



## **FACT SHEET: Capital Investment Grants Program Dear Colleague Letter**

### **Overview**

FTA's Capital Investment Grants (CIG) program is a discretionary grant program in which projects are selected for funding based on eligibility and merit through a process specified in federal law (49 U.S.C. 5309). Given the recent enactment of the Consolidated Appropriations Act of 2018, FTA is sending a Dear Colleague letter to FTA grant recipients to communicate and clarify existing requirements for the CIG program.

### **Project Evaluation Considerations**

- **Strong local financial commitment**
  - FTA considers the extent to which local financial commitments exceed the required non-federal share of the cost of the project. Non-federal funding sources must be stable and reliable.
  - FTA considers U.S. DOT loans in the context of all federal funding sources requested by the project sponsor.
- **Geographic Diversity**
  - It is longstanding FTA practice to consider geographic diversity in discretionary funding decisions.
- **Innovative Project Finance and Delivery**
  - FTA strongly encourages project sponsors to develop innovative finance and funding mechanisms such as value capture and public-private partnerships.

### **Construction Grant Agreements**

If FTA decides to proceed with a construction grant agreement, FTA does not sign the agreement committing CIG funding until after the project sponsor has demonstrated the project has met all statutory and readiness requirements. Project sponsors must ensure that:

- Project scope, costs, benefits, and impacts are firm and final
- All non-CIG funding is fully committed
- All critical third-party agreements are completed

### **For More Information**

[www.transit.dot.gov/CIG](http://www.transit.dot.gov/CIG)