

THE NORTHWEST SEAPORT ALLIANCE
MEMORANDUM

MANAGING MEMBERS
STAFF BRIEFING

Item No.	9A
Date of Meeting	<u>January 11, 2022</u>

DATE: December 22, 2021

TO: Managing Members

FROM: John Wolfe, CEO

SPONSOR: Jason Jordan, Director Environmental and Planning Programs

Project Managers: Ryan McFarland, Senior Manager of Government Affairs, and
Deirdre Wilson, Senior Planning Manager

SUBJECT: Staff Briefing on Federal Funding opportunities and Fundraising Strategy

A. INFRASTRUCTURE INVESTMENT AND JOBS ACT (IIJA)

In early November President Biden signed the \$1.2 trillion Infrastructure Investment and Jobs Act (IIJA) into law. The IIJA includes over \$5 billion exclusively for port programs and an additional \$27 billion that ports would be eligible to apply for. Funding is spread over five years and will be above and beyond annual baseline appropriations.

The purpose of this memo is to share federal funding information and the steps staff are taking to prepare to take advantage of the new funds.

B. IIJA PROVISIONS OF INTEREST TO SEAPORTS

A list of IIJA provisions identified as being of greatest interest to seaports is below. A section-by-section summary of all provisions of the bill can be found at <https://www.cantwell.senate.gov/download/iija-section-by-section&download=1>.

Port specific programs - \$5.225 billion over 5 years

- Port Infrastructure Development Program (PIDP) - \$2.25 billion
- Marine Highways Program - \$25 million
- Reduction of Truck Emissions at Ports (new) - \$400 million
- Army Corps of Engineers Coastal Navigation Construction - \$1.5 billion
- Army Corps of Engineers Operations & Maintenance - \$1.2 billion

Port eligible programs - \$27.1 billion over 5 years:

- RAISE grants (formerly, BUILD) - \$12.5 billion
- Infrastructure for Rebuilding America (INFRA) grants - \$3.2 billion
- Consolidated Rail Infrastructure and Safety Improvement (CRISI) grants - \$5 billion

- National Infrastructure Project Assistance Program (new) - \$5 billion
- Promoting Resilient Operations for Transformative, Efficient, and Cost-saving Transportation (PROTECT) grants (new) - \$1.4 billion

Other programs

- There are a number of other programs that could support our environmental work, including a \$1 billion program for culvert removal, replacement, and restoration.

Of all the programs above, the most important is the \$2.25 billion over five years for the Port Infrastructure Development Program (PIDP). This will provide a \$450 million annual boost for this port-dedicated program on top of anything else Congress appropriates in a given year. Altogether, the IIJA will likely triple the amount of funding available each year for the PIDP. The White House has said the first round of IIJA PIDP funding will be announced in February or March of 2022. In addition to funding traditional port infrastructure projects, the eligibility of the PIDP also was recently expanded to allow ports to obtain funding for emission reduction projects.

This memo focuses only on the IIJA, but note that in addition to the programs above, ports could receive more funding from the Build Back Better Act (BBBA) if progressive and moderate Democrats in Congress are able to come to terms and pass the bill. While the final content and funding level of the BBBA remain uncertain, the programs of most interest to ports are considered fairly safe. The current version of the BBBA includes \$2.625 billion for grants to reduce air pollution at ports, with additional funding for projects in non-attainment areas that brings the total to \$3.5 billion. It also has \$600 million for grants for “port infrastructure and supply chain resilience.”

C. STEPS STAFF ARE TAKING TO PREPARE FOR FEDERAL FUNDING OPPORTUNITIES

All of the programs of interest to seaports listed above will be distributed through discretionary grants. This means that to obtain these funds the NWSA is going to need to compete for the funds by developing and submitting grant applications. In addition to preparing grant applications, which in and of itself is a time-consuming endeavor, the NWSA will need to devote significant time to identifying and prioritizing projects, and in some cases expediting project design and environmental review to make them ready for submittal to the United States Department of Transportation (USDOT). We have budgeted to hire a limited duration grant specialist to support this work and the position is posted.

Staff have identified a preliminary list of priority projects that we could put forward for grant opportunities beginning with federal grant cycles next year. We believe this initial list is a sufficient pool of candidate projects for the funding application decisions Managing Members and staff will need to make for the first year or two of the IIJA. We also will analyze partner agency projects that support NWSA initiatives in instances where our projects are not a good fit for a grant opportunity.

Beyond this initial grouping of projects, NWSA planning staff are conducting a thorough vetting process to identify additional projects from all aspects of our organization and align them with all potential funding opportunities, including from state and regional funding sources. Staff plan to brief Managing Members at a retreat in Q2 2022 and incorporate our work on grants into our related efforts on the Investment Development Decision Process (IDDP), the Coordinated Course 2035 visioning, the Capital Investment Plan (CIP), and upcoming budget cycles.

D. ATTACHMENT: PRIORITY PROJECTS FOR GRANT APPLICATIONS – INITIAL LIST

Our fundraising strategy begins with a project list matched with potential funding options. This initial list is attached for your reference and has been prepared using information available from the capital investment plan (CIP), Coordinated Course 2035 materials, and conversations with partner agencies. Staff will continue to work on the list to update priorities, project readiness, and available funding options.