

## Humboldt Bay Trail Fund Guidance Document

### Purpose:

The purpose of the Humboldt Bay Trail Fund is to provide financial support for the maintenance and creation of multi-purpose trails (also known as shared-use paths and bike paths) in the Humboldt Bay region for walking, running, biking, and wheeling.

### Description:

The Humboldt Bay Trail will be constructed in phases with support from multiple public agencies, organizations and individuals. The City of Arcata, City of Eureka, and Humboldt County have completed, or are leading, projects that will ultimately result in a continuous trail between central Arcata and southwest Eureka. Future projects to extend the trail around Humboldt Bay are anticipated (for example, west from Arcata through the Arcata Bottoms toward Manila and Samoa, and south from Eureka toward King Salmon, Fields Landing, and College of the Redwoods). In addition, trail projects to connect communities, neighborhoods, and destinations with trails near the Humboldt Bay shoreline are envisioned (for example, from Arcata to the Mad River and Eureka Waterfront to Sequoia Park Zoo).

The Humboldt Bay Trail Fund (Fund) was established at the Humboldt Area Foundation to provide a mechanism for private donations to assist in the continued development of the Humboldt Bay Trail by focusing on the critical need for trail maintenance funds. While state and federal grants may fund pre-construction and construction of trails, maintenance costs must be borne by the project's lead agency or partner organization. The lack of sustainable funding for maintenance is a major limiting factor in expanding regional trails. Developing a long-term source for maintenance funds will support public agencies' ability to accept trail management responsibility. In addition, the Fund is intended to promote community involvement and enhance connections between community members and the Humboldt Bay Trail.

The Fund is governed by the seven-member Humboldt Bay Trail Fund Committee (Committee) which is composed of four community members at large, representing trails stakeholders from a broad spectrum of the community, and three public agency representatives from the City of Arcata, City of Eureka, and the Humboldt County Public Works Department. One of the four at-large members will be a representative from the Humboldt Trails Council (HTC). Humboldt County Association of Governments (HCAOG) staff will act as the committee administrators and will not be a voting member.

The Humboldt Area Foundation (HAF) manages donations to the Fund in conjunction with other Foundation assets and allocates funds from the Fund based on recommendations from the Committee. The Fund is an endowed fund that will grow and maintain a sizeable fund balance that is able to generate a stream of income through investment earnings which can be expended to carry out the fund purpose. Gifts will be recorded as 50% endowed (contributing to the corpus) and 50% expendable (available for expenditure), unless donors earmark their contributions as either entirely endowed or expendable at the time of the gift. HAF's current policy is to annually make available for expenditure 4% of the balance in the endowed portion of the Fund, averaged over 16 trailing quarters. Unspent expendable funds will continue to generate investment earnings.

Fund-raising is supported by the Humboldt Bay Trail Fund Working Group (Working Group) which is an informal group of volunteers with strong interest in growing the Fund, expanding the Humboldt Bay Trail, and enabling high-quality trail experiences.

While the overarching goal is to grow the endowment portion of the Fund to provide sustainable funding for on-going trail maintenance needs, the funding priorities listed below allow for the possibility of funds being expended for other important needs. For example, the Fund could be used to leverage additional funding by improving the competitiveness of grant applications for construction funding.

### Funding Priorities:

Funds from the expendable portion of the Fund can be allocated as frequently as annually, with a priority on projects that involve community volunteers. Donations will be allocated by the Committee to support the overall fund purpose. The members of the Committee agree on the following priorities areas for allocating funds:

- Priority #1 – Maintenance and rehabilitation, with an emphasis on projects involving community volunteers
- Priority #2 – Emergency repair projects
- Priority #3 – Trail amenities (e.g. signs, benches, lighting, landscaping)
- Priority #4 – Cost-share to state or federal grant funds for project development (planning, engineering design, technical studies, and permitting) and/or construction.

### Governance:

The Committee will meet at least once a year to review fundraising progress, address vacancies, update funding criteria, and review and recommend funding requests. Prior to posting requests for project proposals, the Committee will determine funding guidelines and criteria for funding consistent with the priorities outlined in this document.

Initially, the four community members of the committee will be selected by the three public agency representatives. Thereafter, when a vacancy occurs, the committee will develop a recruitment process and committee members will vote on filling the vacant seat. Community members, including the individual representing the Humboldt Trails Council, will serve a single four-year term on a staggered basis. As members term out, new community members will be recruited with an emphasis on achieving broad representation from diverse segments of the population. Members need not have special knowledge of trails and trail maintenance, but rather an expressed interest in the value and success of a well-maintained Humboldt Bay Trail. Ideally, a new community member or Board member of HTC will join the Committee after each individual's 4-year term is done, ensuring fresh community input and participation in Fund management. Should there not be other individuals interested in joining the committee, serving members may continue serving until an interested and qualified replacement can be found.

Proposals for funding allocations to support the purpose of the Fund can be made by non-governmental organizations or public agencies. Each member organization of the Committee has the ability to cast one vote on funding allocation proposals. Projects approved by a majority of voting members will be recommended to HAF for funding. HAF will make funding allocations after receiving minutes documenting the decisions of the committee.

### Administrative Allowance:

The Committee recognizes that the Fund exists largely due to fundraising activities initiated by the Working Group. In order to foster continued growth of the Fund through ongoing fundraising efforts, the Committee will consider allocations from the Fund to the Working Group for the purpose of purchasing materials and services essential to such fundraising efforts. Funds can be made available to the Working Group upon submission of an administrative allowance request to the Committee. The request should include (1) an explanation of the proposed fundraising activities, and (2) an itemized list of the required expenditures to implement those activities. Upon receipt of a request, the Committee will consider the proposed fundraising activity and vote whether to approve the expenditure from the expendable portion of the Fund. An administrative allowance request could be considered at a regularly scheduled meeting or through on-line consultation (e-mail or video-conference) and vote by the Committee members. Administrative allowances within a calendar year will not exceed 1% of the expendable portion of the Fund.