Port Outreach Webinar

Presented by the Maritime Administration
United States Department of Transportation

August 30, 2011
• $527 million multimodal, merit-based discretionary grant program
• $140 million for rural areas
• Up to $150 million for TIFIA payments
• Last round the average award was $13.25 million
• Geographic diversity requirement
2011 Application Process

Sept. 9th - Pre-Application Registration
October 3rd - Pre-Applications Due
October 4th - Final Applications Open
October 31st - Final Applications Due
Changes from TIGER 2

• No Planning Funds this round
• 3 Application Limit (per sponsor)
• TIFIA Letter of Interest
Keys to Competitive Applications

• Eligibility
• Address Criteria and Outcomes
• Clarity
• Leveraging Investment
• Project Segmentation
• Project Readiness/NEPA
• Highly Competitive Projects – Port Examples
• Lessons Learned
• Benefit Cost Analysis
• Planned Technical Assistance
Eligibility

• Surface transportation capital projects only

• Open to state, tribal, and local entities, and other subdivisions

• Private entities, including non-profits, must partner with a public lead

• Rural grants: $1 million minimum (no match req)

• Urbanized area grants: $10 million minimum (20% match)

• Eligible ≠ Competitive
Address Criteria and Outcomes

• Application outline in the NOFA
  http://www.dot.gov/docs/FY11_TIGER_NOFA.pdf

• Describe how project addresses challenge

• Detail how federal funds will be used

• Address the selection criteria

**Primary Criteria**
- State of Good Repair
- Economic Competitiveness
- Livability
- Environmental Sustainability
- Safety
- Job Creation/Near-Term Economic Benefits

**Secondary Criteria**
- Innovation
- Partnership
Clarity

• Ensure project descriptions are clear and concise
• Pictures and maps are helpful
• Focus on why project is compelling
• Staff and experts may review 100-200 applications within a short period of time
Leveraging Investment

- Matching state and local funds with private funds helps demonstrate commitment = more competitive
- First round: TIGER grantees delivered $4.5 billion in matching funding for TIGER’s $1.5 billion
- Public-private projects must demonstrate significant public benefits
- Up to $150 million in TIFIA payments available
Project Segmentation

• Clearly identify multiple project elements if the project is segmentable

• Segments must have “independent utility”
  – Provides transportation benefits
  – Will be ready for use when complete

• Phases must complete operable segment
Project Readiness/NEPA

- Projects that are ready to move to construction quickly are given priority
- Document where the project is in the NEPA process
- Initiate NEPA in advance of the application process, if possible
- If the project expects a CE determination, demonstrate why this is justified
# Highly Competitive Projects

## Port Examples

<table>
<thead>
<tr>
<th></th>
<th>Apps Received</th>
<th>Funding Requested</th>
<th>Funding Appropriated</th>
<th>Grants awarded to Ports</th>
</tr>
</thead>
<tbody>
<tr>
<td>TIGER ARRA (I)</td>
<td>1,454</td>
<td>$64 billion</td>
<td>$1.5 billion</td>
<td>$120,440,000</td>
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<tr>
<td>TIGER II</td>
<td>&lt;1,000</td>
<td>$19 billion</td>
<td>$600 million</td>
<td>$94,840,133</td>
</tr>
</tbody>
</table>
Lessons Learned

One Chance to Make a First Impression

Suggestion:
• Begin your narrative with:
  – Succinct description of the project
  – Explanation of the need for the project (describe market, define customer)
  – Summary of the benefits of the project for the region

• Then provide background, details, pictures and data to support your request.
Lessons Learned

How Strong is your Geography

Most applicants included:
- Image of port location
- Aerial of port
- Photo of problem

Suggestion:
- Map of your port and market area served
- Aerial of port with intermodal connectors identified
- Photo of problem with drawing showing how project will make a difference
Lessons Learned

Final Message

As you are reading the application package, consider these two questions:

- What is the intent or focus of the grant program?
- What information should be included in an application to make your application a responsive one?
Benefit Cost Analysis

Basic Requirements

• Project Summary
  – Base case (“no-build”)
  – Project description
  – Justification and impact on long-term outcomes
  – Affected population(s)
  – Expected economic benefits
  – Alternatives
Benefit Cost Analysis

Basic Requirements, cont.

• Monetized estimates of benefits & costs
  – Year-by-year stream of benefits and costs
  – Discounted to present value (3% & 7%)

• Replicable methodology

• Demonstrate Independent Utility
Benefit Cost Analysis

**BCA vs EIA**

- **BCA** focuses on national benefits and costs
  - Focuses on transportation cost and benefits (e.g., economic competitiveness benefits, state of good repair, improved safety, environmental impacts, livability)
  - Measures net value of project to society

- **Economic Impact Analysis (EIA)** focuses on local impacts of project on economic development
  - How transportation benefits and costs affect regional economy
    - Payrolls, tax revenues, real estate investments
    - Often transfers or double-counts of BCA benefits
  - Often ignores costs to other localities
Benefit Cost Analysis

Benefits – Economic Competitiveness

• Benefits in this category typically include:
  – Lower operating costs
  – Travel time savings
  – Savings to passengers, carriers, and shippers
  – Improvements in reliability

• Take care in including the following in BCA:
  – Job creation benefits (focus on productivity increases)
  – Omit multiplier effects

• Can include increases in labor and land productivity
  – But avoid double-counting
Benefit Cost Analysis

Lessons Learned

• **ALWAYS** document and provide reliable sources for data and calculations

• Be realistic in assumptions and estimates

• Qualitative discussion helps supplement understanding for difficult-to-measure benefits & costs

• Consider the viewpoint of objective reviewers
  – Are estimates plausible and reasonable?

• Focus on overall evaluative process, **not** just the B/C ratio
Technical Assistance

• USDOT offers technical assistance to help applicants through the TIGER process
• Preparation of benefit cost analysis
• Previous TIGER application debriefs
• Special Topics Webinars
Question and Answer Session