

Appendix N - Funding Sources & Financing Options

APPENDIX N Funding Sources & Financing Options

Possible Options for Funding:

- Appalachian Regional Commission (ARC)
- USDA Rural Development Grants (USDA)
- Kentucky Heritage Land Conservation Fund Board (KHLCF)
- Land & Water Conservation Fund (LWCF)
- Safe Routes to Schools Program (SRTS)
- Transportation Enhancements (TE)
- Transportation Alternative Projects (TAP)
- Recreational Trails Program (RTP)

Appalachian Regional Commission (ARC)

ARC is a regional economic development agency that represents a partnership of federal, state, and local government. Each year ARC provides funding for several hundred projects in the Appalachian Region, in areas such as business development, education and job training, telecommunications, infrastructure, community development, housing, and transportation. ARC looks for projects that address the four goals identified in the Commission's strategic plan:

1. Increase job opportunities and per capita income in Appalachia to reach parity with the nation.
2. Strengthen the capacity of the people of Appalachia to compete in the global economy.
3. Develop and improve Appalachia's infrastructure to make the Region economically competitive.
4. Build the Appalachian Development Highway System to reduce Appalachia's isolation.

For Fiscal Year 2013, Perry and Leslie counties are two of forty qualifying ARC-Designated Distressed Counties in Kentucky. *For more information, see www.arc.gov/grants.*

USDA Rural Development Grants (USDA)

This trail initiative could possibly qualify for a "Community Facilities" grant which fund the development of essential community facilities for public use in rural areas and may include hospitals, fire protection, safety, as well as many other community-based initiatives. Grant assistance may be available for up to 75% of project costs if deemed qualifying. Grant funding limitations are based on population and income, economic feasibility, and availability of funds.

Projects are selected based on a priority point system. Projects that receive priority are those that:

- Serve small communities - with the highest priority going to projects located in a community with a population of 5,000 or less.

Appendix N - Funding Sources & Financing Options

- Serve low-income communities with the highest priority going to projects serving communities with median household incomes below the higher of the poverty line or 60% of the State non-metropolitan median household income.
- Higher priority is given to those that are leveraged with other loan or grant awards.

The community of Buckhorn would be given highest priority due to its population and income level but would need to show how developing a trail system or trailhead might bring new and much needed revenue to the community and the surrounding area. The project may also qualify for a Rural Business Opportunity Grant (RBOG) which is funding used to promote sustainable economic development in rural communities with exceptional needs. Grants are awarded on a competitive basis. Maximum award amount is \$50,000.

The USDA office for this region of Kentucky is located at 305 Dawahare Drive in Hazard Kentucky. Area specialist is Margaret Collett at 606-439-1378. The website is www.rurdev.usda.gov/RD_Grants.html.

Kentucky Heritage Land Conservation Fund Board (KHLCF)

KHLCF provides funding for preserving and conserving natural areas that possess unique features such as:

- Areas that are a habitat for rare and endangered species.
- Areas important to migratory birds.
- Areas that perform important natural functions but are subject to alteration or loss.
- Areas to be preserved in their natural state for public use, outdoor recreation, and education.

KHLCF receives funding from nature license plate, the state portion of the unmined minerals tax and gives special consideration to funding agencies working together. This particular grant has funded campgrounds, nature trails, hiking & biking trails, recreation & nature parks. Funding can be used for land acquisition or land management. Grants have ranged anywhere from \$4,000 to acquire 14 acres for a park to nearly \$3 million dollars for land acquisition and management of a wildlife management area. One of their goals is to have at least one KHLCF funded project in every county. At this time, neither Perry nor Leslie has ever tapped into this source of funding. See their website at www.heritagelad.ky.gov for more information.

**Please Note: In the past, KHLCF would not fund ATV nor horseback riding trails but this may have changed. And they have turned down projects in the past that were located on reclamation sites citing preference to preserve "more natural, undisturbed areas".*

Land & Water Conservation Fund (LWCF)

LWCF assistance may be available to cities, counties, state and federal agencies 1) to acquire lands and waters or interests in lands and water for public outdoor recreation, and 2) to develop basic outdoor recreation facilities to serve the general public, or 3) renovate existing facilities. To be eligible for assistance, projects must be in accord with the Statewide

Appendix N - Funding Sources & Financing Options

Comprehensive Outdoor Recreation Plan (SCORP), be sponsored by a governmental agency, and meet other state and federal requirements.

The minimum request amount is \$5,000, the maximum is \$75,000. It also requires a matching reimbursement of the same amount awarded.

Safe Routes to School Program (SRTS)

The Safe Routes to School Program is designed to *“enable and encourage children, including those with disabilities, to walk and bicycle to school; to make bicycling and walking to school a safer and more appealing transportation alternative; and to facilitate the planning, development, and implementation of projects and activities that will improve safety and reduce traffic, fuel consumption and air pollution in the vicinity of the schools”*.

This federally funded program provides funding for a wide variety of programs and projects and could be a possible source of funding for the proposed bridge connecting the Children’s Center to the schools in Buckhorn. Contact Office of Local Programs Safe Routes to School at (502) 564-2060 or visit the website for more information and downloadable applications at:

<http://transportation.ky.gov/Local-Programs/Pages/Safe-Routes-to-School.aspx>

Transportation Alternatives Program (TAP)

TAP was created under MAP-21 and expires September 30, 2014. First round of grant applications will be accepted through October 24th, 2013. Qualifying projects include:

- A. Construction, planning, and design of on-road and off-road trail facilities for pedestrians, bicyclists, and other nonmotorized forms of transportation, including sidewalks, bicycle infrastructure, pedestrian and bicycle signals, traffic calming techniques, lighting and other safety-related infrastructure, and transportation projects to achieve compliance with the Americans with Disabilities Act of 1990 (42 USC 12101 et seq.).
- B. Construction, planning, and design of infrastructure-related projects and systems that will provide safe routes for non-drivers, including children, older adults, and individuals with disabilities to access daily needs.
- C. Conversion and use of abandoned railroad corridors for trails for pedestrians, bicyclists, or other nonmotorized transportation users.
- D. Construction of turnouts, overlooks, and viewing areas.
- E. Community improvement activities, which include but are not limited to:
 - i. inventory, control, or removal of outdoor advertising;
 - ii. historic preservation and rehabilitation of historic transportation facilities;
 - iii. vegetation management practices in transportation rights-of-way to improve roadway safety, prevent against invasive species, and provide erosion control; and
 - iv. archaeological activities relating to impacts from implementation of a transportation project eligible under title 23.

Appendix N - Funding Sources & Financing Options

- F. Any environmental mitigation activity, including pollution prevention and pollution abatement activities and mitigation to-
- i. address stormwater management, control, and water pollution prevention or abatement related to highway construction or due to highway runoff, including activities described in sections 133(b)(11), 328(a), and 329 of title 23; or
 - ii. reduce vehicle-caused wildlife mortality or to restore and maintain connectivity among terrestrial or aquatic habitats.

Contact Office of Local Programs Transportation Alternatives Program at (502) 564-2060 or visit their website for more information and downloadable applications at:

http://transportation.ky.gov/Local-Programs/Pages/transportation_alternatives.aspx

Recreational Trails Program (RTP)

Funds may be used to acquire easements for recreational trails and to develop and renovate trails for both motorized and non-motorized use. It is a competitive grant which now requires a 50-50 match. Deadline to submit an application is usually December thru March each year. Before applying, one needs to have a clear understanding of the timeframe required for easements. Some landowners may not wish to have their land obligated for the length of time the State requires.

Coordinator for both the RTP and LWCF programs is Jodie McDonald with the Kentucky Department of Local Government. Contact information is provided below. Also visit their website at www.dlg.ky.gov/grants

Jodie McDonald, State Trail Coordinator

Office of Grants

Governor's Office for Local Development

1024 Capital Center Drive, Suite 340

Frankfort KY 40601-8204

502-573-2382 extension 222

jodie.mcdonald@ky.gov

OTHER FUNDING OPTIONS LOCAL FUNDING OPPORTUNITIES, LAND ACQUISITION AND DEVELOPMENT

There are a number of options for other funding which includes local funding opportunities, land acquisition and development. A few of these include:

- Life Estate - a gift in which a donor retains the land during his/her lifetime, and then relinquishes title of the property after his/her death. The owner and/or family is relieved of property tax for the given land and can often take advantage of tax credits.
- Local Gifts refer to the donations of land, money, labor, and/or construction which could utilize an organized and very specific strategic method to procure. Donors might be individuals, institutions, foundations, service clubs, industry, etc.

Appendix N - Funding Sources & Financing Options

- Easement - a certain right to use the real property of another without possessing it. Easements are helpful for providing pathways across two or more pieces of property.
- Fee Simple Purchase – self-explanatory and the most common method used to acquire municipal property for park facilities.
- Fee Simple Purchase with Lease-Back or Resale Options allows local governments to acquire land through fee simple purchase of which they can then lease or sell if they so choose.
- Long Term Options allows counties to purchase property over long periods of time for potential future use without having to outlay the funds all at one time.