



Metro

Los Angeles County
Metropolitan Transportation Authority

One Gateway Plaza
Los Angeles, CA 90012-2952

213.922.2000 Tel
metro.net

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TO: BOARD OF DIRECTORS

THROUGH: STEPHANIE N. WIGGINS *SNW*
INTERIM DEPUTY CHIEF EXECUTIVE OFFICER

FROM: MARTHA WELBORNE, FAIA *MW*
CHIEF PLANNING OFFICER

**SUBJECT: USDOT FEDERAL FISCAL YEAR (FFY) 2015 FEDERAL TIGER
PROGRAM GRANT OPPORTUNITY**

ISSUE

On April 2, 2015, the U.S. Department of Transportation (USDOT) released a Notice of Funding Availability (NOFA) for the seventh competitive cycle for Transportation Investment Generating Economic Recovery (TIGER) discretionary grants. We may apply for most of the \$500 million appropriated for this FFY 2015 TIGER Program. We also may apply for funding from a \$100 million minimum set-aside for projects in rural area and from the balance of funds available for eligible projects in any area of the country. USDOT deadlines to submit pre-applications and final applications are May 4, 2015 and June 5, 2015, respectively. We are identifying potentially eligible projects that can best compete for TIGER funds.

DISCUSSION

Per the FFY 2015 Consolidated and Further Continuing Appropriations Act, and consistent with prior-year appropriations for the TIGER Program, grant funds are to be awarded competitively for surface transportation capital projects that will have a significant impact on the Nation, a metropolitan area or a region. TIGER funds may cover up to 80% of project costs in urbanized areas and up to 100% of project costs in rural areas. Also, no more than \$125 million (25% of the total funding available nationwide) may be awarded to projects in a single state. In addition, each successful project may be awarded no less than \$10 million in urban areas and \$1 million in rural areas. Based on comments that we have received from USDOT staff for prior TIGER funding cycles, we expect most grants not to exceed \$20 million. The average TIGER grant per capital project in urban areas awarded through the previous competitive cycle was about \$14 million, and the largest grant award was \$25 million.

Attachment A includes a summary of the most relevant information about the TIGER discretionary grant opportunity, including: i) project eligibility; ii) funding requirements, conditions, and priorities; iii) selection criteria; and iv) deadlines. We have established an internal process below for identifying, evaluating, and selecting projects for which we may submit proposals.

Internal Process for Requesting, Evaluating, and Selecting Projects

We have requested input from all LACMTA departments to identify projects that could be eligible and competitive for TIGER grants. More specifically, we have asked Departments to complete the checklist shown in Attachment B, so that their candidate projects may be evaluated for further consideration. In reviewing each candidate project, we will assess the extent to which each project meets the requirements anticipated to be included in the NOFA.

After follow-up meetings with Department staff who have proposed projects, and with Board input, we will identify those projects most competitive for TIGER funding. USDOT limits the number of grant applications/proposals per agency to a maximum of three, as was the case in prior-year TIGER grant opportunities. Therefore, we need to submit proposals for up to three projects that are the most competitive and best meet USDOT selection criteria.

NEXT STEPS

We will be fielding recommended candidate projects for FFY 2015 TIGER funding through Wednesday, April 15, 2015. Recommendations may be provided by completing Attachment B for each project to be evaluated. We will assess the input received from LACMTA staff and inform the Board of our assessment results. We also will submit grant applications/proposals for those projects that can best compete for the TIGER funding.

ATTACHMENTS

- A. Summary of TIGER Discretionary Grant Opportunity
- B. FFY 2015 TIGER Grant Opportunity Checklist for Candidate Projects

SUMMARY OF TIGER DISCRETIONARY GRANT OPPORTUNITY

Project Eligibility

Capital projects eligible for TIGER grants include, but are not limited, to:

- (1) Highway or bridge projects eligible under title 23 of the United States Code (USC), including bicycle and pedestrian related projects;
- (2) Public transportation projects eligible under chapter 53 of title 49 of the USC;
- (3) Passenger and freight rail transportation projects;
- (4) Port infrastructure investments; and
- (5) Intermodal projects.

To be eligible for TIGER funds, a project or an element of a project must have an "independent utility" (i.e., provides transportation benefits in and of itself and will be ready for its intended use upon completion of the component's construction). Research, demonstration, or pilot projects are eligible only if they result in long-term, permanent surface transportation infrastructure that has independent utility. A component of a large project may be considered eligible if the component itself, and not the larger project of which it is a part, is eligible and satisfies the TIGER selection criteria. In this particular case, the benefit/cost analysis that is required by TIGER selection criteria must be for the project component, and not the larger project of which it is a part. Pre-construction activities (i.e., planning, preliminary engineering, and design) may be eligible to the extent that they are part of an overall construction project that is proposed to receive a TIGER grant award. Right-of-way acquisition and maintenance activities are not eligible for TIGER funds.

Funding Requirements

- No more than 25% of the \$500 million made available nationwide (\$125 million) may be awarded to projects in rural and urban areas in a single state.
- An amount not to exceed \$100 million may be used to pay the subsidy and administrative costs for a project receiving credit assistance under the Transportation Infrastructure Finance and Innovation Act of 1998 (TIFIA) Program.
- Grants may be not less than \$10 million (except \$1 million in rural areas) and not greater than \$200 million (applicable to multi-state projects).
- There is no minimum grant size for planning, preparation, or design proposals.
- A minimum of 20% of the project's estimated total construction cost must be committed with non-federal matching funds. USDOT may decrease the local match for projects proposed to be implemented in rural areas.

A TIGER grant recipient from prior rounds may apply for funding to support additional phases of a project awarded funds in earlier rounds of this program. However, to be competitive, USDOT requires that an applicant demonstrate the extent to which the previously funded project phase has met estimated project schedules and budgets (including the ability to realize expected project benefits). Per input from USDOT staff for prior TIGER funding cycles, applicants must demonstrate the use of all previously awarded TIGER funds for a new TIGER grant application for the same project to be competitive under a subsequent NOFA.

Funding Conditions

- Project costs spent or otherwise encumbered before grant award by USDOT are not eligible to meet the non-federal funding match requirement.
- There is no pre-award authority. Expenses eligible for reimbursement can only be incurred after grant award and execution of a TIGER grant agreement with USDOT.
- Applicants cannot award contracts before grant award and execution of a TIGER grant agreement with USDOT.
- Applicants must provide a useful benefit-cost analysis for the project, with annual projections for the build and no-build scenarios at least 20 years after its completion.

Funding Priorities

- Projects requesting TIGER grants to complete an overall financing package and demonstrate significant non-federal financial contribution.
- Projects that will lead to transformative change(s) in the community and increase economic opportunities, particularly for disadvantaged groups.
- Projects with no risk of delays that can proceed to construction after grant award.
- Projects that have a significant impact on desirable long-term outcomes for the United States, a metropolitan area, or a region.
- Projects developed in coordination with land-use planning and economic development decisions that create affordable and convenient transportation choices.
- Projects integrating creative uses of technology to significantly enhance the operational performance of the transportation system.
- Projects that propose innovative practices in contracting, project delivery, congestion management, safety and asset management, or operations and maintenance.
- Projects with a detailed and useful benefit/cost analysis.
- Projects that can best address the evaluation criteria and meet USDOT's deadlines.

Selection Criteria

- Primary (all equally important): safety, state of good repair, economic competitiveness, quality of life (particularly for disadvantaged groups), and environmental sustainability.
- Secondary: innovation (i.e., technology, finance, contracting, etc.) and partnerships (jurisdictional/stakeholder collaboration and coordination with other public services).

Deadlines

- Applicants must demonstrate that the proposed project can be included in relevant federal, state, metropolitan, and local planning documents by March 31, 2017.
- Applicants must demonstrate that they can receive all federal, state, and local permits and approvals, including completion of the National Environmental Policy Act (NEPA) process and all pre-construction activities or requirements necessary for the obligation of the TIGER funds, by June 30, 2017.
- TIGER funds must be obligated by USDOT no later than September 30, 2017.
- All funds from TIGER grants must be used to reimburse eligible expenses incurred no later than September 30, 2022.

**FY 2015 DISCRETIONARY GRANT OPPORTUNITY
National Infrastructure Investments- Transportation Investment Generating Economic Recovery (TIGER) Program
CHECKLIST FOR CANDIDATE PROJECTS**

QUESTION/CRITERION	RESPONSE/COMMENT
Project name.	
Brief project description.	
Project location (urban or rural).	
Is Metro the lead applicant?	
If Metro is not the lead applicant, identify the lead applicant.	
Identify any project partners.	
Total project cost (in 2015 dollars).	
Total project pre-construction (planning, engineering, design) activities cost (in 2015 dollars).	
Total federal TIGER grant request.	
Amount and program/source of other federal funds budgeted for the project.	
Total committed local/state funding match (provide copy of Board action).	
Additional local/state funding match required.	
Is the project consistent with Long Range Transportation Plan?	
Is the project included in the Transportation Improvement Program (TIP)? If yes, provide TIP ID.	
Is the project included in Metro's Capital Program? If yes, provide project number.	
Has the project's environmental work been initiated or completed?	
Date of completion or anticipated completion of the NEPA process.	
Does the project qualify for a Categorical Exclusion?	
Can the project be included in all relevant federal, state, metropolitan, and local planning documents by March 31, 2017?	
Can the project receive all applicable federal, state, and local permits and approvals by June 30, 2017?	
Can all TIGER related expenses be incurred by September 30, 2022?	
Project pre-construction activities start date.	
Project construction start date.	
Project construction completion date.	
Can provide a detailed benefit-cost analysis for the project?	
Discuss the project's scalability (i.e., reduced scope of work, independent utility of project component, etc.)	
Contact information of Project Manager.	