



SMART Stage 2 FAQs

Answers to frequently asked questions about Stage 2 of the SMART Grants Program.

This page has been updated to reflect the Stage 2 FY 2024 NOFO Announcement made on **July 15th, 2024. The FY24 Stage 2 SMART Grants NOFO is now open. The FY24 Stage 2 NOFO is now open.** It can be found [here](#). It can also be found on [Grants.gov](#).

The deadline is August 14th, 2024 at 5:00pm ET.

Applications will only be accepted via Valid Eval. The Valid Eval link will open shortly and the link will be posted here.

General Stage 2 Information

1. How is the Stage 2 different from the Stage 1?

- Only current recipients of SMART Stage 1 Planning and Prototyping Grants, or eligible entities designated by Stage 1 SMART recipients, are eligible for the FY24 Stage 2 NOFO. Stage 1 recipients that began their period of performance after October 1, 2023 are not eligible to respond to the FY24 Stage 2 NOFO, but are eligible for future Stage 2 NOFOs. This means the 2024 Stage 2 NOFO is restricted to FY22 Stage 1 recipients.
- Stage 1 awards are for Planning and Prototyping grants for up to \$2 million over 18 months. The FY24 Stage 2 NOFO will provide follow-on funding for previously awarded Stage 1 projects. Stage 2 projects should be designed to result in a scaled-up demonstration of the concept, integrating it with the existing transportation system, and refining the concept such that it could be replicated by others. USDOT anticipates that Stage 2 will award grantees up to approximately \$15 million for projects lasting 36 months.

2. What are the minimum and maximum grant award sizes for Stage 2?

- The maximum grant award size for Stage 2 is approximately \$15 million per project. There is a minimum grant award size of \$2 million. USDOT reserves the discretion to alter the minimum and maximum award sizes upon receiving the full pool of applications and assessing the needs of the program.

3. Is there a matching funds requirement for Stage 2?

- Cost sharing or matching is not required for Stage 2: Implementation Grants.

4. Who is eligible to apply for a SMART Stage 2 Grant?

- Only recipients of SMART Stage 1 Planning and Prototyping Grants, or eligible entities designated by Stage 1 SMART grantees, awarded under the FY22 SMART Stage 1 NOFO, may apply for this Stage 2 Implementation Grants.
- The 2024 Stage 2 NOFO is restricted to FY22 Stage 1 recipients.
- For this NOFO, the Draft Implementation Report completed by each Stage 1 Grantee will be evaluated. Any applicant that is not required to submit a Draft Implementation Report between July-September 2024, as their period of performance began after October 1, 2023, will not be eligible to respond to this Notice of Funding Opportunity.

5. Are Tribal governments eligible to apply?

- Federally recognized Tribes are eligible recipients under the SMART Grants Program.

6. What is a political subdivision of a state?

- For the purposes of the SMART Grants Program, a political subdivision of a State is defined as a unit of government created under the authority of State law. This includes cities, towns, counties, special districts, and similar units of local government.

7. What activities are eligible for Stage 2?

Eligible development and construction activities for grant funding in both stages, as appropriate to the proposed project, are the following:

- development phase activities, including—
 - planning;
 - feasibility analyses;
 - revenue forecasting;
 - environmental review;
 - permitting;
 - preliminary engineering and design work;
 - systems development or information technology work; and
 - acquisition of real property (including land and improvements to land relating to an eligible project); and
- construction phase activities, including—
 - construction;
 - reconstruction;
 - rehabilitation;
 - replacement;
 - environmental mitigation;
 - construction contingencies; and
 - acquisition of equipment, including vehicles.

8. Can new partners be added to Stage 2 that were not involved in the Stage 1 project?

- Yes. The partners in Stage 2 do not need to be the same as the partners in the Stage 1 project.

9. If we have a contract with a partner from our Stage 1 Project, can we use that same contract for Stage 2?

- It depends. If the contract that was established for Stage 1 has the appropriate scope, term, and pricing to continue to be used for your Stage 2 project, you may choose to continue to use it. Stage 2 will also be a reimbursement-based grant, so it is the responsibility of the recipient to secure the appropriate contracts and make upfront payments for the Stage 2 project as needed. If the work, contract term, or pricing will change or exceed the scope from the original Stage 1 contract, you will need to adhere to any applicable competition procedures in accordance with 2 CFR 200.307 through .327.

10. Can a collaborative application be submitted for Stage 2, like in Stage 1?

- No. SMART is not accepting collaborative applications for Stage 2 grants.

Stage 2 NOFO

1. How many projects will be selected in the FY24 Stage 2 NOFO?

- For the FY24 funding opportunity, USDOT anticipates awarding 3-5 Stage 2 grants for a total of approximately \$50M.

2. Will there be another opportunity to apply for a Stage 2 grant?

- USDOT anticipates multiple additional Stage Two NOFOs will be released in 2025 and 2026.

3. What Standard Forms are required as part of the application package?

- All applicants must submit the following Standard Forms:
- Application for Federal Assistance (SF-424)
- Budget Information for Non-Construction Programs (SF-424A) or, if applicable, Budget Information for Construction Programs (SF-424C)
- Certification Regarding Lobbying form.
- If applicable, applicants should also complete the Disclosure of Lobbying Activities (SF-LLL).
- These forms can be found on the Valid Eval application page. SMART has prepared a [Job Aid for Standard Form 424](#)

4. What is the anticipated Stage Two NEPA Class of Action and requirements?

- Applicants are responsible for understanding the environmental evaluation process for their proposed project scope, and providing the necessary information to complete NEPA

review if awarded. Which Class of Action applies will depend on the scope of your proposed Stage 2 project, but we anticipate that many projects will require greater detail and review for Stage 2 than they did in Stage 1, particularly if they involve construction or the installation of equipment.

- SMART has provided the SMART NEPA Readiness Guidance document to provide more information about NEPA review, what information is required, and how incorporate appropriate timing and process for NEPA review into your project plan. Review this document prior to submitting your application.

5. How should applicants create the new project location file?

- Please refer to the [SMART Grant Application Resources](#) page, where applicants will find a comprehensive guide to creating the project location file under “[Application Preparation Resources](#).”

6. How can a Stage 1 grantee designate a new lead applicant for Stage 2?

If a project has evolved, and a different, eligible entity is a better fit to be the lead applicant for the Stage 2 grant, the Stage 1 SMART grantee must designate the new lead applicant.

Newly designated lead applicants must be eligible based on the same eligibility criteria below:

- a State ;
- a political subdivision of a State ;
- a federally recognized Tribal government;
- a public transit agency or authority;
- a public toll authority;
- a metropolitan planning organization; or
- a group of two or more eligible entities listed above applying through a single lead applicant (Group Application).
- The original Stage 1 SMART grantee must provide a Letter of Designation, endorsing the new lead applicant as the appropriate party to take over the project in Stage 2, and stating the nature of the Stage 1 lead’s continued support and involvement in the project as it is deployed. Please refer to the [SMART Grant Application Resources](#) page, where applicants will find a comprehensive guide to creating a letters of designation under “insert link to template.”
- No more than one letter, up to two pages in length, per application is allowed.

7. What is a Letter of Designation?

- If a project has evolved, and a different, eligible entity is a better fit to be the lead applicant for the Stage 2 grant, the Stage 1 SMART grantee must select a new lead applicant, through a Letter of Designation.
- The original Stage One SMART grantee must provide a Letter of Designation, endorsing the new lead applicant as the appropriate party to take over the project in Stage Two, and

stating the nature of the Stage One lead's continued support and involvement in the project as it is deployed.

- Please refer to the [SMART Grant Application Resources](#) page, where applicants will find a comprehensive guide to creating a letters of designation under "insert link to template."
- No more than one letter, up to two pages in length, per application is allowed.

8. What is the difference between Letters of Commitment and Letters of Support?

- Letters of Commitment are OPTIONAL statements describing commitments from a critical project partner. Critical project partners may include non-profit organizations, state and local agencies, private sector organizations, utility providers, universities and other educational institutions. Commitments may include financial support, technical assistance, independent evaluation processes, training programs, research collaborations, or policy changes. Letters of Commitment should be 2 pages or less, describe specific, measurable commitments, and explain the tangible benefits that will be generated by the commitment. Please refer to the [SMART Grant Application Resources](#) page, where applicants will find a comprehensive guide to creating letters of commitment under "[SMART Letter\(s\) of Commitment Template.](#)"
- Letters of Support are NOT REQUIRED endorsement letters from entities and individuals not involved directly in the project. Only members of Congress are accepted. A member of Congress may email a Letter of Support to USDOT's Office of Government Affairs at OSTGovAffairs@dot.gov. The sender should copy smart@dot.gov on the email. The letter should be addressed to the U.S. Secretary of Transportation.