On average the city has collected \$96,000 annually over the last six years for the housing fund and \$38,333 for the child care fund. The City expects to collect \$250,000 for housing in the next 3 to 4 years and \$50,000 for childcare in the next two years. Minor amounts have also been collected for various other categories in the past, including employment services and parking mitigations. These funds have either been spent or are being managed. All funds must be spent for the purpose for which they were collected. It is possible that development fees dedicated to traffic and parking mitigations could be established. These are discussed in the following section of potential new revenue sources.

City General Funds

Local funds could be direct financial contributions or could be provided through in-kind services. For example, the City of Pleasanton uses general fund money to fund its TDM program for its own employees.

In-Kind City and University Support

The City of Berkeley, in addition to UC Berkeley, is providing in-kind services for managing this TDM Study. The City and University could continue to provide in-kind staff services for many of the activities listed in this study.

New Local Revenue Opportunities

There are a variety of tax measures that could generate new revenues to pay for Transportation Demand Management programs in the City of Berkeley. In 1996 voters approved Proposition 218 which requires voter approval to raise taxes or impose property-related fees. Proposition 218 applies to any taxes raised after January 1, 1995. Approval of a new tax must achieve a 2/3 majority vote by the electorate. Thus, many tax measures considered would be difficult to secure. The following, however, outlines potential sources.

Traffic Impact Fee

The City of Berkeley charges development fees for housing and childcare as previously discussed, but does not charge a traffic impact fee. The City is currently studying the feasibility of implementing such a fee. This fee is an excellent potential source of funding to support transportation management activities.

A traffic or transportation impact fee is a charge imposed on new development to compensate for their impacts on the local transportation infrastructure. A fee is typically assessed on square footage of planned development. Impact fees can be implemented by local ordinance with specific criteria for establishing an impact fee. Impact fees can be imposed in downtown urban areas or in outlying growth areas. Like all developer fees, transportation fees must show a nexus between the development and specified improvements or services provided. The revenues generated from an impact fee can vary tremendously depending upon the fee structure and the level of development growth.

UC LRDP Mitigations

Because UC Berkeley is a state institution, it does not fall under the jurisdiction of any development fees, including traffic impact fees, established by the City. UC is a large developer and will soon be updating its Long Range Development Plan (LRDP). (UC Berkeley's existing Long Range Development Plan (LRDP) covers the years 1989 to 2005.) Many of the TDM strategies reviewed in this study can become mitigation strategies for any potential development

and changes at the UC campus. The City and University will have to negotiate the appropriate funding levels and TDM strategies that will be most effective as mitigation measures.

Transportation Assessment Districts or Transportation Improvement District

A Downtown Business Improvement District already exists. This could be expanded in its scope to include funding for EcoPass among area employers or to include the provision of City or commute benefit programs earmarked for business. The assessment could also be expanded to include Southside employers to deliver the benefits of EcoPass and TRiP-TDM programs to these employees.

Parking Assessment Districts/Parking Mitigation Fee/Transportation Assessment District

The City of Berkeley had a parking mitigation fee at one time, which was discontinued since new locations for parking structures could be adequately identified. The City could re-establish this fee with the purpose to support the Parking Coordinating Council, as opposed to constructing additional parking. Likewise, a parking assessment district could be established. It will be difficult, however, to gain support for a parking assessment district that is developed to better manage the existing parking supply. There would generally be more support for such an assessment if new parking were to be built. In the event that additional parking were proposed by the Parking Coordinating Council and a location were identified, this would be a tool to pay for the garage debt financing in addition to user fees.

The activities included in the TDM Study would be better served by a Transportation Assessment District than by a Parking Assessment District. Specific programs would have to be identified in the assessment vote, and the programs would have to mainly – if not totally – benefit just those who are being assessed, depending upon interpretation the Proposition 218 special benefits requirement.

Parking Pricing

Revenue for a Berkeley TRiP-like organization and other programs could be built into monthly parking fees, so that user fees provide a revenue stream for transportation programs in addition to parking.

The City of Berkeley changed its parking prices in City garages in August 1999. The revised pricing structure favors short-term parking over long-term parking. The monthly parking fee in City-owned garages is not as high as the monthly parking fees charged by private garages. The City could raise monthly parking fees.

The City should also eliminate any free parking it provides to its employees who are not affected by collective bargaining. Parking fees should be renegotiated when labor contracts are renewed. The City should take the lead to establish parking pricing policies that require all employees to pay for parking.

It is possible that revenues from City parking lots and garages could be used to finance alternative transportation programs, although there would be bond restriction considerations. Currently, the City does not generate enough revenue from the lots and garages to maintain the existing structures. Thus, parking rates would have to increase substantially to generate a revenue stream that could support additional programs.

Residential Permit Parking Fees

Fines and fees from the Residential Parking Permit program could be increased. Fines to motorists parking without permits in RPP should be at least twice the rate that it costs to park legally in a Study Area garage. Additional revenues could be raised by increasing the cost of an annual Residential Parking Permit, selling a limited number of daily parking placards for a similar cost to long-term parkers, selling resident visitor permits, and selling use permits to household workers, gardening/landscaping professionals, and the like.

Neighborhood Assessment District

A general improvement district tax among neighbors could be established to fund programs like the neighborhood EcoPass. Property owners within a willing district could be assessed a fee to provide EcoPasses to all residents in the district. In the November 2000 election, seven neighborhoods in Boulder, Colorado voted on the creation of transit pass General Improvement Districts. Of the seven neighborhoods, one voted in favor and six voted against the improvement district. Each GID would have assessed a property tax within the neighborhood to be used to provide free transit passes to all neighborhood residents. A possible reason for the unsuccessful tax bid in six of the seven neighborhoods is that a tax on assessed property value may be seen as unfair, since adjacent homes with different assessed values may pay vastly different amounts, even though their transportation impacts are about the same. An assessment based on square footage may be more applicable to the number of potential transit users in each household.

Parcel Tax

A parcel tax is a tax on property owners for specific purposes, such as road maintenance or enhancing local school district budgets. As with all specific purpose taxes, a parcel tax for transportation programs would require a 2/3 vote. Parcel taxes are generally levied based on parcel size or land-usage. For example, single family homes would be charged one rate, while multiple-unit residential parcels would be charged a per-parcel rate. Commercial and vacant property would be assessed differently.

If a parcel tax was approved in Berkeley, it could be levied on an annual basis and include all parcels within the City limits. This could be used to finance programs that would benefit all City residents such as expanded transit services or community-based transit.

Payroll and Business License Taxes

New payroll and business license taxes are subject to voter approval and, in accordance with the Gann Initiative, require a two-thirds majority. San Francisco initially enacted Payroll and Business License Taxes in 1970 and changed the procedures for administering the tax in 1989. Currently, on an annual basis, San Francisco businesses must fill out a form that declares the number of employees and the firm's gross annual receipts. The information is processed by the Tax Collector, who levies a 1.5 percent Payroll Tax and a Business License Tax that varies depending on the type of business. For service businesses, the Tax Collector levies a \$3 charge per \$1000 in gross receipts. For retail businesses, the tax rate is half that amount. There is a small business tax exemption that is based on the information provided by the business. Each business, regardless of size, pays a business registration fee that ranges from \$25 to \$150 per year. These taxes generate a significant amount of revenue for the City of San Francisco. The Payroll Tax and Business License generate \$184 million and \$31 million respectively, on an annual basis. The Registration Fee collects an additional \$10 million per year.

Private Sector Initiatives

Successful shuttle programs and TDM initiatives have established public/private partnerships and have received financial support from the private sector. The private sector can be broadly interpreted to include employers, merchants and retail establishments. Private sector contributions could also consist of development impact fees described previously. Contributions could take the form of marketing support, community transit contributions, and in-kind staff support of the Transit and Parking Coordinating Councils.

The Telegraph Area Association and the Downtown Berkeley Association already collect revenues from area businesses. Forming partnerships with these organizations to promote certain TDM activities is a potential strategy to gain private sector financial support. Berkeley will be challenged to generate this kind of support due to the limited number of large, private-sector employers in the Study Area.

Retail and Merchant Contributions

Improved access will benefit retailers and merchants. A contribution to support specific transportation management programs may be favorably viewed if the annual contribution was not extraordinarily high. A floor of \$500 for individual merchants up to \$2,000 for larger enterprises might be a reasonable amount to contribute for specific projects.

Employer Contributions – Advertising

The AC Transit bus shelter advertising program will help support the bus shelter program. Additional opportunities for raising money through advertising could support community buses.

There may also be potential to raise advertising revenues by creating advertising space in the City parking garages.

Neighborhood Fund Raising Efforts

Another strategy for funding community EcoPass programs is by neighborhood fund raising efforts. These fund raisers include community garage sales, car washes, contributions, and bake sales, where all proceeds go to supporting the community EcoPass program.

FIGURE 11-1
SUMMARY OF FEDERAL, STATE AND REGIONAL FUNDING SOURCES

FUNDING SOURCE	FUNDING PURPOSE	USE OF FUNDS	APPLICATION / APPROVAL PROCESS	EST. ANNUAL YIELD	LEAD TIME	COMMENTS	CHANCES FOR SUCCESS	APPLICABILITY TO TDM STUDY
Federal Programs: TEA 21								
Transportation and Community System Preservation Pilot Program (TCSP)	Available for transit projects that coordinate transportation and land use.	Planning and implementation grants	Federal application process	\$25m/year for FYs 00 through 03	1 - 2 years	TEA-21 program that favors projects with public/private sector partnership.	Highly competitive	Parking 2.1 Transit 3.5 Bicycle 3.1 Transit 4.1 Transit 4.2 Transit 4.3 Bike 4.1 Housing 4.2 Housing 4.4
Transportation Enhancement Activities (TEA)	Small scale non-routine projects (e.g., Ped/bike/transit).	Capital projects only	Application process through Santa Clara County CMA	Funds have not been available for discretionary projects in Alameda County in past few years	1 - 2 years	Under TEA-21, program designed for alternative transportation projects without other funding sources.	Highly competitive	Transit 3.5 Transit 4.1 Transit 4.2 Transit 4.3 Parking 2.1 Bicycle 3.1 Bicycle 4.1
Transportation for Livable Communities (TLC)	Available for projects that strengthen the link between transportation investments and community needs.	Planning studies and capital projects only	Application process through MTC	\$9 per year on a region wide basis	1 year	Alternative mode projects that utilize a collaborative public planning process and have significant local community benefits are favorably viewed.	Highly competitive	Parking 2.1 (overall sign component) Transit 2.4 Transit 3.2 Bicycle 3.1 Bicycle 3.3 Bicycle 3.4 Bicycle 4.1 Bicycle 4.2 Housing 4.1 Housing 4.2

FIGURE 11-1 (CONTINUED)
SUMMARY OF FEDERAL, STATE AND REGIONAL FUNDING SOURCES

FUNDING SOURCE	FUNDING PURPOSE	USE OF FUNDS	APPLICATION / APPROVAL PROCESS	EST. ANNUAL YIELD	LEAD TIME	COMMENTS	CHANCES FOR SUCCESS	APPLICABILITY TO TDM STUDY
State Programs								
Petroleum Violation Escrow Account	Funds to support clean air transportation projects.	Capital projects - limited other purposes	State Legislature	Fluctuates tremendously	1 -2 years	Requires strong local Legislative support.	Highly discretionary Depends on sponsorship of Legislator.	Transit 2.2 Transit 3.2 Transit 3.3 Transit 3.4 Transit 3.5 Bicycle 3.1 Bicycle 4.1 Bicycle 4.2
MTC Blueprint & Governor's Transportation Plan	Regional transportation projects	Projects in Governor's plan and MTC blueprint	N/A	N/A	N/A	City should monitor rapid bus, nighttime/ lifeline transit and bike lane gap closure funding, as \$ may be available through MTC re-prioritization	N/A	Transit 3.4 Transit 3.5 Transit 4.2 Transit 4.4 Transit 4.5 Bicycle 3.1
Regional Programs								
Transportation Fund for Clean Air	Transit capital and operating support for projects that reduce emissions.	Capital projects or operating support. Considerable funding flexibility.	Application process through BAAQMD (60% pot) and the Alameda County CMA (40% pot).	\$12,000,000 regional \$98,000 for Berkeley in last cycle – local	1 year (annual application process)	Shuttle services need letter of support from local transit operator and service and must be coordinated with local transit service.	Competitive process – strong possibility for success.	TDM 1.1 TDM 2.2 TDM 3.1 Transit 2.2 Transit 3.1 Transit 3.3 Transit 3.5 Transit 4.1 Transit 4.3 Parking 2.1 Bicycle 3.1

FIGURE 11-1 (CONTINUED)
SUMMARY OF FEDERAL, STATE AND REGIONAL FUNDING SOURCES

FUNDING SOURCE	FUNDING PURPOSE	USE OF FUNDS	APPLICATION / APPROVAL PROCESS	EST. ANNUAL YIELD	LEAD TIME	COMMENTS	CHANCES FOR SUCCESS	APPLICABILITY TO TDM STUDY
Gasoline Tax	For local and regional transportation projects.	Projects and programs must be identified in Expenditure Plan.	Voter approval, 2/3 majority.	10-cent tax could generate \$767 m for Santa Clara County over 10 years.	2 - 4 years	New gas tax would likely be imposed region wide; 95% of revenues "returned" to county.	Difficult to meet 2/3 voting requirement.	Cannot identify at this point.
Alameda County Measure B	Implement transportation projects in Alameda County		City/County process	\$1.4 billion over 20 years		Opportunities to tap into money set aside for cities	Competitive; strong possibility for success	Transit 3.2 Transit 3.5 Transit 4.2 Transit 4.3 Bicycle 3.1 Bicycle 4.1

**FIGURE 11-2
SUMMARY OF LOCAL FUNDING OPPORTUNITIES**

FUNDING SOURCE	FUNDING PURPOSE	APPLICATION/ APPROVAL PROCESS	EST. ANNUAL REVENUES	COMMENTS	APPLICABILITY TO TDM STUDY
Existing Local Revenues					
Parking Space Rental Tax	Unidentified		\$500,000		
City Development Fees	Housing and Childcare		\$96,000 housing \$38,333 childcare	Revenues fully programmed over next several years. Housing TDM activities could be pursued.	Housing 4.3 Housing 4.4
City Parking Meter Revenue	Parking Meter and Off-Street Parking maintenance & management; Traffic signals & street painting; Traffic & parking control; Off-street parking bonds	May require council action to expand the areas on which the parking meter fund can be expended.	\$2,645,000	Revenues fully spent through 2001. Potential to fund TDM Study Activities could be pursued in future, although fund is not large enough to support existing maintenance needs.	Parking 1.1 Parking 2.1
City Parking Lot/Garage Fees	Garage operations and debt financing		\$2,332,573	\$300,000 in net operating income is transferred to parking meter fund. Parking fees would have to be increased significantly to generate revenue to support existing maintenance needs and expand to other transportation management programs.	Parking 1.1 Parking 2.1

FIGURE 11-2 (CONTINUED)
SUMMARY OF LOCAL FUNDING OPPORTUNITIES

FUNDING SOURCE	FUNDING PURPOSE	APPLICATION/ APPROVAL PROCESS	EST. ANNUAL REVENUES	COMMENTS	APPLICABILITY TO TDM STUDY
Transit Occupancy Tax	General Fund	City Manager priorities	\$3,000,000	Could be used to support transportation management activities that will increase ability of visitors to get around.	Transit 2.2 Transit 2.3
Downtown Business Improvement District	Downtown business priorities	Through those who are assessed	\$185,000	Could be used to support study activities that are supported by the downtown business community.	Parking 1.1 Parking 2.1 Transit 2.3 Transit 3.1
City General Funds	Wide variety of City services	Annual city budget process	N/A		Parking 1.1 Transit 1.1 TDM 1.1 Transit 2.2 Transit 2.4 TDM 2.2 Transit 3.5 TDM 3.1 Bicycle 3.1 Transit 4.3 Bicycle 4.2
In-Kind City and University support	Staffing	N/A			Parking 1.1 Transit 1.1 TDM 1.1
New Local Revenue Opportunities					
Traffic Impact Fee	Could be used for a variety of city transportation improvement projects	City process	Depends on several factors. No estimate available.	City currently exploring feasibility. An excellent potential funding source for many TDM activities over a long period of time.	Nearly all
UC LRDP Mitigations	Could be used for a	City/University process		Revenue depends on several	Transit 2.1

FIGURE 11-2 (CONTINUED)
SUMMARY OF LOCAL FUNDING OPPORTUNITIES

FUNDING SOURCE	FUNDING PURPOSE	APPLICATION/ APPROVAL PROCESS	EST. ANNUAL REVENUES	COMMENTS	APPLICABILITY TO TDM STUDY
	variety of transportation improvement projects that benefit University growth			factors. No estimate available.	Transit 2.2 Transit 2.3 TDM 2.2 Transit 3.2 Transit 3.3 TDM 3.1 Bicycle 3.1 Bicycle 3.3 Bicycle 3.4 Transit 4.2 Bicycle 4.1 Bicycle 4.2 Housing 4.4
Transportation Assessment District	Transportation activities targeted at downtown and southside business	Voter approval, 2.3 majority of property owners with the district.		Difficult to target transportation projects that will benefit only those assessed.	Parking 2.1 Transit 2.3 TDM 2.1 Transit 3.1 Bicycle 3.3 Bicycle 4.2 Housing 4.1
Parking Assessment District	Parking activities targeted at downtown and southside business	Voter approval, 2.3 majority of property owners with the district.		Difficult to win approval to assess for parking management (as opposed to increased parking supply).	Parking 1.1 Parking 2.1
Parking Mitigation Fee	Parking activities	City process		Would have to identify purpose of fee and show a nexus between the development and service provided. May be difficult to show for parking management	Parking 1.1 Parking 2.1 Parking 4.1 Parking 4.2

FIGURE 11-2 (CONTINUED)
SUMMARY OF LOCAL FUNDING OPPORTUNITIES

FUNDING SOURCE	FUNDING PURPOSE	APPLICATION/ APPROVAL PROCESS	EST. ANNUAL REVENUES	COMMENTS	APPLICABILITY TO TDM STUDY
Revised Cost Structure for Parking Fees	Revenues are currently used to operate and maintain parking structure, and pay debt service.	City Council sets cost of parking permits.		Revenues from parking fees currently do not cover all structure maintenance needs. Thus, an increase would have to be significant to provide revenues for TDM activities.	Parking 1.1 TDM 1.1 Parking 2.1 Transit 2.3 TDM 2.2 TDM 3.1
Residential Permit Parking Fees	Revenues are currently used to administer the program.	City Council sets cost of parking permits.		Increase permit fees and violator fines could generate a small amount of additional revenue.	Parking 2.3
Neighborhood Assessment District	A special tax to finance specific programs that benefit that neighborhood.	Voter approval, 2/3 majority of property owners within the district.		Difficult to meet 2/3 voting requirement.	Parking 2.3 Transit 2.2 Transit 3.1
Parcel Tax	To be used for specific projects or services.	Voter approval, 2/3 majority		Potential to generate significant new revenues. Difficult to meet 2/3 voting requirement.	Transit 2.2 Transit 3.1
Payroll and Business License Taxes	Revenues used for a wide variety of city services.	Voter approval, 2/3 majority		Would require support of business community. Difficult to meet 2/3 voting requirement.	Parking 1.1, 2.1, 4.2 Transit 1.1, 2.2, 2.3, 2.4, 3.1, 3.2, 3.3, 3.4, 3.5, 4.2, 4.3, TDM 1.1, 2.2, 3.1 Bicycle 3.1, 3.2, 3.3, 4.2

FIGURE 11-2 (CONTINUED)
SUMMARY OF LOCAL FUNDING OPPORTUNITIES

FUNDING SOURCE	FUNDING PURPOSE	APPLICATION/ APPROVAL PROCESS	EST. ANNUAL REVENUES	COMMENTS	APPLICABILITY TO TDM STUDY
Private Sector Initiatives					
Retail and Merchant Contributions	Could be used to help pay for community transit or bicycle parking.	No voter approval. Requires agreement between City and merchants.	Unknown	Shuttles in other cities rely on merchant contributions to help subsidize service. Would have to provide a direct, tangible benefit to merchants.	Transit 3.1, 3.2, 3.3
Employer Contributions	Community transit, bicycle parking, bus shelter ads, or employer provided Eco-Pass.	No voter approval. Requires agreement between City and employers.	Unknown	Shuttles in other cities rely on employer contributions to help subsidize service.	Transit 3.1, 3.2, 3.3 TDM 1.1, 2.1, 2.2, 3.1 Bicycle 3.3, 4.2
Neighborhood Fundraising Efforts	Community Eco-Pass	Requires neighborhood cooperation and desire	Unknown, but estimated to be small amount on an annual basis	Community EcoPass in Boulder has been partly supported through neighborhood fundraising efforts..	Transit 3.1

TABLE OF CONTENTS

	<u>Page</u>
CHAPTER 11. FUNDING SOURCES	11-1
Federal Funding Opportunities	11-1
State Funds	11-3
Regional Funds	11-4
Local Revenues	11-6

TABLE OF FIGURES

		<u>Page</u>
Figure 11-1	Summary of Federal, State and Regional Funding Sources	11-14
Figure 11-2	Summary of Local Funding Opportunities	11-17