

ANALYSIS

Item 42: Department of Transportation Columbia River Highway Trail

Analyst: Michelle Deister

Request: Approve an application by the Oregon Department of Transportation to apply to the U.S. Department of Commerce Economic Development Administration for a \$774,000 grant for maintenance facility upgrades and accommodations maintained by the Oregon Parks and Recreation Department.

Analysis: The Oregon Department of Transportation (ODOT) is applying for funds to upgrade a park maintenance station and visitor facilities along a segment of the Columbia River Gorge Highway State Trail, a 73 mile stretch of the Historic Columbia River Scenic Highway. ODOT has been working to preserve and reconnect the Historic Columbia River Highway and the Historic Columbia River Highway State Trails for pedestrians, hikers, and cyclists since the National Scenic Act was adopted by the Oregon Legislature as a priority in 1987. This is a 30-year ongoing program that has resulted in key investments over the years, and for which over \$100 million has been obligated to date, from Transportation Enhancement Funds, Forest Highway funds, Oregon Transportation Commission discretionary funding and federal grant funds. Sixty-eight of the original 73 miles of the historic Columbia River Highway are now open to travel either by motor vehicle (Historic Highway or connecting county roads) or by foot and bicycle (State Trail). The section of State Trail related to this grant request consists of a five mile stretch of the project connecting the western segments of State Trail to Hood River and The Dalles.

As work makes the areas more accessible to users, increased visitation is expected, and upgrades and improvements will be needed to accommodate the new visitors. This grant provides the opportunity to leverage federal funding to stretch facility funds for the Oregon Parks and Recreation Department (OPRD) and ODOT. ODOT's previous award of a Federal Lands Access Program grant for a portion of the Historic Columbia River Highway State Trail expansion has proven insufficient to cover all elements of the original project scope, which included improvements to Viento State Park to accommodate visitors. If awarded, this grant will allow for more of the original project scope to be realized and allow ODOT to utilize its existing resources to complete other elements of the trail project between Viento State Park and Mitchell Point Tunnel. OPRD is supplying a 20% match in the amount of \$194,000 from Facility Investment Program funds. This arrangement will be facilitated by either a memorandum of understanding or an interagency agreement between ODOT and OPRD. OPRD will pass the match through to ODOT, who will contract for improvements detailed in the agency's request letter; ODOT is also responsible for reporting and compliance.

The grant application is due no later than January 31, 2022. ODOT anticipates an announcement regarding the grant by late spring of 2022. Funds must be obligated by September 2022 and expended by September 30, 2027. ODOT is targeting the year 2024 for completion of the facility and park improvements.

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

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Oregon Department of Transportation
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Request: Authorization to apply for a Federal American Rescue Plan Act Travel, Tourism and Outdoor Recreation Competitive Tourism grant from the U.S. Department of Commerce Economic Development Administration.

Recommendation: Approve the request.

Discussion: The Oregon Department of Transportation's (ODOT) request to apply for the U.S. Department of Commerce Economic Development Administration (EDA) grant would supplement funding already awarded by the Federal Highway Administration (FHWA), Federal Lands Access Program to address restoration of the 73-mile Historic Columbia River Highway in the Columbia River Gorge National Scenic Area. The grant would be used to make improvements at the Viento State Park area. If awarded, most of the investments would go to replacing restrooms, upgrade parking, campground site improvements, Oregon Parks and Recreation Department (OPRD) maintenance facilities, and other smaller related ODOT improvements in the same scenic area. This proposed work would be performed within the 2.7 mile stretch of the Mitchell Point State Trail section.

The grant application is due prior to January 31, 2022 and is expected to be awarded prior to the Summer of 2022. The federal grant amount would be \$774,000 with a \$194,000 Other Funds state match coming from OPRD Facility Investment Program funds since the investments are being made to OPRD facilities. If a lesser amount is awarded, OPRD would be responsible for a 20% match. The grant funding must be obligated by ODOT no later than September 2022. Funding obligations between OPRD and ODOT would come in the form of an inter-agency agreement or a memorandum of understanding. ODOT will have until September 30, 2027 to fully expend the funds, however ODOT anticipates this portion of investments will be completed during 2024. Work is anticipated to commence during the Summer of 2022.

All work being performed on the Historic Columbia River Highway State Trail originally commenced in 1987, when the Oregon Legislature adopted the federal 1986 National Scenic Area Act. Since 1987, ODOT has made over \$100 million total funds of investment on this historic highway trail.



Oregon

Kate Brown, Governor

Department of Transportation

Office of the Director

355 Capitol St NE

Salem, OR 97301

December 6, 2021

Senator Elizabeth Steiner Hayward, 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-Chairs:

NATURE OF THE REQUEST

The Oregon Department of Transportation (ODOT), Delivery and Operations Division requests permission to apply for the American Rescue Plan Act Travel, Tourism, and Outdoor Recreation Competitive Tourism Grant from the U.S. Department of Commerce Economic Development Administration (EDA). This grant application requests funding to supplement already-awarded Federal Highway Administration (FHWA) Federal Lands Access Program (FLAP) funding ODOT secured to expand the Historic Columbia River Highway State Trail in the Columbia River Gorge National Scenic Area. Funding from EDA will be used for a restroom replacement, upgrades to an Oregon Parks and Recreation Department (OPRD) maintenance facility, and other improvements associated with ODOT's project. The grant request will be for \$968,000 consisting of \$774,000 in federal funds and \$194,000 in matching state OPRD Facility Investment Program funds. OPRD is providing the matching funds because the grant will improve OPRD facilities.

BACKGROUND

The EDA competitive Travel, Tourism, and Outdoor Recreation grants assist communities and regions in recovery from the coronavirus pandemic's significant negative impact on the travel, tourism, and outdoor recreation sectors. Funding provides financial assistance to communities and regions to rebuild and strengthen the travel, tourism, and outdoor recreation industry through various infrastructure projects. ODOT in collaboration with OPRD has identified a project that meets program criteria.

AGENCY ACTION

The Historic Columbia River Highway State Trail (HCRHST) is an economic development priority for the Gorge Community, and it is a priority in the Mid-Columbia Economic Development District's Comprehensive Economic Development Strategy. 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.

The 1986 National Scenic Area Act for the Columbia River Gorge includes the 73-mile Historic Highway State Trail as a priority to support the two goals of the management of the Scenic Area: protect and enhance natural and scenic resources and protect and support the

economy of the Columbia River Gorge area. In ORS 366.552 (1989) the Oregon Legislature directed ODOT and OPRD to work to preserve and reconnect the Historic Columbia River Highway and the State Trail. In 2014, OPRD and ODOT signed an MOU which formalized the maintenance agreement between ODOT and OPRD. Under this agreement, ODOT is to “assist OPRD, where possible, in acquiring increased State Trail maintenance funds as new trail segments are completed, and the overall size of the State Trail recreation facility increases.” ODOT’s submission of the EDA grant is a demonstration of the agency’s collaborative work with OPRD maintenance staff to maintain the State Trail.

Funding from an EDA grant will help construct the following facilities at Viento State Park:

- separate access to the OPRD Maintenance Facility from portions of the trail;
- improve the layout of the South Viento State Park Campground, add a restroom facility, add paved back-in vehicular parking spaces, and add a campground host site;
- improve the existing OPRD Maintenance Facility with grading, paving, existing structure improvements and expansion, fencing, and vegetative screening from the new trail section;
- construct a low-impact gravel trail and low-impact hiker/biker gravel pads south of the South Viento State Park Campground, including removing and revegetating existing user-created trails, installing bike pods, and constructing three-sided shelters in four of the eight proposed hiker/biker gravel pads; and
- install a new information kiosk at the entrance to the campground.

Many of these upgrades would not be necessary if not for the State Trail project passing through the campground site. The current restroom at the campground will not be adequate for the additional through-users anticipated from the State Trail, and there are conflicts with the current access to the maintenance facility that will need to be addressed as part of the trail alignment. The information kiosk and expanded hiker/biker facilities will directly benefit trail users, and are not necessary if the State Trail does not expand through this area.

ODOT has received a FLAP grant for a project to expand the Historic Columbia River Highway State Trail between Viento State Park and Mitchell Point Tunnel. This project was intended to cover the work in Viento State Park, but the available funding is not adequate to cover all elements of the original project scope. Without the EDA funding, ODOT will use already-awarded FLAP funding to complete the upgrades at the Viento State Park site, and will need to look for additional funding to complete this segment of the Historic Highway State Trail. Securing EDA funding will help free up money for other unfunded elements of the Historic Highway State Trail project between Viento State Park and Mitchell Point Tunnel.

These expanded facilities will provide user fees for OPRD to accommodate through-cyclists on the Historic Highway State Trail, as well as continue to be a partner in the day-to-day maintenance and operations of the State Trail with an expanded facility. This supports the goals of the EDA grant to help the region recover from the pandemic’s impact to the outdoor recreation facilities in the Gorge, provide additional amenities to accommodate the increase in users, and support ODOT’s larger State Trail reconnection project already funded largely through FLAP funds.

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EDA strongly advises applicants to submit complete applications no later than January 31, 2022, and ODOT anticipates submitting an application by this date. Notification of awards will likely occur in spring of 2022.

Total Project Cost: \$968,000
Grant Request: \$774,000
Matching Funds: \$194,000

A 20 percent match is required, which will come from OPRD's Facility Investment Program (FIP). FIP funds are used for both preventative and capital improvement projects for existing facilities and systems. Matching funds directed to this grant would have otherwise been used to maintain these aging facilities. This grant provides an opportunity to leverage federal funding to stretch facility funds for OPRD.

ACTION REQUESTED

ODOT requests approval to submit a grant application to EDA for \$968,000 in American Rescue Plan Act Travel, Tourism, and Outdoor Recreation Competitive Tourism Grant incentive funds and matching funds.

LEGISLATION AFFECTED

None.

Sincerely,



Kristopher W. Strickler
Director



Oregon

Kate Brown, Governor

Parks and Recreation Department

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December 2, 2021

Economic Development Administration
United States Department of Commerce
1401 Constitution Avenue, NW
Suite 71014
Washington, DC 20230

Re: Support of Joint Oregon Department of Transportation and Oregon Parks and Recreation Department Grant Application

Dear Program Administrators,

I am providing this letter on behalf of Oregon Parks and Recreation Department to express our support for the proposal to request grant funding to address funding constraints for the Viento to Mitchell Point segment of the Historic Columbia River Highway State Trail. The EDA grant will support upgrades to Viento State Park related to state trail activities and will provide upgraded facilities to allow OPRD to continue to maintain the State Trail. If it were not for the State Trail project, the upgrades at the Viento restroom and maintenance facility are not needed. This funding opportunity will help Oregon achieve the vision intended for this trail and transportation access to communities along the Historic Columbia River Highway.

Oregon Parks and Recreation Department appreciates the support of our primary partner, ODOT, in these matters. Currently, staff limitations caused by COVID layoffs reduces our capacity to apply for grant applications. For over twenty years ODOT has been the primary state agency on this trail project, leading design, grant applications, and National Scenic Area permits, and OPRD has played a support role. OPRD supports this grant application to upgrade park facilities in Viento State Park, as the upgrades directly relate to the State Trail construction impacts. This collaborative relationship has helped build a cohesive State Trail over the past thirty years, and together, we have made significant progress to close major gaps, beautify the area, increase access for people walking and biking, and incorporate facilities for ADA while elevating the aesthetic and operational integrity of the highway and trail.

The impressive ongoing effort among local and state agencies to coordinate reconstruct the highway and trail by Oregon State Parks, the Oregon Department of Transportation, Travel Oregon, the US Forest Service, multiple counties, and passionate community stakeholders and groups to inform the direction of these projects which in many ways have been regarded as an engineering marvel, vital connection to nature and people, and catalysts for economic growth. I look forward to continuing to work with ODOT as they construct the final segment of this world-class destination, and managing a fully complete Historic Highway State Trail.

Lisa Sumption
OPRD Director