

Infrastructure Investment & Jobs Act Update

Briefing to Port of Seattle Commission

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Overview

- Key Programs funded through Infrastructure Investment and Jobs Act (IIJA)
- Airport and Seaport Eligibility
- Port and Partner Opportunities & Challenges
- Next Steps

Major Federal Investment in “Infrastructure”

- On November 15, 2021, President Biden signed an 8-year, \$1.2 trillion investment (\$550 billion in new money) in a wide variety of areas:
 - Roads and Bridges – \$110B
 - Passenger and Freight Rail – \$66B
 - Safety – \$11B
 - Public Transit – \$39.2B
 - Broadband – \$65B
 - Ports and Waterways – \$16.6B
 - Airports/FAA – \$25B
 - Water Infrastructure – \$55B
 - Power and Grid – \$65B
 - Resiliency – \$47.2B
 - Addressing Legacy Pollution – \$21B
 - Western Water Infrastructure – \$8.3B
 - Clean School Buses and Ferries – \$7.5B
 - Electric Vehicle Charging – \$7.5B
 - Reconnecting Communities – \$1B
- Nearly \$100 billion has already been announced to states, territories, Tribes and local governments from formula and competitive programs for roads and highways, bridges, ports, airports, and water systems; another nearly \$50 billion in RFIs and notices of funding availability have also been released.

Port IJA Goals

- Maximize funding to Port to address infrastructure, sustainability, equity and quality of life goals
- Take a broad perspective on Port funding needs, not just "hard infrastructure" (i.e. - workforce development)
- Play an active role in supporting funding for peer jurisdictions and communities

IIJA Funding Categories

- 1. Dedicated to Airports and/or Seaports:** formula or competitive
- 2. Port Eligible:** Ports can compete—e.g., surface transportation, EV charging
- 3. Port Benefit:** Ports ineligible, Partners OK; benefits Port operations – e.g., utilities, freight mobility, public transit
- 4. Community Benefit:** Port ineligible, Partners OK; furthers Port goals in the community – e.g., public schools, ecosystem restoration, broadband affordability
- 5. Non-applicable**

IIJA Port-Specific Provisions

- \$20 billion for airports
 - plus \$5 billion for FAA Facilities and Equipment
- \$17 billion for seaports and maritime
 - USACE FY22 IIJA distribution included \$10.8 million to upgrade small locks at the Lake Washington Ship Canal
- \$27.1 billion for “Port eligible” transportation investments
 - i.e. - \$12.5 billion for RAISE and \$3.2 billion for INFRA

Specifics on the Airport Dollars

- \$15 billion for airport infrastructure grants distributed by formula
 - An estimated ~\$240 million directly to SEA over 5 years
 - Airports can use these funds for any “PFC-eligible projects” except debt service; projects must be on the airport's 5-year CIP by March 11
 - An airport can save up all allocated funds to combine into one grant; funds can be used on additional phases of a current AIP funded project.
- \$5 billion for a new “airport terminal program” distributed via competitive grants
 - 55% of which is reserved for large hubs like SEA to compete for
 - for “terminal projects that increase capacity and passenger access, replace aging infrastructure, expand accessibility for persons with disabilities, improve airport access for historically disadvantaged populations, improve energy efficiency, improve airfield safety through terminal relocation, and encourage actual and potential competition.”
- “Any funds that remain unobligated shall be made available in the fifth fiscal year for competitive grants that reduce airport emissions, reduce noise impact to the surrounding community, reduce dependence on the electrical grid, or provide general benefits to the surrounding community.”

Current Port IJA Grant Efforts

- **Airport Terminal Grant Program**
 - Current NOFO includes \$1 billion in funding
 - Port pursuing funding for Concourse B, C & D Restroom Upgrades project, due March 28
- **Rebuilding American Infrastructure with Sustainability & Equity (RAISE)**
 - Current NOFO includes \$1.5 billion for regionally important surface transportation projects
 - IJA clarifies airport roadway project eligibility
 - Port pursuing \$25 million for airport arrivals roadway project, due April 11
- **Port Infrastructure and Development Program (PIDP)**
 - Current NOFO includes \$450 million to support goods movement
 - PIDP can also be used for development of microgrids, electrification, and workforce training
 - NWSA pursuing funding for T5 gate and expansion, due May 16
 - Port will pursue electrification and workforce funding in future cycles

Examples of Other Port-Relevant IJA Programs

- **\$400 million to "reduce truck emissions at Port facilities"**
 - Awaiting additional details from USDOT
- **Electric Vehicle (EV) and Low-Emission Vehicle Infrastructure**
 - \$5B in formula funding to States to support 500,000 strong EV Charging Station Network
 - \$2.5B in community grants for EV charging and alternative fuels
 - Potential to support airport EV infrastructure needs
- **Offshore Wind**
 - \$60 million for research, development, demonstration, and commercialization to improve offshore wind technology
 - PIDP can be used for projects that support offshore wind supply chain
 - ~ \$15B combined for electric grid expansion and reliability programs

Examples of Community-Relevant IJA Programs

- **Public Schools**

- \$500 million – Energy efficiency and air quality in public schools
- \$200 million – Lead contamination in schools
- \$5 billion – Clean School Bus Program
 - Highline Schools has identified potential investment opportunity

- **Healthy Streets**

- \$500 million – Mitigating urban heat islands, improving air quality, reducing stormwater runoff, expand tree cover
- Priority to low-income and historically disadvantaged communities

Examples of Other IJA Provisions Of Interest to Port and/or Cities

(see attached spreadsheet)

- \$8 billion for at least 4 Regional Clean Hydrogen Hubs
 - Port is part of a state effort to pursue
- \$1 billion for culvert removal, replacement and restoration
- \$351 billion for highways (\$307 billion provided through formula to states)
- \$16 billion for the Highway Safety Improvement Program
- \$28 billion to the existing Bridge program and a new \$16 billion bridge grant program
- \$1.4 billion for Promoting Resilient Operations for Transformative, Efficient, Cost-saving Transportation (PROTECT) program
- \$1 billion for Safe Streets and Roads for All “Vision Zero”
- \$200 million to National Fish Passage Program

Risks and Challenges

- Federal purchasing requirements impact to approved capital projects
 - Potential "culture shift" needed to build in federal grant planning into project development
- Internal capacity to apply for and administer grant awards
 - Until recent emergency hire, no dedicated "grant writer" at the Port
 - Could also require adding grant administration capacity in AFR as well as consultant capacity for Benefit-Cost Analysis work
- Coordinating with Partners
 - Limited ability to support partner applications, other than letters of support
 - Need to figure out when to compete vs. defer to partners

Next Steps

- Submit three active grant applications by deadlines
- Developing comprehensive tracking of potential projects and internal priorities
 - Awaiting additional Notice of Funding Opportunities (NOFOs)
 - Preparing for future cycles of current grants
- Track potential pass-thru funding from State and PSRC
- Outreach to partners (cities, community groups) re: opportunities for funding
- Advocate for additional "Build Back Better" investments, particularly for SAF & maritime decarbonization

Questions?