



MEMORANDUM

TO: Sustainable Strategies DC Clients & Associates
FROM: Matt Ward and Rhea Rao
DATE: November 10, 2021
SUBJECT: **Preparing Your Community to Secure Resources from the Newly-Enacted Bipartisan Infrastructure Investment & Jobs Act**

This memo provides a summary listing of programs and funding included in the newly-enacted federal “Infrastructure Investment & Jobs Act”, which passed the U.S. Senate on a bipartisan 69-30 vote on August 10, which passed the House on a 228-206 vote on Friday, November 5, and which will be signed into law and implemented by President Joe Biden shortly. These wide-ranging infrastructure programs and funds will become available in 2022 through formula grants to states, tribes and territories, and through a variety of competitive grant opportunities, with many of these programs established and funded for up to eight (8) years. We highlight programs that may be of interest to Sustainable Strategies DC’s local government and community clients, and provide recommendations on how your locality can prepare to be competitive to secure these funds.

Congress has passed what is known as the “Bipartisan Infrastructure Deal” (“BID”). Sustainable Strategies DC has reviewed this 1,000+ page law, formally named the [“Infrastructure Investment and Jobs Act” \(H.R. 3684\)](#), a package that will provide a historic and unprecedented level of \$1.2 trillion in new federal spending for transportation, water, sewer, broadband, energy, environmental, brownfield cleanup, and other infrastructure and public works programs. We provide a summary in this memo below. Also on November 5, House Democratic leadership reached an agreement among Democratic Members under which an approximately \$1.8 trillion “Build Back Better” social services, health, education, and infrastructure package will move forward with support from the progressive caucus, and a written pledge from moderate holdout Democrats, which agrees that Build Back Better will move to vote by November 15, 2022 after the release of an official scoring of the cost of the legislation by the nonpartisan Congressional Budget Office. What passes the House must still be passed by the full slate of 50 Democrats in the Senate under the “budget reconciliation” legislative approach and, because it is not clear that Senate Democratic moderates will agree to all the elements of the House-passed version, there may be further negotiations ahead before that legislation can be passed. Democratic Senate Majority Leader Chuck Schumer has said the Senate will vote on Build Back Better by Thanksgiving.

Sustainable Strategies will continue to keep our communities informed as these bills proceed. As these legislative packages get enacted and implemented, we will be providing a variety of client memos, webcasts, and direct counsel on how you can put these programs into action to improve your communities.

PREPARING YOUR COMMUNITY TO BE COMPETITIVE FOR INFRASTRUCTURE FUNDING

Below we provide a checklist of recommendations on how your community can best prepare to pursue these new and expanded infrastructure funds, and be competitive for both formula funds which come down via states, and through competitive grants from the federal agencies. Sustainable Strategies DC stands ready to work with our retainer clients to conduct these recommended actions with you now.

- 1.) **Understand what is in the Infrastructure Act:** Start by getting a solid sense of the programs and funds in the Infrastructure Act, and the eligible recipients and uses of those funds. Start with a review of the bill summary we provide at pages 5-9 of this memo. If a particular program seems attractive for your community, take a look at the specific legislative provisions in the legislation itself, because most of these programs have detailed criteria in the law specifying what is fundable and prioritized (the statute is hyperlinked above, and you can search the statute for the name/title of the program from the summary in this memo to reach the specific provisions you are interested in reviewing). Also, call upon your team at Sustainable Strategies to review particularly attractive funding opportunities, as we can help you decipher your eligibility and competitiveness for these funds (particularly as most of the funding programs are continuations or expansions of established programs, and we have worked in many of them already).

Note that some of the funding programs in the Infrastructure Acts have very short deadlines, and you should focus initial attention on those if they could fund any of your priorities. The Act requires some agencies to produce lists of priority projects for funding in a few short months from now (we note those below in our summary of programs in the act for your attention). Some of the Infrastructure Act funding programs are for FY2022 only, which ends on September 30, 2022, and thus will be implemented very fast and deserve special attention.

We provide these immediately available funds in red below.

- 2.) **Confirm your community priorities:** Once you have a basic sense of the infrastructure programs in the new law, it is then essential that your team of local officials, municipal managers, capital project managers, programmatic managers, and budget experts work together now to confirm your top priorities within the general funding categories in the Infrastructure Act. Which projects would be catalytic, transformational, or important for the most pressing community needs? Which ones are best prepared, or even shovel-ready, for funding support? Which ones have funding/finance already leveraged, and a clearly-identified funding gap which could potentially be filled with federal funding?
- 3.) **Confirm your project's readiness, next phase of development, cost estimates / funding gap, and critical barriers or steps to address for implementation:** With your top community infrastructure priorities in mind, it is very important for your local team to confirm the details regarding each project:
 - a. **Phase:** What are the next phases and steps of project development? Is preliminary engineering done but final design and engineering still to be completed? Do you have to obtain rights-of-way or undergo permitting? Is your project shovel-ready?

- b. **Costs:** Confirm, or undertake, a detailed cost estimation of the next phases of the project. Use in-house project management, engineering and budget staff; work with contracted vendors; or procure expert cost estimation staff.
 - c. **Sources of funds:** Confirm the sources already secured, planned, or possible for the project. How much match could you produce from your own funding/financing tools, or from working with other entities such as state authorities?
 - d. **Funding gap:** All of this preparation can get you to the magic number, the funding gap or “ask” that will be the point of your effort to secure Infrastructure Act grants or formula allocations.
- 4.) **Get on Required Lists:** Several funding programs, including several in the Infrastructure Act, will require a project to get on an official government list to be competitive, or even to be eligible as a threshold matter. A few key examples:
- a. Metropolitan Planning Organizations (MPOs or COGs) maintain Transportation Improvement Plans (TIPs) and State transportation agencies maintain State Transportation Improvement Plans (STIPs) with identified, priority projects for funding of transportation projects. Formula transportation funds to states from the Infrastructure Act will be prioritized to projects on these TIP and STIP lists. Note that in FY22’s spending/appropriations process in which Members of Congress earmarked transportation funding to local projects, Appropriations Committee staff determined that transportation earmarks would only go to projects on TIP/STIP lists – making this requirement even more important as the FY2023 earmarking process gets underway early next year.
 - b. Economic Development Districts/COGs maintain “Comprehensive Economic Development Strategies” or CEDS, which are the gateway to obtaining grants from the U.S. Department of Commerce, Economic Development Administration for infrastructure and economic development projects – and there is substantial additional funding for EDA in the Infrastructure Act.
 - c. State environmental agencies or infrastructure agencies develop and administer “Intended Use Plans” which prioritize wastewater, stormwater, and drinking water projects for federal Clean Water State Revolving Fund or Drinking Water State Revolving Fund grant and loan investments.

Getting on these infrastructure lists is a major undertaking, and each program/list has different requirements, processes, and timelines. Work with your regional or state infrastructure agencies, bring in your experts in these processes, work with S², and do what you need to do to move your projects onto these critical lists now.

- 5.) **Put Together Advocacy Materials – and Advocate:** Your locality should be working to develop key allies for your project’s funding. Infrastructure Act funding delivered via formula programs administered by your states will require you to work with the Office of the Governor, state agency leaders and programs managers, and your state legislative representatives. Competitive grants directly from federal agencies are led by federal officials and programs managers who need to understand and support your projects through your direct collaboration with them. And your U.S. Members of Congress and Senators can be important allies in advocating to both federal agencies and state agencies for the funding of your projects. That is why you should work now to develop briefing sheets and other advocacy materials on your Infrastructure Act funding priorities, and on each key projects. S² supports its retainer clients in putting together these advocacy and background materials on a regular basis, and stands ready to work with you now to put these together for your Infrastructure Act objectives. Key materials and steps:

- **Overall Funding Priority Chart:** Have a one page chart that lists the project name, a very brief (1-sentence) project description, the name of the Infrastructure Act program you wish to access, and a funding ask/level.
- **Briefing Sheet on each priority project:** For each project, put together a 1-page (can be front and back) briefing sheet that describes the project, its benefits to the community, the organizations involved and backing or benefitting from the project, the status and stage of the project, its funding status, the Infrastructure Act funding program sought, and the funding level/ask, along with a contact person with email/phone number. Use “before and after” pictures or conceptual renderings or other graphics to make the sheet more attractive.
- **Contact the federal agency or state agency officials who will manage the funding program:** If you have relationships with these state or federal agency funding officials from past projects or efforts, start there. If not, reach out to them anyway (S² can help), or ask your state representatives or Members of Congress to facilitate an introduction. Send your project briefing sheet in advance, describe your project, and discuss the potential for securing funding from that program. Of course, these agencies are likely to be putting out program guidance, holding program webinars, and conducting other outreach, and you will want to participate in those.
- **Get the backing of your Members of Congress/Senators and state representatives:** Depending on the level of government you are targeting for funding (state or federal), your elected representatives can help advocate for your project to the appropriate federal/state funding authorities. Brief your elected officials early so that they become champions for your project, and they are prepared to take action on your funding requests at the right time.

SUMMARY OF KEY PROGRAMS IN THE INFRASTRUCTURE ACT

Below, Sustainable Strategies DC provides short summaries of more than 70 transportation, energy, drinking water, wastewater, stormwater, broadband, energy, environmental, wildfire mitigation, and other new or expanded federal programs that could fund local government infrastructure priorities:

Transportation Infrastructure

- **Transportation Infrastructure Finance and Innovation Act (TIFIA)** program, which provides credit assistance for qualified surface transportation projects of regional and national significance, funded at \$250 million annually for 2022-2026..
- **“Local and Regional Project Assistance”** grants (TIGER/BUILD/RAISE) reauthorized, essentially the same as now, for \$1.5B per year, with 20% match waivable for “persistent poverty”, “historically disadvantaged community” and “rural” applicants. At least \$75M annually must be for planning grants. This is in addition to \$1+ billion slated for RAISE in the FY22 transportation appropriations legislation. **Note that this Infrastructure Act \$1.5 billion must be announced by the Department of Transportation within 60 days of the enactment of the law – that’s coming soon.**
- **\$1.6 billion for “Rural Surface Transportation Grant Program”** for grants of minimum \$25 million each for states, localities and regional groups, for road projects (and bundled, multiple projects) to increase rural connectivity, safety, economic growth and quality of life, with a waivable 20% local share. Rural is defined as an urbanized area of less than 200,000 people. 25% of funds reserved for Appalachia.
- **\$10 billion over 2022-2026 for “Rural and Tribal Infrastructure Advancement”** program for the Department of Transportation to provide financial, technical, and legal assistance from expert firms to local governments in urbanized areas of less than 150,000, states and tribes for project planning, feasibility studies, financing plans, environmental review, preliminary engineering and design work, economic assessments and cost benefit analyses, public benefit studies for transportation projects.
- \$285-309 million annually over 5 years for the **Federal Land Access Program (FLAP)**, which provides grants to improve transportation facilities that provide access to, are adjacent to, or are located within Federal lands.
- \$1 billion annually over 5 years for **Consolidated Rail Infrastructure and Safety Improvements (CRISI)** grants.
- **Railroad Crossing Elimination Program** at \$500M annually for 2022-2026, plus \$15M annually for planning grants. 100% federal share for highway grade crossing projects.
- \$25 billion over five years for grants of between \$10 million-\$15 million each for a Department of Transportation grant program for **electric vehicle charging and other alt fuel infrastructure**.
- Requires specified percentages of state and MPO funding to be used for a wide variety of **“carbon reduction projects”** that would fund many of our clients’ TAP-like and clean transportation projects.
- \$250-\$300 million annually for 2022-2026 for competitive **Promoting Resilient Operations for Transformative, Efficient, and Cost Saving Transportation (PROTECT)** planning (100% federal share) and construction (80% share) grants for variety of resiliency, emergency evacuation, and similar projects.

- \$1 billion (\$200 million a year between 2022-2026) for the “**Safe Streets and Roads for All**” grant program for localities, MPOs, states, and tribes, and multijurisdictional groups, for projects to develop, design, and implement safety action plans, with an 80% federal grant amount and a 20% match. **The law requires U.S. DOT to make these grants available starting 120 days after the enactment of the law.**
- \$100M annually for new “**Healthy Streets**” grant program for cool and porous pavements and street trees, up to \$15M each with 20% waivable share.
- \$110M annually for the **Intelligent Transportation System** grant program.
- \$200M annually for competitive “**active transportation**” planning and construction grants (biking/pedestrian projects connecting key hubs and anchors) for projects with a total cost of at least \$15M.
- \$30M annually for 2022-2026 for “**Reconnecting Communities**” planning grants (up to \$2M each, 20% match) and \$65-\$75M annually over 2022-2026 for capital construction grants (minimum grant \$5M, with 50% waivable match down to 20% match), plus \$15M for DOT technical assistance on these programs annually for 5 years. To remove barriers to accessibility and equity caused by past transportation investments.
- New **definition of “natural infrastructure**” for stormwater management, and “**resilience**”.
- Adds eligible use of surface transportation block grants to be “**projects to enhance travel and tourism**”.
- “**Rural area**” is codified as urbanized area of less than 200,000 in various places.
- Requires states and MPOs to reserve 2.5 percent of their funds for “**complete street**” and other TAP-like projects.
- Section 22214, **Amtrak Daily Long-Distance Service Study**, providing \$7.5M in 2022 and \$7.5M in 2023 to conduct studies and plans (for West Virginia Cardinal line, and for MTCO-WY-OR-WA corridor).
- New funding/authority for competitive grants up to \$1 million (50% match) for “**Interstate Rail Compacts**” (MARC Train, WV Cardinal, Mountain West projects), and another program to fund the implementation of those compacts, and for creating new intercity rail corridors.
- \$100M annually for over 2022-2026 for competitive “**SMART Grants**” for smart cities technology (transportation and other aspects), with 40% to localities over 400,000, 30% for small rural, and 30% for mid-sized communities.
- Requires creation of DOT “**National Travel & Tourism Infrastructure Strategic Plan**” and office.
- New **Fixed Guideway** project funding and rules.
- Funds \$13.3B-\$14.6B per year over five years for **FTA 5305, 5307, 5310, 5311, 5312, 5314, 5318, 5335, 5337, 5339, and 5340**, section 20005(b) of the Federal Public Transportation Act of 2012 (49 U.S.C. 5303 note; Public 19 Law 112–141), and section 3006(b) of the Federal Public Transportation Act of 2015 (49 U.S.C. 5310 note; Public Law 114–94).
- **Bus & Bus Facilities** competitive grants gets \$206M per year over 2022-2026, with 25% dedicated to Low-No Emissions buses.
- \$15B total for **Airport Improvement Grants** and \$5B for **airport terminals**.

Energy Infrastructure

- \$6B **electric grid program** including grants to public power and rural cooperatives for greenhouse gas emissions reduction projects from energy generation, energy efficiency, microgrids, and other activities.
- Puts \$200M per year for 5 years into “**Appalachian Regional Energy Hub**” (ethane storage).
- \$750 million for new DOE “**Advanced Energy Manufacturing & Recycling Grant**” program to give competitive grants to give to private companies to manufacture renewable energy technologies, energy efficiency technologies, clean fuel vehicles and infrastructure, or for retrofits of manufacturing facilities to use low- or no-carbon heating systems, carbon capture, industrial energy efficiency, or other emissions reducing technologies. Favors low income communities, coal-impacted communities, and minority-owned manufacturers.
- New “**Clean Energy Demonstration Program on Current & Former Mine Lands**” sets up \$500 million for a competitive program to select 5 sites for placing solar, geothermal, micro-grids, energy storage, and other energy technologies on SMCRA reclaimed mine lands (at least 2 must be solar). Competitive factors include coal-impacted and EDA-defined distressed areas. Winners chosen by DOE in consultation with Interior, EPA, and DOL.
- Sets up \$250M “**Energy Efficiency Revolving Loan Fund Capitalization Grant Program**” for capitalizing state funds for loans and grants (up to 25% of RLFs can be used on grants for smaller businesses and low-income residents) to support commercial energy audits, residential energy audits, commercial and residential efficiency retrofits and upgrades.
- Gives \$225 million annually for 5 years to support **local code programs** for efficiency and resilience.
- Sets up \$50M annual program over 2022-2026 for “**Smart Manufacturing**” program to provide small and medium manufacturers support for a variety of industrial efficiency, automation, and other technological improvements.
- Sets up \$500M annually between 2022-2026 for grants for wide variety of energy efficiency, renewable energy improvements, or alt fuel vehicles/infrastructure at **public school facilities**.
- Sets up \$50M annually between 2022-2026 for grants of up to \$200,000 for **nonprofit building energy retrofits**.
- **Weatherization Assistance Program** gets \$3.5 billion in FY2022.
- **Energy Efficiency & Conservation Block Grants (EECBG)**, aimed at deploying efficient and impactful energy efficiency and renewable energy technologies and practices, gets \$550 million for FY2022.
- Sets up \$5 billion program to **cap “orphan wells”** and remediate the areas around them, with \$25M going to each state that submits an application to DOE, plus another state formula grant program up to \$20M for each participating state, plus another up to \$30 million per state for matching grants (p. 1744-1775)
- Gives \$11.293 billion for grants of minimum of \$20 million to States for **abandoned mine land reclamation**.
- **Western Water Infrastructure**, mostly Bureau of Reclamation.

Drinking Water and Wastewater Infrastructure

- \$35 million annually for **EPA assessment of lead in drinking water**.
- \$510 million over 5 years for 90% federal share grants (waivable to 0% match) for assistance to **small and disadvantaged communities to deal with drinking water hazards including lead**, including another \$100M to **hook up houses to public water systems**, including with lead issues, and with an additional \$50M annually for competitive grants to states to deal with **drinking water in underserved communities**.
- \$100 million annually over 2022-2026 to for a pilot program to give grants to municipal drinking water systems that have >30% of service lines having **lead contamination**.
- \$200 million total for grants to address and reduce **lead in drinking water at schools**.
- \$14.65B for **EPA Drinking Water State Revolving Fund (SRFs)** over 5 years, 49% as grants and forgivable loans.
- \$1 billion in grants over 5 years for **Clean Water SRF**, \$5 billion over 5 years in Clean Water SRF grants for **underserved communities**, and \$4 billion over 5 years for **emerging chemicals (PFAFs)**.
- \$50 million annually between 2022-2026 for a new “**Midsized and Large Drinking Water System Infrastructure Resilience and Sustainability Program**” for grants for planning and construction of resilience, water efficiency, desalination, watershed management, source water protection, energy efficiency and renewable energy projects in water infrastructure, water reuse, and cybersecurity.
- **EPA Wastewater Efficiency Grant Pilot Program** to POTWs for waste-to-energy projects.
- \$280 million annually for 5 years for **Sewer Overflow & Stormwater Reuse Municipal Grants**.
- \$25 million annually over 2022-2025 for grants for **Clean Water Infrastructure Resiliency and Sustainability Program** for planning or construction of efficiency, clean energy, green infrastructure, resilience, and other programs for wastewater and stormwater.
- **\$11.35B funds EPA Clean Water SRF**, with 49% in form of grants or forgivable loans.
- \$75 million up front (p. 2495), plus \$50 million annually between 2022-2026 added for **Water Infrastructure Finance & Innovation Act (WIFIA)**, a federal credit program administered by EPA for eligible water and wastewater infrastructure projects.
- \$10M annually between 2022-2026 for competitive EPA planning/design/partnership grants up to \$200,000 and implementation grants up to \$2 million for “**Stormwater Control Infrastructure Projects**” with preference for CSO communities and small, rural, and disadvantaged communities, with 20% non-federal match.

Broadband

- \$42.5 billion for **NTIA broadband grants** for most unserved, with 25mbps download and 3 mbps upload, as well as “underserved” with 100mbps download and 25 mbps upload, with minimum allocation to each state of \$100M. Whole new program, with tons of details in statute.
- \$1.85 billion million over 2022-2026 for planning and implementation grants, 90% federal share, to states, local governments, local educational and nonprofit organizations, workforce development organizations, and other entities for “**Digital Equity**” plans and projects to ensure digital inclusion and literacy for all citizens and groups.
- \$1 billion annually between 2022-2026 for “**middle mile broadband infrastructure**” for census tracts which are “underserved” (100/25 mbps) and unserved areas. Preference for projects that include 1/1 gbps service to “anchor institutions”. 70% federal share.
- Creates **Appalachian Regional Commission (ARC) broadband** program.

Wildfire Mitigation

- Establishes a commission to make recommendations to improve Federal policies and assess federal spending related to the **prevention, mitigation, suppression, and management of wildland fires** and the **rehabilitation of land in the U.S. devastated by wildland fires**.

EPA

- \$1 billion annually 2022-2026 for **Great Lakes Restoration Fund** (waived match).
- \$238 million annually 2022-2026 for **Chesapeake Bay** (waived match).
- \$106 million annually 2022-2026 for **Long Island Sound** (waived match).
- \$16 million annually for **South Florida** (waived match).
- \$1B annually over 2022-2026 split between **alt fuel school buses and zero-emission school buses**.
- \$1.5 billion for **brownfields** over 5 years (\$300M annually) over 2022-2026, with \$1.2 billion for cleanup grants up to \$5 million each, multipurpose grants up to \$10 million each, \$10 million each for community-wide assessment grants with no limitation on individual site assessments, \$10 million each for Brownfields Cleanup RLFs, and \$1 million each for Environmental Workforce grants; and the other \$300 million for Section 128 grants to States.
- \$100 million for **EPA Pollution Prevention Act programs**.
- \$275M for **municipal recycling** program, at \$55M per year over 2022-2026, plus \$75M over 5 years for other material recycling, recovery, management, and reduction projects for an EPA Consumer Recycling Education & Outreach Grant program.

Other

- \$150 million for **Corps Investigations** and \$11.6 billion for **Corps Construction**, divided up among various Corps authorities and programs. Accessing these will require very close work with USACE and Congress.
- \$11.293 billion to be allocated by formula to states over 15 years for **abandoned mineland reclamation projects**.
- \$200 million annually between 2022-2026 (\$1 billion) for the **Appalachian Regional Commission**.
- \$1 billion over 2022-2026 for Department of Homeland Security grants to states and multi-jurisdictional applicants (primarily local governments) for plans and implementation projects for increasing the **cybersecurity of local governments**.