

## **Chapter 10: Financial Capacity**

Funding is necessary to achieve the goals of this plan and to implement the projects identified in this plan. There are funding sources available at the local, state and federal levels for implementing a project. Some of these sources have been discussed in previous chapters, others will be identified in this chapter. The purpose of this chapter is to compare the costs of projects identified during the regional planning process to the anticipated funding.

### **Available Revenue Sources**

Cities and counties have several revenue streams available for projects, these include local, state and federal funds. At the local level this includes tax revenue and general obligation bonds. A portion of state revenue from fuel tax vehicle registrations State revenue available to cities and counties through a share of Road Use Tax funds and TIME 21 funds. Iowa DOT grant programs funded through the state are also available to cities and counties, and include: Traffic Safety Improvement Program (TSIP), State Recreational Trails, Revitalize Iowa's Sound Economy (RISE), Traffic Engineering Assistance Program (TEAP), County-State Traffic Engineering Program (C-STEP), Urban-State Traffic Engineering Program (U-STEP) Railroad Revolving Loan and Grant Program (RRLGP), Pedestrian Curb Ramp Construction Program, State Transit Assistance (STA) and Public Transit Infrastructure Grant (PTIG) . Federal funds include STBG/SWAP and TAP funds allocated through the RPA, Highway Bridge Program funds allocated directly to the counties and several grant programs administered by the Iowa DOT. The programs administered by the Iowa DOT include the Highway Safety Improvement Program (HSIP-Secondary and HSIP-Local), City and County Bridge, Iowa Clean Air Attainment Program (ICAAP), Linking Iowa's Freight Transportation System (LIFTS), Federal Recreational Trails, Statewide Transportation Alternatives (TAP), 5311 and 5339 funds for public transit.

Figure 10.1 provides an overview of the funding sources available to cities and counties by type, if it is federal, state or local funding and identifies the funding program. It summarizes the project types that the funds may be used for, either roads and bridges or bicycle and pedestrian. And it lists the source that the city or county would apply to for the funds, the Iowa DOT, the Regional Planning Affiliation or if is a procedure the city/county implements.

A discussion of funding sources relevant to specific modes may be found in that chapter. An up to date list of federal and state transportation funding sources administered through the Iowa Department of Transportation may be found at: [https://iowadot.gov/pol\\_leg\\_services/funding-guide](https://iowadot.gov/pol_leg_services/funding-guide) and federal discretionary grants may be found at: [Funding Opportunities | US Department of Transportation](#).

**Figure 10.1: Funding Sources for Transportation Projects**

Funding Type	Funding Program	Project Type			Source
		Roads and Bridges	Bike and Ped	Transit	
Federal	STBG/SWAP	X	X	X	RPA
	Highway Bridge Program	X			Iowa DOT
	TAP		X	X	RPA
	Statewide TAP		X		Iowa DOT
	HSIP-Secondary	X			Iowa DOT
	City and County Bridge	X			Iowa DOT
	ICAAP	X	X		Iowa DOT
	LIFTS	X			Iowa DOT
	Federal Rec Trails		X		Iowa DOT
	5339			X	Iowa DOT
5311			X	Formula	
State	TSIP	X			Iowa DOT
	State Rec Trails		X		Iowa DOT
	RISE	X			Iowa DOT
	TEAP	X	X		Iowa DOT
	C-STEP/U-STEP	X			Iowa DOT
	RRLGP <sup>^</sup>				Iowa DOT
	Pedestrian Curb Ramp		X		Iowa DOT
	PTIG			X	Iowa DOT
	STA			X	Formula
	City Streets	X			Formula
	Secondary Roads	X			Formula
Farm to Market	X			Formula	
Local	Property Tax*	X	X	X	City/County
	Local Option Sales Tax	X	X	X	City/County
	Tax Increment Financing	X	X		City/County
	General Obligation Bonds	X	X		City/County

<sup>^</sup>RRLGP funds are used for rail projects involving targeted job creation, network improvements, or rail port planning and development.

\* The transit levy rate is capped at \$0.95 per \$1,000 of taxable valuation.

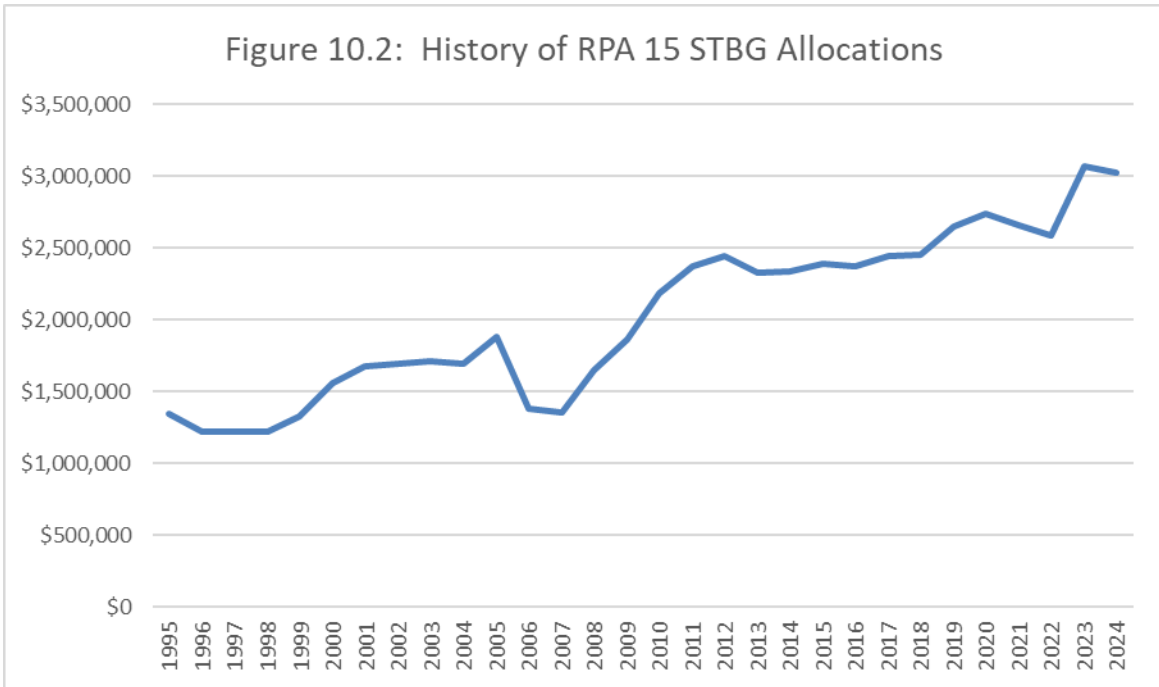
## History of STBG and TAP Funds and Future Funding Projections

The Regional Planning Affiliation received its first allocation of Surface Transportation Block Grant Funds in 1995. At that time the funds were referred to as Surface Transportation Program funds, however their use was very similar to today. The amount allocated to the RPA that first year was \$1,342,293, since that first year the amount allocated each year has increased to the \$3,069,564 the region received in 2023. In 2006 and 7 the region saw a significant decrease due to a decline in obligation authority in 2005.

The RPA sub-allocates STBG funds to all the counties and to the cities with populations over 5,000. The region also sub-allocations for planning, regional transit and small cities/lowa DOT (special projects). The amount that the counties used to receive under the old Federal Aid System prior to the creation of the RPAs is set aside first for the counties. The three amounts for planning, transit and special projects are set by the board. Cities with populations over 5,000 allocations are based on their population and a per capita rate. County allocations are based on their percentage of the region's farm to market factor.

In 2018 the Iowa DOT implemented a new policy called SWAP for the 2019-2022 Statewide Transportation Improvement Program. This policy swapped federal funding from STBG, CMAQ, ICAAP, and HSIP for road and bridge projects for state primary road funds. The change had an impact on RPA funding in that under SWAP, projects were eligible for up to 100% reimbursement compared to 80% reimbursement under STBG. After the passage of the Infrastructure Investment and Jobs Act and the increase in federal funds, including STBG, to the states, Iowa DOT determined that it did not have state primary road funds to swap all these funds. The SWAP policy for most programs transitioned back to federal aid in January 2023. There are three programs where funding remains eligible for SWAP: STBG funds programmed by RPAs to cities, City and County projects awarded HSIP-Local and SWAP funds will be used for the 20% match for County and City Bridge Program.

Figure 10.2 shows the history of STBG allocations for the region from 1995 through 2024. Figure 10.3 shows the history of STBG funds including the allocation and the programming each year and shows the available balance.



**Figure 10.3: History of RPA 15 STBG Funds**

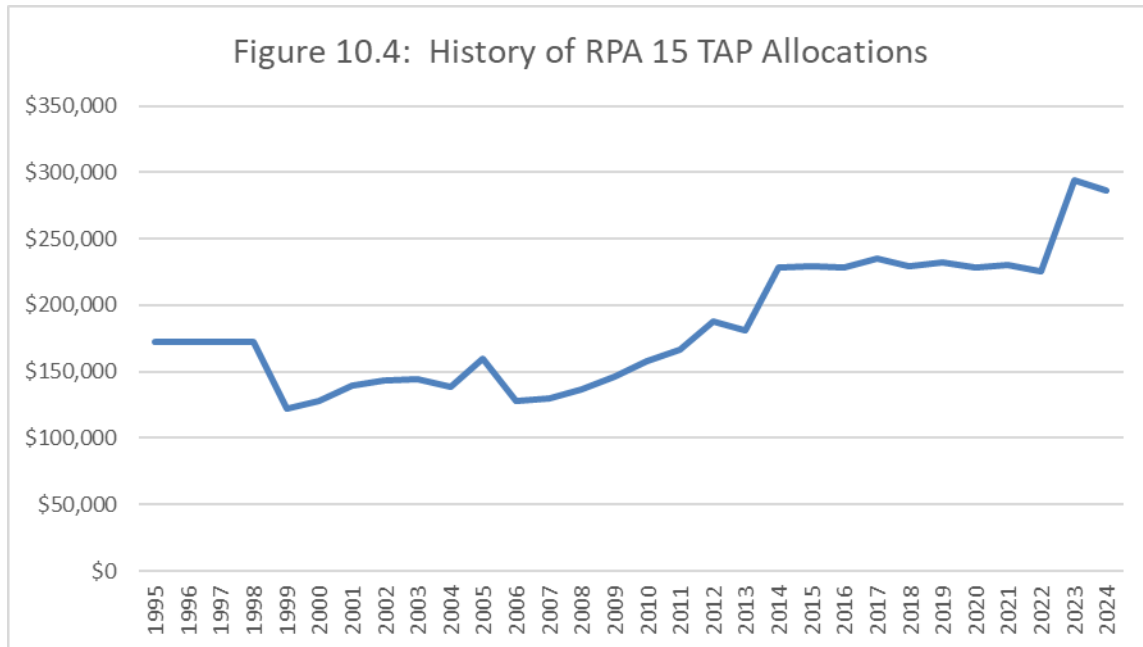
STBG/SWAP Fund			
Year	Allocation	Programmed	Balance
95	1,342,293	717,226	625,067
96	1,218,000	1,159,700	683,367
97	1,218,000	1,157,530	743,837
98	1,218,000	1,961,260	577
99	1,328,000	646,535	682,042
00	1,559,000	549,577	1,691,465
01	1,675,000	687,927	2,678,538
02	1,693,105	1,266,180	3,105,463
03	1,711,677	1,720,255	3,096,885
04	1,692,944	1,438,150	3,351,679
05	1,880,901	3,429,199	1,803,381
06	1,382,433	503,908	2,681,906
07	1,353,618	3,628,035	407,489
08	1,644,190	804,354	1,247,325
09	1,865,713	2,097,304	1,015,734
10	2,184,340	74,777	3,125,297
11	2,370,653	1,226,926	4,269,024
12	2,442,696	2,322,149	4,389,571
13	2,326,603	636,630	6,079,544
14	2,331,470	3,025,234	5,385,780
15	2,387,498	1,230,000	6,543,278
16	2,374,794	3,167,011	5,751,061
17	2,444,518	6,488,896	1,706,683
18	2,450,618	2,530,700	1,626,601
19	2,649,492	2,888,960	1,387,133
20	2,736,547	2,749,111	1,374,569
21	2,655,569	3,619,138	411,000
22	2,585,698	450,000	2,546,698
23	3,069,564	3,281,608	2,334,654
24	3,025,429	3,737,831	1,622,252
25	3,084,000	2,800,000	1,906,252
26	3,142,000	3,640,000	1,408,252
27	3,202,000	2,563,960	2,046,292
<b>TOTAL</b>	<b>70,246,363</b>	<b>68,200,071</b>	<b>2,046,292</b>

Source: RPA 15 Balance Sheet

Transportation Alternative Program funds were also first allocated to the region in 1995. Originally these funds were referred to as Transportation Enhancement funds, they could be used for many of the same types of projects that TAP funds can be used for today. Initially the RPA was given almost \$700,000 in 1995 to spread over four years. Starting in 1999 the region started to receive annual allocations and received \$122,000 that year and increased to \$180,837 in 2013. With the change in federal legislation from SAFETEA-LU to MAP-21, TAP funding would see an almost 30% decrease in funding. The Iowa DOT allocated flexible funds, called STBG-TAP Flex, that could be used for TAP. To prevent a shortfall in funding, RPA 15 allocated these flexible funds to

TAP from 2014 to 2022. In 2023 STBG-TAP Flex was gone, however TAP funding had increased by 30% to \$293,971.

Figure 10.4 shows the history of TAP allocations in the region from 1995 through 2024. The history of TAP funds including the allocation and the programming for each year and available balance is shown in figure 10.5.



**Figure 10.5: History of RPA 15 TAP Funds**

TAP Fund			
Year	Allocation	Programmed	Balance
95	691,951	0	691,951
96		0	691,951
97		206,903	485,048
98		0	485,048
99	122,000	60,000	547,048
00	128,000	0	675,048
01	140,000	28,000	787,048
02	143,000	543,642	386,406
03	144,000	504,577	25,829
04	139,000	0	164,829
05	159,469	148,000	176,298
06	128,314	85,008	219,604
07	130,311	392,953	-43,038
08	136,762	161,451	-67,727
09	146,446	162,640	-83,921
10	157,514	268,170	-194,577
11	166,770	0	-27,807
12	188,267	0	160,460
13	180,837	0	341,297
14	227,963	0	569,260
15	229,705	240,000	558,965
16	228,237	185,600	601,602
17	235,337	417,844	419,095
18	229,290	0	648,385
19	232,589	843,178	37,796
20	228,347	204,968	61,175
21	230,393	0	291,568
22	225,535	0	517,103
23	293,971	528,000	283,074
24	286,410	318,000	251,484
25	296,000	318,000	229,484
26	306,000	318,000	217,484
27	316,000	0	533,484
<b>TOTAL</b>	<b>6,468,418</b>	<b>5,934,934</b>	<b>533,484</b>

*Note: FFY14-22, the allocation includes both the TAP and STBG-TAP Flex funds.*

*Source: RPA 15 Balance Sheet*

The Iowa Department of Transportation provides targets each year for the next four years of STBG and TAP funds. These targets provide a forecast of what the region may expect with these two revenue sources over the short term. The region used these targets for the first four years of projections for the STBG and TAP funds. Figure 10.6 shows the region’s projections for the next twenty years. STBG projections beyond the four years of targets were based on the average of the year-to-year change for the past

ten years, which equals \$69,396. TAP projections beyond the four years were based on the average of the year-to-year change for the past ten years, which equals \$5,845.

While Highway Bridge Program (HBP) funds are not programmed by the RPA, they are included in figure 10.6 since they are allocated directly to the counties by formula and are a funding source the counties regularly use. HBP projections are based on the region’s four-year average for replacement and rehab. A regular level of increase cannot be easily determined for this program since each county’s percentage of the funding is based on their share of bridges in poor and fair condition which fluctuate each year.

**Figure 10.6: Future Funding Projections for RPA 15**

	STBG	TAP	STBG-Bridge
2024	\$3,025,479	\$286,410	3,294,165
2025	\$3,084,000	\$296,000	\$3,294,165
2026	\$3,142,000	\$306,000	\$3,294,165
2027	\$3,202,000	\$316,000	\$3,294,165
2028	\$3,202,000	\$316,000	\$3,294,165
2029	\$3,271,396	\$321,845	\$3,294,165
2030	\$3,340,792	\$327,690	\$3,294,165
2031	\$3,410,188	\$333,535	\$3,294,165
2032	\$3,479,584	\$339,380	\$3,294,165
2033	\$3,548,980	\$345,225	\$3,294,165
2034	\$3,618,376	\$351,070	\$3,294,165
2035	\$3,687,772	\$356,915	\$3,294,165
2036	\$3,757,168	\$362,760	\$3,294,165
2037	\$3,826,564	\$368,605	\$3,294,165
2038	\$3,895,960	\$374,450	\$3,294,165
2039	\$3,965,356	\$380,295	\$3,294,165
2040	\$4,034,752	\$386,140	\$3,294,165
2041	\$4,104,148	\$391,985	\$3,294,165
2042	\$4,173,544	\$397,830	\$3,294,165
2043	\$4,242,940	\$403,675	\$3,294,165
2044	\$4,312,336	\$409,520	\$3,294,165
2045	\$4,381,732	\$415,365	\$3,294,165

*Based off 2024-7 STBG and TAP Targets and 2024 HBP Balance.*

*2024 is actual funding, 2025-7 are targets.*

*2029-45 STBG assumes \$69,396 increase per yr, avg increase per yr over last 10yrs.*

*2029-45 TAP assumes \$5,845 increase per yr, avg increase per yr over last 10 years,*

*2025-45 STBG-Bridge assumes region's 4yr average per yr,*



## **Operations and Maintenance Cost Projections and Non-Federal Aid Revenue Projections**

After a road or street is built, there are still costs to the jurisdiction associated with that facility. These operation and maintenance costs must be considered by local jurisdictions when assessing their road and street system. For the purpose of this plan, operations and maintenance reports from the Iowa DOT were used, which obtain their information from the City Street Finance Reports and the County Secondary Road Reports. Anticipated Operations and Maintenance costs were determined for the entire system from the 2022 report year and increased by an inflation rate of four percent to project the costs for the 2023-2045 plan window as shown in figure 10.7.

**Figure 10.7: Operations and Maintenance Cost History and Projections on the Total System in the RPA 15 Region**

	County Operations	County Maintenance	City Operations	City Maintenance
2018	\$7,755,921	\$15,135,864	\$1,412,957	\$11,645,507
2019	\$7,774,073	\$18,288,600	\$1,965,549	\$11,857,437
2020	\$8,602,255	\$15,381,979	\$2,044,171	\$12,331,734
2021	\$8,104,693	\$17,859,303	\$11,251,491	\$5,262,220
2022	\$8,037,499	\$18,355,221	\$10,515,794	\$1,866,149
2023	\$8,358,999	\$19,089,430	\$10,936,426	\$1,940,795
2024	\$8,693,359	\$19,853,007	\$11,373,883	\$2,018,427
2025	\$9,041,093	\$20,647,127	\$11,828,838	\$2,099,164
2026	\$9,402,737	\$21,473,012	\$12,301,992	\$2,183,130
2027	\$9,778,846	\$22,331,933	\$12,794,071	\$2,270,456
2028	\$10,170,000	\$23,225,210	\$13,305,834	\$2,361,274
2029	\$10,576,800	\$24,154,219	\$13,838,068	\$2,455,725
2030	\$10,999,872	\$25,120,387	\$14,391,590	\$2,553,954
2031	\$11,439,867	\$26,125,203	\$14,967,254	\$2,656,112
2032	\$11,897,462	\$27,170,211	\$15,565,944	\$2,762,356
2033	\$12,373,360	\$28,257,019	\$16,188,582	\$2,872,851
2034	\$12,868,295	\$29,387,300	\$16,836,125	\$2,987,765
2035	\$13,383,027	\$30,562,792	\$17,509,570	\$3,107,275
2036	\$13,918,348	\$31,785,304	\$18,209,953	\$3,231,566
2037	\$14,475,082	\$33,056,716	\$18,938,351	\$3,360,829
2038	\$15,054,085	\$34,378,985	\$19,695,885	\$3,495,262
2039	\$15,656,248	\$35,754,144	\$20,483,720	\$3,635,073
2040	\$16,282,498	\$37,184,310	\$21,303,069	\$3,780,475
2041	\$16,933,798	\$38,671,682	\$22,155,192	\$3,931,694
2042	\$17,611,150	\$40,218,550	\$23,041,400	\$4,088,962
2043	\$18,315,596	\$41,827,292	\$23,963,056	\$4,252,521
2044	\$19,048,220	\$43,500,383	\$24,921,578	\$4,422,622
2045	\$19,810,149	\$45,240,398	\$25,918,441	\$4,599,526

*History based off 2018-22 County and City O-M reports*

*Projections based of 2022 County and City O-M Reports*

*Assumes 4% inflationary growth per year*

The non-federal aid system makes up a majority of a jurisdiction’s roads and streets. While some grants may be used on non-federal aid routes, most of the funding is through the Road Use Tax Fund (RUTF) and local mechanisms discussed previously. The RUTF provides funds to cities through the City Street fund and to the counties through the Farm-to-Market and Secondary Road funds. To estimate future revenues from the RUTF, 2022 City Street, County Farm-to-Market and Secondary Road receipt reports from the Iowa DOT were used. Figure 10.8 shows future revenues for each of these three revenue streams. Revenues were projected from the 2022 report year by an inflation rate of two percent to project the revenues for the life of the plan.

**Figure 10.8: Non-Federal Aid Revenue Projections for the RPA 15 Region**

	Farm to Market	Secondary Road	City Street
2018	\$4,600,004	\$28,018,105	\$18,862,320
2019	\$4,747,126	\$28,552,527	\$21,282,941
2020	\$4,881,921	\$26,643,383	\$21,708,600
2021	\$5,098,592	\$28,381,557	\$26,565,765
2022	\$5,361,818	\$28,595,716	\$18,997,258
2023	\$5,469,054	\$29,167,630	\$19,377,203
2024	\$5,578,435	\$29,750,983	\$19,764,747
2025	\$5,690,004	\$30,346,003	\$20,160,042
2026	\$5,803,804	\$30,952,923	\$20,563,243
2027	\$5,919,880	\$31,571,981	\$20,974,508
2028	\$6,038,278	\$32,203,421	\$21,393,998
2029	\$6,159,043	\$32,847,489	\$21,821,878
2030	\$6,282,224	\$33,504,439	\$22,258,316
2031	\$6,407,869	\$34,174,528	\$22,703,482
2032	\$6,536,026	\$34,858,018	\$23,157,551
2033	\$6,666,747	\$35,555,179	\$23,620,703
2034	\$6,800,082	\$36,266,282	\$24,093,117
2035	\$6,936,083	\$36,991,608	\$24,574,979
2036	\$7,074,805	\$37,731,440	\$25,066,478
2037	\$7,216,301	\$38,486,069	\$25,567,808
2038	\$7,360,627	\$39,255,790	\$26,079,164
2039	\$7,507,840	\$40,040,906	\$26,600,748
2040	\$7,657,996	\$40,841,724	\$27,132,762
2041	\$7,811,156	\$41,658,559	\$27,675,418
2042	\$7,967,379	\$42,491,730	\$28,228,926
2043	\$8,126,727	\$43,341,564	\$28,793,505
2044	\$8,289,262	\$44,208,396	\$29,369,375
2045	\$8,455,047	\$45,092,564	\$29,956,762

*History based off 2018-22 FM, Secondary Road and City Street reports*

*Projections based off 2022 FM, Secondary Road and City Street reports*

*Assumes 2% revenue growth per year.*

### **Short-Term Fiscally Constrained Projects**

STBG/SWAP and TAP projects programmed by the RPA should be fiscally constrained. STBG funds are used for county road/bridge projects, transit bus replacement and vertical infrastructure, and RPA planning, SWAP funds are used for city road/bridge projects. For STBG/SWAP projects, the project costs cannot exceed the carryover balance from the previous year and the target for the year that the projects are

programmed. Figure 10.9 provides a list of planned STBG/SWAP projects for FY2024-2027 and shows the project’s cost, the region’s STBG allocation and balance for each year. This figure shows how the region has maintained fiscal constraint throughout the four years. The RPA does have some flexibility with TAP funds in that it only needs to maintain fiscal constraint within the entirety of the four years and not every year. This is due to the Iowa DOT allowing RPAs and MPOs to borrow TAP funds against each other with the DOT making sure the TAP program for the entire state fiscally constrained. A list of the planned TAP projects for 2024-2027 is shown in figure 10.10, this figure shows the costs, the region’s allocation and balance each year. Figure 10.10 shows the RPA has maintained fiscal constraint with TAP funds throughout the four-year timeframe.

**Figure 10.9: Short-Term Fiscally Constrained STBG/SWAP Projects (Years 1-4) in RPA 15**

Location	Project	Total Cost	Aid	Year
	<b>STBG Balance (carryover)</b>		<b>\$2,334,654</b>	<b>2023</b>
	<b>STBG Target</b>		<b>\$3,025,429</b>	<b>2024</b>
RPA 15	Planning	\$137,780	\$40,000	2024
Fairfield	Replacement of W Burlington (Bus 34) Bridge over Crow Cr and reconstruct trail	\$1,440,000	\$800,000	2024
Ottumwa	Mary St PCC reconstruction from Ferry St to Shaul Ave	\$3,039,605	\$2,897,831	2024
	<b>Balance</b>		<b>\$1,622,252</b>	<b>2024</b>
	<b>STBG Target</b>		<b>\$3,084,000</b>	<b>2025</b>
Keswick	N Irons Street PCC reconstruction from NCL to 800ft south, improve drainage	\$449,615	\$400,000	2025
Wapello Co	T61 (Monroe/Wapello Rd) HMA recycle/overlay CPKC railroad tracks to US 34	\$1,500,000	\$1,200,000	2025
Wapello Co	T67 (Kirkville Rd) HMA recycle and overlay from US 63 to Kirkville NCL	\$1,500,000	\$1,200,000	2025
	<b>Balance</b>		<b>\$1,906,252</b>	<b>2025</b>
	<b>STBG Target</b>		<b>\$3,142,000</b>	<b>2026</b>
Jefferson Co	W40 joint repair asphalt removal and replace from 150th St to Vetch Blvd	\$2,600,000	\$2,080,000	2026
Mahaska Co	G29 mill and HMA overlay from Hickory Ave to Oxford Ave	\$1,950,000	\$1,560,000	2026
	<b>Balance</b>		<b>\$1,408,252</b>	<b>2026</b>
	<b>STBG Target</b>		<b>\$3,202,000</b>	<b>2027</b>
Ottumwa	North Court reconstruction from Park Ave to Vogel Ave, 8' sidepath, 12' bus lane	\$3,204,950	\$2,563,960	2027
	<b>Balance</b>		<b>\$2,046,292</b>	<b>2027</b>

Source: RPA 15 2024-27 TIP, 2024-7 Targets

**Figure 10.10: Short-Term Fiscally Constrained TAP Projects (Years 1-4) in RPA 15**

Location	Project	Total Cost	Aid	Year
	TAP Balance (carryover)		\$283,074	2023
	TAP Target		\$286,410	2024
Keosauqua	Lower Des Moines River Water Trail Improvements (water trail access)	\$596,050	\$318,000	2024
	Balance		\$251,484	2024
	TAP Target		\$296,000	2025
Ottumwa	Oxbow Lagoon Link Trail	\$841,005	\$318,000	2025
	Balance		\$229,484	2025
	TAP Target		\$306,000	2026
Jefferson Co	Cedar View Trail Paving	\$720,000	\$318,000	2026
	Balance		\$217,484	2026
	TAP Target		\$316,000	2027
	Balance		\$533,484	2027

Source: RPA 15 2024-27 TIP, 2024-7 Targets

### Long-Term Projects, or Areas of Interest or Concern

Projects beyond the four years of TIP are not fiscally constrained. These are projects that have not started development and may not have cost estimates. Figure 10.11 lists long-term future projects outside of the 2024-2027 Transportation Improvement Program. These projects may be developed and submitted for inclusion in a later TIP.

Road and Bridge projects, including the status of previously identified projects, are discussed in more detail in Chapter 4: Existing Roadway System. Safety related improvements, such as to reduce crashes or improve operations, are discussed in Chapter 8: Safety and Security.

**Figure 10.11: Long-Term Projects (Years 5-20) in RPA 15**

Project	Location
Old 34/Burlington Road resurfacing	Fairfield
Business 34 bridge replacement east of Fairfield	Fairfield
Jefferson Street Viaduct replacement	Ottumwa
Improve access to Ottumwa industrial park/ Helgerson Flats via IA 149, 120th Street and US 63, or Dahlonga Rd	Ottumwa
Old 34/Bus 34 resurfacing East and West of Fairfield	Jefferson Co
V45 repaving from Sigourney to Highway 22	Keokuk Co
W15 repaving from Richland to 277th St	Keokuk Co
G13 repaving from V44 to 225th Av	Keokuk Co
V59 repaving from IA 78 to 305th St	Keokuk Co
V41 from Highway 149 to Wapello CL	Keokuk Co
Arch 400239 replacement	Keokuk Co
Bridge 400605 replacement	Keokuk Co
Bridge 411056 replacement	Keokuk Co
Bridge 503026 replacement	Keokuk Co
G17 repaving US 63 to V13	Mahaska Co
W20 repaving from IA 2 to Mt Sterling	Van Buren Co
9th Street (Eldon) bridge replacement	Wapello County

*Source: RPA 15 Technical Advisory Committee*

**Project Selection Process for STBG/SWAP and TAP Funds**

The RPA project selection process for STBG/SWAP funds includes sub-allocation, self-scoring, discussion, and consensus. Funds are sub-allocated to all the counties and to the cities with populations over 5,000. There are also set asides for planning, regional transit, and special projects. Small cities and DOT projects are funded through the special projects set aside. All applicants eligible for STBG funding apply as allowed under federal and state regulations. To be considered for funding, the applicant must submit a project application to the RPA. The application includes a project description, timeline, cost breakdown, project location and map, and self-scoring/rating criteria that looks at traffic, connectivity, federal functional classification, condition, and whether the project aligns with the Long-Range Transportation Plan.

Applications are reviewed by the RPA staff for eligibility and then are presented at a Technical Advisory Committee meeting where the applicant is asked to make a presentation on their project and the committee has a chance to ask questions. After the presentation of all the applications the committee then discusses the projects and makes recommendations on the projects and funding that is presented to the Policy

Board along with the project applications. The Policy Board reviews the projects and the technical committee's recommendation before making the decision whether to program each project for funding. Projects approved by the Policy Board are then added to the Transportation Improvement Program.

The application process for TAP funds uses a combination of scoring and discussion and consensus. The application used is the standard Iowa DOT application for Transportation Alternatives funds. After receiving the TAP applications, they are sent to Iowa DOT for review of eligibility and comment. Once comments have been received by the RPA staff they are presented to the Technical Advisory Committee by the applicant where the committee can ask questions. After the presentations the committee scores the projects, scores are averaged together for each project and the average be 60 points or greater for the project to be eligible for funding. The TAC then discusses the eligible projects and makes recommendations for funding. This recommendation is presented to the Policy Board along with each project application and their scores. The Policy Board reviews the recommendations and projects and makes the funding decision on each project. Approved projects are included in the Transportation Improvement Program.

### **Reasonableness of Sub-Allocation**

Sub-allocation of STBG funds is used by the RPA to maintain equity between the cities and counties. The region is flexible with sub-allocation targets and encourages spending ahead allowing applicants to borrow up to five years ahead on a sub-allocation from the year a project is programmed if doing so does not exceed the available balance of the RPA. This policy encourages the timely development of projects and discourages STBG balances from accumulating. The cities and counties are satisfied with the process described above and believe that sub-allocation helps them plan for future projects and is equitable.