



SFY26 IMPROVE Transit Investment Grant

Program Fact Sheet

Program Purpose

The IMPROVE Transit Investment Grant is a competitive funding program that supports transit capital projects and infrastructural improvements to transit systems in the State of Tennessee. The program was enacted in 2017 as a component of the Improving Manufacturing, Public Roads, and Opportunities for a Vibrant Economy Act. Projects funded through the program will support transit ridership and improve the transit user experience, provide safety enhancements for transit systems, improve operational capacity, stimulate local economies, and will be supported with robust prior planning and evidence of local support

Eligible Applicants

Funding is available to Tennessee public transit providers receiving FTA 5307 or 5311 program funds. Agencies must be in good standing with TDOT and the Federal Transit Administration

Eligible Projects

- Transit Centers and Park-and-Ride lots
- Maintenance and Storage Facilities
- Rolling Stock and Associated Equipment
- Technology & Intelligent Transportation Systems (ITS)
- Transit Fueling and Electric Charging Stations
- Preliminary Engineering and Design
- ROW Acquisition
- Other Strategic Capital & Facility Projects

Funding Considerations & Match Requirement

The IMPROVE Transit Investment Grant is a reimbursement-based funding program and will award up to \$21 million in transit projects across the State of Tennessee in SFY26. Individual projects are capped at \$5 million in State funding. Applicants are not limited to a certain number of project applications per cycle, but geographic distribution of projects across the State will be considered when making awards.

To be considered for award, projects **must** be supported by a local match of at least 20% of the total project cost, with this funding commitment documented in the final application. Projects which propose to construct infrastructure or facilities projects directly in a [distressed county](#) or an [opportunity zone](#) will be considered for a reduced 10% minimum local match.

Advanced Commitment of IMPROVE Act Funds

Applicants may submit applications for multi-year projects as part of the SFY26 Call for Projects. There are instances where agencies may instead wish to apply for an [Advanced Commitment](#) of IMPROVE Act Funds. Generally, projects that are the best fit for the Advanced Commitment process are large projects which will require an application for a Federal discretionary grant and for which the application will be strengthened by an additional commitment of State dollars, or projects seeking Federal funding where a state funding commitment will off-set the local share required to fund the project. These national funding opportunities include, but are not limited to the RAISE, CIG, and 5339(b).

The Advanced Commitment process is separate from the SFY26 Call for Projects, and requests for an advanced commitment can be submitted through the Public Transportation Section website on a rolling basis throughout the year.

Program Requirements

Procurement

All agencies are required to follow the Public Transportation Section's [Procurement Transaction Review](#) process, which can also serve as guide for project planning. Agencies may wish to partner with regional stakeholders or participate in statewide or joint procurements. Joint procurements between eligible applicants are allowed and encouraged where they contribute value to the proposed project.

Project Management

Applications to the SFY26 Call for Projects should demonstrate that the agency has the technical capacity and established project management procedures to successfully deliver quality projects. As projects are awarded, TDOT will monitor projects for timely project delivery, budget, and accordance with the awarded project scope and plans. Changes in scope that modify or contradict the application will require written prior approval from TDOT.

Pre-Award Process

There are three stages in the IMPROVE Transit Investment Grant application process: The Notice of Intent to Apply phase, the Application phase, and the Evaluation phase.

The **Notice of Intent (NOI) to Apply** phase serves as an initial screening of proposed projects to ensure basic eligibility requirements are met. Notices of Intent to Apply submitted by the deadline will be reviewed to ensure consistency with program guidelines and requirements stated in the grant announcement. At this stage, TDOT may request that some applicants provide further clarifications on specific aspects of their proposal at the application stage. Applications which are not responsive to requests made at the NOI stage run the risk of being removed from consideration during the application phase or scoring poorly during the evaluation phase.

Upon determining that a project fulfill basic eligibility requirements, applicants with eligible projects will be invited to the **Application** phase. Applicants will receive a more detailed application document at this stage, which will request more information about the proposed project than the NOI document. Where the NOI assesses high-level project eligibility, the application phase details the project specifics, and timeline, budget, scope, and support for the project should be well-developed at this stage. Further applicants should expect questions about all relevant scoring criteria described below at the application stage.

Applications submitted before the application deadline will undergo a rigorous committee review at the **Evaluation** phase. The scoring committee will individually score each application against the evaluation criteria, and then meet collectively to review the results and discuss any notable scoring discrepancies. Following this committee review, final scoring outcomes and committee recommendations will be escalated to TDOT leadership for review and approval. Awards will be announced as soon as possible pending this approval.

Project Selection

Annual program funds are awarded using a competitive process. TDOT will organize applications into categories based on project type, including Rolling Stock, Infrastructure (Passenger – Facing), Facilities, and Technology. Projects will be assessed using evaluation criteria specific to the project type, with weighting differentiated by category. In addition to the criteria below, awards will consider geographic distribution.

Project Type	Project Readiness	Local Planning & Support	Safety/State of Good Repair	Operational Improvement	Ridership & Mobility	Economic Development
<i>Rolling Stock & Equipment</i>	15	15	50	20	-	-
<i>Facilities & Infrastructure</i>	15	15	20	20	20	10
<i>Technology</i>	15	15	20	30	20	-
	Criteria for All Project Types			Criteria for Specific Project Types		

Description of Scoring Criteria

Criteria for All Project Types

Project Readiness

Applications that score well in this category will include:

- A well-developed project scope,
- A phased timeline identifying major project milestones and expected durations for each phase of work
- Contingency planning for the project which identifies potential risks, as well as project components that can be modified or removed if cost overruns or other unanticipated project difficulties occur
- Identification on any site-specific needs, including acquisition of Right of Way, environmental screening, or design/engineering documents, and plans to address any unique site challenges
- Evidence of procurement planning, including independent cost estimates, and, where applicable, identification of vehicle design specifications, and supportive Asset Management Plans
- A demonstrated ability to meet project deadlines, milestones, and deliverables for previously awarded projects (*if applicable*)

Local Planning & Support

Applications that score well in the category will include:

- Evidence of prior planning processes that support the need for the project and illustrate a thoughtful and developed approach to delivering the project
- Sample planning documents that reference the project, including local strategic plans, capital plans, or other planning documents
- Documentation of public participation processes within the community including transit-users, businesses, nonprofit organizations, community groups, and the general public
- Letters of support from local agencies and organizations

Safety & State of Good Repair

Applications that score well in this category will include:

- Evidence of a safety or State of Good Repair need beyond typical preventive maintenance,
- Information on the prioritization process that identified the proposed project over others,
- A description of how the proposed project will address the need and increase passenger and/or driver safety

Criteria for Specific Project Types

Operational Improvement (Rolling Stock / Facilities / Technology)

Applications that score well in this category will include:

- Identification of an existing operational challenge, or of an aspect of operations which could be

made more efficient

- Evidence that the proposed solution will address identified challenges, and will consider efficiency and reliability of the proposed solution
- Analysis as to why the proposed operational improvements are the best fit compared to other potential solutions

Transit Ridership & Mobility (Facilities / Infrastructure / Technology)

Applications that score well in the category will include:

- Identification of aspects of the current rider experience that warrant improvement
- Materials demonstrating rider support for the proposed improvements, such as survey, comments at public meetings, etc.
- Evidence that the proposed solution is has been weighed against other options, and has either the most positive impact, best value, or some notable implementation benefit
- Proposed improvements, including but not limited to:
 - o Transit stops improvements, including installation of passenger amenities
 - o Transit access projects, including bicycle, pedestrian, and accessibility improvements
 - o Park-and-Ride facilities where walking/biking access to transit is limited
 - o ITS projects supporting on-demand options, integrated fare collection systems, real-time arrival/bus capacity information, or other transportation software solutions
 - o Fleet electrification, vehicle charging stations, or other projects related to electric vehicles
 - o Projects which support Transit Oriented Development goals
 - o Other improvements that attract riders and increase system-wide access

Economic Development (Facilities / Infrastructure)

Applications that score well in the category will include:

- Evidence that the project is likely to contribute to:
 - o Job growth and employee development in the community surrounding the project area
 - o Improvements to travel times, reduced transportation costs, and increased economic productivity
 - o Increased consumer spending
 - o Documented planning efforts aiming to impact long-term land use near the project area
- Detailed site location information showing that the project will create lasting impact in an Economically Distressed Area or Opportunity Zone, with the project boundaries being within in one of these areas (if applicable)