

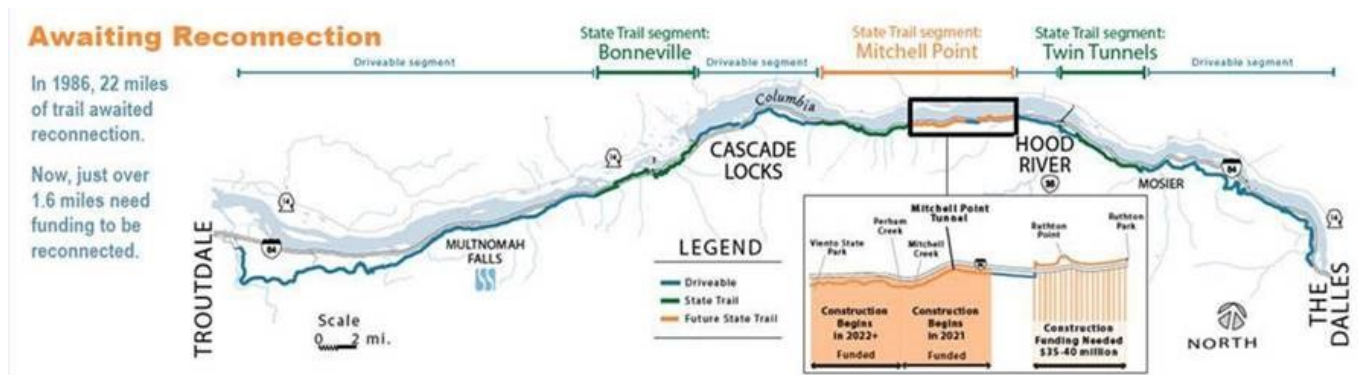
## ANALYSIS

### Item 38: Department of Transportation Significant Federal and Tribal Lands Program

**Analyst:** Michelle Deister

**Request:** Approve, retroactively, the submission of a federal grant application to the Federal Highway Administration's Nationally Significant Federal and Tribal Lands program in the amount of \$40,500,000, to complete construction of the Historic Columbia River Highway State Trail project.

**Analysis:** Due to its location within a National Scenic Area and its cultural and recreational significance, the Historic Columbia River Highway State Trail project is a prime candidate for a grant from the Nationally Significant Federal and Tribal Lands program. If awarded, funds will enable completion of the final portion of the Columbia River Highway State Trail (see graphic, below).



In addition to serving as a bike and pedestrian section of trail, the project has the added benefit of being able to accommodate emergency vehicles in the event of a closure of I-84, thus contributing to the safety of area residents and travelers alike.

The Oregon Department of Transportation (ODOT) intends to meet the grant's 10% match requirement with Region 1 unallocated construction program funds. If the grant is not awarded, ODOT will not have funding to pursue construction for this phase at this time and will seek future grant opportunities.

The Department has applied for this grant on three previous occasions without success but is optimistic that the project's importance has been elevated by representatives in Congress. In addition, the active transportation components and first responder access aspects of the project should help to make the project a more attractive candidate for funding; grant awards may take up to six months. If successful, funds would need to be obligated by September 30, 2024, with a goal of project completion in 2026. The agency would return to the legislature for any necessary expenditure limitation if the grant is awarded.

**Recommendation:** The Legislative Fiscal Office recommends that the Joint Interim Committee on Ways and Means approve, retroactively, the submission of a federal grant application to the Federal Highway Administration's Nationally Significant Federal and Tribal Lands program in the amount of \$40,500,000, to complete construction of the Historic Columbia River Highway State Trail project.

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**Request:** Retroactive authorization to apply for a \$40.5 million National Significant Federal Tribal Lands Program grant from the Federal Highway Administration.

**Recommendation:** Approve the request.

**Discussion:** The Oregon Department of Transportation (ODOT) is requesting retroactive authorization to apply for a \$40.5 million Federal Highway Administration (FHWA) grant. If awarded, ODOT is planning to use the funds on the final five miles of the Historic Columbia River Highway State Trail project. The five-mile stretch includes the Mitchell Point tunnel (currently under construction), east into the City of Hood River and ending at Ruthton Park. The overall historic trail spans from Troutdale to The Dalles, with some segments shared with vehicles, and other segments exclusively used for bicycle and pedestrian purposes.

The total project cost for this five-mile stretch is \$45,000,000 with Federal Funds from this grant accounting for 90% of the project (\$40,500,000) and the 10% minimum match (\$4,500,000) coming from the State Highway Fund. FHWA has allotted \$100 million in federal funding for this grant program. The grant notification was posted on October 20, 2021 and the application due date is January 7, 2022. ODOT submitted a 10-day notification letter on December 3, 2021. If awarded, ODOT expects to receive notification sometime during the Summer of 2022.

Per the Department's request, the completed portions of the state trail have attracted more than \$21 million in recreational activities and tourism spending throughout the Columbia River Gorge communities. The Historic Columbia River Highway is 73 miles long, which includes 22 miles of Historic Highway State Trail. Some of the first portions of the trail became open to the public in 1996. In February 2014, the Oregon Transportation Commission adopted a resolution supporting the completion of the Historic Columbia River Highway State Trail. Recently, the Wyeth-Lindsay Creek portion of the trail was completed in 2019. Mitchell Point started construction in 2021 and Viento-Mitchel Point will start construction in 2022.

The state trail project also provides an emergency route alternative to Interstate-84. It allows emergency vehicles to travel to locations within the Gorge communities when Interstate-84 is closed.



# Oregon

Kate Brown, Governor

Department of Transportation

Office of the Director

355 Capitol St NE

Salem, OR 97301

December 3, 2021

Senator Peter Courtney, Co-Chair  
Representative Tina Kotek, Co-Chair  
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), Delivery and Operations Division requests permission to apply for a Nationally Significant Federal and Tribal Lands Program grant from the Federal Highway Administration (FHWA) for \$45,000,000, comprised of \$40,500,000 in federal grant funds and \$4,500,000 in matching funds from the State Highway Fund, for an off-Interstate connection between Gorge Communities as well as an emergency route alternative that will allow emergency vehicles to travel to locations within the Gorge if I-84 is closed.

## **BACKGROUND**

The FHWA has allocated \$100 million for this grant program to provide funding for the construction, reconstruction, and rehabilitation of nationally-significant projects within, adjacent to, or accessing Federal and tribal lands. The Program provides an opportunity to address significant challenges across the nation for transportation facilities that serve Federal and tribal lands. Grant funds can be used for construction and construction engineering of a continuous project. Federal funds can be used for up to 90% of project costs, and there is a minimum 10% match requirement. This year's Notice of Funding Opportunity was published on October 20, 2021, and the application is due on January 7, 2022. The award date has not been announced, but it is anticipated to be in the summer of 2022. ODOT has identified a project that meets program criteria.

The Historic Columbia River Highway State Trail project is an excellent candidate for the Nationally Significant Federal and Tribal Lands Program, as it provides bicycle and pedestrian access to nationally significant lands in the Columbia River Gorge National Scenic Area. The National Scenic Area federal legislation passed by the U.S. Congress and signed into law by President Reagan requires the Oregon Department of Transportation to restore and reconnect the Historic Columbia River Highway as a state trail. The State Trail is also included in the National Scenic Area Management Plan. In ORS 366.552 the Oregon Legislature directed ODOT and OPRD to work to preserve and reconnect the Historic Columbia River Highway and the State Trail. On February 20, 2014, the Oregon Transportation Commission adopted a resolution supporting the completion of the Historic Columbia River Highway State Trail Project.

The Historic Columbia River Highway spans 73 miles between Troutdale and The Dalles, with some segments shared with vehicles, and some exclusively bicycle and pedestrian trail. There are 22 miles of bicycle and pedestrian segments of the Historic Highway State Trail, with less than five miles left to construct before the Historic Highway is completely reconnected. The final gap is between the Mitchell Point Tunnel (under construction today), east into the City of Hood River, ending at Ruthton Park.

This project provides an off-Interstate connection between Gorge Communities, and also provides an emergency route alternative to the Interstate in the event of a shut-down, allowing emergency vehicles to travel to locations within the Gorge if I-84 is closed, which has happened a number of times in the past three years due to inclement weather, fires, and other emergencies. We are utilizing momentum from successful trail segment completions: Wyeth-Lindsey Creek opened in August 2019, Mitchell Point started construction in 2021, and Viento-Mitchell Point will start construction in 2022.

All users and communities in the Gorge will benefit. The State Trail helps bring tourists from around the world to the Gorge, creating economic opportunities for its communities. According to a study by Dean Runyan commissioned by Travel Oregon in 2013, recreational bicycle trips generated over \$21 million in visitor spending in the communities located in the Columbia River Gorge, and when complete, the State Trail will attract even more recreational cyclists, hikers, and rollers, resulting in even more spending and economic development within the Gorge.

In an area with limited transportation options, those who are unwilling or unable to travel on I-84 will now have an off-Interstate option to travel through the Gorge on Oregon's side of the Columbia River. Cyclists and other recreational users benefit from a separated facility to experience the views and beauty of the Gorge, while the traveling public will benefit from the safety of the rockfall mitigation completed by this project and the physical separation from cyclists on the I-84 shoulder. ODOT has an existing Memorandum of Understanding (MOU) with Oregon Parks and Recreation Department (OPRD) for the day-to-day maintenance and operation of the State Trail and associated trailheads. ODOT is only responsible for structures and large emergency maintenance events that ORPD is unable to address.

Total Project Cost:	\$45,000,000
Grant Request:	\$40,500,000
Matching Funds:	\$ 4,500,000

Matching funds will come from State Highway funds from unallocated funds in Region 1's construction program.

#### **AGENCY ACTION**

ODOT is preparing an application for \$45,000,000 in Nationally Significant Federal and Tribal Lands Program funds and matching funds.

#### **ACTION REQUESTED**

ODOT requests approval to submit a grant application to the Federal Highway Administration for \$45,000,000 in Nationally Significant Federal and Tribal Lands Program funds and matching funds. If this grant is awarded to ODOT, a limitation increase may be needed.

#### **LEGISLATION AFFECTED**

The limitation increase will affect Chapter 442, Section 2(7), Oregon Law 2021.

Sincerely



Kristopher W. Strickler  
Director