



U.S. Department of Transportation
Office of the Under Secretary

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



INFRA Program At a Glance

- ◎ A Highway-Trust-Fund-allocated program for highway, freight rail, port, and grade crossing projects
- ◎ Primarily for large projects (\$100M+ costs)
- ◎ Selection Criteria
 - Support for National or Regional Economic Vitality
 - Leveraging of Federal Funding
 - Potential for Innovation
 - Performance and Accountability

Program Background

- ⦿ Discretionary grant program (Nationally Significant Freight and Highway Projects) authorized under the FAST Act through 2020 - previously known as FASTLANE
- ⦿ \$4.5 Billion from Highway Trust Fund authorized over five years—subject to Obligation Limitation Lop-off
- ⦿ INFRA program maintains statutory requirements and uses merit 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.

Eligibility Basics

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

Eligibility Basics (continued)

Project Size

Large Projects:

- \$100M in Costs
- \$25 million minimum award
- No maximum Award
- 90% of available funds

Small Projects:

- Less than \$100M in costs
- \$5 million minimum award
- No maximum Award
- 10% of available funds

Cost Share

INFRA Award:

- Max 60% of Project Cost

Federal Assistance:

- Max 80% of Project Cost

*Previously incurred costs do not count towards Cost Share

*The Same requirement Rural vs Urban, Small vs. Large

Requirements for Large and Small Projects

- ◎ **Large Project Requirements**
 - Generates national or regional economic, mobility, or safety benefits
 - Cost-effective
 - Contributes to one or more 23 U.S.C. 150 goals
 - Based on the results of preliminary engineering
 - One or more stable and dependable funding or financing sources
 - Cannot be completed easily or efficiently without Federal funding
 - Reasonably expected to begin construction 18 months from obligation
- ◎ **Small Project Considerations**
 - Cost-effectiveness
 - Effect on mobility in the project's State or region

Selection Criteria

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



Program Award History (Totals)

FASTLANE/ INFRA ROUND	# of Projects	Amount Awarded	Other Federal Funding*	Non-Federal Funding*	Project Cost*
FY 2016 FASTLANE	18	\$759.2 M	\$1,016.3 M	\$2,158.9 M	\$3,934.5 M
FY 2017 FASTLANE	10	\$78.9 M	\$32.4 M	\$105.6 M	\$216.9 M
FY 2017-2018 INFRA	26	\$1,535.3 M	\$1,350.0 M	\$4,770.7 M	\$7,656.0 M
FY 2019 INFRA	20	\$856.0 M	\$1,220.8 M	\$2,270.4 M	\$4,347.1 M
FY 2020 INFRA	20	\$906.0 M	\$329.1 M	\$3,454.3 M	\$4,689.4 M
Grand Total	94	\$4,135.4 M	\$3,948.5 M	\$12,759.9 M	\$20,843.8 M

*Funding totals are estimates based on applications at time of award

Program Award History (Averages)

Project Size	# of Projects	Amount Awarded	Other Federal Funding*	Non-Federal Funding*	Project Cost*
Large Projects	55	\$67.7 M	\$67.2 M	\$222.9 M	\$357.8 M
Small Projects	39	\$10.6 M	\$6.4 M	\$12.9 M	\$29.9 M

Urban/Rural	# of Projects	Amount Awarded	Other Federal Funding*	Non-Federal Funding*	Project Cost*
Rural Projects	53	\$36.8 M	\$26.4 M	\$77.1 M	\$140.3 M
Urban Projects	41	\$53.3 M	\$62.2 M	\$211.5 M	\$327.0 M

*Funding totals are estimates based on applications at time of award

Questions and Answers

INFRA INFRASTRUCTURE FOR REBUILDING AMERICA



Appendix Slides

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 2015 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

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
 - Describe a recent policy change undertaken to facilitate interstate commerce

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 2019 funding is September 30, 2022.

