

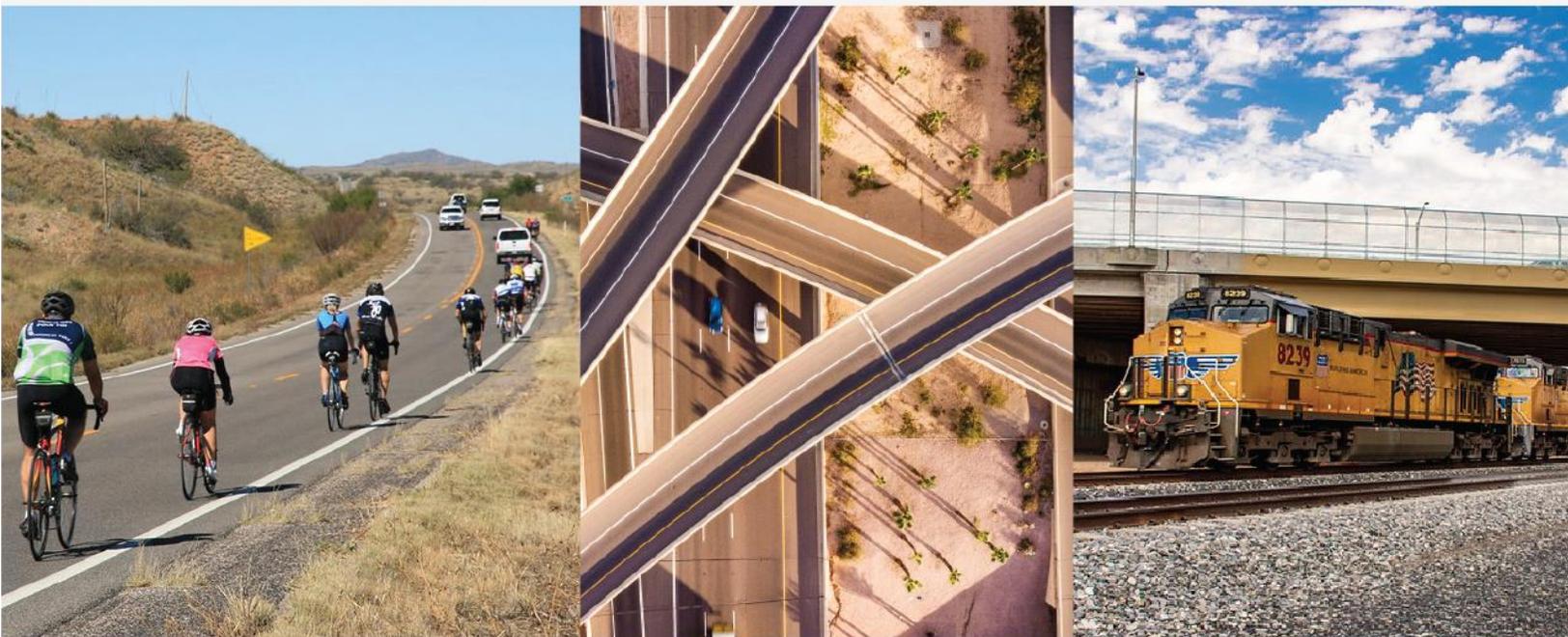


2050 Long-Range Transportation Plan

ADOT

**Infrastructure Investment Act (IIJA) and
Bipartisan Infrastructure Law (BIL)**

Funding Analysis



Connecting Arizona. Better Lives Through Better Transportation.



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1 Introduction

This document is developed in support of The Arizona Department of Transportation 2050 Long-Range Transportation Plan (LRTP). The document provides a financial overview of current Arizona Department of Transportation (ADOT) funding, and analyzes the potential funding streams coming from the Infrastructure Investment and Jobs Act (IIJA) currently referred to as the Bipartisan Infrastructure Law (BIL). The document also provides an initial overview of strategies that can be used by ADOT to prioritize LRTP projects for funding programs including qualitative and quantitative criteria and potential tools for quantitative analysis. The IIJA/BIL programs are evaluated under the following categories:

- Federal formula funds: federal funds allocated directly to ADOT that are not distributed to other MPOs/agencies
- Federal pass through funds: federal funds allocated directly to ADOT that include required distributions to MPOs and other agencies
- Federal financing: federal financing programs available to ADOT that often leverage future formula funds for debt service or other identified state or project specific revenue streams
- Federal discretionary grants: federal funds available to any agency or municipality that meets project eligibility requirements. Funding is awarded through a competitive application process with successful applicants receiving funds directly from the USDOT

While several IIJA/BIL programs have been released with detailed information on eligibility and criteria for considerations, several programs are awaiting release and/or subject to further revision in future years. The following analysis will be updated during the LRTP development to ensure the latest IIJA/BIL information is included and considered in the final LRTP recommendations.

2 Arizona DOT Current Funding Sources

2.1 Overview of Current Funding

The following content is a summary of information provided publicly by ADOT in their *Annual Comprehensive Financial Report* from FY 2021 (values will be refined to reflect the FY 2022 report when available). ADOT had a total revenue of around \$4.1 billion in Fiscal year 2021 generated from a variety of sources including taxes, fees, federal grants, and service charges.

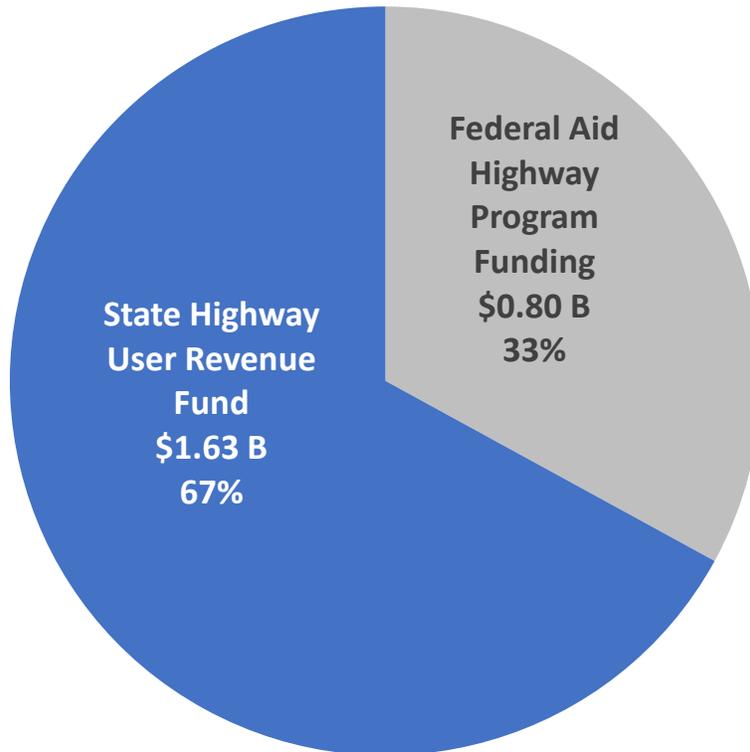
The two primary revenue sources for current funding include

- Highway User Revenue Fund
 - Motor vehicle registration, title, and vehicle license tax (VLT)
 - Fuel and Motor Carrier Taxes
- Federal Highway Programs

Expenditures for the Arizona Department of Transportation for Fiscal Year 2021 were around \$3.2 billion, including distribution of funds, highway expenditures, motor vehicle and administration cost, and non-capital expenditures. Distribution to Arizona counties and cities made up over 50 percent of total expenditures in FY 2021.



Figure 2-1: Breakdown of State Transportation Funding and Federal Transportation Funding for ADOT



Source: ADOT's Sources of Revenues Deposited in the Arizona Highway User Revenue Fund and Arizona Highway Fund Fiscal Year 2012 Through Fiscal Year 2021 and Estimated FY 2016 - FY 2020 Apportionments Under The Fixing America's Surface Transportation (Fast) Act

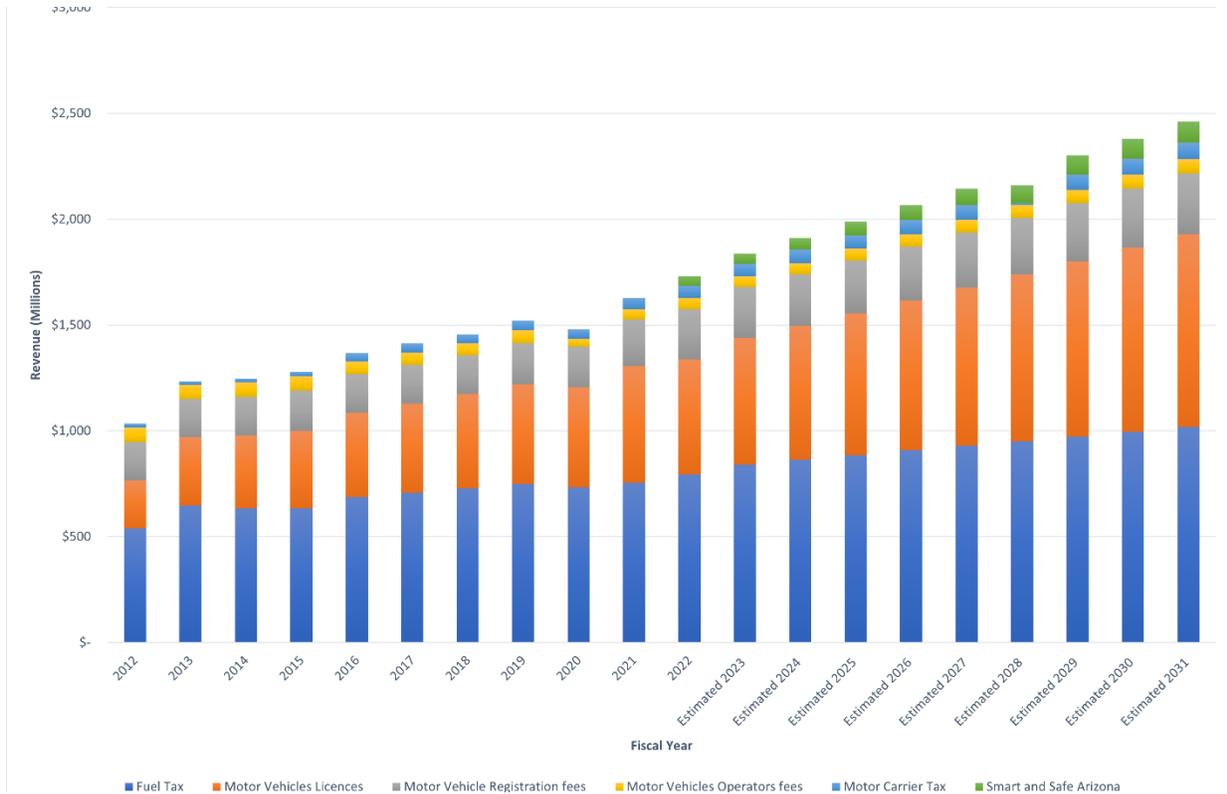
2.2 State Revenue Sources

2.2.1 Highway User Revenue Fund

The Highway User Revenue Fund is the largest of the three primary transportation funding sources for ADOT. The State of Arizona taxes motor fuels and collects a variety of fees and charges relating to the registration and operation of motor vehicles on the public highways. These collections include gasoline and use-fuel taxes, motor-carrier taxes, vehicle-license taxes, motor vehicle registration fees and other miscellaneous fees. These revenues are deposited in the Arizona Highway User Revenue Fund (HURF) and are then distributed to the cities, towns, and counties and to the State Highway Fund. As represented in Figure 2-3, the fund generated over \$1 billion in FY 2012 which increased to over \$1.7 billion for FY 2022 and is expected to generate almost \$2.5 billion dollars in 2031.



Figure 2-2: Historical and projected Revenues for Arizona’s Highway User Revenue Fund



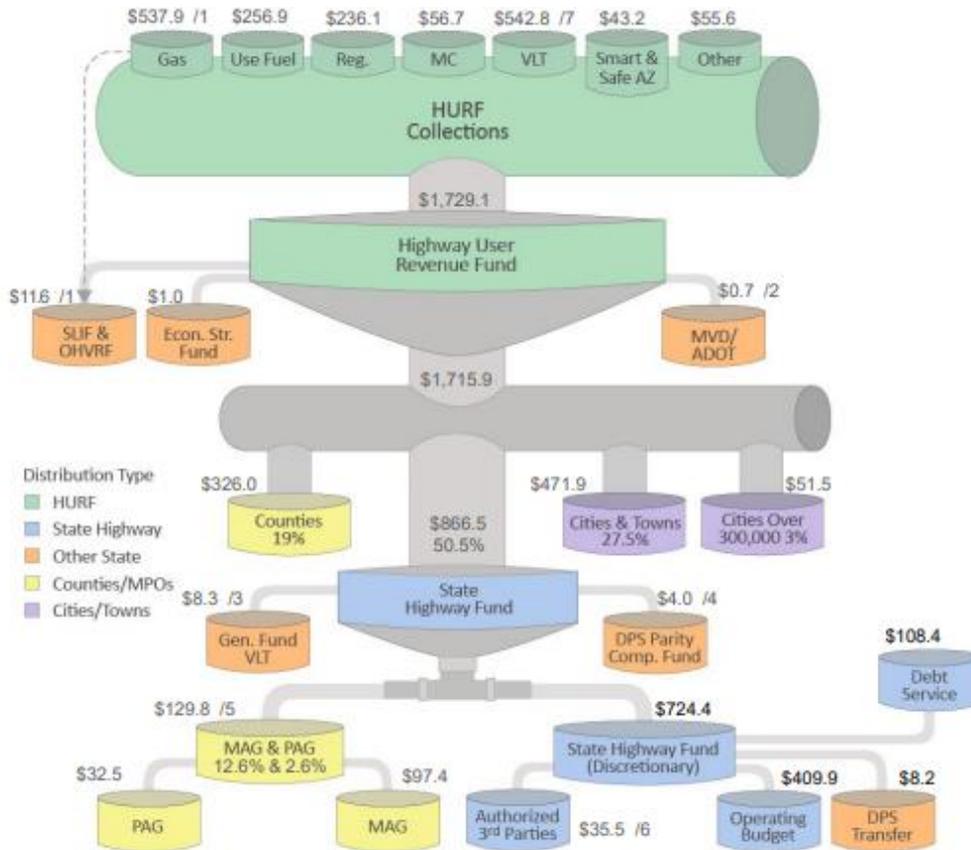
Source: ADOT’s Sources of Revenues Deposited in the Arizona Highway User Revenue Fund and Arizona Highway Fund Fiscal Year 2012 Through Fiscal Year 2022 and ADOT’s Arizona Highway User Revenue Fund Forecasting Process & Results FY 2022-2031

The Highway User Revenue Fund generates different revenues each year as provided in Figure 2-2 based on the taxes that generate it. However, while the amounts may differ, annual revenues from the Highway User Revenue Fund are distributed based on a set distribution formula:

- 50.5% goes to the State Highway Fund
 - 7.67% goes to Maricopa and Pima Counties
 - Split with 75% for Maricopa County and 25% for Pima County
 - 42.83% goes to ADOT discretionary
- 27.5% is distributed to cities and towns
- 3% goes to cities with a population over 300,000 (Phoenix, Mesa, and Tucson)
- 19% is distributed to counties



Figure 2-3: Actual Distribution of the Highway User Revenue Fund for Fiscal Year 2021



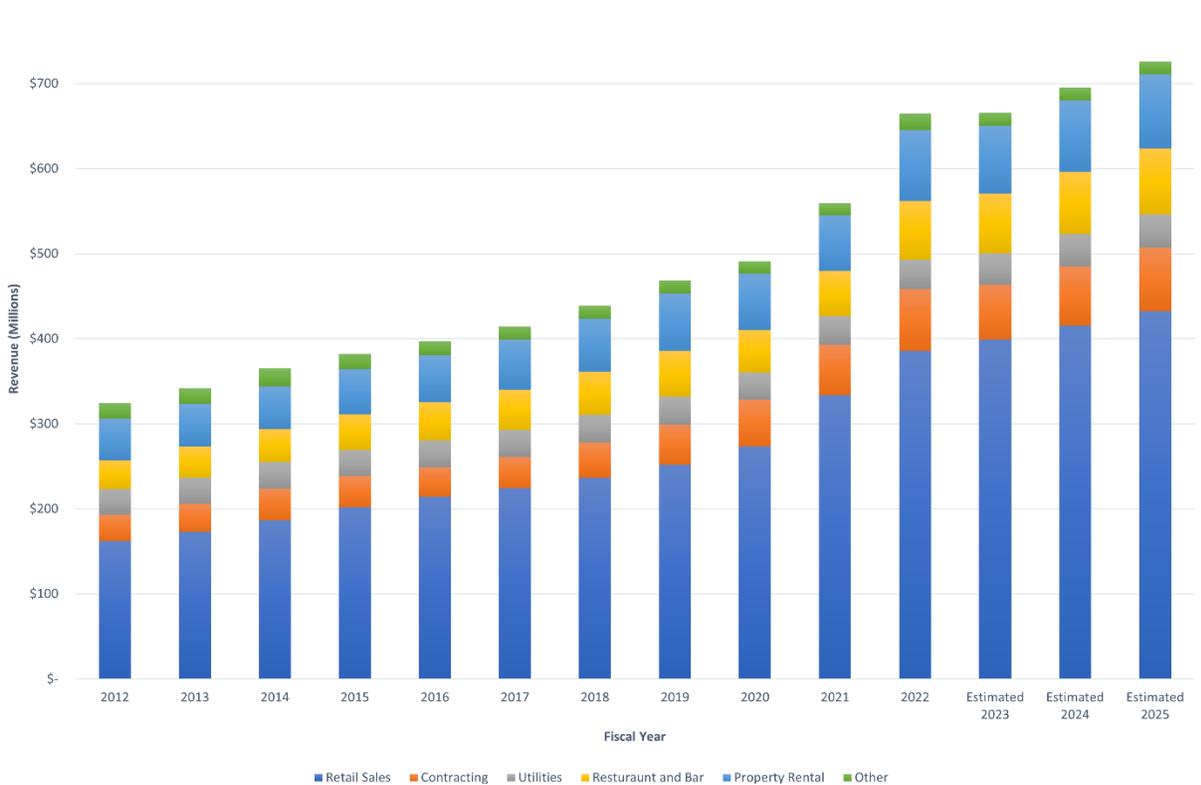
Source: Arizona Department of Transportation FY 2022 HURF Actual Revenue Distribution Flow

2.2.2 Regional Area Road Fund

In November 2004, the voters of Maricopa County approved the extension of the levy of the Maricopa County Transportation Excise Tax for an additional 20 years, ending Dec. 31, 2025. Often referred to as the "half-cent sales tax," the tax is levied upon business activities in Maricopa County, including retail sales, contracting, utilities, rental of real and personal property, restaurant and bar receipts, and other activities. Revenues from these taxes are deposited into the Regional Area Road Fund, which provides funding for highways and local arterials in Maricopa County. What makes this fund different from other regional funds is that the Regional Area Road Fund is administered by ADOT and is part of ADOT's funding. While ADOT administers the RARF, the Maricopa County Regional Public Transportation Authority is responsible for administering the public-transportation fund.



Figure 2-4: Historical and Projected Revenues for Maricopa County’s Regional Area Road Fund



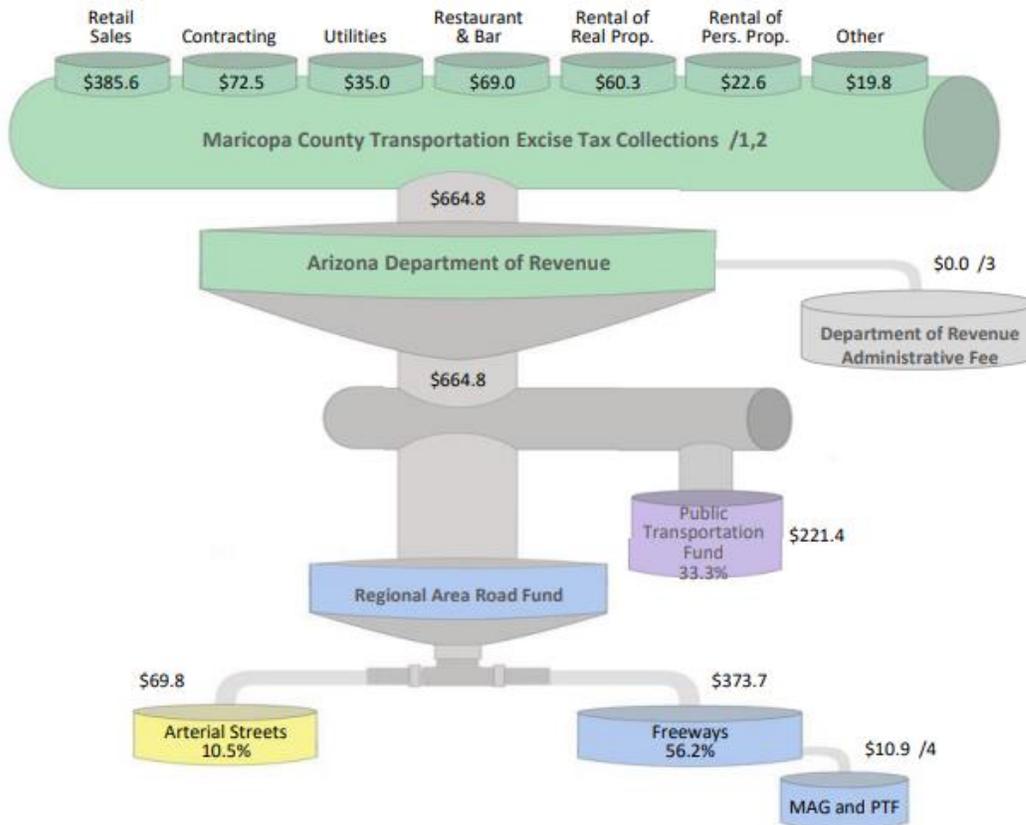
Source: ADOT’s Maricopa County Regional Area Road Fund Transportation Excise Tax Collections Fiscal Year 2012 Through Fiscal Year 2022 and ADOT’s Maricopa County Transportation Excise Tax Forecasting Process & Results FY 2022-2026

Similar to HURF the Regional Area Road Fund Revenues are distributed by the Arizona Department of Revenue, who takes a small administrative fee, they are required to deposit collections as follows;

- 66.7% goes to the Regional Area Road Fund
 - 56.2% is dedicated to freeways and routes on the State Highway System
 - 10.5% is dedicated for major arterial streets and intersection improvements
- 33.3% is distributed to a Public Transportation Fund for capital cost, maintenance, and operation of public transportation



Figure 2-5: Actual Distribution of the Regional Area Road Fund



Source: Maricopa County Transportation Excise Tax FY 202 RARF Actual Revenue Distribution Flow

2.2.3 Regional Transportation Authority

In 2006, the voters of Pima County approved a countywide transportation excise tax for 20 years, ending in 2026. Often referred to as the "half-cent sales tax," the tax is levied upon business activities in Pima County, including retail sales, contracting, utilities, rental of real and personal property, restaurant and bar receipts, and other activities. Revenues from these taxes provide funding for highways and local arterials in Pima County. While these funds do not flow through ADOT, they have been used to help accelerate ADOT projects and provide localized cost sharing, including freeway interchange projects at Twin Peaks, Ina, and Ruthrauff. Based on historic use, RTA funds are not included in the ADOT funding analysis as the expenditures tend to be spot improvements within the larger system.

2.3 Federal Funding

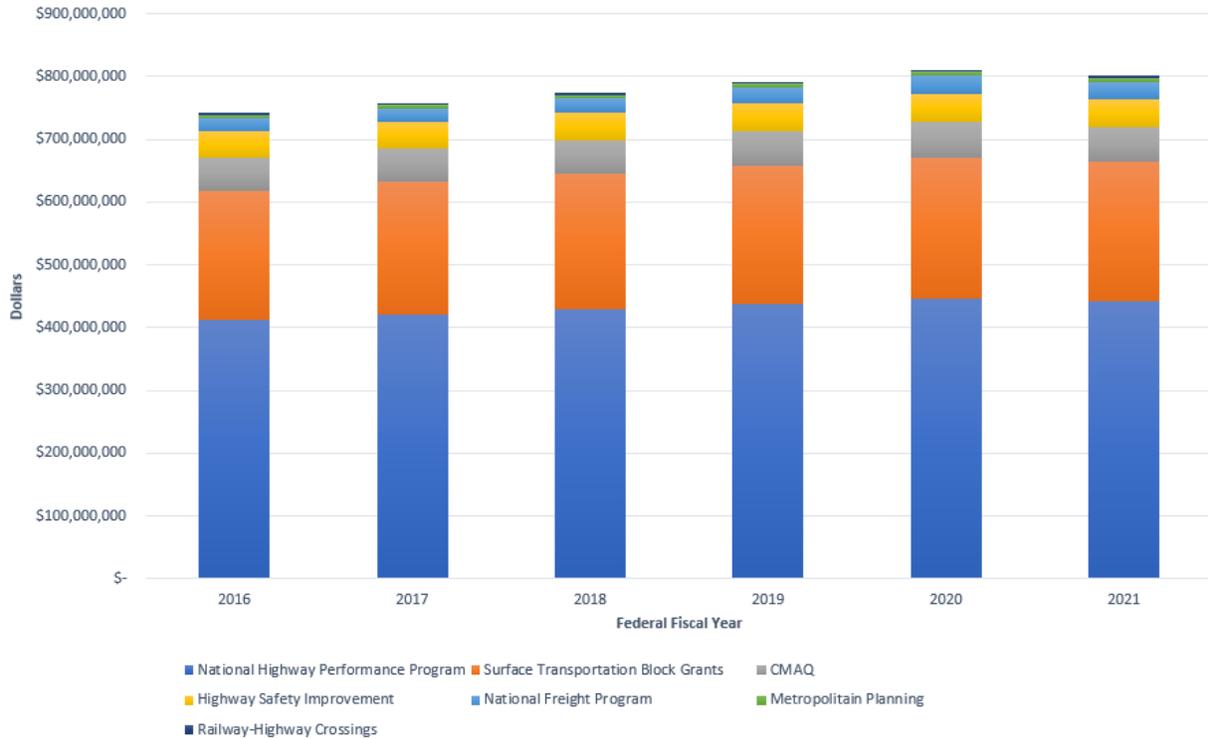
2.3.1 Federal Aid Highway Program

The FAHP is currently a primary source of funding for construction of Arizona highways, roads, and streets. The Federal Aid Highway Program is generated from the federal excise tax on fuel as well as other taxes such as taxes on tires and truck use. Most of the funding of the Federal Aid Highway Program falls into several core programs, including the National Highway Performance Program (NHPP), Surface Transportation Block Grant Program (STBGP), Highway Safety Improvement



Program (HSIP) and Congestion Mitigation and Air Quality (CMAQ). The FAHP is a reimbursement program in which projects and funding are authorized in advanced by the Federal Highway Administration. On average, Arizona has historically seen annual allocations of \$700-800 million through the FAHP.

Figure 2-6: Allocations to Arizona through the Federal Aid Highway Program for Federal Fiscal years 2016-2021



Source: Estimated FY 2016 - FY 2020 Apportionments Under The Fixing America's Surface Transportation (Fast) Act

2.3.2 Federal Discretionary Grant Funding Experience

Table 2-7 shows ADOT's competitive grant experience and success for INFRA and BUILD grants over from 2016 to 2019.

Table 2-7: ADOT Discretionary Grant Funding Success

Program	2016	2017	2018	2019	Total
BUILD- Applied	2	1	2	2	7
BUILD-Won	0	1	0	0	1
INFRA- Applied	1	1	1	1	4



Program	2016	2017	2018	2019	Total
INFRA-Won	1	0	0	1	2
BUILD-Percent Won	0%	100%	0%	0%	14.2%
BUILD-Chance of Winning	5.4%	16.2%	23.2%	12.6%	14.3%
INFRA-Percent Won	100%	0%	0%	100%	50%
INFRA- Chance of Winning	13.9%	4.1%	23.1%	13.75%	13.7%

Source: ADOT Grant Overview Presentation

2.3.3 Federal Financing

Over the last two decades, as revenues have lagged behind investment requirements, Congress and States have sought ways to expand the capacity of the Federal-aid program to deliver projects. Today, States and other project sponsors have available an array of project finance tools to facilitate the delivery of projects. Arizona has utilized several of these financing options - primarily State Infrastructure Banks and Grant Anticipation Revenue Vehicles (GARVEE).

State Infrastructure Banks are revolving infrastructure investment funds for surface transportation that are established and administered by states. A SIB, much like a private bank, can offer a range of loans and credit assistance enhancement products to public and private sponsors of Title 23 highway construction projects, Title 49 transit capital projects, and Title 49 (subtitle V) railroad projects. SIBs give states the capacity to make more efficient use of its transportation funds and significantly leverage Federal resources by attracting non-Federal public and private investment. Arizona established NHS ACT SIB's in 1996 and 1997 with a total of \$46 million in the program.

In the broadest sense, a GARVEE is a type of anticipation vehicle, which are securities (debt instruments) issued when monies are anticipated from a specific source to advance the upfront funding of a particular need. In the case of transportation finance, the anticipation vehicles' revenue source is expected Federal-aid grants. Arizona has utilized 13 GARVEE Bonds over the last 22 years, with a large portion being utilized to fund project in Maricopa County.

*Source: https://www.fhwa.dot.gov/ipd/finance/tools_programs/federal_credit_assistance/sibs/

Table 2-8: Arizona Grant Anticipated Revenue Vehicles (GARVEE) Activity

Date of Issue	Issue (Millions)	Bond Type	Final Maturity	Project Financed
Jul-00	39.41	New Money	2004	Phoenix Highway Projects
May-01	142.89	New Money	2008	Maricopa County Highway Projects
Aug-03	125.2	New Money	2015	Certain Controlled-Access Highway Within Maricopa County
Aug-03	23.66	Refunding	2015	Refunds all the Grant Anticipation Notes Series 2000's Bonds



Date of Issue	Issue (Millions)	Bond Type	Final Maturity	Project Financed
May-04	51	New Money	2014	Colorado River Bridge
Noc-04	104.39	New Money	2016	Maricopa County Highway Projects
Jan-08	68	New Money	2014	Maricopa County Highway Projects
May-09	55.42	New Money	2016	Controlled-access highway projects
Jan-11	158.59	New Money	2026	Controlled-access highway projects and State routes
May-12	43.83	Refunding	2016	Refund portions of the series 2003 and 2004 bonds
Oct-16	90.41	Refunding	2016	Refund portions of the series 2011 bonds
Sept-17	62.60	New Money	2032	Controlled access Highway projects
Mar-19	62.47	New Money	2034	Controlled access Highway projects

Source: Federal Highway Administration Current Garvee Activity

2.4 Current Funding Risks and Opportunities

2.4.1 Funding Risks

The Highway User Revenue Fund is the largest source for transportation funding in the state and serves as the primary vehicle to distribute transportation funding to different cities, counties, MPO’s, and other agencies. Since the Highway User Revenue Fund is generated from the gas tax, ADOT fees, and other sources it is subject to fluctuation based on the use of these sources as seen in 2020 when total economic activity decreased. As gas tax and vehicle registration are large components of the fund, a major funding risk includes a quicker transition to electric vehicles which avoid traditional fuel taxes.

The Regional Area Road Fund (RARF) is a large source of transportation funding for both highways and public transportation in Maricopa County. Similar to HURF, the Regional Area Road Fund generates revenues based on economic activity. However, unlike HURF, these revenues are not strictly transportation related. Instead, they are based on general economic activity such as retail, utilities, and restaurant and bar and RARF would see a decrease in funding if these economic activities were also to decrease. RARF also has another major risk in that the transportation excise tax expires at the end of 2025 and would need to be renewed in order to continue the funding.

With the passing of the Bipartisan Infrastructure Law there are new opportunities for competitive grants that ADOT would be eligible to apply for. However, since these are discretionary, they cannot be relied on as a source of funding.

Another major risk to funding is that while funding is projected to increase for HURF, RARF, and Federal Aid Apportionments, construction costs are also increasing. *ADOT has seen a 56% increase in construction cost over the past five years, meaning that the same amount of funding does not go as far as it did.

* <https://azdot.gov/adot-news/new-federal-infrastructure-law-one-piece-adot-funding-process>

2.4.2 Funding Opportunities

Arizona, specifically Maricopa County, is projected to see population and economic growth which would increase revenues generated in the Highway User Revenue Fund and the Regional Area Road



Fund as reflected in **Figure 2-3** and **Figure 2-5**. The Regional Area Road Fund could also see in its' distribution towards arterial streets and highways (due to the projected populated growth).

One new funding source has become available for the Highway User Revenue Fund. This new funding source comes from the Smart and Safe Arizona Tax which is tax on recreational marijuana.

In addition, while discretionary funding is not included in the estimated future funding, it does give ADOT the opportunity to help fund specific roadway projects if a federal grant is won.

3 ADOT LRTP Project Investment Types

For the previous Statewide Long Range Transportation Plan, ADOT utilized three primary investment Categories for the Recommended Investment Choice (RIC).

1. Preservation - Funding activities that improve or sustain the condition of road pavement and bridge facilities to a state of good repair.
2. Modernization - Funding improvements to the existing State Highway System (SHS) that upgrade efficiency, functionality, and safety without adding capacity.
3. Expansion - Improvements that add capacity to the State Highway System through new roads, adding lanes to existing highways, new rail, and constructing new grade-separated overpass/underpass-

The Recommended Investment Choice defined how ADOT intends to allocate future resources across these three major investment types. In the previous plan, 47% was recommended to expansion, 35% to preservation, and 18% to modernization. The RIC was also divided to represent the Maricopa Association of Governments (MAG) region, the Pima Association of Governments (PAG) region, and the Greater Arizona region. Most of the expansion investments were within the MAG and PAG regions, while most of the preservation investments were in the Greater Arizona region. MAG's RIC split was 87.5% expansion, 11% modernization, and 1.5% preservation. PAG's RIC split was 77.5% expansion and 22.5% modernization. The Greater Arizona RIC split was 78% preservation and 22% modernization. ADOT utilizes these RIC splits in the Planning to Programming process to help make decisions for the Five-Year Program.

ADOT Identifies Five Major Project Investment Categories to invest available funds through a variety of federal, state, aviation, transit, and rail funds, These five Investment Categories are provided below.

Table 3-1: ADOT Five Major Investment Categories

Investment Category	Types of Project/Work
Maintaining and Operating What We Have	Maintenance: Planned upkeep and unplanned work performed to repair and asset or respond to specific condition, incidents, or events. Surface treatments: Improvements that extend the life of an existing asset.
Improving What We Have	Rehabilitation: Structural improvements that extend the service life of an existing asset, re-establish load-bearing capacity, and bring it back to a fully functioning system as originally designed and constructed. Reconstruction: Completely rebuilding an existing road, bridge, or other asset.
Modernizing What We Have	Modernization: improvements that upgrade efficiency, functionality, and safety.
Building Something New	Expansion: New construction work planned and performed to add capacity to the state transportation system.



Investment Category	Types of Project/Work
Pass Through Funds	Specific funding for aviation, rail, and transit where ADOT only administers the distribution of these funds while the work is performed by transit and aviation agencies.

Source: ADOT Project Investment Categories <https://apps.azdot.gov/files/Projects/project-investment-categories.pdf>

4 Federal Formula Funding

Arizona receives annual apportionments of federal formula funds from FHWA. Formula funds provided to ADOT contribute to a significant portion of the overall funding for the LRTP and STIP programming. Federal formula funds include some specific programs that are allocated to metropolitan planning organizations (MPOs) and may not be directly available for ADOT planning/programming efforts as they help fund a wide variety of transportation capital projects and operational programs in those regions. The IIJA/BIL significantly increases formula funding for highways and transit which will provide ADOT and the COG and MPOs increased opportunities. Several of these funding programs require agency matching funds which are typically met through the State HURF or other non-Federal resources. Programs with funding primarily available to MPOs include the Surface Transportation Program (STP), the Congestion mitigation and Air Quality program (CMAQ), the Transportation Alternatives Program (TAP), Enhanced Mobility of Seniors & Individuals with Disabilities (5310), Formula Grants for Rural Areas (5311), Urbanized Area Formula Grants (5307), Grants for Buses and Bus Facilities Formula Program (5339a) and the Statewide Planning Program (5305), along with many others.

4.1 Federal Formula Funding in Arizona

The table below identifies the key formula programs, the amount of funding apportioned in FY 2021 under the Fixing America’s Surface Transportation (FAST) Act, the amount of funding apportioned in FY 2022 under IIJA/BIL, and the average annual amount anticipated to be available under the IIJA/BIL over the next five years. The increased funding available under the IIJA/BIL is visible by comparing the FY 2021 amount under FAST with the FY 2022 and five-year average amounts under IIJA/BIL. Use of formula funding is largely at the discretion of ADOT and IIJA/BIL funding is anticipated to continue to support projects identified in the existing LRTP and updated LRTP upon finalization.

Table 4-1: Federal Highway Program Apportionments FY 2022-2026

Federal Funding Program	Arizona Annual funding Apportionment under FAST Act (FY 21) (Millions)	Arizona Annual funding Apportionment Under IIJA/BIL (FY 22) (Millions)	Arizona Annual Funding Apportionment Under IIJA/BIL (FY 22 to FY26) (Millions)	Eligible Project Types		
				Highway	Transit	Bike/Ped
FHWA Surface Transportation Block Grant	\$221.6	\$252.8	\$263.2	✓	✓	✓
FHWA Carbon Reduction Program	<i>New in IIJA/BIL</i>	\$22.5	\$23.5	✓	✓	✓
PROTECT	<i>New in IIJA/BIL</i>	\$25.6	\$26.7	✓	✓	✓



Federal Funding Program	Arizona Annual Apportionment under FAST Act (FY 21) (Millions)	Arizona Annual Apportionment Under IIJA/BIL (FY 22) (Millions)	Arizona Annual Funding Apportionment Under IIJA/BIL (FY 22 to FY26) (Millions)	Eligible Project Types		
				Highway	Transit	Bike/Ped
FHWA National Highway Performance Program	\$442.0	\$519.7	\$540.9	✓		✓
FHWA Highway Safety Improvement Program	\$45.4	\$55.7	\$58.4	✓		✓
FHWA Railway-Highway Crossing Program	\$3.0	\$3.2	\$3	✓		✓
FHWA CMAQ	\$55.3	\$56.5	\$58.8	✓	✓	✓
FHWA Metropolitan Planning	\$6.3	\$7.7	\$8	✓	✓	✓
National Highway Freight Program	\$27.5	\$25.4	\$26.4	✓		
Apportioned Total	\$801.0	\$969.3	\$1,008.9			
<i>Increase over FY 2021 amounts</i>		+21%	+26%			

4.2 Statewide Planning Requirements for Federal Formula Funding Eligibility

As part of the IIJA/BIL authorization, specific statewide strategic plans were identified as prerequisites for funding eligibility. While all of the IIJA/BIL programs have not been formally released, the following sections outline the primary strategic plan requirements for funding programs new to IIJA/BIL that have been identified with guidance from the USDOT.

4.2.1 NEVI Formula State EV Infrastructure Deployment Plan

The National Electric Vehicle Infrastructure Formula Program (NEVI Formula) provides funding to States to strategically deploy electric vehicle (EV) charging infrastructure and to establish an interconnected network to facilitate data collection, access, and reliability.

The IIJA/BIL requires the Secretary of Transportation to establish a deadline by which States shall develop and submit a State EV Infrastructure Deployment Plan that describes how the State intends to use its apportioned NEVI Formula Program funds in accordance with the guidance. Plans must be submitted to the Joint Office of Energy and Transportation (Joint Office) no later than August 1, 2022. The Federal Highway Administration will review plans and determine whether they are approved by September 30, 2022. States that submit plans before August 1, 2022 will be approved by FHWA on a rolling basis. No State may obligate its apportioned NEVI Formula Funds for EV charging infrastructure projects until that State’s Plan has been submitted to the Joint Office and



approved by FHWA but staffing and development of the Plan will be eligible for reimbursement (in accordance with 2 CFR Part 200).

At a minimum, the Plan narrative should provide necessary information on the following sections:

- Introduction
- State Agency Coordination
- Public Engagement
- Plan Vision and Goals
- Contracting
- Existing and Future Conditions Analysis
- EV Charging Infrastructure Deployment
- Implementation
- Civil Rights
- Equity Considerations
- Labor and Workforce Considerations
- Cybersecurity
- Program Evaluation
- Discretionary Exceptions

4.2.2 CRP Carbon Reduction Strategy

The Carbon Reduction Program (CRP) provides funds for projects designed to reduce transportation emissions, defined as carbon dioxide (CO₂) emissions from on-road highway sources. To be eligible for funds, the CRP requires that each State, in consultation with any MPO designated within the State, to develop a carbon reduction strategy no later than 2 years after enactment and then update the strategy at least every four years.

The carbon reduction strategy must meet the following requirements:

- Supports efforts and identifies projects and strategies to support the reduction of transportation emission
- At the State’s discretion, quantifies the total carbon emissions from production, transport, and use of materials used in the construction of transportation facilities in the State
- Is appropriate to the population density and context of the State, including any MPO designated within the State.

Furthermore, the carbon reduction strategy allows the inclusion of projects and strategies for safe, reliable, and cost-effective options to achieve the following:

- Reduce traffic congestion by facilitating the use of alternatives to single-occupant vehicle trips, including public transportation facilities, pedestrian facilities, bicycle facilities, and shared or pooled vehicle trips within the State or an area served by the relevant MPO
- Facilitate use of vehicles or modes of travel that result in lower transportation emissions per person-mile traveled as compared to existing vehicles and modes
- Facilitate approaches to the construction of transportation assets that result in lower transportation emissions as compared to existing approaches.



The FHWA is required to review the State's process for developing its carbon reduction strategy and certify that the strategy meets statutory requirements. In addition, the FHWA may provide technical assistance in the development of the strategy at the request of a State.

4.2.3 PROTECT Resilience Improvement Plan

The Promoting Resilient Operations for Transformative, Efficient, and Cost Saving Transportation (PROTECT) program helps States improve the resiliency of transportation infrastructure. The program funds projects to better anticipate, prepare for, and adapt to changing conditions and disruptions in response to extreme weather events and natural disasters. It includes both direct formula funding and a competitive grant program.

While not required as part of the planning process, a Resilience Improvement Plan may be developed and incorporated by the recipient state or MPO to increase Federal shares by up to 7%. The contents of the plan include the following:

- Shall be for immediate and long-range planning activities and investments
- Demonstrates a systematic approach to transportation system resilience
- Includes risk-based assessment of vulnerabilities of assets
- Designate evacuation routes
- Plans for response to anticipated emergencies
- Describes resilience improvement policies
- Include an investment plan with priority projects and how funds provided would be invested and matched
- Uses science and data
- Includes a description of how the plan will improve the ability of the MPO to respond promptly to impacts and be prepared for changing conditions
- Assesses the resilience of other community assets
- Uses a long-term planning period

4.2.4 National Highway Performance Program (NHPP)

The IIJA/BIL continues the National Highway Performance Program (NHPP). The purposes of this program are:

- To provide support for the condition and performance of the National Highway System (NHS)
- To provide support for the construction of new facilities on the NHS
- To ensure that investments of Federal-aid funds in highway construction are directed to support progress toward the achievement of performance targets established in a State's asset management plan for the NHS
- To provide support for activities to increase the resiliency of the NHS to mitigate the cost of damages from sea level rise, extreme weather events, flooding, wildfires, or other natural disasters

In addition to all requirements that applied to NHPP under the FAST Act, the IIJA/BIL requires consideration of extreme weather and resilience as part of the lifecycle cost and risk management analyses within a State's asset management plan.



4.2.5 Highway Safety Improvement Program (HSIP)

The IIJA/BIL continues the Highway Safety Improvement Program (HSIP) to achieve a significant reduction in traffic fatalities and serious injuries on all public roads, including non-State-owned public roads and roads on tribal land. The HSIP requires a data-driven, strategic approach to improving highway safety on all public roads that focuses on performance.

The IIJA/BIL emphasizes the importance of vulnerable road user safety in the HSIP by adding a definition for vulnerable road users, creating a vulnerable road user special rule, and requiring States to develop and update a vulnerable road user safety assessment.

The IIJA/BIL requires States to complete a vulnerable road user (non-motorist) safety assessment within 2 years of enactment and update that assessment in accordance with updates required to the Strategic Highway Safety Plan. Vulnerable road user safety assessments are required to include:

- A quantitative analysis of vulnerable road user fatalities and serious injuries (including data such as location, roadway functional classification, design speed, speed limit, and time of day; considering demographics of the locations of fatalities and serious injuries; and identifying areas as “high-risk” to vulnerable road users)
- A program of projects or strategies to reduce safety risks to vulnerable road users identified as high-risk

The IIJA/BIL requires States, when carrying out a vulnerable road user safety assessment, to take into consideration a safe system approach (i.e., a roadway design that emphasizes minimizing road users’ risk of injuries or fatalities, takes human error into consideration, accommodates human injury tolerance, and considers vulnerable road users). Furthermore, the IIJA/BIL requires the Secretary to establish guidance for States to carry out the vulnerable road user safety assessments.

4.2.6 Railway-Highway Crossing Program (RHCP)

The IIJA/BIL continues the Railway-Highway Crossings Program (RHCP), which provides funds for safety improvements to reduce the number of fatalities, injuries, and crashes at public railway-highway grade crossings. The IIJA/BIL changes annual reporting requirements, requiring each State to submit an annual report to FHWA by August 31 of each year (compared to December 30 under the FAST Act) describing the State’s progress made to implement the RHCP and the effectiveness of the improvements made as a result.

4.2.7 Metropolitan Planning Program (MPP)

The IIJA/BIL continues the Metropolitan Planning Program (MPP), which establishes a cooperative, continuous, and comprehensive framework for making transportation investment decisions in metropolitan areas. Program oversight is a joint Federal Highway Administration/Federal Transit Administration responsibility.

In addition to all requirements that applied to MPP under the FAST Act, the IIJA/BIL has updated planning requirements and considerations in the following areas:

- Fiscal Constraint on Long-Range Plans: The IIJA/BIL requires the United States Department of Transportation to amend Federal regulations to define a metropolitan transportation plan’s outer years as beyond the first four years
- Representation: The IIJA/BIL requires an MPO that serves an area designated as a transportation management area, when designating officials or representatives for the first time and subject to the MPO’s bylaws or enabling statute, to consider the equitable and proportional representation of the population of the metropolitan planning area



- Designation of More Than One MPO in an Urbanized Area: The IIJA/BIL changes an existing requirement such that more than one MPO may be designated within an existing urbanized area (as opposed to within a metropolitan planning area under the FAST Act) only if the Governor and the existing MPO determine that the size and complexity of the area make such a designation for the area appropriate
- Public Participation: The IIJA/BIL allows MPOs to use social media and other web-based tools to encourage public participation in the transportation planning process
- Housing Coordination: The IIJA/BIL makes several changes to include housing considerations in the metropolitan transportation planning process

5 Federal Discretionary Grants

For each of the primary discretionary grant programs in IIJA/BIL, a sub-section is provided outlining each program. Further information on eligibility requirements, process requirements, project selection criteria, and how to best position ADOT for funding are provided in Appendix A – Discretionary Grant Program Details.

5.1 USDOT National Infrastructure Project Assistance Program (MEGA)

The IIJA/BIL creates a new discretionary grant program titled the National Infrastructure Project Assistance Program for large transportation projects that exceed \$500 million in anticipated costs and are likely to “generate national or regional economic, mobility, or safety benefits.” Eligible projects include highway or bridge projects on the National Highway System, as well as freight and passenger rail and public transportation projects. An overall program that includes numerous transportation modes, like the LRTP, is also an eligible project for this opportunity. Eligible uses of grant funding are broad and include all stages of project development (i.e., planning, environmental, and design work) and construction, as well as interest and other financing costs required to carry out the project under a multiyear agreement.

A newly authorized program under the BIL, USDOT has released policy guidance on how the program will be administered and how the competition will be managed through its annual notice of funding opportunity (NOFO) in March 2022. USDOT announced that \$5 billion will be made available from FY22 – FY26; \$1 billion was made available in FY22. Fifty percent of funds were made available for projects greater than \$500 million and 50% for projects between \$100 million and \$500 million in cost. The deadline for applications for FY22 funding was May 23, 2022, and it is anticipated that USDOT will issue a NOFO again in Spring 2023.

The table below outlines the USDOT National Infrastructure Project Assistance Program and its applicability to the LRTP.

Table 5-1: National Infrastructure Project Assistance Program Outline

Criterion	Mega Program
Funding Available	\$1 Billion in FY 22 awards. Half of funding reserved for projects with between \$100–500 Million in Cost
Matching Requirements	Grant award may not exceed 60% of eligible project cost. Total federal assistance not to exceed 80% of total project cost.



Criterion		Mega Program
Eligible Applicant		ADOT, MPO, local government, special purpose district/port authority, tribal government or consortium of tribal governments, a multi-State or multijurisdictional group of entities
Eligible Phases	Planning	✓
	Environmental/Design	✓
	Construction	✓
Eligible Project Types	Highway	✓
	Transit	✓
	Bicycle/Pedestrian	✓
Likelihood of Funding for the LRTP		Medium:33-66% of receiving funds throughout the duration of IJJA/BIL due to dollar value of the program and restrictions on funds allocated to specific states to encourage geographic diversity.

5.2 USDOT Infrastructure for Rebuilding America Grant Program (INFRA)

The Nationally Significant Multimodal Freight and Highway Projects grant program (also known as “INFRA”) is dedicated to rebuilding the nation’s aging infrastructure. INFRA utilizes selection criteria that promote projects that are critical to national and regional economic vitality as well as environmental justice goals towards highway and intercity/freight rail projects. The program also incentivizes project sponsors to pursue innovative delivery strategies, including public-private partnerships. In March 2022, USDOT announced up to \$8 billion in funds available for awards from FY22 – FY26, of which approximately \$1.55 billion was made available in FY22. The deadline for applications for FY22 funding was May 23, 2022, and it is anticipated that USDOT will issue a NOFO again in Spring 2023.

The table below outlines the INFRA program and its applicability to the LRTP.

Table 5-2: INFRA Grants Awarded to ADOT 2016-2022

Year	Project Name	Amount Awarded	Urban/Rural	Roadway Type
2016	I-10 Phoenix to Tucson Corridor Improvements	\$54 M	Rural	Interstate
2019	I-17: Flexible Demand	\$90 M	Rural	Interstate
Total	2	\$144 M	2 Rural	2 Interstate

Source: INFRA/FASTLANE Awards 2016-2021 <https://www.transportation.gov/grants/infra-project-map>



Table 5-3: INFRA Outline

Criterion		INFRA Program
Funding Available		\$1.55 Billion in FY 22 awards; Minimum of \$25 Million for large project and \$5 Million for small projects
Matching Requirements		Grant award may not exceed 60% of eligible project cost. Total federal assistance not to exceed 80% of total project cost.
Eligible Applicant		ADOT, MPO, local government, special purpose district/port authority, tribal government or consortium of tribal governments, a multi-State or multijurisdictional group of entities
Eligible Phases	Planning	✓
	Environmental/Design	✓
	Construction	✓
Eligible Project Types	Highway	✓
	Transit	
	Bicycle/Pedestrian	
Likelihood of Funding for the LRTP		Medium:33-66% of receiving funds throughout the duration of IJJA/BIL due to dollar value of the program and prior awards to Arizona

5.3 USDOT Rebuilding American Infrastructure Sustainability and Equity Grant Program (RAISE)

The Rebuilding American Infrastructure with Sustainability and Equity (RAISE) grant program (formerly known as BUILD or TIGER) is a highly competitive USDOT grant program that supports the capital costs of road, rail, transit, and multimodal projects that have a significant impact on the nation, a region, or a metropolitan area. In March 2022, the Consolidated Appropriations Act appropriated an additional \$775M for the FY22 RAISE Grant Program, bringing the total available funds in FY22 to \$2.275 billion. The deadline for applications for FY22 funding was April 14, 2022, and it is anticipated that USDOT will issue a NOFO again in Winter or Spring 2023.

The table below outlines the RAISE program and its applicability to the LRTP.

Table 5-4: Raise/Build/Tiger Grants Awarded to ADOT 2012-2022

Year	Project Name	Amount Awarded	Urban/Rural	Roadway Type
2012	I-15 Virgin River Gorge Bridge	\$21.6 M	Rural	Interstate
2015	SR 347 Grade Separation Project	\$15 M	Rural	State Highway
2017	SR 189 Flyovers: Grade Separating the Trucks from the Town	\$25 M	Rural	State Highway



Year	Project Name	Amount Awarded	Urban/Rural	Roadway Type
Total	3	\$61.6 M	3 Rural	1 Interstate, 2 State Highway

Raise/Build/Tiger 2009-2022 Awarded Projects <https://www.transportation.gov/policy-initiatives/build/awards-2009-2020>

Table 5-5: Raise Outline

Criterion		RAISE Program
Funding Available		\$2.275 Billion in FY 22 awards; Maximum potential award is \$25 Million
Matching Requirements		For urban projects, federal share may not exceed 80% of total project costs; minimum 20% non-federal match
Eligible Applicant		ADOT, MPO, local government, special purpose district/port authority, transit agency, tribal government or consortium of tribal governments, a multi-State or multijurisdictional group of entities
Eligible Phases	Planning	✓
	Environmental/Design	✓
	Construction	✓
Eligible Project Types	Highway	✓
	Transit	✓
	Bicycle/Pedestrian	✓
Likelihood of Funding for the LRTP		Medium:33-66% of receiving funds throughout the duration of IIJA/BIL due to dollar value of the program and prior awards to Arizona

5.4 Competitive Bridge Investment Program

The IIJA establishes a new Competitive Bridge Investment Program designed to fund projects that replace, rehabilitate, preserve, or protect bridges listed in the National Bridge Inventory. The overarching goals of this program are three-fold:

- Improve the safety, efficiency, and reliability of people and freight movement over bridges.
- Improve the condition of bridges in the U.S.
- Leverage non-federal contributions from sponsors and stakeholders involved in planning, design, and construction by providing federal financial assistance.

Eligible uses of grant funding are broad and include all stages of project development (i.e., planning, environmental, and design), construction, and implementing operational improvements that are directly related to improving system performance.

The IIJA appropriates \$9.2 billion between FY 2022 and 2026 to fund this discretionary program, and an additional \$6.5 billion is authorized for annual congressional appropriation during those years. A portion of this discretionary funding—at least 50 percent—is reserved for large projects



with eligible project costs greater than \$100 million. As this is a newly authorized program, FHWA has not yet released any policy guidance on how the program will be administered and how the competition will be managed.

The table below outlines the FHWA Competitive Bridge Investment Program and its applicability to the LRTP.

Table 5-6: Competitive Bridge Investment Program Outline

Criterion		Bridge Program
Funding Available		\$9.2 Billion to \$15.8 Billion from FY 22 to FY 26, Minimum award of \$50 Million
Matching Requirements		Grant share may not exceed 50% of total project costs, total federal assistance not to exceed 80%
Eligible Applicant		ADOT, MPO, local government, special purpose district/port authority, an FLMA, tribal government or consortium of tribal governments, a multi-State or multijurisdictional group of entities
Eligible Phases	Planning	✓
	Environmental/Design	✓
	Construction	✓
Eligible Project Types	Highway	✓
	Transit	
	Bicycle/Pedestrian	
Likelihood of Funding for the LRTP		Medium to High: 33-100% of receiving funds throughout the duration of I/JA/BIL due to dollar value of the program and emphasis on geographic diversity.

5.5 Rural Surface Transportation Program (Rural)

Implemented by the FHWA, this program provides competitive grants to improve and expand the surface transportation infrastructure in rural areas. These grants aim to increase regional connectivity, improve the safety and reliability of the movement of people and freight, and generate regional economic growth and improve the quality of life. Program funding covers both project development and construction phases.

The table below outlines the Rural Program and its applicability to the LRTP.

Table 5-7: Rural Surface Transportation Program Outline

Criterion		Rural Program
Funding Available		\$2 Billion from FY 22 to FY 26, \$300 Million available in FY 22
Matching Requirements		Up to 80% federal share
Eligible Applicant		ADOT, MPO, local government, tribal government or consortium of tribal governments, a multi-State or multijurisdictional group of entities



Criterion		Rural Program
Eligible Phases	Planning	✓
	Environmental/Design	✓
	Construction	✓
Eligible Project Types	Highway	✓
	Transit	
	Bicycle/Pedestrian	
Likelihood of Funding for the LRTP		Medium to High: 33-100% of receiving funds throughout the duration of IJJA/BIL due to dollar value of the program and emphasis on geographic diversity.

5.6 Congestion Relief Program

Implemented by the FHWA, this program provides discretionary grants to advance innovative, integrated, and multimodal solutions to congestion relief in the most congested metropolitan areas of the United States. The program seeks to reduce highway congestion, reduce economic and environmental costs associated with that congestion, including transportation emissions, and optimize existing highway capacity and usage of highway transit systems through the following:

- Improving intermodal integration with highways, highway operations, and highway performance;
- Reducing or shifting highway users to off-peak travel times or to nonhighway travel modes during peak travel times; and
- Pricing of, or based on, as applicable — parking, use of roadways, including in designated geographic zones, or congestion.

The table below outlines the Congestion Relief Program and its applicability to the LRTP.

Table 5-8: Congestion Relief Program Outline

Criterion		Congestion Relief Program
Funding Available		\$250 Million from FY 22 to FY 26, \$50 Million in FY 22. Minimum award is \$10 Million
Matching Requirements		Up to 80% federal share
Eligible Applicant		ADOT, MPO, local government
Eligible Phases	Planning	✓
	Environmental/Design	✓
	Construction	✓



Criterion		Congestion Relief Program
Eligible Project Types	Highway	✓
	Transit	✓
	Bicycle/Pedestrian	
Likelihood of Funding for the LRTP		Low to Medium: 0-66% of receiving funds throughout the duration of IJJA/BIL due to lower dollar value of the program and emphasis on road pricing concepts which are not currently deployed in Arizona

5.7 Promoting Resilient Operations for Transformative, efficient and Cost Saving Transportation (Protect) Program

The Promoting Resilient Operations for Transformative, Efficient, and Cost-Saving Transportation (PROTECT) Grant Program is a formula and discretionary grant program that helps support resilience improvements. This is a new program that was enacted as part of the BIL, which authorized a total of \$8.7 billion for this program over the next five years. The program includes \$7.3 billion in formula funding that will be distributed to States while \$1.4 billion will be available in competitive grants. The IJJA/BIL authorized \$250 million in competitive grants for FY22.

The table below outlines the PROTECT Program and its applicability to the LRTP.

Table 5-9: Protect Outline

Criterion		PROTECT Program
Funding Available		\$250 Million in competitive funding for FY22
Matching Requirements		Typically, 80% federal and 20% non-federal, For interstate projects- 90% federal and 10% non-federal
Eligible Applicant		MPO, local government
Eligible Phases	Planning	✓
	Environmental/Design	✓
	Construction	✓
Eligible Project Types	Highway	✓
	Transit	✓
	Bicycle/Pedestrian	✓
Likelihood of Funding for the LRTP		Low: 0-33% due to emphasis on MPO and local government. May be some opportunities for ADOT to work with a local government or MPO on applying for funding on a project that is included in the ADOT LRTP.



5.8 Charging and Fueling Infrastructure

Administered by the FHWA, this competitive grant program will provide \$2.5 billion in discretionary funds over the next five years geared towards the strategic deployment of publicly accessible electric vehicle charging infrastructure and other alternative fueling infrastructure along designated alternative fuel corridors.

Program funds will be made available each fiscal year for Community Grants, to install electric vehicle charging and alternative fuel in locations on public roads, schools, parks, and in publicly accessible parking facilities. These grants will be prioritized for rural areas, low-and moderate-income neighborhoods, and communities with low ratios of private parking, or high ratios of multiunit dwellings.

The table below outlines the Charging and Fueling Infrastructure Grants Program and its applicability to the LRTP.

Table 5-10: Charging and Fueling Infrastructure

Criterion		Charging and Fueling Program
Funding Available		\$2.5 Billion in competitive funding over five years. \$300 Million available in FY 22
Matching Requirements		Up to 80% federal share
Eligible Applicant		ADOT, MPO, local government, tribal government, special purpose district
Eligible Phases	Planning	✓
	Environmental/Design	✓
	Construction	✓
Eligible Project Types	Highway	✓
	Transit	✓
	Bicycle/Pedestrian	
Likelihood of Funding for the LRTP		Medium to High: 33-100% of receiving funds throughout the duration of IJJA/BIL due to dollar value of the program and emphasis on geographic diversity and smaller agencies.

5.9 Active Transportation Infrastructure Investment Program

The IJJA/BIL directs the USDOT to develop this program to fund projects that provide safe and connected active transportation facilities in an active transportation network or active transportation spine. The IJJA/BIL authorized \$200 million per year for the five-year term of the bill but did not appropriate funding. As such, the program is subject to annual appropriations.

The table below outlines the Active Transportation Infrastructure Investment Program and its applicability to the LRTP.



Table 5-11: Active Transportation Program Outline

Criterion		Active Transportation Program
Funding Available		\$1 Billion in competitive funding over next five years
Matching Requirements		Up to 80% federal share, 100% share for disadvantaged communities
Eligible Applicant		Nonprofit, public agency Tribal Government
Eligible Phases	Planning	✓
	Environmental/Design	✓
	Construction	✓
Eligible Project Types	Highway	✓
	Transit	✓
	Bicycle/Pedestrian	✓
Likelihood of Funding for the LRTP		Low: 0-33% due to emphasis on local government. May be some opportunities for ADOT to work with a local government or MPO on applying for funding on a project that is included in the ADOT LRTP.

6 Federal Financing Options

There is a key difference between funding and financing and how each could contribute to the LRTP program. Essentially, funding is a monetary resource that is available to pay for capital investments when needed, whereas financing is a tool that facilitates borrowing against future revenues to convert them into current funding when needed. With financing, the borrowed funds must then be repaid with interest in the future. This section of the report documents federal financing options that are applicable to the LRTP.

6.1 USDOT Build America Bureau Transportation Infrastructure Finance and Innovation Act (TIFIA)

USDOT’s TIFIA program, administered by the Build America Bureau, provides federal credit assistance in the form of direct loans, loan guarantees, and standby lines of credit to finance surface transportation projects of national and regional significance. TIFIA leverages federal funds by attracting private and non-federal investments to projects with TIFIA credit assistance providing improved access to capital markets, offering flexible repayment terms, and potentially providing more favorable interest rates than can be found in private capital markets for similar instruments. Any highway or transit capital project eligible for federal aid and included in the applicable state transportation improvement program is also eligible for the TIFIA program.

Credit assistance is limited to 33 percent of reasonably anticipated eligible project costs. The combined share of TIFIA proceeds and other federal funding for a given project may not exceed 80 percent of the total project cost. The project must be at least partially supported by user charges such as fare revenues, toll revenues, or other non-federal dedicated funding sources.



The program permits repayment over a term of up to 35 years after a project’s substantial completion, and it provides borrowers with the flexibility to defer principal and capitalize interest payments for up to 5 years. Creditworthiness is a critical factor in the evaluation process; if the revenue streams of a project are unproven, an additional pledge by the state or local government can be used to secure the loan. Applicants for TIFIA loans do not have to pay a credit risk premium to cover the cost of potential losses on the project. Congress appropriates funding each year to cover those costs.

The LRTP could be a strong candidate for TIFIA assistance since toll revenue could be pledged as a repayment stream to demonstrate creditworthiness. Benefits of the TIFIA program include low interest rates equal to long-term U.S. Treasuries, the ability to capitalize debt for up to 5 years, and credit risk premium assistance. However, the administrative requirements necessary to demonstrate creditworthiness are extensive and time consuming.

The table below outlines the USDOT TIFIA financing program and its applicability to the LRTP.

Table 6-1: TIFIA Outline

Criterion		TIFIA Program
Funding Available		\$300 Million annually for credit subsidy
Matching Requirements		Assistance limited to 33% of project costs; require dedicated repayment stream; may require additional pledge to ensure credit worthiness.
Eligible Phases	Planning	✓
	Environmental/Design	✓
	Construction	✓
Eligible Project Types	Highway	✓
	Transit	✓
	Bicycle/Pedestrian	✓
Likelihood of Funding for the LRTP		Medium

6.2 Grant Anticipation Revenue Vehicles (GARVEE)

Grant Anticipation Revenue Vehicles (GARVEEs) enable States to pay debt service and other bond-related expenses with future Federal-aid highway funds. GARVEEs generates up-front capital for major highway projects at generally tax-exempt rates and enable a State to construct a project earlier than if using traditional pay-as you-go grant resources. As a result, costs are lower due to inflation savings, and the public realizes safety and economic benefits. By paying with future Federal-aid funds, the cost of the facility is spread over its useful life, rather than just during the construction period. GARVEEs can expand access to capital markets as a supplement to general obligation or revenue bonds.



GARVEEs can be issued by a State, a political subdivision of a State, or a public authority. States can receive Federal-aid reimbursements for various debt-related costs incurred in connection with an eligible debt-financing instrument, such as a bond, note, certificate, mortgage, or lease. Reimbursable debt-related costs include interest payments, retirement of principal, and any other cost incidental to the sale of an eligible debt instrument.

Candidates for GARVEE financing typically include projects that exhibit the following:

- The costs of delay outweigh the costs of financing.
- Other borrowing approaches may not be feasible or are limited in capacity.
- The project does not have access to a revenue stream, and other forms of repayment are not feasible.
- The sponsors are willing to reserve a portion of future year Federal-aid highway funds to satisfy debt-service requirements.
- States are finding GARVEEs to be an attractive financing mechanism to bridge funding gaps and to accelerate construction of major corridor projects.

Generally, projects funded with the proceeds of a GARVEE debt instrument are subject to the same requirements as other Federal-aid projects except for the reimbursement process. Instead of reimbursing construction costs as they are incurred, the reimbursement of GARVEE project costs occurs when debt service is due. For a GARVEE, a State may request partial conversion of advance construction project(s) to coincide with debt-service payments, allowing for effective use of obligation authority.

The table below outlines the GARVEE financing program and its applicability to the LRTP.

Table 6-2: GARVEE Outline

Criterion		GARVEE Program
Funding Available		Variable: GARVEE projects must be part of an approved, fiscally- constrained state transportation improvement plan, and GARVEE debt service must appear on that STIP.
Matching Requirements		The maximum federal share of the cost of a bond issue project approved under section 122 is the share as defined under section 120 of Title 23.
Eligible Phases	Planning	✓
	Environmental/Design	✓
	Construction	✓
Eligible Project Types	Highway	✓
	Transit	✓
	Bicycle/Pedestrian	
Likelihood of Funding for the LRTP		Medium



6.3 State Infrastructure Banks (SIB)

State Infrastructure Banks (SIBs) are revolving infrastructure investment funds for surface transportation that are established and administered by states. Like a private bank, SIBs can offer a range of loans and credit assistance enhancement products to public and private sponsors of highway construction projects, transit capital projects, and railroad projects. SIBs give states the capacity to increase make more efficient use of its transportation funds and significantly leverage Federal resources by attracting non-Federal public and private investment. Alternatively, SIB capital can be used as collateral to borrow in the bond market or to establish a guaranteed reserve fund. Loan demand, timing of needs, and debt financing considerations are factors to be weighed by states in evaluating a leveraged SIB approach.

SIBs are capitalized with Federal-aid surface transportation funds and matching State funds. Notably, several states have established SIBs or separate SIB accounts capitalized solely with state funds. As loans or other credit assistance forms are repaid to the SIB, its initial capital is replenished and can be used to support a new cycle of projects.

The table below outlines the SIB financing program and its applicability to the LRTP.

Table 6-3: SIB Outline

Criterion		SIB Program
Funding Available		Variable: SIB can be capitalized with federal-aid surface transportation funds and matching state funds or capitalized with TIFIA loan to lend to rural infrastructure projects.
Matching Requirements		Disbursements of Federal funds must be matched by a state deposit of at least 25% of the federal contributions (which equals 20% of total deposit) , except where the sliding scale applies.
Eligible Phases	Planning	✓
	Environmental/Design	✓
	Construction	✓
Eligible Project Types	Highway	✓
	Transit	✓
	Bicycle/Pedestrian	
Likelihood of Funding for the LRTP		Medium

6.4 Section 129 Loans

Section 129 of Title 23 allows Federal participation in a state loan to support projects with dedicated revenue stream including tolls, excise taxes, sales taxes, real property taxes, motor



vehicle taxes, incremental property taxes, or other beneficiary fees. Similar to SIBs, Section 129 loans allow states to leverage additional transportation resources and recycle assistance to other eligible projects. States have the flexibility to negotiate interest rates and other terms of Section 129 loans. When a loan is repaid, the state is required to use the funds for a Title 23 eligible project or credit enhancement activities, such as the purchase of insurance or a capital reserve to improve credit market access or lower interest rate costs for a Title 23 eligible project. In contrast with SIBs, projects that receive assistance from repaid Section 129 loans are not required to meet the same number of Federal requirements as those using SIB loans.

The table below outlines the Section 129 Loan program and its applicability to the LRTP.

Table 6-4: Section 129 Outline

Criterion		Section 129 Loan Program
Funding Available		Variable: the federal-aid loan may be for any amount, provided the maximum federal share of the total eligible project costs is not exceeded.
Matching Requirements		Up to 80% federal share.
Eligible Phases	Planning	✓
	Environmental/Design	✓
	Construction	✓
Eligible Project Types	Highway	✓
	Transit	✓
	Bicycle/Pedestrian	
Likelihood of Funding for the LRTP		Medium

6.5 Private Activity Bonds (PAB)

Private Activity Bonds (PABs) are debt instruments authorized by the Secretary of Transportation and issued by a conduit issuer on behalf of a private entity for highway and freight transfer projects, allowing a private project sponsor to benefit from the lower financing costs of tax-exempt municipal bonds.

Qualified Highway or Surface Freight Transfer Facilities include:

- Any surface transportation project which receives Federal assistance under Title 23
- Any project for an international bridge or tunnel for which an international entity authorized under Federal or State law is responsible, and which receives Federal assistance under Title 23
- Any facility for the transfer of freight from truck to rail or rail to truck (including any temporary storage facilities directly related to such transfers) which receives Federal



assistance under Title 23 or Title 49

The table below outlines the PAB financing program and its applicability to the LRTP.

Table 6-5: PAB Outline

Criterion		PAB Program
Funding Available		As of April 2022, around \$14.6 Billion in PAB have been issued. The IIJA/BIL increased the available PAB authority from \$15 Billion to \$30 Billion.
Matching Requirements		None, at least 95% of the net proceeds of bond issues be expended for qualified highways or surface freight transfer facilities within a five-year period from the date of issue.
Eligible Phases	Planning	✓
	Environmental/Design	✓
	Construction	✓
Eligible Project Types	Highway	✓
	Transit	
	Bicycle/Pedestrian	
Likelihood of Funding for the LRTP		Medium

6.6 Build America Bonds (BAB)

Build America Bonds (BABs) are tax credit bonds introduced as part of the February 2009 American Recovery and Reinvestment Act (ARRA) and are administered by the Treasury Department. A BAB is a bond issued prior to January 1, 2011 by a state or local entity for governmental purposes (including surface transportation projects) and for which the issuer elects to have the interest on the bond be taxable in return for a federal interest subsidy.

In September 2021, the House Ways and Means Committee proposed to revive direct subsidy BABs. Beginning in 2022, issuers would be allowed to use the new BABs to finance capital infrastructure projects and receive a direct federal payment to cover part of their interest costs. BABs issued from 2022 to 2024 would be subsidized at 35%, while those issued in 2025 onwards would feature a lower rate. According to estimates from the Joint Committee on Taxation, the new program would cost the federal government over \$22.5 billion between 2022 and 2031. The proposal would effectively exempt the subsidy payments from future sequesters. *

The table below outlines the BAB financing program and its applicability to the LRTP.

Table 6-6: BAB Outline



Criterion		BAB Program
Funding Available		Variable
Matching Requirements		Variable; subsidy of 35% from 2022-2024, lower rate from 2025 onwards.
Eligible Phases	Planning	✓
	Environmental/Design	✓
	Construction	✓
Eligible Project Types	Highway	✓
	Transit	✓
	Bicycle/Pedestrian	✓
Likelihood of Funding for the LRTP		Medium

Source: What are Build America Bonds or direct-pay municipal bonds?

*<https://www.brookings.edu/blog/up-front/2021/08/04/what-are-build-america-bonds-or-direct-pay-municipal-bonds/>

7 Funding and Financing Matrix

7.1 Matrix Criteria Descriptions

The funding matrix provided on the following pages highlights programs available to ADOT and partner agencies in support of potential projects identified in the LRTP. The matrix highlights primary categories that could be applicable for consideration in the LRTP. The following is an overview of criteria contained in the matrix:

- Funding Source – Identification of federal formula funds, which includes pass through amounts to MPOs and discretionary grant programs.
- Funding Program – Name of the program and shortened reference commonly used as applicable. Red font indicated programs that are new to IIJA/BIL and were not available during the FAST Act.
- Funding Administrator – Name of the agency primarily responsible for allocation and award of funds. In cases where multiple agencies may be engaged that primary agency identified in the IIJA/BIL language is referenced.
- Average Annual Funding Availability – Funding amounts for the full 5 year IIJA/BIL horizon averaged by year. Note many programs increase over the duration of the program.
- ADOT Estimated Share of Annual Funding – Where available announced appropriations to ADOT. Values include distributions to MPOs and municipalities where applicable.



- Eligible Phases – Identification of programs available for planning, design and construction activities. Programs that are specific to operations and maintenance costs are included as construction activities.
- Eligible Project Types – Transportation modes that are eligible uses of program funds. Where guidance is not clear or available assumptions were made based on prior program rounds or program language in the IIJA/BIL text.
- Likelihood of Funding – Primarily used to identify the competitiveness of discretionary grant programs. High indicates programs that have been frequently awarded to projects in Arizona in the past. Medium indicates programs that would likely be awarded to agencies in Arizona but may not have been awarded in prior rounds. Low indicates highly competitive programs that have lower chances of being awarded to projects in Arizona.
- Future Funding Risk – Identification of programs where full funding may not be authorized over the course of the 5-year IIJA/BIL. High indicates programs that are likely to not be fully funded. Medium indicates programs that are likely to be funded but there are some risks based on existing delays in allocations or authorization. Low indicates programs that are likely to be fully funded throughout the course of IIJA/BIL

The matrix will be updated during the course of the LRTP project as updated information is made available by USDOT and partner agencies administering funds.



7.2 IIJA/BIL Funding Matrix

Funding Source	Funding Program <i>(red text indicates program new to IIJA/BIL)</i>	Funding Admin.	Avg. Annual Funding Available (FY2022-2026)	ADOT Est. Share of Annual Funding	Eligible Applicants	Eligible Phases (Yes/No)			Eligible Project Types (Yes/No)									Likelihood of Funding	Future Funding Risk		
						Planning	Envir. /Design	Construction	Highway	Bridge	Transit	Passenger Rail	Freight Rail	Sea/Land Ports	Airports	Bike/Ped	Water			Energy	
Federal Formula	National Highway Performance Program	FHWA	\$29,600 M	\$541 M	ADOT	✓	✓	✓	✓	✓										High	Low
Federal Formula	Surface Transportation Block Grant Program	FHWA	\$14,400 M	\$263 M	ADOT -> COG/MPO	✓	✓	✓	✓	✓	✓									High	Low
Federal Formula	Highway Safety Improvement Program	FHWA	\$3,111 M	\$58 M	ADOT -> COG/MPO	✓	✓	✓	✓	✓										High	Low
Federal Formula	Consolidation of Programs (safety)	FHWA	\$4 M		ADOT -> COG/MPO			✓	✓	✓										High	Low
Federal Formula	Railway-Highway Crossing Program	FHWA	\$245 M	\$3 M	ADOT			✓	✓		✓	✓								High	Low
Federal Formula	Congestion Mitigation and Air Quality	FHWA	\$2,640 M	\$59 M	ADOT -> TMA	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		High	Low
Federal Formula	Metropolitan Planning	FHWA	\$456 M	\$8 M	ADOT -> COG/MPO	✓			✓	✓	✓	✓			✓	✓				High	Low
Federal Formula	National Highway Freight Program	FHWA	\$1,430 M	\$25 M	ADOT	✓	✓	✓	✓	✓		✓	✓							High	Low
Federal Formula	Bridge Replacement, Rehabilitation, Preservation, Protection, and Construction Program (BIP)	FHWA	\$5,500 M	\$45 M	ADOT	✓	✓	✓		✓										High	Low



Funding Source	Funding Program (red text indicates program new to IIJA/BIL)	Funding Admin.	Avg. Annual Funding Available (FY2022-2026)	ADOT Est. Share of Annual Funding	Eligible Applicants	Eligible Phases (Yes/No)			Eligible Project Types (Yes/No)										Likelihood of Funding	Future Funding Risk	
						Planning	Envir. /Design	Construction	Highway	Bridge	Transit	Passenger Rail	Freight Rail	Sea/Land Ports	Airports	Bike/Ped	Water	Energy			
Federal Formula	National Electric Vehicle Formula Program (NEVI)	FHWA	\$1,000 M	\$15 M	ADOT			✓	✓											High	Medium
Federal Formula	Carbon Reduction Program (CRP)	FHWA	\$1,284 M	\$24 M	ADOT -> MPO	✓	✓	✓	✓		✓	✓	✓	✓	✓	✓		✓	High	Medium	
Federal Formula	Promoting Resilient Operations for Transformative, Efficient, and Cost Saving Transportation (PROTECT) Program	FHWA	\$1,460 M	\$27 M	ADOT	✓	✓	✓	✓		✓			✓	✓				High	Medium	
Federal Formula	Tribal Transportation Program	FHWA	\$602 M	n/a to tribes	Tribes	✓	✓	✓	✓	✓							✓		High	Low	
Federal Formula	Federal Lands Transportation Program	FHWA	\$439 M	n/a to tribes	Tribes	✓	✓	✓	✓	✓	✓					✓		High	Low		
Federal Formula	Federal Lands Access Program	FHWA	\$298 M	n/a to tribes	Tribes	✓	✓	✓	✓	✓	✓					✓		High	Low		
Federal Formula	Tribal High Priority Projects Program	FHWA	\$30 M	n/a to tribes	Tribes	✓	✓	✓	✓	✓	✓								High	Medium	
Federal Formula	Sec. 5305 MPO and State Planning	FTA	\$193 M	\$4 M	ADOT -> COG/MPO	✓					✓								High	Low	
Federal Formula	Sec. 5307 Urbanized Area Formula Grants	FTA	\$6,708 M	\$95 M	ADOT -> COG/MPO	✓	✓	✓			✓								High	Low	
Federal Formula	Sec. 5310 Elderly and Persons with Disabilities	FTA	\$439 M	\$7 M	ADOT -> COG/MPO			✓			✓								High	Low	



Funding Source	Funding Program <i>(red text indicates program new to IIJA/BIL)</i>	Funding Admin.	Avg. Annual Funding Available (FY2022-2026)	ADOT Est. Share of Annual Funding	Eligible Applicants	Eligible Phases (Yes/No)			Eligible Project Types (Yes/No)										Likelihood of Funding	Future Funding Risk	
						Planning	Envir. /Design	Construction	Highway	Bridge	Transit	Passenger Rail	Freight Rail	Sea/Land Ports	Airports	Bike/Ped	Water	Energy			
Federal Formula	Sec. 5311 Rural Area Formula Grants	FTA	\$916 M	\$0.2 M	ADOT -> COG/MPO	✓	✓	✓			✓									High	Low
Federal Formula	Sec. 5337 State of Good Repair	FTA	\$4,328 M	\$14 M	ADOT			✓			✓									High	Low
Federal Formula	Sec. 5339(a) Bus and Bus Facilities	FTA	\$632 M	\$8 M	ADOT -> COG/MPO			✓			✓									High	Low
Federal Formula	Sec. 5340 Growing & High Density States	FTA	\$776 M	\$18 M	ADOT	✓	✓	✓			✓									High	Low
Federal Formula	Airport Infrastructure Grants - Airport Improvement Program	FAA	\$3,000 M	\$29 M	ADOT	✓	✓	✓										✓		High	Low
Federal Discretionary	Multi-State Freight Corridor Planning	U.S. DOT Secretary Office	\$5 M	n/a	ADOT	✓			✓	✓			✓	✓	✓					High	Low
Federal Discretionary	Sec. 6701 National Infrastructure Project Assistance (New Mega-Projects program)	U.S. DOT Secretary Office	\$3,000 M	n/a	ADOT, COG/MPO, TMA	✓	✓	✓	✓	✓	✓	✓	✓	✓						High	Low
Federal Discretionary	Sec. 6702 Local and Regional Project Assistance (RAISE)	U.S. DOT Secretary Office	\$3,000 M	n/a	ADOT, COG/MPO, TMA	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓				Medium	Low
Federal Discretionary	Sec. 6703 National Culvert Removal, Replacement, and	U.S. DOT Secretary Office	\$1,000 M	n/a	ADOT, COG/MPO, TMA			✓	✓	✓	✓	✓								High	Medium



Funding Source	Funding Program (red text indicates program new to IIJA/BIL)	Funding Admin.	Avg. Annual Funding Available (FY2022-2026)	ADOT Est. Share of Annual Funding	Eligible Applicants	Eligible Phases (Yes/No)			Eligible Project Types (Yes/No)										Likelihood of Funding	Future Funding Risk	
						Planning	Envir. /Design	Construction	Highway	Bridge	Transit	Passenger Rail	Freight Rail	Sea/Land Ports	Airports	Bike/Ped	Water	Energy			
	Restoration Grant Program																				
Federal Discretionary	Safe Streets and Roads for All Grant Program	U.S. DOT Secretary Office	\$1,200 M	n/a	COG/MPO, TMA	✓	✓	✓	✓	✓	✓	✓					✓			Medium	Medium
Federal Discretionary	Strengthening Mobility and Revolutionizing Transportation Grant Program (SMART)	U.S. DOT Secretary Office	\$200 M	n/a	ADOT, COG/MPO, TMA			✓	✓	✓	✓	✓								Medium	Low
Federal Discretionary	Nationally Significant Freight and Highway Projects (INFRA grants)	FHWA	\$2,800 M	n/a	ADOT, COG/MPO, TMA	✓	✓	✓												High	Low
Federal Discretionary	Reconnecting Communities Pilot Program	FHWA	\$200 M	n/a	ADOT, COG/MPO, TMA	✓	✓	✓	✓		✓	✓	✓							Medium	Medium
Federal Discretionary	Bridge Investment Program	FHWA	\$3,153 M	n/a	ADOT, COG/MPO, TMA	✓	✓	✓		✓										High	Medium
Federal Discretionary	Congestion Relief Program	FHWA	\$50 M	n/a	ADOT, COG/MPO, TMA	✓	✓	✓	✓	✓										Medium	Low
Federal Discretionary	Charging & Fueling Infrastructure Grants	FHWA	\$500 M	n/a	ADOT			✓	✓											High	Medium
Federal Discretionary	Rural Surface Transportation Grant Program	FHWA	\$400 M	n/a	ADOT, COG/MPO, TMA	✓	✓	✓	✓	✓										High	Medium
Federal Discretionary	PROTECT Grants	FHWA	\$280 M	n/a	ADOT, COG/MPO, TMA	✓	✓	✓	✓		✓	✓		✓	✓					Medium	Medium



Funding Source	Funding Program (red text indicates program new to IIJA/BIL)	Funding Admin.	Avg. Annual Funding Available (FY2022-2026)	ADOT Est. Share of Annual Funding	Eligible Applicants	Eligible Phases (Yes/No)			Eligible Project Types (Yes/No)										Likelihood of Funding	Future Funding Risk	
						Planning	Envir. /Design	Construction	Highway	Bridge	Transit	Passenger Rail	Freight Rail	Sea/Land Ports	Airports	Bike/Ped	Water	Energy			
Federal Discretionary	Reduction of Truck Emissions at Port Facilities	FHWA	\$80 M	n/a	ADOT, COG/MPO, TMA			✓						✓	✓					Medium	Medium
Federal Discretionary	Nationally Significant Federal Lands and Tribal Projects	FHWA	\$355 M	n/a	ADOT, COG/MPO, TMA			✓	✓	✓						✓				High	Low
Federal Discretionary	Healthy Streets Program	FHWA	\$100 M	n/a	ADOT, COG/MPO, TMA			✓	✓							✓	✓			High	Medium
Federal Discretionary	Transportation Resilience and Adaptation Centers of Excellence	FHWA	\$100 M	n/a	ADOT	✓			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Low	Low
Federal Discretionary	Open Challenge and Research Proposal Pilot Program	FHWA	\$15 M	n/a	ADOT	✓			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Low	Medium
Federal Discretionary	Wildlife Crossings Pilot Program	FHWA	\$70 M	n/a	ADOT, COG/MPO, TMA	✓	✓		✓											High	Medium
Federal Discretionary	Prioritization Process Pilot Program	FHWA	\$10 M	n/a	ADOT, COG/MPO, TMA	✓			✓	✓	✓	✓	✓	✓	✓	✓				Medium	Medium
Federal Discretionary	Stopping Threats on Pedestrians	FHWA	\$5 M	n/a	ADOT, COG/MPO, TMA			✓	✓	✓						✓				Medium	Medium
Federal Discretionary	Forest Service Legacy Roads and Trails Remediation Program	Department of Agriculture	\$50 M	n/a	ADOT			✓								✓				Medium	Medium
Federal Discretionary	Invasive Plant Elimination Program	Department of Agriculture	\$50 M	n/a	ADOT			✓	✓	✓	✓	✓	✓	✓	✓	✓				Medium	Low



Funding Source	Funding Program <i>(red text indicates program new to IIJA/BIL)</i>	Funding Admin.	Avg. Annual Funding Available (FY2022-2026)	ADOT Est. Share of Annual Funding	Eligible Applicants	Eligible Phases (Yes/No)			Eligible Project Types (Yes/No)										Likelihood of Funding	Future Funding Risk
						Planning	Envir. /Design	Construction	Highway	Bridge	Transit	Passenger Rail	Freight Rail	Sea/Land Ports	Airports	Bike/Ped	Water	Energy		
Federal Discretionary	Data Integration Pilot Program	FHWA	\$3 M	n/a	ADOT, COG/MPO, TMA			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Low	Medium
Federal Discretionary	Emerging Technology Research Pilot Program	FHWA	\$5 M	n/a	ADOT, COG/MPO, TMA			✓	✓										Low	Medium
Federal Discretionary	Bureau of Indian Affairs Road Maintenance Program	FHWA	\$54 M	n/a	Tribes			✓	✓										High	Low
Federal Discretionary	Consolidated Rail Infrastructure & Safety Improvement Grants (CRISI)	FRA	\$1,000 M	n/a	ADOT	✓	✓	✓				✓	✓						High	Low
Federal Discretionary	Rail Crossing Elimination Program	FRA	\$600 M	n/a	ADOT, COG/MPO, TMA	✓	✓	✓	✓			✓	✓						High	Medium
Federal Discretionary	Federal-State Partnership for Intercity Passenger Rail Grants	FRA	\$7,200 M	n/a	ADOT	✓	✓	✓				✓							Medium	Low
Federal Discretionary	Restoration and Enhancement Grants	FRA	\$50 M	n/a	ADOT			✓				✓	✓						Medium	Low
Federal Discretionary	Sec. 5309 Capital Investment Grants	FTA	\$3,680 M	n/a	ADOT, COG/MPO, TMA			✓											High	Low
Federal Discretionary	Transit Oriented Dev. Pilot Sec. 2005(b) MAP 21	FTA	\$14 M	n/a	ADOT, COG/MPO, TMA	✓													Medium	Low



Funding Source	Funding Program <i>(red text indicates program new to I/JA/BIL)</i>	Funding Admin.	Avg. Annual Funding Available (FY2022-2026)	ADOT Est. Share of Annual Funding	Eligible Applicants	Eligible Phases (Yes/No)			Eligible Project Types (Yes/No)									Likelihood of Funding	Future Funding Risk	
						Planning	Envir./Design	Construction	Highway	Bridge	Transit	Passenger Rail	Freight Rail	Sea/Land Ports	Airports	Bike/Ped	Water			Energy
Federal Discretionary	Innovative Coordinated Access & Mobility (FAST Act Sec. 3006(b))	FTA	\$5 M	n/a	ADOT, COG/MPO, TMA			✓			✓								Medium	Low
Federal Discretionary	Sec. 5339(b) Bus and Bus Facilities	FTA	\$393 M	n/a	ADOT, COG/MPO, TMA	✓	✓	✓			✓								High	Low
Federal Discretionary	Sec. 5339(c) Low and No Emissions	FTA	\$1,125 M	n/a	ADOT, COG/MPO, TMA	✓	✓	✓			✓								High	Low
Federal Discretionary	Sec. 5337 (f) Rail Vehicle Replacement	FTA	\$300 M	n/a	ADOT, COG/MPO, TMA			✓			✓								Medium	Medium
Federal Discretionary	All Station Accessibility Program (ASAP)	FTA	\$350 M	n/a	ADOT, COG/MPO, TMA			✓			✓								Medium	Medium
Federal Discretionary	FAA Facilities and Equipment (mostly ATC upgrades)	FAA	\$1,000 M	n/a	ADOT			✓									✓		High	Medium
Federal Discretionary	Airport Infrastructure Grants - Airports in Contract Tower Program	FAA	\$20 M	n/a	ADOT			✓									✓		Low	Low
Federal Discretionary	Airport Terminal Program	FAA	\$1,000 M	n/a	ADOT			✓									✓		High	Medium



8 Project Prioritization Process

8.1 Current Prioritization Framework

Currently, ADOT uses their Planning to Programming (P2P) process for project prioritization. The Planning to Programming process utilizes the Recommended Investment Choice (RIC) from the Long-Range Transportation Plan to identify and prioritize projects for their delivery program. By evaluating and modeling program scenarios, ADOT can identify funding shortfalls, develop the most promising strategies to address those shortfalls, and consider strategies for pre-positioning individual projects for competitive funding opportunities in their P2P program. While evaluation criteria are established for each project category a consistent approach is applied across categories which includes the following:

- **Specification of eligible work items** - This defines the work that can be performed using funds in this investment category. The approach prevents the risk of scope creep and consequently improves the efficiency of the use of funds programmatically.
- **Identification of technical project evaluation criteria** - In each investment category, a technical measurement of the impact that the project investment will have on accomplishing the investment goal is specified. These criteria are designed to be project-level metrics that can be easily computed and allow for comparison of different project types within an investment category.
- **Identification of system planning and other planning criteria** - Evaluation criteria related to system planning, such as consideration of future demand or freight impact, are also included.
- **Weighting of criteria to enable meaningful multi-criteria decision making** - For each investment category, the criteria are weighted so that multiple criteria can be included in the project prioritization.
- **Standardization to account for cost-effectiveness** - To compare projects, the prioritization approach accounts for project cost so that the cost effectiveness of different projects in accomplishing the programmatic goals are compared and used to rank projects.

Within the above framework and methodology identified in the P2P additional project prioritization considerations can be incorporated to help prioritize federal funding programs.

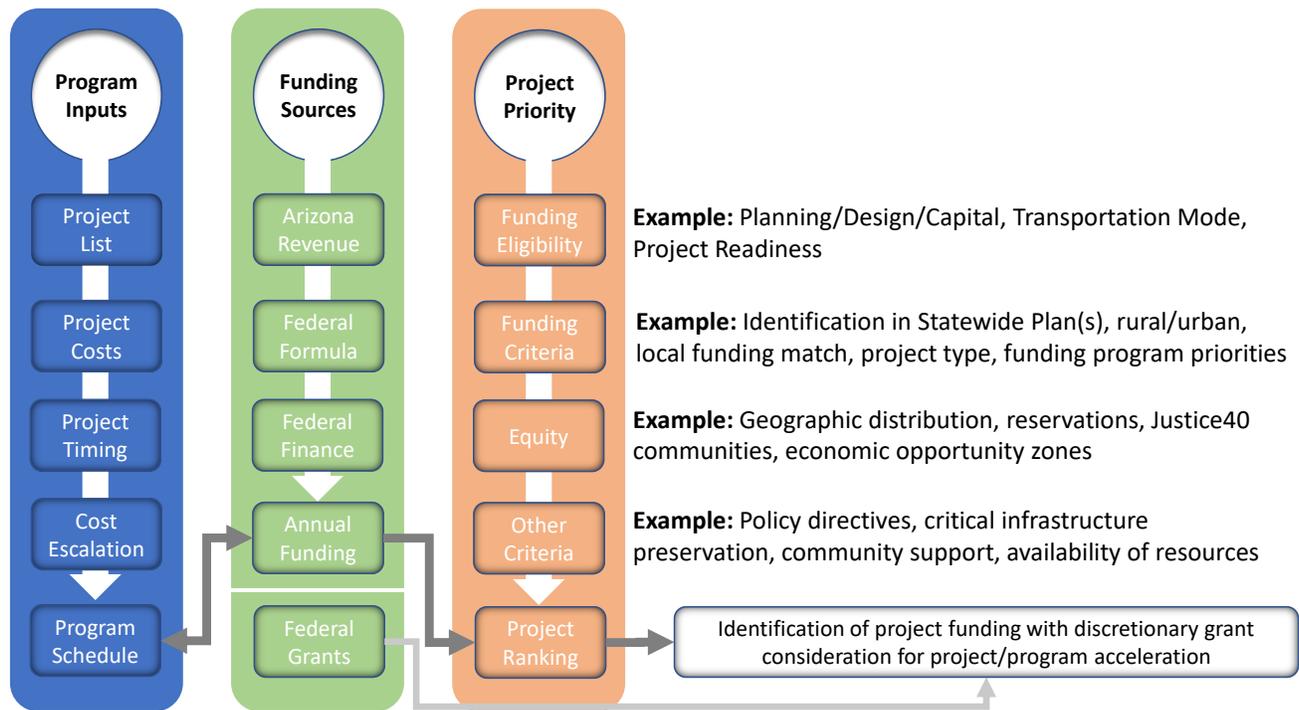
8.2 Considerations for Future Prioritization Efforts

Project prioritization within the overall program can be evaluated using numerous qualitative and quantitative measures, with the latter often informed by business case and benefit-cost analysis. Building off of the current prioritization framework an expanded prioritization matrix with pre-identified criteria and scoring ranges corresponding to evaluation measures can serve as the primary output tool.



In Figure 8-1 an overview of program and project prioritization is provided. The framework starts with identifying the program schedule based on identified projects, the anticipated cost and timing of those projects, and schedule and cost risks including consideration of construction cost escalation. In parallel an evaluation of funding sources at the state and federal level provides anticipated revenue streams over the identified time period of the LRTP. Discretionary federal grants that come with a high degree of uncertainty can be considered within the project priority framework as potential opportunities to advance project schedules but are not assumed to be guaranteed revenue.

Figure 8-1: Prioritization Framework



Project prioritization includes consideration of eligibility for funding primarily based on project status (planning, design, construction, operations), transportation mode, and project readiness. Funding criteria is often identified for various funding sources, specifically federal formula and discretionary grant programs, and can be scored for each individual projects. Considerations such as project location, project mode, and local funding match availability can be considered within identified funding program priorities. Within the context of both funding programs and LRTP project identification is equity which can include diversity in geographic investments throughout the state, racial or socioeconomic considerations, investments on or adjacent to reservations, and identified Justice40 initiative requirements. Other criteria may include policy directives through program funding authorization, investments in critical or failing infrastructure, community engagement and support for a specific project, and availability of agency resources and contractors to take on a project.

The prioritization framework can be supplemented by or inclusive of economic analysis on individual projects or groups of projects.

Economic modeling can support prioritization of projects and is often part of required content for federal discretionary grant applications. Economic modeling can also support decisions on capital investment, change management, risk management and other general decision-analytics. To



support economic modeling, input assumptions are required that are often derived from cost estimation, demand modeling, ridership forecast and elasticity analysis, and compared with revenue or user fee forecasts. Economic analysis can also be used to evaluate prioritization of benefits based on geographic equity analysis, socioeconomic and demographic analysis, and Monte Carlo risk assessment.

8.2.1 Economic and Financial Sensitivity Analyses

Economic and financial models are not currently included in the ADOT P2P Process but can be used to develop sensitivity analyses to test different economic conditions. For example, what would be the impact to the funding gap if:

- Inflation is significantly higher than forecasted for several years and cost estimates were impacted?
- If interest rates were higher than anticipated (this would apply for scenarios that involve debt financing) and financing costs were impacted?
- If Arizona tax and fee revenues were lower than anticipated (e.g., for a financial model looking at the funding shortfall for the local option gas tax program)?

Sensitivity analyses can be a helpful tool to proactively develop qualitative or quantitative strategies to address or mitigate the financial impacts of unpredictable economic events.

8.2.2 Economic Impact Analysis

While not included in the current ADOT P2P process, incorporating state-of-the-practice research and modeling tools helps quantify the likely job and productivity impacts of infrastructure development projects; improved mobility/accessibility and lower transport costs; enhanced productivity and efficiency; increased export activity; and improved reliability and resiliency. Economic impact analysis can also consider total historical project expenditures to further support a project's existing contribution to jobs and economic growth. Resulting analyses can be used to help inform project prioritization and also communicated as useful talking points and an effective way to tangibly illustrate the economic benefits of a project or program to secure local and stakeholder support for a project.

8.2.3 State of Good Repair (SGR) Needs Assessment Analyses

SGR investments are a persistent challenge for many transportation authorities. Financial analysis tools can be used to track SGR needs so that ADOT can proactively track anticipated needs and establish processes to ensure sufficient funding will be available to support these critical investments. Currently SGR needs assessment analysis is not included in the P2P evaluation process. Initially a high-level review and analysis of SGR documentation available from ADOT can be used to determine the average annual investments in capital that will be required to achieve SGR. To prepare these estimates, reasonable assumptions will be developed regarding replacement cycles of some assets. Collaboration would be required from ADOT's technical/engineering staff to provide data, validate assumptions and review estimates.

8.2.4 Benefit Cost Analysis (BCA)

Benefit Cost Analyses in compliance with USDOT guidance is often a critical component in the project selection process, specifically for discretionary grant funding. BCAs can help demonstrate the business case for a given project, group of projects, or program and garner stakeholder support.

The HSIP project selection process currently uses BCA, however, BCA is not used in the P2P process except for key components on level of safety. The BCA template used to evaluate projects should



address ADOT priorities and be compliant with USDOT's requirements. Alignment with UDSOT requirements will allow ADOT to quantify and demonstrate benefits derived from items including safety, reduced diversion and vehicle miles traveled, and travel time savings.

The resulting findings can be used to both inform the project prioritization process and craft unique project "stories" that best exemplify the specific grant program's technical and merit award criteria. By expertly painting grant reviewers a picture of the project's community and users the model approach can artfully weave in supporting technical information for these coveted funds.

8.3 Considerations in the Development of IIJA/BIL Project Prioritization

Within the context of IIJA/BIL project prioritization, the current administration has emphasized projects that promote equity, safety, sustainability, resiliency, and job growth. Within a matrix framework, specific consideration should be given to ensure these evaluation parameters are identified in key criteria and weighted accordingly in project scoring and prioritization. Quantitatively, safety and sustainability can be addressed through benefit-cost analysis, resiliency and equity through census and environmental data using GIS analysis, and job growth through economic impact analysis.

Several IIJA/BIL programs require specific statewide plans prior to release of formula funds or eligibility for discretionary grants. Including priority projects identified in the LRTP in statewide plans can support project specific funding requests and increase the likelihood of success in federal discretionary grant applications. Furthermore, inclusion of projects from the LRTP in statewide plans clarifies to the public and key stakeholders which projects will be prioritized for delivery and the benefits anticipated through delivery of those projects.

A further consideration in IIJA/BIL is prioritization of funding for multimodal investments. Funding programs already released have focused on accessibility, considerations for active transportation, and implementation of alternative technology, including vehicle charging stations and infrastructure to support connected vehicles.

9 Key Findings and next Steps

The IIJA/BIL analysis will continue to be refined through the duration of the LRTP development and implementation. Assumed funding for the LRTP will rely on identified sources through both state revenues and new and existing programs identified in the IIJA/BIL. Furthermore, while not assumed, discretionary grant programs can serve to supplement funding on specific projects to help advance delivery of projects or allow for reallocation of available state and federal formula funds to other identified projects.

Tracking of IIJA/BIL program developments can be supported by following the USDOT dedicated website - <https://www.transportation.gov/bipartisan-infrastructure-law> which provides links to newsletters, webinars, and project updates.

Furthermore, WSP provides program briefings when notice of funding opportunities are announced which includes details on program requirements, differences or refinements of program criteria and eligibility from the original IIJA/BIL language, and periodic webinars summarizing updates in the IIJA/BIL programs.

As the LRTP is developed and refined we will work with ADOT to further identify and refine future funding amounts anticipated to be available in support of LRTP implementation. The funding strategies and total anticipated values will be considered as part of the overall LRTP project prioritization to right-size the plan to available funding levels.



9.1 Federal Regulations on the Development of the Statewide Long-range Transportation Plan

Federal regulations relevant to the development, planning process, and scope of Statewide Long-range Transportation Plans are laid out in the Code of Federal Regulation Title 23 Part 450. Since the previous plan there have been three major changes (designated as **New**) to the requirements for LRTP's. These are emphasized below. Per the Code of Federal Regulation

“The State shall develop a long-range statewide transportation plan, with a minimum 20-year forecast period at the time of adoption, that provides for the development and implementation of the multimodal transportation system for the State. The long-range statewide transportation plan shall consider and include, as applicable, elements and connections between public transportation, non-motorized modes, rail, commercial motor vehicle, waterway, and aviation facilities, particularly with respect to intercity travel.” In addition, this section also requires the Long-range statewide transportation plan to include considerations of the role that intercity buses may play in reducing congestion, pollution and energy consumption (**New**). (23 CFR 450.216)

It also requires the statewide transportation planning process to address the following 10 factors: (23 CFR 450.206)

1. Support the economic vitality of the United States, the States, metropolitan areas, and nonmetropolitan areas, especially by enabling global competitiveness, productivity, and efficiency;
2. Increase the safety of the transportation system for motorized and non-motorized users;
3. Increase the security of the transportation system for motorized and non-motorized users;
4. Increase accessibility and mobility of people and freight;
5. Protect and enhance the environment, promote energy conservation, improve the quality of life, and promote consistency between transportation improvements and State and local planned growth and economic development patterns;
6. Enhance the integration and connectivity of the transportation system, across and between modes throughout the State, for people and freight;
7. Promote efficient system management and operation;
8. Emphasize the preservation of the existing transportation system;
9. Improve the resiliency and reliability of the transportation system and reduce or mitigate stormwater impacts of surface transportation; and (**New**)
10. Enhance travel and tourism. (**New**)



10 Appendix A – Discretionary Grant Program Details

10.0 USDOT National Infrastructure Project Assistance Program (MEGA)

10.0.1 MEGA – Eligibility Requirements

Eligible project types for this new discretionary grant program include:

- Highway or bridge projects carried out on the National Multimodal Freight Network, the National Highway Freight Network, or the National Highway System
- Freight intermodal or freight rail projects that provide a public benefit
- Railway-highway grade separation projects
- Intercity passenger rail projects
- Public transportation projects that are either eligible for assistance under 49 United States Code (U.S.C.) Chapter 53 or are part of a project described in any of the previous eligibility categories
- Groups of interrelated, connected, or dependent projects that involve any of the previous eligibility categories

Half of program grant funding is set aside for projects that cost between \$100 million and \$500 million, and the other half is set aside for projects that are anticipated to cost more than \$500 million. Individual pieces of the LRTP could be broken out to qualify for the former set of funds; however, the most competitive application will likely include all of the multimodal benefits embedded in the program as a whole, which will cost more than \$500 million.

Additionally, projects must demonstrate the following:

- Likely to generate national or regional economic, mobility, or safety benefits
- Are in significant need of federal funding
- Are cost-effective
- Have stable and dependable sources of funding and financing available for construction, operation, and maintenance

10.0.2 MEGA – Process Requirements

Projects must meet standard federal process requirements such as the planning requirements and procedures associated with NEPA compliance. Cross-cutting federal requirements for right-of-way acquisition, Buy America, procurement, Davis Bacon wage rates, etc., also apply.

In March 2022, USDOT issued an annual notice of funding opportunity (NOFO) to solicit qualified applications for these discretionary funds. Along with a grant application that demonstrates project eligibility and its ability to meet project selection criteria, an entity pursuing these funds must also submit a plan for the collection and analysis of data. This plan will cover project impacts and the accuracy of any forecasts included in the grant application. It must include the approach for measuring how well the project is meeting the funding criteria, as well as for analyzing the consistency of predicted project characteristics with actual outcomes. Additionally, the IJIA indicates that USDOT may publish a plan framework that will outline standardized forecasting and



measurement approaches, data storage system requirements, and any other relevant requirements.

MEGA is now part of the Multimodal Project Discretionary Grant (MPDG) Opportunity which is a combined solicitation. The other grant programs included in the MPDG are the Nationally Significant Multimodal Freight & Highway Projects grant program (INFRA) and the Rural Surface Transportation Grant program. MPDG allows applicants to apply to one, two, or all three of these funding opportunities by submitting only one application.

Per the IJJA, at least 30 days prior to the publication of project grant award selections, USDOT must provide the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a written notice about project selections. This notice will include a list of all project applications, the rating assigned to each project, an evaluation and justification of each rating, as well as proposed grant awards and anticipated funding levels for three future fiscal years. Congress has the power to enact a joint resolution to disapprove funding for a project during this period.

Grants administered through this program may come in the form of single-year grants or multiyear grant agreements. USDOT may only provide grant funds in a single year if all project reviews required under NEPA have been completed. For multiyear grant agreements, the IJJA requires that USDOT establish the terms and maximum amount of federal financial assistance for the project. This agreement must also establish a grant payout schedule for the project and a schedule for project completion, even if it extends beyond the period of authorization.

As with many other federal discretionary grant programs, this new program would also include certain reporting requirements. The standardized framework mentioned above would also apply to the preparation of a baseline data report. No later than 6 years after project completion, the grant awardee must submit a report to USDOT that compares conditions to those observed in the project baseline report.

10.0.3 MEGA – Project Selection Criteria

The primary evaluation criteria specified in the IJJA for this grant program include the following:

- Achieves state of good repair goals
- Provides cost, safety, mobility, reliability, environmental and health benefits including improved infrastructure resilience
- Proves to be cost-effective (i.e., benefits realized compared to project costs)
- Serves a substantial total person or freight volume
- Provides national and regional economic benefits, including short- and long-term job access, growth, or creation

Beyond these formal project selection criteria, USDOT will also consider the following:

- Geographic diversity among grant recipients including a balance between urban and rural grant awards
- Whether multiple states would benefit from the project
- The degree to which the project uses construction materials or methods that demonstrate reductions in greenhouse gas emissions and/or future maintenance needs
- The degree to which the project employs technologies that will allow for future connectivity and automation
- Whether a project would benefit a historically disadvantaged community or population or



an area of persistent poverty

- Whether the project conveys benefits to pedestrians, bicyclists, and other non-vehicular modes of travel
- Whether a project improves multimodal connectivity for moving people or goods nationally or regionally

Exactly how USDOT will evaluate each of these criteria and considerations is still to be determined as of November 2021; however, the IJA instructs USDOT to publish a notice within 90 days of the passage of the bill to outline these methods and the means by which these criteria will be used to determine the overall rating and selection priority of the funding program.

10.0.4 MEGA – Positioning ADOT

To be populated with confirmation of LRTP projects.

10.1 USDOT Infrastructure for Rebuilding America Grant Program (INFRA)

10.1.1 INFRA – Eligibility Requirements

Eligible projects include highway freight projects, bridge projects, intermodal rail projects, and port projects. Fifty percent of funding will go to projects greater than \$500M in cost, while the other 50% will go to projects greater than \$100M but less than \$500M in cost. INFRA grants can cover up to 60% of future eligible project costs. While INFRA grants are intended to provide funding to projects that are “shovel ready” and result in construction, eligible activities include planning, feasibility analysis, and revenue forecasting.

10.1.2 INFRA – Process Requirements

INFRA is now part of the Multimodal Project Discretionary Grant (MPDG) Opportunity which is a combined solicitation. The other grant programs included in the MPDG are the National Infrastructure Project Assistance grants program (MEGA) and the Rural Surface Transportation Grant program. MPDG allows applicants to apply to one, two, or all three of these funding opportunities by submitting only one application.

10.1.3 INFRA – Project Selection Criteria

The INFRA grant program has the following goals, which factor heavily into merit criteria scoring:

- Support national and regional activity;
- Focus on climate change and environmental justice impacts;
- Advance racial equity;
- Engage more non-Federal sources of infrastructure investment; and
- Use innovative solutions for all aspects of the project

10.1.4 INFRA – Positioning ADOT

To be populated with confirmation of LRTP projects.



10.2 USDOT Rebuilding American Infrastructure Sustainability and Equity Grant Program (RAISE)

10.2.1 RAISE – Eligibility Requirements

Eligible projects include a highway or bridge project, transit project, a passenger rail or freight rail transportation project, a port infrastructure investment, and any other surface transportation infrastructure project that the USDOT considers to be necessary to advance the goal of the program.

10.2.2 RAISE – Process Requirements

The RAISE program is extremely competitive. Broad support and local consensus, including support from the business community, various interest groups (e.g., environmental, labor, economic development) and elected officials at the federal, state, and local levels are key requirements to being competitively positioned for RAISE funding. ADOT would need to determine the highest priority project(s) and/or the project(s) most in alignment with the program’s merit criteria to position for these funds since most states only receive one grant each year.

USDOT prefers projects that have completed considerable project development (e.g., finalized environmental clearance) and secured commitments of matching non-federal funding. In situations where a project cannot meet USDOT’s preparedness criteria, but the project sponsor anticipates they will in one to two years, they may submit an application to make USDOT aware of the project and better position the project for future rounds of RAISE grants based on initial feedback.

The program specifies the following conditions regarding funds appropriated:

- The Federal share is 80% but may be higher at the Secretary’s discretion in rural areas or areas of persistent poverty.
- Not more than 50% of the funds are allocated to urbanized areas.
- Not less than 1% of the total amount made available shall be awarded for projects in historically disadvantaged communities or areas of persistent poverty.
- Not less than 5% of the annual amounts shall be made available for the planning, preparation, or design of eligible projects.

10.2.3 RAISE – Project Selection Criteria

USDOT shall evaluate applications to the extent the project – improves safety, improves environmental sustainability, improves the quality of life of rural areas or urbanized areas, increases economic competitiveness and opportunity, including increasing tourism opportunities; contributes to a state of good repair; and improves mobility and community connectivity. USDOT will also take into consideration geographical and modal diversity when making awards.

10.2.4 RAISE – Positioning ADOT

To be populated with confirmation of LRTP projects.

10.3 Competitive Bridge Investment Program

10.3.1 Competitive Bridge Investment Program – Eligibility Requirements

Overall, based upon statutory language in the IJIA, projects must address a need that will improve the condition of a bridge and be in alignment with the goals of the program. Additionally, a project



must have completed preliminary engineering and be ready to begin construction within 18 months of receiving grant funds. Grant funding can be used for development phase activities such as planning, feasibility analyses, and other pre-construction activities, as well as construction-phase activities and real estate acquisition.

10.3.2 Competitive Bridge Investment Program – Process Requirements

Projects must meet the standard federal process requirements such as the planning requirements and procedures associated with National Environmental Policy Act (NEPA) compliance. Cross-cutting federal requirements for right-of-way acquisition, Buy America, procurement, Davis Bacon wage rates, etc., also apply.

For large projects, the secretary of transportation must recommend the project for funding in an annual report to the Committees on Transportation and Infrastructure and Appropriations of the House or Representatives and the Committees on Environment and Public Works and Appropriations of the Senate in February of each year. Per the IJJA, these reports must include a list of large projects that have submitted applications for funding through the program, USDOT's evaluation of the applications, and the secretary of transportation's recommendations on which projects to fund. As of November 2021, USDOT has not set an annual date by which large-project applicants must submit an application. For the first year of this funding program, the IJJA stipulates that USDOT may establish a process for a large project to be considered for immediate execution of a grant agreement. This is allowed only after USDOT has evaluated the project and determined that the project would perform successfully under the criteria presented in the next section.

For grants that exceed \$100 million, the IJJA sets certain requirements for multiyear grant agreements. This agreement must establish a payout schedule for the project whereby the full grant amount is dispersed within four fiscal years of the first grant fund disbursement, as well as establish a schedule for project completion, even if it extends beyond the period of authorization.

10.3.3 Competitive Bridge Investment Program – Project Selection Criteria

Specific reporting and evaluation methodology have not yet been developed by FHWA as of November 2021; however, per the IJJA, applicants will need to document specific benefits associated with the project, as well as whether the benefits will outweigh overall project costs. By law, FHWA will use the following criteria to evaluate project funding applications:

- Costs avoided by the prevention of closure or reduced use of the bridge to be improved
- Benefits conferred by executing a bundle of projects versus individual ones
- Safety benefits
- Person and freight mobility benefits
- National or regional economic benefits
- Benefits from long-term resiliency to extreme weather events and natural disasters
- Benefits from improving seismic or scour protection
- Environmental benefits
- Benefits conferred to individuals using nonvehicular and public transportation modes
- Benefits of using innovative designs, construction techniques, and/or technologies
- Reductions in bridge maintenance costs



Additionally, FHWA will consider whether the project has secured financial commitment or revenues sufficient to fund ongoing maintenance and preservation of the bridge and whether the project is consistent with the objectives of state asset management plans.

10.3.4 Competitive Bridge Investment Program – Positioning ADOT

To be populated with confirmation of LRTP projects.

10.4 Rural Surface Transportation Program (Rural)

10.4.1 Rural – Eligibility Requirements

Eligible projects for Rural grants include highway, bridge, and tunnel projects that help improve freight, safety, and provide or increase access to an agricultural, commercial, energy, or transportation facilities that support the economy of a rural area. These include, but are not limited to the following:

- A highway safety improvement project, including a project to improve a high-risk rural road
- A project on a publicly owned highway or bridge that provides or increases access to an agricultural, commercial, energy, or intermodal facility that supports the economy of a rural area
- A project to develop, establish, or maintain an integrated mobility management system, a transportation demand management system or on-demand mobility services

10.4.2 Rural – Process Requirements

Rural is part of the Multimodal Project Discretionary Grant (MPDG) Opportunity, a combined solicitation including MEGA and INFRA. MPDG allows applicants to apply to one, two, or all three of these funding opportunities by submitting only one application.

An eligible entity may bundle two or more similar eligible projects under the Rural program if projects are included as a bundled project in a statewide transportation improvement program under 23 U.S.C. § 135 and will be awarded to a single contractor or consultant pursuant to a contract.

10.4.3 Rural – Project Selection Criteria

The FHWA must determine that eligible projects will generate regional economic, mobility, or safety benefits, will be cost effective, is based on the results of preliminary engineering, and is reasonably expected to begin construction not later than 18 months after the date of obligation of funds for the project. Additional considerations include improving the state of good repair of existing infrastructure, increasing the capacity or connectivity of the surface transportation system and improving mobility for residents of rural areas, and addressing economic development and job creation challenges, among other things.

10.4.4 Rural – Positioning ADOT

To be populated with confirmation of LRTP projects.



10.5 Congestion Relief Program

10.5.1 Congestion Relief Program – Eligibility Requirements

Funds from a grant under the program may be used for a project or an integrated collection of projects, including planning, design, implementation, and construction activities, to achieve the program goals. These include:

- Deployment and operation of an integrated congestion management system;
- Deployment and operation of a system that implements or enforces high occupancy vehicle toll lanes, cordon pricing, parking pricing, or congestion pricing;
- Deployment and operation of mobility services, including establishing account-based financial systems, commuter buses, commuter vans, express operations, paratransit, and on-demand microtransit; and
- Incentive programs that encourage travelers to carpool, use nonhighway travel modes during peak period, or travel during nonpeak periods.

10.5.2 Congestion Relief Program – Process Requirements

As the program specifically targets the most congested metropolitan areas in the U.S., eligible applicants may only apply to fund projects occurring in urbanized areas with a population of 1 million or more.

10.5.3 Congestion Relief Program – Project Selection Criteria

Projects in urbanized areas that are experiencing a high degree of recurrent congestion will be given priority. Regarding tolling projects under this program, applicants must consider the potential effects of the project on low-income drivers and may include mitigation measures to deal with any adverse financial effects to such drivers.

10.5.4 Congestion Relief Program – Positioning ADOT

To be populated with confirmation of LRTP projects.

10.6 Promoting Resilient Operations for Transformative, efficient and Cost Saving Transportation (PROTECT) Program

10.6.1 PROTECT Program – Eligibility Requirements

Eligible projects include the use of natural infrastructure or construction, or modification of storm surge, flood protection, or aquatic ecosystem restoration elements related to highway projects, public transportation facilities, intercity rail facilities or service, or port facilities. The federal share is 80% but can be modified based on certain criteria.

10.6.2 PROTECT Program– Process Requirements

Federal share can be increased by 7% if the recipient state or MPO has developed a resilience improvement plan and prioritized the funded project on that plan. Federal share can be increased by 3% for MPOs that have incorporated their resilience improvement plan into the metropolitan transportation plan. States may not use more than 40% for new capacity and not more than 10% for development phase activities. These limits apply to both the formula program and discretionary grant program.



10.6.3 PROTECT Program – Project Selection Criteria

Applications that demonstrate alignment between any state- or regional-level climate adaptation and/or resilience planning and the state or regional Long-Range Transportation Plan can increase the federal funding share for projects significantly. Both the formula program and discretionary grant program can be utilized to increase resilience of existing infrastructure from the impacts of changing weather conditions, such as flooding, extreme weather events, and other natural disasters.

10.6.4 PROTECT Program – Positioning ADOT

To be populated with confirmation of LRTP projects.

10.7 Charging and Fueling Infrastructure

10.7.1 Charging and Fueling Infrastructure – Eligibility Requirements

Eligible projects include the acquisition and installation of publicly accessible electric vehicle charging or alternative fueling infrastructure, operating assistance (for the first 5 years after installation), and the acquisition and installation of traffic control devices.

10.7.2 Charging and Fueling Infrastructure – Process Requirements

At least 50% of this funding must be used for a community grant program where priority is given to projects that expand access to EV charging and alternative fueling infrastructure within rural areas, low- and moderate-income neighborhoods, and communities with a low ratio of private parking spaces.

10.7.3 Charging and Fueling Infrastructure – Project Selection Criteria

Each application should include a description of how the applicant considered accessibility of the facility, engagement with stakeholders, location of the station or fueling site, technology advancements, long-term operation and maintenance and assessment of the estimated emission reduction.

10.7.4 Charging and Fueling Infrastructure – Positioning ADOT

To be populated with confirmation of LRTP projects.

10.8 Active Transportation Infrastructure Investment Program

10.8.1 Active Transportation Infrastructure Investment Program – Eligibility Requirements

Eligible projects include those that aim to provide safe and connected active transportation facilities in active transportation network or active transportation spine. Eligible projects should have a total cost of no less than \$15 million.

10.8.2 Active Transportation Infrastructure Investment Program – Process Requirements

The federal share under this program can go up to 80%, except for projects serving communities with a poverty rate of over 40%, which are eligible for 100% federal funding.

The program specifies the following conditions regarding funds annually appropriated:



- At least 30% of the funds goes toward constructing active transportation networks that connect people with public transportation, businesses, workplaces, schools, residences, recreation areas, and other community activity centers
- At least 30% of the funds goes toward eligible projects that construct active transportation spines
- Each fiscal year, at least \$3 million must be set aside to provide planning grants for eligible organizations to develop plans for active transportation networks and active transportation spines.

10.8.3 Active Transportation Infrastructure Investment Program – Project Selection Criteria

In making a grant for construction of an active transportation network or active transportation spine, the following shall be considered:

- A plan developing walking and bicycling infrastructure that is likely to provide substantial additional opportunities for walking and bicycling, including effective plans to create an active transportation network or active transportation spine, and integrate active transportation facilities with transit services, where available, to improve access to transportation
- Broad community support through the use of public input in the development of transportation plans; and the commitment of community leaders to the success and timely implementation of an eligible project
- Commitment of State, local, or eligible Federal matching funds, and land or in-kind contributions, in addition to the local match required unless the applicant qualifies for an exception
- The grant will address existing disparities in bicyclist and pedestrian fatality rates based on race or income level or provide access to jobs and services for low-income communities and communities of color
- Demonstrates how investment in active transportation will advance safety for pedestrians and cyclists, accessibility to jobs and key destinations, economic competitiveness, environmental protection, and quality of life.

10.8.4 Active Transportation Infrastructure Investment Program – Positioning ADOT

To be populated with confirmation of LRTP projects.

10.9 Resiliency Quick Guide

To be populated by ADOT when available.