

**DEPARTMENT OF TRANSPORTATION**

**Federal Transit Administration (FTA)**

**Announcement of Fiscal Year 2024 Competitive Grants for Rail Vehicle Replacement Program Project Selections**

**AGENCY:** Federal Transit Administration (FTA), Department of Transportation (DOT).

**ACTION:** Notice; Announcement of Project Selections

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**SUMMARY:** The U.S. Department of Transportation's (DOT) Federal Transit Administration (FTA) announces the allocation of \$630,856,341 to projects under the Fiscal Year (FY) 2024 Competitive Grants for Rail Vehicle Replacement Program (Rail Program), including the commitment of \$300,000,000 in FY 2025 funding and \$133,949,678 in FY 2026 funding via multi-year grant agreements, and provides administrative guidance on project implementation.

**FOR FURTHER INFORMATION CONTACT:** Successful applicants should contact the appropriate FTA Regional Office for information regarding applying for the funds or program-specific information. A list of Regional Offices can be found at [www.transit.dot.gov](http://www.transit.dot.gov).

Unsuccessful applicants may contact Tom Wilson, Office of Program Management at (202) 366-5279, email: [Thomas.Wilson@dot.gov](mailto:Thomas.Wilson@dot.gov), within 30 days of this announcement to arrange a proposal debriefing. Unsuccessful applicants that received an overall rating of Highly Recommended may only receive application feedback via email. A TDD is available at 1-800-877-8339 (TDD/FIRS).

**SUPPLEMENTARY INFORMATION:** Federal public transportation law (49 U.S.C. § 5337(f)) authorizes FTA to make competitive grants for the Rail Program. Federal public transportation law (49 U.S.C. § 5338(a)(2)(L)) authorizes \$300 million in contract authority funds annually for competitive grants under the Rail Program. Additionally, Federal public

transportation law (49. U.S.C. 5337(f)(7)) authorizes FTA to select projects to receive multi-year grant agreements that are not more than three years, utilizing future funding. Consistent with this provision, FTA previously committed \$103,093,337 of FY 2024 funding on May 5, 2023 when it announced project selections in response to the FY 2022 and 2023 NOFO, thereby reducing the available \$300 million of FY 2024 funds to \$196,906,663 for the FY 2024 competition.

On October 10, 2023, FTA published a Notice of Funding Opportunity (NOFO) (88 FR 69983) announcing the availability of \$196,906,663 in FY 2024 competitive funding under the Rail Program. These program funds will provide financial assistance to replace aging rail vehicles. In response to the NOFO, FTA received 13 eligible proposals from 10 states requesting \$1,965,176,804 in Federal funds. Project proposals were evaluated based on each applicant's responsiveness to the program evaluation criteria outlined in the NOFO. Federal public transportation law (49. U.S.C. 5337(f)(3)) limits the project selections to three new projects for each fiscal year. FTA is funding three projects in three States as shown in Table 2 for a total of \$630,856,341.

Recipients selected for competitive funding should work with their FTA Regional Office to submit a grant application in FTA's Transit Award Management System (TrAMS) for the projects identified in the attached table to quickly obligate funds. Grant applications must only include eligible activities applied for in the original project application. Funds must be used consistent with the competitive proposal and for the eligible capital purposes described in the NOFO.

In cases where the allocation amount is less than the proposer's total requested amount, recipients are required to fund only the cost of replacement vehicles and may not fund fleet expansion activities. Recipients may provide additional local funds to complete a proposed

project. A discretionary project identification number has been assigned to each project for tracking purposes and must be used in the TrAMS application.

Selected projects are eligible to incur costs under pre-award authority no earlier than the date the FY 2024 NOFO was published, October 10, 2023. Pre-award authority does not guarantee that project expenses incurred prior to the award of a grant will be eligible for reimbursement, as eligibility for reimbursement is contingent upon other requirements, such as planning and environmental requirements, having been met. For more about FTA's policy on pre-award authority, please see the current FTA Apportionments, Allocations, and Program Information at <https://www.transit.dot.gov/funding/appportionments>. Post-award reporting requirements include submission of Federal Financial Reports and Milestone Progress Reports in TrAMS (see FTA Circular 5010.1E). Recipients must comply with all applicable Federal statutes, regulations, executive orders, FTA circulars, and other Federal requirements in carrying out the project supported by the FTA grant. FTA emphasizes that recipients must follow all third-party procurement requirements set forth in Federal public transportation law (49 U.S.C. 5325(a)) and described in the FTA Third Party Contracting Guidance Circular (FTA Circular 4220.1). Funds allocated in this announcement must be obligated in a grant by **September 30, 2027**. For multi-year grant agreements, funding allocated in FY 2025 must be obligated by September 30, 2028. For multi-year grant agreements, funding allocated in FY 2026 must be obligated by September 30, 2029.

**TECHNICAL REVIEW AND EVALUATION SUMMARY:** The FTA assessed all project proposals that were submitted under the FY 2024 Competitive grants for Rail Vehicle Replacement Program competition according to the following evaluation criteria. The specific metrics for each criterion were described in the October 10, 2023, NOFO:

1. Demonstration of Need
2. Demonstration of Benefits
3. Planning/Local Prioritization
4. Local Financial Commitment
5. Project Implementation Strategy
6. Technical, Legal, and Financial Capacity

For each project, a technical review panel assigned a rating of Highly Recommended, Recommended, or Not Recommended for each of the six criteria. The technical review panel then assigned an overall rating of Highly Recommended, Recommended, Not Recommended, or Ineligible to the project proposal.

Projects were assigned a final overall rating of Highly Recommended if they were rated Highly Recommended in at least four categories overall, with no Not Recommended ratings. Projects were assigned a final overall rating of Recommended if the projects had three or more Recommended ratings and no Not Recommended ratings. Projects were assigned a rating of Not Recommended if they received a Not Recommended rating in any criteria. A summary of the final overall ratings for all 13 project proposals is shown in the table below.

**TABLE 1  
OVERALL PROJECT RATINGS**

<b>Rating</b>	<b>Number of Applications</b>
Highly Recommended	11
Recommended	1
Not Recommended	0
Ineligible	1
Total	13

As outlined in the NOFO, FTA made the final selections based on the technical ratings as well as statutory considerations including the amount of funds available to applicants from Section 5337 State of Good Repair Formula Program, the age and condition of rail rolling stock,

diversity in the size of transit systems receiving funding, and whether the applicant has identified replacement of the rail vehicles as a priority in the applicant's Transit Asset Management Plan pursuant to 49 CFR Part 625, Administration priorities included geographic diversity and/or receipt of other recent competitive awards.

As further outlined in the NOFO, in some cases, proposers that were selected for funding received less than the amount originally requested to include only the cost of the replacement vehicles.

**TABLE 2****FY 2024 COMPETITIVE GRANTS FOR RAIL VEHICLE REPLACEMENT  
PROGRAM PROJECT SELECTIONS**

<b>State</b>	<b>Recipient</b>	<b>Project ID</b>	<b>Project Description</b>	<b>Allocation</b>
IL	Commuter Rail Division of the Regional Transportation Authority d/b/a Metra	D2024-RAIL-002	Metra's Modern Railcars Project	\$100,000,000
MD	Maryland Department of Transportation Maryland Transit Administration (MDOT MTA)	D2024-RAIL-003	Maryland Transit Administration (MTA) Light Rail Vehicle Fleet Replacement Project	\$48,453,332
MD	Maryland Department of Transportation Maryland Transit Administration (MDOT MTA)  (Multi-Year Grant Agreement – FY 2025 Funding)	D2025-RAIL-001*	Maryland Transit Administration (MTA) Light Rail Vehicle Fleet Replacement Project	\$165,243,009
PA	Southeastern Pennsylvania Transportation Authority (SEPTA)	D2024-RAIL-004	Market Frankford Line Fleet Replacement	\$48,453,331
PA	Southeastern Pennsylvania Transportation Authority (SEPTA)  (Multi-Year Grant Agreement – FY 2025 Funding)	D2025-RAIL-002*	Market Frankford Line Fleet Replacement	\$134,756,991

PA	Southeastern Pennsylvania Transportation Authority (SEPTA)  (Multi-Year Grant Agreement – FY 2026 Funding)	D2026-RAIL-001*	Market Frankford Line Fleet Replacement	\$133,949,678
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Total: \$630,856,341

\*For multi-year grant agreements, discretionary IDs for FY 2025 and FY 2026 funding are not available in TrAMS until the funding is appropriated for FY 2025 and FY 2026, respectively.