Office of the Under Secretary of Transportation

The Honorable Maria Cantwell Chair Committee on Commerce, Science, and Transportation United States Senate Washington, DC 20510

## Dear Chair Cantwell:

This letter is the first report to Congress on the Regional Infrastructure Accelerators Demonstration Program, in accordance with Section 1441 of Public Law 114-94, the Fixing America's Surface Transportation Act (FAST Act), which requires the U.S. Secretary of Transportation to report annually on the findings and effectiveness of the Program. This report covers the period ending February 28, 2023.

The FAST Act authorized the Secretary to establish the Program to help entities develop priorities and financing strategies to accelerate projects eligible for credit assistance under the Transportation Infrastructure Finance and Innovation Act Program. Congress has appropriated a total of \$34 million for the Program (Table 1).

Table 1. Legislation Funding the Regional Infrastructure Accelerator Program

Legislation	Funding (\$ millions)
FAST Act	\$ 12 (authorization)
Further Consolidated Appropriations Act, 2020 <sup>1</sup>	\$ 5
Consolidated Appropriations Act, 2021 <sup>2</sup>	\$ 5
Consolidated Appropriations Act, 2022 <sup>3</sup>	\$ 12
Consolidated Appropriations Act, 2023 <sup>4</sup>	\$ 12

## **IMPLEMENTATION**

The Build America Bureau is implementing the Program on behalf of the Secretary. The Bureau advances investment in America's transportation infrastructure by lending Federal funds to qualified borrowers; clearing roadblocks for credit worthy projects; encouraging best practices in

<sup>&</sup>lt;sup>1</sup> Public Law 116–94, division H, title I, 133 Stat. 2534, 2946 (December 20, 2019).

<sup>&</sup>lt;sup>2</sup> Public Law 116–260, division L, title I, 134 Stat. 1182, 1836 (December 27, 2020).

<sup>&</sup>lt;sup>3</sup> Public Law 117-103, division L, title I, 136 Stat. 49, 699 (March 15, 2022).

<sup>&</sup>lt;sup>4</sup> Public Law 117-328, division L, title I (as enrolled on December 29, 2022).

project planning, financing, and delivery; and fully using available lending capacity while protecting taxpayer resources.

The Bureau selected ten Program participants (Table 2)—regional infrastructure accelerators (RIA)—based on responses to 2020 and 2022 notices of funding opportunity (NOFO).<sup>5</sup> Each NOFO announced the availability of \$5 million. The Bureau on April 27, 2023, issued the third NOFO to announce the \$24 million in subsequent appropriations.

Table 2. Regional Infrastructure Accelerators and Award Amounts

Participant		Award (\$ millions)	
Resilient SR 37 Program, California	\$	1.500	
San Diego Association of Governments, San Diego, California	\$	1.470	
Pacific Northwest Economic Region, Seattle, Washington	\$	1.235	
Doña Ana County, New Mexico	\$	1.100	
Chicago Metropolitan Agency for Planning, Chicago, Illinois	\$	1.000	
Fresno Council of Governments, Fresno, California	\$	1.000	
Suffolk County, New York Midway Crossing Project, New York	\$	1.000	
Central Ohio Transit Authority, Columbus, Ohio	\$	0.750	
Panhandle Regional Planning Commission, Texas		0.455	
Northeast Ohio Areawide Coordinating Agency, Cleveland, Ohio	\$	0.295	
Total Awards, as of February 28, 2023	\$	9.805	

Cooperative agreements have been executed for the five RIAs selected based on the 2020 NOFO responses and the five participants selected based on 2022 NOFO responses. The cooperative agreement is pending execution for the other selection. The U.S. Department of Transportation (DOT) cannot reimburse RIAs for expenses incurred prior to execution of their cooperative agreements.

This Program has provided resources for RIAs to hire staff, procure advisors, and address project specific tasks and objectives, such as the following examples.

• The San Diego Association of Governments hired staff and partnered with a consultant to develop an investment strategy to expedite LOSSAN and Sprinter rail corridor improvements. Stakeholder engagement meetings occurred, and a corridor assessment is complete.

Notice of Funding Opportunity, 85 FR 86983, December 31, 2020, 87 FR 794, January 6, 2022, and 88 FR 25728.

- The Pacific Northwest Economic Region told us its RIA funds helped it compete for a DOT RAISE discretionary grant.
- The Chicago Metropolitan Agency for Planning hired a lead for its research, analysis, and programming division, which is overseeing RIA work to support State of Illinois asset sales and procurements, State fleet electrification, and alternative project delivery of Chicago's smart lighting infrastructure.
- The Fresno Council of Governments RIA helped complete the TradePort Logistics Core Zones planning and preliminary engineering. Work is underway to develop the project delivery entity with authority under the state's joint powers law to seek project funding and financing.
- The Northern Ohio Area Coordinating Agency RIA staff is working with the Rock and Roll Hall of Fame on its \$100 million expansion project to support the planned transportation hub and mixed-used space that will connect downtown Cleveland to the riverfront.

The Bureau will continue to provide Congress information as the RIAs fully execute their awards. Recipients submit to the Bureau quarterly reports and participate in bi-weekly status meetings. The Bureau plans to analyze the quarterly reports and other information to develop findings and assess the effectiveness of the Program.

A similar letter has been sent to the Ranking Member of the Senate Committee on Commerce, Science, and Transportation and the Chairman and Ranking Member of the House Committee on Transportation and Infrastructure.

Sincerely,

Morteza Farajian, Ph.D