IIJA Grants in SC

ACEC-SCDOT Meeting

December 14, 2022



What's in the Infrastructure Investment and Jobs Act (IIJA)?

- Authorizes approximately \$1.2T in funding surface transportation, rail, transit, water/sewer, and broadband, including \$550B in new funding.
- Reauthorizes surface transportation authority until 2026. Important for large multi-year projects like Carolina Crossroads ("Malfunction Junction").
- Funds come with similar strings to prior authorizations, but additional funds provided. Creates new programs for carbon reduction, resiliency, bridges, and electric vehicle charging.



• Numerous discretionary grant programs have also been established.

IIJA Discretionary Grants

- IIJA has created ~\$100B in discretionary grants which presents an opportunity to bolster investments being made in new formula funds.
- The Administration has signaled it intends to support **both state and local projects** with particular emphasis on projects that support rehabilitation, safety, multiple modes, equity, and environmental goals.
- Forthcoming *Inflation Reduction Act* discretionary grant opportunities
- Requires SCDOT to adapt how it has historically reacted to discretionary grants.



SCDOT's Office of Local Government Services

- Established December 2021, the office consolidates various financial and administrative management activities associated with local governments under one roof.
- The following offices and program areas fall under the guidance of the Office of Local Government Services:
 - Appalachian Regional Commission (ARC)
 - "C" Program
 - Contract Assurance
 - Financial Participation Agreements
 - <u>Grants (Internal and External Coordination)</u>
 - Local Public Agency (LPA) Program
 - Scenic Byways
 - Transportation Alternatives Set-Aside Program (TAP)



How Will SCDOT Pursue Grants?

- Focus on projects that align with 10-Year Plan:
 - Pavements
 - Rural Road Safety
 - Interstates
 - Bridges
- Will not pursue grants not aligned with priorities.



In 2022, SCDOT focused its grant pursuits on mega-bridges like I-95 over Lake Marion.



Highlights: SCDOT's 2022 IIJA Grant Applications

| Grant | Project |
|---|--------------------------------------|
| Multimodal Project Discretionary Grant (MPDG) | I-20 Wateree River Bridges |
| Bridge Investment Program: Planning [Awarded] | I-95 Great Pee Dee River Bridges |
| Bridge Investment Program: Large Bridge | I-95 Lake Marion Bridges |
| Bridge Investment Program: Bridge | Union County Bridge Bundling |
| Reconnecting Communities Pilot Program | Community Mitigation: I-526 LCC-West |

- Upcoming SCDOT Grant Applications . .TBD.
 - May resubmit previously submitted, but not awarded, applications.
 - May submit new projects for new grants.
- **Bottom Line** = Continued IIJA grants focus on alignment with 10 Year Plan.



How Will SCDOT Work with Locals Seeking Grants?

- Locals should be prepared to independently undertake the following items if they are pursuing grants:
 - Seek grant opportunities and prepare all grant applications in their entirety.
 - Enter into grant agreements with the relevant federal funding agency.
 - Manage all aspects of the project including PE, ROW, and construction.*
 - Assume all financial risk, including any overruns.
 - Enter into a maintenance agreement with any improvements above SCDOT's maintenance standard.

*To assist local governments, SCDOT is establishing a qualified list of On-Call consultants to provide local governments assistance with program management support for awarded grants. Usage of the list is <u>not</u> mandatory.



How Will SCDOT Work with Locals Seeking Grants?

- If a local government pursues a grant for a project **on or connecting to the State Highway System**, it needs to notice the Office of Local Government Services **well in advance** of the grant application.
 - This also applies to entities requesting project detail letters.
- Required information includes, but is not limited to:
 - Project title / scope / location
 - The grant for which the entity is applying
 - The entity's commitment to supplying matching funds / overruns
 - Is project in TIP, STIP, LRTP, any other planning document?
 - Project status; what activities have been completed to date? What % design complete, or is it conceptual?
 - Have any approvals been received (i.e., SCDOT, NEPA)?



GRANTS ACTIVITIES



The Infrastructure Investment and Jobs Act (IIJA) authorizes approximately \$1.2T in funding surface transportation, rail, transit, water/sewer, and broadband, including \$550B in new funding. It reauthorizes surface transportation authority until 2026, which is important for SCDOT's large multi-year projects like Carolina Crossroads (i.e., "Malfunction Junction"). IIJA also creates new programs for carbon reduction, resiliency, bridges, and electric vehicle (EV) charging infrastructure.

SCDOT's IIJA Grants Resources

SCDOT-Sponsored Discretionary Grants

IIJA established numerous discretionary grant programs totaling approximately \$100B for state and local governments. SCDOT intends to pursue grants that advance its priorities in the 10-Year Plan, including pavements, bridges, safety, and interstate capacity; we will not focus on grant opportunities that do not align with our priorities.

The Office of Local Government Services will oversee SCDOT's IIJA grants process, from seeking grant opportunities, to application development, to submittal. SCDOT is prepared to manage all awarded grants for which we apply.

Local Governments and Other Political Subdivisions Seeking Grants

What should local entities be prepared to do if seeking grants?

- Independently seek grant opportunities and prepare all grant applications in their entirety.
- Enter into grant agreements with the relevant federal funding agency.

What should local entities be prepared to do if seeking grants on the State Highway System?

If a local entity pursues a grant for a project on the State Highway System, it should provide notice to the Office of Local Government Services (<u>IIJAGrants@scdot.org</u>) at least 30 days before the grant application is due. The minimum required information is listed below. https://www.scdot.org/projects/Grants -Activities.aspx

IIJAGrants@scdot.org



Contact Information

Roxanne Ancheta Director of Local Government Services <u>anchetarm@scdot.org</u> 803-737-1232 (office)

