

## ANALYSIS

### Item 39: Department of Transportation Bikeshare

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**Analyst:** Michelle Deister

**Request:** Approve the submission of a federal grant application to the U.S. Department of Transportation in the amount of \$2,000,000 for integrated planning for local and intra-city transit with shared mobility modes.

**Analysis:** The Oregon Department of Transportation (ODOT) is applying for a Strengthening Mobility and Revolutionizing Transportation (SMART) Stage 1 Planning and Prototyping Grant to explore how to integrate shared mobility modes - such as bike and scooter sharing - with other mobility modes to ensure a unified transit system for users. The grant will help recipients develop affordable, user-friendly mobility options that can be integrated with public transit, with the goal of providing door to door transit while reducing reliance on internal combustion personal automobiles.

If awarded, the grant will be used by ODOT and the City of Eugene to plan and deploy an app-based platform that integrates trip planning and payment across multiple providers, specifically Lane Transit District and Cascadia Mobility's PeaceHealth Rides bike sharing service in and around the Eugene/Springfield area. If the project proves successful, the technology can be replicated, scaled, and shared in other cities with additional mobility partners, which could be funded through a subsequent grant award. Grant applications are due October 10, 2023. No matching funds are required.

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

**Request:** Authorization to apply for a grant of \$2.0 million for exploring the opportunity to integrate local and intra-city transit with other shared mobility modes of transportation to reduce the use of fossil fuel vehicles from the U.S. Department of Transportation.

**Recommendation:** Approve the request.

**Discussion:** The Oregon Department of Transportation (ODOT) is requesting authorization to apply for a Strengthening Mobility and Revolutionizing Transportation (SMART) federal grant from the U.S. Department of Transportation, which would allow ODOT to explore what it would take to integrate transit with other shared modes of transportation and support car-free mobility in medium-sized markets. The SMART grant program consists of multiple stages. To be eligible for future grant opportunities within this SMART grant program, applicants must participate in the Stage 1 Planning and Prototyping phase of the grant. Each accepted applicant would receive up to \$2.0 million in federal funding for the first stage of the program, with no state match requirements.

ODOT's Public Transportation Division wants to study the integration of local and intra-city transit with other shared mobility modes of transportation, including bikeshare/e-bikeshare, in a unified public transportation system providing users with a simple suite of options to meet their mobility needs. ODOT's grant application proposes to convene transit operators throughout the state along with shared mobility providers and software and hardware providers, to plan for and prototype an integrated public transportation system. If awarded, ODOT will have 18-months to assess the feasibility of an integrated system and can determine whether to pursue a Stage 2 Implementation Grant.

The U.S. Department of Transportation published the SMART grant notification on August 8, 2023, with an application due date of October 10, 2023. The grant award date for accepted applicants has yet to be announced. If awarded, ODOT may need to return to a future meeting to request an increase in Other Funds expenditure limitation.



# Oregon

Tina Kotek, Governor

Department of Transportation

Director's Office

355 Capitol St. NE, MS 11

Salem, OR 97301

August 21, 2023

Senator Elizabeth Steiner, Co-Chair  
Representative Tawna Sanchez, Co-Chair  
Joint Interim 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) Public Transportation Division, requests permission to apply for a Strengthening Mobility and Revolutionizing Transportation (SMART) Stage 1 Planning and Prototyping grant for \$2 million from the US Department of Transportation (USDOT).

## AGENCY ACTION

On August 8, 2023, USDOT opened applications for FY23 SMART Planning and Prototyping grants, a program that was established to provide grants to eligible public sector agencies to conduct demonstration projects focused on advanced smart community technologies and systems and improve transportation efficiency and safety. The Strengthening Mobility and Revolutionizing Transportation Grants Program, established by the Bipartisan Infrastructure Law, provides \$500 million in grant funding over a period of five years to eligible applicants. These applicants include but are not limited to cities, local governments, state governments, and Tribes.

ODOT has applied for this grant in the past and has been anticipating the 2023 notice of funding opportunity (NOFO). Applications are due on October 10, 2023, and the expected award date has yet to be determined.

The SMART Grants Program is divided into two stages: Stage 1 Planning and Prototyping Grants and Stage 2 Implementation Grants. Only recipients of Stage 1 grants are eligible to apply for Stage 2 grants. US DOT anticipates funding Stage 1 projects of up to \$2 million per project, and up to \$15 million per project for Stage 2. The program is structured to enable Stage 1 recipients to build internal support, establish partnerships, and refine concepts before implementation.

USDOT has made \$100 million available for Stage 1 Planning and Prototyping Grants for fiscal year 2023, with a maximum award amount of \$2 million and a minimum of \$250,000. **There is no match requirement for Stage 1 Planning and Prototyping Grants.**

ODOT is seeking a Stage 1 Planning and Prototyping Grant to explore the opportunity to integrate local and intra-city transit with other shared mobility modes, including bikeshare/e-bikeshare, in a unified public transportation system that provides users with a simple suite of options to meet their mobility needs. There has been significant growth in bikeshare/e-bikeshare and e-scootershare systems in recent years, but these systems are typically not integrated with transit, requiring users to research, register for, book and purchase trips separately. Furthermore, the majority of these systems are run by for-profit operators, which come and go due to high market volatility. This project will help ODOT reduce greenhouse gas emissions from transportation by developing user-friendly, affordable options to get door to door within a city, or from one city to another, without using an internal combustion personal automobile.

The USDOT SMART Grant provides ODOT with an opportunity to pursue an in-depth exploration of what it would take to integrate transit with other shared modes and support car-free mobility in medium-sized markets. ODOT's grant application proposes to convene transit operators throughout the state along with shared mobility providers, and software and hardware providers, to plan for and prototype an integrated public transportation system. Utilizing Stage 1 grant funds, ODOT will explore the feasibility and technology platforms of integrating payments, real-time data, and system operations to enable a more seamless, efficient, and convenient experience for users. At the conclusion of the 18-month Stage 1 Grant, ODOT will be better positioned to assess the feasibility of an integrated system and can determine whether to pursue a Stage 2 Implementation Grant.

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|---------------------|----------------------|
| Grant Request:      | \$2,000,000          |
| Matching Funds:     | <u>          \$0</u> |
| Total Project Cost: | \$2,000,000          |

There is no match requirement for a Stage 1 Planning and Prototyping Grant. ODOT does not anticipate the need to bring on additional limited or full-time employees if ODOT is awarded the grant, however, ODOT may need to return for additional Other Fund Expenditure limitation.

**ACTION REQUESTED**

ODOT requests approval to submit a grant application to USDOT for \$2 million in Strengthening Mobility and Revolutionizing Transportation (SMART) Stage 1 Planning and Prototyping grant funds.

**LEGISLATION AFFECTED**

None.

Sincerely,



Kristopher W. Strickler  
Director