

HOW TO FUND  
**YOUR URBAN  
FORESTRY  
PROGRAM**



**PLANIT GEO™**  
mapping a greener future

# INTRODUCTION

Urban forests are an essential component of a municipality's infrastructure. Well-managed urban forests boost community livability and build resilience through a myriad of ecosystem services. However, the budgets afforded to urban forestry programs do not always represent this "essential" status and forestry managers often need to work with budgets that are below their needs. Urban forestry budgets are also prone to large swings in need, as is currently being observed with the emerald ash borer causing spikes in tree removal demand. It can also be difficult to finance singular, capital intensive projects, like a public tree inventory, that provide critical data for forest planning and management.

The general fund has long been the core of urban forestry funding and it remains a stable and popular option today (making up 72% of urban forestry funding in 2014).

The general fund is also beholden to many other community needs and it is often stretched thin to meet all these demands. The best strategy for overcoming these budgetary challenges is to leverage a variety of sources, both public and private, to supplement allocations from the general fund. A diverse portfolio of funding streams allows urban forestry programs to weather resource restrictions and provide higher levels of service, like advancing from reactive to proactive maintenance cycles.

We've assembled this guide to help urban forest managers **source**, **scope**, and **secure** the funds needed for a successful department and a flourishing urban forest.

## AVERAGE US URBAN FORESTRY PROGRAM BUDGET



**\$42.59**  
PER STREET TREE



**\$8.76**  
PER CAPITA



**0.52%**  
OF THE TOTAL  
MUNICIPAL BUDGET

[Source](#)

# SOURCE

These funding mechanisms may not be applicable to every community and some require specific state or local legislation or authorization to be implemented.

## LOCAL BUDGET

### General Fund

The general fund is the majority funding source for most urban forestry programs. Funds can be designated to a specific account or as line items for urban forest management. Forest program managers can also explore opportunities to partner with other departments to include mutually beneficial line items in their general fund budget requests.

### Capital Improvement Projects

Capital improvement projects (CIP) are also financed from the general fund, but are planned and budgeted separately. These large, often multi-year projects improve public infrastructure, such as roadways and sewer lines. A comprehensive CIP budget can allocate funds for tree planting and maintenance in the project area, especially if construction activities will damage or remove existing trees.

### General Obligation Bonds

General obligation (GO) bonds, which are backed by the taxing power of the issuing jurisdiction rather than revenue from a given project, can be used to cover capital costs, like tree plantings. A GO bond can be a helpful accelerator to forestry programs already receiving some funding via taxes.

## GRANTS AND DONATIONS

### Federal Grants

Grants are usually the second largest source of funding for urban forestry programs. There are applicable grants available from a variety of agencies, including HUD, EPA, DOT, FEMA, and of course the [US Forest Service](#). To begin exploring federal grant opportunities go to [grants.gov](#).

### State and Local Grants

State and local grants can provide smaller scale support for urban forestry programs. A good relationship with your state urban forestry coordinator is the best way to stay informed on regional grants that could be applicable. For example, water quality grants can be perfect for tree planting projects. Check out this [state by state guide](#) for water quality grants in your area.

**Example:** Cal Fire offers [Urban and Community Forestry grants](#) specifically for local governments to develop and implement urban forest management activities. Through this grant the City of Fremont, CA funded a [tree inventory and assessment](#) of its 77,000 trees.

## Nonprofit Grants

Grants from nonprofits, especially community foundations, are another popular funding source. When looking at nonprofit websites and their grant priorities, urban forestry is unlikely to be mentioned specifically but there are usually opportunities to align your projects to their goals. Partnering with a nonprofit can also help municipalities be eligible for a broader range of grants.

## Corporate and Private Donations

Generous citizens or businesses who are looking for ways to improve the quality of life in their community can do so via donating to their urban forestry program. Having good relationships with local nonprofits is a helpful way to find and connect with donors that may be interested in supporting their urban forest.

**Example:** Meridian, MS established a [Tree Bank Fund](#) that allows interested parties to donate funds to a special projects account that is only used for planting and maintaining public trees.

## TAXES, ASSESSMENTS, AND FEES

### Tax Increment Financing

Tax increment financing has long been used for community improvement projects, including urban forest support. Municipalities typically sell bonds backed by a development's future taxes and that bond money helps pay for public space enhancement.

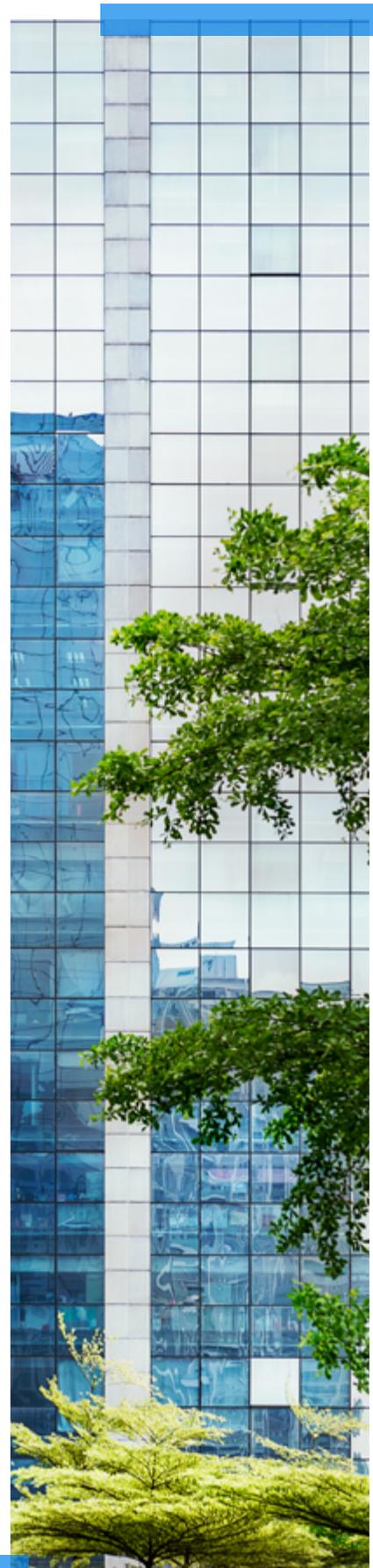
### Stormwater Utility Fees

Urban forests are a well documented complement to grey infrastructure for treating and mitigating stormwater. Therefore, many communities include urban forestry in stormwater fee payouts. Stormwater taxes that are assessed based on a property's impervious surface area also provide additional motivation for owners to plant and maintain trees to minimize their fees.

**Example:** Lenexa, KS started their [Rain to Recreation](#) program with support from the general fund but then transitioned to sole funding from stormwater utility fees collected on county property taxes.

### Frontage Tax

Private property owners pay an annual tax on their frontage that can then fund street tree maintenance operations. The assessment can be levied as a fee per foot of right-of-way or as a percentage of the property value.



## **Tree Work Permit, Development, and Inspection Fees**

Permit, development, and inspection fees are a common public works funding mechanism. Through these fees developers and businesses support the administrative time needed for plan reviews and site inspections. Arboricultural expertise is often a required portion of the review process so it is sensible to contribute a portion of the fee payout to the urban forestry program.

## **Pest Control Fees**

A forestry fee specific to pest control can be added to the public service utility billing as a levy. Management and recovery from emerald ash borer and other tree pests can eat up enormous portions of an urban forest budget. This fee, which may require voter approval, helps provide funds where they are often needed most.

## **Developer Fees**

Also called impact fees or developer cost charges, these fees are imposed by cities and counties to offset the share of public facilities required to serve new developments. For example, if a development necessitates road widening some of that fee payout can be used for tree plantings along that street. Fees may be based on the development area, total project cost, or number of housing units built.

## **Compensatory Payments**

Whether by vandalism, accident, or negligence, unpermitted tree damage or death can be fined in the hundreds or thousands of dollars.

## **Environmental Fines**

Federal clean water and air legislation often require large fines from violators. By coordinating with enforcement agencies, urban forestry programs can get a portion of these fines to put towards community tree planting or general forestry improvements.



## SPECIAL DISTRICTS

### Special Benefit Assessment District

These assessment districts are formed by a local government when public improvements provide direct benefits to surrounding properties. Property owners pay an assessment proportional to their share of benefit from the improvement, which could be road expansions, flood control facilities, or improved landscaping.

### Conservation District

Conservation districts provide assistance and tools to help landowners manage and protect the natural resources in their area which can include supporting urban forestry efforts. Since conservation districts work with landowners on a voluntary basis, they have no regulatory authority, but can be an invaluable resource for securing resources and resident buy-in for forestry goals.

**Example:** The Spokane Conservation District has a [forestry department](#) that helps private landowners and local governments manage and protect their forest resources.

### Business Improvement District

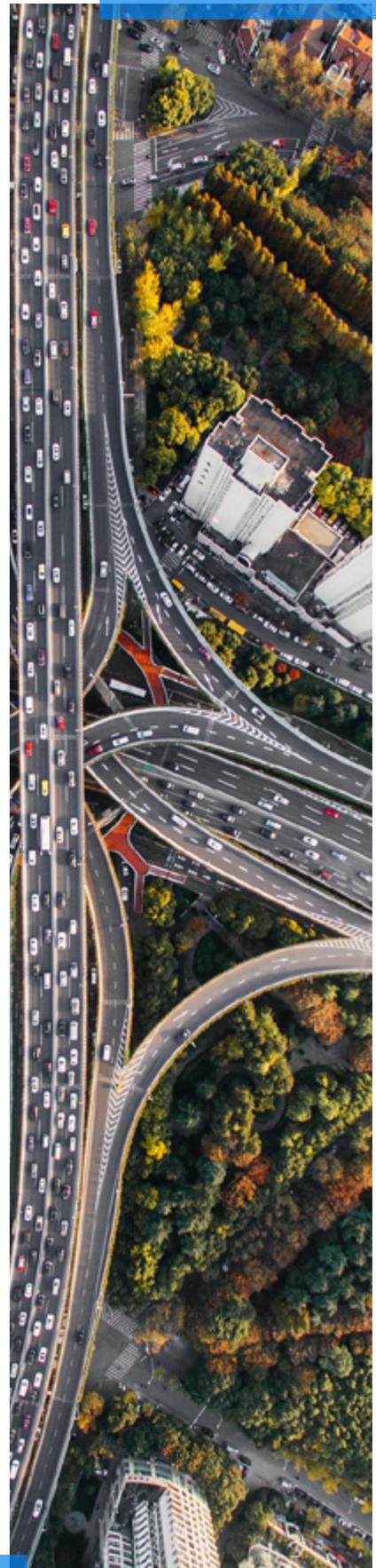
Businesses within a defined area sometimes elect to pay a self-imposed tax to improve their public surroundings, often with trees and other street landscaping additions. The businesses benefit from a more attractive environment that improves walkability, increases sales, and generally enhances the quality of life where they are located.

**Example:** A [Washington, DC business improvement district](#) paid for the installation of curb-cut tree trenches that balance form and function, adding attractive greenery to the right of way while also encouraging stormwater infiltration.

### Parking Benefit District

A defined area, typically downtown or along a commercial corridor, in which a majority of the revenue generated from on-street paid parking is returned to the district to finance localized right-of-way improvements.

**Example:** In 2005 Austin, TX used an EPA grant to [start a pilot parking benefit district](#), with 51% of meter-generated revenue reinvested in the district. The pilot was so successful in funding street improvements, including street trees, that the city passed an ordinance in 2011 that allows any neighborhood to apply for a PBD.



## ADDITIONAL SOURCES

### Memorial and Adopt a Tree Programs

Tree planting programs can be partially funded by citizens wishing to celebrate or memorialize people and achievements with a tree. A best practice is to set donation amounts that cover the cost of the tree and a few years of maintenance. Similarly, local businesses, community groups, or residents can provide volunteer labor and/or funds to plant and maintain trees and are provided public recognition for their efforts. These programs are an excellent way to build positive relationships with community members.

**Example:** The [Tree Board in Hutchinson, KS](#) created a Trees for Tomorrow Fund that puts resident donations towards tree planting in public areas. Donors are honored with a leaf bearing their name on the Tree of Life mural in the Hutchinson public library.

### Utilizing Wood Waste

An estimated [7.2 million board feet of lumber](#) is generated in the United States every year in urban woody biomass loss. If local policies allow for public property sales, then urban forestry programs can replace the cost of biomass disposal with a new funding stream, the sale of excess wood products like firewood, hardwood timber or wood chip mulch.

**Example:** The City of Baltimore was able to develop a regional wood economy for salvage and fresh cut wood by piecing together a diverse market of partners, producers, and buyers. Vibrant Cities created an extensive [guide on the subject](#) and Baltimore has a report [documenting their own experience](#).

### Carbon Trading

Carbon cap and trade programs require large emitters to buy carbon sequestration credits to cover their emissions footprint. Trees are vaults for hundreds of pounds of carbon dioxide and if there is a market available, municipalities should cash in on the sequestration service their urban forest is already providing.

**Example:** [California Climate Investments](#) is a statewide initiative that uses Cap-and-Trade funds to finance a broad array of environmental, social, and economic benefit projects, including [133,000 tree plantings](#) to date.



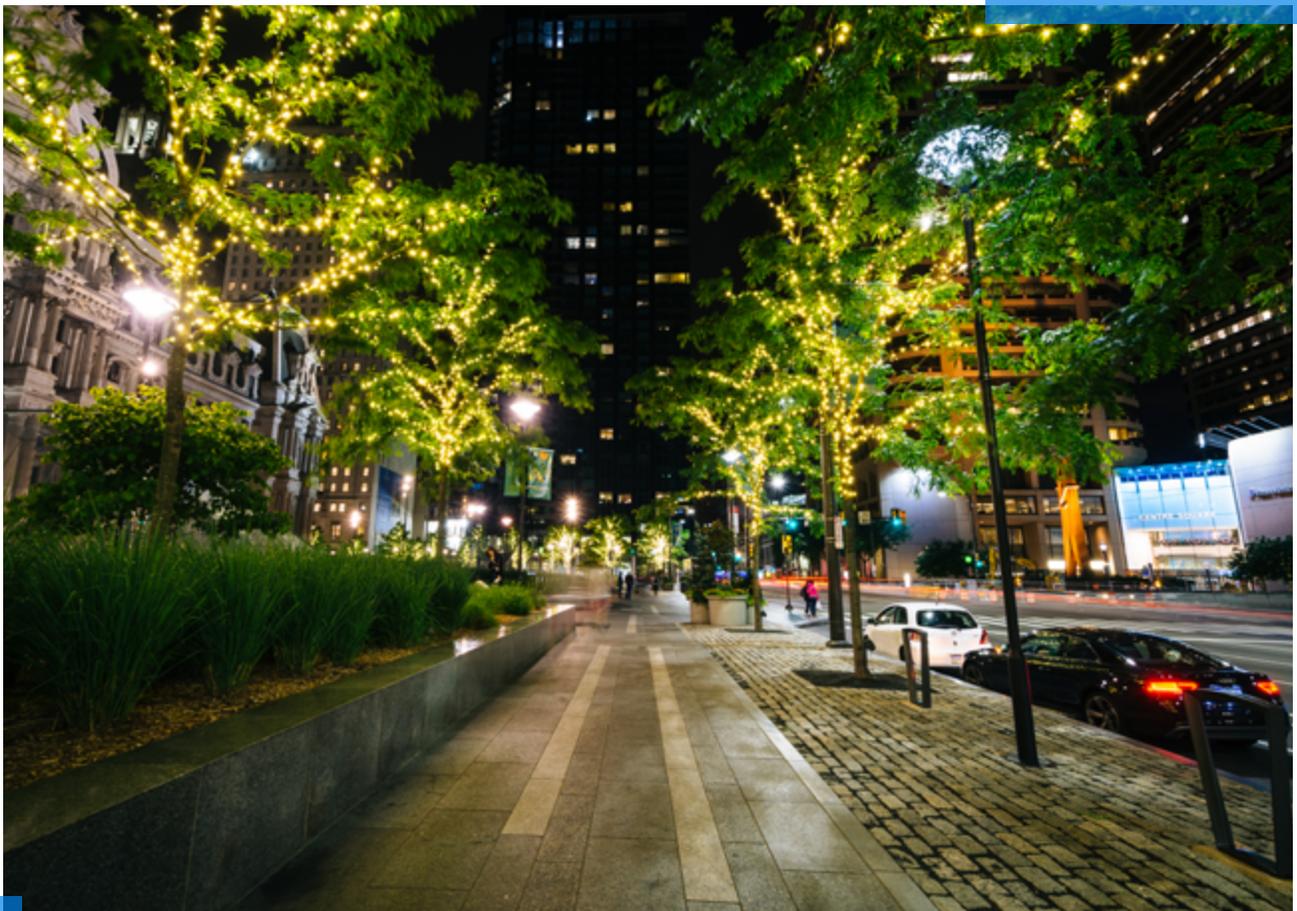
# SCOPE

Some of the funding sources listed above are best suited for particular expenses and programs. When planning a department budget it is helpful to strategize which funding sources can be used where and if there are gaps that can be addressed through increased general funding or adding new sources.

Generally, grant funds are best suited for discrete projects such as tree plantings, [inventories and assessments](#), or special outreach initiatives. Grants can provide critical, one-time funds that round out an urban forestry budget. For example, Colorado Springs was able to complete its [first urban tree canopy \(UTC\) assessment](#) with funding provided by the Lyda Hill Foundation. Nonprofit grants tend to focus on planting and canopy assessments and are less applicable for management planning efforts.

Another strategy for funding singular, capital intensive projects like tree inventories is to “flatline” the expense by extending the project over several years. Staged tree inventories, which are completed over several years, have been growing in popularity. UTC analysis can now also be flatlined with PlanIt Geo’s [new AI-driven analysis](#) that is based on an annual subscription.

As we’ll dive into in the next section, funding these singular projects can have an important cumulative effect as future budget requests are backed by compelling data like priority maintenance needs and ecosystem benefit totals.

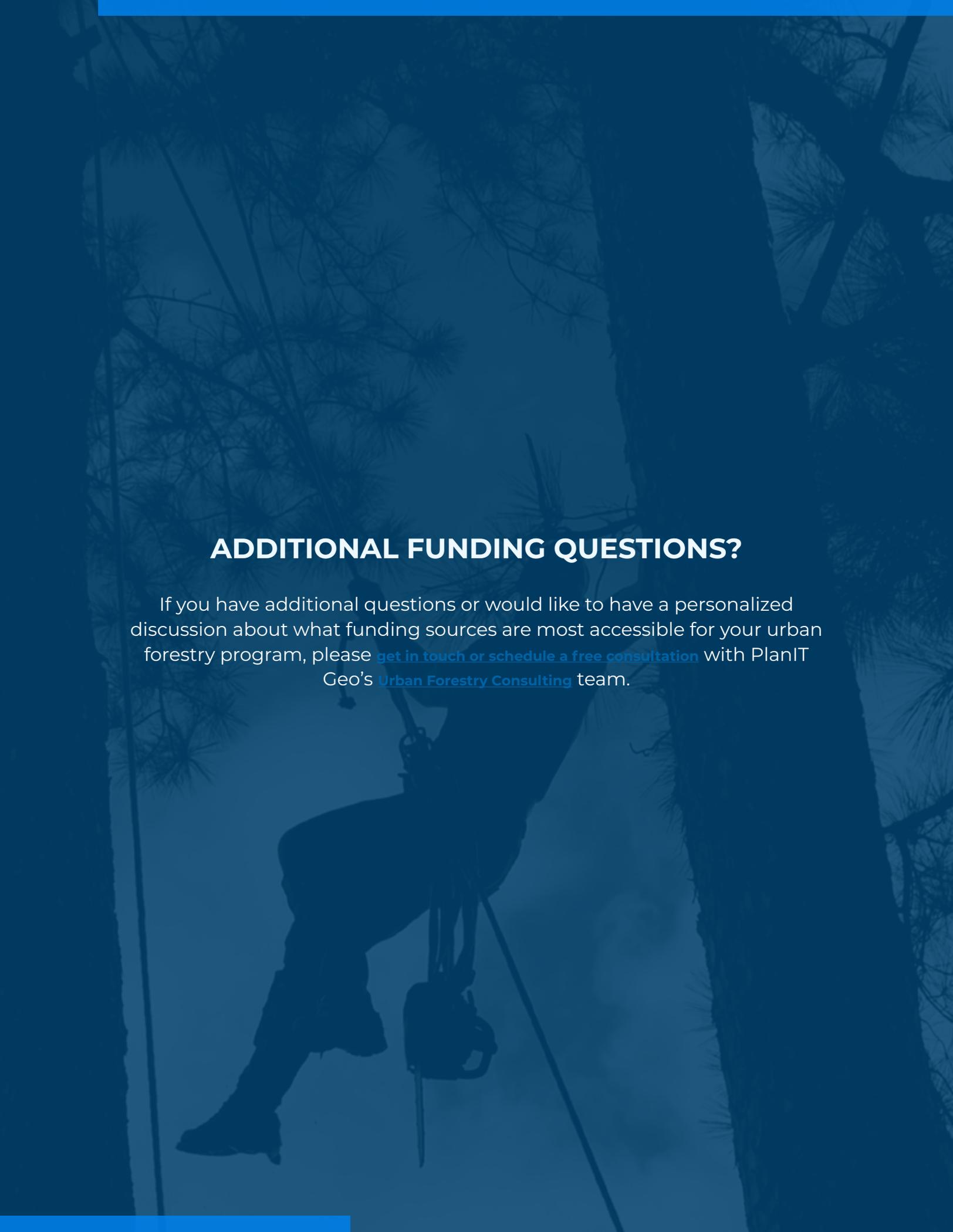


# SECURE

With funding ideas sourced and scoped, all that is left is to secure those resources with a persuasive pitch. Here are a couple best practices to guide your preparations:

- Think through the multi-faceted benefits of urban forests. Each ecosystem service provided by the forest is an opportunity for partnering with another department, nonprofit, or winning a grant.
  - **Example:** Richmond nonprofit Enrichmond is the permanent steward of two historic cemeteries founded by leaders of the local Black community in the 1890s. [PayPal invested in verified carbon credits](#) to support the restoration of cemetery tree canopies as a part of the company's program to invest in climate impact projects that maximize outcomes for financially underserved communities.
- Work to have the comprehensive plan or climate action plan reference the urban forest specifically. Inclusion in these plans help urban forestry programs get rolled into city goals which in turn leads to more compelling funding requests.
- Fundraisers do best when they listen more than they talk. By acutely understanding the problems a potential grantmaker is interested in, you can package your project to resonate with their goals.
- Tree inventories and UTC analysis can inform empiric budget requests and are excellent providers of quantifiable metrics, which are helpful to offer when pitching for initial funding. "We plan to add X% tree canopy in X neighborhoods with \$X funding".
- Perhaps your community does not yet have funding for a UTC analysis? Explore free grading tools like the [American Forest Tree Equity Score Analyzer](#) or [Trust for Public Lands ParkScore](#) to add other quantifiables to your pitch.
- Benchmarking research can help determine how your city's current urban forestry resources compare to other communities in the region on a per capita or per tree capita basis, and then you can advocate for equitable funding.
- The more visible your program is, the more funding sources available. Tell the story of the urban forest and your program not just in proposals and funding meetings, but also in op-eds, blogs, articles, and at public events too.



A person is silhouetted against a blue background, climbing a tree. The person is wearing a harness and has ropes and gear attached to them. The tree's branches and leaves are visible in the background.

## ADDITIONAL FUNDING QUESTIONS?

If you have additional questions or would like to have a personalized discussion about what funding sources are most accessible for your urban forestry program, please [get in touch or schedule a free consultation](#) with PlanIT Geo's [Urban Forestry Consulting](#) team.