

## **DEPARTMENT OF TRANSPORTATION**

Federal Transit Administration

### **Notice of Funding Availability for Resilience Projects in Response to Hurricane Sandy**

**AGENCY:** Federal Transit Administration (FTA), DOT.

**ACTION:** Notice of funding availability (NOFA).

**SUMMARY:** The Federal Transit Administration (FTA) announces the availability of approximately \$3 billion in funds under the Public Transportation Emergency Relief Program and the Disaster Relief Appropriations Act of 2013 for States, local governmental authorities, tribal governments and other FTA recipients impacted by Hurricane Sandy, which affected mid-Atlantic and northeastern states in October 2012. This announcement solicits proposals for resilience projects, defined as those projects designed and built to address current and future vulnerabilities to a public transportation facility or system due to future occurrence or recurrence of emergencies or major disasters that are likely to occur in the geographic area in which the public transportation system is located; or projected changes in development patterns, demographics, or climate change and extreme weather patterns. For the purposes of this notice, “public transportation” may include consideration of intercity passenger rail service. This resilience funding is intended to protect public transportation infrastructure that has been repaired or rebuilt after Hurricane Sandy or that is at risk of being damaged or destroyed by a future natural disaster. These investments reduce the likelihood that U.S. taxpayers are asked to repair the same infrastructure after a future major storm or natural disaster. Furthermore, the activities funded under this notice will help strengthen and build more resilient communities to better withstand future disasters.

The Disaster Relief Appropriations Act of 2013 was enacted on January 29, 2013, and provided \$10.9 billion for FTA's Emergency Relief Program for recovery, relief and resilience efforts in areas affected by Hurricane Sandy with approximately \$10.4 billion still available after implementation of the Balanced Budget and Emergency Deficit Control Act of 2011. FTA has previously allocated \$5.7 billion for recovery and resilience projects to public transportation agencies impacted by Hurricane Sandy. Additionally, the Disaster Relief Appropriations Act of 2013 permits the Secretary to transfer up to \$5.383 billion to other agencies to fund programs authorized under titles 23 and 49, United States Code, in order to carry out resilience projects in areas impacted by Hurricane Sandy. Under this authority, DOT transferred \$185 million to the Federal Railroad Administration (FRA).

The Moving Ahead for Progress in the 21<sup>st</sup> Century Act (MAP-21) authorized the Emergency Relief Program at 49 U.S.C. 5324. With the authorization of this program, Congress provided FTA with primary responsibility for Federal reimbursements for emergency response and recovery costs after an emergency or major disaster that affects public transportation systems. The Emergency Relief Program allows FTA to make grants for eligible public transportation capital and operating costs in the event of a natural disaster, such as a hurricane, that affects a wide area, including projects to protect public transportation assets from damage. Beginning in late October 2012, President Obama issued major disaster declarations for specified counties in the following States: Connecticut, Delaware, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, Virginia, and West Virginia, as well as the District of Columbia as a result of the impacts Hurricane Sandy and its remnants. Providers of public transportation in the affected areas as defined by these Presidential declarations are eligible to apply for funding for public transportation resilience projects.

This notice includes a description of eligible projects, the criteria FTA will use to identify projects for funding, and a description of how to apply for funding. This announcement is available on the FTA website at: <http://www.fta.dot.gov>. A synopsis of the funding opportunity will be posted in the FIND module of the government-wide electronic grants Web site at <http://www.GRANTS.GOV>. FTA will announce final allocations in a Federal Register notice and on the FTA Web site.

**DATES:** In January 2014, FTA will host a webinar to answer questions about the NOFA and will conduct training, specifically for the Hazard Mitigation Cost Effectiveness methodology. Prospective applicants must participate in the training. Dates and times of these offerings will be posted to FTA's website.

Complete proposals must be submitted no later than Friday, March 28, 2014 by 11:59 p.m. EST. All proposals must be submitted electronically through the [GRANTS.GOV](http://www.GRANTS.GOV) "APPLY" function. Any prospective applicant intending to submit a proposal should initiate the process of registering on the [GRANTS.GOV](http://www.GRANTS.GOV) site immediately to ensure completion of registration before the submission deadline. Instructions for submitting a proposal can be found on FTA's Web site at <http://www.fta.dot.gov> and in the "FIND" module of [GRANTS.GOV](http://www.GRANTS.GOV).

**FOR FURTHER INFORMATION:** Contact the appropriate FTA Regional Office found at <http://www.fta.dot.gov> for application-specific information and other assistance needed in preparing a complete proposal. For program-specific questions about applying for the funds as outlined in this notice, please contact Adam Schildge, Office of Program Management, 1200 New Jersey Ave, SE, Washington, DC 20590, phone: (202) 366-0778, or e-mail, [FTASandyResilience@dot.gov](mailto:FTASandyResilience@dot.gov). For legal questions, Bonnie Graves, Office of Chief Counsel, same address, phone: (202) 366-4011, or e-mail, [Bonnie.Graves@dot.gov](mailto:Bonnie.Graves@dot.gov). For questions about

direct transfers (outside of the competitive process and this Notice) to other modes within the Department of Transportation, please contact Peter Gould, Office of Policy, Office of the Secretary, same address, phone: (202) 366-6321, or email, [Peter.Gould@dot.gov](mailto:Peter.Gould@dot.gov); or Sahar Shirazi, Office of Policy, Office of the Secretary, same address, phone: (202) 366-4114, or email, [sahar.shirazi@dot.gov](mailto:sahar.shirazi@dot.gov).

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## **A. Authority**

MAP-21 authorized FTA's Emergency Relief Program under Section 5324 of title 49, United States Code as follows:

*General authority.—The Secretary may make grants and enter into contracts and other agreements (including agreements with departments, agencies, and instrumentalities of the Government) for—*

*(1) capital projects to protect, repair, reconstruct, or replace equipment and facilities of a public transportation system operating in the United States or on an Indian reservation that the Secretary determines is in danger of suffering serious damage, or has suffered serious damage, as a result of an emergency; and*

*(2) eligible operating costs of public transportation equipment and facilities in an area directly affected by an emergency during—*

*(A) the 1-year period beginning on the date of a declaration described in subsection (a)(2); or*

*(B) if the Secretary determines there is a compelling need, the 2-year period beginning on the date of a declaration described in subsection (a)(2).*

In addition, Section 5324(a)(2) defines an “emergency” as follows:

*The term ‘emergency’ means a natural disaster affecting a wide area (such as a flood, hurricane, tidal wave, earthquake, severe storm, or landslide) or a catastrophic failure from any external cause, as a result of which—*

*(A) the Governor of a State has declared an emergency and the Secretary has concurred; or*

*(B) the President has declared a major disaster under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170).*

In addition, Section 5324(d) provides that a grant awarded under section 5324 shall be subject to the terms and conditions the Secretary determines are necessary.

## **B. Disaster Relief Funding**

As a result of Hurricane Sandy, and in accordance with the Stafford Act, President Obama declared a major disaster in late 2012 for twelve states and the District of Columbia affected by

Hurricane Sandy, making public transportation agencies in specified counties in those States eligible for financial assistance under FTA's Public Transportation Emergency Relief Program.

The Disaster Relief Appropriations Act (Pub. L. 113-2) provides \$10.9 billion for FTA's Emergency Relief Program for recovery, relief and resilience efforts in areas affected by Hurricane Sandy, with approximately \$10.4 billion still available after implementation of the Balanced Budget and Emergency Deficit Control Act of 2011 (Pub. L. 112-25). FTA is allocating the remaining \$10.4 billion in multiple tiers for response, recovery and rebuilding, for locally-prioritized resilience projects, and for competitively selected resilience projects.

On March 29, 2013 and May 29, 2013 FTA announced the allocation of \$2 billion for response and recovery expenses and \$3.7 billion for response, recovery, and local priority resilience funding respectively, with \$5.7 billion total allocated to date. FTA allocated funding for locally-prioritized resilience projects to the public transportation agencies most affected by Hurricane Sandy. Funds were allocated based on a formula reflecting the distribution of damage costs among public transportation agencies most impacted by the storm, as outlined in the Federal Register Notice of Allocation dated May 29, 2013. Locally prioritized resilience projects require FTA review prior to incurring costs, and are primarily intended for resilience improvements in tandem with recovery and rebuilding projects where joint implementation will prove cost effective, and for lower cost stand-alone resilience improvements that can be implemented relatively quickly.

The following chart<sup>1</sup> illustrates the overall allocation of funding under the FTA Emergency Relief Program and the Disaster Relief Appropriations Act:

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<sup>1</sup> The Secretary is authorized by the Disaster Relief Appropriations Act to transfer emergency relief resilience funding to other DOT operating administrations for eligible projects.

| <b>Award Type</b>               | <b>Applicants</b>                                                                                                                                                                                                                                                                                                               | <b>Available Funding</b>                               | <b>Eligibility Criteria</b>                                                                                                                                                                               |
|---------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Response, Recovery & Rebuilding | Affected FTA Recipients                                                                                                                                                                                                                                                                                                         | \$4.4 billion                                          | Damage assessments submitted by affected agencies and reviewed by FTA, and costs incurred by affected agencies                                                                                            |
| Locally-Prioritized Resilience  | MTA, NJT, PANYNJ, NYCDOT                                                                                                                                                                                                                                                                                                        | \$1.3 billion                                          | Resilience Projects and Project Components                                                                                                                                                                |
| Competitive Resilience          | (1) States, (2) public transportation agencies that receive funding through FTA formula programs, (3) other entities responsible for an eligible public transportation capital project that enter into a subrecipient arrangement with an existing FTA grantee, and (4) entities that provide intercity passenger rail service. | \$3 billion                                            | Described in this Notice                                                                                                                                                                                  |
| Response, Recovery & Rebuilding | Affected FTA Recipients                                                                                                                                                                                                                                                                                                         | \$1.1 billion (to be announced in a subsequent notice) | Damage assessments submitted by affected agencies and reviewed by FTA, and costs incurred by affected agencies                                                                                            |
| Direct Transfer Resilience      | Eligible DOT grantees/funding recipients implementing programs authorized under titles 23 and 49 U.S.C.                                                                                                                                                                                                                         | TBD                                                    | Any statutorily eligible project not readily fundable through the formula distribution or competitive application process. For further information on the Direct Transfer process, interested parties may |

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|  |  |  | contact the Office of the Secretary. Please note that DOT's intent is to allocate resilience funds primarily through formula and competition. |
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### **C. Policy Priorities**

Both scientific evidence and recent history indicate that weather and climate-related disasters are a continuing threat. According to the “Hurricane Sandy Rebuilding Strategy” report,<sup>2</sup> in the last year alone there were 11 different weather and climate disaster events with estimated losses exceeding \$1 billion each across the United States. Taken together, these 11 events resulted in more than \$110 billion in estimated damages.

Federal investment in the improved resilience of public transportation systems to future disasters is necessary to reduce, better manage, and better prepare for the economic and social consequences of future disasters, regardless of their cause, including both the potential cost of rebuilding after the next storm and the social and economic consequences of suspended or inoperable public transportation services.

A more resilient public transportation system will be the product of many efforts, including some that are outside the scope of this notice; including disaster preparation, risk assessments, enhanced response capabilities, redundant infrastructure, a more complete state of good repair in systems essential to transit operations, evacuation readiness, emergency social support systems, and other efforts. While these and other factors contribute to the resilience of a region and of a public transportation system, this Notice of Funding Availability (NOFA) is intended to provide

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<sup>2</sup>See <http://portal.hud.gov/hudportal/documents/huddoc?id=HSRebuildingStrategy.pdf>.



funding specifically for the resilience activities that strengthen and protect vulnerable infrastructure that is essential for providing and supporting public transportation in the region impacted by Hurricane Sandy. In addition to projects funded under this notice, agencies are also responsible for disaster response planning and evacuation readiness.

In accordance with FTA’s definition of resilience and resilience project, and for the purpose of this competition, a future disaster is considered to be any significant event with a likelihood of occurring in the areas affected by Hurricane Sandy, and which presents a risk of damage from hazards similar to those associated with Hurricane Sandy, such as severe storm surge, flooding – including levels projected due to sea level rise –, heavy rain, high winds, and associated power outages. Further, for purposes of this competition, FTA will prioritize resilience projects that strengthen, protect, or otherwise increase the protection or resilience of existing infrastructure that was damaged or destroyed by Hurricane Sandy, to minimize the potential of repeated reinvestments to the same infrastructure due to damage from future similar storms. These priority investments and related outcomes will take precedent over new “redundant” investments whose primary objective is to increase system capacity.

FTA is undertaking this competition in accordance with the recommendations issued by the Hurricane Sandy Rebuilding Task Force, convened by President Obama and composed of the leaders of Federal agencies responsible for various aspects of the recovery. The Task Force issued the “Hurricane Sandy Rebuilding Strategy” report in August 2013, laying out key principles for recovery, as well as related recommendations to guide the implementation of federally supported recovery efforts.

The Task Force recommends that Sandy-rebuilding infrastructure projects be designed to increase the resilience of the region and that they be regionally coordinated. Reflecting the Task

Force's recommended infrastructure resilience guidelines, FTA has considered the following principles in the development of this competitive resilience solicitation:

- o Comprehensive Analysis
- o Transparent and Inclusive Decision Processes
- o Regional Resilience
- o Long-Term Efficacy and Fiscal Sustainability
- o Environmentally Sustainable and Innovative Solutions
- o Targeted Financial Incentives
- o Adherence to Resilience Performance Standards

All projects submitted under this competitive public transportation resilience notice, including any intercity passenger rail projects, will be evaluated based on the process and criteria described later in this notice. Subsequent to project selection, the Secretary may transfer funds and the responsibility for administering intercity passenger rail projects to the Federal Railroad Administration (FRA).

## **II. Public Transportation Resilience Grants for Areas Affected by Sandy**

### **A. Description and Purpose**

This notice solicits proposals for capital projects that will protect or otherwise increase the resilience of public transportation equipment and facilities from the future recurrence of hurricanes and similar storms in the areas affected by Hurricane Sandy. FTA's Emergency Relief rule at 49 CFR 602.5 defines "resilience" as the capability to anticipate, prepare for, respond to, and recover from significant multi-hazard threats with minimum damage to social well-being, the economy, and the environment. The rule defines "resilience project" as a project designed

and built to address future vulnerabilities to a public transportation facility or system due to future recurrence of emergencies or major disasters that are likely to occur again in the geographic area in which the public transportation system is located; or projected changes in development patterns, demographics, or extreme weather or other climate patterns.

## **B. Eligibility Information**

### **1. Eligible Applicants**

Eligible applicants must be located in or provide public transportation service in one of the areas affected by Hurricane Sandy, which are defined as areas for which President Obama declared a major disaster under the Stafford Act in response to Hurricane Sandy. Eligible applicants include (1) States and Indian tribes, (2) local governmental authorities and public transportation agencies that receive funding through FTA formula programs, (3) other entities responsible for an eligible public transportation capital project that enter into a sub-recipient arrangement with an existing FTA grantee, and (4) entities that provide intercity passenger rail service. Projects that involve joint public transit and intercity passenger rail service will be administered under the provisions of (2) or (3) above. Note: Entities that provide public transportation service and are not current recipients of FTA funding are only eligible to receive Emergency Relief funding as a subrecipient of an FTA recipient. These entities should contact the appropriate FTA Regional Office, the contact information for which is available at [www.fta.dot.gov](http://www.fta.dot.gov), to find a direct FTA recipient in their area to apply on their behalf. Successful intercity rail projects may be transferred to the FRA for administration and oversight.

For the purpose of this notice, areas affected by Hurricane Sandy include any of the counties designated for FEMA's Public Assistance program under any of the major disaster declarations issued by President Obama in response to Hurricane Sandy. This includes areas within the

following States: Connecticut, Delaware, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, Virginia, and West Virginia, as well as the District of Columbia. Areas affected by Hurricane Sandy are defined by the presidential declaration of major disaster for that State. See <http://www.fema.gov/disasters/>.

## **2. Eligible Projects**

Eligible projects are capital projects that reduce the risk of damage to public transportation assets as a result of future natural disasters. FTA expects the project sponsor to demonstrate, as part of an overall system plan, how steps are being taken to first ensure protection and increased resilience of existing assets before redundant (new) infrastructure is contemplated. This must be demonstrated in the applicant's response to the evaluation criteria for "Protection of Most Essential and Vulnerable Infrastructure," as described in section C.2 of this notice. If such a case is made, then projects that involve the construction or installation of new equipment or facilities for the purpose of providing redundancy to reduce the vulnerability of the existing public transportation system may be considered. All project proposals will be evaluated based on the criteria identified in the next section.

Sample resilience projects may include elevating or relocating assets that are located in a special flood hazard area (SFHA), protecting assets vulnerable to high winds, installing mitigation measures that prevent the intrusion of floodwaters into underground segments of a public transportation system, strengthening systems that remove rainwater from public transportation facilities, and other projects that address identified vulnerabilities.

FTA encourages innovative proposals; however, all projects must consist of technologies that can be demonstrated to be effective. The functionality of innovative proposals must be adequately documented and justified. Innovative proposals may include remotely controlled or

other below-grade subway vent closures, modular flood prevention barriers, use of green infrastructure to control storm water, or other new technologies or applications.

Recognizing that risk continuously changes and is expected to increase in many areas, resilience projects must be designed to be resilient to at least 1 foot above the best available base flood elevations released by FEMA to ensure long term resilience of communities. State and local governments are encouraged to review their local conditions and needs and, where appropriate, build to an even higher standard where they are planning key infrastructure projects and/or where future conditions indicate higher risk. Resilience projects under this competition may be designed to withstand a higher base flood elevation if required by local or State building codes or standards. Projects designed to meet the above standard may include the relocation of infrastructure from the floodplain, physical elevation of the infrastructure, or other appropriate mitigation measures depending on the circumstances of the proposed project. This requirement is addressed further under section C.1.a. of this notice, “Special Note Regarding FEMA’s Best Available Flood Hazard Information.”

FTA recognizes that, in the course of making an asset more resilient, a resilience project may also involve activities or elements that concurrently serve to bring an asset up to a state of good repair. For example, a resilience project may involve the replacement of older features with new features, the incorporation of current design standards, the replacement of a vulnerable facility at a new location when a cost-effective mitigation is not practical or feasible at the existing location, or other required mitigation measures resulting from the NEPA process or required for compliance with applicable Federal environmental requirements.

### **3. Cost Sharing and Matching**

Section 5324 of title 49, United States Code, provides that the Government share for FTA emergency relief projects shall be not more than 80 percent of the net project cost. Consistent with FEMA's Hazard Mitigation Grant Program, resilience projects solicited by this notice are eligible for a Federal cost share of no more than 75 percent of the total project cost. Project sponsors will be required to identify a source of eligible non-Federal match representing no less than 25 percent of the total project cost. The local share may be provided from an undistributed cash surplus, a replacement or depreciation cash fund or reserve, or new capital. In addition to local and state funds, non-Federal match may include the use of Community Development Block Grant (CDBG) funds, including CDBG Disaster Recovery (CDBG-DR) funds that are available for transportation purposes.<sup>3</sup> Project sponsors may propose the use of non-Federal funds in excess of 25 percent of the project cost. FTA may consider the planned commitment of additional non-Federal match as a part of project selection.

### **C. Evaluation Criteria, Review and Selection**

All projects must meet minimum application requirements in order to qualify for further consideration. Qualified projects will then be evaluated based on the factors outlined below.

#### **1. Minimum Application Requirements**

Minimum requirements include the following:

- Applicant is a current FTA recipient, or, if not a current FTA recipient, has provided a support letter from a current FTA recipient stating that it is willing to partner on the project, or is an entity that provides intercity passenger rail service.
- Applicant has identified the source for the required non-Federal cost share, which may include CDBG funding.

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<sup>3</sup> See the Department of Housing and Urban Development (HUD) *Federal Register* dated November 18, 2013 (<http://www.gpo.gov/fdsys/pkg/FR-2013-11-18/pdf/2013-27506.pdf>) for more information on CDBG-DR funds.

- Applicant certifies that the project will be designed and built to be resilient to the best available FEMA flood hazard information as of February 1, 2014, plus one foot, as defined in this notice.
- Applicant has participated in an FTA training session (one of two offerings) on Hazard Mitigation Cost Effectiveness (HMCE). FTA will schedule two training sessions in January 2014. Applicants may participate either in person or through the web. Instructions and requirements regarding the HMCE process will be provided at these training sessions.

**a. Special Note Regarding FEMA's Best Available Flood Hazard Information**

In certain situations, notably where a project or activity is located within a SFHA, use of FTA funds will require that a project and activity be designed and constructed in accordance with elevated minimums for project elevations (i.e. the best available FEMA flood hazard information plus one foot), in order to adequately enhance long-term structural resilience, and mitigate against the recurrence of flood-related damages.

Accordingly, resilience projects intended to protect against flooding and that are located within the SFHA must be designed and elevated or otherwise flood-proofed to the best available Base Flood Elevation (BFE) elevation released by FEMA plus one foot. The best available SFHA and BFE can be determined by comparing the SFHA and BFE on the current effective Flood Insurance Rate Map (FIRM) and Flood Insurance Study (FIS) report with alternative flood hazard information released by FEMA, if available. FEMA's alternative flood hazard information may include Advisory Base Flood Elevations (ABFEs) and ABFE Maps; Preliminary Work Maps;<sup>4</sup> and Preliminary FIRMs and the FIS report. The best available SFHA

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<sup>4</sup> FEMA's preliminary work maps are an interim product created by FEMA in the development of preliminary Flood Insurance Rate Maps (FIRMs) for certain communities in New York and New Jersey.

is the widest geographic area indicated by FEMA's FIRM, FIS, or alternative flood hazard information. The best available BFE is the highest base flood elevation indicated by FEMA's FIRM, FIS, or alternative flood hazard information for the project's location. For purposes of this notice, FTA will consider best available information to be information released by FEMA as of February 1, 2014.

Following Hurricane Sandy, FEMA produced ABFE maps for coastal counties in New Jersey and New York. These advisory maps can be found at <http://184.72.33.183/best>. If FEMA's alternative flood hazard information is not available, such as in many areas outside of New York and New Jersey, resilience projects must be designed and elevated or otherwise flood-proofed to the elevation identified on the effective FIRM and in the FIS report plus one foot. The Preliminary and effective FIRMs and FIS reports can be found on FEMA's website at: <http://msc.fema.gov>.

Elevations required by either State or locally adopted building codes or standards that are higher than the best available FEMA flood hazard information plus one foot will apply.

This standard does not necessarily mean that public transportation agencies will be required to move existing facilities or build new facilities at a higher elevation; however, in order to minimize potential harm within the floodplain in accordance with Executive Order 11988, when relocation or elevation is not possible, resilience projects funded under this notice must include updated design features or added protective features in order to reduce the risk of damage from future flooding.

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This information will replace the Advisory Base Flood Elevation (ABFE) maps as the most recent data available from FEMA.



A base flood elevation from an ABFE map, preliminary work map, or preliminary FIRM and FIS report or non-FEMA source cannot be used if it is lower than the effective FIRM and FIS report plus one foot. Recipients may also consider the best available data on sea-level rise, storm surge, scouring and erosion before rebuilding. In all instances, FTA retains the authority to award funds in direct alignment with recipient acceptance of and continued compliance with Federal determinations regarding increased standards for floodplain management.

#### **b. Project Scalability**

Projects are considered scalable if they incorporate multiple activities or elements that have separate and independent benefits and which can be undertaken independently of one another. FTA may at times choose to fund less than the full requested amount of a proposal, consistent with the project's scalability.

To facilitate this approach, and to allow for partial funding when full funding of a project is not possible, all project proposals must identify whether a project is scalable and, if so, must identify potential scopes and funding amounts for the scalable project components, including a separate cost-effectiveness evaluation for potential scaled projects, if appropriate. If the project is not scalable, the project sponsor must indicate the minimum amount of Section 5324 funds necessary to implement the full scope of the project, including a discussion of alternative funding sources for the unfunded portion.

## **2. Project Evaluation Factors**

Projects that meet the minimum requirements will be evaluated based on the factors listed below:

### **Hazard Mitigation Cost Effectiveness:**

For each project, applicants are required to submit information, both quantitative and qualitative, that FTA will use to evaluate the cost-effectiveness of the proposed project in reducing an asset's and the public transportation system's vulnerabilities to future disasters. Consistent with OMB Circular A-94 and Executive Order 12893, selection of projects for funding will be based in part on a systematic analysis of benefits and costs. This analysis will incorporate methodologies developed by FEMA for its Hazard Mitigation Grant Program. When determining the cost and benefit, FTA will evaluate both quantitative measures such as the probability of occurrence of future disasters, the potential cost to repair, the historic or projected cost of emergency response and temporary service, the number of transit passengers affected if the asset were damaged, potential or observed travel time delays, and other quantitative factors required by the Hazard Mitigation Cost Effectiveness (HMCE) process or identified by the applicant; as well as qualitative information, for example the regional importance of a subway line to overall system performance. Recipients are encouraged to submit narrative explanations and supporting documentation accompanying the quantitative and qualitative information provided.

Consistent with FEMA's Hazard Mitigation Benefit Cost Analysis approach, analyses of benefits and costs (or cost-effectiveness) must distinguish clearly between a baseline case – what is likely to occur if the proposed project is not built – and the “project” or “build” case – what is likely to occur if the project is built. The analysis should assess the likelihood of future disasters of various severities, the likely costs (in both the baseline and build cases) of loss of public transportation service and other costs while the damage is being repaired, and the costs (in both the baseline and build cases) of repairing the damage. This information is especially important in order to explain the basis of the estimates of losses in the two cases and in order to compare

clearly the estimated losses from potential future events both with and without the proposed resilience project.

Quantitative information that applicants must submit in order to conduct the analysis described above include the estimated damage and losses from specifically identified hazards (e.g. the cost to repair), the probabilities of these hazards occurring at certain magnitudes (e.g. 100-year recurrence) both now and throughout the effective lifetime of the project, and the reduction in the anticipated losses after such an event as a result of the proposed project. FTA will review and evaluate the explanations and justifications provided by the applicants, as well as the source of the information.

For all projects, applicants must provide the following information including relevant source documents:

- The public transportation asset(s) to be protected by the proposed resilience project;
- The useful life of the investment; and the current remaining or projected useful life of the asset(s) to be protected;
- A list of hazards likely to impact the asset(s), including the frequency or probability of the primary identified hazard to be addressed by the project and any secondary hazards occurring at various levels of severity, both now and throughout the expected project life;
- The estimated cost to repair the asset if any of these primary identified hazard events occur. Estimated repair costs for historic damage events must be supported by damage assessments, itemized statements of force account labor and materials, contractor invoices, insurance claims, and/or similar documentation. Estimated repair costs for expected damage events must be supported by engineering reports, transit studies supported by engineering analysis, and/or similar documentation;

- If a loss of an asset is likely to occur as a result of a primary identified hazard, the anticipated societal impacts of loss of the asset (e.g. a narrative description of the significance of the asset to the operations of the system and the impacts of lost service to riders and the community);
- The anticipated reduction in expected losses from a primary identified hazard as a result of the proposed resilience project;
- The total cost of the resilience project, including the additional annualized marginal operating and maintenance costs over the life of the proposed project.

Resilience projects that protect the system as a whole, such as a project to provide a back-up power supply, do not need to include information for a specific asset to be protected, and will be evaluated instead based on the proposed benefits of the project to the system as a whole. FTA will provide technical assistance for determining the probability of those hazards occurring for which resilience funding is being sought, and will provide guidance on the calculation of project benefits.

Data required for the Hazard Mitigation Cost Effectiveness evaluation can be derived from various sources, which may include the comprehensive risk data collected as part of the Rebuild by Design (RBD) Initiative. Project sponsors are encouraged to consider that initiative as appropriate to their project.

Applicants may also submit additional supporting information or analyses. While FTA will evaluate the cost-effectiveness of each project based on the information described above, including both quantitative and qualitative factors, additional information may be considered on a case-by-case basis, such as if an applicant believes that the information requested above does not adequately measure the proposed benefits of a project.

FTA will provide training to applicants in January 2014 (specific dates, times, and locations will be posted to FTA's website) on how to compile and submit the information required to complete a benefit cost analysis. This training must be completed in order to submit a complete application. Applicants will have no less than 60 days from the required training to submit an application. All applications must be submitted no later than Friday, March 28, 2014.

**Project Implementation Strategy:**

For each project, applicants must provide a proposed timeline for project implementation. This timeline must include proposed dates for key milestones, including but not limited to NEPA compliance, project engineering and design, construction, and project completion. The project implementation strategy must identify any critical dependencies that may affect the timeline or strategy for accomplishing the project (e.g. availability of matching funds, site construction approvals, or any major unresolved design or engineering considerations). The project implementation strategy must also identify any potential for variability in project costs, propose an appropriate contingency as part of the funding request, and identify the availability of funds for these contingencies. Projects will be evaluated based on the completeness of this timeline, and on the readiness of the project to proceed consistent with the proposed timeline if funds are allocated for the project.

**Protection of Most Essential and Vulnerable Infrastructure:**

FTA will prioritize resilience projects that strengthen the protection of a public transportation system's assets that are most immediately vulnerable to future damage from hazards associated with severe storms. Applicants should identify those projects that are key to ensuring continued public transportation service. For example, applicants may demonstrate the importance of a transit asset by documenting the ridership that would be affected by projected damage to or loss

of the asset or by quantifying the projected loss of fare revenue as a result of damage to or loss of the asset.

This evaluation factor includes both the likelihood that an asset will be damaged as well as the importance of the asset to the operations of the system. Particular attention will be paid to data and information that illustrates how the protection of an existing asset – either individually or working synergistically with other proposed asset improvements – serves to protect functionality of the public transportation system as a whole from damage of future storm events, compared to discrete localized impacts. Projects will be evaluated based on the vulnerability of the asset to be protected, the criticality of the asset to existing public transportation service, and on the process or methodology used to prioritize assets for resilience improvements.

#### **Local and Regional Planning Collaboration and Coordination:**

Applicants must provide documentation to show that proposed projects are the result of local or regional planning efforts. To demonstrate regional collaboration, applicants should coordinate, as appropriate, with one or more of the following: Hurricane Sandy recovery plans, including those developed for the use of CDBG-DR funds, local governments, other transportation operators, relevant metropolitan planning organizations, the general public, including representatives of vulnerable communities, and other affected stakeholders. Ideally, such plans should reinforce and support a project sponsor's consideration of, and priority assigned to, the protection of the existing infrastructure-- for example, the incorporation of resilience improvements with transit asset management strategies addressing rehabilitation and replacement of assets. FTA recognizes that many of the resilience projects are being planned in direct response to actual damage sustained from Hurricane Sandy, so they may not be in an area's long range transportation plans, or an agency's current capital improvement program.

However, FTA expects proposals to describe the local and regional collaboration and coordination efforts that have been undertaken to plan for the resilience project by the time of project application. For those applicants whose proposed projects are located in states where the Rebuild by Design competition initiative has been conducted, consideration of data analyses conducted as part of that competition is encouraged, particularly any assessments that address regional infrastructure interdependencies. Such information may be site specific and therefore targeted to particular portions of the region affected by Hurricane Sandy; further information can be found at <http://www.rebuildbydesign.org>.

FTA is also interested in projects that have a potentially significant impact on the region's public transportation ridership; for instance those projects whose physical or functional boundaries cross jurisdictional lines, and are critical to the connected travel of public transportation customers in the region. Scope and connectivity must be demonstrated as the number of daily riders affected by the proposed improvements, or by the extent of the affected service area, including connecting service to or within other jurisdictions or public transportation systems.

In addition to local and regional plans that recognize the need for investments in such projects, resilience proposals that geographically span multiple jurisdictions or that require implementation actions, including financial contributions, from multiple parties should provide appropriate documentation from all affected parties demonstrating support for the project, its priority relative to other needs, and concurrence to provide supporting actions necessary to implement the proposed project.

Projects will be evaluated both on (i) the extent of local and regional planning, collaboration and coordination with local, state, and other Federal agencies that has influenced the

identification and prioritization of the project, and (ii) on the connectivity of the project with other public transportation systems in the region, as evidenced by both planning efforts and the potential impact of the project on public transportation ridership in the region.

**Interdependency of the Public Transportation Resilience Project:**

Applications should discuss the interdependencies of the proposed public transportation project's resilience with other supporting infrastructure elements (e.g. flood management projects, power station improvements, etc.). This should include analysis on how a project will not shift risk to other infrastructure elements. FTA will take into account any coordinated efforts with other local or regional infrastructure resilience plans or infrastructure investment priorities.

**Local Financial Commitment:**

FTA will evaluate applications in part on the viability and completeness of the project's financing proposal (assuming the availability of the requested resilience discretionary grant funds), including evidence of stable and reliable capital and (as appropriate) operating fund commitments and specific sources of funds sufficient to cover estimated costs; the availability of contingency reserves should planned capital or operating revenue sources not materialize; evidence of the financial condition of the project sponsor; and evidence of the grant recipient's ability to manage grants. Applicants must include a detailed project budget in their application, including a detailed breakdown of how the funds will be spent on each activity. If the project will be completed in individual segments or phases, a budget for each individual segment or phase must be included. Budget spending categories must be broken down between FTA discretionary resilience funding and other federal and non-federal sources, and applicants must identify how each funding source will be applied to the project. Additionally, applicants must identify any other sources of Federal funding included in the proposed project.



**Technical Capacity:**

FTA will evaluate applications in part on the applicant's demonstrated technical capacity to undertake the proposed project, which may include the applicant's experience undertaking projects of a similar scale or scope in the past.

**Other Factors:**

FTA may consider geographic diversity in the selection of projects. FTA may also consider diversity among project types, including the type of public transportation service protected by the resilience project (e.g. bus, rail, ferry). Applications must clearly identify the location of the project and the types of public transportation services affected by the project.

**III. Application and Submission Information for this Notice****A. Proposal Content**

FTA will evaluate applications based on the information requested above. FTA encourages applicants to demonstrate the responsiveness of their application with the most relevant information the applicant can provide, regardless of whether FTA has specifically requested such information in this notice.

Applicants may submit one application which can include multiple projects. For each project, the applicant must submit all of the information necessary to evaluate the project, as described in Section II of this notice. FTA will provide training to potential applicants within 30 days of the publication of this notice on how to compile and submit this information. Each project proposal must include all required attachments.

Information such as the applicant name, Federal amount requested, non-Federal match amount, description of areas served, etc. may be requested in varying degrees of detail on both

the SF 424 form and supplemental form. All fields are required unless stated otherwise on the forms. Use both the “Check Package for Errors” and the “Validate Form” validation buttons on both forms to check all required fields on the forms. Ensure that the Federal and non-Federal amounts specified are consistent.

## **B. Application Submission Instructions**

Applications must be submitted electronically through <http://www.GRANTS.GOV> by Friday, March 28, 2014, by 11:59 p.m. EST. Mail and fax submissions will not be accepted.

A complete proposal submission will consist of at least two files: (1) The SF 424 Mandatory form (downloaded from [GRANTS.GOV](http://www.GRANTS.GOV)) and (2) the Hurricane Sandy-specific supplemental form found on the FTA website: <http://www.fta.dot.gov/emergencyrelief>. The supplemental form provides guidance and a consistent format for applicants to respond to the information required as outlined in this notice. Once completed, the supplemental form must be placed in the attachments section of the SF 424 Mandatory form.

Applicants must attach the Hurricane Sandy-specific supplemental form to their submission in [GRANTS.GOV](http://www.GRANTS.GOV) to successfully complete the application process. A proposal submission may contain additional supporting documentation as attachments. Within 24–48 hours after submitting an electronic application, the applicant should receive three email messages from [GRANTS.GOV](http://www.GRANTS.GOV): (1) Confirmation of successful transmission to [GRANTS.GOV](http://www.GRANTS.GOV), (2) confirmation of successful validation by [GRANTS.GOV](http://www.GRANTS.GOV) and (3) confirmation of successful validation by FTA. If an applicant does not receive confirmations of successful validation and receives a notice of failed validation or incomplete materials, the applicant must address the reason for the failed validation, as described in the notice, and resubmit before the submission

deadline. If making a resubmission for any reason, include all original attachments regardless of which attachments were updated. Complete instructions on the application process can be found on FTA's website at <http://www.fta.dot.gov/emergencyrelief>. FTA urges applicants to submit their applications at least 72 hours prior to the due date to allow time to receive the validation message and to correct any problems that may have caused a rejection notification.

GRANTS.GOV scheduled maintenance and outage times are announced on the GRANTS.GOV website <http://www.GRANTS.GOV>. Deadlines will not be extended due to scheduled maintenance or outages.

#### **IV. Award Administration**

Once FTA allocates Emergency Relief funds to a recipient, the recipient will be required to submit a grant application electronically via FTA's Transportation Electronic Award Management system (TEAM). Recipients should work with their FTA Regional Office to develop and submit their application in TEAM so that funds can be obligated expeditiously. Grant applications in TEAM may only include eligible activities under the Emergency Relief program. Upon award, payments to recipients will be made by electronic transfer to the recipient's financial institution through FTA's Electronic Clearing House Operation (ECHO) system. Successful intercity rail projects may be transferred to the FRA for administration and oversight.

##### **A. Pre-award Authority**

Pre-award authority allows affected FTA recipients to incur certain project costs before grant approval and retain the eligibility of those costs for subsequent reimbursement after grant

approval. FTA has provided blanket pre-award authority for environmental work (to comply with NEPA) and design costs for resilience projects seeking funding under this NOFA, permitting them to be eligible for reimbursement OR count towards the local match if the competitive resilience project is selected. Applicants may not use other FTA Disaster Relief allocations for these expenses.

Pre-award authority is not a legal or implied commitment that the subject project will be approved for FTA assistance or that FTA will obligate Federal funds. Furthermore, it is not a legal or implied commitment that all items undertaken by the applicant will be eligible for inclusion in the project.

The conditions under which pre-award authority may be used are specified below:

- (i) All FTA statutory, procedural, and contractual requirements must be met.
- (ii) The recipient must take no action that prejudices the legal and administrative findings that the Federal Transit Administrator must make in order to approve a project.
- (iii) When a grant for the project is subsequently awarded, the Financial Status Report in TEAM-Web must indicate the use of pre-award authority.

In addition to the pre-award authority described above, affected recipients are permitted to submit grant amendments for existing section 5307 and 5311 grants in order to use available unexpended balances for eligible disaster-related project costs. Use of formula funds for these purposes is at the discretion of the affected recipient. Section 5307 and 5311 funds may not be used as local match for awards under the Section 5324 Public Transportation Emergency Relief Program. Section 5324 funds may not be used to replenish formula funds spent in response to an emergency.

## **B. Grant Requirements**

Emergency Relief funds may only be used for eligible purposes as defined under 49 U.S.C. 5324 and as described in the Emergency Relief Program Rule (49 CFR part 602).

Recipients of section 5324 funds must comply with all applicable Federal requirements, including FTA's Master Agreement. Each grant for section 5324 funds will include special grant conditions, including but not limited to specific requirements of the Disaster Relief Appropriations Act of 2013, Federal share, and enhanced oversight.

Proposals that receive competitive funding allocations must provide evidence of continued progress toward key project milestones, which will be determined cooperatively by FTA and the awardee within six months of the announcement of allocations. Projects that cease to make progress towards these milestones within a reasonable timeframe may have their funding allocations deobligated or rescinded.

Recipients are advised that FTA is implementing an enhanced oversight process for Disaster Relief Appropriation Act funds awarded under the Emergency Relief Program. FTA intends to undertake a risk analysis of each recipient and grant to determine the appropriate level of oversight.

Successful intercity passenger rail projects may be transferred to the FRA for administration and oversight, and will be subject to FRA program requirements.

## **C. Reporting Requirements**

Post-award reporting requirements include submission of the Federal Financial Report and Milestone Progress Reports in FTA's electronic grant management system consistent with FTA's

grants management Circular 5010.1D, as well as any other reporting requirements FTA determines are necessary.

Issued in Washington, DC, this \_\_\_\_\_ day of \_\_\_\_\_, 2013.

Peter Rogoff

Administrator