



## Frequently Asked Questions

### Iowa Commercial Aviation Infrastructure Fund (ICAIF)

#### **What is the source of funding for the Iowa Commercial Aviation Infrastructure Fund?**

The Iowa Commercial Aviation Infrastructure Fund (ICAIF) was announced by Iowa Governor Kim Reynolds on March 16, 2022. ICAIF is funded by the State of Iowa's allocation of Coronavirus State and Local Fiscal Recovery Funds (SLFRF) from the American Rescue Plan Act ("ARPA"), which was signed into law on March 11, 2021. It's important to note that this funding is separate from the federal Infrastructure Investment and Jobs Act (the "Bipartisan Infrastructure Law"), signed into law on November 15, 2021.

#### **How much funding is available through the Iowa Commercial Aviation Infrastructure Fund (ICAIF)?**

Governor Reynolds announcement specified that \$100M will be directed toward ICAIF.

#### **What airports are eligible to apply and how will funds be distributed?**

The eight public-owned commercial service airports in Iowa as identified in the 2020 Iowa Aviation System Plan are eligible to apply for formula-allocated funding through reimbursable grants administered by the Iowa Department of Transportation (Iowa DOT). There is no local match requirement, but local funds are encouraged to leverage projects.

#### **What if an airport does not apply for ICAIF?**

If any airport chooses not to apply for ICAIF funding, its allocated total will be redistributed to the other participating airports using the same program allocation formula. The Iowa DOT may reopen the application period under new terms if more than 15% of funding availability requires reallocation.

#### **What kind of projects are eligible for funding?**

- **Airport terminal construction or renovation**  
Over the decades, Iowa has seen steady growth in the number of passengers using commercial air service. At the same time, aircraft size and other factors like TSA security have placed significant pressures on airport terminal capacity.
- **Parking structures**  
Parking structures are important to supporting efficient and convenient travel experiences through larger airports.
- **Hangar capacity**  
General Aviation (GA) is an important component of all commercial service airports. Statewide hangar occupancy at public-owned airports in Iowa is at 94% and is restricting growth and the economic benefits of GA activity in Iowa. The ability to add hangar capacity through ICAIF will provide relief in shortfalls identified in the Iowa Aviation System Plan.



### **How has COVID-19 impacted Iowa's commercial service airports and why were 2019 enplanements used to calculate ICAIF allocations?**

Prior to the pandemic, a record number of 2.2 million people boarded airplanes at one of the eight commercial service airports in Iowa in 2019. Airports process approximately twice that number of passengers when considering arriving passengers. The pandemic had a dramatic impact to commercial and general aviation. In 2020, enplanements dropped below 1 million. Although there was a significant recovery in 2021 to 1.7M passengers, using 2019 figures is a more accurate picture of airport activity in the absence of a pandemic.

### **Why are Iowa's commercial airports receiving this funding?**

The Des Moines International Airport serves as Iowa's top gateway and capital city airport and would be the largest benefactor of ICAIF awards for a transformational new airport terminal that will serve Iowans for decades to come. Iowa's other commercial service airports also have significant vertical infrastructure needs related to airport terminals and hangar capacity.

The aviation system was dramatically impacted by the COVID-19 pandemic. During the initial months of the pandemic, there was more than a 90 percent reduction in passenger travel at Iowa's eight commercial service airports. Passenger travel is slowly recovering but is still not at pre-pandemic levels.

Iowa's commercial service airports are vital to supporting and growing the state's economy because they provide connections for Iowans and our businesses/corporations to the rest of the country and world. Focused investments on commercial service airports will accelerate recovery, reduce a significant backlog in aviation system needs (as defined in the Iowa Aviation System Plan), and help airports meet future needs for serving the travel demands of Iowans and visitors to the state.

### **Are airports able to apply to use funding for multiple projects?**

Yes- airports will be allowed to allocate funds between different types of eligible projects such as airport terminal and hangar capacity projects.

### **Are eligible infrastructure projects subject to the Davis-Bacon Act?**

Generally, no. However, projects over \$10 million are subject to reporting guidelines similar to the Davis-Bacon Act ("Davis-Bacon") requirements. Additionally, National Environmental Policy Act ("NEPA") and American Iron and Steel ("AIS") compliance are not required for projects funded only by State and Local Fiscal Recovery Funds. If funds are used in conjunction with other funds that are subject to Davis-Bacon, NEPA, and/or AIS requirements, then the project is subject to those requirements as well.

### **What happens if airports are unable to complete their ICAIF project by June 30, 2026?**

If the construction of a project is not completed and final claim is not submitted by the final claim reimbursement date of June 30, 2026, an airport will need to fund completion of the project in another way.



**What is the timeline for the ICAIF Program?**

**Application period:** March 16 - May 25, 2022

**Informational webinar:** March 29, 2022

**Reallocation of unused funds:** May 31, 2022

**Funds awarded:** June 1, 2022

**Funds obligated:** No later than December 15, 2023

**Reimbursement claims submitted:** No later than June 30, 2026