

PUBLIC INFRASTRUCTURE FUNDING SOURCES

U-STEP

What is it?

Urban-State Traffic Engineering Program (U-STEP) is a program intended to solve traffic operation and safety problems on primary roads in Iowa cities.

Potential Implications:

- Improvements to a municipal extension of a primary road. Projects are eligible for spot improvements or linear improvements spanning two or more intersections.
- City match is 45% of the construction cost (55 percent state-funded).
- An engineering analysis of the problem area is required.

ICAAP

What is it?

Iowa Clean Air Attainment Program (ICAAP) is a program that funds highway/street, transit, bicycle/pedestrian, or freight projects which help maintain clean air by reducing transportation-related emissions.

Potential Implications:

- A state, county, or city may sponsor an application or may co-sponsor for private, non-profit organizations and individuals.
- A local match of at least 20 percent is required.
- Net operating costs of new transit services are eligible for up to three years (at 80% federal/20% local participation); however, an application must be submitted for each year funding is requested.

TSIP

What is it?

Traffic Safety Improvement Program (TSIP) is a funding program for traffic safety improvements or studies on any public roads under county, city, or state jurisdiction.

Potential Implications:

- Eligible projects will fall into one of three categories:
- Site-specific: construction or improvement of traffic safety and operations at a specific site.
- Traffic control devices: purchase of materials for installation of new devices or replacement of obsolete signs or signals.
- Research, studies, & public information initiatives: Safety research studies.

SRF

What is it?

The State Revolving Fund (SRF) is a program to finance the design and construction of Iowa water and wastewater infrastructure.

Potential Implications:

- The Clean Water SRF funds stormwater quality improvements, sewer rehabilitation, and non-point source projects.
- The Drinking Water SRF funds improvements to existing facilities, water line extensions to unserved properties, and source water protection efforts.
- The Department of Natural Resources (DNR) and Iowa Finance Authority (IFA) jointly administer the SRF.

RISE

What is it?

Revitalize Iowa's Sound Economy (RISE) is a state program established to promote economic development in Iowa through construction or improvement of roads and streets.

Potential Implications:

- Projects must involve construction or improvement of a public roadway. The two project types include:
- Immediate Opportunity: Immediate, non-speculative opportunity for permanent job creation or retention and value-adding in nature.
- Local Development: Projects which support local economic development but do not require an immediate commitment of funds.

MARCH 2018

DEVELOPMENT FUNDING SOURCES

SALE TAX REBATE

What is it?

Redistribution of tax money from municipalities and counties back to developers and businesses. Conditions about how the rebates are used may apply.

Potential Implications:

- Developers and businesses will have an incentive to locate within Marshalltown
- New development projects are incentivized to occur in vacant buildings or vacant commercial property
- Sales Tax Rebates can be used for capital improvements such as façade enhancements, signage, or landscaping

CDBG

COMMUNITY DEVELOPMENT BLOCK GRANT

What is it?

The Community Block Grant Program provides grants to focus investments in vulnerable communities.

Potential Implications:

- Affordable housing projects can be funded through CDBG
- CDBG can also provide funding to a Community Development Corporation

OPPORTUNITY ZONES

What is it?

A funding program to direct funds from investors to low-income areas.

Potential Implications:

- Additional investments in the Opportunity Zone may attract additional developers and businesses
- Additional investments can provide infrastructure enhancements and public amenity improvements in the Opportunity Zone

REDEVELOPMENT TAX CREDIT PROGRAM

What is it?

A tax credit program to prioritize the development and green building on brownfield and grayfield sites.

Potential Implications:

- Development in Marshalltown can be focused on redeveloping existing developed parcels
- Sprawling greenfield development is discouraged with this program
- Green building practices are incentivized with this program
- Can be used for some public infrastructure improvements, such as stormwater management

SSMID SELF-SUPPORTING MUNICIPAL IMPROVEMENTS DISTRICT

What is it?

A tool to establish an area where voluntary additional tax can fund additional services directly within the district.

Potential Implications:

- Larger budgets for shared improvements such as pedestrian lighting or seasonal floral displays as well as district-scale branding and marketing
- Property owners within the district (both commercial and residential) will be subject to the additional tax assessment
- By establishing a BID, additional businesses and developers may be attracted to the area as their next investment

NEW MARKETS TAX CREDIT PROGRAM

What is it?

A tax credit program to fund loans and capital investments to businesses in underserved areas.

Potential Implications:

- Capital investments and loans are directed toward underserved areas
- Economic activity will be stimulated resulting in job growth and wealth creation

TAX INCREMENT FINANCING (TIF)

What is it?

Tax Increment Financing provides revenue for public projects and private projects by borrowing against future increases in property tax revenues.

Potential Implications:

- TIF funds can provide investment capital to private development or public projects
- Developers and businesses could be attracted to a location within an established TIF district

HISTORIC PRESERVATION TAX CREDIT PROGRAM*

What is it?

A tax credit program to incentivize the quality restoration of existing historic architectural assets within a community.

Potential Implications:

- Historic rehabilitation can be prioritized over demolishing Marshalltown's architectural character
- The historic restoration projects may inspire additional quality development in the surrounding context

*Full name of program: Historic Preservation and Cultural and Entertainment District Tax Credit Program

DEVELOPMENT SUPPORT STRATEGIES

CAPITAL IMPROVEMENTS PROGRAM (CIP)

Strategy for: Municipal Improvements with the intent of catalyzing private development investment

What is it?

A plan for municipal capital improvements

Description:

The City of Marshalltown can strategize investments across all their departments with the guidance of a Capital Improvements Program. This tool will not provide additional funding to the annual budget but instead helps prioritize investments over time. This plan shall include: a list of the capital projects or equipment to be purchased, the projects ranked in order of preference, the plan for financing each project, a construction timeline, project justifications, and an explanation of expenses for the project. Many cities and towns across the United States employ the guidance from a Capital Improvements Program.

Why is this a good idea?

- Developers can anticipate when improvements will occur in their target areas

Cost: City of Marshalltown can achieve this plan in-house or with the help of a consultant.

Funding: City of Marshalltown budget, 5 year cycle

Organizing Entity: City of Marshalltown

INCENTIVE ZONING

Strategy for: Catalyzing Development

What is it?

A mechanism for Marshalltown to negotiate non-compliant code proposals to offer public benefits to the community.

Description:

Incentive Zoning is a tool Marshalltown can use to establish a program for developers and the city to negotiate when the city zoning code does not provide flexibility. For example, if a developer proposes a building with density currently not allowed in the code, then the city can negotiate for the developer to construct a small public green space or plaza on the site that can benefit the whole community.

Why is this a good idea?

- Marshalltown may allow higher density, reduced setbacks, or taller buildings with incentive zoning
- Marshalltown development may result in more public amenities and infrastructure improvements

Cost: City of Marshalltown staff time to review development proposals

Funding: City of Marshalltown budget

Organizing Entity: City of Marshalltown

COMMUNITY DEVELOPMENT CORPORATION (CDC)

Strategy for: Catalyzing Development

What is it?

An established nonprofit entity to assist an area with affordable housing, real estate development, programs, events, or services, among other things.

Description:

Community Development Corporations (CDC) are nonprofit entities that can serve neighborhoods or towns in a number of ways. The entity can provide programs and events, offer services, promote economic development, education, community organizing, or real estate development. Often, CDCs are associated with the development of affordable housing. The CDC can operate through US Department of Housing and Urban Development Community Block Grants and from local governments and state and federal grants.

Why is this a good idea?

- A CDC can provide a wholistic vision for development in a neighborhood or town
- A CDC can assist with the development of affordable housing and other real estate development
- A CDC will require its own funding mechanisms in order to be viable

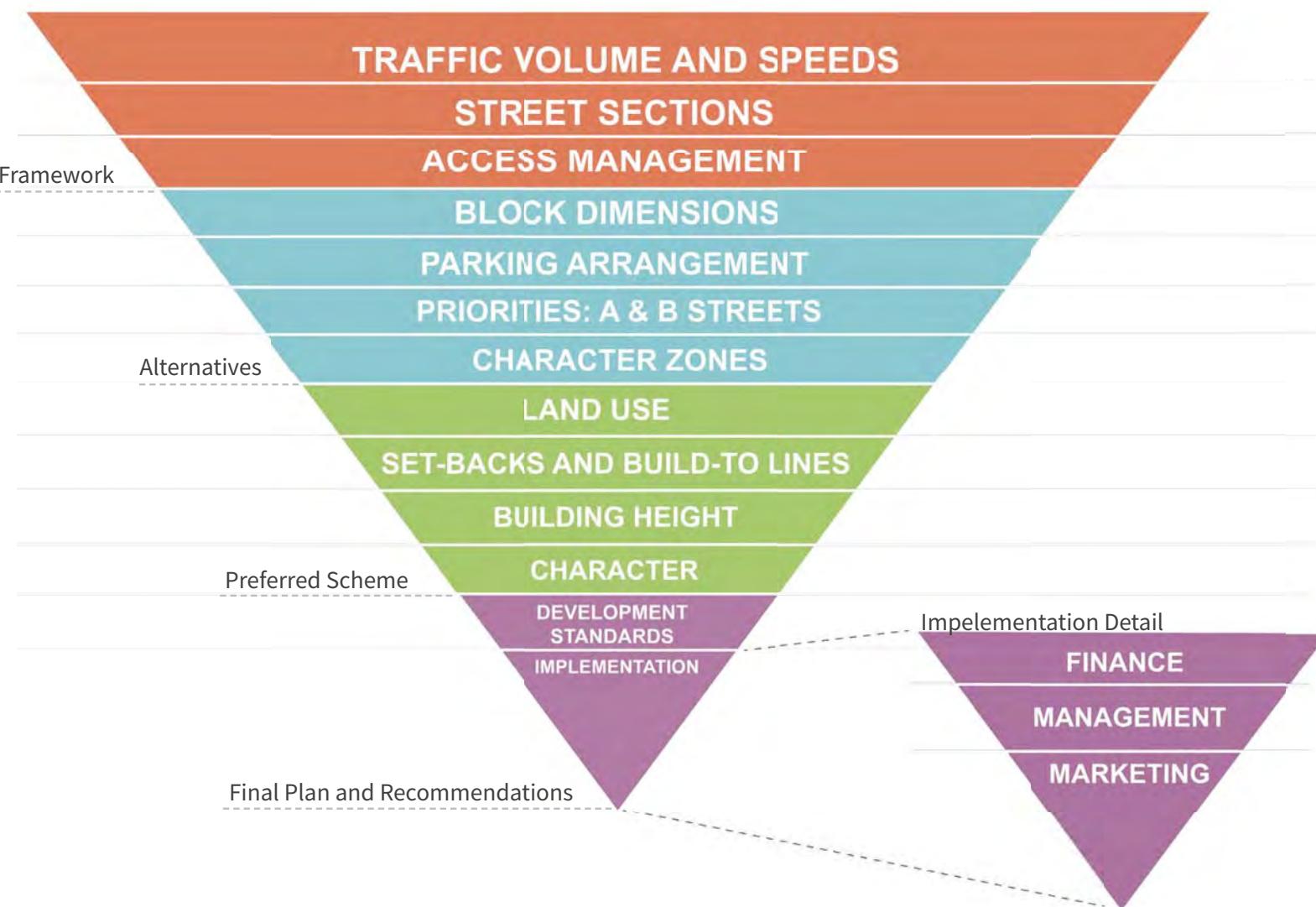
Cost: Initial investment in the CDC, then rely on funding from CDBG and others

Funding: Community Block Grants, local/state/federal grants, income from real estate development

Organizing Entity: Community Development Corporation is an independent entity from the City of Marshalltown

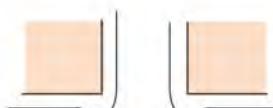
PROCESS DIAGRAMS

CORRIDOR DESIGN AND DEVELOPMENT APPROACH

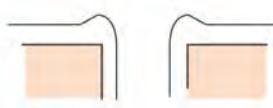


PHASING STRATEGY

INTERSECTION



Select a catalytic intersection to implement complete street changes.



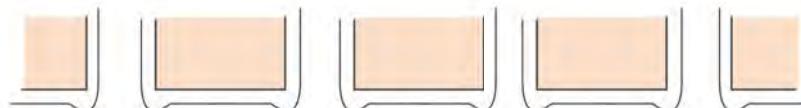
BLOCK



Expand complete street changes to a block length.



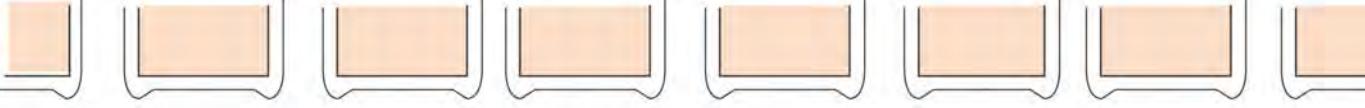
900 FEET



Expand complete street changes to 900 linear feet length.

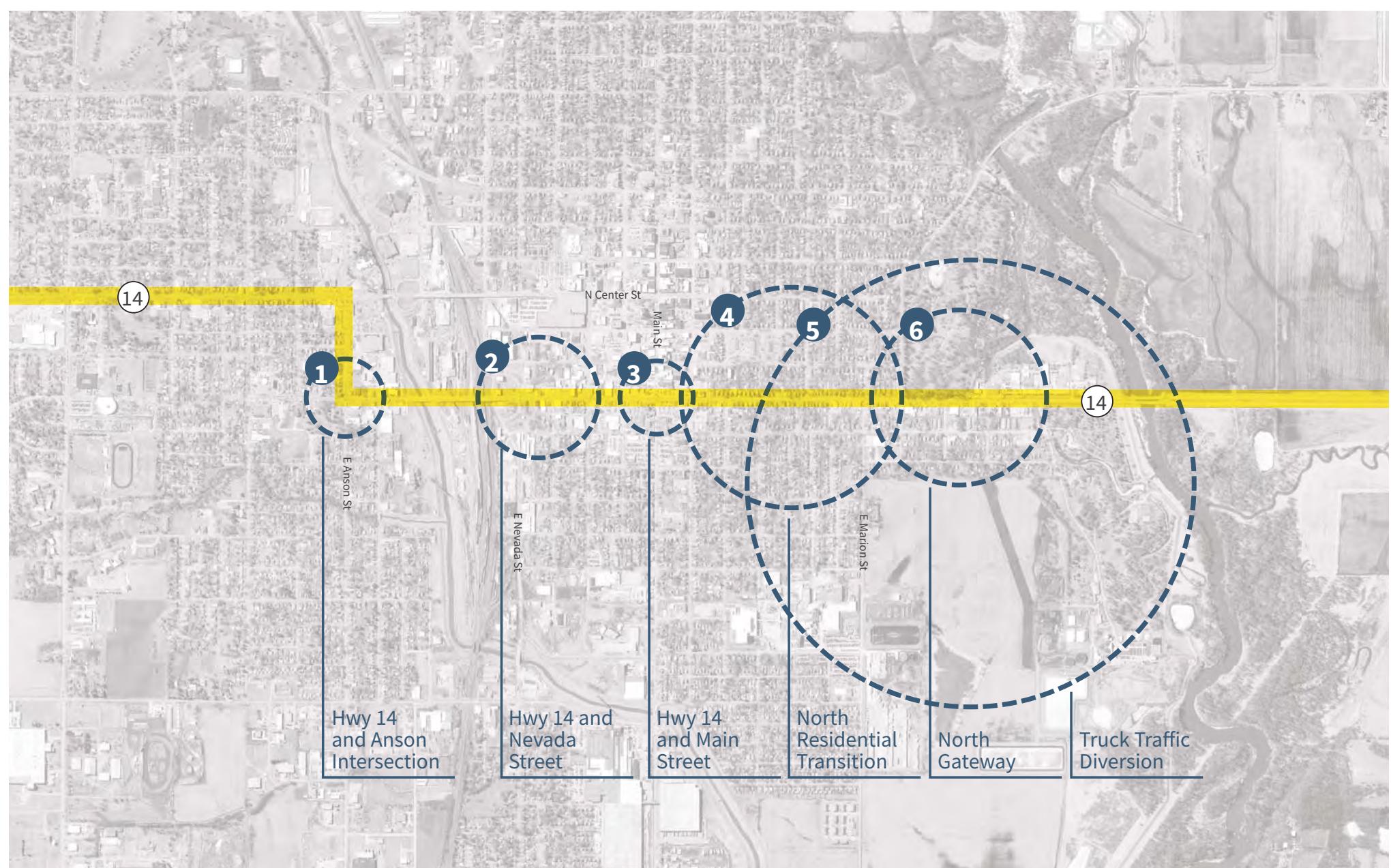


CORRIDOR



Expand complete street changes to the length of the corridor.

STUDY AREAS



PROPOSED TIF DISTRICT

