

USDOT- Maritime Administration

MARAD
U.S. MARITIME ADMINISTRATION



FY2023 Port Infrastructure Development Program Small Projects at Small Ports Economic Vitality Webinar

March 8, 2023

Questions during the presentation? Email: PIDPGRANTS@DOT.GOV

Maritime Administration
1200 New Jersey Ave., SE | Washington, DC | 20590
www.dot.gov

This presentation will cover the following topics:

- An Overview of the Port Infrastructure Development Program (PIDP) Notice of Funding Opportunity (NOFO).
- Changes and additions in the 2023 NOFO.
- The Merit Criteria reviewers will evaluate.
- A focus on the Economic Vitality merit criterion.
- What reviewers will look for in evaluating Economic Vitality.
- Application review rating system.
- Resources to help applicants seeking a Port Infrastructure Development Program grant.

Questions during the presentation? Email: PIDPGRANTS@DOT.GOV

■ Port Infrastructure Development Program Grant Opportunity

- PIDP Grants provide federal assistance to eligible applicants to assist in funding eligible projects for the purpose of improving the safety, efficiency, or reliability of the movement of goods through ports and intermodal connections to ports.

Changes from the FY 2022 NOFO

- The FY 2023 NOFO includes updated selection considerations pertaining to: Climate Change and Sustainability; Equity and Justice^{40*}; and Workforce Development, Job Quality, and Wealth Creation, as described in more detail in Section D of this NOFO.
- The FY 2023 PIDP NOFO includes updated definitions described in Section A.3. Application review criteria in Section E of the FY 2023 PIDP NOFO have been updated to reflect revised selection considerations. Other changes have been made throughout the FY 2023 PIDP NOFO to better illustrate application requirements.
- Applicants who are planning to re-apply using materials prepared for prior competitions should ensure that their FY 2023 PIDP application fully addresses the statutory merit criteria and selection considerations described in this notice and that all relevant information is up to date.

*The Justice40 initiative is an administration initiative that seeks to target at least 40 percent of project benefits towards low-income communities.

* See the 2023 Notice of Funding Opportunity (NOFO) at www.maritime.dot.gov/PIDPgrants

Availability of Funds

- MARAD seeks to obligate FY 2023 PIDP funds by September 30, 2026. Obligation occurs when a selected applicant and MARAD enter into a written grant agreement after the applicant has satisfied applicable administrative requirements, including transportation planning and environmental review requirements, such as those under the National Environmental Policy Act (NEPA).
- Unless authorized by MARAD in writing after MARAD's announcement of FY 2023 PIDP award selections pursuant to 46 U.S.C. 54301(a)(10)(B) or 2 CFR 200.458, any costs incurred prior to MARAD's obligation of funds for a project ("pre-award costs") are ineligible for reimbursement and are ineligible to count as match for cost share requirements.
- Per 46 U.S.C. 54301(a)(11)(B)(ii), MARAD also expects grant recipients to expend funds within five years of obligation. As part of the review and selection process described in Section E.2., MARAD will consider a project's likelihood to be ready for obligation of funds by September 30, 2026, and liquidation of these obligations within five years after the date of obligation.
- The application submittal deadline is 11:59 p.m. EDT, April 28, 2023.
- Applications must be submitted through www.grants.gov.

Questions during the presentation? Email: PIDPGRANTS@DOT.GOV

Summary of the Evaluation Criteria

Merit Criteria

- Achieving Safety, Efficiency, or Reliability Improvements;
- **Supporting Economic Vitality** (the focus of this webinar)
- Leveraging Federal Funding; and
- Improving Port Resilience.

Selection Considerations

- Climate Change and Sustainability;
- Equity and Justice^{40*}; and
- Workforce Development, Job Quality, and Wealth Creation.

Additional Considerations

- Project Readiness
 - Technical Capacity; and
 - Environmental Risk.
- Domestic Preference.

Statutory Determinations

**The Justice40 initiative is an administration initiative that seeks to target at least 40 percent of project benefits towards low-income communities.*

■ Eligible Applicants

- A port authority, a commission or its subdivision or agent under existing authority;
- A State or political subdivision of a State or local government;
- An Indian Tribe;
- A public agency or publicly chartered authority established by one or more States;
- A special purpose district with a transportation function;
- A multi-state or multi-jurisdictional group of entities; or
- A lead entity described above jointly with a private entity or group of private entities (including the owners or operators of a facility, or collection of facilities, at a port).

■ Joint Applications

- If submitting a joint application, applicants must identify in the application the eligible lead entity as the primary point of contact and identify the primary recipient of the award.
- The applicant entity that will be responsible for the financial administration of the project must be an eligible lead entity described above (i.e., not a private entity).
- Joint applications must include a memorandum of understanding as an attachment signed by all the entities that includes a description of the roles and responsibilities of each entity.

Questions during the presentation? Email: PIDPGRANTS@DOT.GOV

Eligible projects for FY 2023 PIDP grants shall be located either within the boundary of a port, or outside the boundary of a port and directly related to port operations or to an intermodal connection to a port. Grants may be made for capital projects that will be used to improve the safety, efficiency, or reliability of:

- (I) the loading and unloading of goods at the port, such as for marine terminal equipment;
- (II) the movement of goods into, out of, around, or within a port, such as for highway or rail infrastructure, intermodal facilities, freight intelligent transportation systems, and digital infrastructure systems;
- (III) operational improvements, including projects to improve port resilience; or
- (IV) environmental and emissions mitigation measures, including projects for—
 - (a) port electrification or electrification master planning;
 - (b) harbor craft or equipment replacements or retrofits;
 - (c) development of port or terminal microgrids;
 - (d) provision of idling reduction infrastructure;
 - (e) purchase of cargo handling equipment and related infrastructure;
 - (f) worker training to support electrification technology;

- (g) installation of port bunkering facilities from ocean-going vessels for fuels;
- (h) electric vehicle charging or hydrogen refueling infrastructure for drayage and medium or heavy-duty trucks and locomotives that service the port and related grid upgrades; or
- (i) other related port activities, including charging infrastructure, electric rubber-tired gantry cranes, and anti-idling technologies.

For FY 2023, eligible projects also include projects to provide shore power at a port that services:

- 1) passenger vessels described in section 3507(k) of title 46, United States Code; and
- 2) vessels that move goods or freight.

DOT will prioritize funding for projects that propose to move into the construction phase within the period of performance. Accordingly, applications for development phase activities will be less competitive than capital projects.

Questions during the presentation? Email: PIDPGRANTS@DOT.GOV

- Small Port – A coastal seaport, Great Lakes, or inland river port to and from which the average annual tonnage of cargo during the 3 calendar years immediately preceding the time of application is less than 8,000,000 short tons as determined by U.S. Army Corps of Engineers (USACE) data for the statistical port area in which the project is located.
 - For joint applications, MARAD will use the status of the lead (eligible) applicant when determining whether the project is for a small port.
- In determining whether the applicant qualifies as a small port, MARAD will use the tonnage results of the U.S. Army Corps of Engineers statistical port area in which the project is located.
- MARAD may accept an independent certification of tonnage statistics in those cases where U.S. Army Corps of Engineers statistical data are not available.
- Port Statistical Areas (PSAs)- In cases where there is a group of individual ports consolidated by the U.S. Army Corps of Engineers into a PSA, MARAD will make the determination of a small port based on the individual port in which the project is located. PSA's will not be used to make determinations.
- Following are three examples of small port determination cases.
- Questions during the presentation? Email: PIDPGRANTS@DOT.GOV

Small Port Determination Example #1

- “Applicant A” and “Project A” are both located in Iberville, LA (near Baton Rouge). Applicant A does not consider itself to be affiliated with the nearby Port of Greater Baton Rouge and Project A will not be constructed on land owned by the Port of Greater Baton Rouge.
- Project A will take place at a facility that handles less than 1M short tons of cargo each year. The nearby Port of Baton Rouge is considered a large port, as it handles over 70M short tons/year.
- Applicant A knows that the U.S. Army Corps of Engineers (USACE) considers Iberville to be part of the statistical boundary for the Port of Greater Baton Rouge, but due to their lack of affiliation with the Port, Applicant A believes it should be considered a small port.

Is Project A located at a small port?

Answer: No

Why? Despite Applicant A and Project A’s lack of affiliation with the Port of Greater Baton Rouge, this project is located within the statistical boundary of a large port and therefore, cannot be considered a “small port.”

Small Port Determination Example #2



- Applicant B and Project B are both located in Kittanning, PA along the Allegheny River. The nearest major port to Kittanning is the Port of Pittsburgh, which is over 40 miles away. Applicant B has no affiliation with the Port of Pittsburgh.
- Project B will take place at a facility that handles less than 2M short tons of cargo each year.
- Applicant B assumes their project is located far enough from the nearest large port and decides to apply for a PIDP grant under the assumption they are a small port.

Is Project B located at a Small Port?

Answer: No

Why? Project B is located in Kittanning, PA which is within the USACE statistical boundary for the Port of Pittsburgh, which is a large port. As a result, Applicant B will be considered a “large port.”

What should Applicant B have done differently? Applicant B should have reached out to MARAD and asked for assistance in determining their status as a small or large port. MARAD would have informed Applicant B of their status as a large port and Applicant B could have prepared their application accordingly.

Small Port Determination Example #3



- Applicant C and Project C are located in Rogers County, OK, near Tulsa.
- Applicant C heard from colleagues that the City of Tulsa-Rogers County Port Authority typically handles under 5M short tons of cargo/year, making it a “small port.” However, Applicant C is unfamiliar with the USACE tonnage data, so it is unable to confirm whether this is true.
- Applicant C submits a PIDP application for Project C under the assumption that the project qualifies as a “small port.”

Is Project C located at a Small Port?

Answer: Yes

Why? The applicant correctly determined that it is (1) located within the statistical boundary for the City of Tulsa – Rogers County Port Authority and (2) that this Port Authority has handled less than 8M short tons of cargo/year for the past three years.

What could Applicant C have done differently? Applicant C could have reached out to MARAD to receive assistance in accessing and interpreting the USACE data.

Ineligible Projects

- **Vessel construction**

- Exceptions (requires a Secretarial determination):
 - Must advance environmental or mitigation measures;
 - Cannot also be receiving assistance under 46 U.S.C. chapter 537

- **Projects within a small shipyard**

- **Improvements to Federally owned facilities**

- **Fully automated cargo handling equipment or the installation of terminal infrastructure that is designed for fully automated cargo handling equipment.**

- If the Secretary determines such equipment would result in a net loss of good jobs or reduction in the quality of jobs within the port or port terminal.
- In general, fully automated cargo handling systems transfer materials without the need, or with a significantly reduced need, for human assistance are ineligible.
- Applicants who propose projects that include the acquisition of cargo handling equipment must provide the information outlined in Section C.3.a. of the NOFO.

- In general, fully automated cargo handling systems transfer materials without the need, or a significantly reduced need, for human assistance. Such systems may be remotely operated or monitored, with or without the exercise of human intervention or control.
- Applicants who propose projects that include the acquisition of eligible cargo handling equipment or terminal infrastructure for cargo handling equipment must indicate in their application whether the equipment is fully automated (or whether the terminal infrastructure is designed for fully automated equipment).
- If fully automated equipment is proposed to be acquired or terminal infrastructure for such equipment is proposed to be created, the applicant must provide information describing the job changes that will result from the project, including supporting evidence demonstrating that the project will not directly result in a net loss of good jobs or degradation of job quality.

Questions during the presentation? Email: PIDPGRANTS@DOT.GOV

Planning Grants

- Activities eligible for funding under PIDP planning grants include development phase activities, such as planning, feasibility analysis, revenue forecasting, environmental review, permitting, and preliminary engineering and design work.
- Applicants for planning grants that qualify under the definition of a small project at a small port must address the three merit criteria of Economic Vitality: (1) The project's impact on economic advantage; (2) Contribution to freight transportation; and (3) Any competitive disadvantage of the port.
- Applicants must show how the planned project intends to address the three merit criteria.
- Documentation could include business plans, construction plans, engineering studies, feasibility studies, port community revitalization plans, and mobility studies.
- **Note: As stated in the 2023 NOFO, applications for only development phase activities will be less competitive than applications for capital grants.**

Questions during the presentation? Email: PIDPGRANTS@DOT.GOV

To maximize the value of FY 2023 PIDP funds for all Americans, DOT seeks projects that support the following Merit Criteria:

- (1) Improving the safety, efficiency, or reliability of the loading and unloading of goods, the movement of goods, operational improvements (including projects to improve port resilience), or environmental and emissions mitigation measures;
- (2) Supporting economic vitality at the national and regional levels;
- (3) Addressing climate change and environmental justice impacts;
- (4) Advancing equity and opportunity for all; and
- (5) Leveraging Federal funding to attract non-Federal sources of infrastructure investment.

See Section 3 of the NOFO for definitions of “port resilience” and “equity.”

Questions during the presentation? Email: PIDPGRANTS@DOT.GOV

Merit Criteria

Applicants must address each of the following merit criteria in their application:

- Effect on the Movement of Goods
- **Economic Vitality (the focus of this presentation)**
- Addressing Climate Change and Environmental Justice Impacts
- Advancing Racial Equity and Reducing Barriers to Opportunity
- Leverage of Federal Funding.

Additional factors that will be assessed include project location, geographic diversity, size of the port, whether a project is located within a Federally designated Community Development Zone, domestic preference, and the resilience of the port as a result of the project.

Updated Considerations- See Section D of the NOFO for **updated considerations** pertaining to: Climate Change and Sustainability; Equity and Justice⁴⁰; and Workforce Development, Job Quality, and Wealth Creation.

See details in the NOFO at: www.maritime.dot.gov/PIDPgrants

Questions during the presentation? Email: PIDPGRANTS@DOT.GOV

- **The NOFO also includes selection considerations based on Departmental priorities including:**
 - Climate Change and Sustainability;
 - Equity and Justice⁴⁰; and
 - Workforce Development, Job Quality, and Wealth Creation.

- **Additional Considerations Include:**
 - Project Readiness;
 - Domestic Preference; and
 - Statutory Determinations.

Questions during the presentation? Email: PIDPGRANTS@DOT.GOV

Application Review Process

Statutory Merit Criteria: Achieving Safety, Efficiency, or Reliability Improvements

Statutory Merit Criteria: Supporting Economic Vitality

Statutory Merit Criteria: Leveraging Federal Funding

Statutory Merit Criteria: Improving Port Resilience

Selection Considerations: Climate Change and Sustainability

Selection Considerations: Equity and Justice⁴⁰

Selection Considerations: Workforce Development, Job Quality, and Wealth Creation.

Additional Considerations: Project Readiness

Additional Considerations: Domestic Preference

Merit Criteria

Economic Vitality – Small Projects at Small Ports

Reviewers will use three criteria to evaluate Economic Vitality:

- (1) The project's impact on economic advantage
- (2) Contribution to freight transportation
- (3) The competitive disadvantage(s) of the port

A Benefit Cost Analysis (BCA) of small projects at small ports is not required; but can be used to help demonstrate meeting the 3 criteria for Economic Vitality.

Questions during the presentation? Email: PIDPGRANTS@DOT.GOV

Economic Vitality

Economic vitality supports the development of transportation systems that stimulate, support, and enhance the movement of goods to ensure a prosperous community and economy. The concept of economic vitality includes recognizing a full range of multimodal and intermodal freight needs, public-private partnerships, sustainability, and institutional linkages within the community.

Examples of actions that support economic vitality include:

- Collaborating with local businesses.
- Converting unused space to support marine trade activity of the port and region.
- Safety measures that benefit the port's vicinity/community.
- Developing and supporting land use and infrastructure policies that promote a robust and diverse employment base.
- Creating a partnership with regional organizations, local educational institutions, vocational schools, or universities to facilitate career development and business growth.

MARAD will consider all relevant information provided, such as, but not limited to, business plans, construction plans, engineering studies, feasibility studies, investor prospectuses, and mobility studies.

Impacts On Economic Advantage

- The economic advantage of a port includes factors such as, but not limited to:
 - Superior logistics (e.g., Cargo handling, loading/unloading, shipping paperwork, surveillance).
 - Availability of large spaces or capacity
 - Proximity to rail and highways
 - Ample truck parking
 - Light traffic congestion
 - Economic incentives (e.g., Discounts on harbor dues or for adopting pro-environment practices and technologies).
- Applicants should include analyses and documentation related to how the project will enhance the port's economic advantage(s), such as by creating economies of scale, overcoming barriers to entry, or creating more efficient access for labor, resources, and customers.

Questions during the presentation? Email: PIDPGRANTS@DOT.GOV

- Increasing cargo throughput does not necessarily mean that it also impacts resilience

Therefore, the project's narrative must demonstrate that the applicant understands that improving resilience requires more than simply improving the economic advantage of a port.

Resilience is the mechanism that allows a port to adapt and recover from disruptions while maintaining operations.

Resilience addresses physical, social (e.g., pandemic, labor), environmental, and economic shocks.

Examples of port resilience actions (projects, project components, steps) include

- (1) Improving the port infrastructure and superstructure
- (2) Traffic diversion strategies
- (3) Stronger enforcement of hazardous material management
- (4) Investments in information technologies such as cyber security
- (5) Relocation of terminal facilities to lower-risk areas
- (6) Preparedness- installation of equipment, components, and material to replace or repair destroyed infrastructure.

- **Economies of scale-** the applicant must show, such as by providing valid and relevant metrics or qualitative analysis, that the average cost of the project's component(s) subject to an increase in scale will decrease (or at least not increase).

Examples of projects, or project components, in support of an increase in a port's economies of scale include, but are not limited to, land expansion, additional terminals, new or larger warehouses, and longer or wider berths.
- **Barriers to entry-** they consist of economic and geographic barriers, such as an incumbent or adjacent port having an absolute cost advantage due to port location, a large minimum scale of operation, or switching costs; or the applicant's port having natural constraints to its capacity.
 - The applicant could show how the project intends to overcome those barriers, by enhancing the appeal of the port's location, broadening narrow channels or lengthening short ones, offering bundled services, or investing in spatial and functional networks.
- **Increased efficient access of labor, resources, and customers-** the applicant must show, where applicable, that the project will improve the physical access for employees, customers, and resources to and around the port; will create larger pools of potential employees; and will address equitable opportunities for hiring and promotion within the port.

Questions during the presentation? Email: PIDPGRANTS@DOT.GOV

- The narrative's discussion of the project's contribution to freight transportation should address how the project will improve the physical process of transporting commodities, merchandise, goods, cargo, and address related externalities.
- Applicants should include information that helps reviewers understand how the project will benefit *both* direct stakeholders (such as shippers, carriers, or consignees) and other members of society who may not benefit directly from cargo movements (such as by reducing some of the negative externalities of freight transportation such as air, noise, and water pollution, water contamination, vegetation, and wildlife destruction).

The applicant must particularly consider where negative externalities disproportionately impact low-income communities, Historically Disadvantaged Communities, or overburdened communities.

Questions during the presentation? Email: PIDPGRANTS@DOT.GOV

Reviewers will look for narrative and supporting documentation of how the project will enhance economic advantage.

Supporting Documentation:

- **Economies of Scale**

Reviewers will look for narrative and supporting documentation, such as plans, purchases, investments or policies of efficient increased scaling, operational collaboration or resource consolidation.

- **Overcoming Barriers to Entry**

Reviewers will look for narrative and supporting documentation addressing potential inequities and barriers to equal opportunity in: (1) planning and policies; and (2) project investments.

- **Creating More Efficient Access for Labor, Resources and Customers**

Reviewers will look for narrative and supporting documentation in support of increased efficiency in those -areas through, but not limited to, the use of new technology, innovations or time saving and related job creation.

Questions during the presentation? Email: PIDPGRANTS@DOT.GOV

Contribution To Freight Transportation At The Port

Reviewers will look for narrative and supporting documentation of how the project will

- Improve the process of transporting commodities and
- Improve positive externalities and/or overcome negative externalities.
- Describe whether and how the project will improve the physical process of transporting commodities; whether the project will improve disaster preparedness and resiliency.
- Describe whether, or not, the project will improve positive externalities, such as increases in land value, economic sector improvements, aesthetic improvements, lighting improvement, tourism, and agglomeration. Describe also how the project will overcome negative externalities, such as pollution, noise, congestion, contamination, adverse visual impact, or loss of amenity.

Questions during the presentation? Email: PIDPGRANTS@DOT.GOV

- Documentation in support of a port's contribution to freight transportation include, but are not limited to, plans and/or project components addressing the abatement/elimination of negative externalities.

Examples include pollution abatement, safety promotion and congestion reduction.

- Also, documentation in support of a port's contribution to freight transportation include, but are not limited to, plans and/or project components describing the existence or enhancement of positive externalities related to the port project.

Examples include studies of port impacts on land value, economic sector improvements, aesthetic improvements, lighting improvement, and tourism.

Questions during the presentation? Email: PIDPGRANTS@DOT.GOV

The Competitive Disadvantage of The Port

A port may be at a competitive disadvantage, due to inherent or external factors that impact a potential project and that may be the impetus behind a project. A competitive disadvantage hinders the port's ability to effectively compete.

Examples of competitive disadvantage include:

- Limited technology: limited specific or new technology.
- Limited topography: limited or congested space, narrow navigation channels, shallow harbors, and congested truck and rail access routes.
- Reviewers will look for narrative and supporting documentation of how the project will improve the port's competitive position.
- Reviewers will look for evidence and explanation of how PIDP funding will help reduce, remove, or correct elements of competitive disadvantage.

Questions during the presentation? Email: PIDPGRANTS@DOT.GOV

- A port may be in a competitive disadvantage, due to inherent or external factors to a port that impact a potential project and that may be the impetus behind a project.
- Examples of competitive disadvantage include limited technology and limited topography, such as limited or congested space, narrow navigation channels, shallow harbors, and congested truck and rail access routes, which hinder a port's ability to effectively compete.
- The application could also identify how a PIDP-funded project's values-based approach (such as an emphasis on respect for people and the environment or commitment to individual economic opportunities) will address the competitive disadvantage of the port.
- Supporting Documentation could include investment plans, feasibility studies, traffic studies, safety risk studies, and environmental studies.

Questions during the presentation? Email: PIDPGRANTS@DOT.GOV

There are 4 possible ratings: High, medium, low or non-responsive:

- **High** – Application documentation submitted by the applicant indicates the project will improve the economic advantage of the port, contribute to freight transportation at the port, and improve the competitive advantage of the port.
- **Medium** – Application documentation submitted by the applicant indicates the project will improve two of the factors identified above.
- **Low** – Application documentation submitted by the applicant indicates the project will improve only one of the factors identified above.
- **Non-Responsive** – Reviewers determine that documentation submitted by the applicant indicates the project will not improve any of the factors identified above. (No rating will be assigned)

Questions during the presentation? Email: PIDPGRANTS@DOT.GOV

Port Infrastructure Development Program Grants Webpage:

<https://www.maritime.dot.gov/PIDPgrants>

Urban-Rural Census Link

<https://tigerweb.geo.census.gov/tigerweb2020/>

Historically Disadvantaged Communities

<https://usdot.maps.arcgis.com/apps/dashboards/d6f90dfcc8b44525b04c7ce748a3674a>

See a related PIDP webinar

FY 2023 PIDP HOW TO APPLY webinar - 2/15/2023

Email: PIDPGRANTS@DOT.GOV

- **Local traffic counts and travel survey data**
- **U.S. Census Bureau**
- **Project partners (higher levels of government, MPOs, universities, etc.)**
- **FRA's Crossing Inventory and Accident Reports –**
<https://safetydata.fra.dot.gov/OfficeofSafety/PublicSite/Crossing/Crossing.aspx>
- **NHTSA's Fatality Analysis Reporting System –**
<https://www.nhtsa.gov/research-data/fatality-analysis-reportingsystem-fars>
- **The Crash Modification Factors Clearinghouse –**
<https://www.cmfclearinghouse.org/>

Email: PIDPGRANTS@DOT.GOV

Questions?

Email: PIDPGRANTS@DOT.GOV