

DEPARTMENT OF TRANSPORTATION

Federal Transit Administration (FTA)

Announcement of Fiscal Year 2022 and Fiscal Year 2023 Competitive Grants for Rail Vehicle Replacement Program Project Selections

AGENCY: Federal Transit Administration (FTA), Department of Transportation (DOT).

ACTION: Notice; Announcement of Project Selections

SUMMARY: The U.S. Department of Transportation's (DOT) Federal Transit Administration (FTA) announces the allocation of \$703,093,337 to projects under the Fiscal Year (FY) 2022 and FY 2023 Competitive Grants for Rail Vehicle Replacement Program (Rail Program), including the commitment of \$103,093,337 in FY 2024 funding via a multi-year grant agreement and provides administrative guidance on project implementation.

FOR FURTHER INFORMATION CONTACT: Successful applicants should contact the appropriate FTA Regional Office for information regarding applying for the funds or program-specific information. A list of Regional Offices can be found at www.transit.dot.gov. Unsuccessful applicants may contact Donna Iken, Office of Program Management at (202) 366-0876, email: donna.iken@dot.gov, within 30 days of this announcement to arrange a proposal debriefing. A TDD is available at 1-800-877-8339 (TDD/FIRS).

SUPPLEMENTARY INFORMATION: Federal public transportation law (49 U.S.C. § 5337(f)) authorizes FTA to make competitive grants for the Rail Program. Federal public transportation law (49 U.S.C. § 5338(a)(2)(L)) authorizes \$300 million in contract authority funds annually for competitive grants under the Rail Program, totaling \$600

million in combined FY 2022 and FY 2023 funding. Additionally, Federal public transportation law (49 U.S.C. 5337(f)(7)) authorizes FTA to select projects to receive multi-year grant agreements that are not more than three years, committing funding subject to appropriations in subsequent years.

On October 12, 2022, FTA published a Notice of Funding Opportunity (NOFO) (87 FR 61642) announcing the availability of \$600 million in combined FY 2022 and FY 2023 competitive funding under the Rail Program. These program funds will provide financial assistance to replace aging rail vehicles. In response to the NOFO, FTA received 18 eligible proposals from 13 states requesting over \$3.5 billion in Federal funds. Project proposals were evaluated based on each applicant's responsiveness to the program evaluation criteria outlined in the NOFO. Federal public transportation law (49 U.S.C. 5337(f)(3)) limits the project selections to three new projects for each fiscal year, translating to six project selections combined for FY 2022 and FY 2023. FTA is funding six projects as shown in Table 1 for a total of \$703,093,337.

Recipients selected for competitive funding should work with their FTA Regional Office to submit a grant application in FTA's Transit Award Management System (TrAMS) for the projects identified in the attached table to quickly obligate funds. Grant applications must only include eligible activities applied for in the original project application. Funds must be used consistent with the competitive proposal and for the eligible capital purposes described in the NOFO.

Per 49 U.S.C. 5337(f)(5), Rail Program funding may be up to 50 percent of the total eligible project cost. Other Federal funding, including FTA funding, such as State of Good Repair Program formula funding, may be applied for the project up to a

maximum 80 percent Federal share of eligible project costs, per 49 U.S.C. 5337(f)(6).

For example, a rail vehicle replacement project with a total eligible cost of \$100,000,000 may receive up to \$50,000,000 from this program. The remaining \$50,000,000 could be provided from a combination of non-Federal and other Federal funds, up to \$30,000,000 of which could be other Federal funding. For a \$100,000,000 project, at least \$20,000,000 (20%) must be non-Federal funds.

In cases where the allocation amount is less than the proposer's total requested amount, recipients are required to fund the scalable project option as described in the application. If the award amount does not correspond to the scalable option, the recipient should work with the Regional Office to reduce scope or scale the project such that a complete phase or project is accomplished. Recipients may also provide additional local funds to complete a proposed project. A discretionary project identification number has been assigned to each project for tracking purposes and must be used in the TrAMS application.

Selected projects are eligible to incur costs under pre-award authority no earlier than the date projects were publicly announced. Pre-award authority does not guarantee that project expenses incurred prior to the award of a grant will be eligible for reimbursement, as eligibility for reimbursement is contingent upon other requirements, such as planning and environmental requirements, having been met. For more about FTA's policy on pre-award authority, please see the current FTA Apportionments, Allocations, and Program Information at <https://www.transit.dot.gov/funding/apportionments>. Post-award reporting requirements include submission of Federal Financial Reports and Milestone Progress Reports in

TrAMS (see FTA Circular 5010.1E). Recipients must comply with all applicable Federal statutes, regulations, executive orders, FTA circulars, and other Federal requirements in carrying out the project supported by the FTA grant. FTA emphasizes that recipients must follow all third-party procurement requirements set forth in Federal public transportation law (49 U.S.C. 5325(a)) and described in the FTA Third Party Contracting Guidance Circular (FTA Circular 4220.1). Funds allocated in this announcement must be obligated in a grant by **September 30, 2026**. For multi-year funding, funding allocated in FY 2024 must be obligated by September 30, 2027.

TECHNICAL REVIEW AND EVALUATION SUMMARY: The FTA assessed all project proposals that were submitted under the FY 2022 and FY 2023 Rail Program according to the following evaluation criteria. The specific metrics for each criterion were described in the October 12, 2022, NOFO:

1. Demonstration of Need
2. Demonstration of Benefits
3. Planning/Local Prioritization
4. Local Financial Commitment
5. Project Implementation Strategy
6. Technical, Legal, and Financial Capacity

For each project, a technical review panel assigned a rating of Highly Recommended, Recommended, or Not Recommended for each of the six criteria. The technical review panel then assigned an overall rating of Highly Recommended, Recommended, Not Recommended, or Ineligible to the project proposal.

Projects were assigned a final overall rating of Highly Recommended if they were rated Highly Recommended in at least four categories overall, with no Not Recommended ratings. Projects were assigned a final overall rating of Recommended if the projects had three or more Recommended ratings and no Not Recommended ratings. Projects were assigned a rating of Not Recommended if they received a Not Recommended rating in any criteria. A summary of the final overall ratings for all 18 eligible project proposals is shown in the table below.

**TABLE 1
OVERALL PROJECT RATINGS**

Rating	Number of Applications
Highly Recommended	16
Recommended	0
Not Recommended	2
Total	18

As outlined in the NOFO, FTA made the final selections based on the technical ratings as well as statutory considerations including the amount of funds available to applicants from Section 5337 State of Good Repair Formula Program, the age and condition of rail rolling stock, diversity in the size of transit systems receiving funding, whether the applicant has identified replacement of the rail vehicles as a priority in the applicant's Transit Asset Management Plan pursuant to 49 CFR Part 625, support of Administration priorities including advancing racial equity and reducing barriers to opportunity, geographic diversity, and/or receipt of other recent competitive awards. As further outlined in the NOFO, in some cases, proposers that were selected for funding received less than the amount originally requested to include only the cost of the replacement vehicles.

TABLE 2
FY 2022 – FY 2023 COMPETITIVE GRANTS FOR RAIL VEHICLE
REPLACEMENT PROGRAM PROJECT SELECTIONS

State	Recipient	Project ID	Project Description	Allocation
CA	Sacramento Regional Transit District	D2023-RAIL-001	Light Rail Vehicle Replacement (SacRT)	\$45,096,936
FL	South Florida Regional Transportation Authority	D2023– RAIL-002	South Florida Regional Transportation Authority Rail Vehicle Replacement	\$71,700,000
IL	Chicago Transit Authority (CTA) <i>(Multi-Year Grant Agreement – FY 2023 Funding)</i>	D2023-RAIL-003	CTA's Railcar Purchase	\$96,906,663
IL	Chicago Transit Authority (CTA) <i>(Multi-Year Grant Agreement – FY 2024 Funding)</i>	To be assigned when FY 2024 funding is made available	CTA's Railcar Purchase	\$103,093,337
MO	Bi-State Development Agency of the Missouri-Illinois Metropolitan District	D2023-RAIL-004	Metrolink LRV Replacement Project	\$194,903,064
MO	Bi-State Development Agency of the Missouri-Illinois Metropolitan District	D2023-RAIL-005	Metrolink LRV Replacement Project	\$1,393,337

OH	Greater Cleveland Regional Transit Authority (GCRTA)	D2023-RAIL-006	GCRTA Rail Car Replacement (RCR) Project	\$130,000,000
UT	Utah Transit Authority	D2023-RAIL-007	UTA Light Rail Vehicle Replacement Project	\$60,000,000

Total: \$703,093,337