



## **INFRA Grant Program FAQs**

### **Why is the Department changing the existing program?**

The current system is not working:

1. Evidence has shown that, in the past, when some State and local governments receive and spend federal funding for infrastructure, they divert future funding away from key infrastructure needs towards other uses – leading to little or no net benefit to infrastructure. With nearly \$9.8 billion in funding requested in FY 2016 for FASTLANE, we need to take steps to get more bang for the buck. By getting more of our partners to use federal funding as a supplement — not a substitute — we seek to increase the amount of overall funding that goes to infrastructure.
2. Many necessary projects get caught in red tape more related to the bureaucratic checking of a box than to protecting environmental and community outcomes.
3. Oftentimes projects are launched without a real plan to account for future operations and maintenance costs for the life-cycle of the project — leading to the crumbling infrastructure that plagues our country today.

The American Society of Civil Engineers estimated that the U.S. has over \$4.5 trillion in infrastructure needs<sup>[1]</sup>. The Department believes that we can't afford to continue making the mistakes of the past.

### **In addition to the program name, what has changed in the new INFRA competition?**

The program goals and selection criteria have changed substantially from FASTLANE. Under the INFRA program, projects that use innovative approaches to make each the federal dollar go further and encourage more parties to put skin in the game through higher leverage, are willing implement innovative approaches to permitting and project delivery, and project sponsors willing to measure their performance and hold themselves accountable will all find something to like in the new NOFO.

The Department intends to provide careful consideration to projects that address transportation needs in rural areas of varying sizes.

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<sup>[1]</sup> ASCE 2017 Infrastructure Report Card. Retrieved June 23, 2017, from <http://www.infrastructurereportcard.org/>

**What stayed the same from previous FASTLANE competitions?**

The eligible costs, project types, cost share, project sizes and other requirements defined by the statute have not changed. The program still focuses on projects that generate national or regional economic, mobility, and safety benefits.

**Will the Department have a separate FY 2018 competition?**

No. Subject to availability, FY 2018 funds for Large and Small Projects are included in this INFRA NOFO.

**How does the INFRA Grant program focus on safety?**

Safety is the top priority of the Department, and this program supports our continued commitment to safety.

The Department seeks applications that are likely to yield safety benefits. Projects with significant safety benefits will be competitive under the Economic Vitality criterion.

In addition, the Department is considering innovative approaches to transportation safety, particularly projects which incorporate innovative design solutions, enhance the environment for automated vehicles, or use technology to improve the detection, mitigation, and documentation of safety risks, as part of the Innovation selection criterion.

**Why isn't the Department making Large Project selections from the existing applicant pool for FY 2017 funding?**

The Department believes that with the right incentives, project sponsors across the country can make dramatic, long-term improvements in the way projects are delivered and maintain our transportation infrastructure. The INFRA Grant program represents an opportunity to provide those incentives. While this has required the development of updated selection criteria, the program still adheres to statutory requirements. The new criteria represent a significant improvement over the status quo, so the Department will provide applicants an opportunity to apply under the new criteria.

**If the INFRA program is such a significant improvement from FASTLANE, why does the Department intend to make FY 2017 Small Project awards under the FASTLANE selection criteria?**

Due to the comparatively small amount of funding statutorily reserved for Small Projects, \$78.88M of the total, the Department will move forward with making Small Project selections from previously submitted applications under the FASTLANE criteria, while

reserving the bulk of the funding to be awarded under the improved INFRA Grant criteria. We're finalizing our Small Project selections in the hopes of getting those projects underway soon, while at the same time focusing efforts on the new Administration's priorities.

**When does the Department anticipate notifying Congress with proposed selections for FY 2017 FASTLANE Small Projects?**

The Department recognizes the efforts applicants took to apply and fully understands the great transportation needs facing communities throughout America. The Department anticipates notifying Congress of proposed FY 2017 Small Project awards soon.

**Why is the Department publishing the INFRA NOFO now, rather than waiting until the FASTLANE FY 2017 Small Project selections have been made?**

Publishing the INFRA NOFO now provides applicants with additional time to understand the new selection criteria, receive technical assistance from the Department, and submit new applications which best address the INFRA selection criteria and program goals. To help accommodate applicants, particularly Small Projects awaiting the outcome of their submission, the Department is extending the application window to 120 days, compared with 45 days in the FY 2017 FASTLANE competition.

**For applicants that have already submitted a previous FASTLANE application and have limited resources to develop new INFRA applications, can they resubmit their old application?**

The new INFRA NOFO specifically allows applicants to resubmit their old applications if they believe their project aligns with the new INFRA criteria. In these cases, applicants may submit an appendix with their previous application. The appendix will describe how their project aligns with the new INFRA criteria and include any required supplemental information not included in their original application.

**Will the Department provide feedback or debriefs on previous applications?**

Once the FASTLANE FY 2017 Small Projects selections have been made and the Congressional notification period has ended, the Department will continue its policy of providing technical debriefs on those applications. Because the FASTLANE evaluations for Large Projects were not completed, feedback on those applications will be more limited.

### **Will the INFRA program make freight projects a priority?**

The Department anticipates that in addition to meeting statutory requirements, the INFRA program's focus on economic vitality, leverage (including private sector participation), innovation, and performance, means that freight projects will be competitive.

### **How will INFRA Grants address the needs of rural areas?**

The new INFRA program preserves the statutory requirement to award at least 25% of funding for rural projects. It calls on the Department to consider an equitable balance in funding for geographic diversity among recipients. This means accounting for the impact of transportation funding for the economic revitalization of rural and disadvantaged communities. The Department will give full consideration to the unique needs of rural areas.

In addition, while the INFRA program emphasizes the leveraging of non-federal and private sector funding as a selection criteria, the Department understands that rural areas may not have access to the same resources as those available to wealthier, more populous areas. The Department intends to consider constraints on an applicant's ability to generate, attract, or otherwise draw on non-federal or private sector funding when considering each project's financial plan.

The Department also recognizes that it can better balance the needs of rural and urban communities if it does not take a binary view of urban and rural, and accordingly the Department will consider the actual population of the community that each project serves, in addition to whether it meets the urban or rural definition described in the law. This means rural areas with a population of 10,000 people will not be treated the same as rural areas with 190,000 people.

### **How do the INFRA Grants address access and mobility issues?**

The Economic Vitality criterion considers projects that reduce barriers separating workers from employment centers and ones that connect peripheral regions to urban centers or job opportunities. This also supports projects that bridge gaps in service in rural areas and projects that attract private economic development. Many of the related principles that were captured in the Community and Environmental Outcomes criterion in FASTLANE remain in the Economic Vitality criterion in the INFRA Grant program.

### **What does the Department mean by the term “leverage”?**

The term leverage, as used in the INFRA NOFO, refers to the degree to which a project uses non-federal sources of funding to pay for construction. This can include State, local, and private sector funding, projects that raise revenue directly, projects that benefit from local self-help, and projects that pair INFRA grants with broader-scale innovative financing, including federal credit assistance such as Transportation Infrastructure Finance and Innovation Act (TIFIA) and Railroad Rehabilitation Improvement Financing (RRIF) loans.

### **Why is leverage good?**

The Department’s interest is that by awarding projects that leverage non-federal sources, the pool of resources being used to build and restore infrastructure will be expanded.

### **How does the evaluation process work?**

First, technical evaluation teams made up of Departmental staff will determine whether projects satisfy statutory requirements and rate how well they address the selection criteria outlined in the NOFO. The Senior Review Team, comprised of Departmental leadership, will then consider the applications and the technical evaluations to determine which projects to advance to the Secretary for consideration. The Secretary will ultimately make the final selection for awards, consistent with the statutory requirements for INFRA Grants and the selection criteria in the NOFO.