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LEARNING SERIES



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Building the Foundation for Infrastructure Projects



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A photograph of an offshore oil rig at sunset. The rig is illuminated by warm orange and yellow lights, contrasting with the cool blue and purple tones of the twilight sky. In the foreground, a dark, grid-like structure, likely a mooring system, stretches across the water. A person is visible on the left side of the rig, providing a sense of scale. A large yellow rectangular box is overlaid on the left side of the image, containing the title and date.

Building the foundation for infrastructure projects

May 31, 2022



Building a better
working world

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Today's speakers



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Preparing for IIA



IIJA overview

On November 15, President Joe Biden signed into law the **Infrastructure Investment and Jobs Act (IIJA)**, which provides for \$1.2 trillion in funding for infrastructure programs that will help rebuild America's roads, bridges and rails; expand access to clean drinking water; work to provide access to high-speed internet throughout the nation; tackle the climate crisis; advance environmental justice; and invest in communities that have too often been left behind.

Concurrently, an executive order was issued laying out the following six priorities to guide implementation of the IIJA:

IIJA six priorities:

- ▶ Efficient use, avoid waste and measurable outcome
- ▶ Domestic sourcing preference and bolstering of the supply chain
- ▶ Create good-paying job opportunities
- ▶ Invest public dollars equitably
- ▶ Build resilient infrastructure to withstand climate change and help fight climate crisis
- ▶ Coordinate with S&L, Tribal and territorial governments in implementing investments

Funding categories:

- ▶ Broadband internet (\$65 billion)
- ▶ Public transit (\$155.9 billion)
- ▶ Transportation infrastructure (\$164 billion)
- ▶ Electrifications (\$80 billion)
- ▶ Environmental resiliency (\$131.5 billion)

Your thoughts

What steps has your community taken to prepare for IJJA?

How to start preparing

Compliance

Who will manage compliance of any award from the IJJA?

Typically, this is someone in the finance department, but it is important to have a direct liaison with the overall project manager for continuity with respect to the project and compliance triggers.

Project setup

Do I have the bandwidth to manage this process?

Do I have a staff person who can dedicate their time to overseeing the execution of the application and project compliance?

Do I have the ability to engage outside resources to assist if needed?

Implementation

Who will lead this phase of the project?
Consider including this person in the project setup and task force planning phases.



Partnerships

Who will I be partnering with throughout this process?

Do I want to form a task force or steering committee?

Identify resources for the various roles in the project life cycle

Identify key stakeholders to engage and provide support

Managing communications and expectations

Project timeline
Stakeholder engagement

Project prioritization

Do you have projects that have been proposed to local government and the private sector?

Leverage what you currently have

Funding gap analysis

Funding sources

Formula-based grants vs. competitive grants

What can be led by the private sector?

Prioritizing projects



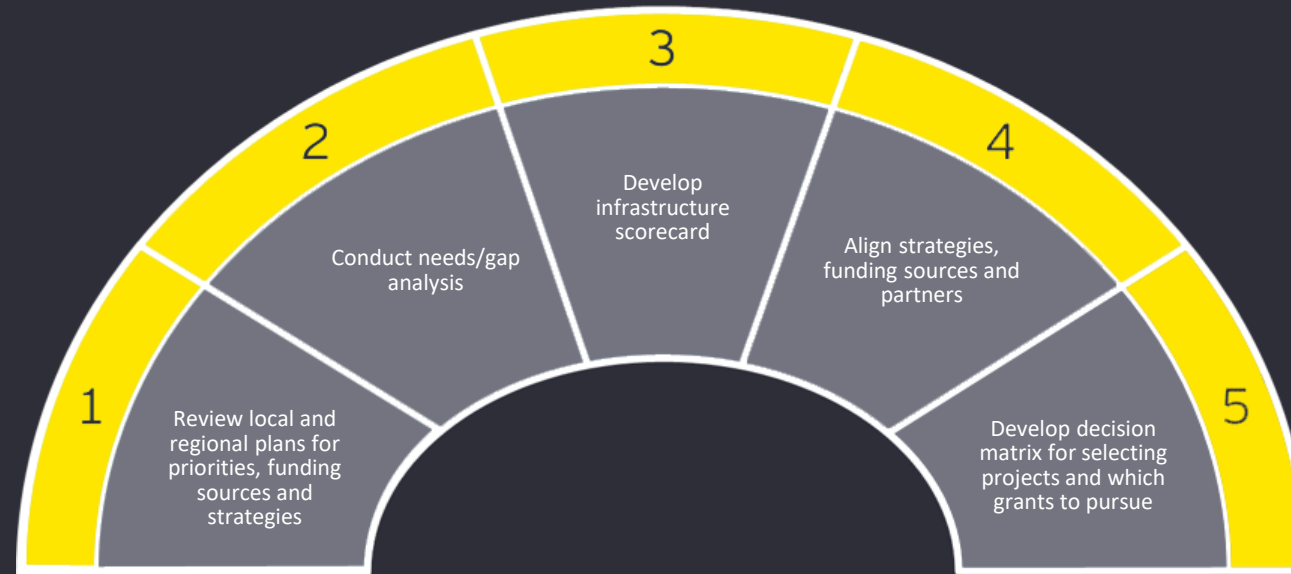
Your thoughts

What steps has your community taken to prioritize projects for IJA funding?



Prioritizing projects

The law includes billions of dollars in competitive funding available to cities, towns and municipalities. Organizing your priorities and building local support for projects is key. Leverage your assets. Synthesize information learned from the community. These are five areas to consider in your prioritization process:





1. Review local and regional plans

Be prepared! Begin by reviewing local and regional plans to understand the varied needs and projects in your community. The IJIA has a broad definition of infrastructure. Projects that make connections in the community and meet multiple goals like climate resilience/sustainability and supporting disadvantaged and underserved communities are desired.

CIPs	Master plans	Focus area plans	County/city strategic plans	Authority plans
Capital Improvement Programs (CIPs) are the best source for identifying infrastructure projects the community is interested in funding.	Transportation (roads/bridges) Transit Utilities Stormwater (flood mitigation) Parks and recreation Comprehensive plans	Downtown and redevelopment plans Economic development strategic plans Neighborhood plans Tax increment financing district plans Corridor plans	Energy efficiency and renewable energy goals Electric fleet goals Broadband connectivity goals Recycling Cybersecurity	Airports Ports and waterways Rail Transit Energy (solar and wind)

1. Review local and regional plans (continued)

Close coordination with local leaders will be fundamental in the success of these programs. Make sure the MPO is one of your first stops. However, cast a wide net of outreach to collect data and information from other potential partners.

MPOs

Metropolitan Planning Organizations (MPOs) can apply directly for grants.

Workforce boards

Look for workforce training and career skills needs and other related categories.

Environmental groups

Clean water and other environmental goals, brownfields, habitat restoration, wildfire and floodplain management

Nonprofit organizations

An opportunity exists to tie several community goals together. Organizations like the United Way have data on underserved communities. Foundations are also a good source of funding and information.

Economic development orgs

Identify your area's targeted industries and the challenges identified. Are there supply chain issues? Are there specific workforce training needs? What are higher paying jobs opportunities?

2. Conduct needs/gap analysis

After identifying and reviewing available plans, collect data to determine in which direction your region would like to go:

- ▶ **How much funding is available?** Use the Bipartisan Infrastructure Law Guidebook to identify federal funding streams to target.
- ▶ **How many projects are not fully funded?** Develop a project pipeline, taking time to think about projects previously considered impossible due to lack of funding or regional collaboration.
- ▶ **Which projects are still in the design phase?** Identifying close to “shovel-ready” projects and determine what needs to happen to get them ready. What other data is needed? What other partners need to be identified? Is there a funding or financing gap?
- ▶ **What data is missing to make better decisions?** Have you mapped sites for electric vehicle or alternative fuel charging stations? Have you coordinated with your state’s broadband agency to ensure the region’s needs are appropriately mapped and inventoried?

3. Develop an infrastructure scorecard

Where does your community stand on potential projects in each of these funding categories?

- ▶ Transportation
 - ▶ Roads, bridges and major projects
 - ▶ Passenger and freight rail
 - ▶ Public transportation
 - ▶ Airports and Federal Aviation Administration facilities
 - ▶ Ports and waterways
 - ▶ Safety
 - ▶ Electric vehicles, buses and ferries
- ▶ Climate, energy and the environment
 - ▶ Clean energy and power
 - ▶ Water
 - ▶ Resilience
- ▶ Environmental remediation
- ▶ Broadband

4. Align strategies, funding and partners

- What is the alignment with existing strategies?
 - Look for intersections across plans
- Where is there support (political, community, business)?
- What are the areas of greatest need?
 - Synthesize info from community (data and input)

5. Develop decision matrix

- Project management experience (federal grants)
 - Who will receive funding?
 - Who will manage the project?
 - How will communication flow?
- Timelines
 - Can the project meet grant deadlines?
- Available funding (leverage)
 - Are local funds identified?
 - Is there private sector leverage?
- Community needs and priorities
 - Will these projects grow a diverse workforce? Expand training? Improve access?
 - Will projects have cumulative value? (i.e., address cross-sector goals and objectives)
- Partners
 - Does it benefit the region? Is the private sector involved?

Takeaways

- Establish regional contacts and work those relationships
 - Don't forget about federal offices (EDA, Department of Agriculture, EPA)
- Develop strategies for applying for funds
 - Build economic opportunity through these programs — think equitable outcomes
 - Geographically align spending to focus on placemaking
 - Think about sustainability, resiliency, technology and innovation
- If you don't have needs identified, start now
 - Map electric vehicle charging stations
 - Inventory of lead pipes
 - Broadband gaps
 - Make sure projects are in MPO plans
- Coordinate across the region — determine who is applying for which grants
 - Formula vs. competitive grants
- Develop clear vision and project narrative for competitive grants
 - Focus on partnerships and meeting multiple community goals with cumulative value

Potential challenges



Your thoughts

When you think about IIA, what potential challenges come to mind?

Compliance

- Compliance requirements vary from program to program and are based on the type of awardee (private vs. public entity).
- Each program's specific compliance requirements should be taken into consideration prior to applying for and/or accepting an award.
- Key compliance steps that are often required:
 - Quarterly progress reports (SF-425)
 - Pre- and post-project performance reports
 - Program-specific audits for public entities expending more than \$750,000 in federal grant money in a single year (2 CFR 200)
 - Public bidding and Buy America requirements
 - Financial monitoring and record keeping for program specific funds/expenses

Mitigate challenges/risks prior to applying for a grant

- A critical step that is often missed: applicants often fail to have a full understanding of the administrative and compliance requirements for a particular grant during the application phase.
- Key considerations:
 - Does your potential project/investment align with the grant program deadlines and expected timeline for awards (i.e., how many years do you have to complete the project)?
 - Does your team have the bandwidth to administer the grant and/or oversee the project? If not, how many FTEs would you need to bring on to assist?
 - What financial controls will you need to put in place to monitor the use of grant funds (e.g., separate payroll codes for grant-funded employees)?
 - How often is reporting required for this program? Are there multiple types of reports that need to be completed each year or quarter?

Next steps

- Review federal guidebook:
 - [BUILDING-A-BETTER-AMERICA_FINAL.pdf \(whitehouse.gov\)](#)
- Identify federal agencies that align with your priority projects and sign up to receive their email updates
- Sign up to receive their Notice of Funding Opportunity (NOFO)
 - Review their technical assistance opportunities that may apply

Next sessions



Our next sessions

- August 9: Preparing for federal grant applications
 - 1:00 p.m.–4:00 p.m. ET
- October 4: Reviewing the guidance
 - 1:00 p.m.–4:00 p.m. ET
- December 6: How different communities can benefit from IIJA
 - 1:00 p.m.–4:00 p.m. ET

Questions?



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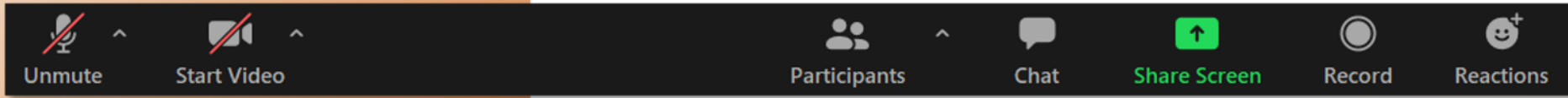
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CDFA Infrastructure Finance Learning Series: Preparing for Federal Grant Applications

Tuesday, August 9, 2022 // 1:00 PM - 4:00 PM Eastern

CDFA Food Systems Finance Webinar Series: Driving Investment in Regional Food Supply Chains

Tuesday, June 7, 2022 // 2:00 PM - 3:30 PM Eastern

CDFA//BNY Mellon Development Finance Webcast Series: Racial Equity in the Bond Markets

Tuesday, June 21, 2022 // 2:00 PM - 3:00 PM Eastern



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