

FUNDING FOR LPA PROJECTS

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Transportation Funding for Local Agencies

- Local (RUTF & FM)
- State-aid
- Federal-aid
- Federal-aid Swap

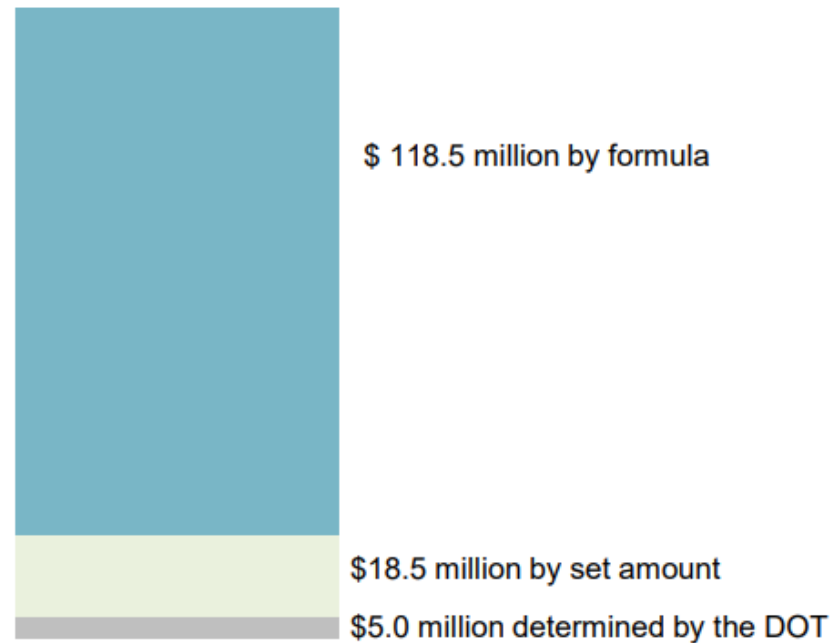
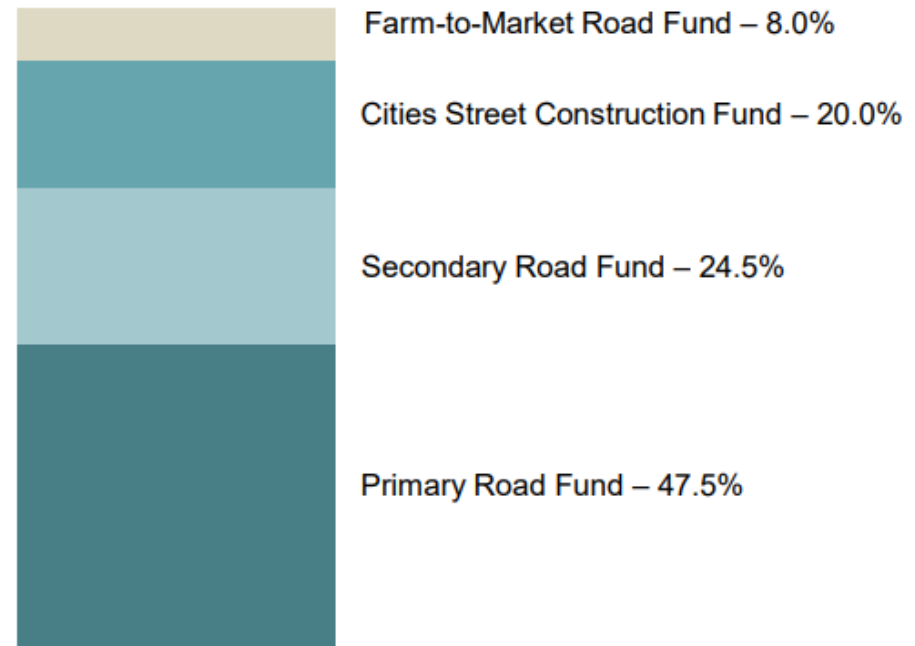
Local Funding Examples

(and their AAs - Amazing Acronyms!)

- RUTF**: Road Use Tax Fund – [I.M. 1.250](#)
- FM**: Farm-to-Market System – [I.M. Section 2.1](#)
- LOST**: Local Option Sales Tax – [Dept of Revenue Info](#)
- General Fund**: [Iowa League of Cities info](#)
- TIF**: Tax Incremental Financing - [Requirements](#)
- GOB**: General Obligation Bonds – [Iowa Code Section 384](#)
- Special Assessments**: [Iowa Code Section 384](#)
- Franchise Fees**: Utilities – [Iowa Code Section 384.3A](#)
- Hotel/Motel Tax**: [Requirements and Information](#)
- SRF** : State Revolving Loan Fund – [Iowa DNR for drinking water](#)
- Sales Tax Revenue Bonds**: [Requirements and Information](#)
- Lots of others not mentioned here!

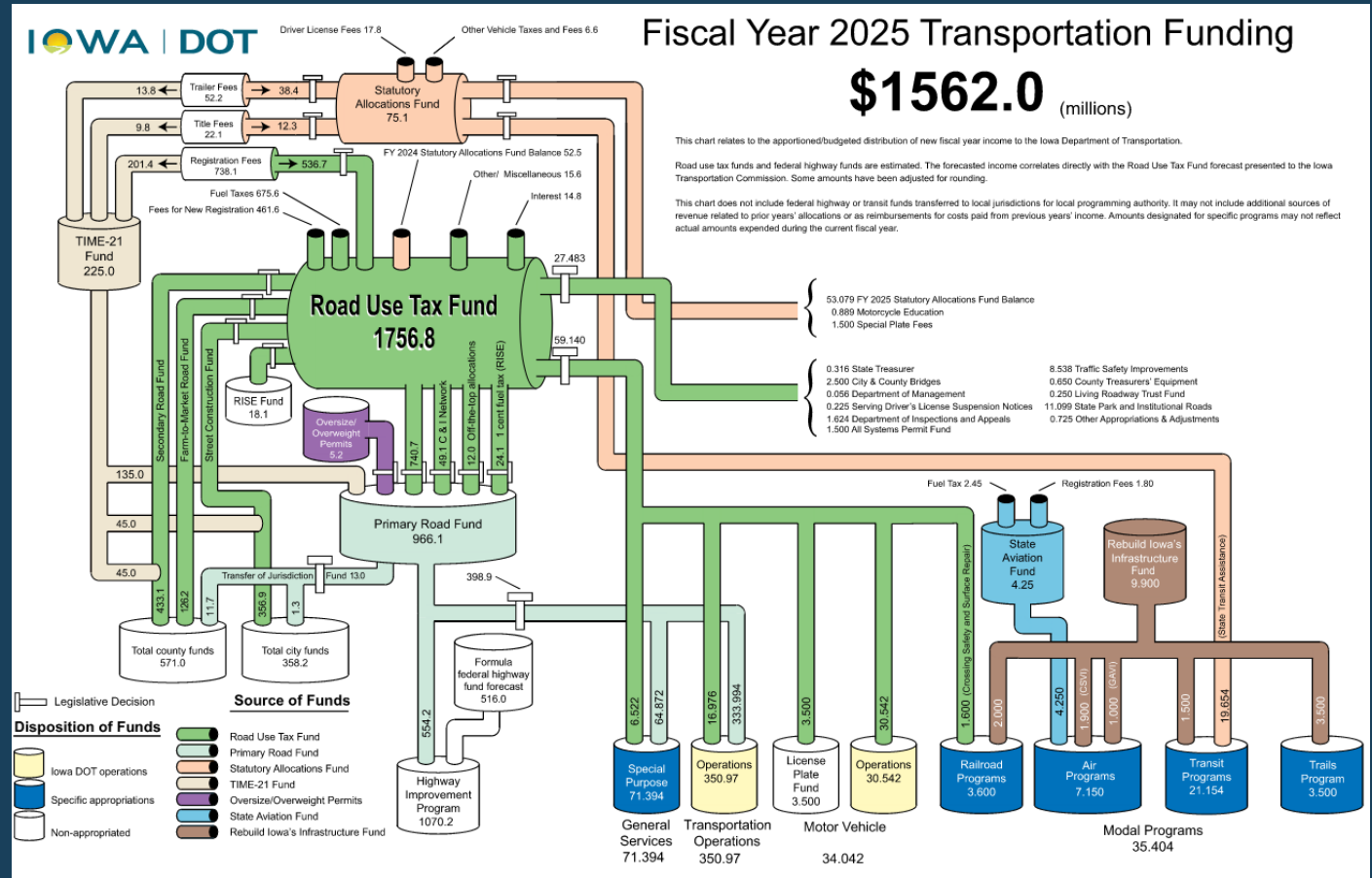
Road Use Tax Fund (RUTF)

FY 2024 = \$142.0 Million



RUTF – ALLOCATED FUNDS

- Revitalize Iowa's Sound Economy (RISE)
- Secondary Road Fund
- Farm-to-Market Road Fund (FM)
- Primary Road Fund
- Parks and Institutional Roads
- Traffic Safety Projects
- Annual All Systems Permit
- Secondary and Urban Expenses
- Living Roadway Trust Fund
- And Many More!





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STATE-AID

Numerous funding programs through Iowa DOT:

- Revitalize Iowa's Sound Economy (RISE)
- County-State Traffic Engineering Program (C-STEP)
- Urban-State Traffic Engineering Program (U-STEP)
- Traffic Engineering Assistance Program (TEAP)
- Traffic Safety Improvement Program (TSIP)
- Sign Replacement Program for Cities and Counties (SRPFCC)
- Living Roadway Trust Fund
- State Recreational Trails Program
- Railroad Crossing Surface Repair Fund

Letting requirements vary

Deadlines vary by program

REVITALIZE IOWA'S SOUND ECONOMY (RISE)

Purpose: To promote economic development through roadway improvements

Who: Counties and Incorporated Cities

• Immediate Opportunity

- Roadway improvements associated with an immediate, non-speculative opportunity for job creation or retention
- Construction of the business past initial site preparation may disqualify
- Applications can be submitted at any time and will be reviewed for eligibility
- Funding is contingent on job creation and/or retention commitments within 3 years and may require repayment
- Amount: Subject to Iowa Transportation Commission approval, awards up to 80 percent of roadway cost (max \$14,000/per contingent job)

• Local Development

- Funding used for speculative RISE eligible development or that do not meet the Immediate Opportunity criteria.
- Applications accepted February 1 and September 1 of each year
- No job creation/retention commitment required but awards may be contingent on land developing in RISE eligible uses development. 3-year monitoring.
- Amount: Awards up to 50 percent of eligible roadway costs, but some variations exist subject to eligibility (IEDA Certified Site)

URBAN/COUNTY - STATE TRAFFIC ENGINEERING PROGRAMS (U-STEP & C-STEP)

- Purpose: To solve traffic operation and safety problems on primary roads outside of cities
- Who: Cities and Counties
- Amount - Spot Improvements: Maximum \$200,000, 45% Local Match
- Amount - Linear Improvements:
 - U-STEP = 55% state share (45% local match), up to \$400,000 per project
 - C-STEP = State retains jurisdiction = \$45,000/mi Rehabilitation or \$75,000/mi Reconstruction (70% match)
 - C-STEP = County retains jurisdiction = \$90,000/mi Rehabilitation or \$150,000/mi Reconstruction (40% match)
- Details:
 - City or County must engineer and administer project
 - Deadline: Anytime
- How: Submit letter of request w/ sketch and cost estimate to District Engineer
- <https://iowadot.gov/districts>

TRAFFIC ENGINEERING ASSISTANCE PROGRAM (TEAP)

- Amount: \$125,000 annually
- Purpose: Provides traffic engineering to conduct traffic and safety studies to identify cost-effective traffic safety and operational improvements for local agencies
- Who: Counties and smaller cities without a staff traffic engineer
- Details:
 - Identify cost-effective safety and operational improvements
 - Identify potential funding sources for improvements
 - Up to 100 hours of consultant time
 - ***Roundabout feasibility studies available to anyone***
 - No local match required except providing data
 - Deadline: Anytime, but first-come, first-served
- How: Submit letter of request to District Engineer
- <https://iowadot.gov/districts>

TRAFFIC SAFETY IMPROVEMENT PROGRAM (TSIP)

- Purpose: Funding for traffic safety improvements or studies on publicly owned roads
- Who: Public entities responsible for public roads
- Amount: 0.5% of RUTF (approx. \$ 7 million annually) for total awards
- Details:
 - 3 categories:
 - Site-specific (\$5M - \$6M per year)
 - Projects to improve traffic safety and operations
 - Traffic control devices (\$500K per year)
 - Purchase of traffic control device and materials (no labor)
 - Studies and outreach (\$500K per year)
 - Research, safety studies, and public information initiatives
 - Deadline: August 15
 - How: Application available at <https://iowadot.gov/traffic/traffic-and-safety-programs/tsip/tsip-program>

SIGN REPLACEMENT PROGRAM FOR CITIES AND COUNTIES (SRPFCC)

- Purpose: Funding to purchase REPLACEMENT signs, posts, and hardware for warning, regulatory, and school signs
- Who: Cities and Counties
- Amount: ~\$200,000/year, but
 - Annual grant maximum for cities = \$5,000
 - Annual grant maximum for counties = \$10,000
- Details:
 - Only applies to regulatory, warning, and school signs – [see eligible signs](#)
 - Includes posts and mounting hardware!
 - Reflective strips up to \$1,000 per year
 - Due March 27th, 2025 – First Come First Serve
- How: https://iowadot.gov/local_systems/City-Reports-Funding-and-Resources/Sign-Replacement-Program

LIVING ROADWAY TRUST FUND

- Purpose: Supports integrated roadside vegetation management (IRVM) programs; and educates the public on the benefits, use and care of roadside vegetation, including native plants.
- Who: Cities and Counties
- Amount: Depends – [see Grant Funding Guidelines](#)
- Details:
 - Applications must include Minority Impact Statement (MIS)
 - The LPA must design and administer the best management practices of IRVM are eligible
 - Specialized equipment to accomplish IRVM operations are eligible
- How: Apply by June 1st, 2025 by 4pm for FY2026
 - <http://www.iowalivingroadway.com/>

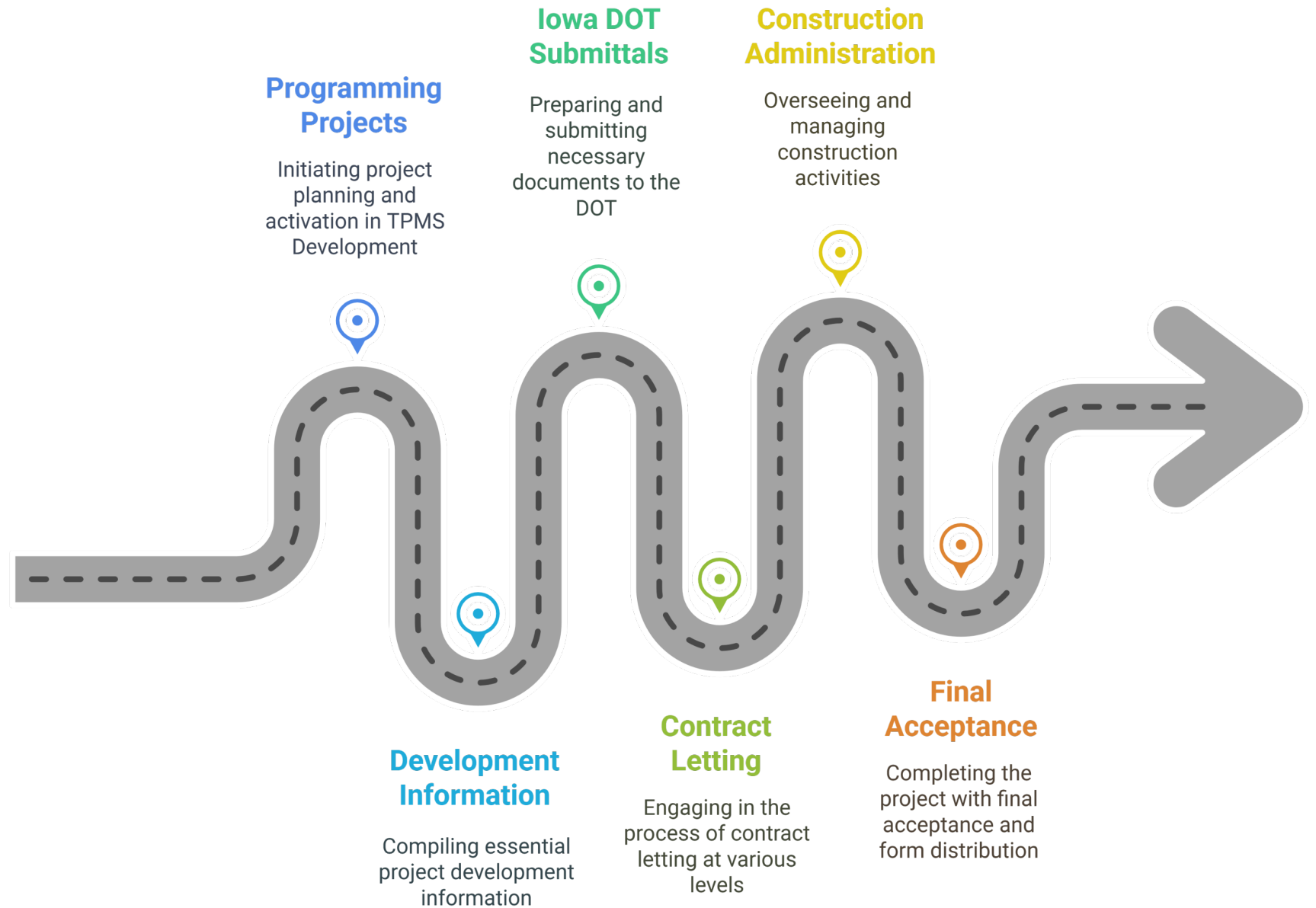
STATE RECREATIONAL TRAILS PROGRAM

- Purpose: Provide and maintain motorized and non-motorized recreational trails and trail-related projects
- Who: Public agencies, and non-profit or private organizations with a public agency co-sponsor
- Amount: Subject to annual Legislative appropriation (typically \$2-3M)
- Details:
 - Trails resulting from successful applications must be maintained as a public facility for a minimum of 20 years.
 - Awards up to 75%; a minimum 25% local match required
 - Deadline: July 1 at 5pm
- How: Application available at https://iowadot.gov/systems_planning/Grant-Programs/-Federal-and-State-Recreational-Trails

RAILROAD CROSSING SURFACE REPAIR FUND

- Purpose: Rebuilding public highway-railroad crossing surfaces in Iowa
- Who: Railroad companies, other owners of railroad track, and public road jurisdictions
- Amount: \$900,000 annually (from RUTF)
- Details:
 - Joint application required between local agency and railroad
 - Both railroad and local agency must enter into project agreement with IDOT
 - 20% railroad match + 20% local agency match
 - Deadline: None
 - Application funded in order received
- How: Application available at <https://iowadot.gov/iowarail>
- <https://iowadot.gov/iowarail/safety/grade-crossing-surface-repair-program>

Project Workflows based on I.M. 1.000 Project Categories



PROJECT CATEGORIES – STATE-AID

If state-aid is the only 'other' funding (other than local), it's a Category 3 or 4 project:

• **Category 3** – State-aid or Cooperative Projects between Iowa DOT and LPA

• Example funding sources:

- U-STEP/C-STEP
- RISE
- TSIP
- NHS projects with no federal-aid

• **Category 4** – Swap, State-aid, FM, or local projects on local roads

• Example funding sources:

- State Bridge programs
- Revitalize Iowa's Sound Economy (RISE) – when not on Primary Highway
- Traffic Safety Improvement Program (TSIP) – when not on Primary Highway
- State Rec Trails

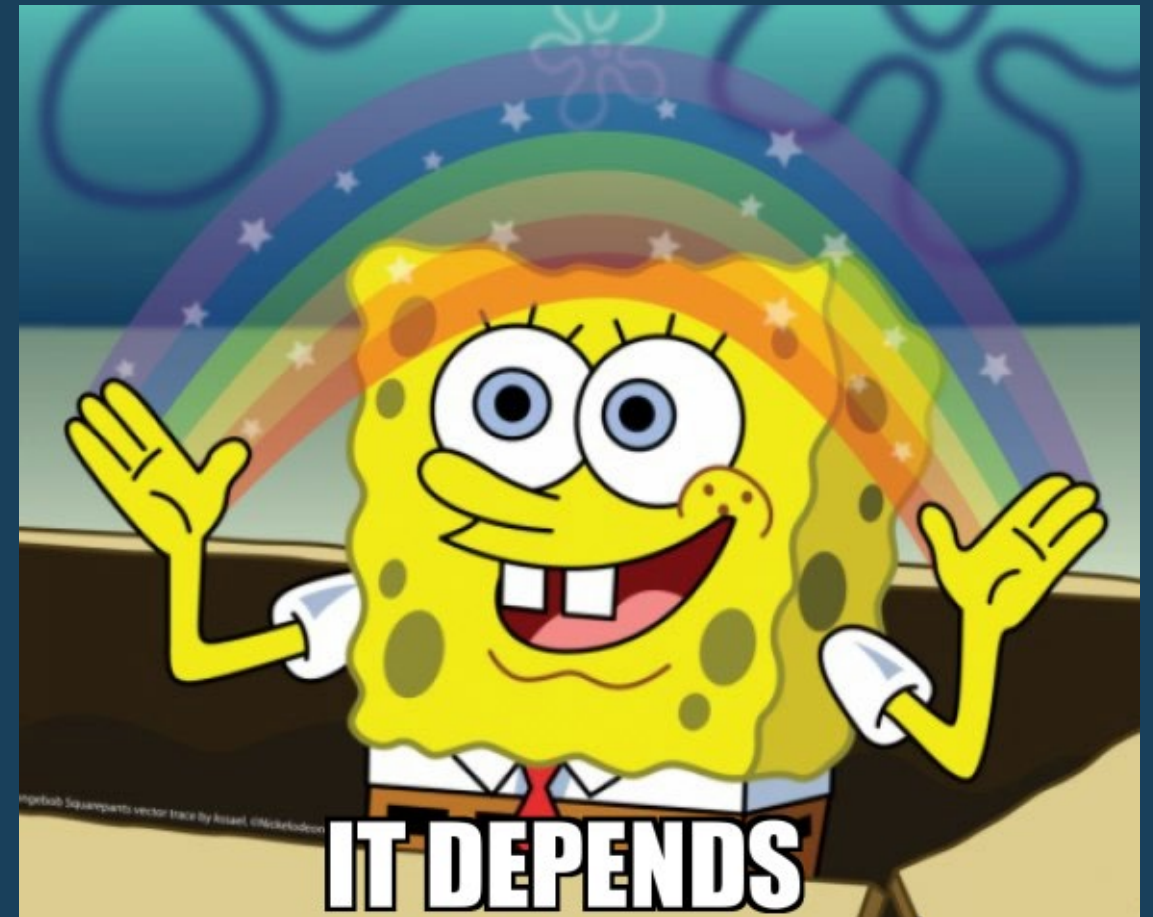
DOT VS LOCAL LET? SUDAS VS IOWA DOT SPECS?

• *DOT Versus Local Let – when can I use either of these?*

- It Depends!
- Read your Funding Agreement!

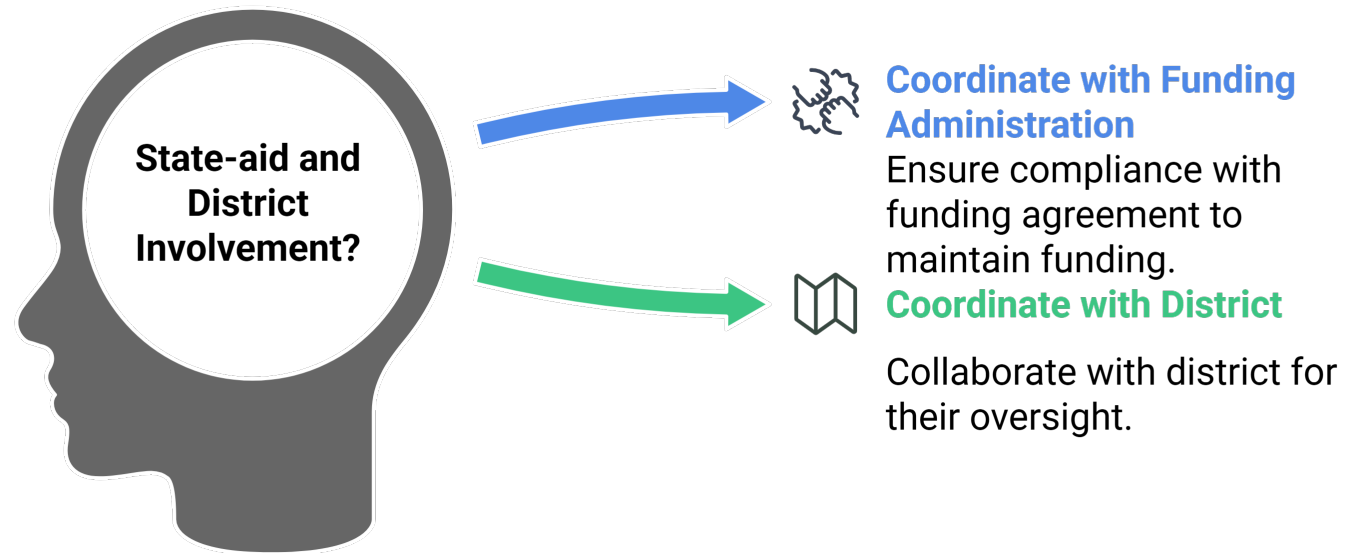
• *SUDAS versus DOT specs – when can I use either of these?*

- It Depends!
 - Iowa DOT Letting = Iowa DOT Specifications
- Read your Funding Agreement!



State Funding and Primary Highway Impact Example

What happens if I have state-aid (e.g., TSIP) and am coordinating with my district as it's on/adjacent to state ROW?



It is your responsibility to carry out the terms of the agreement that you agreed to. Failure to do so will jeopardize your funding.

TARGETED SMALL BUSINESSES (TSB) REQUIREMENTS STATE-AID

- What is a Targeted Small Business (TSB)?
- Targeted Small Business – required!
 - DOT let project – DOT’s process covers this requirement
 - Locally let projects
 - Provide the TSB Exhibit found in your Funding Agreement
 - TSB Contract Provision must be included in the bid/contract documents
 - The TSB Pre-Bid Contact Information form is required to be filled out by all bidders
- Look at your funding agreement!
 - Cities and counties – share this with your consultant (if applicable)
 - Consultants – ask for this from the city/county (or it is in TPMS, if applicable)
- [Refer to I.M. 5.020](#)



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- State-aid

Formula Funds

- Federal-aid

Discretionary Grants & Earmarks

- Federal-aid Swap

FEDERAL-AID FORMULA FUND PROGRAMS



HBP programs
(Highway Bridge
Program)



Highway-Railroad
Crossing Safety
Program



Iowa Clean Air
Attainment Program
(ICAAP)



Iowa's Transportation
Alternatives Program
(TAP)



Federal Recreational
Trails Programs (FRT)



Surface
Transportation Block
Grant (STBG)



Traffic and Safety
Programs (HSIP)



National Electric
Vehicle Infrastructure
(NEVI) *



Carbon Reduction
Program (CRP)



Emergency Relief
(ER)

HBP (HIGHWAY BRIDGE PROGRAM)



Purpose: remove 'Poor' bridges from Iowa's network

Who: Cities and Counties

Amount: LPA Allocation for 2024 is ~\$82.7M per year Federal Funds

Details: Structure must be classified as "poor" and classified as a FHWA Bridge – see [I.M. 1.100](#)

Eligible uses: bridge replacement, rehabilitation, preservation, protection, or new construction

Minimum Requirements to Qualify

- ✓ Located Within County/City Limits
- ✓ Open to Traffic or Closed <10 years
- ✓ Rated "Poor" condition
- ✓ ADT > 25 vpd

County Highway Bridge Program

- No selection process – structures are automatically added if they qualify and are on the county QBL (Qualified Bridge list)
- No deadline
- Construction funding only
- ~\$57M Federal-aid

City Bridge Program

- Must ask to add a structure to the program
- Program is awarded at the start of the Federal Fiscal Year – October 1st
- Construction funding only
- ~\$19M Federal-aid + \$500K state annually

HIGHWAY-RAILROAD CROSSING SAFETY PROGRAM



- Amount: \$5.2 million annually
- Purpose: To improve the safety of public highway-railroad crossings
- Who: Railroad companies and public road jurisdictions
- Details:
 - Joint application required between local agency and railroad
 - Priorities established via benefit-cost analysis
 - 10% non-federal match required from local agency and/or railroad
 - Deadline: July 1
- How: Application available at <https://iowadot.gov/iowarail/safety/federal-aid-crossing-safety-program>

IOWA CLEAN AIR ATTAINMENT PROGRAM (ICAAP)



- Purpose: Funds projects/programs which help maintain Iowa's air quality by reducing emissions
- Typical projects: Improved traffic flow, reduced VMT, reduced single-occupant vehicle trips, other projects improving air quality or reducing congestion (not increasing capacity)
- Who: Public entities such as cities, counties, public transit agencies, metropolitan planning organizations (MPO), regional planning affiliations (RPA) or non-profit entity with public entity co-sponsor
- Amount: \$4M annually
- Details:
 - Must be on major collector or higher
 - Applications are competitively scored primarily on estimated reduction of emissions
 - Deadline: October 1
- How: Application available at: https://iowadot.gov/systems_planning/Grant-Programs/iowa-Clean-Air-Attainment-Program-ICAAP

IOWA'S TRANSPORTATION ALTERNATIVES PROGRAM (TAP)



- Purpose: Funds non-motorized transportation projects such as trail and sidewalks
- Who: Mostly cities, counties (see program guidance for details)
- Amount: \$5M annually for Statewide TAP program; ~\$11M distributed to MPOs/RPAs
- Details:
 - Statewide TAP program is available to projects with a statewide or multi-regional focus
 - Regional TAP programs administered by MPOs/RPAs target local/regional projects
 - Eligible projects are mostly trails and other facilities for non-drivers and other various community improvements (see program guidance for full list)
 - 20% local match or more is required (TAP funds are NOT Swap-eligible)
 - Deadline: October 1 (Statewide TAP), Vary by MPO/RPA (Regional TAP)
 - **SUPPLEMENTAL APPLICATION CYCLE** for Statewide TAP: Apps due May 16, 2025
- How: Application available at: https://iowadot.gov/systems_planning/grant-programs/transportation-alternatives

FEDERAL RECREATIONAL TRAILS PROGRAM (FRT)



- Purpose: Provide and maintain motorized and non-motorized recreational trails and trail-related projects
- Who: Public agencies, and non-profit or private organizations with a public agency co-sponsor
- Amount: ~\$1.3M annually
- Details:
 - Trails resulting from successful applications must be maintained as a public facility for a minimum of 20 years.
 - A minimum 20% local match required
 - Deadline: October 1 by 5pm
 - How: Application available at https://iowadot.gov/systems_planning/Grant-Programs/-Federal-and-State-Recreational-Trails

SURFACE TRANSPORTATION BLOCK GRANT (STBG)



- Purpose: Provides funding for roads on Federal-aid routes and bridges on any public road
- Who: Any public agency with public road jurisdiction
- Amount: Approximately \$97.7 million available to RPAs/MPOs – Match varies by MPO
- Details:
 - STBG awarded to Cities by RPA = Federal-aid Swap
 - STBG awarded by RPA to by RPA/MPO
 - Road projects must be on a federal-aid roadway
 - Replacement, rehabilitation, preservation, protection, and anti-icing/deicing for bridges and tunnels on any public road
- How: Application forms can be obtained from the appropriate RPA or MPO
- <https://iowadot.gov/grants-programs/Federal-aid-Surface-Transportation-Block-Grant>

HIGHWAY SAFETY IMPROVEMENT PROGRAM (HSIP)



- **Purpose:** Provides funding for projects that improve traffic safety and reduce fatalities and serious injuries on roadways.
- **Who:** Cities, counties, and state agencies.
- **Amount:** \$5M annually.
- **Details:** Focuses on systemic and site-specific improvements, including signage, road design modifications, and intersection enhancements.
- **How:** Submit applications through the Iowa DOT Traffic and Safety Bureau.
- Application Deadlines is November 15 to the [Safety Programs Engineer](#)

NATIONAL ELECTRIC VEHICLE INFRASTRUCTURE (NEVI) *



- **Purpose:** Supports the development of a nationwide network of electric vehicle (EV) charging stations to promote EV adoption.
- **Who:** Private entities.
- **Amount:** Varies; funding allocated based on federal guidelines.
- **Details:** Funds charging station installations along designated corridors, ensuring reliable access to EV infrastructure.
- **How:** Submit proposals via Iowa DOT's NEVI program portal.
- **Application Deadlines:** Announced periodically by Iowa DOT.
- <https://iowadot.gov/iowaevplan>

**Currently ON HOLD
pending further FHWA
Guidance*

CARBON REDUCTION PROGRAM – (CRP)



- **Purpose:** Funds projects that reduce transportation-related emissions through innovative strategies.
- **Who:** Cities, counties, MPOs, RPAs, transit agencies.
- **Amount:** \$19.2M annually.
- **Details:** Eligible projects include congestion mitigation, active transportation infrastructure, and alternative fuel infrastructure.
- **How:** Applications submitted through MPOs and RPAs.
- **Application Deadlines:** Varies by MPO/RPA.
- <https://iowadot.gov/iowainmotion/Specialized-System-plans/Carbon-Reduction-Strategy>

EMERGENCY RELIEF PROGRAM (ER)



- Purpose: Provides funding for the repair and reconstruction of roads and bridges damaged by natural disasters.
 - Who: Cities, Counties and State agencies
 - Amount: Varies based on approved DDIR
 - Details:
 - Requires a presidential or governor-declared disaster to qualify. Covers both emergency and permanent repairs.
- How: Work with Iowa DOT and FHWA to submit damage assessments and funding requests.
 - https://iowadot.gov/local_systems/FHWA-Emergency-Relief-Program

DERA (DIESEL EMISSIONS REDUCTION ACT)**



- Purpose: To reduce diesel emissions from on-road or non-road vehicles & equipment (e.g. school buses, medium & heavy-duty transit buses and trucks, etc.)
- Who: For profit, nonprofit, and public entities that own or operate diesel fleets and equipment in the state of Iowa (except state/federal agencies or debarred entities)
- Amount: Subject to allocation from U.S. EPA (\$990,150 FY2024)
- Details:
 - Replaced equipment must be operational and permanently disabled (scrapped) within 90 days of being replaced. Replaced vehicles cannot be sold for use.
 - Required cost share of rebate varies by replacement type
 - Deadline: May 9, 2025
- How: [Application and more info found here](#)

PROJECT CATEGORIES – FEDERAL-AID FORMULA FUNDS

A Federal-aid means Category 1 and 2

Category 1 – Federal-aid county road, city street and bridge projects (for roadway projects)

Example funding sources:

- STBG
- ICAAP
- CRP
- TAP
- ER
- Etc.

Category 2 – Federal-aid county and city (for non-roadway projects)

Example funding sources:

Same as Category 1 but your project isn't on the roadway

FEDERAL-AID PROJECT REMINDERS



Development Guide

Follow the Fed-aid project development guide.



Project Estimate

Ensure project estimate is within 15% of STIP amount.



Funding Reminder

No additional funding after projects are submitted.



Reimbursement Eligibility

Roadway funding is for construction reimbursement only.



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Formula Funds

Discretionary Grants & Earmarks

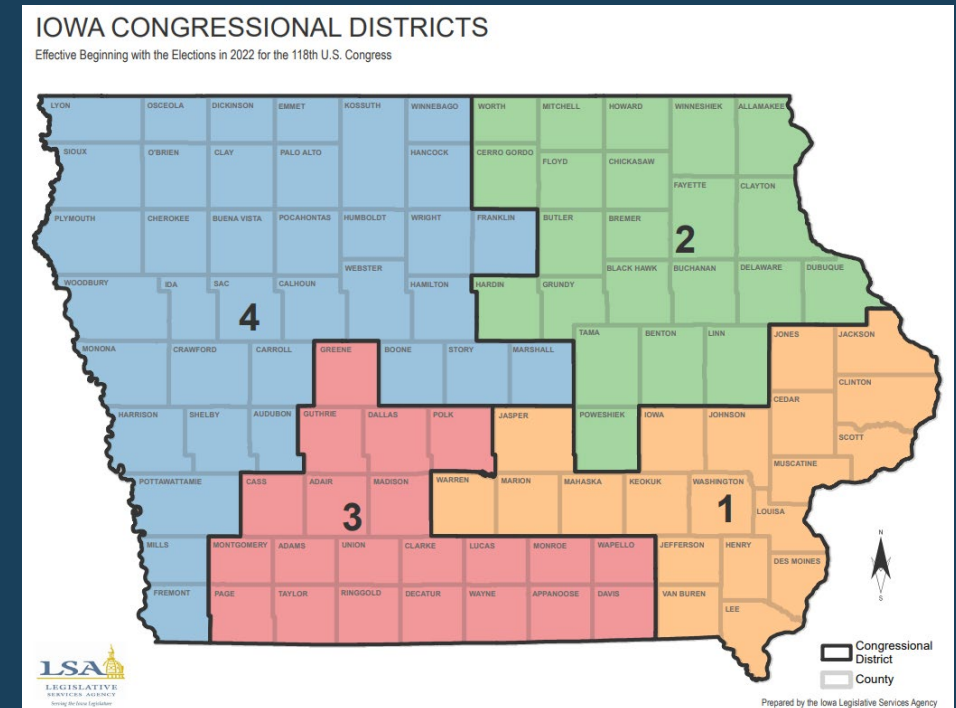
WHAT ARE FEDERAL-AID DISCRETIONARY GRANTS?

- Discretionary Grants and Earmarks expanded in new federal funding bill (IIJA)
- May or may not be administered by Iowa DOT (depends on what kind and what the NOFO says)
- Discretionary grants come with additional strings – check the NOFO.
- Whatever you put in your application, you are signing off that is true and will happen/has happened if you are awarded the funding
- Any funds being utilized as "non-Federal match" included in a grant application become federalized and must also follow federal-aid processes and procedures become the grant recipient's responsibility.
- An LPA shall inform the Local Systems Bureau of their intent to submit a grant application with the online [Webform](#)
- [Find and be notified of Discretionary Grants](#)

WHAT ARE EARMARKS?

- Federal Earmarks
- Also known as **Community Project Funding (CPF)**
- Check on your Congressional representative's webpage for when and if they are taking applications for their CPF (Max of 15 projects per congressional district)
- Awards will depend on how much is available, subject to federal allowance per federal appropriations bills
- Project types and priorities are up to the congressional district

Iowa Congressional Districts:



PROJECT CATEGORIES – FEDERAL-AID DISCRETIONARY FUNDS AND EARMARKS

Per [I.M. 1.000](#) – When Iowa DOT serves at the pass-through for a discretionary grant and all roadway Earmarks projects are Category 1 and 2.

Category 1 – Federal-aid county road, city street and bridge projects (for roadway projects)

Category 2 – Federal-aid county and city (for non-roadway projects)



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What programs are still Federal-aid swap?

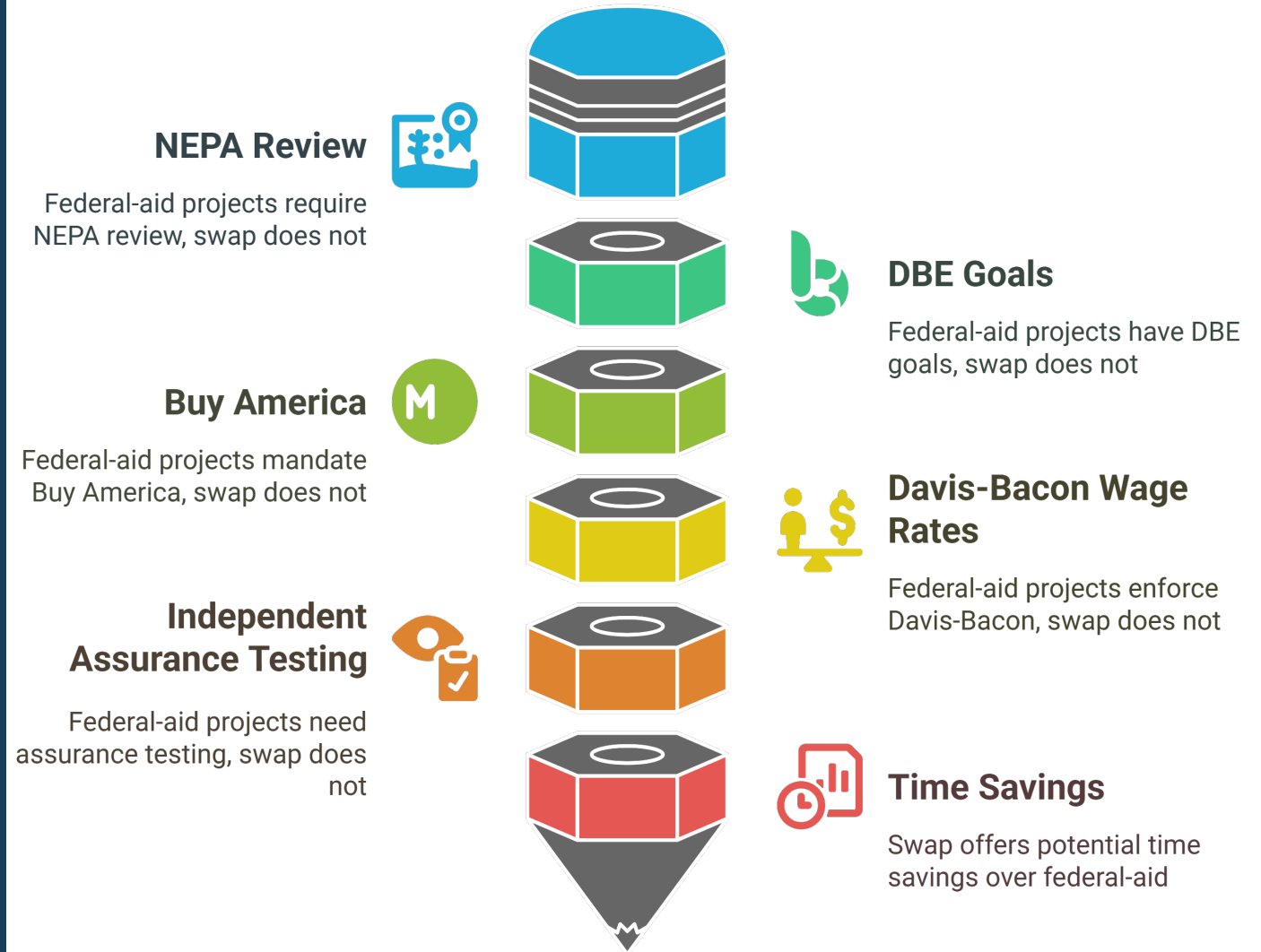
What programs are still swap?

- RPA STBG funds to cities are still swap
- HSIP – Local
 - Increase to \$5 Million & include cities
 - HSIP – Local program to be more defined in the future
- City and County Bridge Program – 20% match for the federal funds

[See I.M. 1.150](#)

[Non-Federal-Aid Project Development Guide for Local Public Agencies](#)

What are the main differences between Federal-aid and Federal-aid swap?



Combining Multiple Funding Sources

I have lots of mixed funding sources on my project – how do I convey that in my plans?

- Put them in order of priority on your C Sheets/TPMS!
- The funding you want to expend first should be in Division 1, the next Division is the next order of priority etc.
- Divisions should be set up by Funding Eligibility.
- Use the fewest number of divisions as possible but keep each funding group separated.

Why is putting in the funding in order so important?

- We need to get your projects to Contracts correctly!
- Conveying your intent with DOT Letting procedures & future Appia setup

COMBINING MULTIPLE FUNDING SOURCES

ESTIMATED PROJECT QUANTITIES							
Item No.	Item Code	Item	Unit	Div 1 100% Pow	Div 2 50%-50%	Div 3 100% Victor	Total
0010	2102-2713090	EXCAVATION, CLASS 13, WASTE	CY	879.000	700.500	242.000	1,821.500
0020	2113-0001100	SUBGRADE STABILIZATION MATERIAL, POLYMER GRID	SY	3,955.300	2,835.200	922.300	7,712.800
0030	2121-7425020	GRANULAR SHOULDERS, TYPE B	TON	1,044.840	0.000	0.000	1,044.840
0040	2123-7450000	SHOULDER CONSTRUCTION, EARTH	STA	15.000	0.000	14.370	29.370
0050	2210-0475105	CHOKER STONE BASE	TON	1,661.400	1,190.800	387.300	3,239.500
0060	2213-7100400	RELOCATION OF MAIL BOXES	EACH	1.000	0.000	0.000	1.000
0070	2214-5145150	PAVEMENT SCARIFICATION	SY	39,471.700	0.000	0.000	39,471.700

ESTIMATED PROJECT QUANTITIES (UP TO A 5 DIVISION PROJECT)		Division 1: STBG-SWAP AND RAISE Division 2: RAISE ONLY ITEMS Division 3: TSIP Division 4: LOCAL FUNDING				
Unit	Quantities					Total
	Division 1	Division 2	Division 3	Division 4	Division 5	
ACRE		1.35				1.35
CY		8267				8267
CY		18560				18560
CY		236.4				236.4

- Make sure....
1. Each of your funding sources and what items they apply to
 2. How you want the divisions to be set up on the contract

QUESTIONS?



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