

STAFF REPORT

Board Meeting of February 19, 2025

AGENDA ITEM: 5-B

PREPARED BY: Sandy Ebersole, Administrative Analyst

SUBJECT:

RAISE Grant Solicitation renamed to "BUILD" by U.S. Department of Transportation

Enclosure: No

Action: Information and Discussion Only

SUMMARY:

The U.S. Department of Transportation (DOT) amended its Notice of Funding Opportunity (NOFO) for the Fiscal Year (FY) 2025 Rebuilding American Infrastructure with Sustainability and Equity (RAISE) Grant Program that was originally released in November 2024. See the Amended NOFO, an Amended NOFO with Redlined Changes, and the updated Program Website. Below is a brief review of the amendments to the solicitation.

The program known as the RAISE Grant Program during the Biden Administration will now once again be known as the Better Utilizing Investments to Leverage Development (BUILD) Grant Program as it was during the first Trump Administration. The DOT awarded \$1.32 billion in grants under Round 1 of the program on January 10, 2025, to support 109 projects from a pool of Projects of Merit that were evaluated as Highly Rated, but not previously selected for a grant under the prior FY 2024 solicitation. DOT continues to accept applications through Round 2 of the FY 2025 solicitation. Project sponsors may submit new applications as well as revised proposals for Projects of Merit that were not selected for Round 1 awards. Selections for Round 2 awards are expected to be announced no later than June 28, 2025.

There is \$150 million in funding remaining for Round 2 awards that was authorized by the *Infrastructure Investment and Jobs Act* (P.L. 117-58). The Amended NOFO maintains that additional funding beyond that authorized funding could be provided for awards if Congress appropriates additional funding for the program in any eventual bicameral agreement on the FY 2025 Transportation, Housing and Urban Development, and Related Agencies (T-HUD) spending bill. However, the NOFO states that "DOT cannot guarantee that Congress will appropriate additional funding to BUILD via a future FY 2025 appropriation."

The amended NOFO removes references to Executive Orders (EOs) and related Departmental priorities from the Biden Administration that were rescinded by President Donald Trump. It aligns the BUILD solicitation with new Executive Orders issued by President Trump with corresponding updates to the merit criteria rating rubric found on pages 30 to 38. The rubric and descriptions of Departmental priorities remove references to equity and benefits to underserved communities, climate change and decarbonization, environmental justice, electrification and zero-emission vehicle infrastructure, active transportation, and certain workforce development and contracting initiatives. Additionally, the amended NOFO affirms that all grant agreements or contracts must include terms that are in compliance with Section 3(C)(iv) of the EO entitled Ending Illegal Discrimination and Restoring Merit-Based Opportunity issued by President Trump on January 21, 2025.

Regarding other portions of the amended NOFO, please note that eligible planning projects no longer include equity analysis, zero emissions planning for transit fleets, and planning activities related to zero emissions goods movement. Additionally, for the purposes of the solicitation, an Area of Persistent Poverty (APP) maintains the same statutory definition, but the definition of a Historically Disadvantaged Community (HDC) now holds the same definition as an APP.

The Deadline for Round 2 funding remained Thursday, January 30, 2025 at 11:59 p.m. Eastern Time (ET).

FISCAL IMPACT:

No fiscal impact to the approved 2024-25 Overall Work Program and Budget.