

BUILD GRANTS-2019

(Better Utilizing Investments to Leverage Development Transportation Discretionary Grants Program)

- \$900 million multimodal, merit-based discretionary grant program. Including planning grants and construction grants.
- Focus is repair, rebuild, and revitalize significant infrastructure projects.
- Rural areas is defined as population equal to or less than 200,000.
- Secretary may increase federal share of costs above 80% of the project cost located in a rural area. A potential match of 20% will be require.
- Maximum awards \$25 million per project, up to 3 project per applicant. \$150 million per State
- NOFA release April 23, 2019. Application are due July 15, 2019. All pre-construction tasks need to be completed by September 30, 2021 and all projects should be completed by 2026.
- Merit Criteria
 - Safety-reduction of transportation related accidents, serious injuries, fatalities.
 - State of Good Repair-Improve and contribute to support border security.
 - Economic Competitiveness-Enhance the movement of good and people, reduce cost of doing business, freight connectivity.
 - Quality of Life-Improves connectivity for citizens to jobs, health care, and other critical destinations.
 - Environmental Protection-reduction of energy consumption, storm water runoff, or brownfield redevelopment.
 - Innovation-Innovative strategies in technology. For example, including fiber optic within our project.
 - Partnership-Collaboration between public and private.
 - Nonfederal Revenue for transportation infrastructure investments-newly secure and committed revenue for transportation investment. For example, establishing a property tax or increasing sales tax where portion of those will be allocated for transportation.
 - Opportunity Zones and Broadband.
- Project Readiness-Technical feasibility, project schedule, approvals and assessment of project risks and mitigation. For example, appropriate level of design, NEPA, ROW acquisition, local and state approvals, utility relocations.
- Benefit Cost Analysis- Identify, quantify, and compare expected benefits and cost.

Cesar Chavez Boulevard Project

- Project qualifies under rural and meets most of the merit criteria with the exception of two merit items (innovation and nonfederal revenue investment).
- Project readiness-
 - ADOT funding design and technical feasibility. The status is as follow:
 - 30% design, NEPA completed in 2019. NEPA is required to apply for state and federal right of way. NEPA provided the ROW exhibits that are require and identify the ownership of the land. There is private row acquisition that will need to be acquire. A right of way specialist will be

contracted to assure that we adhere to the Uniform Act. There are still \$400,000 funds available to complete the design.

- An APS utility relocation will need to be done. Cost will need to be barred by either City or APS.
 - Estimated cost of project \$33 million
 - Estimated cost of row acquisition approximately \$600,000
 - Timeframe:
 - Private- 3-6 months
 - State-6-12 months
 - Federal-12-18 months
- **Factors to consider:**
 - Need state partnership to administer the grant (reimbursable grant) with ADOT.
 - Applications are very competitive between 1,000-1,500 applications are expected to be submitted.
 - Projects are very political, support needed at state and federal levels.
 - 247 Arizona applications have been submitted since 2009. 12 applications have received allocations
 - The Economic Development with support from Yuma County grants department could developed the grant with some areas contracted out.
 - If USDOT funds \$25 million and cost is \$33,000, we need to consider options to cover the gap or phase the project.

Staff recommendations:

- Staff recommends preparing for the application for fiscal year 2020-2021 and be ready to submit by July 2021 to comply with the project readiness.
- Staff recommends the following plan:
 - Proceed to acquire the ROW at local, state and federal levels. We will need elected officials support for the ROW acquisition to be completed by April of 2021 to be able to apply for BUILD grant funds.
 - Allocate funds to purchase the private, state and federal ROW in this new fiscal year.
 - Allocated funds to contract with a consultant to begin the process early and be able to provide sufficient evidence on the merit criteria.
 - Elected officials to work with ADOT to obtain a commitment to become a sponsor for this project.
 - Elected officials to work with staff to 1.) discuss bringing fiber optic as part of the project and 2.) obtain commitment from APS to relocate the utility line within the timeframe require.
 - Elected officials will need to request assistance from State and Federal officials on the project.