



# CITY OF IOWA CITY COUNCIL ACTION REPORT

April 1, 2025

Resolution setting a public hearing for the April 15, 2025 City Council Meeting regarding the FY2026 Iowa Department of Transportation Consolidated Transit Funding Application for Iowa City Transit.

Prepared By: Darian L. Nagle-Gamm; Transportation Services Director  
Reviewed By: Geoff Fruin, City Manager  
Jennifer Schwickerath, Assistant City Attorney  
Fiscal Impact: Permits application for State and Federal transit operating and capital funds which may require matching funds.  
Staff Recommendation: Approval  
Commission Recommendations: N/A  
Attachments: [Notice of Public Hearing](#)  
[Resolution](#)

## Executive Summary:

The consolidated transit funding application is an annual application filed with Iowa Department of Transportation (DOT) listing capital and operating expenses for which the City seeks funding from the Iowa DOT and the Federal Transit Administration (FTA). The projects contained in the application have been programmed by Iowa City Transit for FTA Section 5307, 5310 and/or 5339 funds in FY2026.

The projects will be included in the FY2026 Iowa DOT consolidated transit funding application that the Metropolitan Planning Organization of Johnson County (MPOJC) is completing and in the FY2026-2029 MPOJC Transportation Improvement Program (TIP).

Iowa City Transit may not seek funding for all of the projects; however, each project needs to be listed in order to be eligible for funding. Iowa City Transit is requesting approximately \$3.5 million in operating funds and approximately \$43.7 million in capital funds. The total amount of funds being requested in the funding application is approximately \$47.1 million dollars.

## Background / Analysis:

Due to our application for and potential receipt of federal grant funds, we are required to hold a public hearing so that the public has an opportunity to comment on the funding request.

The specific allocations for the funds being applied for are detailed below:

- **State Transit Assistance Program:** approximately \$810,761 -- These are formula funds for operations awarded to the Metropolitan Planning Organization (MPO) and then distributed between Iowa City Transit, Coralville Transit and the University of Iowa

CAMBUS.

- **Federal operating assistance for transit (5307):** approximately \$3,200,000 -- These are funds awarded from FTA to provide operational assistance to the transit agency.
- **From federal funds for transit in non-urbanized areas and/or for transit serving primarily elderly persons and persons with disabilities (5310):** \$257,019 -- These funds are awarded to Iowa City and committed to paratransit services that are contracted through a 28E Agreement with Johnson County.
- **State-wide federal capital assistance for transit (5339):** \$43,671,073 -- These funds include all of the capital projects that Iowa City Transit wishes to see funded. This sum includes replacement and relocation of the transit facility, bus replacements and bus shelters. A local match of 15%-25% is commonly required for the award of these funds.