# MPDG GRANT APPLICATION

## International Bridge Trade Corridor (IBTC)

May 2022

Texas Department of Transportation
Hidalgo County Regional Mobility Authority
CSJs: 0921-02-142

Texas Department of Transportation

HCRMA
HIDALGO COUNTY REGIONAL MOBILITY AUTHORITY

# International Bridge Trade Corridor MPDG Grant Application

| Basic Project Information | |
|---|---|
| What is the Project Name? | **International Bridge Trade Corridor (IBTC)** |
| Who is the Project Sponsor? | **The Texas Department of Transportation (TxDOT) in partnership with the Hidalgo County Regional Mobility Authority (HCRMA)** |
| Was an application for USDOT discretionary grant funding for this project submitted previously? | **No** |
| A project will be evaluated for eligibility for consideration for all three programs, unless the applicant wishes to opt-out of being evaluated for one or more of the grant programs. | __ Opt-out of Mega? **No**<br>__ Opt-out of INFRA? **No**<br>__ Opt-out of Rural? **No** |
| **Project Costs** | |
| MPDG Request Amount | Exact Amount in year-of-expenditure dollars: **$120,316,864.20** |
| Estimated Other Federal funding (excl. MPDG) | Estimate in year-of-expenditure dollars: **$26,335,120.64** |
| Estimated Other Federal funding (excl. MPDG) further detail | Other Federal funding from Federal Formula dollars: **$26,335,120.64 (STBG sub-allocation)**<br>Other Federal funding being requested from other USDOT grant opportunities?: $ **N/A**<br>From What Program(s)?: |
| Estimated non- Federal funding | Estimate in year-of-expenditure dollars: **$53,876,122.16** |
| Future Eligible Project Cost (Sum of previous three rows) | Estimate in year-of-expenditure dollars: **$200,528,107.00** |
| Previously incurred project costs (if applicable) | Estimate in year-of-expenditure dollars: **$13,377,066.00** |
| Total Project Cost (Sum of 'previous incurred' and 'future eligible') | Estimate in year-of-expenditure dollars: **$213,905.173.00** |
| INFRA: Amount of Future Eligible Costs by Project Type | 1) A highway freight project on the National Highway Freight Network: **$200,528,107.00**<br>2) A highway or bridge project on the National Highway System: $_____<br>3) A freight intermodal, freight rail, or freight project within the boundaries of a public or private freight rail, water (including ports), or intermodal facility and that is a surface transportation infrastructure project necessary to facilitate direct intermodal interchange, transfer, or access into or out of the facility: $_____<br>4) A highway-railway grade crossing or grade separation project: $_____<br>5) A wildlife crossing project: $_____<br>6) A surface transportation project within the boundaries or functionally connected to an international border crossing that improves a facility owned by fed/state/ local government and increases throughput efficiency: $_____<br>7) A project for a marine highway corridor that is functionally connected to the NHFN and is likely to reduce road mobile source emissions: $_____<br>8) A highway, bridge, or freight project on the National Multimodal Freight Network: $_____ |

| | |
|---|---|
| Mega: Amount of Future Eligible Costs by Project Type | 1) A highway or bridge project on the National Multimodal Freight Network: $_____<br>2) A highway or bridge project on the National Highway Freight Network: **$200,528,107.00**<br>3) A highway or bridge project on the National Highway System: $_____<br>4) A freight intermodal (including public ports) or freight rail project that provides public benefit: $_____<br>5) A railway highway grade separation or elimination project: $_____<br>6) An intercity passenger rail project: $_____<br>7) A public transportation project that is eligible under assistance under Chapter 53 of title 49 and is a part of any of the project types described above: $_____<br>8) A grouping, combination, or program of interrelated, connected, or dependent projects of any of the projects described above |
| Rural: Amount of Future Eligible Costs by Project Type | 1) A highway, bridge, or tunnel project eligible under National Highway Performance Program: $_____<br>2) A highway, bridge, or tunnel project eligible under Surface Transportation Block Grant: $_____<br>3) A highway, bridge, or tunnel project eligible under Tribal Transportation Program: $_____<br>4) A highway freight project eligible under National Highway Freight Program: **$200,528,107.00**<br>5) A highway safety improvement project, including a project to improve a high risk rural road as defined by the Highway Safety Improvement Program: $_____<br>6) A project on a publicly-owned highway or bridge that provides or increases access to an agricultural, commercial, energy, or intermodal facility that supports the economy of a rural area: $_____<br>7) A project to develop, establish, or maintain an integrated mobility management system, a transportation demand management system, or on-demand mobility services: $_____ |
| **Project Location** | |
| State(s) in which project is located | **Texas** |
| INFRA: Small or Large project | **Large** |
| Urbanized Area in which project is located, if applicable | **N/A (Rural)** |
| Population of Urbanized Area (According to 2010 Census) | **N/A** |
| Is the project located (entirely or partially) in Area of Persistent Poverty or Historically Disadvantaged Community? | **Yes – Census Tracts (2010) designated as such include:**<br>**Area of Persistent Poverty: 213.02, 213.03, 221.03, 221.06, 228**<br>**Historically Disadvantaged Community: 213.02** |
| Is the project located (entirely or partially) in Federal or USDOT designated areas | **Yes – HUD Opportunity Zones:**<br>**• 48215022103**<br>**• 48215022106** |
| Is the project currently programmed in the:<br>• TIP<br>• STIP<br>• MPO Long Range Transportation Plan<br>• State Long Range Transportation Plan<br>• State Freight Plan | **Rio Grande Valley MPO TIP – Yes - MPO Project #: RMA-3**<br>**TxDOT STIP – Yes – CSJ # 0921-02-142**<br>**Rio Grande Valley MPO LRTP – Yes – 2045 MTP ID: 24**<br>**State Long Range Transportation Plan – Yes - TxDOT Unified Transportation Program (UTP) CSJ# 0921-02-142**<br>**State Freight Plan - No** |

*"The International Bridge Trade Corridor (IBTC) project is a priority for the Rio Grande Valley Metropolitan Planning Organization (RGVMPO). This approximately 13-mile-long project will connect two international ports of entry with a direct connection to Interstate 2. This facility will provide for the safe and effective movement of freight to and from the international port by providing a controlled access, high speed arterial. The RGVMPO supports this project and continually seeks to find innovative ways to fund and promote the project through the planning process."*

– Andrew A. Canon, Executive Director, Rio Grande Valley MPO (RGVMPO)

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# MPDG GRANT APPLICATION

## INTERNATIONAL BRIDGE TRADE CORRIDOR (IBTC)

## 1.0 PROJECT SUMMARY

### 1.1 Project Description

The International Bridge Trade Corridor (IBTC) is a proposed new roadway in Hidalgo County, Texas. The project is located in a USDOT defined rural area, outside of the McAllen Urbanized Area (UZA), near the cities of Pharr, San Juan, Alamo, and Donna. The roadway will connect Interstate-2 (IH-2) with the 365 Tollway (currently under construction) and FM 493, major roadways that facilitate truck traffic in Hidalgo County and the Rio Grande Valley.

Results of the Benefit Cost Analysis (BCA) showed that the project will have a Benefit-Cost Ratio (BCR) of 1.08

The Texas Department of Transportation (TxDOT) is the lead applicant for this MPDG application, in partnership with the Hidalgo County Regional Mobility Authority (HCRMA).

As the American economy continues to feel the impacts of supply chain disruptions and inflation, construction of the IBTC will provide significant benefits to the economies of the Rio Grande Valley, the state of Texas, and the entire United States. The IBTC will improve freight flow from truck traffic crossing the U.S. – Mexico border and will enable goods to reach destinations across the country quicker, more efficiently, and at a lower cost. Construction of the IBTC represents an investment in the trade and transportation industry that enhances the economy of the Rio Grande Valley and will support the creation of new jobs in freight, transportation, and logistics in Hidalgo County and throughout South Texas.

There is strong local and state support for construction of the IBTC, as evidenced by the significant investment of local funding in the project. To date, the HCRMA has spent over $13 million dollars in local funds for advanced planning and ROW acquisition in support of the IBTC. The strong partnership between TxDOT and the HCRMA has helped advance the planning and pre-construction activities of this nationally significant project.

The purpose of the IBTC project is to provide local and regional mobility for transporting persons and goods from international ports of entry in the area north to IH-2 and between US 281 and FM 493. Needs for the project include:

- Many of the east/west existing roadways south of IH-2 and north of US 281 (Military Highway) are neither direct nor continuous
- Inefficient movement of vehicular traffic from cross-border travel at the international bridges
- Regional population and employment growth placing increasing pressure on transportation infrastructure in Hidalgo County

There is no existing roadway in the direct location where the IBTC will be constructed. Within the project area, the Rio Grande Valley Metropolitan Planning Organization classifies FM 907 (Alamo Road), FM 3072 (Dicker Road), FM 1432 (Valley View Road), and FM 493 as major collectors. The remainder of the roadways within the project area are classified as local roads, and many are unpaved.

The proposed new roadway would run for 12.35 miles between the northern, western, and eastern termini. It would connect the corridors of IH-2, FM 493, and 365 Tollway with an ultimate configuration of a six-lane divided controlled-access facility and would include a four-lane frontage road within the ROW. The first Phase (Phase I) of the IBTC includes the construction of the mainlanes on the north leg and the frontage roads on the east and west legs. The proposed project would ultimately be classified as an urban freeway with future grade separations along the facility at higher functional classification roadways that cross the proposed project. Once the IBTC is constructed, it will be added to the National Highway Freight Network and/or National Multimodal Freight Network and the National Highway System (NHS).

Figure 1 below displays the location of the IBTC in the context of trade flow from the U.S. – Mexico border. This project will facilitate trade between the United States and Mexico and help alleviate supply chain transportation congestion by adding much needed capacity to the area.

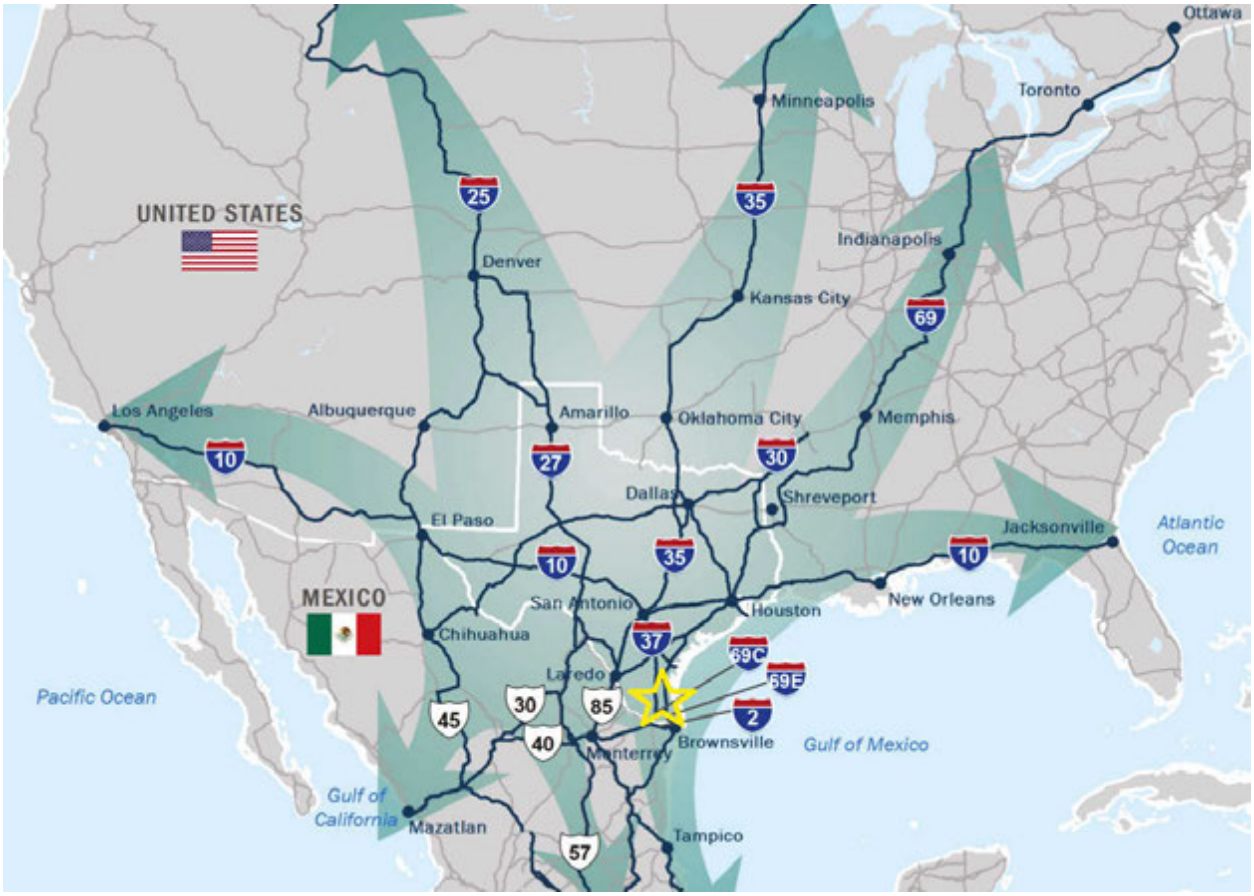


***Figure 1:*** *IBTC Location and Trade Flow from the U.S. – Mexico Border*

The IBTC project is broken down into two phases, Phase I (Interim Design) and Phase II (Ultimate Design). Phase I includes the construction of frontage roads on the West and East legs of the roadway and the mainlanes in the North leg and is the subject of this grant application. There are no frontage roads included in the North leg of the IBTC. Typical sections for the East, West, and North legs for Phase I of the IBTC can be found below.

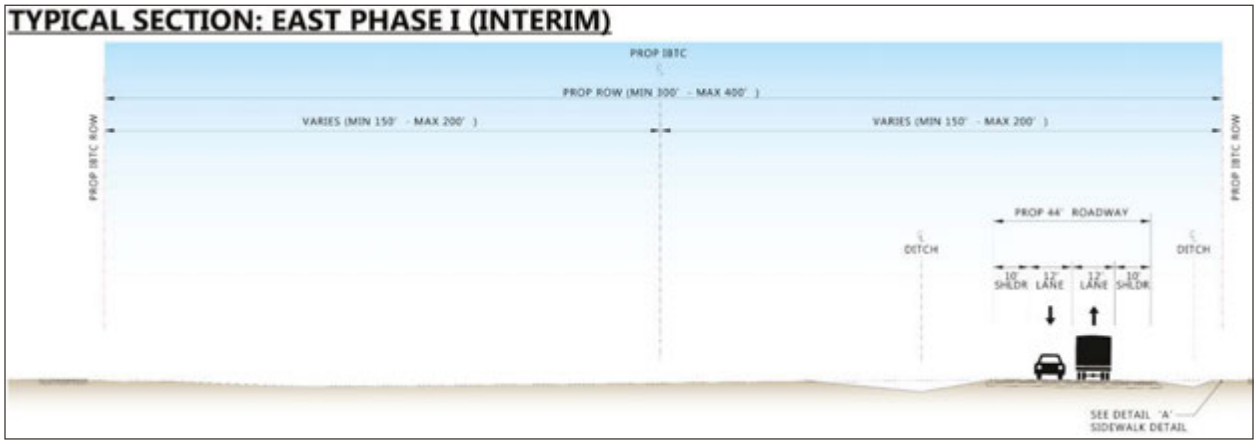


***Figure 2:*** *East Leg Phase I Typical Section*

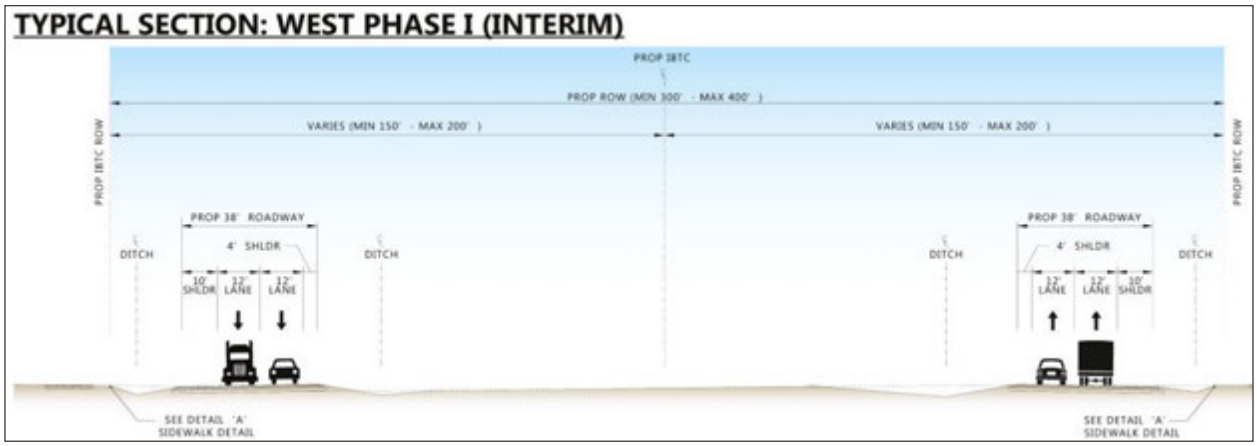


***Figure 3:*** *West Leg Phase I Typical Section*

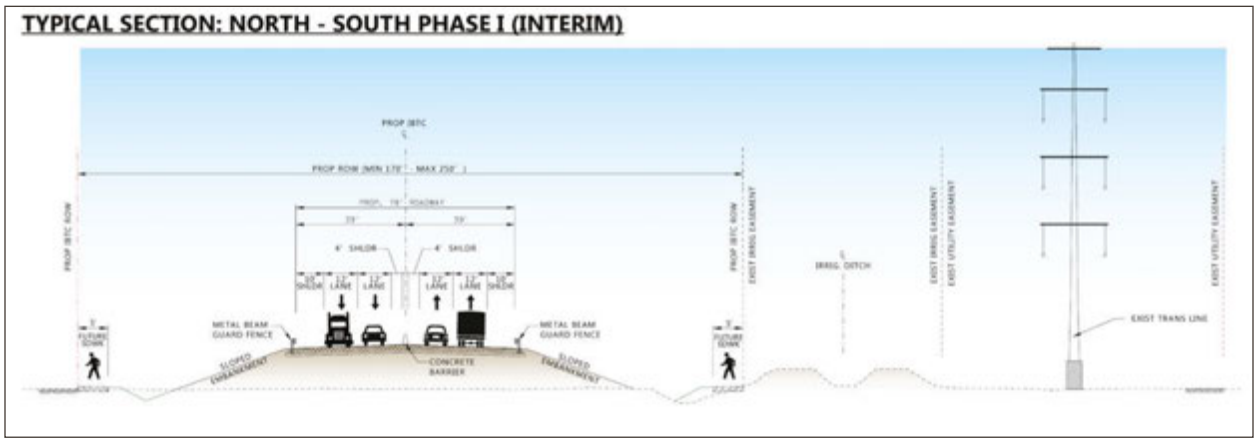


***Figure 4:*** *North Leg Phase I Typical Section*

Additional details on the proposed conditions for the West, East, and North legs in the Phase I design can be found below:

- **East Leg:** The East Leg of the project consists of one frontage road with one 12-foot-wide lane in each direction (two lanes total), 10-foot-wide inside and outside shoulders, a 12-foot-wide inside ditch, and an 8 to 10 feet outside ditch.
- **West Leg:** The West Leg includes two frontage roads with one 12-foot-wide lane in each direction (four lanes total), a 10-foot-wide outside shoulder, and a 4-foot-wide inside shoulder separated by a variable width grassy median. Also included is a 20-foot-wide outside ditch and variable width inside ditch.
- **North Leg:** The North Leg of the project includes two 12-foot-wide mainlanes in each direction (four lanes total), a 10-foot-wide outside shoulder, and a 4-foot-wide inside shoulder separated by a concrete barrier.

Phase I of the IBTC includes several proposed structures to help facilitate traffic flow and mitigate potential flooding impacts to the roadway. An underpass at Border Road, a bridge over the International Boundary and Water Commission (IBWC) Main Floodway Channel, a bridge/culvert at the Donna Reservoir, and an overpass at Business Highway 83 are all proposed as part of the Phase I design. The maximum depth of impacts for the proposed project would be 3 feet in areas for the new pavement, a maximum depth of 10 feet for cross-culverts, and a maximum depth of 10 feet for drainage ditches. At bridge structures, the depth of impacts may extend to 25 feet deep for drilled shafts or pile foundations.

> Phase I includes the construction of frontage roads on the West and East legs of the roadway and the mainlanes in the North leg and is the subject of this grant application.

While this MPDG application is for the Phase I (Interim) Design, the IBTC will eventually be built out to include the Phase II (Ultimate) Design. Typical sections for the Phase II Design can be found below for reference.

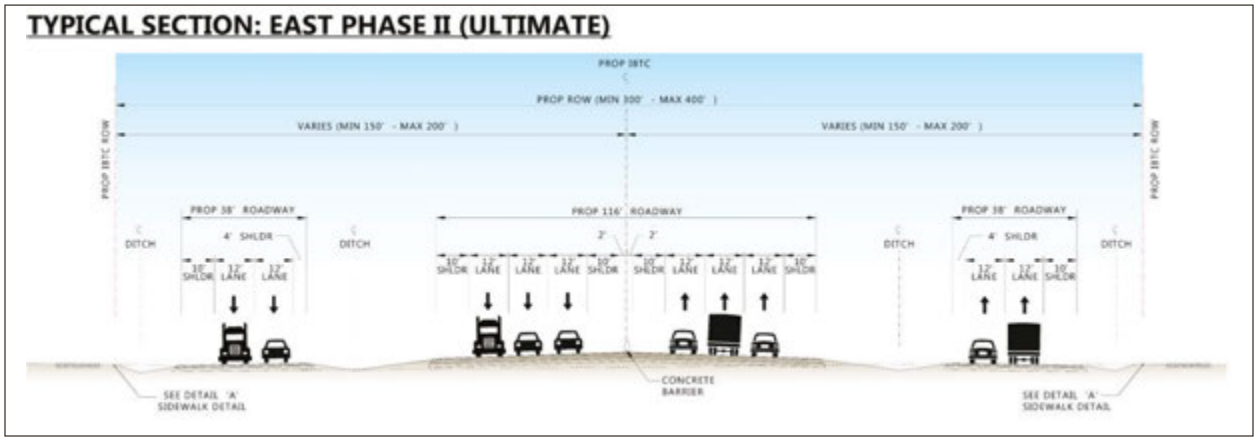


***Figure 5:*** *East Leg Phase II Typical Section*

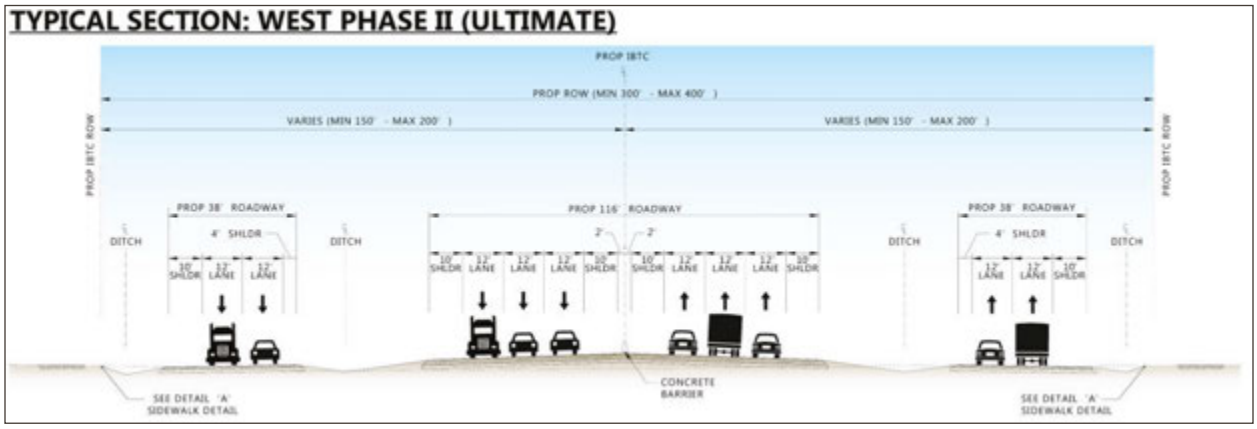


***Figure 6:*** *West Leg Phase II Typical Section*

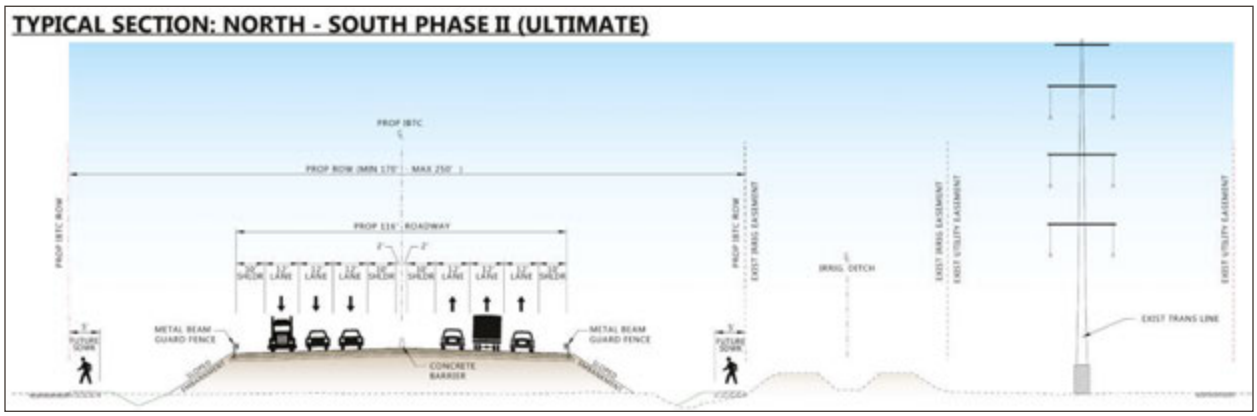


***Figure 7:*** *North Leg Phase II Typical Section*

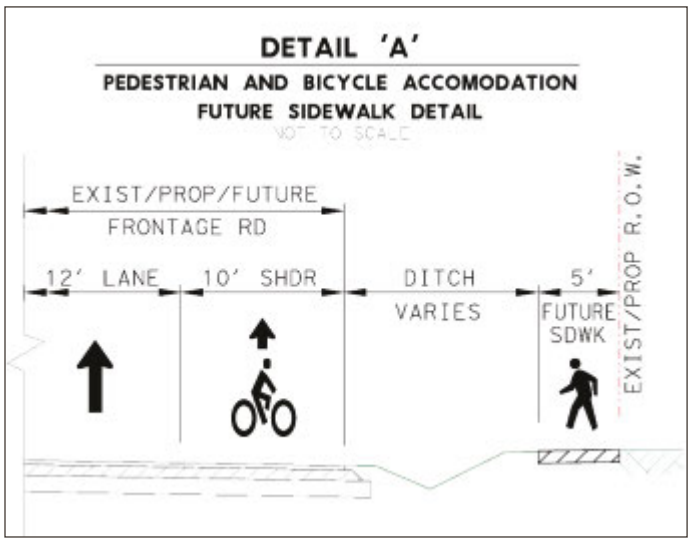


***Figure 8:*** *Pedestrian and Bicycle for Potential Future Accommodations Typical Section (East and West Legs)*

While this MPDG application is for the Phase I (Interim) Design, the IBTC will eventually be built out to include the Phase II (Ultimate) Design.

## 1.2 Transportation Challenges

The IBTC project has been developed to meet several transportation challenges that exist in the project area.

**Challenge #1:** Freight movement in the corridor and increased truck traffic across the U.S. -Mexico border.

The IBTC facility will provide enhanced connections to two international bridges, the Pharr-Reynosa International Bridge and the Donna-Rio Bravo International Bridge. According to Census data, trade between the U.S. and Mexico totaled $661.1 billion dollars in 2021, with $276.4 billion dollars'-worth of exports to Mexico and $384.7 billion dollars'-worth of imports to the United States. In 2021, $41.7 billion dollars'-worth of trade crossed over Pharr-Reynosa Bridge, a substantial increase compared to 2020's $33 billion dollars of trade that crossed the Bridge[1]. The Donna-Rio Bravo International Bridge, while not seeing the large number of crossings at Pharr-Reynosa, has also grown since its opening in 2010. When the Donna-Rio was first opened, it only serviced passenger vehicles. In 2019, the Bridge underwent a $60 million dollar expansion which allowed for the crossing of approximately 100 trucks per hour. Construction of the IBTC will address increasing truck traffic in the area and help alleviate supply chain disruptions by providing a new roadway for trucks crossing the border to deliver goods across the United States.

**Challenge #2:** Regional population growth and economic development leading to additional traffic and placing additional pressure on Hidalgo County's transportation infrastructure.

2020 Census results show that the population of Hidalgo County grew from 774,769 people in 2010 to 870,781 people in 2020, an increase of over 12 percent. This population growth has led to increased congestion on roadways in the project area. 2019 traffic counts showed IH-2 with an Annual Average Daily Traffic (AADT) between 123,000 and over 154,000 vehicles per day at segments near the IBTC, with segments along US 281 ranging from 7,000 to over 22,000 vehicles per day in the project area, and with segments along FM 493 ranging from over 4,000 to over 17,000 vehicles per day in the project area. Current traffic volumes on these roadways unduly stress the current system and cause delays for car and truck traffic in the area.

Future AADT on roadways in the project area is expected to increase. TXDOT traffic projections show an expected 2040 AADT on IH-2 in the project area ranging from 165,000 to 228,000, an expected 2040 AADT on US 281 in the project area ranging from over 9,500 to 27,000, and an expected AADT on FM 493 in the project area between 6,000 and over 23,000 vehicles per day. The construction of 365 Tollway will generate further vehicular and truck traffic in the project area.

1 https://bridge.pharr-tx.gov/world-city-report/

The continued economic development and growth of Hidalgo County will bring challenges to the area's transportation system. The recently published draft Environmental Assessment (EA) for the IBTC noted that there are approximately 16,434 acres of developable land within the Area of Influence around the project area and concluded that this land will be developed with or without construction of the IBTC, given the region's growth patterns. Future development increases the need to construct additional facilities to meet the additional car and truck travel demand that this development will bring.

**Challenge #3:** The lack of existing north-south connectivity in the area, especially for trucks accessing the border.

In its current condition, the project area presents challenges for truck traffic to safely and quickly access the two international bridges discussed above. While US 281 and FM 493 provide access to the Pharr-Reynosa and Donna-Rio Bravo Bridges respectively, there is a lack of connectivity within the project area to access these roadways. The only roads providing a direct connection between US 281 and FM 493 in the project area are IH-2, Business Highway 83, and US 281 (East-West)/Military Highway. It is nearly 7 miles between US 281/Military Highway and Business Highway 83 and nearly 9 miles between US 281 (North-South) and FM 493, which forces truck traffic to travel long distances to make these connections. The lack of roadway connectivity in the area, particularly north-south connections, hampers economic development and forces trucks to take longer routes through more congested areas to their destination, resulting in increased roadway congestion and lost productivity, creating a delay in the supply chain for goods headed to destinations across the United States.

The IBTC will address these challenges and will provide a major new roadway for Hidalgo County that will provide important connections to the U.S. – Mexico border. In Phase I, the East and West leg frontage roads will provide new access in an area with no existing roadway, and the north leg mainlanes will provide an important new facility as an alternative to US 281 or FM 493. Results from a regional traffic model that encompasses the entire Hidalgo County area indicated that the IBTC Phase I facility will carry an estimated 25,000 vehicles per day by 2045, including 2,500 trucks. The west leg of the IBTC is expected to carry 12,000 cars and 1,100 trucks per day; the east leg is expected to carry 1,700 cars and 400 trucks per day; and the north leg is estimated to carry 8,500 cars and 1,000 trucks per day.

The IBTC provides an important connection to the international bridges in and around the project area. Vehicles crossing the Pharr-Reynosa Bridge will have a connection to the IBTC via 281 to Dicker Road and via E Military Highway to 365 Tollway, and vehicles crossing the Donna-Rio Bravo Bridge will have a direct connection to the IBTC where it meets FM 493. The Valley View Interchange will allow IBTC users to directly connect to IH-2 to the north, FM 493 to the east, and US 281 via 365 Tollway or Dicker Road to the west. Trucks traveling north to access IH-2 currently only have two north-south roadways from the border, and only two roads (south of IH-2) that provide a connection between US 281 and FM 493. The IBTC will give trucks accessing the two international bridges in the area new connections to access crucial roadways in the project area and will create a quick and efficient truck route to IH-2.

## 1.3 Project History

As Hidalgo County and the Rio Grande Valley have grown in population and economic activity, local leaders have looked to manage congestion and facilitate the efficient movement of additional truck traffic crossing the border with a new roadway in this area. Planning for the IBTC began in 2010. A 2014 HCRMA Investment Grade Traffic and Revenue Analysis (Analysis) noted that vehicle miles traveled (VMT) in Hidalgo County had an average annual growth rate of more than 4 percent between 1990 and 2012 and projected an additional 46 percent growth in VMT by 2030. The Analysis also noted that Reynosa, Mexico, the largest Mexican municipality near Hidalgo County was the fastest growing municipality in all of Mexico between 2000 and 2010, and that traffic (both trucks and automobiles) crossing the border into Hidalgo County from Mexico was anticipated to increase in future years.

The project has completed the schematic phase with a detailed engineering cost estimate and is nearing completion of the Environmental Assessment. The key project risk is securing funding, which this Grant will address.

Previous studies of the area had proposed a single project called the Hidalgo Loop, which would have resulted in the creation of a roadway loop around the cities of McAllen, Mission, Pharr, and Edinburg. After additional analysis was undertaken, the HCRMA decided to create two projects, the construction of State Highway 365, a new roadway from FM 1016 to US 281, and the IBTC. State Highway 365 is now known as 365 Tollway and is currently under construction, with an anticipated completion date of 2026. Funding for construction of 365 Tollway included significant contributions from TxDOT, demonstrating a strong commitment to building transportation infrastructure that supports the local and national movement of freight and goods.

Since completion of the 2014 Analysis, the HCRMA has made significant progress on advancing the IBTC towards construction. This is demonstrated in the following listing of the major milestones:

- 2015 – 33 percent of ROW acquisition of the necessary parcels was completed
- 2017 - Project obtained an environmental classification (EA)
- 2021 - Project's draft Environmental Assessment (EA) was completed in December
- 2022 - A Virtual Public Hearing for the project was held on March 17
- 2022 - A risk workshop to develop a list of initial project risks and develop Action Plans to mitigate those risks during the next phase of project development was held in April

Future milestones are listed below:

- In mid-2022, the HCRMA will address any public comments received from the March 17, 2022 public hearing and will finalize the EA.
- In late 2022, the HCRMA anticipates receiving a NEPA clearance and a Finding of No Significant Impact and would look to begin Design Engineering shortly thereafter.
- Pending securing additional funding for the IBTC and the acquisition of additional parcels during the ROW phase, construction on Phase I is anticipated to begin by September 2025 and would be accelerated with the awarding of an MPDG grant.

To date, $13,377,066.00 has been spent on the IBTC project. Of this funding, $6,987,204.00 was for advanced planning, and $6,389,862.00 was for Right-of-Way acquisition. All $13,377,066.00 in previously incurred costs were borne by the HCRMA, demonstrating a strong local commitment to this project. Additional details on project funding can be found in the Grant Funds, Sources, and Uses of all Project Funding section.

## 2.0 PROJECT LOCATION

The IBTC will be constructed in a USDOT designated rural area in Hidalgo County, Texas. The southernmost point of the roadway where it connects with FM 493 is located approximately 3 miles from the Rio Grande River and U.S. – Mexico border. The IBTC is located near the cities of Pharr, San Juan, Alamo, and Donna. A map of the project location can be found in Figure 9.


***Figure 9:*** *IBTC Location*

There is no existing roadway where the IBTC would be constructed. Figure 10, on the following page, is a photo of representative farmlands in the project area and the future project location, facing east towards FM 1423.

The west leg of the new roadway would begin at the intersection of the 365 Tollway (under construction) and Dicker Road, then run east to Tower Road where it would proceed heading northeast until it reaches the Valley View Interchange. From here, the east leg would run southeast until it reached FM 493, approximately 1.5 miles north of US 281/Military Highway. The north leg of the IBTC runs from the Valley View interchange north until it intersects with IH-2, approximately .25 miles east of FM 1423/Val Verde Road.

***Figure 10:*** *Future project location, facing east towards FM 1423*


***Figure 11:*** *IBTC Location in Google Earth*

The roadways at the three project termini are 365 Tollway/Dicker Road, FM 493, and IH-2. IH-2 and FM 493 are on the National Highway System, and IH-2 is listed on the Federal Highway Administration's (FHWA) Freight Network. Once the IBTC is constructed, the IBTC will be added to the National Highway Freight Network and/or National Multimodal Freight Network.

Beyond the direct connections to IH-2, 365 Tollway, and FM 493, the IBTC's location will connect with important roadways in the Rio Grande Valley and across Texas. Approximately 25 miles east of the IBTC, IH-2 connects with IH-69E in Harlingen, with connections south to Brownsville and across the border in Matamoros. Seven miles west of the IBTC, IH-2 connects with IH-69C, with connections to McAllen and points further north. West of the McAllen area, IH-2 becomes US 83 and is the main east-west roadway along this stretch of the U.S. – Mexico border, running to Laredo, where it connects with IH-35.

Once built, the IBTC will provide enhanced connectivity to several international bridges at the U.S. – Mexico border. IBTC users will be able to access the Pharr- Reynosa Bridge from the IBTC via Dicker Road and US 281. The Pharr- Reynosa Bridge is approximately 4 miles from the IBTC's western terminus at Dicker Road. In addition, the IBTC will provide a direct connection to the Donna Rio Bravo Bridge via FM 493. The Donna-Rio Bravo Bridge is located approximately 3 miles from the IBTC's eastern terminus. IBTC users will also be able to access the McAllen-Hidalgo International Bridge by continuing west on US 281/Military Highway at the intersection of Military Highway and US 281 (north-south). The McAllen – Hidalgo International Bridge is located approximately 8 miles from the IBTC's western terminus.

It is important to note that construction of the IBTC is one of several planned or programmed projects in Hidalgo County to improve mobility, connectivity, and freight movement. The HCRMA has taken a comprehensive approach to identifying, planning, and programming projects in Hidalgo County that will improve mobility and enhance freight movement for trucks crossing the U.S. – Mexico border. Figure 12, on the following page, includes a map of other planned and programmed roadway projects in Hidalgo County through 2045.

### Letters of support have been received from the following:

- *US Senator John Cornyn*
- *US Representative Vicente Gonzalez*
- *Texas House Transportation Chair Terry Canales*
- *State Senator Judith Zafririni*
- *State Senator Eddie Lucio*
- *State Representative Oscar Longoria*
- *State Representative Armando Martinez*
- *Hidalgo County Judge- Richard Cortez*
- *Starr County Judge- Eloy Vela*
- *Texas International Produce Association*
- *City of Weslaco*
- *City of Edinburg*
- *Rio Grande Valley Partnership*
- *Foremost Paving*
- *Lower Rio Grande Valley Development Council*

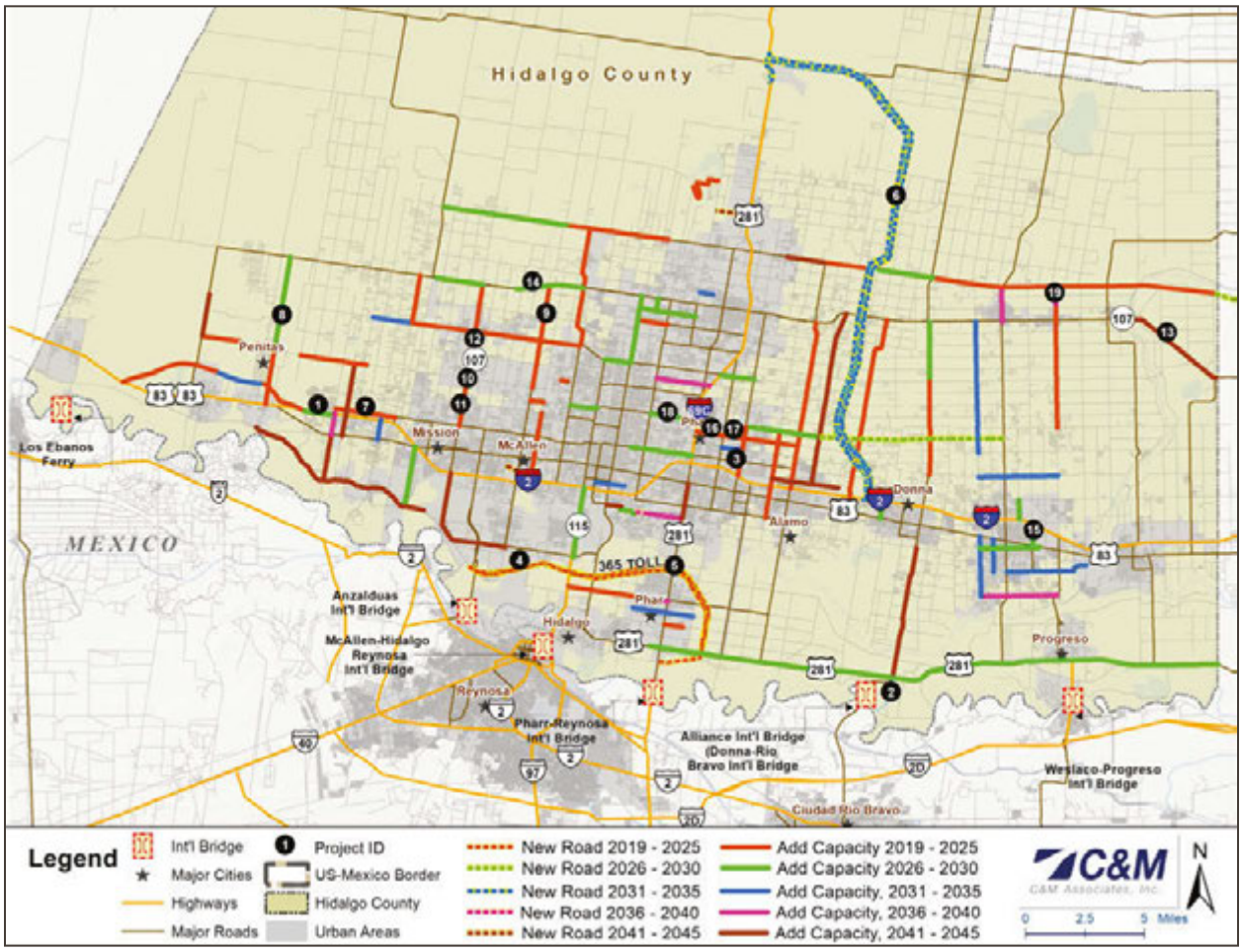


***Figure 12:*** *Planned Projects in Hidalgo County (not including IBTC)*

The IBTC is a rural project, as it is located outside of the boundary of the McAllen, Texas Urbanized Area (UZA). The IBTC project is located in the following Census Tracts (2010 Census), all five of which are located in an Area of Persistent Poverty. Of those Census Tracts, 213.02 is located in a Historically Disadvantaged Community.

- 213.02
- 213.03
- 221.03
- 221.06
- 228

The IBTC is located in two HUD Opportunity Zones:

- 48215022103
- 48215022106

The IBTC is not located in a HUD Empowerment Zone, HUD Promise Zone, or HUD Choice Neighborhood.

# 3.0 PROJECT PARTIES

The lead applicant for this MPDG grant application is TxDOT, in partnership with the HCRMA. The HCRMA was founded in 2005, and its purpose is "to provide the area with an opportunity to significantly accelerate needed transportation projects and have a local entity in place that will make mobility decisions that will benefit the community, while enhancing the economic vitality and quality of life for the residents in the County and surrounding area." The HCRMA is overseen by a seven-member Board of Directors, with six members appointed by Hidalgo County and the presiding officer appointed by the Governor of Texas. The HCRMA is not a direct recipient of federal funds, the majority of its operating budget comes from Hidalgo County Vehicle Registration Fees and Oversized Vehicle Permit Fees.

TxDOT is the lead applicant for this application and is a partner with the HCRMA in the development of the IBTC. TxDOT's vision is to be a "forward-thinking leader delivering mobility, enabling economic opportunity, and enhancing quality of life for all Texans. As of August 2021, TxDOT has over 12,000 employees at 25 districts and its headquarters in Austin. Approximately 40 percent of TxDOT's revenue comes from federal funds.

TxDOT has been awarded several USDOT discretionary grants in recent years. The table below summarizes TxDOT awarded USDOT discretionary grants since 2015:

| USDOT Program | Award Amount | Award Year | Location | Project Type |
|---|---|---|---|---|
| RAISE | $12,000,000 | 2021 | Dallas | Bike and pedestrian |
| INFRA | $50,000,000 | 2021 | Gainesville | Roadway improvements |
| BUILD | $25,000,000 | 2020 | Odessa/Midland | Interchange improvements |
| BUILD | $25,000,000 | 2018 | Winkler County | Grade separation |
| BUILD | $25,000,000 | 2018 | Glasscock and Reagan Counties | Roadway improvements and grade separation |
| INFRA | $65,000,000 | 2018 | Tarrant County | Roadway improvements |
| ATCMTD | $6,850,000 | 2018 | I-10 Corridor | Truck parking availability system |
| ATCMTD | $6,090,221 | 2017 | Statewide | Freight technology |
| FASTLANE | $7,000,000 | 2017 | Presidio County | Railroad improvements |
| ATCMTD | $8,900,000 | 2016 | Houston | ITS improvements |
| TIGER | $20,802,400 | 2015 | Statewide | Transit |

# 4.0 GRANT FUNDS, SOURCES AND USE OF PROJECT FUNDS

The total estimated cost for Phase I of the IBTC is $213,905,173. Future eligible costs for Phase I of the IBTC are currently estimated at $200,528,107. The MPDG grant request is for 60 percent of future eligible costs, or $120,316,846. A table summarizing previously incurred costs and future eligible costs is below:

| Previously Incurred Costs | |
|---|---|
| Advance Planning | $ 6,987,204.00 |
| Right-of-Way | $ 6,389,862.00 |
| Subtotal of Incurred Costs | $ 13,377,066.00 |
| **Future Eligible Costs** | |
| Advance Planning | $ 2,793,600.00 |
| Design | $ 8,324,673.00 |
| Right-of-Way | $ 35,292,342.00 |
| Construction | $ 143,464,924.00 |
| Management | $ 10,652,568.00 |
| Subtotal of Future Costs | $ 200,528,107.00 |
| ***MPDG Grant Request (60%) – Future Costs Only*** | ***$ 120,316,864.20*** |

This project's strong local funding commitment is demonstrated with both the state and local share representing approximately 31% of the total project cost.

A summary of the breakdown of funding by source for the total project (previously incurred and future project costs) is below

| Total Project Cost | $ 213,905,173.00 | Percent of Total Project |
|---|---|---|
| MPDG Request | $ 120,316,864.20 | 56% |
| Other Federal | $ 26,335,120.64 | 12% |
| Non-Federal - Texas Share | $ 41,876,122.16 | 20% |
| Non-Federal - Local Share | $ 25,377,066.00 | 12% |

The MPDG Grant request is for all three programs contained within the MPDG Notice of Funding Opportunity: Mega, INFRA, and Rural.

The source of the other federal funds for the project is the Surface Transportation Block Grant (STBG) Program funds suballocated to TxDOT. The Non-Federal – Local Share funds are provided by the HCRMA.

This project grant application is for 60% of future eligible costs, as outlined in the NOFO. In addition, the total federal funding for the project with the MPDG Grant and other federal dollars is less than 70%, as outlined in the NOFO as a requirement for MPDG funding.

# 5.0 PROJECT OUTCOME CRITERIA

## 5.1 Safety

Construction of the IBTC will improve safety in the project area. As there is no existing roadway where the IBTC will be constructed, crash data for nearby roadways was pulled from TXDOT's Crash Records Information System (CRIS), encompassing five full years (2017 – 2021) and the first four months of 2022. On US 281 from IH-2 to US 281 (Military Highway), a total of 1,206 crashes occurred between January 2017 and April 2022. Of these crashes, 10 were Type A (Suspected Serious Injury) and four were Type K (Fatal) crashes. On FM 493 from IH-2 to US 281 (Military Highway), a total of 333 crashes occurred between January 2017 and April 2022. Of these, two were Type A crashes and one was a Type K crash. The full set of crash data for roadways in the project area can be found in the Accidents section of the Benefit-Cost Analysis (BCA).

Results from the BCA show that construction of the IBTC would result in 588 fewer crashes over a 30-year period. That includes 26 fewer fatal crashes (Type K) and four fewer Type A crashes. Assuming a value of 1.09 fatalities per Type K crash, construction of the IBTC would result in over 28 fewer fatalities over a 30-year period compared to the no-build alternative. The BCA calculates a total monetary savings of $401,000,000 over 30 years in reduced crashes due to construction of the IBTC.

## 5.2 State of Good Repair

As the IBTC is a proposed new roadway, there is no existing condition of the roadway. Once the project is constructed, the HCRMA will commit to the operations and maintenance of the IBTC and ensure the roadway is well maintained. Construction of the IBTC will contribute to an overall state of good repair in Hidalgo County by diverting vehicles from existing area roadways, which will reduce the wear and tear those roadways incur and will reduce the long-term maintenance costs of those roadways. The IBTC will utilize continuously reinforced concrete paving (CRCP), which allows for the construction of a more durable pavement section that the HCRMA is ready to commit overweight permit fees collected from commercial vehicle end users.

Results from the BCA show that by 2030, an estimated 6,200 vehicles daily will be diverted from FM 493, US 281 (North-South), US 281 (Military), IH-2, and E Business Highway 83 to the IBTC. Diversion of these vehicles to a newly constructed facility will reduce the stress and wear and tear on existing roadways.

## 5.3 Economic Impacts, Freight Movement, and Job Creation

Hidalgo County and the Rio Grande Valley play a significant role in the economies of Texas and the United States. TxDOT's 2020 *Rio Grande Valley Freight and Trade Transportation Plan* (Plan) provides an overview of the economic impact of freight and trade in Hidalgo County and the Rio Grande Valley.

Data from the Plan indicates that the freight transportation sector supports over 98,000 jobs annually in the Rio Grande Valley and results in approximately $19 billion dollars in economic output. Of these 98,000 jobs, approximately 40,000 are direct jobs from firms and industries that provide freight transportation services while the remainder are indirect and induced jobs. The economic impact of freight jobs has a ripple effect on employment in the region. For every 100 freight jobs in the Rio Grande Valley, another 147 jobs are created in the state of Texas, and for every dollar of value added in freight transportation an additional $1.13 of value is added to the economy of Texas and the United States[2]. As this project is located next to the border with Mexico, the jobs created by this project and the enhanced trade present a unique opportunity for this grant to improve not only Texas' economy, but the economy of the United States. Only projects that are located near the border can make this claim, as it will not draw jobs from other areas in the United States, and thus represents a net positive for the country.

The state of Texas contains 28 roadway border crossings, six freight rail crossings, and eight Foreign Trade Zones (FTZs), which help contribute to the nearly $350 billion dollars in GDP generated in 2019. Data from TxDOT's 2021 *Texas-Mexico Border Transportation Master Plan* indicates that by 2050, the economic impact of cross-border trade is expected to total nearly $1.2 trillion dollars in GDP. The overall movement of goods generated 1.6 million jobs in the U.S. in 2019, and that number is expected to grow to 6.5 million jobs by 2050[3].

It is also important to note the growing population on both sides of the border. The Texas-Mexico border region's population increased 70 percent between 1990 and 2019 to nearly 7.45 million people. The Rio Grande Valley and Mexican State of Tamaulipas' combined population increased 83 percent between 1990 and 2019 to over three million and is forecast to grow another 15 percent by 2050. This population increase has brought significant employment growth on both sides of the border, with employment in the Texas-Mexico border region totaling nearly three million jobs in 2019, a 97percent increase from 1990. In the Rio Grande Valley, employment grew by 111 percent between 1990 and 2019, and is forecast to increase by 100 percent by 2050, which would result in over one million total jobs in the Rio Grande Valley.

Growth in population and employment in the region has brought a significant increase in border crossings. The McAllen-Hidalgo crossing, just west of the IBTC, saw over 650,000 combined truck and commercial vehicle crossings in 2019, a 217 percent increase compared to the 205,000 crossings in 1996. The Pharr-Reynosa crossing is also experiencing significant growth and is expected to see nearly two million truck crossings by 2050.

The impact to GDP of trade through the Texas-Mexico border can be found in Figure 13 on the following page (*figure sourced from Texas-Mexico Border Transportation Master Plan*).

2 https://ftp.txdot.gov/pub/txdot/get-involved/phr/rgv-freight-plan/020921-rgv-freight-trade-transportation-plan.pdf
3 https://ftp.dot.state.tx.us/pub/txdot/tpp/btmp/btmp-final-report.pdf

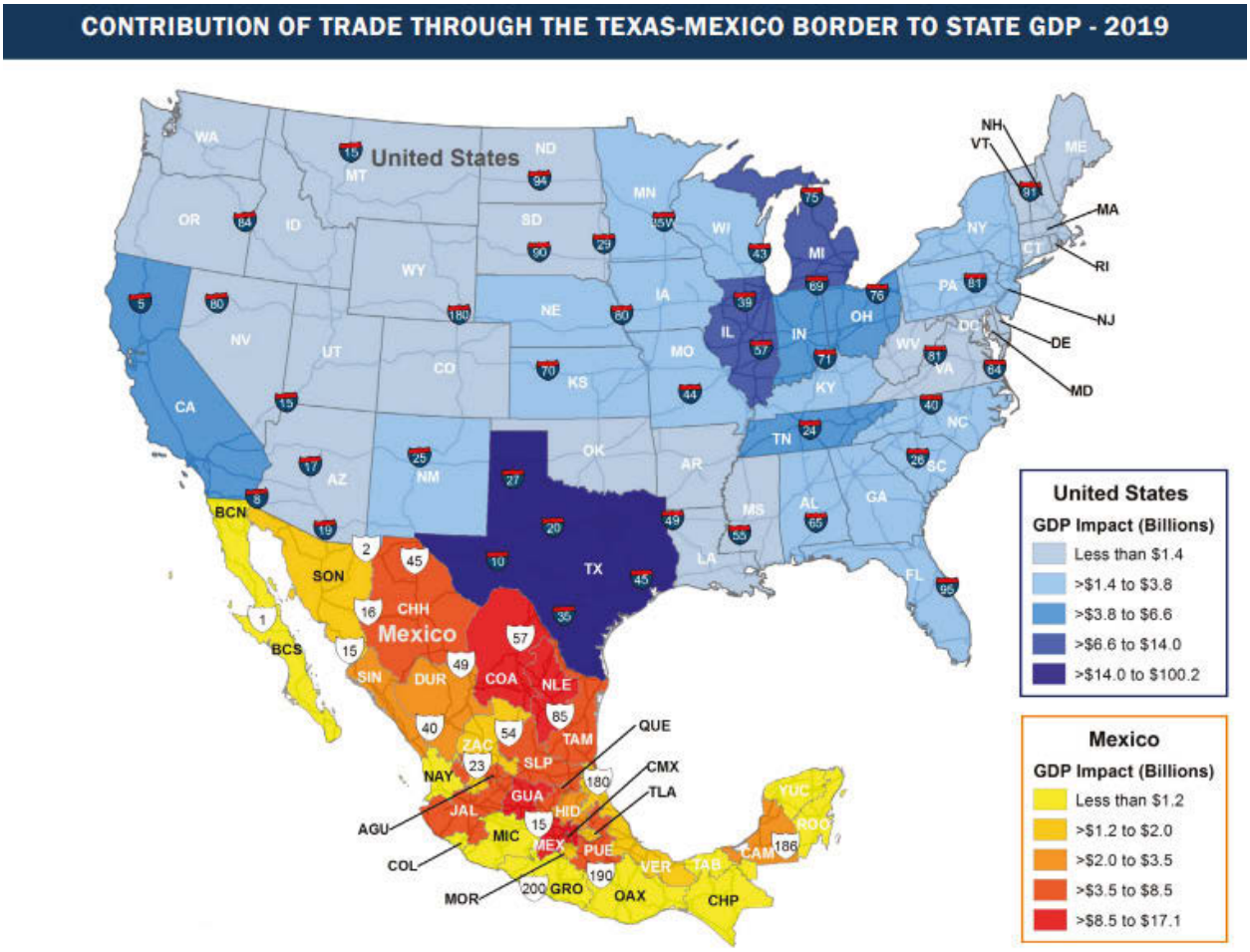


***Figure 13:*** *Texas-Mexico trade GDP impacts broken down by states in the U.S. and Mexico*

Continued investment in the transportation network in Hidalgo County, the Rio Grande Valley, and the state of Texas is critical for continuing regional and national economic development and growth. Lack of investment in the transportation system will hinder freight movement and increase the cost of goods crossing the border as has been made evident during the recent supply chain disruptions of 2020 and 2021. In 2018, Hidalgo County experienced the largest highway delays of all counties within the Rio Grande Valley, seeing more than 13 million hours of delay across all vehicles, and nearly 578,000 truck-hours of delay. Truck delays in Hidalgo County alone accounted for approximately 57 percent of total truck delay in counties in the Rio Grande Valley in 2018[4]. A lack of future investment in the transportation network at the Texas-Mexico border has the potential to significantly hinder future growth in the region.

4 https://ftp.txdot.gov/pub/txdot/get-involved/phr/rgv-freight-plan/020921-economic-impacts-rgv-freight-trade-trans-plan.pdf

It is in this context that the IBTC has been proposed. Construction of the IBTC will provide significant economic benefits for Hidalgo County, the Rio Grande Valley, and the state of Texas. The new roadway will provide an alternative to congested roads in the project area and will allow for improved efficiency of truck movement to access the international crossings in the area. The new roadway connects with important regional corridors and will allow truck traffic to quickly access multiple border crossings. Construction of the IBTC will increase travel time reliability (especially for freight movement), enhance connectivity to the regional freight network, help decrease the cost of traded goods associated with travel delay, and promote economic development in a USDOT designated Area of Persistent Poverty. Given the monetary costs associated with travel delay at the US-Mexico border, the IBTC is a key project in continuing the economic growth of the Rio Grande Valley.

Results from the BCA show that over a 30-year period, construction of the IBTC will lead to 4,067,937 hours of time travel savings for cars and 324,961 hours of time travel savings for trucks in the area. This results in an expected monetary savings of $72,409,287 for cars and $10,398,755 for trucks due to reduced vehicle delay. Construction of the IBTC and the reduction in truck travel time will also result in reduced shippers' delays, resulting in an expected monetary savings of $20,745,516.

Reduced travel delay will help continue the economic growth of Hidalgo County and the Rio Grande Valley and its impacts will be felt by consumers across the United States. Given the volume of goods that crosses through the international crossings in the project area, a decrease in travel delay and shipping costs can help reduce the cost of goods for consumers nationwide.

***Figure 14:*** *Trucks waiting in line to cross the border*

## 5.4 Climate Change, Resiliency, and the Environment

In December 2021, TxDOT published the draft Environmental Assessment (EA) for the IBTC. The draft EA concluded that the proposed project would not result in a significant impact on the human and natural environment and recommended a Finding of No Significant Impact (FONSI). Results from the BCA indicate that construction of the IBTC would result in reduced greenhouse gas emissions for at least the first four years after construction is complete within the project area due to the reduced VMT associated with construction of a more direct route. A total reduction of 612,165 grams of Nitrous Oxides ($NO_x$), 22,505 grams of Sulphur Oxides ($SO_x$), 25,182 grams of Particulate Matter 2.5 (PM2.5), and 1,249,483,015 grams of Carbon Dioxide ($CO_2$) in the first four years after the IBTC opens is expected compared to the No-Build scenario, according to calculations in the BCA. While temporary increases in particulate matter and Mobile Source Air Toxics (MSATs) may occur from construction activities, impacts will be mitigated by using fugitive dust control measures as appropriate.

Construction of the IBTC will involve activity in jurisdictional waters and will require authorization under Section 404 of the Clean Water Act. HCRMA has met with the US Army Corps of Engineers to discuss the project and potential mitigation measures. HCRMA is assessing the need for compensatory mitigation and will propose appropriate mitigation measures to offset impacts to water resources.

## 5.5 Equity, Multimodal Options, and Quality of Life

The project is located in a USDOT designated Area of Persistent Poverty, and a portion of the project is located in a Historically Disadvantaged Community. 2020 Census data showed Hidalgo County's median household income was $41,846, significantly lower than the U.S. average of $67,521. It also noted that nearly 24 percent of people in Hidalgo County live in poverty, over double the national rate of 11.4 percent. Hidalgo County is 92.5 percent Hispanic/Latino, and 82.7 percent of residents reported speaking a language other than English at home, primarily Spanish. The benefits of constructing the IBTC include job creation, enhanced mobility, and economic growth. As the IBTC is located in an Area of Persistent Poverty, these improvements will benefit residents most in need of new economic opportunities.

The IBTC's location in a low-income and rural area will help improve economic opportunity in Hidalgo County and the greater Rio Grande Valley. It will promote growth and development in the area and will develop additional high paying jobs in the freight trade and transportation sector. The most recent official estimate of the impacts of infrastructure investment on employment was generated by the Council of Economic Advisers (CEA). It estimated that every $76,923 in transportation infrastructure spending creates one job for one year[5]. Based on this research and a Phase I construction cost of $143,464,924, it can be estimated that construction of the IBTC will result in 1,865 total jobs, which includes direct, indirect, and induced jobs.

5 https://www.fhwa.dot.gov/policy/otps/pubs/impacts/

TxDOT and the HCRMA have engaged in extensive public involvement throughout project development. On January 10, 2019, the HCRMA conducted a Town Hall Meeting/Meeting with Affected Property Owners within the Val Verde community. A total of 87 affected property owners and/or their representatives signed in at the meeting. The HCRMA subsequently held a Public Meeting on March 19, 2019. Notices for the meeting were published in English and Spanish, handouts at the meeting were available in both English and Spanish, and interpreters were present at the meeting. 89 members of the public and three public officials signed in at the meeting.

A virtual public hearing to solicit public comments on the Draft Environmental Assessment was held on March 17, 2022. Presentations were given in both English and Spanish, and materials made available on the HCRMA's website were in both English and Spanish. An in-person option was available for residents as well. A total of 350 people visited the HCRMA website during the hearing and 57 people attended the hearing in-person.

The HCRMA will continue to solicit public input on the project. After the Final EA is approved, it will be made available to the public for review, with notices posted in English and Spanish. Phase I of the IBTC includes the construction of a 10' shoulder that could accommodate cyclists wishing to travel the roadway. Phase I also includes the construction of pedestrian amenities such as pedestrian push buttons to ensure a safe crossing across the IBTC. Phase I does not include the construction of a dedicated sidewalk facility along the IBTC, however, current plans call for the addition of sidewalks as part of the Phase II build out. All cross-street roadways will be designed to accommodate future pedestrian and bicycle facilities to keep the project from prohibiting these modes from crossing the facility safely.

The project area is home to several elementary, middle, and high schools, and one community college. Schools along or adjacent to US 281 in the project area include Jaime Escalante Middle School, PSJA Southwest Early College High School, South Texas College – Regional Center for Public Safety Excellence, and Picasso Elementary – Vanguard Academy. Schools along or adjacent to FM 493 in the project area include BG Guzman Elementary School, WA Todd Middle School, and Donna High School. Construction of the IBTC will divert car and truck traffic from both US 281 and FM 493, which will result in fewer vehicles using these roads, enhancing safety for students and staff going to school.

## 5.6 Innovation Areas: Technology, Project Delivery, and Financing

The state of Texas is a stable and reliable funding partner committed to maintaining the existing system and building new infrastructure to encourage economic growth. Texas has undertaken recent efforts to raise significant amounts of state funding for transportation through funding sources dedicated to transportation investments. These efforts have been solidified by two voter-approved sources, Propositions 1 and 7, as well as action taken by the Texas Legislature to end diversions from the State Highway Fund (SHF)[6]. Combined, Proposition 1, Proposition 7, and the end of diversions from the SHF provide stable, dependable sources of state funding to contribute to the construction, maintenance, and operation of the IBTC.

Proposition 1 was approved by 80 percent of Texas voters in 2014. Under the amendment, a portion of exiting oil and natural gas production taxes is divided evenly between the Economic Stabilization Fund and the SHF. Since 2015, a total of $9.69 billion dollars of Proposition 1 funding had been deposited into the SHF.

Proposition 7 was approved by 83 percent of Texas voters in 2015. It increased funding for the state highway system by requiring the Texas Comptroller to deposit into the SHF up to $2.5 billion dollars of the net revenue from state sales and use tax that exceeds the first $28 billion of revenue each fiscal year. Since 2015, a total of $10 billion dollars of Proposition 7 funding had been deposited into the SHF.

A broad range of state funding sources will leverage federal funding and are dedicated by the Texas Constitution to fund public roadway projects, including:

- State motor vehicle fuels tax
- State vehicle registration fees
- Proposition 1 funds
- Proposition 7 funds

Federal funding to be used for future eligible project costs will require a non-federal funding match. State funding sources such as the Motor Vehicle Fuels Tax, the State Vehicle Registration Fees, and Propositions 1 and 7 will be leveraged as the match for federal funds associated with the IBTC project.

In addition, the HCRMA has two innovative programs to raise local transportation revenues. HCRMA operations are primarily funded through vehicle registration fees in Hidalgo County. A $10 fee per vehicle is collected by Hidalgo County and transferred to the HCRMA. In addition, the HCRMA receives a portion of funds generated through overweight permits granted to trucks in Hidalgo County. The permit costs $200, and $27 of this funding is distributed to the HCRMA and represents a non-traditional source of transportation funding used to leverage federal sources of funding to expand the overall investment in transportation infrastructure.

6 https://ftp.dot.state.tx.us/pub/txdot-info/fin/funding-brochure-2022.pdf

# 6.0 BENEFIT-COST ANALYSIS

A Benefit-Cost Analysis (BCA) was prepared for the IBTC project. Results of the BCA showed that the project will have a Benefit-Cost Ratio (BCR) of 1.08. The net benefits of the project are estimated to be $537 million over 30 years, or $120 million when discounted at 7 percent. Costs of the project (2020 dollars) are estimated to be $163 million, or $112 million when discounted. The greatest benefit calculated in the BCA for the IBTC is the anticipated accident reduction within the project's area of influence. The shifting of traffic from urban areas onto a new, rural roadway that provides a median separating traffic will result in lower crash rates. Another benefit the IBTC provides is the reduced travel time and congestion in the area that will result from construction of the IBTC, which is especially important for trucks looking to cross the international bridges in Hidalgo County between the U.S. and Mexico.

The full results of the BCA can be found in Appendix B.

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# 7.0 PROJECT READINESS AND ENVIRONMENTAL RISK

## 7.1 Technical Feasibility

The IBTC project has been planned since 2010 and numerous technical reports have been prepared in support of the project. As part of the Environmental Assessment (EA) for the project, the following technical documents have been prepared in support of the project:

- Project Description Report
- Alternatives Development Summary Report
- Community Impacts Technical Report
- Archeological Background Study
- Intensive Archeological Survey Report
- Project Coordination Request (PCR) for Historical Studies Form
- Historical Studies Research Design
- Historic Resources Survey Report
- Water Resources Technical Report
- Tier 1 Site Assessment Form
- Biological Evaluation
- Air Quality Technical Report
- Hazardous Materials Technical Report
- Traffic Noise Analysis Technical Report
- Indirect and Cumulative Impacts Technical Report
- Documentation of Public Meetings

A summary of these documents can be found in the EA, which is posted on the HCRMA website. The EA also includes detailed project design information and schematics of the proposed roadway. It can be found at the following link:

*https://www.hcrma.net/files/2021-12-16_HCRMA%20IBTC%20Draft%20Environmental%20Assessment.pdf*

The HCRMA and TxDOT are committed to compliance with all applicable Title VI/Civil Rights requirements and will ensure that no person is excluded from participation, denied benefits, or otherwise subjected to discrimination under any program or activity on the basis of race, color, national origin, sex, age, or disability.

## 7.2 Project Schedule

A detailed project schedule has been developed for the IBTC project. Listed below are major milestones and the estimated completion date:

- Notice of Availability of Final Environmental Assessment and Finding of No Significant Impact (FONSI): August 2022
- NEPA clearance: December 2022
- PS&E 30 percent: October 2023
- PS&E 60 percent: April 2024
- Complete railroad coordination: July 2024
- Inclusion of construction funding in TIP/STIP: TBD pending securing federal grant funding
- PS&E 90 percent: October 2024
- ROW acquisition completion: March 2025
- Utility coordination and relocation complete: June 2025
- PS&E completion: June 2025
- Construction letting: June 2025
- Construction begins: September 2025
- Anticipated construction period: September 2025 – March 2029

## 7.3 Required Approvals

The project has received the following permits and approvals:

- National Resources Conservation Service (NRCS) – Score of less than 160 on Farmland Conservation Impact Rating analysis – No further consideration for protection and no additional evaluation needed (July 2018)
- Concurrence from the Texas Historical Commission (THC) on the draft intensive archeological survey report (June 2019)
  - *Subsequent approval from the THC on a mitigation plan (March 2021)*
- State Historic Preservation Office (SHPO) concurrence on finding of no adverse effects on historic properties (April 2019)

In addition to permits and approvals from the NRCS, THC, and SHPO, the HCRMA has undertaken extensive agency coordination efforts for the IBTC, including with Native American tribes in the area, with the Texas Parks and Wildlife Department (TPWD), with US Fish and Wildlife Service (USFWS), with the US Environmental Protection Agency (EPA), with the Texas Commission on Environmental Quality (TCEQ) and has held numerous coordination meetings with the U.S. Army Corps of Engineers (USACE).

Future anticipated permits and approvals include:

- Concurrence from the International Boundary and Water Commission (IBWC) that the project and construction will not interfere with operation and maintenance of any project works of the IBWC
- USACE Section 404 Permit
- Archeological Mitigation (Data Recovery) Permit from the Texas Historical Commission
- Construction soil and water management for the Donna Superfund from the EPA and other state and federal agencies as applicable

As noted in previous sections, a draft Environmental Assessment for the IBTC has been published with a recommendation for a FONSI.

## 7.4 Assessment of Project Risks and Mitigation Strategies

On April 5, 2022, the HCRMA held a risk management workshop for the IBTC project. The focus of the workshop was to review a list of initial risks developed prior to the workshop and to develop specific Action Plans to mitigate risks during the next phases of project development. It is important to note that by awarding an MPDG grant to this project, the anticipated schedule will be advanced and will reduce the high impact risks by shortening the time exposure for these risks which could negatively impact the project. A summary and additional details on the project risks identified at the risk management workshop can be found in Appendix C.

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# 8.0 STATUTORY PROJECT REQUIREMENTS

**Statutory Selection Requirement #1: Project will generate national, or regional economic, mobility or safety benefits:** Given the project's location near multiple U.S. – Mexico international border crossings, the volume of goods that flow through those crossings, and the project's impact on improving the truck mobility in Hidalgo County and the Rio Grande Valley, the IBTC is expected to generate significant regional and national economic benefits.

**Statutory Selection Requirement #2: Project will be cost effective:** Results from the Benefit-Cost Analysis show that this project will have a Benefit-Cost Ratio of 1.08, indicating a project whose benefits will exceed its costs.

**Statutory Selection Requirement #3: Project will contribute to 1 or more goals of the national goals described under Section 150:** The project will contribute to multiple national goals detailed in U.S. Code Section 150. The project contributes to: Goal 5 because it will strengthen the ability of rural communities to access national and international trade markets and support regional economic development; and to Goal 4 because it will help to improve the efficiency of the surface transportation system by constructing a new roadway in an area of existing congestion and high volumes of truck traffic.

**Statutory Selection Requirement #4: Project is based on the results of preliminary engineering:** The IBTC has been planned since 2010, and the project design is based on the results of preliminary engineering. The following project activities have been undertaken for the IBTC:

- Draft Environmental Assessment Publication
- Hydrologic Analysis
- Utilities Analysis
- Traffic Studies
- Financial Planning and Revenue Estimates
- Hazardous Materials Estimates
- Schematics
- General Estimates of Types and Quantities of Materials

**Statutory Selection Requirement #5: With respect to related non-federal financial commitments, 1 or more stable and dependable sources of funding and financing are available to construct, maintain, and operate the project, and to cover cost increases:** As detailed in Section IV and the Innovation criteria section, TxDOT has several dependable funding sources for providing the local match required for the grant award. TxDOT's share of the local match is $41,876,122.16, and an additional $25,377,066.00 in local funds will or has been contributed to the project. This project's strong local funding commitment is demonstrated with both the state and local share representing approximately 31% of the total project cost.

**Statutory Selection Requirement #6: Project cannot be easily and efficiently completed without other Federal funding or financing available to the project sponsor:** TxDOT and the HCRMA would face significant challenges in funding the project if MPDG grant funds are not awarded. The project is unlikely to proceed to construction unless it receives a grant award. The project is located within a county that the State of Texas designates as Economically Disadvantaged, and grant funding of the project will allow it to be feasible.

**Statutory Selection Requirement #7: Project can be expected to begin not later than 18 months after the date of obligation of funds:** As detailed in the project schedule section, the IBTC construction letting is anticipated to occur in June 2025, with construction beginning in September 2025. Obligation of funding for the IBTC is anticipated to occur in mid-2025.

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# APPENDICES

## MPDG GRANT APPLICATION | *IBTC*

Appendix A: Letters of Support
Appendix B: BCA
Appendix C: Risk Management Workshop Summary
Appendix D: Mega Application Data Collection Plan
Appendix E: Link to Draft Environmental Assessment and Schematics
Appendix F: Traffic Modeling Report

# APPENDIX A: LETTERS OF SUPPORT

# APPENDIX B: BCA

# APPENDIX C: RISK MANAGEMENT WORKSHOP SUMMARY

# APPENDIX D: MEGA APPLICATION DATA COLLECTION PLAN

# APPENDIX E: LINK TO DRAFT ENVIRONMENTAL ASSESSMENT AND SCHEMATICS

# APPENDIX F: TRAFFIC MODELING REPORT