

DOT ANNOUNCES FUNDING OPPORTUNITY FOR NATIONALLY SIGNIFICANT FREIGHT AND HIGHWAY PROJECTS

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The Department of Transportation (DOT) has announced a [Notice of Funding Opportunity](#) for the Infrastructure for Rebuilding America (INFRA) program. The federal grant program provides financial assistance to highway and freight projects of national or regional significance. Given the complexity of the application process and the narrowing window of opportunity for action, interested stakeholders are advised to act quickly on completing their applications for Fiscal Year 2020 (FY20) awards, with the February 25 deadline just around the corner.

January's notice solicits applications for \$906 million in grant awards for FY20, focusing on transportation infrastructure projects that support four key objectives:

- Supporting economic vitality at the national and regional level;
- Leveraging federal funding to attract non-Federal sources of infrastructure investment;
- Deploying innovative technology, encouraging innovating approaches to project delivery, and incentivizing the use of innovative financing; and
- Holding grant recipients accountable for their performance.

In addition to these core objectives, the DOT will consider other data-driven transportation safety metrics and related criterion, including project readiness and geographic diversity. To be considered for FY20 awards, all applications must be submitted by February 25, 2020.

AVAILABLE FUNDING

The Fixing America's Surface Transportation (FAST) Act authorizes the INFRA program at \$4.5 billion for FY16 through FY20, including \$1 billion for FY20, for projects associated with highway, freight rail, ports, or other freight intermodal projects that make significant improvements to freight movement on the National Highway Freight Network. The DOT is currently seeking to allocate \$906 million in available FY20 INFRA funds. In addition, amounts from prior year authorizations, presently estimated at \$150 million, may be made available.

APPLICANT ELIGIBILITY

Eligible applicants for INFRA grants include: states; metropolitan planning organizations; units of local

government; subdivisions of state or local governments; special purpose districts (including port authorities); federal land management agencies that apply jointly with states; tribal governments; and multijurisdictional groups of public entities.

ELIGIBLE PROJECTS

Eligible projects for INFRA grants include: highway freight projects carried out on the National Highway Freight Network; highway or bridge projects carried out on the National Highway System (NHS); railway-highway grade crossing or grade separation projects; or a freight project that is an intermodal or rail project, or within the boundaries of a public or private freight rail, water (including ports), or intermodal facility. Projects within the boundaries of a freight rail, water, or intermodal facility must be a surface transportation infrastructure project necessary to facilitate direct intermodal interchange, transfer, or access into or out of the facility and must significantly improve freight movement on the National Highway Freight Network.

Past INFRA grant project recipients include the Missouri River Bridge Project; Ohio River Rail Improvement Project; Cape Canaveral Spaceport Indian River Bridge Replacement; and the PortMiami Capacity Expansion Project.

ELIGIBLE COSTS

Among the eligible costs for INFRA grant projects are construction, reconstruction, rehabilitation, acquisition of property, environmental mitigation, equipment acquisition, and operational improvements directly related to system performance. INFRA grants may also fund development phase activities, including planning, feasibility analysis, revenue forecasting, environmental review, preliminary engineering, design, and other preconstruction activities.

PROJECT SIZE/COST SHARING

The DOT will make awards under the INFRA program to both large and small projects. For a large project, the FAST Act specifies that an INFRA grant must be at least \$25 million. For a small project, including both construction awards and project development awards, the grant must be at least \$5 million. INFRA grants may be used for up to 60 percent of future eligible project costs. Other federal assistance may satisfy the non-federal share requirement for an INFRA grant, but total federal assistance for a project receiving an INFRA grant may not exceed 80 percent of future eligible project costs.

WINDOW OF OPPORTUNITY CLOSING

The INFRA program presents a tremendous opportunity to seek federal funding for significant freight network projects. Recently, K&L Gates has helped clients navigate the highly competitive DOT grant application process to secure funding for capital investments in surface transportation infrastructure. Given the fast-moving application and selection process, interested stakeholders should act now to be best positioned for success.

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