

Analysis

Oregon Department of Transportation

Infrastructure for Rebuilding America Grant

Analyst: Gregory Jolivette

Request: Approve the submission of a federal grant application to the United States Department of Transportation (US ODOT) in the amount of \$223,708,790 for congestion relief projects.

Analysis: The Infrastructure for Rebuilding America (INFRA) program provides dedicated, discretionary funding for projects that address critical issues facing the nation's highways and bridges. In the December 2018 Notice of Funding Opportunity related to this grant, the federal administration indicated it is especially focused on projects in which the local sponsor is significantly invested and is positioned to proceed rapidly to construction.

ODOT application seeks \$223.7 million in INFRA grant money for two projects:

- US 97 Bend North Corridor was identified as a legislative priority in HB 2017 and aims to relieve congestion on a six-mile stretch of the US 97 Corridor in the Bend area. The project's total estimated cost of \$170.6 million would also be supported by state, local and private funds.
- I-205 Abernathy Bridge Freight Reliability and Seismic Enhancement project is a seismic retrofit of the Abernathy Bridge, reorganization of on/off ramps, construction of new auxiliary lanes, and other treatments to reduce congestion on I-205 in Clackamas County. The project's total estimated cost of \$261.4 million would also be supported by state and local funds.

If the grant is awarded, other projects currently in the Statewide Transportation Improvement Plan would likely be delayed to free up over \$60 million of the \$113.1 million proposed for the state match.

Legislative Fiscal Office Recommendation: The Legislative Fiscal Office recommends approval of the request to apply for a federal grant from the United States Department of Transportation.

Oregon Department of Transportation

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Request: Authorization to apply for a \$223,708,790 federal grant under the United States Department of Transportation's Infrastructure for Rebuilding America (INFRA) 2019 discretionary grant program.

Recommendation: Approve the request.

Discussion: The Infrastructure for Rebuilding America grant program is a competitive federal discretionary grant program specifically designed to alleviate congestion and promote freight mobility. The notice of the funding opportunity was published on December 21, 2018. Applications are due March 4, 2019.

There are a range of project types eligible for INFRA funding, which include both project development and construction activities. In total, \$4.5 billion in INFRA funding was made available by the FAST Act over the course of federal fiscal years 2016 – 2020. Grants are awarded on a competitive basis to states, tribes and local governments. The bulk of the program is designed to fund freight related projects over \$100 million total cost.

Competitive projects will meet with program goals of supporting economic vitality, leveraging federal funding, use of innovation, safety and accountability. The Oregon Department of Transportation has identified two separate highway projects meeting the competitive requirements of the INFRA grant.

The two projects are:

1. US 97 Bend North Corridor Project = \$170,607,305 total project cost.
2. Interstate 205: Abernethy Bridge Freight Reliability and Seismic Enhancement Project = \$261,397,984 total project cost.

State match would be required for both projects. For the US 97 project, matching funds would come from House Bill 2017 (2017) earmarked funding for US 97 and for the I-205 Abernethy Bridge, matching funds would come from the Statewide Transportation Improvement Program.



Oregon

Kate Brown, Governor

February 18, 2019

The Honorable Senator Betsy Johnson, Co-Chair
The Honorable Senator Elizabeth Steiner-Hayward
The Honorable Representative Dan Rayfield, Co-Chair
Joint Committee on Ways and Means
900 Court Street NE
H-178 State Capitol
Salem, OR 97301-4048

Dear Co-Chairpersons:

NATURE OF THE REQUEST

The Oregon Department of Transportation (ODOT) requests approval to apply for \$223,708,790 in federal surface transportation funding under the United States Department of Transportation's (US DOT) Infrastructure for Rebuilding America (INFRA) 2019 discretionary grant program.

BACKGROUND

The Infrastructure for Rebuilding America (INFRA) grant program is a competitive federal discretionary grant program specifically designed to alleviate congestion and promote freight mobility. In total, \$4.5 billion in INFRA funding was made available by the FAST Act over the course of federal fiscal years 2016-2020, averaging \$900 million each year. Grants are awarded on a competitive basis to states, tribes, and local governments. The bulk of the program is designed to fund freight related projects over \$100 million in total cost. Each year, ten percent of INFRA funds are reserved for projects smaller than \$100 million, and 25 percent of funds are reserved for projects in rural areas. Roughly 11 percent of funds over the five year life of the program are reserved for multimodal freight projects.

A range of project types are eligible for INFRA funding, including both project development and construction activities. Competitive projects will meet with program goals of supporting economic vitality, leveraging federal funding, use of innovation, safety, and accountability. Applications are due March 4, 2019. The Notice of Funding Opportunity was published in the Federal Register on December 21, 2018.

The Oregon Department of Transportation (ODOT) has identified two separate highway projects under the agency's jurisdiction that meet the eligibility requirements of the INFRA grant

program, including size and readiness criteria. ODOT has begun preparing grant applications for these three projects in order to acquire additional federal revenues for Oregon's transportation system. The two projects are:

1. US 97 Bend North Corridor Project

Various treatments to relieve congestion on a six mile stretch of the US 97 Corridor in the Bend area.

Total project cost:	\$170,607,305
INFRA Request:	\$66,870,000
State Match:	\$56,900,000
Deschutes County:	\$13,753,305
City of Bend:	\$30,354,000
Private funds:	\$2,730,000

The 2017 Legislature identified \$50 million in funding for US 97 Cooley Road Mid Term Improvements in HB 2017 Section 71d, and the project is planned for construction in 2025. Should the agency be successful in the grant process, we would advance the US 97 Cooley Road project.

2. Interstate 205: Abernethy Bridge Freight Reliability and Seismic Enhancement Project

Seismic retrofit of the Abernethy Bridge, reorganization of on/off ramps, construction of new auxiliary lanes, and other treatments to reduce congestion on I-205 in Clackamas County.

Total project cost:	\$261,397,984
INFRA Request:	\$156,838,790
STIP/MTIP federal:	\$47,379,597
Clackamas County:	\$1,000,000
State match:	\$56,179,597

Should the agency be successful in the grant process, the state match would come from projects canceled or delayed in the Statewide Transportation Improvement Program.

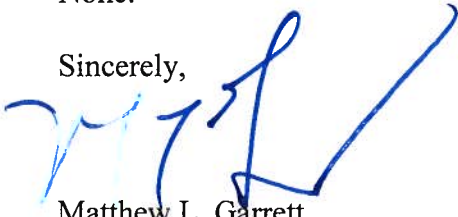
ACTION REQUESTED

Approve ODOT's application for \$223,708,790 in federal surface transportation funding under the United States Department of Transportation's (US DOT) Infrastructure for Rebuilding America 2019 discretionary grant program.

LEGISLATION AFFECTED

None.

Sincerely,

A handwritten signature in blue ink, appearing to read 'M. L. Garrett', is written over the word 'Sincerely,'.

Matthew L. Garrett
Director

