

# Chapter 9

# Financial Analysis



# Chapter 9 – Financial Analysis

A crucial element in implementing this plan is ensuring that funding is in place to support transportation projects. A financial analysis examines reasonably available transportation resources and compares them to the projected costs of needs. “Reasonably available” transportation resources include funds authorized at the local, state, and federal levels, which are likely to be accessible for the duration of the plan. A variety of funding sources are utilized for transportation improvements, as described in this chapter.

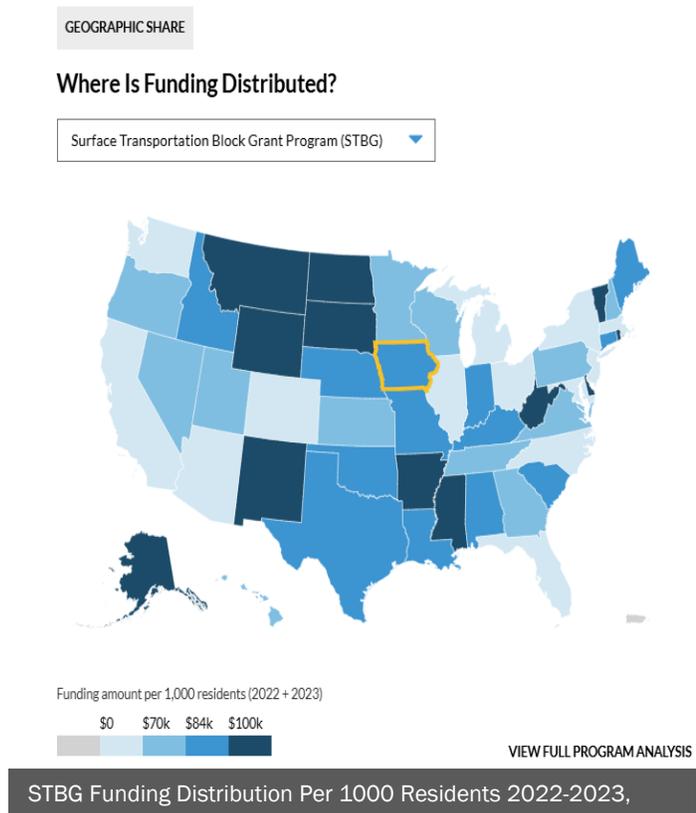
## Traditional Transportation Revenue Sources

Local jurisdictions receive transportation funding from a variety of sources, including the Federal Highway Administration (FHWA), Federal Transit Administration (FTA), Iowa Department of Transportation (DOT), and local contributions. The Regional Transportation Authority (RTA) manages three main funding pools: the Surface Transportation Block Grant (STBG) Program, Iowa’s Transportation Alternatives Program (TAP), and TAP-Flex. The RTA Policy Board allocates TAP-Flex funds between the STBG and TAP programs. Additional transportation funding sources, primarily managed by the Iowa Transportation Commission or individual jurisdictions, are also discussed in this chapter. Table 9.1 summarizes the funding options available to RTA jurisdictions. The Iowa DOT has compiled a Funding Guide to assist local governments, organizations, and individuals in conducting preliminary searches for funding assistance for various types of transportation projects. The most current version can be found at [www.iowadot.gov/pol\\_leg\\_services/Funding-Guide.pdf](http://www.iowadot.gov/pol_leg_services/Funding-Guide.pdf).

## Federal Funding

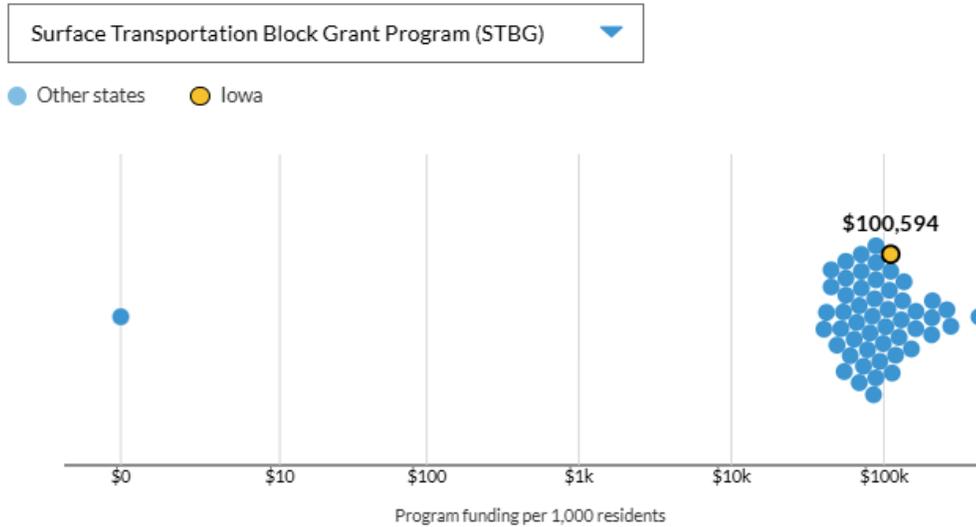
Federal programs that could fund projects in the RTA include the following:

- **Surface Transportation Block Grant (STBG) Program** – The STBG program was established to address key transportation needs identified by Congress, offering flexible funding to maintain and enhance a variety of transportation facilities, including federal-aid highways and public road bridges. In Iowa, the Department of Transportation (DOT) allocates these funds to Metropolitan Planning Organizations (MPOs) and Regional Planning Affiliations (RPAs), which have broad discretion to use them for eligible projects, including roadway improvements, bridge repairs, transit capital investments, planning efforts, and Transportation Alternatives Program activities. Iowa also offers a funding swap option, allowing MPOs and RPAs to exchange federal STBG funds for state Primary Road Fund dollars. A portion of Iowa’s STBG funding is targeted directly at counties for use on county bridge projects.



These funds can be used for on- or off-system bridge investments; however, off-system investments must be continued to maintain the ability to transfer the federal STBG set-aside for off-system bridges. The link below provides an overview of how federal grants are distributed in Iowa per 1000 residents: [https://apps.urban.org/features/infrastructure-spending-states-counties/state/19/?program=fhwa\\_stp](https://apps.urban.org/features/infrastructure-spending-states-counties/state/19/?program=fhwa_stp)

### Compare funding received by state



STBG distribution 2022-2023, Iowa.

- **Transportation Alternatives Set-aside Program (TAP)**

TAP program is a set-aside from the STBG program. TAP provides funding to expand travel options and enhance the transportation experience. Transportation Alternatives Program projects improve the cultural, historic, aesthetic, and environmental aspects of transportation infrastructure. Projects can include the creation of bicycle and pedestrian facilities, as well as the restoration of historic transportation facilities, among others. Some types of projects eligible under the SAFETEA-LU program, Transportation Enhancements, are no longer eligible, or have modified eligibility, under the TAP.



Wolf Creek Bridge, Cedar Valley Nature Trail

- **Congestion Mitigation and Air Quality Improvement Program (CMAQ)** – CMAQ provides flexible funding for transportation projects and programs tasked with helping to meet the requirements of the Clean Air Act. These projects can include those that reduce congestion and improve air quality.
- **Demonstration Funding (DEMO)** – Demonstration funding is a combination of different programs and sources. The FHWA administers discretionary programs through various offices representing special funding categories. An appropriation bill provides money to a discretionary program through special

congressionally directed appropriations or legislative acts, such as the American Recovery and Reinvestment Act of 2009 (ARRA).

- **Highway Safety Improvement Program (HSIP)** – This is a core federal-aid program that funds projects with the goal of achieving a significant reduction in traffic fatalities and serious injuries on public roads. A portion of this funding is targeted for use on local high-risk rural roads and railway-highway crossings.
- **National Highway Performance Program (NHPP)** – NHPP funds are available to be used on projects that improve the condition and performance of the National Highway System (NHS), including some state and U.S. highways and interstates.
- **National Highway Freight Program (NHFP)** – NHFP funds are distributed to states via a formula process and are targeted towards transportation projects that benefit freight movements. Ten percent of NHFP funds are targeted towards non-DOT-sponsored projects.
- **State Planning and Research (SPR)** – SPR funds are available to fund statewide planning and research activities. A portion of SPR funds is provided to RPAs to support transportation planning efforts.



Pavement rehab on IA 3 in Bremer and Butler Counties

The Iowa Department of Transportation (DOT) oversees several grant programs funded through federal sources. All projects receiving these grants must be included in the region's Transportation Improvement Program (TIP). Grant funding is awarded through a competitive selection process. State-administered grant programs include the following:

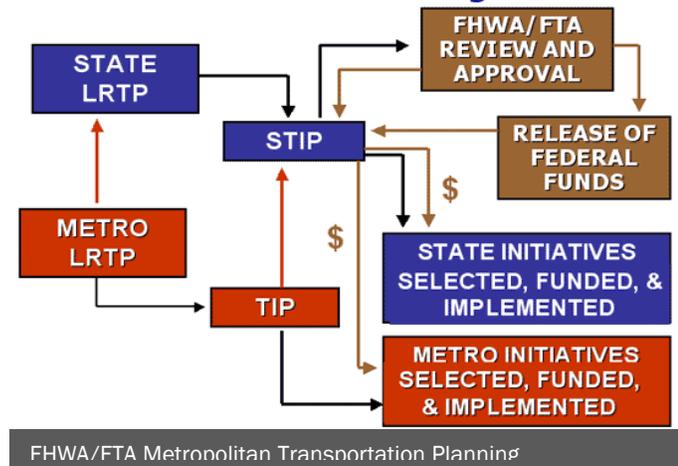
- **City Bridge Program** – A portion of STBG funds is set aside specifically for bridge projects within city limits. These funds are swapped for state Primary Road Fund dollars. Eligible projects must be classified as structurally deficient or functionally obsolete. The Iowa DOT Local Systems Bureau evaluates and prioritizes applications based on established criteria, with funding awards of up to \$1 million per project.
- **Highway Safety Improvement Program – Secondary (HSIP-Secondary)** – Funded through a portion of Iowa's HSIP allocation, this program supports safety improvements on rural secondary roads. Like other programs, federal funds for these local projects are swapped for Primary Road Fund dollars.
- **Iowa Clean Air Attainment Program (ICAAP)** – ICAAP supports projects that reduce transportation-related emissions by improving traffic flow, reducing vehicle miles traveled, and limiting single-occupancy vehicle use. The program utilizes \$4 million from Iowa's CMAQ apportionment. Local road or bridge projects awarded ICAAP funds may be eligible for the federal-to-state fund swap.
- **Federal Recreational Trails Program** – This program provides funding for both motorized and non-motorized trail projects and is funded through a set-aside from Iowa's Transportation Alternatives Program (TAP). Participation is determined annually by the Iowa Transportation Commission
- **Iowa's Transportation Alternatives Program** – This program allocates STBG funds to MPOs and RPAs to support locally sponsored projects that enhance travel options and improve the overall experience for both motorized and non-motorized transportation users.

Several federal transit programs also contribute funding. Most of these funds are allocated by formula to states and large metropolitan areas. Additional program funds are awarded through discretionary grants, with some specifically earmarked for designated projects. These programs include the following:

- **Metropolitan Transportation Planning Program (5303 and 5305)** – FTA provides funding for this program to the state based on its urbanized area populations. The funds are dedicated to supporting transportation planning projects in urbanized areas with more than 50,000 people.

- **Statewide Transportation Planning Program (Section 5304 and 5305)** – These funds come to the state based on population and are used to support transportation planning projects in non-urbanized areas. They are combined with Section 5311 funds and are allocated among Iowa's RPAs.

## The Statewide Planning Process



- **Urbanized Area Formula Grants Program (Section 5307)** – FTA provides transit operating, planning, and capital assistance funds directly to local recipients in urbanized areas with populations between 50,000 and 200,000. Assistance amounts are based on population and density figures and transit performance factors for larger areas.
- **Bus and Bus Facilities Program (Section 5339)** – This formula program provides federal assistance for major capital needs, such as fleet replacement and construction of transit facilities. All transit systems in the state are eligible for this program.
- **Enhanced Mobility of Seniors and Individuals with Disabilities Program (Section 5310)** – Funding is provided through this program to increase mobility for the elderly and persons with disabilities. Part of the funding is administered along with the non-urbanized funding, with the remaining funds allocated among urbanized transit systems in areas with a population of less than 200,000. Urbanized areas with more than 200,000 in population receive a direct allocation.
- **Non-urbanized Area Formula Assistance Program (Section 5311)** – This program provides capital and operating assistance for rural and small urban transit systems. Fifteen percent of these funds are allocated to intercity bus projects. A portion of the funding is also allocated to support rural transit planning. The remaining funds are combined with the rural portion (30 percent) of Section 5310 funds and allocated among regional and small urban transit systems based on their relative performance in the prior year.
- **Rural Transit Assistance Program (Section 5311(b)(3))** – This funding is used for statewide training events and to support transit funding fellowships for regional and small urban transit staff or planners.

State and  
regional  
funding



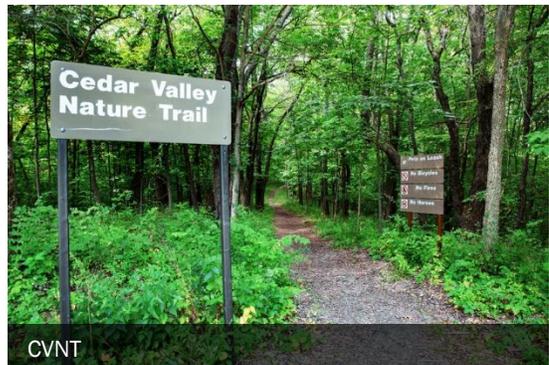
## State Funding

The largest state transportation programs are funded through the Road Use Tax Fund (RUTF), which includes revenue from several sources, the largest being the state gas tax and new vehicle registration fees. Programs funded through the RUTF include the following:

- **Municipal Funds** – These funds are apportioned to and programmed by each city. The funding comes from RUTF and comprises about 20 percent of its total statewide.
- **Secondary Road Fund** – These funds are distributed from the RUTF to each county for programming. Funds may be spent on construction, maintenance, salaries, equipment, etc. The secondary road network is defined as all public roads under a county's jurisdiction that are not primary roads. The Secondary Road Fund has historically accounted for 25 percent of the RUTF.
- **Farm to Market (FM)** – FM funds are distributed monthly to each county by the State. FM funds may only be used for construction on the FM network, which includes trunk and trunk collector roads outside of metropolitan area boundaries. FM accounted for eight percent of the total RUTF.
- **Primary Road Fund (PRF)** – These funds are programmed by the Iowa Transportation Commission for use on any federally functionally classified primary road.
- **Traffic Safety Improvement Program (TSIP)** – TSIP is funded by one-half of one percent of the RUTF. Cities, counties, and the Iowa DOT can apply for three types of projects. Site-specific projects account for \$5-6 million per year, and a maximum of \$500,000 can be awarded to a project. The other two project types are traffic control devices and traffic safety studies; both programs have \$500,000 to distribute per year.

Additional state funding sources for transportation projects include the following:

- **State Recreational Trails Program** – These funds are programmed by the Iowa Transportation Commission based on applications from state and local government agencies and non-profit organizations.
- **Revitalize Iowa's Sound Economy (RISE)** – RISE is designed to help Iowa's cities and counties compete economically. Projects often involve new construction to attract businesses to an area (Immediate Opportunity) or improve an industrial park (Local Development). State RISE projects are programmed by the Iowa Transportation Commission. Cities and counties can apply to the Iowa DOT for the designated funds.



RISE funds were used to pave Union Avenue in Butler County to support the new Trinity Rail facility



- **Traffic Engineering Assistance Program (TEAP)** – Traffic engineering consultants are retained by the Iowa DOT and are available to local governments as requested for candidate projects on a first-come/first-served basis. The purpose is to identify cost-effective traffic safety and operational improvements as well as potential funding sources to implement the recommendations. Typical studies include high-crash locations, unique lane configurations, obsolete traffic control devices, school pedestrians, truck routes, parking issues, and other traffic studies.



TEAP was used for the 1<sup>st</sup> St Intersection Study, Independence

- **Community Attraction and Tourism (CAT)** – CAT was created to assist projects that will provide recreational, cultural, entertainment, and educational attractions. Administered through the Iowa Economic Development Authority (IEDA), this program is intended to help position a community to take advantage of economic development opportunities in tourism and strengthen a community's competitiveness as a place to work and live. Eligible projects include the construction of recreational trails with a substantial regional or statewide economic impact.
- **Resource Enhancement and Protection (REAP)** – Administered through the Iowa Department of Natural Resources (DNR), this statewide program invests in the enhancement and protection of the state's natural and cultural resources. Funding is available annually to cities through statewide competitive grants. Recreational trails are eligible, though they are typically funded as part of a larger project with environmental or park enhancement benefits.



New Hampton Trail, funded through REAP

RISE funds were used for the extension of Lake St off Leverage Rd to provide access to CPM's new 140,000-square-foot facility, Waterloo.



There are also state funds for transit, which include the following:

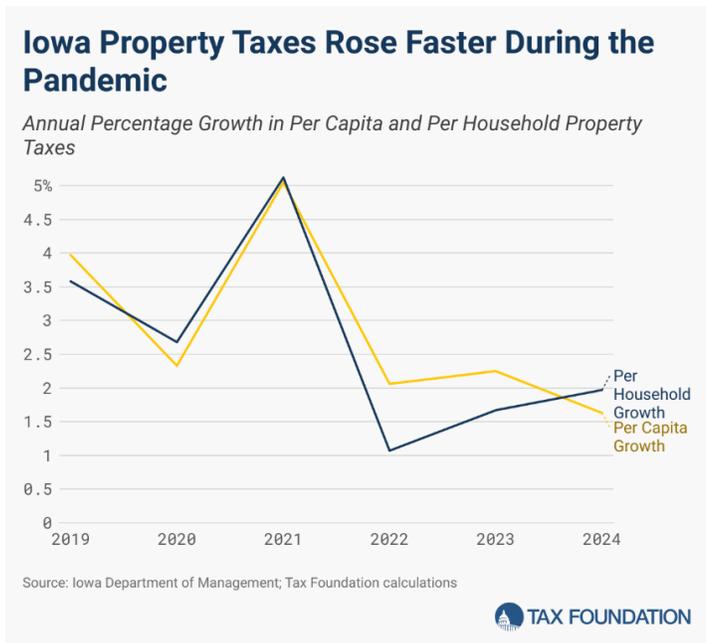
- **State Transit Assistance (STA)** – All public transit systems are eligible for this funding. These funds can be used by the public transit system for operating, capital, or planning expenses related to the provision of open-to-the-public passenger transportation. Most of the funds received in the fiscal year are distributed to individual transit systems based on a formula using performance statistics from the most recent available year.
- **STA Coordination Special Projects** – These funds aid the startup of new services that have been identified as needed by health, employment, or human services agencies participating in the passenger transportation planning process.
- **Public Transit Infrastructure Grant Fund** – This program can fund transit facility projects that involve new construction, reconstruction, or remodeling. To qualify, projects must include a vertical component.



## Local Funding

Locally programmed transportation funds vary from jurisdiction to jurisdiction. Local funding sources for transportation projects include the following:

- **Property Tax** – Although tax levies vary from city to city, a sizable portion of local transportation revenues comes from property tax assessments (general funds).
- **General Obligation Bonds** – General obligation bonds are debts incurred by cities or counties that are repaid through property tax revenues. These bonds can be issued for essential purposes, including roads and bridges.
- **Local Option Sales Tax (LOST)** – Iowa Code provides that each County and City can vote to adopt up to a one percent local option sales tax. Revenues may be partially or completely dedicated to local street construction and reconstruction.
- **Tax Increment Finance Funding (TIFF)** – TIFF is a method of reallocating property tax revenues that are produced because of an increase in taxable valuations above the base valuation figure within a tax increment area. Both cities and counties may create tax increment financing areas.



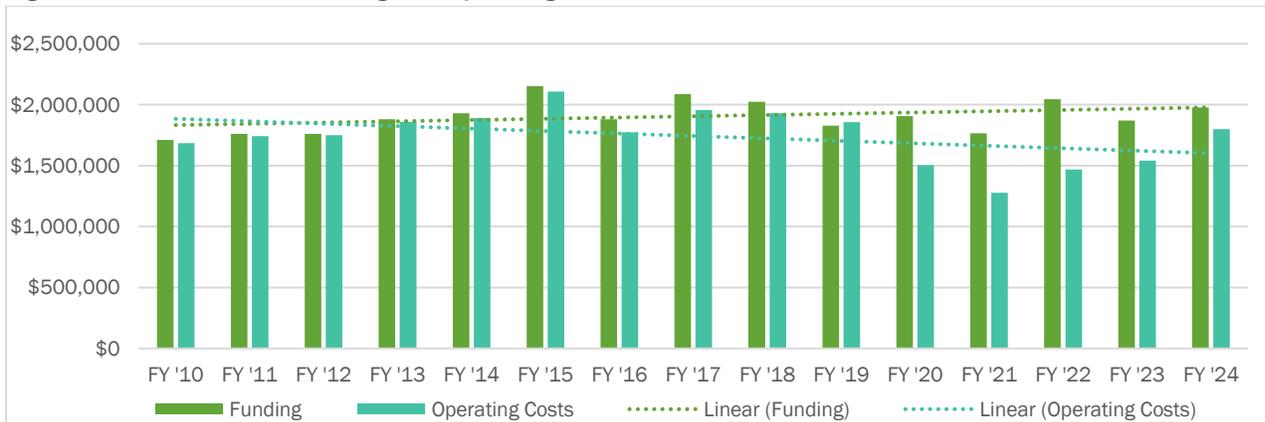
**Table 9.1: Federal, State, and Local Funding Sources for Transportation Projects**

	Funding Program	Roads / Bridges	Transportation Alternatives	Source
Federal	Surface Transportation Block Grant (STBG) Program	X	X	RTA
	Iowa's Transportation Alternatives Program (TAP)		X	RTA
	Congestion Mitigation and Air Quality Improvement Program (CMAQ)	X	X	FHWA
	Highway Safety Improvement Program (HSIP)	X		FHWA
	Demonstration Funding	X	X	FHWA
	National Highway Performance Program (NHPP)	X		FHWA
	National Highway Freight Program (NHFP)	X		FHWA
	Transportation Alternatives Set-aside Program (TAP)		X	Iowa DOT
	City Bridge Program	X		Iowa DOT
	County Bridge Program	X		Iowa DOT
	Highway Safety Improvement Program – Secondary	X		Iowa DOT
	Iowa Clean Air Attainment Program (ICAAP)	X	X	Iowa DOT
	Federal Recreational Trails Program		X	Iowa DOT
State	Municipal Funds	X		Iowa DOT
	Secondary Road Fund	X		Iowa DOT
	Farm to Market (FM)	X		Iowa DOT
	Primary Road Fund (PRF)	X		Iowa DOT
	Traffic Safety Improvement Program (TSIP)	X		Iowa DOT
	Traffic Engineering Assistance Program (TEAP)	X		Iowa DOT
	State Recreational Trails Program		X	Iowa DOT
	Revitalize Iowa's Sound Economy (RISE)	X	X	Iowa DOT
	Community Attraction and Tourism (CAT)		X	IEDA
	Resource Enhancement and Protection (REAP)		X	Iowa DNR
Local	Property Tax	X	X	City/County
	General Obligation Bonds	X	X	City/County
	Local Option Sales Tax (LOST)	X	X	City/County
	Tax Increment Finance Funding (TIFF)	X	X	City/County

**Regional Transit Commission (RTC) Funding Analysis**

To estimate average revenues and expenses for RTC, past funding sources and operating costs were reviewed. Figure 9.1 shows this historical data from fiscal years 2010 to 2024. A simple trendline was used to project future funding and costs through 2050. Based on this basic analysis, RTC is expected to have a total balance of \$4.8 million from FY 2021 to 2050 projections (see Table 9.2)

**Figure 9.1: RTC Historical Funding and Operating Costs**



Source: RTC

Capital expenditures related to buses have been calculated separately. Due to the complexity of the bus procurement process and the variability in funding from one year to the next, it is challenging to predict the number of buses that will be replaced in any given year. Therefore, this document assumes an average of one new bus and minivan every three years throughout the plan's life. With guidance from the DOT, the current costs to replace a light-duty bus and minivan are about \$182,929 and \$99,691, respectively. Vehicle type replacement values are adjusted annually based upon a 3-year average of the Producer Price Index, with the discretion of the Modal Transit Bureau to adjust as deemed necessary. Funding from the FTA (Section 5339) is expected to cover about 85 percent of the total costs. The remaining 15 percent comes from RTC. STBG funding could also be utilized for bus and minivan replacements. To date, precisely in FY 2019, RTC has purchased one bus using STBG funds.



Onboard Public Transit Light Duty Ford Elkhart Bus

**Table 9.2: RTC Forecasted Funding Sources FTA (Section 5339), 2021-2055**

Expenditures (two vehicles every three years)	
<b>Funding sources</b>	
Federal Share (Section 5339)	\$7,526,655
Local Share	\$1,328,237

**Table 9.3: RTC Forecasted Operating Revenues and Expenditures, 2021-2050**

Operating Revenues (FTA, STA, Passenger Revenue, Contract Revenue, Local Tax, Other)	
Operating Costs (Direct System, Indirect System)	\$65,424,616
<b>Balance</b>	<b>\$4,887,198</b>



## Regional Transit Authority (RTA) Funding Analysis

To estimate future funding for the RTA, historical funding levels were analyzed to forecast the state and federal resources likely to be available throughout this plan (2021–2055). The funding sources reviewed include the National Highway Performance Program (NHPP), Primary Road Fund (PRF), Surface Transportation Block Grant (STBG) Program, Iowa’s Transportation Alternatives Program (TAP), and the City and County Bridge Program.

Revenue forecasts for STBG were projected to follow a linear growth rate from 2011 to 2020. Revenue forecasts for Iowa’s TAP were projected using the average of the annual TAP targets for FY 2023 to FY 2026, due to the IIJA Act and review of TAP, before which the RTA received Transportation Enhancement funds at a significantly lower amount than the current Iowa TAP and TAP Flex targets. STBG revenues were forecasted using the STBG Target for FY 2021 to FY 2024. City bridge funds were projected using the average annual award amounts from 2011 to 2020, which is \$600,600 per year. County Bridge funds were projected using the average annual programmed amount between the six counties from 2011 to 2024, which is \$3,725,357 per year. County and City Bridge funds have only been targeted for specific bridge replacement projects at specific amounts based on input provided by the County Engineers and city officials. NHPP and PRF dollars were projected at a constant rate using averages from 2011-2020. Table 9.4 provides historical funding and revenue forecasts.

**Table 9.4: History and Projections for Federal and State Funding**

Fiscal Year	NHPP/PRF	STBG & TAP Flex	City Bridge	County Bridge	Iowa’s TAP & TAP Flex
2011	\$45,071,000	\$2,451,097	\$1,000,000	\$216,000	--
2012	\$24,707,000	\$2,524,354	\$0	\$2,208,000	--
2013	\$30,366,000	\$2,409,109	\$1,000,000	\$2,609,000	--
2014	\$5,980,000	\$2,245,442	\$0	\$5,108,000	\$184,000
2015	\$25,552,000	\$2,281,211	\$0	\$1,240,000	\$184,000
2016	\$13,459,000	\$2,268,400	\$0	\$2,965,000	\$184,000
2017	\$19,013,000	\$2,340,544	\$0	\$2,988,000	\$184,000
2018	\$20,452,000	\$2,333,939	\$568,000	\$4,937,000	\$184,000
2019	\$8,994,000	\$2,525,157	\$2,820,000	\$5,400,000	\$184,000
2020	\$16,004,000	\$2,579,454	\$618,000	\$1,136,000	\$184,000
2021-2025	\$104,799,000	\$13,517,039	\$3,003,000	\$27,073,357	\$1,247,681
2026-2035	\$209,598,000	\$28,488,795	\$6,006,000	\$37,253,570	\$2,910,806
2036-2045	\$209,598,000	\$28,540,000	\$6,006,000	\$37,253,570	\$2,920,000
2046-2055	\$104,799,000	\$14,270,000	\$3,003,000	\$18,626,785	\$1,460,000
Total 2021-2050	\$628,794,000	\$84,815,834	\$18,018,000	\$101,580,497	\$8,538,487



Local transportation revenues are derived from a variety of sources, with the Road Use Tax Fund (RUTF), property taxes, general obligation bonds, and local option sales tax (LOST) typically representing the largest contributors. To establish a baseline for local transportation revenues and expenditures, data were drawn from the City Street Financial Report for cities, as well as County Farm to Market Receipts, Secondary Road Fund Receipts, and County Secondary Road Operations and Maintenance data for counties. These reports are submitted annually to the Iowa DOT and provide detailed accounts of transportation-related revenues and expenditures. For this analysis, only 82 percent of Black Hawk County’s revenue and expenditure data were included, reflecting the proportion of roads located outside the MPO study area.

Before constructing or reconstructing new infrastructure, an expense that must be factored into local funding is the operation and maintenance of the existing system. To calculate this, operations and maintenance reports from the Iowa DOT were analyzed, which are derived from the County Engineer Annual Reports and City Street Finance Reports.

Table 9.5 and Figure 9.3 present projected local, non-federal aid revenues alongside estimated operation and maintenance (O&M) expenditures. The analysis is based on the average revenues and expenditures from fiscal years 2015 to 2019. Historically, Operation and maintenance costs are forecasted with a 4% annual increase, and revenues with a 2% annual increase, which is consistent with the Black Hawk County Metropolitan Area, which is located within the Iowa Northland Region. This aligns with assumptions outlined in the FY 2021 – 2024 Transportation Improvement Program (TIP) for the region. Based on these growth rates, a funding shortfall is anticipated beginning in FY 2041 and continuing through FY 2050. Balances in previous years may be used to support other local projects, cover debt service, or provide matching funds for state and federal transportation programs.

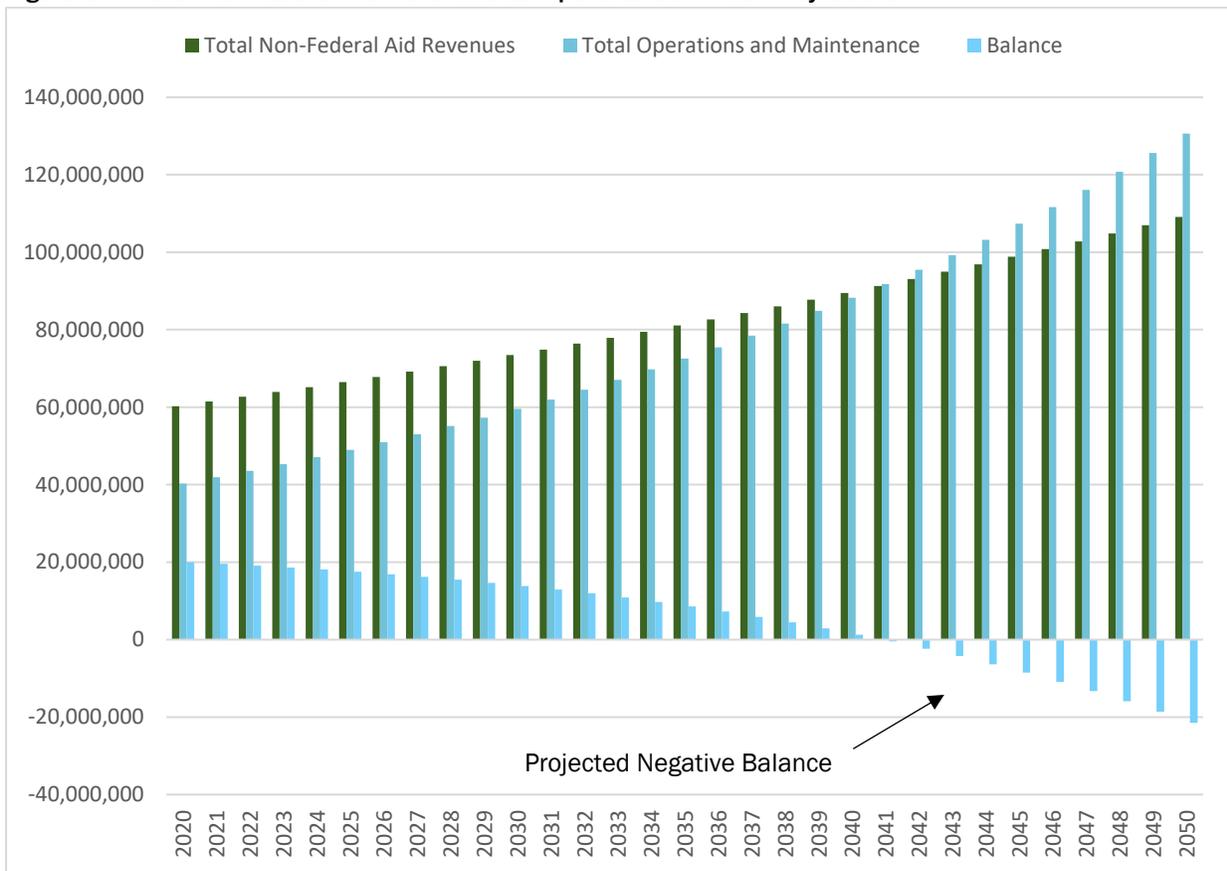
**Table 9.5: Local Non-Federal Aid Revenues & Expenditures Projections**

Fiscal Year	Non-Federal Aid Revenues	Operations Cost on Total Roadway System	Maintenance Cost on Total Roadway System	Balance
2015-2019 (Average)	\$59,054,124	\$13,072,912	\$25,649,350	\$20,331,863
2021-2025	\$319,735,764	\$76,584,965	\$150,261,446	\$92,889,353
2026-2035	\$742,770,232	\$206,541,778	\$405,239,670	\$130,988,784
2036-2045	\$905,432,768	\$305,732,286	\$599,853,705	-\$153,223
2046-2050	\$524,560,412	\$204,162,983	\$400,572,421	-\$80,174,992
<b>Total 2021-2050</b>	<b>\$2,492,499,176</b>	<b>\$793,022,013</b>	<b>\$1,555,927,241</b>	<b>\$143,549,922</b>

Source: Iowa DOT, Secondary Road Operations & Maintenance Data, County Secondary Road Fund Receipts, County Farm to Market Receipts, City Street Finance Report – Expenditures, City Street Finance Report Receipts



**Figure 9.2: Local Non-Federal Aid Revenues & Expenditures Annual Projections**



Source: Iowa DOT, Secondary Road Operations & Maintenance Data, County Secondary Road Fund Receipts, County Farm to Market Receipts, City Street Finance Report – Expenditures, City Street Finance Report Receipts



## Funding Deficiencies

As detailed in Chapter 3, a comprehensive assessment was conducted to estimate the funding needed to bring the region’s federal-aid–eligible secondary and municipal road and bridge network to a state of good repair. Based on the most recent pavement condition and IRI data collected in 2022, approximately 93 miles of locally owned roads are in poor condition. At a conservative cost estimate of \$365,000 per mile, resurfacing these roads would require about \$34 million.

Additionally, an estimated 277 local bridges are rated in poor condition according to sufficiency ratings. Replacing these structures, using the 2017 FHWA bridge replacement unit cost of \$132 per cubic foot for a combined 618,818 cubic feet, would total approximately \$81.7 million.

In total, it would cost approximately \$116 million in current dollars. This figure does not account for future maintenance costs for construction projects or infrastructure that are presently in good condition. Table 9.6 compares expenses to projected state and federal funding outlined in Table 9.4. As shown, the region will experience a significant transportation funding deficiency for federal aid-eligible road and bridge projects over the life of this plan.

As shown in Table 9.5, local non-federal aid revenues are projected to hit a negative balance starting in FY 2041. Unless additional funding sources are identified, the region will continue to face an uphill battle to successfully maintain the road and bridge network at a level that is both safe and does not significantly impede economic development.



**Table 9.6: Projected Funding Deficiency for Federal Aid Eligible Roads & Bridges**

<b>Revenues</b>	
STBG & TAP Flex	\$84,815,834
City Bridge	\$18,018,000
County Bridge	\$101,580,497
Total Revenues	\$204,414,331
Lower cost to improve roads & bridges to a state of good condition	\$116,100,394.00
<b>Total Funding Deficiency</b>	<b>\$88,313,937.00</b>

## Iowa DOT Long-Term Projects for Future Funding

These projects represent long-term initiatives that align with our strategic goals and are being considered for future funding as resources become available. While not prioritized for immediate implementation, they offer significant potential benefits and are anticipated to be viable within the next 10 to 15 years.

**Table 9.7: Iowa DOT Potential Projects for Future Funding**

Jurisdiction	Project	Description	Termini
Iowa DOT	US 63	Resurfacing	C 66/Dunkerton Rd - 275 <sup>th</sup> St, south of Denver
Iowa DOT	US 63	Diamond Grind Pavement	Three miles north of 275 <sup>th</sup> Street, near Denver.
Iowa DOT	IA 57	Resurfacing	East of Parkersburg, 0.60 of a mile
Iowa DOT	US 218	Resurfacing	US 63 to IA 57
Iowa DOT	US 63 & C57	Safety Improvement	

**Short-Term Bikeway Projects**

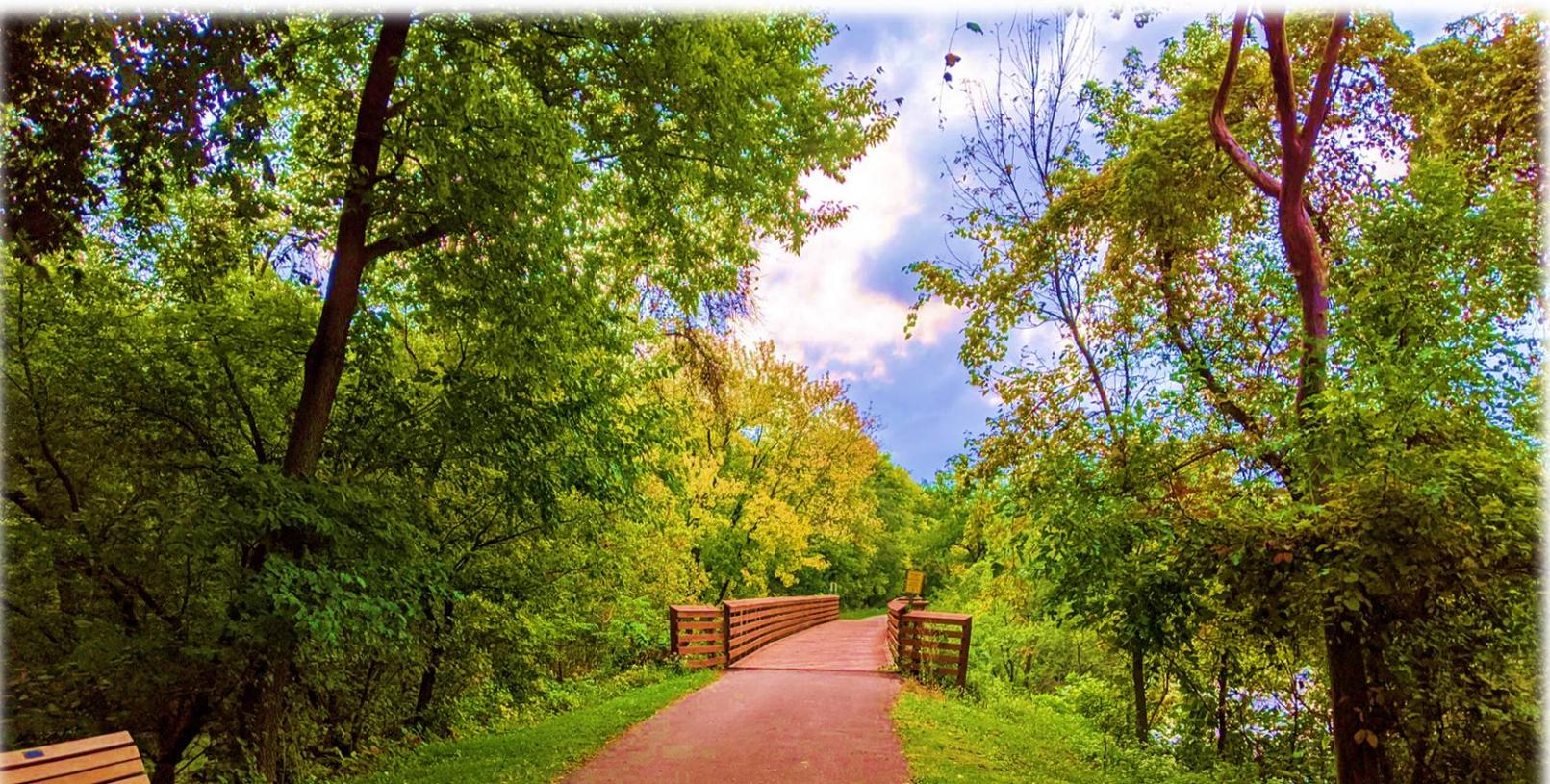
Table 9.8 outlines the programmed projects in the region for federal fiscal years 2026 to 2029, specifically those funded through federal TASA/TAP funds. State and locally funded projects are not included. The table highlights the constraints of this funding source, which is limited to \$360,000 annually. Due to these funding limitations, the program has historically supported only one or two new projects per year.

**Table 9.8 Bicycle and Pedestrian Projects**

Fiscal Year	Jurisdiction	Project	Termini	Cost Estimate (\$)	TASA/TAP Funds (\$)
2026	Butler County Conservation	Rolling Prairie Trail Extension	Dumont to the Franklin Co. Line	634,617	484,500
2026	City of Denver	Brandt Park Trail Loop	Trail loop in Brandt Park with/ sidewalk connection to bike lanes on State St	431,000	344,800
2026	Buchanan County	Taylor's Ford Trail Bridge Rehab	Historic bridge rehab over the Wapsipinicon River	450,000	343,616
2027	City of Independence	Enterprise Drive Trail Phase II	IA 150 west to 6 <sup>th</sup> Ave SW	258,501	206,801

As shown in Table 9.4, the Iowa Northland Region can anticipate a projection of \$\$8,538,487 in Iowa's TAP and TAP Flex funds for bicycle accommodation projects for FY 2026-2055. Additional funding sources that could be sought after implementing the Regional Bicycle Accommodation Plan include the Surface Transportation Block Grant program, the State Recreational Trails program, the Federal Recreational Trails program, Statewide TAP, and local funds and grants.

**Short-Term Road and Bridge Project** Table 9.7 provides a list of fiscally constrained road and bridge projects from FY 2026-2029. This includes projects programmed through the RTA and the Iowa DOT. These projects are included in the fiscally constrained FY 2026-2029 Transportation Improvement Program.



**Table 9.9: Road and Bridge Projects, FY 2025-2029**

TPMS	Fiscal Year	Jurisdiction	Project	Termini	Description	Cost Estimate (\$)	State/Federal Source
40124	2025	Buchanan Co.	W35 (Quasqueton Diagonal Blvd)	D22 southeast 7.0 miles to W40	Pavement Rehab	\$1,721,000	STBG
45725	2026	Buchanan Co.	W-45	130th St S 5.2 miles to 180th St	Pavement Rehab	3,400,000	STBG
55652	2025	Iowa DOT	US 218	La Porte City limits north 5.7 mi to Schrock Rd	Pavement Rehab	\$770,000	STBG
44770	2025	Butler Co.	T16	IA 3 north 6.0 miles to C23	Pavement Rehab	\$800,000	STBG
47231	2025	Grundy	T37 (M Ave)	IA 14/175 north 2.5 miles to D35	Pavement Rehab	\$800,000	STBG
44902	2025	Black Hawk Co.	D (22) Dubuque Rd	Over Tributary to Indian Creek, S6 T88 R11	Bridge Replacement	\$625,000	HBP
38950	2025	Chickasaw Co.	B28 (140th Street),	Over Little Wapsipinicon River, S6, T96, R13	Bridge Replacement	\$1,794,000	HBP
36649	2025	Grundy Co.	S16 T88 R16	P Ave, D25north 0.9 Miles to Black Hawk Creek,	Bridge Replacement	\$725,000	HBP
52430	2025	Denver	State St	Prestien Dr N 0.43 miles to Quarter Section Run Bridge	Pavement Rehab	312,500	SWAP-STBG
45587	2026	Buchanan Co.	W-40	Over Unnamed Creek, from 250th St SE 0.8 miles	Bridge Replacement	1,100,000	HBP
45893	2026	Chickasaw Co.	Winslow Rd (C-55)	Over Tributary to W Fork Cedar River	Bridge Replacement	500,000	HBP
53409	2026	Chickasaw Co.	V-14	Over Wapsipinicon River Overflow	Bridge Replacement	1,067,500	HBP
53434	2026	Chickasaw Co.	Vanderbilt Ave	Over Little Turkey River	Bridge Replacement	500,000	HBP
55051	2026	Bremer Co.	Various	Various County Highways at State Highway Intersections	Traffic Signs (Safety)	42,750	SWAP-HSIP
35012	2026	Bremer Co.	V-19	Over Quarter Section Run	Bridge Replacement	1,500,000	HBP
47216	2026	Butler Co.	120th St	Over Stream, from Ridge Ave W 0.2 miles	Bridge Replacement	700,000	HBP
35851	2026	Butler Co.	Ridge Ave	Over Small Stream, from IA Hwy 3 N 400 feet	Bridge Replacement	300,000	HBP
38920	2026	Grundy Co.	T-55	Over Branch Beaver Creek, from Westbrook St S 0.4 miles	Bridge Replacement	750,000	HBP
27164	2026	Bremer Co.	240th St	Over Creek	Bridge Replacement	300,000	HBP
52431	2027	Independence	1st St W	10th Ave NW E 0.53 miles to Wapsipinicon River Bridge	Pavement Rehab	3,140,000	SWAP-STBG
37121	2027	Buchanan Co.	150th St	Over Otter Creek, from Indiana Ave, W 0.1 miles	Bridge Replacement	1,500,000	HBP
53373	2027	Black Hawk Co.	Eagle Rd (D-46)	Over Miller Creek	Bridge Replacement	950,000	HBP
53435	2027	Chickasaw Co.	V-56	US Hwy 18 N 3.1 miles to B-54	Pavement Rehab	2,269,000	STBG
55327	2027	Chickasaw Co.	B-28	Over the Wapsipinicon River	Bridge Replacement	1,584,000	HBP
19177	2027	Chickasaw Co.	190th St	Over Plum Creek	Bridge Replacement	515,000	HBP
37703	2027	Grundy Co.	I Ave	Over Unnamed Stream, from 120th St N 0.125 miles	Bridge Replacement	640,000	HBP
36650	2027	Grundy Co.	160th St	Over the South Fork of Beaver Creek, from H Ave, W 0.3 miles	Bridge Replacement	1,500,000	HBP
52183	2027	Grundy Co.	T Ave	Over Branch of Black Hawk Creek	Bridge Replacement	275,000	HBP
45578	2027	Grundy Co.	110th St	Over Fork of Beaver Creek, from L Ave W 0.6 miles	Bridge Replacement	1,500,000	HBP
55221	2027	Bremer Co.	V-21	Waverly, NE 10.0 miles to IA 188	Pavement Rehab	3,000,000	STBG
44770	2027	Bremer Co.	150th St	Over Horton Creek	Bridge Replacement	900,000	STBG
37174	2027	Butler Co.	T-16/C-13	C-23 north and west 5.5 miles to Franklin Co.	Pavement Rehab	1,350,000	HBP
40184	2027	Butler Co.	Jay Ave	Over Small Stream, from 290th St N 0.5 miles	Bridge Replacement	600,000	HBP
53373	2027	Butler Co.	Liberty Ave	Over Beaver Creek, from 320th St N 0.2 miles	Bridge Replacement	900,000	STBG
45579	2027	Bremer Co.	180th St	Over Crane Creek	Bridge Replacement	920,000	HBP
55351	2027	Bremer Co.	160th St	Over Quarter Section Run	Bridge Replacement	345,000	HBP
55917	2027	Bremer Co.	C-33	Over Baskins Creek	Bridge Replacement	1,035,000	Grant
55924	2027	Bremer Co.	C-33	Over Quarter Section Run	Bridge Replacement	1,035,000	Grant
55925	2027	Bremer Co.	C-33	Over the Wapsipinicon River	Bridge Replacement	4,360,000	Grant

TPMS	Fiscal Year	Jurisdiction	Project	Termini	Description	Cost Estimate (\$)	State/Federal Source
55191	2028	Independence	Multiple Roads	7th St SW, 2nd Ave SW, 6th St SE, 9th Ave SW	Pavement Rehab	413,021	PRF
37127	2028	Buchanan Co.	330th St	Over Lime Creek, from Finley Ave E 0.2 miles	Bridge Replacement	2,000,000	HBP
45592	2028	Buchanan Co.	Wapsi Access Blvd	Over Harter Creek, from D-16 (Otterville Blvd) SE 0.9 miles	Bridge Replacement	875,000	HBP
10455	2028	Black Hawk Co.	Fox Rd	Over Spring Creek	Bridge Replacement	680,000	HBP
55329	2028	Chickasaw Co.	B-66	Over the Wapsipinicon River	Bridge Replacement	2,668,750	HBP
53372	2028	Chickasaw Co.	V-18	Alta Vista SCL N 2.5 miles to Howard Co. Line	Pavement Rehab	4,750,000	SWAP-STBG
47228	2028	Grundy Co.	G Ave	Over Tributary Beaver Creek, from Westbrook Ave S 0.1 mi.	Bridge Replacement	575,000	HBP
52192	2028	Grundy Co.	110th St	Over Branch of Beaver Creek, from T-55 W 0.4 miles	Bridge Replacement	575,000	HBP
38995	2028	Bremer Co.	V-48	Over Stream	Bridge Replacement	600,000	HBP
53441	2028	Butler Co.	T-55	C-45 S 4.2 miles to West Fork Cedar River Overflow Bridge	Pavement Rehab	1,200,000	STBG
40459	2028	Grundy Co.	D-17	T-55 E 4.0 miles to Black Hawk Co.	Pavement Rehab	1,400,000	STBG
52489	2026	Iowa DOT	US 218	Cedar River in Janesville to IA 116 in Waverly	New interchange	26,897,000	NHPP
52688	2026	Iowa DOT	US 63	E Fork Wapsipinicon River 2.1 mi. N of US 18	Bridge Rehab	1,060,000	STBG
52522	2026	Iowa DOT	US 218	Big Creek Overflow 0.3 mi. N of D-48	Bridge Replacement	2,267,000	STBG
54680	2027	Iowa DOT	IA 150	Wapsipinicon River in Independence	Bridge Rehab	1,276,000	STBG
52523	2028	Iowa DOT	US 18	Little Cedar River, 1.0 mi. E of T-74	Bridge Replacement	5,835,000	STBG
55625	2028	Iowa DOT	IA 3	Boylan Creek 2.4 mi. E of T-16	Bridge Rehab	2,010,000	STBG
55624	2028	Iowa DOT	IA 93	Stream 0.7 mi. West of V-62 in Sumner	Bridge Rehab	1,880,000	STBG
55622	2028	Iowa DOT	IA 3	Drainage Ditch 2.1 mi. W of V-56	Bridge Rehab	350,000	PRF
55621	2028	Iowa DOT	IA 57	T-47 to New Hartford	Pavement Rehab	11,815,000	STBG
45886	2029	Black Hawk Co.	T69/D18, D19	T69/D18 S of US 20 N 1.4 mi; D19 0.6 mi. W of T69 E 0.8 mi.	Pavement Rehab	\$3,590,000	STBG
32182	2029	Bremer Co.	V14	C33 N 5.0 mi. to south of Horton	Pavement Rehab	\$3,142,873	STBG
53442	2029	Butler Co.	T55	West Fork Cedar River Bridge S 5.0 mi. to Beaver Valley St	Pavement Rehab	\$1,450,000	STBG
57958	2029	Iowa DOT	IA 57	Beaver Creek 1.3 mi E of Co Rd T53	Bridge Replacement	\$1,310,000	STBG
57957	2029	Iowa DOT	US 20	Buffalo Creek 2.3 mi E of Co Rd W40	Bridge Deck Rehab	\$1,560,000	STBG
57931	2029	Iowa DOT	US 20	Co Rd W35 2.5 mi E of IA 150	Bridge Rehab	\$630,000	PRF
57932	2029	Iowa DOT	IA 150	Branch Bear Creek 3.5 mi N of Co. Rd. D48	Bridge Rehab	\$260,000	PRF
57930	2029	Iowa DOT	IA 175	Branch Blackhawk Creek 0.8 mi W of Co Rd T69	Bridge Rehab	\$455,000	PRF
57928	2029	Iowa DOT	IA 187	220th St to IA 3	Grading, Right of Way	\$1,510,000	PRF
57538	2029	Black Hawk Co.	Osage Rd.	Over Poyner Creek, S31 T89N R11W	Bridge Replacement	\$770,000	HBP
7130	2029	Bremer Co.	C38	Over BUCK CREEK, S33 T92 R11	Bridge Replacement	\$800,000	HBP
53425	2029	Grundy Co.	D 25	0.1 mi. east of Concord Ave over a branch of Beaver Creek	Culvert Replacement	\$600,000	HBP
52196	2029	Grundy Co.	290 <sup>th</sup> St.	0.3 mi. west of M Ave over Wolf Creek, S11 T86 R17	Culvert Replacement	\$425,000	HBP
53426	2029	Chickasaw Co.	T78	Over LITTLE CEDAR, S9 T95N R14W	Bridge Replacement	\$1,982,500	HBP

## RTA Project Selection Process

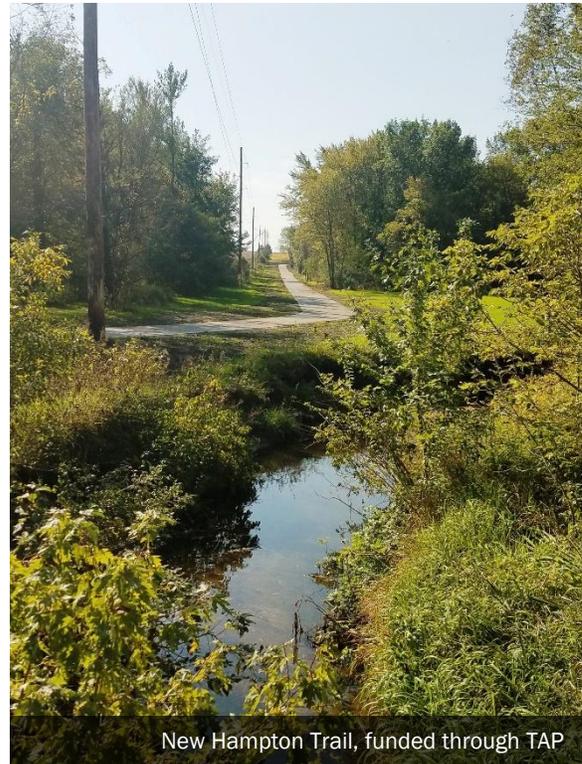
The RTA allocates funding to projects through three primary sources: the Surface Transportation Block Grant (STBG) Program, Iowa's Transportation Alternatives Program (TAP), and TAP-Flex. TAP-Flex funds are divided between STBG and TAP at the discretion of the RTA Policy Board. The following sections detail the RTA's process for selecting TAP and STBG projects as part of its annual Transportation Improvement Program (TIP) development.

### Iowa's Transportation Alternatives Program (TAP)

The FAST Act mandates that projects funded through the Transportation Alternatives Program (TAP) be selected through a competitive process. This approach is intended to enhance transparency, objectivity, and openness, while also improving overall project quality. To meet this requirement, the RTA employs a project ranking system, and the RTA Policy Board established specific funding criteria at its December 21, 2017, meeting. Jurisdictions with proposed projects must submit them in advance of the annual TAP Committee meeting.

Candidate projects must meet the following requirements:

- Commitment of the local sponsor by resolution to maintain the project for a minimum of 20 years.
- If awarded, projects must be let within two years of October 1 of the original program year.
- For construction projects, a minimum total project cost of \$100,000 (\$80,000 federal) with a 20 percent match and a minimum federal-aid participation level of 40 percent.
- Eligible project sponsors include:
  - Cities
  - Counties
  - County Conservation Boards
  - School Districts (co-applicant only)
- Eligible activities include:
  - Pedestrian and bicycle facilities and amenities, including safe routes to school infrastructure
  - Recreational trails program activities under 23 U.S.C. 206 of Title 23
  - Planning studies related to either of the above activities
  - Safe routes to school non-infrastructure programs (i.e., pedestrian safety education, bicycle rodeos, safe routes to school coordinator)
- Ineligible activities include:
  - Design engineering and construction-related services
  - Sidewalk maintenance
- Funding within the four-year Transportation Improvement Program (TIP) may be advanced to earlier years of the TIP.
- Applications must include a completed *Iowa TAP Project Criteria Form* and *Iowa's TAP Application Form*, along with all required attachments. Incomplete applications will not be considered for funding.
- Projects submitted for consideration will be reviewed by RTA staff for program eligibility before the project ranking process.



New Hampton Trail, funded through TAP

TAP projects are ranked and recommended for funding based on the following criteria:

- Project Readiness
  - Ability to meet federal requirements
  - Ability to meet programming timelines
  - Status of matching funds
  - Amount of matching funds
  - Public acceptance of the project
  - Right-of-way constraints
- Relationship with Transportation System
  - Ability to minimize conflict points
  - Connectivity to existing facilities
  - Enhancement of the existing transportation system
  - Relationship to complete streets
  - Inclusion in state, regional, and local plans
- Associated Benefits
  - Environmental and social impacts
  - Regional economic development impact
  - Regional tourism impact
  - Sustainability elements of the project
- Other
  - Cost of public benefit
  - Involvement of or benefit to multiple jurisdictions
  - Predicted usage relative to population

Project sponsors are required to identify which criteria their project relates to and provide a brief sentence describing the relationship within the *Iowa TAP Project Criteria Form*.

Each project sponsor can present their project at the TAP Committee meeting. Projects are evaluated through a direct comparison method, where each project is compared head-to-head with every other project. For each pair, the preferred project receives one point. After all comparisons are completed, the points are totaled to generate a ranked list of projects for funding consideration.

Project rankings are determined by the voting entities present at the TAP Committee meeting. INRCOG and the Iowa DOT do not vote but may offer staff recommendations upon request. Voting on project rankings is conducted as follows:

- Each County has up to two votes from different departments (engineering, conservation, economic development, etc.)
- Each city has one vote
- Silos & Smokestacks has one vote

Projects are recommended for funding based on their ranking and available funding levels. The TAP Committee has the discretion to determine the federal funding share allocated to each selected project. The draft TAP funding recommendations are then forwarded to the RTA Technical Committee for inclusion in the draft Transportation Improvement Program (TIP).

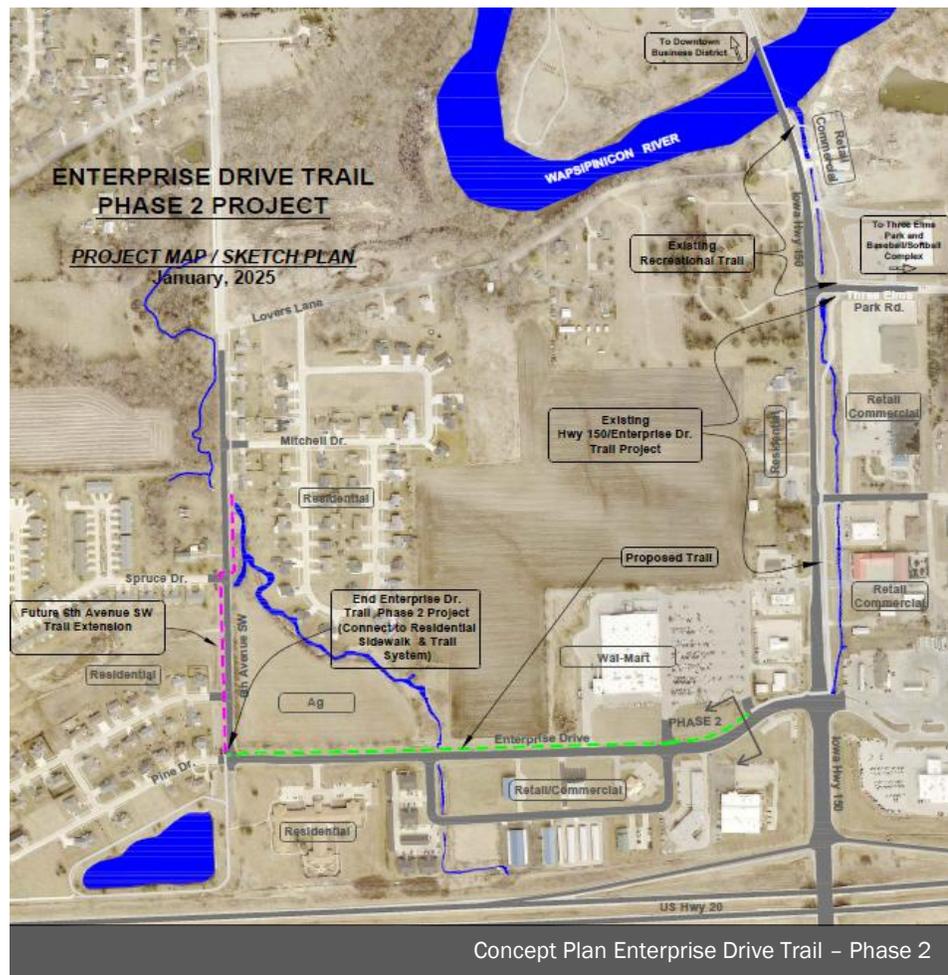
## TASA/TAP Projects

### Enterprise Drive Trail - Phase 2 – City of Independence, Buchanan County

The City of Independence is seeking partial funding from the Iowa Department of Transportation's Transportation Alternatives Set-Aside (TASA) program to construct a 2,000-foot (0.4-mile) trail extension. This project will complete a key segment of the community's master trail plan, beginning at the current trail terminus west of Highway 150 on Enterprise Drive and extending west to the intersection of 6th Avenue SW and Pine Drive. Designed with a flat corridor, ADA-compliant features, safe all-way stop intersections, and dedicated easement space, the extension will provide a secure and accessible route fully separated from vehicle traffic.

As Phase II of the Highway 150/Enterprise Drive Trail, this extension will enhance the transportation system while delivering broad community benefits. It offers a safe, low-cost alternative for walking, cycling, and other non-motorized travel, reducing congestion and vehicle emissions.

The project encourages healthy lifestyles, expands access to parks and natural areas, strengthens neighborhood and cultural connectivity, and fosters social interaction and mobility by linking residents, visitors, schools, and businesses. Together, these improvements will expand Independence's trail network, promote active transportation, and provide lasting recreational and community benefits for residents and visitors alike.

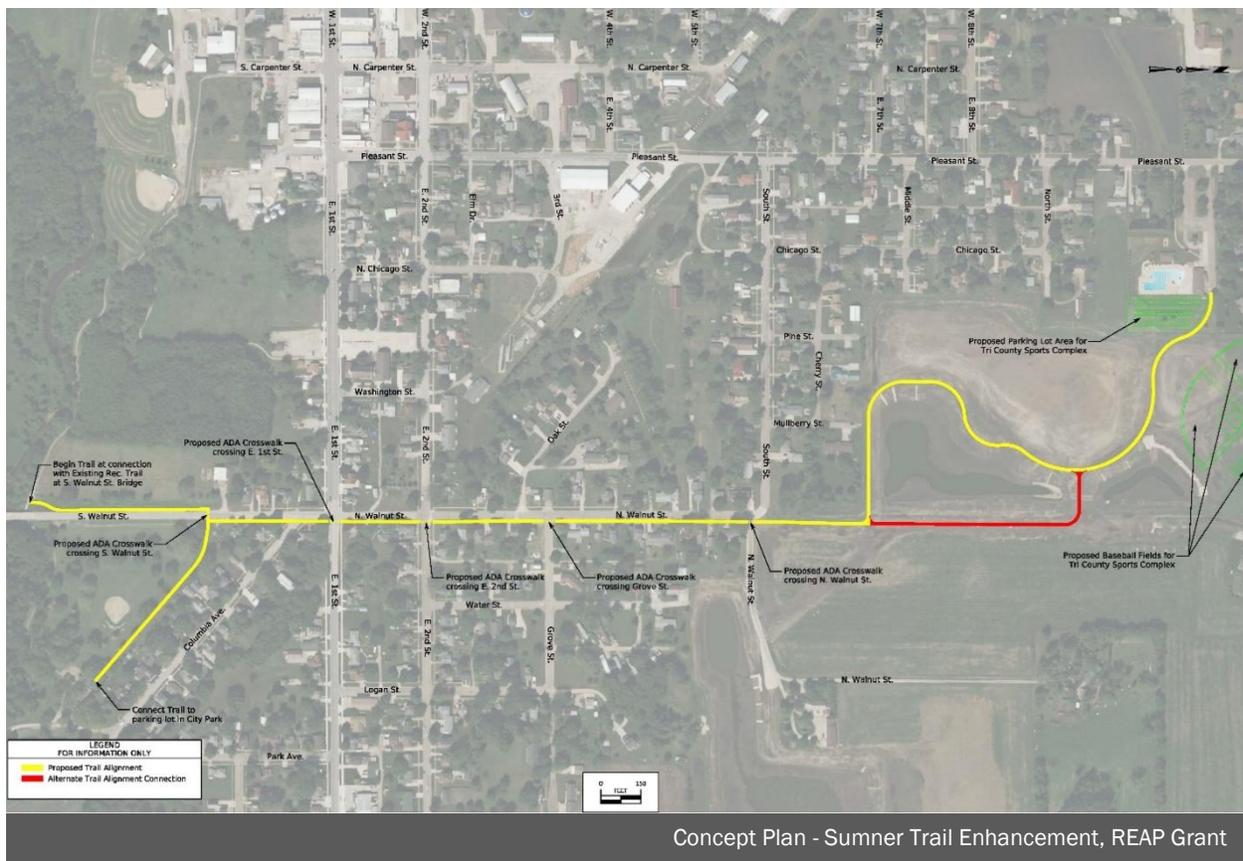


The project will launch in January 2027 with the initiation of preliminary design and the submittal of the concept statement, setting the stage for a critical trail extension in Independence. Construction is scheduled for completion by July 2028, with a final construction audit and project close-out planned for September 2028. The total project cost is \$317,094, of which 80% is being requested through the Transportation Alternatives Set-Aside program. The remaining 20% will be provided as the required local match, ensuring both state and local investment in a project that will strengthen the community's trail network, improve mobility, and expand recreational opportunities.

## Investing in Regional Trail Expansion - 2025 REAP Applications

### City of Sumner, Bremer County – 2025 REAP Grant.

In 2025, the City of Sumner, Bremer County, has recently submitted a \$75,000 REAP (Resource Enhancement and Protection) grant application to support trail development and connectivity. The request seeks funding to enhance the existing Sumner Trail and construct a new trail segment along Walnut Street and Columbia Avenue. This new segment would serve as a vital link between the community's two major parks, Cub Park and City Park, as well as the planned Tri-County Sports Complex.



In addition to expanding recreation opportunities, the project is designed to help mitigate flooding impacts from the Little Wapsipinicon River. By extending and connecting the trail system, the project will integrate Sumner Trail into the broader regional multi-use trail network, while also improving recreational accessibility and quality of life for Sumner residents.

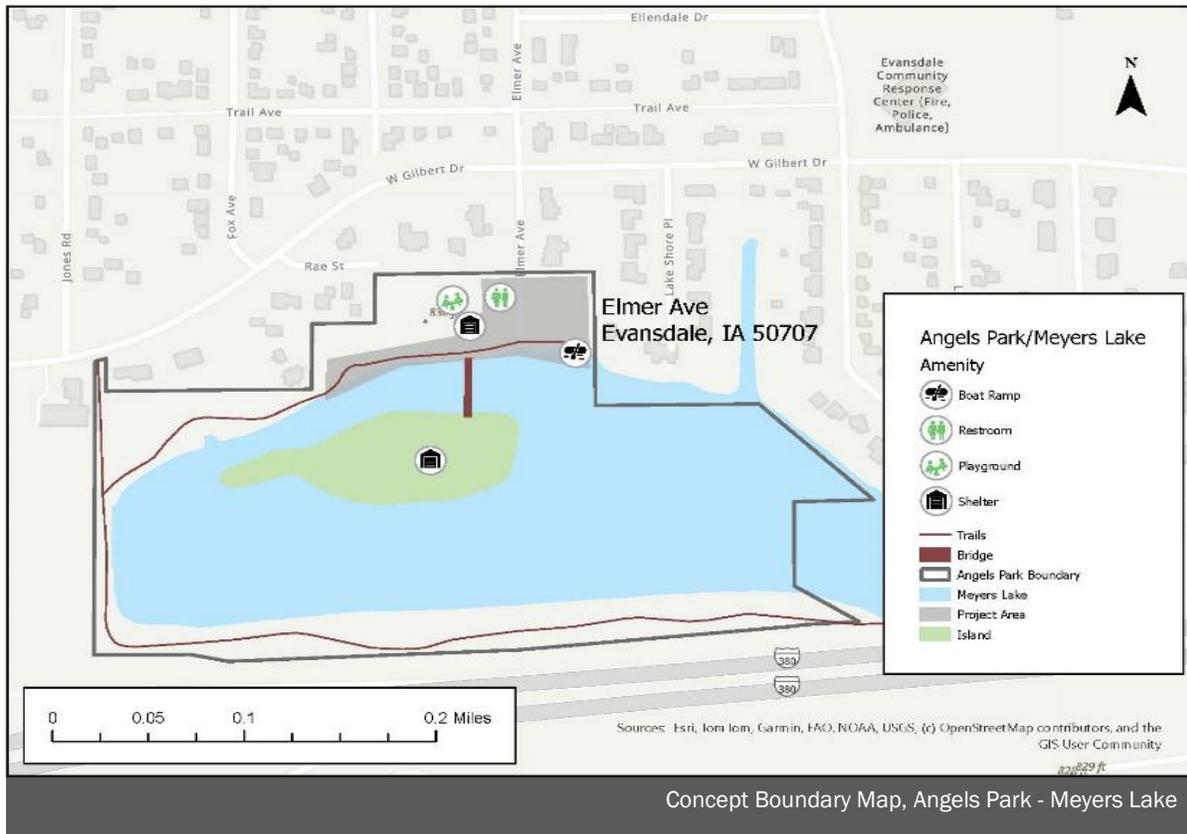
**City of Evansdale, Black Hawk County - Angels Park -& Meyers Lake, - 2025 REAP Application.**

The City of Evansdale’s 2025 \$75,000 REAP grant request focuses on preserving and enhancing Angels Park and Meyers Lake, two of the community’s most valued natural and recreational amenities. The project is designed to balance environmental stewardship, public accessibility, and trail connectivity, ensuring these spaces remain safe and welcoming for all users. The improvements include;

- Water Quality Improvements – Construction of a bio-retention system and installation of native plantings to naturally filter and treat stormwater runoff before it enters the riparian ecosystem.
- Shoreline Protection – Erosion wall repairs to stabilize the lakeshore, protecting both water quality and recreational infrastructure.
- Accessibility Upgrades – Renovation of ADA-compliant restrooms and enhancements to pedestrian trails, expanding access for users of all ages and abilities.



The Evansdale Nature Trail begins north of Lafayette Road and winds south around Meyers Lake before linking to Gilberts Drive on the west side.. These improvements will also encourage more people to visit Angels Park and Meyers Lake, supporting both community use and regional tourism.



### **Surface Transportation Block Grant (STBG) Program.**

Each jurisdiction with proposed projects must submit them before the annual Technical Committee meeting. During this meeting, both existing and new candidate projects are reviewed. The Technical Committee selects projects for inclusion in the draft Transportation Improvement Program (TIP) based on project quality and fiscal constraints. Roadway projects must align with those identified in the most recent Long-Range Transportation Plan. Consideration is also given to jurisdictional need and the availability of alternative funding sources. A consensus is reached by evaluating the overall cost relative to the anticipated transportation benefits of each project.

The RTA does not currently use a formal ranking or scoring system for STBG projects. Instead, a Funding Equity Guideline spreadsheet is utilized to provide suggested funding ranges for each jurisdiction. These ranges are based on 2018 vehicle miles traveled (secondary for counties, municipal for cities) and total federal-aid eligible mileage (Minor Arterials and Collectors). The spreadsheet is updated annually to reflect a rolling ten-year allocation history. While these allocation factors promote long-term funding equity, they do not guarantee specific funding amounts for jurisdictions. The RTA Policy Board adopted the current STBG funding requirements on May 17, 2018.

Candidate projects must meet the following requirements:

- For construction projects, a minimum total project cost of \$100,000 (\$80,000 federal) with a minimum 20 percent match and a federal-aid participation level of 40 percent.
- Eligible activities include
  - Major new construction, reconstruction, or resurfacing of roadways or bridges
  - Regional planning and planning studies
  - Transit capital purchases
  - Projects eligible under the RTA's TAP
  - ADA-compliant ramp reconstruction in conjunction with an adjacent road reconstruction or resurfacing project
  - Minor utility adjustments and incidental utility work are necessary to complete a roadway project
- Ineligible activities include:
  - Design engineering and construction-related services
  - Sidewalk maintenance
- Roadway projects must be on federally classified routes that are Minor Collectors or above, or a Farm-to-Market route.
- Applications must include a completed *STBG Project Submittal Form*. Incomplete applications will not be considered for funding.
- Project sponsors will participate in the Iowa DOT's federal-aid swap for all eligible road and bridge projects.

Submitted STBG applications are reviewed during the Technical Committee meeting. As part of the process, project sponsors are required to provide detailed information about their projects and are allowed to present them at the meeting. The Technical Committee then prioritizes projects for funding based on factors such as project benefits, jurisdictional need, and the program's funding and timing constraints. The Funding Equity Guideline may also be used, as needed, to assist in developing the draft funding recommendations.