

USDOT Grants Opportunity Multimodal Project Discretionary Grant Opportunity

The U.S. Department of Transportation (USDOT) has released a Multimodal Project Discretionary Grant (MPDG) Notice of Funding Opportunity (NOFO) for three grant programs:

- Mega (National Infrastructure Project Assistance)
- INFRA (Nationally Significant Multimodal Freight and Highways Projects)
- Rural (Rural Surface Transportation Grant Program)

The USDOT has released these programs under <u>a combined NOFO</u> under the Bipartisan Infrastructure Law. These programs will provide approximately \$5.5 billion in funding for FY 2023 and FY 2024, as summarized in the table below. Applicants are encouraged to apply for multiple programs to maximize their potential of receiving federal support. Applicants will be considered across all three programs unless they opt-out.

Program	Funding
Mega	\$1.8 billion
INFRA	\$3-3.1 billion
Rural	\$650-675 million
Total	Approximately \$5.45-5.575 billion

Eligible applicants are each permitted to submit up to three unique applications per program, for a total of nine applications. Applications are due on August 21, 2023.

APPLICATION DEADLINE:

All applications are to be received no later than:

August 21, 2023 11:59 PM EDT



Mega Program — Large, Complex Multijurisdictional or Regional Projects

The Mega program is focused on large multimodal transportation projects. The program funds major projects that are too large or complex for traditional funding programs. Eligible projects for Mega include highway or bridge projects on the National Multimodal Freight Network, National Highway Freight Network, or National Highway System; freight intermodal or freight rail projects; railway highway grade separation or elimination projects; intercity passenger rail projects; or public transportation projects.

Half of the funding will be awarded to Mega projects greater than \$500 million in total project cost, with the remainder for the projects between \$100 million and \$500 million in total project costs.

Mega project requirements include:

- Generate national/regional economic, mobility, or safety benefits
- Project is in significant need of federal funding
- Cost-effective
- Funding/financing sources to construct, maintain, operate, cover cost increases
- Applicant has legal, financial, and technical capacity to carry out the project
- A plan for the collection and analysis of data to identify the impacts

INFRA — Highways, Multimodal Freight and Rail Projects

The INFRA program funds highway, multimodal freight, and rail projects that rebuild infrastructure and support economic competitiveness. INFRA funding supports highway freight projects on the National Highway Freight Network, National Highway System, or National Multimodal Freight Network; freight intermodal, freight rail, or freight surface transportation projects that support intermodal facilities; highway-railway grade crossing or grade separation projects; wildlife crossing projects; surface transportation projects for marine highway corridors.

The minimum project size for large INFRA projects is the lesser of \$100 million; 30 percent of a state's FY22 Federalaid appointment; or 50 percent of the larger participating state's FY22 apportionment for projects located in more than one state. There is no minimum size for small INFRA projects.

INFRA project requirements include:

- Generate national or regional economic, mobility, or safety benefits
- Cost-effective
- Contribute to one or more national goals and performance management measures
- Project is based on the results of preliminary engineering
- Funding/financing sources to construct, maintain, operate, cover cost increases
- Cannot be completed without other federal funding/ financial assistance
- Begin construction no later than 18 months after the date of the obligation

Rural — Improved Mobility and Safety Projects

The Rural program supports projects to improve and expand the surface transportation infrastructure in rural areas to increase connectivity, improve the safety and reliability of the movement of people and freight, generate regional economic growth, and improve the quality of life. Eligible Rural projects include a highway, bridge or tunnel project eligible under the National Highway Performance Program, Surface Transportation Block Grant, or Tribal Transportation Program; a highway freight project eligible under the National Highway Freight Program; a highway safety project; a project on a public highway or bridge that supports access to an agricultural, commercial, energy, or intermodal facility that supports the economy of a rural area; or a project to develop, establish, or maintain an integrated mobility management system, a transportation demand management system, or on-demand mobility services.

Rural project requirements include:

- · Generate regional economic, mobility, or safety benefits
- Cost-effective
- Contribute to one or more national goals and performance management measures
- Project is based on the results of preliminary engineering
- Begin construction no later than 18 months after the date of obligation



Eligible Applicants

Mega: State or a group of states; Metropolitan Planning Organization; unit of local government; political subdivision of a state; special purpose district; Tribal government(s); Amtrak; or a group of these entities.

INFRA: State or group of states; Metropolitan Planning Organization; unit of local government; political subdivision of a state; special purpose district; federal land management agency, tribal government(s); multistate corridor organization; multistate or multijurisdictional group of entities.

Rural: State; regional transportation planning organization; unit of local government; tribal government(s); multijurisdictional group of entities.

Cost Sharing or Matching

Mega: Grant funding may be used for up to 60 percent of future total eligible project costs. Other federal assistance may satisfy the non-Mega share requirement for a Mega grant, but total federal assistance for a project receiving a Mega grant may not exceed 80 percent of future total eligible project costs.

INFRA: Grant funding may be used for up to 60 percent of future eligible costs. Other federal assistance may satisfy the non-INFRA share requirement for an INFRA grant, but total federal assistance for a project receiving an INFRA grant may not exceed 80 percent of future total eligible project costs.

Rural: Grant funding may be used for up to 80 percent of future eligible project costs, except eligible projects that further the completion of a designated segment of the Appalachian Development Highway System or address a surface transportation infrastructure need identified for the Denali access system program may apply for up to 100 percent of the project costs. Other federal assistance may satisfy the non-Rural share requirement for a Rural grant up to 100 percent of project costs.



Merit Criteria

USDOT will evaluate applications for the programs using common merit criteria:

- **Safety:** Safety problems within the project area or wider transportation network and health risks. If the project is providing increased access to commercial motor vehicle parking, the application should provide information demonstrating the lack of parking in the area.
- State of Good Repair: Describe how the project will contribute to a state of good repair by restoring and modernizing core infrastructure assets and/or addressing current or projected system vulnerabilities.
- Economic Impacts, Freight Movement, and Job Creation: Increase travel time reliability and manage travel demand for goods movement; improve multimodal transportation systems that incorporate affordable transportation options; improve regional and local economic performance; enhance recreational and tourism opportunities; high-quality job creation; highquality workforce training programs; foster economic growth and development; promote integrated land use, economic development and transportation planning; or help the U.S. compete in a global economy.
- Climate Change, Resiliency, and the Environment: Incorporate considerations of climate change, sustainability, and environmental justice in the planning stage and project delivery. Please refer to the NOFO for a full list of what should be included in the project to be considered eligible.

- Equity, Multimodal Options, and Quality of Life: Proactively address equity and barriers to opportunity, improve quality of life in rural areas or urbanized areas, and benefit Historically Disadvantaged Communities or populations, or Areas of Persistent Poverty.
- Innovation Areas -Technology, Project Delivery, and Financing: The application should contain sufficient information to evaluate how the project can be transformative in achieving program goals and includes or enables innovation in (1) accelerated deployment of innovative and secure-by-design technology, including expanded access to broadband; (2) use of innovative permitting, contracting, and other project delivery practices; and (3) innovative financing. If the project does not address a particular innovation area, the application should state this fact.

Review and Selection Process

The MPDG evaluation process consists of an Analysis Phase and Senior Review Phase. In the Analysis Phase, teams will reivew each project, determine whether the project satisfies statutory requirements and rate how well it addresses the selection criteria using the rating system discussed in the NOFO. If an applicant opts out of a specific program, USDOT will not consider whether the proposed project meets the program's requirements.

Applications are due August 21, 2023 by 11:59 PM (EDT) on Grants.gov. If you have any questions, please submit them to <u>MPDGrants@dot.gov</u>.

Your infrastructure finance, economics, and grant writing professionals stand by ready to support project sponsors applying for funding from this MPDG opportunity.

If you need any assistance or have questions, please contact: Nathan Macek | <u>nathan.macek@hdrinc.com</u> | Matthew Volz | <u>matthew.volz@hdrinc.com</u> Aurah Landau | <u>aurah.landau@hdrinc.com</u>