

Appendix B

POTENTIAL FUNDING SOURCES

Funding sources for transportation improvement projects are needed if the recommended projects of the Transportation Plan are to be built. In the Washington County area, federal, state, and local governments as well as private developers provide funds to pay for improvements.

Federal Funds:

The prior federal highway and transit bill SAFETEA-LU (Safe, Accountable, Flexible, and Efficient Transportation Equity Act: A Legacy for Users) continues to fund federal transportation programs under continuing resolutions. And a new federal highway bill is anticipated within the next several months.

State Funds:

The Utah Department of Transportation receives state highway user revenues as well as state general funds for highway construction and maintenance projects. The highway user revenues sources include motor fuel taxes, special fuel taxes, vehicle registration fees, driver license fees, and other fees. General funds include sales taxes and other taxes. In addition, the state has the authority to issue bonds for specific highway projects.

A portion of the state highway user funds are made available to local governments for highway construction. Seventy-five percent of these funds are kept by the UDOT for their construction and maintenance program. The remaining 25 percent are made available to the cities and counties in the state through the Class B and C Program.

Class B and C funds are allocated to each city and county by a formula based on population and road mileage. These funds can be used for either maintenance or construction of highways, although at least 30 percent of the funds must be used for construction projects or for maintenance projects that cost over \$40,000.

Safe Sidewalks Program has also been established by the legislature to fund the construction of sidewalks on roads on the state system. The money is distributed through a formula based partially on miles of state road in each UDOT Region. Each city and county located in the region submits projects to the UDOT Region office, which then prioritizes them. A statewide committee then makes the final project selection.

Local Funds:

Local government agencies have a variety of funding sources available to them for transportation improvements. The primary source is from the general fund of the cities and counties. These general funds can be used for construction of new roads or the upgrading or maintenance of existing ones. Transportation projects, however, must compete with the other needs of the city or county for the use of these funds.

Local governments have several other options for improving their transportation systems. Most of these options involve some kind of bonding arrangement, either through the creation of a redevelopment district, a more traditional special improvement district organized for a specific project benefiting an identifiable group of properties, or through general obligation bonding arrangements for projects felt to be beneficial to the entire entity issuing the bonds.

The Local Corridor Preservation Fund allows the Washington County AOG to collect vehicle registration fees of \$10 per vehicle for transportation corridor preservation. The Utah Department of Transportation has responsibility for seeing that the major requirements of the legislation are met, such as compliance with federal property acquisition procedures, and a locally adopted access management plan, or ordinance.

Private Sources

Private interests often provide sources of funding for transportation improvements. Developers construct the local streets within subdivisions and often dedicate right-of-way for and participate in the construction of collector and arterial streets adjacent to their developments. Developers should also be considered as a possible source of funds for projects needed because of the impacts of the development, such as the need for traffic signals or arterial street widening.

Private sources also need to be considered for transit improvements which will provide benefits to them. For example, businesses or developers may be willing to support either capital expenses or operating costs for transit services which provide them with special benefits, such as a reduced need for parking or increased accessibility to their development. Following is a brief list of programs used to fund transportation projects within the Dixie MPO:

FEDERAL HIGHWAY ADMINISTRATION

- Surface Transportation Program (STP)
- Congestion Mitigation / Air Quality (CMAQ)
- Available only after DMPO reaches non-attainment status
- Interstate Maintenance (IM)
- National Highway System (NHS)
- Surface Transportation Program
- Urbanized Area
- Small Urban
- Flexible (Any-Area)
- Transportation Enhancements
- Highway Safety Improvement Program (HSIP)
- Hazard Elimination
- Railroad Crossings
- Safe Routes to School (SR2S)
- Bridge Replacement
- Off System - Local
- Off System - Optional
- Federal Lands Programs
- High Priority Projects (HPP)
- Transportation Improvement Projects (TI)
- Recreational Trails

FEDERAL TRANSIT ADMINISTRATION

- **(5307)** Block Grant Funds
- **(5309)** Discretionary Funds
- **(5310)** Services for elderly and disabled
- **(5311)** Grants Outside Urban Area
- **(5340)** High Density States Program
- **(5316)** Job Access/Reverse Commute
- **(5317)** New Freedom Program

STATE OF UTAH

- State Construction
- State General Funds
- State Traffic
- Corridor Preservation Funds

LOCAL

- County (B Funds)
- City (C Funds)
- General Funds
- Transit Sales Tax
- Corridor Preservation Fund

PRIVATE

- Donations / User Fee
- Developer Funded Projects
- Public/Private Partnerships