

USDOT- Maritime Administration
FY2021 Port Infrastructure Development Program
Small Projects at Small Ports Economic Vitality Webinar



MARAD

U.S. MARITIME ADMINISTRATION



This presentation will cover the following:

- **An Overview of the Port Infrastructure Development Program Notice of Funding Opportunity (NOFO)**
- **The Merit Criteria reviewers will evaluate**
- **A focus on the Economic Vitality merit criterion**
- **What reviewers will look for in evaluating Economic Vitality**
- **Resources to help with applying for a Port Infrastructure Development grant**

■ Port Infrastructure Development Program (PIDP) Grant Opportunity

- PIDP Grants provide Federal assistance to improve facilities within, or outside of and directly related to operations of or an intermodal connection to, coastal seaports, inland river ports, and Great Lakes ports.
- See Notice of Funding Opportunity (NOFO) at www.maritime.dot.gov/PIDPgrants
- \$41.4 million is reserved for “small projects at small ports.” A small port is defined as a coastal seaport, Great Lakes, or inland river port to and from which the average annual tonnage of cargo handled during the 3 calendar years immediately preceding the time of application is less than 8,000,000 short tons. A small projects at small ports grant application request cannot exceed \$4.14 million.
- Applicants who plan to request more than \$4.14 million are required to submit a benefit cost analysis with their application.
- The application submittal deadline is 5 p.m. EDT, July 30, 2021.
- Applications must be submitted through www.grants.gov.

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 (focus of this presentation)**
- Addressing Climate Change and Environmental Justice Impacts
- Advancing Racial Equity and Reducing Barriers to Opportunity
- Leverage of Federal Funding.

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

Merit Criteria: Effect on the Movement of Goods

Merit Criteria: Economic Vitality

Merit Criteria: Climate Change and Environmental Justice Impacts

Merit Criteria: Racial Equity and Reducing Barriers to Opportunity

Merit criteria: Leverage Of Federal Funding

Project Readiness

Domestic Preference

Additional Considerations

Merit Criteria

Economic Vitality – Small Projects at Small Ports

There are three factors(criteria) reviewers will use to evaluate economic Vitality:

- (1) The project's impact on economic advantage
- (2) Contribution to freight transportation
- (3) Any competitive disadvantage 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 factors for Economic Vitality.

Economic vitality

Economic vitality supports the development of transportation systems that stimulate, support, and enhance the movement of goods to ensure a prosperous economy. A prosperous economy is conducive to growth, productivity, social capital, innovation, and entrepreneurship.

When preparing the project narrative, applicants should consider that 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.

Applicants should demonstrate how the materials they submit support the 3 factors that reviewers will evaluate for Economic Vitality.

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

Merit Criteria: Economic Vitality (Small Projects at Small Ports)

Evaluators will consider three factors:

- Impacts on economic advantage
- Contribution to freight transportation at the port
- The competitive disadvantage of the port

There are 3 possible ratings: high, medium or low:

A High Rating: The project, based on documentation submitted by the applicant, will improve the economic advantage of the port, contribute to freight transportation at the port, and improve the competitive advantage of the port seeking funding. Essentially, a project that addresses all three factors.

A Medium Rating: The project, based on documentation submitted by the applicant, will improve two of the three factors identified above.

A Low Rating: The project, based on documentation submitted by the applicant, will improve one or none of the three factors identified above.

Impacts On Economic Advantage

- Information related to a project's impact on economic advantage should include any improvements the project will generate as reflected in commitments or other documentation.
- Reviewers will look for analysis and documentation related to how the project will enhance traditional elements of economic advantage such as capitalizing on or creating economies of scale, overcoming barriers to entry, or creating more efficient access for labor, resources, and customers.
- 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 impacts of freight transportation such as air, noise, and water pollution, vegetation, and wildlife destruction).

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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 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.

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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 noise, congestion, pollution, and safety risk.

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- 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.

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The Competitive Disadvantage Of The Port

- Reviewers will look for narrative and supporting documentation of how the project will improve the port's competitive position.
- Reviewers will look for application information on elements of competitive disadvantage, such as technology limitations or a port's geography.
- Reviewers will look for evidence and explanation of how PIDP funding will help reduce or remove, or correct those elements.
- The application could provide information on elements of competitive disadvantage and explain how PIDP funding will help reduce negative or ameliorate positive elements (such as by correcting the element resulting in the competitive disadvantage).

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- 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 or geography (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.

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Port Infrastructure Development Program Grants Webpage:

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

Webinar information:

<https://www.maritime.dot.gov/office-port-infrastructure-development/port-and-terminal-infrastructure-development/2020-port>

Department of Transportation guidance on preparing a benefit-cost analysis:

<https://www.transportation.gov/office-policy/transportation-policy/benefit-cost-analysis-guidance>

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