

# NATIONAL INFRASTRUCTURE PROJECT ASSISTANCE (MEGA) PROGRAM

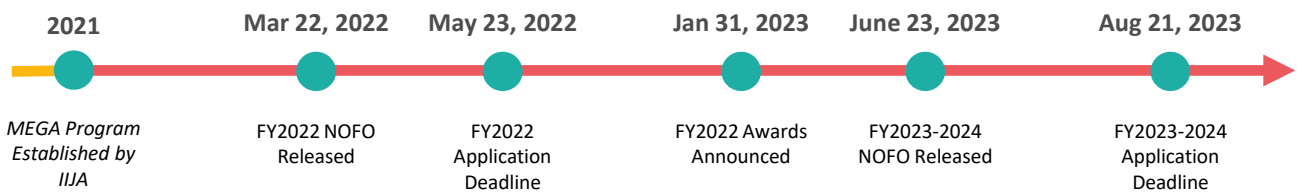


## PART I: BACKGROUND

### PROGRAM SUMMARY

The National Infrastructure Project Assistance Program (MEGA) is a new program formed by the Infrastructure Investment and Jobs Act (IIJA) and offers funding opportunities to support large and complex transportation projects that require significant funding assistance and will likely generate economic, mobility, or safety benefits at the national or regional level. The MEGA program makes up to \$5 billion available for fiscal years 2022 through 2026. Eligible applicants include State Agencies, MPOs, Local Governments, Public Transportation Authorities, Tribal Governments, and Federal Entities such as Amtrak or the Army Corps of Engineers (USACE).

The US Department of Transportation (USDOT) offers MEGA, the Nationally Significant Multimodal Freight and Highway Projects (INFRA), and the Rural Surface Transportation Grant programs together as part of the Multimodal Project Discretionary Grant (MPDG) program NOFO. Applicants applying to MPDG will be considered for all three programs unless they explicitly select to opt out of certain programs.



### FUNDING INFORMATION

Fiscal Year	Funding Source	Total Funding	Max Award	Match Req.	Funding and Obligation Restrictions
2023 - 2024	Bipartisan Infrastructure Law	\$1.8B	N/A	40% <sup>1</sup>	<ul style="list-style-type: none"> <li>50% of funds available for projects above \$500M, 50% available for projects between \$100M and \$500M</li> <li>Department may make award decisions in the FY 2023-2024 round to fund project awards in future fiscal years, based on a potential awarded project's schedule and availability of funding</li> <li>Total Federal assistance may not exceed 80% of total eligible project costs</li> <li>There is no statutory obligation deadline, however USDOT sought projects that will begin construction before September 30, 2026</li> </ul>
2022	Bipartisan Infrastructure Law	\$1B	N/A	40%	<ul style="list-style-type: none"> <li>50% of funds available for projects above \$500M, 50% available for projects between \$100M and \$500M</li> <li>Department may make award decisions in the FY 2023-2024 round to fund project awards in future fiscal years, based on a potential awarded project's schedule and availability of funding</li> <li>Total Federal assistance may not exceed 80% of total eligible project costs</li> </ul>

<sup>1</sup> Other federal assistance may satisfy the non-MEGA share (including Coronavirus State and Local Fiscal Recovery Funds (SLFRF)) as long as total federal assistance does not exceed 80%

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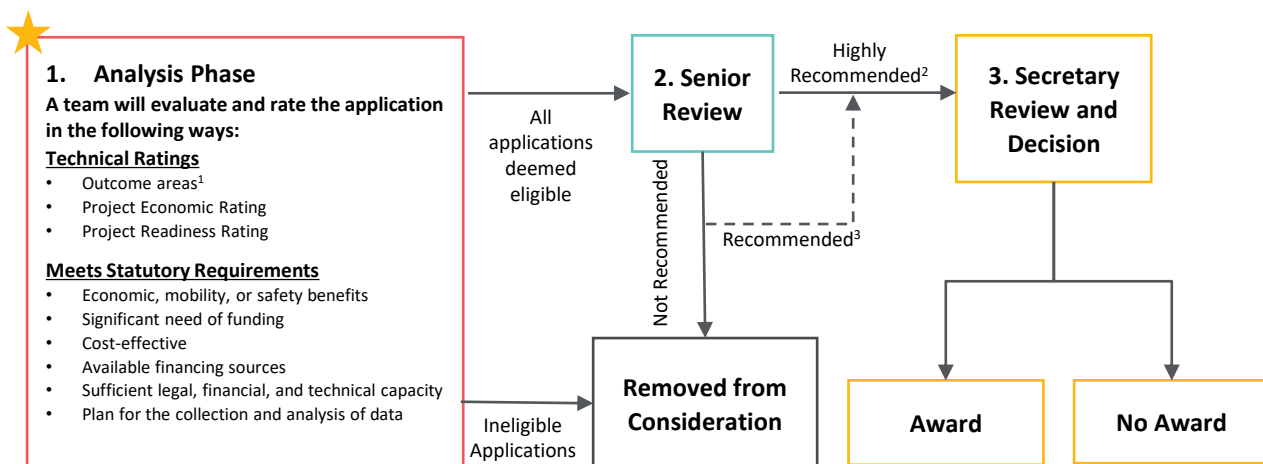
## ATLANTA REGION APPLICATION AND AWARD HISTORY

Fiscal Year	Project Name	Applicant	Funding Request	Funding Awarded?
2022	Campbellton Road Corridor Transit: Upward Mobility for Southwest Atlanta	City of Atlanta	\$180,000,000	No – Application deemed Not Eligible
2022	Cascade Road Interchange Improvement	City of South Fulton	\$28,600,000	No – Application deemed Not Eligible
2022	GA 400 Transit Initiative	Metropolitan Atlanta Rapid Transit Authority (MARTA)	\$210,081,600	No – Application deemed Not Eligible
2022	Trails to Transit: Atlanta Beltline Connects People to MARTA	City of Atlanta	\$70,483,800	No – Application deemed Not Eligible

Note: Fiscal Year 2023 award decisions currently pending

## PART II: APPLICATION EVALUATION INFORMATION

Applications will go through three rounds of review, starting with the Analysis Phase:



1. Outcome areas include: (1) Safety; (2) state of good repair; (3) economic impacts, freight movement, and job creation; (4) climate change, resiliency, and the environment; (5) equity, multimodal options, and quality of life; and (6) innovation areas: technology, project delivery, and financing
2. Highly Recommended projects meet all statutory requirements for award and either: 1. receive high ratings in all project outcomes, economic analysis, and project readiness; or 2. are determined by the Senior Review Team to be an exemplary project of national or regional significance that generates significant benefits in one of the project outcome areas.
3. The Senior Review Team will review if the proposed list of projects for consideration that is sent to the Secretary is sufficient to satisfy program set-asides and geographic diversity requirements. If not, "recommended" projects may be added to the proposed list of projects for consideration until the list can satisfy necessary program set asides and geographic diversity requirements.

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## STATUTORY REQUIREMENTS FOR MEGA:

- 1) The project is likely to generate national or regional economic, mobility, or safety benefits
- 2) The project is in significant need of Federal Funding
- 3) The project will be cost-effective
- 4) With respect to related non-Federal financial commitments, one or more stable and dependable funding or financing sources are available to construct, maintain, and operate the project, and to cover cost increases
- 5) The applicant has, or will have, sufficient legal, financial, and technical capacity to carry out the project
- 6) The application includes a plan for the collection and analysis of data to identify the impacts of the project

## HIGH RATING PROJECT OUTCOME CRITERIA

### SAFETY

- Significantly protects vulnerable or nonmotorized users from health and safety risks
- Significantly reduces fatalities and/or serious injuries, bringing them below the state-wide average

### STATE OF GOOD REPAIR

- Restores and modernizes existing core infrastructure that will result in lower long-term maintenance costs
- Addresses current and projected vulnerabilities that may threaten future transportation network efficiency, mobility of goods or people, or economic growth.

### ECONOMIC IMPACTS, FREIGHT MOVEMENT, & JOB CREATION

- Demonstrates that the project will result in greater public and private investments in land-use productivity, equitable commercial and mixed-income residential development
- Enhances recreational and tourism opportunities by providing direct access to Federal land, national parks, forests, recreation areas, or wildlife refuges, wilderness areas, or State parks
- Improve intermodal and/or multimodal freight mobility along major freight highway bottlenecks or congested corridors ranked in the top 100 of FHWA's Freight Mobility Trends Report 2019
- Result in high quality job creation by supporting good-paying jobs with a free and fair choice to join a union and incorporate strong labor standards

### CLIMATE CHANGE, RESILIENCY, & THE ENVIRONMENT

- Significantly reduces air pollution and greenhouse gas emissions from transportation as a result of modal shift or electrification
- Explicitly considers climate change and environmental justice in the planning and design stage, particularly in communities that disproportionately experience climate change consequences
- Improves the resiliency of at-risk infrastructure, including upgrades to projects in floodplains, while NOT increasing air pollution and greenhouse gas emissions through increased capacity and induced demand

### EQUITY, MULTIMODAL OPTIONS, & QUALITY OF LIFE

- Located in and directly benefits the population of an Area of Persistent Poverty or Historically Disadvantaged Community
- Has an equity and inclusion program/plan or has otherwise instituted equity-focused policies
- Includes comprehensive planning and policies to promote hiring of underrepresented populations
- Redresses past barriers to opportunity or that proactively create new connections and opportunities for underserved communities that are underserved by transportation
- Includes new or improved walking and bicycling infrastructure, reduces automobile dependence, and improves access for people with disabilities and proactively incorporates Universal Design
- Includes new or improved freight access to underserved communities to increase access to goods and job opportunities

### INNOVATION AREAS: TECHNOLOGY, PROJECT DELIVERY, & FINANCING

- Innovation technologies which enhance the environment for electric, connected, and automated vehicles to improve safety risk detection, mitigation, and documentation, use low-carbon materials, or use caps, land bridges, or underdecks
- Innovative project delivery through use practices that facilitate accelerated project delivery such as single contractor design-build arrangements, congestion management, asset management, or long-term operations and maintenance
- Innovative financing through secure TIFIA, RRIF, or private activity bond financing or use demand management strategies

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## USDOT GUIDANCE FOR APPLICANTS<sup>1</sup>

*The information below summarizes USDOT's expressed priorities for projects funded by IJA programs as depicted in the most recent NOFO.*

- **Support USDOT Strategic Goals:** USDOT has expressed its desire to support projects that improve safety, economic strength and global competitiveness, equity and climate and sustainability consistent with its strategic goals
- **Align with Priorities in the National Roadway Safety Strategy:** Consistent with USDOT guidance, projects should support the efforts outlined in the goals of the National Roadway Safety Strategy (NRSS) in advancing safe and efficient transportation. The NRSS aims to respond to the current crisis in roadway fatalities by 'taking substantial, comprehensive action to significantly reduce serious and fatal injuries on the Nation's roadways,' to achieve zero roadway deaths with a Safe System approach
- **Support Job Creation:** USDOT seeks to fund projects that will help to create good-paying jobs with the free and fair choice of union membership. Projects should utilize strong labor standards and workforce programs, especially apprenticeships, labor management partnerships, and Local Hire agreements in planning and executing the projects
- **Prioritize Transportation Equity & Environmental Justice Policies:** Outlined in Executive Orders 13985 and 14008, best practice equity assessment tools identified by the OMB include the U.S. Census Community Resilience Estimates, Opportunity Atlas, and Spatial Equity tool from the Urban Institute; goals of the National Climate Task Force established by E.O. 14008 include reduction of U.S. greenhouse gas emissions by 50-52% below 2005 levels by 2030 and achieving a net-zero emissions economy by 2050
- **Measure Impact According to Justice40 Initiative:** Justice40 targets 40% of resources and benefits towards low-income, disadvantaged, underserved or overburdened communities – the Climate & Economic Justice Screening Tool (CEJST), created by the White House Council on Environmental Quality (CEQ), is used to identify Historically Disadvantaged Communities.

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## PART III: AWARD TRENDS AND INSIGHTS

### PROGRAM AND AWARD TRENDS

- Bridge projects received the largest proportion of funding at 43.5% (\$510M), followed by rail projects at 35% (\$409M).
- State DOTs outperformed other applicants – DOTs received the most awards (6) for the highest allocation (\$685M) and the highest percentage of total funding (58%). They had the highest success rate (11%) outside of federal applicants (33%)
- State DOTs received the highest percentage of requested funds – State DOTs received 6% of their requested funding; Local Governments and Transit or Port Authorities received only 1%
- Only three applicants received the full requested amount – the other six applicants, on average, only received 58% of the requested amount. Additionally, not reward over \$100M received the full requested amount.
- Projects with costs between \$100-\$500 million were slightly more competitive with a 6.7% success rate (6 of 90 awarded) than projects with costs greater than \$500 million with an 8% success rate (3 of 38 awarded)

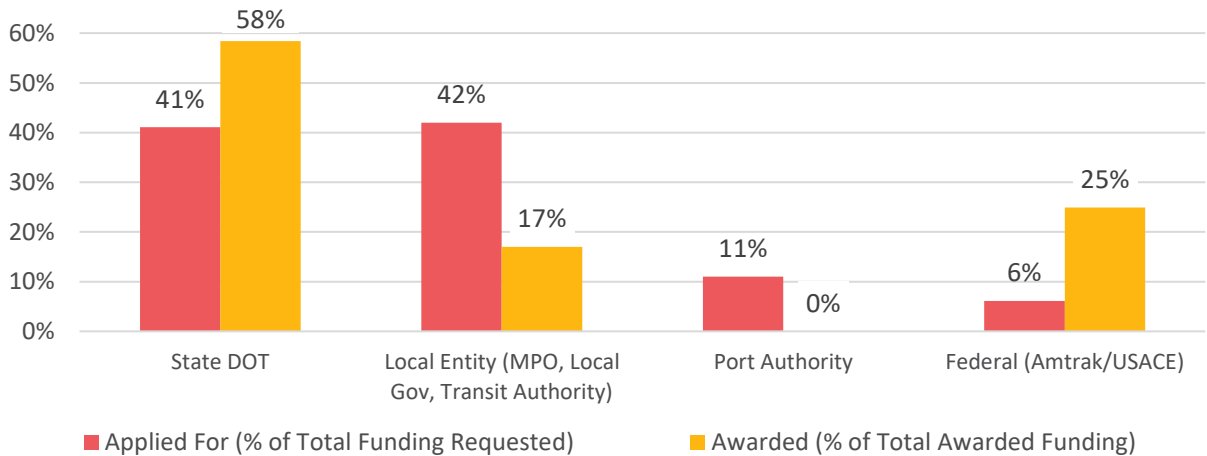
Applicant Type	Applications	Awarded	Success Rate	Awarded Funding
Federal (Amtrak/USACE)	3	1	33%	\$292M
State DOT	56	6	11%	\$685M
Transit Authority	12	1	8%	\$117M
Unit of Local Gov't	40	1	3%	\$78M
Port Authority	10	0	0%	\$-
MPO	7	0	0%	\$-
<b>Total</b>	<b>128</b>	<b>9</b>	<b>7%</b>	<b>\$1,172M</b>

Analysis based on the 128 applications that were deemed either partly or fully eligible, excluding ten applications that were awarded under INFRA

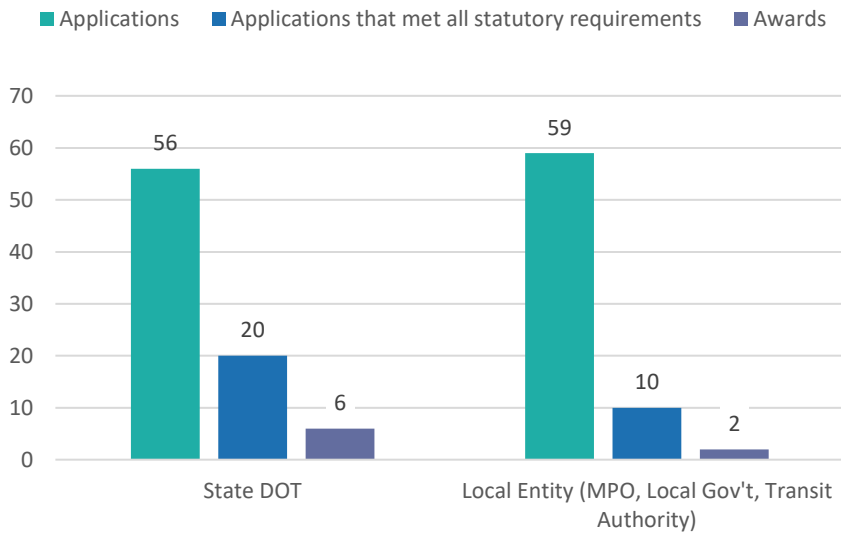
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## PERCENT OF FUNDING REQUESTED VS. PERCENT OF AWARD FUNDING RECEIVED



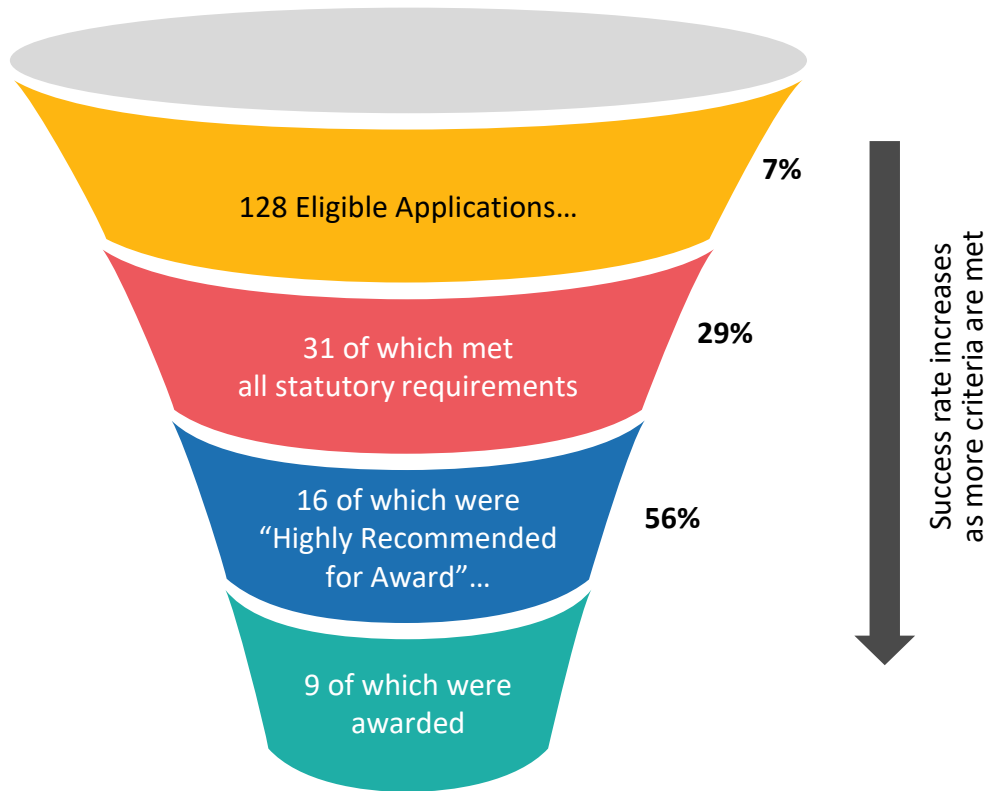
## STATUTORY REQUIREMENT ANALYSIS<sup>1</sup>



1. Analysis not inclusive of Federal or Port Authority applicants

**State DOT applications met more statutory requirements than Local Entities (MPOs, Local Governments, and Transit Authorities)** - 20 of 56 (36%) of DOT applications met all statutory requirements compared to only 10 of 59 (17%) of the Local Entities group. Of the DOT applications that met all requirements, 6 (30%) were awarded grants versus 2 (20%) for Local Entities.

Analysis based on the 128 applications that were deemed either partly or fully eligible, excluding ten applications that were awarded under INFRA



**Success rate increased after meeting all statutory requirements** – The overall success rate for applications that met all statutory requirements increased 4X (7% to 29%). Furthermore, applications that met all statutory requirements and were highly recommended by senior review team the had a success rate of 56%

**DOTs and Local Entities struggled to find stable sources of non-federal funding** - Less than 50% of applications for both groups met Statutory Requirement 4 by identifying one or more dependable, non-federal funding commitments.

**Local Entities underperformed state DOTs in technical capabilities** - Local entities underperformed state DOTs in Statutory Requirements 5, having sufficient legal, financial, and technical capacity, and 6, having submitted a data collection and analysis plan.

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## APPENDIX: SOURCES & LINKS

### DATA SOURCES

- [FY22 Mega Grant Awards](#)
- [Mega 2022 Applications and Ratings](#)
- [Mega FY22 Application List](#)
- [MPDG – Notice of Funding Opportunity](#)

### ADDITIONAL RESOURCES

- [Local Government Infrastructure Hub](#)
- [National League of Cities – 10 Ways to Make Your Local Match for Federal Projects](#)