



REGIONAL FUNDING SOURCES FOR ACTIVE TRANSPORTATION

Subtitle/Date

Beginning in 2024, regional funding dedicated to active transportation has seen a major increase in support via new sources of revenue at the local, regional and state level. Up to \$75 million annually will be available with the new sales tax revenue for active transportation projects in the region in addition to federal, state and local funds already being spent on this infrastructure already. This funding represents a large opportunity to expand regional efforts to build out the non-motorized system to support the region in meeting state goals in reducing vehicle miles traveled and greenhouse gas emissions from transportation.

Looking forward, there is expected to be an estimated \$98 million available specifically for active transportation projects annually based on the average spending of federal funds through the TAB's Regional Solicitation and estimated revenues from the new sales tax funding for both the TAB and metro counties. In addition, MnDOT has a dedicated fund for active transportation projects, however this funding is open to the entire state and the previous two solicitations for the infrastructure grants have excluded Metro District from competing for funds. MnDOT's planning and Safe Routes to School (SRTS) programs are available for Metro District.

Sources of Regional Funding	Annual Funding (est)
TAB (Federal – based on data from previous solicitations)	\$24M
TAB (Local - sales tax estimated)	\$24M
Metro Counties (Local - sales tax and other sources estimated)	\$50M+
Total Regional Funding	\$98M+
MnDOT (AT Infrastructure + Planning + SRTS statewide)	\$12M (variable)

Council staff have communicated with county and state partners and researched past federal funding through the Regional Solicitation to better understand where funding has been dedicated to in the past and where regional partners are anticipating investing new funding in the future. The following will summarize current thinking on the intended use of regional funds from various sources.

Regional Solicitation (TAB – federal):

The previous six solicitations (2014 to 2024) were examined to understand the distribution of past funding and project selections for active transportation projects. The analysis broke down the Bicycle Facility category by facility type to understand the nuance of types of bicycling facilities funded by RS in past solicitations. The category was broken down as follows, multiuse trail, on-street bike facility (bike lanes, bicycle boulevard, other in-street facility), dedicated/separated bikeway (specific bike only facilities protected from vehicle traffic and separated from pedestrian space) and bridge or other type of dedicated crossing facility (could be of a highway, roadway, railway, or other barrier).

The breakdown in project selections and funding awarded can be seen in figure 1 and 2. The category of project which has seen the greatest share from the Regional Solicitation has been multiuse trail facilities in both number of selected projects and share of funding gone toward active transportation. On-street bike facilities have been the least funded and selected bike projects. There has been an even split of the number of projects selected between the Multiuse Trail and Bicycle Facilities category and the Pedestrian and Safe Routes to School categories, however three fourths of the funding have gone

toward the Multiuse Trail and Bicycle Facility category as generally pedestrian and safe routes to school projects are smaller in scope and infrastructure needs.

Figure 1. Share of Regional Solicitation selected projects including types of Bicycle Facility projects and other Active Transportation projects over the previous decade (2014 to 2024).

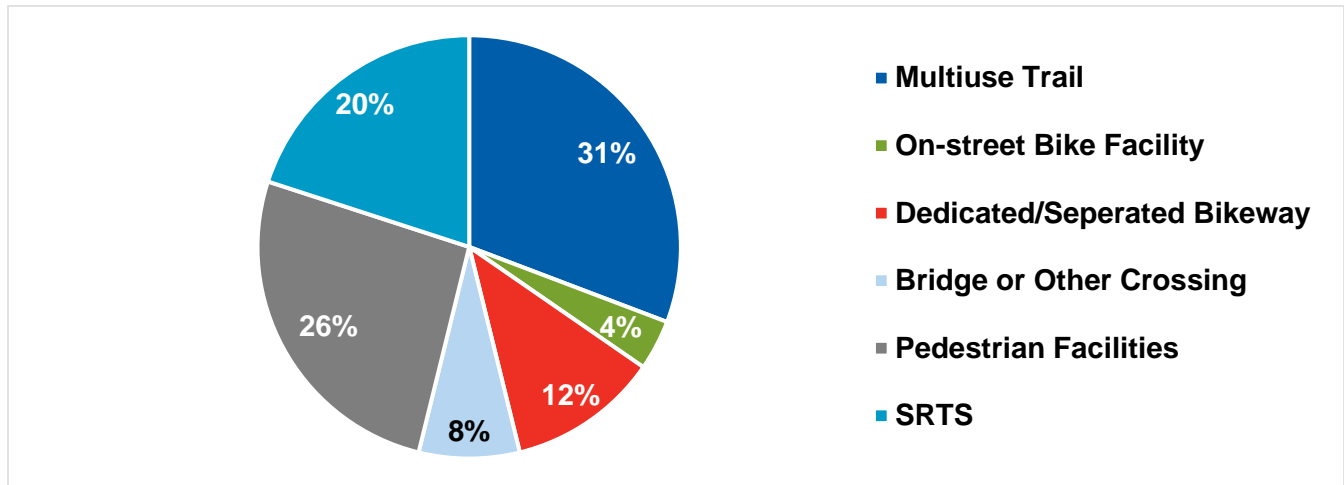
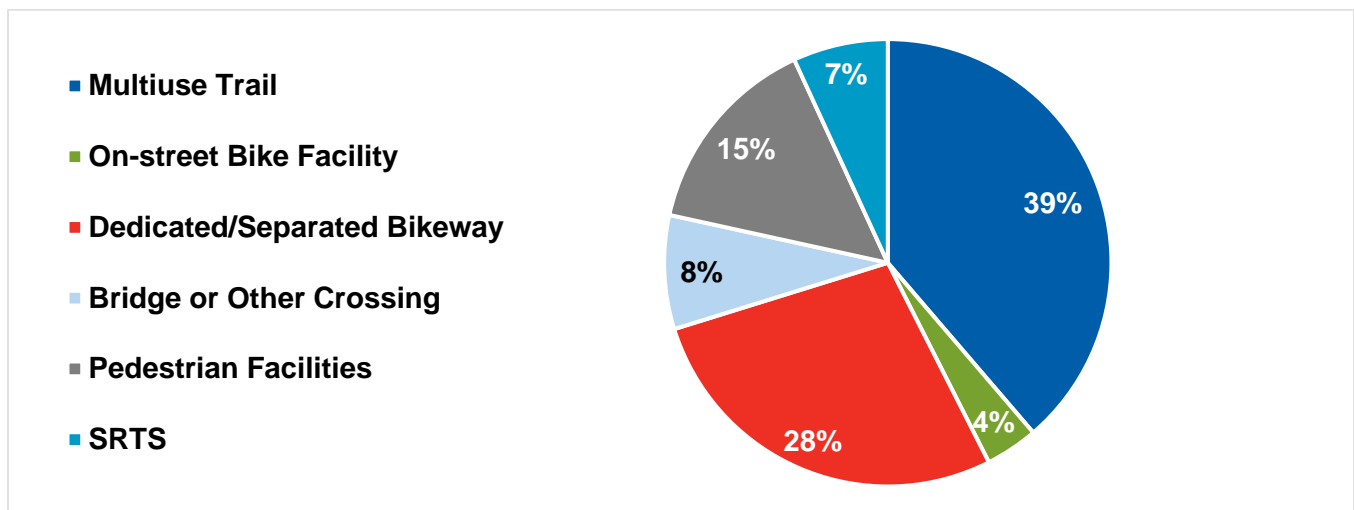


Figure 2. Share of Regional Solicitation funding provided including types of Bicycle Facility projects and other Active Transportation projects over the previous decade (2014 to 2024).



In addition to the funding which has been directed specifically for projects within the active transportation categories in the Regional Solicitation outlined in figure 1 and 2, non-motorized improvements have also been included in roadway projects as well. It is more difficult to split out regional funding to understand how much has been funded through these other means, but from 2014 to 2024, an additional 145 miles of trails and sidewalks have been constructed as part of roadway projects which received Regional Solicitation funding.

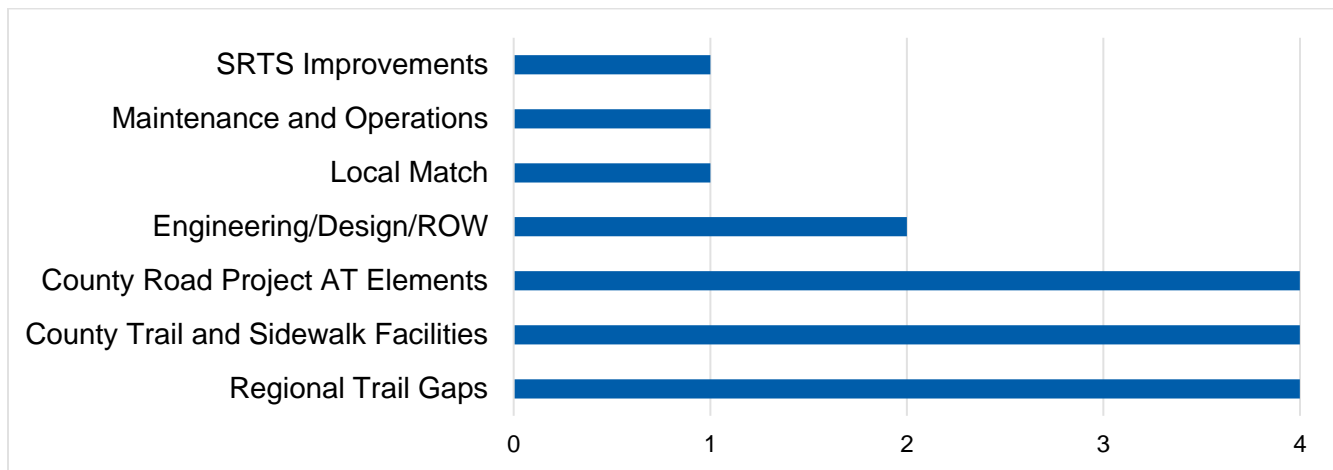
Metro Counties (Local – regional sales tax, state delivery fee and state auto parts sales tax)

The seven counties in the metro region also received a significant new source of funding for active transportation projects through new taxes which have been dedicated toward active transportation investments by the state legislature. These new sources of revenue are a share of the metro region sales tax, new statewide delivery fee and expanded statewide auto parts sales tax. This funding is expected to be approximately \$50 million annually between the counties in fiscal year 2026, but ramping up as new tax revenues are phased in to an estimated \$90 million annually by fiscal year 2033. The enabling legislation mandated that these new funds must be put toward active transportation efforts or safety planning, but placed few other stipulations on how the funding may be spent by the

counties. Council staff has talked with county staff to get a better understanding of what the counties are planning to put this new funding source towards.

In general, the counties will be focusing efforts on their regional trail systems and active transportation elements of their county road systems. The counties have indicated that they will be focusing the new funds on filling regional trail gaps (4 counties indicated), funding active transportation elements of county roadway projects (4 counties indicated), and filling out the county pedestrian and trail networks (4 counties indicated). Other responses included using county funds for local match of federal grants, safe routes to schools funding, maintenance and operations of trail facilities and engineering and design for trail projects.

Figure 3. Themes of county responses for future AT funding priorities



MnDOT (Active Transportation Program)

The state legislature has provided MNDOT with dedicated funds for active transportation expansion in the state in previous sessions and has moved to make the funding and program permanent. This funding has fluctuated in the past but is expected to stabilize at an estimated \$12 million annually going forward. This funding is split between multiple difference focuses; infrastructure projects, planning projects and safe routes to school projects. MnDOT has excluded funding infrastructure projects within the Metro District which encompasses the seven-county metro region over the past two solicitation cycles but had funded projects in the area before that.

In the 2022 Solicitation, the Active Transportation Infrastructure program funded 5 projects in the region totaling \$2 million in funding. The planning and SRTS funding are still available to the metro region. The planning program has funded corridor and citywide planning efforts for metro communities in the previous solicitations. The SRTS program funded 5 projects in the metro totaling \$4 million in funding in the last solicitation held. It is not clear if infrastructure funding will be made available for future solicitations but planning and SRTS will continue to include the metro as eligible.

Other Sources

There are other sources of regional funding for active transportation projects including state bonding, other federal grants and local funding (county, city or other institution). These sources are not examined here as state bonding efforts and other federal grants are project based and sporadic, and local funding is typically for specific local efforts and varies greatly by city or county and so are difficult to approximate at the regional level. The analysis here is meant to understand specific regional or state level ongoing sources of funding specific to active transportation to aid in the discussions to determine the best fit for the new TAB active transportation sales tax funds.