



FUNDING SOURCES

Available funding sources for transportation improvements and services will vary by jurisdiction and will be a determinant in project prioritization. Table 3 lists funding sources and where they are – or could be – used to fund transportation.

Table 3– Funding Sources Summary

Funding Source ¹	Description	Applicability			
		MPO	County	City	District
ROADWAY FUNDING					
Surface Transportation Block Grant (STBG)	Federal flexible funding that may be used for projects to preserve and improve conditions on and performance of any federal-aid highway, bridge, or tunnel project on any public road; pedestrian and bicycle infrastructure; and transit capital projects, including intercity bus terminals.	✓	✓	✓	
State Highway Fund	Revenue sources are: Motor Vehicle Registration and Title Fees; Driver License Fees; Motor Vehicle Fuel Taxes; and Weight-Mile Taxes. Fund expenditures are restricted to construction, improvement, maintenance, operation and use of public highways, roads, streets, and roadside rest areas.		✓	✓	
Road Fund Serial Levy	Voter-approved property tax levied in addition to the permanent tax rate.		✓	✓	
Road Utility Fee	Monthly user fee with revenue dedicated to road operations. Enacted legislatively or by popular vote. This source is generally better suited to funding operations than capital improvements.		✓	✓	
Vehicle Registration Fee	An extra fee on all registered motor vehicles. Enacted legislatively or by popular vote.	✓	✓	✓	

¹ The list provided is a snapshot of funding sources currently available. The *TSP Guidelines* update process will explore ways to cite sources and include contacts so they retain their relevance and do not become outdated.

Funding Source ¹	Description	Applicability			
		MPO	County	City	District
	This source could fund operations or capital programs.				
Motor Vehicle Title Fee	All motor vehicles registered in the jurisdiction are also required to have a title recorded as personal property within the jurisdiction. This source generates two sources of revenue: the fee itself and personal property taxes levied on motor vehicles.	✓			
Local-Option Fuel Tax	Enacted legislatively or by popular vote. This source could fund operations or capital programs.		✓	✓	
Immediate Opportunity Funds	Support primary economic development through the construction and improvement of streets and roads.	✓	✓	✓	
All Roads Transportation Safety (ARTS)	MAP 21 increased safety funding and emphasizes a focus on All Roads. Because of this, ODOT offered a portion of its safety funds to improve safety on local roads, leading to the creation of the All Roads Transportation Safety (ARTS) program. By the end of 2015 the ARTS program had generated lists of potential projects for scoping. Post-field scoping, the projects will be built in the 2017-2021 STIP timeframe.	✓	✓	✓	
General Fund	Property taxes from the county's permanent tax rate.		✓	✓	
Transportation Development Tax	Based on the estimated traffic generated by each type of development; revenue is dedicated to transportation capital improvements designed to accommodate growth. Eligible projects are on major roads, including sidewalks and bike lanes, as well as transit capital projects.		✓	✓	
System Development Charges (SDC)	A reimbursement fee, an improvement fee or a combination thereof assessed or collected at the time of increased usage of a capital improvement. or issuance of a development permit,		✓	✓	

Funding Source ¹	Description	Applicability			
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	building permit or connection to the capital improvement.				
Local Impact Development (LID)	Use as a method of financing capital improvements constructed by the local agency or utility district that provide a special benefit to the properties within the boundary of the LID.		✓	✓	✓
Tax Increment Financing	Used to capture additional property taxes generated in the vicinity of transit specific improvements or areas. This type of funding can also be used to capture a portion of property value increase caused by a particular investment.		✓	✓	
Urban Renewal Districts	Uses the future increase in property taxes from the rehabilitation of urban areas by renovating or replacing dilapidated buildings with new housing, public buildings, parks, roadways, industrial areas to finance infrastructure improvements within the district.		✓	✓	
TRANSIT FUNDING					
State Special Transportation Funds (STF)	Allocated by the Oregon Legislature every two years. Funds may be used for any purpose directly related to public transportation services for seniors and people with disabilities. Funds managed locally by STF agencies (transit districts, counties, tribes); eligible recipients include governmental and non-governmental organizations.	✓	✓	✓	✓
Federal Transit Administration (FTA) Grants	Section 5310 Funds: formula funding to states and metropolitan regions for the purpose of meeting the transportation needs of seniors and people with disabilities. ODOT allocates the state 5310 funds to rural areas via local STF agency, and may reserve for discretionary programs.		✓	✓	✓

Funding Source ¹	Description	Applicability			
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	Section 5311 Funds: formula funding for transit capital, planning, and operations in rural areas (population less than 50,000)		✓	✓	✓
	Section 5311(f): Rural intercity bus. Discretionary program.	✓	✓	✓	✓
	Section 5339 Funds: funding through an allocation process to states for small urban and rural areas, and transit agencies in large urban areas, to replace, rehabilitate and purchase buses and related equipment and to construct bus-related facilities.		✓	✓	✓
	5307: Formula transit funds for large and small urban districts (Trimet, Cherriots),	✓			✓
	Section 5309: Capital Investment Grants: funding major transit capital investments including heavy rail, light rail, and bus rapid transit	✓			✓
	Section 5303/4/5: Metropolitan and Statewide Planning. Funds allocated to states, which then distribute them to regional and local agencies.	✓	✓	✓	✓
	Section 5337: State of Good Repair: fixed guideways	✓	✓	✓	✓
ConnectOregon Funds	Projects are eligible for grants covering up to 70% of project costs. A minimum 30% cash match is required from the recipient for all grant-funded projects. Projects eligible for funding from state fuel tax revenues are not eligible for ConnectOregon funding.	✓	✓	✓	
Private/Public Sponsorships	Public/private sponsorships involve a private entity such as a local business owner working with the public agency to fund a project (e.g., bus stop shelter and sidewalk connection maintenance). In return for their investment in the community, these business owners often have recognition for their	✓	✓	✓	✓

Funding Source ¹	Description	Applicability			
		MPO	County	City	District
	role, providing a marketing venue for the business				
Congestion Mitigation & Air Quality (CMAQ)	Federal flexible funding source to state and local governments for transportation projects and programs to help meet the requirements of the Clean Air Act.	✓	✓	✓	✓
Federal Lands Access Program	Established in 23 U.S.C. 204 to improve transportation facilities that provide access to, are adjacent to, or are located within federal lands. Supplements state and local resources for public roads, transit systems, and other transportation facilities, with an emphasis on high-use recreation sites and economic generators.		✓	✓	
STIP Enhance	Funds allocated to projects through a competitive grant application process. Eligible projects include public transit capital improvements.		✓	✓	✓
Property Taxes	Tax assessed on the value of an owned property, a portion of which can be used to fund transit.	✓	✓	✓	
Payroll Taxes	Taxes imposed on employers or employees, usually calculated as a percentage of the salaries that employers pay their staff, and generated through deductions from an employee's wages, or taxes paid by the employer based on the employee's wages.		✓	✓	
Business Taxes	Tax assessed on the net income of businesses near transit facilities/routes.		✓	✓	
Tax Increment Financing	Used to capture additional property taxes generated in the vicinity of transit-specific improvements or areas. This type of funding can also be used to capture a portion of property value increase caused by a particular investment.		✓	✓	
Tax Incentive Zones	Designated areas that provide an indirect avenue for transit funding		✓	✓	

Funding Source ¹	Description	Applicability			
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	by potentially increasing fare revenue, sponsorship revenue, etc. by providing tax incentives for businesses and residents near transit-oriented or transit-friendly developments.				
Multimodal Impact Fees	Similar to Transportation Impact Fees (TIFs), but focused on improvements to multimodal transportation options. In the event a TIF is established, the fixed-route service could work to allocate a portion of funds towards transit enhancing improvements.		✓	✓	
PEDESTRIAN/BICYCLE FACILITIES FUNDING					
Oregon Parks and Recreation Local Government Grants	Primary use is recreation; transportation allowed. Construction limited to outside road right-of-way, only in public parks or designated recreation areas.		✓	✓	
Recreational Trails Program	Recreational trail-related projects, such as hiking, running, bicycling, off-road motorcycling, and all-terrain vehicle riding.		✓	✓	
Land and Water Conservation Fund	Acquire land for public outdoor recreation or develop basic outdoor recreational facilities.		✓	✓	
ATV Grant Program	Operation and maintenance, law enforcement, emergency medical services, land acquisition, leases, planning, development, and safety education in Oregon's OHV (off-highway vehicle) recreation areas.		✓	✓	
Private/Public Sponsorships	Public/Private sponsorships involve a private entity such as a local business owner working with the public agency to fund a project (e.g., bicycle hubs, trails, etc.). In return for their investment in the community, these business owners often have recognition for their role, providing a marketing venue for the business	✓	✓	✓	
Rivers, Trails, and	Technical assistance for recreation and conservation projects.	✓	✓	✓	

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Conservation Assistance Program					