

# BUILD Grants

Better Utilizing Investments to Leverage Development Transportation Discretionary Grants Program

## How to Compete for FY 2020 BUILD Transportation Discretionary Grants

Presented by:  
Office of the Under Secretary  
for Policy  
United States Department of  
Transportation



# Welcome: FY 2020 BUILD How to Compete Webinar

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Audio

Via Computer – No Action Needed

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Via Telephone - Call 1-888-808-6929

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Passcode: 1203007

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Department of Transportation*

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# 2020 BUILD Application

- Notice of Funding Opportunity-  
<https://www.transportation.gov/buildgrants/build-nofo>
- Application – [www.Grants.gov](http://www.Grants.gov)
- Applications – Must be submitted before **5:00 PM E.D.T. on May 18, 2020**





# BUILD Grants

Better Utilizing Investments to Leverage Development Transportation Discretionary Grants Program

\$1 billion multimodal, merit-based, competitive discretionary grant program for surface transportation infrastructure

Modal and geographic equity requirement





# What are the Characteristics of the BUILD Program?

- Significant Local or Regional Impact
- Public Entity Eligibility
- Encourages Partnership
- Merit-Based Awards
- Not more than 50 percent of funds will be awarded to projects located in urban and rural areas, respectively
- \$15 million for eligible planning and preconstruction activities





# BUILD Basics

## Eligible Applicants

State governments

Local and Tribal governments

U.S. territories

Transit agencies

Port authorities

MPOs

Other public subdivisions of State or local governments

## Eligible Projects\*

Highway, bridge, or other road project

Public transportation projects

Passenger and freight rail projects

Port infrastructure investments

Intermodal projects

Transportation facilities on tribal land

Planning and pre-construction activities for any of the above

\*Include but not limited to



# + BUILD Basics Cont'd

## Eligible Cost Share/Match

Federal cost share up to 80% in urban areas

Federal cost share up to 100% in rural areas

## Minimum Awards

\$5 million for projects in urban areas

\$1 million for projects in rural areas

No minimum for planning grants

## Maximum Award

\$25 million per project

\$100 million per State

Not more than 50% of funding will be awarded to projects located in urban and rural areas, respectively





# BUILD Urban & Rural Definitions



U.S. Census  
Bureau  
2010  
population

## URBAN:

Urbanized Area with  
Population Greater  
than 200,000

## RURAL:

All Other Projects  
-Urbanized Area  
with Population  
Less than 200,000

-Outside an  
Urbanized Area  
(including Urban  
Cluster)







# What Projects Compete Well?

Project demonstrates clear, direct, significant, and positive local or regional impact (relative to the merit criteria).

The benefits appear reasonable and justifiable

Project will enter construction within the period of obligation (Sept. 30, 2022)

Project has specific timeline for completion

Presents a clear story and details project impact





# What Projects Compete Well?

Emphasizes improved access to reliable, safe, and affordable transportation, including concurrently investing in broadband or promoting energy independence

Aligned with USDOT's R.O.U.T.E.S. initiative to address deteriorating conditions on rural transportation infrastructure

Incorporates innovations in technologies, project delivery and/or financing

New partnerships, multi-jurisdictional cooperation, including public-private partnerships



# + Application Content

- SF-424
- Project Information Form
- The Department recommends that the project narrative follow the basic outline:
  - I. Project Description
  - II. Project Location
  - III. Grant Funds, Sources, and Use of Project Funding
  - IV. Merit Criteria
  - V. Environmental Risk Review
  - VI. Benefit-Cost Analysis (include excel document)





# BUILD Evaluation Considerations

Does the project align well with the merit criteria?

- Is the information clear and credible?
- Does it have significant local and regional impact?

How do the project's benefits compare to its costs?

Does the project demonstrate readiness in terms of:

- Environmental risk and permitting
- Technical feasibility and capacity
- Funding and financial readiness (obligating funds by September 30, 2022)





# BUILD 2020 Evaluation Teams

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Considerations for DOT  
Evaluation Teams:

Technical Evaluation-Merit  
Criteria Review

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Project Readiness (Technical,  
Financial, Environmental)

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Economic Analysis

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Senior Review

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Final funding awards are decided by the Secretary





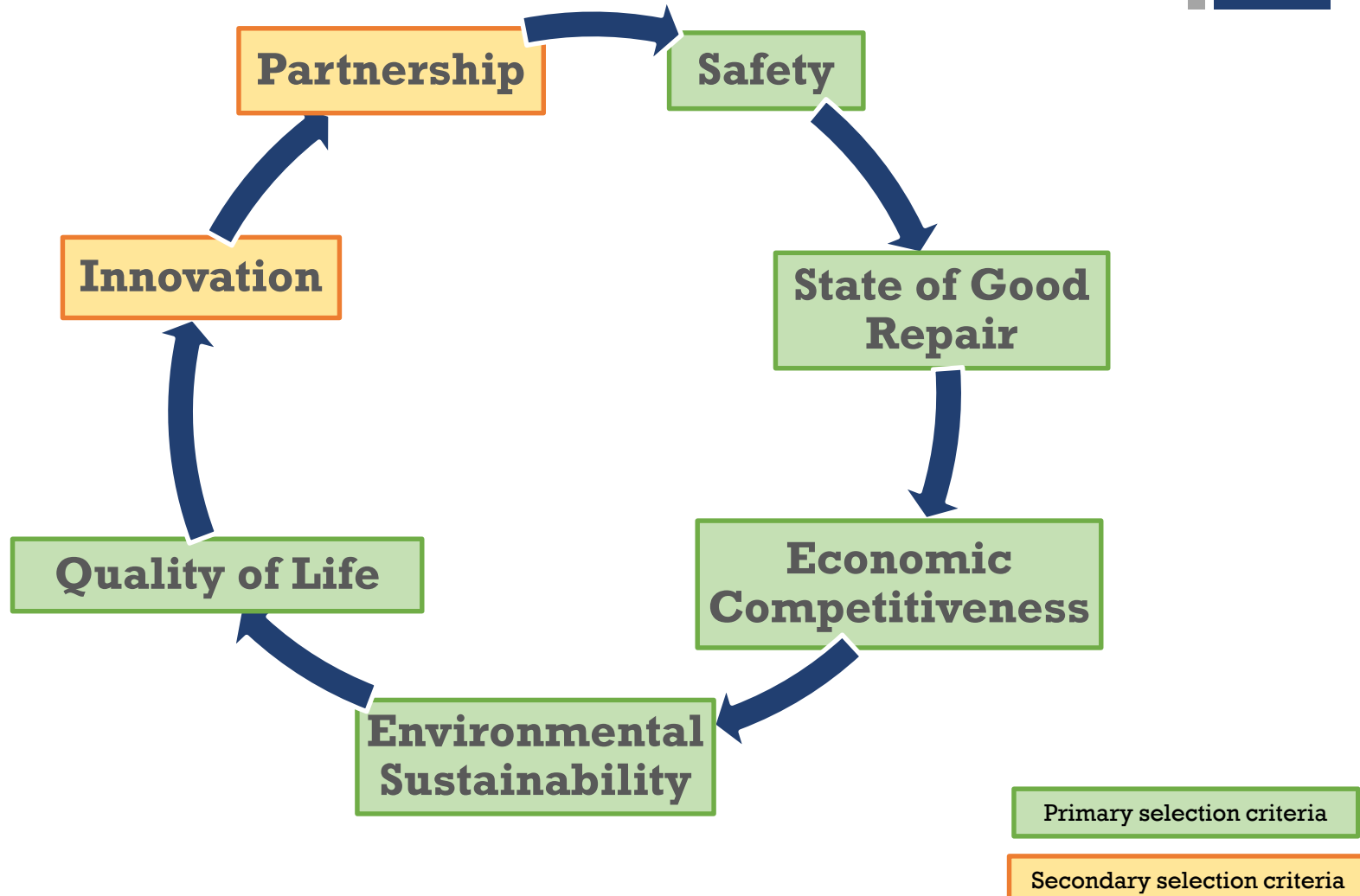
# Planning Grants

- What are they and what activities can they fund?
  - Pre-construction activities that do not directly lead to construction
  - Design, engineering, local or regional plans, statewide studies, etc.
- How will they be evaluated?
  - Against the Merit Criteria
  - No BCA needed
  - No Environmental Risk analysis
- How many planning awards will be made?
  - Department will award at least \$15 million in planning grants



# BUILD Merit Criteria

Applications should address each criterion or expressly state that the project does not address the criterion.



# + Merit Criterion: Safety

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The application  
should demonstrate  
how the project  
impacts:

Safe movement of goods and people

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Occurrence of crashes, injuries, and fatalities

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Safe highway/rail grade crossings

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Preventing releases of hazardous materials

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# + Merit Criterion:

## State of Good Repair

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The application should discuss ways in which the project addresses some or all of the following:

Plans for maintenance of facilities and system that address current and projected vulnerabilities

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Threats/consequences if infrastructure is left unimproved

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Asset management that optimizes long-term cost structure

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Sustainable revenue for overall life-cycle costs

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Maintenance or improvement of infrastructure supporting border security functions

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# + Merit Criterion:

## Economic Competitiveness

The application should demonstrate whether the project will:

Decrease transportation costs and improve access in rural communities or Opportunity Zones, through reliable and timely access to employment centers and job opportunities

Improve long-term efficiency, reliability or costs in the movement of workers or goods

Increase the economic productivity of land, capital, or labor, including assets in Opportunity Zones

Result in long-term job creation and economic opportunities

Help the United States compete in a global economy by facilitating efficient and reliable freight movement



# + Merit Criterion:

## Environmental Sustainability

The application should demonstrate how the project:

Improves energy efficiency, reduces congestion-related emissions, avoids or mitigates environmental impacts, and otherwise benefits the environment

Reduces energy use and air or water pollution through congestion mitigation strategies

Avoids adverse environmental impacts to air or water quality, wetlands, and endangered species

Provides environmental benefits, such as brownfield redevelopment, groundwater recharge in areas of water scarcity, wetlands creation or improved habitat connectivity, and storm water mitigation



# + Merit Criterion: Quality of Life

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The application should demonstrate the extent to which the project:

Increases transportation choices

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Expands access and connectivity to essential services such as jobs and healthcare

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Will allow concurrent installation of fiber or other broadband deployment as an essential service

\*The Department may only reimburse costs associated with broadband if the broadband supports a transportation purpose

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# + Merit Criterion: Innovation

The application should demonstrate the use of innovative strategies such as:

Safety, particularly in relation to automated vehicles and the detection, mitigation, and documentation of safety risks; includes work zone data exchanges

Technology, including operational performance of transportation systems and broadband deployment,

Innovative project delivery, including public-private partnerships (P3s), congestion management, or asset management

Environmental permitting and review to accelerate project delivery and achieve improved outcomes for communities and the environment

Funding and finance, including by use of private sector financing or recycled revenue from the competitive sale or lease of publicly owned or operated assets



# + Merit Criterion: Partnership

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The  
application  
should  
discuss:

Strong collaboration among a broad range of stakeholders in project development and funding, including among neighboring or regional jurisdictions to achieve local or regional benefits

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Assurance of long-term asset performance, such as through pay-for-success approaches

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Partnerships that bring together diverse transportation agencies and/or are supported, financially or otherwise, by other stakeholders that are pursuing similar objectives

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# Project Readiness- Environmental Risk Review

- The applicant should include a detailed project schedule that identifies all major project milestones.
- Applicant should provide information on required approvals and permits such as NEPA (National Environmental Policy Act) and other State or local environmental and planning approvals.
- Applicants are encouraged to provide environmental studies or other documents (preferably through web link) that describe the known project impacts.
- Applicants should describe environmental risk mitigation strategies.





# Project Readiness- Financial Capacity Review

- The applicant should include a detailed project budget that identifies all sources of funding, including BUILD funds, non-Federal funds, and other/private funds.
- Applicant should demonstrate through letters of support, STIP/TIP documents, or other means, that the funding arrangement is certain and the project will be able to meet the deadline for obligation.







# Benefit-Cost Analysis

- In the Project Narrative, the applicant should identify, quantify, and compare expected benefits and costs relative to a “no-build” baseline.
- Documentation for a benefit-cost analysis (BCA) must be included as an appendix to the Project Narrative. (Planning grant applications are exempt from providing a BCA)
- Further guidance on BCA for DOT Discretionary Grant Programs- [www.transportation.gov/BUILDgrants/additional-guidance](https://www.transportation.gov/BUILDgrants/additional-guidance)
- Upcoming BCA Webinar March 4, 2020.



# + Application Pitfalls

Ineligibility:  
applicants and  
projects

Priorities/outcomes  
not aligned with merit  
criteria

Lack of evidence  
substantiating project  
outcomes claims in  
narrative

Insufficient evidence  
of project readiness

Not providing  
statutorily-mandated  
match

Ineligible requests:  
Operating assistance

Uncertain urban/rural  
designation

Any costs incurred  
prior to DOT's  
obligation of funds are  
ineligible for  
reimbursement<sup>1</sup>

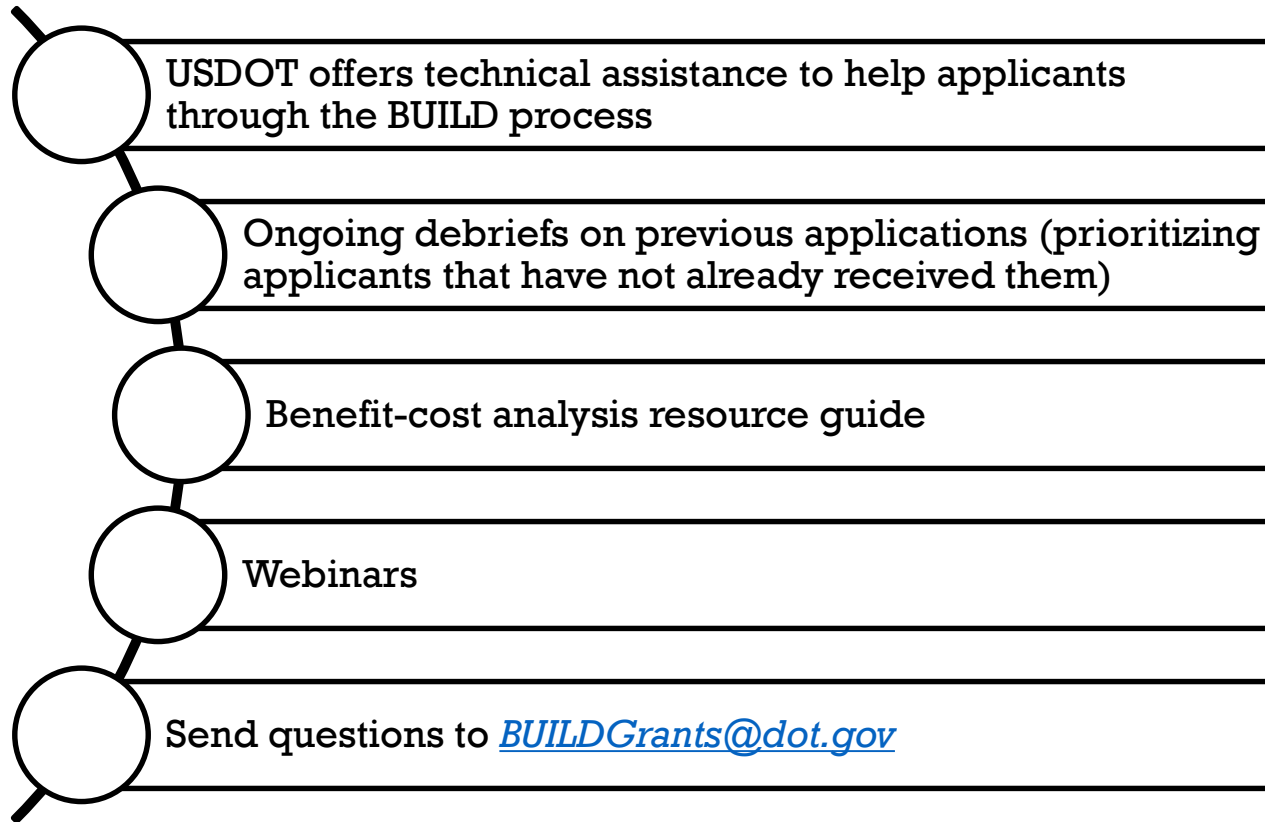
This is not a lump sum  
award; this is a  
reimbursement  
program



<sup>1</sup>Unless authorized by DOT in writing after DOT's announcement of FY 2020 BUILD awards



# Technical Assistance





# Additional Application Help

- BUILD Website:  
[www.transportation.gov/BUILDgrants](http://www.transportation.gov/BUILDgrants)
- Preparing a Benefit-Cost Analysis for a BUILD Grant:  
[www.transportation.gov/BUILDgrants/additional-guidance](http://www.transportation.gov/BUILDgrants/additional-guidance)
- Webinars and Frequently Asked Questions:
  - [www.transportation.gov/BUILDgrants/outreach](http://www.transportation.gov/BUILDgrants/outreach)
  - [www.transportation.gov/BUILDgrants/2020-build-application-faqs](http://www.transportation.gov/BUILDgrants/2020-build-application-faqs)





# Project Delivery: What Should Successful Applicants Expect

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BUILD 2020 Announcements by September 15, 2020

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BUILD 2020 Modal Project Assignments

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Negotiations Initiated

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Sign/Execute Grant Agreement (funds obligated at this point)

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Reporting Requirements/Project Modifications

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Project Completion/Close-Out

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Performance Monitoring



# + Question and Answer Session

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## **BUILD** Grants

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