US Department of Transportation

FY 2026 BUILD - How to Compete

Agenda

- Overview of FY 2026 BUILD

- Eligibility

- Application Submission

- Evaluation Process

  - Tier 1: Merit Review

  - Tier 2: Project Readiness and Benefit-Cost Analysis

- Selection Process

- Application Tips

- What to Expect After Awards are Announced

- Resources

Overview of FY 2026 BUILD

BUILD Program Overview

- **Goal –** Fund surface transportation infrastructure projects that will have significant local and regional impacts

- **Funding -** $1.5 billion

- **Eligible Applicants –** Cities, towns, counties, states, tribes, port authorities, etc.

- **Eligible Projects** – Roads, bridges, passenger and freight rail, ports, transit

- **Grants** – Capital or Planning
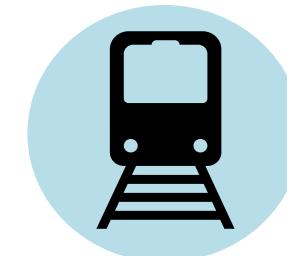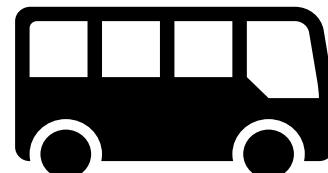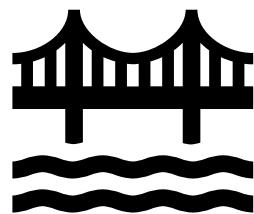
See BUILD NOFO page 10

FY 2026 BUILD – Capital and Planning Projects

Capital Grants

- Surface transportation infrastructure capital construction or vehicle and equipment procurement.
- Projects that include right-of-way acquisition.
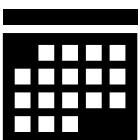
Planning Grants

- Planning, preparation, or design of eligible surface transportation capital projects.
- Examples: master plans, feasibility studies, benefit-cost analysis, preliminary engineering, permitting, and other pre-construction activities.

FY 2026 BUILD – Statutory Funding Requirements

Rural | Urban
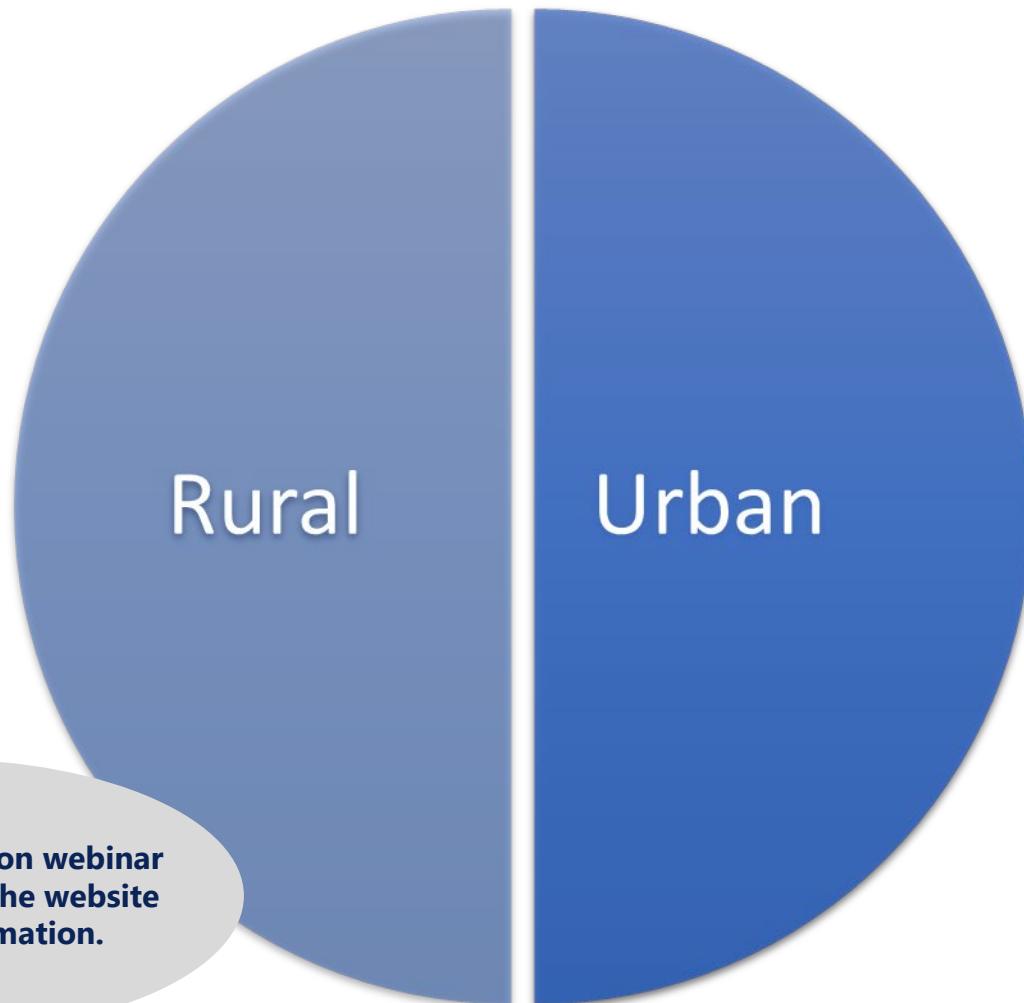
At least 5% to Planning Projects

At least 1% to APP/HDC

No more than 15% to a single state

Location Designation webinar will be posted on the website for more information.

See BUILD NOFO page 12

Eligibility

FY 2026 BUILD – Eligible Applicants

Eligible Applicants

States & DC	Territories or Possession of the United States	Unit of Local Government	Public agency or publicly chartered authority established by 1+ states
Federally recognized Tribe or consortium of Tribes	Special purpose district or public authority with a transportation function, such as a port authority	Transit Agency	A multi-State or multijurisdictional group of entities that are separately eligible

Ineligible Applicants:

- Federal agencies, non-profits, private entities, individuals

See BUILD NOFO page 6

FY 2026 BUILD – Eligible Projects

Highway, Bridge, or Road

Public Transportation

Passenger and Freight Rail

Intermodal Projects

Transportation Projects on Tribal Lands
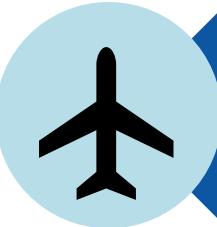
Surface Transportation Components of an Airport

Eligible under part B of subtitle VII of title 49 USC

Port Infrastructure

Including Inland Ports and Land Points of Entry
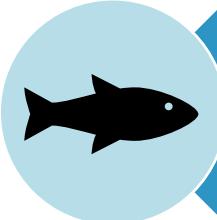
Culvert Replacement and Rehabilitation

to Prevent Stormwater Runoff to Improve the Habitat for Aquatic Species

Planning and Pre-Construction Activities

See BUILD NOFO page 10

9

FY 2026 BUILD – Minimum Funding Request

Project Location	Capital Projects
Rural	$1 million
Urban	$5 million

Statute sets **minimum award sizes** for capital grants based on **project location**

Failure to request the minimum funding amount for a capital grant will result in the application being **ineligible**

No minimum award size for planning projects

See BUILD NOFO pages 3 and 6

10

Applicants can submit up to <u>3</u> applications

Unrelated project components should not be combined in one application to meet the limit

If an applicant submits more than three applications, only the first three will be considered. Any applications submitted above the limit will be marked **ineligible**

FY 2026 BUILD – Cost Share

$$\frac{\textit{(BUILD Grant Request + Other Federal Funds)}}{\textit{Total Project Cost}} = \textit{Federal Cost Share}$$

- Cost share is the portion of a project's estimated total cost that is paid with non-Federal funds.

- The Federal share for BUILD grant projects **shall not exceed 80 percent** of a project's estimated total cost unless it is located in:

  - **Rural Area**

  - **Area of Persistent Poverty / Historically Disadvantaged Community**

20% Non-Federal Funding

80% Federal Funding

See BUILD NOFO page 7

12
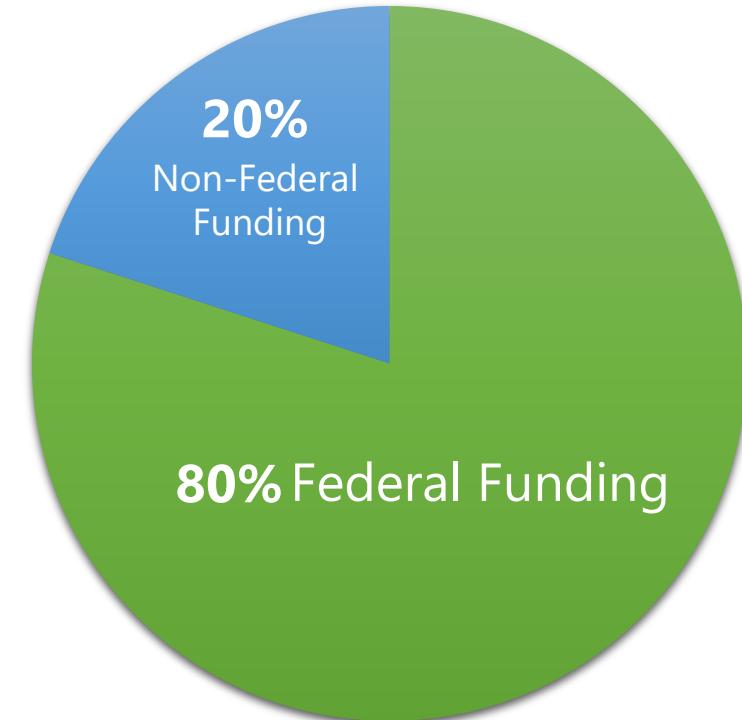
FY 2026 BUILD – Cost Share

- Cost Share used as:

  - **eligibility** screening

  - **competitive selection factor**

The Secretary may consider the percentage of non-federal funding as a competitive selection factor among Highly Rated projects

- For each project that receives a BUILD grant award, the terms of the award will require the recipient to complete the project **using at least the same amount of non-Federal funding that was specified in the application**

- Projects located in an urban area that have more than 80 percent federal funding will be **ineligible**

20%
Non-Federal
Funding

80%
Federal Funding
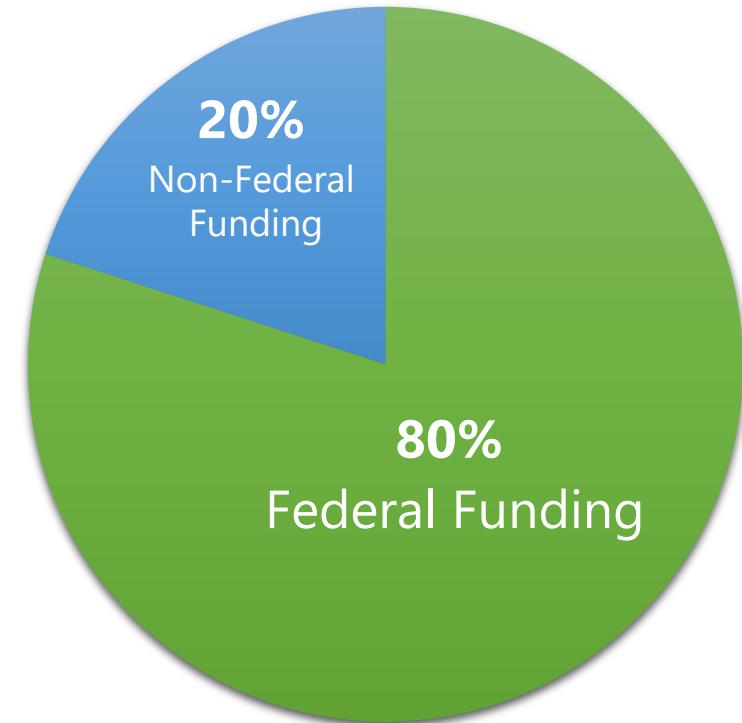
Application Submission

FY 2026 BUILD NOFO
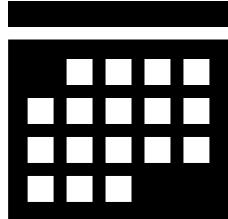
Notice of Funding Opportunity is **OPEN**

Grants.gov Opportunity Number: DTOS59-26-RA-BUILD

Assistance Listing: 20.933
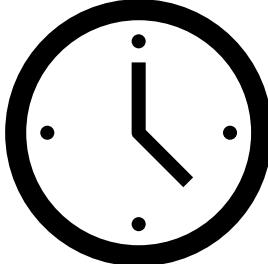
APPLY by **February 24, 2026,** at **5:00 pm Eastern**

Must be submitted electronically through **Valid Eval at:**

Capital Projects

Planning Projects

No late applications accepted

Application Submission – Valid Eval

Register with Sam.gov to obtain a Unique Entity Identifier

Submit applications through the Valid Eval application portal:

- **Capital Projects**

- **Planning Projects**

Contact support@valideval.com if you experience technical difficulties submitting an application

3 Application Limit

Deadline February 24, 2026 5:00 pm eastern

Application Content

Information	File Name	NOFO Section	Page Limit
SF-424	SF-424	D.1	N/A
SF-LLL	SF-LLL	D.1	N/A
Key Information Questions	**NA**	**D.1**	**NA**
Project Description	Project Description	D.3	5 pages
Project Location File	Project Location File	D.4	N/A
Project Budget	Project Budget	D.5	5 pages
Funding Commitment Documentation	Funding Commitments	D.5	N/A
Merit Criteria	Merit Criteria Narrative	D.6	15 pages
Project Readiness	Project Readiness	D.7	5 pages
Benefit-Cost Analysis Narrative (capital projects only)	BCA Narrative	D.8	N/A
Benefit-Cost Analysis Calculations (capital projects only, unlocked Excel file)	BCA Calculations	D.8	N/A
Letters of Support (Optional)	Letters Of Support	D.7	N/A

Key Information Questions answered directly in Valid Eval and replace the Project Information Form from previous years

See BUILD NOFO page 15

Evaluation Process

Evaluation Process

Tier 1 Review

All Eligible Applications

Merit Review:
- Highly Recommended projects advance
- Select Recommended projects advanced by SRT

→ **SRT Deliberates**

Tier 2 Review

Project Readiness:
- Project Risk (capital projects only)
- Applicant Capacity
- Financial Completeness

Benefit-Cost Analysis
- Capital projects only

→ **SRT Deliberates**

Highly Rated List

→ Secretary makes awards from the Highly Rated List
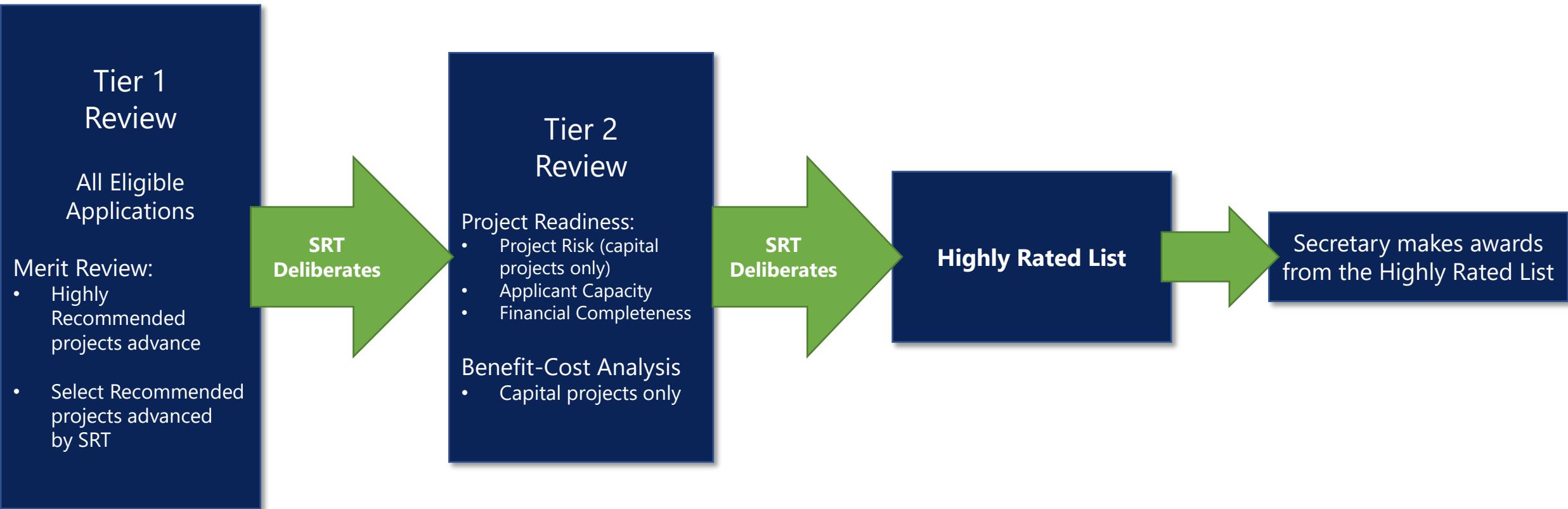
- The Senior Review Team (SRT) consists of Department leadership.

- SRT considers the Tier 1 and Tier 2 ratings to compile a Highly Rated List of applications that the Secretary then considers for award.

Evaluation Process: Tier 1 Merit Review

Merit Review Criteria

Statutorily required merit criteria:

Priority Criteria
1. **Safety**
2. **Quality of Life**
3. **Mobility and Community Connectivity**
4. **Economic Competitiveness**
5. Environmental Sustainability
6. State of Good Repair
7. Partnership and Collaboration
8. Innovation

See BUILD NOFO page 28

Merit Review Rubric

For each merit criterion, the Department will evaluate whether the application uses **data-driven and evidence-based methods** to demonstrate that the project will provide the anticipated benefits, which will result in a rating of "non-responsive, low, medium, or high" as described in the rubric below.

Example:

Merit Criteria	Non-Responsive	Low	Medium	High

Safety	Application did not address the Safety criterion
	
	OR
	
	Project negatively affects safety
		Application contains insufficient information to assess safety benefit	The project has one or more of the following safety benefits, but safety may not be a primary project purpose or does not meet the description(s) of a High rating:
			• Reduce any number of fatalities and/or serious injuries
				Safety is a primary project purpose AND the project has clear, direct, **data-driven** (for capital projects only), and significant benefits that targets a known, documented safety problem, by doing one or more of the following:
				• Implement autonomous systems designed to improve safety outcomes
				• Prevent fatalities and serious injuries by:
				   o Eliminating at-grade crossings; or
				   o Facilitating the separation of freight and passenger traffic
				• Protect motorized and non-motorized travelers from safety risks; or
				• Reduce fatalities and/or serious injuries in the project area to bring them below the state-wide average; or
				• Incorporate and cite specific actions and activities identified in FTA's Safety Advisory 23-1: Bus-to-Person Collisions; or
				• Incorporate specific safety improvements that are part of a documented safety risk mitigation strategy and that have, for example, corridor, port-wide, or transit system impact.

The narrative only needs to address **one point** under a rating to receive that rating.

See BUILD NOFO page 28

Tier 1 - Merit Review

Tier 1 Review

All Eligible Applications

Merit Review:
- Highly Recommended projects advance
- Senior Review Team advances some Recommended projects

SRT Deliberates

Tier 2 Review

Project Readiness:
- Project Risk (capital projects only)
- Applicant Capacity
- Financial Completeness

Benefit-Cost Analysis
- Capital projects only

SRT Deliberates

Highly Rated List

Secretary makes awards from the Highly Rated List

Relevant Files:
- Merit Criteria Narrative
- Project Description

Merit Criteria Narrative File

Tips for Writing Your Merit Criteria Narrative

❖ Create a separate section for each merit criterion (8 sections in total).

❖ Justify why the criterion is considered a **Primary Project Purpose**.

❖ Clearly **identify the rubric discussion point(s)** each section addresses.

❖ **Fully address all aspects of the relevant discussion point** (partial coverage won't qualify for that rating).

❖ Provide clear, direct, **data-driven benefits** (specifically for capital projects).

❖ Explain why benefits are **significant** (define what "significant" means in the context of your project).

Data-driven benefits use **data and analysis to show the level of benefit** relative to the existing condition.

Overall Merit Review Rating

The combination of individual criterion ratings will inform **one overall rating**:

Highly Recommended	Recommended	Not Recommended
• At least 6 of the 8 merit criteria ratings are "high" and • none of the merit criteria ratings are "non-responsive."	• 1 to 5 of the merit criteria ratings are "high", • no more than 3 of the merit criteria ratings are "low", and • none are "non-responsive."	• Rating that do not fit within Highly Recommended or Recommended
Advances to Tier 2	**SRT advances some projects**	**Do not advance**

Evaluation Process: Tier 2 Project Readiness

Tier 2 – Project Readiness Review

Tier 1 Review

All Eligible Applications

Merit Review:
- Highly Recommended projects advance
- Select Recommended projects advance (per SRT)

SRT Deliberates

Tier 2 Review

Project Readiness:
- Project Risk (capital projects only)
- Applicant Capacity
- Financial Completeness

Benefit-Cost Analysis
- Capital projects only

Relevant Files:
- Project Readiness
- Project Budget
- Funding Commitments
- Letters of Support
- Project Description

SRT Deliberates

Highly Rated List

Secretary makes awards from the Highly Rated List

Project Risk Review (capital projects only)

The Project Risk Review Rating is based on the likelihood of the project to **meet major milestones** including the timely obligation and expenditure of grant funds given the project's

- current **level of design**

- the extent to which the applicant has **secured necessary permits** and approvals

- whether **acquiring right-of-way** and/or a **railway agreement** is needed

- if there is support for the project

The Secretary may consider project readiness as a selection factor among Highly Rated projects

**Project Risk Review Ratings:**

- Low, Moderate, or High Risk

Project Risk Review (capital projects only)

Outline for Project Risk Section

A. Planning and Constructability

B. Proposed Schedule

C. NEPA and Permitting

D. Project Support

E. Risk and Mitigation

Every project should have a schedule whether it's a capital or planning project

FY 2026 BUILD Risk Review Guidance

MILESTONE	2024	2025	2026	2027	2028	2029	2030	2031
Preliminary Design (May 2024 – March 2025)								
NEPA Re-evaluation, (March 2025 – September 2025)								
Archaeological Testing (March 2025 – June 2025)								
USFW Bat Survey (May 2025 – August 2025)								
Section 404 Clean Water Act Permit (January 2027 – September 2028)								
Final Design (March 2025 – January 2027)								
Right-of-way & Utility Relocation (November 2024 – June 2027)								
BUILD Program Grant Agreement — Notice of BUILD Award (June 2025), BUILD Grant Agreement (October 2025)								
Obligation of BUILD Program Award Funds (September 2028)								
Construction (December 2028 – October 2031)								
Project Opening (October 2031)								

◆ = Begin Major Milestone   ◆ = Complete Major Milestone

Applicant Capacity Review

Assesses the applicant's capacity to successfully deliver the project in compliance with applicable Federal requirements as well as the recipient's experience working with Federal grant funds, and previous experience delivering infrastructure projects.

The _Project Readiness_ file should include a section that addresses:

- **Federal Funding Experience**– experience implementing federally funded transportation projects.

- **Federal Regulations** – understanding of federal contract and procurement requirements, Buy America, Americans with Disabilities Act, Uniform Relocation Assistance and Real Property Acquisition Act, Davis Bacon Act, etc.

- **Project Planning** – practice incorporating the project into long-range development plans or adding the project into the TIP/STIP through the MPO and/or State DOT planning process.

- **Project Delivery** - examples of successfully delivered projects of similar size, scope, and complexity.

Applicant Capacity Review Ratings:

- Certain, Somewhat Certain, Uncertain

Financial Completeness Review

The *Project Budget* file should include these **tables**:

Funding Source	[Component 1]	[Component 2]	Total Funding
BUILD Funds	[$XXX]	[$XXX]	[$XXX]
Other Federal Funds	[$XXX]	[$XXX]	[$XXX]
Non-Federal Funds	[$XXX]	[$XXX]	[$XXX]
Total Project Cost	[$XXX]	[$XXX]	[$XXX]

Note: If there is only a single component, remove "Component 2" column. If there are more than 2 components, add columns.

Cost Classification	BUILD Funds	Other Federal Funds	Non-Federal Funds	Total Project Cost
Preliminary Engineering	[$XXX]	[$XXX]	[$XXX]	[$XXX]
Design	[$XXX]	[$XXX]	[$XXX]	[$XXX]
Environmental	[$XXX]	[$XXX]	[$XXX]	[$XXX]
Construction	[$XXX]	[$XXX]	[$XXX]	[$XXX]
Contingency	[$XXX]	[$XXX]	[$XXX]	[$XXX]
Total Funding	[$XXX]	[$XXX]	[$XXX]	[$XXX]

Note: The cost classifications listed above are for example only. Include Cost Classifications relevant for the project described in the application.

Financial Completeness Review

The *Project Budget* file should include these **tables**:

2020 Census Tract(s)	Project Costs per Census Tract
[XX.XX]	$
[XX.XX]	$
[XX.XX]	$
[XX.XX]	$
	Total Project Cost: $

Note: Please reference the Census Tracts (2020 Census) layer in the BUILD Grant Project Location Verification mapping tool. Additional rows may be added if necessary.

Urban and Rural	Project Costs
Urban (2020 Census-designated urban area with a population greater than 200,000)	$
Rural (Located outside of a 2020 Census-designated urban area with a population greater than 200,000)	$
	Total Project Cost: $

Note: Please reference the Census Designated Urban Areas with Population Greater Than 200,000 (2020 Census) layer in the BUILD Grant Project Location Verification mapping tool.

Financial Completeness Assessment

The _Project Budget_ file should include a **narrative** that identifies the following:

- **Sources, Uses, and Availability** – identify and confirm EVERY and ALL non-federal and other-federal sources which are available. Provide funding commitment documentation for each funding source identified. Provide official funding documentation in the _Funding Commitment_ file to confirm the funding source's availability for the project.

- **Contingency Amount and Plan** – indicate the contingency amount included in the budget **and** a plan to cover potential cost overruns.

- **Level of Design** – indicate the degree of design completion upon which the cost estimate is based (capital projects only)

- **Cost Estimates** – indicate how, when, and by whom project costs were estimated. Should not be older than one year **and** note the added inflation factor.

- **Cost Share** – explain how the project budget satisfies the statutory cost share (non-federal funds) requirements, if applicable.

Financial Completeness Review Ratings:

- Complete, Partially Complete, or Incomplete

Evaluation Process: Tier 2 BCA (capital projects only)

Tier 2 – Benefit-Cost Analysis (capital projects only)

Tier 1 Review

All Eligible Applications

Merit Review:
- Highly Recommended projects advance
- Select Recommended projects advance (per SRT)

SRT Deliberates

Tier 2 Review

Project Readiness:
- Project Risk (capital projects only)
- Applicant Capacity
- Financial Completeness

Benefit-Cost Analysis
- Capital projects only

Relevant Files:
- BCA Narrative
- BCA Calculations
- Project Description

SRT Deliberates

Highly Rated List

Secretary makes awards from the Highly Rated List

Benefit-Cost Analysis (capital projects only)

- The purpose of the Benefit-Cost Analysis (BCA) is to enable the Department to evaluate the cost-effectiveness of the proposed project by comparing its expected benefits to its expected costs relative to the current transportation problem.

- **Benefit-Cost Analysis Ratings:**

BCA Ratings	
High	The project's benefits will exceed its costs, with a benefit-cost ratio of at least 2.0
Medium-High	The project's benefits will exceed its costs
Medium	The project's benefits are likely to exceed its costs
Medium-Low	The project's costs are likely to exceed its benefits
Low	The project's costs will exceed its benefits

See BUILD NOFO page 23

Benefit-Cost Analysis (capital projects only)

Files to Submit:

- **BCA Narrative:** describe the current baseline, document sources of data used to estimate the benefits of the project and explain as well as justify assumptions.

- **BCA Calculations:** present the calculations in detail to allow the analysis to be reproduced by Department evaluators. Be sure to only include benefits supported in your BCA narrative.

  - BCA Spreadsheet Template

Benefit-Cost Analysis Guidance

Benefit-Cost Analysis Guidance

Selection Process

Selection Process

Tier 1 Review

All Eligible Applications

Merit Review:
- Highly Recommended projects advance
- Select Recommended projects advanced by SRT

SRT Deliberates

Tier 2 Review

Project Readiness:
- Project Risk (capital projects only)
- Applicant Capacity
- Financial Completeness

Benefit-Cost Analysis
- Capital projects only

SRT Deliberates

Highly Rated List

Secretary makes awards from the Highly Rated List
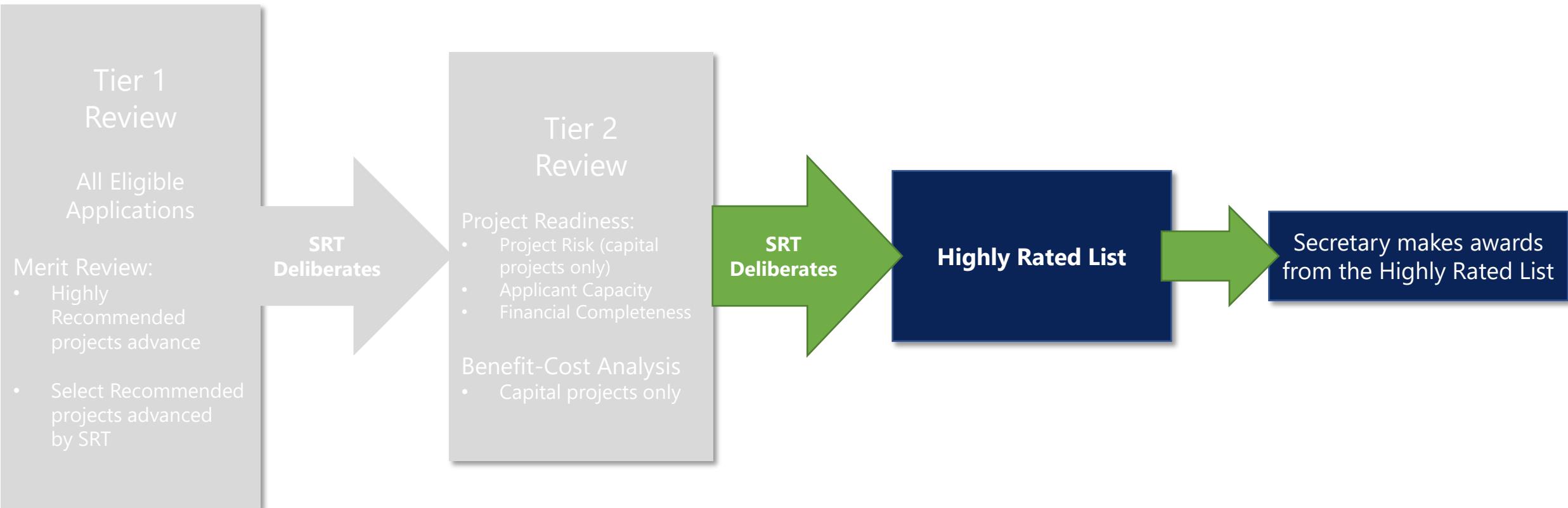
- The Senior Review Team (SRT) consists of Department leadership.

- SRT considers the Tier 2 ratings to create a Highly Rated List of applications that the Secretary then considers for award.

Selection Process

The **Secretary makes selections from the Highly Rated List** for award consistent with the selection criteria and statutory set asides that require:

- **50 percent** of funds awarded to projects located in rural and urban areas
- At least **5 percent** of funds awarded to planning projects
- At least **1 percent** of funds awarded to projects located in Areas of Persistent Poverty/Historically Disadvantaged Communities
- Geographic and modal diversity

The Secretary may prioritize the selection of projects that:

- can begin construction within **18 months** of selection
- are located in a designated Qualified **Opportunity Zone**
- have a higher percent of **non-federal funding** committed to the project
- have not received a BUILD/RAISE/TIGER grant previously
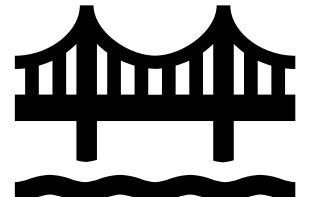
Projects of Merit

Projects advanced to the **Highly Rated List** but not selected for award are designated **Projects of Merit**

The FY 2026 BUILD NOFO states that projects with this designation will be carried over into FY 2027 BUILD, *subject to authorization and appropriation*, and considered by the SRT for advancement to the Highly Rated List, along with other FY 2027 applications eligible for advancement to the Highly Rated List.
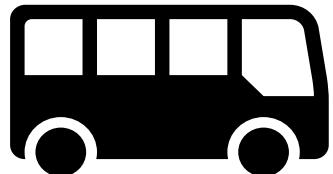
Application Tips

Best Practices

Application clearly defines transportation **problem** and why your project is the **solution**

Application **tells a story** about the transportation challenges and details local, regional, or national **impacts**

Projects that align with the Merit Criteria and include **data-driven**, reasonable and justifiable **outcomes**

Project demonstrates a **reasonable schedule** and timeline to **start and complete** the project

Pitfalls

Ineligible project types or applicants	Unclear scope of work	Incorrect file format and content – See **New** Checklist!
Inconsistent project budget, or inclusion of previously incurred costs in the budget	Incorrect location designation that affects eligible minimum project size or cost share and results in ineligibility	Unrelated scopes of work combined within one application
Misalignment with the program criteria (frequently due to reusing prior year or other program applications without referencing the BUILD 2026 merit criteria rubric)	Late applications (frequently due to lack of registration or lack of coordination with the Authorized Representative)	Insufficient supporting information or evidence for merit criteria or project readiness

What to Expect After Awards are Announced

Executing a Grant Agreement

| Application Submittal by **February 24, 2026** | → | Awards Announced by **June 28, 2026** | → | Complete Requirements | → | Execute Grant Agreement | → | Begin Project | → | Obligation Deadline **September 30, 2030** | → | Expenditure Deadline **September 30, 2035** |

A grant agreement must be executed prior to beginning your project.

What is a grant agreement?
- A written agreement between the recipient and the Department that outlines item such as the award amount, scope, schedule, budget, requirements, and other terms and conditions. **The scope, schedule, and budget that is included in your grant agreement should match what was described in the application.**

Drafting the Grant Agreement
- USDOT Operating Administrations will then work with you to satisfy applicable requirements.

Tips to Remember Prior to Executing a Grant Agreement

| Application Submittal by **February 24, 2026** | → | Awards Announced by **June 28, 2026** | → | Complete Requirements | → | Execute Grant Agreement | → | Begin Project | → | Obligation Deadline **September 30, 2030** | → | Expenditure Deadline **September 30, 2035** |

Incurring Costs
- Unless authorized by the Department in writing after announcement of FY 2026 BUILD awards, **any costs incurred prior to the Department's obligation of funds for a project ("pre-award costs") are ineligible for reimbursement and are ineligible for cost share/matching**.
  - Ensure that any costs that your project will incur between the submittal of your application and the execution of your grant agreement are not included in your BUILD Total Project Cost.

Non-Federal Funding
- The terms of the award will require the recipient to complete the project using at least the level of non-Federal funding that was specified in the application.

Resources

Resources

- Additional resources found on the BUILD website:
  - BUILD FAQ
  - Email BUILDgrants@dot.gov
  - BCA Guidance and Spreadsheet Template
  - FY 2026 BUILD Risk Assessment Guidance
  - DOT Navigator
  - Rural Applicant Roadmap
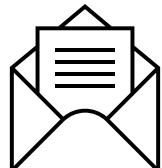
 Subscribe for email updates!

Recording

[Zoom Link](#)

Password:
+^0z7GwK