

CHAPTER 6 -FUNDING-Funding the Plan

Transportation activities in Iowa are funded with the combination of local, state, and federal dollars. This funding pays for a wide array of transportation improvements and operations for all forms of transportation modes. Examples of such activities include constructing, maintaining and improving highways; improving airports, waterways and railroads; enhancing aviation, rail and transit services; and supporting motor carrier safety and enforcement activities.

State and Local Funding

With regards to highway or road funding, cities and counties have three main sources of funding for constructing and maintaining secondary and local roads. These sources are: local taxes, road use taxes, and miscellaneous receipts. Local tax is generated by a city or county through taxes assessed on property values plus any revenue from local option taxes the city or county may have. These taxes are determined at the local level. Road-use tax is the money obtained from the taxes on the sale of gasoline and diesel fuel, plus sales tax on automobiles and vehicle registration fees. These taxes and fees are determined at the state level. 20% of the funds obtained from road use taxes are distributed to cities, and 24.5% are distributed to the counties. Of the remaining 55.5%, 47.5% is retained by the DOT for the primary road fund, and 8% is put into the Farm-to-market road fund. In addition, cities and counties also obtain funds through road hauling and detour damage fees, local assessments, permits, and disaster aid. Of these three sources, local taxes and money from the road use tax fund make up a majority of the money that cities and counties have for their secondary and local roads. These funds are used to cover all aspects of the transportation system in a city or county, including administration and engineering, construction, maintenance, and miscellaneous. All funds, except local property tax, can only be used for transportation purposes.

Counties have another source of funds available, the Farm-to-market road fund. This fund utilizes money set aside from the state's road use tax fund. Approximately 8% of the money from the road use tax fund is set-aside, these funds are then divided up and distributed to counties upon an established formula. This formula spreads the money between the counties based upon a 70% need allotment and a 30% area allotment. Of the money in the Farm-to-market road fund, 70% is distributed between the counties based upon the ratio of the farm-to-market needs in the county to the farm-to-market needs in the state. The remaining 30% is divided between the counties based upon the ratio of the area of the county to the area of the state.

Federal Funds

Most federal funds returned to the state and local governments come from modal trust funds made up of various federal user fees. Many programs also receive a small percentage from the federal general fund. These trust funds include: Highway Trust Fund, Aviation Trust Fund, Inland Waterways Trust Fund and the multi-year surface transportation act Moving Ahead for Progress in the 21st Century (MAP-21). Funding for transportation activities is often apportioned through the use of formulas to determine the level of need. Examples of this include interstate maintenance funding, which is determined by Iowa's share of the nation's vehicle miles traveled, and interstate lane miles and transit funding based in part on transit ridership. Other funding programs have no mandatory distribution formula, so distribution is based on competitive applications or another selection process. Funds allocated in this manner generally have the

condition of the state or local jurisdiction being required to provide matching dollars. The most common matching requirement is 20%, but it can be as low as zero percent or as high as 50%.

MAP-21

Moving Ahead for Progress in the 21st Century (MAP-21) was signed into law July 6, 2012. The Surface Transportation Reauthorization Act covers 27 months – through September 30, 2014. MAP-21 extended expenditure authority from the Highway Trust Fund through September 30, 2014 and highway-related taxes through September 30, 2016. The surface transportation act provides a total of \$21.2 billion in additional revenue to fund the MAP-21 programs/activities with a total funding authorization of \$52.78 billion in FY 2013 and \$52.98 billion in FY 2014. While MAP-21 was a two-year funding authorization that ended Sept 30, 2014, the MAP-21 program has already been extended twice by continuing resolutions to continue to fund transportation related programs and projects. MAP-21, like all of the federal transportation acts before it, outlines federal expenditures, rules, policies, funding streams and every other aspect of federal transportation funding including things that don't directly impact this region such things like AMTRAK, ports, etc. Federal funding most utilized by RPA 2 cities, counties and transit agencies is explained below.

Highway Trust Fund

The Highway Trust Fund (HTF) is the largest of the transportation trust funds. The HTF was established in 1956 to ensure a steady flow of money to support the construction of the nation's interstate system. The HTF and user fees (fuel taxes, heavy vehicle use taxes, and retail taxes on purchases of trucks and truck tires) support a wide range of transportation programs. More than 90% of the HTF comes from fuel taxes. HTF receipts are credited to two accounts: the highway account and the mass transit account. The highway account funds the construction, maintenance and improvement of the system of federal-aid highways, motor carrier safety and enforcement programs, and highway-railroad grade crossing programs. The mass transit account provides funds for the construction and operation of bus and rail transit systems. In 2012, Iowa contributed \$499.2 million to the highway account and \$65.8 million to the mass transit account. Total receipts for the Highway Trust Fund in FY 2012 were \$40.17 billion. The Highway Trust Fund is the mechanism that funds most of the programs that affect RPA 2. In recent years, increased fuel efficiency, fewer miles driven, and other factors have significantly slowed the revenue stream going into the HTF. At the same time, inflation has eroded its buying power and investment levels have increased. The result is a significant HTF deficit, with shortfalls avoided in recent years only with significant general fund transfers. The most recent, \$10.8 billion in August 2014, is expected to carry the trust fund only to late summer or early fall in 2015. This is where the highway, transit, and bridge funding comes from.

Authorization

Congress must give permission for federal funds to be expended. Transportation authorization legislation is the mechanism by which this permission is granted. Authorization legislation establishes transportation policy and areas of emphasis for spending by creating and defining programs and authorizing funding. The funding mechanism, including the various user fees, is established. Authorization legislation covers multiple years because transportation projects require a long time from planning through construction.

Surface transportation

The current multiyear surface transportation authorization act, Moving Ahead for Progress in the 21st Century (MAP-21), was passed June 29, 2012, and signed on July 6, 2012 (Pub. Law 112-141). In general, MAP-21 maintained FY 2012 investment levels until Sept. 30, 2014, with a small increase for inflation in FY 2014. The FY 2014 levels were then extended by legislation passed in August 2014 (Pub. Law 113-159). As mentioned above, these investment levels have been made possible by supplementing Highway Trust Fund revenue with transfers from the General Fund (offset by corporate pension changes and other provisions) and the Leaking Underground Storage Tank Fund.

Appropriations

On Dec. 16, 2014, the president signed HR 83 (Pub. Law 113-235) providing funding through Sept. 30, 2015 for the US DOT and most other federal agencies. Formula obligation limitation was set at authorized levels (same as FY 2014) - \$40.256 billion for highways, \$8.595 billion for transit and \$3.35 billion for the Airport Improvement Program. Also included was \$500 million for the discretionary TIGER program for FY 2015.

Most of the funding handled by the RPA 2 Planning and Programming process consist of STP, TAP and Transit funding as follows:

Road, Street, and Bridge Programs

Road, street, and bridge programs are the most commonly understood and utilized funding programs for the cities and counties in the RPA 2 Region and are typically as follows:

Highway Bridge Program (STP set-aside) – using a set-aside of Surface Transportation funds, this federal program provides for the replacement or rehabilitation of structurally deficient or functionally obsolete public roadway bridges. Any agency with a public road jurisdiction is eligible to request funding. Local match of 20% is required.

Surface Transportation Program – This federal program was established to aid public road jurisdictions with funding for roads on federal-aid routes or bridges on any public road. The program also provides funding for transit capital improvements and for transportation planning activities. Any public agencies with public road jurisdiction, public transit responsibilities or transportation planning responsibilities are eligible to request funding. A minimum of 20% of non-federal match is required.

Surface Transportation Program Targets				
	FY2016	FY2017	FY2018	FY2019
STP	\$3,235,279	\$3,235,000	\$3,235,000	\$3,235,000

Federal Transportation Alternatives Program- The Federal Transportation Alternatives Program (TAP) funds programs and projects defined as transportation alternatives, including:

- On-and off-road pedestrian and bicycle facilities, infrastructure projects for improving non-driver access to public transportation and enhanced mobility, community improvement activities, and environmental mitigation;
- Recreational trail projects;
- Safe routes to school projects; and
- Projects for planning, designing, or constructing boulevards and other roadways largely in the right-of-way of former divided highways.

The TAP replaced funding from pre-MAP-21 programs including the Transportation Enhancement Program, Safe Routes to School Program, and National Scenic Byways Program. MAP-21 allows the following entities to apply for TAP funding:

- Local governments
- Regional Transportation Authorities
- Transit Agencies
- Natural Resource or public land agencies
- School Districts, local education agencies or schools
- Tribal governments
- Any other local or regional governmental entity with responsibility for oversight of transportation or recreational trails (other than a metropolitan planning organization or a state agency that the state determines to be eligible).

A non-eligible project sponsor (such as a non-profit) may partner with an eligible co-sponsor in applying for funds. A local match of 20% or more is required.

Transportation Alternative Program (TAP) Targets

	FY2016	FY2017	FY2018	FY2019
TAP	\$176,325	\$176,000	\$176,000	\$176,000
TAP Flex	<u>\$134,551</u>	<u>\$135,000</u>	<u>\$135,000</u>	<u>\$135,000</u>
	\$310,887	\$311,000	\$311,000	\$311,000

As shown in Chapter 3, each county has a number of bridges to maintain. Bridge funds do not go through the regional process in the same manner as STP and TAP funds. Each county determines their priority bridges based on inspections and eligibility.

Since ISTEA began, the RPA 2 Region has programmed over \$65,575,350 of STP funds. The great majority of these funds have been spent by cities and counties on reconstruction and resurfacing of the existing road transportation system. In addition, Enhancement, TAP, TAP Flex has accounted for another, almost \$5.4 million dollars. Funds allocated and spent since the inception of RPA 2 are as follows:

Region 2 STP

Overall Federal Funding Outlook

All Numbers X \$1000

FY95-07	26441.198	federal		
	<u>-21625.593</u>	programmed		
	4815.605	available		
FY2008	4815.605	carry over	7236.041	available
	<u>2420.436</u>	federal	<u>-4170.343</u>	programmed
	7236.041	available	3065.698	remains
FY2009	3065.698	carry over	11333.153	available
	2742.14	federal	-2408.911	programmed
	<u>5525.315</u>	Stimulus	<u>-5525.315</u>	Stim program
	11333.153	available	3398.927	remains
FY2010	3398.927	carry over	6220.096	available
	<u>2821.169</u>	federal	<u>-3006.1</u>	programmed
	6220.096	available	3213.996	remains
FY2011	3213.996	carry over	6691.669	available
	<u>3477.673</u>	federal	<u>-3347.78</u>	programmed
	6691.669	available	3343.889	remains
FY2012	3343.889	carry over	6924.37	available
	<u>3580.481</u>	federal	<u>-5401.468</u>	programmed
	6924.37	available	1522.902	remains
FY2013	1522.902	carry over	4934.837	available
	<u>3411.935</u>	federal	<u>-2285.5</u>	programmed
	4934.837	available	2649.337	remains
FY2014	2649.337	carry over	5858.528	available
	<u>3209.191</u>	federal	<u>-2148.22</u>	programmed
	5858.528	available	3710.308	remains
FY2015	3710.308	carry over	6978.567	available
	<u>3268.259</u>	federal	<u>-4350.2</u>	programmed
	6978.567	available	2628.367	remains

FY2016	2628.367	carry over	5863.646	available
	<u>3235.279</u>	federal	<u>-4238.92</u>	programmed
	5863.646	available	1624.726	remains
FY2017	1624.726	carry over	4859.726	available
	<u>3235</u>	federal	<u>-4479</u>	programmed
	4859.726	available	380.726	remains
FY2018	380.726	carry over	3615.726	available
	<u>3235</u>	federal	<u>-3606</u>	programmed
	3615.726	available	9.726	remains
FY2019	9.726	carry over	3244.726	available
	<u>3235</u>	federal	<u>-2856</u>	programmed
	3244.726	available	388.726	remains
Carry Over to FY2020			388.726	
	Allocated FY95-FY19		\$69,838,076	
	Programmed FY95-FY19		<u>-\$69,449,350</u>	
	Carryover to FY 2020		\$388,726	

Region 2 Transportation Alternative Funds

Overall Federal Funding Outlook

All Numbers X \$1000

FY92-13	\$4,209,727	federal		
	(\$4,055,912)	programmed		
	\$153,815	Remains		
FY2014	\$153,815	carry over	\$330,787	available TAP
	\$176,972	TAP	\$135,199	available Flex
	\$135,199	TAP Flex	(\$222,469)	programmed TAP
	\$330,787	available TAP	\$0	programmed Flex
	\$135,199	available Flex	\$108,318	remaining TAP
			<u>\$135,199</u>	remaining Flex
			\$243,517	Total Remaining

FY2015	\$108,318	carry over TAP	\$286,483	available TAP
	\$135,199	carryover Flex	\$271,590	available Flex
	\$178,165	TAP	(\$286,483)	programmed TAP
	\$136,391	TAP Flex	(\$141,517)	programmed Flex
	\$286,483	available TAP	\$0	remaining TAP
	\$271,590	available Flex	<u>\$130,073</u>	remaining Flex
		\$130,073	Total Remaining	
FY2016	\$0	carry over TAP	\$176,325	available TAP
	\$130,073	carryover Flex	\$264,624	available Flex
	\$176,325	TAP	(\$176,325)	programmed TAP
	\$134,551	TAP Flex	(\$133,024)	programmed Flex
	\$176,325	available TAP	\$0	remaining TAP
	\$264,624	available Flex	<u>\$131,600</u>	remaining Flex
		\$131,600	Total Remaining	
FY2017	\$0	carry over TAP	\$176,000	available TAP
	\$131,600	carryover Flex	\$266,600	available Flex
	\$176,000	TAP	(\$176,000)	programmed TAP
	\$135,000	TAP Flex	(\$266,600)	programmed Flex
	\$176,000	available TAP	\$0	remaining TAP
	\$266,600	available Flex	<u>\$0</u>	remaining Flex
		\$0	Total Remaining	
FY2018	\$0	carry over TAP	\$176,000	available TAP
	\$0	carryover Flex	\$135,000	available Flex
	\$176,000	TAP	(\$176,000)	programmed TAP
	\$135,000	TAP Flex	(\$68,560)	programmed Flex
	\$176,000	available TAP	\$0	remaining TAP
	\$135,000	available Flex	<u>\$66,440</u>	remaining Flex
		\$66,440	Total Remaining	

FY2019	\$0	carry over TAP	\$176,000	available TAP
	\$66,440	carryover Flex	\$201,440	available Flex
	\$176,000	TAP	\$0	programmed TAP
	\$135,000	TAP Flex	\$0	programmed Flex
	\$176,000	available TAP	\$176,000	remaining TAP
	\$201,440	available Flex	<u>\$201,440</u>	remaining Flex
			\$377,440	Total Remaining
TAP Carry Over to FY2020			\$176,000	
Flex Carry Over to FY2020			\$201,440	
Total Carryover to FY 2020			\$377,440	

Total Allocated '92-2019	\$6,080,330
Total Programmed '92-2019	<u>(\$5,702,290)</u>
	\$378,040

Transit

The two transit administrators in the RPA 2 Region are voting members of the Technical Committee. They are allowed to apply for STP funds as a city or county would for projects including expansion vehicles as well as technology (GPS, Computer Aided Dispatching, etc.) and facility improvements. Region 2 Transit has received over \$1.2 million dollars for expansion vehicles, radios and facility improvements. Mason City Transit has received \$100,000 for the joint transit facility.

State Transit Assistance – this program provides state funding assistance to support and improve locally sponsored public transit programs. Urban or regional transit systems as designated by local officials under Chapter 324A of the Code of Iowa are eligible to request funding.

Metropolitan and Statewide and Nonmetropolitan Transportation Planning (Section 5303, 5304, and 5305) – This program provides funding and procedural requirements for multimodal transportation planning (jointly administered by FTA and Federal Highway Administration). States, Metropolitan Planning Organizations (MPO) and Regional Planning Affiliations (RPA) are eligible to request funds. 20% of total project costs are required as non-federal matching funds.

Enhanced Mobility of Seniors and Individuals with Disabilities Program (Section 5310) – This program was established to provide federal funding for support of transit activities in rural areas and urban areas, to serve the special needs of transit-dependent populations beyond traditional public transit services and Americans with Disabilities Act (ADA) complementary paratransit services. Urban or regional transit systems as designated by local officials under Chapter 324A of the Code of Iowa are eligible to request funding.

Formula Grants for Rural Areas (Section 5311) – This program provides federal funding for support of transit activities in rural areas and in urban areas of less than 50,000 in population. Urban transit systems less than 50,000 in populations and regional transit systems as designated by local officials under Chapter 324A of the Code of Iowa are eligible to apply for funding. Non-federal matching funds are required.

Intercity Bus Assistance (Section 5311(f)) – This program provides funds for: existing intercity bus routes that tie Iowa to the rest of the country; new feeder routes which will give smaller communities access to existing intercity routes; marketing for new or existing routes; and providers’ efforts to upgrade equipment and facilities to become compliant with the Americans with Disabilities Act of 1990 (ADA). Funding for this program comes from an off-the-top set-aside of 15% from the Section 5311 program. Private intercity bus companies, public transit agencies and local communities are eligible to apply and joint private/public applications are encouraged for the program.

Bus and Bus Facilities (Section 5339) – This program provides federal assistance to replace, rehabilitate and purchase buses and related equipment and to construct bus-related facilities. Urban and regional transit systems as designated by local officials under Chapter 324A of the Code of Iowa are eligible to apply for funding. Non-federal matching funds are required.

Surface Transportation Program (STP)-Transit- This Federal Highway Administration (FHWA) program provides flexible funding that may be used for transit projects. Urban or regional transit systems as designated by local officials under Chapter 324A of the Code of Iowa are eligible to request funding. Transit systems may be organized as public bodies or as not-for-profit corporations.

	Federal Transit Assistance (FTA)			
	FY2016	FY2017	FY2018	FY2019
Region 2 Transit	\$820,032	\$861,034	\$904,086	\$949,290
Mason City Transit	\$464,939	\$478,887	\$493,254	\$508,052

In addition to the above programs NIACOG staff is directly involved with at the RPA level, staff also assist with the following programs:

Revitalize Iowa’s Sound Economy (RISE)- This state program was established to promote economic development in Iowa through construction or improvement of roads and streets. All Iowa cities and counties are eligible to request funding. Funding may be in the form of a grant, loan or combination thereof and projects must involve construction or improvement of a public roadway.

Trails and Enhancements

Recreational Trails Program (Federal) – This program funds the provision and maintenance of motorized and non-motorized recreational trails and trail-related projects. Public agencies, and non-profit or private organizations are eligible to sponsor – non-profit and private sponsorship will require a public agency co-sponsor. A minimum of 20% match is required.

Recreational Trails Program (State)- The intent of this program is to fund public recreational trails. State agencies, counties, cities and non-profit organizations may sponsor applications for funding. A minimum of 25% local match is required (volunteer services and other state grants are not eligible as matching funds).

Multi-Modal Programs

Iowa Clean Air Attainment Program (ICAAP)- This program funds highway/street, bicycle/pedestrian, or freight projects or programs that help maintain Iowa’s clean air quality by reducing transportation-related emissions. Eligible highway/street projects must be on the federal-aid system, which includes all federal functional class routes except local and rural minor collectors. The state, a county or a city may sponsor an application or may co-sponsor for private, non-profit organizations and individuals. Transit systems may apply directly. A local match of at least 20% is required.

The City of Mason City has utilized ICAAP funds on two separate occasions. Both projects were to construct overpasses to eliminate delays caused by trains in the City. Mason City is a major hub for the UP Railroad, running north and south through the community and intersecting two heavily travelled roadways.

The FY2016-FY016 TIP document included the following information in regards to revenues and expenses:

RPA 2 Forecasted Operations and Maintenance Expenditures on Federal-aid System				
	2016	2017	2018	2019
County Operations	\$4,648,892	\$4,834,848	\$5,028,242	\$5,229,371
County Maintenance	\$7,545,604	\$7,847,428	\$8,161,325	\$8,487,778
City Operations	\$970,649	\$1,009,475	\$1,049,854	\$1,091,848
City Maintenance	\$1,279,992	\$1,331,192	\$1,384,439	\$1,439,817
Total Operations and Maintenance	\$14,445,137	\$15,022,942	\$15,623,860	\$16,248,815

RPA 2 Forecasted Non Federal-aid Revenues				
	2016	2017	2018	2019
Farm to Market	\$6,834,408	\$7,107,784	\$7,392,096	\$7,687,780
Secondary Road Fund	\$42,286,287	\$43,977,738	\$45,736,848	\$47,566,322
City Street Fund	\$24,065,870	\$25,028,505	\$26,029,645	\$27,070,831
Total Non Federal-aid Revenues	\$73,186,565	\$76,114,028	\$79,158,589	\$82,324,932

Additional funding programs and trust funds are explained below.

Airport and Airways Trust Fund

The Airport and Airways Trust Fund is used to support Federal Aviation Administration programs. The fund is generated by passenger ticket taxes, freight taxes, and fuel taxes. Taxes paid by passengers account for nearly 70% of the revenues; the aviation fuel tax contributes 5%, freight waybills account for 4%, and the international enplanement tax contributes 21%. Total receipts for FY 2012 for the Airport and Airways Trust Fund were \$12.7 billion.

Inland Waterways Trust Fund

The Inland Waterways Trust Fund is the smallest of the trust funds. Receipts for the FY2012 totaled \$0.89 billion. A tax on barge diesel fuel is the only revenue source for this fund. These funds provide 50% of the cost of major capital improvements on the inland waterway system.

Funding Programs

The following section provides brief descriptions of major transportation funding sources currently available to develop the regional transportation network. A listing of public funding sources and application requirements can be found in the Iowa DOT *Guide to Transportation Funding Programs* available at http://www.iowadot.gov/pol_leg_services/Funding-Guide.pdf. The Iowa DOT is the direct funding sponsor on all listed sources, unless otherwise noted.

Aviation Programs

Federal Airport Improvement Program (AIP) – Provides funding for airport improvements and airport planning for public agencies owning public-use airports in the Federal Aviation Administration's (FAA) National Plan of Integrated Airport Systems. Funding requires a 10% local match/ 90% federal share.

State Airport Improvement Program – Provides funding for airport improvements, navigational aids, communications equipment, marketing, safety, security, outreach, education, and planning. Airport Development and Immediate Safety Enhancement are specific funding programs under the Airport Improvement Program. Qualifications for funding for Airport Development requires up to 85% state share and projects must meet the objectives of state aviation system plan. Qualifications for funding for Immediate Safety Enhancements require 70% state share of the project.

Airport Vertical Infrastructure Program- This state program funds improvements to the vertical infrastructure at commercial service and general aviation airport in Iowa. The program is eligible to publicly owned airports in Iowa. Qualifications for funding vary on the type of airport and goes as follows:

Commercial Service Airports

- 50% of funding is equally distributed among the commercial service airports
- 40% of funding is distributed passed on passenger boarding
- 10% of funding is distributed based on cargo

General Aviation Airports

- The state share of a project can be up to 85%
- Priority is given to projects meeting the objectives of the state aviation system plan, airport role, demonstrated need and justification, local participation, and multi-jurisdictional support

In RPA 2, the Mason City Municipal Airport utilizes these funds. The RPA Board and Committee support the airport where possible and where the opportunity arises to cooperate or coordinate and a project, there would be no hesitation. Clear Lake, Mason City, and Cerro Gordo County already cooperate on issues affecting the airport due to its location.

Rail Programs

There have been projects in the RPA 2 Region that have utilized rail funding programs. There are several railroads operating in the region, as well as the Manly Terminal and ethanol plants. Rail funding programs are an important source of funding for rail improvements.

Railroad Revolving Loan and Grant Program – This state loan and grant program was established to build or improve rail infrastructure or facilities that will spur economic development and job growth and provide assistance to railroads for the preservation and improvement of the rail transportation system. Those eligible to request funds include: businesses and industries, railroads, local governments, and economic development agencies. Justification for projects will focus on job creation, wage quality and project investment.

Highway-Railroad Crossing Safety Program- Federally funded program that improves the safety of public highway-railroad grade crossings. Railroad companies and public road jurisdictions are eligible for the program. Qualifications for funding require a 10% non-federal match and inclusion of a crossing location on a prioritized list of projects.

Highway-Railroad Crossing Surface Repair Fund- Assists railroad companies and public road jurisdictions with rebuilding public highway-railroad grade crossing surfaces in Iowa. Railroad companies or other private entities that own a railroad track and public road jurisdictions are eligible to request funding. Qualifications for funding require 20% railroad match, 20% public road jurisdiction match and 60% from this funding program.

Railroad Rehabilitation and Improvement Financing Program – This federal program was established to provide direct loans and loan guarantees to acquire, improve or rehabilitate intermodal or rail equipment or facilities, refinance outstanding debt incurred for those purposes; or develop or establish new intermodal or railroad facilities. Railroads, state and local governments, government-sponsored authorities and corporations, joint ventures that include at least one railroad, and limited option freight shippers who intend to construct a new rail connection are all eligible to request funding.

Road, Street, Bridge and Safety Programs

Road, street, and bridge programs are the most commonly understood and utilized funding programs for the cities and counties in the RPA 2 Region. As stated earlier, individual counties are responsible for their own bridges and funding. STP funds are distributed through a regional process as explained in the first chapter.

Highway Bridge Program (STP set-aside) – using a set-aside of Surface Transportation funds, this federal program provides for the replacement or rehabilitation of structurally deficient or functionally obsolete public roadway bridges. Any agency with a public road jurisdiction is eligible to request funding. Local match of 20% is required.

Urban-State Traffic Engineering Program (U-STEP) – This program aims to solve traffic operation and safety problems on primary roads in Iowa cities. Any Iowa city is eligible to request funds. The program requires a city match 45% of the construction cost.

Highway Safety Improvement Program – Secondary (HSIP-Secondary Program)- This federally-funded program was established to fund low-cost, systemic safety improvements on rural roads that meet certain criteria regarding safety. All Iowa counties are eligible to request funding. A local match of 10% is required.

Pedestrian Curb Ramp Construction – This program assists cities complying with the Americans with Disabilities Act (ADA) on primary roads in Iowa cities. Any Iowa city is eligible to request funds and a local match of 45% is required.

County and City Bridge Construction Fund – This program assists in the construction or replacement of public roadway bridges. All Iowa counties and cities are eligible to request funding. A local match of 20% is required.

DOT/DNR Fund - This program provides funding for roadside beautification of primary system corridors with plant materials. Any tax-levying body is eligible to request funding.

Living Roadway Trust Fund – The intent of this program is to implement Integrated Roadside Vegetation Management programs (IRVM) on city, county or state rights-of-way or publicly owned areas adjacent to traveled roadways. Individuals, cities, counties or state may apply for funds. Individual applicants must have written support from the agency responsible for the maintaining the right-of-way in which the project is proposed. County projects must be sponsored by either the county engineer or the county conservation board.

Traffic Safety and Engineering Programs

County-State Traffic Engineering Program (C-Step)- The intent of this program is to solve traffic operation and safety problems on primary roads outside incorporated cities. Any Iowa county is eligible to sponsor projects. Provision of matching funds is required for projects.

Urban-State Traffic Engineering Program (U-STEP) – This program aims to solve traffic operation and safety problems on primary roads in Iowa cities. Any Iowa city is eligible to request funds. The program requires a city match 45% of the construction cost.

Highway Safety Improvement Program – Secondary (HSIP-Secondary Program)- This federally-funded program was established to fund low-cost, systemic safety improvements on rural roads that meet certain criteria regarding safety. All Iowa counties are eligible to request funding. A local match of 10% is required.

Iowa Traffic Engineering Assistance Program (TEAP)- TEAP provides traffic engineering expertise to local units of government. The purpose is to identify cost-effective traffic safety and operational improvements as well as potential funding sources to implement the recommendations. Iowa cities and counties without the resources for a staff traffic engineer are eligible to request funding. No local match is required.

Traffic Safety Improvement Program – The Traffic Safety Improvement Program provides funding for traffic safety improvements or studies on any public roads under county, city or state jurisdiction. Any state, county or city is eligible to request funding.