



G4910-9X

DEPARTMENT OF TRANSPORTATION

Office of the Secretary of Transportation

[Docket No. DOT-OST-2013-XXXX]

Notice of Funding Availability for the Department of Transportation's National Infrastructure Investments under the Consolidated and Further Continuing Appropriations Act, 2013

AGENCY: Office of the Secretary of Transportation, DOT

ACTION: Notice of Funding Availability

SUMMARY:

This notice announces the availability of funding and requests proposals for the Department of Transportation's National Infrastructure Investments. This notice is addressed to organizations that are interested in applying and provides guidance on selection criteria and application requirements for the National Infrastructure Investments.

Title VIII of The Further Continuing Appropriations Act, 2013 (Division F of the Consolidated and Further Continuing Appropriations Act, 2013, Pub. L. 113-6, March 26, 2013) ("FY 2013 Appropriations Act") appropriated \$473.847 million to be awarded by the Department of Transportation ("DOT") for National Infrastructure Investments. DOT will continue to refer to the program as "TIGER Discretionary Grants," as this is the title with which most stakeholders are familiar. As with previous rounds of TIGER, funds for the FY 2013 TIGER program are to be awarded on a competitive basis for projects that will have a significant impact on the Nation, a metropolitan area or a region.

Through this notice, DOT is soliciting applications for TIGER Discretionary Grants. In the event that this solicitation does not result in the award and obligation of all available funds, DOT may decide to publish an additional solicitation(s) or provide additional funds to selected projects.

DATES: You must submit final applications through Grants.gov by June 3, 2013, at 5:00 p.m. EDT (the “Application Deadline”). The Grants.gov “Apply” function will open on April 29, 2013, allowing applicants to submit final applications. You are strongly encouraged to submit applications in advance of the deadline.

ADDRESSES: You must submit applications electronically through Grants.gov. Only applications received electronically through Grants.gov will be deemed properly filed. Instructions for submitting applications through Grants.gov can be found on the TIGER website (www.dot.gov/TIGER).

FOR FURTHER INFORMATION: For further information concerning this notice please contact the TIGER Discretionary Grant program staff via e-mail at TIGERGrants@dot.gov, or call Howard Hill at 202-366-0301. A TDD is available for individuals who are deaf or hard of hearing at 202-366-3993. In addition, DOT will regularly post answers to questions and requests for clarifications on DOT’s website at www.dot.gov/TIGER. Applicants are encouraged to contact DOT directly rather than rely on third parties to prepare application materials or otherwise receive information about TIGER Discretionary Grants.

SUPPLEMENTARY INFORMATION:

This notice is substantially similar to the final notice published for the FY 2012 TIGER Discretionary Grant program in the *Federal Register* on January 31, 2012. However, there are a few significant differences:

1. Given the date of enactment of the final year-long FY 2013 Appropriations Act, the statutory timeframe for DOT to obligate funds under this round of TIGER Discretionary Grants is the shortest of all of the rounds to date. In order to meet this deadline, your application must demonstrate that that the project can meet all local, State, and federal requirements by June 30, 2014, in order for DOT to obligate funding in advance of September 30, 2014. Each application must include a detailed statement of work, detailed project schedule, and detailed project budget. Due to the short timeframe for obligation, project readiness and the risk of delays will be treated as primary selection criteria in DOT's evaluation process. You must identify risks and mitigation strategies in your project narratives. If your application is submitted without a sufficiently detailed statement of work, project schedule, and project budget it will not be selected for a TIGER award.
2. Selection criteria have been modified to make applications easier to prepare and review. Among other things, short-term economic impacts of projects, including their impact on employment, are now included in the primary criterion of economic competitiveness.
3. You do not need to submit a pre-application, as was required in recent rounds of TIGER. As this is the fifth round of TIGER and the basic structure has been consistent throughout the rounds, DOT has decided to eliminate the pre-

application from the application process for this round of TIGER. Further, the short obligation deadline means that DOT needs to receive and evaluate applications and move TIGER funding quickly. Moving straight to the application will help accomplish this.

4. The notice has been shortened in comparison to the notices for prior rounds of TIGER Discretionary Grants, and the Appendices that provide additional information on Benefit-Cost Analysis, Applying through Grants.gov, and Project Readiness are posted at www.dot.gov/TIGER, along with recordings of previous webinars DOT has hosted on the TIGER program and answers to frequently asked questions. You should visit www.dot.gov/TIGER for access to supplemental guidance and additional important information.
5. Applications that identify project co-applicants or project partners in addition to a lead applicant must be signed by each co-applicant or partner organization or include letters of support.

Other than the differences above, and minor edits for clarification and those made to conform the notice to the statutory circumstances of this round of TIGER Discretionary Grants funding, there have been no material changes made to the notice. Each section of this notice contains information and instructions relevant to the application process for these TIGER Discretionary Grants, and you should read this notice in its entirety so that you have the information you need to submit eligible and competitive applications.

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I. Background

The Transportation Investment Generating Economic Recovery or “TIGER Discretionary Grants” program was first created in the Recovery Act of 2009. Through the Recovery Act and subsequent three appropriations acts, Congress provided DOT with funding for four rounds of competitive grants totaling just over \$3 billion for capital investments in surface transportation infrastructure. See DOT’s website at www.dot.gov/TIGER for further background on the disbursement of past rounds of TIGER Discretionary Grants.

FY 2013 TIGER Discretionary Grants

The FY 2013 Appropriations Act appropriated \$473.847 million to be awarded by DOT for the TIGER Discretionary Grants program. Like previous rounds, the FY 2013 TIGER Discretionary Grants are for capital investments in surface transportation infrastructure and are to be awarded on a competitive basis for projects that will have a significant impact on the Nation, a metropolitan area, or a region. Larger projects of national or regional significance which DOT determines demonstrate achievement of several of the strategic goals, as well as the project readiness criterion, could be considered for grants larger than those typically awarded in recent rounds of TIGER. The FY 2013 Appropriations Act allows for a small portion of the \$473.847 million to be used for oversight of grants.

“Eligible Applicants” for TIGER Discretionary Grants are State, local, and tribal governments, including U.S. territories, transit agencies, port authorities, metropolitan planning organizations (MPOs), other political subdivisions of State or local governments, and multi-State or multi-jurisdictional groups applying through a single lead applicant (for multi-jurisdictional groups, each member of the group, including the lead applicant, must be an otherwise Eligible Applicant as defined in this paragraph).

To ensure applicants receive the most accurate information possible, you must contact DOT directly, rather than through intermediaries, to get answers to questions, set up briefings on the TIGER Discretionary Grants selection and award process, or receive other assistance. Assistance can be obtained by contacting the TIGER Discretionary Grant program staff via e-mail at TIGERGrants@dot.gov, or by calling Howard Hill at 202-366-0301.

Projects that are eligible for TIGER Discretionary Grants (“Eligible Projects”) include, but are not limited to: (1) highway or bridge projects eligible under title 23, United States Code; (2) public transportation projects eligible under chapter 53 of title 49, United States Code; (3) passenger and freight rail transportation projects; and (4) marine port infrastructure investments. federal wage rate requirements included in subchapter IV of chapter 31 of title 40, United States Code, apply to all projects receiving funds, and apply to all parts of the project, whether funded with TIGER Discretionary Grant funds, other federal funds, or non-federal funds. This description of Eligible Projects is identical to the description of eligible projects under earlier rounds of the TIGER Discretionary Grant program.¹

¹ Consistent with the FY 2013 Appropriations Act, DOT will apply the following principles in determining whether a project is eligible as a capital investment in surface transportation: (1) surface transportation

As was the case in earlier rounds of the TIGER Discretionary Grant program, Eligible Projects do not include research, demonstration, or pilot projects that do not result in publically accessible surface transportation infrastructure. To be funded, projects or elements of a project must have independent utility, which means that the project provides transportation benefits and is ready for its intended use upon completion of project construction.

Each applicant may submit no more than three applications. You should focus on applications that are most likely to align well with DOT's selection criteria. While applications may include requests to fund more than one project, you may not bundle together unrelated projects in the same application for purposes of avoiding the three application limit that applies to each applicant. Please note that the three application limit applies only to applications where the applicant is the lead applicant, and there is no limit on applications for which an applicant can be listed as a partnering agency. If you submit more than three applications as the lead applicant, only the first three received will be considered.

The FY 2013 Appropriations Act specifies that TIGER Discretionary Grants may be not less than \$10 million (except in rural areas) and not greater than \$200 million. For projects located in rural areas (as defined in Section V (*Projects in Rural Areas*)), the minimum TIGER Discretionary Grant size is \$1 million.

facilities generally include roads, highways and bridges, marine ports, freight and passenger railroads, transit systems, and projects that connect transportation facilities to other modes of transportation; and (2) surface transportation facilities also include any highway or bridge project eligible under title 23, U.S.C., or public transportation project eligible under chapter 53 of title 49, U.S.C. Please note that the Department may use a TIGER Discretionary Grant to pay for the surface transportation components of a broader project that has non-surface transportation components, and applicants are encouraged to apply for TIGER Discretionary Grants to pay for the surface transportation components of these projects.

DOT reserves the right to award funds for a part of the project included in an application, if a part of the project has independent utility and aligns well with the selection criteria specified in this notice. You are encouraged to provide information in your application as to how or whether your project can be segmented (e.g., by providing details on project phases) to assist DOT in its selections.

Pursuant to the FY 2013 Appropriations Act, no more than 25 percent of the funds made available for TIGER Discretionary Grants (or \$118.75 million) may be awarded to projects in a single State.

The FY 2013 Appropriations Act directs that not less than \$120 million of the funds provided for TIGER Discretionary Grants be used for projects located in rural areas. Further, DOT will take measures to ensure an equitable geographic distribution of grant funds, an appropriate balance in addressing the needs of urban and rural areas, and investment in a variety of transportation modes.

For projects receiving a TIGER Discretionary Grant, federal funds (including the TIGER Discretionary Grant and any other federal discretionary or formula funds) may be used for up to 80 percent of the costs of the project. DOT may increase the federal share above 80 percent only for projects located in rural areas, in which case DOT may fund up to 100 percent of the costs of a project. However, priority must be given to projects that use TIGER Discretionary Grant funds to complete an overall financing package, and both urban and rural projects can increase their competitiveness for purposes of the TIGER program by demonstrating significant non-federal financial contributions. In the first four rounds, on average, projects awarded funding attracted more than 4 additional non-federal dollars for every TIGER grant dollar. DOT will consider any non-federal funds, whether such funds are contributed by the public sector (State or local) or the private

sector, as a local match for the purposes of this program. Due to special statutory treatment, funds from the Federal Tribal Transportation Program (formerly known as Indian Reservation Roads) will also be considered as a local match for purposes of this program. However, DOT cannot consider any funds already expended towards the matching requirement or any funds being used to meet the match requirement for other federal grants. Also, while “matching” funds may be provided by a State DOT or transit agency, DOT will not consider those funds to be matching funds if the source of those funds is ultimately a federal program.

The FY 2013 Appropriations Act requires that TIGER funds are only available for DOT to obligate through September 30, 2014. The limited amount of time for which the funds will be made available means that DOT, when evaluating applications, must focus on whether or not a project is ready to proceed with obligation of grant funds within the limited time provided. Under the FY 2013 Appropriations Act, TIGER funding expires automatically after the deadline of September 30, 2014, if DOT does not obligate these funds. This deadline is provided in law and waivers cannot be granted under any circumstances.

The FY 2013 Appropriations Act allows for an amount not to exceed \$165.8 million of the \$473.847 million to 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, if it would further the purposes of the TIGER Discretionary Grant program. Whether seeking TIFIA support or not, you should show where you have leveraged both existing and new sources of funding through both traditional and innovative means and demonstrate how the TIGER assistance would serve to complete the project’s financing package and allow for expedited project completion.

Recipients of TIGER Discretionary Grants in 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, the applicant should demonstrate the extent to which the previously funded project phase has been able to meet estimated project schedules and budget, including the ability to realize the benefits expected for the project.

The FY 2013 Appropriations Act provides that the Secretary of Transportation may retain up to \$20 million of the \$473.847 million to fund the award and oversight of TIGER Discretionary Grants. Portions of the \$20 million may be transferred for these purposes to the Administrators of the Federal Highway Administration, the Federal Transit Administration, the Federal Railroad Administration, and the Federal Maritime Administration.

The purpose of this notice is to solicit applications for TIGER Discretionary Grants. This is a final notice.

TIGER DISCRETIONARY GRANTS

II. Selection Criteria and Guidance on Application of Selection Criteria

This section specifies the criteria that DOT will use to evaluate applications for TIGER Discretionary Grants. The criteria incorporate the statutory eligibility requirements for this program, which are specified in this notice as relevant.

TIGER Discretionary Grants will be awarded based on the selection criteria as outlined below. There are two categories of selection criteria, “Primary Selection Criteria” and “Secondary Selection Criteria,” the significance of which are detailed below.

A. Primary Selection Criteria

DOT will give priority to projects that are ready to proceed quickly and have a significant impact on desirable long-term outcomes for the Nation, a metropolitan area, or a region. Applications that do not demonstrate a likelihood of significant long-term benefits in this criterion will not proceed in the evaluation process. The first five primary selection criteria are based on the priorities included in DOT's Strategic Plan for FY 2012- FY 2016. DOT is elevating project readiness as a primary selection criterion for this round of TIGER Discretionary Grants due to the legislatively-mandated timeline for obligation of TIGER Discretionary Grant funds. For more detail on DOT's long-term priorities, please refer to the Strategic Plan, which can be found at: http://www.dot.gov/sites/dot.dev/files/docs/990_355_DOT_StrategicPlan_508lowres.pdf.

The long-term outcomes and readiness criteria that will be given priority are:

- 1. State of Good Repair:** Improving the condition of existing transportation facilities and systems, with particular emphasis on projects that minimize life-cycle costs and improve resiliency. DOT will assess whether and to what extent (i) the project is consistent with relevant plans to maintain transportation facilities or systems in a state of good repair and address vulnerabilities; (ii) 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; (iii) the project is appropriately capitalized up front and uses asset management approaches that optimize its long-term cost structure; and (iv) the extent to which a sustainable source of revenue is available for long-term operations and maintenance of the project.

- 2. Economic Competitiveness:** Contributing to the economic competitiveness of the United States over the medium- to long-term by improving the national transportation system while creating and preserving jobs. DOT will assess whether the project will (i) improve long-term efficiency, reliability or cost-competitiveness in the movement of workers or goods, with a particular focus on projects that have a significant effect on reducing the costs of transporting export cargoes; (ii) increase the economic productivity of land, capital or labor at or between specific locations, particularly in Economically Distressed Areas; or (iii) result in job creation and practicable opportunities, particularly for low-income workers or for people in Economically Distressed Areas, and practicable opportunities for small businesses and disadvantaged business enterprises, including veteran-owned small businesses and service disabled veteran-owned small businesses.²
- 3. Livability:** Increasing transportation choices and access to transportation services for people in communities across the United States. DOT will

² The Executive Office of the President, Council of Economic Advisers, (CEA), issued a memorandum in May 2009 on “Estimates of Job Creation from the American Recovery and Reinvestment Act of 2009.” That memorandum provides a simple rule for estimating job-years created by government spending, which is that \$92,000 of government spending creates one job-year (or 10,870 job-years per billion dollars of spending). More recently, in September 2011, based on further analysis both of actual job-creation experience from transportation projects under the Recovery Act and on further macroeconomic analysis, the CEA determined that a job-year is created by every \$76,923 in transportation infrastructure spending (or 13,000 job-years per billion dollars of transportation infrastructure spending). This figure can now be used in place of the earlier \$92,000/job-year estimate. Applicants can use this estimate as an appropriate indicator of direct, indirect and induced job-years created by TIGER Discretionary Grant spending, but are encouraged to supplement or modify this estimate to the extent they can demonstrate that such modifications are justified. However, since this guidance makes job creation purely a function of the level of expenditure, applicants should also demonstrate how quickly jobs will be created under the proposed project. Projects that generate a given number of jobs more quickly will have a more favorable impact on economic recovery. A quarter-by-quarter projection of the number of direct job-hours expected to be created by the project is useful in assessing the impacts of a project on economic recovery. Furthermore, applicants should be aware that certain types of expenditures are less likely to align well with the Job Creation & Near-Term Economic Activity criterion. These types of expenditures include, among other things, engineering or design work and purchasing existing facilities or right-of-way.

consider whether the project furthers the six livability principles developed by DOT with the Department of Housing and Urban Development (HUD) and the Environmental Protection Agency (EPA) as part of the Partnership for Sustainable Communities.³ DOT will give particular consideration to the first principle, which prioritizes the creation of affordable and convenient transportation choices,⁴ particularly for economically disadvantaged populations, non-drivers, senior citizens, and persons with disabilities. Further, DOT will prioritize projects developed in coordination with land-use planning and economic development decisions, including through programs like TIGER II Planning Grants, the Department of Housing and Urban Development's Regional Planning Grants, or the Environmental Protection Agency's Brownfield Area-Wide Planning Pilot Program as well as technical assistance programs focused on livability or economic development planning.

- 4. Environmental Sustainability:** Improving energy efficiency, reducing dependence on oil, reducing greenhouse gas emissions and benefitting the environment. DOT will assess the project's ability to (i) reduce energy use, air or water pollution; (ii) avoid adverse environmental impacts to air or water quality, wetlands, and endangered species; or (iii) provide environmental benefits, such as brownfield redevelopment, wetlands creation or improved habitat connectivity. Applicants are encouraged to provide quantitative information that demonstrates the existence of substantial existing

³ The six livability principles are listed fully at <http://www.dot.gov/affairs/2009/dot8009.htm>.

⁴ In full, this principle reads: "Provide more transportation choices. Develop safe, reliable and economical transportation choices to decrease household transportation costs, reduce our nations' dependence on foreign oil, improve air quality, reduce greenhouse gas emissions and promote public health."

transportation-related costs related to energy consumption and adverse environmental effects and evidence of the extent to which the project will reduce or mitigate those costs.

5. Safety: Improving the safety of U.S. transportation facilities and systems. DOT will assess the project's ability to reduce the number, rate, and consequences of surface transportation-related crashes, serious injuries, and fatalities among drivers and/or non-drivers in the United States or in the affected metropolitan area or region, and/or the project's contribution to the elimination of highway/rail grade crossings, the protection of pipelines, or the prevention of unintended releases of hazardous materials.

6. Project Readiness: For projects that receive funding in this round of TIGER, DOT is required to obligate funds to those projects by September 30, 2014, or the funding will expire. Priority will be given to projects that can meet all local, State, and federal requirements by June 30, 2014. This is a shorter period of time for obligation of funds than the comparable period for any prior round of TIGER, and is therefore a primary concern to DOT that will be treated as such during the evaluation and selection process. DOT will assess whether a project is ready to proceed rapidly upon receipt of a TIGER Discretionary Grant (see *Additional Information on Project Readiness Guidelines* located at www.dot.gov/TIGER for further details), as evidenced by:

(a) Technical Feasibility: The technical feasibility of the project should be demonstrated by engineering and design studies and activities; the development of design criteria and/or a basis of design; the basis for the

cost estimate presented in the TIGER application, including the identification of contingency levels appropriate to its level of design; and any scope, schedule, and budget risk-mitigation measures. Applicants must include a detailed statement of work that focuses on the technical and engineering aspects of the project and describes in detail the project to be constructed.

(b) Financial Feasibility: The viability and completeness of the project's financing package (assuming the availability of the requested TIGER Discretionary Grant funds), including evidence of stable and reliable capital and (as appropriate) operating fund commitments including specific sources of funds sufficient to cover estimated costs; the availability of contingency reserves should planned capital or operating revenue sources not materialize; evidence of the financial condition of the project sponsor; and evidence of the grant recipient's ability to manage grants. Applicants must include a detailed project budget in this section of their application containing a detailed breakdown of how the funds will be spent that provides estimates – both dollar amount and percentage of cost – of how much each activity would cost e.g. preparation, grading, asphalt, etc. If the project will be completed in individual segments or phases, a budget for each individual segment or phase must be included. Budget spending categories must be broken down between TIGER, other federal, and non-federal sources and should identify how each funding source will share in each activity.

(c) Project Schedule: You must include a detailed project schedule that includes all major project milestones such as start and completion of environmental reviews and approvals, design, right-of-way acquisition, approval of PS&E, procurement, and construction in this section of their application with sufficient information detail to demonstrate that:

(i) all necessary pre-construction activities will be complete to allow for any potential grant funding awarded to be obligated no later than June 30, 2014, to give DOT reasonable assurance that the TIGER Discretionary Grant funds will likely to be obligated sufficiently in advance of the September 30, 2014, statutory deadline, and that any unexpected delays will not put TIGER Discretionary Grant funds at risk of expiring before they are obligated;

(ii) the project can begin construction quickly upon receipt of a TIGER Discretionary Grant, and that the grant funds will be spent steadily and expeditiously once construction starts;⁵ and

(iii) any applicant that is applying for a TIGER Discretionary Grant and does not own all of the property or right-of-way required to complete the project should provide evidence that the property and/or right-of-way acquisition can and will be completed expeditiously.

(d) Assessment of Project Risks and Mitigation Strategies: You should identify the material risks to the project and the strategies that the lead applicant and any project partners have undertaken or will undertake in

⁵ The schedule should show how many direct, on-project jobs are expected to be created or sustained during each calendar quarter after the project is underway.

order to mitigate those risks. In past rounds of TIGER Discretionary Grants, certain projects have been affected by procurement delays, environmental uncertainties, and increases in real estate acquisition costs. You must assess the greatest risks to your projects and identify how those risks will be mitigated by the project parties.

Applicants, to the extent they are unfamiliar with the federal transportation program, should contact DOT's field offices for information on what steps are pre-requisite to the obligation of federal funds in order to ensure that their project schedule is reasonable and that there are no risks of delays in satisfying federal requirements. Contacts for the Federal Highway Administration Division offices – which are located in all 50 States, Washington, DC, and Puerto Rico – can be found at <http://www.fhwa.dot.gov/about/field.cfm>. Contacts for the ten Federal Transit Administration regional offices can be found at <http://www.fta.dot.gov/12926.html>.

B. Secondary Selection Criteria

- 1. Innovation:** Use of innovative strategies to pursue the long-term outcomes outlined above. DOT will assess the extent to which the project uses innovative technology (such as, intelligent transportation systems, dynamic pricing, value capture, rail wayside or on-board energy recovery, smart cards, active traffic management, or radio frequency identification) to pursue one or more of the long-term outcomes outlined above and/or to significantly enhance the operational performance of the transportation system. DOT will also assess the extent to which the project incorporates innovations in transportation funding and finance, leverages both existing and new sources of funding through both traditional and innovative means, and demonstrates how

the TIGER grant would serve to complete the project's financing package and allow for expedited project completion. Further, DOT will consider the extent to which the project utilizes innovative practices in contracting, project delivery, congestion management, safety management, asset management, or long-term operations and maintenance. Projects integrating creative uses of technology to improve capacity or performance as part of an overall project to construct or replace traditional transportation facilities have been competitive in previous rounds, and DOT expects projects which intelligently use technology and other innovations to continue to be competitive.

2. Partnership: Demonstrating strong collaboration among a broad range of participants, integration of transportation with other public service efforts, and/or projects that are the product of a robust planning process.

(a) Jurisdictional & Stakeholder Collaboration: Projects that involve multiple partners in project development and funding, such as State and local governments, other public entities, and/or private or nonprofit entities. DOT will also assess the extent to which the project application demonstrates collaboration among neighboring or regional jurisdictions to achieve national, regional or metropolitan benefits. Multiple States or jurisdictions may submit a joint application and must identify a lead applicant as the primary point of contact. Joint applications must include a description of the roles and responsibilities of each project party and must be signed by, or include letters of support from, each project party.

(b) Disciplinary Integration: Projects supported, financially or otherwise, by non-transportation public agencies that are pursuing similar and/or related

objectives. For example, DOT will consider transportation projects that are coordinated with economic development, housing, water infrastructure and land use plans and policies, particularly those that employ evidence-based, cross-sector strategies to revitalize targeted areas and foster private capital investment in disinvested communities; similarly, DOT will consider transportation projects that encourage energy efficiency or improve the environment and are supported by relevant public agencies with energy or environmental missions. Projects that grow out of a robust planning process – such as those conducted with DOT’s various planning programs and initiatives, the Department of Housing and Urban Development’s Regional Planning Grants and Choice Neighborhood Planning Grants, or the Environmental Protection Agency’s Brownfield Area-Wide Planning Pilot Program as well as technical assistance programs focused on livability or economic development planning – will also be given priority.

C. Additional Guidance on Evaluation

1. Project Costs and Benefits

Applicants for TIGER Discretionary Grants are generally required to identify, quantify, and compare expected benefits and costs, subject to the following qualifications⁶:

Applicants will be expected to prepare an analysis of benefits and costs.

However, DOT understands that the detail of analysis that should be expected (for

⁶ DOT has a responsibility under Executive Order 12893, Principles for Federal Infrastructure Investments, 59 FR 4233, to base infrastructure investments on systematic analysis of expected benefits and costs, including both quantitative and qualitative measures.

items such as surveys, travel demand forecasts, market forecasts, and statistical analyses) is less for smaller projects than for larger projects. The level of sophistication of the benefit-cost analysis (BCA) should be commensurate to the size of the overall project and the amount of grant funds requested in the application. In other words, larger projects should have more/better data elements than smaller projects. However, even small projects should provide subjective estimates of benefits and should still quantify costs, and applicants should provide whatever evidence they have available to lend credence to their subjective estimates. Estimates of benefits should be presented in monetary terms whenever possible. If a monetary estimate is not possible, then at least a quantitative estimate (in physical, non-monetary terms, such as crash rates, ridership estimates, emissions levels, etc.) should be provided.

The lack of a useful analysis of expected project benefits and costs may be the basis for not selecting a project for award of a TIGER Discretionary Grant. If it is clear to DOT that the total benefits of a project are not reasonably likely to justify the project's costs, DOT will not award a TIGER Discretionary Grant to the project.

Detailed guidance for the preparation of benefit-cost analyses is provided in *Guide to Preparing Benefit-Cost Analyses for TIGER Grants* (at www.dot.gov/TIGER). Benefits should be presented, whenever possible, in a tabular form showing benefits and costs in each year for the useful life of the project. Benefits and costs should both be discounted to the year 2013, and present discounted values of both the stream of benefits and the stream of costs should be calculated. If the project has multiple parts, each of which has

independent utility, the benefits and costs of each part should be estimated and presented separately. The results of the benefit-cost analysis should be summarized in the Project Narrative section of the application itself, but the details may be presented in an attachment to the application if the full analysis cannot be included within the page limit for the project narrative.

Based on feedback over the last four rounds of TIGER, DOT recognizes that the benefit-cost analysis can be particularly burdensome on Tribal governments. Therefore, consistent with the preceding paragraph, the Department is providing flexibility to Tribal governments for the purposes of this Notice. At their discretion, Tribal applicants may elect to provide raw data to support the need for a project (such as crash rates, ridership estimates, and the number of people who will benefit from the project). These data will then be used to allow DOT economists to make the best estimates they can develop (given the data provided) of benefits and costs. Examples of BCAs by successful Tribal applicants are also available online.

2. Other Environmental Reviews and Approvals

- (a) National Environmental Policy Act:** An application for a TIGER Discretionary Grant must detail whether the project will significantly impact the natural, social and/or economic environment. The application should demonstrate receipt (or reasonably anticipated receipt) of all environmental approvals and permits necessary for the project to proceed to construction on the timeline specified in the project schedule and necessary to meet the statutory obligation deadline, including satisfaction

of all federal, State, and local requirements and completion of the National Environmental Policy Act (“NEPA”) process. You should submit the information listed below with your application:

- (i)** Information about the NEPA status of the project. If the NEPA process is completed, an applicant must indicate the date of, and provide a website link or other reference to, the final Categorical Exclusion, Finding of No Significant Impact or Record of Decision. If the NEPA process is underway but not complete, the application must detail the type of NEPA review underway, where the project is in the process, and indicate the anticipated date of completion. You must provide a website link or other reference to copies of any NEPA documents prepared.
- (ii)** Information on reviews by other agencies. An application for a TIGER Discretionary Grant must indicate whether the proposed project requires reviews or approval actions by other agencies, indicate the status of such actions, and provide detailed information about the status of those reviews or approvals and/or demonstrate compliance with any other applicable other federal, State, or local requirements.
- (iii)** Environmental studies or other documents – preferably by way of a Website link – that describe in detail known project impacts, and possible mitigation for those impacts.
- (iv)** A description of discussions with the appropriate DOT modal administration field office regarding compliance with NEPA and other applicable environmental reviews and approvals.

(b) Legislative Approvals: Receipt of all necessary legislative approvals (for example, legislative authority to charge user fees or set toll rates), and evidence of support from State and local elected officials. Support from all relevant State and local officials is not required; however, you should demonstrate that there are no significant legislative barriers to timely completion, and that the project is broadly supported.

(c) State and Local Planning: The planning requirements of the operating administration administering the TIGER project will apply.⁷ Where required by an operating administration, you should demonstrate that a project that is required to be included in the relevant State, metropolitan, and local planning documents, has been or will be included. If the project is not included in the relevant planning documents at the time the application is submitted, you should submit a certification from the appropriate planning agency that actions are underway to include the project in the relevant planning document. DOT reserves the right to revoke any award of TIGER Discretionary Grant funds and to award such

⁷ All regionally significant projects requiring an action by the Federal Highway Administration (FHWA) or the Federal Transit Administration (FTA) must be in the metropolitan transportation plan, transportation improvement program (TIP) and Statewide transportation improvement program (STIP). Further, in air quality non-attainment and maintenance areas, all regionally significant projects, regardless of the funding source, must be included in the conforming metropolitan transportation plan and TIP. To the extent a project is required to be on a metropolitan transportation plan, TIP, and/or STIP, it will not receive a TIGER Discretionary Grant until it is included in such plans. Projects not currently included in these plans can be amended in to the plans by the State and metropolitan planning organization (MPO). Projects that are not required to be in long range transportation plans, STIPs, and TIPs will not need to be included in such plans in order to receive a TIGER Discretionary Grant. Freight and passenger rail projects are not required to be on the State Rail Plans called for in the Passenger Rail Investment and Improvement Act of 2008, consistent with the exemption for high speed and intercity passenger rail projects under the Recovery Act. However, applicants seeking funding for freight and passenger rail projects are encouraged to demonstrate that they have done sufficient planning to ensure that projects fit into a prioritized list of capital needs and are consistent with long-range goals.

funds to another project to the extent either that awarded funds cannot be timely expended and/or that construction does not begin in accordance with the anticipated project schedule. DOT will consider on a case-by-case basis how much time after selection for award of a TIGER Discretionary Grant each project has before funds must be obligated (consistent with law) and construction started through an executed grant agreement between the selected applicant and the modal administration administering the grant. This deadline will be specified for each TIGER Discretionary Grant in the project-specific grant agreements signed by the grant recipients and will be based on critical path items identified by applicants in response to items (i) through (iv) above.

III. Evaluation of Applications and Eligibility

A. Evaluation Process

TIGER Discretionary Grant applications will be evaluated in accordance with the evaluation process discussed below.

DOT will establish application evaluation teams to review each application that is received by DOT prior to the Application Deadline. These evaluation teams will be organized and led by the Office of the Secretary of Transportation and will include members from each of the relevant modal administrations in DOT with the most experience and/or expertise in the relevant project areas (the “Relevant Modal Administrations”) and, in some cases, staff from other federal agencies with relevant expertise, including freight, resiliency, livability, environmental review, and permitting. The evaluation teams will be responsible for evaluating all of the projects and making recommendations to the Secretary.

DOT will not assign specific numerical scores to projects based on the selection criteria outlined above in Section II (*Selection Criteria and Guidance on Application of Selection Criteria*). Rather, ratings of “highly recommended,” “recommended,” “acceptable,” or “not recommended” will be assigned to projects. DOT will award TIGER Discretionary Grants to projects that are well-aligned with one or more of the selection criteria. In addition, DOT will consider whether a project has a negative effect on any of the selection criteria, and any such negative effect may reduce the likelihood that the project will receive a TIGER Discretionary Grant. To the extent the initial evaluation process does not sufficiently differentiate among highly rated projects, DOT will use a similar rating process to re-assess the projects and identify those that should be most highly rated.

DOT will give more weight to the Primary Selection Criteria than to the two Secondary Selection Criteria. DOT does not consider any of the first five Primary Selection Criteria, which are the DOT Strategic Goals, to be more important than the others. DOT reserves the right to select projects that will lead to the best overall promotion of these goals, which may result in variance in the numbers of projects well-aligned with each goal. Failure to demonstrate the sixth primary selection criterion, Project Readiness, will make it less likely that your otherwise well-performing application will be selected.

Upon completion of this rating process DOT will analyze the preliminary list and determine whether the ratings are consistent with the distributional requirements of the FY 2013 Appropriations Act, including an equitable geographic distribution of grant funds, an appropriate balance in addressing the needs of urban and rural areas, and investment in a variety of transportation modes. If necessary, DOT will adjust the

list of recommended projects to satisfy the statutory distributional requirements while remaining as consistent as possible with the ratings. The Secretary of Transportation will make the final project selections.

B. Evaluation of Eligibility

To be selected for a TIGER Discretionary Grant, a project must be an Eligible Project, the applicant must be an Eligible Applicant, and all other threshold eligibility requirements must be met, including commitment of matching funds. DOT may consider one or more components of a large project to be an Eligible Project, but only to the extent that the components have independent utility, meaning the components themselves, not the project of which they are a part, are Eligible Projects and satisfy the selection criteria identified above in Section II (*Selection Criteria and Guidance on Application of Selection Criteria*). For these projects, the benefits described in an application must be related to the components of the project for which funding is requested, not the full project of which they are a part. DOT will not fund individual phases of a project if the benefits of completing only these phases would not align well with the selection criteria specified in this Notice because the overall project would still be incomplete.

IV. Grant Administration

DOT expects that each TIGER Discretionary Grant will be administered by one of the Relevant Modal Administrations, pursuant to a grant agreement between the TIGER Discretionary Grant recipient and the Relevant Modal Administration. Service Outcome Agreements, Stakeholder Agreements, Buy America compliance, and other requirements such as those required for DOT's other highway, transit, rail, and maritime port grant programs will be incorporated into the TIGER grant agreements,

where appropriate. Under the TIGER Discretionary Grant program, the Secretary delegates such responsibilities to the appropriate operating administration. Applicable federal laws, rules and regulations of the Relevant Modal Administration administering the project will apply to projects that receive TIGER Discretionary Grants.

V. Projects in Rural Areas

The FY 2013 Appropriations Act directs that not less than \$120 million of the funds provided for TIGER Discretionary Grants are to be used for projects in rural areas. For purposes of this notice, DOT is defining “rural area” as any area not in an Urbanized Area, as such term is defined by the Census Bureau,⁸ and will consider a project to be in a rural area if all or the majority of a project (determined by geographic location(s) where majority of project money is to be spent) is located in a rural area. Therefore, if all or the majority of a project is located in a rural area, such a project is eligible to apply for less than \$10 million, but at least \$1 million in TIGER Discretionary Grant funds, and up to 100% of the project’s costs may be paid for with federal funds. To the extent more than a *de minimis* portion of a project is located in an Urbanized Area, you should identify the estimated percentage of project costs that will be spent in Urbanized Areas and the estimated percentage that will be spent in rural areas.

VI. Applications

A. Submitting Applications

⁸ For Census 2010, the Census Bureau defined an Urbanized Area (UA) as an area that consists of densely settled territory that contains 50,000 or more people. Updated lists of UAs are available on the Census Bureau website. Urban Clusters (UCs) will be considered rural areas for purposes of the TIGER Discretionary Grant program.

Applicants must submit a complete application package through Grants.gov by the Application Deadline, which is June 3, 2013, at 5:00 p.m. EDT. Grants.gov “Apply” function will open on April 29, 2013, allowing applicants to submit applications. You are encouraged to submit applications in advance of the Application Deadline, but applications will not be evaluated, and selections for awards will not be made, until after the Application Deadline.

Applications must be submitted through Grants.gov. To apply for funding through Grants.gov, you must be properly registered. Complete instructions on how to register and submit applications can be found at www.grants.gov. **Please be aware that the registration process usually takes 2-4 weeks and must be completed before an application can be submitted.** If interested parties experience difficulties at any point during the registration or application process, please call the Grants.gov Customer Support Hotline at 1-800-518-4726, Monday-Friday from 7:00 a.m. to 9:00 p.m. EDT. Additional information on applying through Grants.gov is available in *Information about Applying for Federal Grants through Grants.gov* at www.dot.gov/TIGER.

B. Contents of Applications

You must include all of the information requested below in your application. DOT reserves the right to ask any applicant to supplement data in its application, but expects applications to be complete upon submission. To the extent practical, you should provide data and evidence of project merits in a form that is publicly available or verifiable.

1. Standard Form 424, Application for Federal Assistance

Please see www07.grants.gov/assets/SF424Instructions.pdf for instructions on how to complete the SF 424, which is part of the standard Grants.gov submission.

Additional clarifying guidance and FAQs to assist you in completing the SF 424 will be available at www.dot.gov/TIGER by April 29, 2013, when the “Apply” function within Grants.gov opens to accept applications under this notice.

2. Project Narrative (Attachment to SF-424)

The project narrative must respond to the application requirements outlined below. DOT recommends that the project narrative be prepared with standard formatting preferences (i.e., a single-spaced document, using a standard 12-point font, such as Times New Roman, with 1-inch margins).

Your application must include information required for DOT to assess each of the criteria specified in Section II (*Selection Criteria and Guidance on Application of Selection Criteria*). You must demonstrate the responsiveness of a project to any pertinent selection criteria with the most relevant information that you can provide, regardless of whether such information has been specifically requested, or identified, in this notice. You should provide concrete evidence of the feasibility of achieving project milestones, and of financial capacity and commitment in order to support project readiness. DOT will consider for the extent to which a TIGER Discretionary Grant will help to complete an overall funding package, so you should clearly demonstrate the extent to which the project cannot be readily and efficiently completed without a TIGER Discretionary Grant, and the extent to which other sources of federal, State, or local funding may or may not be readily available for the project. Any such information shall be considered part of the application, not supplemental, for purposes of the application size limits identified below in Part C (*Length of Applications*). Information provided pursuant to this paragraph must be quantified, to the extent possible, to describe the project’s benefits to the Nation, a

metropolitan area, or a region. Information provided pursuant to this paragraph should include projections for both the build and no-build scenarios for the project for a point in time at least 20 years beyond the project's completion date or the lifespan of the project, whichever is closer to the present.

All applications should include a detailed description of the proposed project and geospatial data for the project, including a map of the project's location and its connections to existing transportation infrastructure. Applications should also include a description of how the project addresses the needs of an urban and/or rural area. Applications should clearly describe the transportation challenges that the project aims to address, and how the project will address these challenges. Descriptions should include relevant data, such as passenger or freight volumes, congestion levels, infrastructure condition, and safety experience.

DOT recommends that the project narrative adhere to the following basic outline, and in addition to a detailed Statement of work, detailed project schedule, and detailed project budget, you should include a table of contents, maps, and graphics that make the information easier to review:

- I. Project Description (including information on the expected users of the project, a description of the transportation challenges that the project aims to address, and how the project will address these challenges);
- II. Project Parties (information about the grant recipient and other project parties);
- III. Grant Funds and Sources/Uses of Project Funds (information about the amount of grant funding requested, availability/commitment of funds sources and uses of all project funds, total project costs, percentage of

project costs that would be paid for with TIGER Discretionary Grant funds, and the identity and percentage shares of all parties providing funds for the project, including any other pending or past federal funding requests for the project as well as federal funds already provided under other programs and required match for those funds);

IV. Selection Criteria (information about how the project aligns with each of the primary and secondary selection criteria and a description of the results of the benefit-cost analysis):

a. Long-Term Outcomes

i. State of Good Repair

ii. Economic Competitiveness

iii. Livability

iv. Sustainability

v. Safety

vi. Project Readiness

b. Innovation

c. Partnership

d. Results of Benefit-Cost Analysis

V. Planning Approvals, NEPA and other environmental reviews/approvals, (including information about permitting, legislative approvals, State and local planning, and project partnership and implementation agreements); and

VI. Federal Wage Rate Certification (an application must include a certification, signed by the applicant, stating that it will comply with the

requirements of subchapter IV of chapter 31 of title 40, United States Code (federal wage rate requirements), as required by the FY 2013 Continuing Appropriations Act).

The purpose of this recommended format is to ensure that applications clearly address the program requirements and make critical information readily apparent.

C. Length of Applications

The project narrative may not exceed 30 pages in length. Documentation supporting the assertions made in the narrative portion may also be provided, but should be limited to relevant information. If possible, website links to supporting documentation (including a more detailed discussion of the benefit-cost analysis) should be provided rather than copies of these materials. Spreadsheets supporting the benefit-cost analysis should be original Excel spreadsheets, not PDFs of those spreadsheets. At your discretion, relevant materials provided previously to a Relevant Modal Administration in support of an application to a different DOT discretionary program (for example, New Starts or TIFIA) may be referenced and described as unchanged. To the extent referenced, this information need not be resubmitted for the TIGER Discretionary Grant application (although provision of a website link would facilitate DOT's consideration of the information). DOT recommends use of appropriately descriptive file names (e.g., "Project Narrative," "Maps," "Memoranda of Understanding and Letters of Support," etc.) for all attachments. Cover pages, tables of contents, and the federal wage rate certification do not count towards the 30-page limit for the narrative portion of the application. Otherwise, the only substantive portions of the application that should exceed the 30-page limit are any supporting

documents (including a more detailed discussion of the benefit-cost analysis) provided to support assertions or conclusions made in the 30-page narrative section.

D. Contact Information

Contact information for a direct employee of the lead applicant organization is required as part of the SF-424. DOT will use this information to inform parties of DOT's decision regarding the selection of projects, as well as to contact parties in the event that DOT needs additional information about an application. Contact information for a contractor, agent, or consultant of the lead applicant organization is insufficient for DOT's purposes.

E. Protection of Confidential Business Information

All information submitted as part of or in support of any application shall use publicly available data or data that can be made public and methodologies that are accepted by industry practice and standards, to the extent possible. If the application includes information you consider to be a trade secret or confidential commercial or financial information, you should do the following: (1) note on the front cover that the submission "**Contains Confidential Business Information (CBI);**" (2) mark each affected page "**CBI;**" and (3) highlight or otherwise **denote the CBI portions**. DOT protects such information from disclosure to the extent allowed under applicable law. In the event DOT receives a Freedom of Information Act (FOIA) request for the information, DOT will follow the procedures described in its FOIA regulations at 49 CFR § 7.17. Only information that is ultimately determined to be confidential under that procedure will be exempt from disclosure under FOIA.

VII. Performance Measurement

Each applicant selected for TIGER Discretionary Grant funding will be required to work with DOT on the development and implementation of a plan to collect information and report on the project's performance with respect to the relevant long-term outcomes that are expected to be achieved through construction of the project. Each recipient of a TIGER Discretionary Grant will, in accordance with its grant agreement, report on specified performance indicators for its project. Performance indicators will be negotiated for each project, and will consider the individual project's stated goals as well as resource constraints of applicants. Performance indicators will not include formal goals or targets, but will include baseline measures as well as post-project outputs for an agreed upon timeline, and will inform the TIGER Discretionary Grant program in working towards best practices, programmatic performance measures, and future decision making guidelines.

VIII. Questions and Clarifications

For further information concerning this notice please contact the TIGER Discretionary Grant program staff via e-mail at TIGERGrants@dot.gov, or call Howard Hill at 202-366-0301. A TDD is available for individuals who are deaf or hard of hearing at 202-366-3993. DOT will regularly post answers to these questions and other important clarifications on DOT's website at www.dot.gov/TIGER.

Issued On: April 22, 2013.

Ray LaHood
Secretary

[FR Doc. 2013-09889 Filed 04/25/2013 at 8:45 am;
Publication Date: 04/26/2013]