

## Fact Sheet

# Local Funding Sources

Numerous sources of money exist that can be tapped to fund your rail-trail if your project has strong public support. Although Federal programs such as SAFETEA-LU have provided new sources of funds for rail-trail acquisition and development, it is important to obtain local financial support both to provide matching funds for federal or state grants and in case federal or state funding is not available.

### Local Government Funding

Cuts in federal spending combined with increased concern by citizens for protecting land have spurred cities and counties to take on a larger role in conservation funding. The most common sources of funds at the city- and county-level include allocations from a specific department, such as the park and recreation department, or a line item in a consolidated capital improvement program (CIP) budget. Local revenues may also be raised through property taxes or bond issues. Mounting a successful bond campaign is like running any other campaign: you need strong citizen support, participation by local officials and business leaders and hard work.

Impact fees, regulated by county and city subdivision policies, require residential, industrial and commercial development project leaders to provide sites, improvements and/or funds for developing public improvements like open space and trails. Impact fees may be allocated to a particular trail from land development projects in all areas of a county or city if the fund is a dedicated set-aside account established to help develop a county- or city-wide system of trail projects. Call your county or city planner to find out more about impact fees for your area.

Growth impact ordinances are enforced by counties and cities to estimate the impact of all residential, industrial and commercial development on public park and recreational facilities within a development project's local and regional service zones. The ordinance makes provisions whereby the project developer will set aside the lands or moneys necessary to offset the project's specific park and recreational impacts. Again, call your county or city planner for more information.

### Salvage of Rails, Ties and Ballast

The rails, ties, ballast and other improvements made to the corridor have salvage-value and should not be overlooked. Revenue generated from the sale of these items varies widely, depending on local markets, the length of the corridor, and the quantity of salvageable materials. However, salvageable materials often have been sold by the time a trail corridor is in public ownership.

### Leasing Corridors for Utility Use

A growing source of trail development funds is the leasing of subsurface rights for fiber-optic cables and other utilities. Compatible "joint uses" of a rail-trail corridor include sewer, water and natural gas. Utility companies have also bought abandoned corridors and then donated the land to the state department of natural resources for trail use. Abandoned corridors can provide key links for utility use; working cooperatively with local utilities can help pay for your trail.

### Private Funding Sources

You can raise funds privately in numerous ways—from holding bake sales to soliciting foundation grants. You might organize fundraising events such as dinners, parties, raffles or concerts. Or you could create events along the trail route, such as a hike-a-thon. Some groups have "sold" pieces of trail, providing each donor with a "deed" for their segment of the trail. Other groups have also sold trail amenities, such as benches and trees. To obtain larger contributions from foundations or corporations, you will need a full-fledged funding proposal that illustrates the community-wide value of the trail and describes how it will be developed and maintained.

These various funding sources offer a wide range of options. In many cases, a project can be funded using a combination of local, state and federal sources. Creativity, combined with a comprehensive evaluation of all potential funding sources can help your trail group find the money necessary to make your trail a reality.