

USDOT- Maritime Administration



FY2024 Port Infrastructure Development Program Small Projects at Small Ports Economic Vitality Webinar

March 28, 2024

The Port Infrastructure Development Program (PIDP)

The Port Infrastructure Development Program is a discretionary grant program administered by the Maritime Administration. Funds for the PIDP are awarded on a competitive basis to projects that improve the safety, efficiency, or reliability of the movement of goods into, out of, around, or within a port.

The PIDP statute is codified at 46 U.S.C. 54301.

The application submittal deadline is 11:59:59 E.D.T. on May 10, 2024.

Applications must be submitted through www.grants.gov.

- **Changes from FY 2023**

- Clarifies that Seafood and seafood-related businesses are eligible for PIDP funding
- Clarifies how MARAD will determine that an applicant qualifies as a Small Port
- Clarifies eligibility of projects for shore power
- Strategic seaport definition and discretion for award selection
- Adds rating rubrics for the statutory merit criteria
- Cost-effectiveness determination is waived for large projects in noncontiguous States and U.S. territories
- Updates guidance related to the factors reviewers will consider in project readiness evaluations
- Updates guidance related to Selection Considerations based on Departmental priorities (Climate Change and Sustainability, Equity and the Justice40 Initiative, and Workforce Development, Job Quality, and Wealth Creation)
- Prohibits Federal funding to an entity that uses the LOGINK logistics platform

Eligible Applicants

- A State or political subdivision of a State or local government;
- An Indian Tribe or consortium of Indian Tribes;
- A public agency or publicly chartered authority established by one or more States;
- A special purpose district with a transportation function;
- A multistate or multijurisdictional 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 that will be responsible for financial administration of the project must be an eligible lead entity described above (i.e., not a private entity).
- Joint applications should include a description of the roles and responsibilities of each entity.

Summary of the Evaluation Criteria

Merit Criteria

- Achieving Safety, Efficiency, or Reliability Improvements;
- Supporting Economic Vitality;
- Leveraging Federal Funding; and
- Port Resilience.

Selection Considerations

- Climate Change and Sustainability;
- Equity and Justice⁴⁰; and
- Workforce Development, Job Quality, and Wealth Creation.

Additional Considerations

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

Statutory Determinations

Merit Criteria

Economic Vitality – Small Projects at Small Ports

Reviewers will apply three criteria to evaluate the Economic Vitality of a project:

- (1) Impact on the port's economic advantage
- (2) Contribution to freight transportation
- (3) Impact on the competitive disadvantages of the port

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

Economic Vitality

Economic vitality denotes exuberance, liveliness and energy. It incorporates both economic advancement and quality of life.

Economic vitality supports the development of transportation systems that stimulate and enhance the movement of goods to ensure a prosperous economy, a thriving community, and a healthy environment.

Economic vitality is a comprehensive notion, which includes fulfilling a wide range of multimodal and intermodal freight needs, public-private partnerships, sustainability, and institutional linkages within the community.

An economically vital port is one that maintains a balance of maritime, industrial, transportation, commercial, and community objectives and activities- on an ongoing, safe, and secure basis.

Examples of Economic Vitality Improvements in Port Projects

- Improving the competitiveness of the port.
- Developing land in support of marine trade activity in the community and region.
- Developing infrastructure investments that support the cargo supply chain.
- Engaging in partnerships with regional organizations to facilitate career and skill development and business growth in the community.
- Ensuring the port's freight transportation system is responsive to the technological changes and market forces that impact freight mobility and supply chain logistics.
- Investing in port and port-related infrastructure that supports diverse businesses, including seafood and seafood-related businesses, that reflect the latest technological and market opportunities and that are also aligned with the skills and creative abilities of the workforce.

The Project's Impact On Economic Advantage

The economic advantage of a port relates to existing logistical, geographic, transportation, or business advantages at a port that will be improved as a result of the project.

The economic advantages of a port include:

- Superior logistics (i.e., cargo handling, loading/unloading, shipping paperwork, surveillance).
- Availability of large spaces or capacity
- Proximity to railways and highways
- Proximity to key centers of production or consumption
- Abundant truck parking
- Light traffic congestion
- Other (e.g., strategic seaports, multi-purposed capability, or national defense capability).

Reviewers will look for analysis and documentation related to how the project will enhance the port's economic advantage, such as by improving port cargo handling, creating economies of scale, creating or improving port cargo access to railways and/or highways, improving access to key centers of production or consumption, reducing port congestion, etc.

The Project's Contribution to Freight Transportation

The ease of moving cargo beyond the coasts of the U.S. advances trade, generates capital, and drives the domestic economy forward.

The application's narrative of the project's contribution to freight transportation should address how the project will improve the physical process of transporting goods and commodities. It should also address how the project will reduce or eliminate potential points of failure related to the transportation of goods.

Reviewers will look for narrative and supporting documentation that demonstrate how the project will

- Improve the physical process of efficiently transporting goods and commodities.
- Overcome negative externalities, such as air and water pollution, noise, or congestion.
- Improve positive externalities, such as aesthetic improvements, improved accessibility and economic agglomeration.

The Project's Impact on the Competitive Disadvantage of the Port

A port may be at a competitive disadvantage, due to inherent or external factors. These disadvantages may disrupt or minimize the relative competitive position of a port in logistics or in business. An application's narrative should explain how the proposed project will overcome those disadvantages.

Examples of competitive disadvantages include:

- Unfavorable topography, remoteness, or severe climate,
- Limited or congested space, narrow navigation channels, shallow harbors.
- Limited truck and rail routes.
- Lack of access to key resources or markets.
- Institutional factors, such as limited technology or limited skills and know-how.

*Lack of financial capability is not considered a competitive disadvantage under the PIDP economic vitality evaluation.

Reviewers will look for evidence and explanation of how PIDP funding will help reduce, remove, or correct elements of competitive disadvantage.

Supporting Documents

- MARAD will consider all relevant information and documentation provided, such as, but not limited to, business plans, construction plans, engineering studies, feasibility studies, mobility studies, investor prospectuses, tables, charts, graphs, spreadsheets, maps, diagrams and images.
- Supporting documents could apply to more than one merit criterion.
- Supporting documents should be recent and denoted with proper citation.
- Supporting documents should be submitted in PDF, other than spreadsheets, unless otherwise specified.
- Applicants should clearly identify the part within the project narrative that each supporting document supports.

- **Bureau of Transportation Statistics (BTS)**
<https://www.bts.gov/>
- **Transportation Research Board (TRB)**
<https://www.nationalacademies.org/trb/transportation-research-board>
- **U.S. Census Bureau**
<https://www.census.gov/>
- **Local traffic counts and travel survey data** (from state DOTs or transportation institutes)
- **Project partners** (MPOs, universities, research institutions, 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-reporting-system-fars>
- **The Crash Modification Factors Clearinghouse**
<https://www.cmfclearinghouse.org/>

- **Port** : The term “port” includes—
 - any port on the navigable waters of the United States; and
 - any harbor, marine terminal, or other shore side facility used principally for the movement of goods on inland waters.
 - a port can be defined by the Army Corps, or through the applicant’s self assessment

- **Small Port**: A coastal seaport, Great Lakes, or inland river port to and from which the average annual tonnage of cargo for the immediately preceding three calendar years from the time an application is submitted is less than 8,000,000 short tons, as determined by using:
 - **U.S. Army Corps of Engineers data**
 - **Data from an independent audit acceptable to the Secretary**

- **Large Port**: Any port that does not fit the definition of a small port.

- The applicant may use Army Corps data or data from its own independent audit to demonstrate the project is in a small port.
- Regardless of the data source, to the extent practical the applicant should self certify, and MARAD will evaluate the data using the same process.
 - Latest 3 calendar years of available data source
 - An average annual tonnage in short tons over those years of less than 8,000,000
- **Data from different sources** (e.g., Army Corps data comingled with other data sources) should be consistent to the extent practical.
- **Example:** The applicant would like to demonstrate that their project is within a small port using Army Corps data from 2021 and data from an independent audit for 2022 and 2023. MARAD would expect the applicant to use data for the same facilities and geographic area, and that the data from the independent audit would be based on a calendar year.

Independent Audit data is acceptable if it is a reasonable substitute for USACE data. Reasonable Substitute data is:

- Applicable: the data applies to the port or terminal
 - Specify the name of the port or terminal
 - This may be but is not necessarily the name of the applicant or project
- Authoritative: the data is credible, from an authoritative source. For example:
 - Data from the owner or operator of the port or terminal
 - Data from a Port Authority that operates or supports the port or terminal
 - Data from a government agency (Customs, Census, Local/State DOT)
 - Data from a third party that assists the terminal or port in data Collection
- Accurate: the tonnage is specified, not just “more/less than 8 m tns”
 - Estimation is acceptable

Small Port Determination Example 1:

Sunflower county owns and leases multiple ship terminals along a 20-mile stretch of an inland river, including Redwood Terminal. USACE considers these terminals to be a single large port. Sunflower County applies for a SPSP for a “Redwood Terminal Expansion” project. The applicant provides the following:

- The applicable name of the port: **Sunflower County Port – Redwood Terminal**
- An accurate tonnage: **3.5m tns average 2021-2023,**
- An authoritative data source: tonnage figure per **Redwood Terminal Operator**

Though USACE includes Redwood Terminal tonnage as part of the larger Sunflower County Port, the applicant has provided a reasonable substitute for USACE data for USDOT to consider Redwood Terminal a distinct port for SPSP grant funding.

Small Port Determination Example 2:

Frontier Cargo Services (FCS) owns and operates a port terminal adjacent to Sunspire Port. This terminal is referred to as “Sunspire Port – FCS Terminal” by shippers and local authorities. USACE tonnage data on Sunspire Port includes tonnage to and from FCS terminal. FCS partners with the local city and applies for a PIDP grant as a small port and provides the following:

- The name of the port: **Sunspire Port – FCS Terminal**
- An accurate tonnage: **1.5m tns average 2021-2023,**
- An authoritative data source: tonnage figure per **owner FCS records**

Though FCS terminal is close to and has a similar name to a larger port, the applicant has provided a reasonable substitute for USACE data for USDOT to consider FCS Terminal a distinct port for SPSP grant funding.

Questions?