



# How to Compete for FY 2018 BUILD Transportation Discretionary Grants

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

# + Welcome: FY 2018 BUILD How to Compete Webinar

## ■ Audio

- Via Computer – No Action Needed
- Via Telephone - Call [\(866\) 863-9293](tel:8668639293)  
Passcode: [7572868](tel:7572868)

## ■ Presenter

- Robert Mariner, Deputy Director of the Office of Infrastructure Finance and Innovation, Office of the Secretary Office of Policy, U.S. Department of Transportation





# BUILD Grants

Better Utilizing Investments to Leverage Development Transportation Discretionary Grants Program

- \$1.5 billion multimodal, merit-based discretionary grant program
- Modal and geographic equity requirements
- DOT intends to award a greater share of grants to projects in rural areas than in urban areas
- Project narrative, SF 424, and project information form required



# + What are the Advantages of the BUILD Program?

- Significant Local or Regional Impact
- Competitive Discretionary Grants
- Encourages Partnership
- Public Entity Eligibility
- Merit-Based Awards



# + BUILD Basics

## ■ Eligible Applicants

- State, local, and tribal governments, transit agencies, MPOs, and other public entities

## ■ Eligible Projects

## ■ Eligible Cost Share or Match

- BUILD Transportation funds may cover up to 80 percent of project costs in urban areas and 100 percent of project costs 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; \$150 million per State



# + 2018 BUILD Application

- Application – [www.Grants.gov](http://www.Grants.gov)
- Applications – Must be submitted on or before 8:00 PM E.D.T. on **July 19, 2018**



# + What Projects Compete Well?

- Demonstrated strength in merit criteria
- Project that will enter construction within the period of obligation (Sept. 30, 2020)
- Project has specific timeline for completion
- Presents a clear story and project impact
- Emphasizes improved access to reliable, safe, and affordable transportation in rural areas
- Incorporates innovations in funding and finance
- New partnerships, multi-jurisdictional cooperation, including public-private partnerships



# + BUILD Evaluation Considerations

- Does the project align well with the merit criteria?
- Does the project demonstrate readiness in terms of environmental review, permitting, technical feasibility, funding, and the applicant's capacity to manage project delivery?
- How do the project's benefits compare to its costs?
- Will DOT be able to obligate funds by September 30, 2020?





# + **BUILD Merit Criteria**

- Safety
- State of Good Repair
- Economic Competitiveness
- Quality of Life
- Environmental Protection
- Innovation
- Partnership
- Non-Federal Revenue for  
Transportation Infrastructure  
Investment



# + Merit Criterion: Safety



- DOT will assess:
  - The project's ability to foster a safe transportation system for the movement of goods and people
  - The projected impacts on the number, rate, and consequences of crashes, injuries, and fatalities among transportation users
  - The project's contribution to the elimination of highway/rail grade crossings
  - The project's contribution to preventing unintended releases of hazardous materials



## + Merit Criterion: State of Good Repair



- DOT will prioritize projects that ensure the good condition of infrastructure, including rural infrastructure, and support commerce and economic growth. DOT will also assess whether and to what extent:
  - The project is consistent with relevant plans to maintain transportation facilities or systems in a state of good repair and address current and projected vulnerabilities
  - If left unimproved, the poor condition of the asset will threaten future transportation network efficiency, mobility of goods or accessibility and mobility of people, or economic growth
  - The project is appropriately capitalized up front and uses asset management approaches that optimize its long-term cost structure
  - A sustainable source of revenue is available for operations and maintenance of the project and will reduce overall life-cycle costs
  - The project will maintain or improve transportation infrastructure that supports border security functions



## + Merit Criterion: **Economic Competitiveness**



- Projects that address congestion in major urban areas or bridge gaps in service in rural areas, and projects that attract private economic development support economic competitiveness. DOT will assess whether the project will:
  - Decrease transportation costs and improve access, especially for rural communities, 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
  - Result in long-term job creation and other economic opportunities
  - Help the United States compete in a global economy by facilitating efficient and reliable freight movement



# + Merit Criterion: Environmental Protection



- DOT will assess the project's ability to:
  - Improve energy efficiency, reduce dependence on oil, and reduce congestion-related emissions
  - Reduce energy use and air or water pollution through congestion mitigation strategies
  - Avoid adverse environmental impacts to air or water quality, wetlands, and endangered species
  - Provide environmental benefits, such as brownfield redevelopment, groundwater recharge in areas of water scarcity, wetlands creation or improved habitat connectivity, and stormwater mitigation
- DOT will consider the extent to which the project uses innovative ways to improve or streamline environmental reviews while maintaining the same outcomes



# + Merit Criterion: Quality of Life



- DOT will consider the extent to which the project:
  - Increases transportation choices for individuals to provide more freedom on transportation decisions
  - Expands access to essential services for people in communities across the United States, particularly for rural communities
  - Improves connectivity for citizens to jobs, healthcare, and other critical destinations, particularly for rural communities
- DOT will consider whether and the extent to which the construction of the transportation project 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

- DOT will assess the use of innovative strategies such as innovative technologies, innovative project delivery, or innovative financing, including the following:
  - Innovative approaches to transportation safety, particularly in relation to automated vehicles and the detection, mitigation, and documentation of safety risks
  - Innovative technology that supports surface transportation to significantly enhance the operational performance of the transportation system, including broadband deployment
  - Innovative practices in contracting, congestion management, asset management, or long-term operations and maintenance
  - Innovative approaches to improve the efficiency and effectiveness of the environmental permitting and review to accelerate project delivery and achieve improved outcomes for communities and the environment
  - Innovations in transportation funding and finance, including by using private sector funding or financing and recycled revenue from the competitive sale or lease of publicly owned or operated assets



## + Merit Criterion: Partnership

- DOT will consider:
  - The extent to which projects demonstrate strong collaboration among a broad range of stakeholders, including among neighboring or regional jurisdictions to achieve local or regional benefits
  - Rural applicants that partner with State, local, or private entities for the completion and operation of transportation infrastructure
  - The extent to which project applications demonstrate collaboration among neighboring or regional jurisdictions, including neighboring rural areas, to achieve local or regional benefits
  - The extent to which projects include partnerships that bring together diverse transportation agencies and/or are supported, financially or otherwise, by other stakeholders that are pursuing similar objectives





## + Merit Criterion: Non-Federal Revenue for Transportation Infrastructure Investment

- DOT will assess the extent that applications provide evidence that the applicant will secure and commit new, non-Federal revenue to transportation infrastructure investment
  - New revenue means revenue that is not included in current and projected funding levels and results from specific actions taken to increase transportation infrastructure investment
  - DOT will consider actions to create new revenue only if those actions occurred after January 1, 2015 or will occur in the future
  - For applications that propose to generate revenue over multiple years, the maximum time period that should be used is 10 years, beginning on January 1, 2018
  - Examples of actions to generate new revenue include: asset recycling, tax-increment financing, sales and gas tax increases
  - Among otherwise similar applications, applicants that generate more new non-Federal revenue for future transportation infrastructure investment will be more competitive
- If an applicant describes broader legal or fiscal constraints that affect its ability to generate non-Federal revenue, the Department will consider those constraints



# + **Project Readiness and BCA**

## ■ **Project Readiness**

- **Technical Feasibility**
- **Project Schedule**
- **Required Approvals**
- **Assessment of Project Risks and Mitigation Strategies**

## ■ **BCA**

- **Identify, quantify, and compare expected benefits and costs**



# + Program of Projects

- Applicants that demonstrate the ability to generate additional non-Federal revenue for transportation infrastructure investment may apply for multiple projects that collectively constitute a “program of projects”
  - A program of projects consists of independent projects that address the same transportation challenge and whose combined benefits, including funding efficiency, are greater than if the projects are completed individually
  - For a program of projects, applicants must submit an application for each project within the program and describe how each project constitutes a program
  - Each project within a program of projects is subject to the \$25 million award maximum and total awards cannot exceed \$150 million per State
  - Each project application within a program of projects must meet the eligibility criteria described earlier, demonstrate independent utility, and individually address the merit criteria
  - Applicants should indicate in the Project Information Form if the application is part of a program of projects



# + 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: O/M assistance
- Uncertain urban/rural designation



# + **BUILD 2018 Evaluation Teams**



- As appropriate, the following DOT evaluation teams consider applications:
  - Technical Evaluation
  - Economic Analysis
  - Project Readiness
  - Control and Calibration
  - Senior Review
- Final funding awards decided by the Secretary



# + **Project Delivery: What Should Successful Applicants Expect**

- BUILD 2018 Announcements by December 18, 2018
- BUILD 2018 Modal Project Assignments
- Negotiations Initiated
- Sign/Execute Grant Agreement (funds obligated at this point)
- Reporting Requirements/Project Modifications
- Project Completion/Close-Out
- Performance Monitoring



# + Technical Assistance

- USDOT offers technical assistance to help applicants through the BUILD process
- Debriefs on previous applications
- Benefit-cost analysis resource guide
- Webinars
- Send questions to [BUILDGrants@dot.gov](mailto:BUILDGrants@dot.gov)



# + 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/2018-build-application-faqs](http://www.transportation.gov/BUILDgrants/2018-build-application-faqs)





# + Question and Answer Session



Increased emphasis on projects located in rural areas



\$1.5 billion ready for projects with a significant local or regional impact



Apply by July 19, 2018

