



BUILD Grants

Better Utilizing Investments to Leverage Development Transportation Discretionary Grants Program

How to Compete for BUILD Transportation Discretionary Grants (Fall 2020)

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



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





Additional Application Help

- BUILD Website:
www.transportation.gov/BUILDgrants

- Preparing a Benefit-Cost Analysis for a BUILD Grant:
www.transportation.gov/BUILDgrants/additional-guidance

- Webinars and Frequently Asked Questions:
 - www.transportation.gov/BUILDgrants/outreach
 - www.transportation.gov/BUILDgrants/2020-build-application-faqs



+ Question and Answer Session

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Appendix Slides



+ 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

Considerations for DOT
Evaluation Teams:

Technical Evaluation-Merit
Criteria Review

Project Readiness (Technical,
Financial, Environmental)

Economic Analysis

Senior Review

Final funding awards are decided by the Secretary





Planning Grants

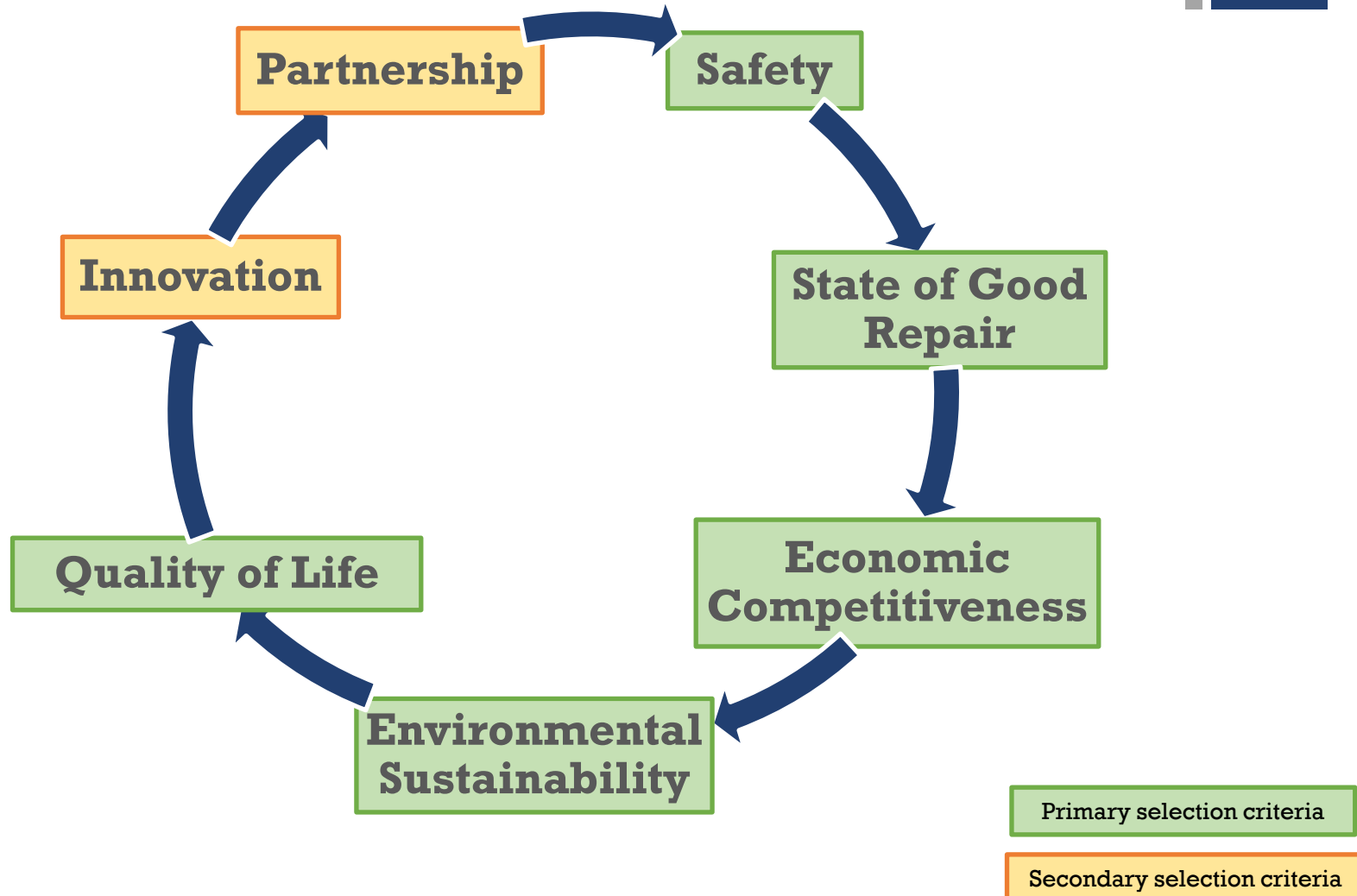
- What are they and what activities can they fund?
 - Pre-construction activities that do not directly lead to construction
 - Design, engineering, local or regional plans, statewide studies, etc.
- How will they be evaluated?
 - Against the Merit Criteria
 - No BCA needed
 - No Environmental Risk analysis
- 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

The application
should demonstrate
how the project
impacts:

Safe movement of goods and people

Occurrence of crashes, injuries, and fatalities

Safe highway/rail grade crossings

Preventing releases of hazardous materials



+ Merit Criterion:

State of Good Repair

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

Threats/consequences if infrastructure is left unimproved

Asset management that optimizes long-term cost structure

Sustainable revenue for overall life-cycle costs

Maintenance or improvement of infrastructure supporting border security functions



+ 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

The application should demonstrate the extent to which the project:

Increases transportation choices

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

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



+ 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

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

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

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





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
- Recorded 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
reimbursement¹

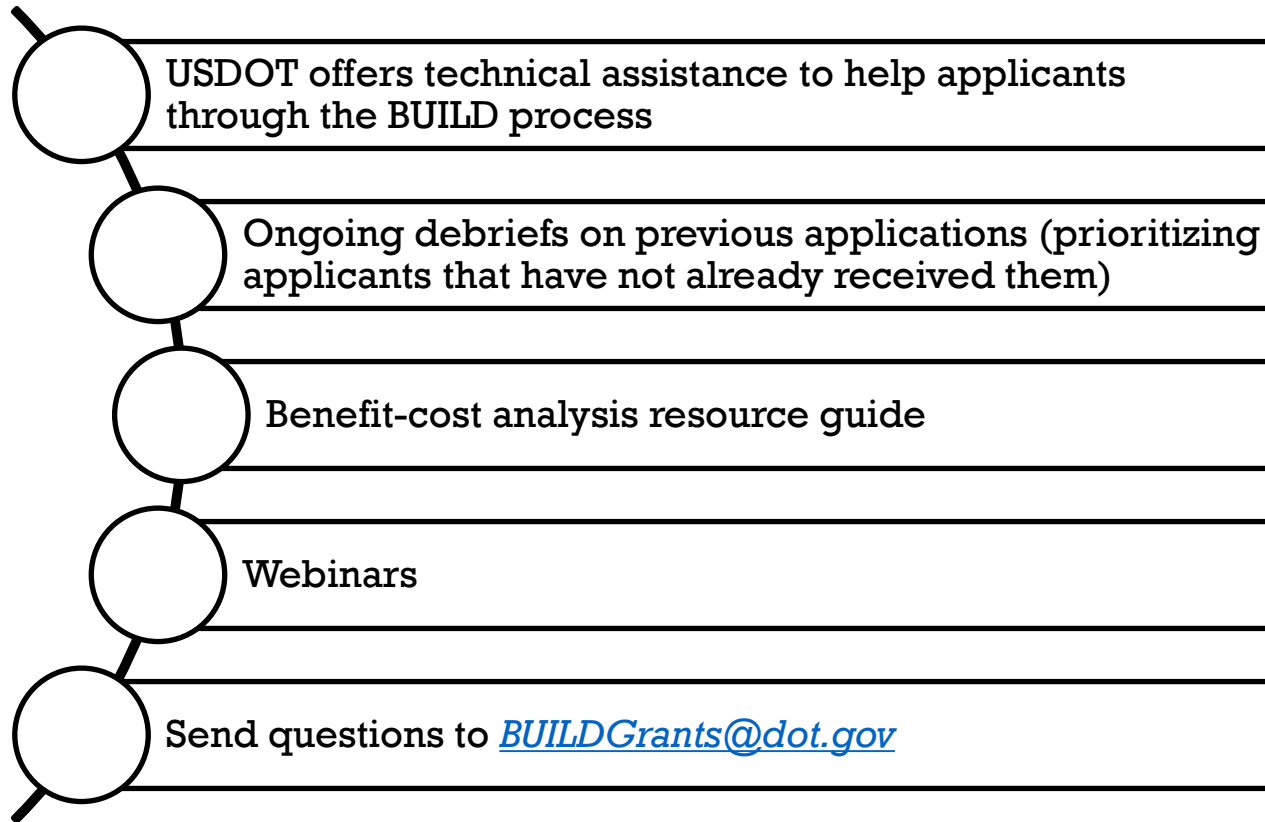
This is not a lump sum
award; this is a
reimbursement
program



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



Technical Assistance





Project Delivery: What Should Successful Applicants Expect

BUILD 2020 Announcements by September 15, 2020

BUILD 2020 Modal Project Assignments

Negotiations Initiated

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

Reporting Requirements/Project Modifications

Project Completion/Close-Out

Performance Monitoring

