

## ANALYSIS

### Item 40: Oregon Department of Transportation Bus and Bus Facilities Program

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**Analyst:** Michelle Deister

**Request:** Approve the submission of a federal grant application to the Federal Transit Administration in the amount of \$10,727,664 for local bus and bus facilities.

**Analysis:** The Oregon Department of Transportation (ODOT) applies for funding on behalf of smaller or rural, and not-for profit transit providers resources to replace, rehabilitate, and purchase busses or related equipment, or construct related facilities. The grants are competitive and require the localities for whom ODOT applies to provide 20% in matching funds. If awarded, funds will be passed from ODOT through to the local transit provider.

ODOT is applying on behalf 13 entities, as described in the agency's request letter, and each of these entities' projects will be scored and awarded individually. ODOT will administer subrecipient agreements to deliver funds to those specifically awarded projects. Awards contribute to meeting statewide targets for the percentage of transit vehicles that are considered to be in a state of good repair. At present, ODOT reports that 65.9% of transit vehicles are considered to be in good repair.

The grant application is due November 19, 2021.

**Recommendation:** The Legislative Fiscal Office recommends that the Joint Interim Committee on Ways and Means approve the request.

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**Request:** Authorization to apply for a \$10,727,664 grant to assist in financing the Bus and Bus Facilities program from the Federal Highway Administration.

**Recommendation:** Approve the request.

**Discussion:** The Oregon Department of Transportation (ODOT) request to apply for Federal Funds from the Federal Highway Administration (FHA) for the Bus and Bus Facilities Program includes both a formula-based allocation and a competitive grant process. ODOT applies for this grant on behalf of public transit providers. If the grant is fully awarded, the \$2,681,916 in match would be provided by the public transit providers. The grant notification was posted on September 20, 2021, with an application due date of November 19, 2021. The award date for this grant has not been determined.

If awarded, the plan includes the purchase 15 replacement buses and eight expansion buses, the first phase of a transit center in Morrow County, purchase of bus equipment, electric charging infrastructure and funding to address storage and maintenance at multiple facilities. The grant application includes public transit providers in both rural and urban communities.



# Oregon

Kate Brown, Governor

Department of Transportation

Office of the Director

355 Capitol St NE

Salem, OR 97301

October 15, 2021

Senator Elizabeth Steiner Hayward, Co-Chair  
Senator Betsy Johnson, Co-Chair  
Representative Dan Rayfield, Co-Chair  
Interim 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) Public Transportation Division will be requesting permission to apply for the Grants for Bus and Bus Facilities Program for \$13,409,580 (\$10,727,664 in Federal Funds and \$2,681,916 in local matching funds) from the Federal Transit Administration (FTA) at the November 2021 Legislative Days. ODOT regularly applies for this annual grant. ODOT's last successful award was approximately \$1.6 million in Fiscal Year 2019.

## **BACKGROUND**

The Grants for Bus and Bus Facilities Program makes federal resources available to replace, rehabilitate, and purchase buses and related equipment and to construct bus-related facilities. Funding is provided through formula allocation and competitive grants. The national notice of funding opportunity for the federal fiscal year 2021 competitive program was announced on September 20, 2021 for the amount of \$409,590,000. States are eligible to apply on behalf of public transit providers including rural and small urban transit districts, cities, counties, and non-profit transit providers; large urban providers can apply on their own. Local match required for applications is 20%. The grant application is due November 19, 2021.

ODOT solicited potential applications from transit providers on whose behalf we may apply and received a number of proposals. Based on this solicitation, ODOT intends to apply for \$13,409,580 for the following vehicle purchases or replacements and facility projects:

- City of Canby (1 expansion vehicle)
- City of Corvallis (3 replacement vehicles)
- City of Cottage Grove (1 replacement vehicle, 1 expansion vehicle, Mobility Hub site planning)
- City of Pendleton (bus storage facility construction and 1 expansion vehicle)
- City of Sandy (operations and bus storage facility expansion and bus equipment)
- City of Woodburn (1 replacement vehicle)
- Coos County Area Transportation District (1 replacement vehicle and 1 expansion vehicle)
- Cow Creek Band of Umpqua Tribe of Indians (1 expansion vehicle)

- Curry County (3 replacement vehicles)
- Morrow County (phase 1 transit center and bus facility construction)
- South Clackamas Transportation District (2 replacement vehicles)
- Sunset Empire Transportation District (4 replacement vehicles and 1 expansion vehicle)
- Umpqua Public Transportation District (2 electric expansion vehicles and charging infrastructure, and maintenance facility site development)

The grants will fund the purchase of fifteen replacement buses, eight expansion buses, one operations and bus storage facility expansion, one maintenance facility, one bus storage facility, one transit center, bus equipment, electric vehicle charging infrastructure and planning for one mobility hub.

The replacement of older buses decreases the proportion of the statewide transit fleet that exceeds the federal standard for useful life, an ODOT Key Performance Measure. Decreasing the proportion of the statewide transit fleet that exceeds federal useful life standards will also aid in meeting FTA Transit Asset Management goals for Oregon. Additionally projects in this grant application would help to further ODOT's Strategic Action Plan outcomes of improving access to active and public transportation, electrifying Oregon's public transportation system, and achieving sufficient funding for public transportation.

#### **AGENCY ACTION**

ODOT will be requesting permission to apply for \$13,409,580 in FTA Grants for Bus and Bus Facilities Program funds and matching funds during the November 2021 Legislative Days.

Total Project Cost:	\$13,409,580
Grant Request:	\$10,727,664
Matching Funds:	\$ 2,681,916

Local agencies on whose behalf ODOT is applying will provide matching funds.

#### **ACTION REQUESTED**

ODOT requests approval to submit a grant application to the FTA for \$13,409,580 in Grants for Bus and Bus Facilities Program incentive funds and matching funds.

#### **LEGISLATION AFFECTED**

None.

Sincerely,



Kristopher W. Strickler  
Director