

**DEPARTMENT OF TRANSPORTATION**

**Office of the Secretary of Transportation**

**Docket No. DOT-OST-2016-0022**

**Notice of Funding Opportunity for the Department of Transportation's Nationally Significant Freight and Highway Projects (FASTLANE Grants) for Fiscal Year 2016**

**AGENCY:** Office of the Secretary of Transportation, DOT

**ACTION:** Notice of Funding Opportunity

**SUMMARY:** The Fixing America's Surface Transportation Act (FAST Act) established the Nationally Significant Freight and Highway Projects (NSFHP) program to provide Federal financial assistance to projects of national or regional significance and authorized the program at \$4.5 billion for fiscal years (FY) 2016 through 2020, including \$800 million for FY 2016 to be awarded by the Secretary of Transportation. The Department will also refer to NSFHP grants as Fostering Advancements in Shipping and Transportation for the Long-term Achievement of National Efficiencies (FASTLANE) grants. The purpose of this notice is to solicit applications for FY 2016 grants for the NSFHP program. The Department also invites interested parties to submit comments about this notice's contents to public docket DOT-OST-2016-0022 by June 1, 2016.

**DATES:** Applications must be submitted by 8:00 p.m. EDT on April 14, 2016. The Grants.gov "Apply" function will open by March 15, 2016.

**ADDRESSES:** Applications must be submitted through [www.Grants.gov](http://www.Grants.gov). Only applicants who comply with all submission requirements described in this notice and submit applications through [www.Grants.gov](http://www.Grants.gov) will be eligible for award.

**FOR FURTHER INFORMATION CONTACT:** For further information concerning this notice, please contact the Office of the Secretary via email at [FASTLANEgrants@dot.gov](mailto:FASTLANEgrants@dot.gov). For more information about highway projects, please contact Crystal Jones at (202) 366-2976. For more information about maritime projects, please contact Robert Bouchard at (202) 366-5076. For more information about rail projects, please contact Scott Greene at (202) 493-6408. For all other questions, please contact Howard Hill at (202) 366-0301. A TDD is available for individuals who are deaf or hard of hearing at 202-366-3993. Additionally, the Department will regularly post answers to questions and requests for clarifications as well as information about webinars for further guidance on DOT's website at [www.transportation.gov/FASTLANEgrants](http://www.transportation.gov/FASTLANEgrants).

**SUPPLEMENTARY INFORMATION:** This notice solicits applications for the NSFHP program for FY 2016. Each section of this notice contains information and instructions relevant to the application process for NSFHP grants, and the applicant should read this notice in its entirety to submit eligible and competitive applications.

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## **A. Program Description**

The Nationally Significant Freight and Highway Projects (NSFHP) program, as established by the Fixing America's Surface Transportation Act (FAST Act), Pub. L. 114-94, section 1105 (23 U.S.C. 117), will provide Federal financial assistance to freight and highway projects of national or regional significance. The Department will also refer to NSFHP grants as Fostering Advancements in Shipping and Transportation for the Long-term Achievement of National Efficiencies (FASTLANE) grants. The NSFHP program provides dedicated, discretionary funding for projects that address critical freight issues facing our nation's highways and bridges and for the first time in the U.S. Department of Transportation's 50-year history, establishes broad, multiyear eligibilities for freight infrastructure.

To better adapt to population growth, compete in the global economy, and meet the needs of consumers and industry, the United States needs a strong multimodal transportation system. Beyond Traffic 2045: Trends and Choices (Beyond Traffic)<sup>1</sup>, the Department's 30-year framework for the future, outlines changing local and global patterns, including population and employment growth in burgeoning megaregions and significant growth in freight movement by ton and value. The report affirms the need to address freight bottlenecks that severely constrain system performance and capacity. The Department's draft National Freight Strategic Plan<sup>2</sup>, released in October 2015, further explores these challenges for freight transportation and identifies strategies to address impediments to the flow of goods throughout the nation.

The NSFHP program provides an opportunity to address nationally or regionally significant challenges across the nation's transportation system including improving the safety,

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<sup>1</sup> <https://www.transportation.gov/BeyondTraffic>

<sup>2</sup> <https://www.transportation.gov/freight/NFSP>

efficiency, and reliability of the movement of freight and people; generating national or regional economic benefits and increasing the United States' global competitiveness; reducing highway congestion and bottlenecks; enabling more efficient intermodal connections; minimizing delays at international borders; improving inadequate first and last mile segments; modernizing port facilities to meet 21st Century demands, including connections between ports and their surface transportation systems; enhancing the resiliency of critical intermodal infrastructure and helping protect the environment; improving grade crossings; improving roadways vital to national energy security; and addressing the impact of population growth on the movement of people and freight. The program also offers resources to advance highway and bridge projects on the National Highway System, including those that improve mobility through added capacity on the Interstate or address needs in a national scenic area. Recognizing the interconnected and multimodal nature of the nation's transportation system, the Department will give additional consideration to nationally or regionally significant multimodal and multijurisdictional projects.

The Department will prioritize projects that also enhance personal mobility and accessibility. Such projects include, but are not limited to, investments that better connect people to essential services such as employment centers, health care, schools and education facilities, healthy food, and recreation; remove physical barriers to access; strengthen communities through neighborhood redevelopment; mitigate the negative impacts of freight movement on communities; and support workforce development, particularly for disadvantaged groups, which include low-income groups, persons with visible and hidden disabilities, elderly individuals, and minority persons and populations. The Department may consider whether a project's design is likely to generate benefits for all users of the proposed project, including non-driving members of a community adjacent to or affected by the project.

## **B. Federal Award Information**

The FAST Act authorizes the NSFHP program at \$4.5 billion for fiscal years (FY) 2016 through 2020, including \$800 million<sup>3</sup> for FY 2016 to be awarded by DOT on a competitive basis to projects of national or regional significance that meet statutory requirements. NSFHP grants may be used for the construction, reconstruction, rehabilitation, acquisition of property (including land related to the project and improvements to the land), environmental mitigation, construction contingencies, equipment acquisition, and operational improvements directly related to system performance. NSFHP grants may also fund developmental phase activities, including planning, feasibility analysis, revenue forecasting, environmental review, preliminary engineering, design, and other preconstruction activities, provided the project meets statutory requirements.

The Department will divide grants under the NSFHP program into large and small projects. (Refer to section C.3.ii. for a definition of large and small projects.) For large projects, the FAST Act specifies that NSFHP grants must be at least \$25 million. For small projects, the grants must be at least \$5 million. For both large and small projects, maximum NSFHP awards may not exceed 60 percent of future eligible project costs. Ten percent of available funds, approximately \$76 million in FY 2016, are reserved for small projects. Applicants are strongly encouraged to submit applications only for eligible award amounts.

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<sup>3</sup> Funds are subject to the overall Federal-aid highway obligation limitation, and funds in excess of the obligation limitation provided to the program are distributed to the States. While \$800 million was authorized for FY 2016, only \$759.2 million is available for award. For additional information see FAST Act § 1102 (f) and the Transportation, Housing and Urban Development, and Related Agencies Appropriations Act, 2016, Pub. L. 114-113, div. L § 120.

Pursuant to the FAST Act, not more than \$500 million in aggregate of the \$4.5 billion authorized for NSFHP grants over fiscal years 2016 to 2020 may be used for grants to freight rail, water (including ports), or other freight intermodal projects that make significant improvements to freight movement on the National Highway Freight Network. Only the non-highway portion(s) of multimodal projects count toward the \$500 million maximum. Improving freight movement on the National Highway Freight Network may include shifting freight transportation to other modes, thereby reducing congestion and bottlenecks on the National Highway Freight Network. The Federal share for projects that count toward the \$500 million maximum may fund only elements of the project that provide public benefit. Grade crossing and grade separation projects do not count toward the \$500 million maximum for freight rail, port, and intermodal projects.

The FAST Act directs at least 25 percent of the funds provided for NSFHP grants, \$190 million in FY 2016, are to be used for projects located in rural areas, as defined in Section C.3.iv. If the Department does not receive enough qualified applications to fully award the 25 percent reserved for rural projects, the Department may use the excess funding for non-rural awards. DOT must consider geographic diversity among grant recipients, including the need for a balance in addressing the needs of urban and rural areas.

The FAST Act allows an NSFHP grant recipient to use NSFHP funds granted to pay the subsidy and administrative costs necessary to receive credit assistance for the associated project under the Transportation Infrastructure Finance and Innovation Act of 1998 (“TIFIA”) program.

### **C. Eligibility Information**

To be selected for an NSFHP grant, an applicant must be an Eligible Applicant and the project must be an Eligible Project that meets the Minimum Project Size Requirement.

## **1. Eligible Applicants**

Eligible applicants for NSFHP grants are 1) a State or group of States; 2) a metropolitan planning organization that serves an urbanized area (as defined by the Bureau of the Census) with a population of more than 200,000 individuals; 3) a unit of local government or group of local governments; 4) a political subdivision of a State or local government; 5) a special purpose district or public authority with a transportation function, including a port authority; 6) a Federal land management agency that applies jointly with a State or group of States; 7) a tribal government or a consortium of tribal governments; or 8) a multi-State or multijurisdictional group of public entities. Multiple States or jurisdictions that submit a joint application must identify a lead applicant as the primary point of contact. Each applicant in a joint application must be an Eligible Applicant. Joint applications must include a description of the roles and responsibilities of each applicant and must be signed by each applicant.

## **2. Cost Sharing or Matching**

NSFHP grants may be used for up to 60 percent of future eligible project costs. Other Federal assistance may satisfy the non-Federal share requirement for an NSFHP grant, but total Federal assistance for a project receiving an NSFHP grant may not exceed 80 percent of the future eligible project costs. Non-Federal sources include State funds originating from programs funded by State revenue, local funds originating from State or local revenue funded programs, private funds or other funding sources of non-Federal origins. If a Federal land management agency applies jointly with a State or group of States and that agency carries out the project, then

Federal funds that were not made available under titles 23 or 49 of the United States Code may be used for the non-Federal share. Unless otherwise authorized in statute, local cost-share may not be counted as non-Federal share for both the NSFHP and another Federal program. For any project, the Department cannot consider previously incurred costs or previously expended or encumbered funds towards the matching requirement. Matching funds are subject to the same Federal requirements described in Section F.2 as awarded funds.

### **3. Other**

#### **i. Eligible Project**

Eligible projects for NSFHP grants are: highway freight projects carried out on the National Highway Freight Network (23 U.S.C. 167); highway or bridge projects carried out on the [National Highway System](#) (NHS) including projects that add capacity on the Interstate System to improve mobility or projects in a national scenic area; railway-highway grade crossing or grade separation projects; or a freight project that is 1) an intermodal or rail project, or 2) within the boundaries of a public or private freight rail, water (including ports), or intermodal facility. A project within the boundaries of a freight rail, water (including ports), or intermodal facility must be a surface transportation infrastructure project necessary to facilitate direct intermodal interchange, transfer, or access into or out of the facility and must significantly improve freight movement on the National Highway Freight Network. For a freight project within the boundaries of a freight rail, water (including ports), or intermodal

facility, Federal funds can only support project elements that provide public benefits.

**ii. Eligible Project Costs**

Eligible costs under the NSFHP program include development phase activities, including planning, feasibility analysis, revenue forecasting, environmental review, preliminary engineering and design work, and other pre-construction activities, as well as construction, reconstruction, rehabilitation, acquisition of real property, environmental mitigation, construction contingencies, acquisition of equipment, and operational improvements directly related to system performance.

**iii. Minimum Project Size Requirement**

For the purposes of determining whether a project meets the minimum project size requirement, the Department will count all future eligible project costs under the award and some related costs incurred before selection for an NSFHP grant. Previously incurred costs will be counted toward the minimum project size requirement only if they were eligible project costs under Section C.3.ii. and were expended as part of the project for which the applicant seeks funds. Although those previously incurred costs may be used for meeting the minimum project size thresholds described in this Section, they cannot be reimbursed with NSFHP grant funds, nor will they count toward the project's required non-Federal share.

**a. Large Projects**

The minimum project size for large projects is the lesser of \$100 million; 30 percent of a State's FY 2015 Federal-aid apportionment if the project is

located in one State; or 50 percent of the larger participating State's FY 2015 apportionment for projects located in more than one State. The following chart identifies the minimum total project cost for projects for FY 2016 for both single and multi-State projects.

<u>State</u> <sup>4</sup>	<u>One-State Minimum (millions)</u>	<u>Multi- State Minimum*</u> (millions)
Alabama	\$100	\$100
Alaska	\$100	\$100
Arizona	\$100	\$100
Arkansas	\$100	\$100
California	\$100	\$100
Colorado	\$100	\$100
Connecticut	\$100	\$100
Delaware	\$49	\$82
Dist. of Col.	\$46	\$77
Florida	\$100	\$100
Georgia	\$100	\$100
Hawaii	\$49	\$82
Idaho	\$83	\$100
Illinois	\$100	\$100
Indiana	\$100	\$100
Iowa	\$100	\$100
Kansas	\$100	\$100
Kentucky	\$100	\$100
Louisiana	\$100	\$100
Maine	\$53	\$89
Maryland	\$100	\$100
Massachusetts	\$100	\$100
Michigan	\$100	\$100
Minnesota	\$100	\$100
Mississippi	\$100	\$100
Missouri	\$100	\$100
Montana	\$100	\$100

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<sup>4</sup> For purposes of determine total project cost threshold, funds allocated to Puerto Rico will be treated as fund apportioned to a State. Project cost threshold for Puerto Rico will be based on 30 percent of funds allocated in FY 2015.

<b>Nebraska</b>	\$84	\$100
<b>Nevada</b>	\$100	\$100
<b>New Hampshire</b>	\$48	\$80
<b>New Jersey</b>	\$100	\$100
<b>New Mexico</b>	\$100	\$100
<b>New York</b>	\$100	\$100
<b>North Carolina</b>	\$100	\$100
<b>North Dakota</b>	\$72	\$100
<b>Ohio</b>	\$100	\$100
<b>Oklahoma</b>	\$100	\$100
<b>Oregon</b>	\$100	\$100
<b>Pennsylvania</b>	\$100	\$100
<b>Rhode Island</b>	\$63	\$100
<b>South Carolina</b>	\$100	\$100
<b>South Dakota</b>	\$82	\$100
<b>Tennessee</b>	\$100	\$100
<b>Texas</b>	\$100	\$100
<b>Utah</b>	\$100	\$100
<b>Vermont</b>	\$59	\$98
<b>Virginia</b>	\$100	\$100
<b>Washington</b>	\$100	\$100
<b>West Virginia</b>	\$100	\$100
<b>Wisconsin</b>	\$100	\$100
<b>Wyoming</b>	\$74	\$100

\* For multi-State projects, the minimum project size is largest of the multi-State minimums from the participating States.

**b. Small Projects**

A small project is an eligible project that does not meet the minimum project size described in Section C.3.iii.a.

**iv. Rural/Urban Area**

The NSFHP statute defines a rural area as an area outside an Urbanized Area<sup>5</sup> with a population of over 200,000. In this notice, urban area is defined as

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<sup>5</sup> For Census 2010, the Census Bureau defined an Urbanized Area (UA) as an area that consists of densely settled territory that contains 50,000 or more people. Updated lists of UAs are available on the Census Bureau website at

inside an Urbanized Area, as a designated by the U.S. Census Bureau, with a population of 200,000 or more<sup>6</sup>. Cost share requirements and minimum grant awards are the same for projects located in rural and urban areas. The Department will consider a project to be in a rural area if the majority of the project (determined by geographic location(s) where the majority of the money is to be spent) is located in a rural area. Rural and urban definitions differ in some other DOT programs, including TIFIA and the FY 2016 TIGER Discretionary Grants Program.

**v. Application Limit**

To encourage applicants to prioritize their NSFHP submissions, each eligible applicant may submit no more than three applications. The three-application limit applies only to applications where the applicant is the lead applicant. There is no limit on applications for which an applicant can be listed as a partnering agency. If a lead applicant submits more than three applications as the lead applicant, only the first three received will be considered. The NSFHP and the FY 2016 TIGER Discretionary Grant programs have independent application limits. Applicants applying to both the NSFHP and the FY 2016 TIGER Discretionary Grants program may apply for the same project to both programs (noted in each application), but must timely submit separate applications that independently address how the project satisfies applicable

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[http://www2.census.gov/geo/maps/dc10map/UAUC\\_RefMap/ua/](http://www2.census.gov/geo/maps/dc10map/UAUC_RefMap/ua/). For the purposes of the NSFHP program, Urbanized Areas with populations fewer than 200,000 will be considered rural.

<sup>6</sup> See [www.transportation.gov/FASTLANEgrants](http://www.transportation.gov/FASTLANEgrants) for a list of Urbanized Areas with a population of 200,000 or more

selection criteria for the relevant grant program. Although a project may be eligible for award under both programs, the same application is unlikely to be responsive to both programs' notices of funding opportunity because the purposes and selection criteria of the programs differ.

**vi. Project Components**

An application may describe a project that contains more than one component, and may describe components that may be carried out by parties other than the applicant. Applicants should clearly identify all highway, bridge, and freight related components comprising the total project. DOT may award funds for a component, instead of the larger project, if that component (1) independently meets minimum award amounts described in [Section B](#) and all eligibility requirements described in [Section C](#); (2) independently aligns well with the selection criteria specified in [Section E](#); and (3) meets National Environmental Policy Act (NEPA) requirements with respect to independent utility. Independent utility means that the component will represent a transportation improvement that is usable and represents a reasonable expenditure of DOT funds even if no other improvements are made in the area, and will be ready for intended use upon completion of that component's construction. All project components that are presented together in a single application must demonstrate a relationship or connection between them. (See Section D.2.f. for Required Approvals).

Applicants should be aware that, depending upon the relationship between project components and upon applicable Federal law, DOT funding of only some

project components may make other project components subject to Federal requirements as described in Section F.2.

DOT strongly encourages applicants to identify in their applications the project components that have independent utility and separately detail costs and requested NSFHP funding for each component. If the application identifies one or more independent project components, the application should clearly identify how each independent component addresses selection criteria and produces benefits on its own, in addition to describing how the full proposal of which the independent component is a part addresses selection criteria.

**D. Application and Submission Information**

**1. Address**

Applications must be submitted through [www.Grants.gov](http://www.Grants.gov). Instructions for submitting applications can be found at [www.transportation.gov/FASTLANEgrants](http://www.transportation.gov/FASTLANEgrants).

**2. Content and Form of Application**

The application must include the Standard Form 424 (Application for Federal Assistance), Standard Form 424C (Budget Information for Construction Programs), cover page, and the Project Narrative. More detailed information about the cover page and Project Narrative follows.

**i. Cover Page** including the following chart:

Project Name	
<i>Previously Incurred Project Cost</i>	\$
<i>Future Eligible Project Cost</i>	\$
Total Project Cost	\$
NSFHP Request	\$
Total Federal Funding (including NSFHP)	\$
Are matching funds restricted to a specific	Yes/no

project component? If so, which one?	
Is the project or a portion of the project currently located on National Highway Freight Network	Yes/no
Is the project or a portion of the project located on the National Highway System <ul style="list-style-type: none"> <li>• Does the project add capacity to the Interstate system?</li> <li>• Is the project in a national scenic area?</li> </ul>	Yes/no (for each question)
Do the project components include a railway-highway grade crossing or grade separation project?	Yes/no
Do the project components include an intermodal or freight rail project, or freight project within the boundaries of a public or private freight rail, water (including ports), or intermodal facility?	Yes/no
If answered yes to either of the two component questions above, how much of requested NSFHP funds will be spent on each of these projects components?	
State(s) in which project is located	
Small or large project	Small/Large
Also submitting an application to TIGER for this project?	Yes/no
Urbanized Area in which project is located, if applicable	
Population of Urbanized Area	
Is the project currently programmed in the: <ul style="list-style-type: none"> <li>• TIP</li> <li>• STIP</li> <li>• MPO Long Range Transportation Plan</li> <li>• State Long Range Transportation Plan</li> <li>• State Freight Plan?</li> </ul>	Yes/no (please <u>specify in which plans the project is currently programmed</u> )

**ii. Project Narrative**

The application must include information required for DOT to determine that the project satisfies project requirements described in Sections B and C and to

assess the selection criteria specified in Section E.1. To the extent practicable, applicants should provide data and evidence of project merits in a form that is verifiable or publicly available. DOT may ask any applicant to supplement data in its application, but expects applications to be complete upon submission.

DOT recommends that the project narrative adhere to the following basic outline to clearly address the program requirements and make critical information readily apparent. In addition to a detailed statement of work, detailed project schedule, and detailed project budget, the project narrative should include a table of contents, maps, and graphics, as appropriate to make the information easier to review. DOT recommends that the project narrative be prepared with standard formatting preferences (i.e., a single-spaced document, using a standard 12-point font such as Times New Roman, with 1-inch margins.) The project narrative may not exceed 25 pages in length, excluding cover pages and table of contents. The only substantive portion that may exceed the 25-page limit are supporting documents to support assertions or conclusions made in the 25-page project narrative. If possible, website links to supporting documentation should be provided rather than copies of these supporting materials. If supporting documents are submitted, applicants must clearly identify within the project narrative the relevant portion of the project narrative that each supporting document supports. At the applicant's discretion, relevant materials provided previously to a modal administration in support of a different DOT financial assistance program may be referenced and described as unchanged. DOT recommends using appropriately descriptive final names (e.g., "Project

Narrative,” “Maps,” “Memoranda of Understanding and Letters of Support,” etc.) for all attachments. DOT recommends applications include the following sections:

- a. Project Description** including a description project size including previously incurred expenses to show the project meets minimum project size requirements, a description of what requested NSFHP and matching funds will support, how the project is nationally or regionally significant, information on the expected users of the project, a description of the transportation challenges the project aims to address, and how the project will address these challenges. The description should include relevant data for before and after the project is built, such as passenger and freight volumes, congestion levels, infrastructure condition, and safety experience, including citations for data sources. Examples of potentially relevant data can be found at [www.transportation.gov/FASTLANEgrants](http://www.transportation.gov/FASTLANEgrants), but DOT encourages applicants to identify the most relevant information for their project.
- b. Project Location** including a detailed description of the proposed project and geospatial data for the project, as well as a map of the project’s location and its connections to existing transportation infrastructure. If the project is located within the boundary of a Census- designated Urbanized Area, the application must identify the Urbanized Area.
- c. Project Parties** including information about the grant recipient and other affected public and private parties who are involved in delivering the

project, such as ports, terminal operators, freight railroads, shippers, carriers, freight-related associations, third-party logistics providers, and the freight industry workforce.

- d. Grant Funds, Sources and Uses of Project Funds** including information to demonstrate the viability and completeness of the project's financing package, assuming the availability of the requested NSFHP grant funds. The applicant should show evidence of stable and reliable capital and (as appropriate) operating fund commitments sufficient to cover estimated costs; the availability of contingency reserves should planned capital or operating revenue sources not materialize; evidence of the financial condition of the project sponsor; and evidence of the grant recipient's ability to manage grants. At a minimum, applicants must include:
- i)** Future eligible cost, as defined in Section C.3.ii-iii.
  - ii)** Availability and commitment of all committed and expected funding sources and uses of all project funds for future eligible project costs, including the identity of all parties providing funds for the project and their percentage shares; any restrictions attached to specific funds; compliance or a schedule for compliance with all conditions applicable to each funding source, and, to the extent possible, funding commitment letters from non-Federal sources.
  - iii)** Federal funds already provided and the size, nature, and source of the required match for those funds, as well as pending or past Federal funding requests for the project. This information should demonstrate

that the requested NSFHP funds do not exceed 60 percent of future eligible project costs and that total Federal funding will not exceed 80 percent of future eligible project costs. This information should also show that local share for the NSFHP grant is not counted as the matching requirement for another Federal program.

- iv) A detailed project budget containing a breakdown of how the funds will be spent. That budget should estimate—both dollar amount and percentage of cost— the cost of work for each project component. If the project will be completed in individual segments or phases, a budget for each individual segment or phase should be included. Budget spending categories should be broken down between NSFHP, other Federal, and non-Federal sources, and this breakdown should also identify how each funding source will share in each activity.
  - v) Amount of requested NSFHP funds that will be spent on highway, bridge, freight intermodal or freight rail, port, grade crossing or grades separation project components.
- e. **Cost-Effectiveness** analysis should demonstrate that the project is likely to deliver its anticipated benefits at reasonable costs. Applicants should delineate each of their project's expected outputs and costs, preferably in the form of a complete Benefit-Cost Analysis (BCA), to enable the Department to consider cost-effectiveness (small projects) or determine whether the project is cost effective (for large projects). The primary economic benefits from projects eligible for NSFHP grants are likely to

include time savings for passenger travel and freight shipments, improvements in transportation safety (less frequent accidents and the resulting reductions in fatalities, injuries, and property damage), reduced damages from emissions of greenhouse gases and criteria air pollutants, and savings in maintenance costs to public agencies. Applicants are strongly encouraged to submit a BCA in support of each project for which they seek funding that quantifies each of these benefits, provides monetary estimates of their economic value, and compares the properly-discounted present values of these benefits to the project's estimated costs. Where applicants cannot adequately monetize benefits, they are urged to identify non-monetary measures for other categories of benefits (examples below) to assist the Department in making cost-effectiveness and other determinations about projects.

Many projects are likely to generate other categories of benefits that are more difficult to quantify and value in economic terms, but are nevertheless important considerations in determining whether a proposed project is cost-effective. These may include impacts such as improving the reliability of passenger travel times or freight deliveries, reducing recurring delays at critical transportation bottlenecks, improvements to the existing human and natural environments surrounding the project, increased access and mobility, benefits to safety and public health, stormwater runoff mitigation, and noise reduction. Applicants should identify each category of impact or benefits that is not already included in

the estimated dollar value of their project's benefits (as described above), and wherever possible provide numerical estimates of the magnitude and timing of each of these additional impacts.

For the purpose of evaluating cost-effectiveness, project costs should include those for constructing, operating, and maintaining the proposed project, including a detailed breakdown of those costs by spending category, the expected timing or schedule for costs in each category, and any contingency or other allowances for unanticipated costs. Detailed guidance for estimating some types of quantitative benefits and costs, together with recommended economic values for converting them to dollar terms and discounting to their present values are available in DOT's guidance for conducting BCAs for projects seeking funding under the NSFHP program (see [www.transportation.gov/FASTLANEgrants](http://www.transportation.gov/FASTLANEgrants)).

Applicants for freight projects within the boundaries of a freight rail, water (including ports), or intermodal facility should also quantify the benefits of their proposed projects for freight movements on the National Highway Freight Network, and should demonstrate that the Federal share of the project funds only elements of the project that provide public benefits.

- f. **Project Readiness** including information to demonstrate that the project is reasonably expected to begin construction in a timely manner. For a large project, the Department cannot award a project that is not reasonably expected to begin construction within 18 months of obligation of funds for

the project. The Department will determine that large projects with an obligation date beyond September 30, 2019 are not reasonably expected to begin construction within 18 months of obligation. Obligation occurs when a selected applicant and DOT enter a written project specific agreement and is generally after the applicant has satisfied applicable administrative requirements, including transportation planning and environmental review requirements. Depending on the nature of pre-construction activities included in the awarded project, the Department may obligate funds in phases.

Preliminary engineering and right-of-way acquisition activities, such as environmental review, design work, and other preconstruction activities, do not fulfill the requirement to begin construction within 18 months of obligation for large projects.

To assist the Department's project readiness determination, the Department will consider information provided in this Section D.2.ii.d. (Grant Funds, Sources and Uses of Project Funds) in addition to the following information:

- i) **Technical Feasibility.** The technical feasibility of the project should be demonstrated by engineering and design studies and activities; the development of design criteria and/or a basis of design; the basis for the cost estimate presented in the NSFHP application, including the identification of contingency levels appropriate to its level of design; and any scope, schedule, and budget risk-mitigation measures.

Applicants must include a detailed statement of work that focuses on the technical and engineering aspects of the project and describes in detail the project to be constructed.

- ii) **Project Schedule.** The applicant must include a detailed project schedule that identifies all major project milestones. Examples of such milestones include State and local planning approvals (programming on the STIP), start and completion of NEPA and other environmental reviews and approvals including permitting; design completion; right of way acquisition; approval of plan, specification and estimate (PS&E); procurement; State and local approvals; project partnership and implementation agreements including agreements with railroads; and construction. The project schedule should be sufficiently detailed to demonstrate that:
  - a) all necessary activities will be complete to allow grant funds to be obligated sufficiently in advance of the statutory deadline, and that any unexpected delays will not put the funds at risk of expiring before they are obligated;
  - b) the project can begin construction quickly upon receipt of a NSFHP grant, and that the grant funds will be spent expeditiously once construction starts; and
  - c) all property and/or right-of-way acquisition will be completed in a timely manner in accordance with 49 CFR part 24 and other legal requirements or a statement that no acquisition is necessary.

iii) Required Approvals

a) Environmental Permits and Reviews: As noted in Section D.2.ii.f.iii above, the application should demonstrate receipt (or reasonably anticipated receipt) of all environmental approvals and permits necessary for the project to proceed to construction on the timeline specified in the project schedule and necessary to meet the statutory obligation deadline, including satisfaction of all Federal, State and local requirements and completion of the NEPA process. Although Section C.3.vi (Project Components) of this notice encourages applicants to identify independent project components, those components may not be separable for the NEPA process. In such cases, the NEPA review for the independent project component may have to include evaluation of all project components as connected, similar, or cumulative actions, as detailed at 40 CFR § 1508.25. In addition, the scope of the NEPA decision may affect the applicability of the Federal requirements on the project described in the application. Specifically, the application should include:

- 1) Information about the NEPA status of the project. If the NEPA process is completed, an applicant must indicate the date of, and provide a website link or other reference to the final Categorical Exclusion, Finding of No Significant Impact, Record of Decision, or any other NEPA documents prepared. If

the NEPA process is underway but not complete, the application must detail the type of NEPA review underway, where the project is in the process, and indicate the anticipated date of completion of all milestones and of the final NEPA determination.

- 2) Information on reviews, approvals, and permits by other agencies. An application must indicate whether the proposed project requires reviews or approval actions by other agencies<sup>7</sup>, indicate the status of such actions, and provide detailed information about the status of those reviews or approvals and or demonstrate compliance with any other applicable Federal, State, or local requirements. Applicants should provide a website link or other reference to copies of any reviews, approvals, and permits prepared.
- 3) Environmental studies or other documents—preferably through a website link—that describe in detail known project impacts, and possible mitigation for those impacts.
- 4) A description of discussions with the appropriate DOT modal administration field or headquarters office regarding compliance with NEPA and other applicable environmental reviews and approvals.

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<sup>7</sup> Projects that may impact protected resources such as wetlands, species habitat, cultural or historic resources require review and approval by Federal and State agencies with jurisdiction over those resources.

- 5) A description of public engagement to date about the project including the degree to which public comments and commitments have been integrated into project development and design.
- b. State and Local Approvals.** The applicant should demonstrate receipt of State and local approvals on which the project depends, such as local government funding commitments or TIF approval. Additional support from relevant State and local officials is not required; however, an applicant should demonstrate that the project is broadly supported.
- c. State and Local Planning.** The planning requirements of the operating administration administering the NSFHP project will apply<sup>8</sup>, including intermodal projects located at airport facilities<sup>9</sup>.

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<sup>8</sup> In accordance with 23 U.S.C. § 134 and § 135, all projects requiring an action by the Federal Highway Administration (FHWA) must be in the metropolitan transportation plan, transportation improvement program (TIP) and statewide transportation improvement program (STIP). Further, in air quality non-attainment and maintenance areas, all regionally significant projects, regardless of the funding source, must be included in the conforming metropolitan transportation plan and TIP. To the extent a project is required to be on a metropolitan transportation plan, TIP, and/or STIP, it will not receive a NSFHP grant until it is included in such plans. Projects not currently included in these plans can be amended by the State and metropolitan planning organization (MPO). Projects that are not required to be in long range transportation plans, STIPs, and TIPs will not need to be included in such plans in order to receive a NSFHP grant. Port, freight rail, and intermodal projects are not required to be on the State Rail Plans called for in the Passenger Rail Investment and Improvement Act of 2008. However, applicants seeking funding for freight projects are encouraged to demonstrate that they have done sufficient planning to ensure that projects fit into a prioritized list of capital needs and are consistent with long-range goals. Means of demonstrating this consistency would include the projects in TIPs or a State Freight Plan that conforms to the requirements Section 70202 of Title 49 prior to the start of construction. Port planning guidelines are available at [StrongPorts.gov](http://StrongPorts.gov).

<sup>9</sup> Projects at grant obligated airports, must be compatible with the FAA-approved Airport Layout Plan (ALP), as well as aeronautical surfaces associated with the landing and takeoff of aircraft at the airport. Additionally, projects at an airport: must comply with established Sponsor Grant Assurances, including (but not limited to) requirements for non-exclusive use facilities, consultation with users, consistency with local plans including development of the area surrounding the airport, and consideration of the interest of nearby communities, among others; and must not adversely affect the continued and unhindered access of passengers to the terminal.

Applicants should demonstrate that a project that is required to be included in the relevant State, metropolitan, and local planning documents has been or will be included. If the project is not included in the relevant planning documents at the time the application is submitted, the applicant should submit a statement from the appropriate planning agency that actions are underway to include the project in the relevant planning document.

To the extent possible, freight projects should be included in a State Freight Plan and supported by a State Freight Advisory Committee (49 U.S.C. 70201, 70202).

Because projects have different schedules, the construction start date for each NSFHP grant will be specified in the project-specific agreements signed by relevant modal administration and the grant recipients and will be based on critical path items identified by applicants in response to items (iv)(a) through (c) above, and be consistent with other relevant State or local plan, including bicycle and pedestrian plans, economic development plans, local land-use plans, and water and coastal zone management plans.

- iv) Assessment of Project Risks and Mitigation Strategies.** Project risks, such as procurement delays, environmental uncertainties, increases in real estate acquisition costs, uncommitted local match, or lack of legislative approval, affect the likelihood of successful project start and completion. The applicant should identify the material risks to the

project and the strategies that the lead applicant and any project partners have undertaken or will undertake in order to mitigate those risks. Information provided in response to Section D.2.ii.f.i- iv above should be referenced in developing this assessment. The applicant should assess the greatest risks to the project and identify how the project parties will mitigate those risks. DOT will consider projects that contain risks, but expects the applicant to clearly and directly describe achievable mitigation strategies.

The applicant, to the extent they are unfamiliar with the Federal program, should contact DOT modal field or headquarters offices as found at [www.transportation.gov/FASTLANEgrants](http://www.transportation.gov/FASTLANEgrants) for information on what steps are pre-requisite to the obligation of Federal funds in order to ensure that their project schedule is reasonable and that there are no risks of delays in satisfying Federal requirements.

### **3. Unique entity identifier and System for Award Management (SAM)**

Each applicant must: 1) be registered in SAM before submitting its application; 2) provide a valid unique entity identifier in its application; and 3) continue to maintain an active SAM registration with current information at all times during which it has an active Federal award or an application or plan under consideration by a Federal awarding agency. DOT may not make an NSFHP grant to an applicant until the applicant has complied with all applicable unique entity identifier and SAM requirements and, if an applicant has not fully complied with the requirements by the time DOT is ready to make an NSFHP grant, DOT may determine that the applicant

is not qualified to receive an NSFHP grant and use that determination as a basis for making an NSFHP grant to another applicant.

#### **4. Submission Dates and Timelines**

##### **i. Deadline**

Applications must be submitted by 8:00 p.m. EDT April 14, 2016. The Grants.gov “Apply” function will open by March 15, 2016. The Department has determined that an application deadline fewer than 60 days after this notice is published is appropriate because the accelerated timeline is necessary to satisfy the statutory 60-day Congressional notification requirement, as well as to ensure the timely obligation of available funds.

To submit an application through Grants.gov, applicants must:

- a.** Obtain a Data Universal Numbering System (DUNS) number;
- b.** Register with the System Award for Management (SAM) at [www.sam.gov](http://www.sam.gov);
- c.** Create a Grants.gov username and password; and
- d.** The E-business Point of Contact (POC) at the applicant’s organization must respond to the registration email from Grants.gov and login at Grants.gov to authorize the POC as an Authorized Organization Representative (AOR).

Please note that there can only be one AOR per organization.

Please note that the Grants.gov registration process usually takes 2-4 weeks to complete and late applications that are the result of failure to register or comply with Grants.gov applicant requirements in a timely manner will not be considered. For information and instruction on each of these processes, please see instructions at <http://www.grants.gov/web/grants/applicants/applicant-faqs.html>. If interested

parties experience difficulties at any point during the registration or application process, please call the Grants.gov Customer Service Support Hotline at 1(800) 518-4726, Monday-Friday from 7:00 a.m. to 9:00 p.m. EDT.

**ii. Consideration of Application**

Only applicants who comply with all submission deadlines described in this notice and submit applications through Grants.gov will be eligible for award. Applicants are strongly encouraged to make submissions in advance of the deadline.

Applicants interested in applying are encouraged to email [FASTLANEgrants@dot.gov](mailto:FASTLANEgrants@dot.gov) no later than March 25, 2016 with applicant name, State in which project is located, approximate total project cost, and amount of the NSFHP grant request, and a 2-3 sentence project description. DOT seeks this early notification of interest to inform the Department's allocation of resources for application evaluations and to facilitate timely and efficient awards.

**iii. Late Applications**

Applications received after the deadline will not be considered except in the case of unforeseen technical difficulties outlined in Section 4.iv.

**iv. Late Application Policy**

Applicants experiencing technical issues with Grants.gov that are beyond the applicant's control must contact [FASTLANEgrants@dot.gov](mailto:FASTLANEgrants@dot.gov) prior to the application deadline with the user name of the registrant and details of the technical issue experienced. The applicant must provide:

- a. Details of the technical issue experienced;

- b. Screen capture(s) of the technical issues experienced along with corresponding Grants.gov “Grant tracking number”
- c. The “Legal Business Name” for the applicant that was provided in the SF-424
- d. The AOR name submitted in the SF-424
- e. The DUNS number associated with the application
- f. The Grants.gov Help Desk Tracking Number

To ensure a fair competition of limited discretionary funds, the following conditions are not valid reasons to permit late submissions: 1) failure to complete the registration process before the deadline; 2) failure to follow Grants.gov instructions on how to register and apply as posted on its website; 3) failure to follow all of the instructions in this notice of funding opportunity; and 4) technical issues experienced with the applicant’s computer or information technology environment. After DOT staff review all information submitted and contact the Grants.gov Help Desk to validate reported technical issues, DOT staff will contact late applicants to approve or deny a request to submit a late application through Grants.gov. If the reported technical issues cannot be validated, late applications will be rejected as untimely.

## **E. Application Review Information**

### **1. Criteria**

For a small project to be selected, the Department will evaluate the cost effectiveness of the proposed project and the effect of the proposed project on mobility in the State and region in which the project is carried out.

For a large project to be selected, the Department will determine that the project generates national or regional economic, mobility, or safety benefits; is cost-effective; contributes to one or more of the goals described in 23 U.S.C 150; is based on the results of preliminary engineering; has one or more stable and dependable funding or financing sources to construct, maintain, and operate and contingency amounts to cover unanticipated cost increases; cannot be easily and efficiently completed without other Federal funding or financial assistance; and is reasonably expected to begin construction no later than 18 months after the date of obligation.

**i. Merit Criteria** For both large and small projects, the Department will consider the extent to which the project addresses the following criteria:

**a. Economic Outcomes**

Improving the efficiency and reliability of the surface transportation system at the regional or national level to increase the global economic competitiveness of the United States, including improving connectivity between freight modes of transportation, improving roadways vital to national energy security, facilitating freight movement across land border crossings, and addressing the impact of population growth on the movement of people and freight.

**b. Mobility Outcomes**

Improving the movement of people and goods by maintaining highways, bridges, and freight infrastructure in a state of good repair, enhancing the resiliency of critical surface transportation infrastructure, and significantly reducing highway congestion and bottlenecks.

**c. Safety Outcomes**

Achieving a significant reduction in traffic fatalities and serious injuries on the surface transportation system, as well as improving interactions between roadway users, reducing the likelihood of derailments or high consequence events, and improving safety in transporting certain types of commodities.

**d. Community and Environmental Outcomes**

How and whether the project mitigates harm to communities and the environment, extends benefits to the human and natural environment, or enhances personal mobility and accessibility. This includes reducing the negative effects of existing infrastructure, removing barriers, avoiding harm to the human and natural environment, and using design improvements to enhance access (where appropriate) and environmental quality for affected communities. Projects should also reflect meaningful community input provided during project development.

**ii. Other Review Criteria**

**a. Partnership and Innovation**

Demonstrating strong collaboration among a broad range of stakeholders or using innovative strategies to pursue primary outcomes listed above including efforts to reduce accelerate delivery delays. Additional consideration will be given for the use of innovative and flexible designs and construction techniques or innovative technologies.

**b. Cost Share**

NSFHP grants must have one or more stable and dependable sources of funding and financing to construct, maintain, and operate the project, subject to the parameters in Section C.2. Applicants should provide sufficient information

to demonstrate that the project cannot be easily and efficiently completed without other Federal funding or financial assistance available to the project sponsor.

Additional consideration will be given to the use of nontraditional financing, as well as the use of non-Federal contributions. The Department may consider the form of cost sharing presented in an application. Firm commitments of cash that indicate a complete project funding package and demonstrate local support for the project are more competitive than other forms of cost sharing.

## **2. Review and Selection Process**

### **i. DOT Review**

DOT will review all eligible applications received before the application deadline. The NSFHP process consists of a Technical Evaluation phase and Senior Review. In the Technical Evaluation phase, teams will, for each project determine whether the project satisfies statutory requirements and rate how well it addresses selection criteria. The Senior Review Team will consider the applications and the technical evaluations to determine which projects to advance to the Secretary for consideration. Evaluations in both the Technical Evaluation and Senior Review Team phases will place projects into rating categories, not assign numerical scores. The Secretary will select the projects for award. A Control and Calibration Team will ensure consistency across project evaluations and appropriate documentation throughout the review and selection process. The FAST Act requires Congressional notification, in writing, at least 60 days before making a NSFHP grant.

### **3. Additional Information**

Prior to award, each selected applicant will be subject to a risk assessment required by 2 CFR § 200.205. The Department must review and consider any information about the applicant that is in the designated integrity and performance system accessible through SAM (currently the Federal Awardee Performance and Integrity Information System (FAPIIS)). An applicant may review information in FAPIIS and comment on any information about itself. The Department will consider comments by the applicant in addition to the other information in FAPIIS, in making a judgment about the applicant's integrity, business ethics, and record of performance under Federal awards when completing the review of risk posed by applicants.

## **F. Federal Award Administration Information**

### **1. Federal Award Notices**

Following the evaluation outlined in [Section E](#), the Secretary will announce awarded projects by posting a list of selected projects at [www.transportation.gov/FASTLANEgrants](http://www.transportation.gov/FASTLANEgrants). Following the announcement, the Department will contact the point of contact listed in the SF 424 to initiate negotiation of a project specific agreement.

### **2. Administrative and National Policy Requirements**

All awards will be administered pursuant to the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards found in 2 CFR part 200, as adopted by DOT at 2 CFR part 1201. Additionally, applicable Federal laws, rules and regulations of the relevant modal administration administering the project

will apply to the projects that receive NSFHP grants, including planning requirements, Stakeholder Agreements, Buy America compliance, and other requirements under DOT's other highway, transit, rail, and port grant programs. A project carried out under this NSFHP program will be treated as if the project is located on a Federal-aid highway. For an illustrative list of the applicable laws, rules, regulations, executive orders, policies, guidelines, and requirements as they relate to an NSFHP, please see [http://www.ops.fhwa.dot.gov/freight/infrastructure/nsfhp/fy2016\\_gr\\_exhbt\\_c/index.htm](http://www.ops.fhwa.dot.gov/freight/infrastructure/nsfhp/fy2016_gr_exhbt_c/index.htm).

### **3. Reporting**

#### **i. Progress Reporting on Grant Activity**

Each applicant selected for an NSFHP grant must submit the Federal Financial Report (SF-425) on the financial condition of the project and the project's progress, as well as an Annual Budget Review and Program Plan to monitor the use of Federal funds and ensure accountability and financial transparency in the NSFHP program.

#### **ii. Reporting of Matters Related to Integrity and Performance**

If the total value of a selected applicant's currently active grants, cooperative agreements, and procurement contracts from all Federal awarding agencies exceeds \$10,000,000 for any period of time during the period of performance of this Federal award, then the applicant during that period of time must maintain the currency of information reported to the System for Award Management (SAM) that is made available in the designated integrity and performance system (currently the Federal Awardee Performance and Integrity Information System (FAPIIS)) about civil, criminal, or administrative proceedings described in paragraph 2 of this award term and condition. This is a statutory requirement under section 872 of Public Law 110-

417, as amended (41 U.S.C. 2313). As required by section 3010 of Public Law 111-212, all information posted in the designated integrity and performance system on or after April 15, 2011, except past performance reviews required for Federal procurement contracts, will be publicly available.

## **G. Federal Awarding Agency Contacts**

For further information concerning this notice, please contact the Office of the Secretary via email at [FASTLANEgrants@dot.gov](mailto:FASTLANEgrants@dot.gov). For more information about highway projects, please contact Crystal Jones at (202) 366-2976. For more information about maritime projects, please contact Robert Bouchard at (202) 366-5076. For more information about rail projects, please contact Scott Greene at (202) 493-6408. For all other questions, please contact Howard Hill at (202) 366-0301. A TDD is available for individuals who are deaf or hard of hearing at 202-366-3993. In addition, up to the application deadline, DOT will post answers to common questions and requests for clarifications on DOT's website at [www.transportation.gov/FASTLANEgrants](http://www.transportation.gov/FASTLANEgrants). To ensure applicants receive accurate information about eligibility or the program, the applicant is encouraged to contact DOT directly, rather than through intermediaries or third parties, with questions.

## **H. Other Information**

### **1. Public Comment**

The FAST Act authorized the NSFHP program through FY 2020. This notice solicits applications for FY 2016 only. Because this is the first year implementing the NSFHP program, the Department invites interested parties to submit comments about this notice's contents, the Department's implementation choices within the legal bounds of the program, as well as suggestions for clarification in future NSFHP rounds. The

Department seeks input on whether the information requested in applications is reasonable and clear, additional merit criteria should be considered, additional public engagement is necessary for specific stakeholder groups, and the program sufficiently targets nationally or regionally significant projects. The Department may consider the submitted comments and suggestions when developing subsequent NSFHP notices and program guidance, but submitted comments will not affect the program's evaluation and selection process for FY 2016 awards. Applications or comments about specific projects should not be submitted to the docket. Any application submitted to the document will not be reviewed. Comments should be sent to DOT-OST-2016-0022 by June 1, 2016, but, to the extent practicable, the Department will consider late-filed comments.

## **2. Protection of Confidential Business Information**

All information submitted as part of or in support of any application shall use publicly available data or data that can be made public and methodologies that are accepted by industry practice and standards, to the extent possible. If the application includes information the applicant considers to be a trade secret or confidential commercial or financial information, the applicant should do the following: (1) note on the front cover that the submission “Contains Confidential Business Information (CBI)”; (2) mark each affected page “CBI”; and (3) highlight or otherwise denote the CBI portions. DOT protects such information from disclosure to the extent allowed under applicable law. In the event DOT receives a Freedom of Information Act (FOIA) request for the information, DOT will follow the procedures described in its FOIA regulations at 49 CFR § 7.17. Only information that is ultimately determined to be confidential under that procedure will be exempt from disclosure under FOIA.

Issued On:

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Anthony R. Foxx

Secretary