



U.S. Department of Transportation

Office of the Under Secretary

How to Compete for FY 2020 INFRA Grants



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Today's Webinar

- ◉ Introducing the INFRA program
- ◉ Statutory Requirements
 - Eligible Applicants
 - Eligible Projects
 - Eligible Project Costs
 - Minimum Project Size
 - Grant Amounts and Cost Share
 - *Eligibility Quiz*
 - Requirements for Large and Small Projects
- ◉ Selection Criteria
 - Support for National or Regional Economic Vitality
 - Leveraging of Federal Funding
 - Potential for Innovation
 - Performance and Accountability
 - Other Considerations
- ◉ Suggested Application Format
- ◉ Questions and Answers



Introduction

- ⦿ Discretionary grant program authorized under the FAST Act through 2020 - previously known as FASTLANE
- ⦿ Approximately \$906 million available for infrastructure grants for FY 2020.
- ⦿ INFRA program preserves statutory requirements and utilizes criteria to evaluate projects and align with national and regional economic vitality goals:
 - Leveraging increased investment by state, local, and private partners.
 - Promoting improved project performance and accountability.
 - Providing project sponsors maximum flexibility to propose innovative solutions to address specific, local needs.
- ⦿ **APPLICATION DEADLINE: February 25, 2020 11:59 PM EST.**

Eligible Applicants

- ⦿ State(s)
- ⦿ Metropolitan Planning Organizations with 200,000 population
- ⦿ Local Government(s)
- ⦿ Political subdivision(s) or State or local government
- ⦿ Public authorities (including port authorities) with a transportation function
- ⦿ Federal land management agencies applying jointly with a State(s)
- ⦿ Tribal government/consortiums
- ⦿ Multi-State or multijurisdictional group of public entities



Eligible Projects

- ⦿ Highway freight projects carried out on the National Highway Freight Network
- ⦿ Highway or bridge projects carried out on the National Highway System
- ⦿ Grade crossing or grade separation projects
- ⦿ Other freight projects* that are:
 - Intermodal/rail freight project
 - Within the boundaries of a public or private freight rail, maritime (including ports) or intermodal facility

**The amount of funding for freight rail/port/intermodal project costs is limited by statute. Approximately \$158 million remains available under this restriction.*



Eligible Project Costs

- ◎ Development phase activities, including planning, feasibility analysis , revenue forecasting, environmental review, preliminary engineering, design work, and other pre-construction activities
- ◎ Construction activities including new construction, reconstruction, rehabilitation, property or equipment acquisition, environmental mitigation, construction contingencies, and operational improvements



Minimum Project Size

Large Projects*

- The lesser of:
 - \$100 million
 - 30 percent of State's FY 2019 apportionment, if project is located in one State
 - (DE,DC,HI,ID,ME,NE,NH,ND,RI,SD,VT,WY)
 - 50 percent of larger participating State's FY 2015 apportionment, if project located in more than one State
 - (DE,DC,HI,ME,NH)

Small Projects*

- Doesn't meet large project minimum project size

**Previously incurred expenses may count toward meeting minimum project size requirement if they are eligible project costs and were expended as part of the project for which the applicant seeks funding.*



Grant Amounts and Cost Share

◎ Minimum INFRA Award Size

- \$25 million for large projects
- \$5 million for small projects

◎ Cost Share

- Up to 60 percent INFRA grants
- Up to 80 percent total Federal

Previously incurred expenses cannot count toward cost share



Eligibility Quiz #1

My project has future eligible costs of \$6 million and I am in a rural area.

Q: Should I apply for INFRA funding?

A: Unfortunately, your project is not eligible. The minimum project size is \$8,333,333.34.

(\$5 million minimum award & 60% maximum cost share, regardless of project location)



Eligibility Quiz #2

Q: What is the most I can request in INFRA funding?

A: 60% of your future eligible project costs. (No Statutory Maximum Award)

(The largest award previously provided was \$184M. The median Large project award is \$50M.)



Eligibility Quiz #3

I have already spent \$20 million of non-federal funding for design and engineering on my project. I estimate that my future eligible costs will be \$90 million.

Q: What is the minimum amount of non-federal match funding I need to commit to be eligible for an award?

A: \$18 million.

(Maximum 80% Federal Assistance of
Future Eligible Costs)



Requirements for Large and Small Projects

◎ Large Project Requirements

1. Generates national or regional economic, mobility, or safety benefits
2. Cost-effective
3. Contributes to one or more 23 U.S.C. 150 goals
4. Based on the results of preliminary engineering
5. One or more stable and dependable funding or financing sources
6. Cannot be completed easily or efficiently without Federal funding
7. Reasonably expected to begin construction 18 months from obligation

◎ Small Project Considerations

- Cost-effectiveness
- Effect on mobility in the project's State or region



LP Requirement 1: National or Regional Benefits

- ◎ Generates national or regional economic, mobility, or safety benefits
 - Based on benefits described in the narrative and in the Benefit-Cost Analysis
 - Determined by the Economic Vitality Assessment

LP Requirement 2: Cost Effectiveness

- ◎ Cost-effective
 - Benefit-Cost Ratio (BCR) must be positive

LP Requirement 3: Freight Goals (23 U.S.C. 150)

- ⦿ **Contributes to one or more 23 U.S.C. 150 goals**
 - **Safety**
 - **Infrastructure condition**
 - **Congestion reduction**
 - **System reliability**
 - **Freight movement and economic vitality**
 - **Environmental sustainability**
 - **Reduced project delivery delays**

LP Requirement 4:

Preliminary engineering

- ◎ Based on the results of preliminary engineering. Provide evidence that at least one of the following activities has been completed:
 - environmental assessments,
 - topographic surveys,
 - metes and bounds surveys,
 - geotechnical investigations,
 - hydrologic analysis, hydraulic analysis,
 - utility engineering,
 - traffic studies,
 - hazardous materials assessments,
 - general estimates of the types and quantities of materials



LP Requirement 5: Dependable Financing

- ◎ One or more stable and dependable funding or financing sources
 - Based on the information provided in the project's Grant Funds, Sources and Uses of Project Funds Section of Application
 - Degree financing sources are highly likely to be available within project schedule
 - Inclusion of contingency funding

LP Requirement 6: Need for Federal Funding

- ⦿ Cannot be completed easily or efficiently without Federal funding
 - Describe the impacts on the project of federal funding or financial assistance being unavailable for the project
 - Do not describe the programmatic impacts or opportunity cost for other projects in the applicant's portfolio

LP Requirement 7: 18 months to begin construction

- ⦿ Reasonably expected to begin construction 18 months from obligation



Selection Criteria

- ◎ **Support for National or Regional Economic Vitality**
- ◎ **Leveraging of Federal Funding**
- ◎ **Potential for Innovation**
- ◎ **Performance and Accountability**



Support for National or Regional Economic Vitality

- ◎ Supporting Economic Vitality includes projects that:
 - Achieve a significant reduction in traffic fatalities and serious injuries on the surface transportation system;
 - Improve interactions between roadway users, reducing the likelihood of derailments or high consequence events;
 - Eliminate bottlenecks in the freight supply chain;
 - Ensure or restore the good condition of infrastructure that supports commerce and economic growth;
 - Sustain or advance national or regional economic development in areas of need, including projects that provide or improve connections to the Nation's transportation network to support the movement of freight and people; and
 - Reduce barriers separating workers from employment centers, including projects that are primarily oriented toward reducing traffic congestion and corridor projects that reduce transportation network gaps to connect peripheral regions to urban centers or job opportunities.
- ◎ The Department will evaluate this selection criterion by relying on quantitative, data-supported analysis, including an assessment of the applicant supplied benefit-cost analysis. The application will be assigned a rating based on DOT's estimation of the project's benefit cost ratio.



Leveraging of Federal Funding

- ◉ To maximize the impact of INFRA awards, the Department seeks to leverage INFRA funding with non-federal contributions.
- ◉ To evaluate this criterion, the Department will assign a rating to each project based on how the calculated non-federal share of the project's future eligible project costs compares with other projects proposed for INFRA funding.
 - 80th-100th Percentile
 - 60th-79th Percentile
 - 40th-59th Percentile
 - 20th-39th Percentile
 - 0-19th Percentile
- ◉ DOT recognizes that applicants have varying abilities and resources to contribute non-Federal contributions. If an applicant describes broader fiscal constraints that affect its ability to generate or draw on non-Federal contributions, the Department may consider those constraints.



Potential for Innovation

DOT is seeking to encourage innovation in three areas:

- ⦿ (1)The accelerated deployment of innovative technology and expanded access to broadband;
- ⦿ (2)use of innovative permitting, contracting, and other project delivery practices;
- ⦿ (3)innovative financing.

Examples for how to address each of these areas are provided in Section E.1.a.Criterion #3 of the NOFO.

Applications will be assigned a rating based on how well they address all three of these areas.



Performance & Accountability

Lifecycle Costs:

- ◎ a credible plan to address the full lifecycle costs of the project should include:
 - (1) an estimate of the lifecycle costs of the project
 - (2) an identified source of funding that will be sufficient to pay for operation and maintenance
 - (3) a description of controls in place to ensure the identified funding will not be diverted

Accountability Measure:

- ◎ The application should address one of three options:
 - Condition funding (10% or \$10m) on construction milestones
 - Condition funding (10% or \$10m) on project success indicator evident within 12 months of project completion

Applications will be assigned a rating based on how well they address both of these areas.



Other Considerations

- ◎ **Geographic Diversity**
 - The Department will consider the contributions to geographic diversity among recipients, including the need for a balance between urban and rural areas
- ◎ **Project Readiness**
 - The Department will consider the risks to successful completion of the a project, including risks associated with environmental review, permitting, technical feasibility, funding, and the applicant's capacity to manage project delivery.
 - The Department is required to determine that a large project is reasonably expected to begin construction within 18 months of obligation. The Obligation deadline for FY 2020 funding is September 30, 2023.



Changes From 2019

- ◎ **Economic Vitality will consider whether project primarily serves freight and goods movement**
- ◎ **Additional Consideration of alignment with US DOT's R.O.U.T.E.S Initiative: Does the project address challenges in rural areas?**



Suggested Application Format

Application Cover Page

Project Narrative (25 page limit)

- I. Project Description
- II. Project Location
- III. Project Parties
- IV. Grant Funds, Sources, and Uses
- V. Merit Criteria
- VI. Project Readiness
- VII. Large/Small Project Requirements

Appendix

- ◎ Benefit Cost Analysis
- ◎ Supplemental Information (If Applicable)



BCA Guidance

BCA Guidance is available at:

<https://www.transportation.gov/policy-initiatives/buildamerica/bca-and-project-readiness-guidance>

BCA Webinar Scheduled – January 23,
2020 at 3pm Eastern





- ⦿ **Applications must be submitted by 11:59 PM EST on February 25, 2020.** Applicants are strongly encouraged to make submissions in advance of the deadline.
- ⦿ To register on Grants.gov, applicants must:
 1. Obtain a Data Universal Numbering System (DUNS) number;
 2. Register with the System for Award Management (SAM) at www.SAM.gov;
 3. Create a Grants.gov username and password; and
 4. The E-Business Point of Contact (POC) at your organization must respond to the registration email from Grants.gov and login at Grants.gov to authorize you as an Authorized Organization Representative (AOR). Please note that there can be more than one AOR for an organization.
- ⦿ [For complete information and instructions on each of these processes, please see instructions](#) on grants.gov registration.





- ◎ For additional INFRA information and how to apply:
www.transportation.gov/buildamerica/INFRAgrants
- ◎ For technical questions, please email:
INFRAgrants@dot.gov.